

**CLARKSBURG FIRE  
PROTECTION DISTRICT**

**FINANCIAL STATEMENTS**  
**With**  
**Independent Auditor's Report Thereon**

**June 30, 2022 and 2021**

**CLARKSBURG FIRE PROTECTION DISTRICT  
FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners  
Clarksburg Fire Protection District  
Clarksburg, California

### **Opinion**

We have audited the accompanying financial statements of the governmental activities and major fund of Clarksburg Fire Protection District as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise Clarksburg Fire Protection 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 business-type activities and major funds of Clarksburg Fire Protection District as of June 30, 2022 and 2021, and the respective changes in financial position and, where applicable, cash flows 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 Clarksburg Fire Protection 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 Clarksburg Fire Protection 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 opinions. 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.

Board of Commissioners  
Clarksburg Fire Protection District  
Clarksburg, California

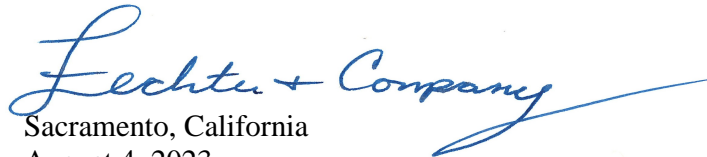
### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison schedules 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.

### **Other Matters**

The Clarksburg Fire Protection District has not presented the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America has determined necessary to supplement, although not require to be part of, the basic financial statements. Our opinion is not modified with respect to this matter.

Fechter & Company,  
Certified Public Accountants

  
Sacramento, California  
August 4, 2023

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**CLARKSBURG FIRE PROTECTION DISTRICT**  
**STATEMENTS OF NET POSITION**  
**JUNE 30, 2022 AND 2021**

	<b>2022</b>	<b>2021</b>
<b>ASSETS</b>		
Cash and investments	\$ 909,765	\$ 846,454
Restricted cash	29,852	29,166
Accounts Receivable	729	297
Capital assets, net of accumulated depreciation	992,241	684,534
 Total Assets	 1,932,587	 1,560,451
<b>LIABILITIES</b>		
Accounts payable	7,527	10,872
Due to other funds	5,310	3,133
Accrued Payroll	337	299
 Total Liabilities	 13,174	 14,304
<b>NET POSITION</b>		
Invested in capital assets, net of related debt	992,241	684,534
Restricted	29,852	29,166
Unrestricted	897,320	832,447
 Toal Net Position	 \$ 1,919,413	 \$ 1,546,147

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	
Governmental Activities:					
Public Protection	\$ 151,174	\$ -	\$ -	\$ -	\$ (151,174)
Total Governmental Activities	\$ 151,174	\$ -	\$ -	\$ -	(151,174)
General Revenues:					
					190,968
					551
					(24,081)
					357,002
					524,440
					373,266
					1,546,147
					\$ 1,919,413



**CLARKSBURG FIRE PROTECTION DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED  
JUNE 30, 2021**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	
Governmental Activities:					
Public Protection	\$ 133,310	\$ -	\$ -	\$ 1,462	\$ (131,848)
Total Governmental Activities	\$ 133,310	\$ -	\$ -	\$ 1,462	(131,848)
General Revenues:					
					178,968
					2,499
					1,058
					1,501
					184,026
					52,178
					1,493,969
					\$ 1,546,147

**FUND FINANCIAL STATEMENTS**

**CLARKSBURG FIRE PROTECTION DISTRICT  
BALANCE SHEETS  
JUNE 30, 2022 AND 2021**

	<b>2022</b>	<b>2021</b>
<b>ASSETS</b>		
Cash and investments	\$ 909,765	\$ 846,454
Restricted cash	29,852	29,166
Accounts receivable	729	297
Total Assets	<b>\$ 940,346</b>	<b>\$ 875,917</b>
<b>LIABILITIES</b>		
Accounts payable	7,527	10,872
Due to other agencies	5,310	3,133
Accrued payroll	337	299
Total Liabilities	13,174	14,304
<b>FUND BALANCES</b>		
Fund Balances:		
Restricted	29,852	29,166
Assigned	681,289	598,153
Unrestricted	216,031	234,294
Total Fund Balances	927,172	861,613
Total Liabilities and Fund Balances	<b>\$ 940,346</b>	<b>\$ 875,917</b>

