



**RANCHO SANTA FE FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS MEETING
AGENDA**

Rancho Santa Fe FPD
Board Room – 18027 Calle Ambiente, Ste. 101
Rancho Santa Fe, California 92067

February 19, 2025
1:00 pm PT
Regular Meeting

Public Comment: To submit a comment in writing, please email Montagne@rsf-fire.org and write “Public Comment” in the subject line. In the body of the email include the item number and/or title of the item as well as your comments. If you would like the comment to be read aloud at the meeting (not to exceed five minutes), please write “Read Out Loud at Meeting” at the top of the email. All comments received by 11:00 am will be emailed to the Board of Directors and included as “Supplemental Information” on the district’s website prior to the meeting. Any comments received after 11:00 am will be added to the record and shared with the members of the Board at the meeting.

Americans with Disabilities Act: If you need special assistance to participate in this meeting, please contact the Board Clerk 858-756-5971 ext. 1014. Notification 48 hours prior to the meeting will enable the district to make reasonable arrangements to assure accessibility to the meeting.

Rules for Addressing the Board of Directors: Members of the audience who wish to address the Board of Directors are requested to complete a form near the entrance of the meeting room and submit it to the Board Clerk. Any person may address the Board on any item of Board business or Board concern. The Board cannot act on any matter presented during the Public Comment but can refer it to staff for review and possible discussion at a future meeting. As permitted by State Law, the Board may act on matters of an urgent nature, or which require immediate attention. The time allotted for each presentation is subject to the discretion of the board and based on the number of intended speakers. Each audience member will be allotted an equal amount of time.

Agendas: Agenda packets are available for public inspection 72 hours prior to scheduled meetings at the Board Clerk’s office located at 18027 Calle Ambiente, Suite 101, Rancho Santa Fe, CA during normal business hours. Packet documents are also posted online at www.rsfire.org.



Rancho Santa Fe Fire Protection District Board of Directors Regular Meeting

February 19, 2025

SPECIAL AGENDA (10:00 am – 12:00 pm)

HARASSMENT TRAINING (WORKSHOP) – The Fire District will conduct the mandatory two (2) hour harassment training for the Board of Directors and management staff. Stephen J. Fitch, Fitch & Associates, will conduct the training. No action will be taken, and members of the public are welcome to attend.

REGULAR AGENDA (1:00 pm)

1. Call to Order
2. Determination of a Quorum/Roll Call
3. Pledge of Allegiance
4. AB 2449 Approve Director’s Request
 - If a request is submitted, consider approval of the Director’s request to participate remotely and utilize Just Cause or Emergency Circumstance per AB 2449
5. Approval of Agenda
6. Public Comment

This portion of the agenda may be utilized by any person to address the Board of Directors on any matter within their jurisdiction. However, depending on the subject matter, the Board may be unable to respond at this time or until the specific item is placed on the agenda at a future meeting, as provided by The Brown Act. Comment time will be set based on the number of intended commentors.
7. Motion waiving reading in full of all Resolutions/Ordinances

All items listed on the Consent Calendar are considered routine and will be enacted by one motion without discussion unless Board Members, Staff, or the public requests removal of an item for separate discussion and action. The Board of Directors has the option of considering items removed from the Consent Calendar immediately or under Unfinished Business.

8. Consent Calendar
 - a. Board of Directors Minutes
 - Minutes of January 15, 2025
ACTION REQUESTED: **Approve**
 - b. Receive and File
 - Monthly/Quarterly Reports for January 2025
 - (1) List of Demands: Checks 38484 through 38583 and Electronic Funds Transfers (EFTs)

totaling:	\$ 2,150,867.15
Payroll(s) totaling:	\$ <u>1,047,313.14</u>
TOTAL DISTRIBUTION	\$ 3,198,180.29



Rancho Santa Fe Fire Protection District Board of Directors

Regular Meeting

February 19, 2025

- (2) Grant Recap
 - (3) Division Reports – January 2025
 - (a) Operations
 - (b) Training
 - (c) Fire Prevention
 - (d) Finance
- ACTION REQUESTED: **Receive and File**

9. Correspondence

10. Ordinances/Resolutions

a. Resolution 2025-01

To discuss and/or adopt a Resolution of the Board of Directors of the Rancho Santa Fe Fire Protection District Authorizing Signers on District Bank Accounts.

ACTION REQUESTED: **Adopt**

11. New Business

a. Annual Financial Report FY2023-2024

Paul Kaymark, Auditor with Nigro & Nigro, will report on the financial status of the Fire District for FY24 and present any findings resulting from the year-end audit. [Presentation to Board, Final Communication with Governance Letter, and RSF Financials 2024 - DRAFT V3](#)

ACTION REQUESTED: **Accept**

12. Oral Reports

- i. Fire Chief
- ii. Operations
- iii. Training
- iv. Fire Prevention
- v. Finance
- vi. Board of Directors
 - North County Dispatch JPA – Update
 - County Service Area – 17 – Update
 - Rancho Santa Fe Fire District Foundation - Update
 - Director Comments

13. Adjournment

The next regular Board of Directors meeting to be held on March 19, 2025, in the Board Room located at 18027 Calle Ambiente, Rancho Santa Fe, California. The business meeting will commence at 1:00 p.m.



Rancho Santa Fe Fire Protection District Board of Directors Regular Meeting

February 19, 2025

CERTIFICATION OF POSTING

I certify that on February 13, 2025, a copy of the foregoing agenda was posted on the district's website and near the meeting place of the Board of Directors of Rancho Santa Fe Fire Protection District, said time being at least 72 hours in advance of the meeting of the Board of Directors (Government Code Section 54954.2)

Executed at Rancho Santa Fe, California on February 13, 2025:

SKMontagne

Sarah Montagne
Board Clerk

Rancho Santa Fe Fire Protection District
Regular Board of Directors Meeting
Minutes January 15, 2025



These minutes reflect the order in which items appeared on the meeting agenda and do not necessarily reflect the order in which items were considered.

Director Ashcraft called to order the regular session of the Rancho Santa Fe Fire Protection District Board of Directors at 1:00pm.

Election of Officers

Director Ashcraft was elected President. Director Tanner was elected Vice President. Sarah Montagne was elected Board Clerk.

Determination of a Quorum

Quorum confirmed.

Roll Call

Directors Present: Ashcraft, Barnard, Hillgren (1:11p arrival), Stine, Tanner

Directors Absent: None

Staff Present: Fire Chief Dave McQuead; Deputy Chief Jim Mickelson; Deputy Fire Marshal Conor Lenehan; Finance Manager Burgen Havens; Executive Assistant/Board Clerk Sarah Montagne; Battalion Chief Brian Salameh

RSF Fire District Foundation: Retired Fire Chief Frank Twohy

Pledge of Allegiance

Deputy Fire Marshal Lenehan led the assembly in the Pledge of Allegiance.

AB 2449 Approve Director's Request

No request was made.

Approval of Agenda

Director Ashcraft amended timing of Election of Officers to follow New Business.

1. **Public Comment**

No public comment was made.

2. **Motion waiving reading in full of all Resolutions/Ordinances**

MOTION BY DIRECTOR TANNER, SECOND BY DIRECTOR STINE, and CARRIED 4 AYES; 0 NOES; 1 ABSENT; 0 ABSTAIN to waive reading in full of all resolutions and/or ordinances.

3. **Consent Calendar**

MOTION BY DIRECTOR STINE, SECOND BY DIRECTOR BARNARD, and CARRIED 4 AYES; 0 NOES; 1 ABSENT; 0 ABSTAIN to waive reading in full of all resolutions and/or ordinances.

4. **Correspondence**

No correspondence filed.

Rancho Santa Fe Fire Protection District
Regular Board of Directors Meeting
Minutes January 15, 2025



5. **New Business**

a. **Grant Acceptance**

MOTION BY DIRECTOR TANNER, SECOND BY DIRECTOR STINE, and CARRIED 4 AYES; 0 NOES; 1 ABSENT; 0 ABSTAIN to accept a donation from the Rancho Santa Fe Fire District Foundation (RSFFDF) for Columbia Down Jackets.

6. **Adjournment**

Meeting adjourned at 2:23pm

The next regular Board of Directors meeting is to be held on February 19, 2024, in the Board Room located at 18027 Calle Ambiente, Rancho Santa Fe, California. The business meeting will commence at 1:00 p.m.

Sarah Montagne
Board Clerk

James H. Ashcraft
President

Report Criteria:

Report type: Invoice detail

Check.Type = {<->} "Adjustment"

Check Issue Date	Check Number	Payee	Amount	Invoice GL Account Title
01/10/2025	38484	About Service Inc	1,303.34	APPARATUS: REPAIR
01/10/2025	38485	Accme Janitorial Service Inc	740.00	BUILDING: ADMIN
01/10/2025	38486	AT&T	81.99	UTILITIES: RSF2
01/10/2025	38486	AT&T	73.89	UTILITIES: RSF1
01/10/2025	38486	AT&T	70.10	UTILITIES: RSF3
01/10/2025	38487	AT&T Calnet 2/3	61.40	UTILITIES: ADMIN
01/10/2025	38487	AT&T Calnet 2/3	36.83	UTILITIES: RSF3
01/10/2025	38487	AT&T Calnet 2/3	162.22	UTILITIES: ADMIN
01/10/2025	38487	AT&T Calnet 2/3	96.76	UTILITIES: RSF1
01/10/2025	38487	AT&T Calnet 2/3	82.06	UTILITIES: RSF3
01/10/2025	38487	AT&T Calnet 2/3	32.77	UTILITIES: RSF1
01/10/2025	38487	AT&T Calnet 2/3	32.77	UTILITIES: RSF1
01/10/2025	38488	B & B Appliance Service Dept	1,705.99	BUILDING: RSF5
01/10/2025	38489	C.A.P.F.	1,681.50	DISABILITY INSURANCE
01/10/2025	38490	California PPE Recon Inc	399.98	PPE
01/10/2025	38490	California PPE Recon Inc	399.98	PPE
01/10/2025	38491	Caselle INC.	26,206.00	CAPITAL - EQUIPMENT
01/10/2025	38491	Caselle INC.	1,306.00	COMPUTERS & PRINTERS
01/10/2025	38492	CDW Government Inc.	2,765.40	COMPUTERS & PRINTERS
01/10/2025	38493	Charter Communications Holdings LLC (Sp	48.62	UTILITIES: RSF4
01/10/2025	38493	Charter Communications Holdings LLC (Sp	1,230.19	UTILITIES: ADMIN
01/10/2025	38494	Cielo Village Partners LP	3,200.00	BUILDING: ADMIN
01/10/2025	38495	Cintas Corporation No 2	241.10	FOAM & EXTINGUISHERS
01/10/2025	38496	COR Security Inc	233.56	BUILDING: ADMIN
01/10/2025	38496	COR Security Inc	560.34	BUILDING: RSF6
01/10/2025	38497	County of SD/RCS	72.50	800 MHz NETWORK FEES
01/10/2025	38497	County of SD/RCS	3,333.50	800 MHz NETWORK FEES
01/10/2025	38498	Cox Communications	590.71	UTILITIES: RSF5
01/10/2025	38499	DEH County of San Diego	578.00	PERMITS
01/10/2025	38500	Direct Energy Business-Dallas	1,875.25	UTILITIES: RSF1
01/10/2025	38501	Dish	139.80	UTILITIES: RSF6
01/10/2025	38502	EDCO Waste & Recycling Inc	252.25	UTILITIES: RSF5
01/10/2025	38502	EDCO Waste & Recycling Inc	139.14	UTILITIES: RSF6
01/10/2025	38502	EDCO Waste & Recycling Inc	221.46	UTILITIES: RSF6
01/10/2025	38503	Eide Bailly LLP	2,643.38	CONSULTING SVCS - FINANCIAL
01/10/2025	38504	ESRI Inc	460.00	MEMBERSHIPS & SUBSCRIPTIONS
01/10/2025	38505	Fader Electric	320.00	BUILDING: RSF4
01/10/2025	38506	Fire and Hyde Leatherworks	290.92	PPE
01/10/2025	38507	Fire Apparatus Solutions	280,715.04	CAPITAL - APPARATUS
01/10/2025	38508	Fitch Law Firm Inc	3,329.00	LEGAL SERVICES
01/10/2025	38509	Genuine Parts Company, Inc.	107.64	FUEL/PROPANE
01/10/2025	38510	Griffin Ace Hardware Co.	218.64	BUILDING: RSF3
01/10/2025	38510	Griffin Ace Hardware Co.	4.70	BUILDING: RSF3
01/10/2025	38510	Griffin Ace Hardware Co.	60.54	BUILDING: RSF2
01/10/2025	38511	Guardian Life Insurance Co	5,983.99	Medical/Dental Insurance
01/10/2025	38512	Home Depot INC	2,330.83	TRAINING- MATERIALS/SUPPLIES
01/10/2025	38513	Integrity Data	258.00	MEMBERSHIPS & SUBSCRIPTIONS
01/10/2025	38514	K & M Pest Solutions	525.00	BUILDING: RSF6
01/10/2025	38515	KnowBe4 Inc.	2,168.10	MEMBERSHIPS & SUBSCRIPTIONS
01/10/2025	38516	L N Curtis & Sons Inc	141.96	PPE
01/10/2025	38516	L N Curtis & Sons Inc	251.87	PPE
01/10/2025	38516	L N Curtis & Sons Inc	86.07	EQUIPMENT - MINOR
01/10/2025	38517	Life-Assist Inc	657.62	CSA-17 CONTRACT
01/10/2025	38517	Life-Assist Inc	113.53	CSA-17 CONTRACT

Check Issue Date	Check Number	Payee	Amount	Invoice GL Account Title
01/10/2025	38517	Life-Assist Inc	121.63	CSA-17 CONTRACT
01/10/2025	38518	MES California	83.75	SCBA EQUIPMENT
01/10/2025	38518	MES California	118.85	SCBA EQUIPMENT
01/10/2025	38518	MES California	86.20	SCBA EQUIPMENT
01/10/2025	38519	North County EVS Inc	2,324.92	APPARATUS: SCHEDULED
01/10/2025	38519	North County EVS Inc	4,412.14	APPARATUS: REPAIR
01/10/2025	38519	North County EVS Inc	2,112.39	APPARATUS: SCHEDULED
01/10/2025	38519	North County EVS Inc	2,003.31	APPARATUS: REPAIR
01/10/2025	38520	Olivenhain Municipal Water District	191.61	UTILITIES: RSF6
01/10/2025	38520	Olivenhain Municipal Water District	374.22	UTILITIES: RSF2
01/10/2025	38520	Olivenhain Municipal Water District	901.14	UTILITIES: RSF2
01/10/2025	38520	Olivenhain Municipal Water District	669.33	UTILITIES: RSF4
01/10/2025	38520	Olivenhain Municipal Water District	270.99	UTILITIES: RSF3
01/10/2025	38521	Pitney Bowes Inc	405.48	MACHINES & OFFICE EQUIPMENT
01/10/2025	38522	Quench USA, Inc.	124.45	BUILDING: RSF6
01/10/2025	38522	Quench USA, Inc.	128.01	BUILDING: ADMIN
01/10/2025	38523	Race Telecommunications INC	179.50	UTILITIES: RSF1
01/10/2025	38524	Rincon Del Diablo Municipal Water Distri	205.43	UTILITIES: RSF5
01/10/2025	38524	Rincon Del Diablo Municipal Water Distri	463.07	UTILITIES: RSF5
01/10/2025	38525	Robert Half International	1,200.00	TEMPORARY STAFF EXPENSE
01/10/2025	38525	Robert Half International	630.00	TEMPORARY STAFF EXPENSE
01/10/2025	38525	Robert Half International	740.00	TEMPORARY STAFF EXPENSE
01/10/2025	38526	RSF Mail Delivery Solutions	150.00	OFFICE EXPENSES
01/10/2025	38527	RSF Security Inc	50.00	UTILITIES: RSF5
01/10/2025	38528	SC Commercial LLC	2,065.60	FUEL/PROPANE
01/10/2025	38528	SC Commercial LLC	1,946.61	FUEL/PROPANE
01/10/2025	38528	SC Commercial LLC	656.35	FUEL/PROPANE
01/10/2025	38528	SC Commercial LLC	640.73	FUEL/PROPANE
01/10/2025	38528	SC Commercial LLC	908.51	FUEL/PROPANE
01/10/2025	38528	SC Commercial LLC	1,238.98	FUEL/PROPANE
01/10/2025	38529	Streamline	497.00	WEBSITE
01/10/2025	38530	U.S. Bank Corporate Payment Systems	9,846.65	CAL-CARD PROGRAM
01/10/2025	38531	Verizon Wireless	336.27	CSA-17 CONTRACT
01/10/2025	38531	Verizon Wireless	5,705.10	MDCs/iPads
01/10/2025	38532	Waste Management Inc	546.81	UTILITIES: RSF1
01/10/2025	38532	Waste Management Inc	333.42	UTILITIES: RSF4
01/10/2025	38532	Waste Management Inc	333.42	UTILITIES: RSF3
01/10/2025	38532	Waste Management Inc	348.67	UTILITIES: RSF2
01/16/2025	38533	About Service Inc	1,030.54	APPARATUS: REPAIR
01/16/2025	38534	AT&T	79.54	UTILITIES: RSF6
01/16/2025	38535	AT&T Calnet 2/3	112.27	UTILITIES: RSF6
01/16/2025	38535	AT&T Calnet 2/3	2,312.66	UTILITIES: RSF4
01/16/2025	38535	AT&T Calnet 2/3	2,663.91	UTILITIES: RSF6
01/16/2025	38535	AT&T Calnet 2/3	90.23	UTILITIES: RSF2
01/16/2025	38535	AT&T Calnet 2/3	150.20	UTILITIES: RSF4
01/16/2025	38535	AT&T Calnet 2/3	218.53	UTILITIES: ADMIN
01/16/2025	38535	AT&T Calnet 2/3	19.73	UTILITIES: ADMIN
01/16/2025	38536	DanBillt Engineering	4,549.90	APPARATUS/VEHICLES
01/16/2025	38537	David Aguirre	500.19	RADIOS
01/16/2025	38538	Griffin Ace Hardware Co.	69.34	EQUIPMENT - MINOR
01/16/2025	38539	Konica Minolta Business Inc	144.61	COPIER MAINTENANCE CONTRACT
01/16/2025	38540	Lincoln National Life Ins Co	470.65	LIFE INSURANCE
01/16/2025	38540	Lincoln National Life Ins Co	462.83	LIFE INSURANCE
01/16/2025	38541	R.E. Badger & Son INC.	400.00	BUILDING: RSF6
01/16/2025	38542	Rancho Santa Fe Rotary	345.00	MEMBERSHIPS & SUBSCRIPTIONS
01/16/2025	38543	RSF Security Inc	20.00	BUILDING: ADMIN
01/16/2025	38544	SC Commercial LLC	644.58	FUEL/PROPANE
01/16/2025	38544	SC Commercial LLC	700.76	FUEL/PROPANE

