

BOARD OF DIRECTORS
REGULAR MEETING AGENDA

May 14, 2026

6:30 P.M.

MEMBERS OF THE BOARD

Director John Maness, Director Joe Peery, Director James Valencia, Director Richard McCarty, Director Steve Marks

CONCERNING PUBLIC COMMENT

The Board of Directors offers the public to speak to specific agenda items during the time the agenda item is discussed by the Board. The Board also allows the opportunity for the public to speak on non-agenda items during "public comments" prior to the conclusion of the meeting. Comments are limited to five minutes per individual and five minutes for speakers representing an organization. The Board may not make any decision related to non-agenized items until the next Board meeting.

AGENDA

Pledge of Allegiance

I. Call To Order – Roll Call

II. Consent Calendar – Discussion/Action

A. Monthly Activity Reports – April 2026

B. Fuel Report –April 2026

III. Correspondence

None

IV. Comments/Questions

A. Board Members

B. Copperopolis Volunteer Fire Association

C. Citizen Emergency Response Team

V. Public Comment

VI. Administrative Report

A. Fire Chief

VII. New Business

A. Discussion/Action: Review and Possibly Approve Special District Budget Adjustments.

B. Discussion/Action: Advise Staff on ALA Agreement.

C. Discussion/ Action: Review and Possibly Accept the Basic Financial Statements for the Fiscal Year Ending June 30, 2025.

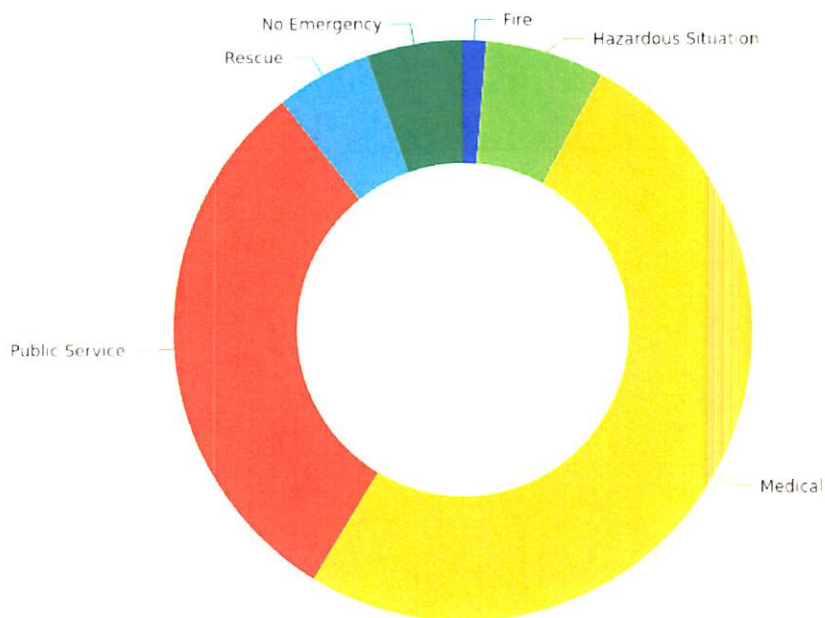
VIII. Closed Session

A. Closed Session to Discuss Public Employee Salaries, Salary Schedules, or Fringe Benefits of its Employees and any Other Matter Within the Statutorily Provided Scope of Representation Pursuant to Government Code Section 54957.6(a).

IX. Adjournment

Next Regular Board Meeting – July 9, 2026 @ 6:30 P.M.

FDR-IR: Incident Count by Primary Incident Group



PRIMARY INCIDENT GROUP	COUNT	PERCENT OF TOTAL
Fire	1	1.33%
Hazardous Situation	5	6.67%
Medical	38	50.67%
Public Service	23	30.67%
Rescue	4	5.33%
No Emergency	4	5.33%
Total	75	100.00%

Copperopolis Fire Protection District

Copperopolis, CA

This report was generated on 5/7/2026 8:20:34 AM



Count of Classes and People by Class Category with Class Hours and Man Hours for Date Range
Passed/Failed: Both Passed and Failed | Start Date: 04/01/2026 | End Date: 04/30/2026

	CLASS COUNT	TOTAL CLASS HOURS	COUNT OF PEOPLE	TOTAL MAN HOURS
EMS - Imported	1	1:00	5	5:00
Fire Operations - Imported	6	24:00	44	226:00
GRAND TOTALS:	7	25:00	49	231:00

This report lists the actual count of Reviewed classes and the class hours, and the number of people who attended those classes and the total Man Hours for each Class Category. This report pulls training hours from the Training Code Hours field on the Info Page.



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FUEL REPORT
April 2026

DATE	UNIT	ODOMETER	DIESEL GALLONS	GASOLINE GALLONS
4/3/26	E231	36002.7	15.7	
4/4/26	M232	103522	12.3	
4/4/26	E237	68318	13.2	
4/4/26	E233	89905	17.6	
4/5/26	E231	36088.3	18.5	
4/5/26	M232	103591	18.7	
4/5/26	E231	36145.2	12.4	
4/7/26	M232	103648	8.8	
4/7/26	E231	36202.7	12.9	
4/8/26	E231	36285.7	18	
4/10/26	M232	103751	12.2	
4/11/26	OES388	30137.1	22.8	
4/13/26	M232	103827	11.4	
4/13/26	OES388	30215.7	18.4	
4/16/26	OES388	30320.4	22.4	
4/17/26	M232	103932	17.9	
4/19/26	OES388	30406.6	19.8	
4/20/26	E231	36340.9	12.3	
4/21/26	M232	104561	26.2	
4/22/26	E231	36392.6	11.8	
4/25/26	E231	36452.7	13.1	
4/25/26	M232	104179	15.8	
4/26/26	CERT239	108017	13.6	
4/28/26	E231	36491.8	12	
4/29/26	E231	36536.9	10.3	
4/29/26	M232	104271	12.4	
4/30/26	M232	104324	9.3	
		TOTALS:	409.8	0



**COUNTY OF CALAVERAS
OFFICE OF AUDITOR-CONTROLLER
SPECIAL DISTRICT BUDGET ADJUSTMENT**

Please Indicate Type:

Fiscal Year: 2025/2026
 District: Copperopolis Fire Protection District
 Org Key: 2225

Appropriation/Est. Revenue Increase
 Reserve Transfer
 Budget Adjustment

<u>Object No</u>	<u>Description</u>	<u>Decrease</u>	<u>Increase</u>
5050	Retirement-PERS		\$ 44,110.00
5181	Maint-Apparatus/Utilities		\$ 30,000.00
5221	Memberships		\$ 20,000.00
5271	Professional Services	\$ 20,000.00	
5640	Structures		\$ 20,000.00
5990	Contingency		\$ 75,035.00
Subtotal		\$ 20,000.00	\$ 189,145.00
Increase/Decrease Reserve		\$ -	\$ -
Total		\$ 20,000.00	\$ 189,145.00

Votes by the Special District Board of Directors:

AYES: _____
 NOES: _____
 ABSENT: _____
 ABSTAIN: _____
 ATTEST: _____

Date: _____

AUDITOR USE ONLY

Budget Adjustment No: _____

Date Batch Input Completed: _____

By: _____

Agreement between
American Legion Post No. 108 Ambulance Service,
Copperopolis Fire Protection District, and
Mountain-Counties EMS Agency

THIS AGREEMENT is entered into by and between, American Legion Post No. 108 Ambulance Service, hereinafter referred to as "ALA", Copperopolis Fire Protection District, hereinafter referred to as "CFPD", and Mountain-Counties EMS Agency, hereinafter referred to as "Agency."

WHEREAS, ALA has the exclusive responsibility to provide ambulance transportation service in the South Zone of Calaveras County which includes the CFPD response area; and

WHEREAS, CFPD provides ALS fire first response services within the boundaries of the Copperopolis Fire Protection District; and

WHEREAS, CFPD has agreed to obtain and maintain a Patient Transport Vehicle to be used to provide mutual aid to ALA under certain circumstances, and

WHEREAS, ALA and the Agency agree that it is in the best interest of patient care that CFPD be authorized to provide mutual aid transport to patients under certain circumstances, and

NOW THEREFORE, IT IS AGREED by and between the parties hereto as follows:

A. Mutual Aid Transports

1. CFPD is in possession of a Patient Transport Vehicle that may be used to transport patients, on a mutual aid basis, under the following certain circumstances:
 - a. Rendezvous with air ambulance
 - i. A trauma patient meeting MCEMSA policy 553.25, Section IV, Subsections C, D or E, and
 - ii. Air ambulance has landed or will land within 5 minutes; and
 - iii. CFPD will contact ALA on MED NET 9 to determine ETA of ambulance. Based upon the ETA of the ambulance, a decision will be jointly made by the crews regarding the transport of the patient; and
 - iv. The patient's condition may be compromised by a delay in transport.

- b. Mutual aid transport to Mark Twain Medical Center or Sonora Regional Medical Center or rendezvous with ALA ambulance and no air ambulance is available or necessary:
 - i. Patients with airway compromise that cannot be corrected with advanced airway maneuvers; or
 - ii. A trauma patient meeting MCEMSA policy 553.25, Section IV, Subsections C, D or E; and
 - iii. Patient is packaged and ready for transport; and
 - iv. CFPD will contact ALA on MED NET 9 to determine ETA of ambulance. Based upon the ETA of the ambulance, a decision will be jointly made by the crews regarding the transport of the patient; and
 - v. The patient's condition may be compromised by a delay in transport.
- c. At the request of ALA for mutual aid.

