

Calaveras Consolidated Fire Protection District

**Independent Auditor's Report
Financial Statements
and
Supplementary Information**

**Year Ended
June 30, 2022**

TABLE OF CONTENTS

INDEPENDENT AUDITOR’S REPORT	1-3	
BASIC FINANCIAL STATEMENTS		
Government - Wide Financial Statements:		
Statement of Net Position	4	
Statement of Activities	5	
Fund Financial Statements:		
Governmental Fund Balance Sheet.....	6	
Reconciliation of the Balance Sheet of Governmental Fund to the Statement of Net Position	7	
Governmental Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance	8	
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Fund to the Statement of Activities.	9	
Notes to the Financial Statements.....	10-16	
SUPPLEMENTAL INFORMATION		
Budgetary Comparison Schedule (Required)		
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund.....	17	
Fire Impact Fee.....	18	
OTHER COMMUNICATION FROM INDEPENDENT AUDITORS		
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Audit Standards</i>		19-20

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Calaveras Consolidated Fire Protection District
Valley Springs, California

**NICHOLSON
& OLSON**

CERTIFIED PUBLIC ACCOUNTANTS

729 Sunrise Avenue, Suite 303

Roseville, California 95661

(916) 786-7997

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, and the general fund of Calaveras Consolidated Fire Protection District (the District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the general fund of the Calaveras Consolidated Fire Protection District as of June 30, 2022 and the respective changes in financial position and the budgetary comparisons of the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standard*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters, that we identified during the audit.

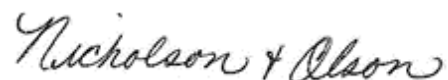
Required Supplementary Information

Accounting principles generally accepted in the United States of America require that a budgetary comparison information on pages 17 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted management discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information

Other Reporting Required by Government Auditing Standard

In accordance with Government Auditing Standards, we have also issued our report dated January 20, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.



Certified Public Accountants
Roseville, California
January 20, 2023

FINANCIAL STATEMENTS

CALAVERAS CONSOLIDATED FIRE PROTECTION DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities
Assets	
Current assets:	
Cash and cash equivalents	\$ 1,721,192
Total current assets	1,721,192
Capital assets:	
Land	46,673
Building and improvements	1,125,313
Equipment and vehicles	2,503,036
Less: Accumulated depreciation	(2,059,733)
Total capital assets	1,615,289
Deposit on equipment	158,946
Total Assets	\$ 3,495,427
Liabilities	
Current liabilities:	
Accounts payable	\$ 57,094
Accrued payroll and taxes	33,003
Compensated absences	15,808
Total current liabilities	105,905
Total Liabilities	105,905
Net Position	
Net investment in capital assets	1,615,289
Restricted	179,993
Unrestricted	1,594,240
Total Net Position	3,389,522
Total Liabilities and Net Position	\$ 3,495,427

The accompanying notes are an integral part of these financial statements.

**CALAVERAS CONSOLIDATED FIRE PROTECTION DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Governmental Activities Net (Expenses) Revenue</u>
Governmental Activities	
Expense	
Public safety	\$ (2,178,306)
Administration	<u>(84,600)</u>
Total Governmental Activities	(2,262,906)
Program revenues	
Charges for services	1,495,333
Operating grants, contributions, and other revenues	<u>33,071</u>
Net Program Expenses	(734,502)
General revenues	
Property tax	845,616
Other revenues	<u>78,020</u>
Total General Revenues	<u>923,636</u>
Change in Net Position	189,134
Net Position, Beginning of Year	<u>3,200,388</u>
Net Position, End of Year	<u><u>\$ 3,389,522</u></u>

The accompanying notes are an integral part of these financial statements.

**CALAVERAS CONSOLIDATED FIRE PROTECTION DISTRICT
GOVERNMENTAL FUND BALANCE SHEET
JUNE 30, 2022**

	<u>General Fund</u>
Assets	
Cash and cash equivalents	\$ 1,721,192
Total Assets	\$ 1,721,192
 Liabilities	
Accounts payable	\$ 57,094
Accrued payroll and taxes	33,003
Compensated absences	1,584
Total Liabilities	91,681
 Fund balances	
Restricted fire impact fees	179,993
Unassigned	1,449,518
Total Fund Balances	1,629,511
Total Liabilities and Fund Balances	\$ 1,721,192

The accompanying notes are an integral part of these financial statements.

