



MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT

"Providing Quality Emergency Response And Fire Protection For The Public"

Minutes of the Board of Directors

Mi-Wuk Sugar Pine Fire Protection District

Regular Meeting, 7:00 PM, Tuesday, January 9, 2018

Mi-Wuk Sugar Pine Fire Protection District

24247 Highway 108, Mi Wuk Village, California

1. Call to Order 7:00
2. Pledge of Allegiance
3. Roll Call
 - a. President Welch Absent
 - b. Vice President Klipple Present
 - c. Treasurer Peters Present
 - d. Director Doss Present
 - e. Also Present:
 - i. Chief Crabtree Present
 - ii. Department Secretary Dahlin Absent
 - iii. Others _____
4. Oral Communications: This is the time for the public to address the Board Of Directors on any matter not on the agenda, but within the jurisdiction of the Board Of Directors. Each person shall be permitted to speak for no more than 5 minutes; persons speaking on the behalf of an organization may speak for no more than 15 minutes. Those wishing to speak on a matter that is on the agenda may do so at the time the item is taken up by the Board Of Directors. There were none.
5. Approval of Minutes of the December 12, 2017 Regular Meeting. Action: Director Peters moved to approve. Director Doss seconded. Ayes: 3. Noes: 0. Motion carried unanimously.
6. Written Communications:
 - a. Tuolumne County Office of the County Counsel flyer for Ralph M. Brown Act training.
 - b. Letter from Dr. Klaus Tenbergen, Dean of Career Technical Education & Economic Development at Columbia College.
 - c. Columbia College Fire Academy Fall 2017 Graduation Plaque – will be presented at the February Board Meeting.

7. Swearing in and badge pinning of new Fire Fighters; Chief Crabtree conducted the swearing in and badge pinning of Intern Firefighters Cheraya Serpa, Donald Swanson and Sean Busby.
8. Reports:
 - a. Financial Reports
 - i. Receive Statement of Net Position; November 30, 2017 and November 30, 2016; Director Peters. Action: Director Doss moved to receive. Director Peters seconded. Ayes: 3. Noes: 0. Motion carried unanimously.
 - ii. Receive Statement of Activities For the 5 Months Ended November 30, 2017 and 2016; Director Peters. Action: Director Doss moved to receive. Director Peters seconded. Ayes: 3. Noes: 0. Motion carried unanimously.
 - iii. Budget Update; Director Peters. No Action Required
 - b. Auxiliary Report: Sherry Blake, MWSPFPD Auxiliary President, went over the written report that is in the meeting record.
 - c. Highway 108 FireSafe Council Report; No report, the District does not have a representative on the council.
 - d. Chief's Report; Larry Crabtree, Fire Chief. Due to the holidays there was no Chief's Report. The items to be reported on will be covered in other reports.
 - e. Strategic Plan Update; Larry Crabtree, Fire Chief.
 - i. The letter from Dr. Klaus Tenbergen was a result of a meeting with the Operational Integration Committee regarding a single county wide intern program managed or facilitated by Columbia College.
 - ii. Director Peters, Chair of the Fiscal Planning Committee reported that he is ready to schedule a meeting with Chief Crabtree to review the result of the Committee's work and obtain his feedback.
 - iii. There is no progress to report on the Fleet Committee. Chief Crabtree and Director Doss will meet January 10th.
 - f. Status Update regarding Chief Recruitment; Larry Crabtree, Fire Chief.
 - i. Filing period opened in December. 919 flyers were mailed and more were emailed to fire departments throughout California.
 - ii. Filing period is open through January 19th.
 - iii. Following that the applications will be evaluated and the committee will meet with the consultant for a rate and review to select a list to be scheduled for interviews.
 - iv. Following that candidates will be scheduled for interviews with the Board.
 - v. The District's website has a lot of information on the Fire Chief's Vacancy.
 - vi. To date four applications have been received.
 - g. District Policies & Procedures Committee; Director Doss. The committee did not meet. They will meet January 10th.

9. Action Items:

- a. Letter of resignation from Michael Welch effective January 1, 2018. Director Doss moved to accept the resignation and also to direct Chief Crabtree to notify the appropriate County and State agencies and post a Notice of Vacancy to fill the position. Director Peters seconded. Ayes: 3. Noes: 0. Motion carried unanimously.
 - b. Vacancy on the Board of Directors. Board to review applications and possibly appoint new Board Member. There were no applications.
 - c. Mi-Wuk Sugar Pine Fire Protection District Draft Financial Statements and Independent Auditor's Report for the fiscal year ended June 30, 2017 prepared by Blomberg & Griffin Accountancy Corporation; Director Peters has been in contact with Mr. Blomberg regarding some changes to the draft which he was unable to print for the meeting. He should have the final report at the February meeting. It was also discussed that there will be an action item on the February agenda regarding retaining an accountancy firm to conduct the audit for the current fiscal year.
10. Director's Comments and Requests: Directors may report about various matters involving the District or may request matters be included on subsequent meeting agenda(s) for discussion and/or action. Discussion will be limited to that necessary to clarify an issue or request. No action will be taken. There were none.
11. Final audience comments: Jim Gibson asked that the board or staff recognize the considerable service of Michael Welch, possibly in the form of a formal letter. The board agreed that it was a good idea. Russ Klipple noted that the SRA Fee has been dropped.
12. Adjournment: 7:54

Approved by the District Board of Directors in the meeting assembled February 13, 2018.

Blythe Klipple, Vice President

Bonnie Dahlin

From: Avila, Paul@CALFIRE <Paul.Avila@fire.ca.gov>
Sent: Thursday, January 18, 2018 9:22 AM
To: Larry Crabtree; White, Josh@CALFIRE
Cc: Bonnie Dahlin
Subject: Re: Burn Permits

Chief Crabtree,

With the Mi-Wuk Sugar Pine Station being in such close proximity to the CAL FIRE Twain Harte Station, CAL FIRE would prefer to maintain control of the issuance of the burn permits and in educating to the public on fire safety and the control of their piles. If you have any questions, please give me a call.

Thank you,

Paul Avila
Division Chief
South Division Operations/
Tuolumne County Fire
CAL FIRE
Tuolumne-Calaveras Unit
o-209-533-5104
c-209-419-4403

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From: Larry Crabtree <LCrabtree@mwspfire.us>
Sent: Wednesday, January 17, 2018 10:54 AM
To: White, Josh@CALFIRE; Avila, Paul@CALFIRE
Cc: Bonnie Dahlin
Subject: Burn Permits

Good Morning Chiefs:

With the closure of the USFS Mi Wuk Ranger Station we have had several inquiries from local residents and property owners regarding obtaining burn permits here at our station. Is that something that we can work collaboratively towards?

Larry



 profile

Larry Crabtree, Fire Chief
Mi-Wuk Sugar Pine Fire Protection District
24247 Highway 108
PO Box 530
Mi Wuk Village, CA 95346-0530
<http://www.mwspfire.us>
(209) 586-5256 (O)
(209) 586-0265 (F)
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From: Neil McCormick <neilm@cdda.net>
Sent: Wednesday, January 17, 2018 10:29 AM
To: Bonnie Dahlin
Subject: Free Education for SDRMA Members

PROFESSIONAL DEVELOPMENT



**California Special
Districts Association**
Districts Stronger Together



SDRMA members can also take part in many of CSDA's upcoming "live" webinars at no charge. [Click here](#) to register for live webinars. Upcoming webinars that are free to SDRMA members include:

- Required Harassment Training for Special District Board Members and Staff - January 23
- Annual Employment Law Update: Recent Cases and Trends - February 21
- Understanding Board Member & District Liability Issues - February 27
- The Critical Nature of Communications in the Public Agency - March 6
- Ethics AB1234 Compliance Training - March 13

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Opportunity Knocks: New Funding Opportunities for Fire Districts in a Post-SRA Fee World

By Maria Garcia-Adarve, Valerie Flores and John Bliss, SCI Consulting Group

Opportunity Knocks

Opportunity is knocking once again for California's cash-strapped fire districts. In addition to a historically damaging fire season which has brought much-needed added attention to vital fire prevention and suppression services, the state's fee on properties in the SRA has been eliminated. With effective messaging, local fire districts should be able to persuade residents to invest the revenue previously paid to the State into improved local fire district services.

Background

Over the years, due to various factors, wildland fires in California have become more frequent, more severe, and more costly to fight. As a result, in June of 2011 the California State Legislature passed Assembly Bill X1 29 establishing the Fire Prevention Fee ("FPF," also commonly known as the "SRA Fee"). The FPF was an approximately \$150 annual fee on habitable structures within the State Responsibility Area ("SRA") (with about \$115 for properties which received a credit for being in a local fire district).

In July of 2017, the California State Legislature passed Assembly Bill 398 to extend the State's cap and trade program. At the same time, it suspended the Fire Prevention Fee, and as a result, the FPF will not be charged to property owners in the SRA beginning in fiscal year 2017-18. The FPF was collected for six billing years, 2011-12 through 2016-17, providing approximately \$80 million of funding each year.

Californians living within the SRA are undoubtedly pleased that they will no longer be subjected to the SRA fee, but some may remain angry about the fee itself. Many rural Californians feel the fee was illegally implemented by the state, or at the very least it was

unfair, and that they have paid approximately \$700, spread over six years. Opponents of the fee filed a class action lawsuit that may ultimately be resolved with a refund to some or all FPF payers. As a result, it remains a touchy subject for many rural Californians. Nonetheless, the wildland fire services provided by CAL FIRE, and CAL FIRE itself, remain relatively popular. Remember that the FPF was instituted by the State legislature, not by CAL FIRE.



