

**SOUTH PLACER  
FIRE DISTRICT**

---

**REPORT ON ACCOUNTING CONTROLS  
AND PROCEDURES**

**June 30, 2023**

**ROBERT W. JOHNSON**  
**Certified Public Accountant**



Robert W. Johnson  
*an accountancy corporation*

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

October 31, 2023

To the Board of Directors  
South Placer Fire District  
Granite Bay, California

In planning and performing our audit of the financial statements of the governmental activities and the major fund of South Placer Fire District as of and for the year ended June 30, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered South Placer Fire District's system of internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We have enclosed other recommendations for your consideration.

This communication is intended solely for the information and use of management and Board of Directors, and others within the District, and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

*Robert W. Johnson, An Accountancy Corporation*

Robert W. Johnson, An Accountancy Corporation  
Citrus Heights, California  
October 31, 2023

1. Comparison of Operational Results – Government-wide:

	<u>2023</u>	<u>2022</u>	<u>Favorable (Unfavorable) Variance</u>
Program revenues	\$ 2,898,052	\$ 2,735,774	\$ 162,278
General revenues	<u>13,264,669</u>	<u>11,951,709</u>	<u>1,312,960</u>
Total revenues	16,162,721	14,687,483	1,475,238
Expenses	<u>16,133,011</u>	<u>11,940,276</u>	<u>( 4,192,735)</u>
Net income/(loss)	\$ <u>29,710</u>	\$ <u>2,747,207</u>	\$( <u>2,717,497</u> )
Cash	\$ <u>5,435,545</u>	\$ <u>4,855,474</u>	\$ <u>580,071</u>
Net pension liability	<u>\$14,930,980</u>	<u>\$ 3,437,844</u>	<u>\$(11,493,136)</u>
Deferred outflows – pension and OPEB	<u>\$10,891,076</u>	<u>\$ 5,881,580</u>	<u>\$ 5,009,496</u>
Net OPEB liability	\$ <u>3,924,106</u>	\$ <u>3,663,661</u>	\$( <u>260,445</u> )
Deferred inflows – pension and OPEB	\$ <u>3,451,111</u>	\$ <u>8,820,489</u>	\$ <u>5,369,378</u>

Observations:

Government-wide financial statements present capital assets and depreciation, long-term debt, including net pension and net OPEB liabilities. Noteworthy items are as follows:

35% increase in expenses (government-wide financial statements refer to “expenses” rather than “expenditures” in fund financial statements)—primarily due to significant increase in net pension liability.

The District’s revenues increased by 10%.

