



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

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

February 21, 2024
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 take action 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 take action on matters of an urgent nature, or which require immediate attention. The maximum time allotted for each presentation is FIVE (5) MINUTES.

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.rsf-fire.org.



Rancho Santa Fe Fire Protection District Board of Directors Regular Meeting

February 21, 2024

Call to Order

Pledge of Allegiance

Roll Call

1. 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.

2. Consent Calendar

a. Board of Directors Minutes

- Board of Directors minutes of January 17, 2024

ACTION REQUESTED: **Approve**

b. Receive and File

- Monthly/Quarterly Reports for January 2024

(1) List of Demands Check 37340 thru 37427 and Electronic File Transfers (EFTs)	
totaling:	\$ 226,807.22
Wire Transfer(s) totaling:	\$ 351,472.72
Payroll(s) totaling:	\$ <u>827,623.82</u>
TOTAL DISTRIBUTION	\$ 1,405,903.76

- (2) Grant Recap
- (3) Activity Reports – January 2024
 - (a) Operations
 - (b) Training
 - (c) Fire Prevention

ACTION REQUESTED: **Receive and File**

3. Public Comment

4. New Business

a. Approve Fees for Forced Weed Abatement

To approve fees and invoicing of property owner for forced abatement of APN 267-080-38-00.

[Staff Report 24-03](#)

ACTION REQUESTED: **Approve**



Rancho Santa Fe Fire Protection District Board of Directors

Regular Meeting

February 21, 2024

b. Grant Acceptance – Rancho Santa Fe Fire District Foundation (RSFFDF)

To discuss and accept grant funding from the RSFFDF for the purchase of Thermal Imaging Cameras.

[Staff Report 24-04](#)

ACTION REQUESTED: **Accept**

c. Independent Auditor's Report FY 2022/2023

The Finance ad hoc committee will report on the financial status of the Fire District for FY22/23 and present any finding resulting from the year-end audit to the Board of Directors.

ACTION REQUESTED: **Accept**

d. Purchase of Used Type VI from San Diego County Fire

To discuss the purchase of used Type VI apparatus.

[Staff Report 24-05](#)

ACTION REQUESTED: **Receive and File**

e. Sale of Surplus Property (No. 1282 and 1581)

To discuss the sale of vehicle ID#1282 and #1581 deemed as surplus.

[Staff Report 24-06](#)

ACTION REQUESTED: **Receive and File**

f. Local Agency Formation Commission Nominations

To discuss and/or authorize the President to nominate a regular and alternate Special District member to LAFCO on behalf of the Fire District.

ACTION REQUESTED: **Authorize**

5. Oral Report

- a. Fire Chief
- b. Operations
- c. Training
- d. Fire Prevention
- e. Finance Manager
- f. Board of Directors
 - i. North County Dispatch JPA – Update
 - ii. County Service Area – 17 – Update
 - iii. Rancho Santa Fe Fire District Foundation - Update
 - iv. Director Comments

6. Closed Session

- a. With respect to every item of business to be discussed in closed session pursuant to Section 54957
Employee Performance Evaluation
Title: Fire Chief

7. Adjournment

The next regular Board of Directors meeting to be held on March 20, 2024, 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 21, 2024

CERTIFICATION OF POSTING

I certify that on February 16, 2024, 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 16th, 2024:

A handwritten signature in black ink, appearing to read "Sarah Montagne", is written over a horizontal line.

Sarah Montagne
Executive Assistant / Board Clerk

Rancho Santa Fe Fire Protection District
Regular Board of Directors Meeting
Minutes January 17, 2024



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 1:03pm.

Pledge of Allegiance

Battalion Chief Jim Mickelson led the assembly in the Pledge of Allegiance.

Roll Call

Directors Present: Ashcraft, Hillgren, Malin, Stine, Tanner

Staff Present: Fire Chief Dave McQuead; Deputy Chief Brian Slattery; Fire Marshal Marlene Donner, Battalion Chief/Training Officer Luke Bennett, Finance Manager Burgen Havens, Battalion Chief Jim Mickelson, Executive Assistant/Board Clerk Sarah Montagne, Retired Fire Chief Frank Twohy

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

MOTION BY DIRECTOR MALIN, SECOND BY DIRECTOR TANNER, and CARRIED 5 AYES; 0 NOES; 0 ABSTAIN to waive reading in full of all resolutions and/or ordinances.

2. **Consent Calendar**

MOTION BY DIRECTOR MALIN, SECOND BY DIRECTOR HILLGREN, and CARRIED 5 AYES; 0 NOES; 0 ABSTAIN to accept the consent calendar as presented.

a. **Board of Directors Minutes**

- Board of Directors minutes of December 13, 2023

b. **Receive and File**

- Monthly/Quarterly Reports for December 2023

(1) List of Demands Check 37246 thru 37339, Electronic File Transfers (EFT), and Wire Transfer(s) totaling:	\$ 226,647.26
Wire Transfer(s) totaling:	\$ 322,046.09
Payroll(s) totaling:	\$ <u>803,109.59</u>
TOTAL DISTRIBUTION	\$ 1,351,802.94

- (2) Grant Recap
- (3) Activity Reports – December 2023
 - (a) Operations
 - (b) Training
 - (c) Fire Prevention

ACTION REQUESTED: Receive and File

3. **Public Comment**

None

Rancho Santa Fe Fire Protection District
Regular Board of Directors Meeting
Minutes January 17, 2024



4. Resolution/Ordinance

Resolution No. 2024-01

To discuss and/or adopt a Resolution entitled A Resolution of the Board of Directors of the Rancho Santa Fe Fire Protection District Authorizing Investment of Monies in the Local Agency Investment Fund MOTION BY DIRECTOR HILLGREN, SECOND BY DIRECTOR TANNER, and 5 AYES; 0 NOES; 0 ABSTAIN to Adopt Resolution 2023-14 by a roll call vote:

AYES: Hillgren, Malin, Tanner, Stine

NOES: None

ABSENT: Ashcraft

ABSTAIN: None

5. **New Business**

a. Board Clerk position appointment

To confirm the appointment of Sarah Montagne to the position of Executive Assistant/Board Clerk effective 1/1/2024. Staff Report 24-01

Fire Chief reported the new position was filled by Sarah Montagne and things are moving forward.

MOTION BY DIRECTOR MALIN, SECOND BY DIRECTOR TANNER, and CARRIED 5 AYES; 0 NOES; 0 ABSTAIN to Approve the Board Clerk position appointment.

b. 2024 Board Meeting Schedule

To discuss and confirm the CY2024 meeting schedule. Staff Report 24-02

Board reviewed the calendar and moved June 19 meeting to June 26 at 1p.

MOTION BY DIRECTOR TANNER, SECOND BY DIRECTOR STINE, and CARRIED 5 AYES; 0 NOES; 0 ABSTAIN to Approve the 2024 Board Meeting Schedule.

6. **Oral Report**

a) **Fire Chief:**

Fire Chief McQuead reported new Admin staff positions as of January 1, 2024; Reported Accounting Specialist I opening that will be filled temporarily by staffing agency. Intend to fill by mid-April.

New schedules into effect (48/96 for suppression and 4 x 10s for Admin/Prevention).

Discussed relationship with Ranch Review. Would like to showcase RSFFPD via several articles.

Working on FY25 budget. FY23 final audit is complete. Finance committee to meet with auditors.

Will be putting out RFP for new auditor. Updating fee schedule to coincide with new salary changes.

Collaborated on North Zone strategic plan with 13 other agencies.

b) **Operations:**

Deputy Chief Slattery showed a photo from La Paz extrication training. Reported separation of one probationary firefighter, eligible for rehire. Began 48/96 schedule yesterday. Received new Type VI today and will be in service in a few weeks. M262 being changed to 12-hour shifts. EMS Coordinator Assistant position approved. Advisory Committee Meeting is 2/6 – Director Hillgren to attend. New evacuation resource “Zonehaven” presentation forthcoming. YTD calls: 5101; Dec. 2023 calls: 439. M266 is reason for uptick in calls. Fuel Moisture data report. Shared photo from structure fire.

c) **Training:**

Training Battalion Chief Bennett reported FF Bailout drill completed – issued new weight rated belts, webbing to remove downed firefighter and included radio traffic training. Completed Auto Extrication training. Ongoing probationary testing. Training Committee putting on Fireground/Ladders end of month. Training on Incident Command with North Zone via Blue Card. Hosting Company Officer 2A and

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Fire Marshal 1B course; "Love your Heart" – February 15th at RSF Library; Participating in "Every 15 Minutes" at Del Norte High School; NZ Rescue Committee Certificates; Shared photos from Trainings.

d) **Fire Prevention:**

Fire Marshal Donner reported we are working on fee schedule updates, new weed abatement program and Accela for plan reviews. County assigned liaison to assist with Building code issues. Reported on a few large projects going on: The Belmont Residential Care Facility plan review is complete. New projects: CubeSmart in 4S expanding with 4 new buildings, Nick & G's adding 2nd story, Marketplace with roof deck moving forward, Pharmacy plans on hold. ASML/Cymer hydrogen hazards; Waiting on Rancho Valencia alarm/sprinkler plans. Board members posed questions regarding story poles, lot splits, and covenant rules. Discussed Fire Hydrant requirements on several projects.

e) **Finance:**

Finance Manager Havens reported that LAIF / CalTrust money is in CA Class. Board Member requested overview of investments in the future. Caselle implementation has been challenging but moving forward; working on Caselle Connect. 1/15 payroll changes complete. Working on FY25 budget next month. RFP needed for new auditor. State Controllers report being completed.

f) **Board of Directors:**

i. **North County Dispatch JPA:**

The next meeting will be February 28th.

ii. **County Service Area – 17:**

The next meeting will be February 6th.

iii. **Rancho Santa Fe Fire District Foundation:**

Retired Chief Twohy reported the shifting meetings are now quarterly. Actively looking for passive fundraising opportunities. Expressed appreciation for the way failed probations are handled and that personnel are sent with an action plan to return if so desired.

iv. **Director Comments:**

Malin: None
Stine: Thought to add Foundation info at end of Ranch Review articles.
Tanner: Flags at Station 1 looks great.
Hillgren: Complimentary of FD response to call at her address for neighbor.
Ashcraft: Thank you to Director Tanner for filling in at last meeting.

Break for 10 minutes at 2:33p

Adjourned to closed session at 2:41p

7. **Closed Session**

With respect to every item of business to be discussed in closed session pursuant to Section 54957
Employee Performance Evaluation

Title: Fire Chief

All board members and Chief McQuead attended and participated in this discussion. Will discuss further in the next closed session meeting.

Reconvened to Open Session at 3:36pm. No further discussion.

Rancho Santa Fe Fire Protection District
Regular Board of Directors Meeting
Minutes January 17, 2024



8. **Adjournment**

Meeting adjourned at 3:37pm

Dave McQuead
Fire Chief

James H. Ashcraft
President

Check No.	Amount	Vendor	Purpose
37340	\$316.00	A to Z Plumbing Inc	BUILDING: RSF1
37341	\$925.00	Accme Janitorial Service Inc	BUILDING: ADMIN
37342	\$346.74	AT&T Calnet 2/3	UTILITIES: ADMIN, RSF1, RSF3
37343	\$2,339.57	Caselle INC.	CAPITAL - EQUIPMENT
37344	\$5,813.12	Cat5 Commerce, LLC	RESCUE EQUIPMENT
37345	\$3,477.00	County of SD/RCS	800 MHZ NETWORK FEES
37346	\$859.83	Day Wireless Systems Inc	APPARATUS/VEHICLES
37347	\$279.56	Diamond Environmental Svcs LP	ADMINISTRATION FEES; PROFESSIONAL SERVICES
37348	\$457.69	EDCO Waste & Recycling Inc	UTILITIES: RSF5, RSF6
37349	\$20.66	Griffin Hardware Co.	APPARATUS/VEHICLES; UNIFORMS
37350	\$135.78	Henley Pacific LA LLC (Valvoline)	APPARATUS: SCHEDULED
37351	\$268.00	Integrity Data	MEMBERSHIPS & SUBSCRIPTIONS
37352	\$814.63	Lincoln National Life Ins Co	LIFE INSURANCE
37353	\$4,964.30	Olivenhain Municipal Water District	UTILITIES: RSF2, RSF4
37354	\$405.48	Pitney Bowes Inc	MACHINES & OFFICE EQUIPMENT
37355	\$400.00	R.E. Badger & Son INC.	BUILDING: RSF6
37356	\$179.50	Race Telecommunications INC	UTILITIES: RSF1
37357	\$120.00	RSF Mail Delivery Solutions	OFFICE EXPENSES
37358	\$6,242.67	SC Commercial LLC	FUEL/PROPANE
37359	\$497.00	Streamline	PROFESSIONAL SERVICES/WEBSITE
37360	\$21.99	4S Ranch Gasoline & Carwash LP	APPARATUS/VEHICLES
37361	\$697.46	Aair Purification Systems	BUILDING: RSF4
37362	\$2,000.00	Arnold A Lewin	GRANT EXPENSES - CERT
37363	\$2,830.79	AT&T Calnet 2/3	UTILITIES: ADMIN, RSF1, RSF2, RSF3, RSF6
37364	\$135.00	California Society of Municipal Finance	MEMBERSHIPS & SUBSCRIPTIONS
37365	\$1,170.00	Caselle INC.	CAPITAL - EQUIPMENT
37366	\$1,271.95	Charter Communications Holdings LLC (Sp	UTILITIES: ADMIN, RSF4
37367	\$20,054.62	Complete Office of California Inc	CAPITAL - FACILITIES (PREVENTION REMODEL)
37368	\$2,756.32	COR Security Inc	BUILDING: RSF1
37369	\$495.34	Discount Tire	APPARATUS/VEHICLES
37370	\$134.44	EDCO Waste & Recycling Inc	UTILITIES: RSF6
37371	\$201.66	Encinitas Ford	APPARATUS/VEHICLES
37372	\$8,858.00	Endsight LLC	PROFESSIONAL SERVICES - IT
37373	\$205.79	Entenmann-Rovin Co Inc.	UNIFORMS
37374	\$580.00	Fitch Law Firm Inc	LEGAL SERVICES
37375	\$128.15	Griffin Hardware Co.	STATION SUPPLIES; APPARATUS/VEHICLES

Check No.	Amount	Vendor	Purpose
37376	\$1,018.00	Industrial Commercial Systems INC.	BUILDING: RSF5, RSF6
37377	\$525.00	K & M Pest Solutions	BUILDING: ADMIN & ALL STATIONS
37378	\$162.52	Konica Minolta Business Inc	COPIER MAINTENANCE CONTRACT
37379	\$1,340.31	L N Curtis & Sons Inc	APPARATUS TOOLS
37380	\$887.89	Life-Assist Inc	CSA-17 CONTRACT
37381	\$13.66	Olivenhain Municipal Water District	UTILITIES: RSF3
37382	\$461.82	Pacific Coast Flag	FLAGS
37383	\$229.51	Quench USA, Inc.	BUILDING: ADMIN, RSF6
37384	\$9,275.00	R.E. Badger & Son INC.	PROFESSIONAL SERVICES: WEED ABATEMENT
37385	\$345.00	Rancho Santa Fe Rotary	MEMBERSHIPS & SUBSCRIPTIONS
37386	\$481.99	Rincon Del Diablo Municipal Water Distri	UTILITIES: RSF5
37387	\$1,254.16	SC Commercial LLC	FUEL/PROPANE
37388	\$1,318.48	SDG&E	UTILITIES: RSF6
37389	\$3,097.16	Waste Management Inc	UTILITIES: RSF1, RSF2, RSF3, RSF4
37390	\$10,000.00	County of San Diego	CAPITAL - APPARATUS (NEW TYPE VI)
37391	\$697.46	Aair Purification Systems	BUILDING: RSF1
37392	\$1,909.00	APCD	PERMITS
37393	\$100.00	CCAI	MEMBERSHIPS & SUBSCRIPTIONS
37394	\$3,311.29	CDW Government Inc.	COMPUTERS & PRINTERS
37395	\$2,890.73	COR Security Inc	BUILDING: RSF5
37396	\$1,195.00	Global Door & Gate Inc.	BUILDING: RSF2
37397	\$1,186.50	Industrial Commercial Systems INC.	BUILDING: ADMIN, RSF4
37398	\$3,092.25	SC Commercial LLC	FUEL/PROPANE
37399	\$12,823.36	SDG&E	UTILITIES: ADMIN, RSF1, RSF3, RSF4, RSF5
37400	\$258.60	All Star Fire Equipment INC.	PPE
37401	\$1,144.74	American Medical Response Inc	CSA-17 CONTRACT
37402	\$516.10	AT&T	UTILITIES: RSF1 RSF2, RSF3, RSF5, RSF6
37403	\$1,357.23	Bound Tree Medical LLC	CSA-17 CONTRACT
37404	\$1,610.00	Build Masters Construction	BUILDING: RSF2
37405	\$1,711.00	C.A.P.F.	DISABILITY INSURANCE
37406	\$300.00	California PPE Recon Inc	TRAINING: SUPPRESSION
37407	\$94.28	Cat5 Commerce, LLC	RESCUE EQUIPMENT
37408	\$116.99	Charter Communications Holdings LLC (Spectrum)	UTILITIES: ADMIN
37409	\$1,800.00	Chula Vista Fire Department	TRAINING: SUPPRESSION, ADMINISTRATION
37410	\$4,104.00	D&W Consulting INC.	PROFESSIONAL SERVICES - WEED ABETEMENT
37411	\$120.80	Dish	UTILITIES: RSF6

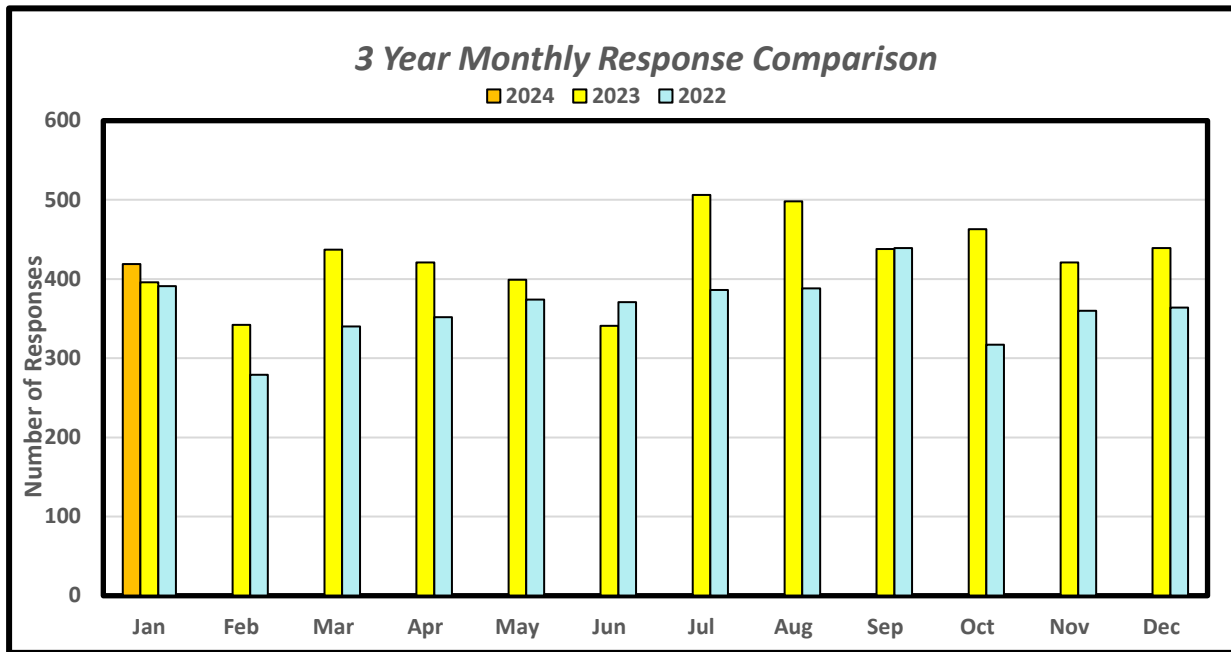
Check No.	Amount	Vendor	Purpose
37412	\$5,727.85	Eide Bailly LLP	CONSULTING SVCS - FINANCIAL
37413	\$749.94	Fire ETC Inc	PPE
37414	\$730.00	Global Door & Gate Inc.	BUILDING: RSF2
37415	\$46.29	Griffin Hardware Co.	APPARATUS/VEHICLES
37416	\$5,838.80	Guardian Life Insurance Co	DENTAL EXPENSE/RETIREE DENTAL HEALTH
37417	\$546.05	Industrial Commercial Systems Inc.	BUILDING: RSF6
37418	\$215.50	Life-Assist Inc	CSA-17 CONTRACT
37419	\$1,177.88	Lincoln National Life Ins Co	LIFE INSURANCE
37420	\$658.70	LineGear	PPE
37421	\$53,115.00	NCDJPA	DISPATCH SERVICES
37422	\$7,407.03	North County EVS Inc	APPARATUS: REPAIR, SCHEDULED
37423	\$180.92	Olivenhain Municipal Water District	UTILITIES: RSF6
37424	\$50.00	RSF Security Inc	UTILITIES: RSF5
37425	\$4,008.84	SC Commercial LLC	FUEL/PROPANE
37426	\$2,596.43	SDG&E	UTILITIES: RSF2
37427	\$132.62	Shred it Stericycle	OFFICE EXPENSES
ACH TRANSFER	\$246.00	Alec Connelly	TRAINING: SUPPRESSION
ACH TRANSFER	\$535.50	Brandon Closs	TRAINING: PREVENTION
ACH TRANSFER	\$1,690.00	Sarah Montagne	HIGHER EDUCATION
Subtotal	\$226,807.22		
ACH Transfer	\$197,549.89	CalPERS	DECEMBER RETIREMENT
ACH Transfer	\$96,932.01	CalPERS	FEBRUARY HEALTH
ACH Transfer	\$4,346.71	CalPERS	FEBRUARY HEALTH - DIRECTORS
ACH Transfer	\$26,700.63	TASC	DECEMBER HRA CONTRIBUTIONS
ACH Transfer	\$25,943.48	TASC	JANUARY HRA CONTRIBUTIONS
Subtotal	\$351,472.72		
1/14/2024	\$35,761.24	RSF Fire Specialty Payroll 1/14/24	
1/15/2024	\$345,811.28	RSF Fire Payroll 1/15/24	
1/31/2024	\$446,051.30	RSF Fire Payroll 1/31/24	
Subtotal	\$827,623.82		
TOTAL	\$1,405,903.76		

RSF Grant Re-Cap

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. 2/7/23 - On follow up, UASI had no record of submission.
ACTIVE	9/7/2021	UASI FY19	Rescue Systems 1	\$ 7,705.26		Resubmitted application.
ACTIVE		UASI FY21	Fresno Symposium & Rescue Systems 1	\$ 20,655.00		Re-approved 10/10/2023 (\$15,196.00) and submitted \$4,195.15 on 12/15/2023. Pre-approved for \$19,391.15
ACTIVE		UASI FY22	Fresno Symposium	\$ 15,000.00		Award letter received.
ACTIVE	9/29/2022	UASI FY23	Training Courses	\$ 89,098.86		Received Pre-Approval.
ACTIVE	8/1/2022	Coastal Conservancy	Escondido Creek/San Marcos Defensible Space/Roadway Clearance	\$ 325,864.00		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 February 2024.
ACTIVE		SHSGP FY21	4 Radios	\$ 22,904.00		4 Radios purchased. Approved on extension to Feb 2024
ACTIVE		SHSGP FY22	4 Radios	\$ 20,338.00		4 Radios purchased. Award letter received.
ACTIVE		SHSGP FY23	2 Radios, MacBooks	\$ 20,589.02		Proposing purchase of 2 Radios. 2 MacBooks for drone program. Waiting for approval. Drone computers require a special request form to see if it can be approved. Waiting for award amount. Letter expected Jan/Feb. Overages covered by CSA-17.
CLOSED	5/15/2023	SD Regional Fire Foundation (County Supervisor Terra Lawson-Remer)	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.
CLOSED	5/12/2020	FEMA	Vegetation Management	\$ 18,000.00	\$ 17,000.00	Check received. Utilizing funds for Via Ambiente Roadway Clearance; Work completed and payment received.
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.
	9/1/2023	RSF Foundation (Sharon McDonald)	Drone Program	\$ 50,000.00	\$50,000.00	Approved. Item delivered. Ongoing purchases procured 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.
						Change since previous re-cap

