

**NAPA COUNTY  
REGIONAL PARK AND OPEN SPACE DISTRICT**

**FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITOR'S REPORT**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2022**

**NAPA COUNTY  
REGIONAL PARK AND OPEN SPACE DISTRICT  
JUNE 30, 2022**

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## **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

To the Honorable Members  
of the Board of Directors  
Napa County Regional Park and Open Space District  
Napa, California

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities and major fund of the Napa County Regional Park and Open District (the District), as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the District, as of June 30, 2022, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4–8 and 21–22 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Schedule of Revenues and Expenditures by Division on pages 23–26 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from

and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Revenues and Expenditures by Division is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 3, 2023, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's 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.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

A handwritten signature in blue ink that reads "Brown Armstrong Accountancy Corporation". The signature is written in a cursive, flowing style.

Bakersfield, California  
January 3, 2023

**NAPA COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

The Napa County Regional Park and Open Space District (the District) was formed on December 12, 2006, when the County of Napa (the County) Board of Supervisors certified that the voters had approved its formation at the election on November 7, 2006. The purpose of the District is to plan, improve, and operate a system of public parks, trails, outdoor recreational facilities, and outdoor science and conservation education programs, as well as to protect and preserve natural areas, wildlife habitat, and other open space resources.

As management of the District, we offer readers of our financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2022. Please read it in conjunction with the District's financial statements, which follow this section.

**FINANCIAL HIGHLIGHTS**

- The District ended the fiscal year with a fund balance of \$2,251,438, an increase of \$513,419 from the prior year. Of that amount, \$143,716 is committed for future capital replacement at Moore Creek, \$201,390 is restricted for future expenditures at Suscol Headwaters, and \$780,052 is restricted for future expenditures at the State Parks, leaving \$1,126,280 available for general District operations.
- The County continued its support for the District's operations and projects, granting funds from its Transient Occupancy Tax in the amount of \$756,763.
- Program revenues (camping fees, day use fees, and rental income) were \$849,964, which covers approximately 53% percent of District expenses for the fiscal year. Since the formation of the District in 2006, the District has matched County grant support with other sources of support (grants, gifts, direct and indirect donations, and volunteer labor) at a ratio of 2.6 to 1.
- The District completed its tenth full year of operation of Bothe-Napa Valley State Park and the Bale Grist Mill State Historic Park, with a sizable fund balance.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The Statement of Net Position; Governmental Fund Balance Sheet; Statement of Activities; and Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide information about the activities of the District. The basic financial statements also include various footnote disclosures, which further describe the District's activities.

Government-Wide Statements

The *Government-Wide Financial Statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private sector business.

The *Statement of Net Position* presents information on all of the District's assets and liabilities, with the difference between the two reported as *net position*.

The *Statement of Activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in the Statement of Activities for some items that will only result in cash flows in future fiscal periods.

## Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund financial statements report essentially the same functions as those reported in the government-wide financial statements. However, unlike the government-wide financial statements, fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented. Both the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate the comparison between governmental funds and government-wide statements.

## Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

## Required Supplementary Information (RSI)

RSI is presented concerning the District's General Fund budgetary schedule. The District adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with this budget.

## Supplementary Information (SI)

SI is presented for additional information on the breakout of revenues and expenditures by Division for the District.



## FINANCIAL ANALYSIS OF THE DISTRICT

### Net Position

A summary of the District's Statement of Net Position is as follows:

#### Condensed Statement of Net Position As of June 30

	<u>2022</u>	<u>2021</u>	Increase (Decrease) %	Increase (Decrease) \$
<b>Assets</b>				
Current assets	\$ 2,311,277	\$ 1,789,119	29.2%	\$ 522,158
Noncurrent assets	<u>14,785,894</u>	<u>14,797,896</u>	<u>-0.1%</u>	<u>(12,002)</u>
<b>Total Assets</b>	<u>17,097,171</u>	<u>16,587,015</u>	<u>3.1%</u>	<u>510,156</u>
<b>Liabilities</b>				
Current liabilities	76,242	51,099	49.2%	25,143
Noncurrent liabilities	<u>17,479</u>	<u>31,300</u>	<u>-44.2%</u>	<u>(13,821)</u>
<b>Total Liabilities</b>	<u>93,721</u>	<u>82,399</u>	<u>13.7%</u>	<u>11,322</u>
<b>Net Position</b>				
Net investment in capital assets	14,785,894	14,797,896	-0.1%	(12,002)
Restricted	981,442	800,056	22.7%	181,386
Unrestricted	<u>1,236,114</u>	<u>906,664</u>	<u>36.3%</u>	<u>329,450</u>
<b>Total Net Position</b>	<u>\$ 17,003,450</u>	<u>\$ 16,504,616</u>	<u>3.0%</u>	<u>\$ 498,834</u>

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$17,003,450 as of June 30, 2022, due primarily to purchased and donated land and buildings over the past years.

Cash and investments are maintained in the County's cash and investment pool where interest earned on the District's balance is apportioned to the District.

