



File Code: 1570-1
#03-04-00-0006
Date: November 7, 2003

Lori Eitel-Marti
Twin Lakes Resort
P.O. Box 248
Bridgeport, CA 93517

CERTIFIED MAIL – RETURN
RECEIPT REQUESTED

Dear Ms. Eitel-Marti:

In accordance with 36 CFR 251.99, I have reviewed the appeal record and project file for the Twin Lake Resort. Your appeal is regarding the decision issued by Forest Supervisor Robert Vaught dated November 1, 2002, which accepts and implements recommendations of the audit report for the Twin Lakes Resort. The resort is located on the Humboldt-Toiyabe National Forest.

APPEAL DECISION

I am affirming the decision by Forest Supervisor Vaught. I find the decision to be in compliance with applicable laws, regulations and agency policy. I am enclosing a more detailed response to your appeal points.

Unless the Chief of the Forest Service exercises the discretion to review this appeal decision, as provided in 36 CFR 251.87(e) and 251.100, this decision constitutes the final administrative determination of the U. S. Department of Agriculture (36 CFR 251.87(e)(3)).

Sincerely,

/s/ Catherine L. Beaty

CATHRINE L. BEATY
Appeal Reviewing Officer
Deputy Regional Forester

Enclosures

cc:
Forest Supervisor H-T (Robert Vaught)



APPEAL RESPONSE

Lori Eitel-Marti
Twin Lakes Resort
Appeal #03-04-00-0006

ISSUE 1: *Lori Eitel-Marti, the owner of the Twin Lakes Resort, seeks relief of an unspecified amount in special use permit fees for years 1997 – 2001. Ms. Eitel-Marti believes that the additional fees resulted from the unwarranted exclusion of \$266,963 of Buildings from Gross Fixed Assets (GFA).*

FINDINGS:

This appeal centers on the Resort's calculation of GFA for certain assets acquired between January 1, 1978 and January 1, 1990. The core of the appeal is an audit recommendation reducing the GFA to an amount lower than the amounts reported by the Resort. The Resort's reported amounts are from the 2001 Depreciation and Amortization Report that was submitted with Schedule C (Profit or Loss from Business) of its 2001 federal tax return.

In 2002, the External Accounting Team performed a fee review for the years 1997 through 2001. During the review, as support for GFA, the Resort provided a copy of its 2001 Depreciation and Amortization Report to the external auditor. The external auditor was unable to verify five amounts on the Depreciation and Amortization Report, because the amounts were consolidated totals representing multiple individual assets that had been acquired over a period of time. The external auditor attempted to reconcile the amounts on the Depreciation and Amortization Report to a detailed listing of individual assets. The most recent detailed listing was the GFA list in Schedule A of permit Amendment 5, issued in December 1991. Based on the reconciliation, the external auditor reduced the GFA from the amounts shown on the Resort's 2001 Depreciation and Amortization Report.

The results of the external auditor's review were issued in an audit report to the Forest on September 21, 2002. The Forest Supervisor issued a decision to implement the report recommendations on November 1, 2002. The Resort appealed this action on December 3, 2002. The Forest Supervisor requested and obtained from Regional officials several extensions of the deadline for issuance of the Forest Supervisor's Responsive Statement, to allow the parties time to pursue resolution. The Resort indicated that it would provide additional information for an accurate determination of GFA, and the Forest Supervisor believed that resolution was highly likely if the parties could clarify the GFA issues and agree on the facts. The chronology of these events is detailed in the Background section of the Forest Supervisor's Responsive Statement.

On June 23, 2003, the Resort provided a copy of their 2002 Depreciation and Amortization Report to the External Accounting Team. It contained essentially the same information that had been contained in the 2001 Depreciation and Amortization Report. On July 15, 2003, the Forest Supervisor issued the Responsive Statement. The Resort submitted a reply to the Responsive Statement in an August 4, 2003 letter.

The August 4, 2003, reply addressed only one of the four issues that had originally been raised in the Resort's December 3, 2002 appeal. The four original issues were: Nondiscrimination Signs, Brochure, Unresolved GFA, and Fish and Game Commissions. It appears that the Forest Supervisor's July 15, 2003 Responsive Statement was sufficient to resolve three of the four issues. Of the four original issues, only the Unresolved GFA issue was addressed in the Resort's August 4, 2003 comment letter. Consequently, the Unresolved GFA issue is detailed below.