Local Control of Fire Prevention Services

Local fire districts should consider engaging their communities to encourage the local investment of the money saved from the cancellation of the SRA fee into their districts. This communication needs to be delicate and well thought out.

For example, fire district staff should continue to communicate with local

residents, emphasizing the continued need for well-funded fire protection, and that the revenue previously spent on the FPF will provide much more direct value if furnished to their local fire district.

Some examples of outreach messaging may include:

- "Now that the state is no longer collecting the SRA fee, the proposed tax/assessment measure gives local residents the opportunity to invest the same amount of money locally, with a lot more bang for the buck."
- "This proposed local tax/assessment measure rate is less than the cancelled SRA fee, and would provide direct resources for our local fire district to support improved local fire protection services."
- "CAL FIRE provides regional wildland fire protection while our local fire district provides not only fire protection, but also emergency medical services. The SRA fee has been





CSDAFC

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Paul Hughes, Secretary, South Tahoe Public Utilities District
Matthew McCue, Treasurer, Mission Springs Water District

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Glenn Lazof, Regional Government Services Authority
Vince Ferrante, Moss Landing Harbor District

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Nicole Tallman, Brandis Tallman, LLC

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Neil McCormick, CEO
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Beth Hummel, Executive Assistant
Rick Wood, Finance & Administrative Director

cancelled, but this tax/assessment measure is a local investment."

- "Our local fire district is controlled by a locally elected Board of Directors, not the County or State."

And remember, Californians, and especially rural Californians, strongly prefer local governmental services over those provided by regional, state or federal agencies.

In some fire districts, local residents may have expressed direct resistance to voting for a new funding measure because they were financially burdened by the FPF. In such cases, the district should consider messaging that now that the FPF has been eliminated, there is no longer reason for local residents not to support a local fire tax or assessment. If the class action lawsuit is resolved to include a refund, then residents should be encouraged to use these revenues to support a new local fire tax or assessment.

Combine with Well Proven Outreach and Messaging

Many fire districts, like many other public agencies, assume their residents are familiar with the local agencies that provide their local services. Sadly, many residents are not aware of which specific fire district protects their homes and lives. Local fire districts should address this shortcoming and get closer to their local community. Direct, visible engagements such as pancake breakfasts, presence at County Fairs, etc. should be continued and expanded. A website that is easy to navigate, and that contains all the district's basic information such as contact listings, board meeting dates/locations, financial information and budgets, as well as fire stations, equipment, and personnel is essential. Fire districts should conduct traditional outreach messaging that highlights such services as maintaining rapid response, providing fire protection, ensuring emergency medical response, assisting with brush clearing, etc. Voters today demand straightforward, authentic, clear, face-to-face communication based upon rigorous analysis and planning. E-mails and Facebook posts from known residents are also very effective. Expensive-looking and slick mailers and signs are only marginally effective today.

Once the residents know and trust their local fire district they will be more likely to support it and help it financially.

Revenue Mechanisms

Both special taxes and benefit assessments remain viable funding mechanisms for fire districts, and both should be considered. Also, in areas with an active auxiliary or union, a special tax

based upon the recent *CCC vs. City of Upland* decision (which indicated that special taxes can be approved with only 50% approval) should be thoroughly researched and considered.

A robust, scientific survey is always recommended prior to going out with any revenue measure. A well drafted public opinion survey that provides enough information about the fire district, describes the area served, the services provided to the community, the budget and financial challenges, and that is easy to understand, will give the constituents great information to respond with extremely valuable responses and opinions.

Conclusively, direct, authentic and well-executed communication of a well-researched and well-planned financial approach should be supported by your community. ■

Recently Closed Financings

NAIL DOWN FINANCING NEEDS

This year, CSDA Finance Corporation facilitated financings for numerous special district construction projects, including:

Truckee Tahoe Airport District - \$7,800,000
Consolidated Mosquito Abatement District - \$4,500,000
Kings Mosquito Abatement District - \$3,000,000
McFarland Recreation & Park District - \$500,000
Shasta Mosquito & Vector Control District - \$200,000

Make the CSDA Finance Corporation your first contact for the financing of construction projects or other capital improvements. Get a free quote online at csdafinance.net or call 877.924.2732



February 2018

As the deadline to introduce new bills looms in the State Capitol this month, State lawmakers are busy proposing new legislation. After the bill introduction deadline on February 16, CSDA legislative representatives will know the universe of bills we will be navigating this year on behalf of California's special districts. Of course, that excludes the 'gut-and-amends' that typically take place at the end of the legislative year. Read on for more detailed information, including ways you and your district can take action!

Inside this edition of the Grassroots Action Brief:

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Contact a local CSDA representative near you!

Dane Wadlé
Colleen Haley
Steven Nascimento
Chris Palmer

Northern & Sierra Networks
Bay Area Network
Central Network
Coastal & Southern Network

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➤ HUMAN RESOURCES AND PERSONNEL

CSDA's long range policy priority on human resources and personnel is to promote policies related to hiring, management, and benefits and retirement that afford flexibility, contain costs, and enhance the ability to recruit and retain highly qualified, career-minded employees to public service. As public agency employers, support policies that foster productive relationships between management and employees, both represented and non-represented.

CalPERS May Shorten Amortization Period (Raise Rates) on Unfunded Liabilities

At the February board meeting of the California Public Employees Retirement System (CalPERS), the CalPERS actuarial staff will be recommending the board make changes to the [current amortization policy](#).

According to CalPERS, the purpose of the amortization policy is to:

- Eliminate positive or negative unfunded liabilities;
- Maintain benefit security for the members of the System; and
- Minimize substantial variations in employer contribution rates.

As shown by the charts on pages ten and eleven of this document, one of the policy changes would be to reduce the time-period in which investment losses are amortized. Under the current amortization policy, unfunded liabilities resulting from investment losses are amortized over a 30-year period, with an annual escalation rate of 3 percent of payroll, a 5-year ramp up in payments, and a 5-year ramp down. At the February 13, Finance Administration Committee meeting, CalPERS staff will recommend that the current amortization policy be changed to a 20-year period, with no escalation rate, a 5-year ramp up, and no ramp down in payments.

CalPERS has identified the following potential consequences of shortening the amortization period:

- More secure benefits to retirees.
- Higher and more volatile annual payments by local agencies.
- Long-term savings for agencies due to lower interest accrual on the unfunded liabilities.

CalPERS staff also acknowledges that agencies currently have the option to pay down their unfunded liabilities sooner than the full amortization period if they wish to save money on interest.

CSDA and CalPERS would like to hear your thoughts on making changes to the amortization policy. Please take the time to fill out this survey from CalPERS, then email CSDA's Senior Legislative Representative, Dillon Gibbons, to let him know if you support CalPERS efforts to reduce the amortization periods, or you would prefer to maintain the current 30-year amortization period. The information you provide will assist CalPERS Board Members in their decision-making process and allow CSDA to more effectively advocate on your behalf.

Take Action: Take the CalPERS Amortization Survey to let CalPERS know your thoughts on shortening the amortization period: <https://www.surveymonkey.com/r/AmortizationWebinar>

For more information please contact the CSDA Legislative Representative covering this issue area: Dillon Gibbons, Senior Legislative Representative, dillong@csda.net



➤ INFRASTRUCTURE, INNOVATION, AND INVESTMENT

CSDA's long range policy principal regarding infrastructure, innovation, and investment is to encourage prudent planning for investment and maintenance of innovative long-term infrastructure. CSDA supports the development of fiscal tools and incentives to assist special districts in their efforts to meet California's changing demands, ensuring the efficient and effective delivery of core local services.

Governor's Budget Includes Tax on Water

Governor Brown's initial budget proposal for 2018-2019, released in January, includes funding to implement a new State tax on water bills. While just a "framework" at this point, the tax is expected to cost ratepayers from \$1 to \$10 per month depending on the size of the household's water meter. The proposal would also place a fee on fertilizer mills and dairies. The Governor's proposed budget provides \$4.7 million in 2018-2019 for the State Water Board and the Department of Food and Agriculture to:

- Take initial steps toward implementation of new program for disadvantaged communities;
- Develop and implement water tax collection systems;
- Conduct an assessment to estimate the level of funding needed to assist water systems; and
- Map high-risk aquifers used as drinking water sources.

The budget proposal indicates it will be developed out of the framework of [SB 623 \(Monning\)](#), introduced last summer. SB 623 establishes a statewide tax on water, to be collected as a surcharge on water bills by local agencies. Households living under 200% of the federal poverty level would be exempted from the surcharge.

According to the Assembly Appropriations Committee, the water tax is expected to raise approximately \$100 million a year to be used to fund projects that improve access to safe drinking water. This aid will be primarily funneled to disadvantaged communities that lack such access to clean drinking water. The funds may be spent on water purification and treatment systems and other critical needs to improve drinking water quality and access. More than 300 schools and communities are estimated to lack safe drinking water in California.

The Governor's budget proposal will be heard in the Senate and Assembly Budget Subcommittees on Natural Resources in the coming months. The Governor will issue a budget revision in May and the final budget must be approved by midnight on June 15. Any budget trailer bills have until the August 31 to pass the Legislature, but are typically taken up in June with the Budget.

CSDA, ACWA, and a coalition of public agencies are opposed to SB 623 unless amended. The coalition cites the counterproductive nature of a tax on a resource held by California law to be a human right and raises concerns about the efficiency and fairness of requiring local water agencies to collect the tax on the State's behalf.

