SANTEE-LAKESIDE
EMERGENCY MEDICAL SERVICES AUTHORITY

Annual Financial Report

For the Fiscal Year Ended June 30, 2024
(With Comparative Amounts as of June 30, 2023)

NIGRO & NIGRO PC

SANTEE-LAKESIDE EMERGENCY MEDICAL SERVICES AUTHORITY
For the Fiscal Year Ended June 30, 2024
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Financial Section

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INDEPENDENT AUDITORS' REPORT

Board of Chiefs and Commissioners
Santee-Lakeside Emergency Medical Services Authority
Santee, California

Opinion
We have audited the accompanying financial statements of the Santee-Lakeside Emergency Medical Services Authority (Authority) which comprise the balance sheet as of June 30, 2024, the related statements of revenue, expenses, and changes in net position, and cash flows for the year then ended, and related notes to the 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 financial position of the Authority as of June 30, 2024 and the changes in its financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are required to be independent of the Authority 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 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 generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority'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 Authority'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.

Required Supplementary Information

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

Prior-Year Comparative Information

The financial statements include partial prior-year comparative information. Such information does not include sufficient detail to constitute a presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2022, from which such partial information was derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued a separate report dated January 15, 2025, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Murrieta, California
January 15, 2025

Management's Discussion and Analysis (MD&A) offers readers of Santee-Lakeside Emergency Medical Services Authority's financial statements a narrative overview of the Agency's financial activities for the fiscal years ended June 30, 2024 and 2023. This MD&A presents financial highlights, an overview of the accompanying financial statements, an analysis of net position and results of operations, a current-to prior year analysis, a discussion on restrictions, commitments and limitations, and a discussion of significant activity involving capital assets and long-term debt. Please read in conjunction with the financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- In fiscal year 2024, the Agency's net position increased 56.02%, or $1,146,346 from the prior year's net position of $2,046,382 to $3,192,728, as a result of the year's financial activities.
- In fiscal year 2024, operating revenues decreased by 15.88%, or $2,541,064 from $15,997,543 to $13,456,479, from the prior year, due to a $10,748,668 decrease in San Diego County Service Area No. 69 dissolution revenue.
- In fiscal year 2024, operating expenses decreased by 11.76% or $1,641,028 from $13,951,161 to $12,310,133, from the prior year, primarily due to a decrease of $2,590,180 in payments to Lakeside Fire Protection District and City of Santee.

REQUIRED FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Balance Sheet, Statement of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows provide information about the activities and performance of the Agency using accounting methods similar to those used by private sector companies.

The Balance Sheet includes all of the Agency's investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for computing a rate of return, evaluating the capital structure of the Agency and assessing the liquidity and financial flexibility of the Agency. All of the current year's revenue and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement measures the success of the Agency's operations over the past year and can be used to determine if the Agency has successfully recovered all of its costs through its rates and other charges. This statement can also be used to evaluate profitability and credit worthiness. The final required financial statement is the Statement of Cash Flows, which provides information about the Agency's cash receipts and cash payments during the reporting period. The Statement of Cash Flows reports cash receipts, cash payments and net changes in cash resulting from operations, investing, non-capital financing, and capital and related financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

FINANCIAL ANALYSIS OF THE AGENCY

One of the most important questions asked about the Agency's finances is, "Is the Agency better off or worse off as a result of this year's activities?" The Balance Sheet and the Statement of Revenues, Expenses and Changes in Net Position report information about the Agency in a way that helps answer this question.

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting method used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the Agency's net position and changes in them. You can think of the Agency's net position – the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources – as one way to measure the Agency's financial health, or financial position. Over time, increases or decreases in the Agency's net position are one indicator of whether its financial health is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, zoning and new or changed government legislation.

