



PENRYN FIRE PROTECTION DISTRICT

NOTICE OF A REGULAR MEETING OF THE BOARD OF DIRECTORS

Monday, March 16, 2026

Fire Station 38, 7206 Church Street, Penryn, CA 95663

Members of the public seeking to attend and to address the Board who require reasonable accommodations to access the meeting, based on disability or other reasons, should contact marmstrong@placerhillsfire.org at least twenty-four (24) hours in advance of a Regular meeting to make arrangements for such reasonable accommodations. (For Special meetings, please request accommodations no less than 12 hours prior to the meeting.)

MEETING AGENDA @ 6:30 P.M.

1. **CALL MEETING TO ORDER / ROLL CALL**
2. **PLEDGE OF ALLEGIANCE**
3. **APPROVAL OF AGENDA**
4. **APPROVAL OF MINUTES:** February 16, 2026 Meeting Minutes
5. **FINANCIAL REPORT & BILL APPROVAL**
6. **CORRESPONDENCE**
7. **PUBLIC COMMENT**

(The Penryn Fire Protection District Board of Directors has provided this period for members of the public to be given the opportunity to address the board on items of interest to the public, which are applicable to the district and within its jurisdiction. No action may be taken on any matter, which is not already on the agenda for consideration. The reasonable time frame for public comment will be limited to three (3) minutes per person, unless specifically authorized otherwise by the Chair. Items from the public will be considered without discussion by the Board and may be referred to staff.)

8. **INFORMATIONAL / NON-ACTION ITEMS:**
 - A. Sierra Nevada Firefighters, Local 3800 Report
 - B. Administrative Staff Monthly Reports:
 - 1) Fire Chief
 - 2) Operations
 - 3) Prevention
 - C. Director Committee Reports
 - 1) Personnel Committee
 - 2) Finance and Administrative Contract Oversight
 - 3) Ad hoc Committee for future cooperation with other fire departments
 - 4) Ad hoc Strategic Plan
 - D. Status on Placer County Local Hazard Mitigation Plan update for 2026

ACTION ITEMS

9. Consider and approve the second reading of an amended Wellness and Fitness Program Policy
10. Consider and accept a proposal for the renewal of the District's insurance policy with CalMutuals JPRIMA for April 1, 2026 to April 1, 2027
11. Consider and approve the audit for Fiscal Year 2024-2025, prepared by Smith & Newell CPAs

MEETING ADJOURNMENT

Next meeting: Monday, April 20, 2026 6:30 PM - 8:00 PM (PST)



PENRYN FIRE PROTECTION DISTRICT

BOARD OF DIRECTORS

MEETING MINUTES

Chair Hotaling, Vice-Chair Hardesty, Secretary Shields, Directors Heimlich and Verdugo

MINUTES OF THE REGULAR MEETING February 16, 2026

1. **Call the meeting to order and Roll Call:** Chair Hotaling called the meeting to order at 6:30 pm.
Directors in attendance: Danielle Hardesty, Cheryl Hotaling, Larry Shields, Diego Heimlich, and Robert Verdugo
Directors absent: N/A
Staff in attendance: Assistant Chief Slusher, Division Chief Williamson, Fire Marshall D'Ambrogi, and District Manager Armstrong
2. **Pledge of Allegiance:** Chair Hotaling led the Pledge of Allegiance.
3. **Approval of Agenda:** Director Heimlich moved to approve the agenda. Director Verdugo seconded the motion which passed unanimously.
4. **Approval of Minutes:** Director Heimlich moved to approve the minutes from the January 19, 2026 meeting. Director Shields seconded the motion which passed unanimously.
5. **Financial Report & Bill Approval:** Vice-Chair Hardesty moved to approve the financial report and expenses. Director Heimlich seconded the motion that passed unanimously.
6. **Correspondence:** N/A
7. **Public Comment:**
Donna – Prop 172 was a state wide sales tax dedicated solely to law enforcement and fire, Placer County give it to the Sherriff, District Attorney, Probation, and larger districts. This last year they received 63 million, we've lobbied since 2014 to get our fair share to the rural fire districts.
8. **Informational/Non-Action Items:**
 - A. **Sierra Nevada Firefighters, Local 3800 (Local 3800):** N/A
 - B. **Fire Chiefs Report: Assistant Chief Slusher**
 1. Assembly Bill 1383 made its way through the Assembly, it's a reform on pension law. It would give our districts the opportunity to change their retirement formulas with CalPERS. The bill is currently with the senate committee.
 2. The Sub-JOA, with the City of Auburn, has been in effect for about 2 weeks now.
 3. The Placer Hills and Newcastle reorg public hearing at LAFCo was successful, protest hearing will be on March 25th.
 - Operations report: Assistant Chief Slusher**
 1. The operations report is in the packet, includes information data on 2025. The call volume is up slightly.
 2. Recent switch in system has prevented us from pulling 2026 data, staff is working to develop a new report.
 - Fire Prevention report: Division Chief Williamson**
 3. Completed 1 water main for the solar company, 1 propane line, 1 plan review.
 - C. **Director Committee Reports**
 1. **Personnel Committee:** Chair Hotaling reported that negotiations are anticipated to start in March.
 2. **Administrative Contract & Finance Oversight Committee:** N/A
 3. **Ad hoc committee for future cooperation with other fire departments.** Fire Marshal D'Ambrogi reported that staff had a meeting with the Ad hoc committee of the directors group to get some direction on future planning. Anticipate the meetings starting up again in April.

D. Status on Placer County Local Hazard Mitigation Plan update for 2026

Fire Marshal D'Ambrogi shared there is not much change since last month, consultant is reviewing the draft plan. The community wildfire protection plan is developing a survey that should be published soon, it will be shared on our webpages when it becomes available.

9. Action Items:

A. Consider and adopt Resolution No. 2026-01 review and accept the state mandated annual inspection report for 2025

Division Chief Williamson shared that this is for the annual state mandated inspections; schools, preschools, multi-family residents. Vice-Chair Hardesty moved to approve Resolution No. 2026-01. Director Shields seconded the motion, which passed unanimously by roll call.

B. Consider and approve the first reading of an amended Wellness and Fitness Program Policy

Motion made by Vice-Chair Hardesty to approve the first reading of an amended Wellness and Fitness Program Policy. Director Heimlich seconded the motion, the motion passed unanimously.

C. Consider and approve a Letter of Agreement for Occupational Health and Safety Services between The Permanente Medical Group, Inc. and Penryn Fire Protection District

Motion made by Vice-Chair Hardesty to approve the Letter of Agreement for Occupational Health and Safety Services between The Permanente Medical Group, Inc and Penryn Fire Protection District. Director Verdugo seconded the motion, the motion passed unanimously.

D. Consider and approve submitting a nomination for the Special District Representative on the Placer County Local Agency Formation Commission

Motion made by Chair Hotaling to nominate Judy Friedman for the Special District Representative on the Placer County Local Agency Formation Commission. Chair Verdugo seconded the motion, the motion passed unanimously.

The meeting was adjourned at 6:57pm

Next Board Meeting: Monday, March 16, 2026 6:30 PM - 8:00 PM (PST)

Respectfully submitted,



District Manager

Penryn Fire Protection District
FY 2025-2026 through February 2026
OPERATING FUND

ASSETS		
Cash		2,037,363.24
Total Assets		2,037,363.24
 LIABILITIES		
Other payables		(3,661.71)
Payroll payables		30,459.93
Compensated Absences		
Total Liabilities		26,798.22
 FUND BALANCE		
Beginning Balance		1,328,496.92
Beginning Balance - Committed		679,178.30
Revenues		819,271.50
Expenses		(816,381.70)
Ending Balance		1,331,386.72
Ending Balance - Committed		679,178.30
Total Liabilities and Fund Balance		2,037,363.24

Penryn Fire Protection District
FY 2025-2026 through February 2026
MITIGATION FUND

ASSETS		
Cash		495,057.46
Total Assets		495,057.46
 LIABILITIES		
Payables		-
Total Liabilities		-
 FUND BALANCE		
Beginning Balance - Unrestricted		452,650.33
Beginning Balance - Capital		-
Revenues		93,627.23
Expenses		51,220.10
Ending Balance - Unrestricted		495,057.46
Ending Balance - Capital		-
Total Liabilities and Fund Balance		495,057.46

Trial Balance - Composite

Company: CO500 Penryn Fire
 Ledger: Actuals
 Time Period: Current Period
 Period: FY2026 - Feb
 Translation Currency: USD
 Account Translation Rule Set: Placer Translation Rule Set
 Worktags: Fund: FD32807 Penryn Fire
 Perform Intercompany Eliminations: No
 Perform Interworktag Eliminations: No

Ledger Account	Beginning Balance	Debit Amount	Credit Amount	Ending Balance
10010:Cash in Treasury - Unrestricted	2,089,889.45	67,139.73	119,665.94	2,037,363.24
10099:Cash - Conversion	0.00	3,277.56	3,277.56	0.00
10120:Claim on Cash	0.00	0.00	0.00	0.00
10290:Other Accounts Receivable	0.00	0.00	0.00	0.00
10330:Investment Interest Receivable	0.00	0.00	0.00	0.00
10441:Due from Other Governments - External System	0.00	0.00	0.00	0.00
20020:Vouchers Payable	3,700.96	11,433.53	11,472.78	3,661.71
20030:Vouchers DD Payable	0.00	0.00	0.00	0.00
20060:Sales Tax Payable	0.00	0.00	0.00	0.00
20180:Salaries & Benefits Payable	(25,552.34)	50,139.39	54,063.50	(29,476.45)
20240:Payroll Liabilities	(1,029.56)	600.00	553.92	(983.48)
20410:Deferred Inflows Related to Unavailability	0.00	0.00	0.00	0.00
20640:Compensated Leave Balance - Long-Term	0.00	0.00	0.00	0.00
30120:Unassigned Fund Balance	0.00	0.00	0.00	0.00
30121:Fiduciary Net Position	(1,328,496.92)	0.00	0.00	(1,328,496.92)
30310:Committed Fund Balance	(679,178.30)	0.00	0.00	(679,178.30)
40010:Taxes - Current Secured Property	(345,902.01)	0.00	0.00	(345,902.01)
40040:Taxes - Railroad Unitary Property	(393.44)	0.00	0.00	(393.44)
40050:Taxes - Unitary and Op Non-Unitary Property	(7,960.49)	0.00	0.00	(7,960.49)
40060:Taxes - Current Unsecured Property	(13,217.76)	0.00	0.00	(13,217.76)
40090:Taxes - Delinquent Unsecured Property	(171.55)	0.00	0.00	(171.55)
40100:Taxes - Current Supplemental Property	(6,486.12)	0.00	0.00	(6,486.12)
40110:Taxes - Delinquent Supplemental Property	(12.27)	0.00	0.00	(12.27)
40180:Other Taxes	(64,266.63)	0.00	0.00	(64,266.63)
42010:Investment Income	(41,996.28)	1.96	6,305.47	(48,299.79)
44350:State Homeowners Property Tax Relief	(1,530.30)	0.00	0.00	(1,530.30)
46030:Direct Charges	(286,890.06)	0.00	0.00	(286,890.06)
46090:Planning and Engineering Services	(5,000.00)	750.00	1,500.00	(5,750.00)
46350:Fire Services	(0.10)	0.00	0.00	(0.10)
46360:Other Fees and Charges	(24,119.00)	0.00	0.00	(24,119.00)
47010:Donations	(350.00)	0.00	0.00	(350.00)
48030:Miscellaneous	(422.01)	0.00	0.00	(422.01)
49030:Proceeds from Sale of Capital Assets	(13,500.00)	0.00	0.00	(13,500.00)
51010:Salaries and Wages	292,577.74	39,275.32	0.00	331,853.06
51030:Extra Help - Salaries and Wages	0.00	0.00	0.00	0.00
51040:Overtime and Call Back	137,800.50	7,978.23	0.00	145,778.73
51110:Other Payroll	2,750.00	0.00	0.00	2,750.00
51210:Retirement	41,878.89	5,649.27	0.00	47,528.16
51220:Payroll Tax	6,716.43	664.90	0.00	7,381.33
51270:PERS Pension Expense	50.30	0.00	39.96	10.34
51310:Employee Group Insurance	43,651.48	7,767.45	1,399.32	50,019.61

Trial Balance - Composite

Ledger Account	Beginning Balance	Debit Amount	Credit Amount	Ending Balance
51360:Workers Comp Insurance	53,506.50	0.00	0.00	53,506.50
52030:Clothing, Uniforms, and Personal Hygiene	19,952.52	0.00	0.00	19,952.52
52040:Communication Services Expense	2,457.82	322.29	0.00	2,780.11
52080:Insurance	9,948.50	0.00	0.00	9,948.50
52160:Maintenance	10,111.53	0.00	0.00	10,111.53
52170:Fuels & Lubricants	2,254.71	0.00	0.00	2,254.71
52180:Materials - Buildings & Improvements	5,195.42	51.76	0.00	5,247.18
52240:Professional / Membership Dues	1,200.00	0.00	0.00	1,200.00
52260:Misc Expense	6,402.59	96.00	0.00	6,498.59
52310:Subrogation Costs	0.00	0.00	0.00	0.00
52320:Printing	118.99	0.00	0.00	118.99
52330:Other Supplies	9,839.34	1,373.27	0.00	11,212.61
52360:Professional and Special Services - General	66,426.18	550.00	0.00	66,976.18
52370:Professional and Special Services - Legal	36.12	0.00	0.00	36.12
52390:Professional and Special Services - County	7,128.43	0.00	0.00	7,128.43
52510:Commissioner's Fees	1,650.00	0.00	0.00	1,650.00
52580:Special Department Expense	20,400.92	0.00	0.00	20,400.92
52785:Training / Education	108.64	0.00	0.00	108.64
52800:Utilities	10,654.10	1,207.79	0.00	11,861.89
53190:Taxes and Assessments	67.08	0.00	0.00	67.08
59998:Labor Hours Debit	13,385.92	1,548.75	0.00	14,934.67
59999:Labor Hours Credit	(13,385.92)	(1,548.75)	0.00	(14,934.67)
Total	0.00	198,278.45	198,278.45	0.00

Placer Special Districts Budget to Actuals

Company: CO500 Penryn Fire
 Budget Structure: Special District Budget - Detail Level
 Period: FY2026 - Feb
 Time Period: Current Period YTD
 Cost Center(s): CC81000 Penryn Fire District
 Ignore Commitments: No
 Fund(s): FD32807 Penryn Fire
 Program: PG810000 Penryn Fire

