RESCUE FIRE PROTECTION DISTRICT

ANNUAL FINANCIAL REPORT

JUNE 30, 2023

O'CONNOR & COMPANY

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Rescue Fire Protection District
Rescue, California

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Rescue Fire Protection District and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Rescue Fire Protection District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Rescue Fire Protection District, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Rescue Fire Protection District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Rescue Fire Protection District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Rescue Fire Protection District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Rescue Fire Protection District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, which follows this report letter, and the Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund, the Schedule of Proportionate Share of the Net Pension Liability - Miscellaneous and Safety, the Schedule of District's Contributions - Miscellaneous and Safety, and the Schedule of Changes in the Net OPEB Liability and Related Ratios, (pages 26-29), listed as required supplementary information in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our Opinions on the financial statements are not affected by this missing information.

O'Connor & Company

O'Connor & Company

Novato, California
March 13, 2026

Rescue Fire Protection District
STATEMENT OF NET POSITION
June 30, 2023

CURRENT ASSETS	
Cash and investments - Unrestricted	$ 979,094
Cash and investments - Restricted	874,049
Accounts receivable	1,206
Lease receivable - current	10,699
Total current assets	1,865,048
NONCURRENT ASSETS	
Lease receivable - noncurrent	51,638
Non-depreciable capital assets	35,200
Depreciable capital assets, net of accumulated depreciation	1,313,845
Total noncurrent assets	1,400,683
DEFERRED OUTFLOWS	
Deferred outflows related to pensions	1,051,180
Deferred outflows related to OPEB	112,719
Total deferred outflows	1,163,899
LIABILITIES	
Accounts payable	30,896
Accrued expenditures	38,307
Compensated absences - Current	12,595
Long-term liabilities:	
Compensated absences - Noncurrent	24,345
Due in one year	94,851
Due in more than one year	417,396
Other post-employment benefits	2,395,397
Net pension liability	2,415,952
Total liabilities	5,429,739
DEFERRED INFLOWS	
Lease Receivable	59,239
Deferred inflows related to pensions	470,969
Deferred inflows related to OPEB	298,705
Total Deferred inflows	828,913
NET POSITION	
Net investment in capital assets, net of related debt	1,349,045
Restricted	874,049
Unrestricted	(4,052,116)
Total net position	$ (1,829,022)

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

Rescue Fire Protection District
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023

Functions/Programs	Expenditures	Program Revenues: Charges for Services	Program Revenues: Operating Contributions and Grants	Net (Expense) Revenue and Changes in Net Position: Total Governmental Activities
Governmental activities:				
Public safety - fire prevention and protection	$ 2,324,395	$ 547,743	$ -	$ (1,776,652)
Interest on long term debt	-	-	-	-
Total governmental activities	$ 2,324,395	$ 547,743	$ -	(1,776,652)
General revenues:				
Property and other taxes				1,374,015
Use of money				105,412
Other revenues				10,849
Total general revenues				1,490,276
Change in net position				(286,376)
Net position, beginning of period				(1,542,646)
Prior Period Adjustment				
Net position, end of period				$ (1,829,022)

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

Rescue Fire Protection District
GOVERNMENTAL FUND
BALANCE SHEET
June 30, 2023

ASSETS	General Fund
Cash and investments - unrestricted	$ 979,094
Cash and investments - restricted	874,049
Accounts receivable	1,206
Lease receivable	62,337
Total assets	$ 1,916,686
LIABILITIES	
Accounts payable	$ 30,896
Accrued expenditures	38,307
Total liabilities	69,203
Deferred inflows of resources	
Lease receivables	59,239
Total deferred inflows of resources	59,239
FUND BALANCES	
Restricted for capital improvements	874,049
Committed	473,802
Unassigned	440,393
Total fund balances	1,788,244
Total liabilities and fund balances	$ 1,916,686

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

Rescue Fire Protection District
Reconciliation of the
GOVERNMENTAL FUND - BALANCE SHEET
with the Governmental Activities
STATEMENT OF NET POSITION
For the Year Ended June 30, 2023

TOTAL FUND BALANCES - GOVERNMENTAL FUND	$	1,788,244
Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Fund above because of the following:		
CAPITAL ASSETS		
Capital Assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Fund.		1,349,045
LONG-TERM ASSETS AND LIABILITIES		
The assets and liabilities below are not due and payable in the current period and therefore are not reported in the Funds:		
Other post-employment benefits		(2,395,397)
Compensated absences		(36,940)
Capital lease		(512,247)
Deferred inflows pension		(470,969)
Deferred inflows OPEB		(298,705)
Deferred outflows pension		1,051,180
Deferred outflows OPEB		112,719
Net pension liability		(2,415,952)
NET POSITION OF GOVERNMENTAL ACTIVITIES	$	(1,829,022)

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

Rescue Fire Protection District
GOVERNMENTAL FUND
STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2023

Revenues:	General Fund
Property taxes	$ 1,374,015
Special tax assessments	401,255
Developmental fees	133,499
Operating lease revenue	12,989
Use of money	105,412
Other revenues	10,849
Total revenues	2,038,019
Expenditures:	
Salaries and benefits	1,459,356
Services and supplies	393,979
Capital outlay	996,653
Total expenditures	2,849,988
Excess (deficit) of revenues over (under) expenditures	(811,969)
Other financing sources	
Debt proceeds	512,247
Total other financing sources	512,247
Net changes in fund balance	(299,722)
Fund balances, beginning of period	2,087,966
Fund balances, end of period	$ 1,788,244

