

**MONTEREY COUNTY REGIONAL  
FIRE PROTECTION DISTRICT**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED JUNE 30, 2024**



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**MONTEREY COUNTY REGIONAL FIRE PROTECTION DISTRICT  
BOARD OF DIRECTORS  
JUNE 30, 2024**

<u>Member</u>	<u>Office</u>
Aimee Dahle	President
Chad Lindley	Director
Nicole Hollingsworth	Director
Jim Slaten	Secretary
Brent Buche	Director



## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Monterey County Regional Fire Protection District  
Salinas, California

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying modified cash basis financial statements of the governmental activities and major fund of the Monterey County Regional Fire Protection District (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's 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 modified cash basis financial position of the governmental activities and major fund of the District as of June 30, 2024, and the respective changes in modified cash basis financial position for the year then ended in accordance with the modified cash basis of accounting described in Note 2.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditors' 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.

#### ***Emphasis of Matters***

##### ***Basis of Accounting***

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 2, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

***Auditors' 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 auditors' 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 GAAS 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, 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.

**Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole that collectively comprise the District's basic financial statements. The budgetary comparison information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole on the basis of accounting described in Note 2.

The Board of Directors schedule and Management's Discussion and Analysis, which is the responsibility of management, is presented for the purpose of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.



**CliftonLarsonAllen LLP**

Irvine, California  
January 28, 2025

**MONTEREY COUNTY REGIONAL FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2024**

This section of the Monterey County Regional Fire Protection District (the District) annual financial report presents our discussion and analysis of the District's financial performance during the year ended June 30, 2024. Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year activities, resulting changes and currently known facts, please read it in conjunction with the District's financial statements. Comparisons to and analysis of the prior year are incorporated where appropriate.

**FINANCIAL HIGHLIGHTS**

- The District's net position increased by \$2,270,195 for the year ended June 30, 2024. Since the District engages only in governmental-type activities, the increase is all in the category of governmental-type net position. Net position (deficit) was \$1,647,612 and \$(622,583) as of June 30, 2024 and 2023, respectively.
- The District's total general revenues were \$23,343,454 and expenses were \$21,073,259 for the year ended June 30, 2024. The District closed the year with a positive change in net position of \$2,270,195.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The District has chosen to present its financial statements using the reporting model for special-purpose governments engaged only in a single governmental program. This model allows the fund financial statements and the government-wide statements to be combined.

The financial statements include a Balance Sheet and Statement of Net Position (Deficit) – Modified Cash Basis, Statement of Revenues, Expenditures, and Changes in Fund Balances – Modified Cash Basis, Statement of Activities – Modified Cash Basis, Notes to the Financial Statements, a General Fund Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Modified Cash Basis, and this Management's Discussion and Analysis. Readers of these financial statements are encouraged to consider the report as a whole to obtain a complete understanding of the District's financial condition.

**Statement of Net Position (Deficit) – Modified Cash Basis**

The Statement of Net Position (Deficit) – Modified Cash Basis is a report of the District's assets, liabilities and net position. Assets and liabilities are reported at book value, on a modified cash basis as of the statement date. Net position is reported in major categories reflecting any restriction thereon.

**Statement of Activities – Modified Cash Basis**

The Statement of Activities – Modified Cash Basis presents the District's revenues collected and expenses paid during the period on a modified cash basis.

**Notes to Basic Financial Statements**

The notes provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 11 to 22 of this report.

**MONTEREY COUNTY REGIONAL FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2024**

**COMPARATIVE ANALYSIS**

**Statement of Net Position – Modified Cash Basis**

A comparative summary of the District's Statement of Net Position – Modified Cash Basis as of June 30 is as follows:

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 7,410,862	\$ 7,022,424
Receivables, Net	42,830	20,676
Capital Assets, Net	<u>14,327,391</u>	<u>14,165,603</u>
Total Assets	<u>21,781,083</u>	<u>21,208,703</u>
<b>LIABILITIES</b>		
Accrued Payroll	43,471	36,165
Loans Payable	<u>20,090,000</u>	<u>21,795,121</u>
Total Liabilities	<u>20,133,471</u>	<u>21,831,286</u>
<b>NET POSITION (DEFICIT)</b>		
Net Investment in Capital Assets, Net of Related Debt	14,327,391	13,945,482
Restricted	344,758	760,172
Unrestricted	<u>(13,024,537)</u>	<u>(15,328,237)</u>
Total Net Position (Deficit)	<u>\$ 1,647,612</u>	<u>\$ (622,583)</u>

**Major Factors Affecting the Statement of Net Position (Deficit) – Modified Cash Basis**

Net position increased by \$2,270,195 over the prior year. There are two main sources for this increase. The first is the receipt of reimbursements from Cal OES for resources (personnel costs and apparatus rentals) provided during prior year emergencies. The second is an increase in property tax revenue.

