

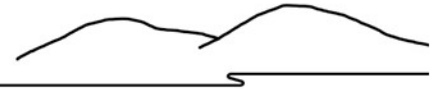
**Glenbrook Cemetery District**

**FINANCIAL STATEMENTS**

**AUDIT REPORT**

**June 30, 2021**

**June 30, 2022**



**May 15, 2023**

Glenbrook Cemetery District

Glenbrook, CA

**INDEPENDENT AUDITOR'S REPORT**

We have audited the accompanying financial statements of Glenbrook Cemetery District as of and for the years-ended June 30, 2021 and June 30, 2022, as listed in the Table of Contents.

**Management's Responsibility for the Financial Statements**

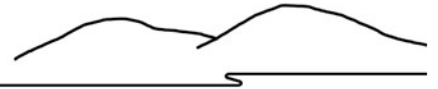
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and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

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America applicable to financial audits contained in Governmental Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit 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 our audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Glenbrook Cemetery District as of June 30, 2021 and June 30, 2022, and the respective changes in financial position, and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

**Other Matters**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information and Budget VS. Actual comparison 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 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 principally of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with managements responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurances on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide an assurance.

PNPCPA

**Glenbrook Cemetery District**

**Audit Report  
June 30, 2021 and June 30, 2022**

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## **GLENBROOK CEMETERY DISTRICT**

### **Management's Discussion and Analysis For the Years-Ended June 30, 2021 and June 30, 2022**

#### **The District's Operations – an Overview**

The District formed in 1976 by the Board of Supervisors operates under the authority of the California Health and Safety Code. Of the two-acre cemetery grounds, one and a half are developed and serves a community consisting of a geographic area of 11,500 acres in a southern portion of Lake County bound by Sonoma County and Mendocino County on the west, Kelseyville Cemetery District on the northeast and Middletown Cemetery District on the south. A five-member board of trustees governs the District. Trustees are appointed by the County Board of Supervisors and serve for staggered four-year terms. The District receives revenue from the sale of burial rights and burial services at the cemetery. This, in addition to endowment care funds and interest, compensate cemetery operations and facility maintenance costs.

#### ***FINANCIAL HIGHLIGHTS***

##### **Revenues**

Combined revenues for the 2021 fiscal year totaled \$29,156.

Combined revenues for the 2022 fiscal year totaled \$46,106.

##### **Expenses**

Combined expenses for the 2021 fiscal year totaled \$29,487.

Combined expenses for the 2022 fiscal year totaled \$23,003.

##### **Interest Earnings**

Interest earnings for the 2021 fiscal year totaled \$524.

Interest earnings for the 2022 fiscal year totaled \$215.

##### **Capital Expenditures**

The District spent \$- on capital equipment during the 2021 fiscal year.

The District spent \$- on capital equipment during the 2022 fiscal year

##### **General and Administrative**

The District is closely monitoring finances as the Valley Fire destroyed a significant amount of houses in the District which negatively affected property tax values. Therefore the District has had to cut expenses to match the decreased revenues from property taxes.

##### **Basis of Accounting**

The District's financial statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the District's assets and liabilities. All of the current year's revenue and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

## **GLENBROOK CEMETERY DISTRICT**

### **Management's Discussion and Analysis For the Years-Ended June 30, 2021 and June 30, 2022**

#### **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

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

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

The government-wide financial statements report on the function of the District that is principally supported by intergovernmental revenues.

#### **FUND FINANCIAL STATEMENTS**

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

#### **NOTES TO THE BASIC FINANCIAL STATEMENTS**

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

The District has capital assets (e.g. land, structures, and equipment). Any investment in capital assets would restrict the use of assets for future spending. The unrestricted net Position of the District is available for future use to provide program services.