For more information please contact the CSDA Legislative Representative covering this issue area: Rylan Gervase, Legislative Representative, rylang@csda.net



➤ LEGAL ADVOCACY

CSDA is the leading legal advocacy voice for all special districts regarding public policy in California and actively tracks and reviews cases of significance affecting special districts in state and federal courts. Under the guidance of CSDA's Legal Advisory Working Group, CSDA files amicus briefs and opines on court cases when appropriate.

CSDA Joins Amicus Brief in Reverse-CPRA Case

On January 24, CSDA joined the California State Association of Counties and the League of California Cities in filing an amicus brief to the Third District Court of Appeal in support of the City of Sacramento ("City"). The case, *National Conference of Black Mayors (NCBM) v. Chico Community Publishing, Inc.* [C083956], involves the issue of whether the California Public Records Act (CPRA) allows for a judgement for attorney's fees against a public agency in a "reverse-CPRA" lawsuit. A reverse-CPRA action involves an interest party taking legal action to block the release of documents requested from a public agency pursuant to the CPRA. In addition, the Court of Appeal will review whether the plaintiff is permitted to recover attorney's fees through a fee-recovery statute known as the Private Attorney General Statute.

Background

In 2015, the Sacramento News and Review (SN&R) filed a CPRA request seeking emails sent from Mayor Kevin Johnson's email account used for his role as President of National Conference of Black Mayors (NCBM). The City responded to the request and identified responsive records. The City determined that some of the records were privileged pursuant to attorney-client protections. Although the City did not have authority to assert the privilege, NCBM and Johnson were notified of the impending records release. Subsequently, NCBM and Johnson filed a petition to stop the City's disclosure of the privileged documents. The City did not take a position as to whether the documents were privileged, and ultimately released documents under the direction of Johnson's attorneys and the trial court.

The SN&R then sought to recover attorneys' fees against the City under the CPRA, arguing Johnson was acting in his capacity as Mayor and against the NCBM under the California Civil Code section 1021.5, the private attorney general statute. In December 2016, Sacramento Superior Court issued a decision denying attorney's fees under both the CPRA and the private attorney general statute. The motion against the City was denied based on SN&R's failure to establish itself as the successful party, and because SN&R did not seek to recover fees from the appropriate party (the City), which did not violate the CPRA as it was prepared to release all responsive documents upon request. This case is now being heard on appeal.

At Issue

The brief urges the Court of Appeal to affirm the trial court decision, arguing that the plain language of the CPRA does not allow a fee award to a record requester who participates in a reverse-CPRA lawsuit against the public agency in possession of the records. The brief points out that, once an interested third-party files a reverse-CPRA action to prevent the agency from disclosing the records, the public agency is simply caught in the middle of a legal battle between the requester and interested third-party, with little to no control over the litigation costs. Additionally, the brief asks the court to consider that public agencies should not be penalized for being entwined in disputes involving conflicts between the State's open government laws and



legitimate privacy rights, and that public policy does not support an award of attorney's fees against the City.

CSDA Defends Public Agencies from Spurious Inverse Condemnation Claims

On January 25, CSDA joined the League of California Cities, California Joint Powers Insurance Authority, Public Entity Risk Management Authority, California Association of Joint Powers Authorities, and California Sanitation Risk Management Authority in an [amicus brief](#) to the Supreme Court of California in *City of Oroville v. Superior Court* [S243247]. The case involves whether a public agency can be held liable for property damage caused by a plaintiff's failure to install code-mandated systems under the inverse condemnation theory. Inverse condemnation occurs when a public agency is held liable for physical damage to private property caused by a public improvement, requiring compensation to the property owner.

Background

Three dentists ("Plaintiffs") purchased property and constructed an office building in the City of Oroville ("City"). State and local laws in place at the time required the installation and ongoing maintenance of a backwater valve ("BWV") on the private sewer lateral for the building, but no BWV was ever installed by the Plaintiffs. In 2009, sewage backed up into Plaintiffs' building. It is undisputed that there was a partial root blockage in the City's sewer main and that sewage would not have entered Plaintiff's building had a BWV been installed and working properly.

Plaintiffs and their insurer filed suit against the City for inverse condemnation and nuisance. The trial court granted a motion for a judicial determination of the City's liability for inverse condemnation. The City then filed a writ petition with the Court of Appeal, seeking reversal of the trial court's order. The Court of Appeal denied the petition, explaining that, "[i]n order to absolve itself of liability, [the] City would have to prove 'that other forces alone produced the injury.'" The City appealed and the Supreme Court of California granted review.

At Issue

CSDA joined the League of California Cities and other local government agencies in the brief to argue that a public agency should not be held liable for inverse condemnation for a sewage backup where the plaintiff failed to install a legally required BWV. Plaintiffs' code violation, not the City's sewer system, created a risk that, once realized, represented the overriding cause of Plaintiff's damage. Additionally, merely because Plaintiffs were able to get their building approved without including a BWV in the plans and without installing a BWV, they were not free to sit on their hands ignoring the risk of a potential sewer backup, which eventually occurred, then demand recovery. Plaintiffs defeated the sewer system design by failing to comply with the law, and public policy does not support awarding this failure.

CSDA will monitor this litigation as it goes to the Supreme Court for oral argument.

For questions about CSDA's involvement in these, or other legal cases, please contact CSDA's Legislative Analyst – Attorney Mustafa Hessabi at mustafah@cdda.net.



➤ DISTRICTS MAKE THE DIFFERENCE

Districts Make the Difference was created to increase public awareness and understanding of special districts across California. The campaign website, www.districtsmakethedifference.org provides a public place to learn more about special districts and the positive effect they have on their communities, while also serving as a resource for districts to download useful materials, collateral, and information.

How Can CSDA's Public Outreach Campaign Help You?

You've heard about Districts Make the Difference, but you're still not quite sure what it's all about. What exactly is this campaign and how can your district take advantage of it to help with public outreach efforts? Districts Make the Difference is CSDA's statewide public outreach campaign that was created to increase public awareness and understanding of special districts.

Campaign Inception

It's no secret that a majority of California residents are unaware about the state's roughly 2,000 special districts. In fact, CSDA commissioned polling in 2015 that showed California voters overwhelmingly did not understand special districts' role in providing essential local services like energy, fire protection and public safety, treatment and service of water, garbage removal, recreation, healthcare, and much more. The good news is that after being given basic information about what special districts are and how they function, voters then regarded special districts to be extremely important.

It was with these polling results in mind that CSDA created and launched the Districts Make the Difference campaign to help improve education and perception of special districts throughout California.

Public Engagement

While CSDA uses the campaign to run a variety of public affairs and public outreach tactics, like our Annual Student Video Contest, it is important to know that the Districts Make the Difference campaign and campaign materials are not just for CSDA staff. CSDA created the campaign with our membership in mind, and we encourage all of you to utilize Districts Make the Difference (DMTD) as a tool to help your district with public outreach and engagement.

At www.DistrictsMakeTheDifference.org, you will find valuable tools, and free marketing materials designed to help you connect with your communities. It is through such outreach that we hope you will be able to actively engage the general public in our collective efforts to further create a positive environment for special districts.

Free Outreach Tools

Below are some of the free tools the campaign offers along with instructions on how you can wield them to best assist in public outreach:

- **Website:** The DMTD website is your one-stop-shop to get everything you need to help with public outreach as all the tools listed below are available on the website for easy (and free) downloading. Additionally, the webpage is full of public friendly content that serves



TAKE ACTION

California Special Districts Association Priorities

as a great resource for your community members who want to learn more information about special districts. Visit www.DistrictsMakeTheDifference.org.

- **Messaging:** The DMTD website provides clear and succinct messages to introduce the public to the world of special districts. You can use this messaging in newsletters, social media posts, public meetings, and more. Just copy paste any of the text that resonates with you directly from the website. No permission needed.
- **Logos:** Various styles, sizes, and formats of the DMTD logo are available for use on any communications materials including social media, newsletters, websites, etc. One simple way to help public education of special districts is by displaying the DMTD logo on your website with a link back to www.DistrictsMakeTheDifference.org.
- **Infographics:** Download these clever and creative graphics to display interesting facts and information about special districts. These infographics can be printed and displayed in district facilities, distributed at public meetings, or posted online.
- **Factsheets and posters:** CSDA has created a specific factsheet and poster for each type of the 17 special district categories. Download the materials that correspond to your district then print and display them at district facilities, distribute them at public meetings, or post them to your website and social media platforms.
- **Videos:** If a picture is worth a thousand words, then a video is priceless. DMTD has a growing library of videos that you can share through your digital channels like your website and social media channels. If you see a video you'd like to share at a public meeting, email pr@csda.net to get a downloadable file.
- **Social Media:** Not only does the DMTD website provide you with free images to use on your Facebook and Twitter pages, we also have DMTD Facebook, Twitter, and YouTube accounts that provide districts an opportunity to network with one another and with the DMTD campaign. The DMTD Facebook and Twitter sites make daily posts highlighting district activity. Districts may submit story ideas to pr@csda.net for chance to be featured online.

If you have any questions about how to better utilize CSDA's public outreach campaign, or if you have any ideas for new materials we should provide, please contact CSDA's Public Affairs Specialist Tatiana Stewart at tatianas@csda.net.



