

BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)

BASIC
FINANCIAL STATEMENTS

For the Years Ended
June 30, 2014 and 2013

CONTENTS

	<u>Page</u>
Independent Auditor's Report	1 - 2
Management's Discussion and Analysis	3 - 5
Financial Statements	
Statements of Net Position	6
Statements of Activities	7
Balance Sheets - Governmental Funds	8 - 9
Reconciliation of the Balance Sheets - Governmental Funds to the Government-Wide Statements of Net Position	10
Statements of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	11 - 12
Reconciliation of the Statements of Revenues, Expenditures and Changes in Fund Balances- Governmental Funds to the Government-Wide Statements of Activities	13
Notes to Financial Statements	14 - 27
Required Supplementary Information	
Statements of Revenues, Expenditures, and Changes in Fund Balances, Budget and Actual - General Fund	29

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Bolinás Fire Protection District
Bolinás, California

We have audited the accompanying financial statements of the governmental activities and each major fund of the Bolinás Fire Protection District (a California special district), as of and for the years ended June 30, 2014 and 2013, 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 and the California State Controller's *Minimum Audit Requirements for California Special Districts*; 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the California State Controller's *Minimum Audit Requirements for California Special Districts*. Those standards require that we plan and perform the audits 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 financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of the Bolinas Fire Protection District as of June 30, 2014 and 2013, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America and the California State Controller's *Minimum Audit Requirements for California Special Districts*.

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 3–5 and 29 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 audits 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.

Doran & Associates

November 24, 2014

BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the years ended June 30, 2014 and 2013

General Overview

The Bolinas Fire Protection District's ("BFPD's") primary objective is to provide the community with emergency services of a medical, fire suppression and preventative nature.

BFPD's mission is to ensure the safety and peace of mind of our community by providing leadership, support to the community members in their efforts to stay safe, and by responding effectively to calls for emergency services. We maintain readiness in staffing, training, equipment, apparatus and facilities to provide effective emergency response independent of outside resources. We serve the community with respect and compassion for every community member and visitor, every staff member and volunteer, upholding the trust of the community, caring for their safety and prudently managing their resources.

Our discussion and analysis of BFPD's financial performance provides an overview of the District's financial activities for the fiscal years ended June 30, 2014 and 2013. Please review it in conjunction with the basic financial statements and notes to the statements, which begin on page 6.

Using This Annual Report

The first statement in the audit report, on page 6, is the Statements of Net Position. The second statement, on page 7, is the Statements of Activities. The third statement, on pages 8 and 9, is the Balance Sheets – Governmental Funds. The fourth statement, on page 10, is the Reconciliation of the Balance Sheets – Governmental Funds to the Government-Wide Statements of Net Position. The fifth statement in the audit report, on pages 11 and 12, is the Statements of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds. The sixth statement, on page 13, is the Reconciliation of the Statements of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds to the Government-Wide Statements of Activities. Following these statements are the Notes to Financial Statements ("Notes"), which provide explanations of specific items and sections of the report, as well as additional detail in the form of tables. The Notes are an integral part of the Financial Statements.

The Statements of Net Position can be seen as a snapshot of BFPD's financial status on June 30, 2014 and 2013. It indicates the amount of cash and investments, restricted cash, fuel, prepaid expenses, accounts receivable, as well as the value of the fixed assets owned by the District (land, buildings, equipment, vehicles, etc.), and the bond financing costs. It also shows total liabilities, including bills that were due at the end of the fiscal period, Bonds payable, and the deferred revenue. Finally, it shows Net Position, or the net worth of the District. Assets equal Liabilities plus Net Position.

The Statements of Net Position and Statements of Activities contain references to the Notes. The Notes provide additional detail and/or explanations for line items in the Statements of Net Position. The Statements of Net Position refers the reader to Notes for certain cash accounts, bond financing costs, capital assets, deferred revenue, bond payable, and Net Assets. The Statements of Activities contains references to property taxes and expense reimbursements.

BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the years ended June 30, 2014 and 2013

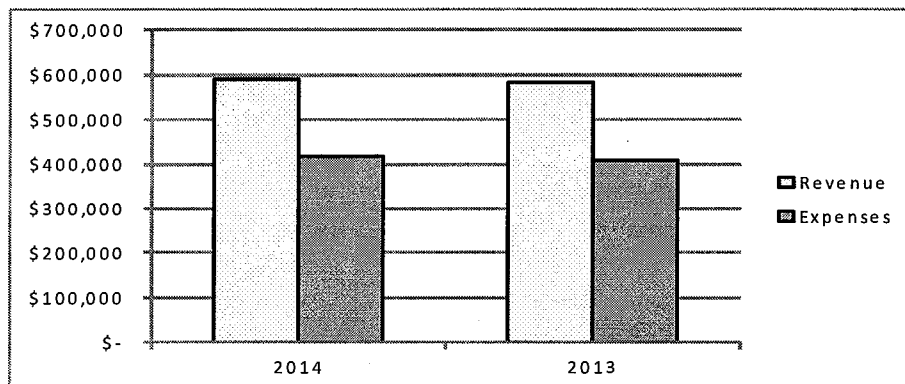
The Statements of Revenues, Expenditures and Changes in Fund Balances show the specific sources of income and operational expenditures. It indicates that BFPD had general revenues of \$588,924 and general operating expenses of \$417,857 for FY2014 and general revenues of \$583,487 and general operating expenses of \$408,896 for FY2013.