Account Set	Budget	Commitments	Obligations	Actuals	Balance	Percentage of Budget
Total Revenue	(1,363,095.00)	0	0	(532,381.47)	(\$830,713.53)	39.06%
40010:Taxes - Current Secured Property	(629,094.00)	0	0	(345,902.01)	(\$283,191.99)	54.98%
40040:Taxes - Railroad Unitary Property	(715.00)	0	0	(393.44)	(\$321.56)	55.03%
40050:Taxes - Unitary and Op Non-Unitary Property	(14,474.00)	0	0	(7,960.49)	(\$6,513.51)	55.00%
40060:Taxes - Current Unsecured Property	(13,789.00)	0	0	(13,217.76)	(\$571.24)	95.86%
40090:Taxes - Delinquent Unsecured Property	0	0	0	(171.55)	\$171.55	0.00%
40100:Taxes - Current Supplemental Property	(13,724.00)	0	0	(6,486.12)	(\$7,237.88)	47.26%
40110:Taxes - Delinquent Supplemental Property	0	0	0	(12.27)	\$12.27	0.00%
40180:Other Taxes	(114,768.00)	0	0	(64,266.63)	(\$50,501.37)	56.00%
42010:Investment Income	(55,000.00)	0	0	(48,299.79)	(\$6,700.21)	87.82%
44350:State Homeowners Property Tax Relief	(3,001.00)	0	0	(1,530.30)	(\$1,470.70)	50.99%
46030:Direct Charges	(513,530.00)	0	0	0	(\$513,530.00)	0.00%
46090:Planning and Engineering Services	(3,000.00)	0	0	(5,750.00)	\$2,750.00	191.67%
46350:Fire Services	0	0	0	(0.10)	\$0.10	0.00%
46360:Other Fees and Charges	0	0	0	(24,119.00)	\$24,119.00	0.00%
47010:Donations	0	0	0	(350.00)	\$350.00	0.00%
48030:Miscellaneous	(2,000.00)	0	0	(422.01)	(\$1,577.99)	21.10%
49030:Proceeds from Sale of Capital Assets	0	0	0	(13,500.00)	\$13,500.00	0.00%
Total Expenses	1,426,163.00	0	0	811,205.95	\$614,957.05	56.88%
Total Capital Assets	88,000.00	0	0	0	\$88,000.00	0.00%
54460:Capital Assets - Other Agencies - Equipment	88,000.00	0	0	0	\$88,000.00	0.00%
Total Expenses (Non Capital Assets)	1,338,163.00	0	0	811,205.95	\$526,957.05	60.62%
51010:Salaries and Wages	551,291.00	0	0	331,853.06	\$219,437.94	60.20%

Placer Special Districts Budget to Actuals

Account Set	Budget	Commitments	Obligations	Actuals	Balance	Percentage of Budget
51030:Extra Help - Salaries and Wages	0	0	0	0.00	\$0.00	0.00%
51040:Overtime and Call Back	96,863.00	0	0	145,778.73	(\$48,915.73)	150.50%
51110:Other Payroll	4,000.00	0	0	2,750.00	\$1,250.00	68.75%
51210:Retirement	77,181.00	0	0	47,528.16	\$29,652.84	61.58%
51220:Payroll Tax	16,814.00	0	0	7,381.33	\$9,432.67	43.90%
51270:PERS Pension Expense	850.00	0	0	10.34	\$839.66	1.22%
51310:Employee Group Insurance	101,197.00	0	0	50,019.61	\$51,177.39	49.43%
51360:Workers Comp Insurance	71,273.00	0	0	53,506.50	\$17,766.50	75.07%
52030:Clothing, Uniforms, and Personal Hygiene	39,600.00	0	0	19,952.52	\$19,647.48	50.39%
52040:Communication Services Expense	6,500.00	0	0	2,780.11	\$3,719.89	42.77%
52080:Insurance	21,989.00	0	0	9,948.50	\$12,040.50	45.24%
52160:Maintenance	22,000.00	0	0	10,111.53	\$11,888.47	45.96%
52170:Fuels & Lubricants	15,000.00	0	0	2,254.71	\$12,745.29	15.03%
52180:Materials - Buildings & Improvements	5,700.00	0	0	5,247.18	\$452.82	92.06%
52240:Professional / Membership Dues	0	0	0	1,200.00	(\$1,200.00)	0.00%
52260:Misc Expense	3,000.00	0	0	6,498.59	(\$3,498.59)	216.62%
52310:Subrogation Costs	0	0	0	0.00	\$0.00	0.00%
52320:Printing	500.00	0	0	118.99	\$381.01	23.80%
52330:Other Supplies	29,700.00	0	0	11,212.61	\$18,487.39	37.75%
52360:Professional and Special Services - General	218,507.00	0	0	61,849.79	\$156,657.21	28.31%
52370:Professional and Special Services - Legal	10,000.00	0	0	36.12	\$9,963.88	0.36%
52390:Professional and Special Services - County	7,128.00	0	0	7,128.43	(\$0.43)	100.01%
52510:Commissioner's Fees	0	0	0	1,650.00	(\$1,650.00)	0.00%
52560:Small Equipment	8,500.00	0	0	0	\$8,500.00	0.00%
52580:Special Department Expense	4,500.00	0	0	20,400.92	(\$15,900.92)	453.35%
52785:Training / Education	4,000.00	0	0	108.64	\$3,891.36	2.72%
52800:Utilities	22,000.00	0	0	11,861.89	\$10,138.11	53.92%
53190:Taxes and Assessments	70.00	0	0	17.69	\$52.31	25.27%
Facilities and Administration Cost Revenue and Expense	0	0	0	0	0.00	0.00%
42840:Facilities and Administration Cost Revenue	0	0	0	0	0.00	0.00%
52840:Facilities and Administrative Costs Expense	0	0	0	0	0.00	0.00%

Placer Special Districts Budget to Actuals

Company: CO500 Penryn Fire
 Budget Structure: Special District Budget - Detail Level
 Period: FY2026 - Feb
 Time Period: Current Period YTD
 Cost Center(s): CC81000 Penryn Fire District
 Ignore Commitments: No
 Fund(s): FD32807 Penryn Fire
 Program: PG810002 Penryn Fire Measure A

Account Set	Budget	Commitments	Obligations	Actuals	Balance	Percentage of Budget
Total Revenue	0	0	0	(286,890.06)	\$286,890.06	0.00%
46030:Direct Charges	0	0	0	(286,890.06)	\$286,890.06	0.00%
Total Expenses	0	0	0	5,175.78	(\$5,175.78)	0.00%
Total Capital Assets	0	0	0	0	0.00	0.00%
Total Expenses (Non Capital Assets)	0	0	0	5,175.78	(\$5,175.78)	0.00%
52360:Professional and Special Services - General	0	0	0	5,126.39	(\$5,126.39)	0.00%
53190:Taxes and Assessments	0	0	0	49.39	(\$49.39)	0.00%
Facilities and Administration Cost Revenue and Expense	0	0	0	0	0.00	0.00%
42840:Facilities and Administration Cost Revenue	0	0	0	0	0.00	0.00%
52840:Facilities and Administrative Costs Expense	0	0	0	0	0.00	0.00%

Placer Income Statement

Company: CO500 Penryn Fire
 Ledger: Actuals
 Period: FY2026 - Feb
 Translation Currency: USD
 Account Translation Rule Set: Placer Translation Rule Set
 Worktags: FD32807 Penryn Fire

	Current Period Actuals	YTD Actuals	Prior YTD Actuals	Variance	% Variance
		2026-02	2025-02		
Income					
Charges for Services	750	316,759	353,911	(353,160.94)	(99.8%)
Taxes	0	438,410	419,806	(419,805.53)	(100.0%)
Intergovernmental Revenue	0	1,530	1,553	(1,553.18)	(100.0%)
Licenses, Permits & Franchises	0	0	0	0.00	0.0%
Miscellaneous Revenues	0	422	905	(904.55)	(100.0%)
Revenue from Use of Money & Property	0	0	0	0.00	0.0%
Other Financing Sources	0	13,500	0	0.00	0.0%
Donations	0	350	0	0.00	0.0%
Fines, Forfeits & Penalties	0	0	0	0.00	0.0%
Non-Operating Revenue	6,304	48,300	37,162	(30,858.39)	(83.0%)
Total Revenue	7,054	819,272	813,336	806,282.59	(99.1%)
Expenses					
Salaries & Employee Benefits	59,896	638,828	626,740	(566,844.39)	(90.4%)
Services and Supplies	3,601	177,487	298,443	(294,841.58)	(98.8%)
Capital Asset Expenses	0	0	0	0.00	0.0%
Other Charges	0	67	65	(65.18)	(100.0%)
Capital Asset Transfer (Out)	0	0	0	0.00	0.0%
Other Financing Uses	0	0	0	0.00	0.0%
Imprest Cash Clearing Category	0	0	0	0.00	0.0%
Appropriation for Contingencies Category	0	0	0	0.00	0.0%
Cost Allocation Category	0	0	0	0.00	0.0%
Total Operating Expenses	63,497	816,382	925,248	(861,751.15)	(93.1%)
Intra Fund Transfers	0	0	0	0.00	0.0%
Total Other Income/Expenses	0	0	0	0.00	0.0%
Net Income	56,443	(2,890)	111,912	(55,468.56)	(49.6%)

Trial Balance - Composite

Company: CO500 Penryn Fire
 Ledger: Actuals
 Time Period: Current Period
 Period: FY2026 - Feb
 Translation Currency: USD
 Account Translation Rule Set: Placer Translation Rule Set
 Worktags: Fund: FD32808 Penryn Fire Development Fees
 Perform Intercompany Eliminations: No
 Perform Interworktag Eliminations: No

Ledger Account	Beginning Balance	Debit Amount	Credit Amount	Ending Balance
10010:Cash in Treasury - Unrestricted	488,335.54	6,721.92	0.00	495,057.46
10030:Cash in Bank	0.00	0.00	0.00	0.00
10099:Cash - Conversion	0.00	0.00	0.00	0.00
10120:Claim on Cash	0.00	0.00	0.00	0.00
10330:Investment Interest Receivable	0.00	0.00	0.00	0.00
20020:Vouchers Payable	0.00	0.00	0.00	0.00
20060:Sales Tax Payable	0.00	0.00	0.00	0.00
30120:Unassigned Fund Balance	0.00	0.00	0.00	0.00
30121:Fiduciary Net Position	(452,650.33)	0.00	0.00	(452,650.33)
42010:Investment Income	(11,142.38)	0.00	1,497.93	(12,640.31)
46440:Mitigation Fees	(75,762.93)	0.00	5,223.99	(80,986.92)
53040:Lease Purchase Principal	35,742.66	0.00	0.00	35,742.66
53080:Lease Purchase Interest	15,477.44	0.00	0.00	15,477.44
Total	0.00	6,721.92	6,721.92	0.00

Placer Special Districts Budget to Actuals

Company: CO500 Penryn Fire
 Budget Structure: Special District Budget - Detail Level
 Period: FY2026 - Feb
 Time Period: Current Period YTD
 Cost Center(s): CC81001 Penryn Fire District Development Fees
 Ignore Commitments: No
 Fund(s): FD32808 Penryn Fire Development Fees
 Program: PG810001 Penryn Fire Development Fees

Account Set	Budget	Commitments	Obligations	Actuals	Balance	Percentage of Budget
Total Revenue	(51,220.00)	0	0	(93,627.23)	\$42,407.23	182.79%
42010:Investment Income	(17,500.00)	0	0	(12,640.31)	(\$4,859.69)	72.23%
46440:Mitigation Fees	(33,720.00)	0	0	(80,986.92)	\$47,266.92	240.17%
Total Expenses	51,220.00	0	0	51,220.10	(\$0.10)	100.00%
Total Capital Assets	0	0	0	0	0.00	0.00%
Total Expenses (Non Capital Assets)	51,220.00	0	0	51,220.10	(\$0.10)	100.00%
53040:Lease Purchase Principal	35,743.00	0	0	35,742.66	\$0.34	100.00%
53080:Lease Purchase Interest	15,477.00	0	0	15,477.44	(\$0.44)	100.00%
Facilities and Administration Cost Revenue and Expense	0	0	0	0	0.00	0.00%
42840:Facilities and Administration Cost Revenue	0	0	0	0	0.00	0.00%
52840:Facilities and Administrative Costs Expense	0	0	0	0	0.00	0.00%

Placer Income Statement

Company: CO500 Penryn Fire
 Ledger: Actuals
 Period: FY2026 - Feb
 Translation Currency: USD
 Account Translation Rule Set: Placer Translation Rule Set
 Worktags: FD32808 Penryn Fire Development Fees

	Current Period Actuals	YTD Actuals	Prior YTD Actuals	Variance	% Variance
		2026-02	2025-02		
Income					
Charges for Services	5,224	80,987	78,378	(73,154.01)	(93.3%)
Taxes	0	0	0	0.00	0.0%
Intergovernmental Revenue	0	0	0	0.00	0.0%
Licenses, Permits & Franchises	0	0	0	0.00	0.0%
Miscellaneous Revenues	0	0	0	0.00	0.0%
Revenue from Use of Money & Property	0	0	0	0.00	0.0%
Other Financing Sources	0	0	0	0.00	0.0%
Donations	0	0	0	0.00	0.0%
Fines, Forfeits & Penalties	0	0	0	0.00	0.0%
Non-Operating Revenue	1,498	12,640	18,975	(17,476.95)	(92.1%)
Total Revenue	6,722	93,627	97,353	90,630.96	(93.1%)
Expenses					
Salaries & Employee Benefits	0	0	0	0.00	0.0%
Services and Supplies	0	0	5,357	(5,357.26)	(100.0%)
Capital Asset Expenses	0	0	0	0.00	0.0%
Other Charges	0	51,220	51,220	(51,220.10)	(100.0%)
Capital Asset Transfer (Out)	0	0	0	0.00	0.0%
Other Financing Uses	0	0	0	0.00	0.0%
Imprest Cash Clearing Category	0	0	0	0.00	0.0%
Appropriation for Contingencies Category	0	0	0	0.00	0.0%
Cost Allocation Category	0	0	0	0.00	0.0%
Total Operating Expenses	0	51,220	56,577	(56,577.36)	(100.0%)
Intra Fund Transfers	0	0	0	0.00	0.0%
Total Other Income/Expenses	0	0	0	0.00	0.0%
Net Income	(6,722)	(42,407)	(40,776)	34,053.60	(83.5%)

**Penryn Fire General
Check Detail
February 11 through March 13, 2026**

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
	02/11/2026	24-7 Fire Protection		General Operating Funds	
	02/11/2026			52330 Supplies-Equipment	-58.50
TOTAL					-58.50
	02/11/2026	CoPower		General Operating Funds	
	02/11/2026			51310 Employee Group Insurance	-697.73
TOTAL					-697.73
	02/11/2026	Loomis Ace Hardware		General Operating Funds	
	02/11/2026			52180 Bldng Materials, Improve	-43.60
	02/11/2026			52180 Bldng Materials, Improve	-8.16
TOTAL					-51.76
	02/11/2026	Luna Tech, LLC		General Operating Funds	
	02/11/2026			52040 Communication Services	-35.00
TOTAL					-35.00
	02/24/2026	Kaiser Foundation He...		General Operating Funds	
	02/24/2026			51310 Employee Group Insurance	-6,573.94
TOTAL					-6,573.94
	02/24/2026	Smith & Newell Acco...		General Operating Funds	
	02/24/2026			52360 Audit	-550.00
TOTAL					-550.00
	02/24/2026	State of Ca DOJ		General Operating Funds	
	02/24/2026		RYN Volunteers - Finge...	52260 Miscellaneous	-96.00
TOTAL					-96.00
	03/05/2026	AT&T Inc.		General Operating Funds	
	03/05/2026			52040 Communication Services	-124.33
TOTAL					-124.33
	03/05/2026	AT&T Mobility		General Operating Funds	
	03/05/2026			52040 Communication Services	-162.96
TOTAL					-162.96
	03/05/2026	Pacific Gas & Electric		General Operating Funds	
	03/05/2026			52800 Utilities	-674.13
TOTAL					-674.13

