

**BOULDER CREEK
FIRE PROTECTION DISTRICT**

Financial Statements

June 30, 2014

And Supplementary Information

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Boulder Creek Fire Protection District
Boulder Creek, California

We have audited the accompanying 2014 financial statements of the governmental activities, and each major fund of Boulder Creek Fire Protection District ("the District") as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the 2014 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Boulder Creek Fire Protection District as of June 30, 2014, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

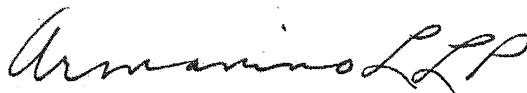
Report on Summarized Comparative Information

The financial statements as of and for the year ended June 30, 2013, were audited by Berger Lewis Accountancy Corporation, whose practice became part of Armanino^{LLP} as of January 1, 2015, and whose report dated June 26, 2014, expressed an unmodified opinion on those audited financial statements. In our opinion, the 2013 summarized comparative information presented herein as of and for the year ended June 30, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

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 3 through 5 and 30 through 33 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Armanino^{LLP}
Santa Cruz, California

June 30, 2015

BOULDER CREEK FIRE PROTECTION DISTRICT
Management's Discussion and Analysis
June 30, 2014

The District provides fire protection for the town of Boulder Creek and surrounding areas. This section of the District's financial report presents our discussion and analysis of the District's financial performance during the fiscal years that ended on June 30, 2014 and 2013.

DESCRIPTION OF THE BASIC FINANCIAL STATEMENTS

The financial statements consist of the following parts: Management's discussion and analysis; government-wide financial statements; governmental fund financial statements; notes to the financial statements; and required supplementary information (budgetary comparison table).

The basic government-wide and governmental fund financial statements present the financial results on different methods of accounting. Included in the financial statements are reconciliations that explain the difference between the two methods.

Government-wide financial statements are prepared on the accrual basis of accounting and economic resources focus. The required financial statements are: Statement of Net Position and Statement of Activities. The Statement of Net Position reports all assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the long term financial position of the District is improving or deteriorating. The Statement of Activities presents information on how the net position of the District 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 when cash is paid or received.

Governmental Funds financial statements are prepared on the modified accrual basis of accounting and current financial resources focus. The required financial statements are: Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances. The Balance Sheet shows only assets and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities are included. The Statement of Revenues, Expenditures, and Changes in Fund Balances reports revenues for which cash has been received during or soon after the end of the year; expenditures are recorded when goods or services have been received and payment is due during the year or soon after the end of the year.

The Government-Wide and Governmental Funds financial statements show the results of the following funds:

General Fund - Most the District's basic services are accounted for in this fund.

Capital Outlay - The District has an inactive capital outlay fund.

BOULDER CREEK FIRE PROTECTION DISTRICT
Management's Discussion and Analysis
June 30, 2014

CONDENSED GOVERNMENT-WIDE FINANCIAL DATA

	2014	2013
Current assets:	\$ 1,546,435	\$ 1,521,531
Station and equipment, net of accumulated depreciation	1,333,648	1,439,744
Total assets	\$ 2,880,083	\$ 2,961,275
Current liabilities	\$ 75,517	\$ 89,472
Total liabilities	75,517	89,472
Net position		
Net investment in capital assets	1,333,648	1,439,744
Unrestricted	1,470,918	1,432,059
Total net position	2,804,566	2,871,803
Total liabilities and net position	\$ 2,880,083	\$ 2,961,275
	2014	2013
Expenditures, net of program revenue	\$ 806,647	\$ 770,440
General revenues:		
Property tax	680,684	652,964
Use of money and property (interest income)	24,280	5,758
Aid from other government agencies	5,345	5,469
Other revenues:		
Other revenue	29,101	3,421
Change in net position	\$ (67,237)	\$ (102,828)

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The District's Net Position decreased by \$67,237 and \$102,828 for the fiscal years ended June 30, 2014 and 2013, respectively or approximately decrease of 2.4% and decrease of 3.5%, respectively. The total Net Position as of June 30, 2014 and 2013 were \$2,804,566 and \$2,871,803, respectively. Of the \$2,804,566 and \$2,871,803 in Net Position, \$1,333,648 and \$1,439,744 were invested in capital assets (net of accumulated depreciation and related debt).

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Governmental fund balances increased by \$36,278 and decreased by \$411,436 for the fiscal years ended June 30, 2014 and 2013, respectively. The main reason for the differences between the decreases in District fund balances and the decreases in District net position is the difference in accounting for fixed asset purchases and depreciation expense.

BOULDER CREEK FIRE PROTECTION DISTRICT
Management's Discussion and Analysis
June 30, 2014

BUDGETARY HIGHLIGHTS

For the fiscal year ended June 30, 2014, the District's interest revenue was less than budget due to decreased rate of return on the District's funds held in the County of Santa Cruz investment pool.

CAPITAL ASSETS

As of June 30, 2014, the District had invested \$3,162,340, in a broad range of capital assets including land, structures and improvements and equipment.

Major capital asset additions for the years ended June 30, 2014 and 2013, included:

There were no capital asset additions for the year ended June 30, 2014.

