

**PLUMAS-BROPHY
FIRE PROTECTION DISTRICT**

FINANCIAL REPORT

JUNE 30, 2022

C O N T E N T S

	PAGE
INDEPENDENT AUDITORS' REPORT	1-3
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of net position	4
Statement of activities	5
Fund Financial Statements	
Balance sheet – governmental fund	6
Statement of revenues, expenditures, and changes in fund balance	7
NOTES TO THE BASIC FINANCIAL STATEMENTS	8-18
REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary Comparison Schedule – General Fund	19
Budgetary Comparison Schedule – Measure K Special Revenue Fund	20

INDEPENDENT AUDITORS' REPORT



To the Governing Board of the
Plumas-Brophy Fire Protection District
Wheatland, California

Opinion

We have audited the accompanying financial statements of the governmental activities and each major fund of the Plumas-Brophy 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 and each major fund of the District, as of June 30, 2022, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 other 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.

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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 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, 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 judgment, 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 the budgetary comparison schedules on page 19 and 20 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's 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 omitted 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.

Schwartz, Giannini, Lantberger & Adamson

Stockton, California
November 9, 2023

PLUMAS-BROPHY FIRE PROTECTION DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2022

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	<u>\$ 921,461</u>
Total assets	<u>921,461</u>
LIABILITIES	
Accounts payable	<u>10,961</u>
Total liabilities	<u>10,961</u>
NET POSITION	
Restricted	299,270
Unrestricted	<u>611,230</u>
Total net position	<u><u>\$ 910,500</u></u>

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

**PLUMAS-BROPHY FIRE PROTECTION DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

		Program Revenues				
	Expenses	Charges for Services	Operation Contributions and Grants	Capital Contributions and Grants	Net (Expense) Revenue and Changes in Net Position	
Governmental Activities:						
Fire protection services	\$ 231,419	\$ 102,814	\$ -	\$ -	\$ (128,605)	
Administrative	22,290	-	-	-	(22,290)	
Total governmental activities	\$ 253,709	\$ 102,814	\$ -	\$ -	\$ (150,895)	
		General Revenues:				
					524,844	
					99,259	
					2,545	
					626,648	
						475,753
						434,747
						\$ 910,500

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

**PLUMAS-BROPHY FIRE PROTECTION DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2022**

	<u>General Fund</u>	<u>Measure K Fund</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 613,513	\$ 307,948	\$ 921,461
Total assets	<u>613,513</u>	<u>307,948</u>	<u>921,461</u>
LIABILITIES AND FUND BALANCE			
Accounts payable	<u>2,283</u>	<u>8,678</u>	<u>10,961</u>
Total liabilities	<u>2,283</u>	<u>8,678</u>	<u>10,961</u>
FUND BALANCE			
Restricted	-	299,270	299,270
Unassigned	<u>611,230</u>	<u>-</u>	<u>611,230</u>
Total fund balance	<u>611,230</u>	<u>299,270</u>	<u>910,500</u>
Total liabilities and fund balance	<u>\$ 613,513</u>	<u>\$ 307,948</u>	<u>\$ 921,461</u>

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

**PLUMAS-BROPHY FIRE PROTECTION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	General Fund	Measure K Fund	Total
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Property taxes	\$ 172,124	\$ -	\$ 172,124
Sales taxes	99,259	-	99,259
Fire mitigation fees	18,603	-	18,603
Measure K taxes	-	352,720	352,720
Other income	84,211	-	84,211
Investment earnings	2,545	-	2,545
Total revenues	<u>376,742</u>	<u>352,720</u>	<u>729,462</u>
 EXPENDITURES			
JPA funding	165,817	-	165,817
Administrative and support services	22,290	-	22,290
Operating supplies	-	53,450	53,450
Building and grounds repairs	12,152	-	12,152
 Total expenditures	<u>200,259</u>	<u>53,450</u>	<u>253,709</u>
 Net changes in fund balance	176,483	299,270	475,753
 Fund balance - beginning	<u>434,747</u>	<u>-</u>	<u>434,747</u>
 Fund balance - ending	<u><u>\$ 611,230</u></u>	<u><u>\$ 299,270</u></u>	<u><u>\$ 910,500</u></u>

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

PLUMAS-BROPHY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Plumas-Brophy Fire Protection District (“the District”) is a special purpose local government, established in 1952 under the California Health and Safety Code. The Board of Directors is made up of 4 persons elected by the citizens of the district. The District was established to provide fire protection and medical response services, form and manage entities that educate, mitigate, and respond to fire and medical emergencies and disasters in Yuba County.