#### **Economic Factors and Next Year's Budgets and Rates**

The following factors were considered in preparing the District's budget for the 2021 fiscal year:

- Property tax rates
- Actual 2020 expenditures

**GLENBROOK CEMETERY DISTRICT**

**Management's Discussion and Analysis  
For the Years-Ended June 30, 2021 and June 30, 2022**

The following factors were considered in preparing the District's budget for the 2022 fiscal year:

- Property tax rates
- Actual 2021 expenditures

**Requests for Information**

This financial report is designed to provide a general overview of the District's finances for all citizens, taxpayers, customers, investors, and creditors. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Glenbrook Cemetery District, PO Box 646, Cobb, California 95426.

**GLENBROOK CEMETERY DISTRICT**

**Management's Discussion and Analysis  
For the Years-Ended June 30, 2021 and June 30, 2022**

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**Glenbrook Cemetery District**

**Balance Sheet  
June 30, 2021**

	<u>General Fund</u>	<u>Endowment Interest</u>	<u>Endowment</u>
<b><u>ASSETS</u></b>			
Cash	66,374	10,041	31,330
<b>TOTAL ASSETS</b>	<u>66,374</u>	<u>10,041</u>	<u>31,330</u>
<b><u>LIABILITIES &amp; FUND BALANCES</u></b>			
<u>Liabilities:</u>			
Accounts Payable	-	-	-
Total Current Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
<u>Fund Balances:</u>			
Unassigned	10,801	-	-
Assigned	23,419	-	-
Restricted	-	10,041	31,330
Committed	<u>32,154</u>	<u>-</u>	<u>-</u>
Total Fund Balance	<u>66,374</u>	<u>10,041</u>	<u>-</u>
<b><u>TOTAL LIABILITIES &amp; FUND BALANCE</u></b>	<u>\$ 66,374</u>	<u>\$ 10,041</u>	<u>\$ 31,330</u>

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

**Glenbrook Cemetery District**

**Balance Sheet  
June 30, 2022**

	<u>General Fund</u>	<u>Endowment Interest</u>	<u>Endowment</u>
<b><u>ASSETS</u></b>			
Cash	84,823	10,114	36,730
<b>TOTAL ASSETS</b>	<u>84,823</u>	<u>10,114</u>	<u>36,730</u>
<b><u>LIABILITIES &amp; FUND BALANCES</u></b>			
<u>Liabilities:</u>			
Accounts Payable	-	-	-
Total Current Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
<u>Fund Balances:</u>			
Unassigned	9,662	-	-
Assigned	23,419	-	-
Restricted	-	10,114	36,730
Committed	<u>51,742</u>	<u>-</u>	<u>-</u>
Total Fund Balance	<u>84,823</u>	<u>10,114</u>	<u>-</u>
<b><u>TOTAL LIABILITIES &amp; FUND BALANCE</u></b>	<u>\$ 84,823</u>	<u>\$ 10,114</u>	<u>\$ 36,730</u>

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

## Glenbrook Cemetery District

### Statement of Revenues, Expenditures & Change in Fund Balance For the Year Ended June 30, 2021

<u>REVENUE</u>	<u>General Fund</u>	<u>Endowment Interest</u>	<u>Endowment</u>
Taxes and Intergovernmental	\$ 17,035	\$ -	\$ -
Charges for Services	7,801	-	2,550
Use of Money & Property	298	190	-
Other Government	1,282	-	-
Other Revenue	-	-	-
<b>TOTAL REVENUE</b>	<b>26,416</b>	<b>190</b>	<b>2,550</b>
<u>EXPENDITURES</u>			
Salaries and Employee Benefits	-	-	-
Maintenance	5,163	-	-
Professional Fees	12,945	-	-
Fixed Assets	-	-	-
Insurance	931	-	-
Other Government	-	-	-
Services, Supplies and Refunds	6,016	-	-
<b>TOTAL EXPENDITURES</b>	<b>25,055</b>	<b>-</b>	<b>-</b>
<b>Excess (Deficit) Revenues over Expenditures</b>	<b>1,361</b>	<b>190</b>	<b>2,550</b>
Transfer in/(out)	-	-	-
<b>CHANGE IN FUND BALANCE</b>	<b>1,361</b>	<b>190</b>	<b>2,550</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>65,013</b>	<b>9,851</b>	<b>28,780</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 66,374</b>	<b>\$ 10,041</b>	<b>\$ 31,330</b>