Rancho Santa Fe Fire Protection District Operations Report

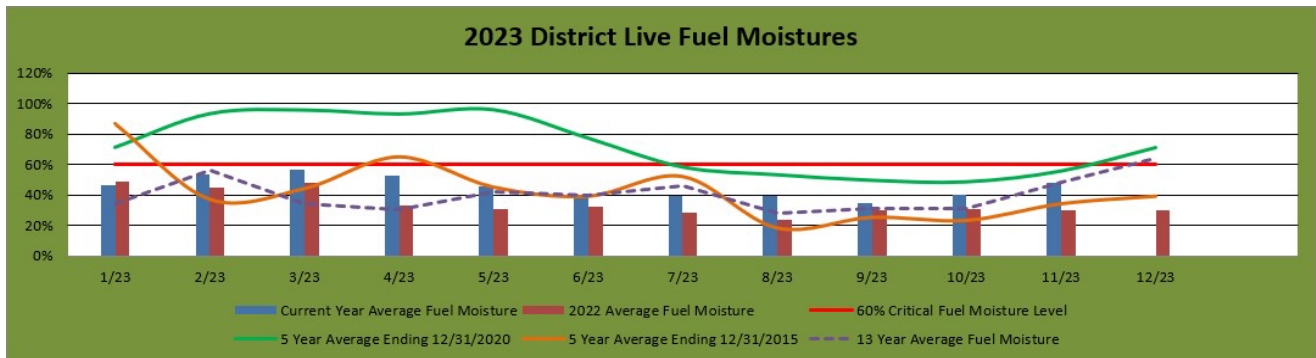
February 2024



3 Year Call Volume Tracker:

2024		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Responses
	Responses	419												
YTD	419													
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		
2022		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Responses
	Responses	391	279	340	352	374	371	386	388	439	317	360	364	4,361
YTD	391	670	1010	1362	1736	2107	2493	2881	3320	3637	3997	4361		

Monthly Fuel Moisture:



Rancho Santa Fe Fire Protection District Operations Report

February 2024

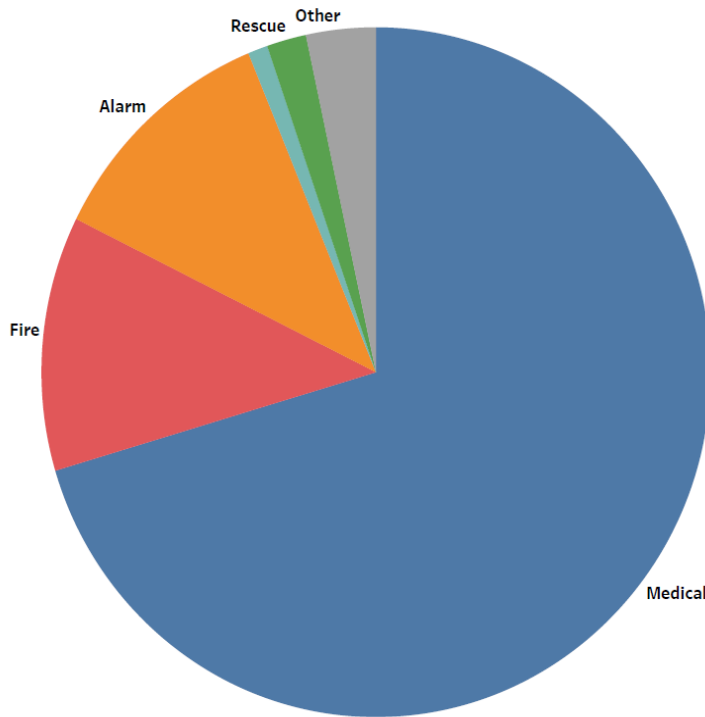
Monthly Incidents

Assigned Incidents for RANCHO SANTA FE FPD
January 2024

Agency
RANCHO SANTA FE FPD

Month
January 2024

Medical	295 incidents / 70.41%
Fire	50 incidents / 11.93%
Alarm	48 incidents / 11.46%
Aid	4 incidents / 0.95%
Rescue	8 incidents / 1.91%
Other	14 incidents / 3.34%
Grand Total	419 incidents / 100.00%



Problem Category

- Medical
- Fire
- Alarm
- Aid
- Rescue
- Other

Significant Incidents:

Date:	Incident:	Units Assigned:
Feb 4 - 6th	Heavy rainfall weather event	Upstaffing UT266 / UTV266

Live Fuel Moisture Report

CAL FIRE – San Diego Unit (SDU)

January 2024



Location	Elevation (feet)	Aspect	Dead Fuel Moisture (%)		Live Fuel Moisture (%)			
			10-hour	100-hour	Growth Age	Current	Previous	Change
Complete data available at:	National Fuel Moisture Database							
Rainbow Camp Battalion 1	1,560	W	21	25	New	72	83	-11
					Old	66	71	-5
Warner Springs Battalion 5	3,200	NE	20	24	New	74	75	-1
					Old	63	67	-4
Mt. Woodson Battalion 8	2,200	W	20	25	New	71	71	0
					Old	59	60	-1
White Star Battalion 4	4,016	SE	19	24	New	67	64	+3
					Old	58	58	0
Potrero Battalion 3	2,981	N	21	26	New	64	63	+1
					Old	57	57	0
Average			20	25	New	70	71	-1
					Old	61	63	-2

Critical Live Fuel Moisture: Chamise = 60%

Below the critical live fuel moisture threshold, sustained, fast spreading, high intensity wildfires can occur.

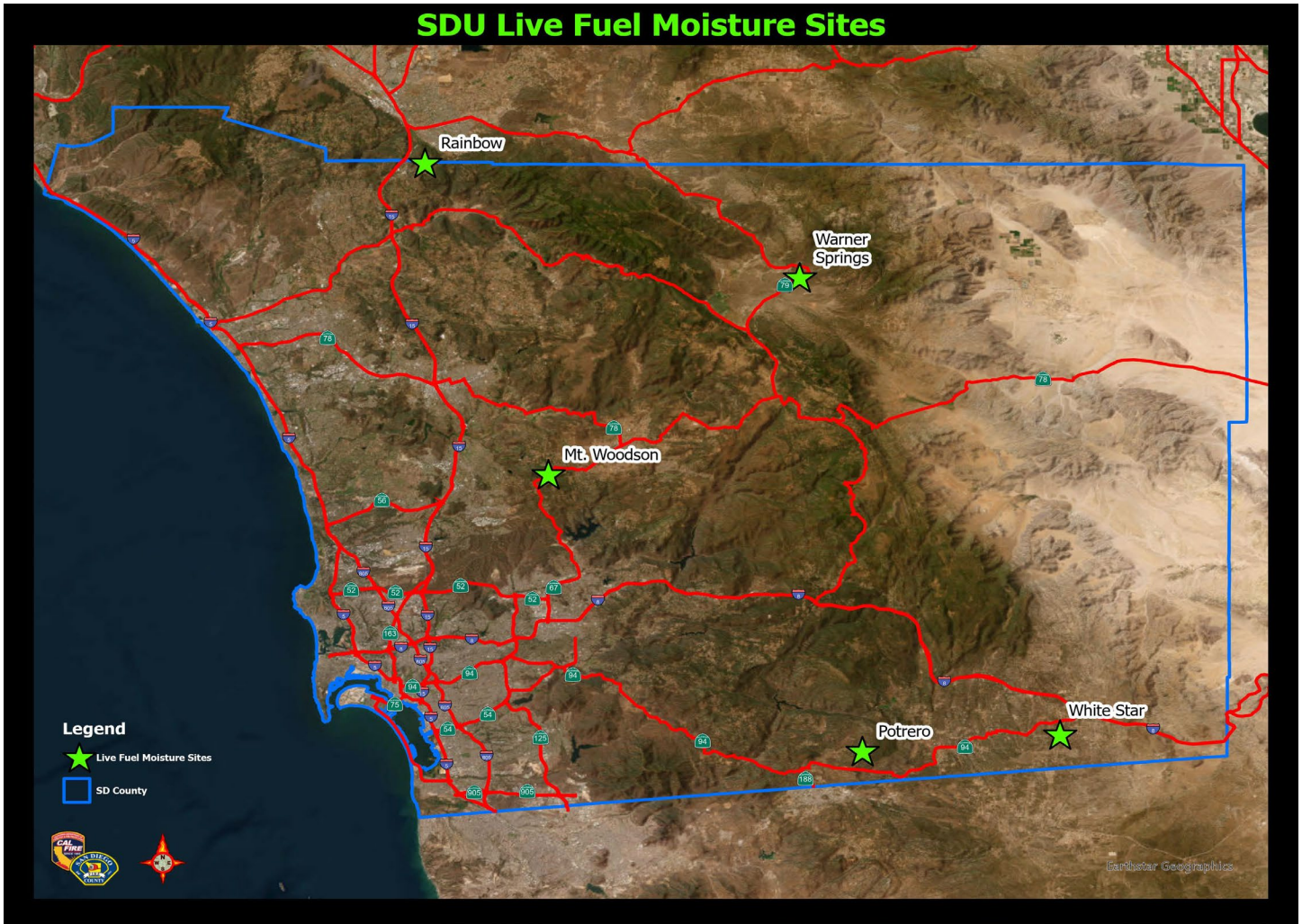
Summary

White Star Battalion 4, Potrero Battalion 3, and Mt. Woodson Battalion 8 old growth chamise are just below the critical live fuel moisture threshold. Mt. Live fuel moisture was collected before the large rain event we had on January 22nd, since then the dead fuel moisture has increased substantially after the storm.

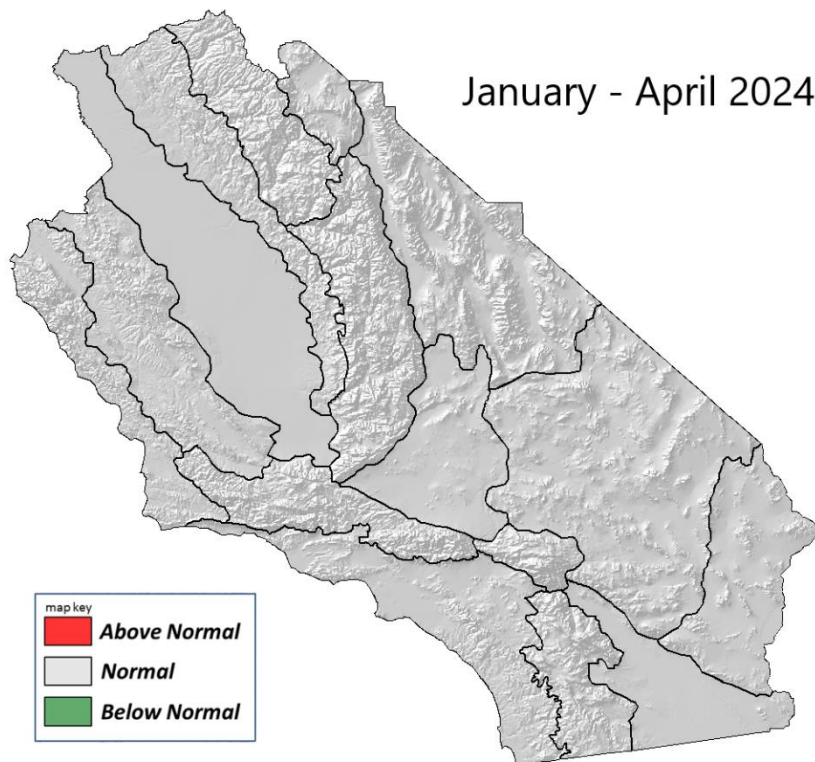
Useful Links

[Predictive Services Southern California Outlooks](#)

[California Drought Monitor](#)



Recent Live Fuel Measurements from Neighboring Units (note that these sites have not been updated)					
Unit	Location	Date	Species	Growth Age	Live Fuel Moisture (%)
Orange County Fire	Black Star	12/18/2023	Chamise	New	79
		12/18/2023	Chamise	Old	62
	RMV	01/17/2024	Chamise	New	82
		01/17/2024	Chamise	Old	73
RRU	Temecula		Chamise		N/A
Cleveland National Forest	Descanso		Chamise	New	N/A
			Chamise	Old	N/A



***Monthly Images will only be shown when there are changes**

January – April 2024 South Ops Highlights

- The odds show a slight tilt towards below normal temperatures and a slight to moderate tilt towards above normal precipitation for the January – April 2024 period.
- The odds tilt towards above normal dead fuel moisture to occur for the majority of the forecast period.
- The odds tilt strongly towards El Niño conditions to persist for the entirety of the forecast period.



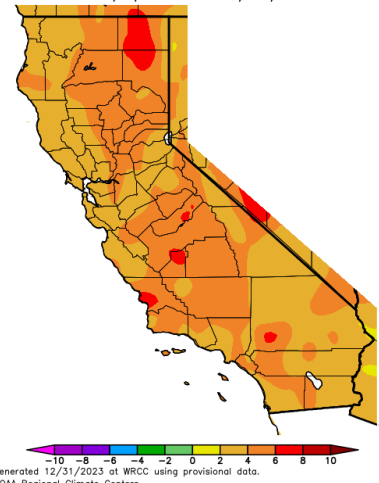
Weather Discussion

December 2023 was overall a warmer and drier month for much of Southern California (**Figures 1 and 2**). Most areas were between 2-6°F above normal with respect to temperature. For precipitation, there is a much larger variance across Southern California due to recent wetting rains across coastal areas that did not produce as much precipitation farther in land. The driest anomalies were areas along the southern South Coast (Orange and San Diego Counties), the lower and eastern deserts as well as the high desert and areas east of the Sierra Crest. The wettest anomalies were along the northern South Coast (Los Angeles County northward), Western Mountains and along the Central Coast as these areas received several inches of rain on December 21st and 22nd.

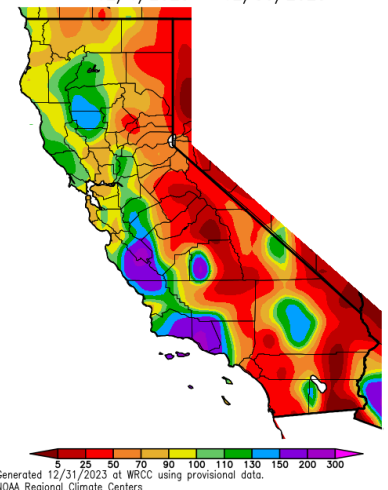
The current state of the El Niño Southern Oscillation (ENSO) shows the early stages of a shift between a traditional East Pacific El Niño to a Central Pacific El Niño Modoki. This means the core of the warmest sea surface temperature anomalies in the equatorial Pacific is shifting westward from the east Pacific off the coast of South America into the central Pacific. There has been a consistent cooling trend over the past month of Niño 1+2 region (**Figure 4**) while at the same time, a warming trend across both Niño 3.4 region (**Figure 3**) and Niño 4 region.

For reference, Niño 1+2 region is the eastern most region in the equatorial Pacific right off the South American coast while Niño 3.4 region is located in the central equatorial Pacific and Niño 4 region in the western equatorial Pacific.

Ave. Temperature dep from Ave (deg F)
12/1/2023 – 12/30/2023



Generated 12/31/2023 at WRCC using provisional data.
NDAAs Regional Climate Centers
**Fig 1: December 1st – December 30th
Temperature Departure from Average**
Percent of Average Precipitation (%)
12/1/2023 – 12/30/2023



Generated 12/31/2023 at WRCC using provisional data.
NDAAs Regional Climate Centers
**Fig 2: December 1st – December 30th
Precipitation (% of Ave.)**

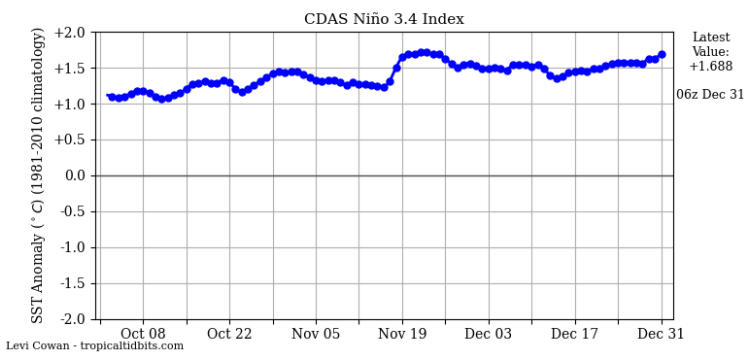


Fig 3: Niño 3.4 Region SST Anomaly

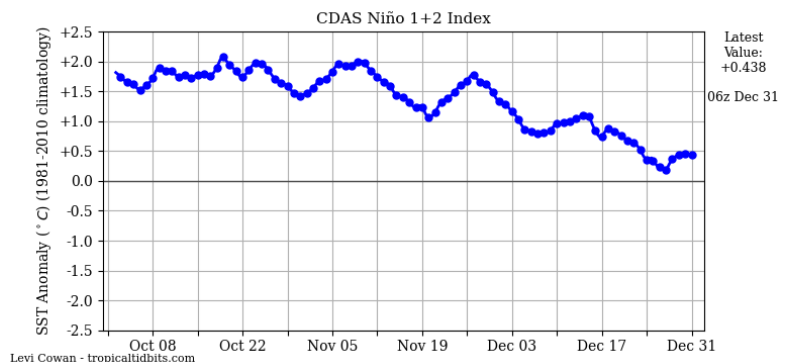


Fig 4: Niño 1+2 Region SST Anomaly



Fuels Discussion

Latest U.S. Drought Monitor indicates zero areas in drought status across Southern California (**Figure 5**). Moreover, live fuel moistures remain above normal with a large load of live fuel present (**Figure 6**). Larger dead fuels also have above normal moisture content in addition to the live fuel from recent wetting rains across Southern California (**Figure 7**).

The 6 Predictive Services Areas (PSAs) that show near-normal or below normal dead fuel moisture have a very small load of 1000-hr dead fuel (**Figure 7**). Live fuel makes up the overwhelming majority of the fuel load in those PSAs.

There is a strong tilt in the odds that live fuel moisture continues to remain above normal for the January – April period and a slight to moderate tilt in the odds towards dead fuel moisture remaining above normal for most of the forecast period as well.

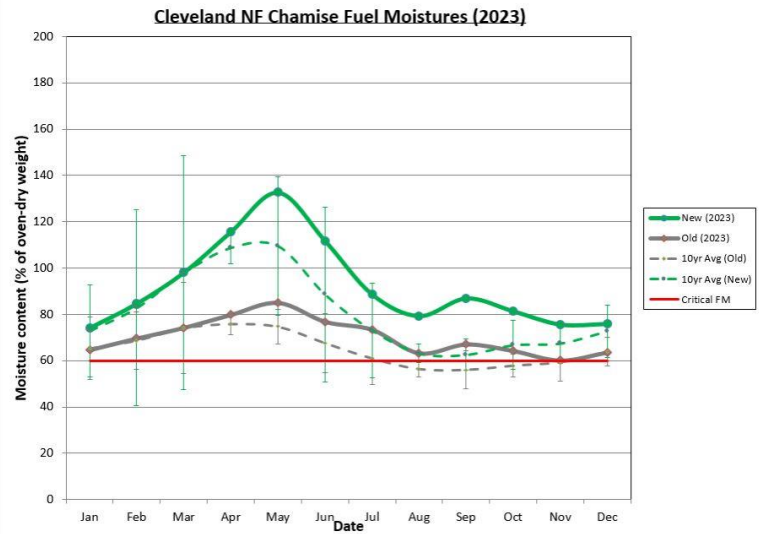
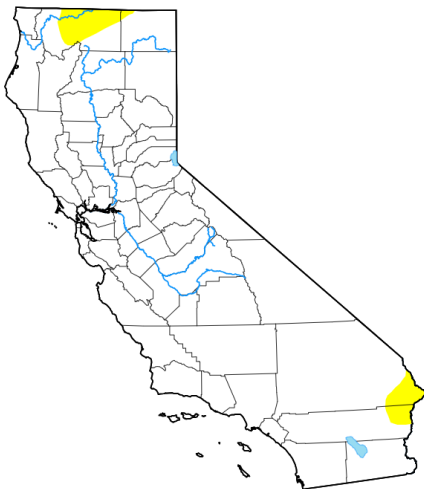


Fig 6: Cleveland NF Live Fuel Moistures from December 14th, 2023



Map released: Thurs. December 28, 2023
Data valid: December 26, 2023 at 7 a.m. EST

Intensity

- None
- D0 (Abnormally Dry)
- D1 (Moderate Drought)
- D2 (Severe Drought)
- D3 (Extreme Drought)
- D4 (Exceptional Drought)
- No Data

Authors

United States and Puerto Rico Author(s):
[Rocky Bilotta](#), NOAA/NCEI

Pacific Islands and Virgin Islands Author(s):
[Richard Heim](#), NOAA/NCEI

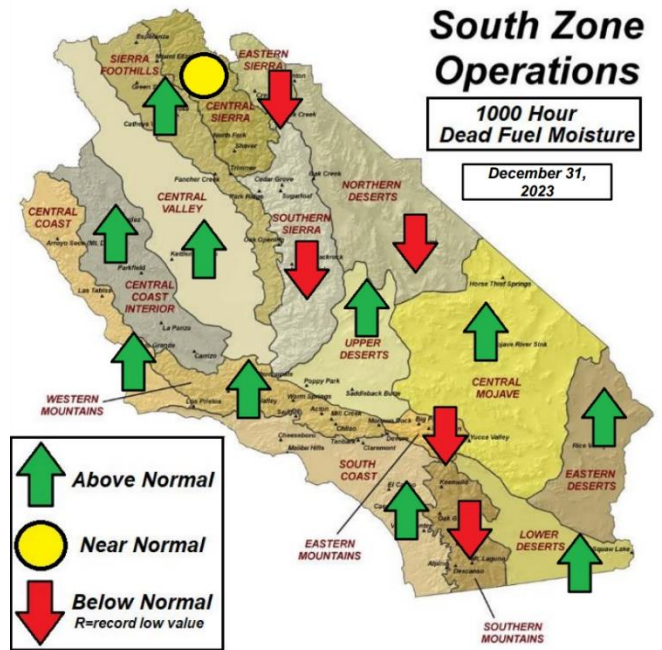


Fig 7: 1000hr Dead Fuel Moisture by PSA Map

Fig 5: USDA Drought Monitor December 28th



SOUTH OPS OUTLOOK

Current sea surface temperature analysis combined with climate models suggest the westward movement of the core of the warmest water from the eastern Pacific towards the central Pacific (**Figure 8**). However, El Niño conditions are highly likely to continue during this period with some modest weakening towards the end of the forecast period as the current projections suggest a transition into a neutral ENSO state by the later spring months. This pattern suggests a slight tilt in the odds towards cooler than normal temperatures across Southern California and a slight to moderate tilt in the odds towards above normal precipitation (**Figure 9**). Therefore, as mentioned in the fuels discussion, there is a high probability the live fuel moisture remains above normal since the live fuel moisture has remained anonymously high for several months and a slight to moderate tilt in the odds in favor of the dead fuel moisture remaining above normal for the majority of the January – April period.

In conclusion, the odds tilt in favor of large-fire potential to remain near normal for all 16 PSAs with the climatological normal for large fires being zero across all 16 PSAs for this time of the year. The combination of above normal fuel moisture for larger dead fuels and live fuels coupled with the El Niño pattern and absence of drought support this tilt in the odds for the January – April 2024 4-month period.

