

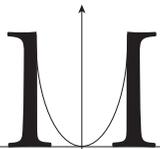
RICHARDSON'S BAY REGIONAL AGENCY

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT**

YEARS ENDED JUNE 30, 2009 AND 2008

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INDEPENDENT AUDITORS' REPORT

To the Governing Body
Richardson's Bay Regional Agency

We have audited the accompanying basic financial statements of Richardson's Bay Regional Agency (the Agency) as of and for the years ended June 30, 2009 and 2008, as listed in the table of contents. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these basic 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 State Controller's *Minimum Audit Requirements and Reporting Guidelines for California Special Districts*. 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 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 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 financial position of Richardson's Bay Regional Agency as of June 30, 2009 and 2008, and the results of its operations and cash flows for the years 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 management's discussion and analysis on pages 2 through 5 and supplemental information on pages 16 through 18 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. We applied limited procedures, consisting principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. We did not audit the information and express no opinion on it.

Maher Accountancy

July 30, 2010



MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis provides an overview of the Agency's financial activities for the fiscal years ended June 30, 2008 and 2009. Please read it along with the Agency's financial statements, which begin on page 6.

FINANCIAL HIGHLIGHTS

The Agency's net assets decreased \$39,346 from 2008 to 2009. Total revenues decreased by \$6,367 in 2009 and total expenses increased by \$9,560 in 2009.

A budgetary comparison schedule is included in the required supplemental information section. That schedule indicates we had a negative variance of \$4,200 in 2009 and a negative variance of \$5,848 in 2008 when comparing actual activity with budgeted activity. Variance details are listed on the schedule.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements. The Agency's basic financial statements comprise two components: (1) government-wide financial statements and (2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

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

The balance sheet presents information on all of the Agency's assets and liabilities, with the difference between assets and liabilities reported as fund equity. Over time, increases or decreases in fund equity may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.

The statement of revenues and expenses presents information showing how the Agency's net income or loss changed during the fiscal year. All changes in fund equity are recognized at the date the underlying event that gives rise to the change occurs, regardless of the timing of the related cash flows.

The Agency is a single-purpose entity that has elected to account for its activity as an enterprise fund type under governmental accounting standards. Accordingly, the Agency presents only government-wide financial statements

MANAGEMENT'S DISCUSSION AND ANALYSIS

Changes in the Agency's fund equity were as follows:

	<u>2009</u>	<u>2008</u>	<u>Increase (decrease)</u>
Cash	\$ 65	\$ 29,303	\$ (29,238)
Receivables	29,925	26,187	3,738
Capital assets	<u>53,752</u>	<u>69,795</u>	<u>(16,043)</u>
Total assets	83,742	125,285	(41,543)
Current liabilities	<u>36,995</u>	<u>39,192</u>	<u>(2,197)</u>
Invested in capital assets	53,752	69,795	(16,043)
Retained earnings	<u>(7,005)</u>	<u>16,298</u>	<u>(23,303)</u>
Total fund equity	<u>\$ 46,747</u>	<u>\$ 86,093</u>	<u>\$ (39,346)</u>

The receivables amount represents money owed to us from the State of California and County Sheriff for our Department of Boating and Waterways contract. The receivables are paid to us after the Department reviews our reimbursement request.

Changes in the Agency's revenues were as follows:

	<u>2009</u>	<u>2008</u>	<u>Increase (decrease)</u>
Operating revenues:			
State of California contract	\$ 103,686	\$ 138,322	\$ (34,636)
Slip rentals and moorings	4,350	4,520	(170)
Other services	<u>8,854</u>	<u>7,655</u>	<u>1,199</u>
Total operating revenues	116,890	150,497	(33,607)
Nonoperating revenues:			
Agency member contributions	207,626	178,626	29,000
Interest income	<u>2,698</u>	<u>4,458</u>	<u>(1,760)</u>
Total nonoperating revenues	<u>210,324</u>	<u>183,084</u>	<u>27,240</u>
Total revenues	<u>\$ 327,214</u>	<u>\$ 333,581</u>	<u>\$ (6,367)</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our income sources did not dramatically change. However, as indicated in our budget, each member paid higher contributions during 2009.