**CLARKSBURG FIRE PROTECTION DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUND  
BALANCE SHEETS TO THE STATEMENTS OF NET POSITION  
JUNE 30, 2022 AND 2021**

	<b>2022</b>	<b>2021</b>
Total fund balances - governmental funds	\$ 927,172	\$ 861,613
<p>In governmental funds, only current assets are reported. In the Statement of net position, all assets are reported, including capital assets and accumulated depreciation.</p>		
Capital assets at historical cost, net	992,241	684,534
Net position of governmental activities	\$ 1,919,413	\$ 1,546,147

**CLARKSBURG FIRE PROTECTION DISTRICT**  
**STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**FOR THE YEARS ENDED**  
**JUNE 30, 2022 AND 2021**

	<b>2022</b>	<b>2021</b>
<b>REVENUES</b>		
Taxes and assessments	\$ 190,968	\$ 178,968
Developer fees	551	2,499
Investment income	(24,081)	1,058
Charges for services	-	-
Other income	357,002	2,963
Total revenues	524,440	185,488
<b>EXPENDITURES</b>		
Public safety:		
Salaries and benefits	9,726	9,722
Services and supplies	79,261	65,511
Capital outlay	369,894	-
Total operating expenditures	458,881	75,233
<b>NET CHANGE IN FUND BALANCES</b>	65,559	110,255
<b>FUND BALANCES - BEGINNING OF YEAR</b>	861,613	751,358
<b>FUND BALANCES - END OF YEAR</b>	\$ 927,172	\$ 861,613

**CLARKSBURG FIRE PROTECTION DISTRICT  
RECONCILIATION OF THE STATEMENTS OF  
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED  
JUNE 30, 2022 AND 2021**

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

	<b>2022</b>	<b>2021</b>
NET CHANGE IN FUND BALANCES	\$ 65,559	\$ 110,255
<p>Amounts reported for governmental activities in the Statement of Activities are different because of the following:</p> <p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and amortized over their estimated useful lives and reported as depreciation expense.</p>		
Depreciation expense not reported in governmental funds	(62,187)	(58,077)
Capital outlay not expended in the Statement of Activities	369,894	-
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 373,266	\$ 52,178

**CLARKSBURG FIRE PROTECTION DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Clarksburg Fire Protection District (The District) are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The District's reporting applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. Proprietary funds and similar component units apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

**A. Description of the Reporting Entity**

Both the township of Clarksburg and the Clarksburg Fire Protection District are located in the southernmost corner of Yolo County and the northernmost area of the Sacramento-San Joaquin Delta. Geographically, the District is surrounded by water and divided into four Reclamation Districts. The majority of the population consists of farmers, people who work in the farming industry, commuters, and people who work in local businesses.

In 1946, the District was established following a fire that partially destroyed the Clarksburg High School. The District covers 52 square miles, consisting of rural farms, residential dwellings, some commercial property, and some industrial property. Fire District personnel, both Governing Board and Firefighters, are residents who volunteer to serve the citizens, businesses, and tourists in this very southern portion of Yolo County, California. The mission of the District is to provide fire protection for all properties, structures, and citizens of the District, to participate in mutually beneficial mutual aid agreements with neighboring fire districts as well as County, State, and Federal agencies, and to provide first response services in the event of an accident or medical emergency within the District.

All personnel are governed by the rules and regulations set forth by the Administrative Code of the District. Operational personnel resources consist of twenty-three volunteer firefighters. This includes sixteen firefighters, four Lieutenants, one Captain, one Assistant Fire Chief, and one Fire Chief. The District is governed by five Fire Commissioners. The Commissioners are appointed by the Yolo County Board of Supervisors. The Commissioners provide management, guidance and leadership in the areas of setting the overall direction for the district; establishing and supporting the policies and structure of the district; overseeing the financial resources necessary to fund the District; guiding employee relations policy, including the hiring and supervising the fire chief who, in turn, operates the District and hires/manages its staff; and serve as community leaders who communicate effectively on behalf of the District.