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

Rescue Fire Protection District
Reconciliation of the
GOVERNMENTAL FUND - STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
with the Governmental Activities
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUND	$ (299,722)
Amounts reported for governmental activities in the Statement of Activities are different because of the following:	
CAPITAL ASSETS TRANSACTIONS	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.	
The capital outlay expenditures are therefore added back to fund balance	1,143,653
Depreciation expense is deducted from the fund balance	(220,099)
Gains or losses from disposal of capital assets are not reported on the governmental fund financial statements and proceeds from sales are reported as revenue. Under full accrual accounting, gains or losses on disposal are reported and proceeds from sales are not reported as revenue.	
Proceeds from the sale of assets	(20,003)
Loss Disposal	20,003
Government funds record pension expense as it is paid. However, in the Statement of Activities those costs are reversed as deferred outflows/(inflows) and an increase/(decrease) in net pension liability.	(269,158)
ACCRUAL OF NON-CURRENT ITEMS	
The amounts below included in the Statement of Activities do not provide (or require) the use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds (net change):	
Capital lease	(512,247)
Other post-employment benefits	(138,664)
Long-term compensated absences	9,861
Changes in net position of governmental activities	$ (286,376)

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Principles

The financial statements of the Rescue Fire Protection District have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The most significant accounting policies of the District are described below.

B. Background

Rescue Fire Protection District (the District) was first established in 1960 by a local group of men and women who saw the need to provide improved fire protection to the community of Rescue. Before 1960, the United States Forest Services provided fire protection. In December 1974, the Rescue Fire Protection District was reorganized under LAFCO Resolution #74-26.

The District's functions are governed by a five-member Board of Directors elected by the District's voting population. The Board of Directors manages the Fire Chief who oversees all financial, administrative and operational aspects of the District for the purpose of carrying-out fire and emergency services.

The District operates one staffed fire station. The District provides emergency medical services, rescue, fire suppression, and other public services as needed. The District is a member of the El Dorado County Emergency Services Authority (the Authority), which also provides advanced life support and ambulance transport within the County. The District serves approximately 2,400 homes and an estimated population of 5,660.

As discussed in more detail below, the District is a member of the Authority under a Joint Powers Agreement. The District is not responsible for the liabilities of the Authority upon withdrawal from the Authority and has a proportionate residual equity interest in any assets of the Authority upon its dissolution.

C. Basis of Presentation

Government-wide Financial Statements
The statement of net position and statement of activities display information about the primary government (the District). These statements include the financial activities of the overall government, except fiduciary activities, if any.

The statement of activities presents a comparison between direct expenses and program revenues of each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general expenses.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation (concluded)

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

The District reports on the following major governmental funds:

General Fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the District that are not accounted for through other funds. For the District, the General Fund includes such activities as general government and fire protection.

D. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. The basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting.

Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District does not give (or receive) equal value in exchange, include property and sales taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligible requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are available when they are collectible within the current period or soon enough thereafter to pay liabilities for the current period. For this purpose, the District considers all revenues to be available if they are collected within 90 days of the end of the current fiscal period or 60 days for taxes. Expenditure generally is recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Payable balances consist primarily of payables to vendors.

Property and other tax revenues, reimbursements and interest earnings 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. All other revenue items are measurable and available only when cash is received by the District.

E. Budget and Budgetary Process

Budgets are adopted on a basis consistent with generally accepted accounting principles and in accordance with the District's policy and procedure. Budgetary control is exercised by major object. All budgetary changes during the fiscal year require the approval of the District's Board of Directors. Unencumbered budget appropriations lapse at the end of the fiscal year.

F. Risk Management

The District is a member of the Northern California Fire District Association's liability and workers' compensation insurance program provided through a private insurance company. The District's claims have not exceeded the insurance coverage and no reductions of coverage have occurred during the past four years.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Cash and Investments

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

Restricted Cash consist of $874,049 of unspent fire impact fees collected by the County of El Dorado on the District's behalf. The impact fees are required to be spent on public facilities and equipment by the related County of El Dorado Ordinance. See Note 2 for additional information.

H. Capital Assets

Capital assets for governmental funds are not capitalized in the funds used to acquire or construct them. Capital acquisitions are reflected in expenditures in governmental funds, and the related assets are reported in the government-wide financial statements. Capital assets are stated at historical cost or estimated historical cost if actual historical cost is not available. The cost of normal repairs and maintenance that do not add to the value of the asset or materially extend asset lives are not capitalized. Contributed capital assets are recorded at their acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date.

Capital assets are defined by the District as assets with at least three years expected life and meet the required minimum value threshold listed in the table below. The cost of assets sold or retired are eliminated from the accounts in the year of sale or retirement and the resulting gain or loss is included in the operating statement. In governmental funds, the sale of general capital assets is included in the statement of revenues, expenditures and changes in fund balances as proceeds from sale. Depreciation is recorded using the straight-line method over the useful lives of the assets as follows:

Capital Asset Category	Threshold	Estimated Useful Life
Land & easements	1	N/A
Building/improvements	50,000	39.5 years
Fire equipment (SCBA's)	1,000	8-15 years
Fire equipment (Other)	3,000	5-15 years
Hose (LDH)	3,000	15-20 years
Office equipment	3,000	3-7 years
Radio communications equipment	3,000	5 years
Fire apparatus	3,000	15 years
Vehicles	3,000	5-7 years
Furniture/fixtures/tools	3,000	5-7 years

All land purchases are recognized according to the District's policy.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, the District recognizes deferred outflows and inflows of resources.