UNRESOLVED GFA:

The Resort's August 4, 2003, reply focuses on two aspects of the Unresolved GFA issue:

1. The Forest Service excluded \$266,693 of unidentified assets from GFA. This exclusion was not based on information provided by the Resort. The external auditor would not accept any additional asset information from the Resort. The \$266,693 exclusion is due to the unexplained action of a prior Forest Service auditor who excluded them from GFA during the previous 1989 audit.
2. The Forest Service's GFA calculation excluded the lodge, a \$73,000 asset. The external auditor physically inspected the lodge in July 2002, and was aware that the lodge had been and continues to be used in the Resort's daily business operation.

It should be noted that the amount excluded from GFA for unidentified assets was \$262,463, not \$266,693. This is shown in Enclosure 2. The purpose of Enclosure 2 is to provide a detailed listing of assets, clarify the GFA that was excluded by the Forest Service, identify the five amounts on the Resort's 2001 Depreciation and Amortization Report that were excluded (portions of Asset Nos. 41, 45, 54, 55, and 59), and compare the 2001 Depreciation Report to the GFA list in Schedule A of Amendment 5 of the permit. The purpose of Enclosure 2 is to address the concern stated in the Resort's August 4, 2003 comment letter, regarding the Forest Service's non-responsiveness. The comment letter stated that the Forest Service answer to an inquiry from the Resort's accountant, Ron Simpkins, was not responsive with regard to discrepancies between the Resort's asset calculation and the Forest Service calculation. The purpose of Enclosure 2 is to clarify the Forest Service calculation. The details in Enclosure 2 demonstrate that the Forest Service did not arbitrarily exclude items from GFA, as was asserted in the Resort's comment letter.

The "GFA Total" section on page 6 of Enclosure 2 is a summary of the GFA amounts claimed by the Resort and excluded by the Forest Service. The total claimed GFA was \$1,067,152, based on the Resort's 2001 Depreciation and Amortization Report. Of this amount, the Forest Service excluded a net total of \$262,463, calculated as shown below.

Gross Fixed Assets

	Claimed GFA	Excluded from GFA	Asset Nos. for which some or all of GFA was Excluded
Buildings with Asset Numbers			
#45	752,154	266,693	#45
All Other (#41-#44, and #46-#52)	53,558	3,498	#41
Subtotal Numbered Buildings	805,712	270,191	
Furniture & Fixtures	122,583	54,488	#54 & #55
Machinery & Equipment	70,400	9,674	#59
Transportation Equipment	68,457	0	
Subtotal all Numbered Assets	1,067,152	334,353	
Unnumbered Building Assets	0	(71,890)	
Total of all Identified Assets	1,067,152	262,463	

The calculation above shows that the \$262,463 excluded amount consists of \$266,693 for Building Asset No. 45, plus several other items totaling \$334,353; offset by \$71,890 that the Forest Service **added to the claimed GFA**, in an attempt to reconcile individual GFA items.

This reconciliation effort was necessary because the format of the Resort's 2001 Depreciation and Amortization Report was not suitable for verification of individual assets. Five of the amounts on the Report (Asset Nos. 41, 45, 54, 55, and 59) were consolidated totals representing multiple individual assets that had been acquired over a period of time.

Verification of individual assets is required for proper calculation of GFA. The portion of Clause 20 entitled "Gross Fixed Assets (GFA)", paragraph "a", of permit Amendment 5, issued in December 1991, states (emphasis added):

- a. *Costs of the following items **verified by a representative of the Forest Service** to be in existence and use by the holder are included:*
 - (1) **Identifiable** structures, major equipment, such as road maintenance equipment, or land improvements, which play a distinct role in generating sales.
 - (2) **Identifiable** holder costs to provide utility services to the area...

The external auditor expended a significant amount of time and effort in attempting to identify and verify individual assets. The external auditor attempted to reconcile the five

consolidated amounts claimed in the Resort's 2001 Depreciation and Amortization Schedule to a detailed listing of individual assets. The most recent detailed listing was the \$681,027.57 GFA list in Schedule A of permit Amendment 5. To ensure inclusion of all items, the external auditor performed an item-by-item comparison of the claimed amounts to the \$681,027.57 GFA list. The \$681,027.57 GFA list is shown in Column (g) of Enclosure 2.