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

## Glenbrook Cemetery District

### Statement of Revenues, Expenditures & Change in Fund Balance For the Year Ended June 30, 2022

<u>REVENUE</u>	<u>General Fund</u>	<u>Endowment Interest</u>	<u>Endowment</u>
Taxes and Intergovernmental	\$ 17,339	\$ -	\$ -
Charges for Services	22,476	-	5,400
Use of Money & Property	121	73	-
Other Government	598	-	-
Other Revenue	99	-	-
<b>TOTAL REVENUE</b>	<b>40,633</b>	<b>73</b>	<b>5,400</b>
<u>EXPENDITURES</u>			
Salaries and Employee Benefits	-	-	-
Maintenance	4,897	-	-
Professional Fees	9,725	-	-
Fixed Assets	-	-	-
Insurance	939	-	-
Other Government	2,200	-	-
Services, Supplies and Refunds	4,423	-	-
<b>TOTAL EXPENDITURES</b>	<b>22,184</b>	<b>-</b>	<b>-</b>
<b>Excess (Deficit) Revenues over Expenditures</b>	<b>18,449</b>	<b>73</b>	<b>5,400</b>
<b>Transfer in/(out)</b>			
<b>CHANGE IN FUND BALANCE</b>	<b>18,449</b>	<b>73</b>	<b>5,400</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>66,374</b>	<b>10,041</b>	<b>31,330</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 84,823</b>	<b>\$ 10,114</b>	<b>\$ 36,730</b>

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

## Glenbrook Cemetery District

### Statement of Net Position June 30, 2021

#### ASSETS

##### Current Assets:

Funds on Deposit, County of Lake	<u>107,745</u>
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Total Current Assets	<u>107,745</u>
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##### Capital Assets:

Land	17,848
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Buildings & Improvements	96,282
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Equipment	-
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Less: Accumulated Depreciation	<u>(80,664)</u>
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Total Capital Assets	<u>33,466</u>
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<b>TOTAL ASSETS</b>	<b><u>141,211</u></b>
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#### LIABILITIES

<b>TOTAL LIABILITIES</b>	<b><u>-</u></b>
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#### NET POSITION

Invested in Capital Assets	33,466
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Unrestricted	78,273
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Restricted	<u>29,472</u>
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<b>TOTAL NET POSITION</b>	<b><u>\$ 141,211</u></b>
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The accompanying notes are an integral part of these financial statements.

## Glenbrook Cemetery District

### Statement of Net Position June 30, 2022

#### ASSETS

##### Current Assets:

Funds on Deposit, County of Lake	<u>131,667</u>
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Total Current Assets	<u>131,667</u>
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##### Capital Assets:

Land	17,848
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Buildings & Improvements	96,282
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Equipment	-
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Less: Accumulated Depreciation	<u>(83,683)</u>
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Total Capital Assets	<u>30,447</u>
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<b>TOTAL ASSETS</b>	<b><u>162,114</u></b>
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#### LIABILITIES

<b>TOTAL LIABILITIES</b>	<b><u>-</u></b>
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#### NET POSITION

Invested in Capital Assets	30,447
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Unrestricted	92,759
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Restricted	<u>38,908</u>
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<b>TOTAL NET POSITION</b>	<b><u>\$ 162,114</u></b>
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The accompanying notes are an integral part of these financial statements.

## Glenbrook Cemetery District

### Statement of Activities For the Year-Ended June 30, 2021

#### PROGRAM EXPENSES:

Depreciation	\$	4,431
Services, Supplies & Refunds		6,948
Professional Fees		12,945
Repairs & Maintenance		<u>5,163</u>

**TOTAL PROGRAM EXPENSES** 29,487

#### PROGRAM REVENUES:

Charges for Service		<u>10,351</u>
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**TOTAL PROGRAM REVENUES** 10,351

#### GENERAL REVENUES:

Use of Money and Property		489
Other Revenue		1,283
Taxes & intergovernmental		<u>17,035</u>