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the District that is applicable to a future reporting period.

Deferred outflows and inflows of resources include amounts deferred related to the District's lease receivable described in Note 3 and pension and OPEB plans under GASB Statements No. 68 and No. 75, respectively, as described in Notes 6 and 7. Unavailable revenues in governmental funds arise when a potential revenue source does not meet both the "measurable" and "available" criteria for recognition in the current period. Revenues unavailable because they were not received in the availability period are recognized for the government-wide presentation.

J. Compensated Absences

The District compensates employees for unused vacation and, subject to certain conditions, sick leave upon separation from the District. Unused vacation up to a maximum limit of 480 hours is payable at separation. Sick leave is payable only for employees that retire from the District with 5 consecutive years of employment with the District. Employees with five to ten years of employment are paid 50% of accumulated sick leave and employees with more than 10 years of employment are paid 100% of accumulated sick leave up to a maximum of 500 hours. Sick leave may instead be converted to service credit under the District's pension plan with CalPERS. All vacation is accrued when earned. A liability for these amounts is reported in governmental funds only if they have matured, for example, because of employee resignations and retirements. The General Fund is used to liquidate compensated absences.

K. Fund Balance

In the fund financial statements, governmental funds report non-spendable, restricted, committed, assigned and unassigned balances.

Non-spendable Funds - Fund balance should be reported as non-spendable when the amounts cannot be spent because they are either not in spendable form (i.e., prepaid expenses) or are legally or contractually required to be maintained intact. Non-spendable balances are not expected to be converted to cash within the next operating cycle.

Restricted Funds - Fund balance should be reported as restricted when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Amounts reported as restricted funds represent unspent development impact fees collected for future capital expenditures.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Fund Balance (concluded)

Committed Funds - Fund balance should be reported as committed when the amounts can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, which is a Resolution of the Board of Directors. These amounts cannot be used for any other purpose unless the Board modifies or removes the fund balance commitment with another Resolution of the Board of Directors. Committed fund balance represents the capital replacement fund of $90,978 for replacement or necessary improvements of fleet and facilities that exceeds routine maintenance and an OPEB fund of $382,824. Both commitments were approved with the Board Resolution approving the budget and the commitments may be used through another Board Resolution.

Assigned Funds - Fund balance should be reported as assigned when the amounts are constrained by the government's intent to be used for specific purposes but are neither restricted nor committed.

Unassigned Funds - Unassigned fund balance is the residual classification of the District's funds and includes all spendable amounts that have not been restricted, committed, or assigned to specific purposes.

Fund Balance Flow Assumption
When both restricted and unrestricted resources are available, it is the District's policy to use restricted resources, then unrestricted resources as they are needed.

L. Net Position

The government-wide financial statements report on net position. Net position is categorized as the net investment in capital assets, restricted and unrestricted.

Net Investment in Capital Assets - This category groups all capital assets into one component of net position. The outstanding balance of debt that is attributable to the acquisition, construction or improvement of the assets reduces the balance in this category. The District had no outstanding debt.

Restricted Net Position - This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. Restrictions of net position represent unspent development impact fees collected for future capital expenses.

Unrestricted Net Position - This category represents net position of the District not restricted for any project or other purpose.

Net Position Flow Assumption
Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. To calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are applied. It is the government's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

M. Property Taxes

All property taxes are collected and allocated by El Dorado County to the various taxing entities. Property taxes are determined annually as of January 1 and attached as an enforceable lien on real property as of July 1. Taxes are due November 1 and February 1 and are delinquent if not paid by December 10 and April 10, respectively.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

M. Property Taxes (concluded)

Unsecured property taxes are levied on July 1 and become delinquent on August 31. The District participates in the County "Teeter Plan" method of property tax distribution. A complex allocation formula is used to distribute levied secured taxes to the County and its districts. Under the Teeter Plan, the County remits 100 percent of its apportionments, regardless of the actual collections and delinquencies and accordingly, penalties and interest collected by the County are not allocated to the District. These taxes are accrued as intergovernmental revenue only if they are received from the County within 60 days after year end in the governmental fund. They are accrued when earned regardless of the timing of the related cash flows in the government-wide statement.

N. Joint Powers Authority

The District is a member agency of the El Dorado County Emergency Services Authority, a Joint Powers Authority (JPA), which provides ambulance and other pre-hospital emergency transport services on the west slope of El Dorado County. There are ten member agencies in total. The governing Board of Directors controls the operations of the JPA. The JPA Board is made up of a Fire Chief or authorized alternate from each member agency. The JPA is independently accountable for its fiscal matters and maintains its own accounting records under the oversight of the El Dorado County Board of Supervisors. Each of the ten-member Fire Districts approves the JPA budget and their vote is carried by their Fire Chief to the Board. The JPA contracts with the District for one medic unit and six employees working shift work. The District is provided a flat fee that is designed to reimburse all costs incurred in the execution of the contract. The District is not responsible for the liabilities of the JPA upon dissolution. Separate financial statements for the JPA are available by contacting the JPA staff through the link at edcjpa.org.