**CALAVERAS CONSOLIDATED FIRE PROTECTION DISTRICT
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUND TO THE STATEMENT OF NET POSITION
JUNE 30, 2022**

Fund Balance of Governmental Fund	\$	1,629,511
-----------------------------------	----	-----------

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets, net of accumulated depreciation, are not current financial resources and, therefore, are not included in the governmental fund.		1,615,289
---	--	-----------

Deposit on equipment		158,946
----------------------	--	---------

Certain liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental fund balance sheet:

Compensated absences		(14,224)
----------------------	--	----------

Net Position of Governmental Activities	<u>\$</u>	<u>3,389,522</u>
---	-----------	------------------

**CALAVERAS CONSOLIDATED FIRE PROTECTION DISTRICT
GOVERNMENTAL FUND - STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2022**

	General Fund
Revenues	
Property taxes	\$ 845,616
Charges for services	1,495,333
Other revenues	109,904
Total Revenues	2,450,853
Expenditures	
Current	
Public safety	1,540,614
Supplies and services	747,168
Debt service	
Principal	113,360
Interest	6,588
Total Expenditures	2,407,730
Net Change in Fund Balance	43,123
Fund Balance, Beginning of Year	1,586,388
Fund Balance, End of Year	\$ 1,629,511

The accompanying notes are an integral part of these financial statements.

**CALAVERAS CONSOLIDATED FIRE PROTECTION DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE OF
GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022**

Change in Fund Balance of Governmental Fund	\$	43,123
---	----	--------

Amounts reported for governmental activities in the statement of activities differs from the amounts reported in the statement of revenues, expenditures and changes in fund balance because:

Governmental fund report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense or are allocated to the appropriate functional expense when the cost is below the capitalization amount:

Cost of assets capitalized		23,917
Depreciation expense		(148,798)
Deposit on equipment		158,946

Long-term debt proceeds provide current resources to governmental fund, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in governmental fund, but the repayment reduces long-term liabilities in the statement of net position.

Notes payable retirements		113,360
---------------------------	--	---------

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental fund.

Change in accrued interest notes payable		3,035
Change in compensated absences		(4,449)

Change In Net Position of Governmental Activities	\$	<u>189,134</u>
---	----	----------------

CALAVERAS CONSOLIDATED FIRE PROTECTION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

The notes to the financial statements include a summary of significant accounting policies and other notes considered essential to fully disclose and fairly present transactions and the financial position of Calaveras Consolidated Fire Protection District.

Note 1 - Reporting Entity

Note 2 - Summary of Significant Accounting Policies

Note 3 - Cash and Cash Equivalents

Note 4 - Capital Assets

Note 5 - Compensated Absences

Note 6 - Notes Payable

Note 7 - Employee Benefit Plan

Note 8 - Commitments and Contingencies

Note 9 - Subsequent Event

**CALAVERAS CONSOLIDATED FIRE PROTECTION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

Note 1 - Reporting Entity

Calaveras Consolidated Fire Protection District (the District) was formed in 2013, with the dissolution of the Jenny Lind and the Foothill Fire Protection Districts. The reason for the combination of the Jenny Lind and Foothill Fire Protection Districts was to provide fire protection for property within the District more efficiently and economically for the District as a whole.

The District covers roughly a 163 square mile area in the western portion of Calaveras County serving the communities of Valley Springs, Burson, Wallace, Camp Seco, Milton, Rancho Calaveras, La Contenta and Jenny Lind. The District acts and operates under and is governed by the statutory authority known as the Health and Safety Code, State of California, Division 12, Part 2.7, Fire Protection District Law of 1961.

The District's revenue is generated by levying taxes upon all taxable property within the boundaries for general purposes and for servicing bonded debt. The assessed valuation of the District is determined by the assessor of Calaveras County and the assessments are collected by the tax collector of the County.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The District's Basic Financial Statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities.

These Statements require the financial statements described below to be presented.

Government-Wide Financial Statements: The Statement of Net Position and the Statement of Activities display information about the primary government (the District). These statements summarize the District's financial activities and financial position.

