



**WHEATLAND FIRE AUTHORITY
BOARD OF DIRECTORS
REGULAR MEETING NOTICE**

NOTICE IS HEREBY GIVEN that the Chair of the Wheatland Fire Authority Board of Directors has called a regular meeting of the Board of Directors to be held on February 10, 2022, at 6:00 p.m. at the Wheatland Fire Authority Station No. 3, 4514 Dairy Road, Wheatland, California. Members of the public may address the Board of Directors concerning any item described below during the Board's consideration of that item. The Chair will invite public comment following Board discussion/deliberation of the item and, if applicable, before Board action.

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability related modification or accommodation to participate in this meeting, please contact Lisa Thomason, Secretary at 530-633-7356. Requests must be made as early as possible and at least one-full business day before the start of the meeting.

The following business shall be considered and transacted:

1. Call to order and roll call.
2. Pledge of Allegiance to the Flag.
3. At this time, the public is permitted to address the Board on non-agenized items. **COMMENTS SHOULD NOT EXCEED THREE (3) MINUTES.** In accordance with State Law, however, no action or discussion may take place on any item not appearing on the posted agenda. The Board may respond to statements made or questions asked or may request Staff to report back at a future meeting concerning the matter. Any member of the public may contact the Fire Chief's Office related to the proper procedure to place an item on a future Wheatland Fire Authority agenda. The exceptions under which the Board **MAY** discuss and/or act on items not appearing on the agenda are contained in Government Code §54954.2(b) (1) (2) (3).
4. Approve minutes from November 17, 2021.
5. Discission and Approval of 421 Financed Change.
6. Approval of Financial Report for 18-19, 19-20, 20-21 Fiscal Years
7. Reports.
8. Adjourn.



Wheatland Fire Authority

P.O. Box 119

313 Main Street

Wheatland, California 95692

Telephone (530) 633-0861 Fax (530) 633-8215 www.wheatlandfireauthority.com

Board Agenda Report

TO: Wheatland Fire Authority Board of Directors

FROM: Art Paquette, Fire Chief

DATE: 2-10-2022

SUBJECT: 421 Financed Changed

Recommendation: Direction with approval of Finical changed on Loan for #421

Background: To recap the original terms of the financing, we financed a total of \$245,000.00 (Original payment schedule attached). The total cost of the truck after pre-pay discounts was \$588,981.00, the Fire Authority made a down payment to the vendor of \$355,000.00 and we paid the remaining \$233,981.00, leaving \$11,019.00 in your escrow holding account which can be put toward the change orders if so desired.

Fiscal Impact: \$7,439.36

Attachments:4

Chief

From: Kristi Kirkman <kristikirkman@clpusa.net>
Sent: Wednesday, February 2, 2022 2:53 PM
To: Chief
Cc: Blake Kaus
Subject: Wheatland Fire Authority
Attachments: Wheatland - Payment Schedule.pdf; Schedule 2 - Sample Payment Schedule.pdf

Good Afternoon Chief Paquette,

I am assisting Blake in regards to the additional cost due to change orders on the Pierce Enforcer Pumper we financed for the Fire Authority.

To recap the original terms of the financing, we financed a total of \$245,000.00 (Original payment schedule attached). The total cost of the truck after pre-pay discounts was \$588,981.00, the Fire Authority made a down payment to the vendor of \$355,000.00 and we paid the remaining \$233,981.00, leaving \$11,019.00 in your escrow holding account which can be put toward the change orders if so desired.

The net amount of all change orders plus sales tax is \$18,458.36.

Using the \$11,019.00 from the escrow holding account would leave \$7,439.36 due.

The Fire Authority can pay the difference directly to the vendor or we can add a second schedule to the Master Equipment Lease Purchase Agreement.

Attached is a sample of the 2nd payment schedule. Should the board choose that option there would be additional Attachments and Exhibits to be signed by the board to add the second schedule.

If you have any questions please let us know.

Sincerely,

Kristi Kirkman

Documentation Associate
Community Leasing Partners
Division of Community First National Bank-Member FDIC

215 S. Seth Child Road
Manhattan, KS 66502
Phone: 888.777.7850
Fax: 888.777.7875

ATTACHMENT 2 PAYMENT SCHEDULE

RE: Schedule of Equipment No. 01, dated 7/1/2021, to Master Equipment Lease Purchase Agreement, dated as of 7/1/2021, between Community First National Bank, as Lessor, and Wheatland Fire Authority, as Lessee.

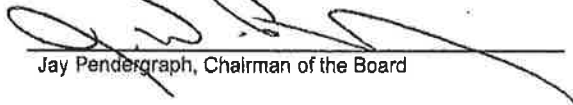
Lease Number: WHECA2021-07PBE

Amount Financed: \$245,000.00

AMORTIZATION SCHEDULE

Payment Number	Payment Date	Payment Amount	Interest Portion	Principal Portion	Purchase Option Price
1	7/1/2022	\$28,991.82	\$7,800.79	\$21,191.03	Not Available
2	7/1/2023	\$28,991.82	\$7,126.07	\$21,865.75	\$205,241.64
3	7/1/2024	\$28,991.82	\$6,429.87	\$22,561.95	\$181,996.59
4	7/1/2025	\$28,991.82	\$5,711.49	\$23,280.33	\$158,100.67
5	7/1/2026	\$28,991.82	\$4,970.25	\$24,021.57	\$133,535.67
6	7/1/2027	\$28,991.82	\$4,205.40	\$24,786.42	\$108,282.85
7	7/1/2028	\$28,991.82	\$3,416.20	\$25,575.62	\$82,322.95
8	7/1/2029	\$28,991.82	\$2,601.88	\$26,389.94	\$55,636.17
9	7/1/2030	\$28,991.82	\$1,761.62	\$27,230.20	\$28,202.16
10	7/1/2031	\$28,991.82	\$894.63	\$28,097.19	\$0.00
Grand Totals		\$289,918.20	\$44,918.20	\$245,000.00	

LESSEE:
Wheatland Fire Authority


 Jay Pendergraph, Chairman of the Board

**Wheatland Fire Authority -
Sample Total Payments for 2 Schedules**

Payment Number	Payment Date	Schedule 1	Schedule 2	Total Due
1	7/1/2022	\$28,991.82	\$864.41	\$29,856.23
2	7/1/2023	\$28,991.82	\$864.41	\$29,856.23
3	7/1/2024	\$28,991.82	\$864.41	\$29,856.23
4	7/1/2025	\$28,991.82	\$864.41	\$29,856.23
5	7/1/2026	\$28,991.82	\$864.41	\$29,856.23
6	7/1/2027	\$28,991.82	\$864.41	\$29,856.23
7	7/1/2028	\$28,991.82	\$864.41	\$29,856.23
8	7/1/2029	\$28,991.82	\$864.41	\$29,856.23
9	7/1/2030	\$28,991.82	\$864.41	\$29,856.23
10	7/1/2031	\$28,991.82	\$864.41	\$29,856.23

Sample Payment Schedule

Potential Schedule 2 - Additional Funds for Change Orders

Amount Financed: \$7,439.36

AMORTIZATION SCHEDULE

Payment Number	Payment Date	Payment Amount	Interest Portion	Principal Portion	Purchase Option Price
1	7/1/2022	\$864.41	\$98.04	\$766.37	Not Available
2	7/1/2023	\$864.41	\$212.47	\$651.94	\$6,119.41
3	7/1/2024	\$864.41	\$191.71	\$672.70	\$5,426.34
4	7/1/2025	\$864.41	\$170.29	\$694.12	\$4,713.87
5	7/1/2026	\$864.41	\$148.19	\$716.22	\$3,981.45
6	7/1/2027	\$864.41	\$125.39	\$739.02	\$3,228.52
7	7/1/2028	\$864.41	\$101.86	\$762.55	\$2,454.51
8	7/1/2029	\$864.41	\$77.58	\$786.83	\$1,658.83
9	7/1/2030	\$864.41	\$52.52	\$811.89	\$840.87
10	7/1/2031	\$864.41	\$26.69	\$837.72	\$0.00



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Board Agenda Report

TO: Wheatland Fire Authority Board of Directors

FROM: Art Paquette, Fire Chief

DATE: 2-10-2022

SUBJECT: Meeting Minute

Recommendation: Approval of Special Meeting Minute

Background: Due to cancel previous meetings we were not able to approve this minute.

Fiscal Impact: None

Attachments: 1



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MEETING MINUTES
WHEATLAND FIRE AUTHORITY
BOARD OF DIRECTORS
SPECIAL MEETING – NOVEMBER 17, 2021

This was a special meeting of the appointed Board of Director of the Wheatland Fire Authority held at 4514 Dairy Rd. Wheatland, CA (Station #3)

1.0 & 2.0 Call to order and roll call at 6:00 p.m.

Directors present: Jay Pendergraph, Bart Johnson, Martin Heatlie, Pamela Shelton

Also present: WFA Fire Chief Art Paquette, Bookkeeper Kathy Herbert

3.0 Public Comment – None.

4.0 Minutes - None

5.0 The Board of Directors discussed a loan to Wheatland Fire Authority in the amount of \$ 100,000.00 with an interest rate of 1.7%.

Meeting was suspended at 6:17pm to allow discussion by the Plumas Brophy Fire District that will authorize the loan.

Meeting was readjoined at 6:20pm

Motion was made by Board Member Pamela Shelton, Seconded by Chairman Jay Pendergraph to approve the loan agreement. **Vote called – AYES: All. Motion carried.**

There being no further business, the meeting adjourned at 6:20 p.m.

Minutes approved and adopted this ___ day of _____.