Condensed Balance Sheets

	June 30, 2024	June 30, 2023	Change
Assets:			
Current assets	$ 4,239,833	$ 2,248,027	$ 1,991,806
Total assets	4,239,833	2,248,027	1,991,806
Liabilities:			
Current liabilities	$ 1,047,105	$ 201,645	$ 845,460
Total liabilities	1,047,105	201,645	845,460
Net position:			
Unrestricted	3,192,728	2,046,382	1,146,346
Total net position	3,192,728	2,046,382	1,146,346
Total liabilities and net position	$ 4,239,833	$ 2,248,027	$ 1,991,806

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Agency, assets exceeded liabilities by $3,192,728 and $2,046,382 as of June 30, 2024 and 2023, respectively.

At the end of years 2024 and 2023, the Agency showed a positive balance in its unrestricted net position of $3,192,728 and $2,046,382 respectively, which may be utilized in future years.

FINANCIAL ANALYSIS OF THE AGENCY (continued)

Condensed Statements of Revenues, Expenses, and Changes in Net Position

	June 30, 2024	June 30, 2023	Change
Operating revenues	$ 13,387,278	$ 16,000,406	$ (2,613,128)
Operating expenses	12,310,133	13,951,161	(1,641,028)
Operating revenue	1,077,145	2,049,245	3,126,390
Non-operating revenues, net	69,201	(2,863)	72,064
Change in net position	1,146,346	2,046,382	3,192,728
Net Position:			
Beginning of year	2,046,382	-	2,046,382
End of year	$ 3,192,728	$ 2,046,382	$ 5,239,110

The statement of revenues, expenses and changes in net position shows how the Agency's net position changed during the fiscal years. In the case of the Agency, the Agency's net position increased by $1,146,346 and $2,046,382 for the years ended June 30, 2024 and 2023 respectively.

Total Revenues

	June 30, 2024	June 30, 2023	Increase Change
Operating revenues:			
Ambulance service revenue	$ 8,807,279	$ 3,277,060	$ 5,530,219
San Diego County Service Area No. 69 dissolution	1,600,159	12,348,827	(10,748,668)
Ambulance benefit fee contrbution	3,354,359	-	3,354,359
San Diego County Service Area No. 69 emergency medical service revenue	(374,519)	374,519	(749,038)
Total operating	13,387,278	16,000,406	(2,613,128)
Non-operating:			
Investment earnings	69,201	(2,863)	72,064
Total non-operating	69,201	(2,863)	72,064
Total revenues	$ 13,456,479	$ 15,997,543	$ (2,541,064)

In fiscal year 2024, operating revenues decreased by 15.88%, or $2,541,064 from $15,997,543 to $13,456,479, from the prior year, due to a $10,748,668 decrease in San Diego County Service Area No. 69 dissolution Also, non-operating revenues increased by $72,064 from ($2,863) to $69,201 due to an increase in investment earnings as a result of changing market conditions.

FINANCIAL ANALYSIS OF THE AGENCY (continued)

Total Expenses

	June 30, 2024	June 30, 2023	Change
Operating expenses:			
City of Santee	$ 5,318,299	$ 6,613,389	$ (1,295,090)
Lakeside Fire Protection District	5,318,299	6,613,389	(1,295,090)
California Department of Health Services	1,213,762	398,996	814,766
General and administrative	459,773	325,387	134,386
Operating expenses	12,310,133	13,951,161	(1,641,028)
Total expenses	$ 12,310,133	$ 13,951,161	$ (1,641,028)

In fiscal year 2024, operating expenses decreased by 11.76% or $1,641,028 from $13,951,161 to $12,310,133, from the prior year, primarily due to a decrease of $2,590,180 in payments to Lakeside Fire Protection District and City of Santee.

NOTES TO THE BASIC FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

FACTORS AFFECTING CURRENT FINANCIAL POSITION

Management is unaware of any item that would affect the Agency's current financial position.

CONTACTING THE AGENCY'S FINANCIAL MANAGEMENT

The Agency's basic financial statements are designed to present users with a general overview of the Agency's finances and to demonstrate the Agency's accountability. If you have any questions about the report or need additional information, please contact the Agency's Administration at 10601 Magnolia Ave. Santee, CA 92071 or (619)258-4100.

