EL DORADO COUNTY
FIRE SAFE COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2025

EL DORADO COUNTY FIRE SAFE COUNCIL
JUNE 30, 2025

TABLE OF CONTENTS

	Page
Independent Auditor's Report	1
Statement of Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7

INDEPENDENT AUDITOR'S REPORT

To the Board of
El Dorado County Fire Safe Council
Diamond Springs, CA

Report on the Audit of the Financial Statements

Opinion

I have audited the accompanying financial statements of El Dorado County Fire Safe Council (a nonprofit organization), which comprise the statement of position as of June 30, 2025, and the related statements of activities, and functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of El Dorado County Fire Safe Council, Inc. as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. I am required to be independent of El Dorado County Fire Safe Council, Inc. and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles 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 El Dorado County Fire Safe Council Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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.

4120 CAMERON PARK DRIVE SUITE 400 • CAMERON PARK, CA • 95682
PHONE: 530-677-1390 • FAX: 530-676-7379

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

- 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 ABC Organization'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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about El Dorado County Fire Safe Council’s ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

Vaughn Johnson

Vaughn Johnson, CPA
Cameron Park, California
September 15, 2026

EL DORADO COUNTY FIRE SAFE COUNCIL
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2025

Assets

Cash and cash equivalents	$ 1,096,213
Accounts receivable	417,081
Operating lease right-of-use asset	24,300
Total assets	$ 1,537,594

Liabilities and net assets

Accounts payable	$ 1,044,382
Operating lease liability	24,300
Total liabilities	1,068,682

Net assets

Unrestricted	468,912
Total net assets	468,912
Total liabilities and net assets	$ 1,537,594

See Notes to Financial Statements.

EL DORADO COUNTY FIRE SAFE COUNCIL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

	Year Ended June 30, 2025		
	Without Donor Retrictions	With Donor Restrictions	Total
Revenues, gain, and other support			
Grants and Donations	$ 27,985	3,900,488	$ 3,928,473
Fiscal sponsor fee	205,243		205,243
Miscellaneous income	10,652		10,652
Interest Income	2,580		2,580
Net assets released from restrictions	3,900,488	(3,900,488)	-
Total revenues, gains, and other support	4,146,948	-	4,146,948
Expenses			
Program services	3,763,183	-	3,763,183
Supporting services	249,718	-	249,718
Total expenses	4,012,901	-	4,012,901
EXCESS EXPENSES			
Change in net assets	134,047	-	134,047
Net assets-beg of year	334,865		334,865
Net assets-end of year	468,912	-	468,912

See Notes to Financial Statements

EL DORADO COUNTY FIRE SAFE COUNCIL
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2025

	Program	General and Administrative	Total
Program services			
Accounting		7,957	7,957
Advertising	4,800		4,800
Admin Services	6,439	71,159	77,598
Bank		1,422	1,422
Business License & Fees		443	443
Computer		3,252	3,252
Contract Services	3,472,157	91,816	3,563,973
Donation expense		427	427
Dues and subscriptions		361	361
Dump fees	1,034		1,034
Education Materials	3,085		3,085
Executive Coordinator		28,260	28,260
Firewise Events	2,292		2,292
Fiscal Sponsor Fee	208,101		208,101
Giveaway	2,386		2,386
Insurance		15,834	15,834
Internet		10,298	10,298
Meeting	39,002	1,020	40,022
Office expense		2,405	2,405
Postage		3,194	3,194
Printing	11,549		11,549
Rent	1,944	5,100	7,044
Satelite Setup		155	155
Software		1,629	1,629
Storage		2,566	2,566
Supplies	10,265		10,265
Telephone		2,420	2,420
Travel	129		129
Total program services	$ 3,763,183	$ 249,718	$ 4,012,901

See Notes to Financial Statements.