Changes in Agency's expenses and net assets were as follows:

	<u>2009</u>	<u>2008</u>	<u>Increase (decrease)</u>
Operating expenses:			
Operating and security	\$231,083	\$244,090	\$ (13,007)
Maintenance	11,070	9,583	1,487
Administration and general	108,364	87,284	21,080
Depreciation	<u>16,043</u>	<u>16,043</u>	<u>-</u>
Total expenses	366,560	357,000	9,560
Revenues	<u>327,214</u>	<u>333,581</u>	<u>(6,367)</u>
Net income (loss)	<u><u>\$ (39,346)</u></u>	<u><u>\$ (23,419)</u></u>	<u><u>\$ (15,927)</u></u>

We incurred higher haz-mat clean-up costs in 2008, which is the main reason for the change in operating and security. Higher legal costs in 2009 accounted for most of the increase in administration.

CAPITAL ASSET ADMINISTRATION

There were no asset acquisitions during 2008 or 2009.

THE FUTURE OF THE AGENCY

The Agency has been directly involved in keeping the Bay clear of debris and abandoned vessels for years, and we fully expect to continue this vital work into the future. The ongoing problem of abandoned derelict vessels continues to plague this area and the entire State, and to that effect we have been making strides to establish a mooring field in the bay that would create a limited number of "parking spaces" to help alleviate the problems that arise from new vessels multiplying and causing additional budgetary strain on the Agency. However, the preliminary work in moving forward with the legal consultants for the mooring field has precipitated a gradual rise in membership dues from the agencies that comprise the JPA.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The State of California Department of Boating and Waterways will continue to be a major source of additional funding. Their Abandoned Vessel Abatement Fund and their Clean Vessel Act funding are running full bore and we will continue to tap into them to enhance our operation. We are also looking into alternative funding sources, such as the San Francisco Bay Conservation and Development Commission.

Water testing has become a priority issue for the RRBA and we will be asked to step up our involvement over the next few years. Certain expenses are expected to increase as a result of new mandates placed upon our agency. We expect to order a new sewage pump-out vessel to replace our existing vessel by 2010.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers and creditors with a general overview of the Agency's finances and to demonstrate the Agency's accountability for the funds under its stewardship.

Please address any questions about this report or requests for additional financial information to the address on our letterhead.

Respectfully submitted,

William Price, Harbor Administrator

FINANCIAL STATEMENTS

**RICHARDSON'S BAY REGIONAL AGENCY
BALANCE SHEETS
JUNE 30, 2009 AND 2008**

ASSETS	2009	2008
Current assets:		
Cash and cash equivalents	\$ 65	\$ 29,303
Receivables:		
State of California	27,795	8,729
County of Marin-Sheriff		17,458
Miscellaneous	<u>2,130</u>	<u> </u>
Total current assets	29,990	55,490
Capital assets:		
Patrol boat and trailer	78,387	78,387
Pumpout vessel and equipment	89,933	89,933
Less: accumulated depreciation	<u>(114,568)</u>	<u>(98,525)</u>
Total capital assets	<u>53,752</u>	<u>69,795</u>
Total assets	<u>\$ 83,742</u>	<u>\$125,285</u>
 LIABILITIES AND FUND EQUITY		
Current liabilities:		
Accounts payable	\$ 13,463	\$ 17,261
Accrued payroll and benefits	14,006	13,851
Accrued compensated absences	<u>9,526</u>	<u>8,080</u>
Total current liabilities	36,995	39,192
Fund equity		
Invested in capital assets	53,752	69,795
Retained earnings	<u>(7,005)</u>	<u>16,298</u>
Total fund equity	<u>46,747</u>	<u>86,093</u>
Total liabilities and fund equity	<u>\$ 83,742</u>	<u>\$125,285</u>