The number of volunteer firefighters meets present needs; notwithstanding, the need for recruitment and retention is ongoing due to the size of the District and the increased level of agri-tourism in the area. Due to the enormous territory and the high level of traffic in the Sacramento-San Joaquin Delta, the District is often called upon to provide basic emergency services. Because medical services are not available in the area, District firefighters are often called upon to provide critical emergency services for both residents and visitors.

**CLARKSBURG FIRE PROTECTION DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**A. Description of the Reporting Entity (continued)**

The District services range from fire suppression to community outreach programs. Fire suppression and emergency medical services play a significant role in the overall function of the fire district. Currently, the District has three mutual aid agreements with neighboring fire departments; these agreements are reciprocated by other neighboring departments and provide additional assistance during all emergencies. The District provides strike team and urban disaster assistance for the Governor's Office of Emergency Services (OES) during state and national disasters. The District provides resources (firefighters and equipment) to the California Department of Forestry with wild-land fire suppression. The Forestry Department agreement aids in the protection of nearly 8 million Californians who own homes and businesses in wild-land areas. The District has three trained fire investigators who provide services to Yolo County. These fire investigators provide Yolo County with added resources in fire investigations, crime scenes, arson, and technical assistance.

**B. Basis of Presentation – Government-Wide 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 non-fiduciary activities of the primary government and its component units. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and user charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs are allocated from the general government activity to the public safety function based on relative percentages or prior year actual operating expenditures. Program revenues include 1) charges to customers who purchase, use or directly benefit from the goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general expenses.



**CLARKSBURG FIRE PROTECTION DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Basis of Presentation – Government-Wide Financial Statements (continued)**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue when reimbursable costs are incurred under the accrual basis of accounting.

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

**C. Basis of Presentation – Fund Financial Statements**

The accounts of the District are organized on the basis of funds. A fund is a separate accounting entity with a self-balancing set of accounts. Each fund was established for the purpose of accounting for specific activities in accordance with applicable regulations, restrictions, or limitations. Separate financial statements are provided for each governmental fund. Major individual governmental funds are reported as separate columns in the fund financial statements.

The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

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

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues susceptible to accrual include property taxes, grants, donations, and charges for current services. The District uses an availability period of 60 days after year-end. Expenditures under the modified accrual basis of accounting are generally recognized when the related fund liability is incurred.

**CLARKSBURG FIRE PROTECTION DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Basis of Presentation – Fund Financial Statements (continued)**

The District reports the following major governmental fund type:

General Fund

The General Fund is the only major governmental fund type and the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Budgets and Budgetary Process

The District operates under the laws of the State of California. There are five members of the Board. Each member of the Governing Board is a resident of the District and is appointed by the Yolo County Board of Supervisors. In the event of a challenge, an election may be held. The Board of Directors adopts a General Fund budget only, which can be amended by the Board during the fiscal year. All appropriations lapse at year end.

The budgeted financial statements represented in these reports reflect the final budget authorizations including all amendments.

Estimates

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

Cash

The District holds its cash in the County of Yolo Treasury. The County maintains a cash and investment pool and allocates interest to the various funds based upon the average monthly cash balances. Information regarding categorization of investments can be found in the County's financial statements.

Allowance for Doubtful Accounts

Management believes its accounts receivables to be fully collectible and, accordingly, no allowance for doubtful accounts is considered necessary.

