

# SILVER CREEK VALLEY COUNTRY CLUB GOLF DISTRICT

FINANCIAL STATEMENTS  
AND REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED  
DECEMBER 31, 2009

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BILL MYERS

CHARTERED PROFESSIONAL ACCOUNTANT

**SILVER CREEK VALLEY COUNTRY CLUB GHA DISTRICT**  
**FINANCIAL STATEMENTS**  
**AND REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED**  
**JUNE 30, 2006**

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# SILVER CREEK VALLEY COUNTRY CLUB GHA DISTRICT

## MANAGEMENT DISCUSSION AND ANALYSIS

Our discussion and analysis of the Silver Creek Valley Country Club GHA District provides an overview of the district's financial activity for the fiscal year ended June 30, 2006. It should be read in conjunction with the financial statements which begin on page 6.

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 6 and 7) provide information about the activities of the district as a whole and present a longer-term view of the district's finances. Fund financial statements start on page 8. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the district's operations in more detail than the government-wide statements by providing information about the district's most significant funds.

### Reporting on the District as a Whole

Our analysis of the district as a whole begins on page 6. One of the most important questions asked about the district's finances is, "Is the district as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the district as a whole and about its activities in a way that help answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by the private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the district's net assets and changes in them. You can think of the district's net assets - the difference between assets and liabilities - as one way to measure the district's financial health, or financial position. Over time, increases or decreases in the district's net assets are one indicator of whether its financial health is improving or deteriorating.

In the Statement of Net Assets and the Statement of Activities, we divide the district into three kinds of activities:

- \* Governmental activities - Most of the district's basic services are reported here. Special assessments finance most of these activities.
- \* Business-type activities - The district charges a fee to customers to help it cover all or most of the cost of certain services it provides. The district had no business-type activities in the current year.
- \* Component units - Although legally separate, component units (such as a redevelopment agency) are important because the district is financially accountable for them. The district had no component units in the current year.

### Reporting the District's Most Significant Funds

Our analysis of the district's major funds begins on page 2. The fund financial statements begin on page 7 and provide detailed information about the most significant funds - not the district as a whole. The district board establishes funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes and other money.

\* Governmental funds - Most of the district's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the district's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the district's programs. We describe the relationship between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in a reconciliation at the bottom of the fund financial statements.

### Financial Analysis

The net assets for the district as a whole increased 13.1% from \$1,630,256 at June 30, 2005 to \$1,844,461 at June 30, 2006. This increase of \$214,205 comes from the change in net assets as recorded in the Statement of Activities and flows through the Statement of Net Assets. Program expenses by function, general revenues by major source, deficiency of revenues over expenses and total assets are presented in the Statement of Activities and Changes in Net Assets

The district's combined Net Assets for fiscal year ended June 30, 2006 and 2005 were:

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2006	2005	2006	2005	2006	2005
<b>Assets</b>						
Current Assets	\$ 1,848,085	\$ 1,633,986	\$ -	\$ -	\$ 1,848,085	\$ 1,633,986
Capital Assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 1,848,085</b>	<b>\$ 1,633,986</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,848,085</b>	<b>\$ 1,633,986</b>
<b>Liabilities</b>						
Current Liabilities	\$ 3,624	\$ 3,730	\$ -	\$ -	\$ 3,624	\$ 3,730
Noncurrent Liabilities	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>\$ 3,624</b>	<b>\$ 3,730</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,624</b>	<b>\$ 3,730</b>
<b>Net Assets:</b>						
Invested in Capital Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-
Designated	-	-	-	-	-	-
Unrestricted	1,844,461	1,630,257	-	-	1,844,461	1,630,257
<b>Total Net Assets</b>	<b>\$ 1,844,462</b>	<b>\$ 1,630,256</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,844,462</b>	<b>\$ 1,630,257</b>

The district's programs for governmental activities include general government. A comparison of each program's revenues and expenses for the current year and prior year is presented below.

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2006	2005	2006	2005	2006	2005
<b>Revenues</b>						
Program Revenues						
Charges for service	\$ 174	\$ -	\$ -	\$ -	\$ 174	\$ -
General Revenues						
Special Assessments	245,411	244,882			245,411	244,882
Other general revenues	54,519	45,289			54,519	45,289
<b>Total Revenues</b>	<b>\$ 300,104</b>	<b>\$ 290,171</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 300,104</b>	<b>\$ 290,171</b>
<b>Program Expenses</b>						
General government	85,900	45,651			85,900	45,651
<b>Total Program Expenses</b>	<b>\$ 85,900</b>	<b>\$ 45,651</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 85,900</b>	<b>\$ 45,651</b>
Excess (Deficiency)	214,204	244,520	-	-	214,204	244,520
Transfers						
Increase (Decrease) In Net Assets	\$ 214,204	\$ 244,520	\$ -	\$ -	\$ 214,204	\$ 244,520
Net Assets July 1	1,630,257	1,385,736			1,630,257	1,385,736
<b>Net Assets June 30</b>	<b>1,844,461</b>	<b>1,630,257</b>	<b>-</b>	<b>-</b>	<b>1,844,461</b>	<b>1,630,257</b>

### Operating Revenues

As shown above, the district's revenue increased by \$9,933 or 3.4% during the year ended June 30, 2006.