See accompanying notes to the financial statements

**RICHARDSON'S BAY REGIONAL AGENCY
STATEMENTS OF REVENUES AND EXPENSES
AND CHANGES IN FUND EQUITY
YEARS ENDED JUNE 30, 2009 AND 2008**

	2009	2008
OPERATING REVENUES:		
State of California contract	\$103,686	\$138,322
Harbor:		
Slip rentals and moorings	4,350	4,520
Other services	<u>8,854</u>	<u>7,655</u>
Total operating revenues	116,890	150,497
OPERATING EXPENSES:		
Operating and security	231,083	244,090
Maintenance	11,070	9,583
Administration and general	108,364	87,284
Depreciation	<u>16,043</u>	<u>16,043</u>
Total operating expense	<u>366,560</u>	<u>357,000</u>
Income (loss) from operations	(249,670)	(206,503)
NONOPERATING REVENUES		
Agency member contributions	207,626	178,626
Interest income	<u>2,698</u>	<u>4,458</u>
Total nonoperating revenues	<u>210,324</u>	<u>183,084</u>
Net income (loss)	(39,346)	(23,419)
Fund equity at beginning of the year	<u>86,093</u>	<u>109,512</u>
Fund equity at end of the year	<u><u>\$ 46,747</u></u>	<u><u>\$ 86,093</u></u>

**RICHARDSON'S BAY REGIONAL AGENCY
STATEMENT OF CASH FLOWS
YEARS ENDED JUNE 30, 2009 AND 2008**

	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES:		
State of California contract	\$ 102,078	\$ 126,243
Slip rentals and moorings	4,350	4,520
Other services	6,724	7,655
Operating and security	(233,280)	(237,911)
Maintenance	(11,070)	(9,583)
Administration and general	<u>(108,364)</u>	<u>(87,284)</u>
Net cash provided by (used for) operating activities	(239,562)	(196,360)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Cash received from agency members	207,626	178,626
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest income	<u>2,698</u>	<u>4,458</u>
Net increase (decrease) in cash and cash equivalents	(29,238)	(13,276)
Cash and cash equivalents at beginning of year	<u>29,303</u>	<u>42,579</u>
Cash and cash equivalents at end of year	<u><u>\$ 65</u></u>	<u><u>\$ 29,303</u></u>

RICHARDSON'S BAY REGIONAL AGENCY
STATEMENT OF CASH FLOWS
YEARS ENDED JUNE 30, 2009 AND 2008
(continued)

**RECONCILIATION OF OPERATING INCOME
(LOSS) TO NET CASH PROVIDED (USED)
BY OPERATING ACTIVITIES**

	2009	2008
Income (loss) from operations	\$ (249,670)	\$ (206,503)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation, an expense not requiring the use of cash	16,043	16,043
(Increase) decrease in accounts receivable	(3,738)	(12,079)
Increase (decrease) in accounts payable	(3,798)	(4,348)
Increase (decrease) in accrued payroll and benefits	155	9,447
Increase (decrease) in accrued compensated absences	1,446	1,080
Net cash provided by (used for) operating activities	\$ (239,562)	\$ (196,360)

**RICHARDSON'S BAY REGIONAL AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

The Richardson's Bay Regional Agency (the Agency) is a separate governmental unit organized on July 16, 1985 by a joint powers agreement and later revised by an agreement dated October 5, 2000. The Agency's purpose is to maintain and implement those provisions of the Richardson's Bay Special Area Plan relative to mooring, dredging and navigational channel implementation, including but not limited to, the establishment and enforcement of permitted anchorage zones.