## **Statement of Activities**

A summary of the District's Statement of Activities, recapping the District's revenues earned during the fiscal year ended June 30, 2022, and the expenses incurred, is as follows:

### **Condensed Statement of Activities For the Fiscal Years Ended June 30**

	2022	2021	Increase (Decrease) %	Increase (Decrease) \$
<b>Revenues</b>				
Operating grants	\$ 1,129,423	\$ 1,436,280	-21.4%	\$ (306,857)
Concessions	796,242	489,863	62.5%	306,379
Court fines	5,000	-	100.0%	5,000
Donations and contributions	97,028	57,519	68.7%	39,509
Rents	53,722	55,523	-3.2%	(1,801)
Interest	18,258	23,771	-23.2%	(5,513)
<b>Total Revenues</b>	<b>2,099,673</b>	<b>2,062,956</b>	<b>1.8%</b>	<b>36,717</b>
<b>Expenses</b>				
Parks and recreation	1,600,839	1,603,397	-0.2%	(2,558)
<b>Total Expenses</b>	<b>1,600,839</b>	<b>1,603,397</b>	<b>-0.2%</b>	<b>(2,558)</b>
<b>Change in Net Position</b>	<b>498,834</b>	<b>459,559</b>	<b>8.5%</b>	<b>39,275</b>
<b>Net Position, Beginning of Year</b>	<b>16,504,616</b>	<b>16,045,057</b>	<b>2.9%</b>	<b>459,559</b>
<b>Net Position, End of Year</b>	<b>\$ 17,003,450</b>	<b>\$ 16,504,616</b>	<b>3.0%</b>	<b>\$ 498,834</b>

## **Financial Analysis of the District's Governmental Fund**

As noted earlier, fund accounting is used by the District to ensure and demonstrate compliance with finance-related legal requirements.

The District ended the year with a fund balance of \$2,251,438, an increase of \$513,418 from the prior year. Of that amount, \$1,126,281 is unassigned and available for general District operations.

The increase of the District's fund balance is primarily due to decreased expenses as a result of no acquisition of land.

## **BUDGETARY HIGHLIGHTS**

Total revenues were over final budget by \$545,698, or 35%, and total expenditures were under final budget by \$316,498, or 16.6%.

Grant revenue was up significantly from the prior year due to a grant received from the State for COVID-19 relief. Concession revenue increased due to the reopening of parks having been previously closed in the last two years as a result of the pandemic and wildfires.

## **CAPITAL ASSETS**

For the fiscal year ended June 30, 2022, the District owned 304 acres of land, known as Berryessa Vista Wilderness Park; 673 acres of land with two residences, known as Moore Creek Park; approximately 2,790 other acres known as Spanish Valley, Crystal Flats, and Stone Corral; 0.2 acres known as the Keene parcel within the Lake Berryessa Estates subdivision; 40 acres along the Oat Hill Mine Trail; 160 acres known as The Cove; 798 acres in the Suscol Headwaters; and 222 acres known as Amy's Grove.

## **DEBT ADMINISTRATION**

For the fiscal year ended June 30, 2022, the District did not have any long-term obligations outstanding.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The District's primary source of revenue for general operations comes via a grant agreement with the County. The County funds this agreement using a portion of its General Fund identified in the County budget as Special Project Funds. Special Project Funds are derived from a portion of the County's Transient Occupancy Tax (TOT), which was increased through voter approval in 2002 from 10.5 to 12 percent of gross receipts for overnight accommodations provided by facilities operating in the unincorporated parts of the County. The County Board of Supervisors has adopted a policy of allocating 60% of the increased TOT revenues for parks and open space purposes.

For fiscal year 2021-2022, the County agreed to provide the District \$756,763 for operational and other costs. Pursuant to revised County policy, any unused portion of this and prior grants from the County will roll over to the subsequent fiscal year through the end of the current County grant agreement, which runs through June 30, 2023.

The District's second largest source of funding for operations is fee revenues derived from the management of Bothe-Napa Valley State Park and the Bale Grist Mill State Historic Park, supplemented by grants and donations earmarked for these two parks. Separating out costs for capital improvements and major deferred maintenance, which are being funded from grants and donations, the District needs to be able to operate the two parks without outside subsidies. Since the District began operating these two parks in April 2012, revenues have exceeded expenses every year except for fiscal year 2018-2019 and fiscal year 2019-2020, with a cumulative fund balance of \$779,578 as of June 30, 2022. The State Parks subdivision fund balance will be used to address revenue shortfalls due to the Sonoma-Lake-Napa Unit (LNU) and Glass Fires, which caused and continue to cause significant reductions in usage. To the extent the District is able, it will continue to use the fund balance to address deferred maintenance, repair historic cabins, and make other improvements at these two parks plus Robert Louis Stevenson State Park.

The District contracts with the County for much of its professional services and office space, equipment, and supplies. It has no facilities other than land, two residential buildings on that land, and the buildings it operates at Bothe-Napa Valley State Park and the Bale Grist Mill State Historic Park.

## **CONTACTING THE DISTRICT**

These financial statements are designed to provide a general overview of the Napa County Regional Park and Open Space District finances for all those interested. The County of Napa provides certain management and administrative functions, including all financial management and accounting. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Napa County Regional Park and Open Space District, 1195 Third Street, Second Floor, Napa California, 94559.