**TOTAL GENERAL REVENUES** 18,807

**Net Change in Net Position** (329)

**Net Position, Beginning of year** 141,540

**Net Position, End of year** \$ 141,211

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

## Glenbrook Cemetery District

### Statement of Activities For the Year-Ended June 30, 2022

#### PROGRAM EXPENSES:

Depreciation	\$	3,019
Services, Supplies & Refunds		5,362
Professional Fees		9,725
Repairs & Maintenance		<u>4,897</u>

**TOTAL PROGRAM EXPENSES** 23,003

#### PROGRAM REVENUES:

Charges for Service	<u>26,126</u>
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**TOTAL PROGRAM REVENUES** 26,126

#### GENERAL REVENUES:

Use of Money and Property	194
Other Revenue	247
Taxes & intergovernmental	<u>17,339</u>

**TOTAL GENERAL REVENUES** 17,780

**Net Change in Net Position** 20,903

**Net Position, Beginning of year** 141,211

**Net Position, End of year** \$ 162,114

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



**Glenbrook Cemetery District**

**Statement of Fiduciary Net Assets  
June 30, 2021**

	<u>Preneed</u>	<u>Headstone</u>
<b><u>ASSETS</u></b>		
Cash	<u>14,500</u>	<u>2,675</u>
<b>TOTAL ASSETS</b>	<b><u>14,500</u></b>	<b><u>2,675</u></b>
 <b><u>LIABILITIES &amp; NET POSITION</u></b>		
<u>Liabilities:</u>		
Accounts Payable	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>
<u>Net Position:</u>		
Held in Trust	<u>14,500</u>	<u>2,675</u>
Total Net Position	<u>14,500</u>	<u>2,675</u>
<b><u>TOTAL LIABILITIES &amp; NET POSITION</u></b>	<b><u>\$ 14,500</u></b>	<b><u>\$ 2,675</u></b>

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

**Glenbrook Cemetery District**

**Statement of Fiduciary Net Position  
June 30, 2022**

	<u>Preneed</u>	<u>Headstone</u>
<b><u>ASSETS</u></b>		
Cash	<u>17,260</u>	<u>3,475</u>
<b>TOTAL ASSETS</b>	<u>17,260</u>	<u>3,475</u>
<b><u>LIABILITIES &amp; NET POSITION</u></b>		
<u>Liabilities:</u>		
Accounts Payable	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>
<u>Net Position:</u>		
Held in Trust	<u>17,260</u>	<u>3,475</u>
Total Net Position	<u>17,260</u>	<u>3,475</u>
<b><u>TOTAL LIABILITIES &amp; NET POSITION</u></b>	<u>\$ 17,260</u>	<u>\$ 3,475</u>

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

Glenbrook Cemetery District

Statement of Activities - Fiduciary Funds  
For the Year Ended  
**June 30, 2021**

<u>ADDITIONS</u>	<u>Preneed</u>	<u>Headstone</u>
Charges	\$ 6,950	\$ -
Other Government	-	-
Use of Money & Property	35	-
<b>TOTAL ADDITIONS</b>	<u>6,985</u>	<u>-</u>
 <u>DEDUCTIONS</u>		
Other Government	-	-
Services, Supplies and Refunds	-	-
<b>TOTAL DEDUCTIONS</b>	<u>-</u>	<u>-</u>
 <u>CHANGE IN FUND BALANCE</u>	<u>6,985</u>	<u>-</u>
 <u>FUND BALANCE, BEGINNING OF YEAR</u>	<u>7,515</u>	<u>2,675</u>
 <u>FUND BALANCE, END OF YEAR</u>	<u>\$ 14,500</u>	<u>\$ 2,675</u>