- 2. Any patient transport by CFPD will be documented on an Agency Unusual Occurrence Report and submitted to the Mountain-Counties EMS Agency as soon as possible but no later than 24 hours after the incident.
- 3. CFPD must equip its Patient Transport Vehicle in compliance with Mountain-Counties EMS Agency Policy. The Patient Transport Vehicle must meet periodic inspections conducted by the Agency.
- 4. CFPD may respond to emergency calls with their Patient Transport Vehicle. The Patient Transport Vehicle signage shall read: Copperopolis Fire Department

B. ALS Fire First Response

- 1. CFPD must respond to all EMS responses with a minimum of one (1) paramedic and one (1) EMT/EMR.
- 2. CFPD must equip its ALS First Response vehicles in compliance with Mountain-Counties EMS Agency Policy. The ALS First Response vehicle must meet periodic inspections conducted by the Agency.
- 3. CFPD must assess and begin treatment on all patients according to Agency protocols.
- 4. CFPD will reduce incoming ALS ambulance to Code 2 if emergency response is unnecessary.

5. CFPD must complete an Agency approved electronic patient care record on all EMS system responses including patient contacts, cancelled calls, and non-transport.
6. CFPD shall meet the following response times at the 90th percentile.

Urban	Code 2	13:59
	Code 3	9:59
Suburban	Code 2	21:59
	Code 3	17:59
Rural	Code 2	31:59
	Code 3	27:59
7. CFPD must participate in the Agency quality improvement program.
8. CFPD will be accountable via FirstWatch surveillance platform. (FirstWatch and FirstPass)
9. ALA agrees to financially support CFPD ALS First Response program through an annual payment of \$10,000. Payments will be made every July.

C. Indemnification

1. CFPD and ALA shall defend, indemnify, save, and hold harmless the Agency and its officers, employees, and agents, and each of them, from any and all claims, damages, losses, judgments, liabilities, expenses, and other costs including litigation costs and attorney's fees arising out of, resulting from any negligent or wrongful act or omission of agents, officers, or employees of CFPD and ALA in connection with the performance of this AGREEMENT.
2. ALA shall defend, indemnify, save, and hold harmless CFPD and its officers, employees, and agents, and each of them, from any and all claims, damages, losses, judgments, liabilities, expenses, and other costs including litigation costs and attorney's fees arising out of, resulting from any negligent or wrongful act or omission of agents, officers, or employees of ALA in connection with the performance of this AGREEMENT.
3. CFPD shall defend, indemnify, save and hold harmless ALA and its officers, employees, and agents, and each of them, from any and all claims, damages, losses, judgments, liabilities, expenses, and other costs including litigation costs and attorney's fees arising out of, resulting from any negligent or wrongful act or omission of agents, officers, or employees of CFPD in connection with the performance of this AGREEMENT.

4. The Agency shall defend, indemnify, save and hold harmless ALA and CFPD and its officers, employees, and agents, and each of them, from any and all claims, damages, losses, judgments, liabilities, expenses and other costs including litigation costs and attorney's fees arising out of, resulting from any negligent or wrongful act or omission of agents, officers, or employees of the Agency in connection with the performance of this AGREEMENT

D. Term

1. The term of the agreement is effective April 15, 2026 through April 14, 2027. The agreement may be modified by written agreement and signed by all parties.
2. The foregoing language reflects the current intent of the parties and is intended to set forth controlling language for the circumstances herein described, notwithstanding any of previous contractual language between or among the parties that may exist and that may conflict, either implicitly or explicitly.

In WITNESS WHEREOF, the parties hereto have executed this agreement on this _____ day of _____, 2026.

American Legion Post No. 108 Ambulance Service

Michelle Tyer, President, CEO

Date

Copperopolis Fire Protection District

Scott O. Hertzog, Fire Chief

Date

Mountain-Counties EMS Agency

Cindy Murdaugh, Executive Director

Date

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COPPEROPOLIS FIRE PROTECTION DISTRICT

FINANCIAL STATEMENTS
Modified Cash Basis

FISCAL YEAR ENDED JUNE 30, 2025

DRAFT

COPPEROPOLIS FIRE PROTECTION DISTRICT

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LARRY BAIN, CPA

An Accounting Corporation

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DRAFT

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Copperopolis Fire Protection District
Copperopolis, CA

Opinion

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Copperopolis Fire Protection District as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position-modified cash of the governmental activities and fund information of the Copperopolis Fire Protection District as of June 30, 2025, and the changes in financial position-modified cash, of those activities and funds for the fiscal year then ended in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Copperopolis 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 opinion.

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 Copperopolis Fire Protection District's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 opinion. 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Copperopolis 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 Copperopolis 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.

Other Matter

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to the matter.

Required Supplementary Information

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

The required supplementary information other than MD&A, is listed in the table of contents as the budgetary comparison schedules-general fund and special revenue fund on pages 23 and 24, schedule of the pension plan's proportionate share of the net pension liability on page 25 and the schedule of district pension contributions on page 26. 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 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.

DRAFT

Larry Bain, CPA
An Accounting Corporation

April 25, 2026

COPPEROPOLIS FIRE PROTECTION DISTRICT

**STATEMENT OF NET POSTION
Modified Cash Basis
JUNE 30, 2025**

	<u>Governmental Activities</u>
Assets	
Current assets	
Cash and investments	\$ 836,804
Restricted cash and investments	129,945
Total current assets	<u>966,749</u>
Capital assets:	
Land	45,589
Buildings and improvements	415,190
Equipment	2,857,908
Less: accumulated depreciation	<u>(1,873,711)</u>
Total capital assets	<u>1,444,976</u>
Total assets	<u>2,411,725</u>
Deferred Outflows of Resources	
Deferred outflows-pensions	<u>550,821</u>
Liabilities	
Current liabilities	
Compensated absences	16,708
OPEB liability	13,650
Subtotal current liabilities	<u>30,358</u>
Noncurrent liabilities:	
Compensated absences	50,123
OPEB liability	234,657
Net pension liability	1,497,596
Subtotal noncurrent liabilities	<u>1,782,376</u>
Total liabilities	<u>1,812,734</u>
Deferred Inflows of Resources	
Deferred inflows-pensions	<u>25,869</u>
Net Position	
Net investment in capital assets	1,444,976
Restricted	129,945
Unrestricted	<u>(450,978)</u>
Total net position	<u>\$ 1,123,943</u>

The notes to financial statements are an integral part of this statement

COPPEROPOLIS FIRE PROTECTION DISTRICT

STATEMENT OF ACTIVITIES

Modified Cash Basis

JUNE 30, 2025

	<u>Program Revenues</u>				
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Capital Grants and Contributions</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental Activities:					
Public safety	\$ 2,494,357	\$ 561,455	\$ 93,812	\$ 449,689	\$ (1,389,401)
Total governmental activities	<u>\$ 2,494,357</u>	<u>\$ 561,455</u>	<u>\$ 93,812</u>	<u>\$ 449,689</u>	<u>\$ (1,389,401)</u>
 General Revenues:					
Taxes:					
Property tax, levied for general purposes					1,259,313
Sales and use tax					294,525
Prop 172					32,804
Other					46,964
Investment income					26,682
Total general revenues					<u>1,660,288</u>
Change in net position					<u>270,887</u>
Net position - beginning of fiscal year as previously reported					887,693
Adjustment-change in accounting principle (note 10)					<u>(34,637)</u>
Net position-beginning of fiscal year as restated					853,056
Net position - ending					<u>\$ 1,123,943</u>

The notes to financial statements are an integral part of this statement

COPPEROPOLIS FIRE PROTECTION DISTRICT

**GOVERNMENTAL FUNDS
BALANCE SHEET
Modified Cash Basis
JUNE 30, 2025**

	<u>General</u>	<u>Special Revenue- Measure A</u>	<u>Totals</u>
<u>Assets</u>			
Cash and investments	\$ 836,804	\$ -	\$ 836,804
Restricted cash and investments	<u>102,133</u>	<u>27,812</u>	<u>129,945</u>
 Total assets	 <u>\$ 938,937</u>	 <u>\$ 27,812</u>	 <u>\$ 966,749</u>
<u>Fund Balances</u>			
Restricted for imprest cash-payroll	\$ 102,133	\$ -	\$ 102,133
Restricted-special revenue		27,812	27,812
Committed	453,853		453,853
Unassigned	<u>382,951</u>		<u>382,951</u>
 Total fund balances	 <u>\$ 938,937</u>	 <u>\$ 27,812</u>	 <u>\$ 966,749</u>

The notes to financial statements are an integral part of this statement

COPPEROPOLIS FIRE PROTECTION DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
Modified Cash Basis
JUNE 30, 2025

Fund balances of governmental funds	\$ 966,749
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets, net of accumulated depreciation, are not current financial resources and are not included in the governmental funds.	1,444,976
Deferred inflows and outflows, are not receivable or payable in the current period and therefore are not reported in the funds.	524,954
Liabilities, including long-term debt is not due and payable in the current period and therefore are not reported in the funds.	<u>(1,812,734)</u>
Net position of governmental activities	\$ <u><u>1,123,945</u></u>

