

SIMONA PADILLA-SCHOLTENS, CPA  
SOLANO COUNTY AUDITOR-CONTROLLER'S OFFICE

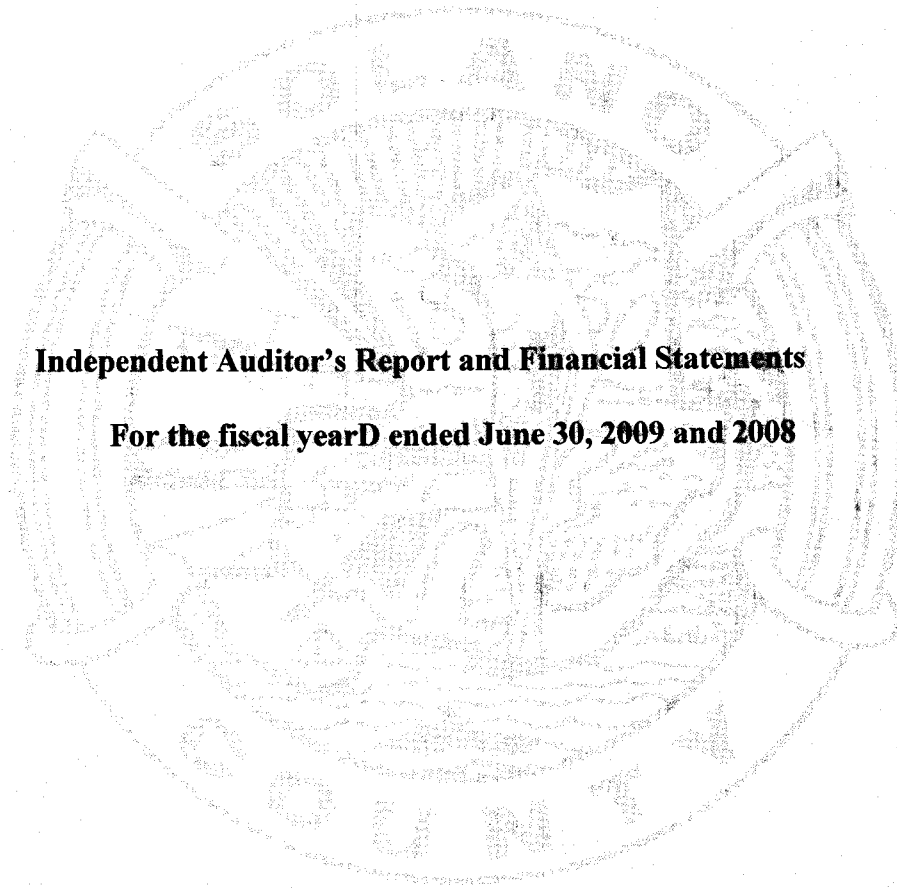
# INTERNAL AUDIT SERVICES

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**AN AUDIT OF THE  
RIO VISTA-MONTEZUMA CEMETERY DISTRICT  
OF SOLANO COUNTY**

**Independent Auditor's Report and Financial Statements**

**For the fiscal yearD ended June 30, 2009 and 2008**



**Auditor-Controller: Simona Padilla-Scholtens, CPA  
Audit Manager: Ian Goldberg, CGAP  
Auditor: Melinda Ingram, CPA**

**Rio Vista-Montezuma Cemetery District  
of Solano County**

**For the fiscal years ended June 30, 2009 and 2008**

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**Rio Vista-Montezuma Cemetery District  
of Solano County  
For the fiscal years ended June 30, 2009 and 2008**

**Board of Trustees**

Richard Dana, Chairperson

Patricia Gates

Linda Gomez

Jim Monahan

Jean Rubier

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# OFFICE OF THE AUDITOR-CONTROLLER

**SIMONA PADILLA-SCHOLTENS, CPA**  
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**PHYLLISTAYNTON, CPA**  
ASSISTANT AUDITOR-CONTROLLER

## Independent Auditor's Report


Board of Trustees  
Rio Vista-Montezuma Cemetery District  
of Solano County

We have audited the accompanying basic financial statements of the Rio Vista-Montezuma Cemetery District of Solano County, as of and for the years ended June 30, 2009 and 2008. These financial statements are the responsibility of the Rio Vista-Montezuma Cemetery District's management. Our responsibility is to express an opinion 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 State Controller's *Minimum Audit Requirements for California Special Districts*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Rio Vista-Montezuma Cemetery District as of June 30, 2009 and 2008, and the changes in financial position for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis on pages 4 through 10, the schedule of funding progress and budgetary comparison information on pages 28 through 30, are not a required part of the financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

  
Simona Padilla-Scholtens, CPA  
Auditor-Controller

October 4, 2010

# Rio Vista-Montezuma Cemetery District

## Management's Discussion and Analysis

As management of the Rio Vista-Montezuma Cemetery District of Solano County, California (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal years ended June 30, 2009 and 2008. We encourage readers to consider the information presented here in conjunction with additional information in our financial statements.