➤ HOT LEGISLATION

Here is where the hottest bills affecting special districts sit in the California Legislature this month:

- **SB 519 (Beall):** Updates the Santa Clara Valley Water District authorizing statute to conform the procedure for filling board vacancies with the District's current electoral practices.
CSDA's position: **Support**
Bill Location: Senate Governance and Finance Committee
- **SB 606 (Skinner):** Requires an urban retail water supplier, including special districts, to: 1). establish an urban water use objective, and 2). Calculate actual urban water use, no later than July 1, 2022, and by July 1 each year thereafter.
CSDA's position: **Oppose Unless Amended**
Bill Location: Assembly 3rd Reading



➤ OTHER WAYS TO TAKE ACTION

Learn

SDRMA hosts Spring Education Day to provide training and information regarding coverages, online training programs, technology, and many valuable MemberPlus Services™. SDRMA members who attend the Education Day are eligible to earn credit incentive points (CIPs) to reduce their annual contribution for both Property/Liability and Workers' Compensation Programs.

- Free to SDRMA members and CSDA members*
- Additional fee to CSDA members for Governance Foundations workshop on this day
<https://members.csda.net/imis1/EventDetail?EventKey=SDRM032018>

Engage

Solar Bid Check is a new service provided by CSDA Endorsed Affiliate, Utility Cost Management LLC (UCM). Solar Bid Check provides an independent, objective analysis of the financial calculations that solar vendors present to their customers. Now, for a limited time, CSDA member districts can receive a free analysis of any solar proposals under consideration.

How can you ensure the calculations provided in the solar proposal you receive are accurate and meet industry standards? Call UCM at (559) 261-9230 or visit www.utilitycostmanagement.com/solarbidcheck. Offer good through April 2018.

Give Feedback

Join an Expert Feedback Teams to provide CSDA staff with invaluable insights on policy issues. Email marcusd@csda.net to inquire about joining one of the following teams:

- | | |
|--------------------------------|---------------------------------|
| • Budget, Finance and Taxation | • Human Resources and Personnel |
| • Environment | • Governance |
| • Formation and Reorganization | • Public Works and Contracting |

Stay Informed

In addition to the many ways you can **TAKE ACTION** with CSDA's advocacy efforts, CSDA offers a variety of tools to keep you up-to-date and assist you in your district's legislative and public outreach. Make sure you're reading these resources:

- CSDA's weekly e-Newsletter
- CSDA's District Daily Press
- CSDA's CA Special District Magazine

Email advocacy@csda.net for help accessing these additional member resources.



Current Actuarial Amortization Policy

Driver	Source				
	(Gain)/Loss		Assumption/ Method Change	Benefit Change	Golden Handshake
	Investment	Non- investment			
Amortization Period	30 Years	30 Years	20 Years	20 Years	5 Years
<u>Escalation Rate</u>					
- Active Plans *	Payroll (3%)	3%	3%	3%	3%
- Inactive Plans	0%	0%	0%	0%	0%
Ramp Up	5	5	5	0	0
Ramp Down	5	5	5	0	0

* Reducing to 2.875% for the 6/30/2017 actuarial valuations and 2.75% for the 6/30/2018 reports.

Proposed Actuarial Amortization Policy**

Driver	Source				
	(Gain)/Loss		Assumption/ Method Change	Benefit Change	Golden Handshake
	Investment	Non- investment			
Amortization Period	20 Years	20 Years	20 Years	20 Years	5 Years
<u>Escalation Rate</u>					
- Active Plans	0%	0%	0%	0%	0%
- Inactive Plans	0%	0%	0%	0%	0%
Ramp Up	5	0	0	0	0
Ramp Down	0	0	0	0	0

** Future UAL bases only.

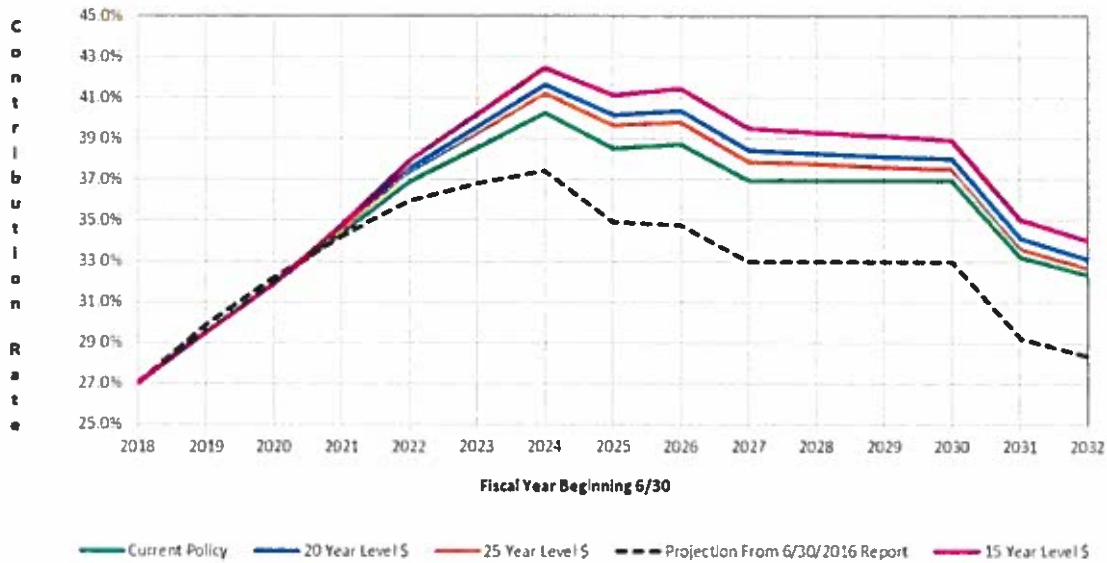


Projected Employer Contribution Rates for Sample Public Agency Plan

Assumed Investment Returns

2017-2018: 3%, 2018-2019: 3%, 2019-2020: 3%

Proposed Policy Applies to New Bases Beginning 2019

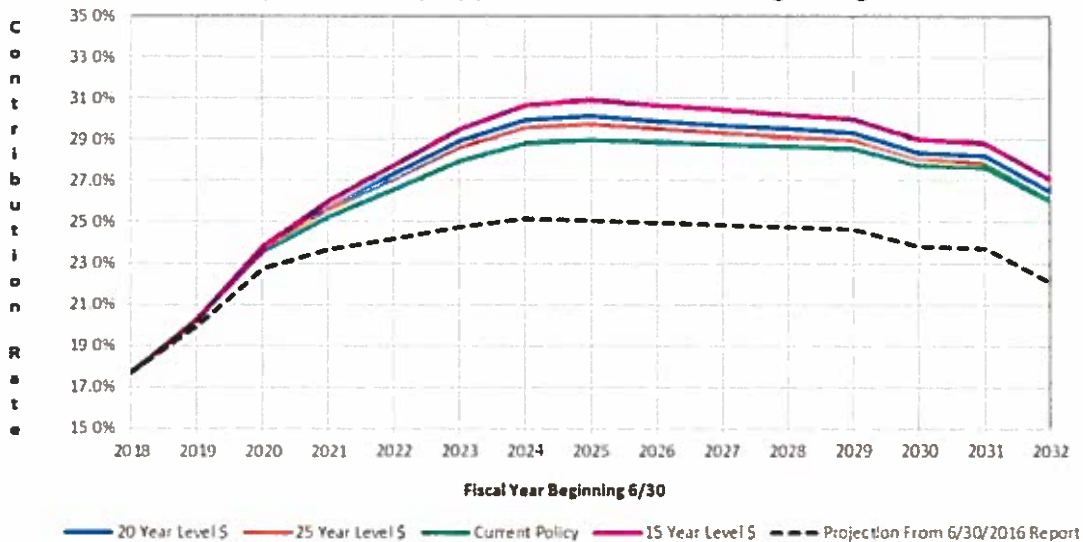


Projected Employer Contribution Rates for Schools Pool

Assumed Investment Returns

2017-2018: 3%, 2018-2019: 3%, 2019-2020: 3%

Proposed Policy Applies to New Bases Beginning 2019*



*The impact of the final scheduled discount rate change from 7.25% to 7.0% occurring on June 30, 2019 will be determined under the current amortization policy.

**MI-Wuk Sugar Pine Fire Protection District
Statement of Net Position
December 31, 2017 and 2016**

		December 31, 2017	December 31, 2016	Difference
ASSETS				
Current Assets				
Account	Equity in Treasurers Pooled Cash	197,024.76	174,746.43	22,278.33
100400	Petty Cash	500.00	480.00	20.00
	Total Current Assets	197,524.76	175,226.43	22,298.33
Capital Assets				
120000	Land	73,132.00	73,132.00	-
122000	Building and Improvements	731,393.11	731,393.11	-
124000	Equipment	267,238.85	267,238.85	-
127000				
129100	Less: Accumulated Depreciation	(356,720.00)	(356,720.00)	-
	Total Capital Assets	715,043.96	715,043.96	-
	TOTAL ASSETS	912,568.72	890,270.39	22,298.33
LIABILITIES AND NET POSITION				
Current Liabilities				
	Credit Cards Payable	1,986.34	155.87	1,830.47
202200	Sales Tax Payable	134.42	325.48	(191.06)
203210	Salaries & Benefits Payable	3,478.31	4,063.89	(585.58)
203215	Accrued Vacation	5,272.00	5,272.00	-
203225	Accrued Sick Leave	4,031.00	4,031.00	-
203500	Federal Withholding Payable	523.42	594.54	(71.12)
203600	FICA Payable	735.64	831.34	(95.70)
203700	State Withholding Payable	140.21	135.20	5.01
203935	Deferred Compensation Benefits	250.00	175.00	75.00
203945	SDI Payable	48.09	48.93	(0.84)
	Total Current Liabilities	16,599.43	15,633.25	966.18
Net Position				
262010	Agency Obligation	165,330.08	151,048.43	14,281.65
	Excess (Deficit) of Revenue over Expenses	15,595.25	8,544.75	7,050.50
	Agency Obligation - Net	180,925.33	159,593.18	21,332.15
280600	Capital Assets, Net	715,043.96	715,043.96	-
	Total Net Position	895,969.29	874,637.14	21,332.15
	Total Liabilities and Net Position	912,568.72	890,270.39	22,298.33