Agency members include the County of Marin and the cities of Sausalito, Tiburon, Mill Valley and Belvedere. The member's fund the agency as follows:

<u>Members</u>	<u>Year ended June 30, 2009</u>		<u>Year ended June 30, 2008</u>	
	<u>Funding %</u>	<u>Contribution</u>	<u>Funding %</u>	<u>Contribution</u>
County of Marin	42.5%	\$ 88,241	42.5%	\$ 75,916
Sausalito	35.0%	72,668	35.0%	62,519
Tiburon	10.0%	20,763	10.0%	17,863
Belvedere	7.5%	15,572	7.5%	13,397
Mill Valley	5.0%	10,382	5.0%	8,931
Total	<u>100.0%</u>	<u>\$ 207,626</u>	<u>100.0%</u>	<u>\$ 178,626</u>

The Agency is governed by a five-person board. The Board is comprised of a County Supervisor and a City Council member from each member city. The Board elects from its own members a Chairman and Vice Chairman, who serve two year terms.

INTRODUCTION

The Agency's financial statements are prepared in accordance with generally accepted accounting principals (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations.). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. The more significant accounting policies established in GAAP and used by the Agency is discussed below.

**RICHARDSON'S BAY REGIONAL AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

BASIS OF ACCOUNTING

The Agency's operations are accounted for as a governmental enterprise fund. Generally accepted accounting principles require that enterprise funds use the accrual basis of accounting – similar to business enterprises. Accordingly, revenues are recognized when they are earned and expenses are recognized at the time liabilities are incurred.

The Agency distinguishes between operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with an entity's principal ongoing operation. The principal operating revenues of the Agency relate to mooring, dredging and navigational channel implementation activities. Operating expenses include the cost of services, administrative expenses and depreciation on capital assets. Any revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

FINANCIAL STATEMENT AMOUNTS

Cash and cash equivalents:

For purposes of the statement of cash flows, the Agency has defined cash and cash equivalents to include cash on hand and demand deposits, if any, and short-term investments with fiscal agent (County of Marin).

Capital assets:

Capital assets owned by the Agency are recorded at cost, or if received in-kind, at estimated fair market value on the date received. The cost of normal repairs and maintenance are recorded as expenses. Improvements that add to the value or extend the life of assets are capitalized. Assets capitalized have an original cost of \$2,500 or more, and over one year of estimated useful life.

Depreciation expense is calculated using the straight-line method over estimated useful lives.

**RICHARDSON'S BAY REGIONAL AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues:

Grants received for operating purposes, or which may be utilized for either operations or capital expenditures at the discretion of the recipient, are recognized as nonoperating revenues. Resources restricted for the acquisition or construction of capital assets are recorded as non-operating revenue.

Salaries and Benefits:

The Agency's Harbor Administrator is an employee of the County of Marin and participates in the Marin County Employees' Retirement Association (MCERA). Pension information for this employee is included in the County's financial statements. The Agency reimburses the County for salary and benefits paid to the Administrator.

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. Management estimates that the salary and related benefits of the Harbor Administrator are allocable in the following manner: 50% to operating and security, 2% to maintenance, and 48% to administration and general.

**RICHARDSON'S BAY REGIONAL AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

2. CASH

The Agency maintains all of its cash in the County of Marin pooled investment fund for the purpose of increasing interest earnings through pooled investment activities. Interest earned on the investment pool is allocated quarterly to the participating funds using the daily cash balance of each fund. This pool, which is available for use by all funds, is displayed in the financial statements as "Cash and Cash Equivalents."

The County Pool includes both voluntary and involuntary participation from external entities. The State of California statutes require certain special districts and other governmental entities to maintain their cash surplus with the County Treasurer.

