



**Quarterly Financial Update  
For the Period Ending  
October 31, 2024**

*Regular Meeting of the Board of Directors  
January 8, 2025*

# Executive Summary

## San Miguel Fire & Rescue

### FY 2025 Financial Review

The documents in this financial review outline San Miguel Fire & Rescue's financial and operational activities for the fiscal period ending October 31, 2024. This summary highlights the key findings and provides a clear view of the district's financial position, operational challenges, and future opportunities.

#### **Revenues and Expenses**

As of October 31, YTD revenues totaled \$2.03M, with \$1.07M coming from operating revenues (mainly property taxes and benefit assessments) and \$954,515 from non-operating revenues. Total expenses were \$10.69 million, resulting in a net loss of \$8.66M before reserve-related expenditures.

#### **Reserves**

Reserve expenditures for the year were \$1.78 million, supported by \$385,000 in reserve revenues. The overall fund balance decreased by \$10.05M YTD.

#### **Cash and Investment Position**

The District maintains a solid cash and investment position with \$26.4M. Of this, \$3.28M is unrestricted, and \$23.1 million is restricted for specific needs such as equipment replacement, vehicle upgrades, and contingency reserves. This provides a strong financial safety net.

#### **Fire Prevention**

Fire prevention efforts generated \$109,643 in revenue YTD but incurred \$191,376 in expenses. Salaries and benefits accounted for most of the costs (\$174,360). The program is operating at a net loss of \$81,733.

#### **Benefit Assessments**

Benefit assessment revenues are minimal YTD, which reflects the timing of receipts primarily arriving in April. Expenses for benefit assessment operations were \$2.17M, driven by salaries, benefits, and services. This resulted in a net loss of \$2.16M before reserve-related activities.

The economic landscape remains a critical factor in financial planning. Inflation trends show improvement but remain unpredictable. September 2024 saw a 2.4% year-over-year increase in CPI, slightly above expectations. Rising apparel, car insurance, and airfare costs could indirectly impact district finances related to interest income and other variable revenue streams.

#### **Key Challenges and Opportunities**

- **Challenges:**
  - The timing of significant revenues, like property taxes and benefit assessments, creates fluctuations in financial reporting that require careful planning.
  - Operating losses in general operations, fire prevention, and benefit assessments underscore the need for cost containment or supplemental revenue strategies.

- Inflation and other economic factors add uncertainty to revenue forecasts and financial planning.
- **Opportunities:**
  - The District's strong reserve position provides flexibility to address operational and capital needs.
  - With detailed financial reporting available, there's an opportunity to realign budget priorities to ensure sustainability and efficiency.

This summary reflects observations from the data and highlights the importance of closely monitoring our fiscal position. While there are challenges, we are well-positioned to navigate them with proactive planning and prudent decision-making.

As we transition to our new financial reporting system, it's important to note that no comparative information is available for this reporting period. This is due to the ongoing process of capturing and aligning data, which has been occurring outside the regular schedule of quarterly financial reporting. While this temporary adjustment may limit direct comparisons to prior periods, it is a necessary step to ensure accuracy and consistency as we move forward with the new system. This transition will ultimately enhance our ability to deliver clear, reliable, and timely financial insights in the future.

Service beyond expectations is at the core of San Miguel Fire & Rescue's mission. It reflects our commitment to going above and beyond in protecting and serving the communities we are entrusted with. Whether through swift emergency responses, proactive fire prevention efforts, or strategic resource management, our focus remains on delivering exceptional care and support to ensure the safety and well-being of every resident. This dedication reinforces the trust placed in us and highlights the critical role we play in enhancing the quality of life for the communities we proudly serve.

*Leah Harris*

Administrative Officer/Finance Officer



**San Miguel Fire & Rescue**  
**Statement of Revenues and Expenses**  
**For the Period Ending October 31, 2024**  
**Unaudited**

	YTD	Budget	YTD %
1 Operating Revenues	\$ 1,074,904	\$ 29,486,851	4%
2 Non-Operating Revenues	954,515	1,386,500	69%
3 Total Revenues	2,029,419	30,873,351	7%
4 Total Expenses	(10,691,986)	(28,876,520)	37%
<b>Net Income Before</b>			
5 <b>Reserve Related Expenditures</b>	<b>\$ (8,662,568)</b>	<b>\$ 1,996,831</b>	
6 Total Reserve Revenues	384,981	-	-
7 Total Reserve Expenditures	(1,778,992)	(6,290,325)	28%
8 <b>Increase (Decrease) in Fund Balance</b>	<b>\$ (10,056,578)</b>	<b>\$ (4,293,494)</b>	

