



**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

November 18, 2020
1:00 pm PT
Regular Meeting

THIS BOARD OF DIRECTORS MEETING WILL BE CONDUCTED VIA TELECONFERENCE

Pursuant to Governor Newsom’s [Executive Orders N-25-30](#), issued on March 12, 2020 and [N-33-20](#) issued on March 19, 2020: members of the Rancho Santa Fe Fire Protection District Board of Directors and staff may participate in this meeting via teleconference. In the interest of reducing the spread of COVID 19, members of the public are encouraged, but not required, to submit comments via email. Those attending the meeting in person will be required to maintain appropriate social distancing.

Public Comment: to submit a comment in writing, please email rannals@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 out loud 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 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 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 Administrative Manager’s office located at 18027 Calle Ambiente, Suite 101, Rancho Santa Fe, CA during normal business hours. Packet documents are also posted online at www.rsfire.org



Rancho Santa Fe Fire Protection District Board of Directors

Regular Meeting

November 18, 2020

Call to Order

Pledge of Allegiance

Roll Call

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.

1. Consent Calendar

a. Board of Directors Minutes

- Board of Directors minutes of October 21, 2020

ACTION REQUESTED: **Approve**

b. Receive and File

- Monthly/Quarterly Reports

(1) List of Demands Check 33222 thru 33357, Electronic File Transfers (EFT), and Wire Transfer(s) for the period October 1 – 31, 2020 totaling:	\$ 278,050.57
Wire Transfer(s) period October 1 – 31, 2020	\$ 237,179.85
Payroll for the period October 1 – 31, 2020	\$ 917,655.77
TOTAL DISTRIBUTION	\$1,432,886.19

(2) RSFFPD Profit & Loss Summary – September 30, 2020

(3) RSFFPD Cash Statement – September 30, 2020

(4) Investment Summary – September 30, 2020

(5) Activity Reports – October 2020

(a) Operations

(b) Training

(c) Fire Prevention

(d) Correspondence - letters/cards were received from the following members of the public:

(i) None

ACTION REQUESTED: **Information**

2. Public Comment

3. Public Hearing

Fire Mitigation Fee Program: Resolution Adopting Multi-Year Facilities and Equipment Plan for Rancho Santa Fe Fire Protection District - Amended

ACTION REQUESTED: **A call for public comment (oral or written)**

4. Old Business

- a. None



Rancho Santa Fe Fire Protection District Board of Directors

Regular Meeting

November 18, 2020

5. Resolution/Ordinance
 - a. Resolution No. 2020-16

To discuss and/or adopt a resolution entitled A Resolution of the Board of Directors of the Rancho Santa Fe Fire Protection District Adopting the Fire Mitigation Fee Fund Multi-Year Plan-Amended
ACTION REQUESTED: Adopt

6. New Business
 - a. Independent Auditor's Report FY 2019/2020

The Finance ad hoc committee will make a presentation on the financial status of the Fire District for FY20 and present any findings resulting from the year-end audit to the Board of Directors.
ACTION REQUESTED: Accept
 - b. Additional Discretionary Payment - CalPERS

To discuss and/or approve an additional discretionary payment to CalPERS to reduce the District's unfunded accrued liability for six retirement plans. [Staff Report 2020-24](#)
ACTION REQUESTED: Authorize payment
 - b. Board of Directors Meeting Calendar

To discuss and confirm the CY21 meeting schedule. [Staff Report 2020-25](#)
ACTION REQUESTED: Confirm dates and/or modify board meeting schedule, if necessary

7. Oral Report
 - a. Fire Chief – Cox
 - RSF5 Update
 - Fuels Hazard Abatement
 - District Activities
 - b. Operations – Deputy Chief
 - Introduce: Sal Ruiz, Coordinator/DICO, San Dieguito EMS District (CSA-17)
 - c. Volunteer – Volunteer Recruitment & Retention Coordinator
 - d. Training – Battalion Chief
 - e. Fire Prevention – Fire Marshal
 - f. Administrative Manager/Manager, Finance & Administration
 - c. Board of Directors
 - North County Dispatch JPA – Update
 - County Service Area – 17 – Update
 - Comments

8. Closed Session
 - a. With respect to every item of business to be discussed in closed session pursuant to Section 54957.6: CONFERENCE WITH LABOR NEGOTIATORS
Agency Negotiators: Jim Ashcraft, Randy Malin and assigned Staff
Represented Employees: Rancho Santa Fe Professional Firefighters Association – Local 4349
Represented Employees: Rancho Santa Fe Miscellaneous Employees
Under Negotiation: Successor Memorandum of Understanding



Rancho Santa Fe Fire Protection District Board of Directors Regular Meeting

November 18, 2020

9. Adjournment

The next regular meeting Board of Directors meeting to be December 16, 2020 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

November 18, 2020

CERTIFICATION OF POSTING

I certify that on November 13, 2020 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 November 13, 2020

A handwritten signature in black ink that reads "Karlana Rannals".

Karlana Rannals
Board Clerk



RANCHO SANTA FE FIRE PROTECTION DISTRICT
Regular Board of Directors Meeting
Minutes – October 21, 2020

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.

REGULAR AGENDA

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

Pledge of Allegiance

Fire Chief Fred Cox led the assembly in the Pledge of Allegiance.

Roll Call

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

Directors Absent: None

Staff Present: Fred Cox, Fire Chief; Dave McQuead, Deputy Chief; Bruce Sherwood, Battalion Chief; Brian Slattery, Battalion Chief; Marlene Donner, Fire Marshal; Frank Twohy, Volunteer Recruitment & Retention Coordinator; Alicea Caccavo, Manager, Finance & Administration; and Karlana Rannals, Board Clerk.

1. Special Presentations

- a. President Ashcraft made a special presentation to the following individuals in recognition for their service to the District:
 - i. 5-year: Christopher Pane; Matthew Sivba; Schott Schieber; Scott Young; Curtis Benz
 - ii. 15-year: Luke Bennett; Julie Taber
 - iii. 20-year: Craig McVey
 - iv. 30-year: Fred Cox; Marshall Jordan; Chris Mertz; Dale Mosby; David Livingstone
- b. President Ashcraft announced Tanner Worley as the recipient to receive the David B. Dewey Firefighter of the Year Award.
- c. Present Ashcraft announced Conor Lenehan as the recipient of the Non-safety Employee of the Year Award.
- d. Check Presentation: Rancho Santa Fe Fire District Foundation Board President Jim Depolo and Director Tony Michel presented a check for \$11,993.38 to the Fire District for the purchase of Timberline hose clamps/Wolfpack cases for suppression personnel.

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

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

3. Consent Calendar

MOTION BY DIRECTOR TANNER, SECOND BY DIRECTOR HILLGREN, CARRIED 5 AYES; 0 NOES; 0 ABSENT; 0 ABSTAIN to approve the consent calendar as submitted.

a. *Board of Directors Minutes*

- i. Board of Directors minutes of September 16, 2020

b. Receive and File

i. *Monthly/Quarterly Reports*

- List of Demands Check 33116 thru 33221, Electronic File Transfers (EFT) and Wire Transfer(s) for the period September 1 – 30, 2020 totaling: \$ 207,107.67
- Wire Transfer(s) for the period September 1 – 30, 2020 \$ 248,132.43
- Payroll for the period September 1 – 30, 2020 \$ 863,303.18
- TOTAL DISTRIBUTION \$1,318,543.28

ii. Reports – September 2020

- Operations
- Training
- Fire Prevention
- Correspondence – letters/cards were received from the following members of the public:
 - a. None

c. Acceptance of Grant

MOTION BY DIRECTOR TANNER, SECOND BY DIRECTOR HILLGREN, CARRIED 5 AYES; 0 NOES; 0 ABSENT; 0 ABSTAIN to accept a grant of \$11,993.38 from the Rancho Santa Fe Fire District Foundation for the purchase of Timberline hose clamp/Wolfpack cases for suppression personnel.

4. Public Comment

No one requested to speak to the Board.

5. Old Business

- a. None

6. Resolution/Ordinance

a. *Resolution No. 2020-14*

Chief Cox and Fire Marshal Donner summarized the staff report provided. They reported that Senate Bill 1205 requires every district to annually inspect certain structures, including hotels, motels, lodging houses, and apartment houses, for compliance with building standards. The bill also requires the governing authority to acknowledge receipt of the report in a resolution. They reported to the board members that District personnel have completed all required inspections and are in 100% in compliance.

MOTION BY DIRECTOR HILLGREN, SECOND BY DIRECTOR STINE, and APPROVED Resolution No. 2020-14 *entitled* A Resolution of the Board of Directors of the Rancho Santa Fe Fire Protection District Acknowledging Receipt of a report made by the Fire Chief Regarding Required Inspection of Certain Occupancies Pursuant Section 13146.2 and 13146.3 of the California Health and Safety Code on a roll call vote:

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

b. *Ordinance No. 2020-15*

Ms. Rannals reported that this resolution is required for each financial institution to update signatures on the bank and investment accounts to become effective October 22, 2020.

MOTION BY DIRECTOR HILLGREN, SECOND BY DIRECTOR MALIN, and APPROVED Resolution No. 2020-15 *entitled* a Resolution of the Board of Directors of the Rancho Santa Fe Fire Protection District Authorizing Signers on District Bank and Investment Accounts on a roll call vote:

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

7. New Business

a. *Call for Nominations to the Local Agency Formation Special Districts Advisory Committee*

Chief Cox informed the Board that he currently serves on this Advisory Committee, which meets quarterly; and he is interested in continuing to serve as the Special Districts Representative. In order to continue serving in this role, the Board of Directors must re-nominate him.

MOTION BY DIRECTOR HILLGREN, SECOND BY DIRECTOR TANNER, CARRIED 5 AYES; 0 NOES; 0 ABSENT; 0 ABSTAIN to nominate Fred Cox as a nominee to serve as a special district member on the LAFCO Special District Advisory Committee and authorize the Board President to sign all documents supporting the nomination.

b. *Appoint Representative and Alternate to Public Agency Self Insurance System (PASIS) Board of Directors*

Ms. Rannals summarized the staff report provided. The PASIS Bylaws state that the Board of Directors must identify a representative and alternate. The staff report recommends Alicea Caccavo, Manager, Finance & Administration as the representative, and Fred Cox, Fire Chief as the alternate to the Public Agency Self Insurance System (PASIS) Board of Directors. Staff responded to questions from the board.

MOTION BY DIRECTOR HILLGREN, SECOND BY DIRECTOR STINE, CARRIED 5 AYES; 0 NOES; 0 ABSENT; 0 ABSTAIN to accept the staff recommendation to appoint Alicea Caccavo, Manager, Finance & Administration as the representative, and Fred Cox, Fire Chief as the alternate to the Public Agency Self Insurance System (PASIS) Board of Directors.

8. Oral Report

a. Fire Chief

- i. OES Type III Engine: he was recently notified by the Office of Emergency Services (OES) that the District was selected to receive a Type III engine, that will replace the current OES Type I engine currently located at the Rancho Cielo station. He anticipates the new engine will be in service by December 2020.
- ii. Hazardous Fuel Updates: he reports that the Prevention staff has been working diligently on ensuring the Rancho Cielo area has maximum fuel reduction. He is aware of a forced abatement that is expected to cost the District approximately \$24,000 (which will be reimbursed most likely by an assessment on the property tax bill). He distributed photos of the before and after of the district's forced abatements showing progress.
- iii. RSF5 Update: Chief Sherwood reported that the District received the final inspection to occupy on October 20, 2020. The suppression personnel have relocated from the trailers to the new station. He noted that there aren't too many items on the punch list, except for the concrete which must be removed and repoured. Chief Cox distributed a handout regarding a resolution to the concrete.
- iv. District activities:
 - San Diego County Fire Authority is forming as a "dependent" Fire District under the San Diego County Board of Supervisors. They are reforming as San Diego County Fire Protection District.
 - Chief Cox also reported that he volunteered to be on a committee for the LAFCO Municipal Service Review. The mission is to review standards to elevate fire district.
- b. Operations – Deputy Chief – Chief McQuead reported that the call volume is approximately 3% higher than last year. He believes that the spike is primarily due to deployments. He reviewed the previous month's statistics and the seasonal outlook.
- c. Volunteer Recruitment Retention Coordinator – Chief Twohy reported that the reserve program is continues to provide staffing at the stations, and the Reserves donated 1,344 volunteer hours this reporting period. He noted that one reserve is currently attending the Fire Academy at Palomar.
- d. Training – Battalion Chief – Chief Sherwood reported that District personnel completed approximately 1,500 hours of training, focused on 1) crew rotation for deployments; 2) fire prevention; 3) radio refresher; 4) safety officer; and 5) strike team leader. He also explained the process when recruiting and hiring an entry level firefighter/paramedic.
- e. Fire Prevention – Fire Marshal – prevention personnel presented the following:
 - i. Fire Marshal Donner: she introduced Sarah Montagne, Office Support Coordinator who joined the District October 1, 2020. She reviewed the previous month's statistics. In addition, she announced that the District will have a "drive-thru" event on November 1 at RSF2 for fire prevention.
- f. Administrative Manager/Manager, Finance & Administration – Ms. Rannals reported the following:
 - i. Finance Committee – the committee will meet with the District's auditor on October 26 and the audited financials for FY20 will be presented at the next meeting.
 - ii. She requested that the board members bring their calendars to the next meeting, as the agenda will include the annual meeting calendar for 2021.

Ms. Caccavo reported the following:

- i. She assumed the staff responsibility on October 1, and has been reviewing and plans to update position descriptions. Also, she is studying the quarterly review of the District's finances.
- ii. CalPERS Education Forum: she participated in a few of the education sessions and met with the District's actuary, noting that CalPERS has developed a new pension outlook tool to assist agencies with their UAL.
- iii. She has also been working with the employees on the health care open enrollment.

g. Board of Directors

- i. North County Dispatch JPA – Update: Director Ashcraft: no report, next meeting December 2, 2020.
- ii. County Service Area 17 – Update: Director Hillgren: no report, the next meeting is November 10, 2020.
- iii. Comments
 1. Malin: Spoke of a Wall Street Journal article about pensions
 2. Stine: conveyed his appreciation to the fire prevention staff for supporting the residents in Questhaven.