The external auditor was unable to identify all of the individual items represented by the five consolidated totals, and requested the Resort to provide the details for the individual items contained in the five consolidated totals. The Resort did not provide the requested details.

Based on the external auditor's item-by-item reconciliation, the Forest Service made two types of adjustments to the \$1,067,152 claimed GFA:

- The portions of consolidated Asset Nos. 41, 45, 54, 55, and 59 that could not be identified or verified were excluded from GFA.
- A \$71,890 upward adjustment was made to GFA, for Building assets that were shown on the December 1991 GFA list but are not separately identifiable on the Resort's 2001 Depreciation and Amortization Report. (It is possible that these Building assets are part of the \$752,154 consolidated total for Asset No. 45 on the Depreciation and Amortization Report. Therefore the external auditor included them in GFA.)

The Resort is required to maintain sufficient asset records to support the claimed GFA. The Resort's Depreciation and Amortization Reports are not sufficient, because the Reports contain consolidated totals that cannot be verified. In its December 3, 2002 appeal, the Resort explained that their accountant had consolidated the asset records in 1978, when the business owner name was updated to exclude Henry W. Eitel. Under generally accepted accounting principles, detailed subsidiary records must be maintained, to support the consolidated totals that are shown on reports. Clause A-8 entitled "Accounting Records" of permit Amendment 5, issued in December 1991, states (emphasis added):

*The holder shall follow **generally accepted accounting principles** in recording financial transactions and in reporting results to the Forest Service.*

In compliance with the permit, therefore, the Resort should properly support its GFA calculation, using its detailed subsidiary records and its accountant's detailed workpapers.

It should be noted that the \$681,027.57 GFA list in Schedule A of permit Amendment 5 had been incorporated into the special use permit since December 1991 and had therefore been known to the appellant for the last ten years. It is the most current available detailed listing of individual assets, and therefore was the appropriate starting point for the 2002 audit, since the 2001 Depreciation Report was not sufficiently detailed for Asset Nos. 41, 45, 54, 55, and 59.

It should also be noted that only a portion of the \$12,905.86 recommended audit adjustment is attributable to the Unresolved GFA issue. Only \$6,542.00 is due to the excluded GFA. The remaining \$6,363.86 is attributable to other issues, including uncollected fees for 1998, 1999, and 2000.

Regarding the asserted \$73,000 valuation for the lodge, in the Resort's August 4, 2003 comment letter, it is the Resort's responsibility to support this assertion. The Forest Service certainly does not want to exclude a working lodge from GFA. But the Resort must provide support for the claimed valuation amounts, as explained above.

ISSUE 2: *Ms. Eitel-Marti also requests that California Fish and Game receipts be removed from the Adjusted Gross Revenues, based on amendment #5 of the Special Use Permit.*

FINDINGS: Ms. Eitel-Marti correctly states that Fish and Game receipts are excluded from adjusted gross revenue. The auditor did not include Fish and Game receipts in the gross receipts section of the fee calculation. However, he did include them in the permit fee calculation, in accordance with Special Use Permit amendment #5, page 5, which states: *To the above basic fee will be added the fee for commissions calculated by applying the weighted average fee rate to revenue collected as commissions.*

The auditor correctly included Fish and Game receipts in the commission section of the fee calculation, but not in the adjusted revenue section.

DECISION:

Based on my review of the record, I affirm Forest Supervisor Vaught's decision to implement the audit, revalue the GFA, and issue a \$12,905.86 bill for collection for fee permit years 1997-2001. This represents the best determination that can be made based on the available information.

The audit used the best information available, and computed GFA and fees due under the terms and conditions of this permit. In the absence of additional GFA information, which the Forest has repeatedly asked the Resort to provide, this is the best fee determination available.

The fees for the billed period are subject to adjustment if additional information is received from the Resort.

Twin Lakes Resort
Gross Fixed Assets (GFA)

PURPOSE

The purpose of this Enclosure is to identify the dollar amounts and specific assets which the Forest Service excluded from GFA. The total preliminary GFA claimed by Twin Lakes Resort was \$1,067,252, from its 2001 Depreciation and Amortization Report, provided to the Forest Service on 05/14/02 by Lori Eitel.