### Budgetary Highlights

The district made no revisions to the budget during the year ended June 30, 2006. The actual charges to appropriations (expenditures) were \$2,444 below the final budget amounts. The variance occurred in the estimate of the charges for professional services. The resources available for appropriation (revenues) were \$22,113 over the final budgeted amount.

**Operating Expenses**

As shown above, the district's expenses decreased by \$40,249 or 88.2%. The following is a comparison of operating expenses by object:

	<b>SUMMARY OF OPERATING EXPENSES BY OBJECT</b>				
	2006		2005		PERCENT INCREASE (DECREASE)
	AMOUNT	PERCENT OF TOTAL	AMOUNT	INCREASE (DECREASE)	
Salaries and wages	\$ -	0.0%	\$ -	\$ -	
Operating supplies	2,105	2.5%	131	1,974	1505.0%
Professional services	82,197	95.7%	43,038	39,159	91.0%
Dues	583	0.7%	471	112	23.8%
Special department expense	1,015	1.2%	2,010	(995)	-49.5%
<b>Total Operating Expenses</b>	<b>\$ 85,900</b>	<b>100%</b>	<b>\$ 45,651</b>	<b>\$ 40,249</b>	<b>88.2%</b>

**Capital Assets**

The district had no capital assets at June 30, 2006

**Debt Administration**

The district had no long-term debt at June 30, 2006

**Economic Factors and Future Outlook**

The Silver Creek Valley Country Club GHA District accumulates funds to be used to abate any geological hazard arising from the hills surrounding the Silver Creek Country Club and the adjacent housing development.

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**B. L. MYERS**  
*Certified Public Accountant*

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
 Silver Creek Valley Country Club GHA District  
 San Jose, California

I have audited the accompanying financial statements of the governmental activities and business-type activities of Silver Creek Valley Country Club GHA District, as of June 30, 2006 and for the year then ended, 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. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the business-type activities of the Silver Creek Valley Country Club GHA District as of June 30, 2006, and the respective changes in financial position and cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1, the district has implemented a new financial reporting model as required by the provisions of GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, as of June 30, 2006.

The management's discussion and analysis and budgetary comparison information on pages 1 through 4 and page 15, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. I 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, I did not audit the information and express no opinion on it.



B. L. Myers  
 Certified Public Accountant  
 August 16, 2006

# SILVER CREEK VALLEY COUNTRY CLUB GHA DISTRICT

## STATEMENT OF NET ASSETS

JUNE 30, 2006

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
<b>ASSETS</b>			
Cash	\$ 1,137,000	\$ -	\$ 1,137,000
Accounts receivable	23,590		23,590
Investments	687,494		687,494
Capital assets (net)	-		-
<b>Total Assets</b>	<b>\$ 1,848,085</b>	<b>\$ -</b>	<b>\$ 1,848,085</b>
<b>LIABILITIES</b>			
Accounts payable	\$ 3,624	\$ -	\$ 3,624
<b>Total Liabilities</b>	<b>\$ 3,624</b>	<b>\$ -</b>	<b>\$ 3,624</b>
<b>NET ASSETS</b>			
Invested in capital assets - net of debt	\$ -	\$ -	\$ -
Restricted	-		-
Designated	-		-
Unrestricted	1,844,461		1,844,461
<b>Total Net Assets</b>	<b>\$ 1,844,461</b>	<b>\$ -</b>	<b>\$ 1,844,461</b>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS



# SILVER CREEK VALLEY COUNTRY CLUB GHA DISTRICT

## STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2006

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
<b>Primary Government</b>					
General government	\$ 85,900	\$ 174	\$ -	\$ -	\$ (85,726)
Special revenue	-				
<b>Total Governmental Activities</b>	<b>\$ 85,900</b>	<b>\$ 174</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (85,726)</b>
<b>Business-type activities</b>					
None	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Business-type Activities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Primary Government</b>	<b>\$ 85,900</b>	<b>\$ 174</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (85,726)</b>
<b>Component Unit</b>					
None	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Component Unit</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