10-minute recess

9. Closed Session

Pursuant to the following section, the board met in closed session from 2:43 – 3:53 pm, and discussed the following:

With respect to every item of business to be discussed in closed session pursuant to Section 54957.6

CONFERENCE WITH LABOR NEGOTIATORS

Agency Negotiators: Jim Ashcraft, Randy Malin and assigned Staff

Represented Employees: Rancho Santa Fe Professional Firefighters Association – Local 4349

Represented Employees: Rancho Santa Fe Miscellaneous Employees

Under Negotiation: Successor Memorandum of Understanding

All board members listed and Chief Cox, Deputy Chief McQuead, Alicea Caccavo and Karlana Rannals attended and participated in this discussion.

Upon reconvening to open session, President Ashcraft announced that direction was given to the District's Agency Negotiators and direction was given.

10. Adjournment

Meeting adjourned at 3:54 pm.

Karlana Rannals
Secretary

James H Ashcraft
President

Check No.	Amount	Payee	Description
33222	\$2,399.00	A to Z Plumbing Inc	Building RSF1
33223	\$586.43	Aair Purification Systems	Building RSF4
33224	\$925.00	Accme Janitorial Service Inc	Building ADMIN
33225	\$216.58	Allstar Water Systems Inc	Building RSF, ADMIN
33226	\$2,218.70	American Medical Response Inc	CSA-17 Contract
33227	\$4,491.14	AVI Systems Inc.	RSF5 Station Construction-Furnishings &
33228	\$1,750.00	Bartel Associates, LLC	Accounting-Audit Services
33229	\$2,370.00	Cielo Village Partners LP	Cielo HOA Fees
33230	\$1,073.04	CrewSense, LLC	Scheduling (Crewsense) Maintenance
33231	\$1,731.77	Direct Energy Business-Dallas	Elec/Gas/Propane RSF1
33232	\$115.83	Dish	Cable RSF6
33233	\$386.66	EDCO Waste & Recycling Inc	Trash RSF5,6
33234	\$1,361.52	Engineered Mechanical Services Inc	Building RSF1,2
33235	\$201.91	Henley Pacific LA LLC (Valvoline)	Apparatus Scheduled
33236	\$7,625.24	Palomar College	SAFER VRRRC-Tuition Costs
33237	\$1,043.37	Parkhouse Tire, Inc.	Apparatus: Tires & Tubes
33238	\$695.00	Power Plus!	Elec/Gas/Propane RSF5
33239	\$889.28	Robert Half International	Temporary Labor
33240	\$225.00	Salameh, Brian	CSA-17 Contract
33241	\$3,279.56	SC Commercial LLC	Fuel: Gasoline & Diesel
33242	\$40.00	State Fire Training	Permit: Certification
33243	\$144.00	Terminix International	Building RSF
33244	\$17.45	U P S	Shipping Service
33245	\$11,347.82	U S Bank Corporate Payment System	Cal-Card./IMPAC program
33246	\$324.98	Uniforms Plus	Uniforms: Prevention
33247	\$1,824.11	Verizon Wireless	Telephone, CSA-17 Contract
33248	\$6,950.00	WinTech Computer Services	Consulting Services
33249	\$47.97	4S Ranch Gasoline & Carwash LP	Apparatus: Car Wash
33250	\$26.28	Advanced Communication Systems Inc	Radio (Mobile Repair)
33251	\$2,013.40	AT&T Calnet 2/3	Telephone RSF, ADMIN
33252	\$1,480.00	CDW Government Inc.	Computer - License/Software
33253	\$30.75	Complete Office of California Inc	Office Supplies
33254	\$58.59	County of San Diego Vector Control P	Taxes & Assessments

Check No.	Amount	Payee	Description
33255	\$3,179.00	County of SD/RCS	800 MHz Network Admin Fees, CAP Code Paging Monthly Service
33256	\$1,441.00	Fitch Law Firm Inc	Legal Services
33257	\$265.64	Flyers Energy, LLC	Fuel: Gasoline & Diesel
33258	\$208.71	Georgia Steel & Chemical Co, Inc.	Janitorial Supplies
33259	\$1,497.90	Home Depot, Inc	Apparatus: Parts & Supplies, Training Equipment/Supplies, Janitorial Supplies, Station Maintenance, Tools: Repair or Replacement
33260	\$12,952.12	North County EVS Inc	Apparatus Scheduled & Repairs
33261	\$1,651.10	Olivenhain Municipal Water District	Water RSF & Training Facility
33262	\$292.26	Pitney Bowes Inc	Equipment Rental
33263	\$717.75	Rincon Del Diablo Municipal Water Di	Water RSF5
33264	\$1,016.32	Robert Half International	Temporary Labor
33265	\$90.00	RSF Mail Delivery Solutions	Mail Delivery Service
33266	\$723.32	Santa Fe Irrigation District	Water RSF1
33267	\$1,998.97	SC Commercial LLC	Fuel: Gasoline & Diesel
33268	\$1,095.25	SDG&E	Elec/Gas/Propane RSF6
33269	\$86.27	Stericycle, Inc.(Shred-It)	Shredding Services
33270	\$17.45	U P S	Shipping Service
33271	\$2,983.51	Waste Management Inc	Trash RSF3
33272	\$137.93	Aair Purification Systems	Building RSF4
33273	\$153.20	Airgas Inc	Safety: Breathing Air
33274	\$150.11	American Medical Response Inc	CSA-17 Contract
33275	\$185.06	Armanino Solutions, LLC	Consulting Services
33276	\$317.21	AT&T Calnet 2/3	Telephone ADMIN
33277	\$1,575.00	Day Wireless Systems Inc	Radio Programming
33278	\$10.77	Griffin Hardware Co.	Station Maintenance - RSF5
33279	\$1,050.00	Guzman, Joshua	Education/Training Reimbursement
33280	\$55.81	Henley Pacific LA LLC (Valvoline)	Scheduled - ID 1982
33281	\$8,524.49	L N Curtis & Sons Inc	Safety Equipment
33282	\$252.59	Lorenzo, Paul	Fire Response Expenses
33283	\$2,932.79	Moran Canvas Products, Inc.	Building ADMIN
33284	\$3,000.00	Palomar College	EmploymentTesting (Consortium Palomar C
33285	\$1,704.01	SC Commercial LLC	Fuel: Gasoline & Diesel
33286	\$9,259.01	SDG&E	Elec/Gas/Propane RSF

Check No.	Amount	Payee	Description
33287	\$212.89	Staples Advantage	Office Supplies
33288	\$551.00	TPX	Telephone ADMIN
33289	\$17.45	U P S	Shipping Service
33290	\$247.00	Western State Design Inc	Station Maintenance - RSF3
33291	\$502.50	Advanced Communication Systems Inc	Radio (Mobile Repair)
33292	\$200.00	AFSS -Southern Division	Association Dues
33293	\$4,745.31	All Star Fire Equipment, Inc.	Safety Clothing (Protective)
33294	\$64.20	AT&T	Telephone RSF6
33295	\$271.98	AT&T	Telephone RSF5
33296	\$473.13	Charter Communications Holdings, LLC	Cable RSF4
33297	\$235.91	Cox Communications	Cable, Telephone RSF2
33298	\$7,805.00	CSDA	Association Dues
33299	\$900.00	Day Wireless Systems Inc	Radio Programming
33300	\$1,447.08	Erik M. & Christina M Bessel DBA Spo	Uniforms: Safety Personnel
33301	\$769.49	Fire ETC Inc	Safety Equipment, Clothing (Protective)
33302	\$60.75	Flyers Energy, LLC	Fuel: Gasoline & Diesel
33303	\$1,665.50	Global Door & Gate Inc.	Building RSF
33304	\$613.64	Konica Minolta Business Inc	Copier Maintenance Contract
33305	\$380.16	Lincoln National Life Ins Co	Life Insurance/EAP
33306	\$2,000.00	Pal Service Inc DBA Major League Pes	PY Adjs / Expenses
33307	\$269.25	Race Telecommunications, Inc	Telephone RSF1
33308	\$1,175.12	Robert Half International	Temporary Labor
33309	\$761.76	San Diego Union-Tribune, LLC	Advertising
33310	\$1,409.81	SC Commercial LLC	Fuel: Gasoline & Diesel
33311	\$45.00	SDCFCA - Admin Section	Association Dues
33312	\$5,639.07	SDG&E	Elec/Gas/Propane RSF1
33313	\$1,690.00	Simmons & Wood, Inc.	Building RSF1
33314	\$32.00	State of CA Dept of Justice	Background Investigation
33315	\$3,690.75	TargetSolutionsLearning LLC	PY Adjs / Expenses
33316	\$79.00	Terminix International	Building RSF6
33317	\$17.45	U P S	Shipping Service
33318	\$2,677.76	United Imaging	Office Supplies
33319	\$2,232.95	United Site Services	Sewer RSF

Check No.	Amount	Payee	Description
33320	\$750.00	Worley, Tanner	Miscellaneous Reimbursable
33321	\$2,262.40	About Service Inc	Apparatus Repairs
33322	\$3,824.61	Advanced Communication Systems Inc	Radio Equipment Replacement
33323	\$3,500.55	American Medical Response Inc	CSA-17 Contract
33324	\$214.00	AT&T	Telephone RSF1
33325	\$63.40	AT&T	Telephone RSF2
33326	\$51.38	AT&T	Telephone RSF3
33327	\$54.81	AT&T	Telephone RSF1
33328	\$225.00	Barkhimer, Jake	CSA-17 Contract
33329	\$1,434.44	BW Printworks	Office Supplies
33330	\$3,904.30	California Health & Safety Inc	PY Adjs / Expenses
33331	\$6,000.00	Career Survival Group	Suppression - Local Conf/Seminars
33332	\$2,370.00	Cielo Village Partners LP	Cielo HOA Fees
33333	\$3,500.00	City of San Marcos	Suppression - Local Conf/Seminars
33334	\$119.99	Cox Communications	Telephone RSF3
33335	\$2,441.52	Direct Energy Business-Dallas	Elec/Gas/Propane RSF1
33336	\$115.83	Dish	Cable RSF6
33337	\$226.00	Engineered Mechanical Services Inc	Building RSF6
33338	\$351.13	Gregory Johnson DBA Johnson Equipmen	Repair - ID 0981
33339	\$186.12	Griffin Hardware Co.	Station Maintenance - RSF
33340	\$4,469.68	Guardian Life Insurance Co	Medical Insurance
33341	\$1,422.50	Liebert Cassidy Whitmore	Legal Services
33342	\$856.04	Lincoln National Life Ins Co	Life Insurance/EAP
33344	\$49,283.82	NCDJPA	Dispatching
33345	\$5,388.18	Olivenhain Municipal Water District	Sewer RSF4
33346	\$1,988.85	Parkhouse Tire, Inc.	Apparatus: Tires & Tubes
33347	\$99.00	PharmaLink	CSA-17 Contract
33348	\$720.00	Power Plus!	Elec/Gas/Propane RSF5
33349	\$50.00	RSF Security Inc	Alarm System Monitoring RSF5
33350	\$1,507.60	SC Commercial LLC	Fuel: Gasoline & Diesel
33351	\$137.42	SDG&E	Elec/Gas/Propane RSF5
33352	\$5,450.67	Stanley N Parfrey DBA 3 Volt Electri	Building RSF3
33353	\$255.00	Terminix International	Building RSF

Rancho Santa Fe Fire Protection District

List of Demands- Oct 2020

Check No.	Amount	Payee	Description
33354	\$17.45	U P S	Shipping Service
33355	\$2,232.95	United Site Services	Sewer RSF5
33356	\$1,903.36	Verizon Wireless	Cellular - Telephone
33357	\$86.19	Willis, Erwin L.	Computer Equipment/Parts
EFT000000000656	\$110.49	Reyes, Sandra N.	Office Supplies
EFT000000000660	\$1,751.35	Rannals, Karlana	Awards/Proclamations
EFT000000000661	\$326.95	Stamy, Samuel	CSA-17 Contract
EFT000000000662	\$425.00	Ender, Cory M.	Education/Training Reimbursement
MISC	\$7,674.75	Various	Medical Reimbursement
Subtotal	\$278,050.57		
ACH Transfer	\$168,838.30	CalPERS	CALPERS- Sep 2020 Ret
ACH Transfer	\$68,341.55	CalPERS	CALPERS- Nov 2020 Health
Subtotal	\$237,179.85		
10/15/2020	645,640.02	RSFFPD	Payroll
10/31/2020	272,015.75	RSFFPD	Payroll
Subtotal	\$917,655.77		
Total	\$1,432,886.19		

**RANCHO SANTA FE FIRE PROTECTION DISTRICT
OPERATING EXPENDITURES FOR FISCAL YEAR 2021**

FY21Q1

PERSONNEL COSTS	BUDGET		ESTIMATED		% OF BUDGET
	EXPENDITURES		EXPENDITURES		
		FY21		FY21	
Salaries/Wages - Staff	\$	7,451,818	\$	1,619,237	22%
Overtime	\$	1,561,410	\$	827,480	53%
Holiday Pay	\$	252,262	\$	-	0%
Labor (Temporary)	\$	89,779	\$	40,933	46%
Retirement	\$	2,176,438	\$	919,563	42%
CalPERS UAL - Accelerated Payment	\$	689,322	\$	-	0%
Health Insurance + HRSA	\$	1,635,531	\$	491,006	30%
Life Insurance/Long Term Disability	\$	42,057	\$	9,956	24%
Social Security Tax	\$	6,000	\$	2,116	35%
Medicare Tax	\$	135,651	\$	36,968	27%
Unemployment Insurance	\$	13,346	\$	-	0%
Workers' Compensation/Wellness	\$	448,820	\$	190,303	42%
PERSONNEL (Subtotal)	\$	14,502,435	\$	4,137,562	29%