## Financial Highlights

- The District's net assets totaled \$1,762,023 at June 30, 2009 and \$1,530,847 at June 30, 2008. Of these amounts, \$1,143,745 and \$899,983 (unrestricted net assets) at June 30, 2009 and 2008, respectively, may be used to meet the District's ongoing obligations to citizens and creditors.
- The District's total net assets increased by \$231,176 as a result of the current year's operations and increased by \$249,516 as a result of fiscal year 2007/08 operations.
- The District's governmental funds reported an ending fund balance of \$1,226,686 at June 30, 2009 and \$980,499 at June 30, 2008, of which \$1,110,259 and \$865,473, respectively, are available for spending at the District's discretion (unreserved, undesignated fund balance). At June 30, 2009, the remaining amounts of \$76,127, \$11,800 and \$21,000 are reserved for perpetual care of the cemetery, imprest cash fund and inventory, respectively, and \$7,500 is designated for future capital acquisition. At June 30, 2008, the remaining amounts of \$74,726, \$11,800 and \$21,000 are reserved for perpetual care of the cemetery, imprest cash fund and inventory, respectively, and \$7,500 is designated for future capital acquisition.

## Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

**Government-wide financial 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 assets presents information on the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

The government-wide financial statements can be found on pages 11-12 of this report.

**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 state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental 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. Such information may be useful in evaluating a District's near-term financing requirements.

Since the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The basic governmental fund financial statements can be found on pages 13-18 of this report.

**Notes to the 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. The notes to the financial statements can be found on pages 19-26 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budgetary comparison schedule for the General Fund and the schedule of funding progress for the retirement program. Required supplementary information can be found on pages 28-31 of this report.

### **Government-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a District's financial position. In the case of the District, assets exceeded liabilities by \$1,762,023 and \$1,530,847 at June 30, 2009 and 2008, respectively.



**Rio Vista-Montezuma Cemetery District**  
**Statement of Net Assets**  
as of June 30, 2009, 2008 & 2007

	6/30/2009	6/30/2008	6/30/2007
<b>Assets:</b>			
Current and other assets	\$ 1,232,054	\$ 992,505	\$ 734,472
Capital assets, net of accumulated depreciation	542,151	556,138	556,637
Total assets	\$ 1,774,205	\$ 1,548,643	\$ 1,291,109
<b>Liabilities:</b>			
Current liabilities	\$ 5,368	\$ 12,006	\$ 4,628
Noncurrent liabilities	6,814	5,790	5,148
Total liabilities	12,182	17,796	9,776
<b>Net Assets:</b>			
Invested in capital assets, net	542,151	556,138	556,637
Restricted for			
Perpetual care (nonexpendable)	76,127	74,726	72,927
Unrestricted	1,143,745	899,983	651,769
Total net assets	1,762,023	1,530,847	1,281,333
Total liabilities and net assets	\$ 1,774,205	\$ 1,548,643	\$ 1,291,109

The District's investment in capital assets totaled \$542,151 and \$556,138, or approximately 31% and 36% of the District's net assets for the fiscal years 2008/09 and 2007/08, respectively. The investment in capital assets is composed of land, infrastructure, structures and improvements, and equipment, less any related outstanding debt used to acquire those assets. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt, if any, must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net assets are controlled by external restrictions totaling \$76,127 and \$74,726, or approximately 4% and 5% of the District's net assets for the fiscal years 2008/09 and 2007/08, respectively. These amounts represent resources subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets totaling \$1,143,745 and \$899,983, or approximately 65% and 59% of the District's net assets for the fiscal years 2008/09 and 2007/08, respectively, may be used to meet the District's ongoing obligations to citizens and creditors.

The key elements in the significant changes in current assets and liabilities are as follows:

Current assets: Current assets increased by \$239,549 from fiscal year 2007/08 to 2008/09. The primary reason for the increase is due to favorable operations for the current fiscal year resulting in an increase to the District's cash balance.