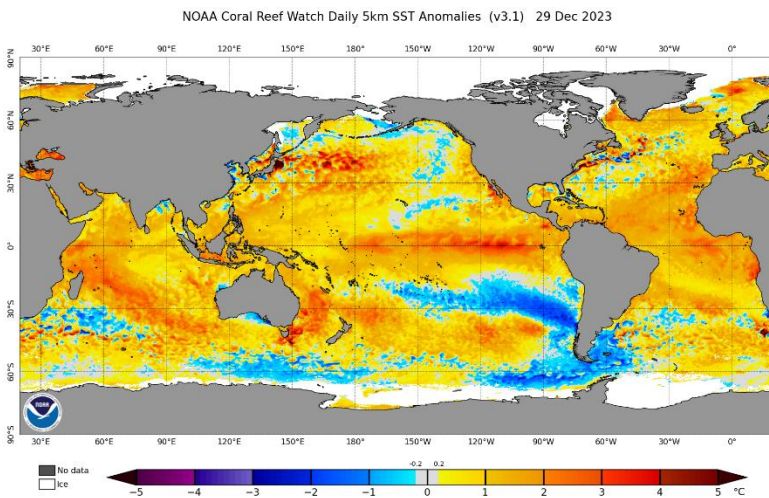


Fig 8: Sea Surface Temperature Anomaly, December 29th, 2023

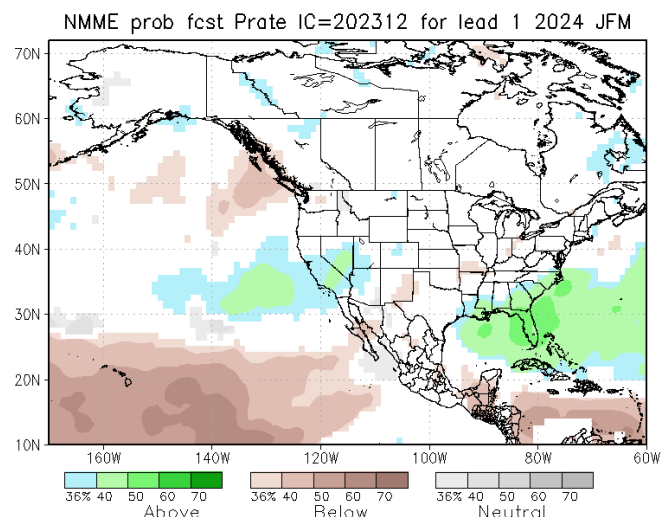


Fig 9: NMME January – March 2024 3-month Precipitation Anomaly Forecast

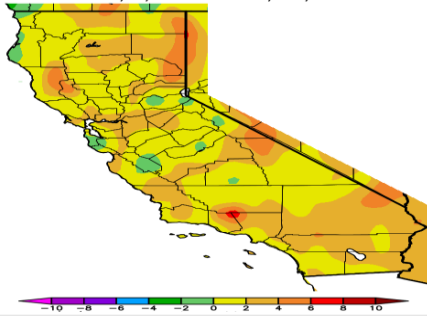


Maps with Counties and Select Intel Links used in the forecast



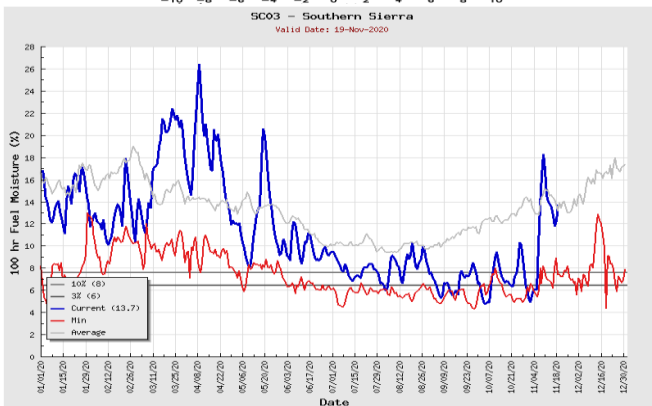
January – April 2024

Av. Max. Temperature dep from Ave (deg F)
11/1/2020 – 11/19/2020



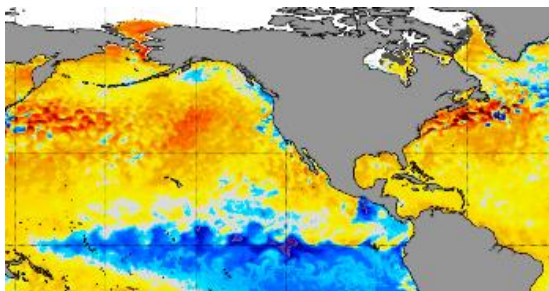
Climate

- <https://calclim.dri.edu/pages/anommmaps.html>
- <https://droughtmonitor.unl.edu/>
- <https://www.cpc.ncep.noaa.gov/products/NMME/>



100 hr dead fuel moisture

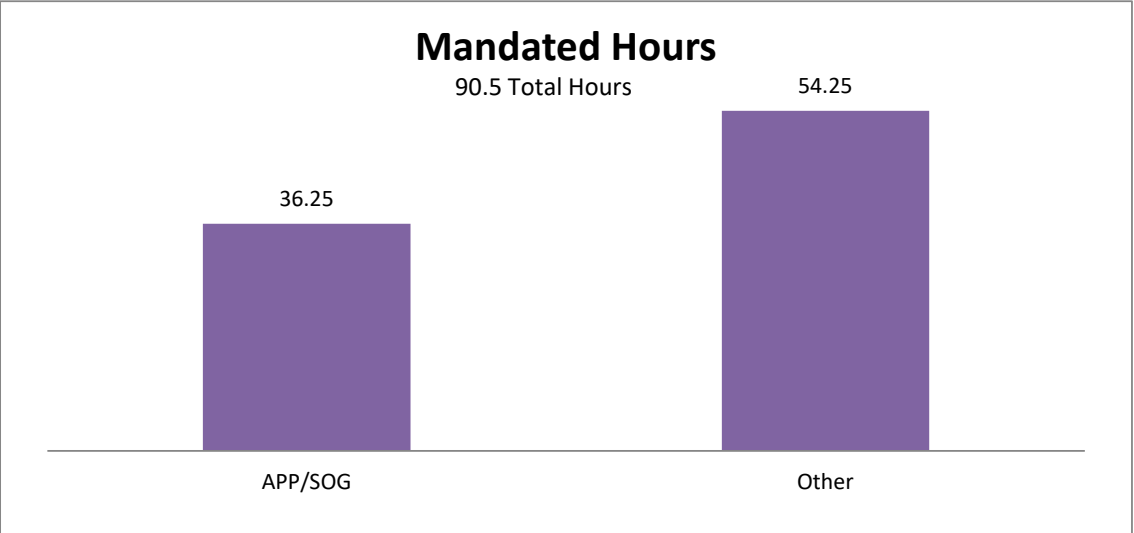
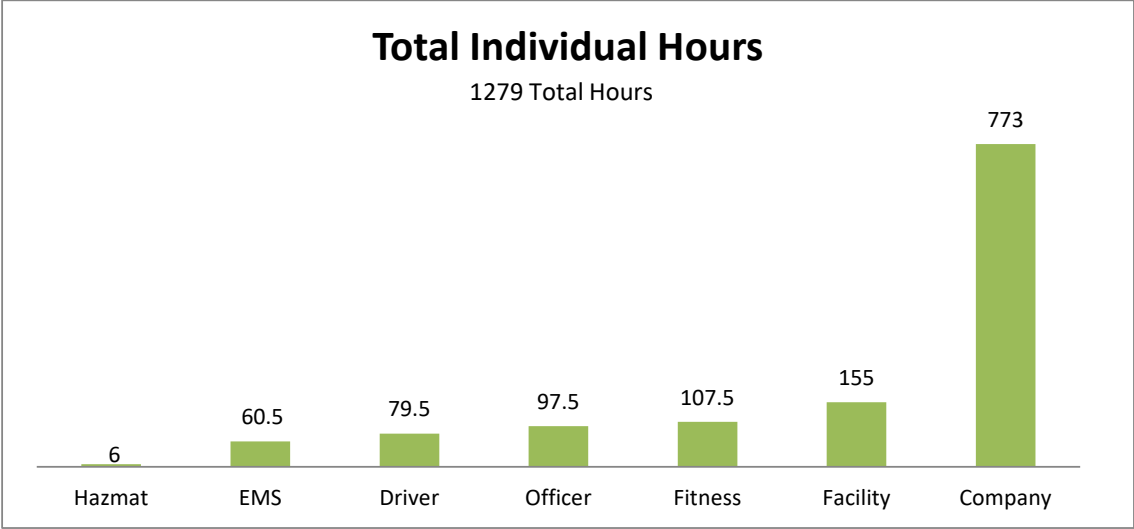
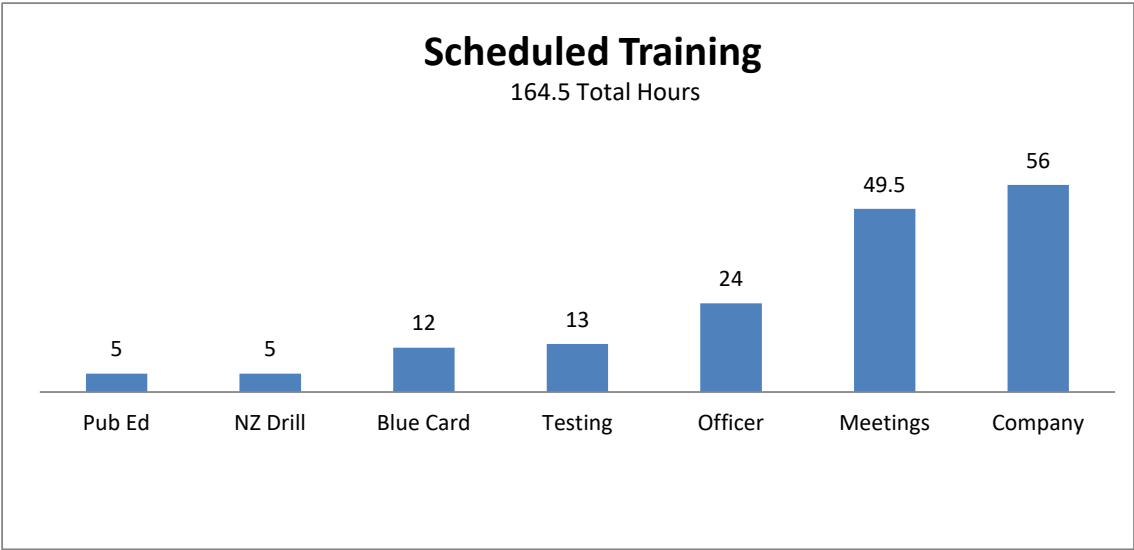
- https://gacc.nifc.gov/oscc/fuelsFireDanger_Hundred.php



Current sea surface temperatures

- <https://www.ospo.noaa.gov/Products/ocean/sst/anomaly/>
- <https://www.tropicaltidbits.com>

Training Division January 2024



See next page for descriptions.

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 Prevention Report

Totals by Type	Plan Reviews	Inspections
Remodel	2	1
Residential Construction	12	4
Addition	8	4
ADU	6	0
Commercial Construction	0	0
Commercial T.I.	15	2
Tents/Special Events	1	2
Rack Storage	0	0
Preliminary	10	0
Fire Suppression Systems	0	0
Alarms	2	12
Landscaping	22	1
Grading/Mylars/Improvement	0	0
Underground	1	9
Hood System	2	1
Tanks	0	0
Cell Sites	8	0
DPLU	6	0
ESS/Solar	4	1
High Piled Storage	0	0
High Hazard/Communications/Other	0	2
Spray Booth	0	0
FPP	0	0
Technical Reports	0	0
Gates/Knox	0	5
Site Visit	0	6
Annual Inspection	0	11
DSS Licensing	0	0
AB38	0	10
Total Plan Reviews	99	
Total Inspections	71	
SQFT Reviewed (No Mit Fees)	154089	
Approved SQFT (Mit Fees)	34014	
Total SQFT Reviewed	188103	

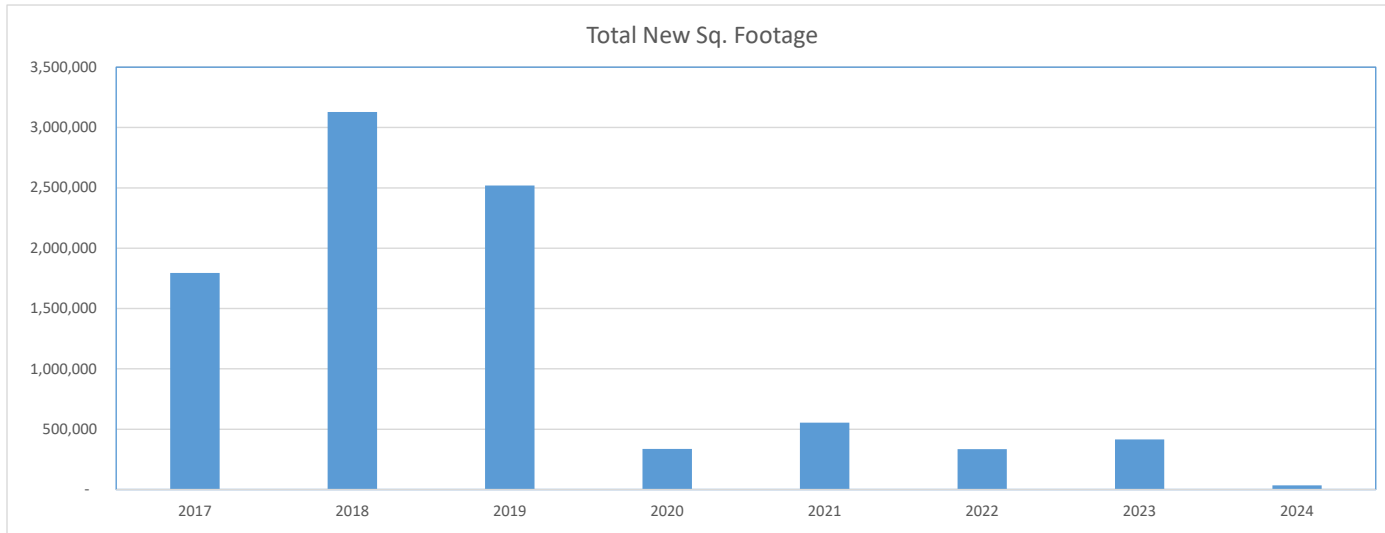
Rancho Santa Fe Fire Protection District Prevention Report

FIRE PREVENTION ACTIVITIES	
Investigations	1
Public Education/Community Outreach	-
Special Project	2
Meetings	73
Training Hours	1
TOTAL	77

WEED ABATEMENT	
Activity	# of Inspections
Weed Abatement Inspection	-
Weed Abatement Reinspection	-
1st Notice	342
Final Notice	159
Posting	3
Notices Printed	685
Abated	166
Forced Abatement	-
TOTAL	1,355

OFFICE SUPPORT	
Activity	# Completed
Phone Calls	739
Correspondence	6,129
Walk in/Counter	157
Knox Application Request	2
Burn Permits	2
Plans Accepted/Routed	68
Special Projects	2
Scanning Documents/Electronic Files	85
Meetings: Admin/Prevention/Admin Shift	-
Post Office Runs	-
Deposit Runs/Preparations	2
TOTAL	7,186

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



Total New Square Footage (*Reflected in Chart Above)

Year	Total
2017	1,793,936
2018	3,128,964
2019	2,519,545
2020	336,899
2021	554,173
2022	333,814
2023	415,530
2024	34,014

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
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
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
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
2024	34,014											

Comparison Total Reviewed Square Footage

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2019	240,861	691,306	274,736	307,024	412,556	248,869	287,395	424,065	250,518	742,439	440,335	137,995
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
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
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
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
2024	188,103											

STAFF REPORT

NO. 24-03

TO: BOARD OF DIRECTORS
FROM: DAVE MCQUEAD, FIRE CHIEF
SUBJECT: APPROVE FEES FOR FORCED WEED ABATEMENT
DATE: FEBRUARY 21, 2024



RECOMMENDATION:

Staff recommends the Board approve the itemized fees required for a total cost of **\$22,593.67** to complete the forced abatement process and further authorize administrative staff to invoice the property owner (parcel number) listed below of the approved fees.

CURRENT SITUATION:

The fire district has sent a report and notification of today's hearing to the last known owner of the parcel as listed in the County of San Diego Tax Assessor Office a minimum of (3) three days prior to this regularly scheduled Board of Directors meeting (See Exhibit A)

Upon Board approval today, administrative staff will mail (certified) a district cover letter and invoice requesting payment within 30 days of the invoice date for the itemized fees to abate the parcel number listed below.

Parcel Number	Contractor Abate Cost	District Admin. Fee	Legal Fees	Total Cost
APN 267-080-38-00	\$13,315.00	\$794.00	\$8,484.67	\$22,593.67

Should the property owner fail to provide payment to the fire district within 30 days of the invoice date, the fire district will publicly post a minimum of (3) three days prior to the regularly June Board of Directors meeting for Weed Abatement Special Assessment approval.

Upon Board approval the list will be sent to the County of San Diego Tax Assessor prior to their August deadline. The County of San Diego will reimburse the fire district for all charges, including administrative fees, and will include the fees on the property owner's next property tax bills.

BACKGROUND:

The fire district's prevention bureau is responsible for mailing the annual district's notification which educates and encourages property owners to comply pursuant to the current **Rancho Santa Fe Fire Protection's Ordinance No. 2022-02**. Compliance with the ordinance is key to the safety of the community that is located within a very high fire hazard severity zone. The fire district typically will find a large percentage of property owners willingly comply within the 15-calendar day timeline allowed.

However, for the property owner(s) who is not compliant pursuant to the current Rancho Santa Fe Fire Protection's Ordinance, the following procedures is implemented:

1. The fire district will conduct a weed abatement inspection and will provide a **"First Notice" (1st Class Mail)** to notify the property owner(s) to correct any issues not in compliance with the Rancho Santa Fe Fire Protection's Ordinance within 15-calendar days of the first notice date.
2. Should the property owner continue to fail with the specific timeline of the first notice, the fire district will serve a **"Final Notice" (Certified Mail)** to notify the property owner(s) to correct any issues not in compliance with the Rancho Santa Fe Fire Protection's Ordinance within 10-calendar days of the final notice date.
3. Should the property owner continue to fail with the specific timeline on the final notice, the fire district will conspicuously post a sign on the property a **"Notice to Abate Hazard"** to notify the property owner(s) to correct any issues not in compliance with the Rancho Santa Fe Fire Protection's Ordinance within 10-calendar days of the date posted on the sign to avoid a forced abatement by the district.
4. Should the property owner continue to fail with the specific timeline on the posted sign "Notice to Abate Hazard", the fire district will request a bid from the sole source private contractor to abate the parcel to be compliant with the Rancho Santa Fe Fire Protection's Ordinance. The fire district can approve and authorize the contractor to abate the parcel.
5. Should the property owner refuse access to the property for the fire district and contractor to force abate the parcel, the fire district can obtain an **"Abatement Warrant and Order Authorizing Entry onto The Property to Abate Public Nuisance"**.
6. Once the contractor has completed the authorized forced weed abatement work the fire district has accepted the final work, the fire district will pay the contractor for work approved and completed. The staff will request Board approval for all associated costs and fees required to abate the parcel and authorization staff to invoice the property owner.

The fire district attempts to work with the property owner prior to any forced abatement. The district maintains a sole source contract with R.E Badger & Son Inc. to bring specifically identified hazardous parcels into compliance pursuant to the Rancho Santa Fe Fire Protection's Ordinance.



Rancho Santa Fe Fire Protection District

P.O. Box 410 • 18027 Calle Ambiente • Rancho Santa Fe • California 92067-0410
Tel. (858) 756-5971 • Fax (858) 756-4799

Board of Directors
James Ashcraft, President
Nancy C. Hillgren
Randall Malin
Tucker Stine
John C. Tanner

Fire Chief
David McQuead

EXHIBIT A

February 13, 2024

Karen Montgomery
P.O. Box 7225
Rancho Santa Fe, CA 92067

Re: Forced Abatement of Fire Hazard at Assessor Parcel Number (APN) 267-080-38-00.

Dear Ms. Montgomery:

San Diego County property records show you are the owner of APN: 267-080-38-00 located at 6886 Las Colinas, Rancho Santa Fe, California 92067 with a mailing address at P.O. Box 7225, Rancho Santa Fe, CA 92067. The Rancho Santa Fe Fire Protection District attempted to notify you of the fire hazard present on your property without a reply.

Please reference the timeline below regarding the forced abatement process for APN: 267-080-38-00.

- 1) First notice by 1st Class mail: April 11, 2023.
- 2) Final notice by Certified mail: May 9, 2023.
- 3) The property was posted with legal notice to abate hazard on: June 7, 2023.
- 4) The contractor's first bid to abate hazards (site access - NO) \$21,755.00: July 11, 2023.
- 5) The contractor's revised bid to abate hazards (site access - YES) \$22,310.00: July 24, 2023.
- 6) Property was abated on July 24, 2023 - July 26, 2023, prior to being asked to vacate the premises on July 26, 2023. The contractor's cost for work completed up to July 26, 2023, is \$5,340.00 (Invoice # 07316611).
- 7) The warrant application was approved and filed on August 29, 2023, at the Vista Court.
- 8) The property was posted with the warrant on August 30, 2023, a minimum of 24 hours prior to the execution of the warrant.
- 9) The warrant provided the contractor and fire district access to the property from August 30, 2023 - September 15, 2023.
- 10) The homeowner completed some work during the Labor Day weekend. ((Invoice # 09306611 reflects the credit of \$ 8,995.00).
- 11) Contractor's cost to complete the remaining forced abatement under the warrant process: Work completed on September 5, 2023 – September 7, 2023: \$7,975.00 (Invoice # 09306611).
- 12) All abatement work was completed before September 15th, 2023.

The initial contractor's bid of \$21,755.00 was increased to \$22,310.00 after the contractor had site access on July 24, 2023, and confirmed the scope of work increased. The fire district approved and authorized the work (RSFFPD Work Order Authorization # 2023-1).

The contractor is providing a credit of \$8,995.00 to the homeowner for the work she had completed

over the Labor Day weekend (September 2 - September 4, 2023).

The contractor's final cost to abate the property: \$13,315.00 (see invoices).

Invoice # 07316611 \$5,340.00

Invoice # 09306611 \$7,975.00

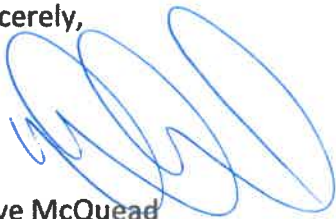
Parcel Number	Contractor Abate Cost	District Admin. Fee	Legal Fees	Total Cost
APN 267-080-38-00	\$13,315.00	\$794.00	\$8,484.67	\$22,593.67

You may contact the fire district's Board Clerk to attend and contest the information provided at the Board of Directors meeting scheduled for February 21, 2024, at 1:00 PM, 18027 Calle Ambiente, Rancho Santa Fe, Ca. 92067, Ste. 101. The Board of Directors will review to approve any or all fees required to abate the property.

Upon Board approval, the fire district will mail an invoice to the address previously identified in this letter. The fire district must receive payment within 30 days of the invoice date. If payment is not received, then the fire district will begin the process to have the amount placed on your property tax bill as a lien against the property.

If you have any questions, please do not hesitate to contact me. (858) 756-6001

Sincerely,



Dave McQuead
Fire Chief

EXHIBIT A

R.E. Badger & Son, Inc.
Citrus Groves — Development and Maintenance

INVOICE # 07316611

Date: September 8, 2023

To: RSF Fire Protection District

Property Owner: Karen Montgomery

Property Location : 6886 Las Colinas in Rancho Santa Fe, CA

Mailing Address: PO Box 7225
Rancho Santa Fe, CA 92067

Rancho Santa Fe Fire Protection District Work Order Authorization # 2023-01

WEED ABATEMENT, HAND LABOR INCLUDING CHAINSAW, AND MOWING

Dates on Property in July: July 24, July 25, July 26, 2023

Equipment move-on	= \$	55.00
Mowing – hourly	29 hours x \$85.00 =	\$ 2,465.00
Hand labor – hourly	111 hours x \$25.00 =	\$ 2,775.00
Administrative fee	1 x \$45.00 =	\$ 45.00
TOTAL		\$5,340.00

PLEASE PAY UPON RECEIPT

P.O. Box 830 Rancho Santa Fe CA 92067 (858) 756-1402

R.E. Badger & Son, Inc.
Citrus Groves — Development and Maintenance

INVOICE # 09306611

Date: September 15, 2023

To: RSF Fire Protection District

Property Owner: Karen Montgomery

Property Location : 6886 Las Colinas in Rancho Santa Fe, CA

Mailing Address: PO Box 7225
Rancho Santa Fe, CA 92067

Rancho Santa Fe Fire Protection District Work Order Authorization # 2023-01

ADDITIONAL WORK ORDERED BY RSFFPD

WEED ABATEMENT, HAND LABOR INCLUDING CHAINSAW, AND MOWING

Dates on Property in September: September 5, September 6, September 7, 2023.

Invoice #07316611- July 24-26 th	= \$ 5,340.00
Homeowner credit work	= \$ - 8,995.00
Equipment move-on	= \$ 55.00
Mowing - hourly	5 hours x \$85.00 = \$ 425.00
Hand labor - hourly	62 hours x \$25.00 = \$ 1,550.00
Palm Tree Trimming - Free Fall - Canopy	20 hours x \$85.00 = \$ 1,700.00
Palm Tree Removal - Free Fall	120 hours x \$35.00 = \$ 4,200.00
Administrative fee	1 x \$45.00 = \$ 45.00
TOTAL	\$ 7,975.00
JOB COMPLETE	\$ 13,315.00
Invoice #07316611	\$ 5,340.00
Invoice #09306611	\$ 7,975.00

PLEASE PAY UPON RECEIPT

P.O. Box 830 Rancho Santa Fe CA 92067 (858) 756-1402

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(SPACE BELOW FOR FILING STAMP ONLY)

Stephen J. Fitch, Esq., Bar No. 115617
FITCH LAW FIRM
A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
3465 Camino Del Rio South, Suite 250
San Diego, California 92108-3905
(619) 282-8100

FILED
Clerk of the Superior Court

AUG 29 2023

By: _____, Deputy

Attorneys for: Applicant, RANCHO SANTA FE FIRE PROTECTION DISTRICT

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO

NORTH COUNTY

In Re Property located at:	)	CASE NO. 37-2023-00037269-CU-PT-NC
	)	ROA #
6886 Las Colinas)	
Rancho Santa Fe, California 92067	)	[PROPOSED] ABATEMENT WARRANT
	)	AND ORDER AUTHORIZING ENTRY
APN: 267-080-38-00	)	ONTO THE PROPERTY TO ABATE
	)	PUBLIC NUISANCE
Property Owner: Karen Montgomery	)	(Code of Civ. Proc. §1822.50 et seq.)
)	
Applicant:	)	[Application for Inspection Warrant and
	)	Abatement Warrant; Declaration of David
Rancho Sante Fe Fire Protection District	)	McQuead; and Declaration of Mark Smith
	)	filed Concurrently]
)	
	)	[Exempt from paying fees and costs
	)	Pursuant to Cal. Gov. Code §6103]

IMAGED FILE

INSPECTION AND ABATEMENT WARRANT

THE PEOPLE OF THE STATE OF CALIFORNIA TO:

**ANY OFFICERS OR OFFICIALS OF THE RANCHO SANTA FE FIRE
PROTECTION DISTRICT (“RSF Fire District”) AND THEIR AUTHORIZED**

1 **REPRESENTATIVES, AGENTS, AND ANY SHERIFF, OR PEACE OFFICER IN THE**
2 **COUNTY OF SAN DIEGO:**

3 **UPON GOOD CAUSE SHOWN TO THE COURT** by the duly executed declaration
4 of David McQuead dated August 24, 2023 and Mark Smith dated August 24, 2023, the
5 Application and documentary evidence presented to the Court

6 **AT THE PREMISES LOCATED AT:** 6886 Las Colinas, Rancho Santa Fe, California
7 92067 located in the unincorporated area of San Diego County, further identified as Assessors
8 Parcel Number 267-080-38-00 (the "Property").