**CLARKSBURG FIRE PROTECTION DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Basis of Presentation – Fund Financial Statements (continued)**

Property, Plant, and Equipment

Fixed assets are recorded at actual cost or estimated historical cost if actual cost is not available. Assets costing \$5,000 or more and with an expected life of 1 year or more are capitalized. Donated fixed assets are valued at donation date at the estimated fair market value. When actual cost is not available, estimated costs are made by knowledgeable personnel. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Fixed assets of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Building	10-45
Equipment	1-40
Vehicles	5-20

Revenue

Revenue to finance the District’s operation is derived from the County property tax bills and a Proposition 218 Special Assessment. Secured property taxes and the District’s Special Assessment attach as an enforceable lien on property as of January 1. Taxes are payable in two installments on April 10 and December 10. Unsecured property taxes are payable in one installment on or before August 31.

In November of 1993, California voters enacted Proposition 172, which established a permanent statewide half-cent sales tax for support of local public safety functions in cities and counties. Under the terms of Proposition 172, cities and counties must use the funds received to support public safety. At this time, the Clarksburg Fire Protection District receives no Proposition 172 revenue.

**CLARKSBURG FIRE PROTECTION DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Basis of Presentation – Fund Financial Statements (continued)**

Property Taxes and Special Assessments

Secured property taxes are considered measurable and available when apportioned to the District. The County is responsible for assessing and collecting secured property taxes for the District in accordance with enabling state legislation (including appropriation limits). The County apportions secured taxes to the District under the “Teeter Plan” – California Revenue and Taxation Code Sections 4701-4717. A complex allocation formula is used to distribute levied secured taxes to the County and its districts. The levy date is July 1. The District is credited with 100 percent of its apportionments, regardless of the actual collections and delinquencies and accordingly, penalties and interest collected by the County are not allocated to the District. Apportionments are distributed according to the following schedule:

<u>Action</u>	<u>Date</u>	<u>Percent</u>
1st Apportionment	By December 25	55 Percent
2 <sup>nd</sup> Apportionment	By April 25	40 Percent
3 <sup>rd</sup> Apportionment	By June 25	5 Percent

Contributed Services

A number of unpaid volunteers have made significant contributions of their time to maintain and upgrade the firehouse, fire trucks, and equipment. The value of this contributed time is not reflected in these statements, since it is not susceptible to objective measurement or valuation.

Net Position

The government-wide financial statements utilize a net position presentation. Net position is categorized as invested capital assets (net of related debt), restricted, and unrestricted.

- Invested in capital assets, net of related debt – this category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.
- Restricted net position – this category presents external restrictions of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- Unrestricted net position – this category represents net position of the District not restricted for any project or other purpose.

**CLARKSBURG FIRE PROTECTION DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Basis of Presentation – Fund Financial Statements (continued)**

Fund Balances

In February 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which establishes accounting and financial reporting standards for all governments that report governmental funds.

Under GASB 54, fund balance for governmental funds should be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund Balances are now broken out in five categories:

- Nonspendable Fund Balance – this fund balance classification includes amounts that cannot be spent because they are either not in spendable form (i.e. – prepaid expenses) or legally or contractually required to be maintained intact.
- Restricted Fund Balance – this fund balance classification should be reported when there are constraints placed on the use of resources externally (by creditors, grant sources, contributors, etc.) or imposed by law or enabling legislation.
- Committed Fund Balance – this fund balance classification can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority (i.e. – fund balance designations passed by board resolution).
- Assigned Fund Balance – this fund balance classification refers to amounts that are constrained by the government’s intent to be used for specific purposes, but are neither restricted or committed.
- Unassigned Fund Balance – this fund balance classification is the residual classification for the general fund.

Deferred Inflows and Outflows of Resources

The District adopted the provisions of GASB Statement No. 63 (GASB 63), *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, during the 2013 fiscal year. GASB 63 provides financial reporting guidance for deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. It also identifies net position as the residual of all other elements presented in a statement of financial position, or the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources. As implied above, GASB 63 changes the previous classification of net assets to net position, and consequently, the statement of net assets to the statement of net position. The District had no deferred inflows or outflows of resources as of June 30, 2022 and June 30, 2021, respectively.

**CLARKSBURG FIRE PROTECTION DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Basis of Presentation – Fund Financial Statements (continued)**

Reclassification

Certain amounts in the prior year financial statements may have been reclassified to conform to the current year financial statement presentation.