The reporting entity is the Plumas-Brophy Fire Protection District. There are no component units included in this report which meet the criteria of the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, GASB Statement No. 61, and GASB Statement No. 80.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. *Government activities* are normally supported by taxes and intergovernmental revenues.

The statement of activities presents a comparison between direct expenses and program revenues for each segment of the District’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.

Program revenues include 1) charges paid by the recipients of goods or services offered by the programs, 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and 3) fees, grants, and contributions that are restricted to financing the acquisition or construction of capital assets. Taxes and other revenues not included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Basis of Presentation

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. This approach differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for the governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District’s governmental activities.

PLUMAS-BROPHY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

The District does not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of goods or services offered by a program, as well as grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements - Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major governmental fund is presented in a separate column, and all nonmajor funds are aggregated into one column.

The accounting and financial treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances for these funds present increases, (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting.

Revenue – exchange and non-exchange transactions:

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. “Available” means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, “available” means collectible within the current period or within 60 days after fiscal year end.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes and grants. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants is recognized in the fiscal year in which all eligibility requirements have been satisfied.

PLUMAS-BROPHY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Eligibility requirements include timing requirements, which specify the fiscal year when the resources are to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Unearned revenues:

Unearned revenue arises when assets are received before revenue recognition criteria have been satisfied.

Expenses/expenditures:

On the accrual basis of accounting, expenses are recognized at the time a liability is incurred. On the modified accrual basis of accounting, expenditures are generally recognized in the accounting period in which the related fund liability is incurred, as under the accrual basis of accounting. However, under the modified accrual basis of accounting, debt service expenditures, as well as expenditures related to compensated absences and claims and judgements, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

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

Fund Financial Statements

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures. The District's resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The District's accounts are organized into two major funds as follows:

General fund – This fund is the District's primary operating fund and accounts for all financial resources of the general government.

Measure K fund – This fund is the District's fund for tracking Measure K sales tax revenues and expenditures for related projects.

PLUMAS-BROPHY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balances and Net Position

Fund balance is the difference between the assets and liabilities reported in the governmental general fund. In compliance with GASB Statement No. 54, the District has established the following fund balance types:

Nonspendable – This non-spendable fund balance classification includes amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact.

Restricted – The restricted fund balance classification includes amounts that reflect constraints placed on the use of resources (other than non-spendable items) that are either a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed – The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Directors. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action (legislation, resolution, ordinance, etc.) it employed to previously commit those amounts.

Committed fund balance should also incorporate contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned – The assigned fund balance classification includes amounts that are constrained by the government's intent to be used for specific purposes, but that are neither restricted or committed. Such intent is to be established by a) the governing body itself or b) a body or official to which the governing body had delegated the authority to assign amounts to be used for specific purposes.

Unassigned – The unassigned fund balance classification includes amounts that do not fall into one of the above four categories. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned for specific purposes within the General Fund. The General Fund is the only fund that should report this category of fund balance.

Governmental Accounting Standards Board Statement No. 63 requires that the difference between assets added to the deferred outflows of resources and liabilities added to the deferred inflows of resources be reported as net position. Net position is classified in the following categories:

PLUMAS-BROPHY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balances and Net Position (Continued)

Net Investment in Capital Assets – Net position that is net investment in capital assets consist of capital assets, net of accumulated depreciation, and reduced by outstanding debt directly attributed to the acquisition, construction, or improvement of the assets.

Restricted Net Position – The restricted net position is the portion of net position that has external constraints placed on it by external creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions or enabling legislation.

Unrestricted Net Position – The unrestricted net position classification is the amount remaining that does not fall into one of the above two categories.

The District’s policy is that when an expenditure is incurred for which both restricted and unrestricted fund balances are available, the restricted fund balance be spent first followed by committed, then assigned, and if applicable, unassigned.

Interfund Activity

Interfund activity is reported as loans, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

Cash and Investments

The District pools part of its available cash for investment purposes with the Yuba County. The District considers pooled cash and investments, with original maturities of three months or less, to be cash equivalents.