2014

2013

Purchase of Property	\$ 405,291
Equipment	\$ 17,700
Building bracing	\$ 3,164

LONG-TERM LIABILITIES

At year-end the District had no long-term liabilities.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The District has the following budgetary plans for the 2014-2015 year:

The District is planning on performing seismic repairs/rehabilitation on the station at total estimated cost of \$150,000 for the 2014-2015.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

These financial statements are designed to provide a general overview of the District's finances. If you have questions about these financial statements or need additional financial information, contact the District's office at 13230 Central Avenue, Boulder Creek, California 95006 telephone (831) 338-7222.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

BOULDER CREEK FIRE PROTECTION DISTRICT
Statement of Net Position
Statement A
June 30, 2014 (With Comparative Totals for 2013)

<u>ASSETS</u>	2014	2013
Cash in county treasury (note 3) Santa Cruz County	\$ 1,518,582	\$ 1,510,526
Accounts receivable	18,495	838
Prepaid expense		
Prepaid warranty	-	783
Prepaid insurance	9,358	9,384
Total prepaid expense	9,358	10,167
Total current assets	1,546,435	1,521,531
Station and equipment - net of accumulated depreciation (note 2 & 4)		
Land	300,295	300,295
Structures and improvements	793,477	793,477
Equipment	2,068,568	2,068,568
Total station and equipment	3,162,340	3,162,340
Less: accumulated depreciation	(1,828,692)	(1,722,596)
Station and equipment, net of accumulated depreciation	1,333,648	1,439,744
Total assets	\$ 2,880,083	\$ 2,961,275
<u>LIABILITIES AND NET POSITION</u>		
Current liabilities		
Accounts payable	\$ 14,391	\$ 16,435
Accrued salaries and benefits	47,211	56,637
Accrued compensated absences	13,915	16,400
Total liabilities	75,517	89,472
Net position		
Net investment in capital assets	1,333,648	1,439,744
Unrestricted net position - general fund	1,470,918	1,432,059
Total net position	2,804,566	2,871,803
Total liabilities and net position	\$ 2,880,083	\$ 2,961,275

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

BOULDER CREEK FIRE PROTECTION DISTRICT
Statement of Activities
Statement B
For the Year Ended June 30, 2014 (With Comparative Totals for 2013)

	Program Revenues				
Expenditures	Charges for Services	Strike Team & Emergency Reimburse- ments	Operating Grants and Contributions	2014 Total	2013 Total
Expenditures					
Fire protection					
Salaries and benefits	\$431,674	\$ -	\$ -	\$ 431,674	\$ 430,915
Services and supplies	270,675	1,798	-	268,877	222,598
Depreciation	106,096	-	-	106,096	116,927
Total governmental activities	808,445	1,798	-	806,647	770,440
General revenues					
Property tax				680,684	652,964
Use of money and property				24,280	5,758
Aid from other government agencies					
Tax relief				5,345	5,469
Other revenue:					
Other revenue				29,101	3,421
Total general revenues				739,410	667,612
Changes in net position				(67,237)	(102,828)
Net position					
Beginning of the year				2,871,803	2,974,631
End of the year				\$2,804,566	\$2,871,803

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

GOVERNMENTAL FUND FINANCIAL STATEMENTS

BOULDER CREEK FIRE PROTECTION DISTRICT
Balance Sheet -Governmental Funds
Statement C
June 30, 2014 (With Comparative Totals for 2013)

	Governmental Fund Types		Totals (Memorandum Only)	
	General	Capital Projects	2014	2013
Assets and other debits				
Assets				
Cash (note 3)	\$ 1,518,582	\$ -	\$ 1,518,582	\$ 1,510,526
Accounts receivable	18,495	-	18,495	838
Prepaid expense	-	-	-	905
Total assets and other debits	<u>\$ 1,537,077</u>	<u>\$ -</u>	<u>\$ 1,537,077</u>	<u>\$ 1,512,269</u>
Liabilities, fund balance and other credits				
Other credits				
Liabilities:				
Accrued payroll	\$ 47,211	\$ -	\$ 47,211	\$ 56,637
Accounts payable	14,391	-	14,391	16,435
Total liabilities	<u>61,602</u>	<u>-</u>	<u>61,602</u>	<u>73,072</u>
Fund balance				
Nonspendable fund balance:				
Prepaid expenses	-	-	-	905
Committed fund balance				
Workers' compensation claims	200,000	-	200,000	200,000
Building and improvements reserve	4,498	-	4,498	165,398
Equipment reserve	-	-	-	12,500
Replacement of mobile equipment	1,035,400	-	1,035,400	1,017,400
Clothing and personal reserve	34,630	-	34,630	40,000
Unassigned fund balance:				
Reserved for imprest cash	-	-	-	-
Unassigned	200,947	-	200,947	2,994
Total fund balances	<u>1,475,475</u>	<u>-</u>	<u>1,475,475</u>	<u>1,439,197</u>
Total liabilities and fund balances	<u>\$ 1,537,077</u>	<u>\$ -</u>	<u>\$ 1,537,077</u>	<u>\$ 1,512,269</u>

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

BOULDER CREEK FIRE PROTECTION DISTRICT
 Reconciliation of the Governmental Funds Balance Sheet
 to the Government-Wide Statement of Net Position
 Statement D
 June 30, 2014 (With Comparative Totals for 2013)

	2014	2013
Total fund balances - governmental funds (statement C)	\$ 1,475,475	\$ 1,439,197
<p>Capital assets used in governmental funds are not financial resources and therefore are not reported as assets in the governmental funds.</p>		
Total historical cost of capital assets	3,162,340	3,162,340
Less: accumulated depreciation	(1,828,692)	(1,722,596)
<p>Prepaid insurance expense represents payments on insurance that has been paid but will benefit future periods, as such, the prepayment is not reported in the fund balances in the governmental funds.</p>		
	9,358	9,262
<p>Compensated absences are reported in the Government-Wide Statement of Net Position, but they do not require the use of current financial resources. Therefore, the liability is not reported in governmental funds.</p>		
	(13,915)	(16,400)
Net position (statement A)	\$ 2,804,566	\$ 2,871,803

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

BOULDER CREEK FIRE PROTECTION DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Statement E
For the Year Ended June 30, 2014 (With Comparative Totals for 2013)