The Statement of Net Position reports the difference between the District's total assets and the District's total liabilities, including all the District's capital assets and its long-term liabilities. The Statement of Net Position presents similar information to the old balance sheet format, but presents it in a way that focuses the reader on the composition of the District's net position, by subtracting total liabilities from total assets. The Statement of Net Position summarizes the financial position of the District's Governmental Activities in a single column.

Fund Financial Statements: The fund financial statements provide information about the District's general fund. The general fund is the general operating fund of the District. It is used to account for all financial resources. The major revenue sources are tax revenue and charges for services. Expenditures are made for public safety and other operating expenditures.

**CALAVERAS CONSOLIDATED FIRE PROTECTION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

Note 2 - Summary of Significant Accounting Policies (continued)

Basis of Accounting

Government-Wide Financial Statements The government-wide financial statements are reported using the *economic resources measurement focus* and the full *accrual basis* of accounting. Revenues are recorded when *earned* and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place. These statements are prepared on the same basis as is used by most businesses, which means they include all the District's assets and all its liabilities, as well as all its revenues and expenses.

Non-exchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include taxes, grants, entitlements, and donations. On the accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied or assessed. Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Fund Financial Statements The general fund is reported using the *current financial resources measurement focus* and the *modified accrual basis* of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgements, and compensated absences, which are recognized as expenditures to the extent they have matured. These statements reflect only current assets and liabilities. Governmental capital asset acquisitions are reported as expenditures in governmental funds.

Capital Assets

Capital assets are reported in the governmental activities column of the government-wide financial statements based on cost or estimated historical cost. Contributed fixed assets are valued at their estimated acquisition value. Capital assets include land, buildings and building improvements and equipment and vehicles. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000.

The costs of normal maintenance and repairs that do not add value to the asset or materially extend assets lives are not capitalized. Depreciation is recorded in the government-wide financial statements on the straight-line basis over the useful life of the assets as follows:

Assets	Useful Life
Buildings	30 years
Building improvements	10-20 years
Equipment and vehicles	5-20 years

Medical Benefit

Captains are paid a benefit of \$15,000 per year and engineers are paid \$8,400 per year towards their medical/457 plan.

CALAVERAS CONSOLIDATED FIRE PROTECTION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

Note 2 - Summary of Significant Accounting Policies (continued)

Compensated Absences

Captains and engineers accumulate paid time off (PTO). Unused PTO may accumulate up to maximums established by the District. Employee(s) cease to earn more PTO, until the accumulated balance is below the maximum. The liability for compensated absences is determined annually and is liquidated in the general fund.

Long-Term Debt

All long-term debt arising from cash basis transactions are to be repaid from governmental resources and is reported as liabilities in the government-wide statements. Long-term debt arising from cash basis transactions of governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures.

Net Position

Net Position is the excess of all the District's assets over all its liabilities, regardless of fund. Net Position is divided into three captions. These captions apply only to Net Position, which is determined only at the government-wide level, and are described below:

Net Investment in Capital Assets describes the portion of Net Position which is represented by the current net book value of the District's capital assets, less debt used to acquire or construct capital assets.

Restricted describes the portion of Net Position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the District cannot unilaterally alter. These include debt service and acquisition and construction of facilities and equipment.

Unrestricted describes the portion of Net Position which is not restricted to use.

When an expense is incurred for purposes for which both restricted and unrestricted net resources are available, the District's policy to first use restricted net resources prior to the use of unrestricted net resources

Fund Balance

The District's fund balances are classified in accordance with Governmental Accounting Standards Board Statement Number 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*, which requires the District to classify its fund balances based on the use of resources. For programs with multiple funding sources, the District prioritizes and expends funds in the following order: Restricted, Committed, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose. Encumbrances and nonspendable amounts subject to restrictions are included along with spendable resources.

**CALAVERAS CONSOLIDATED FIRE PROTECTION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

Note 2 - Summary of Significant Accounting Policies (continued)

Fund Balance (continued)

Committed fund balances have constraints imposed by formal action of the Board of Directors which may be altered only by formal action of the Board of Directors.

Unassigned fund balance represents residual amounts that have not been restricted or committed.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources (committed and unassigned) as they are needed. When unrestricted resources (committed and unassigned) are available for use, it is the District's policy to use committed resources first, and then unassigned as they are needed.