**Penryn Fire General
Check Detail
February 11 through March 13, 2026**

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
	03/05/2026	Placer Hills Fire Distri...		General Operating Funds	
	03/05/2026			52360 Administration Contract	-46,067.50
TOTAL					-46,067.50
	03/05/2026		VOID: Deposit	General Operating Funds	
TOTAL					0.00
	03/13/2026	CoPower		General Operating Funds	
	03/13/2026			51310 Employee Group Insurance	-697.76
TOTAL					-697.76
	03/13/2026	Harris Industrial Gases	3148	General Operating Funds	
	03/13/2026		Oxygen	52330 Supplies-Equipment	-52.52
TOTAL					-52.52
	03/13/2026	Loomis Ace Hardware		General Operating Funds	
	03/13/2026			52330 Supplies-Equipment	-64.47
TOTAL					-64.47
	03/13/2026	Luna Tech, LLC		General Operating Funds	
	03/13/2026		Emergency phone line	52040 Communication Services	-35.00
TOTAL					-35.00
	03/13/2026	National Hose Testin...		General Operating Funds	
	03/13/2026		Ladder Testing	52160 Maintenance - vehicles	-306.00
TOTAL					-306.00
	03/13/2026	US Bank		General Operating Funds	
	03/13/2026			52040 Communication Services	-99.00
				52330 Office Supplies	-389.74
				52800 Utilities	-138.49
				52180 Bldng Materials, Improve	-225.00
TOTAL					-852.23

JOA REIMBURSEMENT (Receivable)

PLACER HILLS JULY - SEPT 2025

PAID STATUS

Last Name	Assignment	Start Date	End Date	Length	Payrate	OT	Subtotal	Taxes	WC	Total
Garrison	Engine 86	07/23/2025 08:00	07/24/2025 08:00	24	\$ 25.97	\$ 38.96	\$ 934.92	\$ 13.56	\$ 112.66	1,061.13
Garrison	Engine 84	07/31/2025 08:00	08/01/2025 08:00	24	\$ 25.97	\$ 38.96	\$ 934.92	\$ 13.56	\$ 112.66	1,061.13
Garrison	Engine 84	08/01/2025 08:00	08/01/2025 18:30	10.5	\$ 25.97	\$ 38.96	\$ 409.03	\$ 5.93	\$ 49.29	464.25
Garrison	Engine 84	08/07/2025 08:00	08/07/2025 18:30	10.5	\$ 25.97	\$ 38.96	\$ 409.03	\$ 5.93	\$ 49.29	464.25
Garrison	Engine 86	08/22/2025 08:00	08/23/2025 08:00	24	\$ 25.97	\$ 38.96	\$ 934.92	\$ 13.56	\$ 112.66	1,061.13
Gordon	Engine 86	09/05/2025 09:00	09/05/2025 18:00	9	\$ 28.67	\$ 43.01	\$ 387.05	\$ 5.61	\$ 46.64	439.30
Gordon	Engine 86	09/24/2025 08:00	09/25/2025 08:00	24	\$ 28.67	\$ 43.01	\$ 1,032.12	\$ 14.97	\$ 124.37	1,171.46

Total: \$ 5,722.65 PD 10/2025

PLACER HILLS OCT - DEC 2025

Last Name	Assignment	Start Date	End Date	Length	Payrate	OT	Subtotal	Taxes	WC	Total
Keeler	Engine 86	10/03/2025 08:00	10/04/2025 08:00	24	\$ 25.97	\$ 38.96	\$ 934.92	\$ 13.56	\$ 112.66	1,061.13
Garrison	Engine 86	10/04/2025 08:00	10/05/2025 08:00	24	\$ 25.97	\$ 38.96	\$ 934.92	\$ 13.56	\$ 112.66	1,061.13
Garrison	Engine 86	10/15/2025 08:00	10/16/2025 08:00	24	\$ 25.97	\$ 38.96	\$ 934.92	\$ 13.56	\$ 112.66	1,061.13
Garrison	Engine 86	10/16/2025 08:00	10/17/2025 08:00	24	\$ 25.97	\$ 38.96	\$ 934.92	\$ 13.56	\$ 112.66	1,061.13
Garrison	Engine 86	10/21/2025 08:00	10/22/2025 08:00	24	\$ 25.97	\$ 38.96	\$ 934.92	\$ 13.56	\$ 112.66	1,061.13
Garrison	Engine 86	10/23/2025 08:00	10/24/2025 08:00	24	\$ 25.97	\$ 38.96	\$ 934.92	\$ 13.56	\$ 112.66	1,061.13
Garrison	Engine 86	10/24/2025 08:00	10/24/2025 18:00	10	\$ 25.97	\$ 38.96	\$ 389.55	\$ 5.65	\$ 46.94	442.14
Garrison	Engine 86	10/28/2025 08:00	10/29/2025 08:00	24	\$ 25.97	\$ 38.96	\$ 934.92	\$ 13.56	\$ 112.66	1,061.13
Garrison	Engine 84	10/30/2025 08:00	10/31/2025 08:00	24	\$ 25.97	\$ 38.96	\$ 934.92	\$ 13.56	\$ 112.66	1,061.13

Total: \$ 8,931.21 PD 01/2026

FORESTHILL JULY - SEPT 2025

Last Name	Assignment	Start Date	End Date	Length	Payrate	OT	Subtotal	Taxes	WC	Total
Gordon	Engine 90	08/13/2025 08:00	08/14/2025 08:00	24	\$ 28.67	\$ 43.01	\$ 1,032.12	\$ 14.97	\$ 124.37	1,171.46
Gordon	Engine 90	08/24/2025 13:30	08/25/2025 08:00	18.5	\$ 28.67	\$ 43.01	\$ 795.59	\$ 11.54	\$ 95.87	903.00
Gordon	Medic 90	08/25/2025 08:00	08/26/2025 07:00	23	\$ 28.67	\$ 43.01	\$ 989.12	\$ 14.34	\$ 119.19	1,122.65

Total: \$ 3,197.10 PD 10/2025

FORESTHILL OCT - DEC 2025

Last Name	Assignment	Start Date	End Date	Length	Payrate	OT	Subtotal	Taxes	WC	Total
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Gordon Engine 90 10/18/2025 14:15 10/19/2025 08:00 17.75 \$ 28.67 \$ 43.01 \$ 763.34 \$ 11.07 \$ 91.98 866.39

Total: \$ 866.39 PD 01/2026

NEWCASTLE JULY - SEPT 2025

Last Name	Assignment	Start Date	End Date	Length	Payrate	OT	Subtotal	Taxes	WC	Total
Keeler	Engine 41	08/26/2025 08:00	08/27/2025 08:00	24	25.97	38.96	934.92	13.56	112.66	1,061.13

Total 1,061.13 PD 10/2025

JOA REIMBURSEMENT (Payable)

PLACER HILLS JULY - SEPT 2025												PAID STATUS
Last Name	Assignment	Start Date	End Date	Length	Payrate	OT	Subtotal	Taxes	WC	Total		
Burbank	Engine 38	07/22/2025 08:00	07/23/2025 08:00	24	26.22	\$ 39.33	\$ 943.92	\$ 13.69	\$ 83.73	\$ 1,041.33		
Craig	Engine 38	09/08/2025 07:00	09/08/2025 12:00	5	33.31	\$ 49.97	\$ 249.83	\$ 3.62	\$ 22.16	\$ 275.61		
Craig	Engine 38	09/10/2025 08:00	09/10/2025 18:00	10	33.31	\$ 49.97	\$ 499.65	\$ 7.24	\$ 44.32	\$ 551.21		
TOTAL:										\$ 1,868.15		PD 10/2025

PLACER HILLS OCT - DEC 2025												
Last Name	Assignment	Start Date	End Date	Length	Payrate	OT	Subtotal	Taxes	WC	Total		
Burbank	Engine 38	10/11/2025 08:00	10/11/2025 13:30	5.5	\$ 26.22	\$ 39.33	\$ 216.32	\$ 3.14	\$ 19.19	\$ 238.64		
Wood	Engine 38	11/07/2025 10:00	11/07/2025 13:00	3	\$ 30.90	\$ 46.35	\$ 139.05	\$ 2.02	\$ 12.33	\$ 153.40		
TOTAL:										\$ 392.04		PD 01/2026

NEWCASTLE OCT - DEC 2024												
Last Name	Assignment	Start Date	End Date	Length	Payrate	OT	Subtotal	Taxes	WC	Total		
Hicks	Engine 38	09/17/2025 08:00	09/18/2025 08:00	24	27.04	\$ 40.56	\$ 973.44	\$ 14.11	\$ 117.30	\$ 1,104.85		
Hicks	Engine 38	09/18/2025 08:00	09/18/2025 16:00	8	27.04	\$ 40.56	\$ 324.48	\$ 4.70	\$ 39.10	\$ 368.28		
TOTAL:										\$ 1,473.14		PD 10/2025

STRIKE TEAM / PREPOSITIONING

PENRYN STRIKE TEAM - PREPOSITIONING

Incident	Equipment	Depart date	Return date	Hours	Personnel	Equipment	Admin	Expenses	Total	Staffing	Paid Status
Prepo	E38	8/23/2025	8/26/2025	57	8,533.47	6,426.34	2,243.97		17,203.78	3 RYN	
Actual cost of staffing for Prepo									(7,831.58)		
Garnet	BR38	8/26/2025	9/18/2025	563	85,502.73	59,687.46	21,778.53	1,293.28	166,968.72	3 RYN	
Actual cost of staffing for Garnet									(77,146.03)		
Total FY 2025/2026									99,194.89		

Wellness and Fitness Program

1021.1 PURPOSE AND SCOPE

The purpose of this policy is to establish the guidelines for the Wellness and Fitness Program that will assist members in developing greater stamina and strength, decreasing the risk of injury, disability or death from disease or injury, improving performance, increasing energy and recovering more quickly from strenuous and exhaustive work.

1021.1.1 POLICY

It is the policy of the Penryn Fire District that the wellness and fitness of its members is an organizational priority.

1021.2 PROGRAM COMPONENTS

1021.2.1 MEDICAL EXAMINATIONS

All firefighting members should have an annual medical examination. Medical examinations specifics should be established by a qualified health care professional but may include:

- Medical history
- Blood draw/analysis
- Vital signs
- Cardiovascular
- Pulmonary/Spirometry
- Gastrointestinal
- Genitourinary, hernia exam
- Lymph nodes exam
- Neurological exam
- Musculoskeletal
- Urinalysis
- Vision test
- Hearing

Penryn Fire District Policy Manual

Wellness and Fitness Program

- Chest X-ray (initial baseline with repeat every five years or as required)
- Cancer screening

1021.2.2 FITNESS EVALUATIONS

All firefighting members should have an annual fitness evaluation consisting of an assessment questionnaire (developed by a qualified health care professional) and testing to evaluate immunization and disease screening, and physical fitness and conditioning.

1021.2.3 IMMUNIZATION AND DISEASE SCREENING

All firefighting members should have an annual immunization and disease screening to ensure all recommended vaccinations against work-related exposures are current and that members are free from work-related disease. Specific vaccinations and diseases should be identified by a qualified medical professional but may include:

- Tuberculosis
- Hepatitis C
- Hepatitis B
- Tetanus/diphtheria vaccine (booster every 10 years)
- Measles, mumps, rubella (MMR)
- Polio
- Influenza
- H1N1
- HIV (optional)

1021.2.4 PHYSICAL FITNESS AND CONDITIONING

A physical fitness and conditioning program should correspond to the physical movement patterns and aerobic capacity required in the performance of firefighter duties. The program should also provide, for example, fitness equipment in fire stations with the available space or a fitness club membership to a facility that is within the fire station's response area. The fitness and conditioning program should ~~be developed in coordination with a trained and certified fitness and conditioning trainer and should~~ comply with the Physical Fitness Policy.

~~1021.2.5 PEER FITNESS TRAINERS~~

~~Volunteers should be solicited to serve as peer fitness trainers (PFTs). Selected PFTs shall receive specialized fitness and conditioning training and education sufficient to pass certification requirements. PFTs will assist in the promotion of the Wellness and Fitness Program and be capable of assisting firefighters on a one-to-one basis to increase levels of fitness.~~



PENRYN FIRE PROTECTION DISTRICT



Policy 1021 Wellness and Fitness - Addendum

1021.2.65

1. The District agrees to provide cancer screening and cancer preventative screenings. Parties (District and Local 3800 Representative) agree to meet every six months to make any necessary adjustments to District practice/policy to ensure employees are properly covered.
2. Employees who decline the District physical may see their own provider. All private exams will need to include spirometry as per OSHA regulations. The examiner shall provide a work note.
3. The District will schedule the exams for those using the District's provider. The District will pay for the annual exams for either the District's or personal provider.
4. The District will pay for the DMV paperwork if needed by the employee.

Physical Fitness

1022.1 PURPOSE AND SCOPE

The purpose of this policy is to provide firefighters with on-duty physical fitness guidelines. The District provides on-duty time for firefighter physical fitness to assist personnel in achieving and maintaining optimal health and physical fitness.

1022.2 POLICY

It is the policy of the Penryn Fire District to establish guidelines for physical fitness activities that are designed to prevent injuries while maintaining fitness. The ultimate goals of this policy are to:

- Meet the physical demands required on emergency responses.
- Reduce the risk of member injury or illness.
- Enhance the overall health, fitness and safety of members.

Physical fitness activities should not interfere with primary job duties, (e.g., emergency responses, public education, training activities or other legal responsibilities), nor should physical fitness activities delay an emergency response in any way.

The District retains the right to prohibit any physical fitness activity which, in its sole discretion, presents greater risks than benefits.

1022.3 PROCEDURE

The time, location and duration of company physical fitness activities are at the discretion of the on-duty Battalion Chief and the company officer. In all cases, the location for physical fitness must be within the company's first-in response area, be consistent with this policy and not result in a response delay.

All members should be allowed to participate in physical fitness activities during the course of their shift. Members who choose not to participate in physical fitness activities shall conduct duties as assigned by the company officer during the designated physical fitness period. Members who have provided the District with written physical restrictions from a qualified health care provider shall not participate in any physical activity that

Penryn Fire District Policy Manual

Physical Fitness

conflicts with the restriction.

Members participating in on-duty physical fitness activities shall comply with the Uniform Regulations Policy.

At the discretion of the District, one or more of the following may apply:

(a) Station physical fitness equipment

1. Physical fitness equipment is available for the use of members at fire stations with adequate space. Members assigned to these stations should utilize the fitness equipment for their on-duty physical fitness activities.

(b) Fitness club membership

1. Members assigned to fire stations that are not equipped with physical fitness equipment may be provided, at the district's discretion, with fitness club memberships for on-duty physical fitness activities

1022.4 PHYSICAL FITNESS GUIDELINES

Physical fitness activities designed to maintain or improve flexibility, muscular strength, endurance and anaerobic and aerobic capacity may include, but are not limited to, the following:

- Stretching
- Running, jogging, walking or rowing
- Weight training (with spotter present)
- Stationary aerobic training (e.g., stair-climber, treadmill, stationary bicycle)
- Core strengthening
- Firefighter specific activities (e.g., hose drag, simulated ventilation, dummy drag)
- Physical fitness activities as recommended by the district Wellness and Fitness Program and/or peer fitness trainers (PFTs)

Member participation in competitive or contact sports is not recommended while on-duty.