The notes to financial statements are an integral part of this statement

COPPEROPOLIS FIRE PROTECTION DISTRICT

**STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID,
AND CHANGES IN FUND BALANCE
Modified Cash Basis
JUNE 30, 2025**

	<u>General</u>	<u>Measure A</u>	<u>Totals</u>
Revenues Collected			
Taxes			
Secured current	\$ 1,190,604	\$ -	\$ 1,190,604
SB2557	(20,122)		(20,122)
Secured supplemental	24,058		24,058
Unsecured	23,928		23,928
Unitary	32,617		32,617
Sales and use tax		294,525	294,525
Prop 172	32,804		32,804
Total taxes	<u>1,283,889</u>	<u>294,525</u>	<u>1,578,414</u>
Intergovernmental			
State homeowners' property tax relief	8,228		8,228
State OES reimbursements	400,268		400,268
State capital grant	49,421		49,421
Transient occupancy tax	81,692		81,692
Total Intergovernmental	<u>539,609</u>		<u>539,609</u>
Use of money and property			
Interest	24,747	1,935	26,682
Total use of money and property	<u>24,747</u>	<u>1,935</u>	<u>26,682</u>
Charges for services			
Service assessments	521,175		521,175
Charges for services	28,891		28,891
Exaction fees	10,070		10,070
Total charges for services	<u>560,136</u>		<u>560,136</u>
Other			
Miscellaneous	60,403		60,403
Total other	<u>60,403</u>		<u>60,403</u>
Total revenues collected	<u>2,468,784</u>	<u>296,460</u>	<u>2,765,244</u>
Expenditures Paid			
Salaries and benefits	1,589,613	200,455	1,790,068
Clothing and supplies	22,772	40,968	63,740
Communications	12,440		12,440
Food	4,395		4,395
Household	20,435		20,435
Insurance	52,130		52,130
Maintenance of equipment	141,560		141,560
Maintenance of buildings and grounds	18,163		18,163
Memberships	24,765		24,765
Miscellaneous	1,270		1,270
Office expense	5,675		5,675
Professional and specialized services	45,488		45,488
Rents & Leases	2,175		2,175
Small tools	15,443		15,443
Special district expenses	45,919		45,919
Training	16,762		16,762
Transportation	34,421		34,421
Utilities	14,428		14,428
Capital outlay	<u>347,720</u>	<u>27,225</u>	<u>374,945</u>
Total expenditures paid	<u>2,415,574</u>	<u>268,648</u>	<u>2,684,222</u>
Net change in fund balances	<u>53,210</u>	<u>27,812</u>	<u>81,022</u>
Fund balance, beginning of fiscal year	<u>885,727</u>		<u>885,727</u>
Fund balance, end of fiscal year	<u>\$ 938,937</u>	<u>\$ 27,812</u>	<u>\$ 966,749</u>

The notes to financial statements are an integral part of this statement

COPPEROPOLIS FIRE PROTECTION DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS
STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID,
AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
Modified Cash Basis
JUNE 30, 2025

Net change in fund balances - total governmental funds	\$	81,022
<p>Amounts reported for governmental activities in the statement of activities differs from the amounts reported in the statement of revenues collected expenditures paid, and changes in fund balances because:</p>		
<p>Governmental funds report capital outlays as expenditures, however, in the statement of activities the costs of those assets is allocated over their estimated useful lives as depreciation expense or are allocated to the appropriate functional expense when the cost is below the capitalization threshold. This activity is reconciled as follows:</p>		
Cost of assets capitalized		374,945
Depreciation expense		(142,358)
<p>The change in net pension liability, OPEB liability and compensated absences recorded in the statement of activities do not require the use of current financial resources and therefore are not reported in the funds</p>		
		<u>(42,722)</u>
Change in net position of governmental activities	\$	<u><u>270,887</u></u>

The notes to financial statements are an integral part of this statement

COPPEROPOLIS FIRE PROTECTION DISTRICT

Notes to the Financial Statements Modified Cash Basis June 30, 2025

Note 1: Summary of Significant Accounting Policies

The Copperopolis Fire Protection District was formed in 1937 for the purpose of providing fire protection to property within the District. The District acts and operates under, and is governed by, the statutory authority known as the Health and safety code, State of California, Division 12, Part 2.7, Fire Protection District Law of 1961.

The District's revenue is generated by levying taxes upon all taxable property within its boundaries for general purposes. The assessed valuation of the District is determined by the assessor of the County of Calaveras and the assessments are collected by the tax collector of the County. The District also levies an annual assessment approved by voters as a source of additional revenue for Fire and Paramedic services. The assessment and associated expenditure activities are included in the general fund.

The accounting policies of the District are prepared on the modified cash basis of accounting. This basis of accounting is other than generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The District has defined its reporting entity in accordance with accounting principles generally accepted in the United States of America, which provide guidance for determining which governmental activities, organizations, and functions should be included in the reporting entity. In evaluating how to define the District for financial reporting purposes, management has considered all potential component units. The primary criterion for including a potential component unit within the reporting entity is the governing body's financial accountability.

A primary governmental entity is financially accountable if it appoints a voting majority of a component unit's governing body and it is able to impose its will on the component unit, or if there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A primary government may also be financially accountable if a component unit is fiscally dependent on the primary governmental entity regardless of whether the component unit has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board.

Based upon the aforementioned oversight criteria, the District does not have any component units.

B. Basis of Accounting

The accompanying financial statements have been prepared on the modified cash basis of accounting. This is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board and the American Institute of Certified Public Accountants. The following are some of the ways that the modified cash basis of accounting differs from accounting principles generally accepted in the United States of America.

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned or, for property tax revenues, in the period for which levied. Expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Resources not available to finance expenditures and commitments of the current period are recognized as deferred revenue or as a reservation of

COPPEROPOLIS FIRE PROTECTION DISTRICT

Notes to the Financial Statements Modified Cash Basis June 30, 2025

Note 1: Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting (Continued)

fund balance. The District considers property taxes available if they are collected within sixty-days after year-end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt, as well as compensated absences and claims and judgments are recorded only when payment is due. General capital acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financial sources.

The Copperopolis Fire Protection District recognizes revenues when they are received by the District. The modified cash basis of accounting recognizes all expenditures when they are paid.

Consequently, the District has not recognized receivables or accounts payable to vendors and their related effects on earnings in the accompanying financial statements. The District does recognize capital assets and long-term debt in the government-wide financial statements in accordance with GASB 34.

C. Non-Current Governmental Assets/Liabilities

GASB Statement 34 eliminates the presentation of account groups, but provides for these records to be maintained and incorporates the information into the Governmental Activities column in the government-wide statement of net position.

D. 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. These statements distinguish between the governmental and business-type activities of the District. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of activities demonstrates the degree to which the program expenses of a given function are offset by program revenues. Program expenses include direct expenses, which are clearly identifiable with a specific function. Program revenues include 1) charges paid by the recipient 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. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

Fund Financial Statements

The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in separate columns. All remaining governmental funds are separately aggregated and reported as non-major funds.

Governmental Fund Types

Governmental funds are used to account for the District's expendable financial resources and related liabilities (except those accounted for in proprietary funds). The measurement focus is based upon determination of changes in financial position. The following are the District's governmental funds:

COPPEROPOLIS FIRE PROTECTION DISTRICT

Notes to the Financial Statements Modified Cash Basis June 30, 2025

Note 1: Summary of Significant Accounting Policies (Continued)

D. Basis of Presentation (Continued)

General Fund - This fund accounts for all the financial resources not required to be accounted for in another fund. This fund consists primarily of general government type activities.

E. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

F. Restricted Assets

Restricted assets are financial resources generated for a specific purpose such as construction of improvements and financing of debt obligations. These amounts are restricted, as their use is limited by applicable bond covenants or other external requirements.

G. Fund Equity

Reservations of fund balances of governmental funds are established to either (1) satisfy legal covenants that require a portion of fund balance to be segregated or (2) identify the portion of the fund balance that is not appropriate for future expenditures.

H. Property Taxes

The District receives property taxes and assessments through the County of Calaveras, which has been assigned the responsibility for assessment, collections, and apportionment of property taxes for all taxing jurisdictions within the County. Secured property taxes are levied on January 1 for the following fiscal year and on which date it becomes a lien on real property. Secured property taxes are due in two instalments on November 1 and December 1 and are delinquent after December 10 and April 10, respectively, for the secured roll. Property taxes on the unsecured roll are due on the January 1 lien date and become delinquent if unpaid by August 31. Property tax revenues are recognized in the fiscal year they are received.