The County's investment pool is not registered with the Securities and Exchange Commission as an investment company. Investments made by the Treasurer are regulated by the California Government Code and by the County's investment policy. The objectives of the policy are in order of priority, safety, liquidity, yield, and public trust. The County has established a treasury oversight committee to monitor and review the management of public funds maintained in the investment pool in accordance with Article 6 Section 27131 of the California Government Code. The oversight committee and the Board of Supervisors review and approve the investment policy annually. The County Treasurer prepares and submits a comprehensive investment report to the members of the oversight committee and the investment pool participants every month. The report covers the types of investments in the pool, maturity dates, par value, actual costs and fair value.

INTEREST RATE RISK

In accordance with its investment policy, the County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment pool to 540 days, or 1.5 years. At June 30, 2009, the County's investment pool had a weighted average maturity of 174 days.

For purposes of computing weighted average maturity, the maturity date of variable rate notes is the length of time until the next reset date rather than the stated maturity date.

CREDIT RISK

State law and the County's Investment Policy limits investments in commercial paper, corporate bonds, and medium term notes to the rating of "A" or higher as provided by Moody's Investors Service or Standard & Poor's Corporation. The County's Investment Policy limits investments purchased by Financial Institution Investment Accounts, a type of mutual fund, to United States Treasury and Agency obligations with a credit quality rating of "AAA."

**RICHARDSON'S BAY REGIONAL AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

2. CASH (continued)

CONCENTRATION OF CREDIT RISK

The following is a summary of the concentration of credit risk by investment type as a percentage of each pool's fair value at June 30, 2009:

Investments in Investment Pool	<u>Percent of Portfolio</u>
Federal Agency - discount	73%
Federal Agency - coupon	16%
Money market funds	<u>11%</u>
	<u><u>100%</u></u>

CUSTODIAL CREDIT RISK

For investments and deposits held with safekeeping agents, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or deposits that are in the possession of an outside party. At year end, the County's investment pool had no securities exposed to custodial credit risk.

LOCAL AGENCY INVESTMENT FUND

The County Treasurer's Pool maintains an investment in the State of California Local Agency Investment Fund (LAIF), managed by the State Treasurer. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California State Code. Participants in the pool include voluntary and involuntary participants, such as special districts and school districts for which there are legal provisions regarding their investments. The Local Investment Advisor Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State statute.

**RICHARDSON'S BAY REGIONAL AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

3. CAPITAL ASSETS

The following is a summary of changes in capital assets:

	<u>Patrol Boat & Trailer</u>	<u>Pump out Vessel</u>	<u>Accumulated Depreciation</u>	<u>Total</u>
Balances as of June 30, 2007	\$ 78,387	\$ 89,933	\$ (82,482)	\$ 85,838
Additions			<u>(16,043)</u>	<u>(16,043)</u>
Balances as of June 30, 2008	78,387	89,933	(98,525)	69,795
Additions			<u>(16,043)</u>	<u>(16,043)</u>
Balances as of June 30, 2009	<u>\$ 78,387</u>	<u>\$ 89,933</u>	<u>\$ (114,568)</u>	<u>\$ 53,752</u>

4. RISK MANAGEMENT

The Agency is exposed to various risks of loss related to torts, bodily and personal injury, property damage, errors and omissions, and non-owned auto coverage for which the Agency carries commercial insurance. The Agency also maintains watercraft insurance, and related protection and indemnity insurance. Additional coverage is provided by the County for injuries to employees.

Each Agency member is responsible for its pro-rata share of any court-imposed liability, using the joint powers' agreement cost sharing formula.