1022.5 INJURY PREVENTION

When participating in approved on-duty physical fitness activities, reasonable precautions should be taken to avoid injury. Common reasons for injuries sustained during physical activity include, but are not limited to, the following:

- Insufficient warm-up
 - Poor core stabilization
 - Exceeding physical capabilities
-

Penryn Fire District Policy Manual

Physical Fitness

- Improper equipment use
- Defective equipment
- Lack of proper instruction

Members who are participating in physical fitness activities are expected to:

- Allow sufficient time to warm up muscles prior to engaging in exercise for optimum performance and to reduce the risk of injury.
 - Develop sufficient trunk muscle strength to keep the spine and body stable in order to remain strong and balanced.
 - Maintain realistic goals and limits for physical fitness routines.
 - Develop an understanding of how to use fitness equipment properly and safely.
 - Check equipment prior to use to ensure safe operation, report defective or broken equipment to the safety officer as soon as practicable and disable equipment to prevent others from using it if necessary.
 - Develop and maintain sufficient fitness training knowledge, accounting for fitness level, age and previous injuries or limitations, to avoid fitness-related injuries
-



**CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES
JOINT POWERS RISK AND INSURANCE MANAGEMENT AUTHORITY (JPRIMA)
PACKAGE/AUTO/EXCESS
(Fire Exposures)**

**COVERAGE PROPOSAL FOR:
Penryn Fire Protection District**

**COVERAGE PERIOD:
4/1/2026 - 4/1/2027**

**PRESENTED BY:
ISU Insurance Services - Atwood Agency**

PROGRAM MANAGER
Allied Public Risk, LLC
CA DBA: Allied Community Insurance Services, LLC
CA License No. 0L01269
National Producer No. 17536322
www.alliedpublicrisk.com
(858) 866-8966

PREMIUM SUMMARY

NOTE: This proposal is prepared from information supplied to us on the application submitted by you or your insurance broker. It may or may not contain all terms requested on the application. Please review carefully and let us know if any additional information is required. In addition, this proposal may contain unintentional errors or omissions. We encourage you to bring them to our attention for review. This proposal does not amend, or otherwise affect or alter, the provisions of coverage provided. This proposal does not guarantee coverage for specific claims or losses under the policy. The availability of coverage depends on the JPRIMA Memorandum of Coverage (MOC) and is subject to its terms and conditions, the facts surrounding any potential claims, and relevant legal requirements. A specimen MOC is available for your review, as is the JPRIMA Member Agreement. Enrollment in the JPRIMA requires execution of the JPRIMA Member Agreement as well as membership in the California Association of Mutual Water Companies (Cal Mutuals).

SECTION	COVERAGE		PREMIUM
1	PROPERTY (Including Equipment Breakdown, if granted)	\$	5,386.00
2	INLAND MARINE	\$	182.00
3	COMMERCIAL CRIME (Including Faithful Performance, if granted)	\$	852.00
4	COMMERCIAL GENERAL LIABILITY (Including Professional Healthcare Liability, if granted)	\$	5,854.00
5	PUBLIC OFFICIALS & MANAGEMENT LIABILITY (Including Wrongful Acts, Employment Practices, or Employee Benefits, if granted)	\$	3,582.00
6	BUSINESS AUTO	\$	2,416.00
7	COMMERCIAL EXCESS LIABILITY (Including Commercial General Liability, Wrongful Acts, Employment Practices, Employee Benefits, Business Auto, and Employers Liability, if granted)	\$	3,724.00
	MEMBER CONTRIBUTION (excludes state-imposed taxes, surcharges, and fees)	\$	21,996.00
	JPRIMA ADMINISTRATION FEES	\$	2,300.00
	TOTAL AMOUNT DUE*	\$	24,296.00

*Payment is due within 30 days of the effective date.

NOTES:

The JPRIMA MOC has a common anniversary date of April 1.

Terrorism Coverage is automatically included for Property, General Liability and Excess in most regions of CA.

Please see subjectivities on page 20 of proposal.

Schedule of Named Insureds – JPA PE CO 302 01 20 applies for Penryn Volunteer Firefighters

MEMBER: Penryn Fire Protection District
EFFECTIVE DATE: 4/1/2026

DISCLAIMER: Actual coverage is subject to the language of the policies as issued.
Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

Section 1. PROPERTY (Included in the proposal? Yes)

- ISSUER:**
- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
 - No Joint and Several Liability for Members
 - 100% Reinsured
- REINSURER**
- A+ XV (Superior) A.M. Best Rating
 - AA- Standard & Poor's Rating
- FORM:** Proprietary & Integrated

LIMITS

Total Insured Values: (Real Property & Business Personal Property)	\$593,764
Loss of Income (aka: Business Income)	\$250,000
Extra Expense	\$250,000
Equipment Breakdown	\$593,764
*Flood Zone Low/Moderate [N/A] (Each Occurrence)	Excluded

* Munich/APR cannot warrant or provide information as to what zone(s) a specific location/address is situated in. Flood zones can and do change. It is ultimately the responsibility of the member and their insurance advisor to determine if the flood zones and flood limits proposed are adequate for their needs.

DEDUCTIBLES

Property Deductible (per occurrence)	\$5,000	Flood Zone Low/Moderate (\$) Deductible (per occurrence)	N/A
Equipment Breakdown Deductible (per occurrence) – aboveground and less than 50 feet belowground	\$5,000	Flood Zone Low/Moderate (%) Deductible (per occurrence/each affected item)	N/A
Equipment Breakdown Deductible (per occurrence) – greater than 50 feet belowground	\$5,000		

COVERED LOCATIONS:

Per Statement of Values: Blanket coverage applies unless otherwise noted.

SCHEDULE OF PROPERTY LIMITS – INDIVIDUAL LIMITS

LOC./BLDG NUM	BUILDING DESCRIPTION	BUILDING VALUE	CONTENTS VALUE	TOTAL INSURED VALUE	VALUATION	COINS. %
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This schedule does not apply.

COINSURANCE: N/A

POLICY HIGHLIGHTS:

- Broad Definition of Covered Property
- Option for Special Property Floater
- Form: Special Form (including Theft)
- Proprietary Coverage Extensions

VALUATION:

- Replacement Cost: Real Property & Business Personal Property (All Buildings subject to Property Valuation?)
- Actual Loss Sustained: Loss of Income (aka: Business Income)
- Optional Extended Business Income & Extra Expense (12 months or \$1,000,000, whichever is less)

MEMBER: Penryn Fire Protection District
EFFECTIVE DATE: 4/1/2026

DISCLAIMER: Actual coverage is subject to the language of the policies as issued.
Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

²Functional Replacement Cost and/or Actual Cash Value are available for older and lower valued buildings.

SELECTED OPTIONAL COVERAGES:

SCADA Upgrades

Unintentional Errors

Extension of Coverage Utility Services - Direct Damage

KEY EXCLUSIONS:

- Earthquake & Earth Movement
- Flood (unless coverage is designated above, such coverage would be limited to locations in Zone X (Unshaded)/C only)

SPECIAL COVERAGES

Newly Acquired or Under Construction Real Property and Related Personal Property: Pays up to \$1,000,000 for your newly acquired real property or under construction "real property" intended for use in your "operations" acquired or where construction began after policy inception. This applies to "real property" you buy, lease, rent, or construction, including temporary structures. An additional \$500,000 limit of insurance applies to "personal property" located at new premises.

Equipment Breakdown³: Pays up to the limit in the declarations for direct physical damage to covered real property or personal property and loss of income sustained and extra expense incurred that is the result of an accident or electronic circuitry impairment. The most paid under any one equipment breakdown is the limit for real property and personal property for the applicable premises. The most paid for loss of income or extra expense in any one equipment breakdown is the limit of insurance shown in the declarations under C. Loss of Income and D. Extra Expense, respectively. The limits in this extension are part of and not in addition to the limits applicable in Section I – Coverages.

Under this extension, the following coverages also apply to loss caused by or directly resulting from an accident or electronic circuitry impairment. However, with respect to coverage (9) Service Interruption below, coverage will apply only to the direct result of an accident and will not apply to the direct result of an electronic circuitry impairment. The coverages described in (1) through (10) below do not provide additional amounts of insurance, they are part of and not in addition to the applicable limits of insurance:

- (1) **Data Restoration** – Pays up to your reasonable and necessary cost to research, replace and restore lost electronic data. The most we will pay for loss, damage, or expense for electronic data restoration including actual loss of income you sustain and necessary extra expense you incur is **\$500,000**.
- (2) **Expediting Expenses** – With respect to your covered real property and personal property that is damaged, we will pay the reasonable cost to make temporary repairs; and expedite permanent repairs or permanent replacement. The most we will pay for loss or expense under this coverage is **\$100,000**.
- (3) **Extra Expense** – Extra expense is extended to apply to extra expense incurred as a result of an accident or electronic circuitry impairment covered under this extension, and subject to the policy limit.
- (4) **Green** – Subject to more extensive provisions outlined in the policy, we will pay additional costs for the repair, replacement, disposal, etc. and/or damages as they relate to items associated with a recognized environmental standards program. The most we will pay for any qualifying loss, damage, or expense under this coverage, including actual loss of Business Income you sustain and any necessary Extra Expense you incur is **\$100,000**.
- (5) **Hazardous Substances** – Pays for the additional cost to repair or replace covered real property or personal property because of contamination by a hazardous substance. This includes the additional expense to clean up or dispose of such property. This does not include contamination of perishable goods by refrigerant. The most we will pay for loss, damage, or expense under this coverage, including actual loss of income you sustain and necessary extra expense you incur is **\$250,000**.
- (6) **Loss of Income** – Loss of Income is extended to apply to loss of income sustained as a result of an accident or electronic circuitry impairment covered under this extension, and subject to the policy limit as show in the Equipment Breakdown Coverage Supplemental Declarations.
- (7) **Off-Premises Equipment Breakdown** – Subject to more extensive provisions outlined in the policy, this extends coverage to apply to an accident or electronic circuitry impairment for the following types of equipment used in the member's firefighting, ambulance or rescue operations, whether mobile/portable or permanently mounted on a vehicle, anywhere in the policy territory: 1) mobile cascade units; 2) mobile electrical generators; 3) portable pumping units; and 4) portable extrication devices, such as jaws-of-life. For equipment other than that used in your firefighting, ambulance or rescue operations, we will pay for physical damage to transportable covered equipment that, at the time of the accident or impairment is not at a covered location, among other offerings. The most we will pay is **\$25,000**.

- (8) **Public Relations** – Subject to you sustaining an actual loss of income covered under this extension, this pays for reasonable costs for professional services to create and disseminate communications, when the need for such communications arises direction for the interruption of your business. Communication must be directed to the media, public, or your customers/clients/members. Costs are subject to being incurred during the period of restoration + 30 days. The most we will pay for loss or expense under this coverage is **\$5,000**.
- (9) **Service Interruption** – Subject to more extensive provisions outlined in the policy, any insurance provided for loss of income, extra expense, data restoration or spoilage is extended to apply to your loss, damage, or expense caused by a failure or disruption of service.
- (10) **Spoilage** – We will pay for physical damage to perishable goods due to spoilage; for physical damage to perishable goods due to contamination from the release of refrigerant; and/or any necessary expenses you incur to reduce the amount of loss under this coverage. Valuation and replacement conditions apply. The most we will pay for loss, damage or expense under this coverage is **\$100,000**.

³Please consult the exact policy language for all provisions that apply to each of the above Equipment Breakdown coverage.

Pollution Remediation Expenses: Pays up to \$25,000 (covered cause of loss) or \$100,000 (specified cause of loss) for remediation expenses incurred as a result of an actual, alleged, or threatened presence of pollution conditions at a premises described in the Declarations from a Covered Causes of Loss or Specified Cause of Loss occurring during the policy period and reported within 180 days. Covered Causes of Loss means risks of direct physical loss unless the loss is excluded or limited by the Property Coverage Form. Limits may be increased for a charge.

Specified Cause of Loss means the following: fire, lightning, windstorm or hail, explosion, riot or civil commotion, vehicles or aircraft, smoke, sonic boom, vandalism and malicious mischief, sprinkler leakage, sinkhole collapse, volcanic action, falling objects, weight of ice, snow or sleet, or water damage. Water damage means only accidental discharge or leakage of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam.

Property In Transit or Off Premises: Pays up to \$100,000 for direct physical loss or damage to covered property (real and personal property) while in transit or while temporarily off premises caused by a covered cause of loss, including your covered computer hardware while off premises.

SCADA Upgrades: Pays up to \$100,000 to upgrade your scheduled SCADA system after direct physical loss from a Covered Cause of Loss. The upgrade is in addition to its replacement cost. SCADA means the Supervisory Control and Data Acquisition system used in water and wastewater treatment and distribution to monitor leaks, waterflow, water analysis, and other measurable items necessary to maintain operations.

Unintentional Errors: Pays up to \$250,000 for any unintentional error or omission you make in determining or reporting values or in describing the covered property or covered locations.

Personal Effects: Pays up to \$25,000 for direct physical loss or damage to personal effects owned by you, your officers, managers, elected or appointed officials, employees, or volunteer workers caused by a covered cause of loss at your premises. Will pay up to "replacement cost."

Lock Replacement: Pays up to \$25,000 for lock, lock cylinder, & key replacement after theft at covered premises or damage to a lock as a result of a covered cause of loss at a covered premises. No deductible applies.

Foundations: Your real property includes foundations located at a described premise.

KEY DEFINITIONS

Covered Equipment: Means covered real property and personal property that generates, transmits, or utilizes energy or which, during normal usage, operates under vacuum or pressure, other than the weight of its contents. Covered equipment may utilize conventional design and technology or new or newly commercialized design and technology.

None of the following is covered equipment: (a) structures, foundation, cabinet or compartment; (b) insulating or refractory material; (c) sewer piping, buried vessels or piping, piping forming or part of a sprinkler or fire suppression system; (d) water piping other than boiler feedwater piping, boiler condensate return piping or water piping form as part of a refrigerating or air conditioning system; (e) vehicle or any equipment mounted on a vehicle; (f) satellite, spacecraft or any equipment mounted on a satellite or spacecraft; (g) dragline, excavation, or construction equipment; (h) equipment manufactured by you for sale; or (h) electronic data.

Electronic Circuitry: Means microelectronic components, including but not limited to circuit boards, integrated circuits, computer chips, and disk drives.

Electronic Circuitry Impairment:

- (a) Means a fortuitous event involving electronic circuitry within covered equipment to suddenly lose its ability to function as it had been functioning immediately before such event. This definition is subject to the conditions specified in (b), (c), and (d) below.
- (b) We shall determine that the reasonable and appropriate remedy to restore such covered equipment's ability to function is the replacement of one or more electronic circuitry components of the covered equipment.
- (c) The covered equipment must be owned or leased by you or operated under your control.
- (d) None of the following is an electronic circuitry impairment:
 - (i) Any condition that can be reasonably remedied by:
 - 1) Normal maintenance, including but not limited to replacing expendable parts, recharging batteries or cleaning;
 - 2) Rebooting, reloading, or updating software or firmware; or
 - 3) Providing necessary power or supply.
 - (ii) Any condition caused by or related to:
 - 1) Incompatibility of the covered equipment with any software or equipment installed, introduced, or networked within the prior 30 days; or
 - 2) Insufficient size, capability, or capacity of the covered equipment;
 - 3) Exposure to adverse environmental conditions, including but not limited to change in temperature or humidity, unless such conditions result in an observable loss of functionality. Loss of warranty shall not be considered an observable loss of functionality.

Outdoor Property: Fixed or permanent structures including but not limited to:

- › Docks, wharves, piers, pilings, or bulkheads;
- › Dumpsters, concrete trash containers, or permanent recycling bins;
- › Electric utility power transmission and distribution lines, poles and related equipment owned by the member;
- › Exterior signs not located at a premises;
- › Fences and retaining walls;
- › Historical markers and flagpoles;
- › Hydrants, not associated with a sprinkler system;
- › Lighting towers;
- › Playground equipment, park shelters, pedestrian-only bridges, picnic tables, water fountains or coolers, benches, dugouts, bleachers, or scoreboards;
- › Storage sheds, garages, pavilions, or other similar buildings or structures not located at a premises; or
- › Traffic lights, streetlights, traffic signs, parking meters, or bus shelters.

Personal Property: Means all property used in your operations other than real property, including but, not limited to:

- › Furnishings and office equipment
- › Building contents;
- › Computer equipment;
- › Communication systems;

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- ▶ Materials, supplies (including your inventory of vehicle parts and supplies) while held on your premises awaiting installation;
- ▶ Base stations and dispatching systems, provided the property is on your premises and also provided you own the property, or the property is in your custody or control, and you are responsible for it, even though it belongs to someone else;
- ▶ Value of your right to use improvements made as a tenant, if you have paid for alterations or additions to any building or structure that you do not own (improvements must be at a premises).