	PRIMARY GOVERNMENT			COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
<b>Changes in Net Assets</b>				
Net (Expense) Revenue	\$ (85,726)	\$ -	\$ (85,726)	\$ -
<b>General Revenues:</b>				
Assessments, levied for general purposes	\$ 245,411	\$ -	\$ 245,411	\$ -
Investment earnings	54,519		54,519	
<b>Total general revenues and transfers</b>	<b>\$ 299,930</b>	<b>\$ -</b>	<b>\$ 299,930</b>	<b>\$ -</b>
Change in net assets	\$ 214,204	\$ -	\$ 214,204	\$ -
Net Assets - July 1	1,630,257		1,630,257	
<b>Net Assets - June 30</b>	<b>\$ 1,844,461</b>	<b>\$ -</b>	<b>\$ 1,844,461</b>	<b>\$ -</b>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

# SILVER CREEK VALLEY COUNTRY CLUB GHA DISTRICT

## BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2006

	GENERAL FUND	SPECIAL REVENUE FUND	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS</b>			
Cash	\$ 1,137,000	\$ -	\$ 1,137,000
Accounts receivable	23,590		23,590
Investments	687,493		687,493
Capital assets (net)	-		-
<b>Total Assets</b>	<b>\$ 1,848,084</b>	<b>\$ -</b>	<b>\$ 1,848,084</b>
<b>LIABILITIES AND FUND BALANCES</b>			
Accounts payable	\$ 3,625	\$ -	\$ 3,625
Noncurrent liabilities			
<b>Total Liabilities</b>	<b>\$ 3,625</b>	<b>\$ -</b>	<b>\$ 3,625</b>
Fund Balances			
Restricted		-	-
Designated	-		-
Unreserved, reported in:			
General Fund	1,844,460		1,844,460
<b>Total Fund Balances</b>	<b>\$ 1,844,460</b>	<b>\$ -</b>	<b>\$ 1,844,460</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,848,084</b>	<b>\$ -</b>	
Amounts reported for <i>governmental activities</i> in the statement of net assets (page 6) are different because:			
--Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			
			\$ -
--Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.			
			-
<b>Total Net Assets - Governmental Activities</b>			<b>\$ 1,844,460</b>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

# SILVER CREEK VALLEY COUNTRY CLUB GHA DISTRICT

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2006

	GENERAL FUND	SPECIAL REVENUE FUND	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES</b>			
Special Assessments	\$ 245,411	\$ -	\$ 245,411
Fees for service	174		174
Investment income	54,519		54,519
<b>Total Revenues</b>	<b>\$ 300,104</b>	<b>\$ -</b>	<b>\$ 300,104</b>
<b>EXPENDITURES</b>			
Current			
Administrative services	\$ 85,900		\$ 85,900
Debt Service			
Capital Outlay	-		-
<b>Total Expenditures</b>	<b>\$ 85,900</b>	<b>\$ -</b>	<b>\$ 85,900</b>
Excess (deficiency) of Revenues over Expenditures	\$ 214,204	\$ -	\$ 214,204
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	\$ -	\$ -	\$ -
Transfers out			
<b>Total Other Financing Sources and uses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>SPECIAL ITEM</b>			
	\$ -	\$ -	\$ -
<b>Net Change in Fund Balances</b>	<b>\$ 214,204</b>	<b>\$ -</b>	<b>\$ 214,204</b>
Fund Balance July 1	1,630,257		1,630,257
<b>Fund Balance June 30</b>	<b>\$ 1,844,460</b>	<b>\$ -</b>	<b>\$ 1,844,460</b>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

# SILVER CREEK VALLEY COUNTRY CLUB GHA DISTRICT

## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2006

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Net Change in Fund Balances

- Total Governmental Funds	\$	214,204
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Government 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 is the amount by which capital outlays exceed depreciation expense in the current period.

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Change in Net Assets - Statement of Activities

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\$	214,204
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# SILVER CREEK VALLEY COUNTRY CLUB GHA DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Description of the Reporting Entity

The Silver Creek Valley Country Club GHA District was formed under Section 26500 of the California Public Resources Code. The district operates under a Board of Directors.

Address - Physical	5460 Country Club Parkway San Jose, California
Address - Mailing	24665 Glenwood Drive Los Gatos, CA 95033
Governing Board:	Five member elected Board of Directors. Vacancies are appointed by the remaining members. Members at June 30, 2006 are:
	Bill deCarbonel S. Reid Gustafson Bill Highlander Jim Juarceys Reyad Katwan
Administrative Officers:	Roy Nelson, General Manager

#### 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 is 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 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 district considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditure, as well as expenditures related to compensated absences and claims and judgments, if any, are recorded only when payment is due

Property taxes and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the district.

The district reports the following major governmental fund:

The general fund is the district'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 district has no proprietary fund.