UNAUDITED

MI-Wuk Sugar Pine Fire Protection District
Statement of Activities
For the 6 Months Ended December 31, 2017 and 2016

		December 31, 2017	December 31, 2016	Difference	FY18 Budget	Remaining Budget
REVENUE						
412110	Property Taxes - Current Secured	89,878.14	86,168.07	3,710.07	170,640.00	80,761.88
412110	Property Taxes - Current Unsecured	3,878.90	3,963.81	(84.91)	-	(3,878.90)
441110	Interest Income	488.25	384.23	102.02	-	(488.25)
458110	State Revenue	988.54	988.24	0.30	2,113.00	1,126.46
489207	Fed - VFA Grant	(0.28)	(0.28)	-	11,843.00	11,843.28
483111	Misc. Income - Reimbursements	295.50	2,530.19	(2,234.69)	1,500.00	1,204.50
489100	Sonora Foundation Grant	-	14,522.89	(14,522.89)	-	-
491110	Sale of Fixed Assets	7,000.00	-	7,000.00	7,000.00	-
496000	Donations	188.00	-	188.00	-	(188.00)
496060	Donations - Auxiliary - Utilities	1,479.24	1,294.94	184.30	4,310.00	2,830.76
496065	Donations - Auxiliary - Misc.	5,078.24	2,215.98	2,860.26	12,675.00	7,598.78
469840	Other Governments - SF	613.00	-	613.00	600.00	(13.00)
471211	Benefit Assessments	140,588.48	136,057.42	4,511.08	258,773.00	118,204.52
483110	Miscellaneous Income	-	390.00	(390.00)	500.00	500.00
459206	SRAFPF Grant	-	(0.44)	0.44	-	-
459119	State Revenue - Emergency Fire Fighting	-	5,748.20	(5,748.20)	28,042.00	28,042.00
462209	Federal - SAFER	-	10,843.00	(10,843.00)	41,028.00	41,028.00
	TOTAL REVENUE	259,448.01	264,904.25	(14,456.24)	539,022.00	288,573.99
EXPENSES						
511110	Regular Salaries	105,982.52	118,762.55	(10,800.03)	285,914.00	179,951.48
511132	Recruitment Expense	2,588.50	-	2,588.50	7,470.00	4,883.50
511140	Salaries - Termination	2,702.27	588.25	2,108.02	2,702.00	(0.27)
511150	Part-Time Salaries	5,250.00	13,446.05	(8,196.05)	17,740.00	12,490.00
511153	Part-Time Reserve Salaries	18,954.02	-	18,954.02	36,500.00	19,545.98
511160	Overtime Salaries	24,036.36	21,837.75	2,198.61	23,158.00	(878.36)
512215	Employee Physicals	-	196.00	(196.00)	-	-
512225	Life Insurance	189.00	2,438.00	(2,247.00)	2,688.00	2,499.00
512310	Workers Compensation Insurance	22,409.05	12,746.21	9,662.84	25,279.00	2,869.95
512410	F.I.C.A.	11,849.81	11,871.81	177.70	27,996.00	16,148.39
512420	Unemployment Insurance	2,807.98	-	2,807.98	1,500.00	(1,307.98)
521210	Clothing and Personal Supplies	387.98	1,891.15	(1,523.17)	17,510.00	17,142.02
521310	Communications	1,978.53	1,853.04	123.49	3,846.00	1,869.47
521425	Food - Other	365.84	506.86	(140.92)	906.00	540.06
521510	Household Expense	1,074.30	980.16	94.14	2,039.00	964.70
521610	Insurance	4,089.00	5,823.58	(1,734.58)	4,089.00	-
522110	Maintenance Equipment	1,878.58	1,999.21	(322.63)	821.00	(1,055.58)
522120	Maintenance Equipment-Vehicles	1,458.87	9,623.99	(8,167.12)	4,250.00	2,793.13
522122	Maintenance - Vehicles - Internal	5,927.15	7,315.35	(1,388.20)	6,661.00	733.85
522177	Fire Extinguisher Testing	100.00	240.00	(140.00)	340.00	240.00
522510	Maintenance- Building & Improvements	2,025.19	1,270.08	755.13	1,370.00	(855.19)
522512	Maintenance - Grounds	-	-	-	534.00	534.00
523210	Dues & Memberships	1,947.78	2,956.00	(1,008.24)	3,257.00	1,309.24
525110	Office Expense	421.82	1,832.53	(1,210.71)	1,222.00	800.18
525140	Office Expense - Photocopy	499.13	44.12	455.01	121.00	(378.13)
525150	Office Expense - Postage	100.12	813.12	(713.00)	1,111.00	1,010.88
526108	P S & S - Tax Admin. Fee	-	-	-	3,800.00	3,600.00
526107	P S & S - Parcel Tax Fee	-	-	-	2,900.00	2,900.00
526110	P S & S - Professional Service	4,295.58	11,867.72	(7,572.14)	7,215.00	2,919.42
526111	P S & S - Legal	210.00	-	210.00	500.00	290.00
526124	P S & S - Auditor - Controller	1,011.50	1,158.25	(144.75)	2,000.00	988.50
527110	Publications & Legal Notices	-	-	-	1,432.00	1,432.00
527210	Rents & Leases - Equipment	1,527.88	1,529.14	(1.26)	3,086.00	1,558.12
527310	Rents & Leases - Building & Improvements	67.50	-	67.50	-	(67.50)
527410	Small Tools	-	-	-	250.00	250.00
528110	Special Departmental Expense	608.99	2,199.80	(1,590.81)	975.00	368.01
528184	SDE - Awards & Certificates	-	-	-	100.00	100.00
528521	SDE Detweiler Fire	180.65	-	180.65	-	(180.65)
529110	Transportation & Travel - Fuel	3,152.49	3,575.90	(423.41)	8,980.00	5,827.51
529120	Travel - Training and Seminars	88.50	750.00	(661.50)	10.00	(78.50)
529130	Transportation & Travel - Private Auto	164.78	366.06	(201.28)	800.00	635.22
529140	Travel	-	13.47	(13.47)	1,200.00	1,200.00
529210	Utilities	3,889.46	3,638.88	250.58	6,096.00	2,206.54
542200	Building & Improvements	-	-	-	-	-
529910	Expendable Equipment	2,879.75	-	2,879.75	8,326.00	3,446.25
543000	Vehicles	-	-	-	17,250.00	17,250.00
54000	Fixed Asset Expense	-	14,620.39	(14,620.39)	-	-
544900	Misc. Specialized Equip.	-	-	-	1,000.00	1,000.00
	TOTAL OPERATING EXPENSES	234,852.76	256,359.50	(21,506.74)	542,544.00	307,691.24
	EXCESS (DEFICIT) OF REVENUE OVER EXPENSES	15,595.25	8,544.75	7,050.50	(3,522.00)	(19,117.25)

UNAUDITED

**Report of the Auxiliary President
February 2018**

-There was no Potluck this month.

At last month's Auxiliary meeting:

- Cathy Richardson reported membership stands at 295 with 52 of those being active members.
- The spring Enchilada Take and Bake pickup will be April 14 from 12:00-3:00.
- It was voted to spend \$2750 on the mapping project for the District.
- SPECIAL EVENTS CHAIRMEN 2018 –
 - Spring Luncheon/Fashion Show – Ellen Heald
 - Rummage Sale –Sue Crabtree/Nickie Doss/and Nancy Dumas
 - Firefighter Appreciation Event – Ann Coleman
 - Pancake Breakfast – Ellen Heald
 - Spaghetti Dinner – Blythe Klipple
 - Enchilada Take and Bake – Cathy Richardson
 - Holiday Luncheon – Sherry Blake

-The Auxiliary meetings/luncheons will be held off-site in February and March.

-Just a reminder that the Potluck for March has been cancelled due to weather concerns.

-This month's Auxiliary meeting will be held on February 14, 12:00 noon, at China House in Twain Harte at 12 noon.

-Carolyn Peters is hosting the dessert tonight.

Sherry Blake

Sherry Blake
Auxiliary President



MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT

"Providing Quality Emergency Response And Fire Protection For The Public"

February 14, 2018

Oak Valley Community Bank
85 Mono Way
Sonora, CA 95370

Dear Sir or Madam,

Please consider this a letter of authorization to change the authorized signers on the eBusiness Checking account ending in 0963 held at Oak Valley Community Bank. Enclosed is a copy of the minutes of the February 13, 2018 Regular Meeting of the Board of Directors of the Mi-Wuk Sugar Pine Fire Protection District. At this meeting the board approved a motion to replace Michael Welch, who has resigned from his position on the board, with _____ (position).