Prepared by Kathy A. Herbert

November 20, 2021



Wheatland Fire Authority

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Board Agenda Report

TO: Wheatland Fire Authority Board of Directors

FROM: Art Paquette, Fire Chief

DATE: 2-10-2022

SUBJECT: Final Audit Financial Report

Recommendation: Approval of Fiscal Year 18-19 Audit

Background: Due to cancel previous special meeting we were not able to approve this report.

Fiscal Impact: None

Attachments: 1



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Board Agenda Report

TO: Wheatland Fire Authority Board of Directors

FROM: Art Paquette, Fire Chief

DATE: 2-10-2022

SUBJECT: Final Audit Financial Report

Recommendation: Approval of Fiscal Year 19-20 Audit

Background: Due to cancel previous special meeting we were not able to approve this report.

Fiscal Impact: None

Attachments: 1



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Board Agenda Report

TO: Wheatland Fire Authority Board of Directors

FROM: Art Paquette, Fire Chief

DATE: 2-10-2022

SUBJECT: Final Audit Financial Report

Recommendation: Approval of Fiscal Year 20-21 Audit

Background: Due to cancel previous special meeting we were not able to approve this report.

Fiscal Impact: None

Attachments: 1

**WHEATLAND FIRE AUTHORITY
(A Joint Powers Authority)**

FINANCIAL REPORT

JUNE 30, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Governing Board of the
Wheatland Fire Authority
Wheatland, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Wheatland Fire Authority ("WFA", "the Entity") as of and for the fiscal year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise WFA'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. 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 entity'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 entity'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

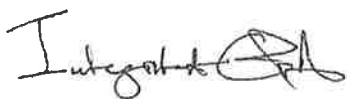
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund, as of June 30, 2019, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 17 be presented to supplement the basic financial statements. Such 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. We have applied certain limited procedures to the budgetary comparison information on page 17 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 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 this missing information.



Integritat Audit, Accounting & Advisory, LLC
Boca Raton, FL USA
November 3, 2021

WHEATLAND FIRE AUTHORITY
Statement of Net Position
as of June 30, 2019

	Governmental Activities
ASSETS	
Cash and cash equivalent	\$ 471,217
Accounts receivable	11,557
Prepaid expense	4,264
Due from related party	33,697
Capital assets (net of accumulated depreciation, \$854,765)	592,881
Total assets	\$ 1,113,616
LIABILITIES	
Accounts payable	\$ 55,454
Accrued liabilities	4,977
Payroll liabilities	11,666
Total liabilities	\$ 72,097
NET POSITION	
Invested in capital assets, net of related debt	\$ 592,881
Unrestricted	448,638
Total net position	\$ 1,041,519
Total liabilities and net position	\$ 1,113,616

The accompanying notes are an integral part of these financial statements

WHEATLAND FIRE AUTHORITY
Statement of Activities
For the Year Ended June 30, 2019

	Governmental Activities
Expenditures	
Fire safety and emergency services	\$ 674,375
Administrative and support services	116,254
Depreciation	86,364
Total program expenditures	\$ 876,993
PROGRAM REVENUES	
Funding from JPA members	\$ 297,725
Operating grants and contributions	439,107
Total program revenues	\$ 736,832
Net program revenue (expenditures)	\$ (140,161)
GENERAL REVENUES	
Property taxes	\$ 139,600
Investment earnings	281
Total general revenues	\$ 139,881
Decrease in net position	\$ (280)
Net position - beginning	\$ 1,047,645
Prior period adjustment	(5,846)
Net position - beginning, net prior period adjustment	\$ 1,041,799
Net position - ending	\$ 1,041,519

The accompanying notes are an integral part of these financial statements

WHEATLAND FIRE AUTHORITY
Balance Sheet - Governmental Funds
as of June 30, 2019

	General Fund	Mitigation Fund	Total
ASSETS			
Cash and cash equivalents	\$ 468,674	\$ 2,543	\$ 471,217
Accounts receivable - 60 days old or less	5,140	-	5,140
Prepaid expense	4,264	-	4,264
Due from related party	33,697	-	33,697
Total assets	\$ 511,775	\$ 2,543	\$ 514,318
LIABILITIES AND FUND BALANCE			
Accounts payable	\$ 55,454	\$ -	\$ 55,454
Accrued liabilities	4,977	-	4,977
Payroll liabilities	11,666	-	11,666
Total liabilities	\$ 72,097	\$ -	\$ 72,097
FUND BALANCE			
Unrestricted			
Assigned for capital replacements	\$ 187,195	-	\$ 187,195
Assigned for mitigation	-	2,543	2,543
Unassigned, net prior period adjustment	252,483	-	252,483
Total fund balance	\$ 439,678	\$ 2,543	\$ 442,221
Total liabilities and fund balance	\$ 511,775	\$ 2,543	\$ 514,318

The accompanying notes are an integral part of these financial statements

WHEATLAND FIRE AUTHORITY
Reconciliation of the Governmental Funds - Balance Sheet to the Statement of Net
Position
For the Year Ended June 30, 2019

Fund balance - governmental funds, net prior period adjustment	\$ 442,221
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Accounts receivable accrued in governmental activities that are 60 days or older.	6,417
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet.	<u>592,881</u>
Net position of governmental activities	<u>\$ 1,041,519</u>

The accompanying notes are an integral part of these financial statements

WHEATLAND FIRE AUTHORITY**Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds
For the Year Ended June 30, 2019**

	General Fund	Mitigation Fund	Total
REVENUES			
Direct assessments	\$ 133,183	\$ -	\$ 133,183
Donations	926	-	926
Funding from JPA members	297,725	-	297,725
Grants	10,000	-	10,000
Strike team reimbursement	339,505	-	339,505
Interest income	277	4	281
Other income	86,976	1,700	88,676
Total revenues	<u>\$ 868,592</u>	<u>\$ 1,704</u>	<u>\$ 870,296</u>
EXPENDITURES			
Fire safety and emergency services:	\$ 674,375	\$ -	\$ 674,375
Administrative and support:	116,144	110	116,254
Capital outlay	<u>\$ 11,944</u>	<u>\$ -</u>	<u>\$ 11,944</u>
Total expenditures	<u>\$ 802,463</u>	<u>\$ 110</u>	<u>\$ 802,573</u>
Net changes in fund balance	\$ 66,129	\$ 1,594	\$ 67,723
Fund balance - beginning	\$ 379,395	\$ 949	\$ 380,344
Prior period adjustment	<u>(5,846)</u>	<u>-</u>	<u>(5,846)</u>
Fund balance - beginning, net prior period adjustment	<u>\$ 373,549</u>	<u>\$ 949</u>	<u>\$ 374,498</u>
Fund balance - ending	<u>\$ 439,678</u>	<u>\$ 2,543</u>	<u>\$ 442,221</u>

The accompanying notes are an integral part of these financial statements

WHEATLAND FIRE AUTHORITY
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2019

Net change in fund balance - governmental funds	\$	67,723
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Revenues accrued in governmental activities but not collected in 60 days or less.		6,417
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense and allocate those costs over the lives of the assets.		11,944
Depreciation expense on capital assets is reported in the statement of activities, but it does not require the use of current financial resources		<u>(86,364)</u>
Decrease in net position of governmental activities	\$	<u>(280)</u>

The accompanying notes are an integral part of these financial statements

WHEATLAND FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 1. REPORTING ENTITY

Formation and present operations

Wheatland Fire Authority (“WFA”, “the Entity”) is a special purpose local government, established on January 1, 2006, under the California Health and Safety Code, in accordance with a Joint Power Agreement (“JP Agreement”). WFA was established to serve areas previously served by the Plumas-Brophy Fire District and the City of Wheatland (“JPA members”), the only members of the JP Agreement who have an obligation to be a primary funding source for the Entity. The purpose of WFA is to educate, mitigate and respond to fire and medical emergencies and disasters.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation and accounting

The Entity’s financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurement made regardless of the measurement focus applied.

Accrual - The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Modified accrual - The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. “Available” means collectible within the current period or within 60 days after year-end. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that payments for general obligation long-term liabilities are recognized when due.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

Management considered the need for including potential component units in the reporting entity by applying the criteria set forth in GASB 61 “The Financial Reporting Entity”. Management concluded that there are no component units that should be included in the reporting entity.

WHEATLAND FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 the activities of the primary government. Governmental activities, which normally are supported by taxes and other revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program cash receipts include 1) Charges to customers or applicants who purchase, use, or directly benefit from 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 (i.e., special assessments). Taxes and other revenues not included among program revenues are reported instead as general revenues.

Amounts reported as program revenues include 1) Charges to customers or applicants for goods, services, or privileges provided, 2) Operating grants and contributions, and 3) Capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

The government-wide "Statement of Activities" reports both the gross and net cost of each of the Entity's functions. The functions are supported by general government revenues (property taxes and intergovernmental revenues). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Operating grants include operating-specific and discretionary (either operating or capital) grants while capital grants reflect capital-specific grants.

The categories of governmental activities included in the statement of activities report expenses directly attributable to the functions indicated. The category "Operations" includes services for structural and wildland fire suppression, response to hazardous materials incidents, search and rescue, vehicle extrication and other emergency services. The category, "Organizational Support," includes all expenses (including those incurred in support of other activities) not directly chargeable to another activity.

The government-wide focus is more on the sustainability of WFA as an entity and the change in its net position resulting from the current year's activities.

Fund financial statements

The fund financial statements provide information about WFA's funds. WFA has a governmental fund comprised of two major funds as follows:

General fund

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

WHEATLAND FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Mitigation fund

This fund is setup to account for and provide funding for growth in service areas.

Net position

Net position is comprised of two categories: Net investment in capital assets and unrestricted net position. The first category reflects the portion of net position which is associated with non-liquid capital assets, less the outstanding debt related to these capital assets. Net position which is neither restricted nor related to capital assets is reported as unrestricted net position.