## **BASIC FINANCIAL STATEMENTS**

**NAPA COUNTY  
REGIONAL PARK AND OPEN SPACE DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2022**

	2022
<b>ASSETS</b>	
Current Assets:	
Cash in County treasury	\$ 2,301,755
Imprest cash	475
Due from other governments	9,047
Total Current Assets	2,311,277
Noncurrent Assets:	
Land	14,330,959
Buildings, net of accumulated depreciation	454,935
Total Noncurrent Assets	14,785,894
<b>Total Assets</b>	<b>17,097,171</b>
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts payable	23,012
Accrued salaries and benefits	31,827
Customer deposits	5,000
Due within one year	16,403
Total Current Liabilities	76,242
Noncurrent Liabilities:	
Due in more than one year	17,479
Total Noncurrent Liabilities	17,479
<b>Total Liabilities</b>	<b>93,721</b>
<b>NET POSITION</b>	
Net Investment in Capital Assets	14,785,894
Restricted	981,442
Unrestricted	1,236,114
<b>Total Net Position</b>	<b>\$ 17,003,450</b>

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

**NAPA COUNTY  
REGIONAL PARK AND OPEN SPACE DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	2022
<b>PROGRAM EXPENSES</b>	
Administrative and general operations	\$ 1,497,135
Accounting and auditing services	13,786
Legal services	14,186
Consulting and engineering	33,425
Insurance	27,943
Taxes and assessments	2,360
Depreciation	12,003
<b>Total Program Expenses</b>	<b>1,600,838</b>
<b>PROGRAM REVENUES</b>	
Operating grants and contributions:	
County of Napa - Special Projects Fund	756,763
State	372,660
Concessions	796,242
Court fines	5,000
Donations and contributions	97,027
Rents	53,722
<b>Total Program Revenues</b>	<b>2,081,414</b>
<b>Net Program Revenues</b>	<b>480,576</b>
<b>GENERAL REVENUES</b>	
Interest	18,258
<b>Change in Net Position</b>	498,834
<b>Net Position - Beginning of Year</b>	16,504,616
<b>Net Position - End of Year</b>	<b>\$ 17,003,450</b>

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

**NAPA COUNTY  
REGIONAL PARK AND OPEN SPACE DISTRICT  
BALANCE SHEET  
JUNE 30, 2022**

	2022
<b>ASSETS</b>	
Cash in County treasury	\$ 2,301,755
Imprest cash	475
Due from other governments	9,047
<b>Total Assets</b>	<b>\$ 2,311,277</b>
<b>LIABILITIES</b>	
Accounts payable	\$ 23,012
Accrued salaries and benefits	31,827
Customer deposits	5,000
<b>Total Liabilities</b>	<b>59,839</b>
<b>FUND BALANCE</b>	
Restricted	981,442
Committed	143,716
Unassigned	1,126,280
<b>Total Fund Balance</b>	<b>2,251,438</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 2,311,277</b>

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

**NAPA COUNTY  
REGIONAL PARK AND OPEN SPACE DISTRICT  
RECONCILIATION OF THE BALANCE SHEET TO THE  
STATEMENT OF NET POSITION  
JUNE 30, 2022**

Fund Balance - total governmental fund (Page 11)	\$ 2,251,438
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental fund.	14,785,894
Long-term obligations are not due and payable in the current period and therefore are not reported in the governmental fund:	
Compensated absences	<u>(33,882)</u>
Net position of governmental activities (Page 9)	<u><u>\$ 17,003,450</u></u>

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



**NAPA COUNTY  
REGIONAL PARK AND OPEN SPACE DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	2022
<b>REVENUES</b>	
Intergovernmental revenues	\$ 1,129,423
Concessions	796,242
Court fines	5,000
Donations and contributions	97,027
Rents	53,722
Interest	18,258
	<b>2,099,672</b>
 <b>EXPENDITURES</b>	
Administrative and general operations	1,494,554
Accounting and auditing services	13,786
Legal services	14,186
Consulting and engineering	33,425
Insurance	27,943
Taxes and assessments	2,360
	<b>1,586,254</b>
 <b>Net Change in Fund Balance</b>	 513,418
 <b>Fund Balance - Beginning of Year</b>	 1,738,020
	<b>2,251,438</b>
 <b>Fund Balance - End of Year</b>	 \$ 2,251,438
	<b>2,251,438</b>

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

**NAPA COUNTY  
 REGIONAL PARK AND OPEN SPACE DISTRICT  
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Net change in fund balance - total governmental fund (Page 13) \$ 513,418

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

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 and reported as depreciation expense.

Details of the difference are as follows:

Depreciation (12,003)

Changes in compensated absences do not affect expenditures in the governmental funds but the change is adjusted through salary expense in the Statement of Net Position.

(2,581)

Change in net position of governmental activities (Page 10)

\$ 498,834

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

**NAPA COUNTY  
REGIONAL PARK AND OPEN SPACE DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. Reporting Entity

In November of 2006, Napa County (the County) voters approved Measure I establishing the Napa County Regional Park and Open Space District (the District). The purpose of the District is to plan, improve, and operate a system of public parks, trails, outdoor recreational facilities, and outdoor science and conservation education programs, as well as to protect and preserve natural areas, wildlife habitat, and other open space resources. Its jurisdiction includes all of Napa County.

The District is governed by a Board of Directors (the Board) whose members are directly elected by the public in each of five wards. Ward boundaries coincide with the County's Board of Supervisors' districts.

The District includes all activities (operations of its administrative staff and District officers) considered to be a part of the District. The District reviewed the criteria developed by the Governmental Accounting Standards Board (GASB) in its issuance of Statement No. 14, and amended by Statement No. 61, relating to the financial reporting entity to determine whether the District is financially accountable for other entities. The District has determined that no other outside entity meets the above criteria and, therefore, no other entity has been included as a component unit in the financial statements. In addition, the District is not aware of any entity that would be financially accountable for the District that would result in the District being considered a component unit of that entity.

B. Basis of Presentation and Accounting

*Government-Wide Statements*

The Statement of Net Position and Statement of Activities display information about the primary government, the District. These statements include the financial activities of the overall District.

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.

