

COUNTY OF SAN BERNARDINO
CALIFORNIA
SPECIAL DISTRICTS
AUDIT REPORT
BIG BEAR VALLEY PARK AND RECREATION DISTRICT
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Prepared by:

Internal Audits Section
Office of the Auditor/Controller-Recorder
March 26, 2010

**County of San Bernardino Special Districts
Big Bear Valley Park and Recreation District
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COUNTY OF SAN BERNARDINO

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LARRY WALKER
Auditor-Controller/Recorder
Treasurer/Tax Collector
County Clerk

Independent Auditor's Report

March 26, 2010

Jeffrey O. Rigney, Director
Special Districts
157 West Fifth Street, Second Floor
San Bernardino, CA 92415-0450

**SUBJECT: AUDIT OF BIG BEAR VALLEY PARK AND RECREATION DISTRICT
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

Introductory Remarks

In compliance with Section 26909 of the California Government Code, we have completed an audit of Big Bear Valley Park and Recreation District for the fiscal year ended June 30, 2009.

Auditor's Report

We have audited the accompanying financial statements of the governmental activities, each major fund, and the remaining aggregate fund information of the County of San Bernardino Special District's Big Bear Valley Park and Recreation District (District), a component unit of the County of San Bernardino, California, as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the minimum audit requirements and reporting guidelines for California Special Districts required by the Office of the State Controller. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial

statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the remaining aggregate fund information of the District, as of June 30, 2009, and the respective changes in financial position, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America as well as accounting systems prescribed by the State Controller's Office and the state regulations governing Special Districts.

The accompanying budgetary comparison information on pages 25-26 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The District has not presented the *Management's Discussion and Analysis* that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be a part of, the basic financial statements.

Respectfully submitted,

Larry Walker
Auditor/Controller-Recorder

By: _____
Howard Ochi, CPA
Assistant Auditor-Controller

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**County of San Bernardino
Big Bear Valley Park and Recreation District
Statement of Net Assets
June 30, 2009**

	<u>Governmental Activities</u>
ASSETS	
Current assets	
Cash and cash equivalents	\$ 8,342,917
Interest receivable	38,738
Taxes receivable	137,511
Grants receivable	220,000
Due from other governments	75,000
Total current assets	<u>8,814,166</u>
Noncurrent assets	
Capital assets:	
Land	1,465,939
Improvements to land	2,220,910
Structures and improvements	2,310,119
Construction in progress	562,531
Vehicles and equipment	177,944
Accumulated depreciation	(1,715,029)
Total noncurrent assets	<u>5,022,414</u>
Total assets	<u><u>\$ 13,836,580</u></u>
LIABILITIES	
Current liabilities	
Accounts payable	\$ 40,314
Salaries and benefits payable	127,190
Loans payable	200,000
Due to other governments	2,923
Total current liabilities	<u>370,427</u>
Noncurrent liabilities	
Compensated absences payable	<u>124,621</u>
Total liabilities	<u>495,048</u>
NET ASSETS	
Invested in capital assets	5,022,414
Unrestricted	8,319,118
Total net assets	<u>13,341,532</u>
Total liabilities and net assets	<u><u>\$ 13,836,580</u></u>

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

**County of San Bernardino
Big Bear Valley Park and Recreation District
Statement of Activities
For the Fiscal Year Ended June 30, 2009**

	<u>Governmental Activities</u>
EXPENSES	
Salaries and benefits	\$ 2,090,903
Services and supplies	1,500,263
Depreciation	152,933
Other	101
Total expenses	<u>3,744,200</u>
PROGRAM REVENUES	
Charges for services	1,417,940
State assistance	409,060
Contributions	5,806,381
Total program revenues	<u>7,633,381</u>
Net program (expense) revenue	<u>3,889,181</u>
GENERAL REVENUES	
Property taxes	1,859,104
Investment earnings	195,468
Other revenue	32,290
Total general revenues	<u>2,086,862</u>
Change in net assets	5,976,043
Net assets - beginning	<u>7,365,489</u>
Net assets - ending	<u><u>\$ 13,341,532</u></u>

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

**County of San Bernardino
Big Bear Valley Park and Recreation District
Balance Sheet
Governmental Funds
June 30, 2009**

	<u>SPECIAL REVENUE FUNDS</u>		<u>CAPITAL PROJECT FUNDS</u>		<u>Total Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General (SSA)</u>	<u>Zoo (SSF)</u>	<u>Mooridge Animal Park Relocation (CRR)</u>	<u>Erwin Park Improvements (CSZ)</u>		
ASSETS						
Cash and cash equivalents	\$ 359,686	\$ 327,646	\$ 7,549,395	\$ 26,695	\$ 79,495	\$ 8,342,917
Interest receivable	933	1,405	35,403	-	997	38,738
Taxes receivable	137,511	-	-	-	-	137,511
Grants receivable	220,000	-	-	-	-	220,000
Due from other governments	75,000	-	-	-	-	75,000
	<u>793,130</u>	<u>329,051</u>	<u>7,584,798</u>	<u>26,695</u>	<u>80,492</u>	<u>8,814,166</u>
Total assets	\$ 793,130	\$ 329,051	\$ 7,584,798	\$ 26,695	\$ 80,492	\$ 8,814,166
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 19,655	\$ -	\$ -	\$ 20,659	\$ -	\$ 40,314
Salaries and benefits payable	93,817	33,373	-	-	-	127,190
Loans payable	200,000	-	-	-	-	200,000
Due to other governments	-	-	-	1,714	1,209	2,923
Total liabilities	<u>313,472</u>	<u>33,373</u>	<u>-</u>	<u>22,373</u>	<u>1,209</u>	<u>370,427</u>
Fund balances:						
Unreserved:						
Designated	-	-	5,731,557	-	-	5,731,557
Undesignated	479,658	295,678	1,853,241	4,322	79,283	2,712,182
Total fund balances	<u>479,658</u>	<u>295,678</u>	<u>7,584,798</u>	<u>4,322</u>	<u>79,283</u>	<u>8,443,739</u>
Total liabilities and fund balances	<u>\$ 793,130</u>	<u>\$ 329,051</u>	<u>\$ 7,584,798</u>	<u>\$ 26,695</u>	<u>\$ 80,492</u>	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