When both restricted and unrestricted resources are available for use, it is WFA's policy to use restricted resources first, then unrestricted resources as they are needed and in accordance with donor restrictions.

Fund Balance Classification

In the governmental fund financial statements, WFA reports fund balances based upon the type of restrictions imposed on the use of the funds. WFA has implemented GASB 54 which requires the entity to classify its fund balance into five possible categories: Nonspendable, Restricted, Committed, Assigned and Unassigned. WFA currently reports assigned fund balance for specified purposes and unassigned fund balance which is available for operations without any restrictions.

Budgetary information

In accordance with the JP agreement, prior to the commencement of each fiscal year the board of WFA shall adopt a budget for expenditures and revenues of the Entity for the ensuing fiscal year.

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 public support and revenue, and expenses during the reporting period. Actual results could differ from those estimates.

Concentrations and Credit Risk

Financial instruments, which potentially subject WFA to credit risk, consist principally of cash, cash equivalents and accounts receivable. Cash and cash equivalents are maintained with a financial institution in the USA that is credit worthy. WFA maintains principally all cash and cash equivalents with a bank insured up to \$250,000 by the Federal Deposit Insurance Corporation. WFA closely monitors economic and regulatory conditions as it relates to federally uninsured balances, to promptly mitigate risks. Approximately \$221,000 in deposits were held with a financial institution in excess of federally insured limits on June 30, 2019.

WHEATLAND FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

WFA had revenues from four funders which individually represented 10% or more of total revenue and in aggregate represented 78% of total revenues. It had accounts receivable balances due from two funders which individually represented 10% or more of the Entity's total accounts receivable and in aggregate represented 97% of total accounts receivable. The United States Department of Agriculture "USDA" is the only federal funder and contributed 8% of total revenues in the fiscal year which was \$71,393.

Capital grant revenues earned in the fiscal period total \$10,000 and were contributed by Yuba County for the purchase of water rescue equipment and training. During the fiscal year ended June 30, 2019, the Entity generated in revenues \$254,565 from leasing labor and fire engines to CalFire.

Investments and Fair Value Measurement

In accordance with GASB 72 'Fair Value Measurement' WFA categorizes financial instruments in a 'fair value hierarchy'. The hierarchy categorizes the inputs used in valuation techniques into three levels.

The hierarchy gives the highest priority to (unadjusted) quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The following are the three categories related to the fair value measurement of such assets or liabilities:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Inputs are derived principally from or corroborated by observable market data by correlation or other means ('market-corroborated inputs').
- Level 3 inputs are unobservable for the asset or liability. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

WFA has no financial instrument, assets or liabilities, requiring hierarchy classification and disclosure.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash in bank accounts and marketable securities with original maturity dates of 90 days or less. WFA held cash balance and cash equivalents at fiscal yearend.

WHEATLAND FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts receivable

Accounts receivables are recorded and carried at their net realizable values, which is the original amount of revenue earned less the allowance for potential uncollectible amounts determined. Accounts receivable determined to be uncollectible are directly written off by reducing the accounts receivable and incurring a bad debt expense. Accounts receivable determined to be potentially uncollectible are indirectly written off by allocating an allowance for bad debt as a contra balance to accounts receivable and incurring a bad debt expense. WFA evaluates the collectability of accounts receivable at the end of each reporting period and determines the appropriate write-off method. During the fiscal year ended June 30, 2019, there were no allocations for bad debt from indirect write-off and approximately \$10,400 in bad debt expense from direct write-offs of accounts receivable.

Capital assets

In the government-wide financial statements, capital assets (property, plant and equipment) are recorded at historical cost or at estimated historical cost if actual historical cost is not available.

Donated capital assets are valued at their estimated fair market value on the date of donation. Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation expense is provided over the assets' estimated useful lives using the straight-line method of depreciation. The estimated useful lives, by type of asset, are as follows:

Vehicles, machinery and equipment	5 to 20 years
Furniture	7 years
Software	3 years

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements including truck improvements, which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Upon sale of capital assets, the proceeds from sale of capital assets included in the results of operations as other financing sources.

NOTE 3. ACCOUNTS RECEIVABLE

WFA has certain have funding arrangements that entitles it to revenues from funders in the year, even if collections were not made. At June 30, 2019, \$6,416 of the accounts receivable balances was 90 days or older. Balances deemed uncollectible were directly written off. The reported accounts receivable balance is owed by 3 funders who have payment arrangements or a payment cycle that is regularly remitted as agreed and is not considered potentially uncollectible.

WHEATLAND FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 4. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2019, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Vehicles, machinery and equipment	\$ 1,433,669	\$ 11,944	\$ -	\$ 1,445,613
Furniture	770	-	-	770
Software	1,263	-	-	1,263
Total	<u>\$ 1,435,702</u>	<u>\$ 11,944</u>	<u>\$ -</u>	<u>\$ 1,447,646</u>
Less accumulated depreciation	<u>\$ (768,401)</u>	<u>\$ (86,364)</u>	<u>\$ -</u>	<u>\$ (854,765)</u>
Capital assets, net	<u>\$ 667,301</u>	<u>\$ (74,420)</u>	<u>\$ -</u>	<u>\$ 592,881</u>

NOTE 5. PAYROLL LIABILITIES

Payroll liabilities consist of period end accruals due to the June pay cycle ending prior to June 30, 2019.

NOTE 6. JOINT POWERS AGREEMENT

The Plumas-Brophy Fire District and the City of Wheatland are members (“JPA members”) to a JP Agreement dated January 1, 2006. Under this agreement the JPA members formed WFA and is obligated by this agreement to be a primary funding source for WFA to sustain its operations. In accordance with the JPA Agreement, WFA may be terminated if any of the following events occur: 1) The Plumas-Brophy Fire District or the City of Wheatland defaults on its contributions and the non-defaulting party terminates the agreement; 2) There is an unanimous written consent of the parties to terminate the agreement, expressed by a resolution of the governing board of each party; 3) Six months prior to date of termination, there is a written notice of termination issued from one JPA member to the other. There have been no actions or consideration to terminate WFA as of the date the financial statements were available to be issued.

NOTE 7. RELATED PARTY TRANSACTIONS

WFA has material transactions with Plumas-Brophy Fire Protection District and the City of Wheatland, which are related parties of the Entity. WFA was formed by these entities, is principally funded by these entities, and share management and personnel with the Plumas-Brophy Fire Protection District. During the fiscal year ended June 30, 2019, WFA earned \$148,167 and \$149,558 from Plumas-Brophy Fire Protection District and the City of Wheatland, respectively. No accounts receivable balances were owed to WFA by the Plumas-Brophy Fire Protection District or the City of Wheatland at June 30, 2019.

WHEATLAND FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 7. RELATED PARTY TRANSACTIONS (Continued)

WFA paid legal fees in the amount of \$61,647 on behalf of the Plumas-Brophy Fire Protection District during this fiscal year and had amounts due from Plumas-Brophy Fire Protection District which totaled \$33,697 on June 30, 2019. During the fiscal year there was a loss incurred in the amount of \$6,588 for forgiveness of amounts previously due from the Plumas-Brophy Fire Protection District for legal fee payments made on its behalf.

NOTE 8. COMMITMENTS AND CONTINGENCIES

WFA had no lease or rent obligations on June 30, 2019. Funding from government agencies and foundations require the fulfillment of certain conditions set forth in the arrangement. These funding obligations require specific supporting documentation to be maintained and fulfillment of certain services or conditions. Failure to fulfill the role set forth could result in the loss of funding. All obligations were met to generate related revenues.

From time to time, the Entity may be involved in litigation or disputes relating to claims arising from of its operations in the normal course of business. As of June 30, 2019, and on the date the financial statements were available to be issued, WFA was not involved in any litigation or disputes.

During 2019 WFA, Plumas-Brophy Fire Protection District and Olivehurst Public Utility District Board of Directors were party to a claim against Estom Yumeka Maidu Tribe of the Enterprise Rancheria, and the matter was settled in their favor on March 21, 2019. The Plumas-Brophy Fire Protection District and WFA decided all benefits from the settlement granted jointly to WFA and the Plumas-Brophy Fire Protection District would be disbursed only to the Plumas-Brophy Fire Protection District and all legal expenses remitted by WFA for the matter are to be reimbursed by the Plumas-Brophy Fire Protection District unless mutually determined as WFA's loss for debt forgiveness.

NOTE 9. SUBSEQUENT EVENTS

The Center for Disease Control and Prevention (CDC) confirmed on January 21, 2020, the first case of the 2019 Novel Coronavirus (COVID-19). The virus has caused global health and economic hardship, less travel and hinderances in trade. It has also led to increased health issues requiring more emergency response services from medical service providers. Pharmaceutical companies in collaboration with government regulators have developed and distributed vaccines with high efficacy rates that have reduced the impact of the pandemic. Unfortunately, variants of the virus have developed which have prolonged the pandemic's impact causing a long-term global health and economic crisis, making recovery slow though steady. The pandemic has led to an increase in medical emergency calls for WFA and additional funding from government and private sources to assist the Entity in providing these services.

Global warming is a world-wide concern that is worsening, resulting in more disastrous wildfires particularly in regions such as California

WHEATLAND FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 9. SUBSEQUENT EVENTS (Continued)

These conditions have increased the need for fire mitigation and rescue services and there has been an increase in funding principally from state and federal sources to support WFA in providing these services.