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

## Glenbrook Cemetery District

### Statement of Activities - Fiduciary Funds For the Year Ended June 30, 2022

<u>ADDITIONS</u>	<u>Preneed</u>	<u>Headstone</u>
Charges	\$ 988	\$ 800
Other Government	2,200	-
Use of Money & Property	<u>22</u>	<u>-</u>
<b>TOTAL ADDITIONS</b>	<u>3,210</u>	<u>800</u>
 <u>DEDUCTIONS</u>		
Other Government	450	-
Services, Supplies and Refunds	<u>-</u>	<u>-</u>
<b>TOTAL DEDUCTIONS</b>	<u>450</u>	<u>-</u>
 <b><u>CHANGE IN NET POSITION</u></b>	 <u>2,760</u>	 <u>800</u>
 <b><u>NET POSITION, BEGINNING OF YEAR</u></b>	 <u>14,500</u>	 <u>2,675</u>
 <b><u>NET POSITION, END OF YEAR</u></b>	 <u>\$ 17,260</u>	 <u>\$ 3,475</u>

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

## **Glenbrook Cemetery District**

### **Notes to Financial Statements For the Years-Ended June 30, 2021 and June 30, 2022**

#### **NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Glenbrook Cemetery District (the District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental 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.

##### **A. Description of the Reporting Entity**

The Glenbrook Cemetery District was formed by petition to provide and maintain a cemetery, limited in use to burial of residents or taxpayers of the District and their families, as provided under Division 8, Part 4, Chapter 3 of the California Health and Safety Code. The District is a separate legal reporting entity operating in Lake County.

The District is a governed entity administered by a Board of Directors (Board) that acts as the authoritative and legislative body of the entity. The Board is comprised of five board members. The Board appoints the Chairperson of the Board from existing board members. The Chair responsibilities are to preside at all meetings of the Board; be the chief officer of the District; perform all duties commonly incident to the position of presiding officer of a board, commission, or business organization; and exercise supervision over the business of the District, its officers, and its employees.

The accompanying general-purpose financial statements comply with the provisions of GASB Statement No. 14, "*The Financial Reporting Entity*," in that the financial statements include all organizations, activities, and functions that comprise the District. Component units are legally separate entities for which the District (the primary entity) is financially accountable. Financial accountability is defined as the ability to appoint a voting majority of the organization's governing body and either (1) the District's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on, the District. Using these criteria, the District has no component units.

##### **B. Accounting Principles**

The District prepares its financial statements in conformity with accounting principles generally accepted in the United States of America, as well as accounting systems.

##### **C. Basis of Accounting and Measurement Focus**

The accounts of the District are organized on the basis of funds, or account groups, each of which is considered 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.

## Glenbrook Cemetery District

### **Notes to Financial Statements For the Years-Ended June 30, 2021 and June 30, 2022**

#### D. Financial Statement Presentation

##### A. Government-Wide Financial Statements

The District Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position. These statements present summaries of Governmental and Business-Type 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 as well as infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The types of transactions reported as program revenues for the District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

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

Invested in Capital Assets - Includes amount of the fund balance that is invested in capital assets net of any related debt.

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

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

##### B. Government-Fund Financial Statements

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. The District has presented all major funds that met those qualifications.

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 Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and

## Glenbrook Cemetery District

### **Notes to Financial Statements For the Years-Ended June 30, 2021 and June 30, 2022**

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 property tax, intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

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

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

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

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

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

#### E. Fiduciary Funds Financial Statements

*Fiduciary Funds* – The Fiduciary Fund is used to account for resources held for others in a custodial capacity for headstones, and prepaid burials, and applicable interest available. Fiduciary Fund financial statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position.

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

F. Exchange and Non-Exchange Transactions of Revenues – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. Non-exchange transactions, in which the District receives value without directly giving value in return, include taxes and donations. Revenues are recognized when susceptible to accrual, when they become both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the

**Glenbrook Cemetery District**

**Notes to Financial Statements  
For the Years-Ended June 30, 2021 and June 30, 2022**

current period. The District considers property taxes as available if they are collected within 60 days after year-end. The assessor of the County determines the assessed valuations of such property and the tax collector of the County collects the taxes. On an accrual basis, revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis.