**RANCHO SANTA FE FIRE PROTECTION DISTRICT
OPERATING EXPENDITURES FOR FISCAL YEAR 2021**

CONTRACTURAL	BUDGET		ESTIMATED		% OF BUDGET
	EXPENDITURES		EXPENDITURES		
		FY21		FY21	
Administrative Fees	\$	223,405	\$	29,432	13%
Advertising	\$	1,186	\$	978	82%
Association Dues	\$	13,154	\$	3,317	25%
Building/Facility Lease	\$	29,862	\$	7,110	24%
Dispatching	\$	215,039	\$	86,901	40%
Equipment Rental	\$	1,227	\$	-	0%
Equipment Repair	\$	32,031	\$	1,892	6%
Insurance	\$	130,203	\$	128,846	99%
Laundry Service	\$	350	\$	-	0%
Legal Services	\$	54,142	\$	27,001	50%
Local Meeting/Meal Expense	\$	6,542	\$	184	3%
Mileage Reimbursement	\$	700	\$	-	0%
Other Contractual Services	\$	200,114	\$	25,799	13%
Other Professional Services	\$	208,240	\$	61,153	29%
Permits	\$	20,138	\$	2,556	13%
Service Agreements	\$	48,280	\$	6,319	13%
Soil Contamination Cleanup	\$	-	\$	-	0%
Subscriptions	\$	6,286	\$	4,603	73%
Training	\$	141,236	\$	10,799	8%
Utility-Cable	\$	5,849	\$	1,310	22%
Utility-Electricity	\$	192,378	\$	29,885	16%
Utility-Sewer	\$	26,924	\$	4,466	17%
Utility-Telephone/ Internet	\$	75,005	\$	14,151	19%
Utility-Trash	\$	32,622	\$	5,365	16%
Utility-Water	\$	41,834	\$	5,715	14%
Vehicle Maintenance (Scheduled)	\$	91,500	\$	16,137	18%
Vehicle Repair	\$	153,950	\$	15,684	10%
Contractual Services (Subtotal)	\$	1,952,197	\$	489,602	25%

**RANCHO SANTA FE FIRE PROTECTION DISTRICT
OPERATING EXPENDITURES FOR FISCAL YEAR 2021**

MATERIALS & SUPPLY	BUDGET EXPENDITURES		ESTIMATED EXPENDITURES		% OF BUDGET
		FY21		FY21	
Apparatus	\$	40,404	\$	10,059	25%
Apparatus - Computers	\$	6,250	\$	-	0%
Audio Visual	\$	7,600	\$	-	0%
Books	\$	6,864	\$	55	1%
Cellular	\$	1,837	\$	47	3%
Computer	\$	62,950	\$	4,614	7%
Electrical Supplies	\$	200	\$	-	0%
Fire Hose, Nozzles & Supply	\$	12,000	\$	-	0%
Firefighting Foam	\$	3,000	\$	2,748	0%
Food for Major Emergencies	\$	2,000	\$	-	0%
Fuel	\$	75,029	\$	10,193	14%
Furnishings/Equipment	\$	18,500	\$	-	0%
Grants	\$	10,500	\$	-	0%
Hydrant Maintenance	\$	1,373	\$	684	50%
Janitorial	\$	14,962	\$	2,546	17%
Knox Replacement	\$	5,000	\$	-	0%
Landscape	\$	60	\$	-	0%
Lumber/Screws/Nails	\$	200	\$	-	0%
Maps	\$	2,146	\$	-	0%
Medical Supplies	\$	142,352	\$	11,943	8%
Miscellaneous	\$	5,250	\$	7,299	139%
Office - General	\$	49,678	\$	7,843	16%
Paint	\$	100	\$	-	0%
Program - Supplies (CERT)	\$	2,500	\$	-	0%
Public Education	\$	16,000	\$	396	2%
Radio	\$	23,309	\$	-	0%
Rock, Sand, Gravel	\$	1,000	\$	-	0%
Safer Grants	\$	50,276	\$	98	0%
Safety	\$	111,962	\$	6,291	6%
Special Events & Awards	\$	4,181	\$	-	0%
Station Maintenance	\$	47,500	\$	4,392	9%
Station Supplies/Replacements	\$	8,000	\$	650	8%
Street Signs & Markers	\$	750	\$	-	0%
Tools	\$	2,606	\$	-	0%
Training (Expendable Supplies)	\$	8,827	\$	267	3%
Uniforms	\$	45,123	\$	1,130	3%
Material & Supplies (Subtotal)	\$	790,288	\$	71,254	9%

**RANCHO SANTA FE FIRE PROTECTION DISTRICT
OPERATING EXPENDITURES FOR FISCAL YEAR 2021**

OPERATING COST SUMMARY	BUDGET	ESTIMATED	% OF BUDGET
	EXPENDITURES	EXPENDITURES	
	FY21	FY21	
Personnel	\$ 14,502,435	\$ 4,137,562	29%
Contractual	\$ 1,952,197	\$ 489,602	25%
Material & Supply	\$ 790,288	\$ 71,254	9%
Prior Year Expense	\$ -	\$ 2,619	
Depreciation	\$ 936,100	\$ 234,025	25%
TOTAL COSTS	\$ 18,181,019	\$ 4,935,062	27%
CAPITAL and PLANNED PROJECTS-Cash Expenses	Additional Cash		% OF BUDGET
RSF5 Station Design/Build- Permits	\$ -	\$ 1,102	
RSF5 Station Construction-Furnishings & Equipment	\$ -	\$ 24,178	
	\$ -	\$ -	
Total Capital and Planned Projects	\$ -	\$ 25,280	0%

Statement of Cash Assets

Rancho Santa Fe Fire Protection District
FY21

	\$ 44,012	44,104
Assets		
Total Cash	\$ 9,872,119	5,995,775
Short-Term Investments		
Total Short-Term Investments	\$ 7,703,687	7,727,810
Current Cash & Investments	\$ 17,575,806	13,723,585
Accounts Receivable	\$ 1,531,660	306,348
ALS Receivable	\$ 67,486	432
Accounts Receivable	\$ -	-
Tax or/and Interest Receivable	\$ 114,336	28,956
Accounts Receivable	<u>\$ 1,713,482</u>	<u>335,736</u>
Current Assets Total	\$ 19,289,288	14,059,321
Reserved Funds with Restrictions	\$ 736,921	879,407
Current Cash Assets Total	<u>\$ 20,026,208</u>	<u>14,938,727</u>
Liabilities		
Current & Accrued Liabilities		
Current Liabilities	\$ 2,192,916	949,629
Employee Liability Payable		
Accrued Liability Payable	\$ 1,863,555	1,685,332
Other Liabilities		
Net Pension Liabilities (GASB 68)	<u>\$ 10,922,290</u>	<u>10,922,290</u>
Total Current Liabilities	<u>\$ 14,978,762</u>	<u>13,557,251</u>
Current Liabilities Total	<u>\$ 14,978,762</u>	<u>13,557,251</u>
ESTIMATED Cash Available	<u>\$ 5,047,446</u>	<u>1,381,476</u>

Additional Information - Reserve Allocation

Reserve - Specified		
MDC Equipment Reserves (NCDJPA)	\$ 16,407	16,407
ALS Equipment Reserve	\$ 107,940	175,426
Environmental Initiative for Sustainability	\$ 228,770	228,770
CERT (EFF/HG) Reserve	\$ 11,388	11,388
PASIS Reserve	<u>\$ (40,395)</u>	<u>(40,395)</u>
Total Reserve - Specified	\$ 324,110	391,596
Reserve - Unspecified		
General Operating Reserve	\$ 5,500,000	2,500,000
Unspecified Capital Reserves	\$ 8,206,899	8,440,924
Undesignated Reserves	<u>\$ (10,183,145)</u>	<u>(7,568,368)</u>
Total Reserve - Unspecified	\$ 3,847,865	3,372,556
Cash Reserves (Deficit) Subtotal	\$ 1,199,582	(1,991,080)
Profit & Loss Net - FY21	<u>\$ (150,928)</u>	<u>(3,899,995)</u>
Cash Reserves (Deficit) - Total	\$ 1,048,654	(5,891,075)
Net Pension Liability - <i>added back in</i>	<u>\$ 10,922,290</u>	<u>10,922,290</u>
Cash Reserves (Deficit)	\$ 11,970,944	5,031,215

MIT Fund	\$ 3,130,335	\$ 1,988,696
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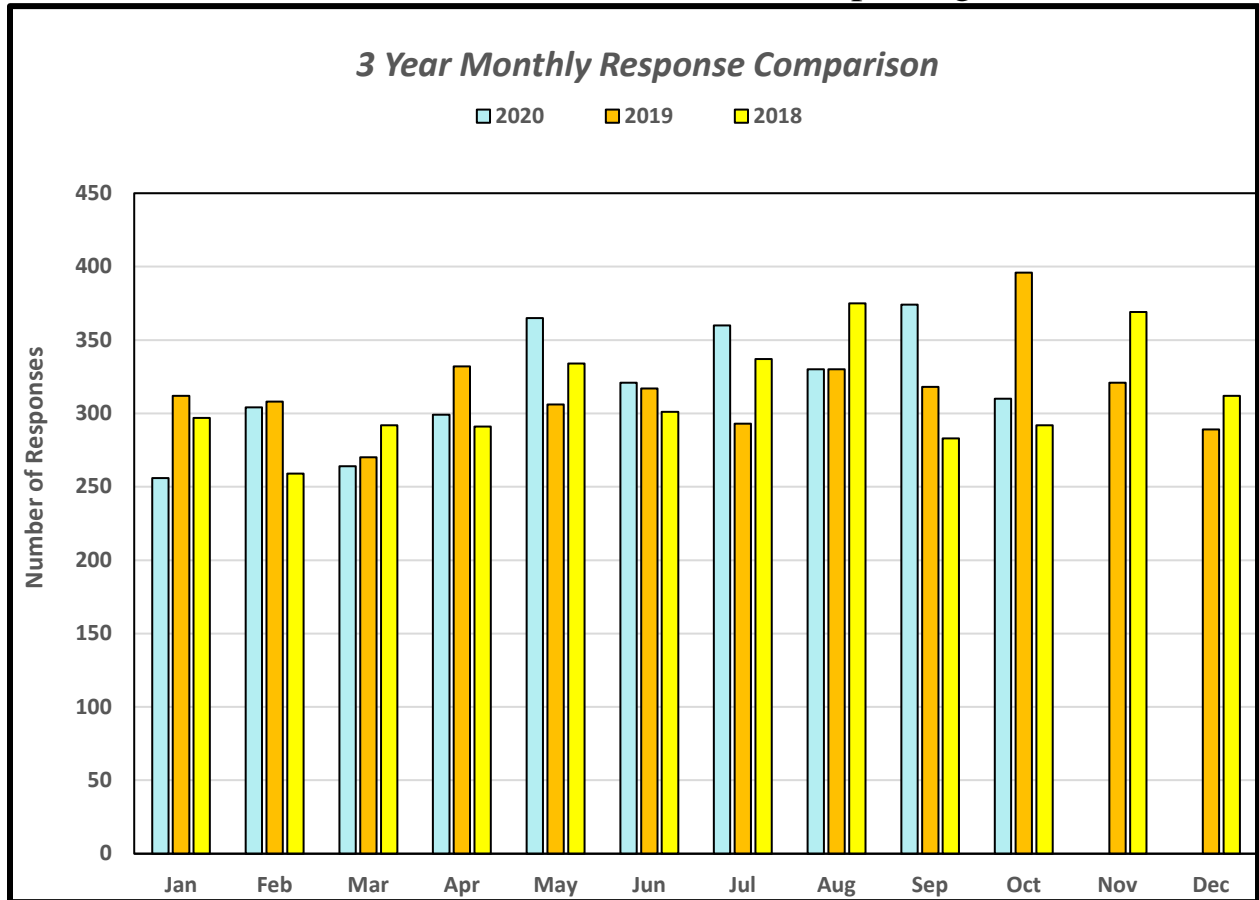
Rancho Santa Fe Fire Protection District
Investment Portfolio - Listing