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

*Fund Financial Statements*

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This method recognizes revenues in the accounting period in which they become measurable and available. Revenues are considered available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues available if they are collected within ninety days of the end of the current fiscal period. Significant revenues that have been treated as "susceptible" to accrual under the modified accrual basis of accounting include taxes, charges, interest, and intergovernmental revenues. Expenditures are recognized in the accounting period in which the related fund liability is incurred.

Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) value in exchange, include sales taxes, grants, entitlements, and donations. On a modified accrual basis of accounting, revenues from sales taxes are recognized when the underlying transactions take place and have met the availability criteria. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

B. Basis of Presentation and Accounting (Continued)

The District reports the following major governmental fund:

- The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government.

C. Capital Assets

Capital assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at acquisition value. The District defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets used in operations are depreciated or amortized (assets under capital leases) using the straight-line method over the lesser of the capital lease period or their estimated useful lives in the government-wide statements. Depreciation begins on the first day of the fiscal year following the period the asset is placed in service and ends in the fiscal year that it is retired from service or is fully depreciated.

The estimated useful lives are as follows:

Buildings and improvements	25 to 50 years
Equipment	5 to 8 years

D. 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

E. New Accounting Pronouncements Implemented

**GASB Statement No. 87 – Leases.** The requirements of this statement are effective for fiscal years beginning after June 15, 2021, and all fiscal years thereafter. This statement did not impact the financial statements or disclosures of the District.

**GASB Statement No. 89 – Accounting for Interest Cost Incurred before the End of a Construction Period.** The requirements of this statement are effective for fiscal years beginning after December 15, 2020. This statement did not impact the financial statements or disclosures of the District as the District does not have these types of transactions.

**GASB Statement No. 92 – Omnibus 2020.** The requirements of this statement are effective as follows:

- The requirements related to the effective date of GASB Statement No. 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance.
- The requirements related to intra-entity transfers of assets and those related to the applicability of GASB Statements No. 73 and No. 74 are effective for fiscal years beginning after June 15, 2021.
- The requirements related to application of GASB Statement No. 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities are effective for reporting periods beginning after June 15, 2021.
- The requirements related to the measurement of liabilities (and assets, if any) associated with asset retirement obligations in a government acquisition are effective for government acquisitions occurring in fiscal years beginning after June 15, 2021.

This statement does not impact the financial statements or disclosures of the District as the District does not have these types of transactions.

## **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

### **E. New Accounting Pronouncements Implemented** (Continued)

**GASB Statement No. 93** – *Replacement of Interbank Offered Rates*. The requirements of this statement, except for paragraphs 11b, 13, and 14 are effective for fiscal years beginning after June 15, 2020. The requirement in paragraph 11b is effective for fiscal years ending after December 31, 2021. The requirements in paragraphs 13 and 14 are effective for fiscal years periods beginning after June 15, 2021, and all fiscal years thereafter. This statement did not impact the financial statements or disclosures of the District as the District does not have these types of transactions.

**GASB Statement No. 97** – *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32*. The requirements of this statement are effective as follows:

- The requirements in (1) paragraph 4 of this statement as it applies to defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and other employee benefit plans and (2) paragraph 5 of this statement are effective immediately.
- The requirements in paragraphs 6–9 of this statement are effective for fiscal years beginning after June 15, 2021.

This statement does not impact the financial statements or disclosures of the District as the District does not have these types of transactions.

### **F. Future Accounting Pronouncements**

**GASB Statement No. 91** – *Conduit Debt Obligations*. The requirements of this statement are effective for fiscal years beginning after December 15, 2021. Earlier application is encouraged. The District has not fully judged the impact of implementation of this standard on the financial statements.

**GASB Statement No. 94** – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The requirements of this statement are effective for fiscal years beginning after June 15, 2022, and all fiscal years thereafter. The District has not fully judged the impact of implementation of this standard on the financial statements.

**GASB Statement No. 96** – *Subscription-Based Information Technology Arrangements*. The requirements of this statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The District has not fully judged the impact of implementation of this standard on the financial statements.

**GASB Statement No. 99** – *Omnibus 2022*. The requirements of this statement are effective as follows:

- The requirements related to extension of the use of the London Interbank Offered Rate (LIBOR), accounting for Supplemental Nutrition Assistance Program (SNAP) distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in GASB Statement No. 34, as amended, and terminology updates related to GASB Statement No. 53 and GASB Statement No. 63 are effective upon issuance.
- The requirements related to leases, public-private and public-public partnerships (PPPs), and subscription-based information technology arrangements (SBITAs) are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of GASB Statement No. 53 are effective for fiscal years beginning after June 15, 2023, and all fiscal years thereafter.

Earlier application is encouraged. The District has not fully judged the impact of implementation of this standard on the financial statements

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

F. Future Accounting Pronouncements (Continued)

**GASB Statement No. 100** – *Accounting Changes and Error Corrections—an Amendment of GASB Statement No. 62*. For fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. The District has not fully judged the impact of implementation of this standard on the financial statements.

**GASB Statement No. 101** – *Compensated Absences*. The requirements of this statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. The District has not fully judged the impact of implementation of this standard on the financial statements.

**NOTE 2 – CASH AND INVESTMENTS**

Cash at June 30, 2022, consisted of the following:

Cash in County Treasury	\$ 2,301,755
Imprest cash	475
	<hr/>
	\$ 2,302,230
	<hr/>

The District maintains all of its cash and investments with the County Treasurer in an investment pool. On a quarterly basis the Treasurer allocates interest to participants based upon their average daily balances. Required disclosure information regarding categorization of investments and other deposit and investment risk disclosures can be found in the County's financial statements. The County's financial statements may be obtained by contacting the County Auditor-Controller's office at 1195 Third Street, Room B-10, Napa, California 94559. The County Treasury Oversight Committee oversees the Treasurer's investments and policies.