A Budget and Actual statement is included in the Supplemental Information section. Budget and Actual shows how specific income and expense compare with budgeted amounts, actual amounts, and the variance. See page 29 for this report.

Financial Highlights

- Total Cash, Cash Equivalents, and Restricted Cash for the period ending June 30, 2013 was \$1,009,045. For the period ending June 30, 2014 the total was \$1,170,209, which is an increase of \$161,164. The increase is due to an increase in cash on deposit for operations and bond reserve funds. Notes 2 and 3 refer to the cash accounts.
- Capital Assets for period ending June 30, 2013 were \$4,642,299. For period ending June 30, 2014 they were \$4,445,990 resulting in a decrease of \$196,309. This decrease is due to depreciation expense for the year. Current period depreciation and amortization expense was \$198,873. Note 5 refers to capital assets.

The chart below compares total revenue and expenditures for the years ended June 30, 2014 and June 30, 2013. Operating revenues increased by \$5,437 or 0.93%. Operating expenditures increased by \$8,961 or 2.19%.



**BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the years ended June 30, 2014 and 2013**

This financial report is designed to provide a general overview of the District's fiscal situation for all those with an interest in BFPD's finances. Questions concerning any of the information in this report, or requests for additional information should be addressed to: BFPD, Fire Chief, at P.O. Box 126 Bolinas, CA 94924.

BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)

STATEMENTS OF NET POSITION
June 30, 2014 and 2013

	2014	2013
ASSETS		
Current assets:		
Cash, cash equivalents and investments (Notes 1 and 2)	\$ 1,086,890	\$ 928,351
Restricted cash (Note 3)	83,319	80,694
Accounts receivable (Note 1)	20,243	21,488
Prepaid expenses	2,932	1,642
Fuel on hand	<u>3,563</u>	<u>6,751</u>
Total current assets	1,196,947	1,038,926
Bond financing costs, net of accumulated amortization of \$19,217 at 2014 and \$16,653 at 2013 (Note 5)	69,807	72,371
Capital assets, net of accumulated depreciation of \$1,997,543 at 2014 and \$1,801,234 at 2013 (Notes 1 and 5)	<u>4,445,990</u>	<u>4,642,299</u>
Total assets	<u>\$ 5,712,744</u>	<u>\$ 5,753,596</u>
LIABILITIES AND NET POSITION		
Current liabilities:		
Accounts payable	\$ 18,071	\$ 11,760
Bonds payable, current portion (Note 6)	<u>31,813</u>	<u>31,812</u>
Total current liabilities	49,884	43,572
Bonds payable, long-term (Note 6)	<u>1,615,699</u>	<u>1,647,513</u>
Total liabilities	<u>1,665,583</u>	<u>1,691,085</u>
Deferred inflows of resources:		
Deferred revenue (Note 7)	<u>206,250</u>	<u>212,500</u>
Total deferred inflows of resources	<u>206,250</u>	<u>212,500</u>
Net position (Note 1):		
Invested in capital assets, net of related debt	2,868,285	3,035,345
Restricted net position	83,319	80,694
Unrestricted net position	<u>889,307</u>	<u>733,972</u>
Total net position	<u>3,840,911</u>	<u>3,850,011</u>
Total liabilities and net position	<u>\$ 5,712,744</u>	<u>\$ 5,753,596</u>

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

BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)

STATEMENTS OF ACTIVITIES
For the years ended June 30, 2014 and 2013

	2014	2013
GENERAL REVENUES		
Property taxes (Note 8)	\$ 547,709	\$ 520,492
Government grants	16,090	1,591
Miscellaneous (Note 9)	118,574	125,084
Investment earnings	<u>1,337</u>	<u>2,606</u>
Total general revenues	<u>683,710</u>	<u>649,773</u>
EXPENSES		
Financing costs (Note 6)	76,080	76,880
Public safety-fire protection		
Salaries and benefits	273,793	261,937
Materials and services	144,064	146,959
Depreciation and amortization	<u>198,873</u>	<u>217,345</u>
Total program expenses	<u>692,810</u>	<u>703,121</u>
Change in net position	(9,100)	(53,348)
Total net position, beginning of year	<u>3,850,011</u>	<u>3,903,359</u>
Total net position, end of year	<u>\$ 3,840,911</u>	<u>\$ 3,850,011</u>

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

**BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)**

**BALANCE SHEETS - GOVERNMENTAL FUNDS
June 30, 2014**

	Major Funds			
	General Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS				
Current assets:				
Cash, cash equivalents and investments	\$ 1,086,890	\$ -	\$ -	\$ 1,086,890
Restricted cash	-	-	83,319	83,319
Accounts receivable	20,243	-	-	20,243
Prepaid expenses	2,932	-	-	2,932
Fuel on hand	3,563	-	-	3,563
	3,563	-	-	3,563
Total assets	\$ 1,113,628	\$ -	\$ 83,319	\$ 1,196,947
LIABILITIES AND FUND BALANCES				
Current liabilities:				
Accounts payable	\$ 18,071	\$ -	\$ -	\$ 18,071
Bonds payable, current	-	-	31,813	31,813
Total liabilities	18,071	-	31,813	49,884
Fund balances:				
Restricted	-	-	51,506	51,506
Assigned	633,340	-	-	633,340
Unassigned	462,217	-	-	462,217
Total fund balances	1,095,557	-	51,506	1,147,063
Total liabilities and fund balances	\$ 1,113,628	\$ -	\$ 83,319	\$ 1,196,947