Date	County of San Diego			Local Agency Investment Fund			Bank of America			CalTrust Investment		
	Average Daily Cash Balance	Interest Rate - %	Qtrly Earnings	Account Balance	Interest Rate - %	Qtrly Earnings	Account Balance	Interest Rate - %	Qtrly Earnings	Account Balance	Share Value	Qtrly Earnings
FY16												
9/30/2015	9,116,014	0.1207499	11,007.58	2,507,708	0.3200	2,019.12	68,654.93	0.000200	3.47			
12/31/2015	7,972,012	0.1723940	13,743.27	2,509,727	0.3700	2,322.84	68,654.40	0.000200	3.47			
3/31/2016	10,342,559	0.1391914	14,395.95	2,512,050	0.4600	2,899.70	68,661.81	0.000200	3.41			
6/30/2016	11,809,274	0.1433726	16,931.26	2,514,950	0.5500	3,421.54	68,665.23	0.000200	3.42			
	Annual Rate	0.5757079	\$ 56,078.06	Annual Rate	0.4250	\$ 10,663.20	Annual Rate	0.000200	\$ 13.77	Avg Share Value	0.000000	\$ -
FY17												
9/30/2016	9,720,648.93	0.2181028	21,201.01	2,518,371.32	0.6000	3,826.52	68,668.68	0.000200	3.45	4,531,619.73	10.100000	124.73
12/31/2016	10,718,806.24	0.2148859	23,033.20	2,522,197.84	0.6800	4,296.15	68,672.13	0.000200	3.42	4,512,312.82	10.090000	12,123.83
3/31/2017	11,627,772.17	0.2929174	34,059.77	2,526,493.99	0.7800	4,833.54	68,675.52	0.000200	3.39	4,557,077.20	10.090000	13,333.64
6/30/2017	13,078,710.09	0.2982185	40,097.61	2,531,327.53	0.9200	5,829.30	68,678.95	0.000200	3.43	4,566,555.96	10.090000	14,268.88
	Annual Rate	1.0241246	\$ 118,391.59	Annual Rate	0.7450	\$ 18,785.51	Annual Rate	0.000200	\$ 13.69	Avg Share Value	10.092500	\$ 39,851.08
FY18												
9/30/2017	11,283,998.32	0.3140160	35,433.56	2,537,156.83	1.0700	6,866.96	68,682.42	0.000200	3.47	4,556,287.68	10.030000	16,430.89
12/31/2017	9,782,917.36	0.3508629	34,324.63	2,544,023.79	1.2000	7,723.56	68,685.89	0.000200	3.47	4,551,076.71	9.980000	17,526.03
3/31/2018	11,988,098.75	0.3893358	46,673.95	2,551,747.35	1.5100	9,494.04	68,689.28	0.000200	3.39	4,543,365.65	9.920000	19,663.36
6/30/2018	13,338,491.10	0.4591755	61,247.09	2,561,241.39	1.9000	12,153.28	68,692.71	0.000200	3.43	4,555,774.12	9.900000	21,576.09
	Annual Rate	1.5133902	\$ 177,679.23	Annual Rate	1.4200	\$ 36,237.84	Annual Rate	0.000200	\$ 13.76	Avg Share Value	9.957500	\$ 75,196.37
FY19												
9/30/2018	11,203,912.76	0.4877508	54,647.18	2,573,394.67	2.1600	13,982.17	68,696.18	0.000200	3.47	4,570,496.02	9.880000	23,958.64
12/31/2018	9,003,930.05	0.5460768	49,168.37	2,587,376.84	2.4000	15,634.99	68,699.65	0.000200	3.47	4,619,600.90	9.930000	25,878.63
3/31/2019	11,076,620.72	0.5923871	65,616.48	2,603,011.83	2.5500	16,328.23	68,703.04	0.000200	3.39	4,678,072.90	10.000000	25,820.64
6/30/2019	13,650,516.24	0.6087144	83,092.66	2,619,340.06	2.5700	16,238.23	68,706.47	0.000200	3.43	4,749,561.50	10.080000	27,361.14
	Annual Rate	2.2349291	\$ 252,524.69	Annual Rate	2.4200	\$ 62,183.62	Annual Rate	0.000200	\$ 13.76	Avg Share Value	9.9725	\$ 103,019.05
FY20												
9/30/2019	11,387,160.29	0.5645587	64,287.20	2,626,077.87	2.5700	16,737.81	68,708.81	0.000200	2.34	4,776,022.72	10.090000	26,461.22
12/31/2019	8,438,122.27	0.5295588	44,684.82	2,652,315.33	2.2900	15,236.81	68,713.41	0.000200	3.47	4,800,806.64	10.090000	24,783.92
3/31/2020	9,566,627.59	0.5036647	48,183.73	2,667,552.10	2.0300	13,425.37	68,716.82	0.000200	3.41	4,823,706.72	10.190000	22,900.08
6/30/2020	10,361,272.70	0.4196804	43,484.23	2,680,977.47	1.4700	9,782.36	68,720.22	0.000200	3.40	4,842,441.77	10.300000	18,375.05
	Avg Annual Rate	0.5043657	\$ 200,639.98	Avg Annual Rate	2.0900	\$ 55,182.35	Avg Annual Rate	0.000200	\$ 12.62	Avg Share Value	10.167500	\$ 92,520.27
FY21												
9/30/2020	6,945,676.99	0.3346273	23,242.13	2,690,759.83	0.8400	5,713.77	68,721.94	0.000200	1.72	4,955,109.07	10.300000	14,348.81
12/31/2020												
3/31/2021												
6/30/2021												
	Avg Annual Rate	0.3346273	\$ 23,242.13	Avg Annual Rate	0.8400	\$ 5,713.77	Avg Annual Rate	0.000200	\$ 1.72	Avg Share Value	10.300000	\$ 14,348.81



Rancho Santa Fe Fire Protection District Operations Report

October 2020 Incident Reporting



3 Year Call Volume Tracker:

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Responses	
2020	Responses	256	304	264	299	365	321	360	330	374	310			3183
	YTD	256	560	824	1123	1488	1809	2169	2499	2873	3183			0.03%
2019	Responses	312	308	270	332	306	317	293	330	318	396	321	289	3,792
	YTD	312	620	890	1222	1528	1845	2138	2468	2786	3182	3503	3792	1.34%
2018	Responses	297	259	292	291	334	301	337	375	283	292	369	312	3,742
	YTD	297	556	848	1139	1473	1774	2111	2486	2769	3061	3430	3742	4.53%



Rancho Santa Fe Fire Protection District Operations Report

October 2020 Incident Reporting

Monthly Incident Call Type:

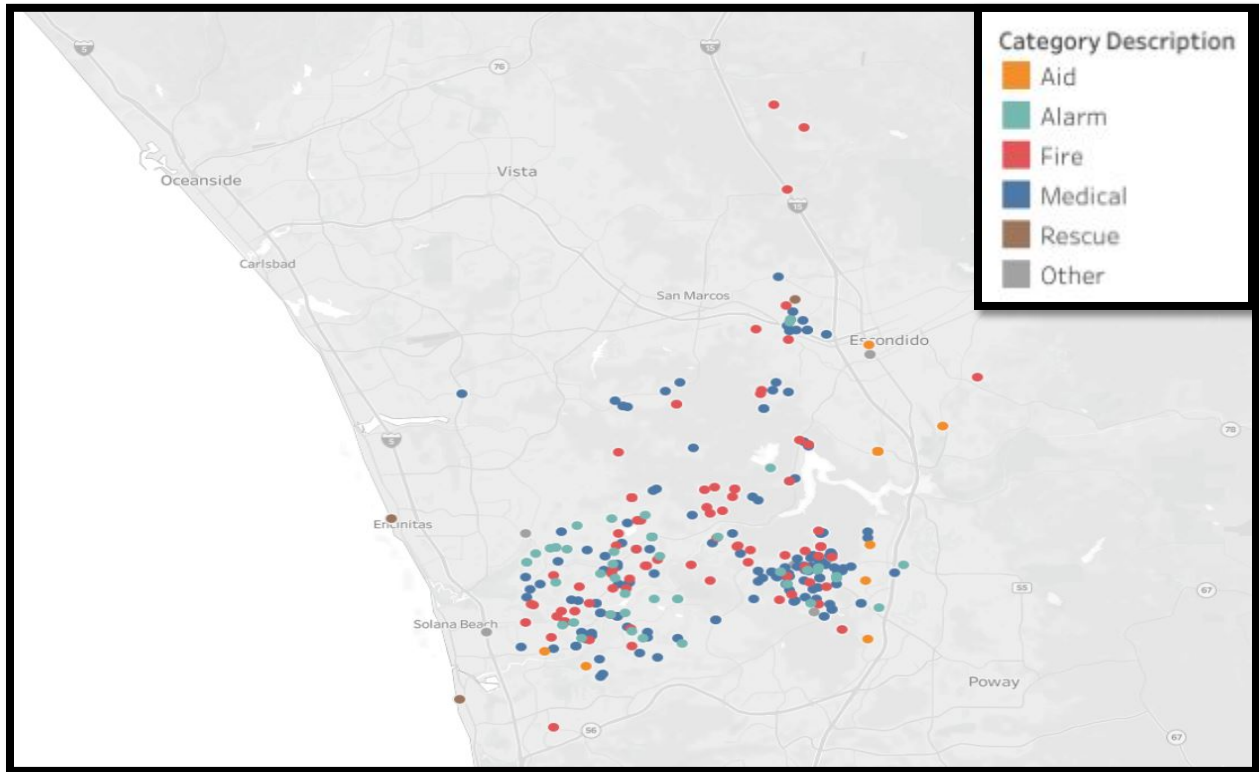
Summary: Number of Incidents by Problem for:
RANCHO SANTA FE FPD

Problem Codes	Category ..	Time Assigned		
		Incidents/R..	% of Total I..	% Differenc..
		2020	2020	2020
A/R - MEDICAL AID	Aid	3.0	0.97%	0.00%
A/R - OTHER	Aid	1.0	0.32%	0.00%
A/R - STRUCT FIRE	Aid	3.0	0.97%	0.00%
A/R - TRAF COLLISION	Aid	1.0	0.32%	0.00%
A/R - VEG FIRE	Aid	1.0	0.32%	0.00%
ABDOMINAL PAIN	Medical	3.0	0.97%	0.00%
ALLERGIES (REACTIONS)	Medical	2.0	0.65%	0.00%
ANIMAL BITES / ATTACKS	Medical	1.0	0.32%	0.00%
ASSAULT	Medical	1.0	0.32%	0.00%
BACK PAIN (NON-TRAUM..	Medical	4.0	1.29%	0.00%
BIKE ACC	Medical	1.0	0.32%	0.00%
BREATHING PROBLEMS	Medical	12.0	3.87%	0.00%
CARBON MONIX ALARM	Fire	3.0	0.97%	0.00%
CARDIAC ARREST	Medical	1.0	0.32%	0.00%
CHEST PAIN	Medical	5.0	1.61%	0.00%
CHILDBIRTH	Medical	1.0	0.32%	0.00%
CONVULSIONS	Medical	1.0	0.32%	0.00%
EVALUATION	Medical	1.0	0.32%	0.00%
FAINTING SPELLS	Medical	5.0	1.61%	0.00%
FALL - FROM HEIGHT	Medical	1.0	0.32%	0.00%
FALL - NOT HEIGHT	Medical	19.0	6.13%	0.00%
FIRE ALARM - APT / CONDO	Alarm	1.0	0.32%	0.00%
FIRE ALARM - COMM	Alarm	9.0	2.90%	0.00%
FIRE ALARM - RES	Alarm	31.0	10.00%	0.00%
FIRE ALARM PROBLEM	Fire	2.0	0.65%	0.00%
FIRE ALARM TEST	Other	1.0	0.32%	0.00%
FLOODING PROB - FD	Fire	1.0	0.32%	0.00%
GUNSHOT INJURIES	Medical	1.0	0.32%	0.00%
HEADACHE	Medical	1.0	0.32%	0.00%
HEART PROBLEMS	Medical	7.0	2.26%	0.00%
HEMORRHAGE	Medical	3.0	0.97%	0.00%
HYDRANT LEAKING	Fire	1.0	0.32%	0.00%
ILLEGAL BURNING	Fire	2.0	0.65%	0.00%
INVESTIGATION - FD	Fire	1.0	0.32%	0.00%
LACERATION	Medical	1.0	0.32%	0.00%
LIFT ASSIST	Fire	4.0	1.29%	0.00%
MEDICAL AID	Medical	16.0	5.16%	0.00%
MEDICAL ALARM	Alarm	3.0	0.97%	0.00%
MOVE-UP	Other	2.0	0.65%	0.00%
NAT GAS LN BRK - INSIDE ..	Fire	1.0	0.32%	0.00%
NAT GAS LN BRK - OUTSIDE	Fire	2.0	0.65%	0.00%
NON-BREATHER	Medical	1.0	0.32%	0.00%
ODOR INVESTIGATION	Fire	9.0	2.90%	0.00%
OVERDOSE	Medical	1.0	0.32%	0.00%
PENDING DISPATCH	Other	1.0	0.32%	0.00%
PERSON DOWN	Medical	9.0	2.90%	0.00%
POISONING (INGESTION)	Medical	1.0	0.32%	0.00%
PUBLIC SERVICE	Fire	3.0	0.97%	0.00%
RESCUE - OCEAN	Rescue	3.0	0.97%	0.00%
RESCUE - TC	Medical	5.0	1.61%	0.00%
RESCUE - TC EXPANDED	Other	2.0	0.65%	0.00%
SEIZURE	Medical	8.0	2.58%	0.00%
SICK PERSON (SPEC DIAG)	Medical	22.0	7.10%	0.00%
SMOKE CHECK	Fire	2.0	0.65%	0.00%
SNAKE REMOVAL	Fire	18.0	5.81%	0.00%
STROKE (CVA)	Medical	3.0	0.97%	0.00%
STRUCTURE FIRE - APT / C..	Fire	1.0	0.32%	0.00%
STRUCTURE FIRE - COMM	Fire	1.0	0.32%	0.00%
STRUCTURE FIRE - RES	Fire	3.0	0.97%	0.00%
SUICIDE ATTEMPT	Medical	1.0	0.32%	0.00%
TC	Medical	22.0	7.10%	0.00%
TC - VEH INTO STRUCTURE	Rescue	2.0	0.65%	0.00%
TRANSFORMER FIRE	Fire	1.0	0.32%	0.00%
TRAUMATIC INJURIES	Medical	1.0	0.32%	0.00%
TREE DOWN	Fire	7.0	2.26%	0.00%
UNCONSCIOUS	Medical	2.0	0.65%	0.00%
UNKNOWN PROBLEM	Medical	1.0	0.32%	0.00%
VEGETATION FIRE	Fire	6.0	1.94%	0.00%
VEHICLE FIRE	Other	1.0	0.32%	0.00%
WALK IN / UP MEDICAL AID	Other	1.0	0.32%	0.00%
WATER PROB - FD	Fire	11.0	3.55%	0.00%
WORKING STRUC. RES	Fire	1.0	0.32%	0.00%
Grand Total		310.0	100.00%	0.00%

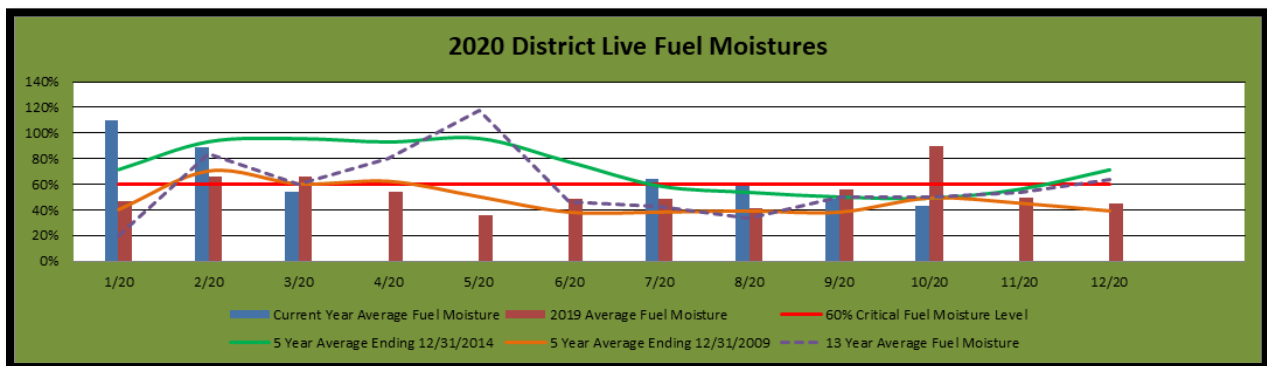


Rancho Santa Fe Fire Protection District Operations Report October 2020 Incident Reporting

