Martinez, Samuel

From: Jim Miller [JMiller@CITYBIGBEARLAKE.com]
Sent: Thursday, September 15, 2011 5:35 PM
To: Martinez, Samuel
Subject: Fire District Review
Attachments: 20110915173947398.pdf

Sam, sorry to be so late with this but our administration staff just finished reviewing the Fire Protection District portion of the report and they have several changes. See the PDf. Hopefully you can make the changes before it goes to the hearing on September 28. I'm out tomorrow so call Monday morning if you have questions. Thanks

Jim Miller
Community Development Director
City of Big Bear Lake
(909) 866-5831

Consolidation ?

District receives less annual revenue the current agreement has offset a substantial amount. However in the future a draw on the City general fund for subsidized support may be required. The City General Fund also did not receive ~~such~~ a ~~customary~~ pass through agreement when the IA was formed. Therefore the District cannot rely on General Fund for subsidy. In addition the ~~General~~ Fire District does not report to the City Manager.

Additional sources of income include limited additional fees charged for services which include annual business inspections, permits, plan checks, and medical emergency responses, which was adopted in 1999.

The chart below, taken from the FY 2009-10 financial statements, shows the revenue and expenditure categories with respective amounts. In looking at the past five financial statements, the types of revenues and expenditures have generally remained constant in percentage terms.

	General Fund
Revenues:	
Taxes	$ 3,785,844
Licenses and permits	20,905
Intergovernmental	422,960
Charges for services	387,765
Use of money and property	53,221
Contributions	20
Developer participation	23,014
Miscellaneous	4,199
Total Revenues	**4,697,928**
Expenditures:	
Current:	
Public safety	4,682,270
Capital outlay	282,711
Total Expenditures	**4,964,981**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(267,053)
Other Financing Sources (Uses):	
Transfers in	25,000
Proceeds from sale of capital asset	113
Total Other Financing Sources (Uses)	**25,113**
Net Change in Fund Balances	(241,940)
Fund Balances, Beginning of Year	4,516,898
Fund Balances, End of Year	**$ 4,274,958**

Long-Term Debt

As of June 30, 2010, the District had total debt outstanding of $334,427 representing the value of accumulated earned time off (compensated absences). The District does not have any bonded indebtedness.

Other Information

In reviewing the district's budgets submitted for this review, the budgets include at least one year's worth of actual financial data, as recommended by the *Best Practices* of the Government Finance Officers Association.

Government Code Section 26909 requires all districts to provide for regular audits; the District conducts annual audits and meets this requirement. Section 26909 also requires districts to file a copy of the audit with the county auditor within 12 months of the end of the fiscal year. According to records from the County Auditor, the last audit received was in October 2010 for FY 2008-09. LAFCO staff recommends that the District provide the FY 2009-10 audit to the County Auditor.

done

The FY 2009-10 financial statements identifies a zero net pension obligation to SBCERA, and the financial statements do not identify if the District has an obligation to provide for post-employment health care benefits of retirees.

Under Article XIIIB of the California Constitution (the Gann Spending Limitation Initiative), the District is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates or revised fee schedules, or an excess in one year may be offset against a deficit in the following year. According to the FY 2009-10 financial statements, based on calculations by District Management, proceeds of taxes did not exceed related appropriations for the fiscal year ended June 30, 2010. Furthermore, Section 5 of Article XIIIB allows the District to designate a portion of fund balance of general contingencies to be used in future years without limitation.

IV. Status of, and opportunities for, shared facilities.

The District indicates that it does not share any facilities with other agencies. However, the Big Bear City Community Services District provides ambulance service within the boundaries of the District. Additionally, opportunities exist to share facilities with adjacent fire providers.

V. Accountability for community service needs, including governmental structure and operational efficiencies.

Local Government Structure and Community Service Needs

Big Bear Lake FPD is a subsidiary district of the City of Big Bear Lake, thus it is governed by the City Council as the ex-officio board of directors. The current board, their positions, and terms of office are shown below. The Fire Chief, hired by the Fire Administrator who is also the City Manager under the City Council/Board of Directors, is responsible for the administration of the District affairs.

the Fire chief works directly for Board.