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

**BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)**

**BALANCE SHEETS - GOVERNMENTAL FUNDS (CONTINUED)
June 30, 2013**

	Major Funds			Total Governmental Funds
	General Fund	Capital Projects Fund	Debt Service Fund	
ASSETS				
Current assets:				
Cash, cash equivalents and investments	\$ 928,351	\$ -	\$ -	\$ 928,351
Restricted cash	-	-	80,694	80,694
Accounts receivable	21,488	-	-	21,488
Prepaid expenses	1,642	-	-	1,642
Fuel on hand	6,751	-	-	6,751
	<u>\$ 958,232</u>	<u>\$ -</u>	<u>\$ 80,694</u>	<u>\$ 1,038,926</u>
Total assets	<u>\$ 958,232</u>	<u>\$ -</u>	<u>\$ 80,694</u>	<u>\$ 1,038,926</u>
LIABILITIES AND FUND BALANCES				
Current liabilities:				
Accounts payable	\$ 11,760	\$ -	\$ -	\$ 11,760
Bonds payable, current	-	-	31,812	31,812
Total liabilities	<u>11,760</u>	<u>-</u>	<u>31,812</u>	<u>43,572</u>
Fund balances:				
Restricted	-	-	48,882	48,882
Assigned	528,523	-	-	528,523
Unassigned	417,949	-	-	417,949
Total fund balances	<u>946,472</u>	<u>-</u>	<u>48,882</u>	<u>995,354</u>
Total liabilities and fund balances	<u>\$ 958,232</u>	<u>\$ -</u>	<u>\$ 80,694</u>	<u>\$ 1,038,926</u>

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

BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)

RECONCILIATION OF THE BALANCE SHEETS - GOVERNMENTAL FUNDS
TO THE GOVERNMENT-WIDE STATEMENTS OF NET POSITION
June 30, 2014 and 2013

	2014	2013
Total fund balances - total governmental funds	<u>\$ 1,147,063</u>	<u>\$ 995,354</u>
Amounts reported for Governmental Activities on the Statements of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources. Therefore, they are not reported on the Balance Sheets - Governmental Funds:		
Capital assets	6,443,533	6,443,533
Less: accumulated depreciation	<u>(1,997,543)</u>	<u>(1,801,234)</u>
	<u>4,445,990</u>	<u>4,642,299</u>
Bond financing costs	89,024	89,024
Less: accumulated amortization	<u>(19,217)</u>	<u>(16,653)</u>
	<u>69,807</u>	<u>72,371</u>
The Coastal Health Alliance deferred revenue does not require current resources; therefore, it is not reported on the Balance Sheets - Governmental Funds	<u>(206,250)</u>	<u>(212,500)</u>
Cash restricted for long-term debt does not require current financial resources. Therefore, it is not reported on the Balance Sheets - Governmental Funds:		
Bonds payable, long-term	<u>(1,615,699)</u>	<u>(1,647,513)</u>
Total net position	<u>\$ 3,840,911</u>	<u>\$ 3,850,011</u>

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

BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)

STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
For the year ended June 30, 2014

	Major Funds			Total Governmental Funds
	General Fund	Capital Projects Fund	Debt Service Fund	
REVENUE:				
Property taxes	\$ 459,173	\$ -	\$ 88,536	\$ 547,709
Government grants	16,090	-	-	16,090
Miscellaneous	112,324	-	-	112,324
Investment earnings	1,337	-	-	1,337
Total revenue	<u>588,924</u>	<u>-</u>	<u>88,536</u>	<u>677,460</u>
EXPENDITURES				
Financing costs	-	-	107,894	107,894
Salaries and benefits	273,793	-	-	273,793
Materials and services	144,064	-	-	144,064
Total expenditures	<u>417,857</u>	<u>-</u>	<u>107,894</u>	<u>525,751</u>
OTHER FINANCING SOURCES (USES)				
Transfers	<u>(21,982)</u>	<u>-</u>	<u>21,982</u>	<u>-</u>
Net change in fund balances	149,085	-	2,624	151,709
Fund balances, beginning of year	<u>946,472</u>	<u>-</u>	<u>48,882</u>	<u>995,354</u>
Fund balances, end of year	<u>\$ 1,095,557</u>	<u>\$ -</u>	<u>\$ 51,506</u>	<u>\$ 1,147,063</u>

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

BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)

STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)
For the year ended June 30, 2013