EL DORADO COUNTY FIRE SAFE COUNCIL
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2025

Operating activities	
Change in net assets	$134,047
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Changes in operating assets and liabilites	
(Increase) decrease in accounts and interest receivable	(106,946)
Increase (decrease) accounts payable	15,684
Net cash provided by operating activities	42,785
Net change in cash and cash equivalents	42,785
Cash and cash equivalents at beginning of period	1,053,428
Cash and cash equivalents at end of period	$1,096,213

See Notes to Financial Statements

EL DORADO COUNTY FIRE SAFE COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

1. Description of Organization

Nature of Activities:

El Dorado County Fire Safe Council (Council) is a California Nonprofit Corporation which is dedicated to protect the people of El Dorado County and their property from the effects of catastrophic wildfire through education, cooperation, innovation, and action.

In order to achieve its mission the Council is coordinating a county-wide fire plan, with the cooperation of local agencies, as well as educating the public about fire threat and fire prevention measures. The council is helping to promote fire safe communities by providing defensible space programs, chipper programs as assistance to senior and disabled.

The Council is publicly supported and exempt from income taxes under the Internal Revenue Code Section 501(C)(3). Donations to the council are tax deductible.

General and administrative activities include the functions necessary to provide support to the organization's program activities. General and administrative activities include those that provide governance (Board of Directors), oversight, business management, financial recordkeeping, budgeting, legal services, resource management, and similar activities that ensure an adequate working environment and an equitable employment program.

2. Significant Accounting Policies

Basis of Accounting

The organization prepares its financial statements on the accrual basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles in the United States of America (GAAP). Revenues are recognized in the accounting period in which they are received and expenses are recognized in the period in which they are paid. Under GAAP, revenue and related receivables would be recorded when earned, and expenses and related liabilities would be recorded when incurred.

Use of Estimates

The preparation of financial Statements requires management to make estimates and assumptions that affect the reported amounts of revenue and expenses during the reporting period, and the reported amounts of assets and liabilities at the date of the financial statements. On an ongoing basis, the organization's management evaluates the estimates and assumptions based upon historical experience and various other factors and circumstances. The organization's management believes that the estimates and assumptions are reasonable in the circumstances; however, the actual results could differ from those estimates.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions

Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions

Net assets subject to donor (or certain grantor) restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when stipulated purpose for which the resource was restricted has been fulfilled, or both.

Classification of Transactions

All revenues and net gains are reported as increases in net assets without donor restrictions in the statements of activities unless the donor specified the use of the related resources for a particular purpose or in a future period. All expenses and net losses other than losses on endowment investments are reported as decreases in net assets without donor restrictions.

Cash and Cash Equivalents

Cash includes cash held in checking accounts. All are highly liquid investments with original maturities of three months or less which are neither held for nor restricted for long-term purposes.

Property and Equipment

El Dorado County Fire Safe Council, Inc. follows the practice of capitalizing all expenditures over $500 for equipment at historical cost. The fair value of donated fixed assets is similarly capitalized. Depreciation is computed on the straight-line basis over the following useful lives:

Office and computer equipment	5 - 7 years

When the assets were sold or disposed of, the cost and related depreciation are removed from the accounts, and any resulting gain or loss I included in the statement of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

Leases

The Council entered into an operating lease agreement dated July 28, 2022. The lease term began on August 1, 2022 until July 31, 2023, extended to December 31, 2024, and extended again to December 31, 2025. The Council expects to renew for another 4 years. Leased assets represent the Council's right-of-use of an underling asset for the lease term and lease liabilities represent the Council's obligation to make lease payments arising from the lease.

Operating right-of-use assets (ROU) and liabilities are recognized at commencement date based on the present value of the lease payments over the lease term following FASB ASC 842. The Council's lease did not provide an implicit rate; Lease expense for lease payments is recognized on a straight-line basis over the lease term.

Contributed Services

No amounts have been reflected in the statements for donated services; however, a substantial number of volunteers have donated a significant amount of their time in the Council's program services.