5,022,414

Compensated absences payable are not due and payable in the current period, and therefore, are not reported in the funds.

(124,621)

Net assets of Governmental Activities

\$ 13,341,532

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

County of San Bernardino
Big Bear Valley Park and Recreation District
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2009

	SPECIAL REVENUE FUND		CAPITAL PROJECT FUNDS		Total Nonmajor Governmental Funds	Total Governmental Funds
	General Fund (SSA)	Zoo (SSF)	Moonridge Animal Park Relocation (CRR)	Erwin Park Improvements (CSZ)		
REVENUES						
Property taxes	\$ 1,741,993	\$ 117,111	\$ -	\$ -	\$ -	\$ 1,859,104
Charges for services	821,472	596,468	-	-	-	1,417,940
Investment earnings	6,046	8,995	173,678	-	6,749	195,468
Contributions and private donations	50,000	6,381	5,750,000	-	-	5,806,381
State assistance	409,060	-	-	-	-	409,060
Other revenue	5,917	-	-	-	26,373	32,290
Total revenues	3,034,488	728,955	5,923,678	-	33,122	9,720,243
EXPENDITURES						
Salaries and benefits	1,579,413	523,423	-	-	-	2,102,836
Services and supplies	1,273,214	227,049	-	-	-	1,500,263
Capital outlay						
Equipment	19,655	-	-	-	-	19,655
Improvements to land	-	-	18,442	52,392	530,336	601,170
Structures and improvements	-	-	-	-	70,196	70,196
Other Expenses	-	-	-	-	101	101
Total expenditures	2,872,282	750,472	18,442	52,392	600,633	4,294,221
Excess of revenues over (under) expenditures	162,206	(21,517)	5,905,236	(52,392)	(567,511)	5,426,022
OTHER FINANCING SOURCES (USES)						
Transfers in	25,506	115,386	-	54,000	510,197	705,089
Transfers out	(564,197)	-	(74,030)	-	(66,862)	(705,089)
Total other financing sources (uses)	(538,691)	115,386	(74,030)	54,000	443,335	-
Net change in fund balances	(376,485)	93,869	5,831,206	1,608	(124,176)	5,426,022
Fund balances - beginning	856,143	201,809	1,753,592	2,714	203,459	3,017,717
Fund balances - ending	\$ 479,658	\$ 295,678	\$ 7,584,798	\$ 4,322	\$ 79,283	\$ 8,443,739

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

**County of San Bernardino
Big Bear Valley Park and Recreation District
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Fiscal Year Ended June 30, 2009**

Net change in fund balances - Total Governmental Funds \$ 5,426,022

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

This activity is reconciled as follows:

Capital outlay	691,021
Depreciation expense	(152,933)

Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported as expenditures in governmental funds. This amount represents the net increase in the compensated absences liability.

11,933

Change in net assets of governmental activities	\$ 5,976,043
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The accompanying notes are an integral part of these financial statements.

**County of San Bernardino
Big Bear Valley Park and Recreation District
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2009**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Big Bear Valley Park and Recreation District (District) is located within the County of San Bernardino. The District has governmental powers as established by the San Bernardino County Government Charter. The County was established in 1852 as a legal subdivision of the State of California.

The District was established by an act of the Board of Supervisors of the County of San Bernardino (the County) on April 23, 1934. The District maintains nine parks, including a zoo, swim beach, and a senior center.

The District is a component unit of the County of San Bernardino and is governed by the actions of the County Board of Supervisors.

The accompanying financial statements reflect only the accounts of the Big Bear Valley Park and Recreation District of the County of San Bernardino and are not intended to present the financial position of the County taken as a whole.

Because the District meets the reporting entity criteria established by the Government Accounting Standards Board (GASB), the District's financial statements have also been included in the Comprehensive Annual Financial Report of the County of San Bernardino as a "component unit" for the fiscal year ended June 30, 2009.

Government-wide and fund financial statements

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the nonfiduciary activities of the reporting entity. As a general rule, the effect of interfund activity has been eliminated from these statements. *Governmental activities* normally are supported by taxes and intergovernmental revenues.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Currently, the District does not have any proprietary or fiduciary fund types.