	Major Funds			Total Governmental Funds
	General Fund	Capital Projects Fund	Debt Service Fund	
REVENUE:				
Property taxes	\$ 460,456	\$ -	\$ 84,109	\$ 544,565
Government grants	1,591	-	-	1,591
Miscellaneous	118,834	-	-	118,834
Investment earnings	2,606	-	-	2,606
Total revenue	<u>583,487</u>	<u>-</u>	<u>84,109</u>	<u>667,596</u>
EXPENDITURES				
Financing costs	-	-	108,692	108,692
Salaries and benefits	261,937	-	-	261,937
Materials and services	146,959	-	-	146,959
Capital outlay	-	7,506	-	7,506
Total expenditures	<u>408,896</u>	<u>7,506</u>	<u>108,692</u>	<u>525,094</u>
OTHER FINANCING SOURCES (USES)				
Transfers	<u>(30,969)</u>	<u>7,506</u>	<u>23,463</u>	<u>-</u>
Net change in fund balances	143,622	-	(1,120)	142,502
Fund balances, beginning of year	<u>802,850</u>	<u>-</u>	<u>50,002</u>	<u>852,852</u>
Fund balances, end of year	<u>\$ 946,472</u>	<u>\$ -</u>	<u>\$ 48,882</u>	<u>\$ 995,354</u>

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

BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)

**RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE GOVERNMENTAL-WIDE STATEMENTS OF ACTIVITIES**
For the years ended June 30, 2014 and 2013

	2014	2013
Net change in fund balances - total governmental funds	<u>\$ 151,709</u>	<u>\$ 142,502</u>
Amounts reported for Governmental Activities on the Statements of Activities are different because:		
Collection of the loan receivable from the State of California provides current financial resources to governmental funds. On the Statements of Activities the revenue was reported in the year the related tax revenue was earned	<u>-</u>	<u>(24,072)</u>
Governmental funds report capital outlays as expenditures. However, on the Statements of Activities the costs of those assets are allocated over their estimated useful lives and recorded as depreciation expense:		
Capital outlay	-	7,506
Less: depreciation and amortization expense	<u>(198,873)</u>	<u>(217,345)</u>
	<u>(198,873)</u>	<u>(209,839)</u>
Governmental funds report revenue in the current period for revenues deferred in prior periods since they were not available financing sources at the time. Government-wide statements record revenues at the time they are earned. This amount accounts for the change in deferred revenue	<u>6,250</u>	<u>6,250</u>
The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This entry is the effect of these differences in the treatment of long-term debt issuance and payments	<u>31,814</u>	<u>31,811</u>
Change in net position	<u>\$ (9,100)</u>	<u>\$ (53,348)</u>

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

BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)

NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2014 and 2013

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Description of District - The Bolinas Fire Protection District (the District) was organized in 1954 by taxpayers and residents of the District, pursuant to the Health and Safety Code of the State of California. The Board of Directors is elected to four year terms and serves as the District's local governing body. The District is subject to the laws, regulations and guidelines that are set forth by the California State Controller's Office.

The financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

The Reporting Entity - The District, for financial statement purposes, includes all funds and account groups relevant to the operation of the District.

Basis of Accounting - The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Capital Assets - Governmental activity capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair market value on the date donated. Capital assets are recorded at cost and depreciated over their estimated useful lives.

Depreciation of capital assets is charged as an expense against operations each year and the total amount of depreciation taken over the years, accumulated depreciation, is reported on the Statements of Net Position as a reduction in the book value of capital assets. Depreciation is charged to governmental activities by function.

Cash and Cash Equivalents - Cash is defined as cash in demand deposit accounts as well as cash on hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and investments so near their maturity that the risk of changes in value due to changes in interest rates is negligible. These are generally investments with maturity dates within three months of the acquisition date.

Accounts Receivable - It is the practice of the District to expense uncollectibles only after exhausting all efforts to collect the amounts due. There is no allowance for doubtful accounts and management believes all amounts will be collected in full.

BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)

NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2014 and 2013

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Government-Wide Financial Statements and Measurement Focus - The District government-wide financial statements include Statements of Net Position and Statements of Activities. These statements present summaries of governmental activities for the District, accompanied by a total column.

These statements are presented on an *economic resources* measurement focus and the accrual basis of accounting. Accordingly, all of the District's assets and liabilities, including capital assets and long-term liabilities, are included in the accompanying Statements of Net Position. The Statements 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 in which the liability is incurred.

The District government-wide Statements of Activities presents a comparison between expenses, both direct and indirect, and program revenues for each governmental program. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program is self-financing or draws from the general revenues of the District.

Net Position -The government-wide financial statements utilize a net position presentation. Net position categories are as follows:

- Net Investment in Capital Assets - This component of net position consists of capital assets, net of accumulated depreciation and reduced by any debt outstanding against the acquisition, construction or improvement of those assets.
- Restricted Net Position - This component of net position consists of amounts with constraints placed on net position use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position - This component of net position consist of net position that do not meet the definition of restricted or net investment in capital assets. This may include amounts Board-designated to be reported as being held for a particular purpose.

BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)

NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2014 and 2013

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Governmental Fund Financial Statements - District governmental fund financial statements include Balance Sheets and Statements of Revenues, Expenditures, and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. Accompanying schedules are presented to reconcile and explain the differences in fund balances as presented in these statements to the net position presented in the government-wide financial statements.

The Governmental Accounting Standards Board (“GASB”) Statement No. 34 defines major funds and requires that the District’s major governmental funds be identified and presented separately in the governmental fund financial statements. All other governmental funds, called non-major funds, are combined and reported in a single column, regardless of their fund type.