Required disclosures for the District's deposit and investment risks at June 30, 2022, were as follows:

Credit risk	Not rated
Custodial risk	Not applicable
Concentration of credit risk	Not applicable
Interest rate risk	Not available

Investments held in the County's investment pool are available on demand and are stated at cost plus accrued interest, which approximates fair value. The District has no deposit or investment policy that addresses a specific type of risk.

### **NOTE 3 – CAPITAL ASSETS**

Capital assets at June 30, 2022, are as follows:

	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Deletions/ Adjustments</u>	<u>Balance June 30, 2022</u>
Capital assets, not being depreciated				
Land	<u>\$ 14,330,959</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,330,959</u>
Total capital assets, not being depreciated	<u>14,330,959</u>	<u>-</u>	<u>-</u>	<u>14,330,959</u>
Capital assets, being depreciated:				
Equipment	<u>42,346</u>	<u>-</u>	<u>-</u>	<u>42,346</u>
Buildings	<u>600,136</u>	<u>-</u>	<u>-</u>	<u>600,136</u>
Total capital assets, being depreciated	<u>642,482</u>	<u>-</u>	<u>-</u>	<u>642,482</u>
Less accumulated depreciation for:				
Equipment	<u>(42,346)</u>	<u>-</u>	<u>-</u>	<u>(42,346)</u>
Buildings	<u>(133,199)</u>	<u>(12,003)</u>	<u>1</u>	<u>(145,201)</u>
Total accumulated depreciation	<u>(175,545)</u>	<u>(12,003)</u>	<u>1</u>	<u>(187,547)</u>
Total capital assets, being depreciated, net	<u>466,937</u>	<u>(12,003)</u>	<u>1</u>	<u>454,935</u>
Total capital assets, net	<u>\$ 14,797,896</u>	<u>\$ (12,003)</u>	<u>\$ 1</u>	<u>\$ 14,785,894</u>

Depreciation expense was \$12,003 for the fiscal year ended June 30, 2022.

### **NOTE 4 – LONG-TERM LIABILITIES**

The following is a summary of changes in long-term liabilities reported in the government-wide financial statements for the year ended June 30, 2022:

	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Retirement/ Adjustments</u>	<u>Balance June 30, 2022</u>	<u>Due Within One Year</u>
Governmental activities					
Compensated absences	<u>\$ 31,300</u>	<u>\$ 24,225</u>	<u>\$ 21,643</u>	<u>\$ 33,882</u>	<u>\$ 16,403</u>

### **NOTE 5 – NET POSITION/FUND BALANCE**

#### **Net Position**

Net position comprises the various net earnings from operating and nonoperating revenues, expenses, and contributions of capital. Net position is classified in the following three components: net investment in capital assets, restricted, and unrestricted. The District has restricted funds, unrestricted funds, and funds invested in capital assets (net of related debt). Net investment in capital assets consists of all capital assets, net of accumulated depreciation and reduced by outstanding debt that is attributable to the acquisition, construction, and improvement of those assets. Debt related to unspent proceeds or other restricted cash and investments is excluded from the determination. Restricted net position consists of amounts constrained to specific purposes by their providers or by enabling legislation. Unrestricted net position consists of all other net position not included in the above categories.

## **NOTE 5 – NET POSITION/FUND BALANCE** (Continued)

### **Fund Balance**

Governmental funds report fund balance in classifications based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. The following classifications describe the relative strength of the spending constraints:

- *Nonspendable fund balance* – amounts that are not in spendable form or are required to be maintained intact.
- *Restricted fund balance* – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- *Committed fund balance* – amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority. To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level of action to remove or change the constraint.
- *Assigned fund balance* – amounts the District intends to use for a specific purpose. Intent can be expressed by the District's Board or by an official or body to which the District's Board delegates the authority.
- *Unassigned fund balance* – amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

The District's Board establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the Board through adoption or amendment of the budget as intended for specific purpose (such as the purchase of capital assets, construction, debt service, or for other purposes).

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

## **NOTE 6 – RELATED PARTY TRANSACTIONS**

During the fiscal year ended June 30, 2022, the District paid the County, a related party, \$720,084 for administrative, accounting, IT services, legal services, maintenance, and fleet charges. The District also received grants from the County in the amount of \$756,763 for administration, planning, and operations.

## **NOTE 7 – 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; and natural disasters. Insurance to cover risk of loss for the District is secured through commercial carriers.

## **NOTE 8 – SUBSEQUENT EVENTS**

Subsequent events have been evaluated through January 3, 2023, which is the date the basic financial statements were available to be issued. No events have occurred that would require disclosure.