The financial statements are prepared on the basis of *Governmental Accounting Standards Board (GASB), Statement Number 34*, (Basic Financial Statements, Management Discussion and Analysis for State and Local Governments) and related standards. This new statement provides for significant changes in terminology and includes recognition of capital grants in the Statement of Revenues, Expenses and Changes in Net Assets; a presentation of net assets; as well as an inclusion of a management discussion and analysis; supplementary information; and other changes.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The district has elected not to follow subsequent private-sector guidance.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

Permanent reallocation of resources between funds of the district are classified as interfund transfers. For the purpose of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

#### **Assets, Liabilities and Net Assets**

1. Deposits and Investments - The district's cash and cash equivalents are considered to be cash-on-hand, demand deposits, and short-term investments with maturities of three months or less from the date of acquisition.

2. Receivables and Payables - Accounts receivable consist of interest and accounts payables consist of general operating expenses.

3. Capital Assets - Capital assets, which can include property, facilities and equipment are capitalized at total acquisition cost, provided such cost exceeds \$500 and the expected useful life of the asset is more than two years. Depreciation is recorded on all depreciable capital assets on a straight-line basis over the following estimated useful lives:

<u>ASSET</u>	<u>YEARS</u>
Office Furniture	5

4. Fund balance - In the fund financial statements, governmental funds report reservation 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 management plans that are subject to change. At June 30, the district had no restricted or designated fund reservations.

**NOTE 2: CASH DEPOSITS**

The district maintains two accounts with Smith Barney, one for general operating purposes, the other for short-term savings.

The agency's cash balances at June 30, 2006 are:

Operating Cash - Smith-Barney	687,346
Certificate of Deposits - Smith Barney	449,655
	<u>          </u>
Total operating cash	<u><u>\$ 1,137,000</u></u>

**NOTE 3: INVESTMENTS**

The district has funds invested in various Federal government securities. The securities are held by Smith Barney. At June 30, 2006 the securities at cost were: \$687,494

**NOTE 4: CAPITAL ASSETS**

Capital assets are reported at historical cost. Depreciation is provided for all capital assets and assigned to various government and business type funds. The district had no capital assets at June 30, 2006

**NOTE 5: LONG TERM OBLIGATIONS**

The district had no long term obligations at June 30, 2006

**NOTE 6: PROPERTY TAX AND ASSESSMENTS**

Special assessments attach as an enforceable lien on property as of July 1. Assessments are levied on July 1 and are payable in two installments, April 10 and December 10. The County of Santa Clara bills and collects the assessments and apportions collections to the district.

**NOTE 7: INVESTMENT INCOME**

For the year ended June 30, 2006 the district's investment income consisted of:

Interest on savings and investments	\$ 57,743
Unrealized gain (loss) on investments	(3,224)
	<u>          </u>
	<u><u>\$ 54,519</u></u>

**SILVER CREEK VALLEY COUNTRY CLUB GHA DISTRICT**

**REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED  
JUNE 30, 2006**



# SILVER CREEK VALLEY COUNTRY CLUB GHA DISTRICT

## BUDGETARY COMPARISON SCHEDULE

### GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2006

	BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE
Budgetary Fund Balance - July 1	\$ -	\$ -	\$ -
Resources:			
Property taxes	244,606	245,411	805
Investment Income	33,211	54,519	21,308
Amounts Available for Appropriation	<u>\$ 277,817</u>	<u>\$ 299,930</u>	<u>\$ 22,113</u>
Charges to Appropriations:			
General Government:			
Salaries and wages	\$ -	\$ -	\$ -
Office supplies	279		279
Operating supplies		2,105	(2,105)
Maintenance	9,610		9,610
Professional services	76,611	82,197	(5,586)
Dues	1,219	583	636
Special department expense	625	1,015	(390)
Capital outlay			
Debt Service			
Total Charges to Appropriation	<u>\$ 88,344</u>	<u>\$ 85,900</u>	<u>\$ 2,444</u>
Budgetary Fund Balance - June 30	<u>\$ 189,473</u>	<u>\$ 214,030</u>	<u>\$ 24,558</u>

# SILVER CREEK VALLEY COUNTRY CLUB GHA DISTRICT

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION JUNE 30, 2006

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Through the budget, the district board sets the direction of the district, allocates its resources and establishes its priorities. The annual budget serves from July 1 to June 30, and is a vehicle that accurately and openly communicates these priorities to the community and other public agencies. Additionally, it establishes the foundation of effective financial planning by providing resource planning that permit the evaluation of district performance.

The district's budget is prepared and based on four expenditure categories: personnel, supplies and services, minor capital outlay and capital improvement programs. The first three listed are considered operational in nature or known as recurring costs. Capital improvement projects are asset acquisitions, facilities, systems, and infrastructure improvements, and those items "outside" the normal operational budget. These are normally one-time costs.