	Governmental Funds		Totals	
	General	Capital Projects	(Memorandum Only)	
			2014	2013
Revenues				
Property taxes	\$ 680,684	\$ -	\$ 680,684	\$ 652,964
Use of money and property	24,277	3	24,280	5,758
Aid from other government agencies	5,345	-	5,345	5,469
Charges for services	1,798	-	1,798	3,421
Miscellaneous revenue	29,101	-	29,101	21,173
Total revenues	<u>741,205</u>	<u>3</u>	<u>741,208</u>	<u>688,785</u>
Expenditures				
Salaries and employee benefits	433,747	-	433,747	430,870
Services and supplies	271,183	-	271,183	243,197
Fixed assets	-	-	-	426,154
Appropriations for contingencies	-	-	-	-
Total expenditures	<u>704,930</u>	<u>-</u>	<u>704,930</u>	<u>1,100,221</u>
Other financing sources				
Proceeds from the sale of fixed assets	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	36,275	3	36,278	(411,436)
Operating transfers in (out)	<u>2,898</u>	<u>(2,898)</u>	<u>-</u>	<u>-</u>
Beginning fund balance	<u>1,436,302</u>	<u>2,895</u>	<u>1,439,197</u>	<u>1,850,633</u>
Ending fund balance	<u>\$ 1,475,475</u>	<u>\$ -</u>	<u>\$ 1,475,475</u>	<u>\$ 1,439,197</u>

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

BOULDER CREEK FIRE PROTECTION DISTRICT
 Reconciliation of the Statement of Revenues, Expenditures and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities
 Statement F
 For the Year Ended June 30, 2014 (With Comparative Totals for 2013)

	2014	2013
Net change in fund balances - total governmental funds (statement E)	\$ 36,278	\$ (411,436)
<p>Amounts reported for governmental activities in the Statement of Activities (Statement B) are different as follows:</p> <p>Government funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets are allocated over the estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense during the year.</p>		
Current year capital outlays	-	426,154
Less: current year depreciation expense	(106,096)	(116,927)
Increase (decrease) from prior year to current year prepaid expenses.	96	(985)
<p>In the governmental funds compensated absences (sick pay and vacations) are measured by the amount of financial resources used, which is the amounts actually paid. In the Government-Wide Statement of Activities, compensated absences are measured by the amounts earned during the year. For the years ended June 30, 2014 vacation sick leave paid was \$2,485 more than earned and for the year ended June 30, 2013 vacation and sick leave paid was \$366 more than earned.</p>		
	2,485	366
Change in net position of Governmental Activities (Statement B)	\$ (67,237)	\$ (102,828)

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

BOULDER CREEK FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2014

1. Organization and Summary of Significant Accounting Policies

Organization

The Boulder Creek Fire Protection District was organized August 15, 1923, in conformity with the Deering Act 2593, Statutes of 1881, since codified into the State of California Health and Safety Code, Sections 14001 et seq. The District was reorganized in September 1966 in conformity with the Health and Safety Code, Sections 13801 et seq. The District provides fire protection for the town of Boulder Creek and the surrounding area.

District officials

The District is governed by a board of five directors. The following were in office at June 30, 2014:

	<u>Term Expires November</u>
Rick Rogers, Chairman	2016
Jack D. Kuehl, Vice-Chair	2016
Sam Robustelli	2014
Bob Locatelli	2016
Bob Presswood	2014

Kevin McClish was the Fire Chief at June 30, 2014.

Accounting records

The official accounting records of the District are maintained in the office of the Auditor-Controller. Supporting documents are maintained by the District.

Minutes

Minutes were recorded for meetings and contained approvals for disbursement.

Budgetary procedure

The District prepares a fiscal year budget in accordance with applicable laws and regulations.

2. Summary of Significant Accounting Policies

- a. Basis of Accounting and Measurement Focus - The accounts of the District are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund are summarized by providing a separate set of self-balancing accounts which include its assets, liabilities, fund equity, revenues and expenses or expenditures. The District uses a chart of accounts based on the uniform accounting system prescribed by the State Controller.

BOULDER CREEK FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2014

2. Summary of Significant Accounting Policies (continued)

b. Financial Statement Presentation:

Government-Wide Financial Statements:

The District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position. These statements present summaries of governmental activities for the District.

The basic Government-Wide Financial Statements are presented on an economic resources measurement focus and the accrual basis of accounting. Accordingly, all of the District's assets and liabilities, deferred inflows/outflows of resources, including capital assets, and long-term liabilities are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period the liability is incurred.

The District's governmental-wide net position is classified in the following categories:

Net Investment in Capital Assets – Includes amount of the net position that is invested in capital assets net of accumulated depreciation and any related debt.

Restricted – Includes amounts that can be spent only for the specific purposes stipulated by a formal action of the government's highest level of decision-making authority, external resource providers, constitutionally, or through enabling legislation.

Unrestricted – Includes amounts that are technically available for any purpose and includes all amounts not contained in other classifications.

Governmental Funds Financial Statements:

The District's Government Funds financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds. An accompanying schedule is presented to reconcile and explain the differences in Net Position as presented in these Statements of Net Position presented in the Government-Wide financial statements.

BOULDER CREEK FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2014

2. Summary of Significant Accounting Policies (continued)

b. Financial Statement Presentation (Continued):

All governmental funds are accounted for on a spending or current financial resources measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year end) are recognized when due. Expenditures are recorded in the accounting period in which the related fund liability is incurred. Reconciliation of the Governmental Funds financial statements to the Government-Wide financial statements is provided to explain the differences created by the different measurement focus and basis of accounting.

The District's governmental fund balance is classified in the following categories:

Nonspendable - Includes amounts that are not in a spendable form or are required to be maintained intact.

Restricted - Includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally, or through enabling legislation.

Committed - Includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.

Assigned - Includes amounts intended to be used by the government for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Unassigned - Includes amounts that are technically available for any purpose and includes all amounts not contained in other classifications.