SANTEE-LAKESIDE EMERGENCY MEDICAL SERVICES AUTHORITY

Balance Sheet
June 30, 2024

	2024	2023
ASSETS		
Cash and cash equivalents (note 2)	$ 1,537,539	$ 346,750
Accrued interest receivable	20,558	3,619
Accounts receivable – ambulance service revenue, net (note 3)	2,681,736	1,523,139
Other receivables, net	-	374,519
Total assets	$ 4,239,833	$ 2,248,027
LIABILITIES		
Accounts payable and accrued expenses	$ 1,047,105	$ 201,645
Total liabilities	1,047,105	201,645
NET POSITION		
Unrestricted (note 4)	3,192,728	2,046,382
Total net position	3,192,728	2,046,382
Total liabilities and net position	$ 4,239,833	$ 2,248,027

SANTEE-LAKESIDE EMERGENCY MEDICAL SERVICES AUTHORITY

Statement of Revenues Expenses and Changes in Net Position
For the Fiscal Year Ended June 30, 2024

	2024	2023
Operating Revenues:		
Ambulance service revenue	$ 8,807,279	$ 3,277,060
San Diego County Service Area No. 69 dissolution	1,600,159	12,348,827
Ambulance benefit fee contrbution	3,354,359	-
San Diego County Service Area No. 69 emergency medical service revenue	(374,519)	374,519
Total operating revenues	13,387,278	16,000,406
Operating Expenses:		
Payments to:		
City of Santee (note 4)	5,318,299	6,613,389
Lakeside Fire Protection District (note 4)	5,318,299	6,613,389
California Department of Health Services	1,213,762	398,996
General and administrative	459,773	325,387
Total operating expenses	12,310,133	13,951,161
Operating income	1,077,145	2,049,245
Non-Operating Revenues:		
Investment earnings	69,201	(2,863)
Total non-operating revenues	69,201	(2,863)
Change in net position	1,146,346	2,046,382
Net Position		
Beginning of year	2,046,382	-
End of year	$ 3,192,728	$ 2,046,382

SANTEE-LAKESIDE EMERGENCY MEDICAL SERVICES AUTHORITY

Statement of Cash Flows

For the Fiscal Year Ended June 30, 2024

	2024	2023
Cash flows from operating activities:		
Cash received from ambulance service revenue and emergency medical service revenue	$ 7,648,682	$ 1,753,921
Cash received from Ambulance benefit fee contrbution	3,354,359	-
Cash received from San Diego County Service Area No. 69 dissolution	1,600,159	12,348,827
Cash payments for operating expenses	(11,464,673)	(13,749,516)
Net cash provided by operating activities	1,138,527	353,232
Cash flows from investing activities:		
Investment earnings	52,262	(6,482)
Net cash used in investing activities	52,262	(6,482)
Net increase in cash and cash equivalents	1,190,789	346,750
Cash and cash equivalents:		
Beginning of year	346,750	-
End of year	$ 1,537,539	$ 346,750

	2024	2023
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	$ 1,077,145	$ 2,049,245
Adjustments to reconcile operating income to net cash provided by operating activities:		
(Increase) decrease in assets:		
Accounts receivable	(1,158,597)	(1,523,139)
Other receivables	374,519	(374,519)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	845,460	201,645
Net cash provided by operating activities	$ 1,138,527	$ 353,232
Supplemental disclosure of cash flow information:		
Non-cash investing and financing activities:		
Change in unrealized gains/(losses) of investments	$ (3,476)	$ (7,005)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Operations of the Reporting Entity

The Santee-Lakeside Emergency Medical Services Authority (Authority) was formed under a Joint Exercise of Powers Authority on January 1, 2023, pursuant to the provisions of Article 2, Chapter 4; Division 2, Title 5 Sections 55631 through 55634, and Article 1 through 4, Chapter 5, Division 7, Title 1 (commencing with Section 65 of the Government Code of the State of California. The Authority was formed between the City of Santee and the Lakeside Fire Protection District. The Authority was formed as a successor to the dissolution of the San Diego County Service Area No. 69 (CSA 69) which was established by the County of San Diego Board of Supervisors in 1974.