Property Taxes and Special Assessment Revenue

Revenue is recognized in the fiscal year for which the tax and assessment is levied. The County of Calaveras levies, bills and collects property taxes and special assessments for the District. The County remits the entire amount levied and handles all delinquencies, retaining interest and penalties. Secured and unsecured property taxes are levied on July 1st of the preceding fiscal year.

Secured property tax is due in two installments, on November 1st and February 1st, and becomes a lien on those dates. It becomes delinquent on December 10th and April 10th, respectively. Unsecured property tax is due on July 1st and becomes delinquent on August 31st.

The term "unsecured" refers to taxes on personal property other than real estate, land and buildings. These taxes are secured by liens on the personal property being taxed.

Property Taxes and Special Assessment Revenue

Property tax revenue is recognized in the fiscal year for which the tax is levied. The County distributes property tax (termed "settlements") under the Teeter Plan, which allows the District to receive all property taxes in the year in which they are levied. The County retains any collections of interest, penalties and delinquencies under this plan. A settlement apportionment for 95% of unsecured property taxes is received in October, with the remainder distributed in June. Secured property taxes are received in three settlements and apportioned as follows: 55% in December, 40% in April and 5% in June.

Program Revenues

Program revenues consist of fire hydrant inspection fees and strike team service fees.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**CALAVERAS CONSOLIDATED FIRE PROTECTION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

Note 3 - Cash and Cash Equivalents

The District maintains its cash with Calaveras County Treasurer's office. The County maintains the District's cash in a "pooled" cash fund for special districts.

Note 4 - Capital Assets

Capital assets activity is comprised of the following:

	Balance June 30, 2021	Additions	Retirements	Balance June 30, 2022
	<u>2021</u>	<u>Additions</u>	<u>Retirements</u>	<u>2022</u>
Governmental Activities:				
Capital Assets not being depreciated:				
Land	\$ 46,673	\$ -	\$ -	\$ 46,673
Total capital assets not being depreciated	<u>46,673</u>	<u>-</u>	<u>-</u>	<u>46,673</u>
Capital assets being depreciated:				
Buildings and building improvements	1,125,313	-	-	1,125,313
Equipment and vehicles	<u>2,479,119</u>	<u>23,917</u>	<u>-</u>	<u>2,503,036</u>
Total capital assets being depreciated	<u>3,604,432</u>	<u>23,917</u>	<u>-</u>	<u>3,628,349</u>
Less accumulated depreciation:				
Buildings and building improvements	(659,115)	(38,390)	-	(697,505)
Equipment and vehicles	<u>(1,251,820)</u>	<u>(110,408)</u>	<u>-</u>	<u>(1,362,228)</u>
Total accumulated depreciation	<u>(1,910,935)</u>	<u>(148,798)</u>	<u>-</u>	<u>(2,059,733)</u>
Total net depreciable assets	<u>1,693,497</u>			<u>1,568,616</u>
Governmental Activity Capital Assets, Net	<u>\$1,740,170</u>	<u>\$(124,881)</u>	<u>\$ -</u>	<u>\$1,615,289</u>

Note 5 - Compensated Absences

The following is a summary of changes in the compensated absences liability for the year ended June 30, 2022:

	Balance June 30, 2021	Additions	Retirements	Balance June 30, 2022	Current Portion	Long- Term Portion
	<u>2021</u>	<u>Additions</u>	<u>Retirements</u>	<u>2022</u>	<u>Portion</u>	<u>Portion</u>
Governmental Activities:						
Compensated Absences	<u>\$ 10,639</u>	<u>\$ 26,251</u>	<u>\$ 21,082</u>	<u>\$ 15,808</u>	<u>\$ 15,808</u>	<u>\$ -</u>

**CALAVERAS CONSOLIDATED FIRE PROTECTION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

Note 6 - Notes Payable

The District's debt issues and transactions are summarized below:

	Original Issue Amount	Balance June 30, 2021	Additions	Retirements	Balance June 30, 2022	Current Portion
Utility District	\$ 40,000	\$ 4,000	\$ -	\$ 4,000	\$ -	\$ -
Finance Company - 2019	\$ 133,858	109,360	-	109,360	-	-
Total Notes Payable		<u>\$ 113,360</u>	<u>\$ -</u>	<u>\$ 113,360</u>	<u>\$ -</u>	<u>\$ -</u>

As of June 30, 2022, all notes have been paid in full.