County of San Bernardino
Big Bear Valley Park and Recreation District
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2009

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

Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting* as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. However, for revenue derived from voluntary non-exchange transactions, such as federal and state grants, the County expanded its definition of “available” to 9 months. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The District reports the following major governmental funds:

The *special revenue fund* labeled “General” is the government’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *special revenue fund* labeled “Zoo” accounts for the Moonridge Animal Park Zoo.

The *capital projects fund* labeled “Moonridge Animal Park Relocation” is used to account for financial resources to be used for the acquisition or construction of major capital facilities for the zoo.

The *capital projects fund* labeled “Erwin Park Improvements” is used to account for financial resources to be used for the acquisition or construction of major capital facilities for Erwin Park.

**County of San Bernardino
Big Bear Valley Park and Recreation District
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2009**

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

In addition, all of the nonmajor funds are capital project funds which are used to account for financial resources to be used for the acquisition or construction of major capital facilities. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, and then unrestricted resources as they are needed. Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

Cash and cash equivalents

Cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Cash and cash equivalents include the cash balances of substantially all funds, which are pooled and invested by the County Treasurer to increase interest earning through investment activities.

Investment activities are governed by the California Government Code Sections 53601, 53635, and 53638 and the County's Investment Policy. Authorized investments include U.S. Government Treasury and Agency securities, bankers' acceptances, commercial paper, medium-term notes, mutual funds, repurchase agreements, and reverse repurchase agreements.

Interest income and realized gains and losses earned on pooled investments are deposited quarterly to the District's accounts based upon the District's average daily deposit balances during the quarter. Unrealized gains and losses of the pooled investments are distributed to the District annually. Cash and cash equivalents are shown at fair value as of June 30, 2009.

Property taxes

Secured property taxes are levied in two equal installments, November 1 and February 1. They become delinquent with penalties after December 10 and April 10, respectively. The lien date is January 1 of each year. Unsecured property taxes are due on the March 1 lien date and become delinquent with penalties after August 31.

**County of San Bernardino
Big Bear Valley Park and Recreation District
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2009**

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

Capital assets

Capital assets, which include property, plant and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (for improvements to land and structures and equipment) and have an estimated useful life in excess of one year. Structures with an initial cost of \$100,000 are considered capital assets. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset life is not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment of the government are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Infrastructure	10 - 100
Structures and improvements	Up to 45
Equipment and vehicles	5 - 15

Net assets

Net assets comprise the various net earnings from operating and non-operating revenues, expenses and contribution of capital. Net assets are classified in the following three components:

- Invested in capital assets, net of related debt – This component of net assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted – This component of net assets consists of constraints placed on net asset use through external constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

**County of San Bernardino
Big Bear Valley Park and Recreation District
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2009**

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

- Unrestricted – This component of net assets consists of net assets of the County that are not restricted for any project or other purpose.

Fund equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

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.

Stewardship, compliance and accountability

A. Budgetary information

In accordance with provisions of Section 29000 - 29143 of the Government code of the State of California, commonly known as the County Budget Act, the District prepares and adopts a budget on or before August 30 for each fiscal year.

Budgets are prepared on the modified accrual basis of accounting. The legal level of budgetary control is the object level and the sub-object level for capital assets within each fund.

Amendments or transfers of appropriations between funds or departments must be approved by the Board. Transfers at the sub-object level or cost center level may be done at the discretion of the Special District's Administration Department head. Any deficiency of budgeted revenues and other financing resources over expenditures and other financing uses is financed by beginning available fund balances as provided for in the County Budget Act.

B. Encumbrances

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

County of San Bernardino
Big Bear Valley Park and Recreation District
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 2: CASH AND INVESTMENTS (Amounts reported in thousands)

Cash and investments include the cash balances of substantially all funds which are pooled (Pool) and invested by the County Treasurer for the purpose of increasing interest earnings through investment activities. The County sponsors an external investment pool which includes cash and investments held by certain joint powers authorities and cash held by various trustee financial institutions in accordance with the California Government Code.

State law requires that all operating monies of the County, school districts, and board-governed special districts be held by the County Treasurer. The net asset value associated with legally mandated participants in the asset pool was \$3,966,232 at June 30, 2009.

As of June 30, 2009, the fair value of the County Pool was \$4.18 billion. Approximately 7% of the County pool is attributable to the County General Fund, with the remainder of the balance comprised of other County funds, school districts and special districts. Additionally, as of June 30, 2009, \$216,351 of the amounts deposited in the County pool was attributable to depositors who are not required to, but choose to, invest in the County pool. These include independent special districts, State Trial Court, and other governmental agencies. The deposits held for both involuntary and voluntary entities are reported in the Investment Trust Fund.

The fair value of the pool is determined monthly, and depends on, among other factors, the maturities and types of investments and general market conditions. The fair value of each participant's position including both voluntary and involuntary participants is the same as the value of the pool share. The method used to determine participants' equity withdrawn is based on the daily average book value of the participants' percentage participation in the pool.

The County has not produced or provided any letters of credit or legal binding guarantees as supplemental support of Pool values during the year ended at June 30, 2009. The Pool provides monthly reporting to both the Board of Supervisors and the County Treasury Oversight Committee who also review and approve investment policy.

The County pools its external participants' investments with the County Pool. The average rate of return on investments during fiscal year 2009 was 2.54%.