On September 21, 2021, the Plumas-Brophy District paid \$100,000 to Wheatland Fire Authority for a loan issued at an interest rate of 1.7%. As a primary funder of the Entity, the Plumas-Brophy District issued the loan to cover costs associated with responding to a wildfire as part of the lease arrangement with CalFire. The fire lasted 3 months and CalFire's payment policy is to remit payments to Wheatland Fire Authority for leasing its labor and equipment once the fire has been fully extinguished. Wheatland Fire Authority is to repay all principal and interest to PB once the balance is remitted by CalFire.

The financial statements do not include adjustments that may result from these conditions. In preparing the financial statements, Management has evaluated events and transactions for potential recognition or disclosure through November 3, 2021, the date the financial statements were available to be issued and determined that no additional items required disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

WHEATLAND FIRE AUTHORITY
 Required Supplementary Information
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2019

	Budget	Actual			Variance With
	Final	General Fund	Mitigation Fund	Total	Final Budget
REVENUES					
Direct Assessments	\$ 135,000	\$ 133,183	\$ -	\$ 133,183	\$ 1,817
Donations	-	926	-	926	(926)
Contract Joint Power Authority Funding	323,500	297,725	-	297,725	25,775
Gain on sale of assets	-	-	-	-	-
Grants	-	10,000	-	10,000	(10,000)
Strike team reimbursements	60,000	339,505	-	339,505	(279,505)
Interest income	-	277	4	281	(281)
Other income	75,500	86,976	1,700	88,676	(13,176)
Total revenues	<u>\$ 594,000</u>	<u>\$ 868,592</u>	<u>\$ 1,704</u>	<u>\$ 870,296</u>	<u>\$ (276,296)</u>
EXPENDITURES					
Fire safety and emergency services:					
Uniforms	\$ 10,000	\$ 9,394	\$ -	\$ 9,394	\$ 606
Salaries & wages	302,100	486,340	-	486,340	(184,240)
Strike team	-	-	-	-	-
Workers comp insurance	21,500	18,185	-	18,185	3,315
Operating supplies	19,800	30,075	-	30,075	(10,275)
Dispatch	8,400	12,889	-	12,889	(4,489)
Training	7,000	13,053	-	13,053	(6,053)
Small equipment	7,000	18,618	-	18,618	(11,618)
Building maintenance	-	390	-	390	(390)
Equipment maintenance	46,000	66,366	-	66,366	(20,366)
Fuel	15,750	19,065	-	19,065	(3,315)
	<u>\$ 437,550</u>	<u>\$ 674,375</u>	<u>\$ -</u>	<u>\$ 674,375</u>	<u>\$ (236,825)</u>
Administrative and support:					
Consultants	\$ 19,500	\$ 14,856	\$ -	\$ 14,856	\$ 4,644
Miscellaneous	4,000	3,383	110	3,493	507
Accounting	5,250	-	-	-	5,250
Legal	10,000	3,060	-	3,060	6,940
Utilities	15,800	14,022	-	14,022	1,778
Office expense	3,350	4,861	-	4,861	(1,511)
Building & grounds	37,000	41,223	-	41,223	(4,223)
Dues	6,700	6,415	-	6,415	285
Insurance	13,000	11,308	-	11,308	1,692
Loss on debt forgiveness	-	6,588	-	6,588	(6,588)
Bad debt	-	10,428	-	10,428	(10,428)
	<u>\$ 114,600</u>	<u>\$ 116,144</u>	<u>\$ 110</u>	<u>\$ 116,254</u>	<u>\$ (1,654)</u>
Debt service and capital:					
Capital Outlay	\$ -	\$ 11,944	\$ -	\$ 11,944	\$ (11,944)
Capital replacement fund	41,850	-	-	-	41,850
	<u>\$ 41,850</u>	<u>\$ 11,944</u>	<u>\$ -</u>	<u>\$ 11,944</u>	<u>\$ 29,906</u>
Total expenditures	<u>\$ 594,000</u>	<u>\$ 802,463</u>	<u>\$ 110</u>	<u>\$ 802,573</u>	<u>\$ (208,573)</u>
Net changes in fund balance	\$ -	\$ 66,129	\$ 1,594	\$ 67,723	\$ (67,723)
Fund balance - beginning	\$ 419,496	\$ 379,395	\$ 949	\$ 380,344	\$ 39,152
Prior period adjustment	-	(5,846)	-	(5,846)	5,846
Fund balance - beginning, net prior period adjustment	419,496	373,549	949	374,498	44,998
Fund balance - ending	<u>\$ 419,496</u>	<u>\$ 439,678</u>	<u>\$ 2,543</u>	<u>\$ 442,221</u>	<u>\$ (22,725)</u>

See accompanying independent auditor's report

WHEATLAND FIRE AUTHORITY
(A Joint Powers Authority)

FINANCIAL REPORT

JUNE 30, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Governing Board of the
Wheatland Fire Authority
Wheatland, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Wheatland Fire Authority ("WFA", "the Entity") as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise WFA'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. 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 entity'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 entity'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

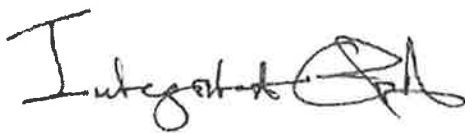
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund, as of June 30, 2020, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 17 be presented to supplement the basic financial statements. Such 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. We have applied certain limited procedures to the budgetary comparison information on page 17 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 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 this missing information.



Integritat Audit, Accounting & Advisory, LLC
Boca Raton, FL USA
November 3, 2021

WHEATLAND FIRE AUTHORITY
Statement of Net Position
as of June 30, 2020

		Governmental Activities
ASSETS		
Cash and cash equivalent	\$	320,873
Accounts receivable		18,669
Prepaid expense		4,488
Due from related party		33,697
Capital assets (net of accumulated depreciation, \$941,511)		556,197
Total assets	\$	933,924
 LIABILITIES		
Accounts payable	\$	42,631
Payroll liabilities		15,838
Total liabilities	\$	58,469
 NET POSITION		
Invested in capital assets, net of related debt	\$	556,197
Unrestricted		319,258
Total net position	\$	875,455
Total liabilities and net position	\$	933,924

The accompanying notes are an integral part of these financial statements

WHEATLAND FIRE AUTHORITY
Statement of Activities
For the Year Ended June 30, 2020

		Governmental Activities
Expenditures		
Fire safety and emergency services	\$	585,546
Administrative and support services		117,592
Depreciation		86,746
Total program expenditures	\$	789,884
 PROGRAM REVENUES		
Funding from JPA members	\$	309,584
Operating grants and contributions		161,816
Total program revenues	\$	471,400
Net program revenue (expenditures)	\$	(318,484)
 GENERAL REVENUES		
Property taxes	\$	152,020
Investment earnings		400
Total general revenues	\$	152,420
Decrease in net position	\$	(166,064)
Net position - beginning	\$	1,041,519
Net position - ending	\$	875,455

The accompanying notes are an integral part of these financial statements

WHEATLAND FIRE AUTHORITY
Balance Sheet - Governmental Funds
as of June 30, 2020

	General Fund	Mitigation Fund	Total
ASSETS			
Cash and cash equivalents	\$ 318,324	\$ 2,549	\$ 320,873
Accounts receivable - 60 days old or less	501	-	501
Prepaid expense	4,488	-	4,488
Due from related party	33,697	-	33,697
Total assets	\$ 357,010	\$ 2,549	\$ 359,559
LIABILITIES AND FUND BALANCE			
Accounts payable	\$ 42,631	\$ -	\$ 42,631
Payroll liabilities	15,838	-	15,838
Total liabilities	\$ 58,469	\$ -	\$ 58,469
FUND BALANCE			
Unrestricted			
Assigned for capital replacements	\$ 131,403		\$ 131,403
Assigned for mitigation		2,549	\$ 2,549
Unassigned	167,138		\$ 167,138
Total fund balance	\$ 298,541	\$ 2,549	\$ 301,090
Total liabilities and fund balance	\$ 357,010	\$ 2,549	\$ 359,559

The accompanying notes are an integral part of these financial statements

WHEATLAND FIRE AUTHORITY
Reconciliation of the Governmental Funds - Balance Sheet to the Statement of Net Position
For the Year Ended June 30, 2020

Fund balance - governmental funds, net prior period adjustment	\$	301,090
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Accounts receivable accrued in governmental activities that are 60 days or older.		18,168
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet.		<u>556,197</u>
Net position of governmental activities	\$	<u>875,455</u>

The accompanying notes are an integral part of these financial statements

WHEATLAND FIRE AUTHORITY

Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds
For the Year Ended June 30, 2020

	General Fund	Mitigation Fund	Total
REVENUES			
Direct assessments	\$ 146,751	\$ -	\$ 146,751
Donations	380	-	380
Funding from JPA members	296,685	-	296,685
Strike team reimbursement	122,140	-	122,140
Interest income	394	6	400
Other income	39,296	-	39,296
Total revenues	<u>\$ 605,646</u>	<u>\$ 6</u>	<u>\$ 605,652</u>
EXPENDITURES			
Fire safety and emergency services	\$ 585,546	\$ -	\$ 585,546
Administrative and support:	117,592	-	117,592
Capital outlay	<u>\$ 50,062</u>	<u>\$ -</u>	<u>\$ 50,062</u>
Total expenditures	<u>\$ 753,200</u>	<u>\$ -</u>	<u>\$ 753,200</u>
Net changes in fund balance	\$ (147,554)	\$ 6	\$ (147,548)
Fund balance - beginning	<u>\$ 446,095</u>	<u>\$ 2,543</u>	<u>\$ 448,638</u>
Fund balance - ending	<u>\$ 298,541</u>	<u>\$ 2,549</u>	<u>\$ 301,090</u>

The accompanying notes are an integral part of these financial statements

WHEATLAND FIRE AUTHORITY
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2020

Net change in fund balance - governmental funds	\$	(147,548)
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Revenues accrued in governmental activities but not collected in 60 days or less.		18,168
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense and allocate those costs over the lives of the assets.		50,062
Depreciation expense on capital assets is reported in the statement of activities, but it does not require the use of current financial resources		(86,746)
		(86,746)
Decrease in net position of governmental activities	\$	(166,064)

The accompanying notes are an integral part of these financial statements

WHEATLAND FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE 1. REPORTING ENTITY

Formation and present operations

Wheatland Fire Authority (“WFA”, “the Entity”) is a special purpose local government, established on January 1, 2006, under the California Health and Safety Code, in accordance with a Joint Power Agreement (“JP Agreement”). WFA was established to serve areas previously served by the Plumas-Brophy Fire District and the City of Wheatland (“JPA members”), the only members of the JP Agreement who have an obligation to be a primary funding source for the Entity. The purpose of WFA is to educate, mitigate and respond to fire and medical emergencies and disasters.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation and accounting

The Entity’s financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurement made regardless of the measurement focus applied.

