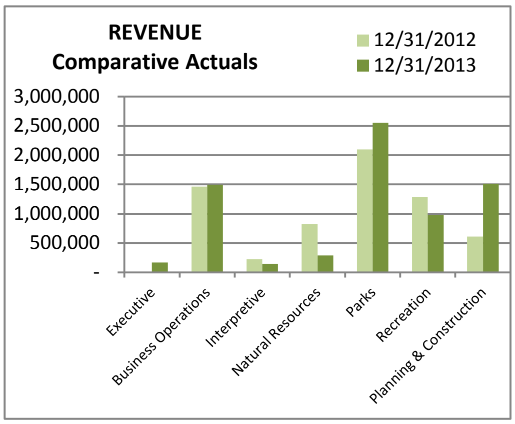
FINANCIAL STATUS ~ December 31, 2013

Although six months have passed since the beginning of the fiscal year, the budget is considered to be less than 50% elapsed due to the yearend accrual process that allocates much of July's expenditures into June. Therefore the **budget target as of this date is 42%**. First Quarter budget adjustments are included with budget totals and reflected in this report. Any areas with actual performance that deviates greatly from the current target are discussed below.

REVENUE



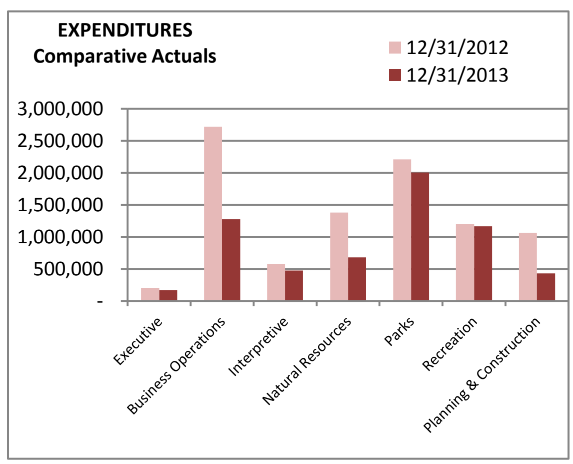
Overall revenue for the District is at 35% of budget. Parks Program revenue is still exceeding its target, with current revenue at 50%. Recreation and the Interpretive Program have both posted 34% of total expected revenue, and Natural Resources has only posted 13% of expected revenue due to ongoing contract negotiations with MWD regarding the MSR program.

Compared to this time last year, Overall revenue is $637K higher due to excellent revenue performance in the Parks Program (+$453K) and the first allocation of property tax revenue being approximately $200K higher than anticipated.

The Interpretive and Recreation Programs are showing less revenue than this time last year, but are owed $100K and $500K in contributions that will result in a net improvement in revenue over prior year once the contributions are posted internally.

EXPENDITURES

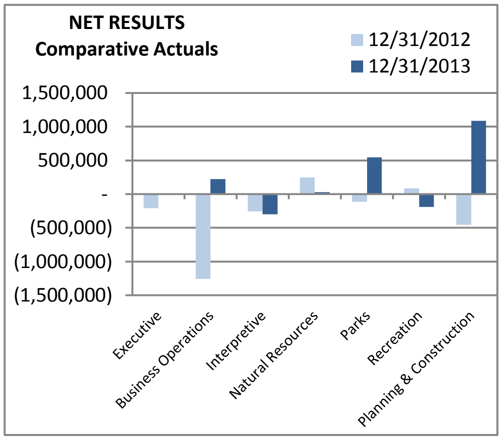
Business Operations, Executive Administration, and Interpretive are all very near target at 43% of budgeted expenditures. Parks expenditures are below target at 38%, which is helping to increase the Program's current net gain of $544K. Recreation expenditures are below target at 34%, and Natural Resources has only spent 31%.



Expenditures in ALL programs are lower than this time last year by an amazing $-3.173M, which is comprised of:

- ✓ $1.35M one-time expenses not incurred this year
- ✓ $600K transfers not yet posted
- ✓ $640K reduced CIP spending
- ✓ $583K general expenditure reductions across all Programs

NET RESULT



Overall, as of December 31, 2013, the District has a cumulative Net Gain of $1,396,904, which is about $3.35M better than same time last year when the District posted a Net Loss of -$1,958,241.