**REQUIRED SUPPLEMENTARY INFORMATION**

**NAPA COUNTY  
REGIONAL PARK AND OPEN SPACE DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental revenues	\$ 750,000	\$ 750,000	\$ 1,129,423	\$ 379,423
Concessions	655,000	655,000	796,242	141,242
Court fines	-	-	5,000	5,000
Donations and contributions	78,174	78,174	97,027	18,853
Rents	53,800	53,800	53,722	(78)
Interest	17,000	17,000	18,258	1,258
<b>Total Revenues</b>	<b>1,553,974</b>	<b>1,553,974</b>	<b>2,099,672</b>	<b>545,698</b>
<b>EXPENDITURES</b>				
Salaries and benefits	670,253	670,253	629,444	40,809
Administrative services	521,143	521,143	595,946	(74,803)
Election services	-	-	-	-
Accounting and auditing services	18,000	18,000	13,786	4,214
Information technology service	68,270	68,270	67,775	495
Legal services	8,000	8,000	14,186	(6,186)
Waste disposal services	35,100	35,100	25,688	9,412
Landscaping services	5,000	5,000	-	5,000
Construction services	272,500	272,500	4,731	267,769
Sewer disposal services	4,000	4,000	950	3,050
Other professional services	51,885	51,885	33,425	18,460
Maintenance - building and improvements	24,727	24,727	24,727	-
Maintenance - vehicles	3,500	3,500	1,912	1,588
Maintenance - infrastructure and land	4,000	4,000	-	4,000
Rents and leases - equipment	2,000	2,000	3,822	(1,822)
Insurance - liability	31,871	31,871	27,943	3,928
Communications and telephone	6,500	6,500	5,459	1,041
Advertising and marketing	1,200	1,200	-	1,200
Printing and binding	3,000	3,000	1,163	1,837
Publications and legal notices	-	-	211	(211)
Bank charges	250	250	315	(65)
Permits and license fees	11,270	11,270	307	10,963
Training and conference expenses	2,000	2,000	737	1,263
Business travel and mileage	6,150	6,150	6,707	(557)
Fleet charges	4,500	4,500	9,017	(4,517)
Office supplies	2,500	2,500	1,741	759
Freight/postage	-	-	104	(104)
Books/media/publication	6,445	6,445	5,000	1,445
Memberships and certifications	5,200	5,200	6,923	(1,723)
Utilities - electric	20,200	20,200	23,137	(2,937)
Utilities - propane	500	500	517	(17)
Fuel	750	750	-	750
Clothing and personal supplies	2,000	2,000	166	1,834
Safety supplies	500	500	-	500
Landscaping/agriculture supply	-	-	165	(165)
Janitorial supplies	4,000	4,000	2,551	1,449
Construction supplies and materials	7,300	7,300	32,794	(25,494)
Maintenance supplies	20,100	20,100	19,603	497
Vehicle repair supplies	-	-	2,516	(2,516)
Minor equipment and small tools	1,700	1,700	2,999	(1,299)
Computer equipment and accessories	1,100	1,100	595	505
Computer software/licensing fees	1,100	1,100	1,183	(83)
Special departmental expenses	60,500	59,875	4,938	54,937
Goods for resale	12,000	12,000	10,711	1,289
Taxes and assessments	1,738	2,363	2,360	3
<b>Total Expenditures</b>	<b>1,902,752</b>	<b>1,902,752</b>	<b>1,586,254</b>	<b>316,498</b>
<b>Net Change in Fund Balance</b>	<b>\$ (348,778)</b>	<b>\$ (348,778)</b>	<b>513,418</b>	<b>\$ 862,196</b>
<b>Fund Balance - Beginning of Year</b>			<b>1,738,020</b>	
<b>Fund Balance - End of Year</b>			<b>\$ 2,251,438</b>	

See the note to the required supplementary information.

**NAPA COUNTY  
REGIONAL PARK AND OPEN SPACE DISTRICT  
NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 – BUDGET AND BUDGETARY ACCOUNTING**

The Napa County Regional Park and Open Space District (the District) prepares and legally adopts a final budget on or before August 30th of each fiscal year. The District's operation, commencing July 1st, is governed by the proposed budget, adopted by the Board of Directors (the Board) in June of the prior year.

After the budget is adopted, appropriations can only be increased by approval of the Board. Due to the nature of the work completed by the District, reallocations of budget between and within the sub-divisions of the fund are approved by the General Manager and subsequently reported to the Board at a future meeting.

An operating budget is adopted each fiscal year on the modified accrual basis of accounting. Additionally, encumbrance accounting is utilized to assure effective budgetary control. Encumbrances outstanding at year-end represent the estimated amount of the expenditures ultimately to result if the unperformed contracts in process at year-end are completed or purchase commitments satisfied. Such year-end encumbrances are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent years and included in the subsequent years' budgets. Unencumbered appropriations lapse at year-end.

The legal level of budgetary control (the level on which expenditures may not legally exceed appropriations) is at the fund level. On a monthly basis, the General Manager reports all expenditures and encumbrances incurred during the prior month to the Board.

The budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America.

Total expenditures were lower than appropriations by \$316,498 due to the District budgeting construction expenses for a large project that did not commence until fiscal year 2023.