Check Issue Date	Check Number	Payee	Amount	Invoice GL Account Title
01/16/2025	38545	SDG&E	4,715.14	UTILITIES: RSF1
01/16/2025	38545	SDG&E	1,154.14	UTILITIES: RSF6
01/16/2025	38545	SDG&E	1,399.84	UTILITIES: RSF5
01/16/2025	38546	Uniforms Plus	552.76	UNIFORMS
01/16/2025	38546	Uniforms Plus	780.65	UNIFORMS
01/16/2025	38546	Uniforms Plus	675.59	UNIFORMS
01/16/2025	38546	Uniforms Plus	321.10	UNIFORMS
01/16/2025	38546	Uniforms Plus	243.52	UNIFORMS
01/16/2025	38546	Uniforms Plus	484.88	UNIFORMS
01/24/2025	38547	APCD	687.00	PERMITS
01/24/2025	38547	APCD	1,379.00	PERMITS
01/24/2025	38548	AT&T	87.13	UTILITIES: RSF3
01/24/2025	38548	AT&T	86.73	UTILITIES: RSF1
01/24/2025	38548	AT&T	94.83	UTILITIES: RSF2
01/24/2025	38548	AT&T	249.28	UTILITIES: RSF5
01/24/2025	38549	Business Owner's Ins Agency	462.00	COMMERCIAL LIABILITY - AUTO
01/24/2025	38550	California Society of Municipal Finance	700.00	TRAINING: ADMINISTRATION
01/24/2025	38551	Charter Communications Holdings LLC (Sp	277.81	UTILITIES: ADMIN
01/24/2025	38552	Competitive Electric & Lighting	1,143.20	BUILDING: RSF4
01/24/2025	38553	Fire Catt LLC	11,564.85	HOSE & NOZZLES
01/24/2025	38554	First Alarm Wellness	675.00	PHYSICALS & WELLNESS PROGRAM
01/24/2025	38555	Griffin Ace Hardware Co.	27.57	STATION SUPPLIES
01/24/2025	38555	Griffin Ace Hardware Co.	28.64	STATION SUPPLIES
01/24/2025	38555	Griffin Ace Hardware Co.	3.55	EQUIPMENT - MINOR
01/24/2025	38556	Hanna Plumbing & Supply	300.00	BUILDING: RSF4
01/24/2025	38557	Industrial Commercial Systems INC.	470.00	BUILDING: RSF4
01/24/2025	38558	Lincoln National Life Ins Co	460.04	LIFE INSURANCE
01/24/2025	38558	Lincoln National Life Ins Co	462.83	LIFE INSURANCE
01/24/2025	38559	MES California	13,614.18	HOSE & NOZZLES
01/24/2025	38560	Olivenhain Municipal Water District	191.95	UTILITIES: RSF6
01/24/2025	38561	Robert Half International	1,000.00	TEMPORARY STAFF EXPENSE
01/24/2025	38562	SC Commercial LLC	2,562.36	FUEL/PROPANE
01/24/2025	38562	SC Commercial LLC	542.39	FUEL/PROPANE
01/24/2025	38562	SC Commercial LLC	1,535.96	FUEL/PROPANE
01/24/2025	38562	SC Commercial LLC	116.80	FUEL/PROPANE
01/24/2025	38562	SC Commercial LLC	1,998.15	FUEL/PROPANE
01/24/2025	38563	SDG&E	3,112.03	UTILITIES: RSF4
01/24/2025	38563	SDG&E	1,105.39	UTILITIES: ADMIN
01/24/2025	38563	SDG&E	413.12	UTILITIES: ADMIN
01/24/2025	38563	SDG&E	271.20	UTILITIES: ADMIN
01/24/2025	38564	Shred it Stericycle	284.09	OFFICE EXPENSES
01/24/2025	38565	Vickers Consulting Services, Inc	1,500.00	PROFESSIONAL SERVICES-MISC
01/31/2025	38566	Allstar Water Systems, Inc	872.44	BUILDING: RSF5
01/31/2025	38567	American Medical Response Inc	561.59	CSA-17 CONTRACT
01/31/2025	38568	C.A.P.F.	1,681.50	DISABILITY INSURANCE
01/31/2025	38569	Dish	127.80	UTILITIES: RSF6
01/31/2025	38570	Griffin Ace Hardware Co.	110.48	STATION SUPPLIES
01/31/2025	38570	Griffin Ace Hardware Co.	71.09	FUEL/PROPANE
01/31/2025	38571	Guardian Life Insurance Co	6,225.82	DENTAL FEBRUARY 2025
01/31/2025	38572	Industrial Commercial Systems INC.	750.00	BUILDING: RSF2
01/31/2025	38572	Industrial Commercial Systems INC.	1,895.00	BUILDING: RSF1
01/31/2025	38572	Industrial Commercial Systems INC.	675.00	BUILDING: RSF4
01/31/2025	38572	Industrial Commercial Systems INC.	656.00	BUILDING: RSF6
01/31/2025	38572	Industrial Commercial Systems INC.	361.50	BUILDING: RSF5
01/31/2025	38572	Industrial Commercial Systems INC.	1,144.00	BUILDING: RSF3
01/31/2025	38573	K & M Pest Solutions	546.00	BUILDING: RSF6
01/31/2025	38574	Liebert Cassidy Whitmore	135.00	LEGAL SERVICES
01/31/2025	38575	Lincoln National Life Ins Co	297.00	LIFE INSURANCE

Check Issue Date	Check Number	Payee	Amount	Invoice GL Account Title
01/31/2025	38576	NCDJPA	54,580.25	DISPATCH SERVICES
01/31/2025	38577	Olivenhain Municipal Water District	849.06	UTILITIES: RSF2
01/31/2025	38577	Olivenhain Municipal Water District	458.35	UTILITIES: RSF2
01/31/2025	38577	Olivenhain Municipal Water District	625.98	UTILITIES: RSF4
01/31/2025	38578	Precision Temperature Inc	404.67	BUILDING: RSF2
01/31/2025	38579	Robert Half International	980.00	TEMPORARY STAFF EXPENSE
01/31/2025	38580	RSF Security Inc	50.00	UTILITIES: RSF5
01/31/2025	38581	SC Commercial LLC	1,097.66	FUEL/PROPANE
01/31/2025	38581	SC Commercial LLC	643.60	FUEL/PROPANE
01/31/2025	38581	SC Commercial LLC	1,688.63	FUEL/PROPANE
01/31/2025	38582	SDG&E	2,567.13	UTILITIES: RSF2
01/31/2025	38583	Verizon Wireless	5,159.81	CELLULAR
01/10/2025	25011001	Sean Johnson	125.64	TRAINING- MATERIALS/SUPPLIES
01/10/2025	25011002	Dan Schaffer	190.00	TRAINING: PREVENTION
01/10/2025	25011003	Richard LaFleur	250.00	CSA-17 CONTRACT
01/16/2025	25011601	Trever Krueger	650.00	TRAINING: SUPPRESSION
01/16/2025	25011602	Sarah Montagne	237.85	MEETINGS & SPECIAL EVENTS
01/24/2025	25012401	Chase Cantrell	250.00	CSA-17 CONTRACT
01/24/2025	25012402	CalPERS	245,438.53	FY25 ADP FOR T1&T2
01/24/2025	25012403	CalPERS	1,000,000.00	CALPERS UAL (ADP)
01/31/2025	25013101	CalPERS	244,246.44	DECEMBER PERS RET
01/31/2025	25013102	CalPERS - Health	105,307.00	FEBRUARY HEALTH
01/31/2025	25013103	CalPERS - Health	2,263.39	FEBRUARY DIRECTOR HEALTH
Grand Totals:			2,150,867.15	

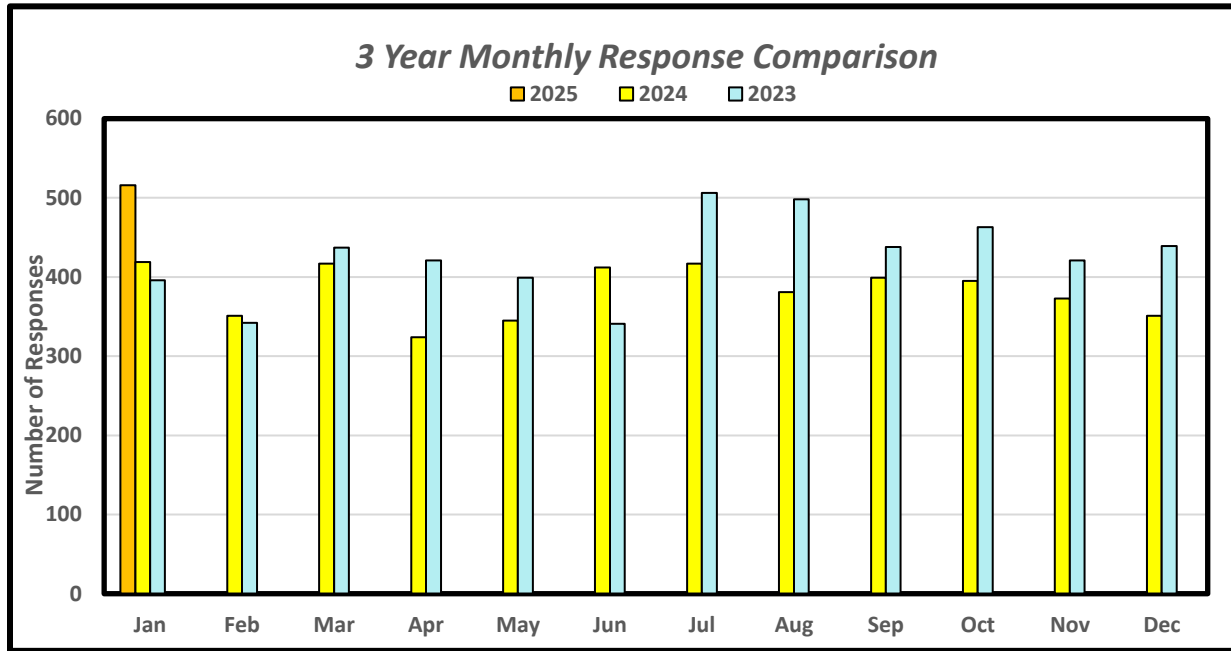
1/15/2024	\$625,000.00	RSF Fire Payroll
1/31/2025	\$422,313.14	RSF Fire Payroll
Total	\$1,047,313.14	

Grand Total: \$3,198,180.29

RSF Grant Re-Cap January 2025

Status	Date Submitted	Agency/Grantor Name	Description / Items Requested	Amount Requested	Total Received	Notes:
ACTIVE	9/30/2021	FEMA	Covid Forced Labor OT	\$ 93,084.25		RFI completed 8/2022. Under eligibility review.
ACTIVE	9/7/2021	UASI FY19	Rescue Systems 1	\$ 7,705.26		Audit Feedback recieved, working on correcting issues
ACTIVE		UASI FY21	Fresno Symposium & Rescue Systems 1	\$ 20,655.00		Submitted for Reimbursement
ACTIVE		UASI FY22	Fresno Symposium	\$ 15,000.00		Not seeking Reimbursement-No Symposium in FY22
ACTIVE	9/29/2022	UASI FY23	Training Courses	\$ 89,098.86		Approved 05/16/2024, Approved amount lowered to \$52,645.00
ACTIVE	9/26/2023	UASI FY24	Fresno Symposium & Training Courses	\$ 63,620.00		Application Submitted
ACTIVE	9/12/2024	UASI FY25	Fresno Symposium & Training Courses	\$ 15,000.00		Application Submitted
			Escondido Creek/San Marcos Defensible			Elfin Forest/Harmony Grove Clean Up; Collaborating w/UrbanCorp, San Marcos Fire and Escondido Fire; 3 year grant - 1/2023-12/2025; Financials going through UrbanCorp. Work expected to be completed by end of Februarv 2024.
ACTIVE	8/1/2022	Coastal Conservancy	Space/Roadway Clearance	\$ 325,864.00		Submitted for Reimbursement
ACTIVE		SHSGP FY23	2 Radios, MacBooks	\$ 17,080.00		Application updated, amount reduced per County.
ACTIVE		SHSGP FY24	Multigas Monitors	\$ 12,655.00		Application Submitted
ACTIVE	12/15/2024	AFG FY25 (Assistance to Firefighters Grant)	Self Contained Breathing Apparatus	\$ 596,000.00		Application Submitted
ACTIVE	2/1/2025	California Office of Traffic Safety	Advanced auto extrication training	\$ 14,218.00		Application Submitted
CLOSED		SHSGP FY22	4 Radios	\$ 20,338.00	\$20,338.00	Completed-Check received
CLOSED	4/17/2024	SHSGP FY21	4 Radios	\$ 22,904.00	\$22,904.00	Completed-Check Received
CLOSED	5/15/2023	SD Regional Fire Foundation (County Supervisor Terra Lawson-Re	70 Wildland Brush Jackets	\$ 7,380.00		Approved. Jackets received from Fire ETC.
		RSF Fire Protection District General Fund	70 Wildland Brush Jackets	\$ 9,286.97		
CLOSED	5/15/2023	SD Regional Fire Foundation	E-Hydraulic Extrication Tools	\$ 5,000.00		Approved. Tools received from LN Curtis.
		County Supervisor Terra Lawson-Remer	E-Hydraulic Extrication Tools	\$ 20,000.00		
		RSF Fire Protection District General Fund	E-Hydraulic Extrication Tools	\$ 20,000.00		
CLOSED	1/30/2021	OTS	Struts, Airbags, Circ. Saw (Extrication)	\$ 15,181.23	\$ 15,181.23	Check received; Final Quarterly report provided to OTS. Process is officially closed.
CLOSED	6/1/2022	SD Regional Fire Foundation	Mental Health Program Support	\$ 3,000.00	\$ 3,000.00	Check received. Presentation given at prior Board Meeting. Process is officially closed.
CLOSED	3/11/2021	DEPT OF THE TREASURY (ARPA)	COVID-19 Recovery Funds	\$ 329,000.00	\$ 329,000.00	5/12: All documentation submitted to County & approved; Check received. Process is officially closed.
CLOSED	4/21/2023	RSF Association	Firefighter of the Year Award	\$ 750.00	\$ 750.00	Scott Schieber accepted. Process is officially closed.
CLOSED	10/15/2021	CSDA (CA Special Districts)	COVID-19; Staffing and Supplies	\$ 6,163,371.00	\$ 1,154,981.00	Check received. Audit complete.
CLOSED	7/6/2022	UASI FY20	Training; L-954 Course	\$ 15,196.00	\$15,196.00	Approved 04/08/2022. Check Received 9/2023.
						Check received. Utilizing funds for Via Ambiente Roadway Clearance; Work completed and payment received.
CLOSED	5/12/2020	FEMA	Vegetation Management	\$ 18,000.00	\$ 17,000.00	
RSF Fire District Foundation						
	12/7/2021	RSF Foundation	Forcible Entry	\$ 8,905.00	\$ 8,905.00	(1) Multi-Force Door (Forcible Entry Door Simulator). 50/50 split with the District for pendants, cell guards for
	9/21/2021	RSF Foundation	GIA Wellness	\$ 8,537.50	\$ 8,537.50	Staff and harmonizers for each facility.
	8/19/2021	RSF Foundation	UVC Air Disinfecting	\$ 1,000.00	\$ 1,000.00	10 UVC LED Disinfecting Air Purifiers.
	8/19/2022	RSF Foundation (Sharon McDonald)	E-Hydraulic Extrication Tools	\$ 45,000.00	\$ 45,000.00	Completed.
	2/22/2023	RSF Foundation	Station 6 Improvements	\$ 203,000.00	\$ 203,000.00	Approved.
	4/1/2023	RSF Foundation (Sharon McDonald)	UTV/Radios	\$ 196,337.00	\$196,337.00	Approved. Items in Service.
	6/16/2023	RSF Foundation	RSF3 Barbecue	\$ 1,000.00	\$1,000.00	Approved. Items delivered.
						Approved. Item delivered. Ongoing purchases procured
	9/1/2023	RSF Foundation (Sharon McDonald)	Drone Program	\$ 50,000.00	\$50,000.00	as needed for Drone program.
	11/27/2023	RSF Foundation (Sharon McDonald)	TICs	\$ 25,000.00	\$25,000.00	Items delivered. Staff Report.
	12/18/2023	RSF Foundation	Blackstone Griddle - RSF1	\$ 399.00	\$399.00	Approved. Items received.
	5/3/2024	RSF Foundation	Specialized turf	\$ 21,849.00	\$ 21,849.00	Approved. Item received and installed
	5/3/2024	RSF Foundation	5-Decontamination units	\$ 16,501.00	\$ 16,501.00	Approved. Items recieved and Installed
	5/3/2024	RSF Foundation	RSF6 Parking lot improvement	\$ 29,551.90	\$ 29,551.90	Approved 50/50 Split with the district for Asphalt work
	5/3/2024	RSF Foundation	RSF2 Training Burn Prop Containers	\$ 12,000.00	\$ 12,000.00	Approved. Containers Installed
	5/3/2024	RSF Foundation	RSF6-50 Staking chairs for Community room	\$ 2,498.83	\$ 2,498.83	Approved
						Change since previous re-cap

Rancho Santa Fe Fire Protection District Operations Report January 2025



3 Year Call Volume Tracker:

2025		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Responses
	Responses	516												
YTD	516	516	516	516	516	516	516	516	516	516	516	516	516	
2024		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Responses
	Responses	419	351	417	324	345	412	417	381	399	395	373	351	4,584
YTD	419	770	1187	1511	1856	2268	2685	3066	3465	3860	4233	4584		
2023		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Responses
	Responses	396	342	437	421	399	341	506	498	438	463	421	439	5,101
YTD	396	738	1175	1596	1995	2336	2842	3340	3778	4241	4662	5101		

Significant Incidents

Date:	Incident:	Units Assigned:
1/7/25 - 1/24/25	Southern Californis Brush Fire Surge	Multiple
1/4/2025	Structure Fire Rancho Encinitas Dr.	B264, E261, M261, M264
1/13/2025	Structure Fire Lazy River Road	B264, B267, E261, E264, E265, M264

Rancho Santa Fe Fire Protection District Operations Report

January 2025

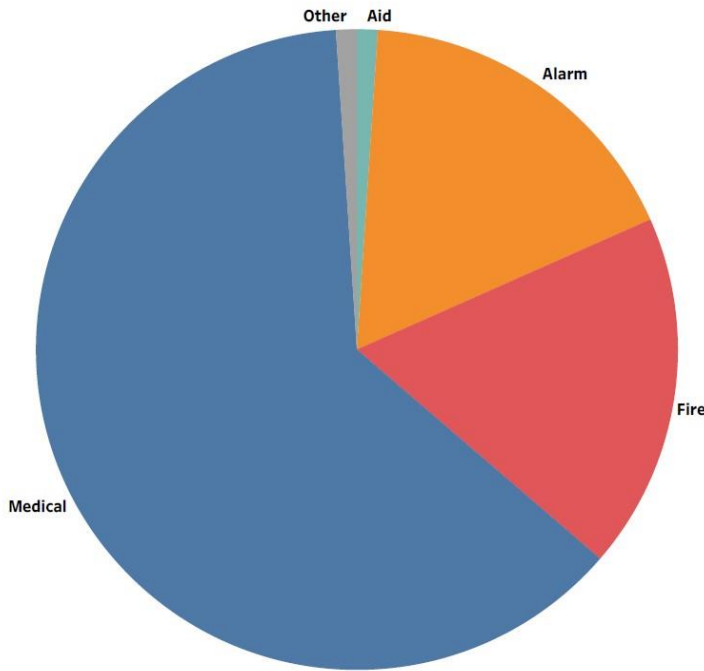
Monthly Incidents

Incidents in RANCHO SANTA FE FPD
January 2025

Agency
RANCHO SANTA FE FPD

Month
January 2025 to January 2025

Aid	3 incidents / 1.04%
Alarm	50 incidents / 17.30%
Fire	52 incidents / 17.99%
Medical	181 incidents / 62.63%
Other	3 incidents / 1.04%
Grand Total	289 incidents / 100.00%