The authorized signers on this account will now be:

(New Signer, Position)
Larry Crabtree, Board Clerk
Bonnie Dahlin, Department Secretary

Sincerely,

Larry Crabtree, Board Clerk
Mi-Wuk/Sugar Pine Fire Protection District Board of Directors

cc: (New Signer)
Bonnie Dahlin
file



**FINANCIAL STATEMENTS
And
INDEPENDENT AUDITOR'S REPORT**

JUNE 30, 2017 and 2016

MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT

June 30, 2017 and 2016

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Blomberg & Griffin Accountancy Corporation
Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Mi-Wuk/Sugar Pine Fire Protection District
MiWuk Village, CA 95346

Report on the Financial Statements

We have audited the accompanying financial statements of Mi-Wuk/Sugar Pine Fire Protection District as of and for the years ended June 30, 2017 and 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Mi-Wuk/Sugar Pine Fire Protection District, as of June 30, 2017 and 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America

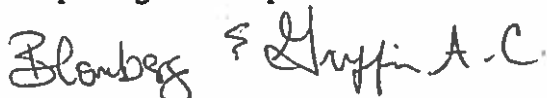
Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 5 and budget and actual statement on page 20 to be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the 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.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 24, 2017, on our consideration of the Mi-Wuk/Sugar Pine Fire Protection District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Mi-Wuk/Sugar Pine Fire Protection District's internal control over financial reporting and compliance.



Blomberg & Griffin A.C.
Stockton, CA
October 24, 2017

MI-WUK SUGAR PINE FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2017 and 2016

Our discussion and analysis of the Mi-Wuk Sugar Pine Fire Protection District's financial performance provides an overview of the District's financial activities for the years ended June 30, 2017 and 2016. Please, read it in conjunction with the District's basic financial statements, which begin on page 6.

Basic Financial Statements

The District's basic financial statements include three components:

- Combined Statement of Net Position
- Combined Statement of Activities – All Fund Types
- Notes to the Financial Statements

The statement of net position includes all the District's assets and liabilities, with the difference between the two reported as net position.

The statement of net position provides the basis for evaluating the capital structure of the District and assessing its liquidity and financial flexibility.

The statement of activities presents information, which shows how, the District's net position changed during each year. Total revenues and expenses are recorded when the underlying transaction occurs, regardless of the timing of the related cash flows. The statement of activities measures the success of the District's operations during the year.

These statements are different from the governmental funds statement which only account for transactions that result in cash receipts or cash disbursements.

The notes to financial statements provide a description of the accounting policies used to prepare the financial statements and present material disclosures required by generally accepted accounting principles that are not otherwise present in the financial statements.

Financial Highlights

Mi-Wuk Sugar Pine Fire Protection District had a change in net position of (\$31,425) at June 30, 2017. The cumulative change is primarily due to an increase of depreciation expense of \$27,338 which included an additional amount of depreciation for trucks.

MI-WUK SUGAR PINE FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2017 and 2016

Financial Analysis of the District

Mi-Wuk Sugar Pine Fire Protection District decrease its current assets by 1.54% due primarily to the decrease in the accounts receivable. The decrease in non-current assets of 6.39% is due to the depreciation exceeding asset additions. The decrease of liabilities is due to the accounts payable and salaries and benefits payable. Net position decreased by 3.63 % in the statement of net position.

Mi-Wuk Sugar Pine Fire Protection District

	30-Jun		
	2017	2016	Percent Change
Current Assets	\$ 181,940	\$ 184,793	-1.54%
Non Current Assets	669,326	715,044	-6.39%
Total Assets	851,266	899,837	-5.40%
Liabilities	16,598	33,744	-50.81%
Total Liabilities	16,598	33,744	-50.81%
Net Position	834,668	866,093	-3.63%
Total Liabilities & Net Position	\$ 851,266	\$ 899,837	-5.40%

Summary of Statement of Activity

Mi-Wuk Sugar Pine Fire Protection District Change in Net Position decrease by 3.63% primarily due to the increase in depreciation expenses. Mi-Wuk Sugar Pine Fire Protection District total expenses decreased by 16.44% and total revenues decreased by 20.95%. The decreased revenue and expenses resulted from decrease in grants received and associated expenses.

MI-WUK SUGAR PINE FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>	<u>Percent Change</u>
Expenses:			
Public Safety	\$ 531,753	\$ 636,350	-16.44%
Total Expenses	<u>531,753</u>	<u>636,350</u>	<u>-16.44%</u>
Revenues:			
Program Revenues	317,084	426,900	-25.72%
General Revenues	<u>183,244</u>	<u>205,987</u>	<u>-11.04%</u>
Total Revenues	<u>500,328</u>	<u>632,887</u>	<u>-20.95%</u>
Change in Net Position	(31,425)	(3,463)	88.98%
Net Position- Beginning of Year	<u>866,093</u>	<u>869,556</u>	<u>-0.40%</u>
Net Position- End of Year	<u><u>\$ 834,668</u></u>	<u><u>\$ 866,093</u></u>	<u><u>-3.63%</u></u>

Capital Assets

Mi-Wuk Sugar Pine Fire Protection District has recorded assets at historical cost or estimated historical cost, if actual historical cost is not available. Donated fixed assets are valued at the estimated fair market value. During the fiscal year ended June 30, 2017 the fixed assets decreased by \$45,718 primarily due to depreciation expense.

Economic Factors

In addition, capital expenditures will be dependent on the completion of capital improvement plans and other related factors which cannot be accurately estimated at this time. Summary budget to actual comparison for the fiscal year were as follows:

Revenues exceed budget by \$17,857. Expenditure were less than budget by \$23,408. A detail of budget comparison is included on page 20.

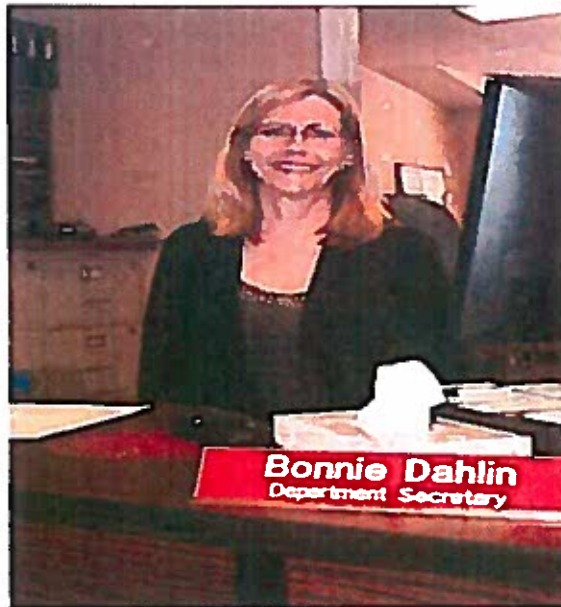
MI-WUK SUGAR PINE FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2017 and 2016

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact the Mi-Wuk Sugar Pine Fire Protection District at PO Box 530 Mi-wuk Village, CA 95346.



Chief Larry



Secretary Bonnie

MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT
Statement of Net Position
Governmental Wide Financial Statement
June 30, 2017 and 2016

	<u>2017</u> <u>Governmental</u> <u>Activities</u>	<u>2016</u> <u>Governmental</u> <u>Activities</u>
Assets:		
Current Assets:		
Cash and Investments	\$ 181,351	\$ 167,113
Property Tax Receivable	144	139
Account Receivable	-	7,661
Due from Other Government	445	9,880
Total Current Assets	<u>181,940</u>	<u>184,793</u>
Capital Assets:		
Land	73,132	73,132
Buildings and Improvements	731,393	731,393
Equipment	281,762	267,239
Less: Accumulated Depreciation	(416,961)	(356,720)
Total Capital Assets	<u>669,326</u>	<u>715,044</u>
Total Assets	<u><u>\$ 851,266</u></u>	<u><u>\$ 899,837</u></u>
Liabilities:		
Current Liabilities:		
Accounts Payable	\$ 1,106	\$ 5,511
Accrued Liabilities	15,492	28,233
Total Current Liabilities	<u>16,598</u>	<u>33,744</u>
Total Liabilities	<u>16,598</u>	<u>33,744</u>
Net Position:		
Invested in Capital Assets	669,326	715,044
Unreserved	165,342	151,049
Total Net Position	<u>834,668</u>	<u>866,093</u>
Total Liabilities and Net Position	<u><u>\$ 851,266</u></u>	<u><u>\$ 899,837</u></u>

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

MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT
Statement of Activities
Governmental Wide Financial Statement
For the Fiscal Year Ended June 30, 2017 and 2016

	<u>2017</u> <u>Governmental</u> <u>Activities</u>	<u>2016</u> <u>Governmental</u> <u>Activities</u>
Expenses:		
Public Safety	\$ 531,753	\$ 636,350
Total Expenses	<u>531,753</u>	<u>636,350</u>
Program Revenues:		
Benefit Assessments	250,249	242,321
Operating Grants, Contributions, and Other Revenues	<u>66,835</u>	<u>184,579</u>
Total Charges for Services and Operating Grants	<u>317,084</u>	<u>426,900</u>
Net Program Expenses	<u>214,669</u>	<u>209,450</u>
General Revenues:		
Property Tax	165,844	158,725
Investment Income	1,217	529
Sale of Surplus Property	-	9,275
Donation of Equipment	-	15,000
Donation - Auxiliary	11,118	14,673
Miscellaneous	<u>5,065</u>	<u>7,785</u>
Total General Revenues	<u>183,244</u>	<u>205,987</u>
Change in Net Position	(31,425)	(3,463)
Net Position - Beginning of Year	<u>866,093</u>	<u>869,556</u>
Net Position - End of Year	<u>\$ 834,668</u>	<u>\$ 866,093</u>