BOULDER CREEK FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2014

2. Summary of Significant Accounting Policies (continued)

- c. Total Columns on Combined Statements - Overview - Total Columns on the combined statement are captioned "memorandum only" to indicate that they are presented only to facilitate analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.
- d. Property Tax Revenue - The County of Santa Cruz assesses properties, bills, and collects property taxes for the District. Assessed values are determined annually by the County Assessor as of March 1, and become a lien on real property as of that date. Taxes are due November 1 and February 1 and are delinquent if not paid by December 10 and April 10, respectively. The County bills and collects property taxes and remits them to the District under the State authorized method of apportioning taxes whereby all local agencies, including special districts, receive from the County their respective shares of the amount of ad valorem taxes collected.
- e. Cash in County Treasury - The Districts cash is held in County Treasury Pools and are considered cash. See Note 3 to the financial statements for information regarding the Pools investments, interest rate risk, concentration of credit risk and custodial credit risk for the largest County.
- f. Accounts Receivable - All accounts receivable, if any, are shown net of any allowance for uncollectible accounts. All receivables which have been remitted within 60 days subsequent to fiscal year end are considered measurable and available and recognized as income in the government-fund financial statements.
- g. Inventory, Materials and Supplies - The inventory on hand at any time is small. Accordingly, purchases are charged directly to fixed assets or to maintenance costs, as applicable.
- h. Prepaid Items - Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in the government-wide and government fund financial statements, as applicable.

BOULDER CREEK FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2014

2. Summary of Significant Accounting Policies (continued)

- i. Capital Assets - Capital assets, which include land, buildings, improvements, and equipment are reported in the Government-Wide Financial Statements. Capital assets are recorded at historical cost or estimated historical cost if actual cost is not available. Donated assets are valued at their estimated fair value on the date donated. The District has set capitalization thresholds for reporting capital assets at the following:

Structures	\$ 10,000
Equipment	\$ 5,000

Depreciation is recorded on the straight-line method (with no depreciation applied to the first year of acquisition) over the useful lives of the assets as follows:

Structures	40 years
Equipment	5 - 20 years

Depreciation is recorded on the straight-line method over the useful lives of the assets.

- j. Liability for Compensated Absences - The District is required to recognize a liability for employees' rights to receive compensation for future absences. On June 30, 2014 and 2013, the liability for compensated absences was \$13,915 and \$16,400, respectively.
- k. Fund Balance Designated - Fund balance designated indicate the portions of fund balance not appropriable for expenditure or amounts legally segregated for a specific future use.
- l. District Special Expense - Because fire hose couplings and nozzles are peculiar to fire districts, the manual of the State Controller provides that purchases of such items be charged to the expense account "District Special Expense."
- m. Unrealized Gains and Losses - Governmental Accounting Standards Board (GASB) has established GASB-31 which requires public agencies to report the financial effect of all unrealized gains and losses on invested funds. As of June 30, 2014 and 2013, the unrealized gains/losses for Boulder Creed Fire Protection District of Santa Cruz County were immaterial to the financial statements taken as a whole, and accordingly, have not been reflected in the financial statements.
- n. Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

BOULDER CREEK FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2014

3. Pooled Cash and Investments

The County sponsors an investment pool that is managed by the County Treasurer for the purpose of increasing interest earnings through investment activities. Cash and investments for most County activities are included in the investment pool. Interest earned on the investment pool is distributed to the participating funds monthly using a formula based on the average daily cash balance of each fund. Interest earned through June 30, 2014 was distributed on the second business day during July 2014, and is shown as part of receivables on the financial statements.

The following is a summary of cash and investments at June 30, 2014:

	<u>Government-Wide Statement of Net Position</u>			<u>Component Unit</u>	<u>Fiduciary Funds</u>			<u>County Total</u>
	<u>Primary Governments</u>				<u>Santa Cruz County Sanitation District</u>	<u>Agency Funds</u>	<u>Investment Trust Fund</u>	
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>					
Cash and investments	\$ 211,487,624	\$ 8,232,528	\$ 219,720,152	\$ 22,722,985	\$ 36,547,947	\$ 358,813,874	\$ 20,539,610	\$ 658,344,568
Restricted cash and investments	6,582,547	5,861,316	12,443,863	1,622,865	-	-	12,957,371	27,024,099
Total cash and investments	<u>\$ 218,070,171</u>	<u>\$ 14,093,844</u>	<u>\$ 232,164,015</u>	<u>\$ 24,345,850</u>	<u>\$ 36,547,947</u>	<u>\$ 358,813,874</u>	<u>\$ 33,496,981</u>	<u>\$ 685,368,667</u>

BOULDER CREEK FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2014

3. Pooled Cash and Investments (continued)

	Cash and Investments	Restricted Cash & Investments	Total
Primary government and fiduciary funds:			
Cash on hand or imprest cash	\$ 3,192,381	\$ -	\$ 3,192,381
Cash deposits in treasury pool	7,995,810	-	7,995,810
Investments in Ttreasury pool	624,433,392	-	624,433,392
Restricted investments in other pools	-	19,539,918	19,539,918
Restricted cash deposits in treasury pool:			
Davenport County Sanitation District	-	16,408	16,408
County disposal sites CSA 9C	-	5,844,908	5,844,908
Total	<u>635,621,583</u>	<u>25,401,234</u>	<u>661,022,817</u>
Component unit:			
Investments in treasury pool	22,722,985	652,928	23,375,913
Restricted investments in other banks	-	969,937	969,937
Total	<u>22,722,985</u>	<u>1,622,865</u>	<u>24,345,850</u>
Total cash and investments	<u>\$ 658,344,568</u>	<u>\$ 27,024,099</u>	<u>\$ 685,368,667</u>

At June 30, 2014, the county's cash on hand, deposits, and investments consisted of:

	Treasury Pool	Other Banks/ Investment Pools	Total
Primary government and fiduciary funds:			
Cash on hand or imprest cash	\$ 48,480	\$ 3,143,901	\$ 3,192,381
Deposits	7,995,810	-	7,995,810
Investments	630,294,708	19,539,918	649,834,626
Total primary government	<u>638,338,998</u>	<u>22,683,819</u>	<u>661,022,817</u>
Component unit:			
Investments	23,375,913	969,937	24,345,850
Total component unit	<u>23,375,913</u>	<u>969,937</u>	<u>24,345,850</u>
Total reporting unit	<u>\$ 661,714,911</u>	<u>\$ 23,653,756</u>	<u>\$ 685,368,667</u>

BOULDER CREEK FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2014

3. Pooled Cash and Investments (continued)

The carrying amounts of the County's cash deposits were \$7,995,810 at June 30, 2014. Bank balances at June 30, 2014 were \$22,566,732, which were fully insured or collateralized with securities held by the pledging financial institutions in the County's name as discussed below.