**Capital Assets**

As of June 30, 2024, the District's investment in capital assets totaled \$14,327,391, which is an increase of \$161,788 over the capital asset balance at June 30, 2023, of \$14,165,603. The increase is due to \$1,251,463 of equipment purchases and structure improvements offset by \$1,032,460 depreciation expense and disposal of \$57,215. Capital assets represents the largest portion of the District's net position. The District utilizes its capital assets to provide services that it is responsible for, and these assets do not represent future expendable resources.

**Long-Term Debt**

At June 30, 2024, the District had \$20,090,000 of long-term debt, which is a decrease of \$1,705,121 over the long-term debt balance at June 30, 2023. The decrease is due to annual payments on the pension obligation bonds and the Municipal Finance Corp debt being retired in full.



**MONTEREY COUNTY REGIONAL FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2024**

**Statement of Activities – Modified Cash Basis**

A summary of the District's Statement of Activities – Modified Cash Basis for the years ended June 30 is as follows:

	2024	2023
<b>GENERAL REVENUES</b>		
Property Taxes	\$ 17,337,009	\$ 15,647,946
Public Safety Revenues	1,483,538	1,292,664
Reimbursements - Equipment and Overtime	1,840,482	653,100
Ambulance Revenue	1,201,422	918,795
Grants	70,697	17,500
Others	1,410,306	2,369,266
Total General Revenues	23,343,454	20,899,271
<b>EXPENSES</b>		
Salaries and Employee Benefits	16,387,030	15,461,246
Maintenance and Operations	2,447,122	2,274,961
Grant Expenditures	45,346	12,591
Contracted Fire Protection	400,000	350,000
Depreciation	1,032,460	1,104,162
Others	761,301	823,864
Total Expenses	21,073,259	20,026,824
<b>CHANGE IN NET POSITION</b>	<b>\$ 2,270,195</b>	<b>\$ 872,447</b>

**Major Factors Affecting the Statement of Activities – Modified Cash Basis**

Total revenues increased \$2,444,183 when compared to the previous year. There are two main sources for this increase. The first is the receipt of reimbursements from Cal OES for resources (personnel costs and apparatus rentals) provided during prior year emergencies. The second is an increase in property tax revenue.

Total expenses increased \$1,046,435 when compared to the previous year primarily due to an increase in salaries and benefits including retirement, health insurance and workers compensation. There was also an increase in the majority of general services and supplies.

**Budgeting Highlights**

The original budgeted revenues were increased by \$3,293,102 primarily due to anticipated increases in property tax revenue and expected reimbursements from Cal OES for personnel and apparatus resources provided during prior year emergencies

The original budgeted expenses were increased by \$3,061,783. The primary reason for the increase was an increase in anticipated salary and benefits and maintenance and operations.

**MONTEREY COUNTY REGIONAL FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2024**

**FACTORS AFFECTING FUTURE PERIODS AND OTHER ISSUES**

Significant factors noted by management affecting future periods are as follows:

The City of Salinas continues to move toward a major annexation of territory currently in the District. The District staff is working with LAFCO & the County regarding loss of property tax growth and the affect this will have on the District long term.

The stability of the local cannabis industry remains uncertain as a consistent revenue stream.

The District will continue to be cognizant of PERS impacts, workers compensation rate increases and employee healthcare premiums.

**REQUESTS FOR INFORMATION**

The financial report is designed to provide a general overview of the Monterey County Regional Fire Protection District finances for all those interested. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Monterey County Regional Fire Protection District, 19900 Portola Drive, Salinas, CA 93908.

**MONTEREY COUNTY REGIONAL FIRE PROTECTION DISTRICT  
BALANCE SHEET AND STATEMENT OF NET POSITION –  
MODIFIED CASH BASIS  
JUNE 30, 2024**

	General Fund	Adjustments (See Note 2)	Statement of Net Position
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 7,410,862	\$ -	\$ 7,410,862
Receivables:			
Other	42,830	-	42,830
Capital Assets, Not Depreciable		1,340,973	1,340,973
Capital Assets, Net of Accumulated Depreciation	-	12,986,418	12,986,418
 Total Assets	<b>\$ 7,453,692</b>	<b>\$ 14,327,391</b>	<b>\$ 21,781,083</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accrued Payroll	\$ 43,471	\$ -	\$ 43,471
Loans Payable:			
Due Within One Year	-	1,540,000	1,540,000
Due in More Than One Year	-	18,550,000	18,550,000
 Total Liabilities	43,471	20,090,000	20,133,471
<b>FUND BALANCES</b>			
Restricted - Fire Mitigation Fees	344,758	(344,758)	-
Unassigned	7,065,463	(7,065,463)	-
Total Fund Balances	7,410,221	(7,410,221)	-
 Total Liabilities and Fund Balances	<b>\$ 7,453,692</b>		
<b>NET POSITION</b>			
Net Investment in Capital Assets, Net of Related Debt		14,327,391	14,327,391
Restricted:			
Fire Mitigation Fees		344,758	344,758
Unrestricted		(13,024,537)	(13,024,537)
 Total Net Position		<b>\$ 1,647,612</b>	<b>\$ 1,647,612</b>

See accompanying Notes to Basic Financial Statements.