The Authority is an independent public Authority separate from the Members. The Authority's board consists of two Chiefs from each of the Member agencies. The Authority's Commission consists of two council members from the City of Santee and two board members from the Lakeside Fire Protection District, and a board and commission secretary.

The purpose of the Authority is to provide Advance Life Support, Basic Life Support, and ambulance transport services within the City of Santee, and the Lakeside Fire Protection District's boundaries, as well as the unincorporated communities of Bostonia and Pepper Drive. City of Santee and Lakeside Fire Protection District levy, collect, and receive all tax and benefit fee revenues on behalf of the Authority that were previously levied and collected by CSA 69.

Basis of Accounting and Measurement Focus

The Authority reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the Authority is that the costs of providing services be financed or recovered primarily through user (member) charges, capital grants and similar funding. Revenues and expenses are recognized on the full accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred, regardless of when the related cash flows take place.

Financial Reporting

The Authority's basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States Board (GAAP), as applied to enterprise funds, The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority solely operates as a special-purpose government which means it is only engaged in business-type activities; accordingly, activities are reported in the Authority's proprietary fund.

Operating revenues and expenses result from exchange transactions associated with the principal activity of the Authority. Exchange transactions are those in which each party receives and gives up essentially equal values. Management administration and depreciation expenses are also considered operating expenses. Other revenues and expenses not included in the above categories are reported as non-operating revenues and expenses.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Authority considers all highly liquid investments with a maturity of three months or less, when purchased, to be cash equivalents. Cash deposits are reported at carrying amount, which reasonably estimates fair value.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments
Investments are reported at fair value except for short-term investments, which are reported at cost, which approximates fair value. Cash deposits are reported at carrying amount, which reasonably estimates fair value. Investments in governmental investment pools are reported at fair value based on the fair value per share of the pool's underlying portfolio.

In accordance with fair value measurements, the Authority categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement.

Financial assets and liabilities recorded on the balance sheet are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Inputs that reflect unadjusted quoted prices in active markets for identical investments, such as stocks, corporate and government bonds. The Authority has the ability to access the holding and quoted prices as of the measurement date.

Level 2 – Inputs, other than quoted prices, that are observable for the asset or liability either directly or indirectly, including inputs from markets that are not considered to be active.

Level 3 – Inputs that are unobservable. Unobservable inputs reflect the Authority's own assumptions about the factors market participants would use in pricing an investment and is based on the best information available in the circumstances.

Accounts Receivable and Allowance for Doubtful Accounts
Accounts receivable consists of amounts owed by individuals for services rendered for ambulance transport. Uncollectible accounts are based on prior experience and management's assessment of the collectability of existing accounts. As of June 30. 2024, and allowance for doubtful accounts has been recorded for those uncollectible accounts (see note 3).

Net Position
The financial statements utilize a net position presentation. Net position is categorized as follows:

Unrestricted – This component of net position is the net amount of the assets less liabilities that are not included in the determination of the investment in capital assets component of net position.

Member Authority Contributions
The Authority's joint exercise of powers agreement provides that any member may make contributions of money or assets to the Authority; make or advance payments of public funds to defray the cost of Authority's operation; and contribute personnel, equipment or property instead of or in addition to other contributions or advances. Such contributions shall be paid to and disbursed by the Authority as set out in separate agreements between the Authority and the member and approved by the board and the governing body of the member. There were no contributions made by members in 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Member's Net Position
In the event of a member withdrawal, member termination, or dissolution of the Authority, any property interest remaining in the Authority, following a discharge of all obligations shall be disposed of pursuant to the Joint Powers Agreements as adopted by the Governing Board.