The California Government Code requires California banks and savings and loan associations to secure the County's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the County's name.

The market value of pledged securities must equal at least 110% of the County's cash deposits. California law also allows institutions to secure County deposits by pledging first trust deed mortgage notes having a value of 150% of the County's total cash deposits. The County may waive collateral requirements for cash deposits, which are fully insured up to \$250,000, by the Federal Deposit Insurance Corporation. The County, however, has not waived the collateralization requirements.

Investments

The table below identifies the investment types that are authorized for the County by the California Government Code or the County's investment policy, where more restrictive. The table also identifies certain provisions of the County's investment policy that address interest rate risk, credit risk, and concentration risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local agency bonds	5 Years	10%	None
U.S. Treasury obligations	5 Years	100%	None
U.S. Government agency obligations	5 Years	100%	25%
State of California obligations	5 Years	10%	None
Bankers' acceptances	180 days	40%	10%
Commercial paper	270 days	25%	10%
Negotiable certificates of deposit	5 Years	30%	None
Non-negotiable certificates of deposit	180 days	10%	10%
Repurchase agreements	1 Year	100%	10%
Medium term notes	5 Years	30%	10%
Mutual funds/money market mutual funds	N/A	20%	10%
Local agency investment fund (LAIF)	N/A	\$50 Million	None
Joint powers authority investment funds	None	25%	None

In accordance with GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, investments were stated at fair value. The fair value of investments generally changes with fluctuations of interest rates. When interest rates fall, the fair value of investments increases, and conversely when interest rates rise, the fair value of investments could fall below the original cost of the investments. A rise in interest rates in June 2014 resulted in a material decrease of \$2,418,121 in the fair value of pool investments at June 30, 2014, which has been recorded in the financial statements of all funds with equity in pooled cash and investments in the County Treasury.

BOULDER CREEK FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2014

3. Pooled Cash and Investments (continued)

Interest rate risk

The County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to five years or less in accordance with its investment policy.

At June 30, 2014, the county had the following investment maturities:

Investment Type	Cost	Investment Maturities (In Years)				
		Less Than 1	1 to 2	2 to 3	3 to 4	4 or More
U.S. Treasury securities	\$ 281,327,441	\$ 133,085,390	\$ 107,529,160	\$ 10,963,187	\$ 15,089,100	\$ 14,660,604
Federal agency securities	214,619,259	41,118,440	7,995,120	94,857,409	41,365,290	29,283,000
Corporate bonds and notes	19,993,700	-	10,003,200	9,990,500	-	-
Medium term notes - other	16,000,000	16,000,000	-	-	-	-
Money market mutual funds	25,582,547	25,582,547	-	-	-	-
Local agency investment fund (LAIF)	50,024,364	50,024,364	-	-	-	-
Certificates of deposit	50,017,158	50,017,158	-	-	-	-
Investment agreements	969,937	-	-	-	-	969,937
Total investments	<u>\$ 658,534,406</u>	<u>\$ 315,827,899</u>	<u>\$ 125,527,480</u>	<u>\$ 115,811,096</u>	<u>\$ -</u>	<u>\$ 969,937</u>

Concentration of credit risk

At June 30, 2014, in accordance with State law and the County's Investment Policy, the County did not have 5% or more of its net investment in commercial paper, corporate bonds or medium term notes of a single organization, nor did it have 10% or more of its net investment in any one money market mutual fund. Investments in obligations of the U.S. government, U.S. government agencies, or government-sponsored enterprises are exempt from these limitations.

BOULDER CREEK FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2014

3. Pooled Cash and Investments (continued)

Concentration of credit risk (continued)

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of the County Investment Pool's fair value at June 30, 2014.

<u>Investment Type</u>	<u>S&P</u>	<u>Moody's</u>	<u>% of Portfolio</u>
U.S. Treasury securities	AA+	Aaa	42.72%
Federal agency securities	AA+	Aaa	32.59%
Corporate notes and bonds	AA+/AA-	Aa3	3.04%
Medium term notes - other	Unrated	Unrated	2.43%
Money market mutual funds	Unrated	Unrated	3.88%
Local agency investment fund (LAIF)	Unrated	Unrated	7.59%
Certificates of deposit	A1+	Aa3/Aa2	7.60%
Investment agreements	AAA	Aa3	0.15%
Total			<u>100.00%</u>

Custodial credit risk

For investments and deposits held with fiscal agents, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or deposits that are in the possession of an outside party. At year end, the County's investment pool and cash with fiscal agents had no securities exposed to custodial credit risk.

BOULDER CREEK FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2014

3. Pooled Cash and Investments (continued)

Local agency investment fund

The County is a participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The County's investments with LAIF at June 30, 2014, included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities:

Structured Notes: debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or have embedded forwards or options.

Asset-Backed Securities: generally mortgage-backed securities that entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (for example, Collateralized Mortgage Obligations) or credit card receivables.