**SUPPLEMENTARY INFORMATION**

**NAPA COUNTY  
REGIONAL PARK AND OPEN SPACE DISTRICT  
SCHEDULE OF REVENUES AND EXPENDITURES BY DIVISION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Moore Creek	Oat Hill Mine Trail	Napa River and Bay Trail	Camp Berryessa
<b>REVENUES</b>				
Grants:				
Napa County	\$ 68,620	\$ 3,763	\$ 1,795	\$ 10,262
State	-	-	-	-
Concessions	-	-	-	12,728
Court fines	-	-	-	-
Donations and contributions	11,766	1,990	-	-
Rents	21,279	-	-	-
Interest	-	-	-	-
<b>Total Revenues</b>	<b>101,665</b>	<b>5,753</b>	<b>1,795</b>	<b>22,990</b>
<b>EXPENDITURES</b>				
Salaries and benefits	8,029	-	-	-
Administrative services	29,011	682	713	2,515
Accounting and auditing services	-	-	-	-
Information technology service	-	-	-	-
Legal services	-	-	-	-
Waste disposal services	-	-	-	257
Construction services	-	-	-	-
Sewer disposal services	-	-	-	-
Other professional services	2,990	-	-	2,308
Maintenance - building and improvements	-	-	-	-
Maintenance - vehicles	-	-	-	-
Rents and leases - equipment	3,522	-	-	-
Insurance - liability	-	-	-	-
Communications and telephone	-	-	-	-
Printing and binding	85	89	-	-
Publications and legal notices	-	-	-	-
Bank charges	-	-	-	-
Permits and license fees	-	-	-	-
Training and conference expenses	-	-	-	-
Business travel and mileage	2,577	896	172	107
Fleet charges	-	-	-	-
Office supplies	153	-	-	-
Freight/postage	-	-	-	-
Books/media/publications	-	-	-	-
Memberships and certifications	-	-	-	-
Utilities - electric	-	-	-	21
Utilities - propane	-	-	-	-
Clothing and personal supplies	-	-	-	-
Landscaping/agriculture supply	-	-	-	-
Janitorial supplies	-	-	-	62
Construction supplies and materials	79	-	-	-
Maintenance supplies	2,898	167	-	-
Vehicle repair supplies	-	-	-	-
Minor equipment and small tools	922	-	-	-
Computer equipment and accessories	-	-	-	-
Computer software/licensing fees	-	-	-	-
Special departmental expenses	453	-	-	-
Goods for resale	-	-	-	-
Taxes and assessments	1,372	-	-	-
<b>Total Expenditures</b>	<b>52,091</b>	<b>1,834</b>	<b>885</b>	<b>5,270</b>
<b>Transfers</b>	<b>(37,571)</b>	<b>(3,919)</b>	<b>(910)</b>	<b>(17,720)</b>
<b>Net Surplus/(Deficit)</b>	<b>\$ 12,003</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**NAPA COUNTY  
REGIONAL PARK AND OPEN SPACE DISTRICT  
SCHEDULE OF REVENUES AND EXPENDITURES BY DIVISION (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Berryessa Vista	Napa River Ecological Reserve	Vine Trail	Putah Creek
<b>REVENUES</b>				
Grants:				
Napa County	\$ 435	\$ 11,960	\$ 5,595	\$ 3,540
State	-	-	-	-
Concessions	-	-	-	-
Court fines	-	-	-	-
Donations and contributions	-	-	-	-
Rents	-	-	-	-
Interest	-	-	-	-
<b>Total Revenues</b>	<b>435</b>	<b>11,960</b>	<b>5,595</b>	<b>3,540</b>
<b>EXPENDITURES</b>				
Salaries and benefits	-	-	-	-
Administrative services	435	633	4,730	1,291
Accounting and auditing services	-	-	-	-
Information technology service	-	-	-	-
Legal services	-	-	-	-
Waste disposal services	-	-	-	-
Construction services	-	-	-	-
Sewer disposal services	-	-	-	-
Other professional services	-	6,000	-	-
Maintenance - building and improvements	-	-	-	-
Maintenance - vehicles	-	-	-	-
Rents and leases - equipment	-	-	-	-
Insurance - liability	-	-	-	-
Communications and telephone	-	-	-	-
Printing and binding	-	-	-	-
Publications and legal notices	-	-	-	-
Bank charges	-	-	-	-
Permits and license fees	-	-	-	307
Training and conference expenses	-	-	-	-
Business travel and mileage	-	120	48	331
Fleet charges	-	-	-	-
Office supplies	-	-	-	-
Freight/postage	-	-	-	-
Books/media/publications	-	-	-	-
Memberships and certifications	-	-	-	-
Utilities - electric	-	-	-	-
Utilities - propane	-	-	-	-
Clothing and personal supplies	-	-	-	-
Landscaping/agriculture supply	-	-	-	-
Janitorial supplies	-	-	-	-
Construction supplies and materials	-	-	-	-
Maintenance supplies	-	226	-	-
Vehicle repair supplies	-	-	-	-
Minor equipment and small tools	-	-	-	-
Computer equipment and accessories	-	-	-	-
Computer software/licensing fees	-	-	-	-
Special departmental expenses	-	-	-	-
Goods for resale	-	-	-	-
Taxes and assessments	-	-	-	-
<b>Total Expenditures</b>	<b>435</b>	<b>6,979</b>	<b>4,778</b>	<b>1,929</b>
<b>Transfers</b>	<b>-</b>	<b>(4,981)</b>	<b>(817)</b>	<b>(1,611)</b>
<b>Net Surplus/(Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**NAPA COUNTY  
REGIONAL PARK AND OPEN SPACE DISTRICT  
SCHEDULE OF REVENUES AND EXPENDITURES BY DIVISION (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	State Parks	Suscol Headwaters Preserve	Amy's Grove	Cedar Roughs Smittle Creek
<b>REVENUES</b>				
Grants:				
Napa County	\$ -	\$ 13,795	\$ 9,695	\$ 6,434
State	173,287	-	-	-
Concessions	783,514	-	-	-
Court fines	-	-	-	-
Donations and contributions	48,105	-	2,000	-
Rents	26,400	6,043	-	-
Interest	4,639	1,793	-	-
<b>Total Revenues</b>	<b>1,035,945</b>	<b>21,631</b>	<b>11,695</b>	<b>6,434</b>
<b>EXPENDITURES</b>				
Salaries and benefits	328,913	-	-	-
Administrative services	334,187	3,456	6,640	435
Accounting and auditing services	-	-	-	-
Information technology service	38,927	-	-	-
Legal services	-	-	-	-
Waste disposal services	25,431	-	-	-
Construction services	4,731	-	-	-
Sewer disposal services	950	-	-	-
Other professional services	16,638	383	5,106	-
Maintenance - building and improvements	-	-	-	-
Maintenance - vehicles	1,912	-	-	-
Rents and leases - equipment	300	-	-	-
Insurance - liability	4,373	-	-	-
Communications and telephone	5,459	-	-	-
Printing and binding	719	-	32	-
Publications and legal notices	-	-	-	-
Bank charges	315	-	-	-
Permits and license fees	-	-	-	-
Training and conference expenses	737	-	-	-
Business travel and mileage	291	251	1,357	179
Fleet charges	6,900	-	-	-
Office supplies	1,383	-	-	-
Freight/postage	80	-	-	-
Books/media/publications	-	-	-	-
Memberships and certifications	192	-	-	-
Utilities - electric	23,116	-	-	-
Utilities - propane	517	-	-	-
Clothing and personal supplies	166	-	-	-
Landscaping/agriculture supply	165	-	-	-
Janitorial supplies	2,489	-	-	-
Construction supplies and materials	32,715	-	-	-
Maintenance supplies	15,156	-	563	-
Vehicle repair supplies	2,516	-	-	-
Minor equipment and small tools	1,738	-	339	-
Computer equipment and accessories	-	-	-	-
Computer software/licensing fees	-	-	-	-
Special departmental expenses	3,723	-	-	-
Goods for resale	10,711	-	-	-
Taxes and assessments	988	-	-	-
<b>Total Expenditures</b>	<b>866,438</b>	<b>4,090</b>	<b>14,037</b>	<b>614</b>
<b>Transfers</b>	<b>27,879</b>	<b>(17,541)</b>	<b>(430,180)</b>	<b>(5,820)</b>
<b>Net Surplus/(Deficit)</b>	<b>\$ 197,386</b>	<b>\$ -</b>	<b>\$ (432,522)</b>	<b>\$ -</b>