9 The Court hereby finds that there is reason to believe that there exists on the Property,
10 conditions in violation of RSF Fire District Ordinance 2022-02 and the Cal. Health and Safety
11 Code that constitutes a public nuisance that may be abated pursuant to Civil Code Sections 3491
12 and 3494, and that entry upon the Property by the RSF Fire District officers and officials and/or
13 their designees, representatives and contractors, including officials of the County of San Diego
14 are necessary to carry out enforcement and abatement of the public nuisance.

15 The conditions on the Property have been determined to constitute a public nuisance in
16 violation of RSF Fire District Ordinance 2022-02, and Health and Safety Code Section 14876.

17 **THE INSPECTION AND ABATEMENT** shall be made pursuant to Code of Civil
18 Procedure Section 1822.56.

19 **THE COURT FINDS GOOD CAUSE EXISTS TO ORDER THAT:**

20 1. RSF Fire District and its officers and officials and their designees, agents and
21 contractors, including officials from the County of San Diego may enter upon the Property
22 located at 6886 Las Colinas, Rancho Santa Fe, in the County of San Diego, State of California
23 [Assessors Parcel Number 267-080-38-00] ("Property"), for the purpose of abating the public
24 nuisance conditions existing therein by:

25 (a) Removing all dead, dying or diseased vegetation from the Property. This will
26 include removing pest and pathogen infected trees, other trees and vegetation which are in a
27 dying condition or no longer living.
28

1 (b) Clearing an area within twenty (20) feet of the private driveway on the Property.
2 This will include mowing the annual grass, skirting of trees off the ground a minimum of six (6)
3 feet, and thinning flammable natural brush along the private driveway.

4 (c) Mowing all weeds and annual grass to a stubble height of no more than four (4)
5 inches on the Property.

6 (d) Removing all dead palm fronds from the palm trees.

7 (e) Clearing a fuel modification zone/defensible space of one hundred (100) feet from
8 the residence on the Property.

9 2. The responsible party(ies)/owner(s)/occupant(s) of the above-referenced Property
10 are ordered not to interfere with the abatement of the nuisance conditions thereon.

11 3. To protect the safety of the RSF Fire District employees and their authorized
12 designees, agents and contractors, the San Diego County Sheriff's office is authorized to use
13 reasonable force to secure the Property, including the restraint of any owner(s) and/or persons on
14 the Property before and during the inspection and abatement.

15 4. To ensure that this warrant can be executed as ordered herein, the San Diego
16 County Sheriff office is expressly authorized to use reasonable force to enter and secure the
17 Property, to allow for the inspection to take place and the abatement of the public nuisance to be
18 completed, including the opening of any locked portions of the Property.

19 5. RSF Fire District officials and/or authorized designees and agents, shall provide
20 notice of this warrant to the owner of the Property, Karen Montgomery, at lease twenty-four (24)
21 hours prior to its execution. This notice requirement may be satisfied by posting said notice on
22 the Property and mailing a copy of the owner of the Property.

23 6. The RSF Fire District officers and officials and/or their authorized designees,
24 agents, and contractors, including officials of the County of San Diego, may enter upon the
25 Property legally described as APN 267-080-38-00 for the above stated purposes, to occur
26 between August 30, 2023 and September 15, 2023 between the hours 8:00 a.m. and 6:00
27 p.m. on any given day. The persons authorized herein may enter upon the Property on any
28

1 particular day within the time period described herein, but not exceed fourteen (14) days, and
2 authority for re-entry pursuant to this warrant shall continue until the inspection and abatement
3 activities are completed.

4 7. This warrant may be executed in the absence of any responsible
5 owner(s)/party(ies)/occupant(s) of the above-described Property.

6 8. This warrant shall expire at 6:00 p.m. on September 15, 2023, and the return
7 must be executed no later than September 22, 2023 at 4:00 p.m.

8
9
10 Dated: 8/29/23

11 

12 Judge of the Superior Court
13 **Earl H. Maas III**

14
15
16 k:\rsf01\las colinas abatement warrant and order property entry.ord

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EXHIBIT B

EXHIBIT B

EXHIBIT “A”

ORDINANCE No. 2022-02

AN ORDINANCE OF THE RANCHO SANTA FE FIRE PROTECTION DISTRICT REPEALING ORDINANCE No. 2019-02 AND ENACTING ORDINANCE 2022-02 RELATING TO VEGETATION MANAGEMENT, DEFENSIBLE SPACE, AND DECLARING CERTAIN VEGETATION, AND CERTAIN WASTE MATTER A PUBLIC NUISANCE, AND PROVIDING FOR THE REMOVAL THEREOF.

The Board of Directors of the Rancho Santa Fe Fire Protection District ordains as follows:

Article I. The Rancho Santa Fe Fire Protection District finds and determines that the purpose of this Ordinance is to prohibit the accumulation of combustible vegetation, dead, dying, or diseased trees, green waste, waste matter, and other flammable/combustible materials. The aforementioned materials increase the extreme dangers to the health, welfare, and safety of residents and threaten eminent destruction to property and the environment. This intention of the ordinance is to bolster overall community resilience through increased defensible space for habitable structures and create a defensible area for fire suppression personnel to operate during a wildfire by requiring the abatement of combustible vegetation and materials. The ordinance provides for public nuisance abatement when property owners allow combustible vegetation and other flammable materials to accumulate in violation of this ordinance.

Article II. All parcels in the Rancho Santa Fe Fire Protection District have been identified and designated as either a Moderate, High or Very High Fire Hazard Severity Zone by the Rancho Santa Fe Fire Protection District in accordance with the Fire and Resource Assessment Program (FRAP) Map. The Rancho Santa Fe Fire Protection District is located in a mountainous and/or hilly region of southern California. The Rancho Santa Fe Fire Protection District contains or adjoins forest-covered lands, brush-covered lands, grass covered lands, or other land which is covered with combustible vegetation. All native vegetation within the Rancho Santa Fe Fire Protection District constitutes as a seasonal and recurrent nuisance pursuant to Health and Safety Code, Section 14900.5.

Article III. Catastrophic wildfire events pose a serious threat to the preservation of public peace, health and safety within any wildland urban interface and intermix communities. The proper implementation and enforcement of vegetation management regulations and landscaping requirements have been proven to reduce the impact from destructive wildfires through the mitigation of hazardous fuel conditions around homes and roadways.

Article IV. Over the last two (2) decades, wildfires with extreme fire behavior are occurring more often and growing larger in size. Eighteen (18) of the twenty (20) most destructive wildland fires in the State of California have occurred in the last twenty (20) years. Rancho Santa Fe Fire Protection District in particular has a history of destructive wildfires which have burned within its boundaries. These include the Paint Mountain Fire, Del Dios I and Del Dios II Fires, Harmony Grove Fire, Witch Creek Fire, Coco's Fire, and the Bernardo Fire.

Article V. The enactment of this Ordinance is pursuant to the authority granted under the Health and Safety Code, Sections 13861(h); 13879 and 14875 et seq.; and 14930 as well as authority granted

under the Public Resource Code, Sections 4290 (a) and 4291 (a)-(f) and the California Code of Regulations, Title 14, Division 1.5, Chapter 7, Subchapter 2 Article 1 Section 1272.00.

Article VI. Abatement and Management of Certain Vegetation, and Certain Waste Matter.

Section 1. DEFINITIONS.

1.01 COMBUSTIBLE VEGETATION, means any vegetation in its natural state will ignite, burn and transmit fire from native or landscaped plants to any building or other vegetation. Combustible vegetation includes dry grass, brush, weeds, litter, and any vegetation that is dead, dying, or diseased, dead palm fronds (skirts), or other combustible vegetation which creates a fire hazard.

1.02 COMBUSTIBLE MULCH is any layer of material applied to the surface of soil and in its natural state, will ignite, burn and be capable of transmitting fire to the landscape or to any structure. Combustible mulch shall be categorized as:

1.01.1 ORGANIC COMBUSTIBLE MULCH (Least to Greatest Fire Behavior)

- a. COMPOSTED WOOD CHIPS (Least amount of Fire Behavior) – combination of decomposed wood chips and other organic materials which is finely screened to create a product commonly sold commercially as a mulch. Composted Wood Chip Mulch has the least amount of fire behavior in regard to temperature, rate of spread and flame height. (Acceptable in Zones 2 and 3)
- b. WOOD PRODUCTS, BARK AND NUGGET MULCH – fine to coarse organic mulch produced by mechanically grinding, chipping, or shredding trees or pine tree bark. Examples include commonly sold commercially as chipped or shredded wood products, logging waste, bark or wood nuggets, needles, and recycled pallets. (Acceptable in Zone 3)
- c. VEGETATION WASTE MULCH – fine to coarse organic mulch produced by mechanically grinding, chipping or shredding of cut or removed vegetation waste typically created from on-site material such as; brush, leaves, needles, tree branches. (Acceptable in Zone 3)

1.01.2 NON-ORGANIC COMBUSTIBLE MULCH

- a. RUBBER MULCH (Greatest Fire Behavior) – is chipped or shredded mulch created from 100 percent recycled rubber. Rubber mulch demonstrates the ability to generate the greatest fire behavior. The application of rubber mulch is not acceptable in Zones 1 - 3.

EXCEPTION: The application of rubber mulch around a playground structure requires the rubber mulch must be greater than thirty (30) feet away from any habitable structure and not to exceed 200 SQFT in total area.

1.03 DEFENSIBLE SPACE is the area either natural or man-made where materials capable of allowing a fire to spread unchecked has been treated, cleared, or modified to slow the rate and intensity of an advancing wildfire and to create an area for fire suppression operations to occur. Distance

measurements for defensible space shall be measured on a horizontal plane.

1.04 FIRE HAZARD is any condition or conduct which, in the opinion of the Fire Chief or their designee: (a) increases or may increase the threat of fire to a greater degree than customarily recognized as normal by persons in public service regularly engaged in preventing, suppressing or extinguishing fire or; (b) may obstruct, delay, hinder or interfere with the operations of the fire department or the egress of occupants in the event of fire.

1.05 FUEL MODIFICATION ZONE is a strip of land where COMBUSTIBLE VEGETATION has been thinned, modified or both; and may be partially or totally replaced with approved drought-tolerant, fire-resistant, and/or irrigated plants to provide an acceptable level of risk from vegetation fires. A fuel modification zone reduces radiant and convective heat on a structure and provides a valuable defensible space for fire suppression to make an effective stand against an approaching fire front.

1.06 GREEN WASTE includes, but is not limited to, organic material such as yard trimmings, plant waste, untreated wood wastes, paper products, natural fiber products, mulch, and compost.

1.07 IMPROVEMENT means any building or structure, permanent or temporary, erected for the support, shelter, or enclosure of persons, animals, chattels, or property of any kind located in the unincorporated area of the County of San Diego and shall include agricultural crops. For purposes of this term, "improvement" shall not include fences, similar barriers enclosing, or separating areas of land.

1.08 NOXIOUS WEED shall mean any species of plant that is, or is liable to be, troublesome, aggressive, intrusive, detrimental, or destructive to agriculture, silviculture, or important native species, and difficult to control or eradicate, as defined in the California Food and Agricultural Code, Section 5004.

1.09 PARCEL means any contiguous quantity of land in the possession of, owned by, or recorded as the property of, the same person or entity, and which is located in the unincorporated area of the County of San Diego.

1.10 RESPONSIBLE PARTY includes, but is not limited to, any person, firm, partnership, or corporation owning, renting, leasing, or otherwise controlling any parcel located in the unincorporated area of the County of San Diego.

1.11 RUBBISH is waste material including, but not limited to, garbage, wastepaper, and debris from construction or demolition.

1.12 WATERCOURSE is defined as any surface water body in which waters from a tributary drainage area of 100 acres or larger flow in a definite direction or course, either continuously or intermittently, and any area adjacent thereto which is subject to inundation from a 100-year flood. Watercourse includes any arroyo, canal, channel, conduit, creek, culvert, ditch, drain, gully, ravine, reservoir, stream, wash, waterway, or wetland.

Section 2. CERTAIN VEGETATION AND OTHER ITEMS DECLARED A PUBLIC NUISANCE.

2.01 The following are declared to be public nuisances within the areas of the Rancho Santa Fe Fire Protection District and it shall be the responsibility of the owner of the parcel, upon which such nuisance exists, to abate such nuisances at his or her own expense whenever they may exist:

2.01.1 All weeds, combustible vegetation, green waste, rubbish, and other such accumulations of combustible materials that are within one hundred (100) feet of any building or structure designed or intended for occupancy by humans or animals that violate the defensible space requirements of this ordinance.

2.01.2 Any vegetation growing upon the streets, sidewalks or upon private or public property within the Rancho Santa Fe Fire Protection District, which by reason of its size, type, manner of growth, proximity to any building, or improvements, which when dry will with reasonable probability constitute a fire hazard. This vegetation or other items are hereby declared to be a public nuisance and shall be abated to the satisfaction of the Fire Chief or their designee.

Please note: AESTHETICS is not a consideration in determining the presence of a fire hazard.

2.01.3 INVASIVE SPECIES. Any noxious or invasive weed or plant designated by a Federal, State, or County government as injurious to public health, agriculture, recreation, wildlife, or property shall be eradicated on properties in the Rancho Santa Fe Fire Protection District.

Section 3. WASTE MATTER DECLARED A PUBLIC NUISANCE.

3.01 Waste matter as hereinafter defined, which by reason of its location and character would hamper or interfere with the prevention or suppression of fire upon the premises or adjacent premises, or the abatement of a nuisance as defined by the Health and Safety Code, Section 12510, is hereby declared a public nuisance.

Section 4. WASTE MATERIAL.

4.01 WASTE MATERIAL is defined for the purpose of this section as unused or discarded matter having no substantial market value, which is exposed to the elements and is not enclosed in any structure or otherwise concealed from public view. Examples consist of; rubble, asphalt, dead vegetation stockpiled, mulch piles, garbage and other combustible material.

Section 5. CLEARANCE OF BRUSH OR VEGETATIVE GROWTH FROM STRUCTURES TO CREATE DEFENSIBLE SPACE.

5.01 Persons owning, leasing, controlling, operating or maintaining buildings or structures in, upon or adjoining hazardous fire areas, and persons owning, leasing or controlling land adjacent to such buildings or structures, shall at all times maintain an effective fuel modification zone/defensible space of one hundred (100) feet from any structure. This one hundred (100) foot defensible space shall be broken down into three (3) distinct zones:

- 5.02 Zone 1: Immediate Zone (0 – 5’ feet from a structure):
- 5.02.1 The accumulation of needle and leaf litter shall be removed from roofs, rain gutters, decks, porches, and from the base of the structure’s foundation.
 - 5.02.2 For existing landscaping which was District approved and installed before January 1, 2020, the landscape plants shall be fire-resistant (plants which maintain a high-water content), properly irrigated and maintained. Vegetation should not come in contact with the structure. Plant spacing shall be such as not to allow the transfer of fire from plant to plant, or from plant to the structure. Organic combustible mulch may be utilized within this zone, but in no case shall it be closer than twelve (12) inches from any portion of the structure.
 - 5.02.3 Effective January 1, 2020, all new construction or any replacement of landscape installations shall NOT have any organic combustible mulch within five (5) feet from the furthest projection of the structure. Landscaping within Zone 1 is to be fire-resistant (plants which maintain a high-water content), herbaceous plants that are low growing, properly spaced, properly irrigated and maintained. Landscaping shall not come in direct contact with the structure.
 - 5.02.4 Combustible items such as patio furniture, umbrellas, trash receptacles, or other combustible items shall not be stored under decks, exterior stairways and balconies or placed directly adjacent to structures.
 - 5.02.5 Firewood and lumber is not to be stored in Zone 1.
 - 5.02.6 All chimney flues must have an approved spark arrester made of welded or woven wire mesh 12-gauge thickness or greater with openings no greater than ½” inch.
 - 5.02.7 No combustible attachments to a structure are allowed which will transfer flame or heat to the structure such as fences, arbors, awnings, shade sails or other decorative materials. Use of approved non-combustible alternatives are allowed at the discretion of the Rancho Santa Fe Fire Protection District.
 - 5.02.8 Trim and maintain tree canopies a minimum of ten (10) feet away from rooflines and chimney outlets.
- 5.03 Zone 2: Intermediate Zone (6 – 50’ feet from a structure):
- 5.03.1 The area from six (6) feet to fifty (50) feet of a building or structure shall be cleared of combustible vegetation. Any weeds or dead grasses shall be cut to a height not to exceed four (4) inches.
 - 5.03.2 All healthy mature trees within Zone 2 shall be limbed up to a minimum height of six (6) feet above the ground. If shrubs are planted underneath the tree, the tree shall be limbed up three (3) times the height of the vegetation under the tree or up to one-third (1/3) of the tree height in order to promote a healthy tree structure and prevent ladder fuels.
 - 5.03.3 If the area in Zone 2 is to be replanted, then the landscaping must be fire-resistant (plants which maintain a high-water content), herbaceous plants that are properly spaced, properly irrigated and maintained in accordance with the Rancho Santa Fe Fire Protection District guidelines. The plant material cannot

- form a means of rapidly transmitting fire to any structure.
- 5.03.4 Vegetation within Zone 2 that is dead, dying or diseased is to be removed from the property. This includes pest or pathogen infested vegetation, abandoned/neglected orchards and groves. Palm trees shall be kept free of dead palm fronds to prevent older fronds from developing a “skirt”.
 - 5.03.5 Trim and maintain tree canopies a minimum of ten (10) feet away from rooflines and chimney outlets.
 - 5.03.6 Firewood and lumber shall be stored a minimum of thirty (30) feet from any structure; or thirty (30) feet from the property line if there is an adjacent structure next to the property line. Wood storage piles shall have a minimum clearance of ten (10) feet of bare mineral soil, free of vegetation and other combustible material measured on a horizontal plane.
 - 5.03.7 Organic combustible mulch (1.01.1-a) may be used for landscaping. The depth shall not exceed three (3) inches.
 - 5.03.8 Horizontal spacing between tree canopies drip lines shall be maintained at ten (10) feet for flat areas, twenty (20) feet for moderate sloped areas, and thirty (30) feet for steep sloped areas.
 - 5.03.9 Single specimen trees, ornamental shrubbery or ground covers approved by the Rancho Santa Fe Fire Protection District are permissible provided they are properly spaced, properly irrigated and maintained in accordance with the Rancho Santa Fe Fire Protection District guidelines. The plant material cannot form a means of rapidly transmitting fire to any structure.
- 5.04 Zone 3: Extended Zone (51 – 100’ feet from a structure):
- 5.04.1 Native vegetation may remain in Zone 3 provided the combustible vegetation is modified so to maintain a horizontal spacing of at least three (3) times the height of the combustible vegetation for flat areas, four (4) times the height of the combustible vegetation for moderately sloped areas, and six (6) times the height of combustible vegetation for steep sloped areas. The area must be maintained annually by methods such as mowing, thinning and trimming, or by other means that leave the plant root structure intact to stabilize the soil. Any weeds or dead grasses shall be cut to a height not to exceed four (4) inches.
 - 5.04.2 If the area in Zone 3 is to be replanted, then the landscaping must be fire-resistant (plants which maintain a high-water content), herbaceous plants that are properly spaced, properly irrigated and maintained in accordance with the Rancho Santa Fe Fire Protection District guidelines.
 - 5.04.3 Vegetation within Zone 3 that is dead, dying or diseased is to be removed from the property. This includes pest or pathogen infested vegetation, abandoned/neglected orchards and groves. Palm trees shall be free of dead palm fronds to prevent older fronds from developing a “skirt”.
 - 5.04.4 All healthy mature trees within Zone 3 shall be limbed up to a minimum height of six (6) feet above the ground. If shrubs are planted underneath the tree, the tree

shall be limbed up three (3) times the height of the materials planted under the tree or up to one-third (1/3) of the tree height in order to promote a healthy tree structure and prevent ladder fuels.

5.04.5 Horizontal spacing between tree canopy drip lines shall be maintained at ten (10) feet for flat areas, twenty (20) feet for moderate sloped areas, and thirty (30) feet for steep sloped areas.

5.04.6 Organic combustible mulch (1.01.1-a, b, c) may be used for landscaping. The depth shall not exceed three (3) inches.

5.04.7 Single specimen trees, ornamental shrubbery or ground covers approved by the Rancho Santa Fe Fire Protection District are permissible provided they are properly spaced, properly irrigated and maintained in accordance with the Rancho Santa Fe Fire Protection District guidelines. The plant material cannot form a means of rapidly transmitting fire to any structure.

Section 6. OTHER DEFENSIBLE SPACE REQUIREMENTS AND FIRE SAFETY ITEMS.

6.01 Liquid Propane Gas tanks shall have a minimum perimeter clearance of ten (10) feet of bare mineral soil clearance, free of vegetation or other combustible material measured on a horizontal plane.

6.02 For private residential or agricultural (less than ten (10) acres in size) photovoltaic or solar arrays shall have all combustible vegetation reduced to a height no greater than six (6) inches and a minimum perimeter clearance of ten (10) feet of combustible materials measured on a horizontal plane.

6.03 Addresses shall be displayed (4" minimum size) in contrasting colors and must be readable from the street or access road. Vegetation growing over, on or in front of an address posting shall be pruned or cut back to maintain visibility.

6.04 Leaf Litter under a well maintained, healthy and limbed up forest or woodland area shall be maintained to a depth no greater than three (3) inches within Zones 2 and 3.

6.05 Non-organic combustible mulch (1.01.2-a) shall not be utilized as a landscaping mulch within Zones 1 – 3. Exception: Rubber mulch may be used in a limited capacity around playground structures and shall be a minimum of thirty (30) feet away from any habitual structure and does not exceed more than 200 sq. ft. in total area.

6.06 Provisions of this ordinance are not intended to conflict with specific fire management and fuel modification plans for master planned communities. If such a conflict occurs, the more restrictive provision shall apply.

6.07 Provisions of this ordinance are not intended to conflict with any Federal or State requirements which may limit vegetation removal in recognizable biological open space zones or vernal pools.

6.08 Provisions of this ordinance are not intended to conflict with regulations of the California Department of Fish and Game or U.S. Fish and Wildlife Service concerning the occurrence of rare, threatened, or endangered species. Landowners who have received a notice regarding their property in areas subject to fuel break clearance within biological open space shall notify both agencies in writing at least ten (10) days prior to vegetation clearing. The agencies will have up to ten (10) days following such notification to; (1) determine whether the proposed clearing complies with State and/or Federal endangered species requirements and (2) to suggest voluntary, alternative abatement measures if feasible and warranted. Failure of the agencies to respond within ten (10) days will allow the landowner to proceed with abatement activities without further delay. Failure by landowners to provide adequate notification as described above may render landowners liable under State and Federal law.

Section 7. INCREASED DEFENSIBLE SPACE MORE THAN 100 FEET FROM STRUCTURES.

7.01 The Fire Chief or their designee may require an increase of defensible space due to topographical or geographical concerns. If required parcels are to maintain a defensible space clearance greater than the required one hundred (100) feet to all habitable structures, a written order shall be issued when this increased defensible space requirement will be required.

7.02 Hazardous conditions outside of the one hundred (100) feet of structures, where the accumulation of combustible vegetation or materials, when deemed hazardous due to the composition, arrangement, or unsafe state of accumulation, such as dead palm tree fronds (skirts), shall be abated when located on public or private property. The hazardous condition when located outside the one hundred (100) feet from structures or twenty (20) feet of roadways, shall be properly documented and deemed a community risk in need of abatement by the Fire Chief or their designee. The partial clearing of weed or dry grasses on a large vacant parcel(s) must be approved in writing by the Fire Chief or their designee. Partial clearings shall not be acceptable without such written agreement. Partial clearing agreements are good only for one year as vegetation growth can vary from year to year.

Section 8. DEFENSIBLE SPACE ALONG PROPERTY LINES.

8.01 No responsible party shall permit on a parcel (with the exception of firewood, Section 5) any accumulation of combustible vegetation, dead, dying or diseased trees, green waste, waste matter, or other flammable/combustible materials within fifty (50) feet of the property line when such accumulation endangers or encroaches on the required Defensible Space for improvements on an adjacent property. The Fire Chief or their designee may require a distance greater than fifty (50) feet but not to exceed one hundred (100) feet when it is determined that the greater distance is necessary to provide Defensible Space for improvements on an adjacent property.