O. Pension Plan

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to the District's pension plan, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

P. Other Post-employment Benefits Plan (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, the plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments, if any, are reported at fair value.

Q. Use of Estimates

The preparation of financial statements in accordance with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses during the reporting period. Actual results could differ from these estimates, and the differences may be material.

NOTE 2 - CASH AND INVESTMENTS

Cash and Investments

Cash and investments on June 30, 2023, consisted of the following:

Pooled Funds:	
Cash in County Treasury – unrestricted	$ 979,094
Cash in County Treasury – restricted	874,049
Total cash and investments	$ 1,853,143

The District maintains an investment in the County of El Dorado cash and investment pool, which is managed by the County Treasurer. The County pool is stated at fair value. The amount invested by all public agencies in El Dorado County's cash and investment pool was $1,853,143 at June 30, 2023. The County does not invest in any derivative financial products. The County Treasury Investment Oversight Committee has oversight responsibility for the investment pool. The Committee consists of ten members as designated by State law. The value of pool shares in El Dorado County that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the District's position in the pool. Investments held in the County's investment pool are available on demand to the District and are stated at amortized cost, which approximates fair value. This investment is not subject to categorization under GASB No. 3. As of June 30, 2023, the weighted average maturity of the investments contained in the County's investment pool was approximately 689 days.

Interest Rate Risk

The interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating issued by a nationally recognized statistical rating organization. The County's investment pool does not have a rating provided by a nationally recognized statistical rating organization.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for deposits and investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

The California Government Code requires California banks and savings and loan associations to secure an entity's deposits by pledging government securities with a value of 110% of an entity's deposits. California law also allows financial institutions to secure entity deposits by pledging first trust deed mortgage notes having a value of 150% of an entity's total deposits. The entity's Treasurer may waive the collateral requirement for deposits which are fully insured up to $250,000 by the FDIC.

The collateral for deposits in federal and state-chartered banks is held in safekeeping by an authorized agent of depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an agent of depository. These securities are physically held in an undivided pool for all California public agency depositors.

NOTE 2 - CASH AND INVESTMENTS (concluded)

Fair Value Measurement

GASB Statement No. 72, *Fair Value Measurements and Application*, establishes a fair value hierarchy consisting of three broad levels: Level 1 inputs consist of quoted prices (unadjusted) for identical assets and liabilities in active markets that a government can access at the measurement date, Level 2 inputs consist of inputs other than quoted prices that are observable for an asset or liability, either directly or indirectly, that can include quoted prices for similar assets or liabilities in active or inactive markets, or market-corroborated inputs, and Level 3 inputs have the lowest priority and consist of unobservable inputs for an asset or liability. The valuation method used for rental properties is the Leased Fee Market method, which is dependent on the income generated from rental properties.

The District did not have any investments subject to the recurring fair value measurements as of June 30, 2023.

NOTE 3 - LEASE RECEIVABLE

On October 18, 2016, the District entered into an operating lease agreement with the United States Postal Service to provide office space for a post office. The initial lease term was five years, with a five-year option for renewal on October 1, 2023. The lease provides for monthly principal and interest payments ranging from $1,056 to $1,108. Interest is imputed at 4.25% as of July 1, 2021, which is the GASB Statement No. 87 implementation date for the District. Lease income during the year ended June 30, 2023 included lease interest income of $2,876 and amortization of the deferred inflows of resources related to the lease of $11,283.

Future lease payments on the lease receivable were as follows at June 30, 2023:

Year Ending June 30,	Principal	Interest	Total
2024	$ 10,699	$ 2,445	$ 13,144
2025	11,326	1,976	13,302
2026	11,817	1,485	13,302
2027	12,329	973	13,302
2028	12,863	323	13,186
2029	3,302	139	3,441
Total	$ 62,336	$ 7,341	$ 69,677

	Beginning Balance	Additions	Deletions	Ending Balance
Lease deferred inflows amortization	$ 70,522	$ -	$ 11,283	$ 59,239

NOTE 4 - SUMMARY OF CHANGES IN CAPITAL ASSETS

Capital assets are recorded as expenditures in the budgetary funds at the time of purchase. Such assets have been capitalized at cost in the general fixed assets group of accounts rather than in the governmental fund. Depreciation expense for the fiscal year ending June 30, 2023 was $220,099.

During the fiscal year ended June 30, 2023, the District donated Self-Contained Breathing Apparatus (SCBA) units, classified as capital assets, to an international governmental entity in Mexico

At the time of donation, the SCBA units had a historical cost of $20,003 and a net book value of $0 reflecting accumulated depreciation of $20,003. The assets were fully removed from the District's capital asset records.

NOTE 4 - SUMMARY OF CHANGES IN CAPITAL ASSETS (concluded)

This transaction accounted for as a nonexchange transaction in accordance with GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions. No monetary or other consideration was received in exchange for the donation.