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

MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT

Balance Sheet

Governmental Funds

June 30, 2017 and 2016

	2017 General Fund	2016 General Fund
Assets:		
Cash and Investments	\$ 181,351	\$ 167,113
Property Tax Receivable	144	139
Account Receivable	-	7,661
Due from Other Government	445	9,880
	<u> </u>	<u> </u>
Total Assets	<u>\$ 181,940</u>	<u>\$ 184,793</u>
Liabilities and Fund Balances:		
Liabilities:		
Accounts Payable	\$ 1,106	\$ 5,511
Accrued Liabilities	15,492	28,233
	<u> </u>	<u> </u>
Total Liabilities	<u>16,598</u>	<u>33,744</u>
Fund Balances:		
Fund Balances:		
Unassigned	165,342	151,049
	<u> </u>	<u> </u>
Total Fund Balances	<u>165,342</u>	<u>151,049</u>
	<u> </u>	<u> </u>
Total Liabilities and Fund Balances	<u>\$ 181,940</u>	<u>\$ 184,793</u>

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

MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
Fund Balances - Governmental Funds	\$ 165,342	\$ 151,049
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	<u>669,326</u>	<u>715,044</u>
Net Position - Governmental Activities	<u>\$ 834,668</u>	<u>\$ 866,093</u>



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

MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Years Ended June 30, 2017 and 2016

	2017 General Fund	2016 General Fund
Revenues:		
Property Taxes	\$ 165,844	\$ 158,725
Intergovernmental Revenues	66,835	184,579
Use of Money and Property	1,217	529
Charges for Services	250,249	242,321
Other Revenues	<u>16,181</u>	<u>46,733</u>
Total Revenues	<u>500,326</u>	<u>632,887</u>
Expenditures:		
Current:		
Public Safety-Fire	471,511	603,447
Capital Outlay	<u>14,523</u>	<u>15,000</u>
Total Expenditures	<u>486,034</u>	<u>618,447</u>
Net Change in Fund Balances	14,292	14,440
Fund Balances, July 1, 2016 and 2015	<u>151,048</u>	<u>136,608</u>
Fund Balances, June 30, 2017 and 2016	<u><u>\$ 165,340</u></u>	<u><u>\$ 151,048</u></u>

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

MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT
Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Fiscal Years Ended June 30, 2017

	<u>2017</u>	<u>2016</u>
Net Change in Fund Balances - Total Governmental Funds	\$ 14,292	\$ 14,440
Amounts reported for governmental activities in the statement of activities differs from the amounts reported in the statement of revenues, expenditures and changes in fund balance because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense or are allocated to the appropriate functional expense when the cost is below the capitalization amount		
Cost of assets capitalized	14,523	15,000
Depreciation expense	<u>(60,241)</u>	<u>(32,903)</u>
Change in Net Position - Governmental Activities	<u>\$ (31,426)</u>	<u>\$ (3,463)</u>



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

MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT

Notes to the Financial Statements

June 30, 2017 and 2016

Note 1: Summary of Significant Accounting Policies

The Mi-Wuk Village Fire Protection District was formed by resolution of the Board of Supervisors of the County of Tuolumne, California, on January 19, 1959. On December 19, 1974 following the "Sugar Pine Annexation" the District was enlarged to its current boundaries and became the Mi-Wuk Sugar Pine Fire Protection District. The District is governed by an elected Board of Directors and is subject to various State of California statutes including the Health and Safety Code Sections 13800-13960 "The Fire Protection District Law of 1987" and others. The District provides fire protection and related services in the Mi Wuk Village and Sugar Pine areas. The District boundaries are detailed on the official records of Tuolumne County.

MI-Wuk Sugar Pine Fire District provides services outside the District as part of the mutual aid agreement with other agencies.

The District is governed by a Board of Directors. Directors are elected by the Citizens of the District for four years terms. Terms are staggered, and there are no term limits.

The financial statements of the District are prepared on the accrual basis of accounting. 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 higher level of government, or a jointly appointed board.

Based on the aforementioned oversight criteria, there are no component units in accordance with Governmental Accounting Standards Board Statement No. 14.

MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT

Notes to the Financial Statements

June 30, 2017 and 2016

Note 1: Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting

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 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.

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 in the government-wide statement of net position.

D. Basis of Presentation

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The District's resources are accounted for in these individual funds based on the purposes for which they are to be spent and the means by which spending activity is controlled. For financial reporting, these funds have been grouped into the fund type discussed in the following page.

MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT

Notes to the Financial Statements

June 30, 2017 and 2016

Note 1: Summary of Significant Accounting Policies (Continued)

D. Basis of Presentation (Continued)

Governmental Fund Type

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

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 structural 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 Balances

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 appropriable for future expenditures.

MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT

Notes to the Financial Statements

June 30, 2017 and 2016

Note 1: Summary of Significant Accounting Policies (Continued)

H. Property Taxes

The District receives property taxes from Tuolumne County, 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 July 1 for the following fiscal year and on which date it becomes a lien on real property. Based on a policy by the County called the Teeter Plan, 100% of the allocated taxes are transmitted by the County to the District. The County, in return, receives all penalties and interest. Penalties and interest collected by the County are not allocated to the District. Apportionments are distributed according to the following schedule:

<u>Action</u>	<u>Date</u>	<u>Percent of Levy</u>
1 st apportionment	November 25	10%
2 nd apportionment	By December 25	45%
3 rd apportionment	By April 25	40%
4 th apportionment	By June 25	5%

I. Capital Assets

Capital assets, recorded at historical cost or estimated historical cost if actual historical cost is not available, are reported in governmental activities column of the government-wide financial statements. Contributed fixed assets are valued at their estimated fair market value. Capital assets include land, buildings and building improvements, and equipment. 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. Depreciation is recorded in the government-wide financial statements on the straight-line basis over the useful life of the assets as follows:

<u>Assets</u>	<u>Useful Life</u>
Improvements to land	20 years
Building improvements	10-30 years
Vehicles	10-15 years
Machinery and Equipment	5 years

MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT

Notes to the Financial Statements

June 30, 2017 and 2016

Note 2: Cash and Investments

Cash at June 30 consisted of the following:

	<u>2017</u>	<u>2016</u>
Cash with County	\$ 180,851	\$ 166,613
Petty Cash	<u>500</u>	<u>500</u>
Total	<u>\$ 181,351</u>	<u>\$ 167,113</u>

The District maintains its general cash account with Tuolumne County Treasurer's office. The County maintains the cash of the District in a "pooled" cash fund for special District's. The cash maintained in the "pooled" cash fund with Tuolumne County at June 30, 2017 was \$180,851. The District maintains the petty cash at a local bank. The petty cash at June 30, 2017 was \$500. The District's investment is presented at fair value in accordance with GASB No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools". However, the value of the pool shares in the County that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the District's portion in the pool.

California Government Code authorizes the Treasurer of the County to invest excess funds in the following list of eligible securities:

- a) Obligations of the U.S. Treasury, agencies and instrumentalities
- b) Banker's acceptances eligible for purchase by the Federal Reserve System
- c) Commercial paper with A-1 rating by Moody's Investors Service or a P-1 rating by Standard and Poor's Corporation
- d) Repurchase agreements or reverse repurchase agreements
- e) Medium-term notes with a five-year maximum maturity from corporations operating within the United States and rated in the top three rating categories by Moody's Investment Service and Standard and Poor's Corporation
- f) Shares of beneficial interest issued by the diversified management companies (money market funds) investing in securities and obligations as outlined in (a through f) above. Certain security rankings and/or organizational requirements apply to this investment

MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT**Notes to the Financial Statements****June 30, 2017 and 2016****Note 3: Property Plant and Equipment**

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

	<u>Balance 7/1/2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2017</u>
Governmental Activities:				
Capital Assets, not Being Depreciated:				
Land	<u>\$ 73,132</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 73,132</u>
Capital Assets, Being Depreciated:				
Buildings and Improvements	<u>731,393</u>	<u>-</u>	<u>-</u>	<u>731,393</u>
Equipment/Vehicles	<u>267,239</u>	<u>14,523</u>	<u>-</u>	<u>281,762</u>
Total Capital Assets, Being Depreciated	<u>998,632</u>	<u>14,523</u>	<u>-</u>	<u>1,013,155</u>
Less Accumulated Depreciation for:				
Building and Improvements	<u>(236,234)</u>	<u>(24,699)</u>	<u>-</u>	<u>(260,933)</u>
Equipment	<u>(120,486)</u>	<u>(35,542)</u>	<u>-</u>	<u>(156,028)</u>
Total Accumulated Depreciation	<u>(356,720)</u>	<u>(60,241)</u>	<u>-</u>	<u>(416,961)</u>
Total Capital Assets, Being Depreciated Net	<u>641,912</u>	<u>(45,718)</u>	<u>-</u>	<u>596,194</u>
Governmental Activities Capital Assets, Net	<u>\$ 715,044</u>	<u>\$ (45,718)</u>	<u>\$ -</u>	<u>\$ 669,326</u>

Note 4: Related Party Transaction

Mi-Wuk/Sugar Pine Fire Protection District auxiliary is a separate support organization that assists the District through fundraising and donations of cash, equipment, supplies, food and beverages, etc.

Note 5: 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 per occurrence and \$2,000,000 aggregate covers general liability. The District also purchases auto liability, property liability and management liability. The District pays an annual premium for its general insurance coverage.

MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT

Notes to the Financial Statements

June 30, 2017 and 2016

Note 6: Commitments and Contingencies

The District receives federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. District management believes such disallowances, if any, would be insignificant. In the normal course of business, the District may be a defendant in lawsuits. Defense of lawsuits are handled by the District's insurance carrier, and losses, if any, would be expected to be covered by insurance. District officials are of the opinion that lawsuits, if any, will not have a material adverse effect on the District's financial position.