Accrual - The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Modified accrual - The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. “Available” means collectible within the current period or within 60 days after year-end. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that payments for general obligation long-term liabilities are recognized when due.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

Management considered the need for including potential component units in the reporting entity by applying the criteria set forth in GASB 61 “The Financial Reporting Entity”. Management concluded that there are no component units that should be included in the reporting entity.

WHEATLAND FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 the activities of the primary government. Governmental activities, which normally are supported by taxes and other revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program cash receipts include 1) Charges to customers or applicants who purchase, use, or directly benefit from 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 (i.e., special assessments). Taxes and other revenues not included among program revenues are reported instead as general revenues.

Amounts reported as program revenues include 1) Charges to customers or applicants for goods, services, or privileges provided, 2) Operating grants and contributions, and 3) Capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

The government-wide “Statement of Activities” reports both the gross and net cost of each of the Entity’s functions. The functions are supported by general government revenues (property taxes and intergovernmental revenues). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Operating grants include operating-specific and discretionary (either operating or capital) grants while capital grants reflect capital-specific grants.

The categories of governmental activities included in the statement of activities report expenses directly attributable to the functions indicated. The category “Operations” includes services for structural and wildland fire suppression, response to hazardous materials incidents, search and rescue, vehicle extrication and other emergency services. The category, “Organizational Support,” includes all expenses (including those incurred in support of other activities) not directly chargeable to another activity.

The government-wide focus is more on the sustainability of WFA as an entity and the change in its net position resulting from the current year’s activities.

Fund financial statements

The fund financial statements provide information about WFA’s funds. WFA has a governmental fund comprised of two major funds as follows:

WHEATLAND FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

General fund

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

Mitigation fund

This fund is setup to account for and provide funding for growth in service areas.

Net position

Net position is comprised of two categories: Net investment in capital assets and unrestricted net position. The first category reflects the portion of net position which is associated with non-liquid capital assets, less the outstanding debt related to these capital assets. Net position which is neither restricted nor related to capital assets is reported as unrestricted net position.

When both restricted and unrestricted resources are available for use, it is WFA's policy to use restricted resources first, then unrestricted resources as they are needed and in accordance with donor restrictions.

Fund Balance Classification

In the governmental fund financial statements, WFA reports fund balances based upon the type of restrictions imposed on the use of the funds. WFA has implemented GASB 54 which requires the entity to classify its fund balance into five possible categories: Nonspendable, Restricted, Committed, Assigned and Unassigned. WFA currently reports assigned fund balance for specified purposes and unassigned fund balance which is available for operations without any restrictions.

Budgetary information

In accordance with the JP agreement, prior to the commencement of each fiscal year the board of WFA shall adopt a budget for expenditures and revenues of the Entity for the ensuing fiscal year.

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 public support and revenue, and expenses during the reporting period. Actual results could differ from those estimates.

Concentrations and Credit Risk

Financial instruments, which potentially subject WFA to credit risk, consist principally of cash, cash equivalents and accounts receivable. Cash and cash equivalents are maintained with a financial institution in the USA that is credit worthy. WFA maintains principally all cash and cash equivalents with a bank insured up to \$250,000 by the Federal Deposit Insurance Corporation.

WHEATLAND FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

WFA closely monitors economic and regulatory conditions as it relates to federally uninsured balances, to promptly mitigate risks. Approximately \$71,000 in deposits were held with a financial institution in excess of federally insured limits on June 30, 2020. WFA had revenues from four funders which individually represented 10% or more of total revenue and in aggregate represented 87% of total revenues. It had accounts receivable balances due from two funders which individually represented 10% or more of the Entity's total accounts receivable and in aggregate represented 100% of the Entity's total accounts receivable. The United States Department of Agriculture "USDA" is the only federal funder and contributed 2% of total revenues in the fiscal year which was \$13,405. Capital grant revenues earned in the fiscal period total \$19,500 and were contributed by Yuba County for the purchase of generators, water rescue equipment and training.

During the fiscal year ended June 30, 2020, the Entity generated in revenues \$87,646 from leasing labor and fire engines to CalFire.

Investments and Fair Value Measurement

In accordance with GASB 72 'Fair Value Measurement' WFA categorizes financial instruments in a 'fair value hierarchy'. The hierarchy categorizes the inputs used in valuation techniques into three levels.

The hierarchy gives the highest priority to (unadjusted) quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The following are the three categories related to the fair value measurement of such assets or liabilities:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Inputs are derived principally from or corroborated by observable market data by correlation or other means ('market-corroborated inputs').
- Level 3 inputs are unobservable for the asset or liability. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

WFA has no financial instrument, assets or liabilities, requiring hierarchy classification and disclosure.

WHEATLAND FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash in bank accounts and marketable securities with original maturity dates of 90 days or less. WFA held cash balance and cash equivalents at fiscal yearend.

Accounts receivable

Accounts receivables are recorded and carried at their net realizable values, which is the original amount of revenue earned less the allowance for potential uncollectible amounts determined. Accounts receivable determined to be uncollectible are directly written off by reducing the accounts receivable and incurring a bad debt expense.

Accounts receivable determined to be potentially uncollectible are indirectly written off by allocating an allowance for bad debt as a contra balance to accounts receivable and incurring a bad debt expense. WFA evaluates the collectability of accounts receivable at the end of each reporting period and determines the appropriate write-off method. During the fiscal year ended June 30, 2020, there were no allocations for bad debt from indirect write-off and \$15,819 in bad debt expense from direct write-offs of accounts receivable.

Capital assets

In the government-wide financial statements, capital assets (property, plant and equipment) are recorded at historical cost or at estimated historical cost if actual historical cost is not available.

Donated capital assets are valued at their estimated fair market value on the date of donation. Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation expense is provided over the assets' estimated useful lives using the straight-line method of depreciation. The estimated useful lives, by type of asset, are as follows:

Vehicles, machinery and equipment	5 to 20 years
Furniture	7 years
Software	3 years

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements including truck improvements, which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Upon sale of capital assets, the proceeds from sale of capital assets included in the results of operations as other financing sources.

WHEATLAND FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE 3. ACCOUNTS RECEIVABLE

WFA has certain have funding arrangements that entitles it to revenues from funders in the year, even if collections were not made. At June 30, 2020, \$18,168 of the accounts receivable balances was principally 90 days or older. Balances deemed uncollectible were directly written off. The reported accounts receivable balance is owed by 2 funders who have payment arrangements or a payment cycle that is regularly remitted as agreed and is not considered potentially uncollectible.

NOTE 4. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2020, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Vehicles, machinery and equipment	\$ 1,445,613	\$ 50,062	\$ -	\$ 1,495,675
Furniture	770	-	-	770
Software	1,263	-	-	1,263
Total	<u>\$ 1,447,646</u>	<u>\$ 50,062</u>	<u>\$ -</u>	<u>\$ 1,497,708</u>
Less accumulated depreciation	<u>\$ (854,765)</u>	<u>\$ (86,746)</u>	<u>\$ -</u>	<u>\$ (941,511)</u>
Capital assets, net	<u>\$ 592,881</u>	<u>\$ (36,684)</u>	<u>\$ -</u>	<u>\$ 556,197</u>

NOTE 5. PAYROLL LIABILITIES

Payroll liabilities consist of period end accruals due to the June pay cycle ending prior to June 30, 2020.

NOTE 6. JOINT POWERS AGREEMENT

The Plumas-Brophy Fire District and the City of Wheatland are members (“JPA members”) to a JP Agreement dated January 1, 2006. Under this agreement the JPA members formed WFA and is obligated by this agreement to be a primary funding source for WFA to sustain its operations. In accordance with the JPA Agreement, WFA may be terminated if any of the following events occur: 1) The Plumas-Brophy Fire District or the City of Wheatland defaults on its contributions and the non-defaulting party terminates the agreement; 2) There is an unanimous written consent of the parties to terminate the agreement, expressed by a resolution of the governing board of each party; 3) Six months prior to date of termination, there is a written notice of termination issued from one JPA member to the other. There have been no actions or consideration to terminate WFA as of the date the financial statements were available to be issued.

WHEATLAND FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE 7. RELATED PARTY TRANSACTIONS

WFA has material transactions with the Plumas-Brophy Fire Protection District and the City of Wheatland, which are related parties of the Entity. WFA was formed by these entities, is principally funded by these entities, and share management and personnel with Plumas Brophy Fire Protection District. During the fiscal year ended June 30, 2020, WFA earned \$154,792 from each of its JPA members. A \$12,899 account receivable balance was owed to WFA by the Plumas-Brophy Fire Protection District and no accounts receivable was owed to WFA by the City of Wheatland.