	Balance 6/30/22	Acquisitions	Deletions/ Adjustments	Balance 6/30/23
Land (not depreciated)	$ 25,000	$ -	$ -	$ 25,000
Construction in progress	10,200	-	-	10,200
Total capital assets-not being depreciated	35,200	-	-	35,200
Buildings and improvements	705,696	-	-	705,696
Vehicles	558,498	1,143,653	-	1,702,151
Equipment	301,205	-	(20,003)	281,202
Subtotal	1,600,599	1,143,653	(20,003)	2,724,249
Accumulated depreciation	(1,175,108)	(220,099)	20,003	(1,375,204)
Net capital assets	$ 425,491	$ 923,554	$ -	$ 1,349,045

NOTE 5 - LONG-TERM DEBT

Changes in Long-Term Debt are summarized below:

	Balance 6/30/22	Additions	Reductions	Balance 6/30/23	Due Within 1 Year
Compensated absences	$ 46,801	$ 43,821	$ 53,682	$ 36,940	$ 12,595
Capital lease	-	512,247	-	512,247	94,851
Net pension liability	1,178,842	1,237,110	-	2,415,952	-
OPEB liability	2,904,100	-	508,703	2,395,397	-
Total	$ 4,129,743	$ 1,793,178	$ 562,385	$ 5,360,536	$ 107,446

During the fiscal year ended June 30, 2023, The District entered into a Capital Lease agreement dated August 18, 2022 to acquire an emergency response vehicle with a total cost of $512,247. The acquisition was financed through a lease-purchase agreement facilitated by Community Leasing Partners. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has also been recorded at the present value of the future minimum lease payments in the statement of net position. Principal payments on the debt are due August 18 and interest is due on August 18 of every year.

Debt service requirements are as follows:

Year Ended June 30	Principal	Interest	Total
2024	$ 94,851	$ 19,742	$ 114,593
2025	98,507	16,086	114,593
2026	102,303	12,290	114,593
2027	106,246	8,347	114,593
2028	110,340	4,253	114,593
Total	$ 512,247	$ 60,718	$ 572,965

NOTE 6 - DEFINED BENEFIT PENSION PLAN

Plan Description: All qualified permanent and probationary employees are eligible to participate in the District's Cost-Sharing Multiple Employer Defined Benefit Pension Plan (the Plan or PERFC) administered by the California Public Employees' Retirement System (CalPERS). PERFC consists of a miscellaneous risk pool and a safety risk pool, which are comprised of the following rate plans:

- Miscellaneous Rate Plan
- PEPRA Miscellaneous Rate Plan
- Safety Rate Plan
- Safety Second Tier Rate Plan
- PEPRA Safety Rate Plan

Although one Plan exists, CalPERS provides the information separately for the Miscellaneous and Safety Risk Pools and the information is presented separately below where available. Benefit provisions under the Plan are established by State Statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website at www.calpers.ca.gov.

Benefits Provided - CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan provisions and benefits in effect at June 30, 2023, are summarized as follows:

	Miscellaneous Rate Plan	Miscellaneous Rate Plan
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula (at full retirement)	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	years service
Benefit payments	monthly for life	monthly for life
Final average compensation period	one year	three year
Retirement age	50 - 60	52 - 67
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	6.92%	7.25%
Required employer contribution rates	11.60%	7.73%

	Safety Rate Plan	Safety Second Tier Rate Plan	PEPRA Safety Rate Plan
Hire date	Prior to August 14, 2011	On or after August 14, 2021	On or after January 1, 2013
Benefit formula (at full retirement)	3.0% @ 55	2.0% @ 57	2.0% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	50	50
Monthly benefits, as a % of eligible compensation	2.4% to 3.0%	1.426% to 2.00%	2.00% to 2.70%
Required employee contribution rates	8.99%	6.97%	10.75%
Required employer contribution rates	23.68%	16.14%	11.38%

NOTE 6 - DEFINED BENEFIT PENSION PLAN (continued)

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the CalPERS actuary and shall be effective on the July 1 following notice of a change in the rate. Contribution rates for the employer rate plans are determined through the CalPERS' annual actuarial valuation process. Each employer rate plan's actuarially determined rate is based on the estimated amount necessary to pay the employer rate plan's allocated share of the cost of benefits earned by employees during the year, and any unfunded accrued liability. The Rescue Fire Protection District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

The District's contributions to the risk pools in the Plan for the year ended June 30, 2023, were as follows:

	Employer Contributions
Miscellaneous	$ 143
Safety	247,176
Total	$ 247,319

As of June 30, 2023, the District reported net pension liabilities for its proportionate shares of the net pension liability of each risk pool as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	$ 2,054
Safety	2,413,898
Total Net Pension Liability	$ 2,415,952

The District's net pension liability for each risk pool is measured as the proportionate share of each risk pool's net pension liability. GASB 68 indicates that to the extent different contribution rates are assessed based on separate relationships that constitute the collective net pension liability, the determination of the employer's proportionate share of the collective net pension liability should be made in a manner that reflects those relationships. The allocation method used by CalPERS to determine each employer's proportionate share reflects those relationships through the employer rate plans they sponsor within the respective risk pools. An actuarial measurement of the employer's rate plan liability and asset-related information are used where available, and proportional allocations of individual employer rate plan amounts as of the valuation date are used where not available.