**MONTEREY COUNTY REGIONAL FIRE PROTECTION DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES AND STATEMENT OF ACTIVITIES –  
MODIFIED CASH BASIS  
YEAR ENDED JUNE 30, 2024**

	General Fund	Adjustments (See Note 2)	Statement of Activities
<b>GENERAL REVENUES</b>			
Property Taxes	\$ 17,337,009	\$ -	\$ 17,337,009
Public Safety	1,483,538	-	1,483,538
Reimbursements - Equipment and Overtime	1,840,482	-	1,840,482
Ambulance	1,201,422	-	1,201,422
Grants	70,697	-	70,697
Fire Mitigation Fees	153,138	-	153,138
Cannabis Taxes	457,319	-	457,319
Fire Prevention Fees	225,351	-	225,351
Investment Earnings	114,722	-	114,722
Miscellaneous	459,776	-	459,776
Total General Revenues	<u>23,343,454</u>	-	<u>23,343,454</u>
<b>EXPENDITURES</b>			
Fire Protection - Operations:			
Salaries and Employee Benefits	16,387,030	-	16,387,030
Maintenance and Operations	2,433,222	13,900	2,447,122
Grant Expenditures	45,346	-	45,346
Contracted Fire Protection	400,000	-	400,000
Depreciation	-	1,032,460	1,032,460
Capital Outlay	1,251,463	(1,251,463)	-
Debt Service:			
Principal	1,705,121	(1,705,121)	-
Interest	761,301	-	761,301
Total Expenditures	<u>22,983,483</u>	<u>(1,910,224)</u>	<u>21,073,259</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING RESOURCES</b>	359,971	(359,971)	-
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from Sale of Capital Assets	43,315	(43,315)	-
Total Other Financing Sources (Uses)	<u>43,315</u>	<u>(43,315)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE/NET POSITION</b>	403,286	1,866,909	2,270,195
Fund Balances/Net Position (Deficit) - Beginning of Year	<u>7,006,935</u>	<u>(7,629,518)</u>	<u>(622,583)</u>
<b>FUND BALANCES/NET POSITION - END OF YEAR</b>	<u>\$ 7,410,221</u>	<u>\$ (5,762,609)</u>	<u>\$ 1,647,612</u>

See accompanying Notes to Basic Financial Statements.

**MONTEREY COUNTY REGIONAL FIRE PROTECTION DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 ORGANIZATION AND DESCRIPTION OF DISTRICT**

The Monterey County Regional Fire Protection District (the District) was formed in 1934 to provide fire protection and emergency services. The original boundaries surrounded the City of Salinas and ran down River Road to Pine Canyon. Over the years, annexations into the District have increased its service area to approximately 360 square miles with a population of about 40,000 residents. The District changed its original name, Salinas Rural Fire Protection District to Monterey County Regional Fire Protection District in November 2009 and the District merged with Carmel Valley Fire Protection District on July 1, 2012. The District is governed by a five-member board of directors (the Board) that is appointed by the Board of Supervisors of Monterey County. The District operates as an independent governmental entity under the California Health and Safety Code, Section 13800.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Monterey County Regional Fire Protection District are summarized as follows:

**Basis of Accounting**

The financial statements are presented in accordance with a modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board (GASB). This basis of accounting involves modifications to the cash basis of accounting to report in the statements of net position or balance sheets cash transactions or events that provide a benefit or result in an obligation that covers a period greater than the period in which the cash transaction or event occurred. Such reported balances include receivables and payables, capital assets and related depreciation, and short-term and long-term liabilities arising from cash transactions or events.

This modified cash basis of accounting differs from GAAP primarily because certain assets and certain liabilities and their related expenses or expenditures (such as accounts payable and expenses for goods or services received but not yet paid and other accrued expenses and liabilities) are not recorded in these financial statements. In addition, other economic assets, deferred outflows of resources, liabilities, and deferred inflows of resources that do not arise from a cash transaction or event are not reported, and the measurement of reported assets and liabilities does not involve adjustment to fair value.

**Basis of Presentation**

The District has chosen to present its financial statements using the reporting model for special-purpose governments engaged only in a single governmental program. This model allows the fund financial statements and the government-wide statements to be combined.

**MONTEREY COUNTY REGIONAL FIRE PROTECTION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Presentation (Continued)**

The government-wide financial statements are prepared using the modified cash basis of accounting and the economic resources measurement focus. Government-wide financial statements do not provide information by fund or account groups but report on the District as a whole and consist of a statement of net position and statement of activities.

In addition to the government-wide financial statements, the District also presents fund financial statements that consist of a balance sheet and statement of revenues, expenditures, and changes in fund balances. These statements are presented based on the modified cash basis of accounting.