WFA paid legal fees in the amount of \$8,094 on behalf of the Plumas-Brophy Fire Protection District during the fiscal year and had amounts due from the Plumas-Brophy which totaled \$33,697 on June 30, 2020. During the fiscal year there was a loss incurred in the amount of \$8,094 for forgiveness of amounts previously due from the Plumas-Brophy for legal fee payments made on its behalf.

NOTE 8. COMMITMENTS AND CONTINGENCIES

WFA had no lease or rent obligations on June 30, 2020. Funding from government agencies and foundations require the fulfilment of certain conditions set forth in the arrangement. These funding obligations require specific supporting documentation to be maintained and fulfilment of certain services or conditions. Failure to fulfil the role set forth could result in the loss of funding. All obligations were met to generate related revenues.

From time to time, the Entity may be involved in litigation or disputes relating to claims arising from of its operations in the normal course of business. As of June 30, 2020, and on the date the financial statements were available to be issued, WFA was not involved in any litigation or disputes.

During 2019 WFA, the Plumas-Brophy Fire Protection District and Olivehurst Public Utility District Board of Directors were party to a claim against Estom Yumeka Maidu Tribe of the Enterprise Rancheria, and the matter was settled in their favor on March 21, 2019. The Plumas-Brophy Fire Protection District and WFA decided all benefits granted jointly to WFA and the Plumas-Brophy Fire Protection District from the settlement would be disbursed only to the Plumas-Brophy Fire Protection District and all legal expenses remitted by WFA for the matter are to be reimbursed by the Plumas-Brophy Fire Protection District unless determined as a loss for debt forgiveness.

NOTE 9. SUBSEQUENT EVENTS

The Center for Disease Control and Prevention (CDC) confirmed on January 21, 2020, the first case of the 2019 Novel Coronavirus (COVID-19). The virus has caused global health and economic hardship, less travel and hinderances in trade. It has also led to increased health issues requiring more emergency response services from medical service providers. Pharmaceutical companies in collaboration with government regulators have developed and distributed vaccines with high efficacy rates that have reduced the impact of the pandemic.

WHEATLAND FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE 9. SUBSEQUENT EVENTS (Continued)

Unfortunately, variants of the virus have developed which have prolonged the pandemic's impact causing a long-term global health and economic crisis, making recovery slow though steady. The pandemic has led to an increase in medical emergency calls for WFA and additional funding from government and private sources to assist the Entity in providing these services.

Global warming is a world-wide concern that is worsening, resulting in more disastrous wildfires particularly in regions such as California. These conditions have increased the need for fire mitigation and rescue services and there has been an increase in funding principally from state and federal sources to support WFA in providing these services.

On September 21, 2021, the Plumas-Brophy District paid \$100,000 to Wheatland Fire Authority for a loan issued at an interest rate of 1.7%. As a primary funder of the Entity, the Plumas-Brophy District issued the loan to cover costs associated with responding to a wildfire as part of the lease arrangement with CalFire. The fire lasted 3 months and CalFire's payment policy is to remit payments to Wheatland Fire Authority for leasing its labor and equipment once the fire has been fully extinguished. Wheatland Fire Authority is to repay all principal and interest to PB once the balance is remitted by CalFire.

The financial statements do not include adjustments that may result from these conditions. In preparing the financial statements, Management has evaluated events and transactions for potential recognition or disclosure through November 3, 2021, the date the financial statements were available to be issued and determined that no additional items required disclosure

REQUIRED SUPPLEMENTARY INFORMATION

WHEATLAND FIRE AUTHORITY
 Required Supplementary Information
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2020

	Budget	Actual		Variance With Final Budget	
	Final	General Fund	Mitigation Fund		Total
REVENUES					
Direct Assessments	\$ 153,000	\$ 146,751	\$ -	\$ 146,751	\$ 6,249
Donations	-	380	-	380	(380)
Contract Joint Power Authority Funding	279,792	296,685	-	296,685	(16,893)
Strike team reimbursements	57,400	122,140	-	122,140	(64,740)
Interest income	-	394	6	400	(400)
Other income	175,000	39,296	-	39,296	135,704
Total revenues	<u>\$ 665,192</u>	<u>\$ 605,646</u>	<u>\$ 6</u>	<u>\$ 605,652</u>	<u>\$ 59,540</u>
EXPENDITURES					
Fire safety and emergency services:					
Uniforms	\$ 10,000	\$ 17,587	\$ -	\$ 17,587	\$ (7,587)
Salaries & wages	373,139	385,040	-	385,040	(11,901)
Workers comp insurance	27,000	22,731	-	22,731	4,269
Operating supplies	21,000	22,641	-	22,641	(1,641)
Dispatch	10,000	4,977	-	4,977	5,023
Training	10,000	14,754	-	14,754	(4,754)
Small equipment	10,000	18,322	-	18,322	(8,322)
Equipment maintenance	58,000	76,562	-	76,562	(18,562)
Fuel	20,750	22,932	-	22,932	(2,182)
	<u>\$ 539,889</u>	<u>\$ 585,546</u>	<u>\$ -</u>	<u>\$ 585,546</u>	<u>\$ (45,657)</u>
Administrative and support:					
Consultants	\$ 16,000	\$ 11,742	\$ -	\$ 11,742	\$ 4,258
Miscellaneous	5,600	7,562	-	7,562	(1,962)
Accounting	5,250	5,009	-	5,009	241
Legal	10,000	5,327	-	5,327	4,673
Utilities	19,308	17,306	-	17,306	2,002
Office expense	6,350	4,062	-	4,062	2,288
Building & grounds	37,000	19,985	-	19,985	17,015
Dues	6,000	6,183	-	6,183	(183)
Insurance	13,000	16,503	-	16,503	(3,503)
Loss on debt forgiveness	-	8,094	-	8,094	(8,094)
Bad debt	-	15,819	-	15,819	(15,819)
	<u>\$ 118,508</u>	<u>\$ 117,592</u>	<u>\$ -</u>	<u>\$ 117,592</u>	<u>\$ 916</u>
Debt service and capital:					
Capital Outlay	\$ -	\$ 50,062	\$ -	\$ 50,062	\$ (50,062)
Capital replacement fund	58,000	-	-	-	58,000
	<u>\$ 58,000</u>	<u>\$ 50,062</u>	<u>\$ -</u>	<u>\$ 50,062</u>	<u>\$ 7,938</u>
Total expenditures	<u>\$ 716,397</u>	<u>\$ 753,200</u>	<u>\$ -</u>	<u>\$ 753,200</u>	<u>\$ (36,803)</u>
Net changes in fund balance	\$ (51,205)	\$ (147,554)	\$ 6	\$ (147,548)	\$ 96,343
Fund balance - beginning	<u>\$ 419,496</u>	<u>\$ 446,095</u>	<u>\$ 2,543</u>	<u>\$ 448,638</u>	<u>\$ (29,142)</u>
Fund balance - ending	<u>\$ 368,291</u>	<u>\$ 298,541</u>	<u>\$ 2,549</u>	<u>\$ 301,090</u>	<u>\$ 67,201</u>

See accompanying independent auditors' report

**WHEATLAND FIRE AUTHORITY
(A Joint Powers Authority)**

FINANCIAL REPORT

JUNE 30, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Governing Board of the
Wheatland Fire Authority
Wheatland, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Wheatland Fire Authority ("WFA", "the Entity") as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise WFA'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. 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 entity'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 entity'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

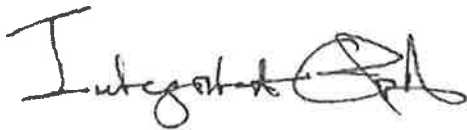
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund, as of June 30, 2021, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 17 be presented to supplement the basic financial statements. Such 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. We have applied certain limited procedures to the budgetary comparison information on page 17 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 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 this missing information.



Integritat Audit, Accounting & Advisory, LLC
Boca Raton, FL USA
November 3, 2021

WHEATLAND FIRE AUTHORITY
Statement of Net Position
as of June 30, 2021

		Governmental Activities
ASSETS		
Cash and cash equivalent	\$	349,198
Accounts receivable		6,352
Other receivables		3,068
Prepaid expense		4,948
Capital assets (net of accumulated depreciation, \$1,024,716)		472,992
Total assets	\$	836,558
LIABILITIES		
Accounts payable	\$	20,953
Payroll liabilities		20,073
Total liabilities	\$	41,026
NET POSITION		
Invested in capital assets, net of related debt	\$	472,992
Unrestricted		322,540
Total net position	\$	795,532
Total liabilities and net position	\$	836,558

The accompanying notes are an integral part of these financial statements

WHEATLAND FIRE AUTHORITY
Statement of Activities
For the Year Ended June 30, 2021

		Governmental Activities
Expenditures		
Fire safety and emergency services	\$	839,979
Administrative and support services		99,029
Depreciation		83,205
Total program expenditures	\$	1,022,213
 PROGRAM REVENUES		
Funding from JPA members	\$	367,790
Operating grants and contributions		454,226
Total program revenues	\$	822,016
 Net program revenue (expenditures)	\$	(200,197)
 GENERAL REVENUES		
Property taxes	\$	89,426
Investment earnings		44
Total general revenues	\$	89,470
 Decrease in net position	\$	(110,727)
 Net position - beginning	\$	875,455
Prior period adjustment		30,804
Net position - beginning, net prior period adjustment	\$	906,259
 Net position - ending	\$	795,532