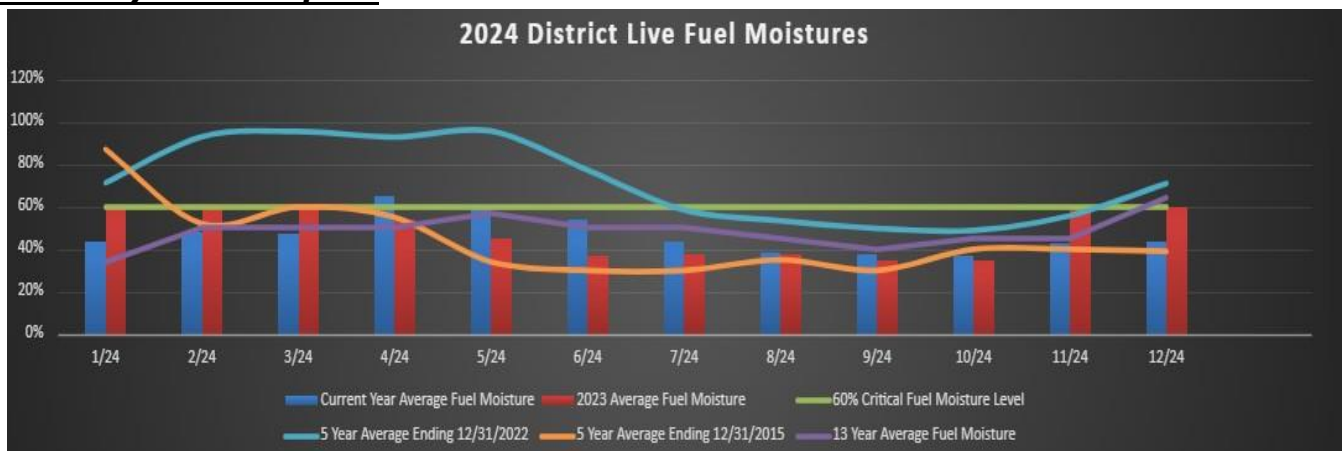


Problem Category

- Aid
- Alarm
- Fire
- Medical
- Other

Data Source: AgencyDashboard_v3_Extract_v4
Data Last Updated: 2/3/2025 8:45:57 PM

Monthly Fuels Report





Monthly Live Fuel Moisture Summary Report

February 2025

Data Summary

created by david.gabaldon@fire.ca.gov

Due to the first measurable rain that occurred in the last week of January, fuel moistures averages had a slight spike. Most areas received approximately .25" of rain within 7 to 4 days prior to sampling. Rainbow and Potrero had the highest spikes. Also significant was a noticeable lack of new growth. At Potrero and Whitestar, this was evident. Fuel moistures are also still hovering at the critical threshold. Observer will continue to monitor to see if growth has peaked and whether any new moisture significantly affects conditions. (See charts below for further details).

		6/6/24	7/1/24	8/7/24	8/29/24	10/1/24	10/31/24	12/4/24	1/2/25	2/4/25	3/1/25	4/1/25	5/1/25
Rainbow Camp Battalion 1	New	118.24	No Data	74.70	71.09	59.92	60.10	58.16	56.14	67.13			
	Old	77.61	No Data	70.31	68.62	57.39	58.10	57.96	54.95	61.99			
Warner Springs Battalion 5	New	130.23	No Data	65.63	60.22	61.66	59.06	59.10	59.28	62.15			
	Old	73.59	No Data	49.21	58.92	52.39	54.94	52.71	54.95	61.10			
Mt. Woodson Battalion 8	New			70.20	59.26	57.16	56.80	57.49	54.66	57.65			
	Old			60.56	48.36	48.70	54.18	53.55	50.90	56.80			
White Star Battalion 4	New	100.62	No Data	62.60	60.35	56.25	54.15	61.27	54.34	58.56			
	Old	64.12	No Data	49.79	51.05	47.39	50.22	52.15	46.81	56.46			
Potrero Battalion 3	New			63.27	61.92	53.88	50.71	53.47	51.52	57.75			
	Old			58.08	51.58	50.18	50.27	48.69	49.85	57.82			

Monthly/Seasonal Outlooks, Southern California: February - May 2025

Fuels Discussion

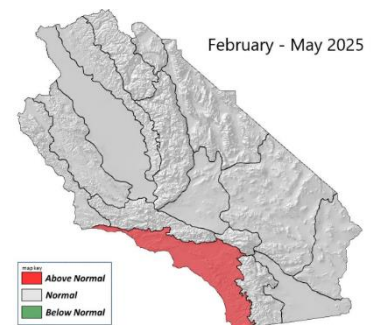
The USDA Drought Monitor shows widespread drought of various degrees across Southern California. Most areas are either in severe (D2) or extreme (D3) drought due to the prolonged dryness for the second half of 2024 and very beginning of 2025.

Fuel moisture has increased as of January 26th due to recent wetting rain across the South Coast, Central Coast Interior, and Central Valley with snow in the mountains. This will allow for the fuels to become less susceptible to ignitions for the next 1-2 weeks. There is a chance of another storm system moving across Southern California next week, though confidence remains low at this time. If the forecast changes towards a drier pattern, the fuels are likely to dry out and become more susceptible to ignitions once again. If the precipitation comes to fruition, fuels will remain unfavorable to ignitions for a longer period of time.

Live fuel moisture continues to remain well below normal due to the lack of precipitation over the past several months. Live fuel moisture is expected to increase in the short-term from the recent rain. However, long-term trends are less certain as there is a high degree of uncertainty with respect to how long this wetter pattern will remain.

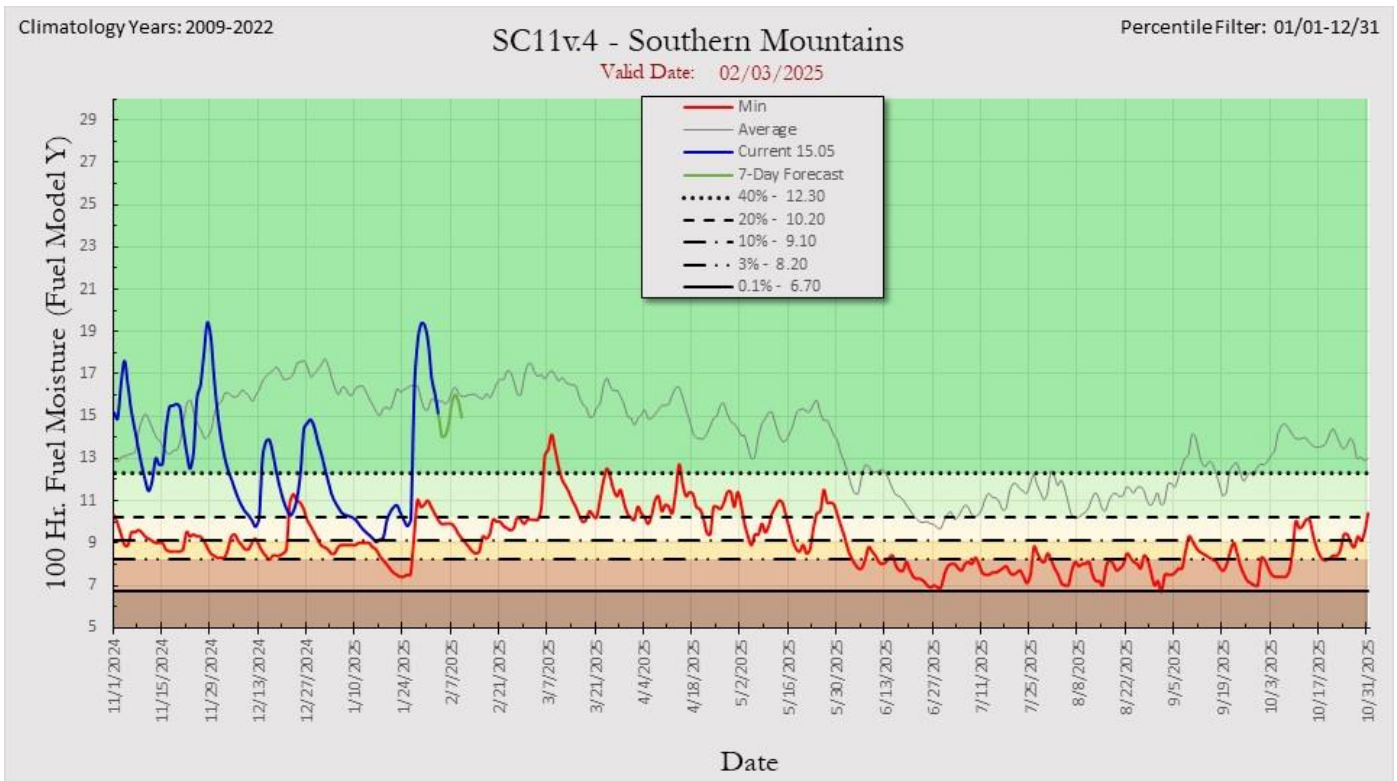
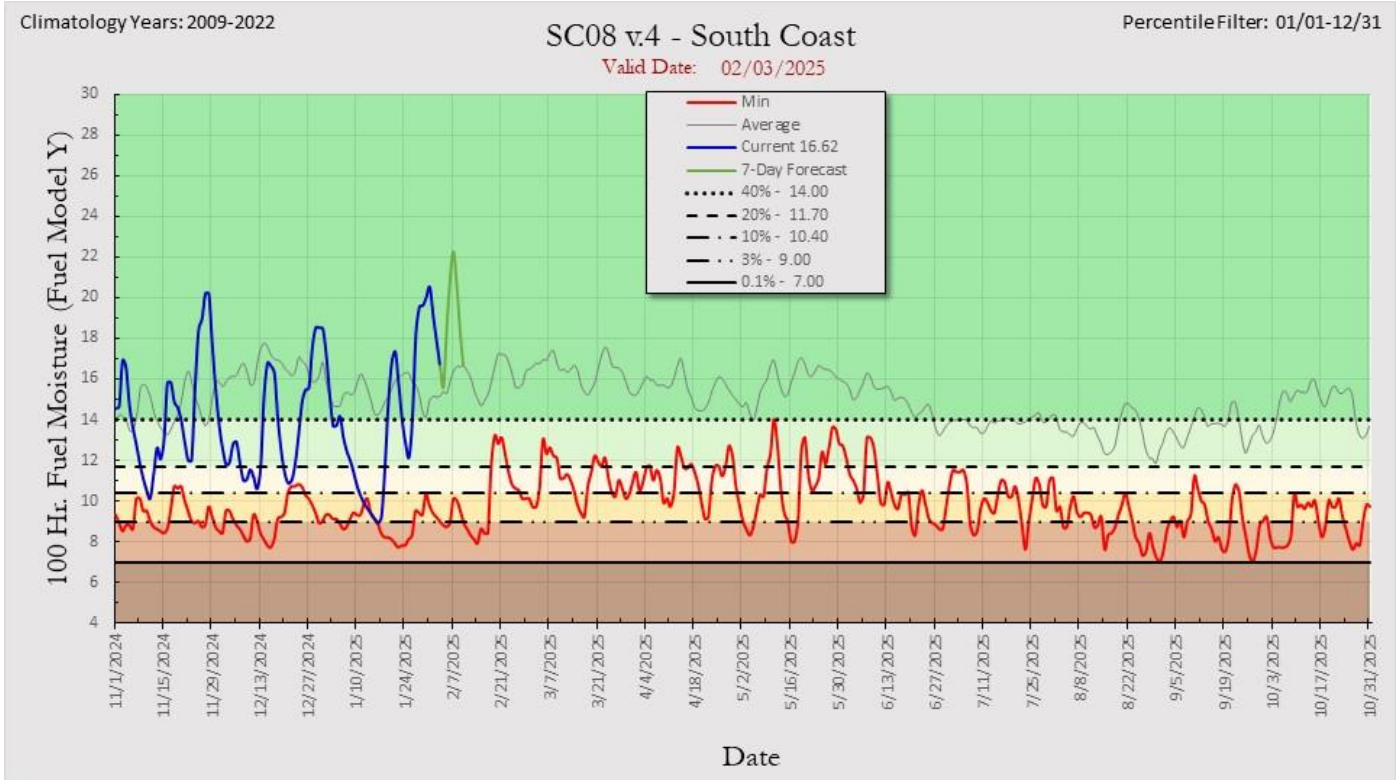
(Predictive Services/Southern CA Geographic Coordination Center, Issued January 31, 2025

<https://gacc.nifc.gov/oscc/predictive/outlooks/myfiles/assessment.pdf>





100 Hr. Fuel Moisture Local Predictive Service Areas, February, 2025





WFTIIC Four Month Outlook

Visit WFTIIC Hub @ <https://wftiic.ca.gov> for more information | Created: February 3, 2025

Significant Fire Potential | February - May 2025



Northern Operations | [Click Here for Source](#)

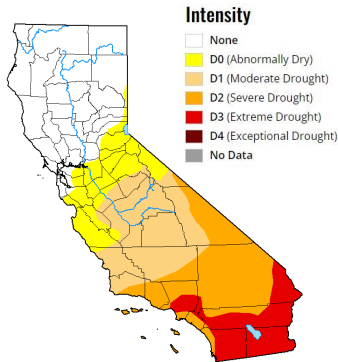
- Significant Fire Potential is projected to be normal from February through May and historically coincides with a period of minimal large fire activity.
- Active jet stream periods are expected to bring near to above normal precipitation during February and March, followed by a drier and warmer trend in April and May.
- Green-up and snow cover at mid and upper elevations will serve as barriers to fire spread over the next four months, with the green-up becoming more pronounced as it transitions from low to mid elevations during March through May.
- Dry fuel alignments are not expected in the next four months. However, noticeable herbaceous curing is anticipated in May, which may increase spread potential across the lowlands.

Southern Operations | [Click Here for Source](#)

- The odds indicate a slight to moderate likelihood of above-normal large fire potential for the South Coast over the next four months.
- The odds indicate a slight increase in large fire potential for all other areas during the four-month period.
- Due to the drier than normal wet season, fires dominated by grass and fine fuel are less likely, while fires dominated by timber and larger fuels are more likely.

Drought Monitor

California | U.S. Drought Monitor (unl.edu)



The USDA Drought Monitor shows widespread drought of various degrees across Southern California. Most areas are categorized as either severe (D2) or extreme (D3) drought due to prolonged dryness that has persisted throughout the second half of 2024 and into the early part of 2025. Meanwhile, drought conditions remain absent across Northern California.

Rainfall Accumulation to Date

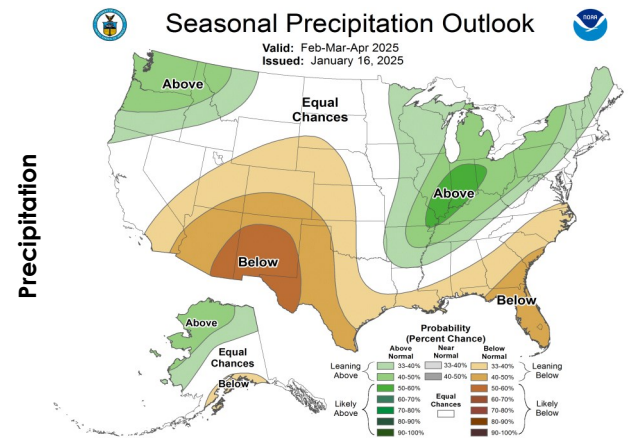
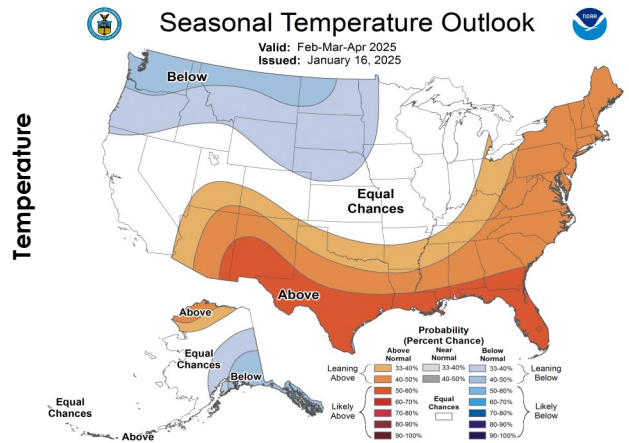
California Seasonal Rainfall and Percent of Normal

Location	To Date	To Date Avg	% Normal	Location	To Date	To Date Avg	% Normal
Alturas	8.67	5.85	148%	Eureka	29.85	23.41	128%
Mount Shasta City	20.71	24.91	83%	Ukiah	22.67	19.60	116%
South Lake Tahoe	8.37	10.96	76%	Blue Canyon	38.06	33.41	114%
San Jose	3.82	7.25	53%	Merced	3.42	6.14	56%
Bishop	0.77	2.88	27%	Bakersfield	1.85	3.21	58%
Barstow	0.35	2.38	15%	Santa Barbara	1.21	9.10	13%
Los Angeles	0.70	7.49	9%	San Diego	0.92	5.27	17%