**County of San Bernardino
Big Bear Valley Park and Recreation District
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2009**

NOTE 2: CASH AND INVESTMENTS- *Continued* (Amounts reported in thousands)

A summary of the investments held by the County Treasurer is as follows:

<u>Investment Type</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Interest Rate Range</u>	<u>Maturity Range</u>	<u>Average Maturity</u>
U.S. Treasury Securities	\$ 79,721	\$ 79,841	1.25% - 1.75%	05/15/12 - 04/15/14	1,314
U.S. Government Agencies	2,868,755	2,900,027	0.79% - 5.27%	07/06/09 - 06/29/12	480
Negotiable Certificates of Deposit	340,022	340,003	0.24% - 0.54%	07/01/09 - 09/04/09	21
Commercial Paper	274,667	274,904	0.20% - 0.81%	07/01/09 - 12/01/09	39
Corporate Notes	197,310	196,808	1.23% - 3.06%	08/10/09 - 07/15/11	197
Money Market Mutual Funds	391,000	391,000	0.24%	07/01/09	1
Total Treasurer's Pooled Investments	4,151,475	4,182,583			
Investments Controlled by Fiscal Agents:					
Mutual Funds	17,808	17,808			
Guaranteed Investment Contracts	9,707	9,707			
U.S. Treasury Securities	79,090	79,090			
Total Investments Controlled by Fiscal Agents	106,605	106,605			
Total Investments	\$ 4,258,080	\$ 4,289,188			
Cash in Banks:					
Non-Interest Bearing Deposits		280,050			
Total Cash and Investments		\$ 4,569,238			

Investments authorized by debt agreement

Investment of debt proceeds held by bond trustees are governed by provisions of the trust agreements, created in connection with the issuance of debt rather than the general provisions of the California Government Code. Certificates of Participation and Revenue Bond indentures specify the types of securities in which proceeds may be invested as well as any related insurance, collateral, or minimum credit rating requirements. Although requirements may vary between debt issues, money market funds are all required to be investment grade. Guaranteed investment contracts are required to be acceptable to the municipal bond insurer. The fair value of investments is based on the valuation provided by trustee banks. Investment contracts are recorded at cost.

**County of San Bernardino
Big Bear Valley Park and Recreation District
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2009**

NOTE 2: CASH AND INVESTMENTS- *Continued* (Amounts reported in thousands)

Investment credit risk

Investment credit risk exists when there is a possibility the issuer or other counterparty to an investment may be unable to fulfill its obligations. GASB Statement No. 40 requires the disclosure of credit quality ratings for investments in debt securities as well as investments in external investment pools, money market funds, and other pooled investments of fixed income securities.

California Law and San Bernardino County Treasury Pool Investment Policy (where more restrictive) place limitations on the purchase of investments in the County Pool. Purchases of commercial paper and negotiable certificates of deposit are restricted to the top two ratings issued by a minimum of two of three nationally recognized statistical rating organizations (NRSRO's). For an issuer of short-term debt, the rating must be no less than A-1 (S&P), P-1 (Moody's), or F-1 (Fitch) while an issuer of long-term corporate debt must have a minimum letter rating of "AA". Federal Agency notes and bonds, municipal notes and bonds, and money market mutual funds must have a minimum letter rating of "AAA". Limits are also placed on the maximum percentage investment by sector and by individual issuer (see schedule). As of June 30, 2009, all investments held by the County Pool were within policy limits.

<u>Investment Type</u>	<u>Maximum Allowed % of Portfolio</u>	<u>Individual Issuer Limitations</u>	<u>% of Pool 06/30/09</u>
U.S. Treasury Securities	100	None	1.90
U.S. Government Agencies	100	None	69.40
Negotiable Certificates of Deposit	30	\$100MM/5%	8.10
Commercial Paper	40	5%	6.60
Corporate Notes	10/5	\$50MM/5%	3.50
TLGP Corporate Notes	30	None	1.20
Money Market Mutual Funds	15	10%	9.30

Concentration of credit risk

An increased risk of loss occurs as more investments are acquired from one issuer (i.e. lack of diversification). This results in a *concentration of credit risk*.

GASB Statement No. 40 requires disclosure of investments by amount and issuer that represent five-percent or more of total investments held. This requirement excludes investments issued or explicitly guaranteed by the United States Government, investments in mutual funds, external investment pools, and other pooled investments.

**County of San Bernardino
Big Bear Valley Park and Recreation District
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2009**

NOTE 2: CASH AND INVESTMENTS- *Continued* (Amounts reported in thousands)

As of June 30, 2009, the following issuers represented more than five-percent of the County Pool balance:

<u>Issuer</u>	<u>Fair Value</u>	<u>% of Portfolio</u>
FHLB	\$ 924,634	22.11
FNMA	830,708	19.86
FHLMC	644,259	15.41
FFCB	500,426	11.97

Interest rate risk

Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value. Generally, the longer the maturity of an investment, the greater the interest rate risk associated with that investment. GASB Statement No. 40 requires that *interest rate risk* be disclosed using a minimum of one of five approved methods which are: *segmented time distribution, specific identification, weighted average maturity, duration, and simulated model.*

The County manages its exposure to interest rate risk by carefully matching cash flows and maturing positions to meet expenditures, limiting 40% of the County Pool to maturities of one year or less, and by maintaining an overall *effective duration* of 1.5 years or less. *Duration* is a measure of a fixed income's cash flow using present values, weighted for cash flows as a percentage of the investments full price. *Effective duration* makes assumptions regarding the most likely timing and amounts of variable cash flows arising from such investments as callable bonds.

