

**SAN MIGUEL CONSOLIDATED  
FIRE PROTECTION DISTRICT**  
**Report to the Board of Directors**  
**For the Fiscal Year Ended  
June 30, 2020**

**NIGRO  
& NIGRO<sup>PC</sup>**

**SAN MIGUEL CONSOLIDATED FIRE PROTECTION DISTRICT**

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*For the Fiscal Year Ended June 30, 2020*

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Board of Directors  
San Miguel Consolidated Fire Protection District  
Spring Valley, California

We are pleased to present this report related to our audit of the financial statements of the San Miguel Consolidated Fire Protection District (District) as of and for the year ended June 30, 2020. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the District'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 District.

Very truly yours,

Murrieta, California  
February 28, 2021

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***Required Communications***

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# SAN MIGUEL CONSOLIDATED FIRE PROTECTION DISTRICT

## Required Communications

For the Fiscal Year Ended June 30, 2020

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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
<b>Our Responsibilities with Regard to the Financial Statement Audit</b>	Our responsibilities under auditing standards generally accepted in the United States of America have been described to you in our arrangement letter dated June 1, 2020. 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.
<b>Overview of the Planned Scope and Timing of the Financial Statement Audit</b>	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.
<b>Accounting Policies and Practices</b>	<b>Accounting Policies and Practices</b> Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. During our audit, no such circumstances were noted. <b>Adoption of, or Change in, Significant Accounting Policies or Their Application</b> Management has the ultimate responsibility for the appropriateness of the accounting policies used by the District. The District did not adopt any significant new accounting policies, nor have there been any changes in existing significant accounting policies during the current period. <b>Significant or Unusual Transactions</b> 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. <b>Management's Judgments and Accounting Estimates</b> 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.
<b>Audit Adjustments</b>	Audit adjustments are summarized in the attached <b>Summary of Adjusting Journal Entries</b> .
<b>Uncorrected Misstatements</b>	We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.

**SAN MIGUEL CONSOLIDATED FIRE PROTECTION DISTRICT**

*Required Communications*

*For the Fiscal Year Ended June 30, 2020*

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<b>Area</b>	<b>Comments</b>
<b>Discussions With Management</b>	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 District's auditor. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.
<b>Disagreements With Management</b>	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.
<b>Consultations With Other Accountants</b>	We are not aware of any consultations management had with other accountants about accounting or auditing matters.
<b>Significant Issues Discussed With Management</b>	No significant issues arising from the audit were discussed or the subject of correspondence with management.
<b>Significant Difficulties Encountered in Performing the Audit</b>	No significant difficulties were encountered in performing our audit.
<b>Required Supplementary Information</b>	<p>We applied certain limited procedures to the:</p> <ol style="list-style-type: none"><li>1. Management's Discussion and Analysis</li><li>2. Budget to Actual Comparison</li><li>3. Required Pension Plan Disclosures</li><li>4. Required OPEB Plan Disclosures</li></ol> <p>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.</p>

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

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***Summary of Adjusting Journal Entries***

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## SAN MIGUEL CONSOLIDATED FIRE PROTECTION DISTRICT

### Summary of Adjusting Journal Entries For the Fiscal Year Ended June 30, 2020

Account	Description	Debit	Credit
<b>Adjusting Journal Entries JE # 1</b>			
To Reclass Interest Revenue out of Prop Tax & Parcel Tax to Interest Income			
1006-000	Accounts Receivable - Property Taxes	49.70	
1060-000	Allowance for Doubtful Account	0.30	
4003-000	Benefit Assessment - Crest	88.58	
4004-000	Benefit Assessment - Bostonia	413.72	
4005-000	Benefit Assessment - Paramedic (ECO)	616.37	
4006-000	Parcel Tax (ECO)	2,796.29	
4010-000	Property Taxes	30,744.07	
4010-000	Property Taxes	117,664.30	
8098-807	Loss on Sale of Assets	33,001.00	
4012-000	Reimbursements		50.00
4040-000	Interest		34,659.03
4150-000	Gain on Disposal of Capital Assets		33,001.00
6115-001	Property Tax Refunds		117,664.30
<b>Total</b>		<b>185,374.93</b>	<b>185,374.93</b>
<b>Adjusting Journal Entries JE # 2</b>			
To Reclass Fund Balance Accounts			
3000-000	Investment in Capital Assets, Net of Related Debt	13,468,885.35	
3100-803	Fund Balance	30.00	
3999-805	Prior Period Adjustments	144,064.00	
3999-807	Prior Period Adjustment	1,245,895.00	
3100-000	Fund Balance		12,598,439.95
3100-805	Fund Balance		144,064.00
3100-807	Fund Balance		1,245,895.00
3200-000	Other Gov't Fund Balance		574,891.00
3999-000	Prior Period Adjustments		295,554.40
3999-803	Prior Period Adjustments		30.00
<b>Total</b>		<b>14,858,874.35</b>	<b>14,858,874.35</b>
<b>Adjusting Journal Entries JE # 3</b>			
Additional GASB 75			
2496-000	DOR - OPEB Contributions	139,025.04	
5952-000	GASB 75 - Deferred Contributions		139,025.04
<b>Total</b>		<b>139,025.04</b>	<b>139,025.04</b>
<b>Adjusting Journal Entries JE # 4</b>			
To true-up compensated absence balance			
2300-804	Compensated Absences	111,245.29	
5199-000	Comp Abs Adjustment		111,245.29
<b>Total</b>		<b>111,245.29</b>	<b>111,245.29</b>
	<b>Total Adjusting Journal Entries</b>	<b>15,294,519.61</b>	<b>15,294,519.61</b>
	<b>Total All Journal Entries</b>	<b>15,294,519.61</b>	<b>15,294,519.61</b>