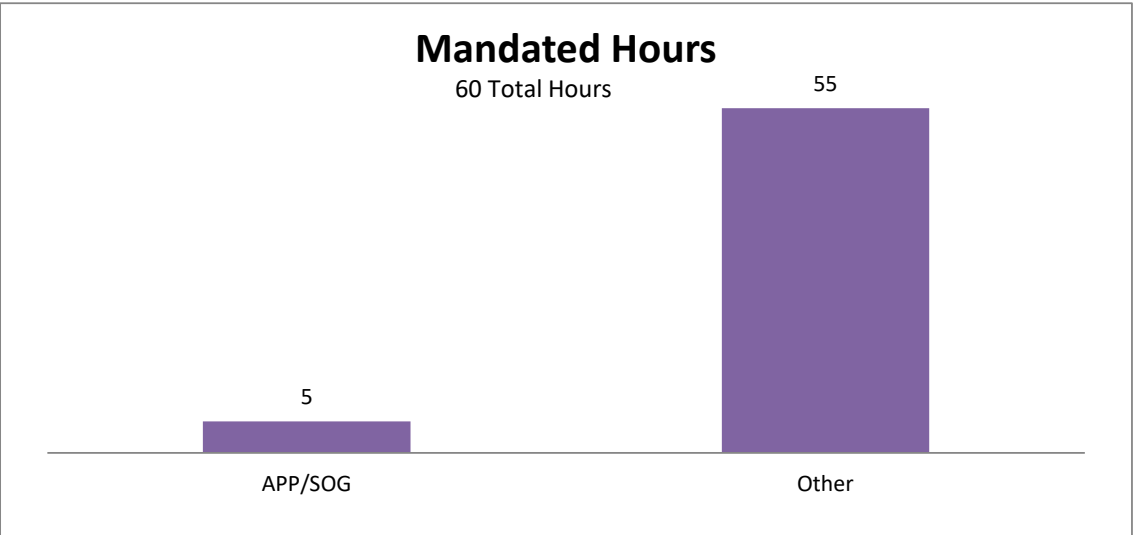
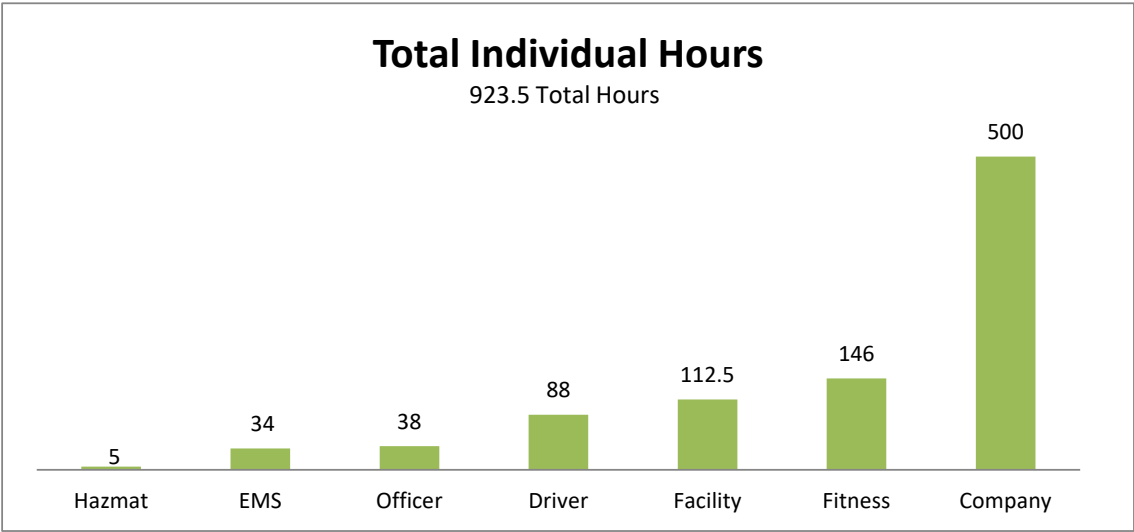
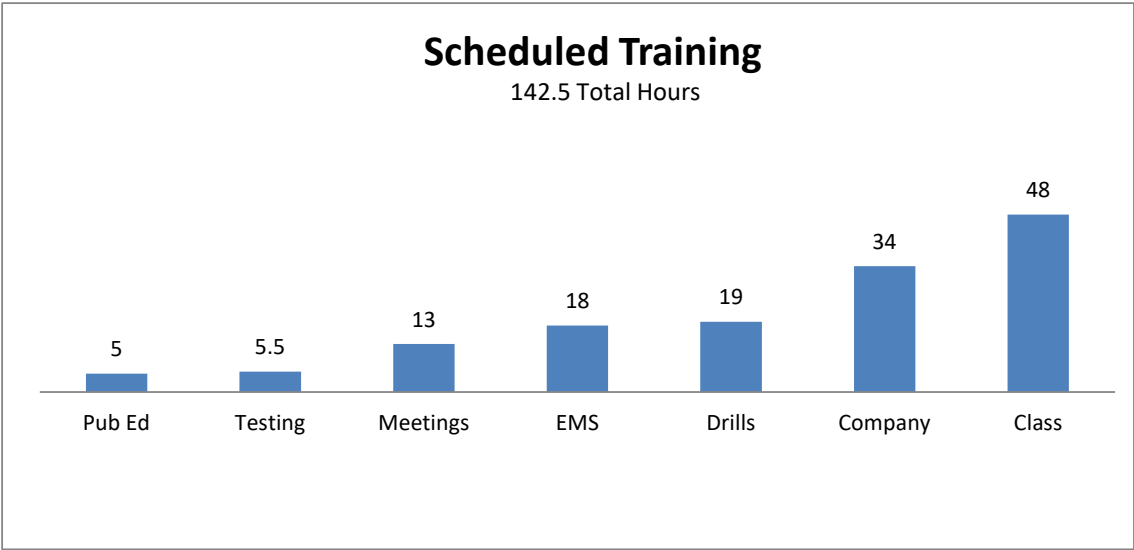
Southern California has experienced significantly lower than average rainfall this season, leading to drier conditions across the region. (Note: Data represents precipitation (inches) ending at 16:00 February 2, 2025.)

Temperature & Precipitation

Climate Prediction Center



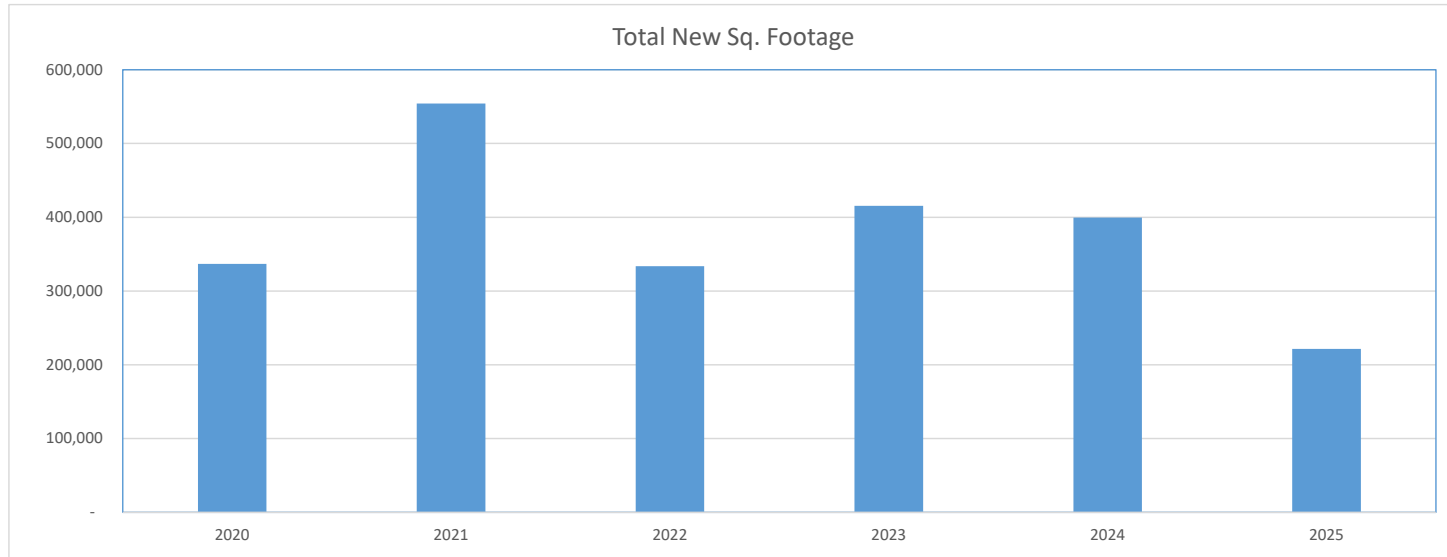
Training Division January 2025



Training Division - Descriptions

Scheduled Training		
Training hours are planned annually. This is to maintain a well organized year and to help the firefighters be successful with the hours required by Federal, State, Local.		
Total Individual Hours - 6 Subjects		
Subject	Definition	Examples
Company	Documentation of all Company Training that is not Driver, Officer, Haz-Mat, or Facility Training.	Aerial Ladder, Hose, Ladders, Physical Fitness, SCBA, Technical Rescue, Ventilation, etc.
Driver	This is for documenting Driver Training hours. Per ISO standards employees considered a "Driver" will be required to complete 12 hours of Driver Training annually. You can use this same form to record Driver Training hours for Non-Drivers and it will be counted towards Company Training.	Apparatus Inspections & Maintenance, Basic Hydraulics, Defensive Driving, Maps, Driving Heavy Vehicles, Etc.
Facility	This is live training conducted at an approved site. For the location to be approved it must have at least two acres on the property, a three story tower, and a burn facility. It is also important to note that the training must not just occur on the approved site, but the facility itself must be used. If your users are just sitting in a classroom at an approved site, this cannot count towards facility hours and the completion would need to be applied elsewhere. However, if the classroom portion was followed by utilization of the facility, the entire time could count towards Facility Training.	Company Evolutions, NFPA 1410 Driver/Operator, NFPA 1002 Fire Officer, NFPA 1021 Firefighter Skills, NFPA 1001 Hazardous Materials, NFPA 472 Live Fire, NFPA 1403 Other NFPA Fire Based Training
HazMat	This is for documenting Hazardous Materials Training hours. Per ISO standards all firefighters are required to complete 6 hours of Hazardous Materials Training annually.	DOT Guidebook Review, Decontamination Procedures, First Responder Operations, Etc.
Officer	Per ISO standards employees considered a "Officer" will be required to complete 12 hours of Officer Training annually. You can use this same form to record Officer Training hours for Non-Officers and it will be counted towards Company Training.	Dispatch, General Education, Meetings, Orientation, Exam, Management Principles, Personnel, Promotional, Public Relations, Etc.
EMS	EMS is not tracked or required by Insurance service Organization for Rating. EMS Continuing Education is tracked for recertification of Paramedics (48/2yrs) and EMT (24/2yrs). Through Emergency Service Medical Administration (EMSA).	Continuing Education and SIMS
Mandated Hours		
Hours completed through an assignment on an online database (Target Solutions). Mandated assignments are required by either Federal, State, Local.		

**Rancho Santa Fe Fire Protection District
Fire Prevention Bureau Monthly Activity Summary**



Total New Square Footage (*Reflected in Chart Above)

Year	Total
2020	336,899
2021	554,173
2022	333,814
2023	415,530
2024	399,523
2025	221,451

Total New Square Footage Only

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
2020	29,226	41,043	38,102	25,751	38,400	7,290	16,516	15,384	77,848	15,070	22,529	9,740	336,899
2021	29,808	23,298	50,000	29,760	7,104	19,361	24,413	1,794	33,357	106,768	99,103	129,407	554,173
2022	42,895	14,666	32,871	8,805	39,325	42,871	18,679	21,916	23,981	18,782	46,658	22,365	333,814
2023	18,185	62,584	62,584	26,121	29,280	19,320	35,530	43,154	6,591	32,907	30,062	49,212	415,530
2024	34,014	12,126	27,634	32,019	47,195	12,864	21,183	124,723	32,445	7,901	40,362	7,057	399,523
2025	221,451												221,451

Comparison Total Reviewed Square Footage

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
2020	40,748	86,593	145,794	76,506	54,651	42,950	47,950	91,532	163,417	127,963	59,192	47,677	984,973
2021	90,462	89,135	111,456	98,218	118,557	151,000	203,116	254,055	312,253	204,313	171,023	137,116	1,940,704
2022	128,254	204,226	162,816	250,473	176,018	115,972	27,777	130,623	261,094	319,242	219,859	243,944	2,240,298
2023	212,285	345,997	283,413	401,980	136,835	240,963	144,320	111,107	46,952	98,828	211,622	250,663	2,484,965
2024	188,103	90,004	176,084	148,134	0	49,134	130,763	210,614	286,781	106,718	202,387	209,584	1,798,306
2025	276,151												276,151

Totals by Type	Plan Reviews	Inspections
Remodel	1	0
Residential Construction	10	9
Addition	3	3
ADU	5	2
Commercial Construction	0	0
Commercial T.I.	8	2
Tents/Special Events	0	0
Rack Storage	1	0
Preliminary	7	4
Fire Suppression Systems	13	18
Alarms	23	7
Landscaping	9	4
Grading/Mylars/Improvement	0	0
Underground	0	2
Hood System	3	0
Tanks	1	2
Cell Sites	3	0
DPLU	0	0
ESS/Solar	6	0
High Piled Storage	0	0
High Hazard/Communications/Other	4	0
Spray Booth	0	0
FPP	0	0
Technical Reports	1	0
Gates/Knox	1	1
Site Visit	0	5
Annual Inspection	0	4
DSS Liscensing	0	5
AB38	0	12
Total Plan Reviews		99
Total Inspections		80
SQFT Reviewed (No Mit Fees)		54,700
Approved SQFT (Mit Fees)		221,451
Total SQFT Reviewed		276,151

FIRE PREVENTION ACTIVITIES	
Investigations	6
Public Education/Community Outreach	-
Special Project	3
Meetings	61
Training Hours	9
TOTAL	79

WEED ABATEMENT	
Activity	# of Inspections
Weed Abatement Inspection	
Weed Abatement Reinspection	
1st Notice	238
Final Notice	24
Posting	1
Notices Printed	262
Abated	-
Forced Abatement	-
TOTAL	

OFFICE SUPPORT	
Activity	# Completed
Phone Calls	1,031
Correspondence	5,703
Walk in/Counter	276
Knox Application Request	5
Burn Permits	-
Plans Accepted/Routed	102
Special Projects	1
Scanning Documents/Electronic Files	152
Meetings: Admin/Prevention/Admin Shift	1
Post Office Runs	-
Deposit Runs/Preparations	2
TOTAL	7,273

	FY 25 Final Budget	FY 25 Actuals YTD 12/31/2024	YTD
GENERAL FUND			

REVENUE

Property Tax	17,086,422	6,889,625	40%
Special Tax	1,780,786	511,600	29%
Interest Income	456,960	307,252	67%
Tower Lease Agreements	184,348	93,603	51%
Fire Prevention Fees	350,000	207,289	59%
Grant Revenue	150,000	20,338	14%
Rental Income	311,969	155,770	50%
Other Revenues	741,100	920,729	124%
TOTAL REVENUE	21,061,585	9,106,206	43%

	FY 25 Final Budget	FY 25 Actuals YTD 12/31/2024	YTD
GENERAL FUND			

EXPENSE

Salaries and Benefits

Salaries	10,075,613	4,848,450	48%
Overtime	2,000,000	1,777,665	89%
Management Incentive Pay	72,393	35,180	49%
Annual Leave Paid	-	93,753	
Classic Safety	1,393,429	658,096	47%
Classic Non-Safety	44,365	21,855	49%
PEPRA Safety	479,180	230,661	48%
PEPRA Non-Safety	76,925	33,604	44%
Payroll Tax	239,434	109,255	46%
UAL - PERS Normal (annual)	1,117,000	1,116,639	100%
UAL - CalPERS ADP	1,000,000	-	0%
Workers Comp Insurance	500,000	463,227	93%
Uniforms	38,000	30,092	79%
Health Insurance	1,494,849	685,738	46%
HRA (Funded & Active)	484,400	64,030	13%
Retiree Health Expense	15,000	4,490	30%
Total Salaries & Benefits	19,030,588	10,172,735	53%

Operations Expenses

Dispatch Services	220,000	148,002	67%
Structures & Grounds	287,200	147,337	51%
Fuel	116,000	48,578	42%
Apparatus	321,500	121,438	38%

Prevention Materials & supply	5,000	2,498	50%
Liability Insurance	169,000	168,732	100%
Utilities	389,000	198,682	51%
Repairs & Maintenance	25,400	22,055	87%
Firefighting Equipment	432,400	104,295	24%
Kitchen & Janitorial Supplies	38,000	20,119	53%
Grant Expenses	-	20,881	
SCBA Equip	23,200	4,438	19%
Small Tools & Minor Equipment	5,000	1,265	25%
Hazmat Disposal & Permits	12,000	6,399	53%
Emergency Incident expense	30,000	33,687	112%
Communication	116,300	37,386	32%

Total Operations Expenses	2,190,000	1,085,792	50%
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General & Administration Expenses

County Admin Costs	290,000	70,150	24%
Computers Materials & Service	101,000	66,627	66%
Professional Services	141,100	91,611	65%
Legal Services	148,000	69,725	47%
Professional Development	80,000	28,723	36%
Formal Education	20,000	3,090	15%
Physicals & Wellness Program	115,000	15,781	14%
Memberships & Subscriptions	73,000	80,036	110%
Meetings & Special Events	10,000	6,672	67%
Training Materials	26,500	14,739	56%
Office Expense	64,800	8,165	13%
LAFCO	11,080	11,080	100%
Admin Fees	16,000	3,208	20%
Advertising & Legal Notices	5,000	5,368	107%
Recruitment/Backgrounds	5,000	2,965	59%
Board Election	95,000	-	0%

Total General & Admin Expenses	1,201,480	477,940	40%
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TOTAL EXPENSE FROM OPERATIONS	22,422,068	11,736,467	52%
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NET REVENUE / (EXPENSE) BEFORE CAPITAL	(\$1,360,483)	(\$2,630,261)	
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Capital

Capital - Facilities	381,000	85,958	23%
Capital - Apparatus	120,000	209,093	174%
Capital - Equipment	80,000	18,257	23%

Total Capital	581,000	313,308	
----------------------	----------------	----------------	--

FY 25 Final Budget**FY 25 Actuals YTD
12/31/2024****YTD****FIRE MITIGATION FUND****REVENUE**

Mitigation Fees	850,000	231,767	27%
Interest Income	22,000	15,871	72%

Total Capital	872,000	247,638	28%
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RESOLUTION No. 2025-01

A RESOLUTION OF THE RANCHO SANTA FE FIRE PROTECTION DISTRICT BOARD OF DIRECTORS AUTHORIZING SIGNERS ON DISTRICT BANK ACCOUNTS

WHEREAS, the Rancho Santa Fe Fire Protection District (hereafter "RSFFPD") maintains reserve accounts in the San Diego County Investment Pool; and

WHEREAS, the Rancho Santa Fe Fire Protection District (hereafter "RSFFPD") has authorized the payment of workers compensation claims in accordance with District policy; and

WHEREAS, it is necessary to establish local checking accounts as a clearing account for the processing of workers' compensation claims.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Rancho Santa Fe Fire Protection District the following:

- 1) The RSFFPD, as required, shall transfer funds from the County of San Diego Treasurer to the Agency's banking account as provided herein.
- 2) The RSFFPD, as required, shall transfer funds to the established checking accounts for the following:
 - a) Workers' Compensation Checking – Bank of America, Rancho Santa Fe, California branch as a depository
- 3) Effective January 1, 2025, the authorized signers on the workers compensation claims shall be the Fire Chief, Deputy Fire Chief, Finance Manager, Human Resource Analyst, and Third-Party Administrator for handling claims:

David McQuead, Fire Chief	James Mickelson, Deputy Chief
Burgen Havens, Finance Manager	Sandra Reyes, Human Resource Analyst
Alithia Vargas-Florez, President, Adminsure	
- 4) The RSFFPD will perform monthly bank account reconciliations in accordance with sound accounting principles and practices.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Rancho Santa Fe Fire Protection District on February 19, 2025 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

James H. Ashcraft
President

ATTEST:

Sarah Montagne
Board Clerk

RANCHO SANTA FE FIRE PROTECTION DISTRICT
Presentation to the Board of Directors
For the Fiscal Year Ended
June 30, 2024





SCOPE OF WORK

Perform Audit Testwork of the Entity's Annual Financial Statements/Report

Report on the Entity's internal control over financial reporting and on compliance in accordance with Government Auditing Standards

OUR RESPONSIBILITY IN ACCORDANCE WITH PROFESSIONAL STANDARDS

1. Form and express an opinion about whether the Annual Financial Statements results, that have been prepared by management, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
2. Our responsibility is to plan and perform the audit to obtain **reasonable assurance (not absolute assurance)** about whether the Annual Financial Statements are free of material misstatements.
3. We are to consider the Entity's internal controls and segregations of duties over accounting procedures and financial reporting as we perform our audit testwork. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal controls.

AUDIT RESULTS

An Auditor's **Unmodified Opinion** has been issued on the Annual Financial Statements.

- The Annual Financial Statements are fairly presented in all material respects.
- The adopted significant accounting policies have been consistently applied.
- Estimates are considered reasonable for Depreciation, Pension, OPEB & WC expense.
- Required disclosures are properly reflected in the Annual Financial Statements.