Pollution Conditions: The discharge, dispersal, release, seepage, migration, or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, hazardous materials, waste materials (including medical, infectious and pathological wastes) or electromagnetic fields into or upon land or any structures thereon, the atmosphere, or any watercourse or body of water including groundwater.

Real Property: The items at a premises described in the Declarations.

This includes:

- ▶ Aboveground piping;
- ▶ Aboveground and belowground "penstock";
- ▶ Additions under construction;
- ▶ Air cascade units that are not designed to be used off "premises";
- ▶ All appurtenant buildings or structures other than playground equipment, park shelters, pedestrian-only bridges, picnic tables, water fountains or coolers, benches, dugouts, bleachers, or scoreboards;
- ▶ Alterations and repairs to the buildings or structures;
- ▶ Completed additions;
- ▶ Exterior signs, meaning neon, automatic, mechanical, electric or other signs either attached to the outside of a building or structure, or standing free in the open;
- ▶ Foundations;
- ▶ Materials, equipment, supplies and temporary structures you own or for which you are responsible, on the "premises" or in the open (including property inside "vehicles") within 1,000 feet of the "premises", used for making additions, alterations or repairs to buildings or structures at the "premises";
- ▶ Outdoor fixtures;
- ▶ Paved surfaces such as sidewalks, bike paths, walkways, patios or parking lots;
- ▶ Permanently installed fixtures, machinery, and equipment;
- ▶ "Personal property" used for the maintenance and service of buildings or structures, including tools, lawn care equipment, and free-standing appliances for refrigerating, ventilating, cooking, dishwashing and laundering;
- ▶ Submersible pumps, pump motors and engines; or
- ▶ Underground piping located on or within 100 feet of a "premises" described in the Declarations.

Remediation Expenses: Expenses incurred for or in connection with the investigation, monitoring, removal, disposal, treatment, or neutralization of pollution conditions to the extent required by: (1) federal, state or local laws, regulations or any subsequent amendments thereof enacted to address pollution conditions; and (2) a legally executed state voluntary program governing the cleanup of pollution conditions.

Tools and Equipment: All tools and equipment, together with attached devices, accessories and trailers, that are used in your operations. Tools and equipment include, but are not limited to, hand tools, mechanics tools, power tools, meter readers, generators, air compressors, welders, trash pumps, trenchers, saws, jackhammers, maintenance or diagnostic equipment including specialized audio-visual equipment and its associated laptop, as well as recreational equipment, such as outdoor portable seating, temporary stands, food service trailers not licensed for road use, or portable restrooms.

Tools and equipment also include mobile equipment such as, but not limited to, bulldozers, mobile equipment that travels on crawler treads, tractors, loaders, backhoes, excavators, graders, or road surfacing equipment, and equipment whether self-propelled or not, maintained primarily to provide mobility to permanently mounted cranes, shovels, loaders, diggers, and drills. Tools and equipment also include snowplows, salt spreaders, and other similar equipment when not attached to a vehicle.

PROPERTY SUBLIMITS

Coverage	Limit
Accounts Receivable	\$50,000
Arson, Theft, or Vandalism Information Reward	\$25,000
Building Glass – Tenant	Lesser of replacement cost or amount liable under contract
Claim Expense	\$20,000
Commandeered Property (RC + loss of use)	For the time you officially use the commandeered property + reasonable return time.
Damage to Building from Theft	\$100,000
Debris Removal Expenses	25% + \$100,000
Equipment Breakdown	Building + BPP Limit + Loss of Income & Extra Expense
Fine Arts	\$50,000 (appraised) \$25,000 (unappraised – subject to \$1,500/item max)
Fire Department Charges	\$25,000
Fire Extinguishing Equipment Recharge Costs	"Necessary and reasonable" (per policy)
Limited Coverage for Fungus, Wet Rot or Dry Rot	\$25,000
Lock Replacement	\$25,000
Newly Acquired or Under Construction Real Property (Coverage A) and Related Personal Property (Coverage B)	Coverage A: \$1,000,000 Coverage B: \$500,000
Non-owned Detached Trailers	\$50,000
Ordinance Coverage	
Coverage A: Undamaged Real Property	Coverage A: Limit of Insurance (applicable to that item)
Coverage B: Demolition	Coverage B and Coverage C: Greater of 100% of direct physical loss or \$1,000,000
Coverage C: Increased Cost	
Outdoor Property	\$150,000
Personal Effects	\$25,000
Pollution Remediation Expense (covered cause of loss)	\$25,000
Pollution Remediation Expense (specified cause of loss)	\$100,000
Preservation of Property	Included
Real Property or Personal Property in Transit or Off-Premises	\$100,000
Software	\$500,000
Spoilage Due to Off Premises Electric Service Interruption	\$50,000
Supplementary Provisions for Coverage C. "Loss of Income" and Coverage D "Extra Expense"	Included
Trees, Shrubs, Plants and Lawns (max \$1,000 any one item)	\$25,000
Utility Services – Direct Damage	\$100,000
Valuable Papers and Records	\$50,000
Water Contamination Notification Expense	\$25,000 (annual aggregate)
Water Sewer Backup	\$100,000

NOTES:

Contribution is calculated from application's property schedule (please review property schedule for coverage and limit adequacy).

MEMBER: Penryn Fire Protection District
EFFECTIVE DATE: 4/1/2026

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Section 2. INLAND MARINE (Included in the proposal? Yes)

ISSUER:	<ul style="list-style-type: none"> ▪ California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority (JPRIMA) ▪ No Joint and Several Liability for Members ▪ 100% Reinsured
REINSURER	<ul style="list-style-type: none"> ▪ A+ XV (Superior) A.M. Best Rating ▪ AA- Standard & Poor's Rating
FORM:	Proprietary & Integrated

LIMITS

Coverage A: Blanket Tools and Equipment: (Unscheduled, Maximum \$10,000 any one item)	\$25,000
Coverage B: Scheduled Equipment:	\$10,000
Coverage C: Blanket Emergency Services Equipment:	Guaranteed Replacement Cost

COVERAGE EXTENSIONS – Adds or extends the coverage under Section I – Coverages. Unless stated otherwise in the policy, a) each extension is limited to direct physical loss or damage cause by or resulting from a covered cause of loss; b) the limits in each extension are in addition to the limits applicable in Section I – Coverages; and c) All other applicable terms and conditions of the coverage form apply to each extension. (**whichever comes first)

Debris Removal Expenses	Max \$15,000 (per occurrence)
Employee Tools (no deductible applies)	Max \$25,000 (per occurrence)
Emergency Services and Law Enforcement Personal Effects (Coverage C extension, no deductible applies)	Replacement Cost
Rented or Borrowed Equipment	
<ul style="list-style-type: none"> ▪ Coverage A: Blanket Tools and Equipment <u>and</u> Coverage C: Blanket Emergency Services Equipment (\$1,000 deductible applies) ▪ Coverage B: Scheduled Equipment (Extended to equipment not owned by you, \$1,000 deductible applies) 	**Replacement Cost or \$10,000 (per occurrence) **Actual Cash Value or \$100,000 (per occurrence)
Newly Acquired Scheduled Equipment (Coverage B extension, \$1,000 deductible applies)	30 days on Replacement Cost (not to exceed purchase price)
Personal Watercraft and Watercraft (Coverage A & C extension only)	**Replacement Cost or \$25,000 (per occurrence)
Rental Reimbursement for Scheduled Equipment (Coverage B extension, no deductible applies)	Max \$10,000 (per occurrence)
Unmanned Aircraft (\$500 deductible applies)	Max \$25,000 (per occurrence)
Fire Department Charges (no deductible applies)	Max \$1,000 (per occurrence)
Fire Extinguishing Recharge Costs (no deductible applies)	Necessary and Reasonable Costs (extinguishing equipment must be for the protection of your inland marine equipment)

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DEDUCTIBLES

Coverage A: Blanket Tools and Equipment	\$5,000
Coverage B: Scheduled Equipment	\$5,000
Coverage C: Blanket Emergency Services Equipment	\$5,000

POLICY HIGHLIGHTS:

- Blanket Coverages: "Tools and Equipment" and "Emergency Services Equipment"
- Suite of Coverage Extensions available in the core form.
- Deductible Waiver in certain circumstances for Coverages A & B.
- Service Animal Floater Purchased: No – Valuation: Agreed Value (No deductible applies)

VALUATION:

- Coverage A: Blanket Tools and Equipment: Replacement Cost
- Coverage B: Scheduled Equipment: Replacement Cost or Actual Cash Value
- Coverage C: Blanket Emergency Services Equipment: Guaranteed Replacement Cost

NOTES:

Please note that L/B/R coverage is an extension of Schedule Equipment. As such, we must add a \$10,000 scheduled item in order to offer the L/B/R coverage extension. Please advise "Description" and "Year" for equipment to be added i.e. "2022 Riding Lawn Mower".

Section 3. COMMERCIAL CRIME (Included in the proposal? Yes)

- ISSUER:**
- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
 - No Joint and Several Liability for Members
 - 100% Reinsured
- REINSURER**
- A+ XV (Superior) A.M. Best Rating
 - AA- Standard & Poor's Rating
- FORM:** Proprietary & Integrated

LIMITS

Coverage Group	Employee Theft	Forgery or Alteration	Theft of Money & Securities (Inside the Premises)	Robbery or Safe Burglary (Inside the Premises)	Outside the Premises	Computer & Funds Transfer Fraud	Money Orders & Counterfeit Money
5	\$250,000	\$250,000	\$250,000	\$100,000	\$250,000	\$250,000	\$250,000

DEDUCTIBLE

\$1,000 (each claim)

POLICY HIGHLIGHTS:

Separate Limits Apply to Each Coverage
 Broad Definition of Employee
 Non-auditable
 Faithful Performance of Duty

NOTES:

Fraudulent Impersonation is excluded.

Section 4. COMMERCIAL GENERAL LIABILITY (Included in the proposal? Yes)

- ISSUER:**
- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
 - No Joint and Several Liability for Members
 - 100% Reinsured
- REINSURER**
- A+ XV (Superior) A.M. Best Rating
 - AA- Standard & Poor's Rating
- FORM:** Proprietary & Integrated

LIMITS

General Aggregate	\$10,000,000
Products & Completed Operations Aggregate	\$10,000,000
Each Occurrence	\$1,000,000
Personal & Advertising Injury Limit	\$1,000,000
Damage to Premises Rented to You	\$1,000,000
Medical Payments	\$10,000

DEDUCTIBLE (Excluding Expenses)

\$0 (each occurrence)

SELECTED OPTIONAL COVERAGES

Professional Healthcare Liability

POLICY HIGHLIGHTS:

- Duty to Defend w/ Defense Costs In Addition to Limits
- Broad Definition of Enrolled Named Member – including, but not limited to Employees, Volunteers, Elected or Appointed Officials
- Host Liquor Liability, Unless Otherwise Excluded
- Owned (Up to 100 HP – higher available by endorsement) & Nonowned Watercraft
- Blanket Additional Enrolled Named Member
- Non-auditable

NOTABLE EXCLUSIONS:

- PFAS Chemicals

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SPECIAL COVERAGES

Contractual Liability - Railroads: Coverage is provided for any contract or agreement that indemnifies a railroad for bodily injury or property damage arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing. Available via endorsement only.

Pollution: The pollution exclusion contains the following exceptions:

- To bodily injury if sustained within a building owned or occupied by a member and caused by smoke, fumes, vapor, or soot if produced or originating from certain equipment.
- To bodily injury or property damage arising out of heat, smoke, fumes from a hostile fire occurring or originating from certain premises, sites, or locations as outlined in the policy.
- To bodily injury or property damage that occurs as a result of your operations (unless otherwise specifically excluded) including:
 - Emergency operations conducted away from premises owned by or rented to you or any fire department, hazardous materials unit, first aid squad, ambulance squad or rescue squad qualifying as an insured under this coverage part;
 - Training operations;
 - Water runoff from the cleaning of equipment used in "emergency operations";
 - Urgent response for the protection of property, human life, health or safety conducted away from premises owned by or rented to or regularly occupied by you;
 - Smoke drift from controlled or prescribed burning that has been authorized and permitted by the respective regulatory agency;
 - Natural gas or propane gas you use in your water or wastewater treatment process;
 - Storage or application of pesticides/herbicides if such storage or application meets all standards of any statute, ordinance, regulation or license requirement of any federal, state or local government; or
 - Fuels, lubricants or other operating fluids needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" subject to additional policy terms.
 - To bodily injury or property damage if such bi/pd is caused by the escape of back-up of sewage or wastewater from any sewage treatment facility or fixed conduit that you own, operate, lease, control.

Who is Covered: Coverage is extended to Scheduled Named Members comprising individuals, spouses, partnerships, joint ventures, corporations, trusts, limited liability companies, public entities, operating authorities, boards, commissions, districts, governmental units, nonprofit entities, and other organizations. Members also include: elected or appointed officials; employees or volunteer workers; real estate managers; temporary custodians; legal representatives; medical directors; mutual aid agreements; Good Samaritans; owners of commandeered equipment; blanket additional enrolled named members; and newly acquired or formed entities.

KEY DEFINITIONS

Insured (Member) Contract:

- A contract for a lease or premises (see full terms and conditions).
- A sidetrack agreement;
- Any easement or license agreement, except in connection with construction or demolition operations on or within fifty (50) feet of a railroad;
- An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- An elevator maintenance agreement;
- That part of any other contract or agreement pertaining to your operations (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for bodily injury or property damage to a third person or organization (see full terms and conditions).

Suit: Means a civil proceeding in which damages because of bodily injury, property damage, personal and advertising injury, medical incident, law enforcement wrongful act, or a water or wastewater professional activity to which this insurance applies are alleged. Suit includes: a) An arbitration proceeding in which such damages are claimed and to which the member must submit or does submit with our consent; or 2) Any other civil alternative dispute resolution proceeding in which such

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damages are claimed and to which the member submits with our consent.

NOTES:

Primary and Noncontributory - Other Insurance Condition – JPA PE GL 315 01 20 applies

Section 5. PUBLIC OFFICIALS & MANAGEMENT LIABILITY
(Included in the proposal? Yes)

- ISSUER:**
- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
 - No Joint and Several Liability for Members
 - 100% Reinsured
- REINSURER**
- A+ XV (Superior) A.M. Best Rating
 - AA- Standard & Poor's Rating
- FORM:** Proprietary & Integrated – Occurrence

LIMITS

Coverage A: Wrongful Acts	\$	1,000,000	Each Wrongful Act or Offense
- Employment Practices		Included	
- Employee Benefits Liability		Included	
Coverage B: Injunctive Relief	\$	5,000	Each Action
Aggregate Limit	\$	10,000,000	Coverage A & B Combined

WRONGFUL ACTS DEDUCTIBLE	EMPLOYMENT PRACTICES DEDUCTIBLE
\$10,000 (each Wrongful Act or Offense Including Expenses)	\$25,000 (each Wrongful Act or Offense Including Expenses)
WRONGFUL ACTS RETROACTIVE DATE (CLAIMS-MADE)	EMPLOYMENT PRACTICES RETROACTIVE DATE (CLAIMS-MADE)
N/A	N/A
EMPLOYEE BENEFITS LIABILITY RETROACTIVE DATE (CLAIMS-MADE)	
N/A	

POLICY HIGHLIGHTS:

- Duty To Defend
- Broad Definition of Named Enrolled Named Member
- Third Party Offense Coverage
- Non-auditable

KEY DEFINITIONS

Employment Practices: Injury, including consequential bodily injury, arising from any of your employment practices including, but not limited to:

- › Discrimination;
- › Harassment;
- › Retaliation;
- › Any actual or alleged wrongful dismissal, discharge, or termination (either actual or constructive) of employment, including breach of an implied employment contract or an implied covenant of good faith and fair dealing in an employment contract;
- › Any actual or alleged wrongful hiring, demotion, discipline, evaluation, supervision and investigation of an employee or intentional interference with an employment contract;
- › Any actual or alleged wrongful deprivation of a career opportunity, to promote an employee or the wrongful failure to employ;
- › Any actual or alleged false arrest, false imprisonment, false detention or malicious prosecution, liable, slander, defamation, disparagement or invasion of the right of privacy, as respects employment practices;
- › The violation of any federal, state, or local statutes, rules or regulations applicable to employers;

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- The development, implementation, and enforcement of any and all practices, policies and procedures governing any aspect of employment practices;

Injunctive or Declaratory Relief: (a) means equitable relief sought through the demand for the issuance of a permanent, preliminary, or temporary injunction, restraining order, or similar prohibitive write against, or order for specific performance by, a member; or (b) any request that a court make a finding of law or fact, provided such action is filed during the policy period.