At June 30, 2014, the County had \$50,024,364 invested in LAIF, which had invested 0.33% of the pool investment funds in Structured Notes and Asset-Backed Securities as compared to 0.51% in the previous year. LAIF provided a fair value factor of 1.000273207 to calculate the fair value of the investments in LAIF. However, an adjustment was not made to reflect the fair market value of LAIF, as the fair market value adjustment was considered immaterial.

LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute.

BOULDER CREEK FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2014

4. Changes in Fixed Assets

Detail of fixed assets and accumulated depreciation as of June 30, 2014 is as follows:

	Balance July 1, <u>2013</u>	<u>Additions</u>	Adjustments/ <u>Deletions</u>	Balance June 30, <u>2014</u>
Land	\$ 300,295	\$ -	\$ -	\$ 300,295
Structures and improvements	793,477	-	-	793,477
Equipment	<u>2,068,568</u>	-	-	<u>2,068,568</u>
Total	<u>\$ 3,162,340</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,162,340</u>
Accumulated depreciation	<u>\$ (1,722,596)</u>	<u>\$(106,096)</u>	<u>\$ -</u>	<u>\$(1,828,692)</u>

5. Changes in Long-Term Debt and Lease Commitments:

The District had no long-term debt as of June 30, 2014 and 2013.

Lease with the California Department of Forestry

On May 9, 1989, the District entered into an agreement with the State of California, Department of Forestry and Fire Protection (CDF). The agreement calls for a parcel of land, owned by the District, to be leased to the CDF rent free. The lease provides for the CDF to build a fire station for joint use by the CDF and the District for a period of 30 years, renewable for another 30 years, provided the State gives notice of its intent to extend the lease at least six months prior to the end of the term. The lease agreement will terminate if at any time CDF discontinues the use of the fire station for a consecutive period of two years or if CDF declares the fire station surplus, the fire station and its associated outbuilding will revert in ownership to the District.

Lease with the Boulder Creek Recreation District

The District entered into a lease agreement with the Boulder Creek Recreation District to lease the Boulder Creek recreation hall to the Boulder Creek Recreation District for \$1.00 for a period of twenty-five years beginning on June 10, 1993. The Boulder Creek Recreation District can exercise the option to purchase the recreation hall from the Boulder Creek Fire Protection District for the sum of \$1.00 in the event the Boulder Creek Fire Protection District is merged into another entity, abolished, named in bankruptcy proceedings, or otherwise controlled by persons or entities outside the Boulder Creek area.

BOULDER CREEK FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2014

6. Employees' Retirement Plan

Plan description

The Boulder Creek Fire Protection District's defined benefit pension plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Boulder Creek Fire Protection District's defined benefit pension plan is part of the Public Agency portion of the California Public Employees Retirement System (CalPERS), an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers within the State of California. A menu of benefit provisions as well as other requirements is established by State statutes within the Public Employees' Retirement Law. The Boulder Creek Fire Protection District selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance. CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office - 400 P Street - Sacramento, CA 95814.

Funding policy

Active plan members in the Boulder Creek Fire Protection District's defined pension plan are required to contribute 8% or 9% of their annual covered salary depending on their job classification. The Boulder Creek Fire Protection District is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2013/2014 was 22.744% for safety employees. The contribution requirements of the plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS.

Annual pension cost

For fiscal year 2013/2014 the Boulder Creek Fire Protection District's defined benefit pension plan's annual pension cost was \$31,299 for PERS. The required contribution for fiscal year 2013/2014 was determined as part of the June 30, 2011 actuarial valuation using the entry age normal actuarial cost method with the contributions determined as a percent of pay. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses); (b) projected salary increases that vary by duration of service age, and type of employment, and (c) 3.00% overall payroll growth. Both (a) and (b) included an inflation component of 2.75%. The actuarial value of Boulder Creek Fire Protection District's defined benefit pension plan's assets was determined using a technique that smoothes the effect of short-term volatility in the market value of investments over a three year period depending on the size of investment gains and/or losses. Boulder Creek Fire Protection District's defined benefit pension plan's unfunded actuarial accrued liability (or excess assets) is being amortized as a level percentage of projected payroll on a closed basis.

BOULDER CREEK FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2014

6. Employees' Retirement Plan (continued)

Three-year trend information for Boulder Creek Fire Protection District:

Fiscal Year <u>Ending</u>	Annual Pension Cost(APC)	Percentage of APC <u>Contributed</u>	Net Pension <u>Obligation</u>
6/30/12	\$29,008	100%	N/A
6/30/13	\$29,365	100%	N/A
6/30/14	\$31,299	100%	N/A

Required supplementary information

Funded status of the plan:

As part of the program to smooth the changes in required employer contributions for smaller plans, resulting from changes in actuarial assumptions and short-term market experience, PERS placed plans of 100 or fewer members into "Risk Pools". Formation of the risk pools required the establishment of "Side Funds" to account for the differences between the funded status of the risk pool and the funded status of the member districts plan. The "Side Fund" represents unfunded liabilities to be amortized on an annual basis over a closed period. The District has no "Side Fund" liability.

The table below displays a schedule of funding progress for the recent history of the Risk Pool's Accrued Liability, Actuarial Value of Assets, Unfunded Liability, Funded Status (i.e., the ratio of the Actuarial Value of Assets to Accrued Liability), the estimated Annual Covered Payroll for the Risk Pool, and the Unfunded Actuarial Accrued Liability (UAAL) as a percentage of that covered payroll.