Grant Revenue and Revenue Recognition

Grant and donor revenue is recognized when a cash is received. Grant revenue from federal and state agencies are subject to independent audit. The review could result in the disallowance of expenditures under the terms of the grant or reduction of future grant funds. Based on prior experience, the organization's management believes that costs ultimately disallowed, if any, would not materially affect the financial position of the organization.

The Organization has adopted Accounting Standards Update (ASU) No. 2014-09 – Revenue from Contracts with Customers (Topic 606). Analysis of various provisions of this standard resulted in no significant changes in the way the Organization recognized revenue, and no changes to the previously issued audited financial statements were required on a retrospective basis.

Functional Allocation of Expenses

The cost of providing the organization's programs and other activities is summarized on a functional basis in the statement of activities and statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiples functions have been allocated among the various functions benefited.

General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the organization.

Tax Status

El Dorado County Fire Safe Council is incorporated exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code (IRC), though it would be subject to tax on income unrelated to its exempt purposes (unless that income is otherwise excluded by the IRC). The tax years 2023, 2024, and 2025 are still open to audit for both federal and state purposes. Contributions to the organization are tax deductible to donors under Section 170 of the IRC. The organization is not classified as a private foundation.

3. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of June 30, 2025 are:

Financial assets:	
Cash and cash equivalents	$ 1,096,213
Accounts receivable	417,081
	$ 1,513,294

3. Fair Value Measurements

The organization reports its fair value measures using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are as follows:

- *Level 1.* Quoted prices for identical assets or liabilities in active markets to which the organization has access at the measurement date.

- *Level 2.* Inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:

    - quoted prices for similar assets or liabilities in active markets;
    - quoted prices for identical or similar assets in markets that are not active;
    - observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves); and
    - inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

- *Level 3.* Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

When available, the organization measures fair value using level 1 inputs because they generally provide the most reliable evidence of fair value.

4. Leases

The Council leases office space and storage for $350 and $100 per month under a month to month operating lease that will expire December 31, 2025 and expected to renew for another 4 years.

Payments are fixed. ROU and lease liability as June 30, 2025 are $24,300. Lease expense for year ending June 30 2024 are $5,400.

The maturities of lease liabilities as of June 30, 2024 are as follows:

Year	Operating Lease Liability
	$
2026	5,400
2027	5,400
2028	5,400
2029	5,400
2030	2,700
Present Value of Lease Liability	$ 24,300

5. Contract services

Over 90% of program expenses are contract services. The contract services fulfill the mission of El Dorado County Fire Safe Council which is to protect the people of El Dorado County and their property from the effects of catastrophic wildfire through action.

6. Commitments and Contingencies

The Council receives funding that is subject to audit by granting agencies. Although such audits could generate expense disallowances under terms of the grants, management believes that any required reimbursements could not be material to the Council as a whole.

Future Grant Commitments are $9,878,491. $1,054,364 from USFS Stevens Authority, 7,643,246 from Cal Fire Grants, $122,031 from BLM, $591,106 for Defensible Space, and $317,746 Chipping.

7. Financial Instruments and Credit Risk

The Council received seventy-one percent (71%) of its revenue from CAL Fire. Although there are no long-term contracts due to yearly budget decisions, the Council has been receiving funding since 2002.

Cash and cash equivalents are maintained at a high-quality financial institution and each account at the institution is insured by the Federal Deposit Insurance Corporation up to $250,000. The organization has not experienced any losses on its cash or cash equivalents. The organization does not have any investments outside of bank accounts. Five of the bank accounts with Umpqua have a combined balance of $1,007,436.

8. Contractual Requirements on Cash

The Organization has received monies in advance for the performance of projects evidenced by contracts or grants. Maintaining the accounting records on the cash basis does not account for deferred revenues. Below is a list of grants that were not complete at year-end so the Council has an obligation to provide additional services.

Defensible Space	70,363
PG&E	50,000
Title III	210,930
Western Slope Foundation	3.948
Chipping	132,090
Total	$467,331

9. Subsequent Events

Subsequent events have been evaluated through September 15, 2026, which is the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.