*Preliminary - does not include all year end adjustments*

*No assurance is provided on these financial statements.*

*The financial statements do not include a statement of cash flows.*

*Substantially all disclosures required by accounting principles generally accepted in the United States are not included.*



**San Miguel Fire & Rescue**  
**Detail Statement of Revenues and Expenses**  
**For the Period Ending October 31, 2024**  
**Unaudited**

	YTD	Budget	YTD 100%
1 <b>Operating Revenues</b>			
2 Property Taxes	\$ 1,070,455	\$ 26,447,700	4%
3 Benefit Assessments	4,449	3,039,151	0%
4 <b>Total Operating Revenues</b>	<b>1,074,904</b>	<b>29,486,851</b>	<b>4%</b>
5 <b>Non-Operating Revenues</b>			
6 Community Facilities District Fees	11,572	-	0%
7 AMR Contract	444,187	860,500	52%
8 OES Reimbursements	173,093	-	0%
9 Other Miscellaneous	250,031	515,800	48%
10 Interest Income	75,633	10,200	741%
11 <b>Total Non-Operating Revenues</b>	<b>954,515</b>	<b>1,386,500</b>	<b>69%</b>
12 <b>Total Revenues</b>	<b>2,029,419</b>	<b>30,873,351</b>	<b>7%</b>
13 <b>Operating Expenses</b>			
14 <b>Salaries and Benefits</b>			
15 Director Fees	3,819	14,600	26%
16 Prior Director Benefits	9,734	17,333	56%
17 Retiree Benefits	402,853	1,057,127	38%
18 Employee Salaries	3,285,023	10,228,800	32%
19 Employee Overtime	1,825,092	3,413,900	53%
20 Employee Benefits	1,165,355	3,889,549	30%
21 Financial Emergency Plan	-	332,500	0%
22 UAL - Pension Payment	1,604,408	1,658,061	97%
23 Pension Bond	-	1,439,600	0%
24 Pension Savings Reserve	-	1,160,400	0%
25 <b>Total Salaries and Benefits</b>	<b>8,296,284</b>	<b>23,211,870</b>	<b>36%</b>
26 <b>Services and Supplies</b>			
27 Professional Services	728,252	1,920,500	38%
28 Special District Expense	153,700	184,750	83%
29 Maintenance	338,250	1,045,000	32%
30 Insurance	758,477	907,260	84%
31 Equipment	227,246	852,500	27%
32 Utilities	123,470	500,500	25%
33 Supplies	40,399	90,600	45%
34 Personnel Development	10,955	117,350	9%
35 Rents and Leases	14,953	46,190	32%
36 <b>Total Service and Supplies</b>	<b>2,395,703</b>	<b>5,664,650</b>	<b>42%</b>
37 <b>Total Expenses</b>	<b>10,691,986</b>	<b>28,876,520</b>	<b>37%</b>
38 <b>Net Income Before Reserve Related Activities</b>	<b>\$ (8,662,568)</b>	<b>\$ 1,996,831</b>	
39 Fire Mitigation Revenue	\$ 56,221	\$ -	0%
40 Miscellaneous Reserve Revenue	3,743	-	0%
41 Interest Reserve Revenue	325,016	-	0%
42 <b>Total Reserve Revenues</b>	<b>384,981</b>	<b>-</b>	<b>0%</b>
43 <b>Total Reserve Expenditures</b>	<b>1,778,992</b>	<b>6,290,325</b>	<b>28%</b>
44 <b>Increase (Decrease) in Fund Balance</b>	<b>\$ (10,056,578)</b>	<b>\$ (4,293,494)</b>	

\*YTD - Year to Date

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Financial Report  
October 2024 – 100% of Fiscal Year

Unaudited

**Line 2 Property Taxes:** YTD (Year to date) is 4% compared to budget – the majority of property taxes are received in December and April, and as such, this line item can appear high or low depending upon time of the year.