Current liabilities: The decrease of \$6,638 from fiscal year 2007/08 to 2008/09 is attributed to a decrease in outstanding warrants. This account represents issued warrants not yet presented to the County Treasurer for payment.

Non-current liabilities: Non-current liabilities increased by \$1,024 from fiscal year 2007/08 to 2008/09. This is the result of an increase to the outstanding amount owed to District employees for accrued vacation and sick leave, based on District policy.

**Governmental activities** increased the District's net assets by \$231,176 during fiscal year 2008/09, which represents an increase of 15% from fiscal year 2007/08 total net assets. The change in net assets for fiscal year 2007/08 was an increase of \$249,516, which represents a 19% increase from fiscal year 2006/07 total net assets.

**Rio Vista Montezuma Cemetery District  
Changes in Net Assets  
For the fiscal years ended June 30**

	2009	2008	2007
Program expenses:			
Employee services	\$ 148,102	\$ 139,126	\$ 127,937
Professional & specialized services	36,175	47,876	31,679
Depreciation	15,087	16,296	15,916
Utilities	8,114	7,028	7,159
Insurance	6,645	6,835	7,423
Maintenance	5,822	3,641	20,037
Property tax refunds	3,015	362	483
Transportation & travel	2,619	3,602	2,898
Communication	1,692	1,559	1,214
Supplies	1,109	872	2,649
Special district expense	-	267	1,786
Miscellaneous	1,802	2,635	2,048
Total program expenses	<u>230,182</u>	<u>230,099</u>	<u>221,229</u>
Program revenues:			
Charges for services	16,720	23,950	22,750
Operating grants and contributions	1,400	1,900	3,400
Total program revenues	<u>18,120</u>	<u>25,850</u>	<u>26,150</u>
Net program expenses	212,062	204,249	195,079
General revenues:			
Property taxes	420,882	418,574	368,548
Revenues from the use of money and property	21,956	34,791	27,007
Donated services	-	-	17,271
Miscellaneous revenues	400	400	96
Total general revenues	<u>443,238</u>	<u>453,765</u>	<u>412,922</u>
Change in net assets	231,176	249,516	217,843
Net assets:			
Beginning of the fiscal year	1,530,847	1,281,331	1,063,488
End of the fiscal year	<u>\$ 1,762,023</u>	<u>\$ 1,530,847</u>	<u>\$ 1,281,331</u>

The key elements in the significant changes in net assets are as follows:

Program revenues: Program revenues decreased by \$7,730 from fiscal year 2007/08 to fiscal year 2008/09 due to an overall decrease in the core services provided by the District as reflected in the following:

- Charges for services provided by the District decreased by \$7,230.
- Endowment fees collected by the District for the perpetual care of the cemetery decreased by \$500.

General revenues: General revenues decreased by \$10,527 from prior year due to the following:

- Revenue from the use of money and property decreased due to the significant decline in market interest rates.

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

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

**Governmental funds.** The General Fund is a governmental fund type that is used to account for general government functions of the District. The focus of the District's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2009 and 2008, the District's governmental funds reported a combined ending fund balance of \$1,226,686 and \$980,499, respectively. This resulted in increases of \$246,187 and \$250,656 for the fiscal years ended June 30, 2009 and June 30, 2008, respectively. Of the ending fund balances, \$1,110,259 and \$865,473 for fiscal years 2008/09 and 2007/08 respectively, constitute unreserved, undesignated fund balance, which is available for spending at the District's discretion.

Governmental revenues totaled \$461,358 in fiscal year 2008/09 and \$479,615 in fiscal year 2007/08. This represents an 4% decrease from fiscal years 2007/08 to 2008/09 and a 9% increase from fiscal year 2006/07 to 2007/08. The decrease for fiscal year 2008/09 is primarily due to the decrease in interest income and charges for services. The increase for fiscal year 2007/08 is primarily due to the increase in both property taxes and interest income.

Conversely, expenditures totaled \$215,171 in fiscal year 2008/2009 and \$228,959 in fiscal year 2007/08. This represents a 6% decrease from fiscal year 2007/2008 to 2008/09 and a 1% decrease from fiscal year 2006/07 to 2007/08. The decrease for fiscal year 2008/09 is primarily due to decreases in both the capital outlay and professional and specialized services categories as well as an offsetting increase to employee services.

The Permanent Fund is the District's perpetual-care fund, which provides resources for the current and future maintenance of the cemetery. The District's Permanent Fund reports resources that are legally restricted to the extent that only earnings, and not principal, can be used to support the District's current maintenance costs, if necessary.