AU-C 265 – Communicating Internal Control Related Matters Identified in an Audit

No Material Issues Arose to be Reported to the Governing Board/Management

Any Minor Issues Were Discussed Orally and Corrected by Management

How Do We Make You Better?

Best Practice Solutions Were Conveyed to Management – That's the Audit ROI

Rancho Santa Fe Fire Protection District
Dashboard – Audited Financial Statements
June 30, 2024 vs 2023

Revenues & Expenses	2024	2023	Variance
Program Revenues:			
Parcel Tax	\$ 1,066,200	\$ 1,064,280	\$ 1,920
Property Assessment	749,722	692,950	56,772
CSA-17 Contract	144,408	149,990	(5,582)
Joint Facilities Community Agreement	485,861	459,573	26,288
Fire Services – CalOES	365,126	299,576	65,550
Fire Prevention – Plan Check & Inspect	356,140	442,530	(86,390)
Weed Abatement	4,762	-	4,762
Other Charges	600	5,145	(4,545)
Reimbursements	18,144	15,876	2,268
Mitigation Fees	650,558	247,586	402,972
Operating and Capital Grants	192,900	500,780	(307,880)
General Revenues:			156,135
Property Taxes - 4.4%	16,074,060	15,391,445	682,615
Rental Revenue	451,135	475,370	(24,235)
Developer Payments	59,390	165,891	(106,501)
Reorganization Revenue	312,500	312,500	-
Investment Earnings	1,112,760	591,999	520,761
Sale of Capital Assets	-	37,513	(37,513)
Other Revenues	11,841	3,837	8,004
Total Revenues	22,056,107	20,856,841	1,199,266
Expenses:			
Salaries & Wages	12,027,986	9,903,895	2,124,091
Employee Benefits	8,720,973	10,688,386	(1,967,413)
Insurance	1,082,564	524,569	557,995
Materials & Services	3,047,248	3,351,908	(304,660)
Depreciation Expense	1,083,828	993,521	90,307
Amortization Expense	27,440	23,061	4,379
Total Expenses	25,990,039	25,485,340	504,699
Change in Revenues & Expenses	\$ (3,933,932)	\$ (4,628,499)	\$ 694,567
Capital Outlay:			
Capital Asset Additions	\$ (930,590)	\$ (1,607,165)	\$ 676,575
Depreciation & Amort Expense	1,111,268	1,016,582	94,686
Change in Capital Expense	180,678	(590,583)	771,261
Cash & Investments	\$ 24,046,798	\$ 22,632,664	\$ 1,414,134
Quick Summary:			
Change in Revenues & Expenses	\$ (3,933,932)		
Change in Capital Expense	180,678	Use of Cash	
Change in Compensated Absences	843,229	Non Cash	
Change in Worker's Comp Liability	693,314	Non Cash	
Change in Pension Liability	4,082,322	Non Cash	
Change in Cash & Investments	\$ 1,865,611	Approximately	\$ 451,477
Investment Earnings to Portfolio	4.77%		

RANCHO SANTA FE FIRE PROTECTION DISTRICT
Report to the Board of Directors
For the Fiscal Year Ended
June 30, 2024

NIGRO
& NIGRO^{PC}

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Table of Contents

For the Fiscal Year Ended June 30, 2024

	<u>Page</u>
Letter to Board of Directors	1
Required Communications	2
Summary of Adjusting Journal Entries	4



Board of Directors
Rancho Santa Fe Fire Protection District
Rancho Santa Fe, California

We are pleased to present this report related to our audit of the financial statements of the Rancho Santa Fe Fire Protection District (District) 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 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 19, 2025

Required Communications

RANCHO SANTA FE FIRE PROTECTION DISTRICT

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
<p>Our Responsibilities with Regard to the Financial Statement Audit</p>	<p>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.</p>
<p>Overview of the Planned Scope and Timing of the Financial Statement Audit</p>	<p>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.</p>
<p>Accounting Policies and Practices</p>	<p>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.</p> <p>Adoption of, or Change in, Significant Accounting Policies or Their Application 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.</p> <p>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.</p> <p>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.</p>
<p>Audit Adjustments</p>	<p>Audit adjustments are summarized in the attached Summary of Adjusting Journal Entries.</p>
<p>Uncorrected Misstatements</p>	<p>We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.</p>

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Required Communications

For the Fiscal Year Ended June 30, 2024

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 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.
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	<p>We applied certain limited procedures to the:</p> <ol style="list-style-type: none"> 1. Management’s Discussion and Analysis 2. Budget to Actual Comparison 3. Required Pension Plan Disclosures 4. Required OPEB Plan Disclosures <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.

Summary of Adjusting Journal Entries

RANCHO SANTA FE FIRE PROTECTION DISTRICT
Summary of Adjusting Journal Entries
For the Fiscal Year Ended June 30, 2024

See Attached Schedule

Account	Description	Debit	Credit
Adjusting Journal Entries			
Adjusting Journal Entries JE # 1			
To adjust equity			
01-000-000-2916	DEFERRED REVENUE ALS - CSA17	204,196.05	
01-000-000-4507	INTEREST INCOME PASIS	3,098.17	
01-000-000-4511	FMV GAINS/LOSSES	7,783.17	
01-000-000-3000	FUND BALANCE		204,196.05
01-000-000-3000	FUND BALANCE		7,783.17
01-100-000-7900	PY Adjs / Expenses		3,098.17
Total		215,077.39	215,077.39
Adjusting Journal Entries JE # 2			
To adjust Pasis to audited number			
01-000-000-1040	PASIS RISK POOL DEPOSIT	12.80	
01-000-000-4507	INTEREST INCOME PASIS		12.80
Total		12.80	12.80
Adjusting Journal Entries JE # 3			
To agree to fixed assets schedule			
01-100-000-7999	DEPRECIATION EXPENSE	96,390.00	
01-000-000-1503	FLEET VEHICLES		96,390.00
Total		96,390.00	96,390.00
Adjusting Journal Entries JE # 4			
To record GASB 96			
01-000-000-2951	GASB 96 Subscription Liability	22,496.00	
7655-001-00-0000-01	GASB 96 Amortization Expense	27,440.00	
01-000-000-2950	GASB 96 RTU Accumulated Amorti		27,440.00
01-400-000-5340	COMPUTERS & PRINTERS		22,496.00
Total		49,936.00	49,936.00
Adjusting Journal Entries JE # 5			
To record GASB 87			
01-000-000-2920	GASB 87 LEASE DEFERRED INFLOWS	336,428.00	
01-000-000-4411	SPACE RENT - RSF ASSOC	6,894.00	
01-000-000-4412	SPACE RENT - N COUNTY DISP JPA	14,964.00	
01-000-000-4413	Verizon/A. Tower Site Rental	10,004.00	
01-000-000-4415	SITE RENTAL SPRINT - RSF6	2,405.00	
01-000-000-4416	SITE RENTAL ATT - RSF6	2,155.00	
01-000-000-1140	LEASE RECEVABLE		331,261.00
5810-001-00-0000-01	GASB 87 LEASE INTEREST		41,589.00
Total		372,850.00	372,850.00

Account	Description	Debit	Credit
Adjusting Journal Entries			
Adjusting Journal Entries JE # 6			
To record GASB 68			
01-000-000-2800	DIR-M-PENSION RELATED	4,671.00	
01-000-000-2805	DIR-S-PENSION RELATED	666,303.00	
01-100-000-5040	PERS (EMPLOYER PAID)	4,082,322.00	
01-000-000-1391	DOR M EMP CONTRIB AFTER MD		143,122.00
01-000-000-1392	DOR S EMP CONTRIB AFTER MD		2,058,688.00
01-000-000-1393	DOR-M-PENSION RELATED		115,956.00
01-000-000-1394	DOR-S-PENSION RELATED		1,326,979.00
01-000-000-2900	NET PENSION LIABILITY		1,072,902.00
01-000-000-2905	NET PENSION LIABILITY-MISC		35,649.00
Total		4,753,296.00	4,753,296.00
Adjusting Journal Entries JE # 7			
To reconcile property taxes			
01-000-000-4000	SECURED PROPERTY TAX	200,993.40	
01-000-000-4018	SPECIAL TAX - SECURED	600.00	
01-400-000-5570	COUNTY ADMIN COSTS		200,993.40
01-400-000-5570	COUNTY ADMIN COSTS		600.00
Total		201,593.40	201,593.40
Adjusting Journal Entries JE # 8			
To record updated amount for compensated absences			
01-000-000-2015	ACCRUED VACATION PAY	322,995.72	
01-100-000-5020	ANNUAL LEAVE USED		322,995.72
Total		322,995.72	322,995.72
Adjusting Journal Entries JE # 9			
To restate prior year AR for mitigation fund			
02-000-000-4000	MIT FUND REVENUE	52,487.86	
02-000-000-3000	FUND BALANCE		52,487.86
Total		52,487.86	52,487.86
	Total Adjusting Journal Entries	6,064,639.17	6,064,639.17

**RANCHO SANTA FE FIRE PROTECTION DISTRICT
FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT
For the Fiscal Year Ended
June 30, 2024
(With Comparative Amounts for June 30, 2023)**

NIGRO & NIGRO^{PC}

RANCHO SANTA FE FIRE PROTECTION DISTRICT

For the Fiscal Year Ended June 30, 2024

Table of Contents

FINANCIAL SECTION

Page

Independent Auditors' Report 1
Management's Discussion and Analysis..... 4

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements:
 Statements of Net Position 11
 Statements of Activities 12
Governmental Funds Financial Statements:
 Governmental Funds Balance Sheet 13
 Reconciliation of the Governmental Funds Balance Sheet to Statement of Net Position 14
 Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund
 Fund Balances 15
 Reconciliation of the Statement of Governmental Fund Revenues, Expenditures, and Changes
 in Fund Balances to the Statement of Activities 16
Notes to Financial Statements 17

REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedule – General Fund 43
Schedule of Proportionate Share of the Net Pension Liability – Total Plan 44
Schedule of Pension Contributions – Total Plan 45

OTHER INDEPENDENT AUDITORS' REPORTS

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 46

Financial Section



INDEPENDENT AUDITORS' REPORT

Board of Directors
Rancho Santa Fe Fire Protection District
Rancho Santa Fe, California

Opinion

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Rancho Santa Fe Fire Protection District as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic 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 financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Rancho Santa Fe Fire Protection District, as of June 30, 2024, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 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 opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 District'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.

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 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 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of proportionate share of the net pension liability, and schedule of pension contributions 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, 2023, 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 District'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 District'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 District's internal control over financial reporting and compliance.

Murrieta, California
January 15, 2025

RANCHO SANTA FE FIRE PROTECTION DISTRICT
Management's Discussion and Analysis (Unaudited)
 For the Fiscal Year Ended June 30, 2024

Management's Discussion and Analysis (MD&A) offers readers of Rancho Santa Fe Fire Protection District's (the District) financial statements a narrative overview of the District's financial activities for the fiscal year ended June 30, 2024. 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

- The District's net position decreased 10.08% or \$3,933,932 from \$39,013,647 to \$35,079,715 as a result of this year's operations.
- Total revenues from all sources increased by 5.75%, or \$1,199,266 from \$20,856,841 to \$22,056,107, from the prior year, primarily due to an increase in property taxes of \$682,615.
- Total expenses for the District's operations increased by 1.98% or \$504,699 from \$25,485,340 to \$25,990,039, from the prior year, primarily due to a \$410,013 increase in operations expense.
- The District purchased new capital assets during the year in the amount of \$1,083,828. Depreciation expense was \$1,083,828.

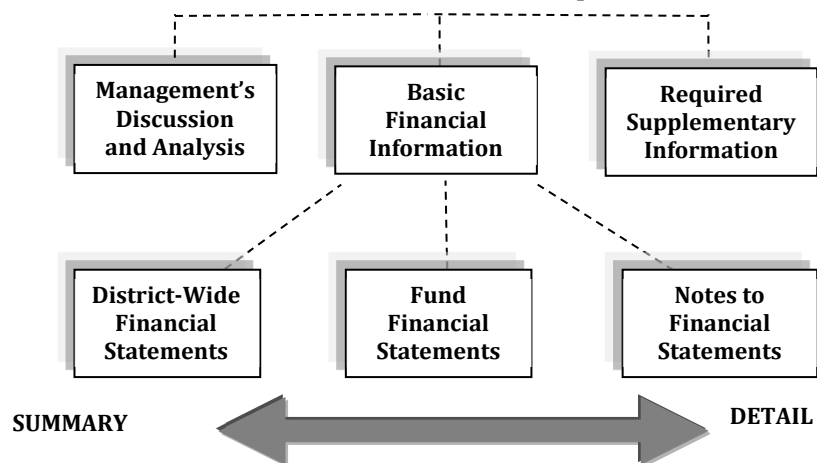
OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – management discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- *District-wide financial statements* provide both short-term and long-term information about the District's overall financial status.
- *Fund financial statements* focus on individual parts of the District, reporting the District's operations in more detail than the District-wide statements.
 - The *governmental funds* statements tell how basic services were financed in the short term as well as what remains for future spending.

The financial statements also include *notes* that explain some of the information in the statements and provide more detailed data. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1. Organization of Rancho Santa Fe Fire Protection District's Annual Financial Report



RANCHO SANTA FE FIRE PROTECTION DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2024

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain.

Figure A-2. Major Features of the District-Wide and Fund Financial Statements

Type of Statements	District-Wide	Governmental Funds
<i>Scope</i>	Entire District	The activities of the District that are not proprietary or fiduciary, such as fire and ambulance services
<i>Required financial statements</i>	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures & Changes in Fund Balances
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
<i>Type of asset/liability information</i>	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included
<i>Type of inflow/outflow information</i>	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter

The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

RANCHO SANTA FE FIRE PROTECTION DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2024

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

District-Wide Statements

The District-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two District-wide statements report the District's net position and how it has changed. Net position – the difference between the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources – is one way to measure the District's financial health, or *position*.

- Over time, increases and decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District, you need to consider additional nonfinancial factors such as changes in the District's property tax base and the condition of buildings and other facilities.
- In the District-wide financial statements, the District's activities are categorized as *Governmental Activities*. Most of the District's basic services are included here, such as fire protection, medical transport, and administration. Local property taxes finance most of these activities.

GOVERNMENTAL FUNDS FINANCIAL STATEMENTS

Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

RANCHO SANTA FE FIRE PROTECTION DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2024

FINANCIAL ANALYSIS AND CONDENSED FINANCIAL INFORMATION

Analysis of Net Position

Table A-1: Condensed Statement of Net Position

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Change</u>
Assets:			
Current assets	\$ 23,981,939	\$ 22,515,876	\$ 1,466,063
Non-current assets	2,784,394	2,903,594	(119,200)
Capital assets, net	<u>22,197,631</u>	<u>22,378,309</u>	<u>(180,678)</u>
Total assets	<u>48,963,964</u>	<u>47,797,779</u>	<u>1,166,185</u>
Deferred outflows of resources	<u>7,672,496</u>	<u>11,317,241</u>	<u>(3,644,745)</u>
Liabilities:			
Current liabilities	739,947	609,767	130,180
Non-current liabilities	<u>18,218,037</u>	<u>15,572,943</u>	<u>2,645,094</u>
Total liabilities	<u>18,957,984</u>	<u>16,182,710</u>	<u>2,775,274</u>
Deferred inflows of resources	<u>2,598,761</u>	<u>3,918,663</u>	<u>(1,319,902)</u>
Net position (Deficit):			
Net investment in capital assets	22,197,631	22,355,813	(158,182)
Restricted	1,644,211	1,420,508	223,703
Unrestricted	<u>11,237,873</u>	<u>15,237,326</u>	<u>(3,999,453)</u>
Total net position	<u>\$ 35,079,715</u>	<u>\$ 39,013,647</u>	<u>\$ (3,933,932)</u>

At the end of fiscal year 2024, the District shows a balance in its unrestricted net position of \$11,237,873.

Analysis of Revenues and Expenses

Table A-2: Condensed Statements of Activities

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Change</u>
Program revenues	\$ 4,034,421	\$ 3,878,286	\$ 156,135
Expenses	<u>(25,990,039)</u>	<u>(25,485,340)</u>	<u>(504,699)</u>
Net program expense	(21,955,618)	(21,607,054)	(348,564)
General revenues	<u>18,021,686</u>	<u>16,978,555</u>	<u>1,043,131</u>
Change in net position	(3,933,932)	(4,628,499)	694,567
Net position:			
Beginning of year	<u>39,013,647</u>	<u>43,642,146</u>	<u>(4,628,499)</u>
End of year	<u>\$ 35,079,715</u>	<u>\$ 39,013,647</u>	<u>\$ (3,933,932)</u>

RANCHO SANTA FE FIRE PROTECTION DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2024

FINANCIAL ANALYSIS AND CONDENSED FINANCIAL INFORMATION (continued)

Analysis of Revenues and Expenses (continued)

The statement of activities shows how the government's net position changed during the fiscal year. In the case of the District, the operations of the District decreased its net position by \$3,933,932.

Table A-3: Total Revenues

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	Increase (Decrease)
Program revenues:			
Charges for services	\$ 3,172,819	\$ 3,114,044	\$ 58,775
Reimbursements	18,144	15,876	2,268
Mitigation fees	650,558	247,586	402,972
Operating and capital grant funding	<u>192,900</u>	<u>500,780</u>	<u>(307,880)</u>
Total program revenues	<u>4,034,421</u>	<u>3,878,286</u>	<u>156,135</u>
General revenues:			
Property taxes	16,074,060	15,391,445	682,615
Rental income	451,135	475,370	(24,235)
Developer payments	59,390	165,891	(106,501)
Reorganization revenue	312,500	312,500	-
Other revenue	11,841	3,837	8,004
Investment earnings	1,112,760	591,999	520,761
Sale of capital assets	<u>-</u>	<u>37,513</u>	<u>(37,513)</u>
Total general revenues	<u>18,021,686</u>	<u>16,978,555</u>	<u>1,043,131</u>
Total revenues	<u>\$ 22,056,107</u>	<u>\$ 20,856,841</u>	<u>\$ 1,199,266</u>

Total revenues from all sources increased by 5.75%, or \$1,199,266 from \$20,856,841 to \$22,056,107, from the prior year, primarily due to an increase in property taxes of \$682,615.

Table A-4: Total Expenses

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	Increase (Decrease)
Expenses:			
Operations	\$ 24,878,771	\$ 24,468,758	\$ 410,013
Depreciation expense	1,083,828	993,521	90,307
Amortization expense	27,440	21,952	5,488
Interest expense	<u>-</u>	<u>1,109</u>	<u>(1,109)</u>
Total expenses	<u>\$ 25,990,039</u>	<u>\$ 25,485,340</u>	<u>\$ 504,699</u>

Total expenses for the District's operations increased by 1.98% or \$504,699 from \$25,485,340 to \$25,990,039, from the prior year, primarily due to a \$410,013 increase in operations expense.

RANCHO SANTA FE FIRE PROTECTION DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2024

GOVERNMENTAL FUNDS FINANCIAL ANALYSIS

The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the District's financing requirements. In particular, the *unassigned fund balance* may serve as a useful measure of the government's net resources for spending at the end of the fiscal year.

As of June 30, 2024, the District reported a total fund balance of \$24,779,132. An amount of \$19,912,652 constitutes the District's *unassigned fund balance*.

