

**MOSQUITO  
FIRE PROTECTION DISTRICT**

---

**FINANCIAL STATEMENTS  
AND INDEPENDENT AUDITOR'S REPORT  
for the year ended June 30, 2021**

**ROBERT W. JOHNSON**  
**Certified Public Accountant**

## CONTENTS

	<u>Pages</u>
Independent Auditor's Report	1-2
Financial Statements:	
Statement of Net Position and Governmental Fund Balance Sheet	3
Statement of Activities and Governmental Fund Revenues, Expenditures and Changes in Fund Balances	4
Statement of Revenues and Expenditures - Compared to Budget	5
Notes to Financial Statements	6-13
Supplemental Information:	
Principal Officials	15
Schedule of Expenditures -- Compared to Budget -- General Fund	16-17



**Robert W. Johnson**  
*an accountancy corporation*

6234 Birdcage Street, Citrus Heights, California 95610 | robertwjohsoncpagroup@gmail.com | 916.723.2555  
www.bob-johnson-cpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Mosquito Fire Protection District  
Mosquito, California

**Report on the Financial Statements**

We have audited the accompanying financial statements of Mosquito Fire Protection District, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mosquito Fire Protection District as of June 30, 2021, and the respective change in financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America, as well as the accounting systems prescribed by the State Controller's Office and State Regulations governing Special Districts.

## **Other Matters**

### *Required Supplementary Information*

Management has omitted the 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 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 the missing information.

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Robert W. Johnson, An Accounting Expert*

Citrus Heights, California  
December 17, 2021

MOSQUITO FIRE PROTECTION DISTRICT  
STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET  
June 30, 2021

ASSETS	General <u>Fund</u>	Development <u>Fees</u>	<u>Adjustments</u>	Statement of <u>Net Position</u>
Cash with County (Note 3)	\$ 603,460	\$ 18,883	\$ -	\$ 622,343
Accounts receivable	66,804	-	-	66,804
Prepays	-	-	-	-
Capital assets (Note 4)	-	-	797,266	797,266
Less, accumulated depreciation	<u>-</u>	<u>-</u>	<u>( 600,248)</u>	<u>( 600,248)</u>
Total assets	<u>\$ 670,264</u>	<u>\$ 18,883</u>	<u>\$ 197,018</u>	<u>\$ 886,165</u>
LIABILITIES				
Accounts payable	\$ 57,308	\$ -	\$ -	\$ 57,308
Salaries and benefits payable	60,194	-	-	60,194
Compensated absences	<u>2,646</u>	<u>-</u>	<u>-</u>	<u>2,646</u>
Total liabilities	<u>120,148</u>	<u>-</u>	<u>-</u>	<u>120,148</u>
FUND BALANCES/NET POSITION				
Fund balances (Note 5):				
Restricted	-	18,883	( 18,883)	-
Committed	290,813	-	( 290,813)	-
Unassigned	<u>259,303</u>	<u>-</u>	<u>( 259,303)</u>	<u>-</u>
Total fund balances	<u>550,116</u>	<u>18,883</u>	<u>( 568,999)</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 670,264</u>	<u>\$ 18,883</u>		
Net position (Note 5):				
Net investment in capital assets			197,018	197,018
Restricted			18,883	18,883
Unrestricted			<u>550,116</u>	<u>550,116</u>
Total net position			<u>\$ 766,017</u>	<u>\$ 766,017</u>

See notes to financial statements

MOSQUITO FIRE PROTECTION DISTRICT  
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
for the year ended June 30, 2021

	<u>General Fund</u>	<u>Development Fees</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Program expenditures/expenses:				
Services and supplies	\$ 266,539	\$ 10,018	\$ -	\$ 276,557
Salaries and benefits	1,052,459	-	-	1,052,459
Capital outlay	19,222	-	( 19,222)	-
Depreciation	<u>-</u>	<u>-</u>	<u>45,164</u>	<u>45,164</u>
Total program expenditures/expenses	<u>1,338,220</u>	<u>10,018</u>	<u>25,942</u>	<u>1,374,180</u>
Program revenues:				
Paid fire revenue	<u>967,312</u>	<u>-</u>	<u>-</u>	<u>967,312</u>
Total program revenues	<u>967,312</u>	<u>-</u>	<u>-</u>	<u>967,312</u>
General revenues:				
Taxes	351,953	-	-	351,953
Development fees	10,000	1,739	-	11,739
Interest	1,882	132	-	2,014
Grant	78,462	-	-	78,462
Other	<u>101,356</u>	<u>-</u>	<u>-</u>	<u>101,356</u>
Total general revenues	<u>543,653</u>	<u>1,871</u>	<u>-</u>	<u>545,524</u>
Excess of revenues (expenditures)/ change in net position	172,745	( 8,147)	( 25,942)	138,656
Fund balances:				
Beginning	<u>377,371</u>	<u>27,030</u>	<u>222,960</u>	<u>627,361</u>
Ending	<u>\$ 550,116</u>	<u>\$ 18,883</u>	<u>\$ 197,018</u>	<u>\$ 766,017</u>