The District's net pension liability for the Plans is measured as the proportionate share of the net pension liability. The net pension liability of the Plans is measured as of June 30, 2022, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The District's proportionate share of the net pension liability for each Plan as of June 30, 2021 and 2022 was as follows:

District's Plan	Miscellaneous	Safety
Proportion - June 30, 2021	-0.002345%	0.034859%
Proportion - June 30, 2022	0.000044%	0.035129%
Change – Increase (Decrease)	0.002389%	0.000270%

NOTE 6 - DEFINED BENEFIT PENSION PLAN (continued)

For the year ended June 30, 2023, the District recognized pension expense of $516,477. On June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	$ 128,456	$ 23,620
Changes in assumptions	217,892	-
Net differences between projected and actual earnings on plan investments	275,520	-
Adjustment due to differences in proportions	181,993	-
Differences between actual and required contributions	-	447,349
Pension contributions after measurement date	247,319	-
Total	$ 1,051,180	$ 470,969

The $247,319 amount reported as deferred outflows of resources related to contributions after the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2024	$ 70,892
2025	48,394
2026	12,526
2027	201,080
Thereafter	-

The total pension liability on June 30, 2022 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 to June 30, 2022
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.9%
Inflation	2.3%
Salary Increases	Varies by Age and Length of Service
Mortality Rate Table	Derived using CalPERS membership data for all funds

Discount Rate - The discount rate used to measure the total pension liability was 6.90%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, CalPERS stress tested employer rate plans within the Plan that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested employer rate plans run out of assets. Therefore, the current 6.90% discount rate is adequate, and the use of the municipal bond rate calculation is not necessary. The stress test results are presented in a detailed report, *GASB Statements 67 and 68 Crossover Testing Report for Measurement Date June 30, 2022, based on June 30, 2021, Valuations,* that can be obtained from the CalPERS website.

NOTE 6 - DEFINED BENEFIT PENSION PLAN (concluded)

According to Paragraph 30 of GASB 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. For the CalPERS Plan, the 6.80% investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 10 basis points. An investment return excluding administrative expenses would have been 6.90%. Using this lower discount rate has resulted in slightly higher total pension liability and net pension liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the expected long-term rate of return, CalPERS considered long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	Assumed Asset Allocation	Real Return Years 1-10 [1,2]
Global equity – cap-weighted	30.00%	4.54%
Global equity – non-cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real assets	15.00%	3.21%
Leverage	-5.00%	-0.59%

1. An expected inflation of 2.30% was used for this period.
2. Figures are based on the 2021-22 Asset Liability Management study.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the District's proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	All Plans
1% Decrease	5.90%
Net Pension Liability	$3,638,577
Current Discount Rate	6.90%
Net Pension Liability	$ 2,415,952
1% Increase	7.90%
Net Pension Liability	$1,416,514

Pension Plan Fiduciary Net Position
Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE 7 - POST-EMPLOYMENT BENEFITS OTHER THAN RETIREMENT

Plan Description

The District offers a single employer OPEB plan (the Plan) that provides medical, dental, or other health benefits to retired employees and one eligible dependent at District cost for represented Rescue Professional Firefighters Association employees hired prior to July 1,2013. Employees hired after this date are not eligible for Plan benefits. Employees hired prior to January 1, 2008, with a minimum of 15 years of continuous employment with the District that meet CalPERS retirement requirements may enroll in any available District sponsored medical plan of their choice. Any eligible employee that retires on or after January 1, 2014, shall receive a medical benefit equivalent to active employees. Dental and vision insurance and medical insurance coverage for additional dependents are available under the Plan, but at cost to the retiree.

Employees Covered by Benefit Terms

On June 30, 2023 (June 30, 2022, measurement date), the benefit terms covered the following employees:

Inactive employees or beneficiaries currently receiving benefit payments:	7
Inactive employees entitled to but not yet receiving benefit payment:	0
Active plan members:	2

Contributions

The Board of Directors has the authority to establish and amend the contribution requirements of the District and employees under powers granted to it under the California Government Code, subject to the District's Memorandum of Understanding with employee bargaining units. The Board of Directors has established reimbursement percentages of actual insurance premiums paid by Plan members. No other contribution requirements exist under the Plan. Employees are not required to contribute to the Plan. During the fiscal year ended June 30, 2023, the District's contributed $132,368 to the Plan, including $90,541 through as pay-as-you-go health insurance premium payments on behalf of retired Plan members and implied subsidy payments totaling $41,827. Plan members did not make any contributions to the Plan, and no contributions were made by the District to a qualifying trust fund to fund benefits.

Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2022.

Actuarial Assumptions

The total OPEB liability on June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation: 2.5%
Salary increases: Aggregate salary increases 2.75%.
Individual salary increases based on CalPERS.
Investment rate of return: 3.54%
Healthcare cost trend rates: 4.00% per year in
Mortality rates were based on CalPERS tables.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.4%. The projection of cash flows used to determine the discount rate assumed that the District contribution will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to cover all future OPEB payments. Therefore, the discount rate was set equal to the long-term expected rate of return.