**Adjustments to Convert Statements to Modified Cash Basis**

The adjustments needed to adjust the balance sheet and statement of revenue, expenditures and changes in fund balances of the District to a modified cash basis which consists of a statement of net position and statement of activities is as follows:

*Reconciliation of the balance sheet – modified cash basis to the statement of net position – modified cash basis:*

Total Fund Balances - Governmental Funds	\$ 7,410,221
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets not reported in the fund financial statements because they are not current financial resources but are reported in the statement of net position.	14,327,391
Loans payable not reported in the fund financial statement because they are not current financial obligations but are reported in the statement of net position.	<u>(20,090,000)</u>
Net Position (Deficit) of Governmental Activities as Reported on the Statement of Net Position	<u><u>\$ 1,647,612</u></u>

**MONTEREY COUNTY REGIONAL FIRE PROTECTION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Adjustments to Convert Statements to Modified Cash Basis (Continued)**

*Reconciliation of statement of revenues, expenditures, and changes in fund balances – modified cash basis to statement of activities – modified cash basis:*

Net Change in Fund Balances - Governmental Funds	\$	403,286
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported as expenditures in the fund financial statements because they use current financial resources but are reported as capital assets in the statement of activities but are depreciated over the estimated useful life on the statement of activities:

Capital Outlay		1,251,463
Depreciation		(1,032,460)
Disposal of Assets		(57,215)

Principal on debt service is reported as expenditures in the fund financial statements because they use current financial resources, but are reported as a reduction in debt on the statement of net position.

		<u>1,705,121</u>
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Change in Net Position of Governmental Activities	\$	<u><u>2,270,195</u></u>
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**Cash and Investments**

Pooled cash and investment accounts, which essentially operate as demand deposit accounts, are maintained by the Monterey County Treasurer’s Office. Available cash balances are controlled and invested by the County Treasurer in pooled investment funds in order to provide safety, liquidity and high investment returns for all funds. Interest earnings from these funds are generally credited to the District’s account on a quarterly basis based on its relative equity. The investments are stated at fair value, which equates cost.

An individual fund’s deposit in the pool can be liquidated at any time and therefore is considered a “cash equivalent” when preparing the financial statements.

The Monterey County Treasurer’s investment policy is in compliance with Section 53601 of the Government Code of the state of California, which permits investments in certain securities and participation in certain investment trading techniques or strategies.

The District also has cash held with a banking institution for accounts payable and payroll purposes.

**MONTEREY COUNTY REGIONAL FIRE PROTECTION DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Compensated Absences**

It is the District's policy to allow employees to accumulate vacation and sick leave at varying durations depending on years of service. The amount of potential vacation and sick leave at June 30, 2024, has not been calculated by the District.

**Capital Assets**

Capital assets, which include property, plant, and equipment assets, are reported in the government-wide financial statement. Capital assets are defined by the District as assets with an initial, individual cost of more than \$2,500 for equipment and \$10,000 for structure, and an estimated useful life in excess of one year. Capital assets are accounted for at historical cost or estimated historical cost if actual historical cost is not known. Donated capital assets are accounted for at their acquisition value on the date received. Purchased capital assets are recorded as expenditures in the governmental type funds. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets are depreciated on a straight-line basis over their estimated useful lives; structures and improvements 10 to 50 years, equipment and vehicles 5 to 20 years.

**Long-Term Obligations**

In the government-wide financial statement long-term debt is reported as liabilities.

**Net Position**

The statement of net position presents the District's assets and liabilities, with the difference reported as net position. Net position is reported in three categories.

*Net Investment in Capital Assets* – consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for notes and other debt attributable to the acquisition, construction, or improvement of those assets.

*Restricted* – results when constraints placed on net position use is either externally imposed or imposed by law through constitutional provisions or enabling legislation.

*Unrestricted* – consists of net position not meeting the definition of the two preceding categories. Unrestricted net position often has constraints on resources imposed by management which can be removed or modified.



**MONTEREY COUNTY REGIONAL FIRE PROTECTION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Property Taxes**

The County of Monterey is responsible for the assessment, collection, and apportionment of property taxes for all taxing jurisdictions, including the District. Secured property taxes for each year ended June 30 are payable in equal installments, November 1 and February 1, and become delinquent on December 10 and April 10, respectively. The lien date is January 1 of each year. Property taxes are accounted for as collected and remitted by the County in the governmental funds. Property taxes on the unsecured roll are due on the January 1 lien date and become delinquent if unpaid on August 31.

**Fund Balance**

In the fund financial statements, fund balance consists of nonspendable fund balance which includes amounts that cannot be spent because they are not in spendable form, or they are legally or contractually required to be maintained intact. Restricted fund balances are amounts restricted to specific purposes. Committed fund balances are amounts that can only be used for specific purposes as pursuant to official action by the Board prior to the end of the reporting period. Assigned fund balances are amounts the Board intends to use for a specific purpose but is neither restricted nor committed. Unassigned fund balance represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes within the general fund.