Funded status of the risk pool:

Funded Status of the Safety Plan Risk Pool – District's Share

Valuation Date	Accrued Liabilities	Share of Pool's Market Value of Assets (MVA)	Plan's Share of Pool's Unfunded Liability	Funded Ratio	Annual Covered Payroll
6/30/11	\$209,429	\$168,120	\$41,309	80.36%	\$120,578
6/30/12	\$278,569	\$211,146	\$67,423	75.8%	\$125,449

BOULDER CREEK FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2014

7. Risk Management

The District is exposed to various risks of loss related to limited torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the District carries insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

Workers' compensation coverage

The District is a member of the Santa Cruz County Fire Agencies Insurance Group (the "Group"). In a board meeting on June 19, 2002, the Group approved the return of its self-insurance certificates to the State and to accept a proposal from California Public Entity Insurance Authority (CPEIA) a joint powers authority for both primary and excess workers' compensation coverage. In a resolution dated September 20, 2007, the Santa Cruz Fire Agencies Insurance Group's Board of Directors opted to terminate the CPEIA joint power agreement and merge into the CSAC Excess Insurance Authority (CSAC-EIA) Joint Power Agreement. This change was predicated on the decision of CSAC-EIA to restructure their Bylaws and JPA agreements discontinuing the operation of CPEIA and allowing its members to become full participants in the CSAC-EIA programs. Being a CPEIA member granted automatic approval of inclusion into both the Primary and Excess EIA workers' compensation programs beginning with the July 1, 2007 policy renewals. The relationship between the Group and CSAC-EIA ("the JPA") is such that CSAC-EIA is not a component unit of the Group for reporting purposes.

CSAC-EIA is a joint powers agency (JPA) formed pursuant to section 6500 et seq. of the California Government Code. Members are assessed a contribution for each program in which they participate. Members may be subject to additional supplemental assessments if it is determined that the contributions are insufficient. Members may withdraw from the CSAC-EIA only at the end of a policy period and only if a sixty day written advance note is given. However, CSAC-EIA may cancel a membership at any time upon a two-thirds vote of the Board of Directors and with sixty days written notice. Upon withdrawal or cancellation, a member shall remain liable for additional assessments for the program periods they have participated. CSAC-EIA is governed by a board of directors. The Board controls the operations of CSAC-EIA including adopting an annual budget.

Primary workers' compensation

The Primary Workers' Compensation program is a full service program including claims administration. The program blends pooling of workers' compensation claims with purchased stop loss insurance policy.

BOULDER CREEK FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2014

7. Risk Management (continued)

Excess workers' compensation

CPEIA retains responsibility for payment of claims in excess of \$125,000 for each member who also participates in the primary workers' compensation program. Claim liabilities are recognized based on the actuarial estimate of expected ultimate claim cost discounted at 6%.

Insurance coverage at June 30, 2014, consisted of the following:

	<u>Deductible</u>	<u>Limits:</u>
Property:		
Building and contents	\$ 250	\$5,000,000 (Blanket Limit)
Pollutant cleanup & removal	250	250,000
Personal effects of insured	250	50,000
Personal effects of patients & fire victims	250	50,000
Recertification of equipment and vehicles	250	50,000
Trees, shrubs, and landscaping planting	250	50,000
Fire department service charge	250	25,000
Towing and transportation expenses	250	5,000
Liability:		
Bodily injury and property damage, personal injury and advertising injury, professional liability, wrongful acts	None	6,000,000 12,000,000 Aggregate
Fire damage limit	None	1,000,000
Excess liability	None	1,000,000
Uninsured motorists liability	None	1,000,000
Uninsured motorists property damage	None	1,000,000
Medical payments	None	10,000
Legal expense reimbursement	None	5,000
Crime:		
Employee dishonesty	None	250,000
Forgery or alteration	None	250,000
Computer fraud	None	100,000
Theft, disappearance and destruction	None	25,000
Other:		
Workers' compensation insurance	Joint powers authority - statutory	
Group health and accident	PERS	

BOULDER CREEK FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2014

8. Committed Fund Balance

The District has committed for the following items out of its unreserved fund balance:

	<u>June 30,</u> <u>2013</u>	<u>Amounts</u> <u>Made</u> <u>Available</u>	<u>Increase</u> <u>New</u> <u>Designations</u>	<u>June 30,</u> <u>2014</u>
Workers' compensation	\$ 200,000	\$ -	\$ -	\$ 200,000
Structure upgrades or repairs	165,398	160,900	-	4,498
Equipment purchases	12,500	12,500	-	-
Mobile equipment	1,017,400	7,000	25,000	1,035,400
Large clothing	40,000	5,370	-	34,630

9. Post-Retirement Benefits

Plan description

In addition to the pension benefits described in Note 6, the District provides post-retirement health care benefits, in accordance with the District's Memorandum of Understanding with former Chief Robustelli. The District pays 100% of the PERs health care plan for the retiree and his spouse for the life of the retiree and spouse.

Current accounting and funding policy of the plan

The District finances the plan on a pay-as-you-go basis. For the years ended June 30, 2014 and 2013, the District expensed \$20,562 and \$3,596, respectively, for post-retirement health care.

Net OPEB obligation and annual OPEB cost

The District obtained an actuarial study of the plan in order to calculate the District's annual OPEB benefit cost (expense), which is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize the unfunded actuarial liability over a period not to exceed thirty years.

The health insurance payments on behalf of the former Chief and his spouse exceeded the amortization of the unfunded accrued liability for the current year.

BOULDER CREEK FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2014

10. Subsequent Events

The District's management has evaluated events and transactions subsequent to June 30, 2014 for potential recognition or disclosure in the financial statements. Subsequent events have been evaluated through June 30, 2015, the date the financial statements became available to be issued. The entity has not evaluated subsequent events after June 30, 2015. The District has the following subsequent event that require recognition or disclosure in the financial statements for the year ended June 30, 2014.

The District is planning on seismic repairs/rehabilitation of the fire station in the summer of 2015 and the estimated cost is \$335,000.

11. New Accounting Pronouncement Not Yet Adopted

The Governmental Accounting Standards Board "GASB" issued Statement 68, Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27, in June 2012. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. Included in this statement are standards for measuring and recognizing liabilities and expenses/expenditures. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information are also addressed.

Although the District has not yet quantified the impact that GASB 68 will have on its financial statements the new standard may have a material impact on recorded pension liabilities as compared to the application of current standards including a decrease in net position.