Major funds are defined as governmental funds which have either assets, liabilities, revenues or expenditures equal to ten percent of their fund-type total or five percent of the grand total. The general fund is always a major fund. The District has two other funds which are considered major funds: the Capital Projects Fund and the Debt Service Fund. These funds account for the District’s construction of a new firehouse and installation of roof photovoltaic (solar) panels.

Revenues susceptible to accrual are interest revenue and charges for services. Licenses and permits are not susceptible to accrual because, generally, they are not measurable until received in cash. Expenditures are generally recognized when incurred under the modified accrual basis of accounting. Principal and interest on general long-term debt is recognized when due.

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 Sheets. The Statements of Revenues, Expenditures, and Changes in Fund Balances present 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. The primary revenue sources, which have been treated as susceptible to accrual by the District, are intergovernmental revenues and interest. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)

NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2014 and 2013

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Fund Balance - The financial statements-governmental funds report fund balances as nonspendable, restricted, committed, assigned or unassigned based primarily on the extent to which the District is bound to honor constraints on how specific amounts can be spent.

- Nonspendable fund balance - amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.
- Restricted fund balance - amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions enabling legislation.
- Committed fund balance - amounts that can only be used for specific purposes determined by formal action of the District's highest level of decision-making authority (the Board of Directors) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- Assigned fund balance - amounts that are constrained by the District's intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose. This is also the classification for residual funds in the District's special revenue funds.
- Unassigned fund balance - the residual classification for the District's general fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The Board of Directors establishes, modifies or rescinds fund balance commitments and assignments by passage of an ordinance or resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year.

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

BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)

NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2014 and 2013

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Fund Balance Policy

The District believes that sound financial management principles require that sufficient funds be retained by the District to provide a stable financial base at all times. To retain this stable financial base, the District needs to maintain an unrestricted fund balance in its funds sufficient to fund cash flows of the District and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. Committed, assigned and unassigned fund balances are considered unrestricted.

The purpose of the District's fund balance policy is to maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures.

Budget - Budgets are adopted on a basis consistent with generally accepted accounting principles.

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.

Subsequent Events - Subsequent events have been evaluated through November 24, 2014, which is the date the financial statements were available to be issued.

New Accounting Pronouncements to be Adopted in the Future - In June 2012 the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, to revise and establish new financial reporting requirements for most governments that provide their employees with pension benefits. The new standard is effective for the year ending June 30, 2015. The District is currently evaluating the effect that implementation of the new standard will have on its statements of net position and statements of activities.

BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)

NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2014 and 2013

NOTE 2 CASH, CASH EQUIVALENTS AND INVESTMENTS

The District maintains its operating cash in a checking account with Bank of America, a money market account with Vanguard, and all other cash and investments with the County of Marin Investment Pool. Cash and investments with the County Treasurer are invested pursuant to investment policy guidelines established by the County Treasurer. The objectives of the policy are, in order of priority, legality of investment, safety of principal, liquidity and yield. The Marin County Treasurer's Pool is not SEC-registered, but is invested in accordance with California State Government Code, and the Marin County Treasurer's Investment Policy. California State Government Code requires the formation of an Investment Oversight Committee, which is charged with overseeing activity in the pool for compliance to policy and code requirements. To this end, the Oversight Committee reviews the monthly investment report prior to presentation to the Board of Supervisors and causes an audit of investments to occur annually. Additionally, the Investment Pool is rated by Fitch Ratings and has a "AAA/VI+" rating.

All pooled cash is entirely insured or collateralized. The County of Marin's investment pool consists of Treasury Bills, Federal Agency Securities, Negotiable Certificates of Deposit, Bankers Acceptances, and Commercial Paper. There are no repurchase agreements, investments in foreign currency, or derivative financial products.

	2014	2013
Cash on deposit with County Treasury for operations	\$ 381,522	\$ 351,451
Temporary cash balances necessary to meet future obligations with the Treasurer of the County of Marin in an interest-bearing pooled investment account. Interest earned has been accrued as of June 30, 2014 and 2013.	21,306	18,781
The District has assigned reserves to provide for the payment of bonds and for the repair and replacement of solar equipment.	56,364	54,337
The District has assigned reserves to provide for the common area maintenance.	1,403	-
The District has assigned reserves to provide for the replacement of vehicles.	575,573	474,186
Balance of cash and investments on deposit with County Treasury	1,036,168	898,755
Balance of cash on deposit at Bank of America	49,741	28,615
Balance of cash and cash equivalents on deposit at Vanguard	981	981
Total cash, cash equivalents and investments	\$ 1,086,890	\$ 928,351

BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)

NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2014 and 2013

NOTE 2 CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

The cash deposits held in the investment pool can be categorized according to three levels of risk:

- Category 1) Deposits which are insured or collateralized with securities held by the District or by its agent in the District's name.
- Category 2) Deposits which are collateralized with securities held by the pledging financial institution's trust department or agent in the District's name.
- Category 3) Deposits which are not collateralized or insured.

Based on these three levels of risk, all of the District's cash deposits are classified as Category 1.