When restricted and other fund balance resources are available for use, the District has elected to use restricted resources first, followed by unrestricted amounts, respectively.

The Board has not established a policy for defining funds as committed or assigned, thus any funds which do not meet the definition of nonspendable or restricted are presented as unassigned.

**Use of Estimate**

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

**NOTE 3 CASH AND CASH EQUIVALENTS**

Cash and cash equivalents as of June 30, 2024, consisted of the following:

Cash on Hand	\$ 250
Deposits With Financial Institutions	296,079
Monterey County Investment Pool	7,114,533
Total Cash and Cash Equivalents	<u>\$ 7,410,862</u>

**MONTEREY COUNTY REGIONAL FIRE PROTECTION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 3 CASH AND CASH EQUIVALENTS (CONTINUED)**

**Investment in County Treasury**

The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (Education Code Section 41001). The fair value of the District's investment in the pool is reported in the accounting financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio).

The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

**Custodial Credit Risk Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District has a deposit policy that complies with California Government Code Section commencing at 53630 (Public Deposits). As of June 30, 2024, \$296,582 of the District's bank balances of \$546,582 was exposed to custodial credit risk as uninsured, but it is collateralized by the pledging bank's trust department not in the District's name.

**NOTE 4 CAPITAL ASSETS**

The following is a summary of the changes in capital assets for the year ended June 30, 2024:

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
Capital Assets, Not Depreciated:				
Land	\$ 264,019	\$ -	\$ -	\$ 264,019
Construction in Progress	463,889	613,065	-	1,076,954
<b>Total Capital Assets, Not Depreciated</b>	<b>727,908</b>	<b>613,065</b>	<b>-</b>	<b>1,340,973</b>
Capital Assets, Being Depreciated:				
Structures and Improvements	11,551,281	203,425	-	11,754,706
Equipment	11,968,007	434,973	(261,089)	12,141,891
Less: Accumulated Depreciation	(10,081,593)	(1,032,460)	203,874	(10,910,179)
<b>Total Capital Assets, Being Depreciated</b>	<b>13,437,695</b>	<b>(394,062)</b>	<b>(57,215)</b>	<b>12,986,418</b>
<b>Capital Assets, Net</b>	<b>\$ 14,165,603</b>	<b>\$ 219,003</b>	<b>\$ (57,215)</b>	<b>\$ 14,327,391</b>

**MONTEREY COUNTY REGIONAL FIRE PROTECTION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 5 LONG-TERM DEBT**

Long-term debt balances and transactions for the year ended June 30, 2024, are as follows:

	<u>July 1, 2023</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2024</u>	<u>Due Within One Year</u>
Pension Obligation Bonds	\$ 21,575,000	\$ -	\$ 1,485,000	\$ 20,090,000	\$ 1,540,000
Municipal Finance Corp	220,121	-	220,121	-	-
Total	<u>\$ 21,795,121</u>	<u>\$ -</u>	<u>\$ 1,705,121</u>	<u>\$ 20,090,000</u>	<u>\$ 1,540,000</u>

**Pension Obligation Bonds**

On April 1, 2012, the District issued pension obligation bonds for the sole purpose of refinancing the outstanding “side fund” obligations in the amount of \$9,260,000. The bonds are subject to mandatory redemption every year between September 1, 2012, and September 1, 2027, with increase in interest rate of .75% to 5.65%, as set forth in the “indenture of trust.”

On November 1, 2019, the District issued pension obligation bonds for the sole purpose of refinancing the outstanding “unfunded accrued liability (UAL)” obligations in the amount of \$20,250,000. The bonds are subject to mandatory redemption every year between September 1, 2020, and September 1, 2039, with increase in interest rate of 2.20% to 3.60%, as set forth in the “indenture of trust.”

This debt was incurred to retire a previously unrecorded liability between the District’s funded status of the CalPERS plan versus the funded status of the entire risk pool.

**Municipal Finance Corp**

On June 7, 2012, the District entered into a 12-year agreement with Municipal Finance Corporation for the purpose of consolidating its outstanding debt in the amount of \$2,123,756 at an interest rate of 3.5%. The District consolidated an outstanding loan of \$912,711, used for the Toro Expansion Project and Certificates of Participation issued by Carmel Valley Fire Protection District in the amount of \$1,211,045, used for improvements to its fire station facilities. This debt was retired during the year ended June 30, 2024.