Monthly Incident Map:



Monthly Fuel Moisture:

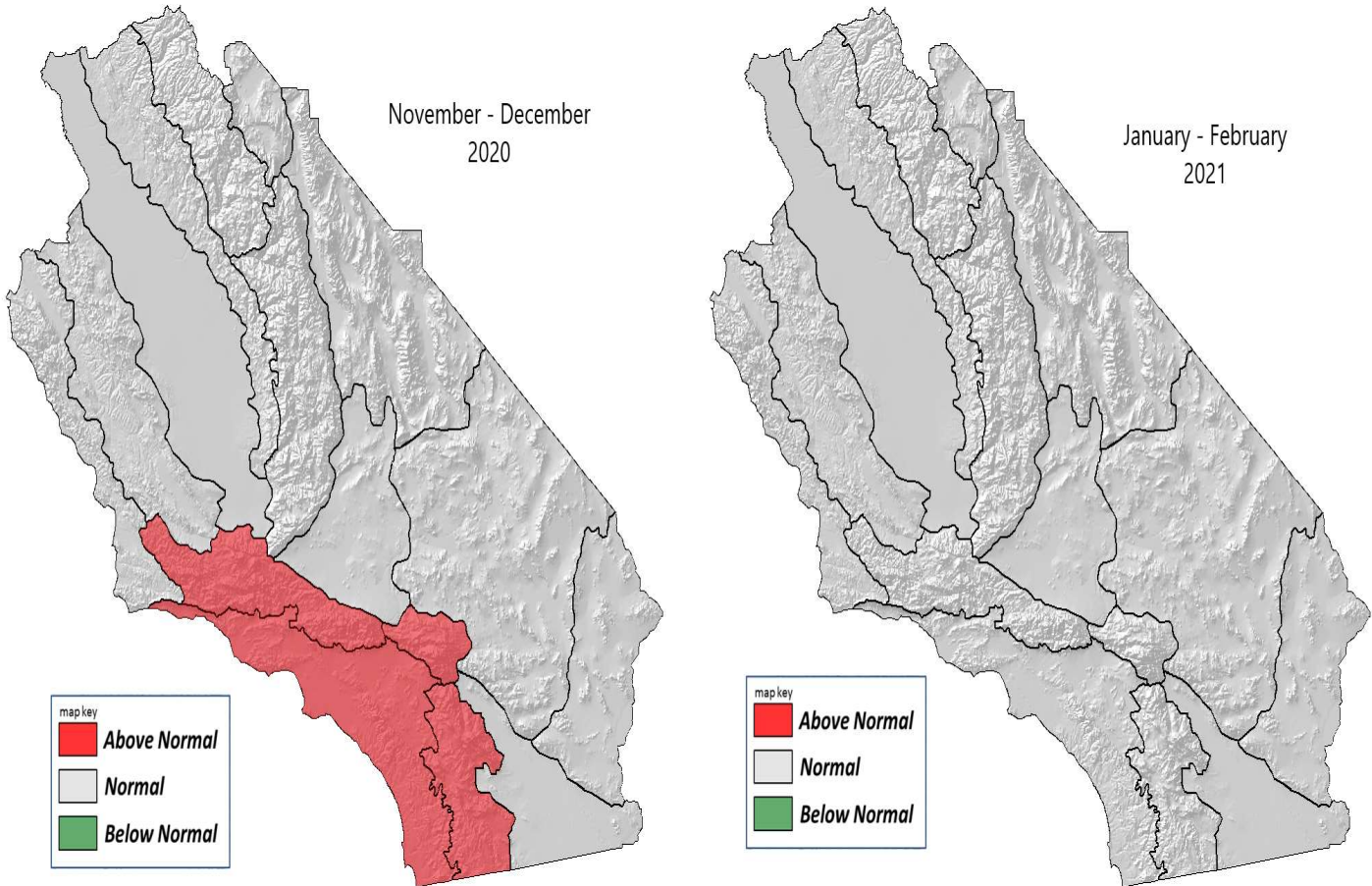


Significant Incidents:

Date	Incident Type	Units Assigned:
10/01/2020	Glass Fire	OES Engine 336 (third crew deployed)
10/06/2020	August Complex	Rapid Extrication Module Team (REM Team)
10/29/2020	Silverado Fire	Fire line Medic



SIGNIFICANT FIRE POTENTIAL



November 2020 - February 2021 HIGHLIGHTS

- **Temperatures well above normal through December then cooling to a little above normal in January and February.**
- **Well below normal rainfall through December then a little below normal rainfall in January and February.**
- **Above normal offshore wind events through December then near to a little below normal offshore wind events in January and February.**



WEATHER AND FUELS DISCUSSION

High pressure remained the dominant weather feature across Central and Southern California in October just like in September, but the center of high pressure moved from over the Great Basin and Desert Southwest to off the California Coast. This area of high pressure brought above normal temperatures to most locations for most of the month. However, a couple of Pacific troughs brought brief periods of near to a little below normal temperatures from October 8th – October 11th and from October 22nd – October 26th. The high pressure was at its strongest the first couple days of the month when widespread temperatures in the valleys were between 100 and 110 degrees and many record high temperatures were broken. Overall, temperatures for October were well above normal (Fig 1). There were no weather systems that brought widespread rainfall to the area and most locations received no rainfall at all (Fig 2). There was one strong and one weak Santa Ana wind event this month. The strong event occurred from October 26th – October 27th and the weak event occurred on October 16th. With the strong event, northeast winds of 20 to 40 mph with gusts to 60 mph surfaced across the mountains and below the canyons and passes of Southern California. The windiest locations had gusts to 80 mph. There was no change to the drought situation across the region in October (Fig 3). Moderate drought to abnormally dry conditions continued across interior portions of Central California north of Kern County and across the deserts. There was no drought along the Central Coast and from the mountains westward from Kern County all the way south to San Diego County. The fuels remained very dry in October. 1000-hour dead fuel moisture remained mainly below the 3rd percentile across the mountains (Fig 4). 100-hour dead fuel moisture was more variable in October but was below the 3rd percentile and broke records at the beginning of the month (Fig 5 next page). There was little change in the live fuel moisture this month (Fig 6 next page). The live fuels remained mainly between 50% and 70%, but some of the old growth live fuel moisture was between 40% and 50%. These live fuel moisture values are below normal for this time of year.

Av. Max. Temperature dep from Ave (deg F)
10/1/2020 – 10/29/2020

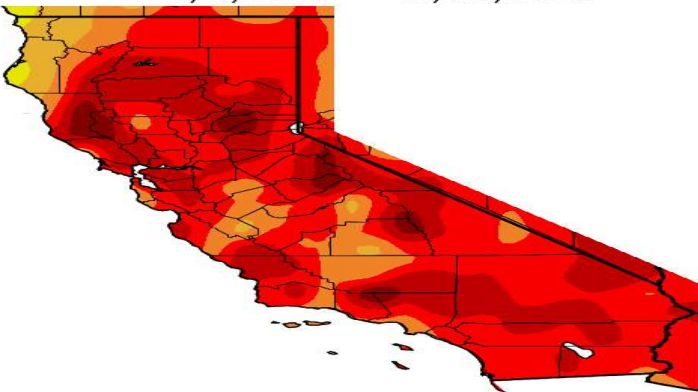


Fig 1: October 1st - October 29th Temperature
(% of Ave.)

Percent of Average Precipitation (%)
10/1/2020 – 10/29/2020



Fig 2: October 1st - October 29th Precipitation
(% of Ave.)

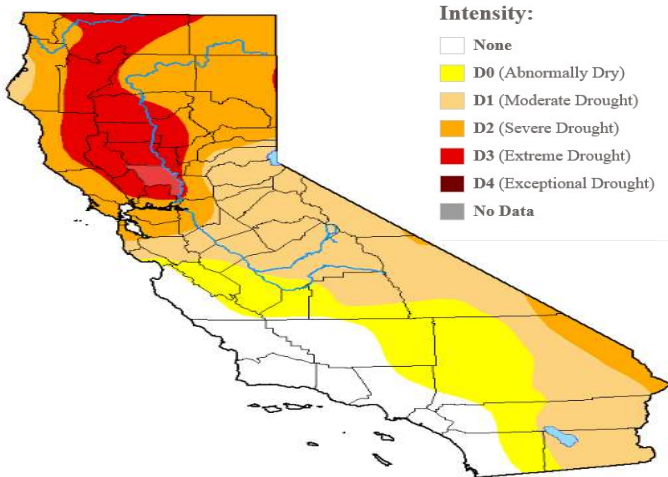


Fig 3: Drought Monitor October 29th, 2020

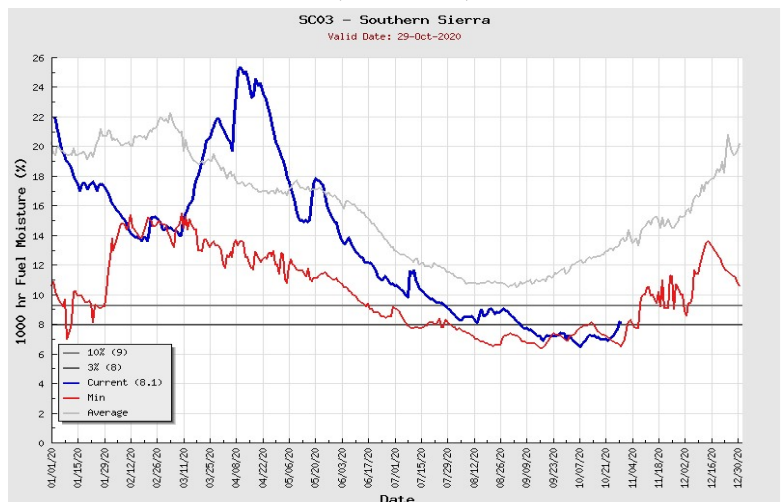


Fig 4: Southern Sierra 1000 hr
dead fuel moisture October 29th

SOUTHERN OPERATIONS MONTHLY/SEASONAL OUTLOOK

ISSUED OCTOBER 30, 2020

VALID NOVEMBER 2020 - FEBRUARY 2021



SOUTH OPS OUTLOOK

Even though sea surface temperatures have cooled some in the Gulf of Alaska, Central and Southern California will most likely receive well below normal precipitation and well above normal temperatures through December as sea surface temperatures along the West Coast remain well above normal and sea surface temperatures over the Equatorial Pacific remain well below normal (**Fig 7**). High pressure off the California Coast is expected to remain the dominant weather feature affecting Central and Southern California through December. Pacific troughs dropping down the east side of the high-pressure area located just off the California Coast will likely bring stronger and more occasional Santa Ana wind events to Southern California in November and December. Thus, the significant large fire potential will remain above normal across Southern California from the mountains westward through December. Offshore winds are much less common across Central California and since heat waves are uncommon and not long-lasting during the fall months, the large fire threat was lowered to normal across Central California. Forecast models predict that sea surface temperatures off the West Coast will cool and sea surface temperatures over the Equatorial Pacific will warm during the winter months which will allow for cooler temperatures and beneficial precipitation to occur. Thus, the significant large fire threat is expected drop to normal across the entire region in January and February.