NOTE 3 RESTRICTED CASH

	2014	2013
Under the Mello-Roos Community Facilities Act of 1982, a community facilities district was established by the Fire District's Board of Directors. In order to finance costs of the new firehouse, a special parcel tax is being collected and maintained in a separate District account with the County of Marin	\$ 78,319	\$ 75,694
Cash held in bond reserve funds	5,000	5,000
Total restricted cash	\$ 83,319	\$ 80,694

NOTE 4 LOAN RECEIVABLE FROM STATE OF CALIFORNIA

During the year ended June 30, 2010, the State of California elected to borrow local property tax revenues from cities, counties and special districts as allowed under Prop 1A of 2004. The County of Marin calculated a loan amount from the District in the amount of \$24,072. The calculation was based on 8% of property tax revenues, and was assessed to all Marin County cities and special districts. During the year ended June 30, 2013, the loan was repaid.

NOTE 5 CAPITAL ASSETS

Depreciation of capital assets in service is provided using the straight-line method, which means the cost of the asset is divided by its expected useful life in years, and the result is charged to expense each year until the asset is fully depreciated. The District has assigned the useful lives listed below to capital assets:

Building	30 years
Fire trucks	5 - 20 years
Equipment	3 years

BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)

NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2014 and 2013

NOTE 5 CAPITAL ASSETS (Continued)

A summary of changes in capital assets for the fiscal years ended June 30, 2014 and 2013 is as follows:

<u>Capital Assets, at Cost</u>	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Furniture, Equipment and Vehicles</u>	<u>Total</u>
Balance, June 30, 2012	\$ 7,000	\$ 5,375,956	\$ 1,053,071	\$ 6,436,027
Additions	-	-	7,506	7,506
Balance, June 30, 2013	7,000	5,375,956	1,060,577	6,443,533
Additions	-	-	-	-
Balance, June 30, 2014	7,000	5,375,956	1,060,577	6,443,533
 <u>Accumulated Depreciation</u>				
Balance, June 30, 2012		882,948	703,505	1,586,453
Depreciation expense		178,642	36,139	214,781
Balance, June 30, 2013		1,061,590	739,644	1,801,234
Depreciation expense		178,642	17,667	196,309
Balance, June 30, 2014		1,240,232	757,311	1,997,543
Property, equipment and improvements, net	\$ 7,000	\$ 4,135,724	\$ 303,266	\$ 4,445,990

Bond financing costs of \$85,000 were paid during the year ended June 30, 2006. \$5,000 of these funds were placed in a bond reserve fund to be refunded when the bonds are fully paid. The remaining \$80,000 is being amortized over the 16-year life of the bond. Additional bond financing costs of \$9,024 were paid during the year ended June 30, 2009, and are being amortized over the 16-year life of the bond. Balances as of June 30, 2014 and 2013 were as follows:

	<u>2014</u>	<u>2013</u>
Bond financing costs	\$ 89,024	\$ 89,024
Less: accumulated amortization	(19,217)	(16,653)
	<u>\$ 69,807</u>	<u>\$ 72,371</u>

Amortization expense for the years ended June 30, 2014 and 2013, was \$2,564.

BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)

NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2014 and 2013

NOTE 6 BONDS PAYABLE

In order to provide funds to finance acquisition and construction of a new fire station, the District has entered into a “lease, lease-back” agreement, whereby bonds in the principal amount of \$2,260,000 have been issued. Subject to this agreement, the District has agreed to make payments of principal and interest until the bonds have been repaid in 2045.

The balance of the bonds is to be paid from tax revenues and consists of principal and interest at 4%-5.1%, and will continue until August 1, 2045. Interest paid during the years ended June 30, 2014 and 2013, was \$76,080 and \$76,880, respectively.

On June 30, 2008, Clean Renewable Energy Bonds (CREBs) were issued in the amount of \$189,000, which were used to finance the purchase and installation of roof photovoltaic (solar) panels to provide electricity to the building. These panels were purchased and installed during the year ended June 30, 2009. Principal will be paid in equal annual installments until the bonds have been repaid in 2023. There is no interest due on these bonds.

	Acquisition and Construction Bonds	CREBs	Total
Balance, June 30, 2012	\$ 1,570,000	\$ 141,137	\$ 1,711,137
Less: Repayments	(20,000)	(11,812)	(31,812)
Balance, June 30, 2013	1,550,000	129,325	1,679,325
Less: Repayments	(20,000)	(11,813)	(31,813)
Balance, June 30, 2014	\$ 1,530,000	\$ 117,512	\$ 1,647,512

Future obligations for the succeeding five years and thereafter are as follows:

Year ending June 30,	Acquisition and Construction Bonds		CREBs	Total
	Interest	Principal	Principal	Principal
2015	\$ 75,270	\$ 20,000	\$ 11,813	\$ 31,813
2016	74,440	20,000	11,812	31,812
2017	73,483	25,000	11,813	36,813
2018	72,395	25,000	11,812	36,812
2019	71,283	25,000	11,812	36,812
Thereafter	1,169,402	1,415,000	58,450	1,473,450
	\$ 1,536,273	\$ 1,530,000	\$ 117,512	\$ 1,647,512

BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)

NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2014 and 2013

NOTE 7 DEFERRED REVENUE

Deferred revenue consists of future lease revenue from Coastal Health Alliance (CHA), a tenant in the new building. On December 12, 2005, CHA entered into a 40-year lease in the amount of \$250,000 with the District for rental of a portion of the new building. The effective start date of the lease was July 1, 2007. The balance of deferred revenue at June 30, 2014 and 2013, was \$206,250 and \$212,500, respectively.