This Enclosure identifies which assets in the \$1,067,252 are excluded from GFA by the Forest Service. This Enclosure also identifies \$70,259 of assets that are included in GFA by the Forest Service, even though the specific items are not detailed in the 2001 Depreciation and Amortization Report. See page 6 of this Enclosure.

The Asset No. in Column (a) is from Twin Lakes Resort 2001 Depreciation and Amortization Report.

For comparison purposes, Column (g) shows the GFA as of December 31, 1989, as listed in Schedule A of Amendment 5 of the Twin Lakes Resort special use permit. Amendment 5 was issued in December 1991.

The Summary of the Forest Service GFA calculation is on page 7 of this Enclosure.

CURRENT ASSET DETAILS

COMPARE

<u>Asset</u> <u>No.</u> <u>(a)</u>	<u>Description</u> <u>(b)</u>	<u>Date</u> <u>Acquired</u> <u>(c)</u>	<u>Reported</u> <u>Acquisition</u> <u>Cost</u> <u>(d)</u>	<u>Forest Service Finding</u> <u>Include in</u> <u>GFA</u> <u>(e)</u>	<u>Exclude</u> <u>from GFA</u> <u>(f) = (d - e)</u>	<u>TO</u> <u>12/31/1989</u> <u>GFA</u> <u>(g)</u>
<u>BUILDINGS</u>						
41	Wiring in Cabins	04/01/84	4,959	4,959		4,959
	Plumbing in Cabins	04/01/84	2,936	2,936		2,936
	Chlorinator for Water System	04/01/84	1,493	1,493		1,493
	Subtotal		9,388	9,388	0	
	Other - Unidentified	04/01/84	3,498	0	3,498	0
	Total Asset No. 41 (Building Improvements)		12,886	9,388	3,498	
		01/01/85				
42	Office in Store (Building Improvements)	or 01/01/86	7,004	7,004	0	7,004
43	Leasehold Improvements - Paving	06/30/89 01/01/88	1,460	1,460	0	0
44	Building Addition	or 06/30/88	10,155	10,155	0	10,155
	Total Assets #42 - #44		18,619	18,619	0	

Twin Lakes Resort
Gross Fixed Assets (GFA)

CURRENT ASSET DETAILS

COMPARE

<u>Asset</u>	<u>Date</u>	<u>Reported</u>	<u>Forest Service Finding</u>		<u>TO</u>
<u>No.</u>	<u>Description</u>	<u>Acquisition</u>	<u>Include in</u>	<u>Exclude</u>	<u>12/31/1989</u>
(a)	(b)	<u>Cost</u>	<u>GFA</u>	<u>from GFA</u>	<u>GFA</u>
		(d)	(e)	(f) = (d - e)	(g)
	Boat House	05/01/73	5,665	5,665	5,665
	Cottage #1	05/01/73	10,000	10,000	10,000
	Cottage #2	05/01/73	15,000	15,000	15,000
	Cottage #3	05/01/73	20,000	20,000	20,000
	Cottage #4	05/01/73	10,000	10,000	10,000
	Cottage #5	05/01/73	20,000	20,000	20,000
	Cottage #6	05/01/73	30,000	30,000	30,000
	Cottage #7	05/01/73	10,000	10,000	10,000
	Nut House	05/01/73	500	500	500
	Furnace	05/01/73	162	162	162
	Heater #5	05/01/73	1,060	1,060	1,060
	Closing Costs	05/01/73	950	950	950
	Heaters	05/01/73	610	610	610
	Store	05/01/74	123,026	123,026	123,026
	Laundry	05/01/74	44,886	44,886	44,886
	Electric Systems	05/01/74	6,069	6,069	6,069
	Resort Improvements	05/01/74	37,092	37,092	37,092
	Store Island	05/01/74	2,314	2,314	2,314
	Transformer for Electric System	05/01/74	2,266	2,266	2,266
	Butcher Shop	05/01/74	1,518	1,518	1,518
	Transformer for Electric System	05/01/74	318	318	318
45	Marina	05/01/74	3,600	3,600	3,600
	Dock and Ramps	05/01/74	2,400	2,400	2,400
	Electric and Water System	05/01/74	10,000	10,000	10,000
	Engineering Trailer Park	05/01/74	2,362	2,362	2,362
	Architects Fees	05/01/74	970	970	970
	Architects Fees	05/01/74	7,332	7,332	7,332
	Architects Fees and Permits	05/01/74	6,496	6,496	6,496
	Trailer Park Construction	05/01/74	7,228	7,228	7,228
	Trailer Park Construction	05/01/74	21,661	21,661	21,661
	Tress and Misc. Costs	05/01/74	62,290	62,290	62,290
	Wiring	05/01/73	1,729	1,729	1,729
	Sidewalks	05/01/75	241	241	241
	Lawn and Parking Lot	01/01/76	4,529	4,529	4,529
	Septic Tank	01/01/76	1,654	1,654	1,654
	Apartment	04/01/76	3,275	3,275	3,275
	Showers	05/01/76	7,503	7,503	7,503
	Boat Ramp	10/01/76	203	203	203
	Boat Ramp	11/01/76	362	362	362
	Lights and Equipment Store	09/01/77	190	190	190
	Subtotal		<u>485,461</u>	<u>485,461</u>	<u>0</u>
	Other - Unidentified	12/31/78	266,693	0	266,693
	Total Asset #45 (Buildings)		<u><u>752,154</u></u>	<u><u>485,461</u></u>	<u><u>266,693</u></u>

