



Robert W. Johnson
an accountancy corporation

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

November 20, 2015

To the Board of Directors
Beckwourth Fire District
Beckwourth, California

We have audited the financial statements of Beckwourth Fire District as of and for the years ended June 30, 2015 and 2014. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, and the State Controller's Minimum Audit Requirements for California Special Districts.

In planning and performing our audits of the financial statements of Beckwourth Fire District as of and for the years ended June 30, 2015 and 2014, in accordance with auditing standards generally accepted in the United States of America, we considered Beckwourth Fire District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures but not for the purpose of expressing our 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we have enclosed other recommendations for your consideration.

1. Comparison of Operating Results:

	June 30		Favorable (Unfavorable)
	<u>2014</u>	<u>2015</u>	<u>Variance</u>
Revenues	\$ 225,808	\$ 262,374	\$ 36,566
Expenses	<u>236,111</u>	<u>269,943</u>	(<u>33,832</u>)
Net income (loss)	\$ <u>(10,303)</u>	\$ <u>(7,569)</u>	\$ <u>2,734</u>
Cash	\$ <u>109,029</u>	\$ <u>122,254</u>	\$ <u>13,225</u>

Observation:

- 2015 financial results improved over 2014:
 - \$2,734 net income increased
 - \$13,225 cash increased
 - Good job!

**ROBERT
W.
JOHNSON**

An Accountancy Corporation
Certified Public Accountant

6234 BIRDCAGE STREET • CITRUS HEIGHTS, CA 95610-5949 • (916) 723-2555

May 21, 2012

To the Board of Directors
Beckwourth Fire District
Beckwourth, California

We have audited the financial statements of Beckwourth Fire District as of and for the years ended June 30, 2011 and 2010. We conducted our audits in accordance with auditing standards generally accepted in the United States of America.

In planning and performing our audits of the financial statements of Beckwourth Fire District as of and for the years ended June 30, 2011 and 2010, in accordance with auditing standards generally accepted in the United States of America, we considered Beckwourth Fire District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures but not for the purpose of expressing our 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.

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1. Prior Audit Recommendations:

(a) Adopt a fixed asset policy.

Follow up – District now has a policy. However, we would also recommend that the Fire Chief review the depreciation schedule and list of fixed assets on an annual basis.

(b) Board minutes not signed.

Follow up – most fire districts have the Recording Secretary sign “as submitted” and the Board President “as approved.”

(c) District should review billing procedures.

Follow up – District staff believes current billing procedures are adequate.

2. Comparison of Operating Results:

	June 30		Favorable (Unfavorable)
	<u>2010</u>	<u>2011</u>	<u>Variance</u>
Revenues	\$ 297,627	\$ 232,110	\$ (65,517)
Expenditures	<u>320,571</u>	<u>216,094</u>	<u>104,477</u>
Excess of revenues (expenditures)	<u>\$ (22,944)</u>	<u>\$ 16,016</u>	<u>\$ 38,960</u>
Cash	<u>\$ 90,175</u>	<u>\$ 102,992</u>	<u>\$ 12,817</u>

Observation:

- 2011 had better financial results:
 - Surplus of \$16,016
 - Cash increase of \$12,817

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6234 BIRDCAGE STREET • CITRUS HEIGHTS, CA 95610-5949 • (916) 723-2555

December 4, 2013

To the Board of Directors
Beckwourth Fire District
Beckwourth, California

We have audited the financial statements of Beckwourth Fire District as of and for the years ended June 30, 2013 and 2012. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, and the State Controller's Minimum Audit Requirements for California Special Districts.

In planning and performing our audits of the financial statements of Beckwourth Fire District as of and for the years ended June 30, 2013 and 2012, in accordance with auditing standards generally accepted in the United States of America, we considered Beckwourth Fire District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures but not for the purpose of expressing our 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.

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1. Prior Audit Recommendations:

- (a) Adopt a fixed asset policy.

Follow up – District now has a policy. The Fire Chief does review the depreciation schedule and list of fixed assets on an annual basis.

- (b) Board minutes not signed.

Follow up – the Board minutes are now signed properly.

- (c) Budget:

Recommendation – the following recommendations are made for the Board's consideration:

- (a) Workmen's Comp. be separated from "salaries and benefits" and shown as a separate item.
- (b) Equipment loan payments be shown as "debt service" rather than current year property expenditures.
- (c) Professional services – delete; specify the particular service e.g. audit, engineering, etc.
- (d) Contingency – exceeds \$80,000; normally a much smaller amount.

Follow up – these recommendations have all been implemented.

- (d) Monthly Financial Statements:

Recommendation – the County prepares a monthly balance sheet and statement of revenues and expenditures (compared to budget). These financial statements should be presented to the Board and a motion made to approve them.

If necessary, the financial statement format could be simplified to facilitate easier understanding.

Follow up – these monthly financial statements are now presented to the Board.