**NOTE 2: CASH AND INVESTMENTS**

All cash held by the District is on deposit with the Yolo County Treasury Pool. The County of Yolo Treasurer pools its funds with other governmental agencies in the County and invests them as prescribed by the California Government Code and the County of Yolo’s Investment Policy. The District’s deposits in the County pool may be assessed at any time. The District is allocated interest income on monies deposited with the County based on its proportional share of the pooled investments. All investments are carried at fair value.

The District’s total cash and investments at June 30, 2022 and 2021, consisted of the following:

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Cash in County Treasury		
Unrestricted and assigned:		
Unrestricted	\$ 228,476	\$ 248,301
Assigned - Vehicle Replacement	<u>681,289</u>	<u>598,153</u>
Total unrestricted and assigned	909,765	846,454
Restricted - Development Impact Fees	<u>29,852</u>	<u>29,166</u>
Total Cash in County Treasury	<u>\$ 939,617</u>	<u>\$ 875,620</u>

Cash Restriction and Assignment

Yolo County reports reflect the District’s cash as segregated into three accounts: Cash in Treasury, Restricted Cash – Vehicle Replacement, and Restricted Cash – Development Fees. Per the definitions provided by GASB 54, and noting that the District Board is the only authority placing the restriction on that particular Vehicle Replacement cash balance, the Governmental Funds Balance Sheet reflects the \$524,210 and \$435,589 as assigned rather than restricted as of June 30, 2022 and 2021, respectively. However, for the purposes of the Government-wide Statement of Net Position, both the balances for Development Fees and Vehicle Replacement are classified as restricted, due to the nature of the County’s reporting of these cash balances and the District’s highlighting the true unrestricted balance immediately available to meet its ongoing operational obligations.

**CLARKSBURG FIRE PROTECTION DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

**NOTE 2: CASH AND INVESTMENTS (continued)**

Authorized Investments

California statutes authorize the District to invest idle or surplus funds in a variety of credit instruments as provided for in California Government Code Section 53600, Chapter 4 – Financial Affairs. The Government Code allows investments in the following instruments:

- Securities of the United States Government, or its agencies
- Small Business Administration loans
- Certificates of Deposit (or Time Deposits) placed with commercial banks
- Negotiable Certificates of Deposit
- Banker’s Acceptances
- Commercial paper and medium-term corporate notes
- Local Agency Investment Fund (State Pool and County Pool) Deposits
- County Cash Pool

The District has adopted provisions of Governmental Accounting Standards Board (GASB) 31, *“Accounting and Financial Reporting for Certain Investments and for External Investment Pools.”* GASB 31 establishes accounting and financial standards for investments in interest-earning investment contracts, external investment pools, and mutual funds. The statement requires all applicable investments to be reported at fair value on the balance sheet. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced sale. All investment income, including changes in fair market value of investments, is recognized as revenue in the operating statement.

In accordance with Statement No. 31, the District has adjusted certain investments to fair value (when material).

The District relied upon information provided by the Yolo County Treasurer in estimating the District’s fair value at June 30, 2022 and June 30, 2021.

The Yolo County Treasurer’s Investment Pool is a governmental investment pool managed and directed by the elected Yolo County Treasurer. The County Pool is not registered with the Securities and Exchange Commission. An oversight committee comprised of local government officials and various participants provide oversight to the management of the fund. The daily operations and responsibilities of the pool fall under the auspices of the County Treasurer’s office. The District is a voluntary participant in the investment pool.

The District is authorized under California Government Code to make direct investments; however, the District has not adopted an investment policy and thus does not maintain policies for exposure to interest rate risk, credit risk, and concentration of credit risk.

**CLARKSBURG FIRE PROTECTION DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

**NOTE 2: CASH AND INVESTMENTS (continued)**

Authorized Investments (continued)

Investment policies and related credit, custodial credit, concentration of credit, interest rate, and foreign currency risks applicable to the District are those of the County and are disclosed in the County's basic financial statements. The County of Yolo's financial statements may be obtained by contacting the Yolo's Auditor-Controller's office at 625 Court Street, Room 103, Woodland, CA 95776.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair 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. The bank certificates of deposits held by the District are all under eighteen months in maturity and are non-negotiable and, thus, have a guaranteed face value.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. Generally, this is measured by the assignment of a rating by a nationally recognized statistical rating organization.