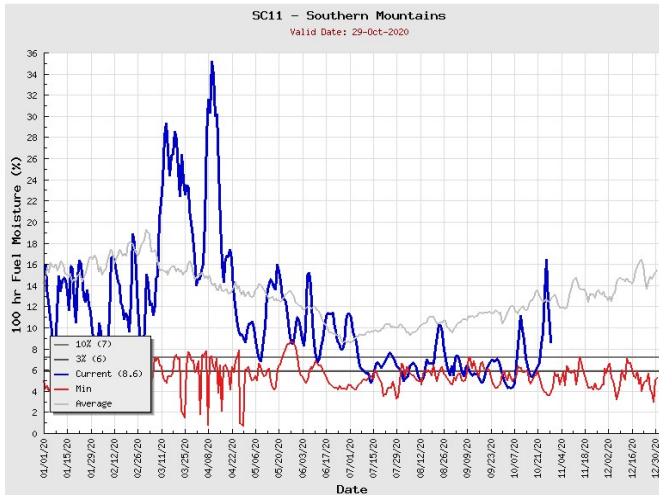


Fig 5: Southern Mountains 100 hr dead fuel moisture October 29th

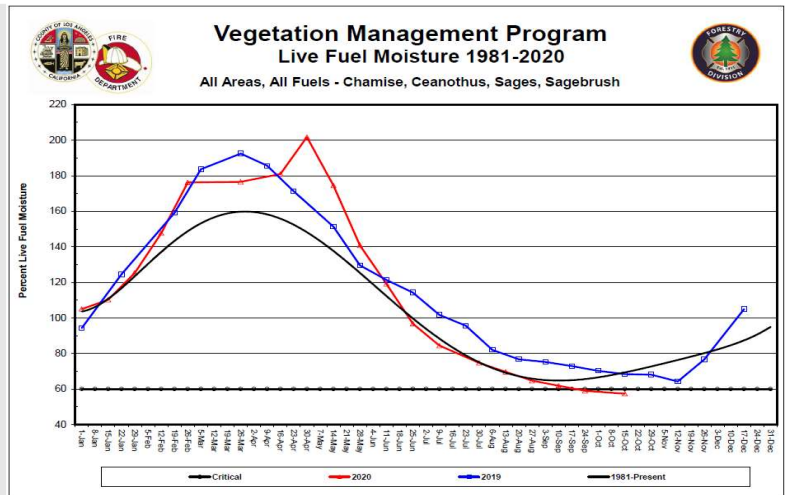


Fig 6: LA County Live Fuel Moisture October 15th

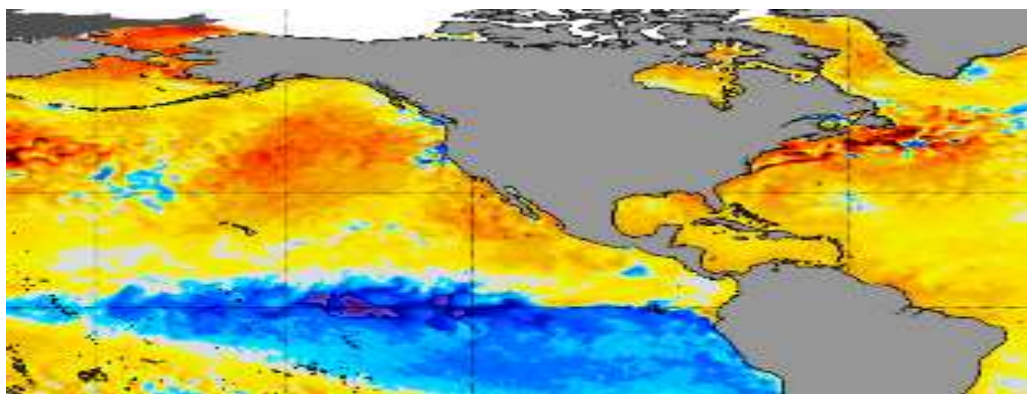
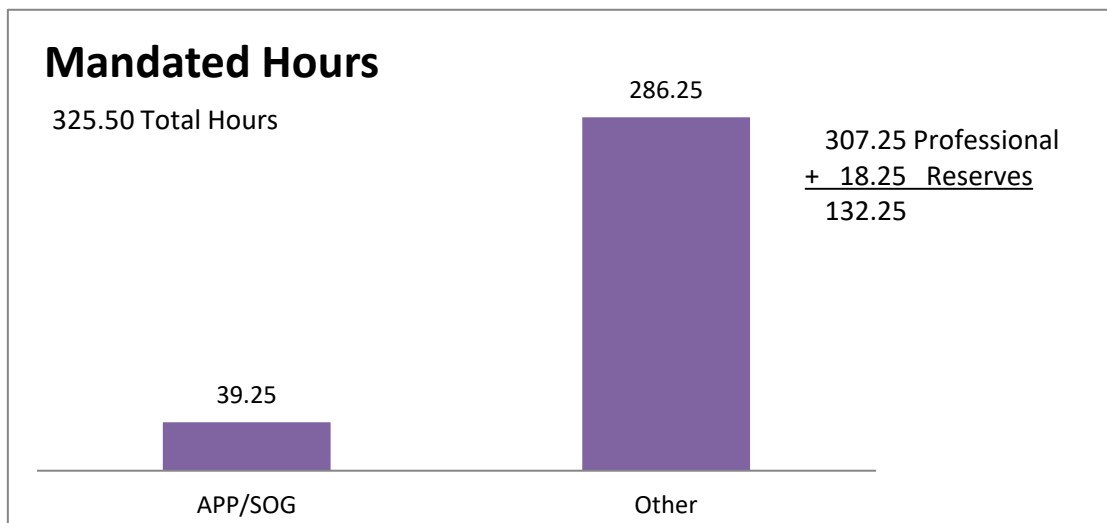
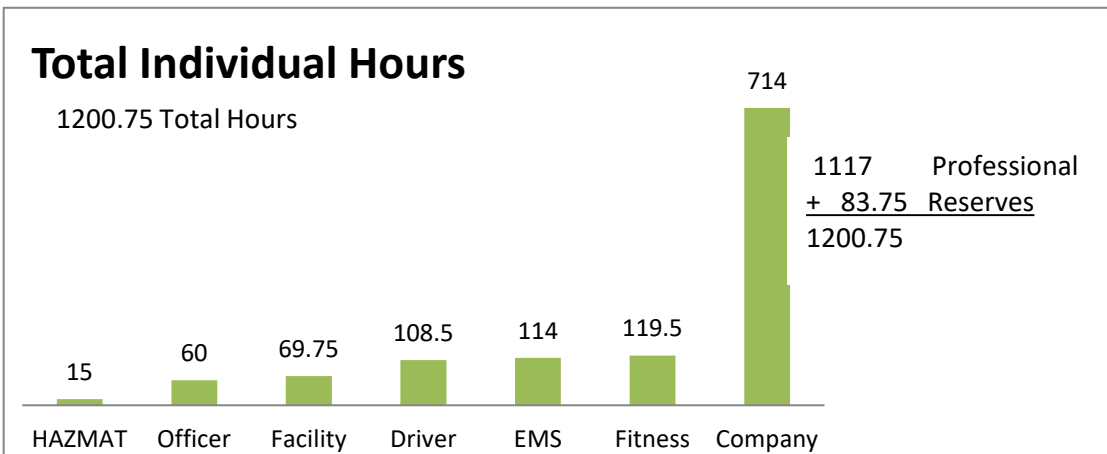
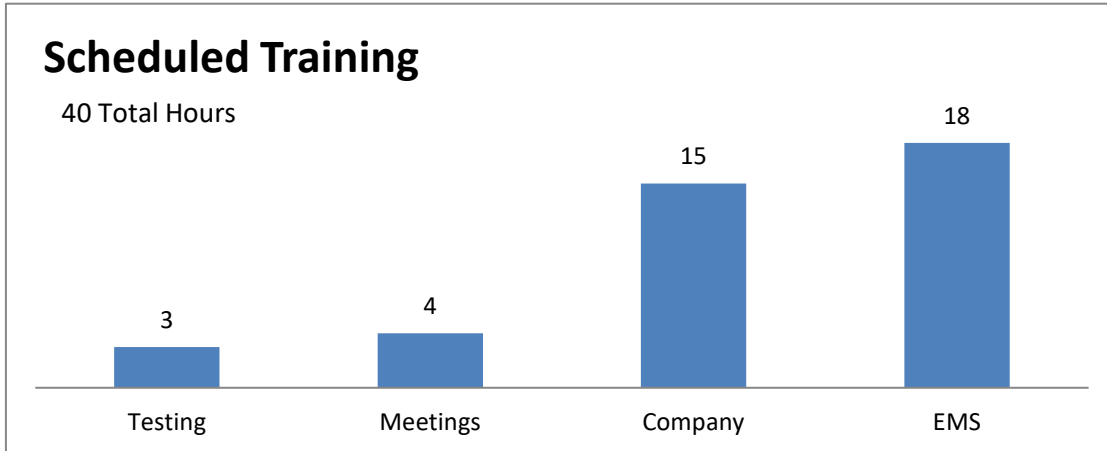


Fig 7: Sea Surface Temperature Anomaly, October 28th, 2020

Training Division October 2020

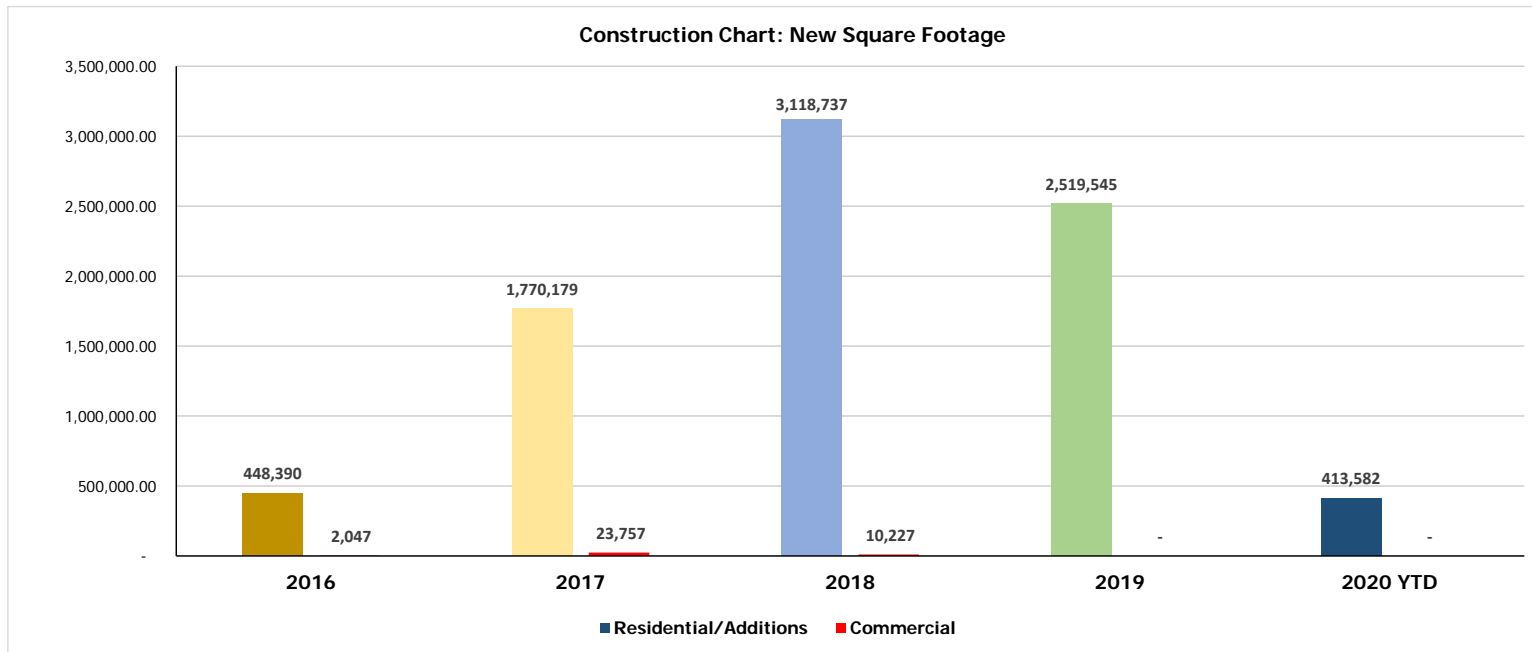


See next page for description.

Training Division - Descriptions

Scheduled Training		
<p>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.</p>		
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		
<p>Hours completed through an assignment on an online database (Target Solutions). Mandated assignments are required by either Federal, State, Local.</p>		

Rancho Santa Fe Fire Protection District
Fire Prevention Bureau Monthly Activity Summary
 February 2020



Total New Square Footage Only (*Reflected in Chart Above)

Year	Res/Add	Comm	Total
2016	448,390	2,047	450,437
2017	1,770,179	23,757	1,793,936
2018	3,118,737	10,227	3,128,964
2019	2,519,545	-	2,519,545
2018 YTD	1,764,148	600	1,764,748
2019 YTD	1,170,726	-	1,170,726
2020 YTD	413,582	-	413,582

2020 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	6,690	47,086	35,625	98,348	53,311		

Comparison 2019/2020 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	47,086	35,625	98,348	53,311		

Rancho Santa Fe Fire Protection District
Fire Prevention Bureau Monthly Activity Summary
 February 2020

PLAN REVIEWS				
Plan Type	No. of Reviews	Resubmittals	# of Structures	Approved New SQFT (Mit Fees)
New Residential	10	8	11	15,012
Additions/Remodels	6	3	1	58
New Commercial	2	-	-	-
Commercial T.I.	4	2	-	-
Tents/Special Events	2	-	-	-
Rack Storage	-	-	-	-
Preliminary	13	6	-	-
Fire Suppression Systems	9	-	-	-
Alarms	1	-	-	-
Landscaping	19	3	-	-
Grading/MyIars/Improvement Plans	5	-	-	-
Underground	2	-	-	-
Hood System	-	-	-	-
Tanks	-	-	-	-
Cell Sites	1	-	-	-
DSS/CCL	-	-	-	-
DPLU	-	-	-	-
Solar Panels	-	-	-	-
High Piled Storage	-	-	-	-
High Hazard/Communications/Other	3	-	-	-
Spray Booth	-	-	-	-
TOTAL	77	22	12	15,070
TOTAL PLAN REVIEWS:		99		



INSPECTIONS	
Inspection Type	# of Inspections
Alarms	-
Fire Supression Systems	37
Building Construction	47
Landscaping	7
Tent/Special Event	2
Gates/Knox	-
Site Visit	1
Technical Report/FPP	-
Underground	7
Annual Inspection	
Other	2
TOTAL	103

Rancho Santa Fe Fire Protection District
Fire Prevention Bureau Monthly Activity Summary
 February 2020

SPECIAL PROJECTS	
Project Type	# of Projects
Grants	2
GIS	2
Forms (Updates/New)	1
Project Research	17
Computer Programming/I.T.	-
Emergency Response Support	-
Annual Mailer (Weed Abatement)	-
Board Report Formatting/ Design	-
Other	
TOTAL	22

MEETINGS	
Meeting Type	# of Meetings
H.O.A	2
Staff	19
Board	3
On-Site Project Meetings	23
In-Office Project Meetings	5
Shift	-
Captain's	-
Weed Abatement	16
County	2
Code Development	1
Support/I.T. Development	-
San Diego County FPO's	3

Rancho Santa Fe Fire Protection District
Fire Prevention Bureau Monthly Activity Summary
 February 2020

Community Stakeholder Meetings	4
Other	4
TOTAL	82

TRAINING/EDUCATION	
Class Name	Dates
TOTAL	

PREVENTION / PUB ED	
Activity	Number
Phone Calls	650
Emails	4,410
TOTAL	5,060

WEED ABATEMENT	
Activity	# of Inspections
Weed Abatement Inspection	49
Weed Abatement Reinspection	187
1st Notice	41
Final Notice	64
Posting	23
Notices Printed	267
Forced Abatement	183
TOTAL	814

Rancho Santa Fe Fire Protection District
Fire Prevention Bureau Monthly Activity Summary
February 2020

ADMINISTRATIVE SERVICES/OFFICE SUPPORT	
Activity	# Completed
Phone Calls	568
Correspondence	1,038
Walk in/Counter	130
Knox Application Request	3
Burn Permits	4
Plan Accepted/Routed	88
Special Projects	2
Scanning Documents/Electronic Files	72
Meetings: Admin/Prevention/Admin Shift	8
Post Office Runs	-
Deposit Runs/Preparations	5
TOTAL	1,918

RESOLUTION No. 2020-16

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RANCHO SANTA FE FIRE PROTECTION DISTRICT ADOPTING THE FIRE MITIGATION FEE FUND MULTI-YEAR PLAN-AMENDED

WHEREAS, the Rancho Santa Fe Fire Protection District participates in the San Diego County Fire Mitigation Program; and

WHEREAS, the County of San Diego is empowered to collect mitigation fees from applicants for new development for the purpose of the expansion of fire protection and firefighting facilities and equipment; and

WHEREAS, the Rancho Santa Fe Fire Protection District must annually adopt a Fire Mitigation Fee Fund Multi-Year Plan at a noticed public hearing.