## Budgetary Highlights

The General Fund budget (Original and Final versions) is reflected in the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual, as presented on pages 29-30 in the Required Supplementary Information (RSI) section of this report.

There were no changes between the original budget and the final budget of the General Fund in fiscal year 2008/09. Revenues recognized exceeded budget by \$91,473 and expenditures incurred were less than budget by \$150,329.

There were no changes between the original budget and the final budget of the General Fund in fiscal year 2007/08. Revenues recognized exceeded budget by \$148,904 and expenditures incurred were less than budget by \$94,041.

It is the District Board's policy not to make budget adjustments unless the budget to actual variance has a negative impact on District operations.

## Capital Asset and Debt Administration

**Capital assets.** The District's investment in capital assets as of June 30, 2009 and 2008 totaled \$542,151 and \$556,138 (net of accumulated depreciation) respectively. This investment in capital assets includes land, infrastructure, equipment and structures and improvements. The net capital assets decreased by \$13,987 and \$499 at June 30, 2009 and 2008, respectively.

The District's most significant capital expenditure during the fiscal year 2007/08 was the laminate flooring installed in the Shiloh Church. There were no significant capital expenditures incurred by the District in fiscal year 2008/09.

### Rio Vista-Montezuma Cemetery District Capital Assets (net of depreciation)

	2009	2008	2007
Land	\$ 227,811	\$ 227,811	\$ 227,811
Infrastructure	25,811	28,044	30,277
Structures and improvements	269,981	279,551	275,309
Equipment	18,548	20,732	23,240
Total capital assets	<u>\$ 542,151</u>	<u>\$ 556,138</u>	<u>\$ 556,637</u>

Additional information on the District's capital assets can be found in Note A on page 24 of this report.

**Long-term debt.** At June 30, 2009 and 2008 the District had \$6,814 and \$5,790, respectively, of long term debt owed for compensated absences. This amount is entirely backed by the full faith and credit of the District. For more information see Note B on page 25 of this report.

### **Economic factors and Next Year's Operating Activity**

The District's management anticipates a continued decline in current economic conditions that will negatively impact property taxes and interest income. The District plans to offset the overall projected decrease by continuing to reduce operating costs wherever possible. This could involve fewer capital expenditures that improve or enhance District operations as well as completing only those maintenance projects essential to operations.

### **Requests for Information**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District's Board of Trustees, P.O. Box 385, Rio Vista, CA 94571.

**Rio Vista-Montezuma Cemetery District**  
**Statement of Net Assets**  
**June 30, 2009 and 2008**

	<b>6/30/2009</b>	<b>6/30/2008</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash & equivalents	\$ 1,211,054	\$ 969,000
Accounts receivable	-	2,505
Inventory	21,000	21,000
Total current assets	1,232,054	992,505
<b>Noncurrent assets</b>		
Capital assets, net		
Land	227,811	227,811
Infrastructure	25,811	28,044
Structures and improvements	269,981	279,551
Equipment	18,548	20,732
Total noncurrent assets	542,151	556,138
Total assets	\$ 1,774,205	\$ 1,548,643
 <b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 5,207	\$ 5,209
Outstanding warrants	45	6,211
Due to other agencies	116	586
Total current liabilities	5,368	12,006
<b>Noncurrent liabilities</b>		
Noncurrent portion of long-term obligations	6,814	5,790
Total noncurrent liabilities	6,814	5,790
Total liabilities	12,182	17,796
 <b>Net Assets</b>		
Invested in capital assets, net	542,151	556,138
Restricted for		
Perpetual care (nonexpendable)	76,127	74,726
Unrestricted	1,143,745	899,983
Total net assets	1,762,023	1,530,847
Total liabilities and net assets	\$ 1,774,205	\$ 1,548,643

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

**Rio Vista-Montezuma Cemetery District**  
**Statement of Activities**  
**For the fiscal years ended June 30, 2009 and 2008**