California Law and where more restrictive, the San Bernardino County Pool Investment Policy, place limitations on the maximum maturity of investments to be purchased by sector (see schedule). As of June 30, 2009, all investments held by the County Pool were within policy limits. A summary of investments for Maturity Range, Limits, and effective duration is as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity Range (Days)</u>	<u>Maturity Limits</u>	<u>Effective Duration</u>
U.S. Treasury Securities	\$ 79,841	1,050 - 1,749	5 Years	3.54
U.S. Government Agencies	2,900,027	6 - 1,095	5 Years	0.83
Negotiable Certificates of Deposit	340,003	1 - 66	365 days	0.06
Commercial Paper	274,904	1 - 154	270 days	0.11
Corporate Notes	146,570	41 - 127	18 months	0.20
TLGP Corporate Notes**	50,238	395 - 745	5 Years	1.53
Money Market Mutual Funds	391,000	1	Daily Liq.	0.003
Total Securities	<u>\$ 4,182,583</u>			

**Fully insured and issued through the FDIC's Temporary Liquidity Guarantee Program.

**County of San Bernardino
Big Bear Valley Park and Recreation District
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2009**

NOTE 2: CASH AND INVESTMENTS- *Continued* (Amounts reported in thousands)

Custodial credit risk

Custodial Credit Risk for Deposits exists when, in the event of a depository financial institution failure, a government may be unable to recover deposits, or recover collateral securities that are in the possession of an outside party.

GASB Statement No. 40 requires the disclosure of deposits into a financial institution that are not covered by FDIC depository insurance and are uncollateralized.

California Law requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure County deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2009, the carrying amount of the County's deposits was \$280,050 and the corresponding bank balance was \$139,953. The difference of \$140,097 was primarily due to outstanding warrants, wires and deposits in transit. Of the bank balance, \$138,078 was insured by the FDIC depository insurance through the Transaction Account Guarantee Program.

Custodial Credit Risk for Investments exists when, in the event of a failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

In order to limit *Custodial Credit Risk for Investments*, San Bernardino County Pool Investment Policy requires that all investments and investment collateral be transacted on a delivery versus payment basis with a third-party custodian and registered in the County's name. All counterparties to repurchase agreements must sign a TBMA Master Repurchase Agreement and/or Tri-Party Repurchase Agreement before engaging in repurchase agreement transactions.

**County of San Bernardino
Big Bear Valley Park and Recreation District
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2009**

NOTE 2: CASH AND INVESTMENTS- *Continued* (Amounts reported in thousands)

The following represents a condensed statement of net assets and changes in net assets for the Treasurer's investment pool as of June 30, 2009:

Statement of Net Assets	
Equity of internal pool participants	\$ 1,588,613
Equity of external pool participants:	
Voluntary	216,351
Involuntary	2,377,619
Total Net Assets held for pool participants	\$ 4,182,583
Statement of Changes in Net Assets	
Net Assets at July 1, 2008	\$ 4,335,079
Net change in investments by pool participants	(152,496)
Net Assets at June 30, 2009	\$ 4,182,583

As of June 30, 2009, Cash and Investments are classified in the accompanying financial statements as follows (amounts reported in dollars):

	Total Governmental Activities	Total Business-type Activities	Total
Cash and Cash Equivalents	\$ 8,342,917	\$ -	\$ 8,342,917

NOTE 3: EMPLOYEE COMPENSATED ABSENCES

Accumulated vacation, holiday benefits, sick pay and compensatory time are recorded as an expense and liability as the benefits are earned. Compensated absence liabilities are recorded as a noncurrent liability. The District is not obligated to pay for unused sick leave if an employee terminates or retires.

Compensated absences activity for the year ended June 30, 2009 is as follows:

Beginning Balance	Additions	Deletions	Ending Balance
\$ 136,552	\$ 19,560	\$ 31,491	\$ 124,621

NOTE 4: GRANT RECEIVABLE

The District was approved for reimbursements up to \$220,000 from a Community Development Block Grant (CDBG) for improvements and upgrades to the District's Erwin Park Soccer Complex. As of June 30, 2009, the District had incurred \$220,000 in expenses that would be eligible for reimbursement through this grant, which is reported as grants receivable.