SUPPLEMENTAL INFORMATION

**RICHARDSON'S BAY REGIONAL AGENCY
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2009**

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Final * Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES					
Interest pooled investments	\$ 1,000	\$ 1,000	\$ 1,000	\$ 2,698	\$ 1,698
Slip rentals	2,500	2,500	2,500	4,350	1,850
Other sales & services	5,000	5,000	5,000	8,853	3,853
Intergovernmental revenues - state	112,000	112,000	112,000	103,686	(8,314)
Intergovernmental revenues - local	203,627	207,627	207,627	207,627	-
Projected associated revenues	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>-</u>	<u>(2,500)</u>
Total revenues	326,627	330,627	330,627	327,214	(3,413)
EXPENDITURES					
Professional services	278,980	282,980	302,980	298,528	4,452
Insurance premiums	14,500	14,500	14,500	13,297	1,203
Communication	1,600	1,600	1,600	1,980	(380)
Maintenance & repair services	250	250	250	-	250
Rental and operating leases	23,000	23,000	23,000	24,863	(1,863)
Professional development	600	600	600	338	262
Travel and meetings	2,300	2,300	2,300	2,349	(49)
Publication	1,500	1,500	1,500	-	1,500
Office expenses	500	500	500	491	9
Maintenance & repair of equipment	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>8,671</u>	<u>(6,171)</u>
Total expenditures	<u>325,730</u>	<u>329,730</u>	<u>349,730</u>	<u>350,517</u>	<u>(787)</u>
Excess of revenues over (under) expenditures	<u>\$ 897</u>	<u>\$ 897</u>	<u>\$(19,103)</u>	<u>\$ (23,303)</u>	<u>\$ (4,200)</u>

* Final budget includes amendment in July 2009

**RICHARDSON'S BAY REGIONAL AGENCY
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Interest income	\$ 2,000	\$ 2,000	4,458	\$ 2,458
Slip rentals	2,500	2,500	4,520	2,020
Other sales & services	5,000	5,000	7,655	2,655
Intergovt revs-state	95,000	127,000	138,322	11,322
Intergovt revs-local	178,627	178,627	178,626	(1)
Projected assoc revs	2,500	2,500	-	(2,500)
Total revenues	<u>285,627</u>	<u>317,627</u>	<u>333,581</u>	<u>15,954</u>
EXPENDITURES				
Special appointment	79,423	79,423	86,047	(6,624)
Benefits	21,528	21,528	33,901	(12,373)
Professional services	91,000	132,600	142,086	(9,486)
Mooring program	30,000	30,000	11,600	18,400
Rapid response program	7,000	7,000	-	7,000
Lab services	3,000	3,000	2,850	150
Insurance premiums	14,000	14,000	14,281	(281)
Communication	1,600	2,000	2,485	(485)
Maint & repair services	400	400	180	220
Rental & operating lease	29,000	33,000	23,804	9,196
Professional development	700	700	462	238
Travel and meetings	1,000	1,000	3,507	(2,507)
Publication	3,000	3,000	115	2,885
Office expenses	700	700	581	119
Maint & repair-equip	2,500	2,500	19,058	(16,558)
Total expenditures	<u>284,851</u>	<u>330,851</u>	<u>340,957</u>	<u>(10,106)</u>
Excess of revenues over (under) expenditures	<u>\$ 776</u>	<u>\$ (13,224)</u>	<u>(7,376)</u>	<u>\$ 5,848</u>

**RICHARDSON'S BAY REGIONAL AGENCY
NOTES TO SUPPLEMENTARY INFORMATION
YEARS ENDED JUNE 30, 2009 AND 2008**

1. BUDGETARY BASIS OF PRESENTATION

The budget included in these financial statements represents the original budget and amendments approved by the Board of Directors. The budgetary basis is the modified accrual basis. Various reclassifications have been made to the actual amounts to conform to classifications included in the budget approved by the Board of Directors. Additionally, various reclassifications have been made to the budget amounts to conform to the Agency's accounting records.

2. BUDGET RECONCILIATION TO STATEMENT OF REVENUES AND EXPENSES

The following reconciles the actual amount listed on the budgetary comparison schedule to the statement of revenues and expenses.

	<u>2009</u>	<u>2008</u>
Excess of revenues over (under) expenditures	\$ (23,303)	\$ (7,376)
Depreciation expense	<u>(16,043)</u>	<u>(16,043)</u>
Net income (loss)	<u><u>\$ (39,346)</u></u>	<u><u>(23,419)</u></u>