I. Capital Assets

Capital assets, recorded at historical cost or estimated historical cost if actual historical cost is not available, are reported in the governmental activities and business-type activities columns of the government-wide financial statements. Capital assets include land, buildings and site improvements and equipment and machinery. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Depreciation is recorded in the government-wide financial statements on the straight-line basis over the useful life of the assets as follows:

COPPEROPOLIS FIRE PROTECTION DISTRICT

**Notes to the Financial Statements
Modified Cash Basis
June 30, 2025**

Note 1: Summary of Significant Accounting Policies (Continued)

I. Capital Assets (Continued)

<u>Assets</u>	<u>Useful Life</u>
Buildings	30 years
Building improvements	10-20 years
Site improvements	10-20 years
Equipment and machinery	5 to 20 years

Note 2: Cash and Investments

Cash and investments at June 30, 2025 consisted of the following:

Deposits with financial institutions	\$ 102,133
Cash with county	836,804
Total cash and investments	\$ 938,937

A. Investments Authorized by the California Government Code and the Entity's Investment Policy

The table below identifies the **investment types** that are authorized for the Copperopolis Fire Protection District (District) by the California Government Code (or the District's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the District's investment policy, where more restrictive) that address **interest rate risk**, **credit risk** and **concentration of credit risk**. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the District, rather than the general provisions of the California Government Code or the District investment policy.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Investment pools authorized under CA			
Statues governed by Government Code	N/A	None	\$40 million
U.S. Treasury Obligations	5 years	None	None
Bank Savings Account	N/A	25%	None
Federal Agencies	5 years	75%	None
Commercial Paper	180 days	20%	None
Negotiable Certificates of Deposit	180 days	20%	None
Rc-purchase Agreements	180 days	20%	None
Corporate Debt	5 years	25%	None
Money Market Accounts	N/A	None	None

COPPEROPOLIS FIRE PROTECTION DISTRICT

**Notes to the Financial Statements
Modified Cash Basis
June 30, 2025**

Note 2: Cash and Investments (Continued)

B. Disclosures Relating to Interest Rate Risk

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

Information about the sensitivity of the fair values of the District’s investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District’s investment by maturity:

<u>Investment Type</u>	<u>Totals</u>	<u>Remaining Maturity (in Months)</u>	
		<u>12 Months or Less</u>	<u>13-48 Months</u>
Cash with county*	\$ 836,804	\$ 836,804	\$ -
Totals	\$ 836,804	\$ 836,804	\$ -

*Not subject to categorization

C. Concentrations of Credit Risk

The investment policy of the District contains limitations on the amount that can be invested in any one issuer. There are no investments to one issuer exceeding those limits.

D. 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 deposit or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for 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 of collateral securities that are in the possession of another party. The California Government Code and the District’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits; The California Government Code requires that a financial institution secured deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the District’s deposits by pledging first deed mortgage notes having a value of 150% of the secured public deposits.

The District maintains one public funds checking account with UMPQUA Bank for a payroll clearing account. At June 30, 2025 the District’s bank balance was \$102,133 and the carrying amount was \$102,133. Of the bank balance all was covered by the Federal Depository Insurance or by collateral held in the bank’s trust department in the District’s name.

COPPEROPOLIS FIRE PROTECTION DISTRICT

**Notes to the Financial Statements
Modified Cash Basis
June 30, 2025**

Note 2: Cash and Investments (Continued)

E. Investment in Government Pool

The District maintains certain cash and investments with the Calaveras County Treasurer in an investment pool. The District's funds are managed in accordance with the investment policy of the County Treasury. On a quarterly basis the Treasurer allocates interest to participants based upon their average daily balances. Required disclosure information regarding the categorization of investments and investment risk can be found in the County's financial statements. The Calaveras County's financial statements may be obtained by contacting the Calaveras County Auditor-Controller's office at 891 Mountain Ranch Road, San Andreas, CA 95249.

Note 3: Property Plant and Equipment

Activity for general fixed assets capitalized by the District is summarized below:

	<u>Balance</u> <u>July 1, 2024</u>	<u>Additions</u>	<u>Retirement/ Adjustments</u>	<u>Balance</u> <u>June 30, 2025</u>
Capital assets, not being depreciated				
Land	\$ 45,589	\$ -	\$ -	\$ 45,589
Capital assets, being depreciated:				
Buildings and improvements	415,190			415,190
Equipment	<u>2,482,963</u>	<u>374,945</u>		<u>2,857,908</u>
Total capital assets, being depreciated	<u>2,898,153</u>	<u>374,945</u>		<u>3,273,098</u>
Less accumulated depreciation	<u>(1,731,353)</u>	<u>(142,358)</u>		<u>(1,873,711)</u>
Governmental activities, capital assets, net	<u>\$ 1,212,389</u>	<u>\$ 232,587</u>	<u>\$ -</u>	<u>\$ 1,444,976</u>

Note 4: Long-Term Liabilities

A summary of the changes in the District's long-term liabilities reported in the government-wide financial statements for the year ended June 30, 2025:

	<u>Balance</u> <u>July 1, 2024</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2025</u>	<u>Due Within</u> <u>One Year</u>
Compensated absences	\$ 33,858	\$ 32,973	\$ -	\$ 66,831	\$ 16,708
OPEB liability	261,957		(13,650)	248,307	13,650
Net pension liability	<u>1,536,737</u>		<u>(39,141)</u>	<u>1,497,596</u>	
Totals	<u>\$ 1,832,552</u>	<u>\$ 32,973</u>	<u>\$ (52,791)</u>	<u>\$ 1,812,734</u>	<u>\$ 30,358</u>

Compensated Absences

District employees accumulate earned but unused vacation benefits that can be converted to cash at termination or retirement from employment and accumulated sick leave expected to be used prior to termination or retirement in accordance with GASB 101. The amount of the compensated absences at June 30, 2025 was \$66,831.

COPPEROPOLIS FIRE PROTECTION DISTRICT

**Notes to the Financial Statements
Modified Cash Basis
June 30, 2025**

Note 5: Defined Benefit Pension Cost-Sharing Employer Plan

A. General Information about the Pension Plans

Plan Descriptions – All qualified permanent and probationary employees are eligible to participate in the District’s Miscellaneous Employee Pension Plan, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plans 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.

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 55 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 Plans’ provisions and benefits in effect at June 30, 2025, are summarized as follows:

	<u>Safety Plan</u>	<u>Safety Pepra Plan</u>	<u>Miscellaneous</u>
	Prior to January 1, 2013	On or after January 1, 2013	Prior to January 1, 2013
Hire date			
Benefit formula	2.0% @ 50	2.7% @ 57	2% @ 62
Benefit vesting s chedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	45-50	52-57	57-62
Monthly benefits , as a % of eligible compensation	1.5% to 2.0%	2.2% to 2.7%	1% to 2%
Required employee contribution rates	9.00%	13.75%	7.00%
Required employer contribution rates	22.26%	14.68%	13.05%

Contributions – 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 actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2025, contributions recognized as part of pension expense for each Plan were:

Contributions-employer	\$	263,898
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COPPEROPOLIS FIRE PROTECTION DISTRICT

**Notes to the Financial Statements
Modified Cash Basis
June 30, 2025**

Note 5: Defined Benefit Pension Cost-Sharing Employer Plan (Continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pension

As of June 30, 2025, the District reported net pension liabilities for its proportionate shares of the net pension liability of the Plan as follows:

	Proportionate share of Net pension liability	
	<hr/>	
Miscellaneous Plan	\$	82,976
Safety Fire Plan	\$	1,414,620

The District's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2024, 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, 2023 rolled forward to June 30, 2024 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 as of June 30, 2024 and 2025 were as follows:

	Miscellaneous Plan	Safety Plans
	<hr/>	<hr/>
Proportion - June 30, 2024	0.00166%	0.01945%
Proportion - June 30, 2025	0.00172%	0.01940%
Change - Increase (Decrease)	0.00005%	-0.00004%

For the year ended June 30, 2025, the District recognized pension expense of \$212,079. At June 30, 2025, 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
	<hr/>	<hr/>
Differences between expected and actual experience	\$ 122,620	\$ (4,034)
Changes of assumptions	36,986	
Net difference between projected and actual earnings on pension plan investments	73,153	
Changes in proportion	18,064	(20,708)
Change proportionate share of contributions	36,100	(1,127)
District contributions subsequent to the measurement date	263,898	
Total	<hr/> \$ 550,821 <hr/>	<hr/> \$ (25,869) <hr/>

\$263,898 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026.

COPPEROPOLIS FIRE PROTECTION DISTRICT

**Notes to the Financial Statements
Modified Cash Basis
June 30, 2025**

Note 5: Defined Benefit Pension Cost-Sharing Employer Plan (Continued)

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

Measurement Period	
Ended June 30:	
2026	\$ (78,297)
2027	(200,229)
2028	(7,559)
2029	25,029

Actuarial Assumptions – The total pension liabilities in the June 30, 2023 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry-Age Normal Cost
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.50%
Payroll Growth	3.00%
Projected Salary Increase	3.3% - 14.2% (1)
Investment Rate of Return	6.90%

Discount Rate – The discount rate used to measure the total pension liability was 6.90% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans 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 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 long term expected discount rate of 6.90% will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

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 long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

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.