	<b>6/30/2009</b>	<b>6/30/2008</b>
General expenses:		
Employee services	\$ 148,102	\$ 139,126
Professional & specialized services	36,175	47,876
Depreciation	15,087	16,296
Utilities	8,114	7,028
Insurance	6,645	6,835
Maintenance	5,822	3,641
Property tax refunds	3,015	362
Transportation & travel	2,619	3,602
Communication	1,692	1,559
Supplies	1,109	872
Memberships	956	849
Household expense	819	1,161
Special district expense	-	267
Miscellaneous	27	625
Total program expenses	230,182	230,099
Program revenue:		
Charges for services	16,720	23,950
Operating grants and contributions	1,400	1,900
Total program revenue	18,120	25,850
Net program expenses	212,062	204,249
General revenues:		
Property taxes	420,882	418,574
Revenues from the use of money and property	21,956	34,791
Miscellaneous	400	400
Total general revenues	443,238	453,765
Change in net assets	231,176	249,516
Net assets:		
Beginning of the fiscal year	1,530,847	1,281,331
End of the fiscal year	\$ 1,762,023	\$ 1,530,847

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

**Rio Vista-Montezuma Cemetery District**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2009**

	<b>General</b>	<b>Permanent</b>	<b>Total Governmental Funds</b>
<b>Assets</b>			
Cash & equivalents	\$ 1,071,021	\$ 140,033	\$ 1,211,054
Inventory	21,000	-	21,000
Total assets	\$ 1,092,021	\$ 140,033	\$ 1,232,054
<b>Liabilities</b>			
Accounts payable	\$ 5,207	\$ -	\$ 5,207
Outstanding warrants	45	-	45
Due to other agencies	116	-	116
Total liabilities	5,368	-	5,368
<b>Fund Balance</b>			
Reserved for:			
Perpetual care	-	76,127	76,127
Imprest cash	11,800	-	11,800
Inventory	21,000	-	21,000
Unreserved, designated for:			
Future equipment acquisition	7,500	-	7,500
Unreserved, undesignated	1,046,353	63,906	1,110,259
Total fund balance	1,086,653	140,033	1,226,686
Total liabilities and fund balance	\$ 1,092,021	\$ 140,033	\$ 1,232,054

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



**Rio Vista-Montezuma Cemetery District**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2008**

	<u>General</u>	<u>Permanent</u>	<u>Total Governmental Funds</u>
<b>Assets</b>			
Cash & equivalents	\$ 833,352	\$ 135,648	\$ 969,000
Accounts receivable	2,505	-	2,505
Inventory	21,000	-	21,000
Total assets	<u>\$ 856,857</u>	<u>\$ 135,648</u>	<u>\$ 992,505</u>
<b>Liabilities</b>			
Accounts payable	\$ 5,209	\$ -	\$ 5,209
Outstanding warrants	6,211	-	6,211
Due to other agencies	586	-	586
Total liabilities	<u>12,006</u>	<u>-</u>	<u>12,006</u>
<b>Fund Balance</b>			
Reserved for:			
Perpetual care	-	74,726	74,726
Imprest cash	11,800	-	11,800
Inventory	21,000	-	21,000
Unreserved, designated for:			
Future equipment acquisition	7,500	-	7,500
Unreserved, undesignated	804,551	60,922	865,473
Total fund balance	<u>844,851</u>	<u>135,648</u>	<u>980,499</u>
Total liabilities and fund balance	<u>\$ 856,857</u>	<u>\$ 135,648</u>	<u>\$ 992,505</u>

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

**Rio Vista-Montezuma Cemetery District  
Reconciliation of the Balance Sheet  
of the Governmental Funds to the Statement of Net Assets  
For the fiscal years ended June 30, 2009 and 2008**

	<u>6/30/2009</u>	<u>6/30/2008</u>
Governmental Fund Balances	\$ 1,226,686	\$ 980,499
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in government activities are not financial resources and, therefore, are not reported in the funds.		
Land	227,811	227,811
Infrastructure, net of \$10,968 and \$8,735		
accumulated depreciation 2008/09 and 2007/08 respectively	25,811	28,044
Structures and improvements, net of \$95,997 and \$85,327		
accumulated depreciation 2008/09 and 2007/08 respectively	269,981	279,551
Equipment, net of \$40,887 and \$38,703		
accumulated depreciation 2008/09 and 2007/08 respectively	18,548	20,732
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds		
Compensated absences	<u>(6,814)</u>	<u>(5,790)</u>
Net assets of governmental activities	<u>\$ 1,762,023</u>	<u>\$ 1,530,847</u>

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

**Rio Vista-Montezuma Cemetery District**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the fiscal year ended June 30, 2009**