Component Entity

As discussed in Note 4, the District participates in the JPA, but the JPA is not considered a component entity because it does not meet the criteria of *AU-C Section 600, Special Considerations – Audits of Group Financial Statements (Including the Work of Component Auditors)*, and therefore, the JPA financial results are not included in these financial statements.

Management considered all potential component units for inclusion in the reporting entity by applying the criteria set forth in accounting principles generally accepted in the United States of America. Management concluded that there are no potential component units which should be included in the reporting entity.

PLUMAS-BROPHY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary information

The District adopts final annual operating budgets prior to the start of the fiscal year (June 30th).

Prepaid expenses

Certain payments reflect costs applicable to future accounting periods and are recorded as prepaid expenses.

Use of estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Capital Assets

When the Wheatland Fire Authority (WFA) was formed in 2006, the District transferred all of its capital assets to WFA. The JPA agreement provides that the capital assets be returned to the District in the event WFA terminates, or if the District withdraws from the JPA.

Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is not utilized by the District.

NOTE 2. CASH AND INVESTMENTS

The District maintains cash in a bank and in the Yuba County Treasury. The County Treasurer pools and invests the District's cash with other funds under its control. Interest earned on pooled investments is apportioned into participating funds based upon each fund's average daily deposit balance. Any investment gains or losses are proportionally shared by all funds in the pool.

Investments are carried at fair value. At June 30, 2022, the District had the following cash and investments on hand:

Cash and investments on deposit with County Treasurer	\$ 615,612
Cash on hand and in bank	<u>305,849</u>
Total cash and investments	<u><u>\$ 921,461</u></u>

PLUMAS-BROPHY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2. CASH AND INVESTMENTS (Continued)

The District categorized its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District had investments in the Yuba County Investment Pool, measured under Level 2.

Investments Authorized by the District's Investment Policy

The District has not formally adopted a deposit and investment policy that limits the District's allowable deposits or investments and addresses the specific types of risk to which the government is exposed. However, the Yuba County Treasurer's investment policy contains specific provisions intended to limit the District's exposure to interest rate risk, credit risk, and concentration of credit risk.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair market value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. The remaining maturity of the District's investments in the Yuba County Investment Pool is 12 months or less.

Disclosure Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of rating by a nationally recognized statistical rating organization. There is no minimum legal rating required of investment pools such as the Yuba County Investment Pool. Therefore, a rating is not issued.

Concentration of Credit Risk

The District has not formally adopted an investment policy that contains limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

PLUMAS-BROPHY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2. CASH AND INVESTMENTS (Continued)

Custodial Credit Risk (Continued)

The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit).

The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the District's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies to only direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as the Yuba County Investment Pool).

NOTE 3. PROPERTY TAXES

Property taxes in the State of California are administered for all local agencies at the county level, and consist of secured, unsecured, and utility tax rolls. The following is a summary of major policies and practices relating to property taxes.

Property Valuations – are established by the Assessor of the Yuba County for the secured and unsecured property tax rolls; the utility property tax roll is valued by the State Board of Equalization. Under the provision of Article XIII A of the State Constitution (Proposition 13 adopted by the voters on June 6, 1978), properties are assessed at 100% of full value. From the base assessment, subsequent annual increases in valuation are limited to a maximum of 2%. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations, and is subject to annual reappraisal.

Tax Levies – are limited to 1% of full value, which results in a tax base of \$1.00 per \$100 assessed valuation, under the provisions of Proposition 13. Tax rates for voter-approved indebtedness are excluded from this limitation.

PLUMAS-BROPHY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3. PROPERTY TAXES (Continued)

Tax Levy Dates – are attached annually on January 1, preceding the fiscal year for which the taxes are levied. The fiscal year begins July 1 and end June 30 of the following year. Taxes are levied on both real and unsecured personal property as it exists at that time. Liens against real estate, as wells as the tax on personal property, are not relieved by subsequent renewal or change in ownership.

Tax Collections – are the responsibility of the County Tax Collector. Taxes and assessments on secured and utility rolls which constitute a lien against the property, may be paid in two installments: the first is due on November 1 of the fiscal year and is delinquent if not paid by December 1; and the second is due on March 1 of the fiscal year and is delinquent if not paid by April 10. Unsecured personal property taxes do not constitute a lien against real property unless the taxes become delinquent. Payment must be made in one installment, which is delinquent if not paid by August 31 of the fiscal year. Significant penalties are imposed by the County for late payments. The Yuba County bills and collects all property taxes and remits to the District its share of the 1% property tax allocation. Tax revenues are recognized by the District when received.