**County of San Bernardino
Big Bear Valley Park and Recreation District
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2009**

NOTE 5: CAPITAL ASSETS

The costs of building and acquiring capital assets (land, land improvements, buildings, vehicles and equipment) financed from the governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the balance sheet. However, the statement of net assets includes those capital assets among the assets of the District as a whole, and their original costs are expensed annually over their useful lives. Capital asset activity for governmental activities for the fiscal year ended June 30, 2009 follows:

Governmental activities:	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 1,465,939	\$ -	\$ -	\$ -	\$ 1,465,939
Construction in progress	427,735	225,785	-	(90,989)	562,531
Total capital assets, not being depreciated	<u>1,893,674</u>	<u>225,785</u>	<u>-</u>	<u>(90,989)</u>	<u>2,028,470</u>
Capital assets, being depreciated:					
Land improvements	1,684,338	445,583	-	90,989	2,220,910
Structures and improvements	2,310,119	-	-	-	2,310,119
Vehicles and Equipment	158,289	19,655	-	-	177,944
Total capital assets, being depreciated	<u>4,152,746</u>	<u>465,238</u>	<u>-</u>	<u>90,989</u>	<u>4,708,973</u>
Less accumulated depreciation for:					
Land improvements	(702,536)	(72,586)	-	-	(775,122)
Structures and improvements	(707,756)	(73,863)	-	-	(781,619)
Vehicles and Equipment	(151,804)	(6,484)	-	-	(158,288)
Total accumulated depreciation	<u>(1,562,096)</u>	<u>(152,933)</u>	<u>-</u>	<u>-</u>	<u>(1,715,029)</u>
Total capital assets, being depreciated, net	<u>2,590,650</u>	<u>312,305</u>	<u>-</u>	<u>90,989</u>	<u>2,993,944</u>
Governmental activities capital assets, net	<u>\$ 4,484,324</u>	<u>\$ 538,090</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,022,414</u>

Construction in Progress Schedule

At June 30, 2009, construction in progress represents the following projects:

Project Title	Budget	YTD Expenses	Projected Fiscal Year of Completion
Animal Park Relocation	4,094,302	355,187	2011
Redesign and Rebuild Paradise Park	1,250,000	59,789	2010
Erwin Soccer Complex	200,000	147,554	2010
		<u>\$ 562,531</u>	

The District entered into several contractual agreements for the projects listed above. The balance of these commitments is \$42,033 at June 30, 2009.

**County of San Bernardino
Big Bear Valley Park and Recreation District
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2009**

NOTE 6: PROPOSITION 111 APPROPRIATION LIMITS

Proposition 111, which added Article XIII B to the State Constitution, established limits on budget appropriations in order to restrict government spending. We have reviewed the proceeds of taxes received by the CSA during the 2008-2009 fiscal year and have found the revenue to be within the guidelines established by Proposition 111.

NOTE 7: RETIREMENT PLAN

Plan description

The San Bernardino County Employees' Retirement Association ("SBCERA") is a cost-sharing multiple-employer defined benefit pension plan (the "Plan") operating under the California County Employees Retirement Act of 1937 ("1937 Act"). It provides retirement, death, and disability benefits to members. Although legally established as a single employer plan, the City of Big Bear Lake, California State Association of Counties, South Coast Air Quality Management District (AQMD), San Bernardino Associated Governments (SANBAG), Local Agency Formation Commission (LAFCO), San Bernardino County Law Library, Barstow Fire Protection District, Hesperia Parks and Recreation, San Bernardino County Employees' Retirement Association (SBCERA), City of Chino Hills, Crest Forest Fire District, Mojave Desert Air Quality Management District (MDAQMD), California Electronic Recording Transaction Authority (CERTNA), Inland Valley Development Agency (IVDA), San Bernardino International Airport Authority (SBIAA), and the Superior Courts were later included, along with the County of San Bernardino (the "County"), and are collectively referred to as the "Participating Members". The plan is governed by the San Bernardino Board of Retirement under the 1937 Act. Employees become eligible for membership on their first day of regular employment and become fully vested after 5 years. SBCERA issues a stand-alone financial report, which may be obtained by contacting the Board of Retirement, 348 W Hospitality Lane - 3rd floor, San Bernardino, California 92415-0014.

Fiduciary responsibility

SBCERA is controlled by its own board, the Retirement Board, which acts as a fiduciary agent for the accounting and control of member and employee contributions and investment income. SBCERA publishes its own Comprehensive Annual Financial Report and receives a separate independent audit. SBCERA is also a legally separate entity from the County and not a component unit. For these reasons, the County's Comprehensive Annual Financial Report excludes SBCERA pension trust fund as of June 30, 2009.

**County of San Bernardino
Big Bear Valley Park and Recreation District
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2009**

NOTE 7: RETIREMENT PLAN - *Continued*

Funding policy (amounts reported in thousands)

Participating members are required by statute (Sections 31621, 31621.6 and 31639.25 of the California Government Code) to contribute a percentage of covered salary based on certain actuarial assumptions and their age at entry to the Plan. Employee contribution rates vary according to age and classification (general or safety). Members are required to contribute 7.68% - 12.96% for general members and 9.85% - 15.29% for safety members, of their annual covered salary of which the County pays approximately 7%. County of San Bernardino employer contribution rates are as follow: County General 11.25%, County Safety 24.46%. All employers combined are required to contribute 13.95% of the current year covered payroll. For 2009, the County's annual pension cost of \$200,300 was equal to the County's required and actual contributions. Employee contribution rates are established and may be amended pursuant to Articles 6 and 6.8 of the 1937 Act. Employer rates are determined pursuant to Sections 31453 of the 1937 Act.