Wrongful Act: means any actual or alleged error, act, omission, neglect, misfeasance, nonfeasance, or breach of duty, including violation of any civil rights law, by any member in discharge of their duties individually or collectively that results directly but unexpectedly and unintentionally in damages to others.

NOTES:

Section 6. BUSINESS AUTO (Included in the proposal? Yes)

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER

- A+ XV (Superior) A.M. Best Rating
- AA- Standard & Poor's Rating

FORM: Proprietary & Integrated

PORTFOLIO

Coverage	Symbol	Limit
Combined Single Limit for Bodily Injury & Property Damage (each accident)	1	\$1,000,000
Hired Auto Liability	8	\$1,000,000
Non-Owned Auto Liability	9	\$1,000,000
Medical Payments	2	\$5,000
Uninsured / Underinsured Motorists	2	\$1,000,000
Hired Physical Damage	8	\$100,000
Physical Damage – Comprehensive	7	Agreed Value
Physical Damage – Collision	7	Agreed Value

DEDUCTIBLE

Liability: FULL (per accident)

Comprehensive: \$2,000 (each covered auto)

Collision: \$2,000 (each covered auto)

FLEET COVERAGE ENHANCEMENTS & COVERAGE EXTENSIONS (As Applicable)

- Agreed Value Endorsement (for qualifying vehicles)
- Commercial Auto 360 Endorsement
- Pollution Liability – Broadened Coverage for Covered Autos
- Covered Auto Designation Symbol 10 Added Endorsement

NOTES:

The Business Auto Coverage requires 17-digit VIN Numbers. The member's policy cannot be released without this information.

Auto deductible is \$5,000 for vehicles with agreed value ≥ \$100,000.

Loss Payable Provisions CA 99 44 applies

PNC Equipment Finance
PO Box 933106
Cleveland, OH 44193
Description: 2019 Pierce Pumper 4P1BAAFF3KA019928

MEMBER: Penryn Fire Protection District
EFFECTIVE DATE: 4/1/2026

DISCLAIMER: Actual coverage is subject to the language of the policies as issued.
Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

Agreed Value Endorsement – JPA AU 3002 applies

MEMBER: Penryn Fire Protection District
EFFECTIVE DATE: 4/1/2026

DISCLAIMER: Actual coverage is subject to the language of the policies as issued.
Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

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Section 7. COMMERCIAL EXCESS LIABILITY (Included in the proposal? Yes)

- ISSUER:**
- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
 - No Joint and Several Liability for Members
 - 100% Reinsured
- REINSURER**
- A+ XV (Superior) A.M. Best Rating
 - AA- Standard & Poor's Rating
- FORM:** Proprietary & Integrated

LIMITS

\$3,000,000/\$3,000,000

SCHEDULED UNDERLYING COVERAGE FORMS

Commercial General Liability – Included

Auto Liability – Included

Public Officials & Management Liability (Wrongful Acts) – Included

Employers' Liability: (minimum underlying limit requirement of \$500,000 / \$500,000 / \$500,000) – Excluded

Other:

NOTABLE COVERAGES INCLUDED IN THE EXCESS (require minimum underlying limits of \$1,000,000)

Hired and Non-Owned Auto Liability (General Liability) – Excluded

Employee Benefit Plans (General Liability) – Excluded

Hired and Non-Owned Auto Liability (Owned Auto) – Included

Employment Practices (POML) – Included

Employee Benefit Plans (POML) – Included

NOTABLE EXCLUSIONS:

- Workers' Compensation
- Uninsured Motorists / Underinsured Motorists
- Underlying Limits < \$1,000,000 except for Employer's Liability

NOTES:

Employers' Liability subject to MRSI security requirements.

Please provide a copy of the current W/C declarations for review and affirmation of coverage.

Section 8. UNDERWRITING SUBJECTIVITIES AND GENERAL NOTES

ISSUER:	<ul style="list-style-type: none">California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority (JPRIMA)No Joint and Several Liability for Members100% Reinsured
REINSURER:	<ul style="list-style-type: none">A+ XV (Superior) A.M. Best RatingAA- Standard & Poor's Rating
FORM:	Proprietary & Integrated
MEMBER:	Penryn Fire Protection District

GENERAL NOTES

QUOTE SUBJECTIVITIES:

Please provide a current budget. Once received, terms and premiums may change.

Please note that L/B/R coverage is an extension of Schedule Equipment. As such, we must add a \$10,000 scheduled item in order to offer the L/B/R coverage extension. Please advise "Description" and "Year" for equipment to be added i.e. "2022 Riding Lawn Mower". Once received, terms and premiums may change.

Please provide an updated Driver's List that includes dates of birth along with Motor Vehicle Report. Reports must be favorable, or we reserve the right to amend terms, conditions, and/or apply conditions.

Drivers age 80 or older: require an acceptable MVR on file and an Acord medical statement.

Drivers under the age of 21: require an acceptable MVR on file and a signed letter from the GM stating the young driver will not have take-home privileges, even in emergencies, and can only drive during normal working hours. Additionally, quarterly MVR checks are required to confirm no driving violations. Any violation of the driving restrictions will result in the driver's exclusion from the policy.

Please provide a signed statement of values and equipment schedule. Once received, terms and premiums may change.

THE FOLLOWING ITEMS ARE DUE AT THE TIME OF BINDING:

- ▶ Signed and Dated JPRIMA Application and Member FEIN # (required to bind auto).
- ▶ Terrorism: This coverage is included in most jurisdictions (all but 8) without an associated charge for Package (Property/GL). In those instances, a signed selection/rejection is not required. In the 8 jurisdictions with an associated charge including the entire State of California for Excess, a signed selection/rejection form is required to be returned at the time of binding.
- ▶ Signed and Dated Uninsured/Underinsured Motorist Selection/Rejection Form.

MEMBER: Penryn Fire Protection District
EFFECTIVE DATE: 4/1/2026

DISCLAIMER: Actual coverage is subject to the language of the policies as issued.
Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

-
- ▶ Copy of the latest Dam Inspection reports and member response to any inspection deficiencies, if applicable and not already provided.
 - ▶ Signed Statement of Values (Property, Inland Marine and Auto, as applicable).
 - ▶ Provide Name, Phone Number, and Email Address for both the Risk Manager and Boiler & Machinery Inspection contacts.
 - ▶ Provide a complete driver schedule including name, date of birth, and license number.



A D J U S T E R S , I N C

• CLAIMS ADMINISTRATORS • ADJUSTERS • INVESTIGATORS

Stanford Place I - 8055 East Tufts Avenue, Suite 600, Denver, CO 80237 - Ph: 877-533-1211

CLAIM CALL CENTER

**8055 E. Tufts Ave
Suite 600
Denver, CO 80237**

877-533-1211

**Adam Beltz- Ext 765
Reyleen Wood Ext 699
J. Mayer - Ext 664**

**Karen Zapata - Ext. 326
Subrogation Supervisor**

TO REPORT A NEW CLAIM OR LOSS

- **PHONE** **877-533-1211 Option 3
24 Hour Call Center**

- **E-MAIL** **networknewloss@networkadjusters.com**

ALLIED PUBLIC RISK - STATEMENT OF VALUES
INSURED: Penryn Fire Protection District
POLICY YEAR EFFECTIVE: 4/1/2026 - 4/1/2027

LOC./ BLDG NUM	ADDRESS	BUILDING DESCRIPTION	INCL IN BLANKET	BUILDING VALUE	CONTENTS VALUE	TOTAL INSURED VALUE	VALUATION	FLOOD (Y or N)	EARTH- QUAKE (Y or N)
1-1	7206 Church Street, Penryn, CA 95663	Fire Station	Yes	\$466,768	\$126,996	\$593,764	Replacement Cost	N	N

Total Values Subject to the Blanket: \$593,764
 All Other Values: \$0

PRINTED NAME **AUTHORIZED SIGNATURE** **DATE**

ALLIED PUBLIC RISK - INLAND MARINE SCHEDULE
INSURED: Penryn Fire Protection District
POLICY YEAR EFFECTIVE: 4/1/2026 - 4/1/2027

ITEM NUM	IM CATEGORY	DESCRIPTION	SERIAL #/ID#	TOTAL INSURED VALUE	DEDUCTIBLE	VALUATION
1	Scheduled Equipment	TBD	TBD	\$10,000	\$5,000	ACV

PRINTED NAME

AUTHORIZED SIGNATURE

DATE

**PENRYN
FIRE PROTECTION DISTRICT,
CALIFORNIA**

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**FINANCIAL STATEMENTS
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED
JUNE 30, 2025**

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**PENRYN FIRE PROTECTION DISTRICT
Annual Financial Report
For the Year Ended June 30, 2025**

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INTRODUCTORY SECTION

- **List of Officials**

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PENRYN FIRE PROTECTION DISTRICT

List of Officials

For the Year Ended June 30, 2025

Board of Directors

Cheryl Hotaling	Chair
Danielle Hardesty	Vice Chair
Larry Shields	Secretary
Diego Heimlich	Director
Robert Verdugo	Director

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FINANCIAL SECTION

- **Independent Auditor's Report**
- **Management's Discussion and Analysis**
- **Basic Financial Statements**
- **Required Supplementary Information**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Penryn Fire Protection District
Penryn, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Penryn Fire Protection District, California (District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of June 30, 2025, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

To the Board of Directors
Penryn Fire Protection District
Penryn, California

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

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

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

To the Board of Directors
Penryn Fire Protection District
Penryn, California

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated XXX, 2026, on our consideration of the 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 solely 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 the effectiveness of the District's 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 the District's internal control over financial reporting and compliance.

Smith & Newell CPAs
Yuba City, California
XXX, 2026

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**Management's Discussion and Analysis
(Unaudited)**

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Basic Financial Statements

- **Government-Wide Financial Statements**

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PENRYN FIRE PROTECTION DISTRICT
Statement of Net Position
June 30, 2025

	<u>Total Governmental Activities</u>
ASSETS	
Cash and investments	\$ 2,474,849
Receivables:	
Interest	7,836
Due from other governments	12,259
Net pension asset	5,828
Capital assets:	
Non-depreciable	63,000
Depreciable, net	554,770
Total capital assets	<u>617,770</u>
Total Assets	<u>3,118,542</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred pension adjustments	<u>141,315</u>
Total Deferred Outflows of Resources	<u>141,315</u>
LIABILITIES	
Accounts payable	2,888
Accrued salaries and benefits	29,831
Long-term liabilities:	
Due within one year	66,386
Due in more than one year	<u>304,982</u>
Total Liabilities	<u>404,087</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred pension adjustments	<u>1,793</u>
Total Deferred Inflows of Resources	<u>1,793</u>
NET POSITION	
Net investment in capital assets	281,304
Restricted for:	
Capital improvements	452,650
Unrestricted	<u>2,120,023</u>
Total Net Position	<u><u>\$ 2,853,977</u></u>

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

PENRYN FIRE PROTECTION DISTRICT
Statement of Activities
For the Year Ended June 30, 2025

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>		
Governmental activities:					
Public protection	\$ 1,343,097	\$ 847,554	\$ 3,106	\$ -	\$ (492,437)
Interest on long-term debt	17,049	-	-	-	(17,049)
Total Governmental Activities	<u>1,360,146</u>	<u>847,554</u>	<u>3,106</u>	<u>-</u>	<u>(509,486)</u>
Total	<u>\$ 1,360,146</u>	<u>\$ 847,554</u>	<u>\$ 3,106</u>	<u>\$ -</u>	<u>(509,486)</u>
General revenues:					
Taxes:					
Property taxes					639,736
Interest and investment earnings					95,732
Miscellaneous					1,726
					<u>737,194</u>
					<u>Change in Net Position</u>
					<u>227,708</u>
					<u>Net Position - Beginning</u>
					2,650,521
					<u>Change in accounting principle</u>
					(24,252)
					<u>Net Position - Beginning, Restated</u>
					2,626,269
					<u>Net Position - Ending</u>
					<u>\$ 2,853,977</u>

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Basic Financial Statements

- **Fund Financial Statements**

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PENRYN FIRE PROTECTION DISTRICT
Balance Sheet
Governmental Funds
June 30, 2025

	<u>General Fund</u>	<u>Mitigation Fees</u>	<u>Totals</u>
ASSETS			
Cash and investments	\$ 2,022,143	\$ 452,706	\$ 2,474,849
Receivables:			
Interest	6,398	1,438	7,836
Due from other governments	12,259	-	12,259
	<u>\$ 2,040,800</u>	<u>\$ 454,144</u>	<u>\$ 2,494,944</u>
Total Assets			
LIABILITIES			
Accounts payable	\$ 2,888	\$ -	\$ 2,888
Accrued salaries and benefits	29,831	-	29,831
	<u>32,719</u>	<u>-</u>	<u>32,719</u>
Total Liabilities			
FUND BALANCES			
Restricted	-	454,144	454,144
Committed	679,178	-	679,178
Unassigned	1,328,903	-	1,328,903
	<u>2,008,081</u>	<u>454,144</u>	<u>2,462,225</u>
Total Fund Balances			
Total Liabilities and Fund Balances	<u>\$ 2,040,800</u>	<u>\$ 454,144</u>	<u>\$ 2,494,944</u>

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

**PENRYN FIRE PROTECTION DISTRICT
Reconciliation of the Governmental Funds Balance
Sheet to the Government-Wide Statement of
Net Position - Governmental Activities
June 30, 2025**

Total Fund Balances - Governmental Funds	\$ 2,462,225
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheet.	617,770
Other long-term assets are not available to pay for current period expenditures and therefore are not reported in the governmental fund. Net pension asset	5,828
Deferred outflows of resources related to pension are not reported in the governmental fund.	141,315
Deferred inflows of resources related to pension are not reported in the governmental fund.	(1,793)
Certain liabilities are not due and payable in the current period and therefore are not reported in the governmental funds. Financed purchases Compensated absences	(336,466) <u>(34,902)</u>
Net Position of Governmental Activities	<u><u>\$ 2,853,977</u></u>

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

PENRYN FIRE PROTECTION DISTRICT
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

	<u>General Fund</u>	<u>Mitigation Fees</u>	<u>Totals</u>
REVENUES			
Taxes and assessments	\$ 1,248,221	\$ -	\$ 1,248,221
Use of money and property	69,573	26,159	95,732
Intergovernmental	3,106	-	3,106
Charges for services	134,635	104,434	239,069
Other revenues	1,726	-	1,726
Total Revenues	<u>1,457,261</u>	<u>130,593</u>	<u>1,587,854</u>
EXPENDITURES			
Current:			
Public protection	1,372,985	6,110	1,379,095
Debt service:			
Principal	-	34,171	34,171
Interest	-	17,049	17,049
Total Expenditures	<u>1,372,985</u>	<u>57,330</u>	<u>1,430,315</u>
Excess of Revenues Over (Under) Expenditures	<u>84,276</u>	<u>73,263</u>	<u>157,539</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	598,412	-	598,412
Transfers out	-	(598,412)	(598,412)
Total Other Financing Sources (Uses)	<u>598,412</u>	<u>(598,412)</u>	<u>-</u>
Net Change in Fund Balances	682,688	(525,149)	157,539
Fund Balances - Beginning	<u>1,325,393</u>	<u>979,293</u>	<u>2,304,686</u>
Fund Balances - Ending	<u>\$ 2,008,081</u>	<u>\$ 454,144</u>	<u>\$ 2,462,225</u>

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

PENRYN FIRE PROTECTION DISTRICT
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of the Governmental Funds to the
Government-Wide Statement of Activities - Governmental Activities
For the Year Ended June 30, 2025

Net Change in Fund Balances - Total Governmental Funds	\$ 157,539
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Less current year depreciation	(47,113)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	
Principal retirements	34,171
Certain changes in deferred outflows and deferred inflows of resources reported in the Statement of Activities are related to long-term liabilities and are not reported in the governmental funds.	
Change in deferred outflows of resources related to pension	78,007
Change in deferred inflows of resources related to pension	(1,793)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	
Change in compensated absences	1,069
Change in net pension asset	5,828
Change in Net Position of Governmental Activities	\$ 227,708

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Basic Financial Statements

- **Notes to Basic Financial Statements**

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PENRYN FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Penryn Fire Protection District was formed September 1, 1924, under the statutes of 1881. It received a certificate of existence pursuant to the provisions of the Local Fire District Law, Section 14017 of the California Health and Safety Code on February 6, 1958. An independent five-member Board of Directors elected by the voters govern the District.