Tax Levy Apportionments – Due to the nature of the District-wide maximum levy, it is not possible to identify general purpose tax rates for specific entities. Under State legislation adopted subsequent to the passage of Proposition 13, apportionments to local agencies are made by the County Auditor-Controller based primarily on the ratio that each agency represented of the total District-wide levy for the three years prior to fiscal year 1979.

Property Tax Administration Fees – The State of California FY 90-91 Budget Act, authorized Counties to collect an administrative fee for collection and distribution of property taxes.

NOTE 4. JOINT POWERS AUTHORITY

The District is a member of the Wheatland Fire Authority (WFA), a joint powers authority between the City of Wheatland and Plumas-Brophy Fire Protection District. WFA was formed on January 1, 2006 for the purpose of providing a more efficient fire protection service for areas previously served by the Plumas-Brophy Fire Protection District and the City of Wheatland. The District and the City of Wheatland fund the WFA to protect the lives, property, and environment within the areas served from fires, disasters, and emergency incidents through education, prevention, and emergency response.

Pursuant to the terms of the JPA, each member funds their pro rata of operating costs to WFA based on a funding formula, adjusted annually based on the percent change for the previous year in the Consumer Price Index for All Urban Consumers.

**PLUMAS-BROPHY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 4. JOINT POWERS AUTHORITY (Continued)

The WFA governing board consists of two members appointed from each participating entity as determined by the respective City Council or Board of Directors. All the financial decisions are made by this four-member board. The District contributed \$165,817 to WFA during the fiscal year ended June 30, 2022 for fire protection services. Separate financial statements may be obtained from the Wheatland Fire Authority at 313 Main St., Wheatland CA, 95692.

NOTE 5. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The District incurred unanticipated expenditures in excess of appropriations in expenditure classifications for which the budget was not revised.

Excess of expenditures over appropriations for the year ended June 30, 2022 were as follows:

	Excess <u>Expenditures</u>
Equipment Purchased for WFA	\$ 18,450
Professional Expense	2,521
Legal Notices	3,201
	<u>\$ 24,172</u>

NOTE 5. GOVERNING BODY

The District is governed by a board of trustees who are elected by voters within the District's boundaries. Current board members are as follows:

Martin Heatlie – Chair
Raymond Lopez – Director
Bart Johnson – Director

NOTE 6. CONTINGENCIES AND COMMITMENTS

There are no contingent liabilities outstanding and no lawsuits pending of real financial consequence as of the end of the fiscal year.

The District has received State funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under the term of the grants, it is believed that any required reimbursement will not be material.

**PLUMAS-BROPHY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 7. DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the District has evaluated events and transactions for potential recognition or disclosure through November 9, 2023, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

**PLUMAS-BROPHY FIRE PROTECTION DISTRICT
BUDGETARY COMPARISON SCHEDULE- GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
EXPENDITURES				
Maintenance Buildings	\$ 42,000	\$ 42,000	\$ 12,152	\$ 29,848
Equipment Purchased for WFA	35,000	35,000	53,450	(18,450)
Office Expense	3,000	3,000	1,068	1,932
Professional Expense	15,000	15,000	17,521	(2,521)
Legal Notices	500	500	3,701	(3,201)
JPA Contract Funding	165,817	165,817	165,817	-
Special Department Expenses	10,000	10,000	-	10,000
Fire Service Contingency Fund	140,000	140,000	-	140,000
	<u>\$ 411,317</u>	<u>\$ 411,317</u>	<u>\$ 253,709</u>	<u>\$ 157,608</u>

See accompanying independent auditors' report.

**PLUMAS-BROPHY FIRE PROTECTION DISTRICT
 BUDGETARY COMPARISON SCHEDULE- MEASURE K SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>		<u>Actual</u>
			Variance with Final Budget Positive (Negative)	
EXPENDITURES				
Equipment Purchased for WFA	35,000	35,000	53,450	(18,450)
	<u>\$ 35,000</u>	<u>\$ 35,000</u>	<u>\$ 53,450</u>	<u>\$ (18,450)</u>

See accompanying independent auditors' report.