The accompanying notes are an integral part of these financial statements

WHEATLAND FIRE AUTHORITY
Balance Sheet - Governmental Funds
as of June 30, 2021

	General Fund	Mitigation Fund	Total
ASSETS			
Cash and cash equivalents	\$ 346,647	\$ 2,551	\$ 349,198
Accounts receivable - 60 days old or less	5,853	-	5,853
Prepaid expense	4,948	-	4,948
Total assets	\$ 357,448	\$ 2,551	\$ 359,999
LIABILITIES AND FUND BALANCE			
Accounts payable	\$ 20,953	\$ -	\$ 20,953
Payroll liabilities	20,073	-	20,073
Total liabilities	\$ 41,026	\$ -	\$ 41,026
FUND BALANCE			
Unrestricted			
Assigned for capital replacements	\$ 126,734		\$ 126,734
Assigned for mitigation		2,551	\$ 2,551
Unassigned	192,756		\$ 192,756
Total fund balance	\$ 319,490	\$ 2,551	\$ 322,041
Total liabilities and fund balance	\$ 360,516	\$ 2,551	\$ 363,067

The accompanying notes are an integral part of these financial statements

WHEATLAND FIRE AUTHORITY
Reconciliation of the Governmental Funds - Balance Sheet to the Statement of Net Position
For the Year Ended June 30, 2021

Fund balance - governmental funds, net prior period adjustment	\$	322,041
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Accounts receivable accrued in governmental activities that are 60 days or older.		499
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet.		<u>472,992</u>
Net position of governmental activities	\$	<u>795,532</u>

The accompanying notes are an integral part of these financial statements

WHEATLAND FIRE AUTHORITY

Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds

For the Year Ended June 30, 2021

	General Fund	Mitigation Fund	Total
REVENUES			
Direct assessments	\$ 88,927	\$ -	\$ 88,927
Donations	6,880	-	6,880
Funding from JPA members	314,516	-	314,516
Strike team reimbursement	422,507	-	422,507
Mitigation fee	53,274	-	53,274
Gain on sale of assets	6,534	-	6,534
Interest income	42	2	44
Other income	18,305	-	18,305
Total revenues	<u>\$ 910,985</u>	<u>\$ 2</u>	<u>\$ 910,987</u>
EXPENDITURES			
Fire safety and emergency services	\$ 839,979	\$ -	\$ 839,979
Administrative and support:	99,029	-	99,029
Total expenditures	<u>\$ 939,008</u>	<u>\$ -</u>	<u>\$ 939,008</u>
Net changes in fund balance	\$ (28,023)	\$ 2	\$ (28,021)
Fund balance - beginning	\$ 316,709	\$ 2,549	\$ 319,258
Prior period adjustment	30,804	-	30,804
Fund balance - beginning, net prior period adjustment	<u>\$ 347,513</u>	<u>\$ 2,549</u>	<u>\$ 350,062</u>
Fund balance - ending	<u>\$ 319,490</u>	<u>\$ 2,551</u>	<u>\$ 322,041</u>

The accompanying notes are an integral part of these financial statements

WHEATLAND FIRE AUTHORITY
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2021

Net change in fund balance - governmental funds	\$	(28,021)
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Revenues accrued in governmental activities but not collected in 60 days or less.		499
Depreciation expense on capital assets is reported in the statement of activities, but it does not require the use of current financial resources		(83,205)
Decrease in net position of governmental activities	\$	(110,727)

The accompanying notes are an integral part of these financial statements

WHEATLAND FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1. REPORTING ENTITY

Formation and present operations

Wheatland Fire Authority (“WFA”, “the Entity”) is a special purpose local government, established on January 1, 2006, under the California Health and Safety Code, in accordance with a Joint Power Agreement (“JP Agreement”). WFA was established to serve areas previously served by the Plumas Brophy Fire District and the City of Wheatland (“JPA members”), the only members of the JP Agreement who have an obligation to be a primary funding source for the Entity. The purpose of WFA is to educate, mitigate and respond to fire and medical emergencies and disasters.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation and accounting

The Entity’s financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurement made regardless of the measurement focus applied.

Accrual - The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Modified accrual - The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. “Available” means collectible within the current period or within 60 days after year-end. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that payments for general obligation long-term liabilities are recognized when due.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

Management considered the need for including potential component units in the reporting entity by applying the criteria set forth in GASB 61 “The Financial Reporting Entity”. Management concluded that there are no component units that should be included in the reporting entity.

WHEATLAND FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 the activities of the primary government. Governmental activities, which normally are supported by taxes and other revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program cash receipts include 1) Charges to customers or applicants who purchase, use, or directly benefit from 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 (i.e., special assessments). Taxes and other revenues not included among program revenues are reported instead as general revenues.

Amounts reported as program revenues include 1) Charges to customers or applicants for goods, services, or privileges provided, 2) Operating grants and contributions, and 3) Capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

The government-wide “Statement of Activities” reports both the gross and net cost of each of the Entity’s functions. The functions are supported by general government revenues (property taxes and intergovernmental revenues). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Operating grants include operating-specific and discretionary (either operating or capital) grants while capital grants reflect capital-specific grants.

The categories of governmental activities included in the statement of activities report expenses directly attributable to the functions indicated. The category “Operations” includes services for structural and wildland fire suppression, response to hazardous materials incidents, search and rescue, vehicle extrication and other emergency services. The category, “Organizational Support,” includes all expenses (including those incurred in support of other activities) not directly chargeable to another activity.

The government-wide focus is more on the sustainability of WFA as an entity and the change in its net position resulting from the current year’s activities.

Fund financial statements

The fund financial statements provide information about WFA’s funds. WFA has a governmental fund comprised of two major funds as follows:

WHEATLAND FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

General fund

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

Mitigation fund

This fund is setup to account for and provide funding for growth in service areas.

Net position

Net position is comprised of two categories: Net investment in capital assets and unrestricted net position. The first category reflects the portion of net position which is associated with non-liquid capital assets, less the outstanding debt related to these capital assets. Net position which is neither restricted nor related to capital assets is reported as unrestricted net position.

When both restricted and unrestricted resources are available for use, it is WFA's policy to use restricted resources first, then unrestricted resources as they are needed and in accordance with donor restrictions.

Fund balance classification

In the governmental fund financial statements, WFA reports fund balances based upon the type of restrictions imposed on the use of the funds. WFA has implemented GASB 54 which requires the entity to classify its fund balance into five possible categories: Nonspendable, Restricted, Committed, Assigned and Unassigned. WFA currently reports assigned fund balance for specified purposes and unassigned fund balance which is available for operations without any restrictions.

Budgetary information

In accordance with the JP agreement, prior to the commencement of each fiscal year the board of WFA shall adopt a budget for expenditures and revenues of the Entity for the ensuing fiscal year.

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 public support and revenue, and expenses during the reporting period. Actual results could differ from those estimates.

Concentrations and Credit Risk

Financial instruments, which potentially subject WFA to credit risk, consist principally of cash, cash equivalents and accounts receivable. Cash and cash equivalents are maintained with a financial institution in the USA that is credit worthy. WFA maintains principally all cash and cash equivalents with a bank insured up to \$250,000 by the Federal Deposit Insurance Corporation.

WHEATLAND FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

WFA closely monitors economic and regulatory conditions as it relates to federally uninsured balances, to promptly mitigate risks. Approximately \$100,000 in deposits were held with a financial institution in excess of federally insured limits on June 30, 2021.

WFA had revenues from 4 funders which individually represented 10% or more of total revenue and in aggregate represented 92% of total revenues. It had accounts receivable balances due from two funders which individually represented 10% or more of the Entity's total accounts receivable and in aggregate represented 92% of the Entity's total accounts receivable. The United States Department of Agriculture "USDA" is the only federal funder and contributed 3% of total revenues in the fiscal year which was \$ \$30,562. Capital grant revenues earned in the fiscal period total \$7,343 and were contributed by Yuba County for the purchase of radios.

During the fiscal year ended June 30, 2021, the Entity generated in revenues \$ \$391,945 from leasing labor and fire engines to CalFire.

Investments and Fair Value Measurement

In accordance with GASB 72 'Fair Value Measurement' WFA categorizes financial instruments in a 'fair value hierarchy'. The hierarchy categorizes the inputs used in valuation techniques into three levels.

The hierarchy gives the highest priority to (unadjusted) quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The following are the three categories related to the fair value measurement of such assets or liabilities:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Inputs are derived principally from or corroborated by observable market data by correlation or other means ('market-corroborated inputs').
- Level 3 inputs are unobservable for the asset or liability. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

WFA has no financial instrument, assets or liabilities, requiring hierarchy classification and disclosure.

WHEATLAND FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash in bank accounts and marketable securities with original maturity dates of 90 days or less. WFA held cash balance and cash equivalents at fiscal yearend.

Accounts receivable

Accounts receivables are recorded and carried at their net realizable values, which is the original amount of revenue earned less the allowance for potential uncollectible amounts determined. Accounts receivable determined to be uncollectible are directly written off by reducing the accounts receivable and incurring a bad debt expense.

Accounts receivable determined to be potentially uncollectible are indirectly written off by allocating an allowance for bad debt as a contra balance to accounts receivable and incurring a bad debt expense. WFA evaluates the collectability of accounts receivable at the end of each reporting period and determines the appropriate write-off method. During the fiscal year ended June 30, 2021, there were no allocations for bad debt from indirect write-off direct write-offs of accounts receivable.

Capital assets

In the government-wide financial statements, capital assets (property, plant and equipment) are recorded at historical cost or at estimated historical cost if actual historical cost is not available.

Donated capital assets are valued at their estimated fair market value on the date of donation. Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation expense is provided over the assets' estimated useful lives using the straight-line method of depreciation. The estimated useful lives, by type of asset, are as follows:

Vehicles, machinery and equipment	5 to 20 years
Furniture	7 years
Software	3 years

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements including truck improvements, which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Upon sale of capital assets, the proceeds from sale of capital assets included in the results of operations as other financing sources.