NOTE 8 PROPERTY TAXES

Property taxes are assessed, collected and distributed by the County of Marin in accordance with legislation. Secured property taxes are attached as an enforceable lien on real property located in the County of Marin as of March 1. Secured property taxes are levied each November 1 on the assessed value of the real property as of prior March 1. Taxes are due in two equal installments on December 10 and April 10 following the levy date.

Under California law, secured property taxes are assessed and collected by the counties at up to 1% of assessed value, plus other increases approved by the voters. The property taxes are pooled and then allocated to the District based upon complex formulas.

Unsecured property taxes are levied throughout the year beginning March 1 on the assessed value of personal property as of March 1. For unsecured property tax bills issued between March 1 and June 30, the amount is payable by August 31. For unsecured property tax bills issued after June 30, the amount of the tax is due 30 days after the bill is issued, but no later than February 28/29.

Special assessment charges are incorporated on the property tax bill, and therefore are attached as an enforceable lien on real property located within the District. Special assessment charges are due in two installments on December 10 and April 10 following the assessment date. The special assessments are collected and distributed to the District by the County of Marin.

Effective July 1, 1993, the District, in addition to other districts, entered into an agreement (hereafter known as the "Teeter Plan") with the County of Marin whereby the County agreed to purchase without recourse all previously outstanding (net of all adjustments) secured delinquent property tax and special assessment receivables, penalties and interest of the districts as of June 30, 1993. Additionally, the County agreed to advance each district its share of the annual gross levy of secured property taxes and special assessments (net of adjustments) billed through the County's Tax Collector for the fiscal year ended June 30, 1996, and for each subsequent fiscal year of the agreement. In consideration, the District gives the County of Marin its right to penalties and interest on delinquent property tax receivables and actual proceeds collected. This agreement is still operational as of the fiscal years ended June 30, 2014 and 2013.

BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)

NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2014 and 2013

NOTE 9 MISCELLANEOUS REVENUE

Miscellaneous revenue consisted of the following during the years ended June 30, 2014 and 2013:

	2014	2013
Rental income	\$ 102,049	\$ 93,758
CSI solar rebate income *	4,138	17,845
Tenant utility reimbursement and other revenue	12,387	13,481
	\$ 118,574	\$ 125,084

* The District was approved to participate in the California Solar Initiative (CSI) in January 2009 after the installation of roof photovoltaic (solar) panels. The District received the monthly rebates for a period of five years through January 2014 with rebates calculated based on the District's energy production.

NOTE 10 RISK MANAGEMENT

The District is exposed to various risks of loss related to workers' compensation claims. The District participates in a Joint Powers Agreement established July 1984 to provide coverage for workers' compensation claims exposure and to pay for the administration of the program. The Joint Powers Agreement established the Fire Districts Association of California - Fire Agency Self Insurance System (FDAC/FASIS) for the members.

The District currently reports all of its risk management activities in its General Fund. Premiums due to the Association are reported when incurred.

The agreement for the formation of the FDAC/FASIS provides that the system will be self-sustaining through member premiums and will reinsure through a commercial company for claims in excess of self-insured retention. The Liability Insurance Fund retains a self-insured retention of \$250,000. Above the self-insurance retention, excess insurance coverage is statutory (unlimited in the state of California). The Association continues to carry commercial insurance for workers' compensation. Settled claims resulting from risks have not exceeded the commercial insurance coverage in any of the past fiscal years.

As defined by GASB Statement No. 10, FDAC/FASIS is "a risk-sharing pool." The Association manages one pool for all members. The arrangement allows its members to pool risks, funds and share in the cost of losses.

Each member of the Association pays an annual premium to the insurance system which is evaluated each year based on the number of personnel, estimated payroll and an experience factor.

BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)

NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2014 and 2013

NOTE 11 MERA AGREEMENT

The District is a member of the Marin Emergency Radio Authority (MERA) which owns and operates a Public Safety and Emergency Radio System for use by its member agencies. MERA was created by a Joint Powers Agreement among a variety of local agencies within Marin County. The District makes annual service contributions which started August 1, 2002, and end August 1, 2020, for the use of the radio system. In addition, the District makes annual dues payments to MERA of which \$9,718 and \$9,368 was paid during the years ended June 30, 2014 and 2013, respectively.

Future obligations under the agreement are as follows:

Year ending June 30,	
2015	\$ 12,783
2016	12,783
2017	12,783
2018	12,783
2019	12,783
Thereafter	25,566
	\$ 89,481

NOTE 12 DEFINED BENEFIT PENSION PLAN

Plan Description - On October 14, 2002, the District joined the California Public Employees Retirement System (CalPERS). The District contributes to CalPERS, an agent, multiple-employer, public employee, defined benefit pension plan. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public employers within the State of California. Benefit provisions and requirements are established by State statute and the Board of Directors. Copies of CalPERS annual financial reports can be obtained directly from CalPERS at 400 "P" Street, Sacramento, California, 95814.

When the District joined CalPERS, the District agreed to purchase previous service coverage for its employees who are eligible to participate in the system. This, in effect, provides CalPERS retirement benefits for these employees from the commencement of their employment with the District. The amount paid to CalPERS by the District for the years ended June 30, 2014 and 2013, was \$44,773 and \$44,408, respectively.