The County's annual pension cost and prepaid asset, computed in accordance with GASB 27, Accounting for Pensions by State and Local Governmental Employers, for the year ended June 30, 2009, were as follows:

Annual Required Contribution (County fiscal year basis)	\$	200,300
Interest On Pension Assets		(7,834)
Adjustment To The Annual Required Contribution		51,805
Annual Pension Cost		<u>244,271</u>
Annual Contributions Made		<u>200,300</u>
Increase/(Decrease) in Pension Assets		(43,971)
Pension Asset, Beginning of Year		813,716
Pension Asset, End of Year	\$	<u><u>769,745</u></u>

The following table shows the County's required contributions and percentage contributed, for the current year and two preceding years:

Year Ended June 30	SBCERA	County	Percentage Contributed
2007	239,857	194,130	100%
2008	241,721	203,712	100%
2009	246,232	200,300	100%

The County, along with the AQMD, issued Pension Refunding Bonds (the "Bonds") in November 1995 with an aggregate amount of \$420,527. These Bonds were issued to allow the County and the AQMD to refinance each of their unfunded accrued actuarial

**County of San Bernardino
Big Bear Valley Park and Recreation District
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2009**

NOTE 7: RETIREMENT PLAN - *Continued*

liabilities with respect to retirement benefits for their respective employees. The Bonds are the obligations of the employers participating in the Plan and the assets of the Plan do not secure the Bonds. The County's portion of the bond issuance was \$386,266. The outstanding liability at June 30, 2009 is \$430,784.

On June 24, 2004, the County issued its County of San Bernardino Pension Obligation Bonds, Series 2004 A (Fixed Rate Bonds), its County of San Bernardino Pension Obligation Bonds, Series 2004 B (Auction Rate Bonds), and its County of San Bernardino Pension Obligation Bonds, Series 2004 C (Index Bonds) in a respective aggregate principal amounts of \$189,070, \$149,825, and \$125,000. The Bonds were issued to finance the County's share of the unfunded accrued actuarial liability of the SBCERA. In April 2008, the County refunded all of the 2004 Series B. The outstanding liability at June 30, 2009 is \$301,595.

In April 2008, the County of San Bernardino issued its \$160,900 in Pension Obligation Refunding Bonds (POB), Series 2008 (the "Series 2008 Bonds"). The outstanding liability at June 30, 2009 is \$158,889.

NOTE 8: FEDERAL AND STATE GRANTS

From time to time the District may receive funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds.

NOTE 9: SELF INSURANCE

The District is insured through the County's self-insurance programs for public liability, property damage, unemployment insurance, employee dental insurance, hospital and medical malpractice liability, and workers' compensation claims. Public liability claims are self-insured for up to \$2 million per occurrence. Excess insurance coverage over the Self-Insured Retention (SIR) up to \$50 million is provided through a Risk Pool Agreement with California State Association of Counties (CSAC) Excess Insurance Authority ("EIA") Liability Program II. Workers' compensation claims are self-insured up to \$5 million per occurrence, and covered by Arch Ins. Co. for up to \$3 million for employer's liability, and up to statutory limits for workers' compensation per occurrence. Property damage claims are insured on an occurrence basis over a \$25 thousand deductible, and insured with several insurers like Lexington Ins. Co, Affiliated FM, and Lloyd's of London, among others.

The County supplements its self-insurance for medical malpractice claims with Zurich Ins. Co., which provides annual coverage on a claims made form basis with an SIR of \$2 million for each claim. Maximum coverage under the policy is \$25 million in limits per claim provided by Illinois Union Ins. Co.

**County of San Bernardino
Big Bear Valley Park and Recreation District
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2009**

NOTE 9: SELF INSURANCE - *Continued*

All public officials and County employees are insured under a blanket Comprehensive Disappearance, Destruction, and Dishonesty policy covering County monies and securities, with National Union Fire Ins. Co of Pittsburgh with a \$100 thousand deductible, and excess limits up to \$10 million per occurrence.

The activities related to such programs are accounted for in the County's Risk Management Fund, except for unemployment insurance and employee dental insurance, which are accounted for in the County's General Fund. The IBNR (Incurred But Not Reported) and IBNS (Incurred But Not Settled) liabilities stated on Risk Management's balance sheet are based upon the results of actuarial studies, and include amounts for allocated and unallocated loss adjustment expenses. The liabilities for these claims are reported using a discounted rate of 2.75%. It is the Risk Management's practice to obtain actuarial studies on an annual basis.

The total claims liability of \$149.9 million reported at June 30, 2009 is based on the requirements of GASB Statement No. 10, Accounting and Financial Reporting for Risk Financing and Related Insurance Issues, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements, and the amount of the loss can be reasonably estimated.

Changes in the claims liability amount in fiscal years 2008 and 2009 were:

<u>Fiscal Year</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Balance at Fiscal Year-end</u>
2007-08	\$129,683	\$51,702	(\$32,064)	\$149,321
2008-09	\$149,321	\$32,909	(\$32,289)	\$149,941

NOTE 10: SHORT-TERM DEBT

The District received a loan from CSA 70 to fund CIP expenditures for the current year. The loan was paid back during fiscal year 09/10. The following schedule shows the changes in short-term debt during the fiscal year.