NOTE 2 – CASH AND INVESTMENTS

Cash and investments at June 30, 2024, are classified on the balance sheet as follows:

Description	2024
Cash and cash equivalents	$ 1,537,539
Total cash and investments	$ 1,537,539

Cash and investments at June 30, 2024, consisted of the following:

Description	2024
Cash held with City of Santee Pooled Cash	$ 1,531,260
Demand deposits held with financial institutions	6,279
Total cash and investments	$ 1,537,539

Cash held with City of Santee Pooled Cash
At June 30, 2024 the carrying amount of the Authority's cash held with the City of Santee was $1,531,260. The City of Santee pools cash resources from all funds to facilitate the management of cash and achieve the goal of obtaining the highest yield with the greatest safety and least risk. The balance in the pooled cash account is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing accounts and other investments for varying terms. Investments are stated at fair value, the value at which a financial instrument could be exchanged in a current transaction between willing parties, except for investment contracts that are reported at cost because they are not transferable, and they have terms that are not affected by changes in market interest rates. Separate financial statements of the City are available at 10601 N Magnolia Avenue, Santee, CA 92071.

Demand Deposits with Financial Institutions
At June 30, 2024 the carrying amount of the Authority's demand deposits was $6,279, and the financial institution's balance was $6,279. The net difference represents outstanding checks, deposits-in-transit and/or other reconciling items between the financial institution's balance and the Authority's balance for the year.

NOTE 2 – CASH AND INVESTMENTS (continued)

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a policy for custodial credit risk for deposits. Cash balances held in banks are insured up to $250,000 by the Federal Depository Insurance Corporation (FDIC) and are collateralized by the respective financial institutions. In addition, the California Government Code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits.

NOTE 3 – ACCOUNTS AND OTHER RECEVIBLES

Accounts receivable ambulance service revenue, net as of June 30, 2024, consisted of the following:

Description	2024
Accounts receivable – ambulance service revenue	$ 5,483,199
Allowance for doubtful accounts	(2,801,462)
Total accounts receivable- ambulance service revenue, net	$ 2,681,737

NOTE 4 – MEMBER AUTHORITY NET POSITION

The Authority was formed between the City of Santee and Lakeside Fire Protection District. The Member Agencies net position in the Joint Exercise of Powers Authority awaiting distribution has been calculated as follows:

	For the Period Ending June 30, 2024				
Member Agency	**Beginning Net Position**	**Total Revenue**	**Operating Expenses**	**Distributions**	**Ending Net Position**
City of Santee	$ 1,023,191	$ 6,728,240	$ (836,768)	$ (5,318,299)	$ 1,596,364
Lakeside Fire Protection District	1,023,191	6,728,240	(836,768)	(5,318,299)	1,596,364
Total	$ 2,046,382	$ 13,456,480	$ (1,673,536)	$ (10,636,598)	$ 3,192,728

	Remaining Balances at June 30, 2024		
Member Agency	**Assets**	**Liabilities**	**Net Position**
City of Santee	$ 2,119,916	$ 523,552	$ 1,596,364
Lakeside Fire Protection District	2,119,917	523,553	1,596,364
Total	$ 4,239,833	$ 1,047,105	$ 3,192,728

Each annual budget includes a minimum reserve for contingency equal to ten percent of otherwise budgeted and approved expenditures. The approved reserve for fiscal year 2024 was twenty five percent. The distribution to the member agencies is calculated on a cash basis. The Authority calculates the total cash revenue and subtracts the expenditures made and subtracts the required reserve amount to arrive at the distributable amount. The Authority then distributes the distributable amount evenly to the two members.

NOTE 5 – COMMITMENTS AND CONTINGENCIES

Litigation

The Authority may be involved in routine litigation incidental to its business and may be subject to claims and litigation from outside parties. After consultation with legal counsel, management believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

NOTE 6 – SUBSEQUENT EVENTS

The Authority has evaluated subsequent events through January 15, 2025, the date which the financial statements were available to be issued.