NOTE 7 - POST-EMPLOYMENT BENEFITS OTHER THAN RETIREMENT (continued)

Changes in the Net OPEB Liability

	Increases (Decreases)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (c)
Service cost	$ 35,934	$ -	$ 35,934
Interest	61,692	-	61,692
Net investment income	454	-	454
Contributions	-	132,368	(132,368)
Differences between expected and actual experience	-	-	-
Change of assumptions	(474,415)	-	(474,415)
Benefits payments, including refunds of employee contributions	(132,368)	(132,368)	-
Administrative expenses	-	-	-
Net change in total OPEB liability	(508,703)	-	(508,703)
Total OPEB liability – beginning of year	2,904,100	-	2,904,100
Total OPEB liability – end of year	$ 2,395,397	$ -	$ 2,395,397

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.54%) or one percentage point higher (4.54%) follows:

Plan's Net OPEB Liability/(Asset)		
1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
$ 2,732,323	$ 2,395,397	$ 2,160,512

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (4.80%) or one percentage point higher (6.80%) than current healthcare cost trend rates follows:

Plan's Net OPEB Liability/(Asset)		
1% Decrease	Trend Rate	1% Increase
$ 2,086,920	$ 2,395,397	$ 2,751,272

OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB

For the year ended June 30, 2023, the District recognized an OPEB expense of $138,664. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

NOTE 7 - POST-EMPLOYMENT BENEFITS OTHER THAN RETIREMENT (concluded)

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions after measurement date	$ -	$ -
Differences between actual and expected experience	39,667	-
Changes in assumptions	73,052	298,705
Net differences between projected and actual earnings on OPEB plan investments	-	-
Changes in employer's proportion and differences between the employers' contributions and the employer's proportionate share of contributions	-	-
Total	$ 112,719	$ 298,705

The amount reported as deferred outflows of resources related to contributions after the measurement date will be recognized as a reduction of the net pension liability in the following fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ended	
2024	$ (63,107)
2025	(122,879)
2026	-
2027	-
2028	-
Thereafter	-

Payable to the OPEB Plan: On June 30, 2023, there was no payable to the OPEB Plan.

NOTE 8 - COMMITMENTS AND CONTINGENCIES

Contingencies: The District is a party to claims and lawsuits arising in the normal course of business. The District's management does not believe that the ultimate liability, if any, arising from these claims, will have a material adverse impact on the financial position of the District.

The District received resources under grant agreements that are subject to compliance audits by the provider. The amount of expenditures, if any, which may be disallowed by the provider cannot be determined although the District expects such amounts, if any, to be immaterial.

The County of El Dorado (the County) collects fire impact fees imposed on behalf of the District and deposits those fees into a separate account within the County's investment pool. The balance of the account in the County's investment pool holding the impact fees is reported as part of the District's cash and investments. The County will only release the fees from the County investment pool when the District incurs qualifying expenditures and provides supporting documentation for expenditures incurred that is acceptable to the County. It is possible that the County could disallow costs incurred by the District as part of the approval process.

NOTE 9 - DEVELOPMENT FEES

The use of fire impact fees is restricted solely for financing public facilities and equipment necessary to serve new developments. Changes in unspent fire impact fees reported as restricted cash and investments were as follows during the year ended June 30, 2023:

Amount available at June 30, 2022	$	705,470
Add fees collected and investment income, less County administration		169,914
Less qualifying expenditures and county administration fees		(1,335)
Amount available at June 30, 2023	$	874,049

NOTE 10 - DEFERRED COMPENSATION PLAN

The District offers an Internal Revenue Code (IRC) Section 457 deferred compensation plan (the Plan) to all employees immediately upon being hired and signing an acknowledgement form consenting to be included in the Plan. Benefit terms, including contribution requirements for the Plan, were established by and may be amended by the Board of Directors, subject to bargaining unit MOUs. The Plan is administered by Nationwide Retirement Solutions. The District has no contribution requirements for employees hired prior to September 22, 2012, and for participants hired after September 22, 2012, the District contributes a flat amount of $50 per month and matches participant contributions up to $25 per month for a maximum employer contribution of $75 per month. Participants may contribute voluntarily to the Plan up to the applicable IRC contribution limits. Employees vest immediately in their own contributions and employer contributions. The District and employees contributed $2,043 and $20,940 respectively, to the Plan during the year ended June 30, 2022. Contributions are made to individual accounts held in a qualifying trust for each participant and participants self-direct investment options.

NOTE 11 - SUBSEQUENT EVENTS

In preparing these financial statements, the District has evaluated events and transactions for potential recognition or disclosure through the date the financial statements were issued.

REQUIRED SUPPLEMENTARY INFORMATION

Rescue Fire Protection District
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
Budget and Actual
For the Year Ended June 30, 2023
(Unaudited)

	General Fund			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Property taxes	$ 1,342,254	$ 1,342,254	$ 1,374,015	$ 31,761
Special tax assessments	397,877	397,877	401,255	3,378
Use of money	5,000	5,000	105,412	100,412
Other revenues	55,396	55,396	157,337	101,941
Total revenues	1,800,527	1,800,527	2,038,019	237,492
Expenditures:				
Salaries and benefits	1,450,269	1,450,269	1,459,356	(9,087)
Services and supplies	329,881	329,881	393,979	(64,098)
Capital outlay	313,000	313,000	996,653	(683,653)
Total expenditures	2,093,150	2,093,150	2,849,988	(756,838)
Excess (deficit) of revenues over (under) expenditures	(292,623)	(292,623)	(811,969)	(519,346)
Other financing sources				
Debt proceeds	-	-	512,247	512,247
Total other financing sources	-	-	512,247	512,247
Net changes in fund balance	$ (292,623)	$ (292,623)	(299,722)	$ (7,099)
Fund balances, beginning of period			2,087,966	
Fund balances, end of period			$ 1,788,244	