Long-term debt repayments are as follows:

<u>Years Ending June 30,</u>	<u>Principal Repayments</u>	<u>Interest</u>	<u>Total Payments</u>
2025	\$ 1,540,000	\$ 701,969	\$ 2,241,969
2026	1,600,000	641,429	2,241,429
2027	1,660,000	576,264	2,236,264
2028	1,725,000	506,370	2,231,370
2029	935,000	456,126	1,391,126
Thereafter	12,630,000	2,625,806	15,255,806
Total	<u>\$ 20,090,000</u>	<u>\$ 5,507,964</u>	<u>\$ 25,597,964</u>

**MONTEREY COUNTY REGIONAL FIRE PROTECTION DISTRICT  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2024**

**NOTE 6 FUND BALANCE – DESIGNATED**

**Designated**

The Board of Directors of the District have designated certain revenues towards tentative spending plans. These revenues have been designated as follows:

Emergencies	\$ 905,621
Self Contained Breathing Apparatus	191,122
Internal UAL Leave Payout at Separation	927,560
Defibrillator Replacement	23,906
Specialized Equipment	189,800
Apparatus	360,134
Contingencies	60,000
Total	<u>\$ 2,658,143</u>

Since the District has not adopted a policy defining funds as committed or assigned as required by GASB Statement No. 54, the designated funds are not reflected on the balance sheet.

**NOTE 7 GENERAL FUND – RESTRICTED**

**Fire Mitigation Fees**

The District adopted Resolution 1996 01, January 30, 1996, pertaining to imposing fire development fees on new construction developments within the District. The purpose of the fee is to enable the District to provide and maintain its level of service of fire protection services. As required by Ordinance 3602 of the Monterey County Code, all fees collected shall be segregated and expended for the purpose of providing capital facilities and equipment to serve new development within the service area of the District. The fire mitigation fee balance is \$344,758 as of June 30, 2024.

**NOTE 8 PENSION PLAN**

**Plan Descriptions**

All qualified permanent and probationary employees are eligible to participate in the local government’s separate Safety (fire) and Miscellaneous (all other) Employee Pension Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the plans are established by state statute and local government resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website.

**MONTEREY COUNTY REGIONAL FIRE PROTECTION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 8 PENSION PLAN (CONTINUED)**

**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. All members are eligible for nonduty disability benefits after 10 years of service. The death benefit is one of the following: Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The plans' provisions and benefits in effect at June 30, 2024, are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or After January 1, 2013
<u>Hire Date</u>		
Benefit Formula	2.0% at 60	2% at 62
Benefit Vesting Schedule	5 Years Service	5 Years Service
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	50-63	52-67
Monthly Benefits, as a Percent of Eligible Compensation	1.0% to 2.4%	1.0% to 2.5%
Required Employee Contribution Rate	7%	8.25%
Required Employer Contribution Rate	11.43%	8.00%
	Safety	
	Prior to January 1, 2013	On or After January 1, 2013
<u>Hire Date</u>		
Benefit Formula	3% at 55	2.7% at 57
Benefit Vesting Schedule	5 Years Service	5 Years Service
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	50-55	50-57
Monthly Benefits, as a Percent of Eligible Compensation	2.4% to 3.0%	2.0% to 2.7%
Required Employee Contribution Rate	9%	14.50%
Required Employer Contribution Rate	26.11%	14.50%

**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 effective on the July 1 following notice of a change in the rate. Funding contributions for both plans 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.

**MONTEREY COUNTY REGIONAL FIRE PROTECTION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 8 PENSION PLAN (CONTINUED)**

**Contributions (Continued)**

For the year ended June 30, 2024, the contributions paid for each plan were as follows:

	<u>Miscellaneous</u>	<u>Safety</u>
Contributions - Employer	\$ 35,169	\$ 1,985,229

**Pension Obligation Bonds**

The District issued pension obligation bonds on April 1, 2012, and November 1, 2019, in the amount of \$9,260,000 and \$20,250,000, respectively, which was used for the purpose of retiring a previously unrecorded liability for the District’s unfunded PERS obligations.

The District’s financial statements are presented on the modified cash basis of accounting therefore long-term liabilities such as pension liability are not reflected in the financial statements.

**NOTE 9 DEFERRED COMPENSATION PLAN**

The District has a deferred compensation plan for its eligible employees wherein amounts earned by the employees are paid at a future date. This plan meets the requirements of the Internal Revenue Code (IRC) Section 457, *Deferred Compensation Plan*. All full-time, regular employees are eligible to participate in the plan beginning on the day of hire. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

The plan was originally established in conformity with Section 457 of the IRC which prevented governments from placing plan assets in a trust for the benefit of participants. Consequently, the participating employees’ assets were potentially at risk of loss by the claims of the District’s general creditors. In 1996, Congress amended Section 457 by requiring governments to place plan assets in a trust for the exclusive benefit of participants and their beneficiaries, thus protecting the plan assets from the District’s general creditors.

Through its plan administrators, the District has complied with the amended Section 457 requirements. GASB Statement No. 32 states that if a fiduciary relationship no longer exists between the governmental entity and the Section 457 Deferred Compensation Plan, the governmental entity should no longer report the assets of the plan in its financial statements. The District believes that, since it does not provide investment advice or administer the plan, it does not maintain a fiduciary relationship with the plan. Therefore, it does not report the plan assets in its financial statements.