Section 9. VACANT PARCELS.

9.01 Dry grass and weeds on vacant parcels shall be mowed in entirety to a stubble height of no more than four (4) inches. Dead/dying trees, litter, and any accumulation of "waste materials" shall be removed. On vacant parcels, roadway clearance shall be maintained as defined in Section 10.

9.01.1 EXCEPTION: On larger parcels, as determined by the Fire Chief or their designee, partial clearing may be acceptable, depending on circumstance. Those properties approved for partial clearing are to maintain one hundred (100) feet of defensible

space to any structure, neighboring or on site. The entire lot with approval of the Fire Chief or their designee may not need to be cleared in its entirety but shall be a minimum of one hundred (100) feet of clearance around the perimeter of the property if deemed a fire hazard, and a minimum of twenty (20) feet clearance along existing roads and driveways.

Section 10. CLEARANCE OF BRUSH OR VEGETATIVE GROWTH FROM ROADWAYS.

10.01 The Fire Chief or their designee is authorized to have the area within twenty (20) feet on each side of the highways, roads, private streets, and driveways to be cleared of combustible vegetation. Vegetation shall comply with the requirements of the fuel modification zone. Any weeds or dead grasses shall be cut to a height not to exceed four (4) inches. Vegetation shall not protrude into the roadway and shall have a minimum of thirteen (13) feet and six (6) inches vertical clearance free of vegetation. The Fire Chief or their designee are authorized to enter upon private property to ensure the fuel modification zone requirements are met.

10.02.1 EXCEPTION (1): Single specimens of trees, ornamental shrubbery or cultivated ground cover such as green grass, ivy, succulents, or similar plants used as ground covers, provided, that they do not form a means of readily transmitting fire as deemed by the Rancho Santa Fe Fire Protection District.

10.02.2 EXCEPTION (2): Specific areas or developments with fire management plans may require up to thirty (30) feet of roadway clearance dependent on site approval conditioning.

10.02.3 EXCEPTION (3): For severe fire hazard areas and evacuation routes, the Fire Chief or their designee is authorized to require thirty (30) feet of roadway clearance of combustible vegetation and other flammable materials. The roadway shall be compliant with the requirements of the fuel modification zone.

Section 11. ORCHARDS, GROVES OR VINEYARDS.

11.01 All orchards, groves and vineyards shall be kept in a healthy state and maintained as described below. A ten (10) foot perimeter firebreak shall be cleared between any orchard, grove and vineyard and the surrounding native vegetation or ornamental landscaping. Orchards/vineyards shall be kept free of dead and dying trees or vines, combustible debris, and dead foliage. All dead grasses between rows of trees or vines shall either be mowed to a height of four (4) inches or disked to bare soil unless erosion is a factor. Mulch shall not be placed over bare soil without approval from the Rancho Santa Fe Fire Protection District.

Section 12. GRADING.

12.01 The provisions of this chapter shall not be construed to authorize grading which does not comply with the San Diego County regulations regarding grading, clearing and watercourses found within the San Diego County Code of Regulatory Ordinances, Title 8, Division 7.

Section 13. NOTICE TO ABATE HAZARD.

13.01 If it is determined that a public nuisance or fire hazard as herein defined exists on any lot

or premise, or upon any sidewalk, parking lot, parking area or adjacent to such lot or premise, the Fire Chief or their designee will cause a notice to be issued to abate such nuisances.

13.02 Such notice will be headed: "NOTICE TO ABATE HAZARD" which shall, in legible characters, direct the abatement of the nuisance or fire hazard and refer to this article and section for particulars. Notice to Abate Hazard served by means other than posting as provided by this article will contain a description of the property in general terms reasonably sufficient to identify the location of the nuisance.

Section 14. SERVICE OF NOTICE TO ABATE HAZARD.

14.01 The notice required by the Health and Safety Code, § 14875-14922 may be served in any of the following manners:

14.01.1 By in-person service on the owner, occupant or person in charge or control of the property.

14.01.2 By regular first-class postage prepaid mail addressed to the owner or person in charge and control of the property, at the address shown on the last available assessment roll, or as otherwise known.

14.01.3 By posting in a conspicuous place on the land or adjacent public right of way a notice in conformance with the Health and Safety Code, Section 14891 and similar to Section 14892, not more than one hundred (100) feet in distance apart, along such right of way with at least one notice posted on each lot or parcel.

14.01.4 It is the sole responsibility of the parcel or property owner to ensure the address with the County of San Diego Tax Assessor is current and valid. Mailings returned for insufficient or invalid addressing shall be considered a valid attempt to notify.

Section 15. APPEAL RIGHT TO BOARD OF DIRECTORS.

15.01 Within ten (10) days from the date of posting, mailing or personal service of the required notice, the owner or person occupying or controlling such lots or premise affected may appeal to the Rancho Santa Fe Fire Protection District Board of Directors. Such appeal will be in writing and will be filed with the Board Clerk. At the regular, special, or adjourned meeting of the Board of Directors, not less than five (5) days nor more than thirty (30) days thereafter, it will proceed to hear and pass upon such appeal, and the decision of the Board of Directors thereupon will be final and conclusive.

Section 16. TIME LIMIT FOR REMOVAL OF NUISANCE.

16.01 It will be the duty of the owner, the agent of the owner, or the person in possession of any lot or premise within the Rancho Santa Fe Fire Protection District to abate the nuisance or fire hazard as stated within fifteen (15) days from the date of notification as provided herein, or in case of an appeal to the Board of Directors, within ten (10) days from the determination thereof, unless the same is sustained.

Section 17. ABATEMENT OF NUISANCE BY FIRE CHIEF.

17.01 If the owner fails or neglects to abate the nuisance as herein defined, within the time specified in the article, the Fire Chief or their designee of the Fire District may cause such nuisances or fire

hazard to be abated. Private contractors may do the abatement work. A report of the proceedings and an accurate account of the cost to abate the nuisance or fire hazard on each separate property will be retained and filed at District's Administrative Offices.

Section 18. EXPENSE OF ABATEMENT REPORT AND HEARING.

18.01 The Accounting Department of the Rancho Santa Fe Fire Protection District will keep an account for the costs of abatement plus an administrative fee for each parcel abated as defined in the Fees for Service ordinance. A written itemized Abatement Report showing the cost of removal and abatement of hazards shall be prepared for the Board's approval. At least three (3) days prior to the date of the hearing a copy of the report will be posted in a public place at the offices of the Rancho Santa Fe Fire Protection District, showing the date and time of the hearing. A copy of the report and notice of hearing date will be sent to the last known owner of the parcel as listed in the San Diego County Assessor's Office. Costs for abatement shall include any and all administrative costs including, but not limited to, cost of mailing, Fire District's personnel time, computer retrieval, plus contractor's abatement costs.

Section 19. GOVERNMENT CODE PROVISIONS ADOPTED AND COLLECTION ASSESSMENTS.

19.01 The provisions of the Government Code, Sections 39580 through 39586 and Health and Safety Code, Section 14912 of the of the State of California incorporated by reference and are made a part of this Ordinance. The San Diego County Auditor & Controller shall enter each assessment in the County Tax Roll opposite the parcel of land. The amount of the assessment shall be collected at the time and in the manner of ordinary, municipal taxes, and if delinquent, the amount is subject to the same penalties and procedure of foreclosure and sale as provided for ordinary municipal taxes. The Rancho Santa Fe Fire Protection District may force abate the problem on behalf of the landowner. Upon said forced abatement, the Rancho Santa Fe Fire Protection District may assess all related costs for cost recovery. Upon completion of the work, the Rancho Santa Fe Fire Protection District may lien the property as described in the prior paragraph or assigns their interest to a private corporation as payment for the work provided. The assignee of said claim shall be authorized to sue for collection of money due. Upon collection on said lawsuit, the Rancho Santa Fe Fire Protection District shall receive the first monies up to what is owed to the Rancho Santa Fe Fire Protection District for services performed, after the Rancho Santa Fe Fire Protection District has been satisfied, the collection facility shall be paid for their work and then the assignees shall be paid. The San Diego County Auditor shall enter each assessment in the San Diego County Tax Roll opposite the parcel of land. The amount of the assessment shall be collected at the time and in the manner of ordinary municipal taxes. If delinquent, the amount is subject to the same penalties and procedure of foreclosure and sale as is provided for ordinary municipal taxes.

Section 20. VIOLATION.

20.01 The owner, occupant, or agent of any lot or premise within the Rancho Santa Fe Fire Protection District who will permit or allow the existence of a public nuisance as defined in this Ordinance, upon any lot or premise owned, occupied, or controlled by him or her, or who shall violate any of the provisions of this Ordinance, shall be guilty of a misdemeanor and upon conviction thereof be subject to a fine of not more than seven-hundred and ninety four dollars (\$794.00), or to imprisonment

for a period not exceeding six (6) months or both.

Section 21. VALIDITY.

21.01 The Board of Directors hereby declares that should any section, paragraph, sentence or word of this Ordinance or the Codes or Ordinances referenced herein be declared for any reason to be invalid, it is the intent of this Board that it would have adopted all other portions of this Ordinance independent of the eliminations from any such portion as may be declared invalid.

Section 22. DATE OF EFFECT.

22.01 The Secretary to the Board of Directors will certify to the adoption of this Ordinance and cause the same to be published in the manner required by law. This Ordinance will take effect thirty (30) days after its final passage at a public hearing as required by law, thus repealing Ordinance No. 2019-02.

First Read at a regular meeting of the Board of Directors of the Rancho Santa Fe Fire Protection District of the County of San Diego, California, on the 17th day of November, 2021. A public hearing was held on December 15, 2021 and said Ordinance was adopted and ordered published in the manner required by law at their regular meeting on the 15th day of December, 2021 by the following roll call vote:

AYES: Ashcraft, Hillgren, Malin, Stine, Tanner
NOES: None
ABSENT: None
ABSTAIN: None

EXHIBIT B



James H. Ashcraft
President

ATTEST:



Alicea Caccavo
Board Clerk

EXHIBIT B

EXHIBIT “B”



EXHIBIT B

EXHIBIT “C”



Rancho Santa Fe Fire Protection District

P.O. Box 410 • 18027 Calle Ambiente • Rancho Santa Fe • California 92067-0410
Tel. (858) 756-5971 • Fax (858) 756-4799

Board of Directors
James Ashcraft, President
John C. Tanner
Nancy Hillgren
Randall Malin
Tucker Stine

Fire Chief
David C. McQuead

NOTICE TO ABATE HAZARD

NOTE: THIS IS NOT A PERMIT TO GRADE YOUR PROPERTY

Date: 4/11/2023

Dear: MONTGOMERY KAREN
OR SUCH PERSON IN CHARGE, POSSESSION OF OR CONTROL OF THE PROPERTY
P O BOX 7225
RANCHO SANTA FE CA 92067

Parcel: APN 2670803800

San Diego County Property records show you as the owner of the parcel listed above. A fire hazard(s) exist on your property as defined in Rancho Santa Fe Fire Protection District's ("RSFFPD") *Ordinance 2022-02* for vegetation management. The RSFFPD's vegetation management program has proven effective in mitigating the spread of vegetation fires and has played a part in keeping the destruction from these fires to a minimum. By this notice, we are requiring owners within RSFFPD to ensure their property meets these fire safety requirements at all times; doing so will reduce the loss of life and property from a vegetation fire. *Please note: Some properties may require hazard abatement more than one time each year.*

LOCATION OF HAZARD: 6886 LAS COLINAS

INSTRUCTION FOR ABATEMENT:

- Please remove all dead, dying, or diseased vegetation from your property. This includes pest or pathogen infested trees, abandoned or neglected groves, other dead trees or vegetation, which are in a dying condition or no longer living. RSFFPD Ordinance 2022-02 Section 5.03.4
- Please clear and maintain the area within twenty (20) feet of highways, private streets, and roads free of flammable vegetation and other combustible growth. Weeds and annual grasses shall be mowed to a height not exceeding four (4) inches, trees shall be skirted off the ground a minimum six (6) feet, and flammable native brush shall be thinned so that it does not occupy at more than twenty (20) percent of the square footage of the area along the street or roadway. RSFFPD Ordinance No. 2022-02 Section 10
- Please mow all weeds and annual grasses on your property to a stubble height of no more than four (4) inches. RSFFPD Ordinance No. 2022-02 Section 5 & Section 9
- Please keep all palm trees free of dead palm fronds including older leaves that persist on the tree, forming a "skirt" of brown thatch. RSFFPD Ordinance No. 2022-02 Section 5.03.4
- Please clear and maintain an effective fuel modification zone/defensible space of one hundred (100) feet from any structure. This one hundred (100) foot zone shall be kept free of weeds/annual grasses and dead/dying trees and shrubs. Combustible vegetation and native brush shall be removed or thinned so that does not occupy more than twenty (20) percent of the square footage of the area. RSFFPD Ordinance No. 2022-02 Section 5

NOTICE CONTINUED ON FOLLOWING PAGE



Attached photos are provided for reference, please contact the RSFFPD for more information if the location or nature of the hazard is unclear.

(Visit www.rsf-fire.org to view Ordinance 2022-02 in its entirety).

THIS IS CONSIDERED NOTICE TO ABATE the aforementioned fire hazard(s) on your property in accordance with RSFFPD Ordinance 2022-02. **Hazard abatement must be accomplished within 15 days of this notice.** Properties that have not been cleared or do not comply with the requirements of RSFFPD Ordinance 2022-02 within 15 days will be subject to RSFFPD's *Forced Abatement Process*. Property owners are strongly urged to arrange for the clearing of their own parcels, as the above requirements are strictly enforced. If your property is forcibly abated, the cost will be much higher than if you choose to abate the property yourself or commercially. PLEASE REFER TO RSFFPD ORDINANCE 2022-02 AS IT AFFECTS YOUR RIGHTS!

This Notice does not authorize you or anyone on your behalf to access an adjoining property to abate the hazard or to take any action on your property in contravention of any recorded restrictions, covenants or conditions.

If you do not own this property, have already cleared this property, feel you have received this notice in error, or wish to schedule an on-site meeting, please contact Weedabatement@rsf-fire.org as soon as possible, or the inspector listed below at (858) 756-6023. Additionally, should you disagree with the determination that a hazard exists, you may request an administrative review with the Fire Marshal.

Sincerely,

Mark Smith, RSFFPD
Fire Prevention Specialist

WARNING – ENVIRONMENTALLY PROTECTED PLANTS OR ANIMAL SPECIES

Clearing of vegetation as required by this letter that contains threatened or endangered species is subject to the Memorandum of Understanding (MOU) with the U.S. Fish and Wildlife Service (USFWS) and California Department of Fish and Game (CDFG). Deliberate take or clearing or removal beyond that specifically allowed by this notice and the MOU is not authorized and may be in violation of the State and Federal Endangered Species Act. Please contact the fire district with questions about compliance with the MOU and this notice. You should also contact USFWS at (760) 431-9440 or CDFG (858) 467-4201 if you have been notified that you have a threatened or endangered species on your property.

EXHIBIT B

EXHIBIT “D”



Rancho Santa Fe Fire Protection District

P.O. Box 410 • 18072 Calle Ambiente • Rancho Santa Fe • California 92067-0410
Tel. (858) 756-3971 • Fax (858) 756-4799

Board of Directors
James Ashcraft, President
John Tanner
Nancy Hillgren
Randall Malin
Tucker Stine

Fire Chief
David C. McQuead

NOTICE TO ABATE HAZARD – FINAL NOTICE

NOTE: THIS IS NOT A NOTICE TO GRADE YOUR PROPERTY

Date: 5/9/2023

Dear: MONTGOMERY KAREN
OR SUCH PERSON IN CHARGE, POSSESSION OF OR CONTROL OF THE PROPERTY
P O BOX 7225
RANCHO SANTA FE CA 92067

Parcel: A.P.N. 2670803800

San Diego County Property records show you as the owner of the parcel number listed above. It has been determined that fire hazard(s) exist on your property as defined in Rancho Santa Fe Fire Protection District's ("RSFFPD") *Ordinance 2022-02* for vegetation management. You have failed to address this issue after prior notice.

LOCATION OF HAZARD: 6886 LAS COLINAS

INSTRUCTION FOR ABATEMENT: SEE REVERSE SIDE FOR INSTRUCTIONS

(Visit www.rsf-fire.org to view *Ordinance 2022-02* in its entirety).

THIS IS CONSIDERED FINAL NOTICE to abate the aforementioned fire hazard(s) on your property in accordance with RSFFPD *Ordinance 2022-02*. Hazard abatement must be accomplished within 10 days of this notice. Properties that have not been cleared or do not comply with the requirements within 10 days will be subject to RSFFPD's *Forced Abatement Process*. Property owners are strongly urged to arrange for the clearing of their own parcels, as the above requirements are strictly enforced. PLEASE REFER TO RSFFPD ORDINANCE 2019-02 AS IT AFFECTS YOUR RIGHTS!

Should you choose not to abate the above hazard, nor make an appeal, RSFFPD is authorized to hire a contractor to abate the hazard. The cost of abatement shall include, but is not limited to, the cost of the abatement, a Fire District administrative fee, and if applicable, include reasonable attorneys' fees and other costs incurred by the District to enforce such abatement. All abatement costs shall be billed to the parcel owner. **Nonpayment of abatement costs shall constitute a special assessment to be placed on the respective parcel of land by the County of San Diego and collected at the time and in the manner of ordinary property taxes.**

This Notice does not authorize you or anyone on your behalf to access an adjoining property to abate the hazard or to take any action on your property in contravention of any recorded restrictions, covenants or conditions.

If you do not own this property, have already cleared this property, believe you have received this notice in error, or wish to schedule an on-site meeting, please email Weedabatement@RSF-Fire.org as soon as possible; or contact the inspector listed below at (858) 756-5971. Should you disagree with the determination that a hazard exists, you may appeal this determination to the Board of Directors of RSFFPD within ten (10) days as set forth in RSFFPD *Ordinance 2019-02*.

Sincerely,

Mark Smith, Fire Prevention Specialist

WARNING – ENVIRONMENTALLY PROTECTED PLANTS OR ANIMAL SPECIES

Clearing of vegetation as required by this letter that contains threatened or endangered species is subject to the Memorandum of Understanding (MOU) with the U.S. Fish and Wildlife Service (USFWS) and California Department of Fish and Game (CDFG). Deliberate take or clearing or removal beyond that specifically allowed by this notice and the MOU is not authorized and may be in violation of the State and Federal Endangered Species Act. Please contact the fire district with questions about compliance with the MOU and this notice. You should also contact USFWS at (760) 431-9440 or CDFG (858) 467-4201 if you have been notified that you have a threatened or endangered species on your property.

INSTRUCTIONS:

- Please remove all dead, dying, or diseased vegetation from your property. This includes pest or pathogen infested trees, abandoned or neglected groves, other dead trees or vegetation, which are in a dying condition or no longer living. RSFFPD Ordinance 2022-02 Section 5.03.4
- Please clear and maintain the area within twenty (20) feet of highways, private streets, and roads free of flammable vegetation and other combustible growth. Weeds and annual grasses shall be mowed to a height not exceeding four (4) inches, trees shall be skirted off the ground a minimum six (6) feet, and flammable native brush shall be thinned so that it does not occupy at more than twenty (20) percent of the square footage of the area along the street or roadway. RSFFPD Ordinance No. 2022-02 Section 10
- Please mow all weeds and annual grasses on your property to a stubble height of no more than four (4) inches. RSFFPD Ordinance No. 2022-02 Section 5 & Section 9
- Please keep all palm trees free of dead palm fronds including older leaves that persist on the tree, forming a "skirt" of brown thatch. RSFFPD Ordinance No. 2022-02 Section 5.03.4
- Please clear and maintain an effective fuel modification zone/defensible space of one hundred (100) feet from any structure. This one hundred (100) foot zone shall be kept free of weeds/annual grasses and dead/dying trees and shrubs. Combustible vegetation and native brush shall be removed or thinned so that does not occupy more than twenty (20) percent of the square footage of the area. RSFFPD Ordinance No. 2022-02 Section 5



EXHIBIT B

EXHIBIT “E”

NOTICE TO DESTROY WEEDS OR HAZARDS

Notice is given that any weeds, grasses, dead shrubs, or dead trees upon the lot or parcel of land in the Rancho Santa Fe Fire Protection District as described by Assessor Parcel Number: **2670803800**

and in the streets, sidewalks, and in the parkways, adjacent thereto are a public nuisance in that they are a fire hazard or in all probability will become a fire hazard and that any rocks, rubble, discarded asphalt, concrete, or other waste material thereon that might interfere with the abatement of the aforementioned public nuisance are also a public nuisance.

Such public nuisances are required to be abated within 30 days of the posted date. If not abated within 30 days of the date, the Rancho Santa Fe Fire Protection District will authorize abatement and the costs thereof will be assessed against the land and collected through tax billing. A lien will also be placed on the parcel. An administrative fee, per parcel for arborists, per parcel removed, shall be added to abatement costs.

This notice is given pursuant to the provisions of Ordinance 1673-01. Any questions can be forwarded to Mark Smith, Community Risk Reduction Specialist, 645 Via Vista or at marksmith@rsffpd.com

Issued and posted: **6/7/2023**

This sign is posted after multiple attempts to contact the owner have not resulted.

EXHIBIT B

EXHIBITS “F1 - F21”

























EXHIBIT B



EXHIBIT B













STAFF REPORT

NO. 24-04

TO: BOARD OF DIRECTORS
FROM: DAVE MCQUEAD, FIRE CHIEF
SUBJECT: GRANT ACCEPTANCE
DATE: FEBRUARY 21, 2024



RECOMMENDATION:

Staff recommends the Board of Directors accept a grant amount not to exceed \$25,000.00 from the Rancho Santa Fe Fire District Foundation (501.c3) for the purchase of six (6) Thermal Imaging Cameras (TIC). Pursuant to the Health and Safety Code 13898, the Board of Directors must consider the acceptance of donated funds or items with a value greater than \$500.00.

CURRENT SITUATION:

Project Description.	Qty.	Funding Source.	Amount.
Thermal Imaging Camera SEEK Attack-PRO	6	RSF Fire District Foundation (501.c3) (Donation by Mrs. MacDonald)	Not to Exceed \$25,000.00

BACKGROUND:

Captain Ender spearheaded the project. The SEEK Attack-PRO TIC is designed for simplicity and durability, delivers superior image performance, and is built to withstand abuse and extreme temperatures. Used to find and effectively attack the seat of the fire and help direct primary search crews.

The Rancho Santa Fe Fire District Foundation (RSFFDF) received another very generous donation of \$25,000.00 on November 27, 2023, from Mrs. MacDonald, a resident within the Rancho Santa Fe Fire Protection District. Mrs. MacDonald was very excited to hear about the Fire District looking towards this technology as a tool for emergency incidents and firefighter safety.

The Rancho Santa Fe Fire Protection District will recognize Mrs. MacDonald for her generous support by placing "Donation by Sharron MacDonald 2024" on the equipment.



Rancho Santa Fe Fire Protection District

Rancho Santa Fe, California

Annual Financial Report

For the Year Ended June 30, 2023



**Rancho Santa Fe Fire Protection District
Annual Financial Report
For the Year Ended June 30, 2023**

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Mission Statement

To protect life, property, and environment through prevention, preparedness, education and emergency response.

**Rancho Santa Fe Fire Protection District
Board of Directors as of June 30, 2023**

<u>Name</u>	<u>Position</u>	<u>Elected/Appointed</u>	<u>Current Term</u>
James H. Ashcraft	President	Elected	12/20 - 12/24
John C. Tanner	Vice President	Elected	12/22 - 12/26
Nancy C. Hillgren	Director	Elected	12/20 - 12/24
Randall Malin	Director	Elected	12/20 - 12/24
Tucker Stine	Director	Elected	12/22 - 12/26

**Rancho Santa Fe Fire Protection District
David McQuead, Fire Chief
18027 Calle Ambiente
Rancho Santa Fe, CA 92067 (858)756-5971
www.rsf-fire.org**

FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT



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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Rancho Santa Fe Fire Protection District (the "District") as of and for the year ended June 30, 2023, and the related notes to the basic 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 and each major fund of the District, as of June 30, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of a Matter

Implementation of GASB Statement No. 96

As described in Notes 1, 5, and 16 to the basic financial statements, the District implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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 opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America 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, the Budgetary Comparison Schedule – General Fund, Budgetary Comparison Schedule – Special Revenue Fund, Schedule of the District's Proportionate Share of the Plan's Net Pension Liability, and the Schedule of the District's Contributions to the Pension Plan as listed in the table of contents, 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, 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.

To the Board of Directors
of the Rancho Santa Fe Fire Protection District
Rancho Santa Fe, California
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Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated January 24, 2024, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The PwC Group, LLP

San Diego, California
January 24, 2024

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**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***

Independent Auditors' Report

To the Board of Directors
of the Rancho Santa Fe Fire Protection District
Rancho Santa Fe, 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 and each major fund of the Rancho Santa Fe Fire Protection District (the "District") as of and for the year ended June 30, 2023, and the related notes to the basic financial statements, which collectively comprises the District's basic financial statements, and have issued our report thereon dated January 24, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered District's internal control over financial reporting (internal control) as a basis for designing 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of 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 or significant deficiencies may exist that were not identified.