OPERATIONS FUND BUDGETARY HIGHLIGHTS

The final budgeted expenditures for the District's general fund at year-end were \$741,789 less than actual. Budgeted revenues were less than actual revenues by \$1,615,118. Actual revenues less expenses were over budget by \$2,356,907.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

By the end of fiscal year 2024, the District had invested \$22,197,631 in capital assets, related to the purchase of equipment for use in fire protection. (More detailed information about capital assets can be found in Note 6 to the financial statements). Total depreciation expense for the year was \$1,083,828.

Table A-5: Capital Assets at Year End, Net of Depreciation

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Capital assets:		
Non-depreciable assets	\$ 3,856,163	\$ 3,374,840
Depreciable assets	32,823,708	32,536,687
Accumulated depreciation	<u>(14,482,240)</u>	<u>(13,533,218)</u>
Total capital assets, net	<u><u>\$ 22,197,631</u></u>	<u><u>\$ 22,378,309</u></u>

RANCHO SANTA FE FIRE PROTECTION DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2024

FACTORS AFFECTING CURRENT FINANCIAL POSITION

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

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

The District's basic financial statements are designed to present users with a general overview of the District's finances and to demonstrate the District's accountability. If you have any questions about the report or need additional information, please contact the District's Fire Chief at the Rancho Santa Fe Fire Protection District at P.O. Box 410, 18027 Calle Ambiente, Rancho Santa Fe, California, 92067 or (858) 756-5971.

Basic Financial Statements

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Statements of Net Position

June 30, 2024 (With Comparative Amounts as of June 30, 2023)

	<u>Governmental Activities</u>	
	<u>2024</u>	<u>2023</u>
ASSETS		
Current assets:		
Cash and investments (Note 2)	\$ 22,551,109	\$ 21,274,029
Accrued interest receivable	167,943	127,064
Property taxes and assessments receivable	76,427	100,800
Other receivables	51,235	82,056
Lease receivable – current (Note 4)	342,903	331,261
Prepaid items	155,586	18,708
Deposits with Public Agencies Self Insurance System (Note 5)	636,736	581,958
Total current assets	23,981,939	22,515,876
Non-current assets:		
Restricted – cash and investments (Note 2 and 3)	1,495,689	1,358,635
Restricted – accrued interest receivable (Note 3)	21,578	9,385
Restricted – other receivables (Note 3)	126,944	52,488
Lease receivable – non-current (Note 4)	1,140,183	1,483,086
Capital assets – not being depreciated (Note 6)	3,856,163	3,374,840
Capital assets – being depreciated, net (Note 6)	18,341,468	19,003,469
Total non-current assets	24,982,025	25,281,903
Total assets	48,963,964	47,797,779
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amounts related to net pension liability (Note 9)	7,672,496	11,317,241
Total deferred outflows of resources	7,672,496	11,317,241
LIABILITIES		
Current liabilities:		
Accounts payable and accrued expenses	540,627	430,773
Unearned revenue	49,320	6,498
Long-term liabilities – due in one year:		
Compensated absences (Note 7)	150,000	150,000
Subscription liabilities	-	22,496
Total current liabilities	739,947	609,767
Non-current liabilities:		
Long-term liabilities – due in more than one year:		
Compensated absences (Note 7)	1,399,676	556,447
Workers' compensation claims payable (Note 8)	1,517,007	823,693
Net pension liability (Note 9)	15,301,354	14,192,803
Total non-current liabilities	18,218,037	15,572,943
Total liabilities	18,957,984	16,182,710
DEFERRED INFLOWS OF RESOURCES		
Deferred amounts related to leases (Note 4)	1,397,254	1,733,682
Deferred amounts related to District reorganization (Note 10)	-	312,500
Deferred amounts related to net pension liability (Note 9)	1,201,507	1,872,481
Total deferred inflows of resources	2,598,761	3,918,663
NET POSITION		
Investment in capital assets	22,197,631	22,355,813
Restricted for capital improvements (Note 3)	1,644,211	1,420,508
Unrestricted	11,237,873	15,237,326
Total net position	\$ 35,079,715	\$ 39,013,647

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Statements of Activities

For the Fiscal Year Ended June 30, 2024

(With Comparative Amounts for the Fiscal Year Ended June 30, 2023)

Expenses:	<u>2024</u>	<u>2023</u>
Fire related services:		
Operations:		
Salaries and wages	\$ 12,027,986	\$ 9,903,895
Employee benefits	8,720,973	10,688,386
Insurance	1,082,564	524,569
Materials and services	3,047,248	3,351,908
Depreciation expense	1,083,828	993,521
Amortization expense	27,440	21,952
Interest expense	-	1,109
Total expenses	<u>25,990,039</u>	<u>25,485,340</u>
Program revenues:		
Charges for services:		
Parcel tax	1,066,200	1,064,280
Property assessment	749,722	692,950
CSA-17 contract	144,408	149,990
Joint facilities community agreement	485,861	459,573
Cal-OES	365,126	299,576
Fire prevention – plan check and inspections	356,140	442,530
Weed abatement	4,762	-
Other charges	600	5,145
Reimbursements	18,144	15,876
Mitigation fees	650,558	247,586
Operating and capital grant funding	192,900	500,780
Total program revenues	<u>4,034,421</u>	<u>3,878,286</u>
Net program expense	<u>(21,955,618)</u>	<u>(21,607,054)</u>
General revenues:		
Property taxes	16,074,060	15,391,445
Rental income	451,135	475,370
Developer payments	59,390	165,891
Reorganization revenue	312,500	312,500
Other revenue	11,841	3,837
Investment earnings	1,112,760	591,999
Sale of capital assets	-	37,513
Total general revenues	<u>18,021,686</u>	<u>16,978,555</u>
Change in net position	<u>(3,933,932)</u>	<u>(4,628,499)</u>
Net position:		
Beginning of year, as restated (Note 13)	<u>39,013,647</u>	<u>43,642,146</u>
End of year	<u>\$ 35,079,715</u>	<u>\$ 39,013,647</u>

RANCHO SANTA FE FIRE PROTECTION DISTRICT
Balance Sheet – Governmental Funds
June 30, 2024

<u>ASSETS</u>	<u>General Fund</u>	<u>Fire Mitigation Fund</u>	<u>Total Governmental Funds</u>
Assets:			
Cash and investments	\$ 22,551,109	\$ 1,495,689	\$ 24,046,798
Accrued interest receivable	167,943	21,578	189,521
Property taxes receivable	76,427	-	76,427
Other receivables	51,235	126,944	178,179
Lease receivable	1,483,086	-	1,483,086
Prepaid items	155,586	-	155,586
Deposits with PASIS	636,736	-	636,736
Total assets	<u>\$ 25,122,122</u>	<u>\$ 1,644,211</u>	<u>\$ 26,766,333</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable and accrued expenses	\$ 540,627	\$ -	\$ 540,627
Unearned revenue	49,320	-	49,320
Total liabilities	<u>589,947</u>	<u>-</u>	<u>589,947</u>
Deferred inflows of resources			
Deferred amount related to leases	1,397,254	-	1,397,254
Total deferred inflows	<u>1,397,254</u>	<u>-</u>	<u>1,397,254</u>
Fund Balances: (Note 11)			
Non-spendable	155,586	-	155,586
Restricted	-	1,644,211	1,644,211
Assigned	3,066,683	-	3,066,683
Unassigned	19,912,652	-	19,912,652
Total fund balance	<u>23,134,921</u>	<u>1,644,211</u>	<u>24,779,132</u>
Total liabilities and fund balance	<u>\$ 25,122,122</u>	<u>\$ 1,644,211</u>	<u>\$ 26,766,333</u>

RANCHO SANTA FE FIRE PROTECTION DISTRICT

*Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2024*

Fund Balances – Governmental Funds	<u>\$ 24,779,132</u>
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets and right to use leased assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. However, the statement of net position includes those assets as capital assets.	22,197,631
Deferred outflows of resources used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. However, the statement of net position includes those deferred outflows of resources.	7,672,496
Long-term liabilities applicable to the District are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position as follows:	
Compensated absences	(1,549,676)
Workers' compensation claims payable	(1,517,007)
Net pension liability	(15,301,354)
Deferred inflows of resources used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. However, the statement of net position includes those deferred inflows of resources.	<u>(1,201,507)</u>
Total adjustments	<u>10,300,583</u>
Net Position of Governmental Activities	<u><u>\$ 35,079,715</u></u>

RANCHO SANTA FE FIRE PROTECTION DISTRICT

*Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
For the Fiscal Year Ended June 30, 2024*

	General Fund	Fire Mitigation Fund	Total Governmental Funds
REVENUES:			
Property taxes	\$ 16,074,060	\$ -	\$ 16,074,060
Parcel tax	1,066,200	-	1,066,200
Property assessment	749,722	-	749,722
CSA-115 annexation	144,408	-	144,408
Joint facilities community agreement	485,861	-	485,861
Reorganization revenue	312,500	-	312,500
Cal-OES	365,126	-	365,126
Fire prevention – plan check and inspections	356,140	-	356,140
Weed abatement	4,762	-	4,762
Other charges	600	-	600
Reimbursements	18,144	-	18,144
Mitigation fees	-	650,558	650,558
Operating and capital grant funding	192,900	-	192,900
Rental income	451,135	-	451,135
Developer payments	59,390	-	59,390
Other revenue	11,841	-	11,841
Investment earnings	1,036,212	76,548	1,112,760
Total revenues	21,329,001	727,106	22,056,107
EXPENDITURES:			
Fire related services:			
Salaries and wages	11,184,757	-	11,184,757
Employee benefits	4,638,651	-	4,638,651
Insurance	389,250	-	389,250
Materials and services	3,069,744	-	3,069,744
Capital outlay	930,590	-	930,590
Total expenditures	20,212,992	-	20,212,992
REVENUES OVER(UNDER) EXPENDITURES	1,116,009	727,106	1,843,115
OTHER FINANCING SOURCES(USES):			
Transfers in (Note 12)	503,403	-	503,403
Transfers (out) (Note 12)	-	(503,403)	(503,403)
Total other financing sources(uses)	503,403	(503,403)	-
NET CHANGES IN FUND BALANCE	1,619,412	223,703	1,843,115
FUND BALANCE:			
Beginning of year, as restated (Note 13)	21,515,509	1,420,508	22,936,017
End of year	<u>\$ 23,134,921</u>	<u>\$ 1,644,211</u>	<u>\$ 24,779,132</u>

RANCHO SANTA FE FIRE PROTECTION DISTRICT

*Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes
in Fund Balances to the Statement of Activities*

For the Fiscal Year Ended June 30, 2024

Net Change in Fund Balances – Governmental Funds \$ 1,843,115

Amounts reported for governmental activities in the statement of activities is different because:

Some expenses reported in the statement of activities do not require the use of current financial resources. Therefore, those expenses are not reported as expenditures in governmental funds as follows:

Change in compensated absences	(843,229)
Change in right-to-use lease payable	22,496
Change in workers' compensation claims payable	(693,314)
Change in net pension liability	(4,082,322)

Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those capitalized assets is allocated over their estimated useful lives as depreciation expense.

Capital outlay	930,590
Depreciation expense	(1,083,828)
Amortization expense	(27,440)

Total adjustments (5,777,047)

Change in Net Position of Governmental Activities \$ (3,933,932)

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Notes to Financial Statements

For the Fiscal Year Ended June 30, 2024

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A. Description of Organization

The Rancho Santa Fe Fire Protection District (District) was formed on October 14, 1946 under an order adopted by the County of San Diego's (County) Board of Supervisors. The District spans approximately 49 square miles and protects over 35,000 citizens. The District is governed by a five-person elected Board of Directors. The Board is responsible for establishing policies, guidelines and providing direction for Fire District Staff.

B. Reporting Entity

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the District consists of all funds, departments, and agencies that are not legally separate from the District.

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District, in that the District approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the District is not financially accountable but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete.

The District has identified no organizations that are required to be reported as component units.

C. Basis of Presentation, Basis of Accounting

1. Basis of Presentation

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the primary government (the District) and its component units. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, other nonexchange transactions, and charges for services.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Major Governmental Funds

The District maintains the following major governmental funds:

General Fund: This fund is used to account for all financial resources of the District, except those required to be accounted for in another fund when necessary.

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Notes to Financial Statements

For the Fiscal Year Ended June 30, 2024

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation, Basis of Accounting (continued)

1. Basis of Presentation (continued)

Major Governmental Funds (continued)

Fire Mitigation Fund: This fund is used to account for fees collected from builders in the service area that are restricted for the purchase of new capital assets when those assets are needed due to population and infrastructure growth in the service area.

2. Measurement Focus, Basis of Accounting

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and financing from capital leases are reported as other financing sources.

3. Revenues - Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year. Generally, available is defined as collectible within 60 days.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, certain grants, entitlements, and donations. Revenue from property taxes is recognized in the fiscal year in which the taxes are received. Revenue from certain grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include time and purpose requirements. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Notes to Financial Statements

For the Fiscal Year Ended June 30, 2024

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position

1. Cash and Investments

The District 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.

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 District 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 District 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 District'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.

2. Lease Receivable and Deferred Inflows of Resources

The primary objective is to enhance the relevance and consistency of information about the governments' leasing activities. As a lessor, the District is required to recognize a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions for leases of assets held as investment, short-term leases, de minimis leases, and leases that transfer ownership of the underlying asset. As lessor, the leased right-to-use asset underlying the lease is not recognized. The District's lease receivable is measured at the present value of the lease payments expected to be received during the lease term. Under the lease agreement, the District may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is measured at the value of the lease receivable in addition to any payments received at or before the commencement of the lease term that relate to future periods. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Notes to Financial Statements

For the Fiscal Year Ended June 30, 2024

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

3. Capital Assets

Capital assets are stated at cost or at their estimated fair value at date of donation. It is the District’s policy to capitalize assets costing over \$10,000. The provision for depreciation is computed using the straight-line method over the estimated service lives of the capital assets.

Estimated service lives for the District’s classes of assets are as follows:

Description	Estimated Lives
Structures and Improvements	20-40 years
Equipment and vehicles	3-12 years

4. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time.

5. Compensated Absences

The District’s policy is to permit full time employees to accumulate earned vacation leave. Vacation leave earned may be accumulated beyond the end of the calendar year. A maximum hour accrual is outlined in the employees corresponding memorandum of understanding. Accumulated unpaid sick leave is recognized as a liability of the District at a ratio 2:1 with a maximum hour accrual that is outlined in the employees corresponding memorandum of understanding.

6. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District’s California Public Employees’ Retirement System (CalPERS) plans and additions to/deductions from the Plans’ fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at market value.

The following timeframes are used for pension reporting:

- Valuation Date June 30, 2022
- Measurement Date June 30, 2023
- Measurement Period July 1, 2022 to June 30, 2023

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Notes to Financial Statements

For the Fiscal Year Ended June 30, 2024

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

7. Net Position

Net position is classified into three components: investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

Investment in capital assets - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation .

Restricted - This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position - This component of net position consists of net position that does not meet the definition of "net investment in capital assets" or "restricted". When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

8. Fund Balances

The fund balance for governmental funds is reported in classifications based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Non-spendable: Fund balance is reported as non-spendable when the resources cannot be spent because they are either in a non-spendable form or legally or contractually required to be maintained intact. Resources in non-spendable form include inventories and prepaid assets.

Restricted: Fund balance is reported as restricted when the constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments; or imposed by law through constitutional provision or by enabling legislation.

Assigned: Resources that are constrained by the District's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. Intent may be expressed by either the Board, committees (such as budget or finance), or officials to which the Board has delegated authority.

Unassigned: Unassigned fund balance represents fund balance that has not been restricted, committed, or assigned and may be utilized by the District for any purpose. When expenditures are incurred, and both restricted and unrestricted resources are available, it is the District's policy to use restricted resources first, then unrestricted resources in the order of committed, assigned, and then unassigned, as they are needed.

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Notes to Financial Statements

For the Fiscal Year Ended June 30, 2024

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those estimates.

F. Property Taxes

The San Diego County Assessor’s Office assesses all real and personal property within the County each year. The San Diego County Tax Collector’s Office bills and collects the District’s share of property taxes and voter-approved taxes. The San Diego County Auditor-Controller’s Office remits current property tax collections to the District throughout the year. Property tax in California is levied in accordance with Article XIII A of the State Constitution at one percent (1%) of countywide assessed valuations.

Property taxes receivable at year-end are related to property taxes collected by San Diego County, which have not been credited to the District's cash balance as of June 30. The property tax calendar is as follows:

Lien date	March 1
Levy date	July 1
Due dates	November 1 and March 1
Collection dates	December 10 and November 10

Property taxes levied are recorded as revenue when received, in the fiscal year of levy, because of the adoption of the *alternate method of property tax distribution* known as the Teeter Plan, by the District and San Diego County. The Teeter Plan authorizes the County Auditor-Controller to allocate 100% of the secured property tax billed but not yet received or paid to the District. San Diego County remits tax proceeds to the District in installments during the fiscal year.

G. Reclassifications

The District has reclassified certain prior year information to conform with current year presentation.

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Notes to Financial Statements

For the Fiscal Year Ended June 30, 2024

NOTE 2 – CASH AND INVESTMENTS

Cash and investments at June 30, 2024, were categorized on the statement of net position as follows:

<u>Description</u>	<u>Balance</u>
Cash and investments	\$ 22,551,109
Restricted – cash and investments	<u>1,495,689</u>
Total cash and investments	<u>\$ 24,046,798</u>

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

<u>Description</u>	<u>Balance</u>
Demand deposits held with financial institutions	\$ 1,133,273
Local Agency Investment Fund (LAIF)	16,028
California CLASS	8,075,539
San Diego County Pooled Investment Fund (SDCPIF)	<u>14,821,958</u>
Total cash and investments	<u>\$ 24,046,798</u>

Demand Deposits with Financial Institutions

At June 30, 2024, the carrying amount of the District’s demand deposits was \$1,133,273 and the financial institution’s balance was \$1,459,287. The net difference represents outstanding checks, deposits-in-transit and/or other reconciling items between the financial institution’s balance and the District’s balance for each year.

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 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.

Local Agency Investment Fund (LAIF)

The California State Treasurer, through the Pooled Money Investment Account (PMIA), invests its funds to manage the State’s cash flow and strengthen the financial security of local public agencies. PMIA’s policy sets as primary investment objectives safety, liquidity and yield. Through the PMIA, the Investment Division manages the Local Agency Investment Fund (LAIF). The LAIF allows cities, counties and special districts to place money in a major portfolio and, at no additional costs, use the expertise of Investment Division staff. Participating agencies can withdraw their funds from the LAIF at any time as LAIF is highly liquid and has a dollar-in dollar-out amortized cost methodology.

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Notes to Financial Statements

For the Fiscal Year Ended June 30, 2024

NOTE 2 – CASH AND INVESTMENTS (continued)

Local Agency Investment Fund (LAIF) (continued)

The District is a voluntary participant in LAIF. The fair value of the District's investment in this pool is reported at an amount based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of the portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF. LAIF is not categorized under the fair value hierarchy established by GAAP as it is held at an amortized cost basis and it is Not Rated under the current credit risk ratings format. For financial reporting purposes, the District considers funds in LAIF a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology. As of June 30, 2023, the District held \$16,028 in LAIF.