**MONTEREY COUNTY REGIONAL FIRE PROTECTION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS**

**Plan Description**

Upon retirement, the District shall contribute the statutory minimum contribution required under PEMHCA to eligible retirees (as defined by California Government Code at Section 22760) who elect to continue the District's health insurance benefits administered by CalPERS. In addition, for eligible retirees hired before January 1, 2021 (for Local 2606 employees) and before January 1, 2022 (for Admin Unit employees), the District will reimburse an amount up to the difference between the statutory minimum contribution required under PEMHCA and the then current premium rate for the "Basic Plan" for "Single" under the PERS Platinum Plan, up to age 65. For the former Carmel Valley Fire District retirees, the District is required to pay 75% of the PORAC premium rate for the retiree and dependents. This is a lifetime benefit.

**Funding Policy**

The contribution rate is determined annually by the CalPERS Board of Directors premiums. The health care reimbursement rates for the District's retirees are defined in the Memorandum of Understanding between the District and the various employee groups. The District currently funds these benefits on a pay-as-you-go basis. No assets have been segregated and restricted to provide postemployment benefits. As of June 30, 2024, the District has 39 retirees receiving benefits, 15 active employees eligible to receive benefits in the future, and 61 active employees not yet fully eligible for benefits.

The District's financial statements are presented on the modified cash basis of accounting therefore long-term liabilities such as OPEB liability are not reflected in the financial statements.

**NOTE 11 JOINT VENTURES**

The District participates in two joint ventures under joint power agreements (JPA's); the Fire District Association of California - Fire Risk Management Services and the Fire Agencies Insurance Risk Authority. The relationships between the District and the JPA's are such that neither JPA is a component unit of the District for financial reporting purposes.

The Fire Risk Management Services (FRMS) arranges for workers' compensation insurance for its members, all of which are fire districts located within California. FRMS is governed by a board of directors consisting of representatives from member districts. The board controls the operations of FRMS, including selection of management and approval of operating budgets, independent of any influence by member districts beyond their representation on the board. Each member district pays a premium commensurate with the level of coverage required and shared surpluses and deficits proportionately to their participation in FRMS.

**MONTEREY COUNTY REGIONAL FIRE PROTECTION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 11 JOINT VENTURES (CONTINUED)**

The Fire Agencies Insurance Risk Authority (FAIRA) arranges for liability and property insurance for its members, all of which are fire districts located within California. FAIRA is governed by a board of directors consisting of representatives from member districts. The board controls the operations of FAIRA, including selection of management and approval of operating budgets, independent of any influence by member districts beyond their representation on the board. Each member district pays a premium commensurate with the level of coverage required and shares surpluses and deficits proportionately to their participation in FAIRA.

**NOTE 12 RISK MANAGEMENT**

The District is exposed to various risks of loss to torts; theft of, damage of, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carries all its coverage of these risk and also workers' compensation through its membership in FRMS and FAIRA.

**NOTE 13 FIRE PROTECTION AND EMERGENCY SERVICES**

The District has contracted with the city of Salinas Fire Department to receive fire protection and emergency services within the District's boundaries. For the year ended June 30, 2024, the District paid \$400,000 for these services.



**MONTEREY COUNTY REGIONAL FIRE PROTECTION DISTRICT  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL – MODIFIED CASH BASIS  
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
	Original	Final		
<b>GENERAL REVENUES</b>				
Property Taxes	\$ 14,513,595	\$ 16,284,575	\$ 17,337,009	\$ 1,052,434
Public Safety	1,292,664	1,483,538	1,483,538	-
Ambulance	525,000	700,000	1,201,422	501,422
Reimbursements - Equipment and Overtime	45,000	1,205,348	1,840,482	635,134
Grants	50,000	50,000	70,697	20,697
Fire Mitigation Fees	125,000	125,000	153,138	28,138
Cannabis Taxes	325,000	375,000	457,319	82,319
Fire Prevention Fees	150,000	130,000	225,351	95,351
Investment Earnings (Loss)	-	-	114,722	114,722
Proceeds for Sale of Capital Assets	35,000	15,000	43,315	28,315
Other Revenues	307,500	293,400	459,776	166,376
Total General Revenues	<u>17,368,759</u>	<u>20,661,861</u>	<u>23,386,769</u>	<u>2,724,908</u>
<b>EXPENDITURES</b>				
Salaries and Employee Benefits:				
Salaries	7,369,508	8,078,451	7,539,969	538,482
Overtime*	1,525,960	1,637,862	1,782,194	(144,332)
Retirement	1,753,733	2,168,030	2,005,198	162,832
Health Insurance	1,969,742	2,359,788	2,125,773	234,015
Longevity and Educational Pay	918,623	914,258	817,494	96,764
Workers' Compensation Insurance	1,151,442	1,321,689	1,326,966	(5,277)
Social Security and Medicare	143,515	159,782	151,674	8,108
Sick and Vacation Payout	81,862	282,226	552,785	(270,559)
Uniform Allowance	51,005	53,555	50,279	3,276
Long-Term Disability	24,780	25,842	24,456	1,386
Unemployment	9,758	9,408	10,242	(834)
Total Salaries and Employee Benefits	<u>14,999,928</u>	<u>17,010,891</u>	<u>16,387,030</u>	<u>623,861</u>

See accompanying Note to General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Modified Cash Basis.