The District provides fire protection, emergency medical and code enforcement services to residents and businesses located in Penryn and surrounding areas encompassing 10.5 square miles within Placer County. As a California Special District, the District is not subject to income taxes but must file an annual report with the California State Controller.

The Board of Directors has the authority to make decisions, appoint administrators and managers, and significantly influence operations. It also has the primary accountability for fiscal matters.

Component Units

Generally accepted accounting principles require government financial statements to include the primary government and its component units. Component units of a governmental entity are legally separate entities for which the District is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the combined financial statements to be misleading. The primary government is considered to be financially accountable if it appoints a majority of an organization's governing body and is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government.

Based on the application of the criteria set forth by the Governmental Accounting Standards Board, management has determined that there are no component units of the District.

Joint Agencies

The District is a participant in the Fire District's Association of California - Fire Agencies Self Insurance System (FDAC-FASIS), the purpose of which is to provide workers' compensation benefits to each member agency including claims administration and program administration. FDAC-FASIS is composed of approximately 200 members and is governed by a board of directors appointed by the members. Complete financial information can be obtained from the Association office at 700 R Street, Sacramento, CA 95811. The District is not financially accountable for this organization and therefore it is not a component unit under Statement Nos. 14, 39 and 61 of the Governmental Accounting Standards Board.

B. Basis of Presentation

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information on all of the activities of the District. These statements include the financial activities of the overall District. Eliminations have been made to minimize the double counting of internal activities. These statements report the intergovernmental activities of the District, which are normally supported by property taxes, special assessments, and intergovernmental revenues. The District had no business-type activities at June 30, 2025.

PENRYN FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Government-Wide Financial Statements (Continued)

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods and services offered by the program, 2) operating grants and contributions, and 3) capital grants and contributions. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

Fund financial statements of the District are organized into two funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures. The funds of the District are organized into the governmental category. The emphasis is placed on major funds within the governmental category.

The District reports the following major governmental funds:

- The General fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the District that are not accounted for through other funds. For the District, the General fund includes such activities as fire safety and protection.
- The Mitigation Fees fund is a special revenue fund used to account for all revenues and expenditures related to mitigation fees. Funding comes primarily from mitigation fees collected and interest earnings.

C. Basis of Accounting and Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes and assessments, grants, entitlements, and donations. Under the accrual basis, revenue from property taxes and assessments are recognized in the fiscal year for which they are levied. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property taxes and assessments, interest, certain state and federal grants, and charges for services are considered susceptible to accrual and are accrued when their receipt occurs within thirty days after the end of the fiscal year. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to claims and judgments are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of governmental long-term debt and acquisitions under leases are reported as other financing sources.

PENRYN FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Non-Current Governmental Assets/Liabilities

Non-current governmental assets and liabilities, such as capital assets and long-term liabilities, are reported in the governmental activities column in the government-wide Statement of Net Position.

E. Cash and Investments

The District pools all cash and investments with the County of Placer. The Placer County Treasury is an external investment pool for the District and the District is considered an involuntary participant. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments.

Participant's equity in the investment pool is determined by the dollar amount of participant deposits, adjusted for withdrawals and distributed investment income. Investment income is determined on an amortized cost basis. Interest payments, accrued interest, accreted discounts, amortized premiums, and realized capital gains and losses, net of administrative fees, are apportioned to pool participants every month. This method differs from the fair value method used to value investments in these financial statements as unrealized gains or losses are not apportioned to pool participants.

F. Receivables

Receivables for governmental activities consist mainly of interest and intergovernmental revenues. Management believes its receivables are fully collectible and, accordingly, no allowance for doubtful accounts is required.

G. Other Assets

Inventory

Inventories are recorded as expenditures at the time the inventory is purchased rather than when consumed. Records are not maintained of inventory and supplies on hand, although these amounts are not considered material.

H. Capital Assets

Capital assets are defined by the District as assets with a cost of \$10,000 or more. Capital assets, including public domain infrastructure, are recorded at historical cost or estimated historical cost if actual historical cost is unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

Capital assets used in operations are depreciated or amortized using the straight-line method over the assets' estimated useful lives in the government-wide financial statements. The range of estimated useful lives by type of asset is as follows:

<u>Depreciable Asset</u>	<u>Estimated Lives</u>
Structures and Improvements	20 to 30 years
Equipment	5 to 25 years
Vehicles	5 to 20 years

PENRYN FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Capital Assets (Continued)

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

I. Compensated Absences and Other Postemployment Benefits

The District's policy regarding accrued vacation is to permit employees to accumulate earned but unused vacation leave up to 96 hours as of fiscal year end unless specifically approved by the Chief. In accordance with GASB Statement No. 101, Compensated Absences, sick leave is recognized when it is attributable to services already rendered, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Management evaluates sick leave for other District employees to determine the amount that is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. In the government-wide financial statements the accrued compensated absences are recorded as an expense and related liability, with the current portion estimated based on historical trends. In the governmental fund financial statements, the expenditures related to those obligations are recognized only when they mature.

The District does not currently provide other postemployment benefits.

J. Pension

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

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Measurement Period	June 30, 2023, to June 30, 2024

K. Property Tax

Placer County is responsible for the collection and allocation of property taxes. Under California law, property taxes are assessed and collected by the County of Placer up to 1 percent of the full cash value of taxable property, plus other increases approved by the voters and distributed in accordance with statutory formulas.

The valuation/lien date for all taxes is January 1. Secured property tax is due in two installments, the first is due November 1 and delinquent with penalties after December 10; the second is due February 1 and delinquent with penalties after April 10. Unsecured property tax is due on March 1 and becomes delinquent if unpaid on August 31.

PENRYN FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Property Tax (Continued)

The County uses the alternative method of property tax apportionment known as the “Teeter Plan”. Under this method of property tax apportionment, the County remits the entire amount levied and handles all delinquencies, retaining interest and penalties.

L. Special Taxes

Measure A

On March 20, 2017, the District Board of Directors passed Resolution #2017_2 calling for an election to be held for a special fire tax for emergency medical response and fire protection services. This resolution was submitted to the Placer County Registrar of Voters and was assigned the name of “Measure A.” Measure A was placed on the ballot of the election held on July 11, 2017 and passed by a vote of 78.25% in support.

<u>Parcel Land Use</u>	<u>Tax Rate</u>	
Single Family	\$ 315.87	per residential unit
Commercial	\$ 0.126	per building square foot
Vacant	\$ 98.68	per parcel

Measure C

On December 17, 1996, the District Board of Directors passed Resolution No. 96-05, calling for an election to be held on April 8, 1997. This special tax measure was assigned the name “Measure C,” and it was for fire protection and prevention. Measure C was approved by the registered voters in the District.

<u>Parcel Land Use</u>	<u>Tax Rate</u>	
Single Family	\$ 75.00	per residential unit
Mobile Home Park	\$ 20.00	per mobile home
Irrigated Farm	\$ 75.00	per parcel
Commercial	\$ 0.05	per building square foot
Vacant	\$ 0.00	per parcel

Placer County assesses properties, bills and collects and distributes assessments to the District.

Assessments are due in two installments (secured roll), on November 1 and March 1 and become delinquent after December 10 and April 10, respectively.

M. Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

PENRYN FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Implementation of Governmental Accounting Standards Board (GASB) Statements

The following Governmental Accounting Standards Board (GASB) Statements have been implemented, if applicable, in the current financial statements.

Statement No. 101, Compensated Absences. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

Statement No. 102, Certain Risk Disclosures. The objective of this statement is to provide users of government financial statements with essential information about its risks related to a government’s vulnerabilities due to certain concentrations or constraints.

O. Future Accounting Pronouncements

The following GASB Statements will be implemented, if applicable, in future financial statements:

Statement No. 103 “Financial Reporting Model Improvements” The requirements of this statement are effective for fiscal years beginning after June 15, 2025. (FY 25/26)

Statement No. 104 “Disclosure of Certain Capital Assets” The requirements of this statement are effective for fiscal years beginning after June 15, 2025. (FY 25/26)

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Restatement of Net Position

During fiscal year ended June 30, 2025, the District recorded an additional expenditure for sick leave due to the implementation of GASB Statement No. 101 (GASB 101), Compensated Absences, which was not previously reported in the financial statements resulting in an understatement of prior year expenditures of \$24,252. The effect of implementing GASB 101 is shown in the table below.

During the fiscal year ending June 30, 2025, a change in accounting principle resulted in a restatement of beginning net position as follows:

	Reporting Units Affected by Adjustments to and Restatements of Beginning Balances
	Governmental Activities
Net Position, June 30, 2024, as previously reported	\$ 2,650,521
Change in accounting principle – GASB 101	(24,252)
Net Position, July 1, 2024, as restated	\$ 2,626,269

PENRYN FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2025

NOTE 3: CASH AND INVESTMENTS

A. Financial Statement Presentation

As of June 30, 2025, the District's cash and investments consisted of the following:

Cash and Investments:	
Placer County Treasurer's Pool	\$ 2,474,849
Total Cash and Investments	<u>\$ 2,474,849</u>

B. Investments

The District does not have a formal investment policy. At June 30, 2025, all investments of the District were in the Placer County investment pool. Under the provisions of the County's investment policy and the California Government Code, the County may invest or deposit in the following:

Local Agency Obligations
US Treasury Securities
US Agency Securities
Bankers' Acceptances
Commercial Paper
Negotiable Certificates of Deposit
Collateralized Certificates of Deposit
Repurchase Agreements
Corporate Notes
Local Agency Investment Fund (LAIF)
CDARS Certificates of Deposit
Supranationals - Washington Dollar - Denominated IBRD, IFC or IAD
Local Government Investment Pools (LGIP)

Fair Value of Investments - The District measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs

The District's position in external investment pools is in itself regarded as a type of investment and looking through to the underlying investments of the pool is not appropriate. Therefore, the District's investments in external investment pools are not recognized in the three-tiered fair value hierarchy described above.

PENRYN FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2025

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

At June 30, 2025, the District had the following recurring fair value measurements:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by Fair Value Level				
None	\$ -	\$ -	\$ -	\$ -
Total Investments Measured at Fair Value	-	<u>-</u>	<u>-</u>	<u>-</u>
Investments in External Investment Pool				
Placer County Treasurer's Pool	<u>2,474,849</u>			
Total Investments	<u>\$ 2,474,849</u>			

Interest Rate Risk - Interest rate risk is the risk of loss due to the fair value of an investment falling due to interest rates rising. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. To limit exposure to fair value losses resulting from increases in interest rates, the County's investment policy limits investment maturities to a term appropriate to the need for funds so as to permit the County to meet all projected obligations.

Credit Risk - Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County's investment policy sets specific parameters by type of investment to be met at the time of purchase. As of June 30, 2025, the District's investments were all held with the County of Placer investment pool, which is not rated by a nationally recognized statistical rating organization.

Custodial Credit Risk - Custodial credit risk for investments is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover its deposits or collateral securities that are in the possession of an outside party. Custodial credit risk does not apply to a local government's indirect investments in securities through the use of mutual funds or government investment pools.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. The County's investment policy contains limitations on the amount that can be invested in any one issuer. As of June 30, 2025, all investments of the District were in the Placer County investment pool, which contains a diversification of investments.

PENRYN FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2025

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments in External Pool

The Placer County Pooled Investment Fund is a pooled investment fund program governed by the County which monitors and reviews the management of public funds maintained in the investment pool in accordance with the County investment policy and the California Government Code. The Board of Supervisors review and approve the investment policy annually. The County Treasurer prepares and submits a comprehensive investment report to the Board of Supervisors every month. The report covers the type of investments in the pool, maturity dates, par value, actual cost and fair value. Investments in the Placer County Pooled Investment Fund are highly liquid as deposits and withdrawals can be made at any time without penalty. The Pool does not impose a maximum investment limit. Required disclosure information regarding categorization of investments and other deposit and investment risk disclosures can be found in the County's financial statements. The County of Placer's financial statements may be obtained by contacting the County of Placer Auditor-Controller's office at 2970 Richardson Drive, Auburn, CA 95603.

NOTE 4: CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2025, was as follows:

	Balance July 1, 2024	Additions	Retirements	Balance June 30, 2025
Capital Assets, Not Being Depreciated:				
Land	\$ 63,000	\$ -	\$ -	\$ 63,000
Total Capital Assets, Not Being Depreciated	63,000	-	-	63,000
Capital Assets, Being Depreciated:				
Buildings and improvements	274,747	-	-	274,747
Equipment	175,359	-	-	175,359
Vehicles	977,509	-	-	977,509
Total Capital Assets, Being Depreciated	1,427,615	-	-	1,427,615
Less Accumulated Depreciation For:				
Buildings and improvements	(222,251)	(2,182)	-	(224,433)
Equipment	(102,631)	(12,616)	-	(115,247)
Vehicles	(500,850)	(32,315)	-	(533,165)
Total Accumulated Depreciation	(825,732)	(47,113)	-	(872,845)
Total Capital Assets, Being Depreciated, Net	601,883	(47,113)	-	554,770
Total Capital Assets, Net	<u>\$ 664,883</u>	<u>(\$ 47,113)</u>	<u>\$ -</u>	<u>\$ 617,770</u>

Depreciation

Depreciation expense was charged to governmental activities as follows:

Public Protection	<u>\$ 47,113</u>
Total Depreciation Expense	<u>\$ 47,113</u>

PENRYN FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2025

NOTE 5: INTERFUND TRANSACTIONS

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service, and re-allocations of special revenues. The following are the interfund transfer balances as of June 30, 2025:

	Transfers In	Transfers Out
General Fund	\$ 598,412	\$ -
Mitigation Fees	-	598,412
Total	\$ 598,412	\$ 598,412

NOTE 6: LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2025:

Type of Indebtedness	Balance July 1, 2024	Adjustments/ Additions	Retirements	Balance June 30, 2025	Amounts Due Within One Year
Financed purchases	\$ 370,637	\$ -	(\$ 34,171)	\$ 336,466	\$ 35,742
Compensated absences*	11,719	23,183	-	34,902	30,644
Total	\$ 382,356	\$ 23,183	(\$ 34,171)	\$ 371,368	\$ 66,386

*The compensated absence activity shown in the table above is presented on a net increase/decrease basis as permitted by GASB Statement No. 101.