	<u>General</u>	<u>Permanent</u>	<u>Total Governmental Funds</u>
Revenues:			
Property taxes	\$ 420,882	\$ -	\$ 420,882
Revenues from the use of money and property	18,971	2,985	21,956
Charges for services	16,720	-	16,720
Endowment fees	-	1,400	1,400
Miscellaneous	400	-	400
Total revenues	<u>456,973</u>	<u>4,385</u>	<u>461,358</u>
Expenditures:			
Employee services	147,078	-	147,078
Professional & specialized services	36,175	-	36,175
Utilities	8,114	-	8,114
Insurance	6,645	-	6,645
Maintenance	5,822	-	5,822
Property tax refunds	3,015	-	3,015
Transportation & travel	2,619	-	2,619
Communication	1,692	-	1,692
Supplies	1,109	-	1,109
Capital outlay	1,100	-	1,100
Memberships	956	-	956
Household expense	819	-	819
Miscellaneous	27	-	27
Total expenditures	<u>215,171</u>	<u>-</u>	<u>215,171</u>
Excess of revenues over expenditures	241,802	4,385	246,187
Fund balance - beginning	<u>844,851</u>	<u>135,648</u>	<u>980,499</u>
Fund balance - ending	<u>\$ 1,086,653</u>	<u>\$ 140,033</u>	<u>\$ 1,226,686</u>

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

**Rio Vista-Montezuma Cemetery District**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the fiscal year ended June 30, 2008**

	<u>General</u>	<u>Permanent</u>	<u>Total Governmental Funds</u>
Revenues:			
Property taxes	\$ 418,574	\$ -	\$ 418,574
Revenues from the use of money and property	28,980	5,811	34,791
Charges for services	23,950	-	23,950
Endowment fees	-	1,800	1,800
Miscellaneous	500	-	500
Total revenues	<u>472,004</u>	<u>7,611</u>	<u>479,615</u>
Expenditures:			
Employee services	138,485	-	138,485
Professional & specialized services	47,876	-	47,876
Capital outlay	15,797	-	15,797
Utilities	7,028	-	7,028
Insurance	6,835	-	6,835
Maintenance	3,641	-	3,641
Transportation & travel	3,602	-	3,602
Communication	1,559	-	1,559
Household expense	1,161	-	1,161
Supplies	872	-	872
Memberships	849	-	849
Property tax refunds	362	-	362
Special district expense	267	-	267
Miscellaneous	625	-	625
Total expenditures	<u>228,959</u>	<u>-</u>	<u>228,959</u>
Excess of revenues over expenditures	243,045	7,611	250,656
Fund balance - beginning	<u>601,806</u>	<u>128,037</u>	<u>729,843</u>
Fund balance - ending	<u>\$ 844,851</u>	<u>\$ 135,648</u>	<u>\$ 980,499</u>

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

**Rio Vista-Montezuma Cemetery District**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**of Governmental Funds to the Statement of Activities**  
**For the fiscal years ended June 30, 2009 and 2008**

	<u>6/30/2009</u>	<u>6/30/2008</u>
Net change in fund balances	\$ 246,187	\$ 250,656
 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 as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in fiscal year 2008/09 and 2007/08.		
Capital outlay	1,100	15,797
Depreciation expense	(15,087)	(16,296)
Amount by which capital outlays are less than depreciation	(13,987)	(499)
 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 the governmental fund.		
Compensated absences	(1,024)	(641)
Change in net assets of governmental activities	\$ 231,176	\$ 249,516

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

**Rio Vista-Montezuma Cemetery District of Solano County**  
**Notes to the Financial Statements**  
**For the fiscal years ended June 30, 2009 and 2008**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Rio Vista-Montezuma Cemetery District of Solano County was reorganized on July 1, 1989, in accordance with the Local Government Reorganization Act of 1985 (Government Code Section 5600 et seq). The District operates as a public cemetery under sections 8125 to 8137 and 9000 to 9093 of the Health and Safety Code for the State of California.

Three separate cemetery sites comprise the District. The Rio Vista Cemetery is located within the City of Rio Vista, dating back to 1862. The Collinsville and Shiloh Cemeteries are located on the outskirts of the City of Rio Vista.

The Board of Trustees consisting of five (5) members, serving four-year terms, governs the District. The Board of Supervisors of Solano County approves the appointment of each Trustee.

**B. Government-wide and Fund Financial Statements**

The District's financial accounts are maintained in accordance with generally accepted accounting principles (GAAP) and the uniform accounting system for districts prescribed by the State Controller in compliance with the Government Code of the State of California.

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the activities of the primary government. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues.

**C. Measurement Focus, Basis of Accounting and Basis of 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 when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year they are levied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available