**CLARKSBURG FIRE PROTECTION DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**NOTE 3: CAPITAL ASSETS**

Capital assets activity for the fiscal year ended June 30, 2022, was as follows:

	Year Ended June 30, 2021	Additions	Disposals	Transfer/ Adjustment	Year Ended June 30, 2022
Capital assets, non-depreciable:					
Land	\$ 183,024	\$ -	\$ -	\$ -	\$ 183,024
Capital assets, depreciable:					
Buildings & Improvements	370,810	-	-	-	370,810
Equipment	1,115,879	369,894	-	-	1,485,773
Total capital assets, depreciable	<u>1,486,689</u>	<u>369,894</u>	<u>-</u>	<u>-</u>	<u>1,856,583</u>
Less accumulated depreciation	<u>(985,179)</u>	<u>(62,187)</u>	<u>-</u>	<u>-</u>	<u>(1,047,366)</u>
Total Capital Assets, Net	<u>\$ 684,534</u>	<u>\$307,707</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 992,241</u>

Capital assets activity for the fiscal year ended June 30, 2021, was as follows:

	Year Ended June 30, 2020	Additions	Disposals	Transfer/ Adjustment	Year Ended June 30, 2021
Capital assets, non-depreciable:					
Land	\$ 183,024	\$ -	\$ -	\$ -	\$ 183,024
Capital assets, depreciable:					
Buildings & Improvements	370,810	-	-	-	370,810
Equipment	1,115,879	-	-	-	1,115,879
Total capital assets, depreciable	<u>1,486,689</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,486,689</u>
Less accumulated depreciation	<u>(927,102)</u>	<u>(58,077)</u>	<u>-</u>	<u>-</u>	<u>(985,179)</u>
Total Capital Assets, Net	<u>\$ 742,611</u>	<u>\$ (58,077)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 684,534</u>

Depreciation expense for the fiscal years ended June 30, 2022 and 2021, was \$62,187 and \$58,077, respectively, and has been charged to the Public Protection function in the Statements of Activities.

**CLARKSBURG FIRE PROTECTION DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**NOTE 4: RISK MANAGEMENT**

The District is exposed to various risks of loss related to theft, damage, and/or destruction of assets, errors and omissions, and general liability.

The District participates in the Yolo County Public Agency Risk Management Insurance Authority (YCPARMIA), a joint powers agency (risk sharing pool). Fourteen local agencies participate in the pool. Each participating agency makes cash payment for each year of participation in the amount approved by the YCPARMIA's Board of Directors. New members must remain a part of the fund for a minimum of three years and give six months of written notice before withdrawing from the pool. Participation by the agencies is authorized pursuant to California Government Code section 6500. The District is covered for general liability and automobile liability, workers' compensation, property damage, and fidelity through YCPARMIA. Through YCPARMIA membership in the California Joint Powers Insurance Authority (CALJPIA), the District is provided with an excess coverage fund for catastrophic liability losses. Loss contingency reserves established by YCPARMIA are funded by contributions from member agencies.

**NOTE 5: DEVELOPER FEES**

Developer Fees are collected for the District by the County and held in accounts separate from the District's general fund. The District determines the fees based on the type of construction. Developer Fees can only be used to expand and improve the District services (i.e., an additional fire truck, a second station). They cannot be used to replace or continue current services (i.e., a replacement fire truck or repairs and improvements to the existing station).

**NOTE 6: SUBSEQUENT EVENTS**

The District has evaluated subsequent events through August 4, 2023, the date the financial statements were available to be issued, and determined that there were no events occurring subsequent to June 30, 2022 and 2021, respectively, that would have a material impact on the District's results of operations or financial position and related disclosures.