Risk Pool - Beginning in the year ended June 30, 2005, CalPERS required the District to participate in a risk pool. Mandated pooling is effective with the determination of the contribution rate for 2013/2014 and 2012/2013.

BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)

NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2014 and 2013

NOTE 12 DEFINED BENEFIT PENSION PLAN (Continued)

GASB 27 Risk Pool Information- The BFPD plan is part of the Safety 2.0% at 55 Risk Pool, a cost-sharing multiple-employer defined benefit plan. Under GASB 27, an employer should recognize annual pension expenditures/expense equal to its contractually required contributions to the plan. Pension liabilities and assets result from the difference between contributions required and contributions made. The contractually required contribution for the period July 1, 2013 to June 30, 2014 has been determined by an actuarial valuation of the plan as of June 30, 2012. The BFPD contribution rate for the indicated period is 33.846% of payroll; prior to that date the contribution rate was 33.669%. In order to calculate the dollar value of the contractually required contributions for inclusion in financial statements prepared as of June 30, 2014, this contribution rate, less any employee cost sharing and as modified by any subsequent financing changes or contract amendments for the year, would be multiplied by the payroll of covered employees that was actually paid during the period July 1, 2013 to June 30, 2014. However, if this contribution is fully prepaid in a lump sum, then the dollar value of contractually required contributions is equal to the lump sum prepayment. The employer and the employer's auditor are responsible for determining the contractually required contributions. Further, the required contributions in dollars and the percentage of that amount contributed for the current year and each of the two preceding years is to be disclosed under GASB 27.

For fiscal years 2012, 2013, and 2014, the District's annual contributions for the CalPERS Safety employees plan were equal to the District's required and actual contributions for each fiscal year as follows:

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation	APC Percentage of Payroll
2011-2012	\$ 41,978	100%	\$ -	33.669%
2012-2013	\$ 44,408	100%	\$ -	33.846%
2013-2014	\$ 44,773	100%	\$ -	33.846%

A summary of principal assumptions and methods used to determine the contractually required contributions is shown below for the cost-sharing multiple-employer defined benefit plan.

Valuation Date	June 30, 2012
Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Average Remaining Period	13 Years as of the Valuation Date
Asset Valuation Method	15 Year Smoothed Market
Actuarial Assumptions:	
Investment Rate of Return	7.5% (net of administrative expenses)
Projected Salary Increases	3.3% to 14.2%, depending on age, service, and type of employment
Inflation	2.75%
Payroll Growth	3.0%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 2.75% and an annual production growth of 0.25%

**BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)**

**NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2014 and 2013**

NOTE 12 DEFINED BENEFIT PENSION PLAN (Continued)

Initial unfunded liabilities are amortized over a closed period that depends on the plan's date of entry into the CalPERS Risk Pool. Subsequent plan amendments are amortized as a level percentage of pay over a closed 20-year period. Gains and losses that occur in the operation of the plan are amortized over a rolling 30-year amortization period. If the plan's accrued liability exceeds the actuarial value of plan assets, then the amortization payment on the total unfunded liability may not be lower than the payment calculated over a 30 year amortization period. Each year, a single amortization base is created, using the net period for the multiple bases.

SUPPLEMENTARY INFORMATION

BOLINAS FIRE PROTECTION DISTRICT
(A California Special District)

STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES,
BUDGET AND ACTUAL - GENERAL FUND
For the years ended June 30, 2014 and 2013

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance
2014:				
REVENUES				
Property taxes	\$ 410,287	\$ 410,287	\$ 459,173	\$ 48,886
Government grants	8,000	8,000	16,090	8,090
Miscellaneous	109,520	109,520	112,324	2,804
Investment earnings	1,000	1,000	1,337	337
Total revenues	<u>528,807</u>	<u>528,807</u>	<u>588,924</u>	<u>60,117</u>
EXPENDITURES				
Salaries and benefits	279,939	279,939	273,793	6,146
Materials and services	181,842	181,842	144,064	37,778
Total expenditures	<u>461,781</u>	<u>461,781</u>	<u>417,857</u>	<u>43,924</u>
Excess of revenues over expenditures	<u>\$ 67,026</u>	<u>\$ 67,026</u>	<u>\$ 171,067</u>	<u>\$ 104,041</u>
2013:				
REVENUES				
Property taxes	\$ 404,132	\$ 404,132	\$ 460,456	\$ 56,324
Government grants	8,000	8,000	1,591	(6,409)
Miscellaneous	88,860	88,860	118,834	29,974
Investment earnings	1,000	1,000	2,606	1,606
Total revenues	<u>501,992</u>	<u>501,992</u>	<u>583,487</u>	<u>81,495</u>
EXPENDITURES				
Salaries and benefits	269,148	269,148	261,937	7,211
Materials and services	175,542	175,542	146,959	28,583
Total expenditures	<u>444,690</u>	<u>444,690</u>	<u>408,896</u>	<u>35,794</u>
Excess of revenues over expenditures	<u>\$ 57,302</u>	<u>\$ 57,302</u>	<u>\$ 174,591</u>	<u>\$ 117,289</u>