NOW, THEREFORE, BE IT RESOLVED THAT:

- (1) The Fire Mitigation Fee Fund Multi-Year Plan is to be incorporated as a part of the Rancho Santa Fe Fire Protection District Final Budget for fiscal year 2020/21.
- (2) On November 18, 2020, a noticed public meeting for adoption of the Fire Mitigation Fee Fund Multi-Year Facilities and Equipment Plan was held.
- (3) A copy of the Fire Mitigation Fee Fund Multi-Year Facilities and Equipment Plan is included as a part of this resolution.

PASSED AND ADOPTED at a special meeting of the Board of Directors of the Rancho Santa Fe Fire Protection District on November 18, 2020 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

JAMES H ASHCRAFT
President

ATTEST:

Karlana Rannals
Secretary

FIRE MITIGATION FEE MULTI-YEAR FACILITIES AND EQUIPMENT PLAN

Capital Expenditures						
			Committee Approved/ Pending	FY	% of Funding	Est. \$\$
Description	Support					
Fiscal Year 2019/2020						
Equipment	Printer/Plotter/Scanner	Fire Prevention	Approved	19/20	65%	30,000
	Software Programming	Fire Prevention	Approved	19/20	85%	40,000
Facility	RSF5 Fire Station Construction Additional Funding (increase) est. \$2,000,000		Approved revised amount	19/20	85%	1,369,495
Vehicle	New Vehicle - Fire Prevention	Fire Prevention	Approved	19/20	85%	65,973
Fiscal Year 2020/2021						
Equipment	No Proposed Expenditures					
Facility	Training Tower Improvements	Safety & Training	Approved	19/20	50%	88,236
	RSF5 Design/Build	Operations	Approved	19/20	85%	250,000
	RSF Solar	Operations	Approved	19/20	85%	25,500
	RSF 6 Improvements	Operations	Approved	17/18	70%	35,000
Vehicles	Type 6 Fire Engine*	Operations	Approved	19/20	85%	350,000
* Project is temporarily suspended and will be moved to a future date						
Fiscal Year 2021/2022						
Equipment	No Proposed Expenditures					
Facility	No Proposed Expenditures					
Vehicles	New Utility Vehicle	Operations	Approved	19/20	85%	70,000
	Type III Fire Engine	Operations	Approved	20/21	40%	206,000
Fiscal Year 2022/2023						
Equipment	No Proposed Expenditures					
Facility	No Proposed Expenditures					
Vehicles	New Utility Vehicle	Fire Prevention	Approved	19/20	85%	48,450
	Type I Fire Engine	Operations	Approved	20/21	40%	284,000
Fiscal Year 2023/2024						
Equipment	No Proposed Expenditures					
Facility	No Proposed Expenditures					
Vehicles	No Proposed Expenditures					
Fiscal Year 2024/2025						
Equipment	No Proposed Expenditures					
Facility	No Proposed Expenditures					
Vehicles	Water Tender	Operations	Approved	20/21	40%	180,000

**FIRE MITIGATION FEE
MULTI-YEAR FACILITIES AND EQUIPMENT PLAN**

Approved: November 18, 2020

Motion by: Director

Seconded by: Director

Roll Call Results:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:



Karlana Rannals
Secretary

Rancho Santa Fe Fire Protection District

Rancho Santa Fe, California

Annual Financial Report

For the Year Ended June 30, 2020



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, 2020**

<u>Name</u>	<u>Position</u>	<u>Elected/Appointed</u>	<u>Current Term</u>
James H. Ashcraft	President	Elected	12/16 - 12/20
John C. Tanner	Vice President	Elected	12/18 - 12/22
Nancy C. Hillgren	Director	Elected	12/16 - 12/20
Randall Malin	Director	Elected	12/16 - 12/20
Tucker Stine	Director	Elected	12/18 - 12/22

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

**Rancho Santa Fe Fire Protection District
Annual Financial Report
For the Year Ended June 30, 2020**

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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 Financial Statements

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, 2020, 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.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 Rancho Santa Fe Fire Protection District as of June 30, 2020, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 8, 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 on pages 45 through 50, respectively 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated November 10, 2020, 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
November 10, 2020



**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 Rancho Santa Fe Fire Protection District (District) as of and for the year ended June 30, 2020, 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 November 10, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for determining 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 the District's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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 statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

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.

A handwritten signature in black ink that reads "The Peris Group, LLP". The signature is written in a cursive, flowing style.

San Diego, California
November 10, 2020

Rancho Santa Fe Fire Protection District
Management’s Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2020

As management of the Rancho Santa Fe Fire Protection District (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, 2020. 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 2.7%, or \$(932,963) from the prior year’s net position of \$34,559,018 to \$33,626,055.
- The District’s total revenues increased by 2.92% or \$530,276, to \$18,690,147 in fiscal year 2020.
- The District’s total expenses increased 15.95% or \$2,700,057, to \$19,623,110 in fiscal year 2020.

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 liabilities – 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.

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.

Rancho Santa Fe Fire Protection District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2020

Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance (Continued)

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.

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>\$ Change</u>	<u>% Change</u>
Assets:				
Current assets	\$ 23,156,544	\$ 25,261,415	\$ (2,104,871)	-8.33%
Capital assets, net	22,978,890	18,510,042	4,468,848	24.14%
Total assets	<u>46,135,434</u>	<u>43,771,457</u>	<u>2,363,977</u>	<u>5.40%</u>
Deferred outflows of resources	<u>4,387,671</u>	<u>5,765,318</u>	<u>(1,377,647)</u>	<u>-23.90%</u>
Liabilities:				
Current liabilities	2,949,179	785,846	2,163,333	275.29%
Noncurrent liabilities	11,967,676	12,784,800	(817,124)	-6.39%
Total liabilities	<u>14,916,855</u>	<u>13,570,646</u>	<u>1,346,209</u>	<u>9.92%</u>
Deferred inflows of resources	<u>1,980,195</u>	<u>1,407,111</u>	<u>573,084</u>	<u>40.73%</u>
Net position:				
Investment in capital assets	22,978,890	18,510,042	4,468,848	24.14%
Restricted for capital projects	6,883,012	6,997,155	(114,143)	-1.63%
Unrestricted	3,764,153	9,051,821	(5,287,668)	-58.42%
Total net position	<u>\$ 33,626,055</u>	<u>\$ 34,559,018</u>	<u>\$ (932,963)</u>	<u>-2.70%</u>

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 \$33,626,055 as of June 30, 2020.

Rancho Santa Fe Fire Protection District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2020

Government-wide Financial Analysis (Continued)

A portion of the District's net position 68% or \$22,978,890 reflects its investment in capital assets (net of accumulated depreciation). 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 2020 the District shows a positive balance in its unrestricted net position of \$3,764,153 that may be utilized in future years.

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>\$ Change</u>	<u>% Change</u>
Revenues:				
Program revenues:				
Charges for services	\$ 938,471	\$ 430,554	\$ 507,917	117.97%
Operating grants and contributions	655,707	1,287,302	(631,595)	-49.06%
Capital grants and contributions	780,569	607,203	173,366	28.55%
General revenues:			-	
Property taxes	13,258,685	12,683,095	575,590	4.54%
Voter approved taxes	1,606,903	1,542,180	64,723	4.20%
Developer payments in-lieu of proptry taxes	377,574	217,992	159,582	73.21%
Reorganization revenue – Elfin Forest/Harmony Grove	312,500	312,500	-	0.00%
Rental income	396,844	382,734	14,110	3.69%
Investment earnings	700,737	684,900	15,837	2.31%
Other	(337,843)	11,411	(349,254)	-3060.68%
Total revenues	<u>18,690,147</u>	<u>18,159,871</u>	<u>530,276</u>	<u>2.92%</u>
Expenses:				
Fire protection operations:				
Salaries and wages	9,097,724	9,212,690	(114,966)	-1.25%
Employee benefits	5,778,389	4,650,625	1,127,764	24.25%
Contractual services	1,674,633	1,675,485	(852)	-0.05%
Materials and supplies	881,843	479,016	402,827	84.09%
Other Expenses	1,238,369	125,625	1,112,744	885.77%
Loss on disposal of capital assets	122,198	-	122,198	-100.00%
Depreciation	829,954	779,612	50,342	6.46%
Total expenses	<u>19,623,110</u>	<u>16,923,053</u>	<u>2,700,057</u>	<u>15.95%</u>
Change in net position	(932,963)	1,236,818	(2,169,781)	-13.03%
Net position:				
Beginning of year	34,559,018	33,322,200	1,236,818	3.71%
End of year	<u>\$ 33,626,055</u>	<u>\$ 34,559,018</u>	<u>\$ (932,963)</u>	<u>-2.70%</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 \$(932,963) for the fiscal year ended June 30, 2020.

**Rancho Santa Fe Fire Protection District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2020**

Government-wide Financial Analysis (Continued)

The District added four (4) full-time employees to staff the Elfin Forest Fire Station with paid firefighting professionals and a dedicated Volunteer Recruitment and Retention Coordinator. The terms of these grants expire December 31, 2020 and November 27, 2021, respectively.

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, 2020, the District's General Fund reported a fund balance of \$20,026,209. An amount of \$10,893,106 constitutes the District's *unassigned fund balance*, which is available for future use.

Capital Asset Administration

At the end of fiscal year 2020, the District's investment in capital assets amounted to \$22,978,890 (net of accumulated depreciation). This investment in capital assets includes structures and improvements and equipment. (See Note 3 for further information).

Capital assets balances are as follows:

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>\$ Change</u>	<u>% Change</u>
Non-depreciable assets	\$ 3,374,840	\$ 3,936,596	\$ (561,756)	-14.27%
Depreciable assets	31,328,192	25,603,170	5,725,022	22.36%
Accumulated depreciation and amortization	(11,724,142)	(11,029,724)	(694,418)	6.30%
	<u>\$ 22,978,890</u>	<u>\$ 18,510,042</u>	<u>\$ 4,468,848</u>	<u>24.14%</u>

Economic and Other Factors Effecting Next Year's Operations and Budget

Management is unaware of any conditions, including the ongoing COVID-19 pandemic, which could have a significant impact on the District's current financial position, net position or operating results in terms of past, present and future.

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 the District's Administrative Manager, Karlana Rannals, at the 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, 2020

	Governmental Activities
ASSETS	
Current assets:	
Cash and investments	\$ 20,608,708
Accounts receivable	1,616,750
Property taxes receivable	61,069
Accrued interest receivable	65,611
Deposits	804,406
Total current assets	23,156,544
Noncurrent assets:	
Capital assets – not being depreciated	3,374,840
Capital assets, net – being depreciated	19,604,050
Total noncurrent assets	22,978,890
Total assets	46,135,434
DEFERRED OUTFLOWS OF RESOURCES	
Pension related deferred outflows of resources	4,387,671
Total deferred outflows of resources	4,387,671
LIABILITIES	
Current liabilities:	
Accounts payable and accrued expenses	2,131,009
Accrued salaries and related payables	667,598
Unearned revenue	830
Long-term liabilities – due within one year:	
Compensated absences	149,742
Total current liabilities	2,949,179
Noncurrent liabilities:	
Long-term liabilities – due in more than one year:	
Compensated absences	376,841
Workers' compensation claims payable	669,375
Net pension liability	10,921,460
Total noncurrent liabilities	11,967,676
Total liabilities	14,916,855
DEFERRED INFLOWS OF RESOURCES	
Pension related deferred inflows of resources	730,195
Related to District reorganization	1,250,000
Total deferred inflows of resources	1,980,195
NET POSITION	
Investment in capital assets	22,978,890
Restricted	6,883,012
Unrestricted	3,764,153
Total net position	\$ 33,626,055

Rancho Santa Fe Fire Protection District
Statement of Activities
For the Year Ended June 30, 2020

	Governmental Activities
Expenses:	
Fire protection operations:	
Operations	\$ 18,670,958
Depreciation expense	829,954
Total expenses	19,500,912
Program revenues:	
Charges for services	938,471
Operating grants and contributions	655,707
Capital grants and contributions	780,569
Total program revenues	2,374,747
Net program expense	(17,126,165)
General revenues:	
Property taxes	13,258,685
Voter approved taxes	1,606,903
Developer payments in-lieu of property taxes	377,574
Reorganization revenue – Elfin Forest/Harmony Grove	312,500
Rental income	396,844
Investment earnings	700,737
Gain (loss) on disposal of capital assets	(122,198)
Other	(337,843)
Total general revenues	16,193,202
Change in net position	(932,963)
Net position:	
Beginning of year	34,559,018
End of year	\$ 33,626,055

FUND FINANCIAL STATEMENTS

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Rancho Santa Fe Fire Protection District
Balance Sheet
Governmental Funds
June 30, 2020

ASSETS	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
Assets:			
Cash and investments	\$ 17,575,807	\$ 3,032,901	\$ 20,608,708
Accounts receivable	1,531,660	85,090	1,616,750
Property taxes receivable	61,069	-	61,069
Accrued interest receivable	53,267	12,344	65,611
Deposits	804,406	-	804,406
Total assets	<u>\$ 20,026,209</u>	<u>\$ 3,130,335</u>	<u>\$ 23,156,544</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
Liabilities:			
Accounts payable and accrued expenses	\$ 942,916	\$ 1,188,093	\$ 2,131,009
Accrued salaries and related payables	667,598	-	667,598
Unearned revenue	830	-	830
Total liabilities	<u>1,611,344</u>	<u>1,188,093</u>	<u>2,799,437</u>
 Deferred inflows of resources:			
Related to District reorganization	<u>1,250,000</u>	<u>-</u>	<u>1,250,000</u>
Total deferred inflows of resources	<u>1,250,000</u>	<u>-</u>	<u>1,250,000</u>
 Fund balance:			
Restricted	4,940,770	1,942,242	6,883,012
Committed	804,406	-	804,406
Assigned	526,583	-	526,583
Unassigned	10,893,106	-	10,893,106
Total fund balance	<u>17,164,865</u>	<u>1,942,242</u>	<u>19,107,107</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 18,776,209</u>	<u>\$ 3,130,335</u>	<u>\$ 21,906,544</u>