REQUIRED SUPPLEMENTARY INFORMATION

BOULDER CREEK FIRE PROTECTION DISTRICT
 Budgetary Comparison Schedule of Revenues
 Budget and Actual - General Fund
 For the Year Ended June 30, 2014

	Final Budget	Amended Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Property taxes:				
Current secured	\$ 676,470	\$ 661,177	\$ 661,713	\$ 536
Current unsecured	-	13,494	13,494	-
Penalties for delinquent taxes	-	89	89	-
Current supplemental	-	4,886	4,886	-
Current supplemental unsecured	-	21	21	-
Prior year supplemental secured	-	168	168	-
Prior year supplemental unsecured	-	6	6	-
Prior year unsecured	-	307	307	-
Total property taxes	<u>676,470</u>	<u>680,148</u>	<u>680,684</u>	<u>536</u>
Use of money and property:				
Interest	3,000	4,061	5,077	1,016
Rents & Concessions	-	-	19,200	19,200
Total use of money and property	<u>3,000</u>	<u>4,061</u>	<u>24,277</u>	<u>20,216</u>
Aid from other government agencies:				
Homeowner's property tax relief	-	5,345	5,345	-
State OES strike team	-	-	-	-
Total aid from other government agencies	<u>-</u>	<u>5,345</u>	<u>5,345</u>	<u>-</u>
Charges for current services:				
Inspection fees	3,500	1,798	1,798	-
Total charges for current services	<u>3,500</u>	<u>1,798</u>	<u>1,798</u>	<u>-</u>
Miscellaneous revenues:				
Other revenue	25,000	32,985	29,101	(3,884)
Operating transfers in (out)	<u>-</u>	<u>2,898</u>	<u>2,898</u>	<u>-</u>
Total revenues	<u>\$ 707,970</u>	<u>\$ 727,235</u>	<u>\$ 744,103</u>	<u>\$ 16,868</u>

BOULDER CREEK FIRE PROTECTION DISTRICT
 Budgetary Comparison Schedule of Expenditures
 Budget and Actual - General Fund
 For the Year Ended June 30, 2014

Expenditures:	Final Budget	Amended Final Budget	Actual	Variance Favorable (Unfavorable)
Salaries and employee benefits:				
Regular pay - permanent	\$ 229,859	\$ 229,859	\$ 236,383	\$ (6,524)
Overtime pay - permanent	4,000	4,000	-	4,000
Regular pay - extra help	103,620	103,620	100,775	2,845
OASDI	15,000	15,000	13,802	1,198
PERS	32,000	32,000	31,299	701
Employee group insurance	37,310	48,310	38,964	9,346
Unemployment insurance	7,000	7,000	5,843	1,157
Workers' compensation insurance	6,685	6,685	6,681	4
Total salaries and employee benefits	435,474	446,474	433,747	12,727
Services and supplies:				
Clothing and other personal supplies	15,000	15,000	17,656	(2,656)
Radio services	6,000	4,500	4,935	(435)
Telephone and telegraph	7,100	7,400	7,121	279
Food	1,000	1,500	1,616	(116)
Other insurance	15,300	21,300	21,188	112
Maintenance - mobile equipment	50,000	67,265	68,354	(1,089)
Maintenance - office equipment	1,500	1,500	1,683	(183)
Maintenance - other equipment	7,500	8,386	10,087	(1,701)
Maintenance - structure and grounds	23,500	23,500	15,734	7,766
Employee certificates	1,000	1,000	670	330
Memberships	1,170	1,170	795	375
Miscellaneous	100	100	136	(36)
Miscellaneous non-inventoriable	7,700	7,700	3,135	4,565
Postage	350	350	856	(506)
Subscriptions and periodicals	150	150	166	(16)
Accounting and auditing	18,000	18,000	17,292	708
Attorney	1,000	1,000	160	840
Directors' fees	2,400	2,400	2,838	(438)
Laundry services	1,100	1,100	1,147	(47)
Medical services - other	10,000	10,000	7,052	2,948
Professional and special services	28,570	28,570	25,204	3,366
Legal notices	250	250	588	(338)

BOULDER CREEK FIRE PROTECTION DISTRICT
 Budgetary Comparison Schedule of Expenditures -
 Budget and Actual - General Fund
 For the Year Ended June 30, 2014

	<u>Final Budget</u>	<u>Amended Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Expenditures (continued):				
Services and supplies (continued):				
Special district expense	\$ 30,520	\$ 30,520	\$ 31,695	\$ (1,175)
Education and training	15,900	15,900	13,308	2,592
Gas, oil, fuel	15,000	15,000	12,501	2,499
Utilities	3,500	3,500	5,266	(1,766)
Total services and supplies	<u>263,610</u>	<u>287,061</u>	<u>271,183</u>	<u>15,878</u>
Fixed assets:				
Land purchase	-	-	-	-
Buildings and improvements	172,476	175,374	-	175,374
Equipment	5,370	5,370	-	5,370
Mobile equipment	-	-	-	-
Total fixed assets	<u>177,846</u>	<u>180,744</u>	<u>-</u>	<u>180,744</u>
Appropriations for contingencies	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	876,930	914,279	704,930	209,349
Other financing source:				
Sale of fixed assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing source	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (168,960)</u>	<u>\$ (187,044)</u>	<u>\$ 39,173</u>	<u>\$ 226,217</u>

BOULDER CREEK FIRE PROTECTION DISTRICT
 Budgetary Comparison Schedule of Revenue and Expenditures
 Budget and Actual -Capital Projects Fund
 For the Year Ended June 30, 2014

	<u>Final Budget</u>	<u>Amended Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Use of money and property:				
Interest	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 3</u>
Expenditures:				
Operating transfers out	<u>\$ -</u>	<u>\$ 2,898</u>	<u>\$ 2,898</u>	<u>\$ -</u>