COPPEROPOLIS FIRE PROTECTION DISTRICT

**Notes to the Financial Statements
Modified Cash Basis
June 30, 2025**

Note 5: Defined Benefit Pension Cost-Sharing Employer Plan (Continued)

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1-10 (1)(2)</u>
Global equity-cap weighted	30.0%	4.45%
Global equity non-cap weighted	12.0%	3.84%
Private equity	13.0%	7.28%
Treasury	5.0%	27.00%
Mortgage backed securities	5.0%	50.00%
Investment grade corporates	10.0%	1.56%
High yield	5.0%	2.27%
Emerging market debt	5.0%	2.48%
Private debt	5.0%	3.57%
Real assets	15.0%	3.21%
Leverage	-5.0%	-0.59%

(1) An expected inflation of 2.30% 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:

	<u>Discount Rate -1% (5.90%)</u>	<u>Current Discount Rate (6.90%)</u>	<u>Discount Rate +1% (7.90%)</u>
Misc Plan	\$ 134,405	\$ 82,976	\$ 40,795
Safety Plan	\$ 2,291,430	\$ 1,414,620	\$ 695,506

Note 6: Other Postemployment Benefits (OPEB)

General Information about the OPEB Plan

The Board of Directors passed a resolution to establish health benefit vesting requirements for future retirees, whereas an employee who is with Copperopolis Fire Protection District for 25 years or longer and who has met other vesting requirements as defined by section 2.03.032 of the District policy manual, shall receive up to a maximum of 75% of the allowance listed in the District section 125 Cafeteria Plan that was in force at the time of the employee’s retirement. As of June 30, 2025, one retired employee was receiving postretirement health benefits.

Plan Description

Under the policy for post-retirement health insurance benefits, one retiree hired on October 30, 1991 has met the vesting requirement and is receiving the benefit. No other employees are eligible or will be eligible to receive the benefit. The benefit is closed to employees hired after January 1, 2013 based on changes to the District policy.

COPPEROPOLIS FIRE PROTECTION DISTRICT

**Notes to the Financial Statements
Modified Cash Basis
June 30, 2025**

Note 6: Other Postemployment Benefits (OPEB) (Continued)

Benefits Provided

For the one retiree to be eligible for these benefits, the employee had to retire from the District with a minimum of twenty five years of service exclusive of any credit for military service. The District had to be the retiree’s last employer and the retiree had to file and obtain a CalPERS pension to be eligible for this benefit. The benefit is paid on a sliding scale with 50% of benefit for an employee with 25 years of service up to 75% of the benefit paid with 30 years of service. Other provisions of the plan are outlined in the District policy manual.

The contribution requirement of plan members is established by the District’s Board of Directors. As of June 30, 2025 the District’s Board of Directors did not establish a funding policy. The District performed an actuarial in the 2016-17 fiscal year to determine the contribution on amortized funding over a 30 year period using entry age normal cost. For the fiscal year ending June 30, 2025 the District contributed \$0 to towards the unfunded actuarial accrued liability (UAAL). The District did not choose a trustee for the plan as of June 30, 2025. The District has one retiree receiving the benefit as of June 30, 2025 and contributed \$13,650 on behalf of this retiree during the 2024/25 fiscal year. No active employees are eligible for the plan.

Net OPEB Liability

Because there is one eligible retiree receiving the post-retirement health care benefit and no active employees who will be eligible for the benefit, the District has chosen to forego the cost of commissioning a GASB 75 actuarial study and instead used the “Active” employee portion of the projected unit credit (PUC) actuarial liability (AL) reported in the 2016/17 alternative measurement method report as an estimate of the OPEB liability. The PUC AL calculated for the June 30, 2025 OPEB unfunded liability is \$248,307. There are no deferred inflows or outflows of resources because the District has no OPEB assets and there were no contributions subsequent to the measurement date for post-retirement health care benefits.

Note 7: Gann Limit

Total subject revenue 2024-25	\$ 1,813,292
Amount of limit for 2024-25	1,842,720
Amount (under)/over limit	<u>\$ (29,428)</u>

Because the District is over the original GANN limit they had a special vote in the District boundaries, where the voters approved increasing the limit by \$550,000. The increased limit needs to be approved by voters every 4 years.

Note 8: Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases commercial insurance to cover the risk of loss. The \$1,000,000 general liability with \$4,000,000 excess liability covers general liability, auto liability, property liability, D&O and E&O. The District pays an annual premium for its general insurance coverage. Furthermore the District carries workers compensation coverage through Fire Agencies Insurance Risk Authority.

COPPEROPOLIS FIRE PROTECTION DISTRICT

Notes to the Financial Statements Modified Cash Basis June 30, 2025

Note 9: Net Position/Fund Balances

Net Position

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

- *Net Investment in Capital Asset* – This category groups all capital assets, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- *Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors or laws and regulations of other governments and restrictions imposed by law though constitutional provisions or enabling legislation.
- *Unrestricted Net Position* – This category represents net position the District, not restricted for any project or other purpose.

Fund Balances

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2025, fund balances for governmental funds are made up of the following:

- Nonspendable fund balance - includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, and long-term notes receivable.
- Restricted fund balance - includes amounts that can be spent for specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- Committed fund balance - includes amounts that can only be used for the specific purposes determined by a formal action of the District’s highest level of decision-making authority, the Board of Directors. Commitments may be changed or lifted only by the District taking the same formal action that imposed the constraint originally (for example: resolution and ordinance).
- Assigned fund balance - comprises amounts intended to be used by the District for specific purposes that are neither restricted nor committed. Intent is expressed by (1) the Board of Directors or (b) a body (for example: a budget or finance committee) or official to which the Board of Directors has delegated the authority to assign amounts to be used for specific purposes.
- Unassigned fund balance - is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, that fund would report a negative unassigned fund balance.

COPPEROPOLIS FIRE PROTECTION DISTRICT

Notes to the Financial Statements Modified Cash Basis June 30, 2025

Note 10: Restatements

In FY 2024/25 the District implemented new pronouncement GASB 101 compensated absences. The new pronouncement uniformed and defined the elements required in the compensated absence liability calculation retroactively. Under the new guidance, the District now includes sick leave in the compensated absence liability calculation. The change in accounting principle affected the current and long-term liabilities. As a result, beginning net position decreased \$34,637.

Note 11: County-Wide Measure A Sales Tax

In March 2024 the voters of Calaveras County approved Measure A one percent sales tax to be used for increased Fire and Paramedic services within the County. 9 Fire Protection Districts and 1 City Fire Department in the County will share in the revenue, with Copperopolis Fire Protection District share to be approximately 10.5%. The revenue distributed during the 2024/25 fiscal year was \$294,525 and the District expects to receive \$1,042,067 in the 2025/26 fiscal year. The appropriations limit was also approved to be increased by the amount of the special tax through the 2027/28 fiscal year.

The governing board of the District is responsible to use the Measure A funds to improve the speed of response and the quantity and quality of personnel available to immediately respond to emergencies. The District board may also use the funds to improve or replace necessary equipment and facilities. No more than thirty percent (30%) of these funds may be used to improve or replace equipment and facilities and no less than seventy percent (70%) of these funds may be used for staffing including incentives, training and stipends for volunteer firefighters; compensation, incentives and training for paid firefighters; personal protective equipment for firefighters; and office and professional costs including compensating an office manager, payroll services, auditing services and the costs of required audits or reports related to the Calaveras Local Fire Protection Tax. No more than five percent (5%) of the total Calaveras Local Fire Protection Tax funds for each agency may be devoted to such office and professional costs.

Note 12: Related Party Transactions:

The District uses the services of Fireground Solutions to provide water and boating safety training. Fireground Solutions is owned by the son of a member of the Board of Directors. The amount paid to Fireground Solutions in the 2024/25 fiscal year was \$2,700.

Note 13: Revenue Limitations Imposed by California Proposition 218

Proposition 218 was approved by the voters in November 1996, regulates the District's ability to impose, increase, and extend taxes and assessments. Any new increase or extended taxes and assessments subject to the provisions of Proposition 218, requires voter approval before they can be implemented. Additionally, Proposition 218 provides that these taxes and assessments are subject to voter initiative and may be rescinded in the future years by the voters.

Note 14: Ambulance Agreement

The District entered into an agreement with American Legion Post No. 108 Ambulance Service (ALS) whereby ALS will have exclusive responsibility to provide ambulance transportation service in the South Zone of Calaveras County which includes Copperopolis Fire Protection District response area. The District has also agreed to obtain and maintain a patient transport vehicle to provide mutual aid to ALS under certain circumstances. The term of the agreement is April 15, 2021 through April 14, 2026. ALS agreed to financially support CFPD ALS First Response program through an annual payment of \$10,000 due every July during the term of the agreement.

COPPEROPOLIS FIRE PROTECTION DISTRICT

**Notes to the Financial Statements
Modified Cash Basis
June 30, 2025**

Note 15: Contingent Liabilities

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the district expects such amounts, if any, to be immaterial.

Note 16: Subsequent Events

The District donated a 1998 Pierce Quantum fire engine to Columbia College Fire Technology in August 2025. The District sold a 2008 International 4X4 West Mark engine to PAYMAC Inc. for \$51,400 in September 2025.

Subsequent events were evaluated through April 2, 2026, the date the financial statements were available for distribution.