Twin Lakes Resort
Gross Fixed Assets (GFA)

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CURRENT ASSET DETAILS

COMPARE

<u>Asset</u>		<u>Date</u>	<u>Reported</u>	<u>Forest Service Finding</u>		<u>TO</u>
<u>No.</u>	<u>Description</u>	<u>Acquired</u>	<u>Acquisition</u>	<u>Include in</u>	<u>Exclude</u>	<u>12/31/1989</u>
(a)	(b)	(c)	<u>Cost</u>	<u>GFA</u>	<u>from GFA</u>	<u>GFA</u>
			(d)	(e)	(f) = (d - e)	(g)
<u>BUILDINGS (cont.)</u>						
46	Improvements - Meeks	04/08/94	3,017	3,017		0
47	Improvements - Septic	10/03/94	1,500	1,500		0
48	Improvements - Superior Carpets	04/05/94	6,214	6,214		0
49	Carpeting	04/11/94	766	766		0
50	Improvements - Western Nevada Supply	05/09/94	806	806		0
51	Improvements - Bill Manley	04/14/94	961	961		0
52	Building Improvements	09/14/98	8,789	8,789		0
	Total Assets #46 - #52		<u>22,053</u>	<u>22,053</u>	<u>0</u>	
SUBTOTAL BUILDINGS with ASSET NUMBERS			<u>805,712</u>	<u>535,521</u>	<u>270,191</u>	
(Assets #41 - #52)						
Buildings with No Asset Number	Trailer Park Addition	06/01/85	0	2,646	(2,646)	2,646
	Trailer Park Addition	09/01/85	0	138	(138)	138
	Trailer Park Addition	10/01/85	0	376	(376)	376
	Building Addition	01/01/88	0	10,155	(10,155)	0
	1989 Capitalization - Remodel Cottage #7	01/01/88	0	823	(823)	823
	1989 Capitalization - Boat Dock	07/01/80	0	6,183	(6,183)	6,183
	1989 Capitalization - Docks	01/01/81	0	1,569	(1,569)	1,569
	1989 Capitalization - Store (buy out)	01/01/81	0	50,000	(50,000)	50,000
Total Buildings with No Asset Number			<u>0</u>	<u>71,890</u>	<u>(71,890)</u>	
TOTAL BUILDINGS			<u>805,712</u>	<u>607,411</u>	<u>198,301</u>	<u>573,743</u>
(Assets #41 - #52 and Buildings with No Asset Number)						

Twin Lakes Resort
Gross Fixed Assets (GFA)