Note 7 - Employee Benefit Plan

The District provides an Internal Revenue Code section 457(b) salary deferral plan for the benefit of all employees, which allows them to defer a portion of their annual compensation. The District has not made any contributions to this plan.

Note 8 - Commitments and Contingencies

The District receives federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. District management believes such disallowances, if any, would be insignificant.

The District is subject to litigation arising in the normal course of business. The District represents that there is no pending litigation which is likely to have a material adverse effect on the financial position of the District.

The District has met its Gann Limit requirements for the fiscal year end 2021-22 and is estimated to meet its limitations for the fiscal year end 2022-23.

**CALAVERAS CONSOLIDATED FIRE PROTECTION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

Note 9 - Subsequent Event

Management of the District has reviewed results of operations for the period of time from its year end June 30, 2022 through January 20, 2023, the date the financial statements were available to be issued. District's management has determined that no adjustments are necessary to the amounts reported in the accompanying financials statements nor have any subsequent events occurred, the nature of which would require disclosure, with the exception of the following item.

The District entered into a note payable with a bank, to finance the purchase of fire equipment, in the amount of \$316,971. The note bears an interest rate of 4.08% and is due in annual installments over the next 5 years. The District expects delivery of the equipment in the next fiscal year, and payments are set to begin April 29, 2023.

SUPPLEMENTAL INFORMATION

**CALAVERAS CONSOLIDATED FIRE PROTECTION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property taxes	\$ 825,966	\$ 825,966	\$ 845,616	\$ 19,650
Charges for services	285,000	285,000	1,495,333	1,210,333
Other revenues	82,461	82,461	109,904	27,443
Total Revenues	<u>1,193,427</u>	<u>1,193,427</u>	<u>2,450,853</u>	<u>1,257,426</u>
Expenditures				
Salaries and benefits	906,651	906,651	1,540,614	(633,963)
Services and supplies	253,915	253,915	747,168	(493,253)
Debt service				
Principal	-	-	113,360	(113,360)
Interest	-	-	6,588	(6,588)
Total Expenditures	<u>1,160,566</u>	<u>1,160,566</u>	<u>2,407,730</u>	<u>(1,247,164)</u>
Change in Fund Balance	<u>\$ 32,861</u>	<u>\$ 32,861</u>	43,123	<u>\$ 10,262</u>
Fund Balance, Beginning of Year			<u>1,586,388</u>	
Fund Balance, End of Year			<u>\$ 1,629,511</u>	

The accompanying notes are an integral part of these financial statements.

**CALAVERAS CONSOLIDATED FIRE PROTECTION DISTRICT
FIRE IMPACT FEES
FOR THE YEAR ENDED JUNE 30, 2022**

Note 1 - Fire Impact Fee

The District completed a fire impact fee Nexus study, with the purpose of establishing the legal and policy basis for the collection of new fire impact fees on new residential and nonresidential development within the District. The fees collected are to fund the one-time cost of expanding the District's facilities, apparatus, and equipment needed to accommodate new development.

Revenues

Extraction fees collected	\$ 74,348
Interest earned	-
Total Revenues	<u>74,348</u>

Expenditures

Projects expenses	-
Total Expenditures	<u>-</u>

Net Change in Balance	74,348
Balance, Beginning of Year	<u>105,645</u>
Balance, End of Year	<u><u>\$ 179,993</u></u>

**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT
AUDITING STANDARDS**

To the Board of Directors
Calaveras Consolidated Fire Protection District
Valley Springs, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and the general fund of Calaveras Consolidated Fire Protection District (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Calaveras Consolidated Fire Protection District’s basic financial statements and have issued our report thereon dated January 20, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion 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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we considered to be material weaknesses. However, material weaknesses may exist that have not been identified.

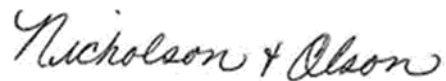
To the Board of Directors
Calaveras Consolidated Fire Protection District
Valley Springs, California

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Certified Public Accountants
Roseville, California
January 20, 2023