**MONTEREY COUNTY REGIONAL FIRE PROTECTION DISTRICT  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL – MODIFIED CASH BASIS (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
	Original	Final		
<b>EXPENDITURES (CONTINUED)</b>				
Maintenance and Operations:				
Other Professional Services	\$ 365,890	\$ 481,671	\$ 450,406	\$ 31,265
Vehicle Maintenance	251,865	282,500	316,805	(34,305)
County Radio	217,164	179,338	179,338	-
Medical Supplies	97,743	121,098	113,732	7,366
Station Expense	50,056	48,999	37,883	11,116
COVID Expenses	20,460	-	-	-
General Liability Insurance	195,583	223,314	218,440	4,874
Gasoline and Fuel	160,000	160,000	147,936	12,064
Building Maintenance	78,200	156,650	185,940	(29,290)
Medical Services	58,440	57,880	18,630	39,250
District Special Expense	62,197	67,037	61,539	5,498
Equipment Maintenance	60,585	222,789	35,138	187,651
Utilities	52,000	61,000	58,543	2,457
Telephone	33,900	33,900	35,411	(1,511)
Protective Clothing	83,133	151,875	145,502	6,373
Conference and Schools	51,213	49,311	38,417	10,894
Office Supplies	28,050	31,000	21,678	9,322
Communication Maintenance	51,041	53,499	43,295	10,204
Subscriptions	56,804	68,804	59,770	9,034
Auditing Services	23,500	27,615	27,615	-
Legal Services	300,000	300,000	92,744	207,256
Water	25,000	26,400	27,173	(773)
Computer Maintenance	24,982	20,413	20,978	(565)
Education and Training	34,484	31,492	26,337	5,155
Permits	9,254	15,825	15,715	110
Food	12,000	19,600	18,117	1,483
Sewer and Garbage	11,000	11,250	11,477	(227)
Breathing Support	5,000	6,065	3,588	2,477
Leases and Rentals	2,000	2,000	250	1,750
Memberships	3,665	3,234	3,283	(49)
Bank Service Charge	1,000	2,000	44	1,956
Small Tools	2,100	2,100	1,511	589
Legal Notices	2,000	2,000	1,743	257
Stationary Cascade Systems	3,725	5,575	2,240	3,335
Air Systems Maintenance	4,200	10,425	12,004	(1,579)
Total Maintenance and Operations	2,438,234	2,936,659	2,433,222	503,437

See accompanying Note to General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Modified Cash Basis.

**MONTEREY COUNTY REGIONAL FIRE PROTECTION DISTRICT  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL – MODIFIED CASH BASIS (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
	Original	Final		
<b>EXPENDITURES (CONTINUED)</b>				
Grant Expenditures	\$ 19,900	\$ 49,664	\$ 45,346	\$ 4,318
Contracted Fire Protection	350,000	400,000	400,000	-
Capital Outlay:				
Equipment	480,180	782,131	425,446	356,685
Facilities	428,000	475,000	568,552	(93,552)
Structure	152,000	278,500	257,465	21,035
Total Capital Outlay	<u>1,060,180</u>	<u>1,535,631</u>	<u>1,251,463</u>	<u>284,168</u>
Contingency	60,000	60,000	-	60,000
Debt Service:				
Principal	1,647,615	1,705,122	1,705,121	1
Interest	824,437	764,110	761,301	2,809
Total Debt Service	<u>2,472,052</u>	<u>2,469,232</u>	<u>2,466,422</u>	<u>2,810</u>
Total Expenditures	<u>21,400,294</u>	<u>24,462,077</u>	<u>22,983,483</u>	<u>1,478,594</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ (4,031,535)</u>	<u>\$ (3,800,216)</u>	<u>\$ 403,286</u>	<u>\$ 4,203,502</u>

See accompanying Note to General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Modified Cash Basis.

**MONTEREY COUNTY REGIONAL FIRE PROTECTION DISTRICT  
NOTE TO GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL – MODIFIED CASH BASIS  
JUNE 30, 2024**

**NOTE 1 BUDGET**

The Board of Directors (the Board), legally adopts an annual operating budget which may be amended by the Board throughout the year. The budget is prepared on the modified cash basis of accounting, which is the same basis of actual results. Budget amounts reflect the original budget adopted by the Board and the final budget after all applicable amendments. All budget appropriations lapse at year-end.

\*The District budgets for anticipated overtime but does not budget for reimbursable overtime as this can vary greatly year to year based on demand. Budget variance noted is primarily due to reimbursable overtime.



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