To the Board of Directors
of the Rancho Santa Fe Fire Protection District
Rancho Santa Fe, California
Page 2

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect the financial statement amounts. 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.

The Pen Group, LLP

San Diego, California
January 24, 2024

Rancho Santa Fe Fire Protection District Management's Discussion and Analysis (Unaudited) For the Year Ended June 30, 2023

As management of the Rancho Santa Fe Fire Protection District (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities and performance of the District for the fiscal year ended June 30, 2023. Please read it in conjunction with additional information that we have furnished in the accompanying basic financial statements, which follow this section.

Financial Highlights

- The District's net position decreased 11.47%, or \$(5,011,317) from the prior year's net position of \$43,642,147 to \$38,630,830.
- The District's total revenues increased by 2.97% or \$600,630, to \$20,804,352 in fiscal year 2023.
- The District's total expenses increased by 173.84% or \$16,388,245, to \$25,815,669 in fiscal year 2023.
- Negotiations for the three (3) year MOU for Safety included additional contributions from all Classic-Tiered safety employees; the additional amount to be contributed as an additional discretionary payment (ADP) to the Safety Classic Plan in the following increments for that calendar year: 2021 additional 1%, 2022 additional 2%, and 2023 additional 3%.

Using This Financial Report

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities and performance of the District using accounting methods similar to those used by private sector companies. The Statement of Net Position includes all of the District's investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for computing a rate of return, evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District. All of the current year's revenue and expenses are accounted for in the Statement of Activities. This statement measures the success of the District's operations over the past year and can be used to determine the District's profitability and credit worthiness.

Government-Wide Financial Statements

Statement of Net Position and Statement of Activities

One of the most important questions asked about the District's finances is, "is the District better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Activities report information about the District in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the District's *net position* and changes in them. Think of the District's net position – the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources – as one way to measure the District's financial health, or *financial position*. Over time, *increases or decreases* in the District's net position is one indicator of whether its *financial health* is improving or deteriorating.

Rancho Santa Fe Fire Protection District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2023

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*.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budgetary information and compliance.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources of the District exceeded liabilities and deferred inflows of resources by \$38,630,830 as of June 30, 2023.

A portion of the District's net position 57.9% or \$22,378,309 reflects its investment in capital assets (net of accumulated depreciation and amortization). The District uses these capital assets to operate the District; consequently, these assets are not available for future spending. At the end of fiscal year 2023 the District shows a positive balance in its unrestricted net position of \$14,884,501 that may be utilized in future years.

Rancho Santa Fe Fire Protection District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2023

Government-Wide Financial Analysis (Continued)

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>\$ Change</u>	<u>% Change</u>
Assets:				
Current assets	\$ 23,883,895	\$ 23,223,352	\$ 660,543	2.84%
Capital assets, net	23,861,396	24,456,916	(595,520)	-2.43%
Total assets	<u>47,745,291</u>	<u>47,680,268</u>	<u>65,023</u>	<u>0.14%</u>
Deferred outflows of resources	<u>11,317,241</u>	<u>5,018,860</u>	<u>6,298,381</u>	<u>125.49%</u>
Liabilities:				
Current liabilities	990,096	1,481,455	(491,359)	-33.17%
Noncurrent liabilities	15,522,943	2,853,994	12,668,949	443.90%
Total liabilities	<u>16,513,039</u>	<u>4,335,449</u>	<u>12,177,590</u>	<u>280.88%</u>
Deferred inflows of resources	<u>3,918,663</u>	<u>4,721,532</u>	<u>(802,869)</u>	<u>-17.00%</u>
Net position:				
Investment in capital assets	22,378,309	22,820,337	(442,028)	-1.94%
Restricted for capital projects	1,368,020	1,198,616	169,404	14.13%
Unrestricted	14,884,501	19,623,194	(4,738,693)	-24.15%
Total net position	<u>\$ 38,630,830</u>	<u>\$ 43,642,147</u>	<u>\$ (5,011,317)</u>	<u>-11.48%</u>

The statement of activities shows how the government's net position changes during the fiscal year. In the case of the District, net position decreased by \$(5,011,317) for the fiscal year ended June 30, 2023.

Rancho Santa Fe Fire Protection District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2023

Government-Wide Financial Analysis (Continued)

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>\$ Change</u>	<u>% Change</u>
Revenues:				
Program revenues:				
Charges for services	\$ 614,356	\$ 522,209	\$ 92,147	17.65%
Operating grants and contributions	800,356	2,829,302	(2,028,946)	-71.71%
Capital grants and contributions	-	231,596	(231,596)	-100.00%
General revenues:				
Property taxes	15,875,889	14,446,632	1,429,257	9.89%
Voter approved taxes	1,757,230	1,694,189	63,041	3.72%
Developer payments in-lieu of property taxes	165,891	109,432	56,459	51.59%
Reorganization revenue – Elfin Forest/Harmony Grove	312,500	312,500	-	0.00%
Rental income	524,251	458,286	65,965	14.39%
Investment earnings (loss)	517,431	(531,011)	1,048,442	197.44%
Other	236,448	130,587	105,861	81.07%
Total revenues	<u>20,804,352</u>	<u>20,203,722</u>	<u>600,630</u>	<u>2.97%</u>
Expenses:				
Fire protection operations:				
Salaries and wages	9,794,480	10,060,997	(266,517)	-2.65%
Employee benefits	2,608,533	1,904,665	703,868	36.95%
Pension expense (credit)	9,073,322	(5,918,916)	14,992,238	253.29%
Contractual services	2,307,888	1,654,485	653,403	39.49%
Materials and supplies	761,917	579,075	182,842	31.57%
Other Expenses	254,056	152,144	101,912	66.98%
Depreciation and amortization	1,015,473	989,748	25,725	2.60%
Total expenses	<u>25,815,669</u>	<u>9,422,198</u>	<u>16,393,471</u>	<u>173.99%</u>
Change in net position	<u>(5,011,317)</u>	<u>10,781,524</u>	<u>(15,792,841)</u>	<u>-171.01%</u>
Net position:				
Beginning of year	43,642,147	32,860,623	10,781,524	32.81%
End of year	<u>\$ 38,630,830</u>	<u>\$ 43,642,147</u>	<u>\$ (5,011,317)</u>	<u>-11.48%</u>

Combined revenues for fiscal year 2022/2023 totaled approximately \$20,804,000 and increased by \$600,000 or 2.97% from prior year. Charges for services consist of plan check, sprinkler and landscaping fees increased over prior year reflecting the higher demand in the current fiscal year. Grants and contributions decreased by approximately \$(2,000,000). General revenues category consists of property taxes, rental income and investment earnings. Property taxes increased 9.89% from prior year due to assessed land values within the District's service area increasing. Rental income increased in the current fiscal year by \$65,965 or 14.39% due to lease revenues representing the amortization of lease revenue required under GASB No. 87. Investment earnings increased from prior year due to current unrealized market value.

Rancho Santa Fe Fire Protection District
Management’s Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2023

Government-Wide Financial Analysis (Continued)

Combined expenses for fiscal year 2022/2023 totaled approximately \$25,815,000 and increased by approximately \$16,388,000 due to related accounting adjustments from GASB 68 and 75. Salaries and wages decreased by 2.65%. In addition, employee salaries increased 3% on January 1, 2023 and the Fire Chief and Deputy Fire chief salaries increased by 5%. Employee benefits increased by 36.95% from prior year due to workers compensation claims and medical insurance increases. Pension expense for the current fiscal year increased approximately \$14,900,000 due to CalPERS year to year dramatic changes based on different variables and conditions. Contractual services and materials and supplies increased overall from prior year mainly due to the increased cost of supplies as well as Station 6 remodel. Overall, materials and supplies costs have risen due to the supply chain disruptions. Other expenses consist of grant expenses with the offset in grant revenue and station upgrades. Depreciation expense increased by 2.06%.

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, 2023, the District’s General Fund reported a fund balance of \$21,185,180. An amount of \$19,571,466 constitutes the District’s *unassigned fund balance*, which is available for future use.

Capital Asset Administration

At the end of fiscal year 2023, the District’s investment in capital assets amounted to \$22,378,309 (net of accumulated depreciation and amortization). This investment in capital assets includes structures and improvements and equipment. (See Note 4 for further information).

Capital assets balances are as follows:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>\$ Change</u>	<u>% Change</u>
Non-depreciable/amortizable assets	\$ 3,374,840	\$ 3,496,478	\$ (121,638)	-3.48%
Depreciable/amortizable assets	32,536,687	31,896,632	640,055	2.01%
Accumulated depreciation and amortization	(13,533,218)	(12,577,999)	(955,219)	7.59%
	<u>\$ 22,378,309</u>	<u>\$ 22,815,111</u>	<u>\$ (436,802)</u>	<u>-1.91%</u>

Economic and Other Factors Affecting Next Year’s Operations and Budget

Aside from future impacts of the pandemic, an unstable economy, and inventory and supply chain disruptions, management is unaware of any additional conditions which could have a significant impact on the District’s current financial position, net position or operating results or those of the upcoming year.

Rancho Santa Fe Fire Protection District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2023

Requests for Information

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 District management at: Burgen Havens, Finance Manager, Rancho Santa Fe Fire Protection District, P.O. Box 410, 18027 Calle Ambiente, Rancho Santa Fe, California, 92067 or (858) 756-5971.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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Rancho Santa Fe Fire Protection District
Statement of Net Position
June 30, 2023

	Governmental Activities
ASSETS	
Current assets:	
Cash and investments	\$ 22,326,064
Restricted cash and investments	888,559
Accounts receivable	15,170
Property taxes receivable	100,800
Other receivable	66,885
Accrued interest receivable	136,449
Leases receivable - due within one year	331,260
Prepaid items	18,708
Total current assets	23,883,895
Noncurrent assets:	
Capital assets – not being depreciated/amortized	3,374,840
Capital assets, net – being depreciated/amortized	19,003,469
Total capital assets	22,378,309
Leases receivable - due in more than one year	1,483,087
Total noncurrent assets	23,861,396
Total assets	47,745,291
DEFERRED OUTFLOWS OF RESOURCES	
Pension-related deferred outflows of resources	11,317,241
Total deferred outflows of resources	11,317,241
LIABILITIES	
Current liabilities:	
Accounts payable and accrued expenses	298,447
Accrued salaries and related payables	462,655
Unearned revenue	6,498
Long-term liabilities – due within one year:	
Subscription liabilities	22,496
Compensated absences	150,000
Workers' compensation claims payable	50,000
Total current liabilities	990,096
Noncurrent liabilities:	
Long-term liabilities – due in more than one year:	
Compensated absences	556,447
Workers' compensation claims payable	773,693
Net pension liability	14,192,803
Total noncurrent liabilities	15,522,943
Total liabilities	16,513,039
DEFERRED INFLOWS OF RESOURCES	
Pension-related deferred inflows of resources	1,872,481
Lease-related deferred inflows of resources	1,733,682
Related to District reorganization	312,500
Total deferred inflows of resources	3,918,663
NET POSITION	
Net investment in capital assets	22,378,309
Restricted for capital projects	1,368,020
Unrestricted	14,884,501
Total net position	\$ 38,630,830

See accompanying Notes to the Basic Financial Statements.

Rancho Santa Fe Fire Protection District
Statement of Activities
For the Year Ended June 30, 2023

	Governmental Activities
Expenses:	
Fire protection operations:	
Operations	\$ 24,800,196
Depreciation/amortization expense	1,015,473
Total expenses	25,815,669
Program revenues:	
Charges for services	614,356
Operating grants and contributions	800,356
Total program revenues	1,414,712
Net program expense	(24,400,957)
General revenues:	
Property taxes	15,875,889
Voter approved taxes	1,757,230
Developer payments in-lieu of property taxes	165,891
Reorganization revenue – Elfin Forest/Harmony Grove	312,500
Rental income	524,251
Investment earnings	517,431
Other	236,448
Total general revenues	19,389,640
Change in net position	(5,011,317)
Net position:	
Beginning of year, as restated (Note 16)	43,642,147
End of year	\$ 38,630,830

FUND FINANCIAL STATEMENTS

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Rancho Santa Fe Fire Protection District
Balance Sheet
Governmental Funds
June 30, 2023

ASSETS	General Fund	Special Revenue Fund	Total Governmental Funds
Assets:			
Cash and investments	\$ 20,967,429	\$ 1,358,635	\$ 22,326,064
Restricted cash and investments	888,559	-	888,559
Accounts receivable	15,170	-	15,170
Property taxes receivable	100,800	-	100,800
Other receivables	66,885	-	66,885
Leases receivable	1,814,347	-	1,814,347
Prepaid items	18,708	-	18,708
Accrued interest receivable	127,064	9,385	136,449
Total assets	\$ 23,998,962	\$ 1,368,020	\$ 25,366,982
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
Liabilities:			
Accounts payable and accrued expenses	\$ 298,447	\$ -	\$ 298,447
Accrued salaries and related payables	462,655	-	462,655
Unearned revenue	6,498	-	6,498
Total liabilities	767,600	-	767,600
Deferred inflows of resources:			
Related to District reorganization	312,500	-	312,500
Lease-related deferred inflows of resources	1,733,682	-	1,733,682
Total deferred inflows of resources	2,046,182	-	2,046,182
Fund balance:			
Nonspendable	907,267	-	907,267
Restricted	-	1,368,020	1,368,020
Assigned	706,447	-	706,447
Unassigned	19,571,466	-	19,571,466
Total fund balance	21,185,180	1,368,020	22,553,200
Total liabilities, deferred inflows of resources, and fund balance	\$ 23,998,962	\$ 1,368,020	\$ 25,366,982

Rancho Santa Fe Fire Protection District
Reconciliation of the Balance Sheet of Governmental Funds to the
Statement of Net Position of Governmental Activities
June 30, 2023

Fund Balance – Governmental Funds	<u>\$ 22,553,200</u>
 Amounts reported for governmental activities in the statement of net position are different because:	
Capital 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.	22,378,309
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.	11,317,241
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:	
Subscription liabilities	(22,496)
Compensated absences	(706,447)
Workers' compensation claims payable	(823,693)
Net pension liability	(14,192,803)
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>(1,872,481)</u>
Total adjustments	<u>16,077,630</u>
Net Position of Governmental Activities	<u><u>\$ 38,630,830</u></u>

Rancho Santa Fe Fire Protection District
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
Revenues:			
Property taxes	\$ 15,875,889	\$ -	\$ 15,875,889
Voter approved taxes	1,757,230	-	1,757,230
Developer payments in-lieu of property taxes	165,891	-	165,891
Reorganization revenue – Elfin Forest/Harmony Grove	312,500	-	312,500
Charges for services	614,357	-	614,357
Operating grants and contributions	800,356	-	800,356
Rental income	524,251	-	524,251
Investment earnings	481,380	36,051	517,431
Other	19,450	195,098	214,548
Total revenues	<u>20,551,304</u>	<u>231,149</u>	<u>20,782,453</u>
Expenditures:			
Current:			
Salaries and wages	9,794,480	-	9,794,480
Employee benefits	2,263,923	-	2,263,923
Pension expense	3,372,984	-	3,372,984
Contractual services	2,307,888	-	2,307,888
Materials and supplies	761,917	-	761,917
Other expenditures	252,947	-	252,947
Capital outlay	467,534	61,745	529,279
Debt service:			
Principal	21,670	-	21,670
Interest	1,110	-	1,110
Total expenditures	<u>19,244,453</u>	<u>61,745</u>	<u>19,306,198</u>
Revenues over (under) expenditures	<u>1,306,851</u>	<u>169,404</u>	<u>1,476,255</u>
Other financing sources/(uses):			
Proceeds from sale of capital assets	21,900	-	21,900
Total other financing sources (uses)	<u>21,900</u>	<u>-</u>	<u>21,900</u>
Net change in fund balances	1,328,751	169,404	1,498,155
Fund Balances:			
Beginning of year	19,856,429	1,198,616	21,055,045
End of year	<u>\$ 21,185,180</u>	<u>\$ 1,368,020</u>	<u>\$ 22,553,200</u>

Rancho Santa Fe Fire Protection District
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2023

Net Change in Fund Balances – Governmental Funds	<u>\$ 1,498,155</u>
Amount reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those capitalized assets is allocated over their estimated useful lives and reported as depreciation expense:	
Capital outlay	529,279
Depreciation expense	(1,015,473)
Payment on principal was an expenditure in the governmental funds, but was applied towards the subscription liability on the governmental activities	21,670
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenses in governmental funds as follows:	
Net change in compensated absences	(141,092)
Net change in workers' compensation claims payable	(203,518)
Net change in net pension liability and related deferred resources	<u>(5,700,338)</u>
Total adjustments	<u>(6,509,472)</u>
Change in net position of governmental activities	<u><u>\$ (5,011,317)</u></u>

NOTES TO THE BASIC FINANCIAL STATEMENTS

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Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 1 – Reporting Entity and Summary of Significant Accounting Policies

Organization and Operations of the Reporting Entity

The Rancho Santa Fe Fire Protection District (the “District”) was formed on October 14, 1946 under an order adopted by the County of San Diego’s (the “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.

The criteria used in determining the scope of the financial reporting entity is based on the provisions of accounting principles generally accepted in the United States of America (U.S. GAAP). The District is the primary governmental unit based on the foundation of a separately elected governing board that is elected by the citizens in a general popular election. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The District is financially accountable for a component that has substantively the same governing body as the District’s governing body, and additionally (1) the primary government and the component unit have a financial benefit or burden relationship or (2) management (below the level of the elected officials) of the primary government have operational responsibility for the activities of the component unit.

Basis of Accounting and Measurement Focus

The District’s financial statements are prepared in conformity with U.S. GAAP. The Governmental Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States.

Government-Wide Financial Statements

These statements are presented on an *economic resources* measurement focus and the accrual basis of accounting. Accordingly, all of the District’s assets and liabilities, including capital assets, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which the liability is incurred. The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function.

The types of transactions reported as program revenues for the District are to be reported in three categories, if applicable: 1) charges for services, 2) operating grants and contributions, and, 3) capital grants and contributions. Charges for services include revenues from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Grant and contributions include revenues restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The Statement of Net Position and Balance Sheet – Governmental Funds report separate sections for Deferred Outflows of Resources, and Deferred Inflows of Resources, when applicable.

Deferred Outflows of Resources represent outflows of resources (consumption of net position) that apply to future periods and that, therefore, will not be recognized as an expense until that time.

Deferred Inflows of Resources represent inflows of resources (acquisition of net position) that apply to future periods and that, therefore, are not recognized as a revenue until that time.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

Basis of Accounting and Measurement Focus (Continued)

Fund Financial Statements

These statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds. Incorporated into these statements is a schedule to reconcile and explain the differences in net position as presented in these statements to the net position presented in the Government-wide Financial Statements. The District has presented its General Fund, as its major fund, in this statement to meet the qualifications of U.S. GAAP.

Governmental funds are accounted for on a spending or *current financial resources* measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under modified accrual basis of accounting, revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the current period.

Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60-days after year-end) are recognized when due. The primary sources susceptible to accrual for the District are property taxes and assessments, interest earnings, investment revenue and operating and capital grant revenues. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, exceptions to this rule include principal and interest on debt, which are recognized when due.

The District reports the following major funds:

General Fund – is a government’s primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund when necessary.

Special Revenue Fund – is used for fees collected that are restricted for the purchase of capital assets.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported changes in District net position during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The District’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturity of three months or less from the date of acquisition. Cash and cash equivalents are combined with investments and displayed as cash and investments.

Investments

Changes in fair value that occur during a fiscal year are recognized as unrealized gains or losses and reported for that fiscal year. Investment income comprises interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

Basis of Accounting and Measurement Focus (Continued)

Investments (Continued)

U.S. GAAP, defines fair value, establishes a framework for measuring fair value and establishes disclosures about fair value measurement. Investments, unless otherwise specified, recorded at fair value in the Statement of Net Position and Balance Sheet – Governmental Funds, are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Levels of inputs are as follows:

Level 1 – Inputs are unadjusted, quoted prices for identical assets and liabilities in active markets at the measurement date.

Level 2 – Inputs, other than quoted prices included in Level 1 that are observable for the assets or liabilities through corroboration with market data at the measurement date.

Level 3 – Unobservable inputs that reflect management’s best estimate of what market participants would use in pricing the assets or liabilities at the measurement date.

Through its agents, the District holds investments in institutional investment funds, which are measured at fair value using the net asset value (NAV) per share or its equivalent. These institutional investment funds are comprised of exchange traded securities, the fair values of which are provided by the respective investment managers. Investments that are measured at fair value using the NAV per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

Property Taxes

Property tax in California is levied in accordance with Article 13A of the State Constitution at one percent (1%) of countywide assessed valuations. Secured property taxes are levied on July 1 and become delinquent on December 10 and April 10, for the first and second installments, respectively. Unsecured personal property taxes are collected in one installment and become delinquent August 31.

Property taxes are allocated on the County’s annual tax bills to property owners who receive fire protection service by the District. The County of San Diego Tax Collector’s Office collects the property taxes payments from the property owners and transfers the collections to the District’s operating fund held with the County Treasurer’s Office. The District has adopted the Teeter Plan as defined under the California Revenue and Taxation Code. Under the Teeter Plan, the District receives from the County 99.6% of the annual assessed secured and unsecured property taxes, with the County responsible for the collection of any delinquent property taxes.

Therefore, the County receives the benefits of collecting all penalty and interest charges on the delinquent property taxes; hence, no accrual for uncollected property taxes is recorded at year-end.

Leases Receivable

The District is a lessor for leases of land for the use of cell phone towers and other building space. The District recognizes leases receivable and deferred inflows of resources in the financial statements.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

Basis of Accounting and Measurement Focus (Continued)

Leases Receivable (Continued)

At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflows of resources are initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflows of resources are recognized as revenue over the life of the lease term in a straight-line method.

Key estimates and judgments include how the District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The interest rate used to measure the lease receivables is the estimated incremental borrowing rate of the District in place at recording.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The District monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Capital Assets

Capital assets are recorded in the government-wide financial statements. Included in capital assets are land, building, building improvements, equipment and furniture and fixtures. District policy has set the capitalization threshold for reporting capital assets at \$10,000. Donated assets are recorded at estimated acquisition value at the date of donation. Capital outlay is recorded as expenditures of the General Fund or Special Revenue Fund and as assets in the government-wide financial statements to the extent the District's capitalization threshold is met. Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

Structures and improvements	20 to 40 years
Equipment and vehicles	3 to 12 years

Subscription-Based Information Technology Arrangements (SBITAs)

The District has a policy to recognize a subscription liability and a right-to-use subscription asset (subscription asset) in the financial statements. The District recognizes subscription liabilities with an initial, individual value of \$10,000 or more with a subscription term greater than one year. Variable payments based on future performance of the District's, usage of the underlying IT asset, or number of user seats are not included in the measurement of the subscription liability, rather, those variable payments are recognized as outflows of resources (expenses) in the period the obligation for those payments is incurred.

At the commencement of a SBITA, the District initially measures the subscription liability at the net present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

Basis of Accounting and Measurement Focus (Continued)

Subscription-Based Information Technology Arrangements (SBITAs) (Continued)

Subscription assets are recorded at the amount of the initial measurement of the subscription liabilities, less any payments made to the SBITA vendor before the commencement of the subscription term, and capitalizable initial implementation cost, less any incentives received from the SBITA vendor at or before the commencement of the subscription term.

Costs associated with a SBITA, other than the subscription payments, are accounted for as follows:

- ***Preliminary Project Stage:*** Outlays are expensed as incurred.
- ***Initial Implementation Stage:*** Outlays are capitalized as an addition to the subscription asset.
- ***Operation and Additional Implementation Stage:*** Outlays are expensed as incurred unless they meet specific capitalization criteria.

Upon adoption, the District elected to exclude the capitalizable outlays associated with the initial implementation stage and the operation and additional implementation stage that were incurred prior to the implementation of this Statement in the measurement of subscription assets as of July 1, 2022.

Subscription assets are reported in capital assets and subscription liabilities are reported with long-term liabilities on the statement of net position.

Subscription assets are amortized using the straight-line method over the shorter of the subscription term or the useful life of the underlying IT asset, unless the subscription contains a purchase option that the District has determined is reasonably certain of being exercised. In this case, the subscription asset is amortized over the useful life of the underlying IT asset.