See notes to financial statements

MOSQUITO FIRE PROTECTION DISTRICT  
STATEMENT OF REVENUES AND EXPENDITURES  
COMPARED TO BUDGET  
for the year ended June 30, 2021

	General Fund		
	<u>Budget</u>	<u>Actual</u>	Favorable/ (Unfavorable)
Revenues:			
General tax revenue	\$ 162,024	\$ 164,257	\$ 2,233
Special tax	188,000	187,696	( 304)
Development fees	10,000	10,000	-
Interest	3,280	1,882	( 1,398)
Other	<u>1,318,320</u>	<u>1,147,130</u>	<u>( 171,190)</u>
Total revenues	<u>1,681,624</u>	<u>1,510,965</u>	<u>( 170,659)</u>
Expenditures:			
Services and supplies	307,092	266,539	40,553
Salaries and benefits	1,138,249	1,052,459	85,790
Debt service	-	-	-
Contingencies	22,425	-	22,425
Capital outlay	<u>23,100</u>	<u>19,222</u>	<u>3,878</u>
Total expenditures	<u>1,490,866</u>	<u>1,338,220</u>	<u>152,646</u>
Excess revenues (expenditures)	<u>\$ 190,758</u>	<u>\$ 172,745</u>	<u>\$ ( 18,013)</u>

See notes to financial statements

Development Fees

<u>Budget</u>	<u>Actual</u>	<u>Favorable/ (Unfavorable)</u>
\$ -	\$ -	\$ -
-	-	-
-	1,739	1,739
-	132	132
-	-	-
<u>-</u>	<u>1,871</u>	<u>1,871</u>
-	10,018	10,018
-	-	-
-	-	-
-	-	-
<u>-</u>	<u>10,018</u>	<u>10,018</u>
<u>\$ -</u>	<u>\$ ( 8,147)</u>	<u>\$ ( 8,147)</u>



MOSQUITO FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
for the year ended June 30, 2021

1. Organization:

Mission Statement

The mission of Mosquito Fire Protection District (the "District") is to provide the people of the community the services that will protect life, save property, and ensure the public health and safety. This shall be done by providing the best possible methods of fire suppression and emergency medical services through the efficient use of personnel, equipment, training, prevention, and public education.

Board of Directors

The District's financial and administrative functions are governed by a five member Board of Directors elected by the voting population within the District.

2. Summary of Significant Accounting Policies:

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing GAAP for state and local government organizations. The District's significant accounting policies are described below.

Measurement Focus and Basis of Accounting

The District reports a *General Fund* that is used to account for all financial resources except those required or designated by the Board of Directors to be accounted for in another fund.

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 at the time liabilities are incurred, regardless of when the related cash flow takes place. Non-exchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

MOSQUITO FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
for the year ended June 30, 2021

2. Summary of Significant Accounting Policies, continued:

Measurement Focus and Basis of Accounting, continued

Governmental funds are 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. The District considers revenues to be available if they are collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues that are accrued include property taxes, interest income, and charges for current services. Revenues that are not accrued include permits and fines, forfeitures, and penalties, if applicable. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

General capital assets are reported as expenditures in governmental funds. Proceeds of general long-term and capital assets are reported as other financing sources.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

Capital Assets

Capital assets are recorded at historical cost if purchased or constructed. Amortization of assets acquired under capital lease is included in depreciation. Structures and equipment are depreciated using the straight-line method over their estimated useful lives.

Budgets

In accordance with the provisions of Sections 13901 through 13906 of the California Health & Safety Code and other statutory provisions, commonly known as the Budget Act, the District prepares and legally adopts a final budget for each fiscal year.

Cash

The District maintains cash balances with the Treasurer of El Dorado County in interest-bearing pooled investment accounts. Such cash deposits are fully collateralized by governmental securities pledged for the purpose of Public Deposit Collateral.

MOSQUITO FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
for the year ended June 30, 2021

2. Summary of Significant Accounting Policies, continued:

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 the 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 during the reporting period. Actual results may differ from those estimates.

