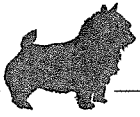


**NEVADA COUNTY RESOURCE
CONSERVATION DISTRICT**

**REPORT ON ACCOUNTING CONTROLS
AND PROCEDURES**

June 30, 2024

ROBERT W. JOHNSON
Certified Public Accountant



Robert W. Johnson
an accountancy corporation

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October 15, 2024

To the Board of Directors
Nevada County Resource Conservation District
Grass Valley, California

In planning and performing our audit of the financial statements of the governmental activities and the major fund of Nevada County Resource Conservation District as of and for the year ended June 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered Nevada County Resource Conservation District's system of internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing opinions on the effectiveness of the District's internal control. Accordingly, we do not express opinions on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We have enclosed other recommendations for your consideration.

This communication is intended solely for the information and use of management, Board of Directors, and others within the District, and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

Robert W. Johnson, An Accountancy Corporation

Robert W. Johnson, An Accountancy Corporation
Citrus Heights, California
October 15, 2024

1. Comparison of Operating Results (Government-wide):

	June 30,		Favorable (Unfavorable)
	<u>2024</u>	<u>2023</u>	
Revenues	\$ 645,467	\$ 357,633	\$ 287,834
Expenses	<u>628,213</u>	<u>293,797</u>	(<u>334,416</u>)
Net income (loss)	\$ <u>17,254</u>	\$ <u>63,836</u>	\$(<u>46,582</u>)
Cash	\$ <u>427,595</u>	\$ <u>716,949</u>	\$(<u>289,354</u>)

Observations:

- Revenue and expenses both increased due to participating in grant projects.
- Decrease in net income of \$46,582 was primarily due to overall increased costs for the District to provide conservation services to the community.
- Although there was a decrease in cash of \$289,354, this is a result of the District's participation in reimbursable grant projects. \$258,973 is owed to the District at year end.