NOTE 7: LEASES

Financed Purchases

The District has entered into certain agreements under which the related equipment will become the property of the District when all terms of the agreements are met.

	Stated Interest Rate	Present Value of Remaining Payments at June 30, 2025
Governmental activities	4.6%	\$ 336,466
Total		\$ 336,466

Equipment and related accumulated depreciation under financed purchases are as follows:

	Governmental Activities
Equipment	\$ 646,318
Less: accumulated depreciation	(201,975)
Net Value	\$ 444,343

PENRYN FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2025

NOTE 7: LEASES

Financed Purchases

As of June 30, 2025, annual amortization is as follows:

<u>Year Ended</u> <u>June 30</u>	<u>Governmental</u> <u>Activities</u>
2026	\$ 51,220
2027	51,220
2028	51,220
2029	51,220
2030	51,220
2031-2033	<u>153,660</u>
Total Requirements	409,760
Less Interest	<u>(73,294)</u>
Present Value of Remaining Payments	<u>\$ 336,466</u>

NOTE 8: NET POSITION

The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- **Net investment in capital assets** - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- **Restricted net position** - consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. These principally include restrictions for capital projects and other special revenue fund purposes.
- **Unrestricted net position** - all other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

Net Position Flow Assumption

When a government funds outlays for a particular purpose from both restricted and unrestricted resources, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted net position are available, it is considered that restricted resources are used first, followed by the unrestricted resources.

PENRYN FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2025

NOTE 9: FUND BALANCES

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

- **Nonspendable fund balance** - amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories and prepaid amounts.
- **Restricted fund balance** - amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws and regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed fund balance** - amounts that can only be used for the specific purposes determined by formal action of the District’s highest level of decision-making authority. The Board of Directors is the highest level of decision-making authority for the District that can, by Board action, commit fund balance. Once adopted, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned fund balance** - amounts that are constrained by the District’s intent to be used for specific purposes. The intent can be established at either the highest level of decision-making authority, or by a body or an official designated for that purpose.
- **Unassigned fund balance** - the residual classification for the District’s General fund that includes all amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The fund balances for all governmental funds as of June 30, 2025, were distributed as follows:

	<u>General Fund</u>	<u>Mitigation Fees</u>	<u>Totals</u>
Restricted for:			
Capital improvement	\$ -	\$ 454,144	\$ 454,144
Committed to:			
Capital asset purchases	679,178	-	679,178
Unassigned	<u>1,328,903</u>	<u>-</u>	<u>2,008,081</u>
Total	<u>\$ 2,008,081</u>	<u>\$ 454,144</u>	<u>\$ 2,462,225</u>

Fund Balance Flow Assumption

When a government funds outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance), a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted fund balance are available, it is considered that restricted fund balance is depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

PENRYN FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2025

NOTE 9: FUND BALANCES (CONTINUED)

Fund Balance Policy

The Board of Directors has not established a fund balance policy which would establish procedures for reporting fund balance classifications and establish a hierarchy for fund balance expenditures.

NOTE 10: PENSION PLAN

A. General Information about the Pension Plan

Plan Description

Effective July 16, 2022, the District elected to participate in the California Public Employees' Retirement System (CalPERS) and adopted the Safety Fire Plan. All qualified permanent and probationary employees are eligible to participate in the District's Safety Employee Pension Plan, a cost-sharing multiple employer-defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Since the District elected to participate in CalPERS after January 1, 2013, all employees of the District are subject to the provisions of the Public Employee Pension Reform Act (PEPRA). Applicable new hires to the District defined as classic employees as determined by PERS will be subject to the non-PEPRA provisions. Classic employees are generally defined as employees who have been a member of any public retirement system who have had less than a six-month break in service.

Summary of Plan and Eligible Participants

Open for New Enrollment Safety PEPRA	Safety members hired on or after August 1, 2016
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Benefits Provided

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

The Plan's specific provisions and benefits in effect at June 30, 2025, are summarized as follows:

	<u>Benefit Formula</u>	<u>Retirement Age</u>	<u>Monthly Benefits as a % of Eligible Compensation</u>
Safety PEPRA	2.7% @ 57	50-57	2.00% to 2.70%

PENRYN FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2025

NOTE 10: PENSION PLAN (CONTINUED)

A. General Information about the Pension Plan (Continued)

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effectively on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

	<u>Employer Contribution Rates</u>	<u>Employee Contribution Rates</u>	<u>Employer Paid Member Contribution Rates</u>
Safety PEPRRA	12.78%	13.00%	0.000%

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

	<u>Contributions-Employer</u>	<u>Contributions-Employee (Paid by Employer)</u>
Safety	\$ 63,308	\$ -

B. Pension Liability (Asset), Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pension

The District's net pension liability (asset) for the Plan is measured as the proportionate share of the net pension liability (asset). The net pension liability (asset) of the Plan is measured as of June 30, 2024, and the total pension liability (asset) for the Plan used to calculate the net pension liability (asset) was determined by an actuarial valuation as of June 30, 2023, rolled forward to June 30, 2024, using standard update procedures. The District's proportion of the net pension liability (asset) was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The District's proportionate share of the net pension liability (asset) for the Plan as of June 30, 2024, and 2025, was as follows:

	<u>Proportion June 30, 2024</u>	<u>Proportion June 30, 2025</u>	<u>Change- Increase (Decrease)</u>
Safety	.00000%	(.00008%)	(.00008%)

PENRYN FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2025

NOTE 10: PENSION PLAN (CONTINUED)

B. Pension Liability (Asset), Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pension (Continued)

As of June 30, 2025, the District reported a net pension liability (asset) for its proportionate share of the net pension liability of the Plan as follows:

	<u>Proportionate Share of Net Pension Liability (Asset)</u>
Safety	(\$ 5,828)
Total Net Pension Liability (Asset)	<u>(\$ 5,828)</u>

For the year ended June 30, 2025, the District recognized a pension expense of \$30,101. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to the measurement date	\$ 72,913	\$ -
Changes of assumptions	-	(144)
Difference between expected and actual experience	15	(476)
Difference between projected and actual earnings on pension plan investments	-	(282)
Proportionate share of contributions	68,387	-
Change in employer's proportions	<u>-</u>	<u>(891)</u>
Total	<u>\$ 141,315</u>	<u>(\$ 1,793)</u>

\$72,913 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended June 30</u>		<u></u>
2026		\$ 28,891
2027		25,715
2028		11,907
2029		96
Thereafter		<u>-</u>
Total		<u>\$ 66,609</u>

PENRYN FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2025

NOTE 10: PENSION PLAN (CONTINUED)

B. Pension Liability (Asset), Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pension (Continued)

Actuarial Assumptions

The total pension liability (asset) in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Investment Rate of Return	6.90%
Inflation	2.30%
Salary Increases	Varies by entry-age and service
Mortality Rate Table	Derived using CalPERS' membership data for all funds
Post-Retirement Benefit Increase	Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies

The mortality table used was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80 percent of Scale MP-2020 published by the Society of Actuaries. For more details, please refer to the CalPERS 2021 experience study that can be found on the CalPERS website.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and combined with risk estimates, are used to project compound (geometric) returns over the long-term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

PENRYN FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2025

NOTE 10: PENSION PLAN (CONTINUED)

B. Pension Liability (Asset), Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pension (Continued)

Long-Term Expected Rate of Return (Continued)

The expected real rates of return by asset class are as follows:

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Real Return Years 1-10 (1, 2)</u>
Global Equity – Cap-Weighted	30.0%	4.54%
Global Equity – Non-Cap-Weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	(5.0%)	(0.59%)
Total	<u>100.0%</u>	

- (1) An expected price inflation of 2.30% used for this period
(2) Figures are based on the 2021-22 Asset Liability Management Study

Discount Rate

The discount rate used to measure the total pension liability (asset) was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability for each Rate Tier as of the measurement date, calculated using the discount rate for each Plan, as well as what the District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease <u>5.90%</u>	Discount Rate <u>6.90%</u>	1% Increase <u>7.90%</u>
Miscellaneous	\$ 10,390	(\$ 5,828)	(\$ 19,092)

PENRYN FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2025

NOTE 10: PENSION PLAN (CONTINUED)

B. Pension Liability (Asset), Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pension (Continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE 11: 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 has joined together with other fire districts in the State to participate in the Fire Agencies Self Insurance System. This joint venture is a public entity risk pool which serves as a common risk management and insurance program for workers compensation coverage for member fire districts. The District has also joined together with other fire districts in the State to participate in the Northern California Fire District Association. This joint venture is a public entity risk pool which serves as a common risk management and insurance program for liability and automobile coverage for its member districts.

The District continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 12: OTHER INFORMATION

Management has evaluated events subsequent to June 30, 2025, through XXX, 2026, the date on which the financial statements were available for issuance. Management has determined no subsequent events requiring disclosure have occurred.

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**Required Supplementary Information
(Unaudited)**

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PENRYN FIRE PROTECTION DISTRICT
Required Supplementary Information
District Pension Plan
Schedule of Proportionate Share of the Net Pension Liability
For the Year Ended June 30, 2025
Last 10 Years*

Measurement Date	<u>2023/2024</u>
Safety	
Proportion of the net pension liability (asset)	-0.00008%
Proportionate share of the net pension liability (asset)	\$ (5,828)
Covered payroll	413,830
Proportionate share of the net pension liability (asset) as a percentage of covered payroll	-1.41%
Plan fiduciary net position as a percentage of the total pension liability (asset)	104.91%

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* The District's contract with CalPERS was effective July 16, 2022, therefore only one year is shown.

PENRYN FIRE PROTECTION DISTRICT
Required Supplementary Information
District Pension Plan
Schedule of Contributions
For the Year Ended June 30, 2025
Last 10 Years*

Fiscal Year	<u>2022/2023</u>	<u>2023/2024</u>	<u>2024/2025</u>
Safety			
Contractually required contribution (actuarially determined)	\$ 54,553	\$ 63,308	\$ 72,913
Contributions in relation to the actuarially determined contributions	<u>(54,553)</u>	<u>(63,308)</u>	<u>(72,913)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 426,858	\$ 413,830	\$ 510,201
Contributions as a percentage of covered payroll	12.78%	15.30%	14.29%

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* The District's contract with CalPERS was effective July 16, 2022, therefore only three years are shown.

PENRYN FIRE PROTECTION DISTRICT
Required Supplementary Information
District Pension Plan
Notes to District Pension Plan
For the Year Ended June 30, 2025

NOTE 1: SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Summary of Changes of Benefits or Assumptions

Benefit Changes: None

Changes of Assumption: None

NOTE 2: SCHEDULE OF CONTRIBUTIONS

Methods and assumptions used to determine the contribution rates were as follows:

Valuation Date	June 30, 2021
Actuarial cost method	Individual Entry Age Normal
Amortization method	Level Percentage of Payroll and Direct Rate Smoothing
Remaining Amortization Period	Differs by employer rate plan but no more than 30 years
Asset valuation method	Fair value
Discount Rate	6.80%
Inflation	2.30%
Salary increases	Varies based on entry age and service
Investment rate of return	6.80%

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PENRYN FIRE PROTECTION DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Taxes and assessments	\$ 1,248,980	\$ 1,244,693	\$ 1,248,221	\$ 3,528
Use of money and property	40,000	55,000	69,573	14,573
Intergovernmental revenue	3,225	3,026	3,106	80
Charges for services	6,500	135,750	134,635	(1,115)
Other revenues	2,000	2,350	1,726	(624)
Total Revenues	<u>1,300,705</u>	<u>1,440,819</u>	<u>1,457,261</u>	<u>16,442</u>
EXPENDITURES				
Current:				
Public protection	<u>1,354,302</u>	<u>1,535,693</u>	<u>1,372,985</u>	<u>162,708</u>
Total Expenditures	<u>1,354,302</u>	<u>1,535,693</u>	<u>1,372,985</u>	<u>162,708</u>
Excess of Revenues Over (Under) Expenditures	<u>(53,597)</u>	<u>(94,874)</u>	<u>84,276</u>	<u>179,150</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>-</u>	<u>-</u>	<u>598,412</u>	<u>598,412</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>598,412</u>	<u>598,412</u>
Net Change in Fund Balances	<u>(53,597)</u>	<u>(94,874)</u>	<u>682,688</u>	<u>777,562</u>
Fund Balances - Beginning	<u>1,325,393</u>	<u>1,325,393</u>	<u>1,325,393</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 1,271,796</u>	<u>\$ 1,230,519</u>	<u>\$ 2,008,081</u>	<u>\$ 777,562</u>

PENRYN FIRE PROTECTION DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Mitigation Fees
For the Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Use of money and property	\$ 28,000	\$ 23,000	\$ 26,159	\$ 3,159
Charges for services	38,220	100,000	104,434	4,434
Total Revenues	<u>66,220</u>	<u>123,000</u>	<u>130,593</u>	<u>7,593</u>
EXPENDITURES				
Current:				
Public protection	10,000	6,185	6,110	75
Debt service:				
Principal	34,171	34,171	34,171	-
Interest	17,049	17,049	17,049	-
Total Expenditures	<u>61,220</u>	<u>57,405</u>	<u>57,330</u>	<u>75</u>
Excess of Revenues Over (Under) Expenditures	<u>5,000</u>	<u>65,595</u>	<u>73,263</u>	<u>7,668</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	(598,412)	598,412
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(598,412)</u>	<u>598,412</u>
Net Change in Fund Balances	<u>5,000</u>	<u>65,595</u>	<u>(525,149)</u>	<u>590,744</u>
Fund Balances - Beginning	<u>979,293</u>	<u>979,293</u>	<u>979,293</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 984,293</u>	<u>\$ 1,044,888</u>	<u>\$ 454,144</u>	<u>\$ 590,744</u>

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PENRYN FIRE PROTECTION DISTRICT
Required Supplementary Information
Note to Budgetary Comparison Schedules
For the Year Ended June 30, 2025

NOTE 1: BUDGETARY BASIS OF ACCOUNTING

Formal budgetary integration is employed as a management control device during the year. The District presents a comparison of annual budget to actual results for the General fund and the major special revenue fund. The amounts reported on the budgetary basis are generally on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

The following procedures are performed by the District in establishing the budgetary data reflected in the financial statements:

- (1) The fiscal officer submits to the Board of Directors a recommended budget for the fiscal year commencing the following July 1. The budget includes recommended expenditures and the means of financing them.
- (2) The Board of Directors reviews the recommended budget at regularly scheduled meetings, which are open to the public. The Board also conducts a public hearing on the recommended budget to obtain comments from interested persons.
- (3) Prior to July 1, the budget is adopted through the passage of a resolution.
- (4) A revised adopted budget is usually drafted in April and approved by the Board in May.

The District does not use encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

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**INDEPENDENT AUDITOR’S 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**

To the Board of Directors
Penryn Fire Protection District
Penryn, California

We have audited, in accordance with the 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, the financial statements of the governmental activities and each major fund of Penryn Fire Protection District, California (District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements and have issued our report thereon dated XXX, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's 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 opinions 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 or significant deficiencies may exist that were not identified.

To the Board of Directors
Penryn Fire Protection District
Penryn, California

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Smith & Newell CPAs
Yuba City, California
XXX, 2026

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