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CURRENT ASSET DETAILS

COMPARE

<u>Asset</u>		<u>Date</u>	<u>Reported</u>	<u>Forest Service Finding</u>		<u>TO</u>
<u>No.</u>	<u>Description</u>	<u>Acquired</u>	<u>Acquisition</u>	<u>Include in</u>	<u>Exclude</u>	<u>12/31/1989</u>
(a)	(b)	(c)	<u>Cost</u>	<u>GFA</u>	<u>from GFA</u>	<u>GFA</u>
			(d)	(e)	(f) = (d - e)	(g)
<u>FURNITURE and FIXTURES</u>						
53	Computer	7/9/1999	4,339	4,339	0	0
	Chairs	07/01/73	270	270		270
	Refrigerator Units	05/01/74	24,069	24,069		24,069
	Heater and Tables	05/01/74	242	242		242
	Table and Chairs	04/01/74	879	879		879
	Store Carts	05/01/74	634	634		634
	Counters	07/01/74	1,345	1,345		1,345
	Butcher Traps	07/01/74	187	187		187
	Check Out Stand	09/01/74	212	212		212
	Furniture and Equipment	08/01/74	25,300	25,300		25,300
	Butcher Shop Equipment	08/01/74	3,000	3,000		3,000
	Play Ground Equipment	08/01/74	208	208		208
54	Signs	08/01/74	330	330		330
	Signs	05/01/80	496	496		496
	Furniture	01/01/81	187	187		187
	Speakers	01/01/81	496	496		496
	Bakery Cases	09/01/76	640	640		640
	Mattress and Frame	01/01/81	807	807		807
	Display Case	11/01/87	953	953		953
	Display Case	11/01/87	305	305		305
	File Cabinet	04/01/88	191	191		191
	Subtotal		60,751	60,751	0	
	Other - Unidentified	06/30/88	52,618	0	52,618	0
	Total Asset #54 (Furniture & Fixtures)		113,369	60,751	52,618	
55	Furniture & Fixtures - Unidentified	01/01/90	1,870	0	1,870	0
56	Pine Table & Bench	06/30/94	534	534		0
57	Display Cases	05/16/94	253	253		0
58	Office Furniture	11/04/98	2,218	2,218		0
	Total Assets #56 - 58 (Furniture & Fixtures)		4,875	3,005	1,870	
TOTAL FURNITURE & FIXTURES						
(Assets #53 - #58)			122,583	68,095	54,488	60,751

CURRENT ASSET DETAILS

COMPARE

<u>Asset</u>		<u>Date</u>	<u>Reported</u>	<u>Forest Service Finding</u>		<u>TO</u>
<u>No.</u>	<u>Description</u>	<u>Acquired</u>	<u>Acquisition</u>	<u>Include in</u>	<u>Exclude</u>	<u>12/31/1989</u>
(a)	(b)	(c)	<u>Cost</u>	<u>GFA</u>	<u>from GFA</u>	<u>GFA</u>
			(d)	(e)	(f) = (d - e)	(g)
<u>MACHINERY and EQUIPMENT</u>						
	Fire Boxes	10/01/77	512	512		512
	Weed Cutter	07/01/80	300	300		300
	Boat Motors	01/01/81	2,425	2,425		2,425
	Boats	01/01/81	8,841	8,841		8,841
	Cash Register	01/01/81	2,230	2,230		2,230
	Refrigerator	07/01/83	360	360		360
	Boat Motors	07/01/83	4,193	4,193		4,193
	Boats	07/01/83	1,119	1,119		1,119
	Motor for Boats	04/01/84	4,633	4,633		4,633
	Boats	04/01/84	4,890	4,890		4,890
	Trailer Park	04/01/84	2,967	2,967		2,967
	Log Splitter	08/01/84	550	550		550
	10 - Boats	08/01/84	1,900	1,900		1,900
59	Battery Charger	08/01/84	25	25		25
	Boat Motors	08/01/84	2,436	2,436		2,436
	Van	01/01/85	1,188	1,188		1,188
	Band Saw	07/01/85	1,688	1,688		1,688
	NCR Cash Register	07/01/85	752	752		752
	1986 Ford PU	01/01/86	9,235	9,235		9,235
	Boat Sell	07/01/86	(6,000)	(6,000)		(6,000)
	Power Painter	03/01/87	466	466		466
	Stamp Machine	06/01/87	219	219		219
	Hand Dryer	06/01/87	392	392		392
	Word Processor	04/01/88	625	625		625
	Nail Gun	04/01/88	588	588		588
	Subtotal		46,534	46,534	0	
	Other - Unidentified	01/01/90	9,674	0	9,674	0
	Total Asset #59 (Machinery & Equipment)		56,208	46,534	9,674	
60	Buffer	06/30/92	1,096	1,096		0
61	Freezer	06/30/92	433	433		0
62	Copier	06/30/92	503	503		0
63	Carts	06/30/92	203	203		0
64	Cash Register	08/02/93	697	697		0
65	Fax	04/06/94	396	396		0
66	Espresso Machine	04/17/94	939	939		0
67	Espresso Machine	06/14/94	650	650		0
68	Stoves - Cabins	09/01/97	2,564	2,564		0
69	Washers/Dryers	09/06/98	6,711	6,711		0
	Total Assets #60 - #69 (Machinery & Equip.)	07/09/99	14,192	14,192	0	
TOTAL MACHINERY & EQUIPMENT						0
(Assets #59 - #69)			70,400	60,726	9,674	46,534