**COPPEROPOLIS FIRE PROTECTION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues Collected				
Taxes				
Secured current	\$ 1,087,292	\$ 1,087,292	\$ 1,190,604	\$ 103,312
Administrative fee (SB2557)	(21,091)	(21,091)	(20,122)	969
Secured supplemental	27,081	27,081	24,058	(3,023)
Unsecured	23,460	23,460	23,928	468
Unitary	25,295	25,295	32,617	7,322
Prior years and penalties	1,974	1,974		(1,974)
Total taxes	<u>1,144,011</u>	<u>1,144,011</u>	<u>1,251,085</u>	<u>107,075</u>
Intergovernmental				
State homeowners' property tax relief	9,189	9,189	8,228	(961)
State OES reimbursements	128,000	128,000	400,268	272,268
State grant	31,870	31,870	49,421	17,551
Prop 172	32,435	32,435	32,804	369
Transient occupancy tax	75,798	75,798	81,692	5,894
Total intergovernmental	<u>277,292</u>	<u>277,292</u>	<u>572,413</u>	<u>295,121</u>
Use of money and property				
Interest	2,000	2,000	24,747	22,747
Total use of money and property	<u>2,000</u>	<u>2,000</u>	<u>24,747</u>	<u>22,747</u>
Charges for services				
Fire assessment	244,050	244,050	260,588	16,538
Paramedic assessment	244,050	244,050	260,588	16,538
Charges for services	20,425	20,425	28,891	8,466
Exaction fees	11,706	11,706	10,070	(1,636)
Total charges for services	<u>520,231</u>	<u>520,231</u>	<u>560,136</u>	<u>39,905</u>
Other	<u>50,000</u>	<u>50,000</u>	<u>60,403</u>	<u>10,403</u>
Total revenues collected	<u>1,993,534</u>	<u>1,993,534</u>	<u>2,468,784</u>	<u>475,250</u>
Expenditures Paid				
Salaries and benefits	1,628,855	1,628,855	1,589,613	39,242
Clothing and supplies	29,950	29,950	22,772	7,178
Communications	14,400	14,400	12,440	1,960
Food	4,355	4,355	4,395	(40)
Household	16,628	16,628	20,435	(3,807)
Insurance	49,632	49,632	52,130	(2,498)
Maintenance of equipment	73,901	73,901	141,560	(67,659)
Maintenance of buildings and grounds	13,310	13,310	18,163	(4,853)
Memberships	19,892	19,892	24,765	(4,873)
Misc	1,179	1,179	1,270	(91)
Office expense	6,600	6,600	5,675	925
Professional and specialized services	39,286	39,286	45,488	(6,202)
Rents & Leases	1,850	1,850	2,175	(325)
Small tools	18,925	18,925	15,443	3,482
Special district expenses	36,432	36,432	45,919	(9,487)
Training	16,873	16,873	16,762	111
Transportation	30,300	30,300	34,421	(4,121)
Utilities	18,850	18,850	14,428	4,422
Capital outlay	170,115	170,115	347,720	(177,605)
Total expenditures paid	<u>2,191,333</u>	<u>2,191,333</u>	<u>2,415,574</u>	<u>(224,240)</u>
Net change in fund balances	<u>\$ (197,799)</u>	<u>\$ (197,799)</u>	<u>53,210</u>	<u>\$ 251,010</u>
Fund balance, beginning of fiscal year			<u>885,727</u>	
Fund balance, end of fiscal year			<u>\$ 938,937</u>	

**COPPEROPOLIS FIRE PROTECTION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND-MEASURE A
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues Collected				
Taxes				
Sales and use tax	\$ 267,750	\$ 267,750	\$ 294,525	\$ 26,775
Total taxes	<u>267,750</u>	<u>267,750</u>	<u>294,525</u>	<u>26,776</u>
Use of money and property				
Interest			1,935	1,935
Total use of money and property			<u>1,935</u>	<u>1,935</u>
Total revenues collected	<u>267,750</u>	<u>267,750</u>	<u>296,460</u>	<u>28,710</u>
Expenditures Paid				
Salaries and benefits	294,244	294,244	200,455	93,789
Clothing and supplies	41,155	41,155	40,968	187
Maintenance of equipment	27,225	27,225		27,225
Capital outlay			<u>27,225</u>	<u>(27,225)</u>
Total expenditures paid	<u>362,624</u>	<u>362,624</u>	<u>268,648</u>	<u>93,976</u>
Net change in fund balances	\$ <u>(94,874)</u>	\$ <u>(94,874)</u>	27,812	\$ <u>122,686</u>
Fund balance, beginning of fiscal year				
Fund balance, end of fiscal year			<u>\$ 27,812</u>	

**COPPEROPOLIS FIRE PROTECTION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE PLAN'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

<u>Reporting Date</u>	<u>District's proportion of the net pension liability (asset)</u>	<u>District's proportionate share of the net pension liability (asset)</u>	<u>District's covered employee payroll</u>	<u>District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
<u>CalPERS-Misc Plans</u>					
6/30/2016	0.00216%	\$59,224	\$24,207	244.66%	72.89%
6/30/2017	0.00174%	\$60,523	\$24,943	242.65%	70.35%
6/30/2018	0.00175%	\$69,021	\$30,208	228.49%	67.17%
6/30/2019	0.00178%	\$66,895	\$26,451	252.90%	67.98%
6/30/2020	0.00183%	\$73,449	\$26,038	282.08%	65.67%
6/30/2021	0.00185%	\$78,094	\$28,417	274.81%	65.22%
6/30/2022	0.00460%	\$87,265	\$25,965	336.09%	-80.45%
6/30/2023	0.00170%	\$79,566	\$28,938	274.95%	-49.70%
6/30/2024	0.00166%	\$83,101	\$30,139	275.73%	-23.31%
6/30/2025	0.00172%	\$82,976	\$30,285	273.98%	-2.42%
<u>CalPERS-Safety Plans</u>					
6/30/2016	0.02178%	\$897,607	\$387,936	231.38%	73.35%
6/30/2017	0.01789%	\$926,604	\$410,476	225.74%	70.37%
6/30/2018	0.01765%	\$1,054,780	\$532,971	197.91%	70.99%
6/30/2019	0.01720%	\$1,009,342	\$463,677	217.68%	74.33%
6/30/2020	0.01769%	\$1,104,416	\$486,240	227.13%	73.27%
6/30/2021	0.01796%	\$1,196,554	\$630,324	189.83%	71.76%
6/30/2022	0.01928%	\$676,673	\$458,796	147.49%	72.31%
6/30/2023	0.01810%	\$1,244,015	\$497,119	250.24%	84.09%
6/30/2024	0.01945%	\$1,453,636	\$684,471	212.37%	72.78%
6/30/2025	0.01940%	\$1,414,620	\$600,630	235.52%	73.16%

**COPPEROPOLIS FIRE PROTECTION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

<u>Reporting Date</u>	<u>Contractually required contribution</u>	<u>Contributions in relation to the contractually required contribution</u>	<u>Contribution deficiency (excess)</u>	<u>City's covered employee payroll</u>	<u>Contribution as a percentage of covered employee payroll</u>
<u>CalPERS-Misc Plans</u>					
6/30/2016	\$5,168	(\$5,168)	\$0	\$24,207	21.35%
6/30/2017	\$5,798	(\$5,798)	\$0	\$24,943	23.25%
6/30/2018	\$5,721	(\$5,721)	\$0	\$30,208	18.94%
6/30/2019	\$6,607	(\$6,607)	\$0	\$26,451	24.98%
6/30/2020	\$7,870	(\$7,870)	\$0	\$26,038	30.23%
6/30/2021	\$5,270	(\$5,270)	\$0	\$28,417	18.55%
6/30/2022	\$9,409	(\$9,409)	\$0	\$25,965	36.24%
6/30/2023	\$10,280	(\$10,280)	\$0	\$28,938	35.52%
6/30/2024	\$14,561	(\$14,561)	\$0	\$30,139	48.31%
6/30/2025	\$14,939	(\$14,939)	\$0	\$30,285	49.33%
<u>CalPERS-Safety Plans</u>					
6/30/2016	\$121,685	(\$121,685)	\$0	\$387,936	31.37%
6/30/2017	\$124,522	(\$124,522)	\$0	\$410,476	30.34%
6/30/2018	\$142,437	(\$142,437)	\$0	\$532,971	26.73%
6/30/2019	\$160,562	(\$160,562)	\$0	\$463,677	34.63%
6/30/2020	\$189,520	(\$189,520)	\$0	\$486,240	38.98%
6/30/2021	\$183,587	(\$183,587)	\$0	\$630,324	29.13%
6/30/2022	\$190,858	(\$190,858)	\$0	\$458,796	41.60%
6/30/2023	\$213,537	(\$213,537)	\$0	\$497,119	42.95%
6/30/2024	\$212,261	(\$212,261)	\$0	\$684,471	31.01%
6/30/2025	\$248,959	(\$248,959)	\$0	\$600,630	41.45%

COPPEROPOLIS FIRE PROTECTION DISTRICT

**Note to the Required Supplementary Information
June 30, 2025**

Note 1. Budgets and Budgetary Accounting

The District is required by State law to prepare and legally adopt a final operating budget. Public hearings are required to be conducted on the proposed and final budget to review all appropriations and the sources of financing. The District adopted the final budget on September 14, 2023 which was after the August 31 required deadline established by government code.

The budget for the general fund is adopted on the modified cash basis of accounting. The budget for the general fund is the only legally adopted budget.

At the object level, actual expenditures cannot exceed budgeted appropriations. Management can transfer budgeted amounts between expenditure accounts within an object without the approval of the Board of Directors. Significant amendments and appropriation transfers between objects or funds must be approved by the Board of Directors. Appropriations lapse at fiscal year-end.