<u>Beginning Balance July 1, 2008</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance June 30, 2009</u>
\$ -	\$200,000	\$ -	\$200,000

**Required Supplementary Information
County of San Bernardino
Big Bear Valley Park and Recreation District
Budgetary Comparison Schedule – Special Revenue Fund (General)
For the Fiscal Year Ended June 30, 2009**

NOTE 11: CONTRIBUTIONS

On August 26, 2008, the Board of Supervisors authorized the transfer of \$5,750,000 from the County General Fund Moonridge Zoo Reserve to the District for the Moonridge Animal Relocation Project. The money is not a loan and does not have to be paid back.

NOTE 12: INTERFUND TRANSFERS

Interfund transfer transactions are used to close out a fund, reimburse an operating fund and transfer cash between operating funds and capital project funds. During the fiscal year ended June 30, 2009, the District made the following interfund transfers:

FROM FUND	TO FUND	PURPOSE	AMOUNT
SSA	CGS	FOR PARADISE PARK	\$ 35,000
SSA	CGS	FOR PARADISE PARK	28,000
SSA	CGS	FOR PARADISE PARK	2,000
SSA	CGS	FOR CIP PROJECT	10,000
SSA	CGT	FOR CIP PROJECT	77,000
SSA	CQG	FOR MEADOW PARK	77,000
SSA	CQG	FOR MEADOW PARK	15,000
SSA	CQG	FOR MEADOW PARK	200
SSA	CQG	FOR CIP PROJECT	40,000
SSA	CRP	FOR SENIOR CENTER SIDEWALK	25,997
SSA	CRQ	FOR ERWIN SOCCER COMPLEX	200,000
SSA	CSZ	FOR CIP PROJECT	30,000
SSC	SSF	CLOSE OUT FUND SSC	603
CRP	SSA	CLOSE OUT FUND CRP	26,000
CRR	SSF	REIMBURSE CIP COSTS	74,030
CGT	SSA	CLOSE OUT FUND CGT	6,803
CRP	SSA	CLOSE OUT FUND CRP	1,456
CXF	SSA	CLOSE OUT FUND CXF	30,896
CXE	SSA	CLOSE OUT FUND CXE	1,104
SSA	CSZ	FOR CIP RANCH FENCING	24,000
TOTAL INTERFUND TRANSFERS			<u>\$ 705,089</u>

Required Supplementary Information
County of San Bernardino
Big Bear Valley Park and Recreation District
Budgetary Comparison Schedule – Special Revenue Fund (General)
For the Fiscal Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Property taxes	\$ 1,673,021	\$ 1,673,021	\$ 1,741,993	\$ 68,972
State assistance	1,295,000	1,295,000	409,060	(885,940)
Contributions	-	-	50,000	50,000
Investment earnings	76,745	76,745	6,046	(70,699)
Charges for services	683,000	683,000	821,472	138,472
Other	1,000	1,000	5,917	4,917
Total revenues	<u>3,728,766</u>	<u>3,728,766</u>	<u>3,034,488</u>	<u>(694,278)</u>
EXPENDITURES				
Salaries and benefits	1,347,527	1,347,527	1,579,413	(231,886)
Services and supplies	896,155	896,155	1,273,214	(377,059)
Equipment	22,900	22,900	19,655	3,245
Land/Structures/Improvements	-	-	-	-
Reserves and contingencies	521,951	521,951	-	521,951
Other	26,997	26,997	-	26,997
Total expenditures	<u>2,815,530</u>	<u>2,815,530</u>	<u>2,872,282</u>	<u>(56,752)</u>
Excess of revenues over (under) expenditures	<u>913,236</u>	<u>913,236</u>	<u>162,206</u>	<u>(751,030)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	312,000	312,000	25,506	(286,494)
Transfers out	(2,054,117)	(2,054,117)	(564,197)	1,489,920
Total other financing sources (uses)	<u>(1,742,117)</u>	<u>(1,742,117)</u>	<u>(538,691)</u>	<u>1,203,426</u>
Net change in fund balance	<u>\$ (828,881)</u>	<u>\$ (828,881)</u>	<u>(376,485)</u>	<u>\$ 452,396</u>
Fund balance - beginning			<u>856,143</u>	
Fund balance - ending			<u>\$ 479,658</u>	

Required Supplementary Information
County of San Bernardino
Big Bear Valley Park and Recreation District
Budgetary Comparison Schedule – Special Revenue Fund (Zoo)
For the Fiscal Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Property taxes	\$ 117,111	\$ 117,111	\$ 117,111	\$ -
Investment earnings	2,500	2,500	8,995	6,495
Charges for services	490,694	490,694	596,468	105,774
Contributions and private donations	-	-	6,381	6,381
Other	9,000	9,000	-	(9,000)
Total revenues	619,305	619,305	728,955	109,650
EXPENDITURES				
Salaries and benefits	515,755	515,755	523,423	(7,668)
Services and supplies	181,594	181,594	227,049	(45,455)
Reserves and contingencies	-	-	-	-
Other	7,788	7,788	-	7,788
Total expenditures	705,137	705,137	750,472	(45,335)
Excess of revenues over (under) expenditures	(85,832)	(85,832)	(21,517)	64,315
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	115,386	115,386
Transfers out	(122,245)	(122,245)	-	122,245
Total other financing sources (uses)	(122,245)	(122,245)	115,386	237,631
Net change in fund balance	\$ (208,077)	\$ (208,077)	93,869	\$ 301,946
Fund balance - beginning			201,809	
Fund balance - ending			\$ 295,678	