Twin Lakes Resort
Gross Fixed Assets (GFA)

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CURRENT ASSET DETAILS

COMPARE

<u>Asset</u>		<u>Date</u>	<u>Reported</u>	<u>Forest Service Finding</u>		<u>TO</u>
<u>No.</u>	<u>Description</u>	<u>Acquired</u>	<u>Acquisition</u>	<u>Include in</u>	<u>Exclude</u>	<u>12/31/1989</u>
(a)	(b)	(c)	<u>Cost</u>	<u>GFA</u>	<u>from GFA</u>	<u>GFA</u>
			(d)	(e)	(f) = (d - e)	(g)
<u>TRANSPORTATION EQUIPMENT</u>						
70	Boat Motors - 4	06/30/92	5,467	5,467		0
71	Boats Valco	03/17/94	4,116	4,116		0
72	Boats & Trailer	02/15/94	15,551	15,551		0
73	Boats - ITT	05/24/94	11,690	11,690		0
74	Boats - Yamaha	06/08/94	1,687	1,687		0
75	Auto	06/30/96	29,446	29,446		0
76	Car	08/29/98	500	500		0
TOTAL TRANSPORTATION EQUIPMENT			<u>68,457</u>	<u>68,457</u>	<u>0</u>	<u>0</u>
(Assets #70 - #76)						

<u>GFA Total</u>			
Buildings with Asset Numbers - from page 3	805,712	535,521	270,191
Furniture & Fixtures - from page 4	122,583	68,095	54,488
Machinery & Equipment - from page 5	70,400	60,726	9,674
Transportation Equipment - from page 6	<u>68,457</u>	<u>68,457</u>	<u>0</u>
Subtotal	1,067,152	732,799	334,353
Unnumbered Bldg. Assets - from page 3	<u>0</u>	<u>71,890</u>	<u>(71,890)</u>
Total of All Identified Assets	<u><u>1,067,152</u></u>	<u><u>804,689</u></u>	<u><u>262,463</u></u>
		<u><u>681,028</u></u>	

Twin Lakes Resort
Gross Fixed Assets (GFA)

Enclosure 2
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CURRENT ASSET DETAILS

COMPARE

<u>Asset</u>		<u>Date</u>	<u>Reported</u>	<u>Forest Service Finding</u>		<u>TO</u>
<u>No.</u>	<u>Description</u>	<u>Acquired</u>	<u>Acquisition</u>	<u>Include in</u>	<u>Exclude</u>	<u>12/31/1989</u>
(a)	(b)	(c)	(d)	(e)	(f) = (d - e)	(g)

<u>SUMMARY of FOREST SERVICE GFA CALCULATION</u>		
Total of all Identified Assets from page 6		804,689
Less: Assets no longer in Use as of 1997		
Nut House	(500)	
Heater #5	(1,060)	
Butcher Shop	(1,518)	
Butcher Traps	(187)	
Butcher Shop Equipment	(3,000)	(6,265)
Subtotal		798,424
Less: Assets not yet Acquired until 1998		
Building Improvements	(8,789)	
Office Furniture	(2,218)	
Washers/Dryers	(6,711)	
Car	(500)	(18,218)
Less: Computer not Acquired until 1999		(4,339)
Total:		
Identified Assets for 1997		775,867
Identified Assets for 1998 (\$775,867 + \$18,218)		794,085
Identified Assets for 1999, 2000, 2001 (\$794,085 + \$4,339)		798,424