California Cooperative Liquid Assets Securities System (California CLASS)

The California Cooperative Liquid Assets Securities System (California CLASS) is a joint exercise of power entity authorized under Section 6509.7, California Government Code. California CLASS is a pooled investment option that was created via a joint exercise of powers agreement by and among California public agencies. California CLASS provides California public agencies with a convenient method for investing in high-quality, short- to medium-term securities carefully selected to optimize interest earnings while prioritizing safety and liquidity. The California CLASS Prime and Enhanced Cash funds offer public agencies the opportunity to strengthen and diversify their cash management programs in accordance with the safety, liquidity, and yield hierarchy that governs the investment of public funds. The management of California CLASS is under the direction of a Board of Trustees comprised of eligible Participants of the program. The Board of Trustees has appointed Public Trust Advisors, LLC to serve as the Investment Advisor and Administrator of the program and has appointed U.S. Bank as the Custodian. The District is a voluntary participant in California CLASS. The fair value of the District's investment in this pool is reported at an amount based upon the District's pro-rata share of the fair value provided by California CLASS for the entire California CLASS portfolio (in relation to the amortized cost of the of that portfolio). The balance available for withdrawal is based on the accounting records maintained by California CLASS. California CLASS is not categorized under the fair value hierarchy established by GAAP as it is held at an amortized cost basis. The California Class Prime and Enhanced Cash funds receive a credit rating of AAAM (S&P Global Ratings) and AAAs/S1 (FitchRatings), respectively. For financial reporting purposes, the District considers California CLASS a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology. As of June 30, 2024, the District held \$8,075,539 in California CLASS.

San Diego County Treasury Investment Pool (SDCTIP)

The District is a voluntary participant in the San Diego County Treasury Investment Pool (SDCTIP) pursuant to Government Code Section 53694. The cash flow needs of participants are monitored daily to ensure that sufficient liquidity is maintained to meet the needs of those participants. At the time deposits are made, the San Diego County Treasurer may require the depositing entity to provide annual cash flow projections or an anticipated withdrawal schedule for deposits in excess of \$1 million. Projections are performed no less than semi-annually. In accordance with Government Code Section 27136, all request for withdrawal of funds for the purpose of investing or depositing the funds elsewhere shall be evaluated to ensure the proposed withdrawal will not adversely affect the principal deposits of the other participants. Pool detail may be obtained from the Treasurer-Tax Collector – San Diego Administration Center – 1600 Pacific Hwy, Room 162 – San Diego, CA 92101 or the Treasurer and Tax Collector's office website at www.sdttc.com. As of June 30, 2024, the District had \$14,829,741 in the SDCTIP.

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Notes to Financial Statements

For the Fiscal Year Ended June 30, 2024

NOTE 3 – RESTRICTED ASSETS AND RESTRICTED NET POSITION

Restricted assets and restricted net position as of June 30, 2024, were categorized as follows:

<u>Description</u>	<u>Balance</u>
Restricted – cash and investments	\$ 1,495,689
Restricted – accrued interest receivable	21,578
Restricted – other receivables	<u>126,944</u>
Total restricted net position	<u>\$ 1,644,211</u>

Restricted assets and restricted net position as of June 30, 2024, were received from mitigation fees for capital expenditures.

NOTE 4 – LEASE RECEIVABLE AND DEFERRED INFLOWS OF RESOURCE – LEASES

Changes in the District’s lease receivable is as follows:

<u>Description</u>	<u>Balance July 1, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2024</u>
Building Space Rental 1	\$ 251,585	\$ -	\$ (84,202)	\$ 167,383
Building Space Rental 2	790,079	-	(90,346)	699,733
Cellular Antenna Site Rental 1	525,348	-	(82,184)	443,164
Cellular Antenna Site Rental 2	93,235	-	(37,128)	56,107
Cellular Antenna Site Rental 3	<u>154,100</u>	<u>-</u>	<u>(37,401)</u>	<u>116,699</u>
	<u>\$ 1,814,347</u>	<u>\$ -</u>	<u>\$ (331,261)</u>	<u>\$ 1,483,086</u>

The District is reporting a total lease receivable of \$1,483,086 and \$1,814,347 and a total related deferred inflows of resources of \$1,397,254 and \$1,733,682 for the years ending June 30, 2024 and 2023, respectively. Also, the District is reporting total lease revenue of \$331,261 and \$183,314 and interest revenue of \$41,589 and \$14,132 related to lease payments received for the years ending June 30, 2024 and 2023, respectively. The lease held by the District does not have an implicit rate of return, therefore the District used their incremental borrowing rate of 2.50% to discount the lease revenue to the net present value. In some cases leases contain termination clauses. In these cases the clause requires the lessee or lessor to show cause to terminate the lease. Also, certain leasing-types are considered “volatile leases.” Those volatile leases were not extended past their initial lease period for financial statement recognition due to their volatility. The District’s leases are summarized as follows:

Building Space Rental 1

The District, on July 1, 2021, renewed a continuous lease for 59 months as lessor for the use of building space. An initial lease receivable was recorded in the amount of \$406,299. As of June 30, 2024 the value of the lease receivable was \$167,383. The lease is required to make monthly fixed payments of \$7,461 for the remaining term of the lease. The lease has an interest rate of 2.50%. The value of the deferred inflow of resource was \$158,388 as of June 30, 2024. The District recognized lease revenue of \$84,202 and interest revenue of \$5,328 during the fiscal year. The lessee will be evaluated by the District for future extensions after the completion of this lease period.

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Notes to Financial Statements

For the Fiscal Year Ended June 30, 2024

NOTE 4 – LEASE RECEIVABLE AND DEFERRED INFLOWS OF RESOURCE – LEASES (continued)

Building Space Rental 2

The District, on July 1, 2021, renewed a continuous lease for 120 months as lessor for the use of building space. An initial lease receivable was recorded in the amount of \$941,035. As of June 30, 2024 the value of the lease receivable was \$699,733. The lease is required to make monthly fixed payments of \$9,089 for the remaining term of the lease. The lease has an interest rate of 2.50%. The value of the deferred inflow of resource was \$658,725 as of June 30, 2024. The District recognized lease revenue of \$90,346 and interest revenue of \$18,721 during the fiscal year. The lessee will be evaluated by the District for future extensions after the completion of this lease period.

Cellular Antenna Site Rental 1

The District, on July 1, 2021, renewed a continuous lease for 96 months as lessor for the use of a cellular Antenna site rental. An initial lease receivable was recorded in the amount of \$675,006 As of June 30, 2024, the value of the lease receivable was \$443,164. The lease is required to make monthly fixed payments of \$7,865 for the remaining term of the lease. The lease has an interest rate of 2.50%. The value of the deferred inflow of resource was \$421,878 as of June 30, 2024. The District recognized lease revenue of \$82,184 and interest revenue of \$12,196 during the fiscal year. The lessee will be evaluated by the District for future extensions after the completion of this lease period. Since this is considered a volatile lease only this lease period has been recognized.

Cellular Antenna Site Rental 2

The District, on July 1, 2021, renewed a continuous lease for 53 months as lessor for the use of a cellular Antenna site rental. An initial lease receivable was recorded in the amount of \$161,799. As of June 30, 2024, the value of the lease receivable was \$56,107. The lease is required to make monthly fixed payments of \$3,392 for the remaining term of the lease. The lease has an interest rate of 2.50%. The value of the deferred inflow of resource was \$51,897 as of June 30, 2024. The District recognized lease revenue of \$37,128 and interest revenue of \$1,912 during the fiscal year. The lessee will be evaluated by the District for future extensions after the completion of this lease period. Since this is considered a volatile lease only this lease period has been recognized.

Cellular Antenna Site Rental 3

The District, on July 1, 2021, renewed a continuous lease for 69 months as lessor for the use of a cellular Antenna site rental. An initial lease receivable was recorded in the amount of \$222,401. As of June 30, 2024, the value of the lease receivable was \$116,699. The lease is required to make monthly fixed payments of \$3,547 for the remaining 9 months, then increasing 3.0% every year. The lease has an interest rate of 2.50%. The value of the deferred inflow of resource was \$106,366 as of June 30, 2024. The District recognized lease revenue of \$37,401 and interest revenue of \$3,432 during the fiscal year. The lessee will be evaluated by the District for future extensions after the completion of this lease period. Since this is considered a volatile lease only this lease period has been recognized.

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Notes to Financial Statements

For the Fiscal Year Ended June 30, 2024

NOTE 4 – LEASE RECEIVABLE AND DEFERRED INFLOWS OF RESOURCE – LEASES (Continued)

Minimum future lease receipts are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 342,903	\$ 33,172	\$ 376,075
2026	322,025	24,626	346,651
2027	219,472	17,845	237,317
2028	190,655	12,792	203,447
2029	195,476	7,971	203,447
2030-2031	212,555	5,580	218,135
Total	1,483,086	\$ 101,986	\$ 1,585,072
Current	(342,903)		
Long-term	\$ 1,140,183		

Changes in the District’s deferred inflows of resources related to leases are as follows:

<u>Description</u>	<u>Balance July 1, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2024</u>
Building Space Rental 1	\$ 241,025	\$ -	\$ (82,637)	\$ 158,388
Building Space Rental 2	752,828	-	(94,103)	658,725
Cellular Antenna Site Rental 1	506,254	-	(84,376)	421,878
Cellular Antenna Site Rental 2	88,531	-	(36,634)	51,897
Cellular Antenna Site Rental 3	145,044	-	(38,678)	106,366
	\$ 1,733,682	\$ -	\$ (336,428)	\$ 1,397,254

The amounts reported as deferred inflows of resources related to leases for the year ended June 30, 2024, will be amortized in future periods as follows:

<u>Amortization Period Fiscal Year Ended June 30</u>	<u>Deferred Inflows of Resources</u>
2025	\$ 336,429
2026	308,172
2027	207,488
2028	178,479
2029	178,479
2030-2031	188,207
Total	\$ 1,397,254

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Notes to Financial Statements

For the Fiscal Year Ended June 30, 2024

NOTE 5 – DEPOSITS WITH PUBLIC AGENCIES SELF INSURANCE SYSTEM (PASIS)

The District is one of seven Members in the Public Agency Self-Insurance System (PASIS). PASIS is a joint-powers authority which was established in 1977 for the purpose of operating and maintaining a cooperative program of self-insurance and risk management for workers’ compensation for its Members.

PASIS’s purpose is to provide for the collection of workers’ compensation claims data, purchase claims examiner services, general counsel services and excess insurance coverage. Members are responsible for paying their own claims and related expenses for workers’ compensation related injuries. PASIS requires active Members to maintain a minimum base funding of 125% of a Members’ self-insured retention plus a 15% increase for Members with annual payroll in excess of \$1.8 million. The deductible for self-insured retention selected by the District is \$300,000. PASIS carries excess insurance through a joint powers authority to cover amounts over the self-insured retention.

As of June 30, 2024, the District had \$636,736 on deposit with PASIS. Further information in regard to PASIS is as follows:

- A. **Entity** Public Agency Self-Insurance System (PASIS)
- B. **Purpose** To pool member resources and realize the advantages of a self-insurance reserve for workers' compensation
- C. **Participants** As of June 30, 2024 – Seven member agencies
- D. **Governing board** Seven representatives employed/appointed by members
- E. **District payments for FY 2023:**
 - Contribution \$0
- F. **Condensed financial information** June 30, 2024
 - Audit signed September 15, 2024

Statement of net position:	<u>June 30, 2024</u>	<u>District Share</u>
Total assets	\$ 3,797,833	\$ 636,736
Total liabilities	-	-
Net position	<u>\$ 3,797,833</u>	<u>\$ 636,736</u>
Statement of revenues, expenses and changes in net position:		
Total revenues	\$ 273,815	\$ 45,969
Total expenses	-	-
Change in net position	273,815	45,969
Beginning - net position	<u>3,524,018</u>	<u>590,767</u>
Ending - net position	<u>\$ 3,797,833</u>	<u>\$ 636,736</u>
G. District's share of year-end financial position	<u>100.00%</u>	<u>16.77%</u>

RANCHO SANTA FE FIRE PROTECTION DISTRICT
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2024

NOTE 6 – CAPITAL ASSETS

Changes in capital assets for the year were as follows:

<u>Description</u>	<u>Balance July 1, 2023</u>	<u>Additions/ Transfers</u>	<u>Deletions/ Transfers</u>	<u>Balance June 30, 2024</u>
Non-depreciable capital assets:				
Land	\$ 3,374,840	\$ -	\$ -	\$ 3,374,840
Construction-in-progress	-	481,323	-	481,323
Total non-depreciable capital assets	<u>3,374,840</u>	<u>481,323</u>	<u>-</u>	<u>3,856,163</u>
Depreciable capital assets:				
Structures and improvements	25,530,974	66,181	-	25,597,155
Equipment	769,294	142,457	-	911,751
Vehicles	6,170,563	240,629	(96,390)	6,314,802
Subscription assets	65,856	-	(65,856)	-
Total depreciable capital assets	<u>32,536,687</u>	<u>449,267</u>	<u>(162,246)</u>	<u>32,823,708</u>
Accumulated depreciation:				
Structures and improvements	(9,239,975)	(676,765)	-	(9,916,740)
Equipment	(531,609)	(52,571)	-	(584,180)
Vehicles	(3,723,218)	(354,492)	96,390	(3,981,320)
Subscription assets	(38,416)	(27,440)	65,856	-
Total accumulated depreciation/amortization	<u>(13,533,218)</u>	<u>(1,111,268)</u>	<u>162,246</u>	<u>(14,482,240)</u>
Total depreciable/amortizable capital assets, net	<u>19,003,469</u>	<u>(662,001)</u>	<u>-</u>	<u>18,341,468</u>
Total capital assets, net	<u>\$ 22,378,309</u>	<u>\$ (180,678)</u>	<u>\$ -</u>	<u>\$ 22,197,631</u>

Depreciation expense for the year ended June 30, 2024 was \$1,082,828 and amortization expenses was \$27,440.

NOTE 7 – COMPENSATED ABSENCES

Changes to compensated absences balances for the year ended June 30, 2024, were as follows:

<u>Balance July 1, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2024</u>	<u>Current Portion</u>	<u>Long-term Portion</u>
<u>\$ 706,447</u>	<u>\$ 1,539,921</u>	<u>\$ (696,692)</u>	<u>\$ 1,549,676</u>	<u>\$ 150,000</u>	<u>\$ 1,399,676</u>

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Notes to Financial Statements

For the Fiscal Year Ended June 30, 2024

NOTE 8 – WORKERS’ COMPENSATION CLAIMS PAYABLE

The District is self-insured for workers’ compensation and has effectively managed this risk of loss through a combination of insurance, with deductibles, self-insurance, and employee education and prevention programs. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered. Excess insurance is purchased above the self-insured retention through PASIS. As of June 30, 2024, the liability for workers’ compensation claims payable was estimated at \$1,517,007.

Changes in workers’ compensation claims payable for the year ended June 30, 2024, was as follows:

<u>Description</u>	<u>Balance</u>
Estimated claims balance – July 1, 2023	\$ 823,693
Claim payments	(296,178)
Revised claims estimate	<u>989,492</u>
Change in claims balance	<u>693,314</u>
Estimated claims balance – June 30, 2024	<u><u>\$ 1,517,007</u></u>

NOTE 9 – NET PENSION LIABILITY AND DEFINED BENEFIT PENSION PLAN

Summary

The following balances on the statement of net position will be addressed in this footnote as follows:

<u>Description</u>	<u>Amount</u>
Pension related deferred outflows of resources	\$ 7,672,496
Net pension liability	\$ 15,301,354
Pension related deferred inflows of resources	\$ 1,201,507

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Notes to Financial Statements

For the Fiscal Year Ended June 30, 2024

NOTE 9 – NET PENSION LIABILITY AND DEFINED BENEFIT PENSION PLAN(continued)

A. General Information about the Pension Plans

The Plans Description Schedule

The District has engaged with CalPERS to administer the following pension plans for its employees (members):

	Miscellaneous Plans		
	Classic Tier 1	Classic Tier 2	PEPRA Tier 3
Hire date	Prior to April 30, 2012	On or after May 1, 2012	On or after January 1, 2013
Benefit formula	2.7% @ 55	2.5% @ 55	2.0% @ 62
Benefit vesting schedule	5-years or service	5-years or service	5-years or service
Benefits payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 67 & up	50 - 67 & up	52 - 67 & up
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	2.0% to 2.5%	1.0% to 2.5%
Required member contribution rates	8.000%	8.000%	7.750%
Required employer contribution rates	14.030%	11.590%	7.770%
	Safety Plans		
	Classic Tier 1	Classic Tier 2	PEPRA Tier 3
Hire date	Prior to April 30, 2012	On or after May 1, 2012	On or after January 1, 2013
Benefit formula	3.0% @ 50	2.5% @ 55	2.0% @ 62
Benefit vesting schedule	5-years or service	5-years or service	5-years or service
Benefits payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 67 & up	50 - 67 & up	52 - 67 & up
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	2.0% to 2.5%	1.0% to 2.5%
Required member contribution rates	8.000%	8.000%	7.750%
Required employer contribution rates	14.030%	11.590%	7.770%

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Notes to Financial Statements

For the Fiscal Year Ended June 30, 2024

NOTE 9 – NET PENSION LIABILITY AND DEFINED BENEFIT PENSION PLAN (continued)

A. General Information about the Pension Plans (continued)

Plan Description

The District contributes to the California Public Employees’ Retirement System (CalPERS), a cost-sharing multiple-employer defined benefit pension plan. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. A full description of the pension plan, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in the June 30, 2023 Annual Actuarial Valuation Reports. This report and CalPERS’ audited financial statements are publicly available reports that can be obtained at CalPERS’ website under Forms and Publications.

At June 30, 2023, the following members were covered by the benefit terms:

Plan Members	Miscellaneous and Safety Plans			Total
	Classic Tier 1	Classic Tier 2	PEPRA Tier 3	
Active members	23	13	34	70
Transferred and terminated members	32	3	21	56
Retired members and beneficiaries	82	-	-	82
Total plan members	137	16	55	208

All qualified permanent and probationary employees are eligible to participate in the District’s 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 District 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.

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 nonindustrial disability benefits after five years of service. The death benefit is one of the following the 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.

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Notes to Financial Statements

For the Fiscal Year Ended June 30, 2024

NOTE 9 – NET PENSION LIABILITY AND DEFINED BENEFIT PENSION PLAN (continued)

A. General Information about the Pension Plans (continued)

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.