Key estimates and judgments related to SBITA include how the District determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

- The District uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for SBITA.
- The subscription term includes the noncancellable period of the SBITA. Subscription payments included in the measurement of the subscription liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.
- The District monitors changes in circumstances that would require a remeasurement of its subscription liability and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

Basis of Accounting and Measurement Focus (Continued)

Compensated Absences

The District’s policy is to permit full time employees to accumulate earned vacation leave. Vacation leave earned may accumulate beyond the end of the calendar year. The leave allowances per employee group are as follows:

Miscellaneous		Safety	
Years of Service	Hours Annually	Years of Service	Hours Annually
0 - 4 years	80	0 - 4 years	144
5 - 9 years	120	5 - 9 years	168
10 - 14 years	160	10 - 14 years	192
15 - 19 years	200	15 - 19 years	240
20+ years	240	20+ years	288

Management		
Years of Service	40 Hour Employee	56 Hour Employee
	Hours Annually	Hours Annually
0 - 4 years	80	144
5 - 9 years	120	168
10 - 14 years	160	192
15 - 19 years	200	240
20+ years	240	288

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 pension of the District’s pension plans and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by the plans (Note 9). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

The following timeframes are used for pension reporting:

<u>CalPERS</u>	
Valuation date	June 30, 2021
Measurement date	June 30, 2022
Measurement period	July 1, 2021 to June 30, 2022

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized straight-line over five years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive and retirees) as of the beginning of the measurement period.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

Basis of Accounting and Measurement Focus (Continued)

Net Position

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

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation and amortization and associated debt used to acquire those assets.

Restricted – This component of net position consists of constraints placed on assets reduced by liabilities and deferred inflows of resources use through external constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This component of net position is the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of the net investment in capital assets or restricted component of net position.

Fund Balance

The financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned or unassigned based primarily on the extent to which the District is bound to honor constraints on how specific amounts can be spent.

Nonspendable – amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.

Restricted – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions enabling legislation.

Committed – amounts that can only be used for specific purposes determined by formal action of the District’s highest level of decision-making authority (the Board of Directors) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.

Assigned – amounts that are constrained by the District’s intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose.

Unassigned – the residual classification for the District’s general fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The Board of Directors establishes, modifies or rescinds fund balance commitments and assignments by passage of an ordinance or resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

Basis of Accounting and Measurement Focus (Continued)

Fund Balance (Continued)

When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, followed by the unrestricted, committed, assigned and unassigned resources as they are needed.

Fund Balance Policy

The District believes that sound financial management principles require that sufficient funds be retained by the District to provide a stable financial base at all times. To retain this stable financial base, the District needs to maintain an unrestricted fund balance in its funds sufficient to fund cash flows of the District and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. Committed, assigned and unassigned fund balances are considered unrestricted.

The purpose of the District’s fund balance policy is to maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures.

Implementation of New GASB Pronouncements

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. Application of this statement did have an effect on the District’s financial reporting for the fiscal year ending June 30, 2023. See Note 16.

Note 2 – Cash and Investments

At June 30, 2023, cash and investments consisted of the following:

Description	Balance
Demand deposits with financial institutions	\$ 1,376,861
Investments	21,837,762
Total cash and investments	\$ 23,214,623

At June 30, 2023 cash and investments were classified as follows:

Cash and investments	\$ 22,326,064
Restricted cash and investments	888,559
Total cash and investments	\$ 23,214,623

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 2 – Cash and Investments (Continued)

Demand Deposits

At June 30, 2023 the carrying amount of the District’s demand deposits was \$1,376,861 and the financial institution balance was \$1,293,957. The \$82,904 net difference as of June 30, 2023 represents outstanding checks, deposits-in-transit and/or other reconciling items.

The California Government Code requires California banks and savings and loan associations to secure an entity's deposits by pledging government securities with a value of 110% of an entity's deposits. California law also allows financial institutions to secure entity deposits by pledging first trust deed mortgage notes having a value of 150% of an entity's total deposits. The entity's Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the FDIC.

The collateral for deposits in federal and state-chartered banks is held in safekeeping by an authorized agent of depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an agent of depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an agent of depositor has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California agents of depository are considered to be held for, and in the name of, the local government.

Investments

Investments as of June 30, 2023 consisted of the following:

Investments	Measurement Input	Credit Rating	Fair Value	Maturity 12 Months or Less
Investments by Fair Value Level:				
California CLASS	Uncategorized	N/A	\$ 2,831,812	\$ 2,831,812
San Diego County Pooled Investment Fund	Level 2	AAAf/S1	14,181,096	14,181,096
Total investments by fair value level			17,012,908	17,012,908
Investments Measured at NAV:				
CalTRUST Medium Term Fund	Uncategorized	A+f	4,824,854	4,824,854
Total investments			\$ 21,837,762	\$ 21,837,762

Fair Value Measurement Input

The District categorizes its fair value measurement inputs within the fair value hierarchy established by U.S GAAP. The District has presented its measurement inputs as noted in the table above.

Authorized Investments and Investment Policy

The District has adopted an investment policy directing the Fiscal Officer to deposit funds in financial institutions. Investments are to be made in the following areas:

- External Investment Pools:
 - California Local Agency Investment Fund (LAIF)
 - California Cooperative Liquid Assets Securities System (California CLASS)
 - Investment Trust of California (CalTrust)
 - San Diego County Pooled Investment Fund (SDCPIF)
- Non-negotiable certificates-of-deposit
- Governmental agency securities

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 2 – Cash and Investments (Continued)

Investment Trust of California – CalTrust

The Investment Trust of California, doing business as CalTrust, is a California joint powers agency which provides California public agencies with investment management services for surplus funds to consolidate investment activities of its participants and thereby reduces duplication, achieves economies of scale and carries out coherent and consolidated investment strategies through the issuance of shares of beneficial interest in investments purchased by CalTrust. CalTrust currently offers three accounts or series as a means for Public Agencies to invest their funds. The District participates in the CalTrust Medium-Term Fund Series. The District had \$4,824,854 invested in CalTrust at June 30, 2023.

Investment in “California CLASS”

The California Cooperative Liquid Assets Securities System (“California CLASS”) is a joint exercise of powers 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.

California CLASS strives to minimize risk by managing its portfolios in a manner that prioritizes principal preservation and only invests in securities that are permitted pursuant to the laws of the state of California and the California CLASS Investment Policies.

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 had \$2,831,812 invested in California CLASS at June 30, 2023.

San Diego County Pooled Investment Fund (SDCPIF)

The SDCPIF is a local government investment pool managed by the County Treasurer’s Office on behalf of Investment Pool participants. Depositors in the Investment Pool include both mandatory participants, those agencies required by law to deposit their funds with the County Treasurer’s Office, and voluntary participants, agencies that place their funds in the Investment Pool as an investment option. Voluntary participants, including cities, fire districts, and various special districts accounted for approximately 6.72% of the Investment Pool as of June 30, 2023.

Pursuant to Section 27130-27137 of the California Government Code, the County Board of Supervisors has established the Treasurer's Oversight Committee (TOC) that monitors and reviews the Investment Policy. The TOC consists of members appointed from the districts or offices that they represent, and up to five members of the public having expertise in, or an academic background in public finance.

To mitigate credit risk, the Investment Pool's Investment Policy, which is more restrictive than the Government Code, places a minimum standard on the ratings of investments held in the Investment Pool. Investments in securities other than those guaranteed by the U.S. Treasury or Government Sponsored Enterprises must have a credit rating of no less than "A" for long-term or "A1" for short-term. Non-rated securities include sweep accounts, collateralized certificates of deposit and repurchase agreements. Sweep accounts and collateralized certificates of deposit must be FDIC insured and collateralized with securities held by a named agent of the depository. Repurchase agreements are collateralized by securities, authorized by the California Government Code Section 53601, having fair market value of 102% or greater than the amount of the repurchase agreement. The Investment Pool does not hold any investments in structured notes.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 2 – Cash and Investments (Continued)

San Diego County Pooled Investment Fund (SDCPIF) (Continued)

The District's investments with the County Treasurer's Office include a portion of the pool funds invested in asset-backed securities. As of June 30, 2023, the District had \$14,181,096 invested with the SDCPIF, which had invested 5.21% of the pool investment funds in asset-backed securities.

SDCPIF has indicated to the District that as of June 30, 2023 the value of its portfolio approximated \$15.571 billion and the portfolio holds some derivative products. The SDCPIF fair value factor of -0.027275200 was used to calculate the fair value of the investments in SDCPIF as of June 30, 2023.

Disclosures Related to Custodial Credit Risk

The custodial credit risk for *deposits* is the risk that in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's investment policy requires that collateral be held by an independent third party with whom the District has a current custodial agreement.

The custodial credit risk for *investments* is the risk that in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The District's investment policy requires that all security transactions are conducted on a delivery-versus-payment (DVP) method and that all securities are held by a qualified, third-party custodian, as evidenced by safekeeping receipts. The trust department of the District's bank may act as third-party custodian, provided that the custodian agreement is separate from the banking agreement. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

Disclosures related to Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. As of June 30, 2023, the District's investment in LAIF, California CLASS, CalTrust, and SDCPIF is noted in the table above.

Disclosures related to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the fair values of investments with longer maturities have greater sensitivity to changes in market interest rates. The District's investment policy follows the Code as it relates to limits on investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. The District has elected to use the segmented time distribution method of disclosure for the maturities of its investments as related to interest rate risk as noted in the table above.

Disclosures related to Concentration of Credit Risk

The District's investment policy contains no limitations on the amount that can be invested in any one governmental agency or non-governmental issuer beyond that stipulated by the California Government Code. There were no investments in any one governmental or non-governmental issuer that represented 5% or more of the District's total investments except for those in LAIF, California CLASS, CalTrust, and SDCPIF.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 3 – Leases Receivable

Leases receivable consist of agreements with cellular network companies for the right to use land at various locations owned by the District as well as space rental agreements with other local agencies. The terms of the arrangements range from 5 to 10 years. The interest rates used are based on the District’s incremental borrowing rate at the date of lease inception.

A summary of changes in leases receivable for the fiscal year ended June 30, 2023 is as follows:

Beginning Balance	Remeasurement	Additions	Deletions	Ending Balance	Due within One Year	Due in More Than One Year
\$ 1,881,476	\$ 250,070	\$ -	\$ (317,199)	\$ 1,814,347	\$ 331,260	\$ 1,483,087

Leases receivable are due in the upcoming years as follows:

Year Ending June 30	Principal	Interest	Total
2024	\$ 331,260	\$ 41,590	\$ 372,850
2025	342,903	33,172	376,075
2026	322,025	24,626	346,651
2027	219,473	17,845	237,318
2028	190,655	12,792	203,447
2029-2032	408,031	13,551	421,582
Total	<u>\$ 1,814,347</u>	<u>\$ 143,576</u>	<u>\$ 1,957,923</u>

Lease revenue (amortization of lease-related deferred inflows of resources) will be recognized in the upcoming years as follows:

Year Ending June 30	Total
2024	\$ 336,429
2025	336,429
2026	308,173
2027	207,488
2028	178,479
2029-2032	366,684
Total	<u>\$ 1,733,682</u>

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 4 – Capital Assets

A summary of changes in capital assets for the year ended June 30, 2023 is as follows:

Description	Balance July 1, 2022	GASB 96 Implementation	Additions	Deletions/ Transfers	Balance June 30, 2023
Non-depreciable/amortizable assets:					
Land	\$ 3,374,840	\$ -	\$ -	\$ -	\$ 3,374,840
Construction in process	121,638	-	515,395	(637,033)	-
Total non-depreciable/amortizable assets	3,496,478	-	515,395	(637,033)	3,374,840
Depreciable/amortizable assets:					
Structures and improvements	24,963,321	-	-	567,653	25,530,974
Equipment	686,030	-	13,884	69,380	769,294
Vehicles	6,247,281	-	-	(76,718)	6,170,563
Subscription assets	-	65,856	-	-	65,856
Total depreciable/amortizable assets	31,896,632	65,856	13,884	560,315	32,536,687
Accumulated depreciation/amortization:					
Structures and improvements	(8,570,521)	-	(669,454)	-	(9,239,975)
Equipment	(501,966)	-	(29,643)	-	(531,609)
Vehicles	(3,505,512)	-	(294,424)	76,718	(3,723,218)
Subscription assets	-	(16,464)	(21,952)	-	(38,416)
Total accumulated depreciation/amortization	(12,577,999)	(16,464)	(1,015,473)	76,718	(13,533,218)
Total depreciable/amortizable assets, net	19,318,633	49,392	(1,001,589)	637,033	19,003,469
Total capital assets, net	\$ 22,815,111	\$ 49,392	\$ (486,194)	\$ -	\$ 22,378,309

Note 5 – Long-Term Debt

At June 30, 2023, the District's long-term debt consisted of the following:

Description	Balance July 1, 2022	GASB 96 Implementation	Additions	Deletions	Balance June 30, 2023	Due within one year
Private placements:						
Subscription liabilities	\$ -	\$ 44,166	\$ -	\$ (21,670)	\$ 22,496	\$ 22,496
Total private placements	-	44,166	-	(21,670)	22,496	22,496
Total long-term debt	\$ -	\$ 44,166	\$ -	\$ (21,670)	\$ 22,496	\$ 22,496

Subscription-Based Information Technology Arrangements (SBITA) Liability

The District entered into various subscription-based IT arrangements and has recorded a liability to offset the right-to-use assets. These are calculated using the Authority's incremental borrowing rate of 3.5%. The remainder of the \$22,496 liability is expected to be paid off in the next fiscal year.

Note 6 – Compensated Absences

Summary of changes in compensated absences for the year ended June 30, 2023 is as follows:

Balance July 1, 2022	Earned	Taken	Balance June 30, 2023	Current	Non-current
\$ 565,355	\$ 696,863	\$ (555,771)	\$ 706,447	\$ 150,000	\$ 556,447

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 7 – 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 Fire Stations. This reorganization payment is being amortized over eight years at \$312,500 per year. The amount of the unrecognized reorganization payment remaining at June 30, 2023 is \$312,500.

Note 8 – Fund Balances

Fund balances classifications as of June 30, 2023 are as follows:

Description	General Fund	Special Revenue Fund	Total Governmental Funds
Nonspendable:			
Prepaid items	\$ 18,708	\$ -	\$ 18,708
Public Agency Self Insurance System	684,078	-	684,078
Medical equipment and supplies	204,481	-	204,481
Total nonspendable	907,267	-	907,267
Restricted:			
Capital projects	-	1,368,020	1,368,020
Assigned:			
Compensated absences	706,447	-	706,447
Unassigned	19,571,466	-	19,571,466
Total fund balances	\$ 21,185,180	\$ 1,368,020	\$ 22,553,200

Note 9 – Net Pension Liability and Defined Benefit Pension Plan

A summary of changes of net pension liability is as follows:

	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023
Net pension liabilities:				
CalPERS Miscellaneous	\$ 46,389	\$ 1,015,966	\$ -	\$ 1,062,355
CalPERS Safety	1,777,909	11,352,539	-	13,130,448
Total net pension liabilities	\$ 1,824,298	\$ 12,368,505	\$ -	\$ 14,192,803

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)

A summary of changes of pension related deferred outflows of resources is as follows:

	<u>Balance July 1, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2023</u>
Deferred outflows of resources:				
Pension contribution made after measurement date:				
CalPERS Miscellaneous	\$ 254,235	\$ 266,034	\$ (254,235)	\$ 266,034
CalPERS Safety	3,027,309	3,211,381	(3,027,309)	3,211,381
Total pension contribution made after measurement date	<u>3,281,544</u>	<u>3,477,415</u>	<u>(3,281,544)</u>	<u>3,477,415</u>
Difference between actual and proportionate share of employer contributions:				
CalPERS Miscellaneous	13,892	-	(13,892)	-
Total difference between actual and proportionate share of employer contributions	<u>13,892</u>	<u>-</u>	<u>(13,892)</u>	<u>-</u>
Projected earnings on pension plan investments in excess of actual earnings:				
CalPERS Miscellaneous	-	194,595	-	194,595
CalPERS Safety	-	2,073,481	-	2,073,481
Total projected earnings on pension plan investments in excess of actual earnings	<u>-</u>	<u>2,268,076</u>	<u>-</u>	<u>2,268,076</u>
Adjustment due to difference in proportions				
CalPERS Miscellaneous	689	239,391	-	240,080
CalPERS Safety	1,413,778	1,920,328	-	3,334,106
Total adjustment due to difference in proportions	<u>1,414,467</u>	<u>2,159,719</u>	<u>-</u>	<u>3,574,186</u>
Change in assumptions				
CalPERS Miscellaneous	-	108,860	-	108,860
CalPERS Safety	-	1,323,947	-	1,323,947
Total change in assumption	<u>-</u>	<u>1,432,807</u>	<u>-</u>	<u>1,432,807</u>
Differences between expected and actual experience:				
CalPERS Miscellaneous	5,202	16,133	-	21,335
CalPERS Safety	303,755	239,667	-	543,422
Total differences between expected and actual experience	<u>308,957</u>	<u>255,800</u>	<u>-</u>	<u>564,757</u>
Total deferred outflows of resources	<u>\$ 5,018,860</u>	<u>\$ 9,593,817</u>	<u>\$ (3,295,436)</u>	<u>\$ 11,317,241</u>

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)

A summary of changes of pension related deferred inflows of resources is as follows:

	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023
Deferred inflows of resources:				
Adjustment due to difference in proportions				
CalPERS Miscellaneous	\$ 6	\$ -	\$ (6)	\$ -
CalPERS Safety	11,881	-	(11,881)	-
Total adjustment due to difference in proportions	11,887	-	(11,887)	-
Employer contributions in excess of proportionate share of contributions				
CalPERS Miscellaneous	-	22,291	-	22,291
CalPERS Safety	1,131,687	561,628	-	1,693,315
Total employer contributions in excess of proportionate share of contributions	1,131,687	583,919	-	1,715,606
Difference between expected and actual experience				
CalPERS Miscellaneous	-	14,289	-	14,289
CalPERS Safety	-	142,586	-	142,586
Total difference between expected and actual experience	-	156,875	-	156,875
Projected earnings on pension plan investments in excess of actual earnings:				
CalPERS Miscellaneous	40,495	-	(40,495)	-
CalPERS Safety	1,058,198	-	(1,058,198)	-
Total projected earnings on pension plan investments in excess of actual earnings	1,098,693	-	(1,098,693)	-
Total deferred inflows of resources	\$ 2,242,267	\$ 740,794	\$ (1,110,580)	\$ 1,872,481

General Information about the Pension Plans

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, 2022 Annual Actuarial Valuation Report. This report and CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office – 400 P Street, Sacramento, CA 95814.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)

General Information about the Pension Plans (Continued)

Benefits Provided

CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. A Classic CalPERS Miscellaneous member becomes eligible for service retirement upon attainment of age 55 with at least 5 years of credited service. Public Employees' Pension Reform Act (PEPRA) Miscellaneous members become eligible for service retirement upon attainment of age 62 with at least 5 years of service. The service retirement benefit is a monthly allowance equal to the product of the benefit factor, years of service, and final compensation. The final compensation is the monthly average of the member's highest 36 full-time equivalent monthly pay. Retirement benefits for Classic Miscellaneous and Safety members are calculated as a percentage of their plan based the average final 36 months compensation. Retirement benefits for PEPRA Miscellaneous members are calculated as a percentage of their plan based the average final 36 months compensation.

Participant members are eligible for non-industrial disability retirement if they become disabled and have at least 5 years of credited service. There is no special age requirement. The standard non-industrial disability retirement benefit is a monthly allowance equal to 1.8% of final compensation, multiplied by service. Industrial disability benefits are not offered to miscellaneous employees.

A member's beneficiary may receive the basic death benefit if the member dies while actively employed. The member must be actively employed with the District to be eligible for this benefit. A member's survivor who is eligible for any other pre-retirement death benefit may choose to receive that death benefit instead of this basic death benefit. The basic death benefit is a lump sum in the amount of the members' accumulated contributions, where interest is currently credited at 7.15% per year, plus a lump sum in the amount of one month's salary for each completed year of current service, up to a maximum of six months' salary. For purposes of this benefit, one month's salary is defined as the member's average monthly full-time rate of compensation during the 12 months preceding death.

Upon the death of a retiree, a one-time lump sum payment of \$500 will be made to the retiree's designated survivor(s), or to the retiree's estate.

Benefit terms provide for annual cost-of-living adjustments to each member's retirement allowance. Beginning the second calendar year after the year of retirement, retirement and survivor allowances will be annually adjusted on a compound basis by 3%.

The Plan's provisions and benefits in effect as of June 30, 2023 are summarized as follows:

Miscellaneous Plan

	Miscellaneous Plan		
	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 2.0%
Required member contribution rates	8.00%	8.00%	6.75%
Required employer contribution rates	14.03%	11.59%	7.47%

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)

General Information about the Pension Plans (Continued)

Safety Plan

	Safety Plan		
	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	3.0% @ 55	2.7% @ 57
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	3.00%	2.4% to 3.0%	1.0% to 2.7%
Required member contribution rates	9.000%	9.000%	12.000%
Required employer contribution rates	23.750%	20.640%	12.780%

Members Covered by Benefit Terms

At the June 30, 2021 valuation date (measurement date of June 30, 2022), the following employees were covered by the benefit terms for each plan:

Plan Members	Miscellaneous Plan			Total
	Classic Tier 1	Classic Tier 2	PEPRA Tier 3	
Active members	-	3	10	13
Transferred and terminated members	17	1	5	23
Retired members and beneficiaries	11	-	-	11
Total plan members	28	4	15	47

Plan Members	Safety Plan			Total
	Classic Tier 1	Classic Tier 2	PEPRA Tier 3	
Active members	25	11	20	56
Transferred and terminated members	17	-	13	30
Retired members and beneficiaries	69	-	-	69
Total plan members	111	11	33	155

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)

General Information about the Pension Plans (Continued)

Contributions

Section 20814(c) of the California Public Employees’ Retirement Law (PERL) requires that the employer contribution rates for all public employers will 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. The total plan contributions are determined through CalPERS’ annual actuarial valuation process. The public agency cost-sharing plans covered by the Miscellaneous risk pool, the Plan’s actuarially determined rate is based on the estimated amount necessary to pay the Plan’s allocated share of the risk pool’s costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of members. For the measurement period ended June 30, 2022 (Measurement Date), the active member contribution rate for the Classic Miscellaneous Plan and the PEPRA Miscellaneous Plan are based above in the Plans Description schedule.

For the year ended June 30, 2023, the contributions made to the Plan were as follows:

Plan Members	Miscellaneous Plan			Total
	Classic Tier 1	Classic Tier 2	PEPRA Tier 3	
Contributions – employer	\$ 170,000	\$ 53,774	\$ 42,260	\$ 266,034
Contributions – members	-	8,223	7,152	15,375
Total contributions	\$ 170,000	\$ 61,997	\$ 49,412	\$ 281,409

Plan Members	Safety Plan			Total
	Classic Tier 1	Classic Tier 2	PEPRA Tier 3	
Contributions – employer	\$ 2,619,230	\$ 269,046	\$ 323,105	\$ 3,211,381
Contributions – members	149,380	18,516	59,933	227,829
Total contributions	\$ 2,768,610	\$ 287,562	\$ 383,038	\$ 3,439,210

Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans

Actuarial Methods and Assumptions Used to Determine the Total Pension Liability

For the measurement period ended June 30, 2022 (Measurement Date), the total pension liability was determined by rolling forward the June 30, 2021 total pension liability. The June 30, 2022 total pension liability was based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table	Derived using CalPERS’ Membership Data for all Funds. The mortality rates include 15 years of projected ongoing mortality improvement using 90% of Scale MP 2016 published by the Society of Actuaries.
Post Retirement Benefit Increase	Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)

Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)

Actuarial Methods and Assumptions Used to Determine the Total Pension Liability (Continued)

All other actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS’ website under Forms and Publications.

Change in Assumptions

GASB 68, paragraph 30 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. In the current year, the discount rate changed from 7.15 percent to 6.90 percent. All other actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period 1997 to 2017, including updates to salary increase, mortality and retirement rates. Further details of the Experience Study can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 6.90 percent. The long-term expected rate of return on the pension plan investments was determined in which best-estimate ranges of expected future real rates are developed for each major asset class. In determining the long-term expected rate of return, both short-term and long-term market return expectations as well as the expected pension fund cash flows were considered. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years.

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

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Investment Type	Strategic Allocation	Real Return
Global equity - cap-weighted	30.00%	4.45%
Global equity - non-cap-weighted	12.00%	3.84%
Private equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed securities	5.00%	0.50%
Investment grade corporates	10.00%	1.56%
High yield	5.00%	2.27%
Emerging market debt	5.00%	2.48%
Private debt	5.00%	3.57%
Real assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
	100.00%	

¹ An expected inflation rate-of-return of 2.30% is used for this period.

² Figures are based on the 2021-22 Asset Liability Management study.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)

Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 6.90%, as well as what the District's proportionate share of 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:

Plan Type	Plan's Net Pension Liability/(Asset)		
	Discount Rate - 1% 5.90%	Current Discount 6.90%	Discount Rate + 1% 7.90%
CalPERS – Miscellaneous Plan	\$ 2,039,558	\$ 1,062,355	\$ 258,359
CalPERS – Safety Plan	\$ 24,172,891	\$ 13,130,448	\$ 4,105,745
Total	\$ 26,212,449	\$ 14,192,803	\$ 4,364,104

Pension Plan Fiduciary Net Position

Detail information about the 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.