Note 7: Fund Balance Classifications

In pursuant of GASB 54, District procedures to classify fund balance are as follows:

- Restricted
- Nonspendable
- Committed
- Assigned
- Unassigned

In the governmental fund balance sheet and the statement of net position, the District has one classification for fund balance: Unassigned. The unassigned fund balance is used to classify the fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to a specific purpose.

Note 8: Mutual Aid Agreement

The District is a party to the "County of Tuolumne Fire Agencies Master Mutual Aid Agreement". The Agreement is a mutual cooperation agreement to increase fire protection resources and other emergency operations to assure adequate protection to the community. The Agreement is intended to cover day-to-day mutual aid only and shall have no force or effect when the State of California, Office of Emergency Services Master Mutual Aid Agreement becomes operative. Under the Agreement, the District assumed all costs for salaries, bonuses, or other compensation for its own personnel, apparatus, equipment, and tools used specifically in response to a request for mutual aid, and shall make no charge for such use to the requesting party. The Agreement has no termination date however; the District may at any time terminate by serving a 30-day notice in writing to all of the other parties to the agreement.

Note 9 Subsequent Events

Management has evaluated subsequent events through October 31, 2017, the date these financial statements were available for release.

MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT**Statement of Revenues, Expenditures and****Changes in Fund Balances****Budget and Actual - General Fund****For the Fiscal Year Ended June 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Initial</u>	<u>Final</u>		
Revenues:				
Property Taxes	\$ 151,700	\$ 167,727	\$ 165,844	\$ (1,883)
Intergovernmental Revenues	52,277	52,850	66,835	13,985
Use of Money and Property	400	500	1,217	717
Charges for Services	250,002	250,002	250,249	247
Other Revenues	10,790	11,390	16,181	4,791
Total Revenues	<u>465,169</u>	<u>482,469</u>	<u>500,326</u>	<u>17,857</u>
Expenditures:				
Salaries and Benefits	322,434	322,434	334,337	(11,903)
Clothing and Personal Supplies	21,200	15,200	24,929	(9,729)
Communications	3,600	4,300	3,826	474
Food- Other	500	500	906	(406)
Household Expenses	1,000	1,000	2,275	(1,275)
Insurance	5,300	5,824	5,823	1
Maintenance	28,600	37,450	33,681	3,769
Dues and Memberships	3,000	3,000	3,306	(306)
Office Expenses	3,600	5,800	3,374	2,426
Professional Services	28,450	26,950	31,995	(5,045)
Publications and Legal Notices	2,400	300	232	68
Rents and Leases	4,200	3,500	3,086	414
Small Tools	500	500	8	492
Special Department Expenses	3,020	3,020	3,014	6
SDE - Awards and Certificates	200	50	-	50
Transportation and Travel	14,068	12,768	10,497	2,271
Utilities	8,400	8,400	10,200	(1,800)
Equipment & Capital Outlay	23,600	11,630	14,545	(2,915)
Total Expenditures	<u>474,072</u>	<u>462,626</u>	<u>486,034</u>	<u>(23,408)</u>
Net Change in Fund Balances	<u>\$ (8,903)</u>	<u>\$ 19,843</u>	14,292	<u>\$ (5,551)</u>
Fund Balances, July 1, 2016			<u>151,048</u>	
Fund Balances, June 30, 2017			<u>\$ 165,340</u>	

The accompanying note to the required supplementary information is an integral part of this statement

MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT

Note to the Required Supplementary Information

June 30, 2017

Note 1. Budgets and Budgetary Accounting

As required by State law the District prepares and legally adopts a final operating budget. Public hearings were conducted on the proposed and final budget to review all appropriations and the sources of financing.

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.

Note 2. Accrued Vacation and Sick Pay

The District reports an accrued liability for vacation and sick pay earned in accordance with GASB 34.



Blomberg & Griffin Accountancy Corporation
Certified Public Accountant

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

Board of Directors
Mi-Wuk/Sugar Pine Fire Protection District
Mi-Wuk Village, CA 95346

We have audited the governmental activities of the Mi-Wuk/Sugar Pine Fire Protection District as of and for the years ended June 30, 2017 and 2016, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 31, 2017. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Mi-Wuk/Sugar Pine Fire Protection District's 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 Mi-Wuk/Sugar Pine Fire Protection District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Mi-Wuk/Sugar Pine Fire Protection District's internal control over financial reporting.

A control 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, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected and corrected by Mi-Wuk/Sugar Pine Fire Protection District's internal controls on a timely basis.

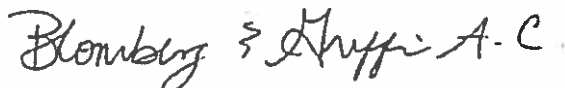
Mi-Wuk/Sugar Pine Fire Protection District-Report on Internal Controls-Page 2

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Mi-Wuk/Sugar Pine Fire Protection District financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matter that is required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, Board of Directors, others within the entity, County, and State Auditor/Controller and is not intended to be and should not be used by anyone other than these specified parties.



Blomberg & Griffin A.C.
Stockton, CA
October 24, 2017



Blomberg & Griffin Accountancy Corporation
Certified Public Accountant

INDEPENDENT AUDIT PROPOSAL

January 12, 2018

To the Board of Directors
Mi-Wuk-Sugar Pine Fire Protection District
P.O. Box 530
Mi-Wuk Village, CA 95346-0530

Dear Board of Directors

Thank you for the opportunity to submit the following proposal to serve as independent auditor for the Mi-Wuk-Sugar Pine Fire Protection District.

We propose to conduct the audit of the financial statements of the Mi-Wuk-Sugar Pine Fire Protection District for the fiscal year ended June 30, 2018.

We will plan and perform the audit in accordance with generally accepted auditing standards and will include tests of the accounting records and other procedures considered necessary under the circumstances. If our audit report is other than unqualified, we will fully discuss the reason with the District's manager prior to presentation of the report. If during the audit we become aware of significant deficiencies in the design or operation of internal controls or of ways management practices can be improved, we will communicate such information to the District Board of Directors in a separate letter.

We propose to begin the audit for the fiscal year ending June 30, 2018 as soon as the District records are available. Set-up, pre-list and certain other procedures would begin on notification of the contract. Fieldwork would begin soon after District personnel complete the trial balance.

Our fee for the above services is based on hourly rates from \$40 to \$105 per hour with maximum fee not to exceed \$2,975 for each of the fiscal year ended June 30, 2018.

This audit proposal is for a financial audit and the above fees include our entire out of pocket expenses including up to 7 bound copies of the audit report. Additional copies are available at \$10 each.

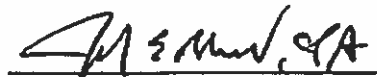
Mi-Wuk Sugar Pine Fire Protection District-Audit Proposal-Page 2

We will need the cooperation and assistance of District personnel to successfully complete the audit. Such assistance will include but not limited to obtaining copies of documents, contract, invoices, etc., various audit inquiries and assistance with preparation of the audit confirmations and other standard auditing procedures.

Should the District need additional services, our fee assisting will be billed at the rate of \$125 per hour plus travel fees in addition to the audit fee discussed above. Such additional fees, if any, will be discussed with the District in advance of providing such services.

Should you need any additional information regarding this proposal please call John E. Blomberg, C.P.A. direct at (209) 466-3894.

Respectfully Submitted,


John E. Blomberg, C.P.A.

Approved By:

Signature

Dated

County of Tuolumne Local Agency Formation Commission

Request for Information for Municipal Service Reviews

INSTRUCTION PAGE

The County of Tuolumne LAFCO's approach to preparing Municipal Service Reviews (MSR) and updating Spheres of Influence (SOI) is to minimize costs and still produce valuable, statute-consistent documents.

The City of Sonora and special districts have crucial responsibilities in the MSR/SOI process. Please complete this Request for Information (RFI) for the Municipal Service Review for your service area and consider this in-depth questionnaire an opportunity to learn more about your special district. If possible, use an electronic copy of this form to fill in your responses and provide the completed form electronically. Information on accessing and submitting an electronic copy is provided below. You can adjust the spacing as needed. If you are using a hard copy, please add more pages as needed to complete your answers.

It is only necessary to provide information once. It is sufficient to reference another section of the form rather than repeating information. And, if the requested information is available in another document, you can respond in the questionnaire by referencing that document and providing a copy of all referenced materials.

The data you provide will assist LAFCO in making the following determinations required by statute.

1. Infrastructure needs or deficiencies;
2. Growth and population projections for the affected area;
3. Financing constraints and opportunities;
4. Cost avoidance opportunities;
5. Opportunities for rate restructuring;
6. Opportunities for shared facilities;
7. Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers;
8. Evaluation of management efficiencies; and
9. Local accountability and governance.

You may submit your completed RFI in one of these ways:

- Deliver a hard copy to the LAFCO office located at 48 West Yaney Street, Sonora or send by mail to LAFCO, #2 South Green Street, Sonora, 95370 with all enclosures and attachments.
- Contact Renee Hendry by E-mail at rhendry@co.tuolumne.ca.us and ask her to attach the RFI (written as a WORD ".Doc") to an E-mail to transmit back to you. Download the RFI from the E-mail, complete the RFI and E-mail the completed form to rhendry@co.tuolumne.ca.us and mail any enclosures and attachments.
- The RFI, written as a WORD ".Doc" is available on a disk from the LAFCO Office upon request. Complete the RFI on the disk and mail with any enclosures and attachments.

Please submit your completed RFI to the County of Tuolumne LAFCO office. If you have any questions regarding submitting this information or need assistance, please call Renee Hendry at the County of Tuolumne LAFCO office at 533-5633 between 8:00 a.m. to 3:00 p.m..