Almost all Programs are showing a better Net Result than this time last year. Business Operations, Parks, and Planning are posting the largest increases in Net Results, due mostly to the incurrance of large one-time expenditures last year, higher property tax revenues this year, increased fees at major Parks, and less CIP spending than prior year.

PROGRAMS

Business Operations

The Business Operations Program has earned 39% of the budgeted revenue and spent 44% of budgeted expenditures. Last year this program incurred nearly $1M in legal fees for a major litigation; not having that burden this year has resulted in a Net Gain for the Program this far.

Interpretive

The Interpretive Program as a whole earned 34% of budgeted revenue and spent 43% of budgeted expenditures. 4 locations have posted revenues above target: Idyllwild Nature Center, Santa Rosa Plateau, Jensen Ranch, and San Timoteo Schoolhouse.

Gilman Ranch and Louis Rubidoux Nature Center are still very low on their revenues having only earned 18% and 8% of budget, with expenditures slightly above target at 43% and 46%. Both locations should be closely monitored and cost/benefit analyses should be implemented to evaluate the different programs offered and identify revenue opportunities.

Expenditures at Idyllwild Nature Center and Hidden Valley Nature Center are above target at 50%. Staff should monitor expenditures to ensure there is adequate budget to sustain their areas for the duration of the fiscal year.

Natural Resources

MSR is short $25K which is the last unreimbursed invoice from prior year and $120K in current year invoices due to MWD contract re-negotiations. Management is in discussions with Municipal Water District to update our existing very old contract. Once we receive payment for the last remaining invoice from prior year, the negative revenue in the current year financial statements will be cleared out.

Parks

The Parks Program ended December with a Net Gain of $544K, which is $659K higher than this time last year when the Program posted a Net Loss of -$115K.

Most notably, the following program areas earned more compared to this time last year:

✓	Parks General Admin	Rev +$111,435	(+33%)
✓	Rancho Jurupa	Rev +$ 64,368	(+16%)
✓	Lake Skinner	Rev +$ 42,727	(+ 8%)
✓	Lake Cahuilla	Rev +$ 14,129	(+10%)
✓	Mayflower	Rev +$ 9,318	(+10%)

Three parks have earned substantially less compared to this same time last year:

✓	Lawler Lodge & Cabins	Rev -$ 11,876	(- 49%)
✓	Idyllwild Park	Rev -$ 21,102	(- 28%)
✓	Hurkey Creek	Rev -$ 28,983	(- 23%)

Due to reduced expenditures in all areas except Mayflower, Reservations, and Admin, most areas are in a better net position than this same time last year. The only Parks that are not posting a net gain over last year are the mountain parks mentioned above – Hurkey Creek, Idyllwild, and Lawlor Lodge.

Revenue at the Gopher Hole camp store at Rancho Jurupa Park is still down by -21% (-$18,285) compared to the same time last year, but expenditures are also down by -36% (-$35,479). The resulting Net Gain of $17,194 is due to the timely replenishment of inventory and a continuous effort of spending within the budget.

Recreation

As a whole, the Recreation Program is below target having earned 34% of its expected revenue and incurred 34% of budgeted expenditures. Expenditures are -$34K lower than this time last year, and revenues are down due to the delayed posting of NCC and District Operating Fund contributions.

Recreation Activities, Weddings & Events, and Jurupa Sports Complex all have revenue and expenditures that exceed budget target, but also have net results that are better than this time last year. Last December, these programs posted a combined Net Loss of $-88K, whereas this year they have a combined Net Gain of $12K which is a $100K improvement.

Jurupa Boxing Club has only earned 6% ($2,398) of its revenue target and expenditures are at 61% ($46k). A cost/benefit analysis should be implemented to evaluate the programs being offered and identify revenue opportunities.

Jurupa Aquatic Center's revenues are $39K less (-8%) compared to prior year. However, expenditures are less than last year by $-94K (-13%). Although, this program area is still posting a Net Loss of $-164K, it is a $55K improvement over last December.