Rescue Fire Protection District

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

As of June 30, 2023

Last 9 Years

Schedule of the Proportionate Share	All Plans					
of the Net Pension Liability (Fiscal Year End)	2023	2022	2021	2020	2019	2018
Measurement Date	2022	2021	2020	2019	2018	2017
Proportion of the net pension liability	0.02090%	0.02180%	0.01873%	0.01793%	0.01817%	0.01824%
Proportionate share of the net pension liability	$ 2,415,952	$ 1,178,842	$ 2,037,724	$ 1,837,374	$ 1,750,442	$ 1,809,219
Covered - employee payroll	$ 433,469	$ 460,502	$ 493,909	$ 664,982	$ 683,982	$ 657,346
Proportionate share of the net pension liability as a percentage of covered-employee payroll	556.88%	255.99%	412.57%	276.60%	255.92%	275.23%
Plan fiduciary net position as a percentage of the total pension liability	71.81%	85.75%	74.24%	76.64%	77.96%	77.96%

Schedule of the Proportionate Share	All Plans		
of the Net Pension Liability (Fiscal Year End)	2017	2016	2015
Measurement Date	2016	2015	2014
Proportion of the net pension liability	0.0188%	3.0740%	Varies by plan
Proportionate share of the net pension liability	$ 1,629,933	$ 1,278,862	
Covered - employee payroll	$ 657,711	$ 626,610	
Proportionate share of the net pension liability as a percentage of covered-employee payroll	247.82%	204.09%	
Plan fiduciary net position as a percentage of the total pension liability	77.96%	77.96%	

*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Rescue Fire Protection District
SCHEDULE OF CONTRIBUTIONS
As of June 30, 2023
Last 9 Years

SCHEDULE OF CONTRIBUTIONS	All Plans					
(Fiscal Year End)	2023	2022	2021	2020	2019	2018
Contractually required contribution (actuarially determined)	$ 247,176	$ 216,968	$ 186,116	$ 164,900	$ 139,063	$ 84,034
Contributions in relation to the actuarially determined contributions	(247,176)	(216,968)	(186,116)	(164,900)	(139,063)	(84,034)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll during the fiscal year	Unknown	$ 433,469	$ 460,502	$ 493,909	$ 664,271	$ 683,982
Contributions as a percentage of covered-employee payroll	Unknown	50.05%	40.42%	33.39%	20.93%	12.29%

SCHEDULE OF CONTRIBUTIONS	All Plans		
(Fiscal Year End)	2017	2016	2015
Contractually required contribution (actuarially determined)	$ 86,580	$ 133,818	$ -
Contributions in relation to the actuarially determined contributions	(86,580)	(164,326)	-
Contribution deficiency (excess)	$ -	$ (30,508)	$ -
Covered-employee payroll during the fiscal year	$ 657,346	$ 657,711	
Contributions as a percentage of covered-employee payroll	13.17%	24.98%	

*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Rescue Fire Protection District

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE

NET OPEB LIABILITY AND RELATED RATIOS

For the Period Ended June 30, 2023

Total OPEB Liability	2023	2022	2021	2020	2019	2018
Service cost	$ 35,934	$ 68,999	$ 47,823	$ 83,012	$ 87,465	$ 85,124
Interest	61,692	59,267	78,681	73,186	72,101	62,480
Change of benefit terms	-	-	-	-	-	-
Difference between expected and actual experience	(474,415)	144,874	411,968	77,533	(92,078)	-
Change of assumptions	-	54,784	12,768	7,627	-	-
Experience (gains)/losses	-	-	-	182,169	-	-
Benefit payments, included refunds of employee contributions	(131,914)	(129,147)	(127,280)	(45,583)	(35,537)	(34,074)
Net change in OPEB liability	(508,703)	198,777	423,960	377,944	31,951	113,530
Total OPEB liability - beginning of year	2,904,100	2,705,323	2,281,363	1,903,419	1,871,468	1,757,938
Total OPEB liability - end of year	$ 2,395,397	$ 2,904,100	$ 2,705,323	$ 2,281,363	$ 1,903,419	$ 1,871,468
Plan Fiduciary Net Position						
Net investment income	$ -	$ -	$ -	$ -	$ -	$ -
Contributions	132,368	-	-	-	-	-
Employer	(132,368)	-	-	-	-	-
Benefit payments, included refunds of employee contributions	-	-	-	-	-	-
Administrative expense	-	-	-	-	-	-
Net change in plan fiduciary net position	-	-	-	-	-	-
Plan fiduciary net position - beginning of year	-	-	-	-	-	-
Plan fiduciary net position - end of year	$ -	$ -	$ -	$ -	$ -	$ -
District's net OPEB liability - end of year	$ 2,395,397	$ 2,904,100	$ 2,705,323	$ 2,281,363	$ 1,903,419	$ 1,871,468
Covered-employee payroll	$ 433,469	$ 460,502	$ 493,909	$ 664,982	$ 683,982	$ 657,346
Net OPEB liability as a percentage of covered-employee payroll	552.61%	630.64%	547.74%	343.07%	278.28%	284.70%

Notes to Schedule:

The schedules present information to illustrate the changes in the District's net OPEB liability over a ten year period when the information is available. The District adopted GASB 75 for the fiscal year ending June 30, 2018.