Property Taxes

The District receives property taxes from El Dorado County. Property taxes become a lien on the first day of the year they are levied. Secured property tax is levied on July 1 and due in two installments, on November 1 and February 1. They become delinquent on December 10 and April 10, respectively. Unsecured property taxes are levied on July 1, and become delinquent on August 31. The District elected to receive the property taxes from the County under the Teeter Bill Program. Under this Program, the District receives 100% of the levied property taxes in periodic payments, with the County assuming responsibility for delinquencies.

Net Position

Net position is classified in the following categories:

Net Investment in capital assets – groups all capital assets, including infrastructure, 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 this category.

Restricted – presents external restrictions imposed by creditors, grantors, contributors or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted – represents the net position of the District, which are not restricted or invested in capital assets net of related debt.

MOSQUITO FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
for the year ended June 30, 2021

2. Summary of Significant Accounting Policies, continued:

Fund Balance

Fund balance is classified in the following categories:

Restricted – includes fund balance amounts that are subject to externally enforceable legal restrictions or constrained for a specific purpose by external parties, constitutional provisions or enabling legislation.

Committed – includes fund balance amount that can only be used for specific purposes pursuant to constraints imposed by the formal actions of the District’s Board of Directors.

Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed.

Unassigned – includes fund balance which has not been classified within the above mentioned categories.

3. Cash:

Cash with County consists of:

	Balance June 30, <u>2021</u>
General	\$ 603,460
Development fees	<u>18,883</u>
	<u>\$ 622,343</u>

MOSQUITO FIRE PROTECTION DISTRICT  
 NOTES TO FINANCIAL STATEMENTS, continued  
 for the year ended June 30, 2021

4. Capital Assets:

Changes in capital assets for the year ended June 30, 2021 are as follows:

	<u>Balance,</u> <u>7/1/20</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance,</u> <u>6/30/21</u>
Vehicles	\$ 620,480	\$ -	\$ 64,800	\$ 555,680
Buildings	180,762	-	-	180,762
Office furniture	8,929	-	-	8,929
Machinery and equipment	<u>57,673</u>	<u>19,222</u>	<u>25,000</u>	<u>51,895</u>
	<u>\$ 867,844</u>	<u>\$ 19,222</u>	<u>\$ 89,800</u>	<u>\$ 797,266</u>

MOSQUITO FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
for the year ended June 30, 2021

5. Equity:

General fund:

Total fund balances consist of:

Restricted for:

Developer fees reserve		\$ 18,883
------------------------	--	-----------

Committed for:

General reserve	\$ 148,771
Misc. reserve	141,542
Petty cash	<u>500</u>

290,813

Unassigned:

259,303

\$ 568,999

Statement of net position:

Total net position consist of:

Net investment in capital assets		\$ 197,018
----------------------------------	--	------------

Restricted:

Developer fees reserve		18,883
------------------------	--	--------

Unrestricted:

Board designated:	
General reserve	\$ 148,771
Misc. reserve	141,542
Petty cash	<u>500</u>

290,813

Undesignated:

	<u>259,303</u>	<u>550,116</u>
--	----------------	----------------

\$ 766,017

MOSQUITO FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
for the year ended June 30, 2021

6. Retirement Plan:

The District contributes to a Sep IRA on behalf of its permanent full-time employees. The contribution is equal to 9% of employee's annual salary. Contributions amounted to \$3,510 for 2021.

In addition, the District participates in the federal social security program.

7. Risk of Loss:

Mosquito Fire Protection District is exposed to various risks of loss related to theft of, damage to, and destruction of assets; and injuries to employees. During the 2021 fiscal year, the District purchased certain commercial insurance coverages to provide for these risks.

8. Subsequent Events:

Management has evaluated subsequent events through December 17, 2021, the date these June 30, 2021 financial statements were available to be issued.

9. Litigation:

Certain claims, suits and complaints arising in the ordinary course of operations have been filed or are pending against the District. The District's management estimate that any potential claims against the District from such litigation would not materially affect the operations or financial condition of the District.

MOSQUITO FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
for the year ended June 30, 2021

10. Grants:

The District participated in the following grants for the June 30, 2021 fiscal year.

The Safety Support Division (SSD) was created and deployed for fire season 2020. It consisted of 7 personnel with special certifications in fire incident management on Federal Incident Management Teams (IMT). Fire Season 2020 was extreme, setting records on numbers of incidents and large fires. In the course of deployments, there was a significant increase in salaries paid and reimbursement invoices from Cal OES in the fiscal year June 30, 2021. The program was not continued due to employment requirement changes in the California Fire Assistance Agreement (CFAA).