**REQUIRED SUPPLEMENTARY INFORMATION**

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

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	(Negative)
<b>Revenues:</b>				
Taxes and assessments	\$ 169,581	\$ 177,168	\$ 190,968	\$ 13,800
Developer fees	-	-	551	551
Investment income	-	5,000	(24,081)	(29,081)
Charges for services	-	3,490	-	(3,490)
Other income	-	8,910	357,002	348,092
	<u>169,581</u>	<u>194,568</u>	<u>524,440</u>	<u>329,872</u>
<b>Expenditures:</b>				
Public safety:				
Salaries and benefits	19,939	22,254	9,726	12,528
Services and supplies	85,815	66,015	79,261	(13,246)
Capital outlay	-	-	369,894	(369,894)
	<u>105,754</u>	<u>88,269</u>	<u>458,881</u>	<u>(370,612)</u>
Total expenditures	<u>105,754</u>	<u>88,269</u>	<u>458,881</u>	<u>(370,612)</u>
Excess of revenue over expenditures	<u>\$ 63,827</u>	<u>\$ 106,299</u>	<u>\$ 65,559</u>	<u>\$ 700,484</u>

**CLARKSBURG FIRE PROTECTION DISTRICT  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED  
JUNE 30, 2021**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Taxes and assessments	\$ 164,903	\$ 174,299	\$ 178,968	\$ 4,669
Developer fees	-	324	2,499	2,175
Investment income	-	4,431	1,058	(3,373)
Charges for services	-	51,018	-	(51,018)
Other income	-	54,126	2,963	(51,163)
	<u>164,903</u>	<u>284,198</u>	<u>185,488</u>	<u>(98,710)</u>
<b>Total revenues</b>				
	<u>164,903</u>	<u>284,198</u>	<u>185,488</u>	<u>(98,710)</u>
<b>Expenditures:</b>				
Public safety:				
Salaries and benefits	19,939	52,689	9,722	42,967
Services and supplies	94,964	84,462	65,511	18,951
	<u>114,903</u>	<u>137,151</u>	<u>75,233</u>	<u>61,918</u>
<b>Total expenditures</b>				
	<u>114,903</u>	<u>137,151</u>	<u>75,233</u>	<u>61,918</u>
Excess of revenue over expenditures	<u>\$ 50,000</u>	<u>\$ 147,047</u>	<u>\$ 110,255</u>	<u>\$ (36,792)</u>

**CLARKSBURG FIRE PROTECTION DISTRICT**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2022 AND 2021**

**BUDGETARY BASIS OF ACCOUNTING**

The District prepares and legally adopts a final budget on or before August 30<sup>th</sup> of each fiscal year. Until the final budget is adopted, operations of the District commencing July 1<sup>st</sup> are governed by a continuing resolution which is adopted by the Board at their final meeting of the preceding fiscal year.

After the budget is approved, the appropriations can be added to, subtracted from, or changed only by Board resolution. All such changes must be within the revenues and reserves estimated as available in the final budget or within revised revenue estimates as approved by the Board.

An operating budget is adopted each fiscal year on the modified accrual basis. Additionally, encumbrance accounting is utilized to assure effective budgetary control. Encumbrances outstanding at year-end represent the estimated amount of the expenditures ultimately to result if the unperformed contracts in process at year-end are completed or purchase commitments satisfied. Such year-end encumbrances are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year and included in the subsequent year's budget. Unencumbered appropriations lapse at year-end.

The legal level of budgetary control (the level on which expenditures may not legally exceed appropriations) is at the object level except for fixed assets which are controlled at the sub-object level. Object levels of expenditures are as follows: salaries and benefits, services and supplies, other charges including debt service, capital outlay, contingencies, expenditure transfers, and other financing uses. Sub-object levels of expenditures for fixed assets are land, structures and improvements, and equipment.

For budgetary purposes, actual GAAP expenditures have been adjusted to include encumbrances outstanding at year-end. Encumbrance accounting is employed as an extension of formal budgetary integration of the General and Special Revenue Funds under the jurisdiction of the Board of Directors.