**Line 3 Benefit Assessments Revenue:** YTD has very few receipts received through October 2024 – the majority of assessments are received in April, and as such, this line item will appear low depending upon the time of the year.

**Line 6 Community Facilities District Fees:** Includes community facilities district fee revenues. This line item was not budgeted.

**Line 7 AMR Contract:** Includes AMR contract revenues. YTD will trend over or under budget depending upon the timing of receipts. YTD is 52% of budget.

**Line 8 OES Reimbursements:** Includes reimbursements from the California Governor’s Office of Emergency Services (OES) for personnel and administrative time related to state-wide emergency services. This line item was not budgeted.

**Line 9 Other Miscellaneous Revenue:** Includes plan check fees, inspection fees, rental fees of various facilities, and miscellaneous reimbursements. YTD will trend over or under budget depending upon the timing of receipts, and if unanticipated reimbursements are received. YTD is at 48% of budget due to grant revenue received and sale of assets.

**Line 10 Interest Income:** Consists of County Investment Pool, the Public Agency Self Insurance System (PASIS), and the California Cooperative Liquid Assets Securities System (CA CLASS). YTD will trend over or under budget depending on the market.

**Line 15 Director Fees:** Includes director fees for committee and board meetings. YTD is 26% of budget.

**Line 16 Prior Director Benefits:** Includes prior Board of Directors health benefits. Premiums are paid in advance; therefore, YTD will trend over budget.

**Line 17 Retiree Benefits:** Includes Retiree health benefits. YTD is 38% of budget.

**Line 18 Employee Salaries:** Includes salaries and leave pay for all staff. YTD is right in line with budget.

**Line 19 Employee Overtime:** Includes operations, training, administration overtime, and strike teams. YTD is 53% of budget due to strike teams ongoing in the first quarter of the fiscal year.

**Line 20 Employee Benefits:** Includes retirement, health insurance, uniform allowance, and recertification. YTD is right in line budget.

**Line 21 Financial Emergency Plan:** Salaries and benefits line item based on Emergency Financial Plan budgeting of 2% as outlined in the Board of Directors Policy Manual Section 823.3 Contingency Reserve Fund (A Committed Fund). This line item is not authorized to be spent without authorization of the BOD and is a safeguard in the budget for the stabilization of the Contingency Fund.



**Line 22 UAL – Pension Payment:** It is the employer normal cost rate (expressed as a percentage of payroll) plus the employer’s Unfunded Accrued Liability (UAL) contribution amount. Payment is made annually in July.

**Line 23 Pension Bond:** Consists of payments for the pension bond that were issued June 2022. With annual payments every December and June.

**Line 24 Pension Savings Reserve:** Consists of the savings from what the UAL payment would have been to the what the pension payment is.

**Line 27 Professional Services:** Includes financial audits, dispatching services, and apparatus contracts. YTD is 38% of budget due to timing of dispatch services payments.

**Line 28 Special District Expense:** Includes publications and media, special district memberships, election costs, software upgrades and weed abatement services. YTD is 83% of budget due to most memberships paid in the beginning of the fiscal year.

**Line 29 Maintenance:** Includes all equipment and facility maintenance. YTD is right in line with budget.

**Line 30 Insurance:** Includes general liability insurance, automobile/fleet insurance and workers compensation claims. Annual payments are made in July for liability and auto insurance, while workers compensation is a monthly payment based on open claims. YTD is 84% of budget due to annual payments made in July.

**Line 31 Equipment:** Includes communication equipment, safety clothing, safety equipment and miscellaneous equipment purchased on an as-needed-basis. YTD is 27% of budget.

**Line 32 Utilities:** Includes all utilities associated with all Fire & Rescue facilities.

**Line 33 Supplies:** Includes office, housekeeping and medical supplies for all stations and the administration building, which are purchased on a monthly basis.

**Line 34 Personnel Development:** Includes all training, conferences, and seminars for all departments. YTD will trend over or under budget depending upon timing of trainings. YTD is 9% of budget due to timing of training, conferences, and seminars.

**Line 35 Rents and Leases:** Includes the lease of Station 19 and the copy machine in the administration building. YTD is right in line with budget.

**Line 38 Net Income before Reserve Related Activities:** This is Revenues minus Expenses. Overall, Fire and Rescue is showing a net loss through October as a result of the majority of property tax revenues not being received until later in the fiscal year.