The budgetary data presented in the accompanying financial statements includes all revisions approved by the Board of Directors.

**COPPEROPOLIS FIRE PROTECTION DISTRICT
MANAGEMENT REPORT
JUNE 30, 2025**

LARRY BAIN, CPA

An Accounting Corporation

2148 Frascati Drive, El Dorado Hills, CA 95762 / 916.601-8894

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COMMUNICATION OF SIGNIFICANT DEFICIENCIES AND MATERIAL WEAKNESS

To: Board of Directors
Copperopolis Fire Protection District

We have audited the financial statements of Copperopolis Fire Protection District as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated April 25, 2026. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

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

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 material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. We consider finding FS 2025-001 in the following schedule of findings to be a significant deficiency in the District's internal control that we consider to be a material weakness.

A significant deficiency is a deficiency, or 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. We consider findings FS 2025-002 through FS 2025-007 in the following schedule of findings to be significant deficiencies in the District's internal control.

Copperopolis Fire Protection District's Response to Findings

The Copperopolis Fire Protection District's separate written response to the significant deficiencies identified in our audit and any follow up for subsequent year corrections has not been subjected to the audit procedures applied in the audit of the financial statements and accordingly, we do not express an opinion on the responses.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal controls over financial reporting and the result of that testing, and not to provide an opinion on the effectiveness of the District's internal control. This report is an integral part of an audit performed in accordance with auditing standards generally accepted in the United States of America in considering the District's internal control over financial reporting, accordingly this report is not suitable for any other purpose.

This report is intended solely for the information and use of the board of directors and management of Copperopolis Fire Protection District.

*Larry Bain, CPA,
An Accounting Corporation*

April 25, 2026

**COPPEROPOLIS FIRE PROTECTION DISTRICT
FINDINGS AND RECOMMENDATIONS
JUNE 30, 2025**

Internal Control Findings

Deemed to be Significant Deficiencies and a Material Weakness

FS 2025-001: During our audit we noted the District was coding clothing and other non capital expenditures to capital outlay accounts. We reclassified \$24,616 from capital outlay to service and supply accounts. We also reclassified the \$1,383.80 cost of radios and the \$27,225 DMV fees for the new E-236 Rosenbaur Fire Engine from service and supply accounts to capital expense. We have noted these condition in prior audits.

Recommendation: We recommend recording expenditures to capital outlay the for items that fit the definition of a capital asset.

Management Response: We have reviewed the coding procedures for non-capital expenditures and will ensure that future purchases are coded appropriately to their respective accounts.

Deemed to be Significant Deficiencies and Not Material Weaknesses

FS 2025-002: During our testing of capital asset activity we noted a \$2,700.00 credit card payment made to Fireground Solutions LLC, was supported by a \$2,700.00 invoice from P2P. Per further review we noted that Fireground Solutions LLC is owned by the son of a member of the Board of Directors. Subsequent to this discovery we were presented with an invoice from Fireground Solutions for the credit card charge indicating it was for open water rescue swimmer training.

We also noted that no 1099 was issued to Fireground Solutions LLC for this payment as would be required by the IRS.

Recommendation: Because of the potential for a conflict of interest we recommend the District attempt to engage vendors that are not directly related to a member of the Board of Directors We recommend including the proper invoices to support all credit card payments. We recommend paying vendors, who are required to be issued 1099's, through claims paid with District funds through the County of Calaveras and, when required, we recommend issuing 1099's to vendors who are paid with the District credit card.

Management Response: Moving forward, the District will make every attempt to utilize vendors that are not affiliated with relatives of District personnel. In the event specialized training is unavailable through another provider, the District will invoice the contractor directly and ensure all payments are processed through the County of Calaveras payment system, including issuance of a 1099 as required. Additionally, the District will make every effort to avoid payment of training invoices by credit card when allowable and when time permits.

FS 2025-003: We noted the District had a lack of segregation of duties, as one person, or related persons are capable of handling all aspects of processing transactions from beginning to end. A lack of segregation of duties increases the risk of potential errors or irregularities; however, due to a limited number of personnel an adequate segregation of duties is not possible without incurring additional costs. This is a common condition for entities of this size. We have noted this condition in prior audits.

Management Response: The District has hired an outside Payroll Manager to administer payroll processing. This action eliminates the previous lack of segregation of duties by separating the processing of transactions from beginning to end.

The District continues to implement a three-tiered review process for all revenues and expenditures. The Payroll Manager is responsible for entering timesheets and preparing payroll. Once payroll is completed, the payroll ledger is provided to the District Secretary for submission to the County of Calaveras for payroll reimbursement.

In addition, a member of the Board of Directors and the Fire Chief review all payroll, accounts payable, and U.S. Bank account transactions. After both required signatures are obtained, the batch is submitted to the Calaveras County Auditor's Office for disbursement.

**COPPEROPOLIS FIRE PROTECTION DISTRICT
FINDINGS AND RECOMMENDATIONS
JUNE 30, 2025**

Deemed to be Significant Deficiencies and Not Material Weaknesses (Continued)

FS 2025-004: During our testing of the outside cash account we did not observe that a formal bank reconciliation is being performed by an individual who does not have access to processing payroll or access to the general ledger. By not having an employee or outside bookkeeper, with no access to the bank account and no access to payroll processing, reconcile the bank account the risk of fraud increases. We have noted this finding in prior audits.

Recommendation: The District should assign an employee or hire an outside bookkeeper to reconcile the outside bank account. Preferably, the person performing the bank reconciliation should not be the same individual who processes payroll, has access to the check stock, is a check signer, or can authorize bank transactions.

Management Response: The District has contracted with a bookkeeper to complete monthly bank reconciliations and document findings after each payroll. This individual does not have access to payroll, check stock, authorization of bank transactions, or signatory authority.

FS 2025-005: During our testing of sick leave we noted the District is not tracking the sick leave required to be available for part-time workers. Under California Law a part-time worker should earn 1 hour sick leave per 30 hours worked with a minimum of 40 hours worked or 5 days per year. The District is not required to carry over more than 48 hours of the accumulated sick leave balance from one year to the next. We noted this condition in the prior audit.

Recommendation: We recommend the District provide the part time employees a schedule showing how many sick leave hours they have available every pay period.

Management Response: The District Secretary has created a shared spreadsheet accessible to all employees. Employees may access the document online from either station or request a copy directly from the District Secretary. Using their pay stubs, employees are able to verify hours worked and cross-check available leave balances reflected on the spreadsheet. The District Secretary also serves as the direct point of contact for employees requesting verification or clarification regarding available leave hours. Additionally, all employees were informed to front-load 40 hours of sick leave onto their timesheets annually. This procedure was implemented on April 2, 2026. To ensure continued accuracy and accountability, the District Secretary will conduct monthly audits of employee leave hours and balances.

FS 2025-006: During our testing of the Other Post Employment Benefits (OPEB) reimbursement from the one retiree receiving the post retirement health care benefit we noted the retiree made 11 monthly reimbursements, but missed the December 2024 reimbursement. Based on this testing we calculated the retiree owes the District \$1,338.28.

Recommendation: We recommend the District invoice the retiree \$1,338.28 for the missed payment

Management Response: The retiree has been notified of the missed payment and an invoice has been sent to him. Moving forward we will be more diligent in reconciling that the monthly payments are received.

FS 2025-007: During our testing of compensated absences, we noted an employee increased their sick leave balance by 354.23 hours between March and April 25025. The employee is responsible for adjusting their vacation and sick leave balances on their timesheets, and the District relies on this balance to give the employee time off for accrued vacation and sick leave hours. The District record keeper did not detect this error, but the error was detected as a result of audit procedures. The potential cost to the District, had the error not been detected, could have been \$10,050.

Recommendation: We recommend the District review and recalculate employee calculations for accruing and using sick leave. We recommend the District consider using a second tracking schedule, such as through the PayChex payroll reporting and then periodically comparing the totals from the payroll system to the amount reported by the employee on their timesheet.

Management Response: The District Secretary, Fire Chief or Payroll manager will confirm with each payroll the accuracy of sick, vacation, emergency leave add admin leave the accruals and usage for each employee. We have contacted paychex and are currently in the process to get this issue resolved and have a second tracking schedule in place.

LARRY BAIN, CPA

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April 25, 2026

To the Board of Directors
Copperopolis Fire Protection District

We have audited the financial statements of the governmental-type activities of Copperopolis Fire Protection District for the year ended June 30, 2025, and have issued our report thereon dated April 25, 2026. Professional standards require that we provide you with the following information related to our audit.

Our responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated January 21, 2026, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope and Timing of the Audit

The fieldwork and report issuance were slightly delayed from the planned scope and timing previously communicated on January 21, 2026 as a result of a request by the district to reschedule fieldwork from February 18, 2026 to April 1, 2026.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by Copperopolis Fire Protection District are described in Note 1 to the financial statements. Accounting policy to comply with Governmental Accounting Standards Board (GASB) Statement No. 101 was adopted during the 2024/25 fiscal year adding sick leave to the compensated absence balance in the statement of net position. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. No prior period adjustments were recorded in the June 30, 2025 financial statements. A restatement of beginning net position was recorded in the statement of activities to implement the provisions of GASB 101.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

Management's estimate of the useful lives of assets for calculating depreciation expense is based on GFOA recommended useful lives. We evaluated the key factors and assumptions used to develop the useful life estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate in allocating salaries and costs to paramedics and fire activities are based on actual timesheets as well as estimated percentages of certain employee and management time based on historical activity. We reviewed the allocations and assumptions used by management in determining reasonableness to the financial statements.