The FEMA SAFER Recruitment and Retention Grant (RR) was awarded in 2019 for \$698,618. It is a four-year grant for the purpose of recruiting, training and equipping volunteer firefighters to provide adequate additional staffing for the District. The grant provides money for specialized training, firefighter academies, EMT training, safety equipment, uniforms, stipend pay for shift coverage and response to emergencies. A one-year extension of the grant was approved by FEMA due to the pandemic.

The FEMA Assistance to Firefighters Grant (AFG), a 3-year grant, approved in 2018. There was a one-year Covid extension. The grant expires in March 2022. The grant amount is \$172,000 and provides various levels of training for firefighters, including paramedic school, EMT training and firefighter academy. For the paramedic portion of the grant, the District was able to receive reimbursement for filling back shifts of the employee who was in school. The District does not expect to use the entire allocation of the grant.

11. COVID-19:

In March 2020, the World Health Organization declared a global health pandemic of the Coronavirus Disease COVID-19. The District is committed to maintaining emergency services response and other essential services to Mosquito Fire Protection District. The ultimate disruption caused by the outbreak is uncertain; however, at this point there has been no adverse effects on the District's financial position and operations delivery, given the necessity of fire and emergency medical services to the community.



**SUPPLEMENTAL DATA**

MOSQUITO FIRE PROTECTION DISTRICT  
PRINCIPAL OFFICIALS

Board of Directors:

Connell Persico	President
James Young	Vice-President
Wayne Gregson	
Marie Uggla	
Jerry Pullin	

Staff:

Jack Rosevear	Fire Chief
Todd Hern	Division Chief
Leo Chaloux	Battalion Chief
Chris Dillender	Captain
Morgan Lugo	Captain
Sharlyn Fields	Admin. - District Board Clerk

MOSQUITO FIRE PROTECTION DISTRICT  
SCHEDULE OF EXPENDITURES  
COMPARED TO BUDGET  
GENERAL FUND  
for the year ended June 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Favorable/ (Unfavorable)</u>
Permanent employees	\$ 155,577	\$ 133,770	\$ 21,807
Temporary employees	109,482	136,203	( 26,721)
Overtime	-	471	( 471)
Other compensation	720,598	665,226	55,372
Retirement	4,867	3,510	1,357
Payroll taxes	98,275	77,325	20,950
Health insurance	21,450	15,074	6,376
Workers compensation	28,000	20,880	7,120
Flexible benefits	-	-	-
Fire turnouts	52,006	48,946	3,060
Uniforms	5,000	16,178	( 11,178)
Communications	9,000	9,704	( 704)
Food	260	32	228
Household	1,000	1,589	( 589)
Utilities	11,900	9,639	2,261
Insurance	14,840	13,825	1,015
Maintenance-equipment	4,100	2,129	1,971
Maintenance-vehicles	23,469	15,167	8,302
Maintenance-buildings/grounds	3,300	2,502	798
Medical supplies	8,500	5,385	3,115
Memberships	2,250	2,583	( 333)
Office	1,500	2,226	( 726)
Postage	390	254	136
Software	555	4,136	( 3,581)
Printing and subscriptions	200	1,111	( 911)
Prof. and specialized services	81,886	9,451	72,435
Audit and accounting	3,760	3,760	-
Legal	20,338	32,750	( 12,412)
Edc Dept. El Dorado County	3,150	350	2,800
Publication and legal notices	250	559	( 309)
Rent and lease: equip.	-	-	-

MOSQUITO FIRE PROTECTION DISTRICT  
 SCHEDULE OF EXPENDITURES, continued  
 COMPARED TO BUDGET  
 GENERAL FUND  
 for the year ended June 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Favorable/ (Unfavorable)</u>
Equip: small tools and instruments	\$ 3,210	\$ 3,459	\$( 249)
Special department	2,626	2,282	344
Educational materials	500	-	500
Fire and safety supplies	4,000	5,108	( 1,108)
Staff development	33,966	23,653	10,313
Transportation and travel	650	31,879	( 31,229)
Fuel purchases	14,486	13,201	1,285
Supplies	-	4,681	( 4,681)
Fixed assets	23,100	19,222	3,878
Contingencies	<u>22,425</u>	<u>-</u>	<u>22,425</u>
	<u>\$1,490,866</u>	<u>\$1,338,220</u>	<u>\$ 152,646</u>