**Line 39 Fire Mitigation Revenue:** Includes fire mitigation revenues in the reserve fund. This revenue is not budgeted for as it is variable each year and cannot be anticipated.

**Line 40 Miscellaneous Reserve Revenue:** Includes reimbursements recorded for the use of the fire engines on strike teams and fair share contributions on an as-needed basis.

**Line 41 Interest Reserve Revenue:** Mostly consists of California Cooperative Liquid Assets Securities System (CLASS), County Investment Pool, and the Public Agency Self Insurance System (PASIS) related to reserve fund investments.

**Line 43 Total Reserve Expenditures:** This account is for Capital Expenditures from Reserve Funds. These funds are used towards replacement cycles on an as-needed basis. The district's current fiscal year budgeted projects are HVAC and Solar equipment, two fire prevention vehicles, along with various upgrades and renovations through the district.

**Line 44 Increase or (Decrease) in Fund Balance:** This is the increase or (decrease) to Fund Balance, including Operating and Reserve Fund changes.



**San Miguel Fire & Rescue  
Benefit Assessment  
Statement of Revenues and Expenses  
(Unaudited)**

	<b>Oct-24</b>
<b>Operating Revenues</b>	
Benefit Assessment - Crest	\$ 220
Benefit Assessment - Bostonia	348
Benefit Assessment - Paramedic (ECO)	593
Parcel Tax (ECO)	3,287
<b>Total Operating Revenues</b>	<b>4,449</b>
<b>Operating Expenses</b>	
<b>Salaries and Benefits Costs</b>	
Director Fees	955
Director Benefits	2,434
Employee Salaries	1,301,260
Employee Benefits	281,756
<b>Total Salaries and Benefits Costs</b>	<b>1,586,405</b>
<b>Services and Supplies</b>	
Professional Services	218,996
Special District Expense	14,937
Maintenance	67,846
Insurance	189,619
Equipment	54,746
Utilities	19,948
Supplies	10,100
Personnel Development	2,797
Rents and Leases	-
<b>Total Service and Supplies</b>	<b>578,989</b>
<b>Total Expenses</b>	<b>2,165,394</b>
<b>Net Income/ (Loss) Before Reserve Related Activities</b>	<b>\$ (2,160,944)</b>
<b>Station 18 Renovation</b>	<b>\$ 224,352</b>
<b>Net Income/ (Loss) After Reserve Related Activities</b>	<b>\$ (2,385,296)</b>

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**San Miguel Fire & Rescue**  
**Fire Prevention Revenue vs. Expense**  
**For the Period Ending October 31, 2024**  
**(Unaudited)**

	<u>10/31/2024</u>
1 <b>Revenues:</b>	
2 Plans	\$ 96,162.00
3 Inspections	13,480.67
4 <b>Total Revenues</b>	<u><b>109,642.67</b></u>
5 <b>Expenses:</b>	
6 <b>Salaries and Benefits</b>	
7 Fire Marshal	
8 Salary	55,712.30
9 Benefits	15,477.23
10 Total Fire Marshal	<u>71,189.53</u>
11 Fire Inspector (2)	
12 Salary	65,695.86
13 Benefits	18,911.37
14 Total Fire Inspector	<u>84,607.23</u>
15 Accounting Specialist (25%)	
16 Salary	6,796.15
17 Benefits	2,430.49
18 Total Accounting Specialist	<u>9,226.64</u>
19 Administrative Assistant (25%)	
20 Salary	7,422.66
21 Benefits	1,914.32
22 Total Administrative Asst.	<u>9,336.98</u>
23 <b>Total Salaries and Benefits</b>	<u><b>174,360.38</b></u>
24 <b>Other Expenses</b>	
25 Minor Equipment	3,987.02
26 Office Supplies	210.55
27 Personnel Development	310.32
28 Publications and Media	-
29 Special District Expenses	473.19
30 Travel and Subsistence	-
31 Vehicle	12,034.60
32 Utilities	-
33 <b>Total Other Expenses</b>	<u><b>17,015.68</b></u>
34 <b>Total Expenses</b>	<u><b>191,376.06</b></u>
35 <b>Net Profit / (Loss)</b>	<u><b>\$ (81,733.39)</b></u>
36 <b>Fire Mitigation Fees</b>	\$ 56,221.48