



DIXON FIRE PROTECTION DISTRICT

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

BASIC FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS' REPORT

Focused
on YOU



DIXON FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2023

NOTE 3: CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2023 was as follows:

	Balance June 30, 2022	Additions	Transfers	Balance June 30, 2023
Capital assets not being depreciated:				
Construction in Progress	\$ 612,946	\$ 47,083	\$ (612,946)	\$ 47,083
Total capital assets not being depreciated	612,946	47,083	(612,946)	47,083
Capital assets being depreciated:				
Equipment	1,075,352	-	612,946	1,688,298
Total capital assets being depreciated	1,075,352	-	612,946	1,688,298
Less accumulated depreciation				
Equipment	(643,118)	(67,024)	-	(710,142)
Total accumulated depreciation	(643,118)	(67,024)	-	(710,142)
Capital assets, net	<u>\$ 1,045,180</u>	<u>\$ (19,941)</u>	<u>\$ -</u>	<u>\$ 1,025,239</u>

NOTE 4: FUND BALANCE

Beginning with fiscal year 2011, the District implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent.

The District's fund balance policies are as follows:

Committed Fund Balance: Only the City Council may have the authority to create or change a fund balance commitment. Committing fund balance is accomplished by approval of a resolution by the City Council.

Assigned Fund Balance: The City Council delegates authority to the Deputy City Manager - Administrative Services to assign amounts to be used for specific purpose. Assignments are less formal than commitments and can be changed by the Deputy City Manager - Administrative Services. An example of an assignment would be the encumbrance of funds for purchase orders approved but not fulfilled by the end of a fiscal year.

The accounting policies of the District consider restricted fund balance to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the District considers committed amounts to be reduced first, followed by assigned amounts, and unassigned amounts.

As of June 30, 2023, the District had a restricted fund balance of \$696,839.

Note 5: Insurance Coverage

The District participates in the Northern California Cities Joint Power Authority through the City of Dixon for general, public officials' errors and omissions, property and workers' compensation liability. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. Additional information about available coverage can be obtained from the City's financial statements.

DIXON FIRE PROTECTION DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund
Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (Inflows):				
Property taxes	\$ -	\$ 719,586	\$ 870,091	\$ 150,505
Intergovernmental	-	30,000	53,360	23,360
Investment income	-	4,500	12,537	8,037
Charges for services	-	140,000	14,373	(125,627)
Amounts Available for Appropriations	-	894,086	950,361	56,275
Charges to Appropriation (Outflow):				
Current				
Public safety	-	706,706	827,295	(120,589)
Capital outlay	-	212,000	47,083	164,917
Total Charges to Appropriations	-	918,706	874,378	44,328
Net Change in Fund Balance	\$ -	\$ (24,620)	75,983	\$ 100,603
Fund Balances - Beginning			620,856	
Fund Balances - Ending			\$ 696,839	

DIXON FIRE PROTECTION DISTRICT
Notes to Required Supplementary Information
For the Year Ended June 30, 2023

NOTE 1: BUDGETS AND BUDGETARY ACCOUNTING

As required by the laws of the State of California, the District prepares and legally adopts a final operating budget on or before July 1 of each fiscal year for the funds, which is prepared on the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the fund level, which is the legal level of control. Supplemental appropriations may be made during the fiscal year. All budget amounts in the accompanying financial statements have been adjusted for legally authorized revisions of the annual budget during the year.



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

To the Governing Board of the
Dixon Fire Protection District
Dixon, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the of the governmental activities and the general fund information of the Dixon Fire Protection District (the "District"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 21, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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



To the Governing Board of the
Dixon Fire Protection District
Dixon, California

Purpose of This Report

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

Lance, Solt & Lughard, LLP

Sacramento, California
December 21, 2023