Other Independent Auditors' Reports

NIGRO & NIGRO PC
A Professional Accountancy Corporation

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Chiefs and Commissioners
Santee-Lakeside Emergency Medical Services Authority
Santee, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Santee-Lakeside Emergency Medical Services Authority (Authority) which comprise the balance sheet as of June 30, 2024, and the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated January 15, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Jeff Nigro, CPA, CFE | Elizabeth Nigro, CPA | Shannon Bishop, CPA | Peter Glenn, CPA, CFE | Paul J. Kaymark, CPA | Jessica Berry, CPA | Angelika Vartikyan, CPA
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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Murrieta, California
January 15, 2025

SANTEE-LAKESIDE EMERGENCY MEDICAL SERVICES AUTHORITY

Report to the Board of Directors

For the Fiscal Year Ended
June 30, 2024

NIGRO & NIGRO PC

SANTEE-LAKESIDE EMERGENCY MEDICAL SERVICES AUTHORITY
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For the Fiscal Year Ended June 30, 2024

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NIGRO & NIGRO PC

A Professional Accountancy Corporation

Board of Directors
Santee-Lakeside Emergency Medical Services Authority
Santee, California

We are pleased to present this report related to our audit of the financial statements of the Santee-Lakeside Emergency Medical Services Authority (Authority) as of and for the year ended June 30, 2024. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the Authority's financial reporting process.

This report is intended solely for the information and use of the Board of Directors and management and is not intended to be, and should not be, used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to the Authority.

Very truly yours,

Nigro & Nigro, PC

Murrieta, California
January 15, 2025

Jeff Nigro, CPA, CFE | Elizabeth Nigro, CPA | Shannon Bishop, CPA | Peter Glenn, CPA, CFE | Paul J. Kaymark, CPA | Jessica Berry, CPA | Angelika Vartikyan, CPA

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Required Communications

SANTEE-LAKESIDE EMERGENCY MEDICAL SERVICES AUTHORITY
Required Communications
For the Fiscal Year Ended June 30, 2024

Generally accepted auditing standards (AU-C 260, *The Auditor's Communication With Those Charged With Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

Area		Comments
Our Responsibilities with Regard to the Financial Statement Audit		Our responsibilities under auditing standards generally accepted in the United States of America have been described to you in our arrangement letter dated May 1, 2024. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.
Overview of the Planned Scope and Timing of the Financial Statement Audit		An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit involved judgment about the number of transactions and the account-type of areas tested. There were no changes to the planned scope and timing of our audit testwork.
Accounting Policies and Practices		**Accounting Policies and Practices** Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. During our audit, no such circumstances were noted. **Adoption of, or Change in, Significant Accounting Polies or Their Application** Management has the ultimate responsibility for the appropriateness of the accounting policies used by the Authority. The Authority did not adopt any significant new accounting policies, nor have there been any changes in existing significant accounting policies during the current period. **Significant or Unusual Transactions** We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus. **Management's Judgments and Accounting Estimates** Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgement. No such significant accounting estimates were noted or estimate applications were changed from the previous year.
Audit Adjustments		Audit adjustments are summarized in the attached **Summary of Adjusting Journal Entries**.
Uncorrected Misstatements		We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.

Area		Comments
Discussions With Management		We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditor. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.
Disagreements With Management		We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.
Consultations With Other Accountants		We are not aware of any consultations management had with other accountants about accounting or auditing matters.
Significant Issues Discussed With Management		No significant issues arising from the audit were discussed or the subject of correspondence with management.
Significant Difficulties Encountered in Performing the Audit		No significant difficulties were encountered in performing our audit.
Required Supplementary Information		We applied certain limited procedures to the: 1. Management's Discussion and Analysis Which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

This information is intended solely for the information and use of Board of Directors and management of the Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

Summary of Adjusting Journal Entries

SANTEE-LAKESIDE EMERGENCY MEDICAL SERVICES AUTHORITY
Summary of Adjusting Journal Entries
For the Fiscal Year Ended June 30, 2024

No audit adjustments noted.