Difficulties Encountered in performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. These financial statements reflect all known material audit entries discovered during the audit.

Disagreements with Management

For purpose of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significance to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 25, 2026.

Management Consultation with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

We would like to thank the District for the cooperation extended during the course of the audit. The records were found to be well organized.

This information is intended solely for the use of the Board of Directors and management of Copperopolis Fire Protection District and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Larry Bain, CPA,
An Accounting Corporation

Internal Control Findings

Deemed to be Significant Deficiencies and Material Weaknesses

FS 2025-001: During our audit we noted the District was coding clothing and other non capital expenditures to capital outlay accounts. We reclassified \$24,616 from capital outlay to service and supply accounts. We also reclassified the \$1,383.80 cost of radios and the \$27,225 DMV fees for the new E-236 Rosenbaur Fire Engine from service and supply accounts to capital expense. We have noted these condition in prior audits.

Recommendation: We recommend recording expenditures to capital outlay the for items that fit the definition of a capital asset.

Management Response: We have reviewed the coding procedures for non-capital expenditures and will ensure that future purchases are coded appropriately to their respective accounts.

Deemed to be Significant Deficiencies and Not Material Weaknesses

FS 2025-002: During our testing of capital asset activity, we noted a \$2,700.00 credit card payment made to Fireground Solutions LLC, was supported by a \$2,700.00 invoice from P2P. Per further review we noted that Fireground Solutions LLC is owned by the son of a member of the Board of Directors. Subsequent to this discovery we were presented with an invoice from Fireground Solutions for the credit card charge indicating it was for open water rescue swimmer training.

We also noted that no 1099 was issued to Fireground Solutions LLC for this payment as would be required by the IRS.

Recommendation: Because of the potential for a conflict of interest we recommend the District attempt to engage vendors that are not directly related to a member of the Board of Directors We recommend including the proper invoices to support all credit card payments. We recommend paying vendors, who are required to be issued 1099's, through claims paid with District funds through the County of Calaveras and, when required, we recommend issuing 1099's to vendors who are paid with the District credit card.

Management Response: Moving forward, the District will make every attempt to utilize vendors that are not affiliated with relatives of District personnel. In the event specialized training is unavailable through another provider, the District will invoice the contractor directly and ensure all payments are processed through the County of Calaveras payment system, including issuance of a 1099 as required. Additionally, the District will make every effort to avoid payment of training invoices by credit card when allowable and when time permits.

FS 2025-003: We noted the District had a lack of segregation of duties, as one person, or related persons are capable of handling all aspects of processing transactions from beginning to end. A lack of segregation of duties increases the risk of potential errors or irregularities; however, due to a limited number of personnel an adequate segregation of duties is not possible without incurring additional costs. This is a common condition for entities of this size. We have noted this condition in prior audits.

Management Response: The District has hired an outside Payroll Manager to administer payroll processing. This action eliminates the previous lack of segregation of duties by separating the processing of transactions from beginning to end.

The District continues to implement a three-tiered review process for all revenues and expenditures. The Payroll Manager is responsible for entering timesheets and preparing payroll. Once payroll is

completed, the payroll ledger is provided to the District Secretary for submission to the County of Calaveras for payroll reimbursement.

In addition, a member of the Board of Directors and the Fire Chief review all payroll, accounts payable, and U.S. Bank account transactions. After both required signatures are obtained, the batch is submitted to the Calaveras County Auditor's Office for disbursement.

Deemed to be Significant Deficiencies and Not Material Weaknesses (Continued)

FS 2025-004: During our testing of the outside cash account we did not observe that a formal bank reconciliation is being performed by an individual who does not have access to processing payroll or access to the general ledger. By not having an employee or outside bookkeeper, with no access to the bank account and no access to payroll processing, reconcile the bank account the risk of fraud increases. We have noted this finding in prior audits.

Recommendation: The District should assign an employee or hire an outside bookkeeper to reconcile the outside bank account. Preferably, the person performing the bank reconciliation should not be the same individual who processes payroll, has access to the check stock, is a check signer, or can authorize bank transactions.

Management Response: The District has contracted with a bookkeeper to complete monthly bank reconciliations and document findings after each payroll. This individual does not have access to payroll, check stock, authorization of bank transactions, or signatory authority.

FS 2025-005: During our testing of sick leave we noted the District is not tracking the sick leave required to be available for part-time workers. Under California Law a part-time worker should earn 1 hour sick leave per 30 hours worked with a minimum of 40 hours worked or 5 days per year. The District is not required to carry over more than 48 hours of the accumulated sick leave balance from one year to the next. We noted this condition in the prior audit.

Recommendation: We recommend the District provide the part time employees a schedule showing how many sick leave hours they have available every pay period.

Management Response: The District Secretary has created a shared spreadsheet accessible to all employees. Employees may access the document online from either station or request a copy directly from the District Secretary. Using their pay stubs, employees are able to verify hours worked and cross-check available leave balances reflected on the spreadsheet. The District Secretary also serves as the direct point of contact for employees requesting verification or clarification regarding available leave hours. Additionally, all employees were informed to front-load 40 hours of sick leave onto their timesheets annually. This procedure was implemented on April 2, 2026. To ensure continued accuracy and accountability, the District Secretary will conduct monthly audits of employee leave hours and balances.

FS 2025-006: During our testing of the Other Post Employment Benefits (OPEB) reimbursement from the one retiree receiving the post retirement health care benefit we noted the retiree made 11 monthly reimbursements, but missed the December 2024 reimbursement. Based on this testing we calculated the retiree owes the District \$1,338.28.

Recommendation: We recommend the District invoice the retiree \$1,338.28 for the missed payment

Management Response: The retiree has been notified of the missed payment and an invoice has been sent to him. Moving forward we will be more diligent and ensuring on monthly reconciliation that the payment is received.

FS 2025-007: During our testing of compensated absences, we noted an employee increased their sick leave balance by 354.23 hours between March and April 25025. The employee is responsible for adjusting their vacation and sick leave balances on their timesheets, and the District relies on this balance to give the employee time off for accrued vacation and sick leave hours. The District record keeper did not detect this error, but the error was detected as a result of audit procedures. The potential cost to the District, had the error not been detected, could have been \$10,050.

Recommendation: We recommend the District review and recalculate employee calculations for accruing and using sick leave. We recommend the District consider using a second tracking schedule, such as through the PayChex payroll reporting and then periodically comparing the totals from the payroll system to the amount reported by the employee on their timesheet.

Management Response: The District Secretary, Fire Chief or Payroll manager will confirm with each payroll the accuracy of sick, vacation, emergency leave and admin leave the accruals and usage for each employee. We have contacted paychex and are currently in the process to get this issue resolved and have a second tracking schedule in place.

COPPEROPOLIS FIRE PROTECTION DISTRICT

Larry Bain, CPA,
An Accounting Corporation
2148 Frascati Drive
El Dorado Hills, CA 95762

This representation letter is provided in connection with your audit(s) of the financial statements of Copperopolis Fire Protection District, which comprise the respective financial position of the governmental activities, and fund information as of June 30, 2025, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in accordance with the modified cash basis of accounting. This basis of accounting is other than accounting principles generally accepted in the United States of America as applicable to governments.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the last date this letter is signed, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated January 21, 2026, including our responsibility for the preparation and fair presentation of the financial statements and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with the modified cash basis of accounting and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- 7) All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed. No events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.
- 8) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements for each opinion unit. A list of the uncorrected misstatements is attached to the representation letter (if any).
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.

Information Provided

- 10) Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.
- 11) We have provided you with:
- a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 1) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 1) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 1) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
- a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 1) We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements communicated by employees, former employees, regulators, or others.
- 1) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 1) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 1) We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Government—specific

- 2) We have made available to you all financial records and related data.
- 1) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 1) We have taken timely and appropriate steps to remedy violations of regulations, contracts, or grant agreements that you have reported to us.
- 1) We have a process to track the status of audit findings and recommendations.
- 1) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 1) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
- 1) The District has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.

- 1) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
- 1) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 1) As part of your audit, you assisted with preparation of the modified cash basis financial statements and related notes. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have assumed all management responsibilities. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
- 1) The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 1) The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 1) We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
- 1) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 1) The financial statements properly classify all funds and activities.
- 1) All funds that meet the quantitative criteria in and for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 1) Components of net position (net investment in capital assets; restricted; and unrestricted) and equity amounts are properly classified and, if applicable, approved.
- 1) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 1) Provisions for uncollectible receivables have been properly identified and recorded.
- 1) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 1) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 1) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 1) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 1) We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.

- 1) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not

changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

1) With respect to the supplementary information

- a) We acknowledge our responsibility for presenting the budget to actual schedule in accordance with accounting principles generally accepted in the United States of America, and we believe the budget to actual schedule, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the budget to actual schedule have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

Management Signature: _____ Governance Signature: _____

Title: _____ Title: _____

Date: _____ Date: _____