Contributions for the year ended June 30, 2024, were as follows:

<u>Contribution Type</u>	<u>Miscellaneous and Safety Plans</u>			<u>Total</u>
	<u>Classic Tier 1</u>	<u>Classic Tier 2</u>	<u>PEPRA Tier 3</u>	
Contributions – Miscellaneous Plans	\$ 109,605	\$ 6,198	\$ 7,109	\$ 122,912
Contributions – Safety Plans	1,060,157	40,647	51,889	1,152,693
Total contributions	\$ 1,169,762	\$ 46,845	\$ 58,998	\$ 1,275,605

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

Proportionate Share of Net Pension Liability and Pension Expense

The District’s net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2023, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022, rolled forward to June 30, 2023, using standard update procedures. The District’s proportionate share of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The following table shows the District’s proportionate share of the risk pool collective net pension liability over the measurement period for the Miscellaneous and Safety Plans for the fiscal year ended June 30, 2023:

<u>Plan Type and Balance Descriptions</u>	<u>Plan Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Change in Plan Net Pension Liability</u>
CalPERS – Total Plans:			
Balance as of June 30, 2022 (Measurement Date)	\$ 87,129,223	\$ (72,936,420)	\$ 14,192,803
Balance as of June 30, 2023 (Measurement Date)	\$ 93,147,178	\$ 77,845,824	\$ 15,301,354
Change in Plan Net Pension Liability	\$ 6,017,955	\$ 150,782,244	\$ 1,108,551

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Notes to Financial Statements

For the Fiscal Year Ended June 30, 2024

NOTE 9 – NET PENSION LIABILITY AND DEFINED BENEFIT PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

The District’s proportionate share percentage of the net pension liability for the June 30, 2023, measurement date was as follows:

	Percentage Share of Risk Pool		Change Increase/ (Decrease)
	Fiscal Year Ending June 30, 2024	Fiscal Year Ending June 30, 2023	
CalPERS – Safety and Miscellaneous			
Measurement Date	June 30, 2023	June 30, 2022	
Percentage of Risk Pool Net Pension Liability	0.12265%	0.12287%	-0.00022%

For the year ended June 30, 2024, the District recognized pension expense of \$5,357,927. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Account Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions made after the measurement date	\$ 1,275,605	\$ -
Difference between actual and proportionate share of employer contributions	238,345	(865,653)
Adjustment due to differences in proportions	2,012,946	(237,879)
Differences between expected and actual experience	1,098,880	(97,975)
Differences between projected and actual earnings on pension plan investments	2,121,502	-
Changes in assumptions	895,218	-
Total Deferred Outflows/(Inflows) of Resources	\$ 7,642,496	\$ (1,201,507)

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period. The deferred outflows/(inflows) of resources related to the net change in proportionate share of net pension liability, changes of assumptions, and differences between expected and actual experience in the measurement of the total pension liability will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is 3.8 years.

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Notes to Financial Statements

For the Fiscal Year Ended June 30, 2024

NOTE 9 – NET PENSION LIABILITY AND DEFINED BENEFIT PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

An amount of \$1,275,605 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as a reduction to pension expense as follows:

<u>Amortization Period</u> <u>Fiscal Year Ended June 30</u>	<u>Deferred Outflows/ (Inflows) of Resources</u>
2025	\$ 2,090,084
2026	1,338,932
2027	1,707,012
2028	59,356
Total	\$ 5,195,384

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ending June 30, 2023 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2022, total pension liability. The June 30, 2023, total pension liability was based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirement of GASB Statement No. 68
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.00% Net of Pension Plan Investment and Administrative Expenses; includes Inflation
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds. The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB.
Post Retirement Benefit Increase	Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.30% thereafter

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Notes to Financial Statements

For the Fiscal Year Ended June 30, 2024

NOTE 9 – NET PENSION LIABILITY AND DEFINED BENEFIT PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The table below reflects long-term expected real rate of return by asset class.

<u>Investment Type¹</u>	<u>New Strategic Allocation</u>	<u>Real Return^{1,2}</u>
Global Equity - Cap-weighted	30.0%	4.54%
Global Equity - Non-Cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
	<u>100.0%</u>	

¹ An expected inflation of 2.30% used for this period.

² Figures are based on the 2021 Asset Liability Management study.

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Notes to Financial Statements

For the Fiscal Year Ended June 30, 2024

NOTE 9 – NET PENSION LIABILITY AND DEFINED BENEFIT PENSION PLAN (continued)

C. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Subsequent Events

There were no subsequent events that would materially affect the results in this disclosure.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability/(asset) of the Plan as of the measurement date, calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90%) or 1 percentage-point higher (7.90%) than the current rate:

<u>Plan Type</u>	<u>Plan's Net Pension Liability/(Asset)</u>		
	<u>Discount Rate - 1%</u> <u>5.90%</u>	<u>Current Discount</u> <u>Rate 6.90%</u>	<u>Discount Rate + 1%</u> <u>7.90%</u>
CalPERS – Total Plans	<u>\$ 28,064,895</u>	<u>\$ 15,301,354</u>	<u>\$ 4,860,629</u>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalPERS financial report and can be obtained from CalPERS’ website under Forms and Publications.

D. Payable to the Pension Plans

At June 30, 2024, the District reported no payables for outstanding contributions to the CalPERS pension plan required for the year ended June 30, 2024.

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Notes to Financial Statements

For the Fiscal Year Ended June 30, 2024

NOTE 10 – DEFERRED INFLOW OF RESOURCES RELATED TO DISTRICT REORGANIZATION

In 2017 the District received a \$2.5 million payment from the County to cover future tax shortfalls due to the reorganization of District boundaries to include the Elfin Forest and Harmony Grove Dire Stations. This reorganization payment is being amortized over eight years \$312,500 per year. As of June 30, 2024 all revenue has been recognized.

NOTE 11 – FUND BALANCES

At June 30, 2024, fund balances of the District’s governmental funds were classified as follows:

Description	General Fund	Fire Mitigation Fund	Total
Non-spendable:			
Prepaid items	\$ 155,586	\$ -	\$ 155,586
Restricted:			
Mitigation fees	-	1,644,211	1,644,211
Assigned:			
Deposits with Public Agencies Self Insurance System	636,736	-	636,736
Compensated absences	1,549,676	-	1,549,676
Workers' compensation claims payable	880,271	-	880,271
Total assigned	<u>3,066,683</u>	<u>-</u>	<u>3,066,683</u>
Unassigned	<u>19,912,652</u>	<u>-</u>	<u>19,912,652</u>
Total fund balances	<u>\$ 23,134,921</u>	<u>\$ 1,644,211</u>	<u>\$ 24,779,132</u>

NOTE 12 – INTERFUND TRANSFERS

At June 30, 2024 interfund transfers of the District’s governmental funds were made as follows

Transfer To	Transfer From	Balance	Purpose
General Fund	Fire Mitigation	\$ 503,403	Capital outlay funding

NOTE 13 – PRIOR PERIOD RESTATEMENT

Beginning net potion as of July 1, 2023 was restated by \$382,817. Restatement was due to an over accrual of health reimbursement expenses of \$330,329 and an unrecorded receivable for mitigation fees of \$52,488.

Description	Amount
Net position:	
Beginning of year, as previously stated	\$ 38,630,830
Accounts payable	330,329
Restricted – other receivables	<u>52,488</u>
Net adjustment	<u>382,817</u>
Beginning of year, as restated	<u>\$ 39,013,647</u>

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Notes to Financial Statements

For the Fiscal Year Ended June 30, 2024

NOTE 13 – PRIOR PERIOD RESTATEMENT (continued)

Beginning general fund balance of July 1, 2023 was restated by \$330,3280 due to an over accrual of health reimbursement expenses of \$330,329. Beginning mitigation fund balance of July 1, 2023 was restated by \$52,488 due to an unrecorded receivable for mitigation fees of \$52,488.

<u>Description</u>	<u>Amount</u>
General Fund	
Beginning of year, as previously stated	<u>\$ 21,185,180</u>
Accounts payable	<u>330,329</u>
Net adjustment	<u>330,329</u>
Beginning of year, as restated	<u>\$ 21,515,509</u>
Mitigation Fund	
Beginning of year, as previously stated	<u>\$ 1,368,020</u>
Restricted other receivables	<u>52,488</u>
Net adjustment	<u>52,488</u>
Beginning of year, as restated	<u>\$ 1,420,508</u>

NOTE 14 – DEFERRED COMPENSATION SAVINGS PLAN

For the benefit of its employees, the District participates in a 457 Deferred Compensation Program. The purpose of this Program is to provide deferred compensation for public employees that elect to participate in the Program. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death or unforeseeable emergency. Until the funds are paid or otherwise made available to the employee, the employee is not obligated to report the deferred salary for income tax purposes.

Federal law requires deferred compensation assets to be held in trust for the exclusive benefit of the participants. Accordingly, the District is in compliance with this legislation. Therefore, these assets are not the legal property of the District and are not subject to claims of the District's general creditors.

The District has implemented GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. Since the District has little administrative involvement and does not perform the investing function for this plan, the assets and related liabilities are not shown on the statement of net position.

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Notes to Financial Statements

For the Fiscal Year Ended June 30, 2024

NOTE 15 – OTHER POSTEMPLOYMENT BENEFITS (HEALTH RETIREMENT SAVINGS ACCOUNT)

For the benefit of its employees, the District established, with the consent of a Trustee, a trust that is known as RSFFPD VEBA Health Savings Trust (Trust). The effective date of the Trust was January 1, 2006. The purposes of the Trust are (1) to provide a source of funds to pay benefits and administrative expenses under the District's Medical Retirement Savings Plan (Plan), and (2) to permit Trust assets to be invested and such earnings thereon to be not taxable under the Internal Revenue Code (Code).

All assets of the Plan are held in the Trust by the Trustee. The Trust is intended to qualify as a tax-exempt trust under the Section 501(c)(9) of the Code. The District contributes to the Trust via direct contributions, unused medical premiums, and the mandatory sale of sick leave. The assets held in the trust are for the exclusive benefit of the participants. Therefore, these assets are not the legal property of the District and are not subject to claims of the District's general creditors. Market value of the plan assets held in trust by Voya Financial at June 30, 2024 was \$7,124,798. The District made contributions of \$525,984 to the Trust for the year ended June 30, 2024.

NOTE 16 – JOINT VENTURES

The District is a member of the North County Dispatch Joint Powers Authority (Authority). The Authority was formed on June 11, 1984, and other member agencies include North County Fire Protection District, and the cities of Vista, San Marcos, Solana Beach, Oceanside, Encinitas, and Carlsbad. The purpose of the Authority is to provide dispatching and emergency communication service for fire protection, security, and medical services. The District made payments for dispatch services in the amount of \$239,684 in 2024. In the event of the dissolution of the Authority, available assets shall be distributed to the member agencies in the proportion to the aggregate contribution made by each member agency during the entire term of the agreement.

The activities of the Authority are supervised by a board of directors consisting of eight directors who are appointed by each member's governing body. The District's share of the Authority's assets, liabilities, net position and changes therein are not available. Separate financial statements of the Authority are available at 16936 El Fuego Drive (P.O. Box 1206), Rancho Santa Fe, CA 92067.

NOTE 17 – RISK MANAGEMENT

The District is exposed to various risks of loss and has effectively managed risk through a combination of insurance, with deductibles, self-insurance, and employee education and prevention programs. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered. In addition, there were no settlements or claims in the past three years that exceeded insurance coverage. The District is insured for a variety of potential exposures. The following is a summary of the insurance policies carried by the District as of June 30, 2024:

- General liability: \$1,000,000 per occurrence and \$3,000,000 aggregate. The District purchased additional excess coverage layers: \$10 million per occurrence and \$20 million aggregate for general and auto liability, which increases the limits on the insurance coverage noted above.
- Auto liability: \$1,000,000 liability limits and deductibles applied to specific vehicles with a \$1,000 deductible on Comprehensive and Collision, and other vehicles have a \$1,000 deductible on Comprehensive and on Collision.

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Notes to Financial Statements

For the Fiscal Year Ended June 30, 2024

NOTE 18- COMMITMENTS AND CONTINGENCIES

Excluded Leases – Short-Term Leases and De Minimis Leases

The District does not recognize a lease receivable and a deferred inflow of resources for short-term leases. Short-term leases are certain leases that have a maximum possible term under the lease contract of 12-months (or less), including any options to extend, regardless of their probability of being exercised.

Also, *de minimis* lessor or lessee leases are certain leases (i.e., room rental, copiers, printers, postage machines) that regardless of their lease contract period are *de minimis* with regards to their aggregate total dollar amount to the financial statements as a whole.

Grant Awards

Grant funds received by the District are subject to audit by the grantor agencies. Such audit could lead to requests for reimbursements to the grantor agencies for expenditures disallowed under terms of the grant. Management of the District believes that such disallowances, if any, would not be significant.

Litigation

In the ordinary course of operations, the District is subject to claims and litigation from outside parties. After consultation with legal counsel, the District believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

NOTE 19 – SUBSEQUENT EVENTS

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

Required Supplementary Information

RANCHO SANTA FE FIRE PROTECTION DISTRICT
Budgetary Comparison Schedule – General Fund
For the Fiscal Year Ended June 30, 2024

	<u>Adopted Original Budget</u>	<u>Revised Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:				
Property taxes	\$ 16,261,414	\$ 16,261,414	\$ 16,074,060	\$ (187,354)
Parcel tax	1,046,565	1,046,565	1,066,200	19,635
Property assessment	631,207	631,207	749,722	118,515
CSA-115 annexation	175,000	175,000	144,408	(30,592)
Joint facilities community agreement	480,515	480,515	485,861	5,346
Reorganization revenue	-	-	312,500	312,500
Cal-OES	-	-	365,126	365,126
Fire prevention – plan check and inspections	320,000	320,000	356,140	36,140
Weed abatement	-	-	4,762	4,762
Other charges	-	-	600	600
Reimbursements	14,000	14,000	18,144	4,144
Operating and capital grant funding	-	-	192,900	192,900
Rental income	481,183	481,183	451,135	(30,048)
Developer payments	58,139	58,139	59,390	1,251
Other revenue	2,500	2,500	11,841	9,341
Investment earnings	243,360	243,360	1,036,212	792,852
Total revenues	<u>19,713,883</u>	<u>19,713,883</u>	<u>21,329,001</u>	<u>1,615,118</u>
EXPENDITURES:				
Fire related services:				
Salaries and wages	10,042,960	11,023,332	11,184,757	(161,425)
Employee benefits	6,135,308	5,444,625	4,638,651	805,974
Insurance	500,000	500,000	389,250	110,750
Materials and services	2,711,524	2,711,524	3,069,744	(358,220)
Capital outlay	1,275,300	1,275,300	930,590	344,710
Total expenditures	<u>20,665,092</u>	<u>20,954,781</u>	<u>20,212,992</u>	<u>741,789</u>
REVENUES OVER(UNDER) EXPENDITURES	(951,209)	(1,240,898)	1,116,009	2,356,907
OTHER FINANCING SOURCES(USES):				
Transfers in	542,500	542,500	503,403	(39,097)
Total other financing sources(uses)	<u>542,500</u>	<u>542,500</u>	<u>503,403</u>	<u>(39,097)</u>
NET CHANGES IN FUND BALANCE	<u>\$ (408,709)</u>	<u>\$ (698,398)</u>	1,619,412	<u>\$ 2,317,810</u>
FUND BALANCE:				
Beginning of year			<u>21,515,509</u>	
End of year			<u>\$ 23,134,921</u>	

RANCHO SANTA FE FIRE PROTECTION DISTRICT

*Schedule of Proportionate Share of the Net Pension Liability – Total Plan
For the Fiscal Year Ended June 30, 2024*

Last Ten Fiscal Years*

California Public Employees' Retirement System (CalPERS) Miscellaneous Plan

Measurement Date	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability
June 30, 2014	0.152944%	\$ 9,516,816	\$ 5,039,982	188.83%	81.57%
June 30, 2015	0.129422%	8,883,393	5,925,389	162.29%	83.47%
June 30, 2016	0.125562%	10,865,029	6,270,128	183.36%	74.06%
June 30, 2017	0.112792%	11,185,827	6,967,247	178.40%	73.31%
June 30, 2018	0.107110%	10,321,502	7,340,616	148.14%	75.26%
June 30, 2019	0.106580%	10,921,460	7,300,832	148.78%	75.26%
June 30, 2020	0.114860%	12,496,976	7,494,913	171.17%	75.10%
June 30, 2021	0.337320%	1,824,298	7,433,214	24.34%	88.29%
June 30, 2022	0.122870%	14,192,830	7,831,204	190.94%	76.68%
June 30, 2023	0.122650%	15,301,354	8,646,024	176.98%	83.57%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

From fiscal year June 30, 2015 and June 30, 2016:

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014, measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015, measurement date is without reduction of pension plan administrative expense.

From fiscal year June 30, 2016 to June 30, 2017:

There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:

The discount rate was reduced from 7.65% to 7.15%.

From fiscal year June 30, 2018 to June 30, 2019:

There were no significant changes in assumptions.

From fiscal year June 30, 2019 to June 30, 2020:

There were no significant changes in assumptions.

From fiscal year June 30, 2020 to June 30, 2021:

There were no significant changes in assumptions.

From fiscal year June 30, 2021 to June 30, 2022:

The discount rate was reduced from 7.15% to 6.90%.

From fiscal year June 30, 2022 to June 30, 2023:

There were no significant changes in assumptions.

From fiscal year June 30, 2023 to June 30, 2024:

There were no significant changes in assumptions.

RANCHO SANTA FE FIRE PROTECTION DISTRICT
Schedule of Pension Contributions – Total Plan
For the Fiscal Year Ended June 30, 2024

Last Ten Fiscal Years*

California Public Employees' Retirement System (CalPERS) Miscellaneous Plan

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution (Deficiency) Excess	Covered Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2015	\$ 1,388,366	\$ 3,889,970	\$ 2,501,604	\$ 5,473,782	25.36%
June 30, 2016	1,293,222	2,793,322	1,500,100	5,925,389	21.83%
June 30, 2017	1,398,414	3,025,702	1,627,288	6,270,128	22.30%
June 30, 2018	1,172,632	2,110,926	938,294	6,967,247	16.83%
June 30, 2019	1,694,429	2,656,080	961,651	7,340,616	23.08%
June 30, 2020	1,918,645	2,375,670	457,025	7,300,832	26.28%
June 30, 2021	2,142,743	3,142,743	1,000,000	7,494,913	28.59%
June 30, 2022	2,235,653	3,281,544	1,045,891	7,433,214	30.08%
June 30, 2023	2,394,107	3,477,415	1,083,308	7,831,204	30.57%
June 30, 2024	1,275,605	1,275,605	-	8,646,024	14.75%

Notes to Schedule:

Fiscal Year	Valuation Date	Actuarial Cost Method	Asset Valuation	Inflation	Investment Rate of Return
June 30, 2015	June 30, 2013	Entry Age	Fair Value	2.75%	7.65%
June 30, 2016	June 30, 2014	Entry Age	Fair Value	2.75%	7.65%
June 30, 2017	June 30, 2015	Entry Age	Fair Value	2.75%	7.65%
June 30, 2018	June 30, 2016	Entry Age	Fair Value	2.75%	7.15%
June 30, 2019	June 30, 2017	Entry Age	Fair Value	2.50%	7.15%
June 30, 2020	June 30, 2018	Entry Age	Fair Value	2.50%	7.15%
June 30, 2021	June 30, 2019	Entry Age	Fair Value	2.50%	7.15%
June 30, 2022	June 30, 2020	Entry Age	Fair Value	2.50%	7.15%
June 30, 2023	June 30, 2021	Entry Age	Fair Value	2.30%	6.90%
June 30, 2024	June 30, 2022	Entry Age	Fair Value	2.30%	6.90%

Amortization Method	Level percentage of payroll, closed
Salary Increases	Depending on age, service, and type of employment
Investment Rate of Return	Net of pension plan investment expense, including inflation
Retirement Age	50 years (3%@60), 52 years (2%@62)
Mortality	Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

Other Independent Auditors' Report



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 Directors
Rancho Santa Fe Fire Protection District
Spring Valley, 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 governmental activities, each major fund, and the aggregate remaining fund information of Rancho Santa Fe Fire Protection District as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Rancho Santa Fe Fire Protection District's basic financial statements, and have issued our report thereon dated January 15, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Rancho Santa Fe Fire Protection District's internal control over financial reporting (internal control) as a basis for designing 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 Rancho Santa Fe Fire Protection District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Rancho Santa Fe Fire Protection District'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 District'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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Rancho Santa Fe Fire Protection District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and 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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Murrieta, California
January 15, 2025