Proportionate Share of Net Pension Liability and Pension Expense

The following table shows the plan's proportionate share of the risk pool collective net pension liability over the measurement period for the CalPERS Miscellaneous and Safety Plans as follows:

Plan Type and Balance Descriptions	Plan Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
CalPERS – Miscellaneous Plan:			
Balance as of June 30, 2021 (Measurement Date)	\$ 6,718,086	\$ 6,671,697	\$ 46,389
Balance as of June 30, 2022 (Measurement Date)	\$ 7,168,556	\$ 6,106,201	\$ 1,062,355
Change in Plan Net Pension Liability	\$ 450,470	\$ (565,496)	\$ 1,015,966
Plan Type and Balance Descriptions	Plan Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
CalPERS – Safety Plan:			
Balance as of June 30, 2021 (Measurement Date)	\$ 73,430,911	\$ 71,653,002	\$ 1,777,909
Balance as of June 30, 2022 (Measurement Date)	\$ 79,960,667	\$ 66,830,219	\$ 13,130,448
Change in Plan Net Pension Liability	\$ 6,529,756	\$ (4,822,783)	\$ 11,352,539

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)

Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)

Proportionate Share of Net Pension Liability and Pension Expense (Continued)

The following is the approach established by the plan actuary to allocate the net pension liability and pension expense to the individual employers within the risk pool.

- (1) In determining a cost-sharing plan’s proportionate share, total amounts of liabilities and assets are first calculated for the risk pool as a whole on the valuation date (June 30, 2021). The risk pool’s fiduciary net position (“FNP”) subtracted from its total pension liability (TPL) determines the net pension liability (NPL) at the valuation date.
- (2) Using standard actuarial roll forward methods, the risk pool TPL is then computed at the measurement date (June 30, 2022). Risk pool FNP at the measurement date is then subtracted from this number to compute the NPL for the risk pool at the measurement date. For purposes of FNP in this step and any later reference thereto, the risk pool’s FNP at the measurement date denotes the aggregate risk pool’s FNP at June 30, 2021 less the sum of all additional side fund (or unfunded liability) contributions made by all employers during the measurement period (2019 fiscal year).
- (3) The individual plan’s TPL, FNP and NPL are also calculated at the valuation date.
- (4) Two ratios are created by dividing the plan’s individual TPL and FNP as of the valuation date from (3) by the amounts in step (1), the risk pool’s total TPL and FNP, respectively.
- (5) The plan’s TPL as of the Measurement Date is equal to the risk pool TPL generated in (2) multiplied by the TPL ratio generated in (4). The plan’s FNP as of the Measurement Date is equal to the FNP generated in (2) multiplied by the FNP ratio generated in (4) plus any additional side fund (or unfunded liability) contributions made by the employer on behalf of the plan during the measurement period.
- (6) The plan’s NPL at the Measurement Date is the difference between the TPL and FNP calculated in (5).

The District’s proportionate share of the net pension liability was as follows:

	Percentage Share of Risk Pool		Change Increase/ (Decrease)
	Fiscal Year Ending June 30, 2023	Fiscal Year Ending June 30, 2022	
CalPERS – Miscellaneous Plan			
Measurement Date	June 30, 2022	June 30, 2021	
Percentage of Risk Pool Net Pension Liability	0.033420%	0.033650%	-0.000230%
Percentage of Plan (PERF C) Net Pension Liability	0.122873%	0.033732%	0.089141%

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)

Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)

Proportionate Share of Net Pension Liability and Pension Expense (Continued)

CalPERS – Safety Plan	Percentage Share of Risk Pool		Change Increase/ (Decrease)
	Fiscal Year Ending June 30, 2023	Fiscal Year Ending June 30, 2022	
Measurement Date	June 30, 2022	June 30, 2021	
Percentage of Risk Pool Net Pension Liability	0.284800%	0.280160%	0.004640%
Percentage of Plan (PERF C) Net Pension Liability	0.122873%	0.033732%	0.089141%

For the year ended June 30, 2023, the District recognized pension expense in the amount of \$9,177,750 for the CalPERS Miscellaneous and Safety Plans combined.

The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized over five years straight-line. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period.

The expected average remaining service lifetime (EARSL) for PERF C for the measurement date ending June 30, 2022 is 3.7 years, which was obtained by dividing the total service years of 574,665 (the sum of remaining service lifetimes of the active employees) by 153,587 (the total number of participants: active, inactive, and retired) in PERF C. Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

Deferred Outflows of Resources and Deferred Inflows of Resources

At June 30, 2023, 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	\$ 3,477,415	\$ -
Difference between actual and proportionate share of employer contributions	-	(1,715,606)
Adjustment due to differences in proportions	3,574,186	-
Differences between expected and actual experience	564,757	(156,875)
Differences between projected and actual earnings on pension plan investments	2,268,076	-
Changes in assumptions	1,432,807	-
Total Deferred Outflows/(Inflows) of Resources	<u>\$ 11,317,241</u>	<u>\$ (1,872,481)</u>

The District will recognize \$3,477,415 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date as a reduction of the net pension liability in the fiscal year ended June 30, 2024.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)

Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)

Amortization of Deferred Outflows of Resources and Deferred Inflows of Resources

Other remaining amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized to pension expense in future periods as follows:

Amortization Period Fiscal Year Ended June 30	Deferred Outflows/(Inflows) of Resources
2024	\$ 1,948,774
2025	1,694,649
2026	940,050
2027	1,383,872
2028	-
Thereafter	-
	\$ 5,967,345

Note 10 – Deferred Compensation Savings Plan

For the benefit of its employees, the District participates in a 457 Deferred Compensation Program (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. Market value of the plan assets held in trust at June 30, 2023 was \$10,766,373 with Voya Financial and \$2,726,355 with Nationwide.

The District has implemented GASB Statement No. 97, *Certain Component Unit Criteria 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 in the accompanying financial statements.

Note 11 – 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).

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 11 – Other Postemployment Benefits (Health Retirement Savings Account) (Continued)

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, 2023 was \$6,009,092. The District made contributions of \$774,532 to the Trust for the year ended June 30, 2023.

Note 12 – 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 the 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 services for fire protection, security, and medical services. The District made payments for dispatch services in the amount of \$232,277 in 2023. In the event of dissolution of the Authority, available assets shall be distributed to the member agencies in 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 13 – 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 self-insured for workers' compensation benefits. The District is one of nine participants 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. There is no pooling of workers' compensation liability between the participants, and each participant self-insures their liability up to \$300,000 per occurrence. As of June 30, 2023, the District had \$684,078 on deposit with PASIS.

All members are responsible for paying their own claims and related expenses. PASIS may advance funds to members who have incurred large losses; however, these advances must be repaid.

Excess insurance is purchased above the self-insured retention. As of June 30, 2023, the liability for workers' compensation claims payable was estimated at \$823,693.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 13 – Risk Management (Continued)

Changes in workers’ compensation claims payable for the year ended June 30, 2023, were as follows:

Description	Amount
Estimated claims – beginning of year	\$ 620,175
Revised claims estimate	1,269,196
Claim payments	(1,065,678)
Estimated claims – end of year	\$ 823,693

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, 2023:

- 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.

Note 14 – Contingencies

Litigation

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

Note 15 – Stewardship, Compliance, and Accountability

Excess of Expenditures over Appropriations

Excess of expenditures over appropriations were as follows for the year ended June 30, 2023:

Fund	Expenditures	Appropriations	Excess
General Fund	\$ 19,244,453	\$ 16,374,100	\$ 2,870,353
Special Revenue Fund	61,745	-	61,745

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

Note 16 – Prior Period Adjustments

Implementation of GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA)

The District adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)* during the fiscal year. The following prior period adjustments were recorded as part of the implementation:

Net position at July 1, 2022 as previously reported	\$ 43,636,921
Restatements to implement GASB Statement No. 96:	
Record subscription assets	49,392
Record subscription liabilities	<u>(44,166)</u>
Total restatement	<u>5,226</u>
Net position at July 1, 2022, as restated	<u><u>\$ 43,642,147</u></u>

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REQUIRED SUPPLEMENTARY INFORMATION

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Rancho Santa Fe Fire Protection District
Budgetary Comparison Schedule – General Fund
For the Year Ended June 30, 2023

	Adopted Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property taxes	\$ 15,130,700	\$ 15,130,700	\$ 15,875,889	\$ 745,189
Voter approved taxes	-	-	1,757,230	1,757,230
Developer payments in-lieu of property taxes	56,500	56,500	165,891	109,391
Reorganization revenue – Elfin Forest/Harmony Grove	-	-	312,500	312,500
Charges for services	489,700	489,700	614,357	124,657
Operating grants and contributions	-	-	800,356	800,356
Rental income	469,500	469,500	524,251	54,751
Investment earnings	-	-	481,380	481,380
Other	2,500	2,500	19,450	16,950
Total revenues	<u>16,148,900</u>	<u>16,148,900</u>	<u>20,551,304</u>	<u>4,402,404</u>
Expenditures:				
Fire protection operations:				
Salaries and wages	9,583,400	9,583,400	9,794,480	(211,080)
Employee benefits	2,124,800	2,124,800	2,263,923	(139,123)
Pension expense	2,011,000	2,011,000	3,372,984	(1,361,984)
Contractual services	1,933,700	1,933,700	2,307,888	(374,188)
Materials and supplies	708,200	708,200	761,917	(53,717)
Other expenditures	13,000	13,000	252,947	(239,947)
Capital outlay	-	-	467,534	(467,534)
Debt service:				
Principal	-	-	21,670	(21,670)
Interest	-	-	1,110	(1,110)
Total expenditures	<u>16,374,100</u>	<u>16,374,100</u>	<u>19,244,453</u>	<u>(2,870,353)</u>
Excess of revenues over expenditures	<u>(225,200)</u>	<u>(225,200)</u>	<u>1,306,851</u>	<u>1,532,051</u>
Other financing sources (uses):				
Proceeds from sale of capital assets	-	-	21,900	(21,900)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>21,900</u>	<u>(21,900)</u>
Change in fund balance	<u>\$ (225,200)</u>	<u>\$ (225,200)</u>	<u>1,328,751</u>	<u>\$ 1,510,151</u>
Fund balance:				
Beginning of year			<u>19,856,429</u>	
End of year			<u>\$ 21,185,180</u>	

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Rancho Santa Fe Fire Protection District
Budgetary Comparison Schedule – Special Revenue Fund
For the Year Ended June 30, 2023

	<u>Adopted Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:				
Interest earnings	\$ -	\$ -	\$ 36,051	\$ 36,051
Other	-	-	195,098	195,098
Total revenues	<u>-</u>	<u>-</u>	<u>231,149</u>	<u>231,149</u>
Expenditures:				
Fire protection operations:				
Capital outlay	-	-	61,745	(61,745)
Total expenditures	<u>-</u>	<u>-</u>	<u>61,745</u>	<u>(61,745)</u>
Change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>169,404</u>	<u>\$ 292,894</u>
Fund balance:				
Beginning of year			<u>1,198,616</u>	
End of year			<u>\$ 1,368,020</u>	

Rancho Santa Fe Fire Protection District
Required Supplementary Information (Unaudited)
Schedule of the District's Proportionate Share of the Plan's Net Pension Liability
For the Year Ended June 30, 2023

Last Ten Fiscal Years ¹					
California Public Employees' Retirement System (CalPERS)					
Measurement Date:	June 30, 2022 ¹	June 30, 2021 ¹	June 30, 2020 ¹	June 30, 2019 ¹	June 30, 2018 ¹
District's Proportion of the Net Pension Liability	0.122870%	0.033732%	0.114860%	0.106580%	0.107110%
District's Proportionate Share of the Net Pension Liability	\$ 14,192,803	\$ 1,824,298	\$ 12,496,976	\$ 10,921,460	\$ 10,321,502
District's Covered-Employee Payroll	\$ 7,433,214	\$ 7,494,913	\$ 7,300,832	\$ 7,340,616	\$ 6,967,247
District's Proportionate Share of the Net Pension Liability as a Percentage of Covered-Employee Payroll	190.94%	24.34%	171.17%	148.78%	148.14%
Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	76.68%	88.29%	75.10%	75.26%	75.26%

¹ Historical information is presented only for measurement periods for which GASB No. 68 is applicable.

Rancho Santa Fe Fire Protection District
Required Supplementary Information (Unaudited)
Schedule of the District's Proportionate Share of the Plan's Net Pension Liability (Continued)
For the Year Ended June 30, 2023

Last Ten Fiscal Years¹

California Public Employees' Retirement System (CalPERS)

Measurement Date:	June 30, 2017 ¹	June 30, 2016 ¹	June 30, 2015 ¹	June 30, 2014 ¹
District's Proportion of the Net Pension Liability	0.112792%	0.125562%	0.129422%	0.152943%
District's Proportionate Share of the Net Pension Liability	\$ 11,185,827	\$ 10,865,029	\$ 8,883,393	\$ 9,516,816
District's Covered-Employee Payroll	\$ 6,270,128	\$ 5,925,389	\$ 5,473,782	\$ 5,039,982
District's Proportionate Share of the Net Pension Liability as a Percentage of Covered-Employee Payroll	178.40%	183.36%	162.29%	188.83%
Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	73.31%	74.06%	83.47%	81.57%

¹ Historical information is presented only for measurement periods for which GASB No. 68 is applicable.

Rancho Santa Fe Fire Protection District
Required Supplementary Information (Unaudited)
Schedule of the District's Contributions to the Pension Plan
For the Year Ended June 30, 2023

Last Ten Fiscal Years

California Public Employees' Retirement System (CalPERS)

Fiscal Year:	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19</u>
Actuarially Determined Contribution ²	\$ 2,394,107	\$ 2,235,653	\$ 2,142,743	\$ 1,918,645	\$ 1,694,429
Contribution in Relation to the Actuarially Determined Contribution ²	<u>(3,477,415)</u>	<u>(3,281,544)</u>	<u>(3,142,743)</u>	<u>(2,375,670)</u>	<u>(2,656,080)</u>
Contribution Deficiency (Excess)	<u>\$ (1,083,308)</u>	<u>\$ (1,045,891)</u>	<u>\$ (1,000,000)</u>	<u>\$ (457,025)</u>	<u>\$ (961,651)</u>
District's Covered-Employee Payroll ³	<u>\$ 7,831,204</u>	<u>\$ 7,433,214</u>	<u>\$ 7,494,913</u>	<u>\$ 7,300,832</u>	<u>\$ 7,340,616</u>
Contributions as a Percentage of Covered-Employee Payroll	<u>44.40%</u>	<u>44.15%</u>	<u>41.93%</u>	<u>32.54%</u>	<u>36.18%</u>

¹ Historical information is presented only for measurement periods for which GASB No. 68 is applicable.

² Employers are assumed to make contributions equal to the actuarially determined contributions (which is the actuarially determined contribution). However, some employers may choose to make additional contributions towards their side-fund or their unfunded liability. Employer contributions for such plan exceed the actuarial determined contributions. CalPERS has determined that employer obligations referred to as *side-funds* are not considered separately financed specific liabilities.

³ Covered-Employee Payroll represented above is based on pensionable earnings provided by the employer. However, GASB No. 68 defines covered-employee payroll as the total payroll of employees that are provided pensions through the pension plan. Accordingly, if pensionable earnings are different than total earnings for covered-employees, the employer should display in the disclosure footnotes the payroll based on total earnings for the covered group and recalculate the required payroll-related ratios.

Notes to the Schedule:

Change in Benefit Terms: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2013 as they have minimal cost impact. This applies for voluntary benefit changes as well as any offers of the Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Rancho Santa Fe Fire Protection District
Required Supplementary Information (Unaudited)
Schedule of the District's Contributions to the Pension Plan (Continued)
For the Year Ended June 30, 2023

Last Ten Fiscal Years

California Public Employees' Retirement System (CalPERS)

Fiscal Year:	2017-18	2016-17	2015-16	2014-15	2013-14
Actuarially Determined Contribution ²	\$ 1,172,632	\$ 1,398,414	\$ 1,293,222	\$ 1,388,366	\$ 1,240,671
Contribution in Relation to the Actuarially Determined Contribution ²	(2,110,926)	(3,025,702)	(2,793,222)	(3,889,970)	(1,240,671)
Contribution Deficiency (Excess)	\$ (938,294)	\$ (1,627,288)	\$ (1,500,000)	\$ (2,501,604)	\$ -
District's Covered-Employee Payroll ³	\$ 6,967,247	\$ 6,270,128	\$ 5,925,389	\$ 5,473,782	\$ 5,039,982
Contributions as a Percentage of Covered-Employee Payroll	30.30%	48.26%	47.14%	71.07%	24.62%

¹ Historical information is presented only for measurement periods for which GASB No. 68 is applicable.

² Employers are assumed to make contributions equal to the actuarially determined contributions (which is the actuarially determined contribution). However, some employers may choose to make additional contributions towards their side-fund or their unfunded liability. Employer contributions for such plan exceed the actuarial determined contributions. CalPERS has determined that employer obligations referred to as *side-funds* are not considered separately financed specific liabilities.

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Change in Benefit Terms: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2013 as they have minimal cost impact. This applies for voluntary benefit changes as well as any offers of the Two Years Additional Service Credit (a.k.a. Golden Handshakes).

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January 24, 2024

Board of Directors and Finance Committee
Rancho Santa Fe Fire Protection District
Rancho Santa Fe, California

www.pungroup.cpa



We have audited the financial statements of the Rancho Santa Fe Fire Protection District (the “District”) as of and for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 1, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements.

New Accounting Standards

- In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations* (GASB Statement No. 91), to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. Application of this statement did not have an effect on the District’s financial reporting for the fiscal year ending June 30, 2023.
- In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Application of this statement did not have an effect on the District’s financial reporting for the fiscal year ending June 30, 2023.
- In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. Application of this statement had a moderate effect on the District’s financial reporting for the fiscal year ending June 30, 2023.

We noted no other new accounting policies were adopted and the application of existing policies was not changed during 2023. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the District's financial statements were:

- Management's estimate of the investment fair market value is based on information provided by the State of California for its investment in the Local Agency Investment Fund, the County of San Diego for its investment in the San Diego County Pooled Investment Fund, and by CalTrust, the trustee for the District's investments in the Investment Trust of California Medium Term Fund. We evaluated the key factors and assumptions used to develop the investment fair market value in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the depreciation on capital assets is based on the industry standard and past experience on actual useful life of the asset groups. We evaluated the key factors and assumptions used to develop the depreciation on capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the net pension liability is based on the actuarial valuation on total pension liability and based on audited financial statements on fiduciary net position for CalPERS plans. We evaluated the key factors and assumptions used to develop the net pension liability in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure(s) affecting the financial statements were:

- Note 1 – Reporting Entity and Summary of Significant Accounting Policies
- Note 9 – Net Pension Liability and Defined Benefit Pension Plan
- Note 13 – Risk Management

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 24, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

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 auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

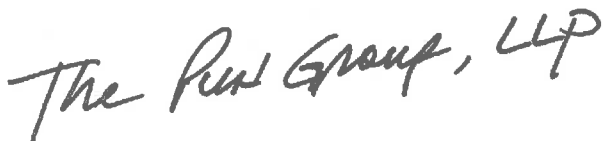
Other Matters

We applied certain limited procedures to the Management's Discussion and Analysis, Budgetary Comparison Schedule – General Fund, Budgetary Comparison Schedule – Special Revenue Fund, Schedule of the District's Proportionate Share of the Plan's Net Pension Liability, and the Schedule of District's Contributions to the Pension Plan, as listed in the table of contents, which are Required Supplementary Information ("RSI") that supplement 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.

Restriction on Use

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

Very truly yours,



San Diego, California

STAFF REPORT

NO. 24-05

TO: BOARD OF DIRECTORS
FROM: BRIAN SLATTERY, DEPUTY CHIEF
SUBJECT: PURCHASE OF USED TYPE VI FROM SAN DIEGO COUNTY FIRE
DATE: FEBRUARY 21, 2024



INFORMATION ONLY:

Staff informs the Board of Directors on the purchase of the Type VI fire apparatus from San Diego County Fire (SDCF). The total purchase cost was \$10,000 and conducted within the district' purchasing policy. The district estimates an additional \$8,000 to provide equipment and modifications to meet our specific needs.

BACKGROUND:

In July 2023, the district signed a Memorandum of Agreement contract with San Diego County Fire for a zero-cost lease to utilize this specific fire apparatus in place of the Type I fire engine being staffed by a two-person crew. Over the past seven months the district has found this to be an invaluable asset and better serves the unique community of Elfin Forest by providing better access than the Type I fire engine. Rancho Santa Fe Fire Protection District works closely with our cooperating agencies and was informed of the potential to purchase the Type VI fire apparatus from SDCF. SDCF agreed to offer the sale of this unit for \$10,000.00. The Type VI is a 2016 Ford F550 (see photos) with 30,400 miles and is equipped with a 200-gallon water tank and 10-gallon Class A foam tank.

CURRENT SITUATION:

In January 2024, the district finally received the new custom 2023 Dodge Type VI fire apparatus built by Fire-Matic and is currently being outfitted with equipment and customization of compartments. The new Type VI will be in service by March of 2024 as PT266 at RSF Station 6. The 2016 Ford Type VI will then become the reserve unit, PT266R (#1683) at RSF Station 6. The reserve unit PT266R provides an additional apparatus that can either be staffed during an incident, weather event or when PT266 goes to the shop for service. We are currently adding a tow hitch, new RSF branding, mobile radios, and equipment to be a fully functional unit when required to be placed into service.



STAFF REPORT

NO. 24-06

TO: BOARD OF DIRECTORS
FROM: DAVE MCQUEAD, FIRE CHIEF
SUBJECT: SOLD SURPLUS PROPERTY (NO. 1282 AND 1581)
DATE: FEBRUARY 21, 2024



INFORMATION ONLY:

Surplus vehicle (No.1282) Ford Expedition sold through the Public Surplus Auction for \$ 5,600.00

Surplus vehicle (No.1581) Ford Expedition sold through the Public Surplus Auction for \$ 6,463.00

BACKGROUND:

The Board of Directors on November 15, 2023, approved to sell both staff vehicles (No. 1282 and No. 1581) on the Public Surplus Auction.

Staff vehicles are evaluated annually and are generally kept in the fleet for 100,000 miles or 10 years (whichever comes first) and then auctioned.



San Diego County
Local Agency Formation Commission
 Regional Service Planning | Subdivision of the State of California

CALL FOR NOMINATIONS

January 24, 2024

TO: Independent Special Districts in San Diego County

FROM: Erica Sellen, Commission Clerk

SUBJECT: **Call for Nominations | Regular Special District Member Election on LAFCO**

This notice serves as a call for nominations pursuant to Government Code Section 56332(1) to solicit one regular special district member on the San Diego County Local Agency Formation Commission (LAFCO). The term is for four years and commences on May 6, 2024. The incumbent holder – Jo MacKenzie with Vista Irrigation District – is expected to seek nomination and run for a new term. Additional details follow.

- **Eligibility**

Candidates eligible for election must be members of the legislative body of an independent special district who reside within San Diego County but may not be members of the legislative body of a city or county.

- **Authorized Nominations**

State Law specifies only the presiding officer or their alternate as designated by the governing board must sign the nomination form. Attached is nomination form for the LAFCO regular special district member (**Attachment A**).

- **Submittal Process and Deadline**

Signed nominations and a limited **two-page** resume indicating the candidate’s District and LAFCO experience must be returned to San Diego LAFCO **no later than Monday, February 26, 2024**. Nominations received after this date will be invalid. Nominations and resumes may be mailed to the San Diego LAFCO Office at 2550 Fifth Avenue, Suite 725, San Diego, CA 92103 or by email to erica.sellen@sdcountry.ca.gov, if necessary, include **“Special District Call for Nominations 2024”** and your **“District Name”** in the subject title, to meet the submission deadline, but the original form must be submitted.

Administration Keene Simonds, Executive Officer 2550 Fifth Avenue, Suite 725 San Diego, California 92103 T 619.321.3380 www.sdlafo.org lafco@sdcountry.ca.gov	Chair Jim Desmond County of San Diego Joel Anderson County of San Diego Nora Vargas, Alt. County of San Diego	Kristi Becker City of Solana Beach Dane White City of Escondido John McCann Alt. City of Chula Vista	Stephen Whitburn, Vice Chair City of San Diego Marni von Wilpert, Alt. City of San Diego	Jo MacKenzie Vista Irrigation Barry Willis Alpine Fire Protection David Drake, Alt. Rincon del Diablo	Vacant General Public Harry Mathis, Alt. General Public
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ATTACHMENT A

**NOMINATION OF THE SPECIAL DISTRICT REPRESENTATIVE
FOR THE SAN DIEGO LOCAL AGENCY FORMATION COMMISSION
REGULAR MEMBER**

The _____ is pleased to nominate _____ as a
(Name of Independent Special District) (Name of Candidate)

Candidate for the San Diego Local Agency Formation Commission as a regular special district member with a term expiring in 2028.

As presiding officer or his/her delegated alternate as provided by the governing board, I hereby certify that:

- The nominee is a member of a legislative body of an independent special district who resides in San Diego County.

(Presiding Officer Signature)

(Print name)

(Print Title)

(Date)

PLEASE ATTACH RESUME FOR NOMINEE

- Limit two-pages
- Must be submitted with Nomination Form