G. Expenses/Expenditures- On an accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable.

H. Budgets and Budgetary Accounting- The District operates under the general laws of the State of California and annually adopts a budget to be effective July 1 for the ensuing fiscal year. Formal budgetary integration is employed as a management control device during the year for the General Fund. The level of control (level at which expenditures may not exceed budget) is the fund. Unused appropriations for all the above annually budgeted funds lapse at the end of the fiscal year. Budgeted amounts are the final authorized amount as revised during the year. Actual revenues and expenditures can be compared with related budgeted amounts without any significant reconciling items to the General Fund.

I. Cash - 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, To maximize investment opportunities, the District participate in a pooling of cash and investment income with other local agencies. Each fund may liquidate its equity in the pool on demand. Investments are recorded at fair value. Fair value is based on quoted market prices.

As of June 30, 2021 and June 30, 2022, the primary government had the following investments:

	<u>Fair Value</u>	<u>Rating</u>	<u>Rating Agency</u>
2021 Cash in County Treasury	\$124,920	Unrated	NA
	<u>Fair Value</u>	<u>Rating</u>	<u>Rating Agency</u>
2022 Cash in County Treasury	\$152,402	Unrated	NA

*Interest rate risk.* - The District does not currently have a policy regarding interest rate risk.

*Credit risk.* - The District does not have a formal policy regarding credit risk



## Glenbrook Cemetery District

### **Notes to Financial Statements For the Years-Ended June 30, 2021 and June 30, 2022**

*Custodial credit risk.* -The District's investment in the State and County Treasurer's investment pools represents a proportionate interest in the pool's portfolio; however, the District's portion is not identified with specific investments and is not subject to custodial credit risk.

*Concentration of credit risk.* - The District does not have a policy for concentration of credit risk.

#### J. Fixed Assets

Capital assets, which include property, plant, and equipment, infrastructure assets and intangible are reported in the applicable governmental -type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an estimated useful life in excess of one year. Property, plant and equipment purchased or acquired is carried at historical cost or estimated historical cost. Donated or contributed capital assets are recorded at their estimated fair value on the date received. The District maintains a \$2,000 capitalization threshold.

The costs of normal maintenance and repairs are charged to operations as incurred. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

#### K. Net Position

The District's net position represent the difference between its assets and liabilities in the statement of net position. Net Position is reported as restricted with there are legal limitations imposed on their use by their source. Portions of the unreserved net position or fund balance may be designated to indicate tentative plans for financial resources utilization in a future period, such as for general contingencies, purchase of capital assets, or debt service. Such plans or intent are subject to change and may never be legally authorized or result in expenditures.

#### L. Property Tax Revenue

Property tax revenue is received from the county, which has been assigned the responsibility, and apportionment and collection of property tax. The county remits the property tax to the district 55% in December, 40% in April, and 5% at fiscal year end. The county receives all penalties and interest on the delinquent taxes.

#### M. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

#### **NOTE 2: ENDOWMENT CARE FUND**

The District maintains an Endowment Care Fund in compliance with California Health and Safety Code Article 4, Chapter 8, Part 4, Division 8, Sections 9000-9005. The District holds the money in trust. The income generated by the Endowment Care Fund is available to provide maintenance of the cemetery, but the principle of the trust fund is non-expendable.

**Glenbrook Cemetery District**

**Notes to Financial Statements  
For the Years-Ended June 30, 2021 and June 30, 2022**

**NOTE 3: RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; damage to, and theft or destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2022, the District contracted with private insurance agencies for liability, property, crime damage, and employee and director insurances.

**NOTE 4: CONTIGENCIES**

As of June 30, 2022, the District did not have any pending litigation or potential nondisclosed liabilities that management believes would have a material effect on the financial statements.

**NOTE 5: SUBSEQUENT EVENTS**

The District's management has evaluated events and transactions subsequent to June 30, 2022 for potential recognition or disclosure in the financial statements. Subsequent events have been evaluated through **May 15, 2023**, the date the financial statements became available to be issued. The entity has not evaluated subsequent events after **May 15, 2023**. The District did not have any subsequent events that require recognition or disclosure in the financial statements for the year ended June 30, 2022.