**NAPA COUNTY  
REGIONAL PARK AND OPEN SPACE DISTRICT  
SCHEDULE OF REVENUES AND EXPENDITURES BY DIVISION (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Other Projects	General Fund	Total
<b>REVENUES</b>			
Grants:			
Napa County	\$ 182,822	\$ 438,047	\$ 756,763
State	-	199,373	372,660
Concessions	-	-	796,242
Court fines	-	5,000	5,000
Donations and contributions	-	33,166	97,027
Rents	-	-	53,722
Interest	-	11,826	18,258
	<u>182,822</u>	<u>687,412</u>	<u>2,099,672</u>
<b>Total Revenues</b>	<u>182,822</u>	<u>687,412</u>	<u>2,099,672</u>
<b>EXPENDITURES</b>			
Salaries and benefits	-	292,502	629,444
Administrative services	73,370	137,848	595,946
Accounting and auditing services	-	13,786	13,786
Information technology service	-	28,848	67,775
Legal services	-	14,186	14,186
Waste disposal services	-	-	25,688
Construction services	-	-	4,731
Sewer disposal services	-	-	950
Other professional services	-	-	33,425
Maintenance - building and improvements	-	24,727	24,727
Maintenance - vehicles	-	-	1,912
Rents and leases - equipment	-	-	3,822
Insurance - liability	-	23,570	27,943
Communications and telephone	-	-	5,459
Printing and binding	-	238	1,163
Publications and legal notices	-	211	211
Bank charges	-	-	315
Permits and license fees	-	-	307
Training and conference expenses	-	-	737
Business travel and mileage	212	166	6,707
Fleet charges	-	2,117	9,017
Office supplies	-	205	1,741
Freight/postage	-	24	104
Books/media/publications	5,000	-	5,000
Memberships and certifications	-	6,731	6,923
Utilities - electric	-	-	23,137
Utilities - propane	-	-	517
Clothing and personal supplies	-	-	166
Landscaping/agriculture supply	-	-	165
Janitorial supplies	-	-	2,551
Construction supplies and materials	-	-	32,794
Maintenance supplies	490	103	19,603
Vehicle repair supplies	-	-	2,516
Minor equipment and small tools	-	-	2,999
Computer equipment and accessories	-	595	595
Computer software/licensing fees	-	1,183	1,183
Special departmental expenses	587	175	4,938
Goods for resale	-	-	10,711
Taxes and assessments	-	-	2,360
	<u>79,659</u>	<u>547,215</u>	<u>1,586,254</u>
<b>Total Expenditures</b>	<u>79,659</u>	<u>547,215</u>	<u>1,586,254</u>
<b>Transfers</b>	<u>(103,163)</u>	<u>596,354</u>	<u>-</u>
<b>Net Surplus/(Deficit)</b>	<u>\$ -</u>	<u>\$ 736,551</u>	<u>\$ 513,418</u>



## **OTHER REPORT**

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

To the Honorable Members  
of the Board of Directors  
Napa County Regional Park and Open Space District  
Napa, 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 the governmental activities and major fund of the Napa County Regional Park and Open Space District (the District), as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 3, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 or significant deficiencies may exist that were not identified.

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from 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 financial statements. 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.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

*Brown Armstrong  
Accountancy Corporation*

Bakersfield, California  
January 3, 2023