**WHEATLAND FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 3. ACCOUNTS RECEIVABLE

WFA has certain have funding arrangements that entitles it to revenues from funders in the year, even if collections were not made. At June 30, 2021, \$499 of the accounts receivable balances was 90 days or older. Balances deemed uncollectible were directly written off. The reported accounts receivable balance is owed by 5 funders who have payment arrangements or a payment cycle that is regularly remitted as agreed and is not considered potentially uncollectible.

NOTE 4. CAPITAL ASSETS

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

	Beginning Balance	Additions	Deletions	Ending Balance
Vehicles, machinery and equipment	\$ 1,495,675	\$ -	\$ -	\$ 1,495,675
Furniture	770	-	-	770
Software	1,263	-	-	1,263
Total	<u>\$ 1,497,708</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,497,708</u>
Less accumulated depreciation	<u>\$ (941,511)</u>	<u>\$ (83,205)</u>	<u>\$ -</u>	<u>\$ (1,024,716)</u>
Capital assets, net	<u>\$ 556,197</u>	<u>\$ (83,205)</u>	<u>\$ -</u>	<u>\$ 472,992</u>

NOTE 5. PAYROLL LIABILITIES

Payroll liabilities consist of period end accruals due to the last June pay cycle ending prior to June 30, 2021.

NOTE 6. JOINT POWERS AGREEMENT

The Plumas-Brophy Fire District and the City of Wheatland are members (“JPA members”) to a JP Agreement dated January 1, 2006. Under this agreement the JPA members formed WFA and is obligated by this agreement to be a primary funding source for WFA to sustain its operations. In accordance with the JPA Agreement, WFA may be terminated if any of the following events occur: 1) The Plumas-Brophy Fire District or the City of Wheatland defaults on its contributions and the non-defaulting party terminates the agreement; 2) There is an unanimous written consent of the parties to terminate the agreement, expressed by a resolution of the governing board of each party; 3) Six months prior to date of termination, there is a written notice of termination issued from one JPA member to the other. There have been no actions or consideration to terminate WFA as of the date the financial statements were available to be issued.

WHEATLAND FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 7. RELATED PARTY TRANSACTIONS

WFA has material transactions with Plumas-Brophy Fire Protection District and the City of Wheatland, which are related parties of the Entity. WFA was formed by these entities, is principally funded by these entities, and share management and personnel with the Plumas-Brophy Fire Protection District. During the fiscal year ended June 30, 2021, WFA earned \$ 154,306 and \$160,210 from the Plumas-Brophy Fire Protection District and the City of Wheatland, respectively. No account receivable balances were owed to WFA by Plumas Brophy Fire Protection District or the City of Wheatland at June 30, 2021.

WFA paid legal fees in the amount of \$3,734 on behalf of Plumas Brophy Fire Protection District during the fiscal year and had no amount due from Plumas Brophy on June 30, 2021. During the fiscal year there was a loss incurred in the amount of \$3,734 for forgiveness of debt for this legal fee payment made on behalf of the Plumas-Brophy Fire Protection District.

NOTE 8. COMMITMENTS AND CONTINGENCIES

WFA had no lease or rent obligations on June 30, 2021. Funding from government agencies and foundations require the fulfilment of certain conditions set forth in the arrangement. These funding obligations require specific supporting documentation to be maintained and fulfilment of certain services or conditions. Failure to fulfil the role set forth could result in the loss of funding. All obligations were met to generate related revenues. From time to time, the Entity may be involved in litigation or disputes relating to claims arising from of its operations in the normal course of business. As of June 30, 2021, and on the date the financial statements were available to be issued, WFA was not involved in any litigation or disputes. During 2019 WFA, Plumas Brophy Fire Protection District and Olivehurst Public Utility District Board of Directors were party to a claim against Estom Yumeka Maidu Tribe of the Enterprise Rancheria, and the matter was settled in its favor on March 21, 2019. Plumas-Brophy Fire Protection District and WFA decided all benefits granted jointly to WFA and Plumas-Brophy Fire Protection District from the settlement would be disbursed only to Plumas Brophy Fire Protection District and all legal expenses remitted by WFA for the matter are to be reimbursed by Plumas Brophy Fire Protection District unless determined as a loss for debt forgiveness. In the fiscal year ended June 30, 2021, WFA made its last payment for legal fees for this matter and the Plumas-Brophy Fire Protection District reimbursed the final amount owed.

NOTE 9. SUBSEQUENT EVENTS

The Center for Disease Control and Prevention (CDC) confirmed on January 21, 2020, the first case of the 2019 Novel Coronavirus (COVID-19). The virus has caused global health and economic hardship, less travel and hinderances in trade. It has also led to increased health issues requiring more emergency response services from medical service providers. Pharmaceutical companies in collaboration with government regulators have developed and distributed vaccines with high efficacy rates that have reduced the impact of the pandemic. Unfortunately, variants of the virus have developed which have prolonged the pandemic's impact causing a long-term global health and economic crisis, making recovery slow though steady. The pandemic has led to an increase in medical emergency calls for WFA and additional funding from government and private sources to assist the Entity in providing these services.

WHEATLAND FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 9. SUBSEQUENT EVENTS (Continued)

Global warming is a world-wide concern that is worsening, resulting in more disastrous wildfires particularly in regions such as California. These conditions have increased the need for fire mitigation and rescue services and there has been an increase in funding principally from state and federal sources to support WFA in providing these services.

On September 21, 2021, the Plumas-Brophy Fire Protection District paid \$100,000 to Wheatland Fire Authority for a loan issued at an interest rate of 1.7%. As a primary funder of the Entity, the loan was to cover costs associated with responding to a wildfire as part of the lease arrangement with CalFire. The fire lasted 3 months and CalFire's payment policy is to remit payments for leasing the labor and equipment once the fire has been fully extinguished. All principal and interest is to be repaid to the Plumas-Brophy Fire Protection District once remitted by CalFire.

The financial statements do not include adjustments that may result from these conditions. In preparing the financial statements, Management has evaluated events and transactions for potential recognition or disclosure through November 3, 2021, the date the financial statements were available to be issued and determined that no additional items required disclosure

REQUIRED SUPPLEMENTARY INFORMATION

WHEATLAND FIRE AUTHORITY
 Required Supplementary Information
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2021

	Budget	Actual			Variance With Final Budget
	Final	General Fund	Mitigation Fund	Total	
REVENUES					
Direct Assessments	\$ 172,000	\$ 88,927	\$ -	\$ 88,927	\$ 83,073
Donations	2,000	6,880	-	6,880	(4,880)
Contract Joint Power Authority Funding	312,680	314,516	-	314,516	(1,836)
Mitigation fee	-	53,274	-	53,274	-
Gain on sale of assets	-	6,534	-	6,534	(6,534)
Grants	-	-	-	-	-
Strike team reimbursements	90,000	422,507	-	422,507	(332,507)
Interest income	-	42	2	44	(44)
Other income	130,200	18,305	-	18,305	111,895
Total revenues	<u>\$ 706,880</u>	<u>\$ 910,985</u>	<u>\$ 2</u>	<u>\$ 910,987</u>	<u>\$ (150,833)</u>
EXPENDITURES					
Fire safety and emergency services:					
Uniforms	\$ 10,000	\$ 7,540	\$ -	\$ 7,540	\$ 2,460
Salaries & wages	360,554	588,467	-	588,467	(227,913)
Strike team	-	-	-	-	-
Workers comp insurance	28,000	28,414	-	28,414	(414)
Operating supplies	22,300	27,591	-	27,591	(5,291)
Dispatch	16,000	21,659	-	21,659	(5,659)
Training	10,000	7,078	-	7,078	2,922
Small equipment	10,000	6,071	-	6,071	3,929
Building maintenance	-	-	-	-	-
Equipment maintenance	84,800	105,853	-	105,853	(21,053)
Fuel	24,000	25,243	-	25,243	(1,243)
	<u>\$ 565,654</u>	<u>\$ 817,916</u>	<u>\$ -</u>	<u>\$ 817,916</u>	<u>\$ (252,262)</u>
Administrative and support:					
Consultants	\$ 4,000	\$ 6,683	\$ -	\$ 6,683	\$ (2,683)
Miscellaneous	5,600	9,095	-	9,095	(3,495)
Accounting	10,500	22,500	-	22,500	(12,000)
Legal	10,000	8,483	-	8,483	1,517
Utilities	21,308	20,996	-	20,996	312
Office expense	3,194	2,253	-	2,253	941
Building & grounds	36,000	26,639	-	26,639	9,361
Dues	10,500	6,655	-	6,655	3,845
Insurance	14,800	14,054	-	14,054	746
Loss on debt forgiveness	-	3,734	-	3,734	(3,734)
Bad debt	-	-	-	-	-
	<u>\$ 115,902</u>	<u>\$ 121,092</u>	<u>\$ -</u>	<u>\$ 121,092</u>	<u>\$ (5,190)</u>
Total expenditures	<u>\$ 681,556</u>	<u>\$ 939,008</u>	<u>\$ -</u>	<u>\$ 939,008</u>	<u>\$ (257,452)</u>
Net changes in fund balance	\$ 25,324	\$ (28,023)	\$ 2	\$ (28,021)	\$ 106,619
Fund balance - beginning	\$ 368,291	\$ 316,709	\$ 2,549	\$ 319,258	\$ 49,033
Prior period adjustment	-	30,804	-	30,804	(30,804)
Fund balance - beginning, net prior period adjustment	368,291	347,513	2,549	350,062	18,229
Fund balance - ending	<u>\$ 393,615</u>	<u>\$ 319,490</u>	<u>\$ 2,551</u>	<u>\$ 322,041</u>	<u>\$ 124,848</u>

See accompanying independent auditors' report