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, 2020

Fund Balance – Governmental Funds	<u>\$ 19,107,107</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.	22,978,890
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.	4,387,671
Long-term liabilities applicable to the District are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position as follows:	
Compensated absences	(526,583)
Workers' compensation claims payable	(669,375)
Net pension liability	(10,921,460)
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>(730,195)</u>
Total adjustments	<u>14,518,948</u>
Net Position of Governmental Activities	<u><u>\$ 33,626,055</u></u>

Rancho Santa Fe Fire Protection District
Statement of Revenues, Expenditures, and Change in Fund Balances
Governmental Funds
For the Year Ended June 30, 2020

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
Revenues:			
Property taxes	\$ 13,258,685	\$ -	\$ 13,258,685
Voter approved taxes	1,606,903	-	1,606,903
Developer payments in-lieu of property taxes	377,574	-	377,574
Reorganization revenue – Elfin Forest/Harmony Grove	312,500	-	312,500
Charges for services	938,471	-	938,471
Operating grants and contributions	655,707	-	655,707
Capital grants and contributions	-	780,569	780,569
Rental income	396,844	-	396,844
Investment earnings	605,152	95,585	700,737
Other	10,056	-	10,056
Total revenues	<u>18,161,892</u>	<u>876,154</u>	<u>19,038,046</u>
Expenditures:			
Current:			
Salaries and wages	9,097,724	-	9,097,724
Employee benefits	4,384,019	-	4,384,019
Contractual services	1,674,633	-	1,674,633
Materials and supplies	881,843	-	881,843
Other expenditures	1,586,268	-	1,586,268
Capital outlay	5,421,000	-	5,421,000
Total expenditures	<u>23,045,487</u>	<u>-</u>	<u>23,045,487</u>
Revenues over (under) expenditures	<u>(4,883,595)</u>	<u>876,154</u>	<u>(4,007,441)</u>
Other financing sources/(uses) of funds:			
Transfers in/(out)	1,188,093	(1,188,093)	-
Total other financing sources (uses)	<u>1,188,093</u>	<u>(1,188,093)</u>	<u>-</u>
Net change in fund balance	<u>(3,695,502)</u>	<u>(311,939)</u>	<u>(4,007,441)</u>
Fund Balance:			
Beginning of year	20,860,367	2,254,181	23,114,548
End of year	<u>\$ 17,164,865</u>	<u>\$ 1,942,242</u>	<u>\$ 19,107,107</u>

Rancho Santa Fe Fire Protection District
Reconciliation of the Statement of Revenues, Expenditures, and Change in
Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2020

Net Change in Fund Balance – Governmental Funds \$ (4,007,441)

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	5,421,000
Depreciation expense	(829,954)

(Loss) on disposal of capital assets was not an expenditure in the governmental funds, but was recorded in the statement of activities.	(122,198)
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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	(84,080)
Net change in workers' compensation claims payable	(9,601)
Net change in net pension liability and related deferred resources	<u>(1,300,689)</u>
Total adjustments	<u><u>3,074,478</u></u>

Change in net position of governmental activities \$ (932,963)

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, 2020

Note 1 – Reporting Entity and Summary of Significant Accounting Policies

Organization and Operations of the Reporting Entity

The Rancho Santa Fe Fire Protection District was formed on October 14, 1946 under an order adopted by the County Board of Supervisors. The District spans approximately 49-square miles and protects over 34,706 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 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.

In accordance with U.S. GAAP the Statement of Net Position reports 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, 2020

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 can only be used to purchase capital assets.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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.

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, 2020

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 Statements of Net Position, 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.

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 of San Diego’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.

Prepaid Items

Certain payments to vendors reflect costs or deposits applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

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 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

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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. Safety employees with more than one year but less than 4 years may accumulate 144 hours of vacation per year; 168 hours for the fifth through ninth year of employment; 192 hours for the tenth through fourteenth year of employment; 240 hours for the fifteenth through nineteenth; and 288 hours thereafter. Safety management positions accrue vacation leave from 15 to 25 days per year depending on their position. Administrative employees in their first through fifth year may accumulate 80 hours of vacation per year; 120 hours for the sixth through tenth year; 136 hours for the eleventh through fifteenth year; 160 hours for the sixteenth through twentieth; and 200 hours after 21 years. Vacations may accumulate beyond the end of the calendar year.

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 6). 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, 2018
Measurement date	June 30, 2019
Measurement period	July 1, 2018 to June 30, 2019

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.

Net Position

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

Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation.

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.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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

Basis of Accounting and Measurement Focus (Continued)

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. This is also the classification for residual funds in the District’s special revenue funds.

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 established, 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.

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.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

Note 2 – Cash and Investments

Cash and investments as of June 30, 2020 consisted of the following:

Description	Balance
Demand deposits with financial institutions	\$ 376,528
Investments	20,232,180
Total cash and investments	\$ 20,608,708

Demand Deposits

At June 30, 2020 the carrying amount of the District’s demand deposits was \$376,528 and the financial institution balance was \$569,298. The \$192,770 net difference as of June 30, 2020 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, 2020 consisted of the following:

Investments	Measurement Input	Credit Rating	Fair Value	Maturity 12 Months or Less
External Investment Pools:				
California Local Agency Investment Fund (LAIF)	Uncategorized	N/A	\$ 2,694,149	\$ 2,694,149
CalTRUST Medium Term Fund	Uncategorized	A+f	4,940,770	4,940,770
San Diego County Pooled Investment Fund	Level 2	AAAf/S1	12,597,261	12,597,261
Total investments			\$ 20,232,180	\$ 20,232,180

Fair Value Measurement Input

The District categorizes its fair value measurement inputs within the fair value hierarchy established by generally accepted accounting principles. The District has presented its measurement inputs as noted in the table above.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

Note 2 – Cash and Investments (Continued)

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)
 - Investment Trust of California – CalTRUST
 - San Diego County Pooled Investment Fund (SDCPIF)
- Non-negotiable certificates-of-deposit
- Governmental agency securities

Investment in California – Local Agency Investment Fund (LAIF)

The District is a voluntary participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

The District's investments with LAIF at June 30, 2020, included a portion of the pool funds invested in structured notes and asset-backed securities:

Structured Notes: debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities: generally, mortgage-backed securities that entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (for example, Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2020, the District had \$2,694,149 invested in LAIF, which had invested 3.37% of the pool investment funds in structured notes and medium-term asset-backed securities. The LAIF fair value factor of 1.004912795 was used to calculate the fair value of the investments in LAIF.

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 \$4,940,770 invested in CalTRUST.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

Note 2 – Cash and Investments (Continued)

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 8.68% of the Investment Pool as of June 30, 2020.

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.

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, 2020, the District had \$12,597,261 invested with the SDCPIF, which had invested 8.13% of the pool investment funds in asset-backed securities.

SDCPIF has indicated to the District that as of June 30, 2020 the value of its portfolio approximated \$10.333 billion and the portfolio holds some derivative products. The SDPIF fair value factor of 1.01550 was used to calculate the fair value of the investments in SDPIF as of June 30, 2020.

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).

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

Note 2 – Cash and Investments (Continued)

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, 2020, the District’s investment in the LAIF, 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, CalTRUST and SDCPIF.

Note 3 – Capital Assets

At June 30, 2020, the capital assets balances for the District are as follows:

Description	Balance July 1, 2019	Additions	Deletions/ Transfers	Balance June 30, 2020
Non-depreciable assets:				
Land	\$ 3,374,840	\$ -	\$ -	\$ 3,374,840
Construction in process	561,756	-	(561,756)	-
Total non-depreciable assets	3,936,596	-	(561,756)	3,374,840
Depreciable assets:				
Structures and improvements	19,564,325	4,561,181	561,756	24,687,262
Equipment and vehicles	6,038,845	859,819	(257,734)	6,640,930
Total depreciable assets	25,603,170	5,421,000	304,022	31,328,192
Accumulated depreciation:				
Structures and improvements	(6,779,367)	(557,920)	-	(7,337,287)
Equipment and vehicles	(4,250,357)	(272,034)	135,536	(4,386,855)
Total accumulated depreciation	(11,029,724)	(829,954)	135,536	(11,724,142)
Total depreciable assets, net	14,573,446	4,591,046	439,558	19,604,050
Total capital assets, net	\$ 18,510,042	\$ 4,591,046	\$ (122,198)	\$ 22,978,890

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

Note 4 – Compensated Absences

Summary of changes in compensated absences for the year ended June 30, 2020 is as follows:

Balance July 1, 2019	Earned	Taken	Balance June 30, 2020	Current	Non-current
\$ 442,503	\$ 460,923	\$ (376,843)	\$ 526,583	\$ 149,742	\$ 376,841

Note 5 – Deferred Inflow of Resources Related to District Reorganization

In 2017 the District received a \$2.5 million payment from the County of San Diego 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, 2020 is \$1,250,000.

Note 6 – Fund Balance

Fund balance classifications as of June 30, 2020 are as follows:

Description	General Fund	Special Revenue Fund	Total Governmental Funds
Restricted:			
Capital projects	\$ 4,940,770	\$ 1,942,242	\$ 6,883,012
Committed:			
Public Agency Self Insurance System	628,980	-	628,980
Medical equipment and supplies	175,426	-	175,426
Total committed	804,406	-	804,406
Assigned:			
Compensated absences	526,583	-	526,583
Unassigned	10,893,106	-	10,893,106
Total fund balance	\$ 17,164,865	\$ 1,942,242	\$ 19,107,107

Note 7 – Net Pension Liability and Defined Benefit Pension Plan

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

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
Net pension liabilities:				
CalPERS Miscellaneous	\$ 847,160	\$ 94,107	\$ -	\$ 941,267
CalPERS Safety	9,474,342	505,851	-	9,980,193
Total net pension liabilities	\$ 10,321,502	\$ 599,958	\$ -	\$ 10,921,460

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

Note 7 – 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, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2020</u>
Deferred outflows of resources:				
Pension contribution made after measurement date:				
CalPERS Miscellaneous	\$ 153,000	\$ 162,216	\$ (153,000)	\$ 162,216
CalPERS Safety	2,503,080	2,213,454	(2,503,080)	2,213,454
Total pension contribution made after measurement date	<u>2,656,080</u>	<u>2,375,670</u>	<u>(2,656,080)</u>	<u>2,375,670</u>
Difference between actual and proportionate share of employer contributions:				
CalPERS Miscellaneous	-	33,581	-	33,581
CalPERS Safety	854,198	-	(628,594)	225,604
Total difference between actual and proportionate share of employer contributions	<u>854,198</u>	<u>33,581</u>	<u>(628,594)</u>	<u>259,185</u>
Projected earnings on pension plan investments in excess of actual earnings:				
CalPERS Miscellaneous	4,188	-	(4,188)	-
CalPERS Safety	64,146	-	(64,146)	-
Total projected earnings on pension plan investments in excess of actual earnings	<u>68,334</u>	<u>-</u>	<u>(68,334)</u>	<u>-</u>
Adjustment due to difference in proportions				
CalPERS Miscellaneous	86,680	115,636	-	202,316
CalPERS Safety	837,773	-	(453,155)	384,618
Total adjustment due to difference in proportions	<u>924,453</u>	<u>115,636</u>	<u>(453,155)</u>	<u>586,934</u>
Change in assumptions				
CalPERS Miscellaneous	96,579	-	(51,695)	44,884
CalPERS Safety	929,598	-	(520,527)	409,071
Total change in assumption	<u>1,026,177</u>	<u>-</u>	<u>(572,222)</u>	<u>453,955</u>
Differences between expected and actual experience:				
CalPERS Miscellaneous	32,504	27,806	-	60,310
CalPERS Safety	203,572	448,045	-	651,617
Total differences between expected and actual experience	<u>236,076</u>	<u>475,851</u>	<u>-</u>	<u>711,927</u>
Total deferred outflows of resources	<u><u>\$ 5,765,318</u></u>	<u><u>\$ 3,000,738</u></u>	<u><u>\$ (4,378,385)</u></u>	<u><u>\$ 4,387,671</u></u>

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

Note 7 – Net Pension Liability and Defined Benefit Pension Plan (Continued)

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

	<u>Balance July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2020</u>
Deferred inflows of Resources:				
Change in assumption				
CalPERS Miscellaneous	\$ 23,670	\$ -	\$ (7,759)	\$ 15,911
CalPERS Safety	125,419	-	(45,589)	79,830
Total change in assumption	<u>149,089</u>	<u>-</u>	<u>(53,348)</u>	<u>95,741</u>
Adjustment due to difference in proportions				
CalPERS Miscellaneous	-	124,019	-	124,019
CalPERS Safety	1,004,377	-	(768,608)	235,769
Total adjustment due to difference in proportions	<u>1,004,377</u>	<u>124,019</u>	<u>(768,608)</u>	<u>359,788</u>
Employer contributions in excess of proportionate share of contribution				
CalPERS Miscellaneous	97,415	-	(10,081)	87,334
CalPERS Safety	144,397	-	(110,816)	33,581
Total employer contributions in excess of proportionate share of contribution	<u>241,812</u>	<u>-</u>	<u>(120,897)</u>	<u>120,915</u>
Difference between expected and actual experience				
CalPERS Miscellaneous	11,061	-	(11,061)	-
CalPERS Safety	772	-	(772)	-
Total difference between expected and actual experience	<u>11,833</u>	<u>-</u>	<u>(11,833)</u>	<u>-</u>
Projected earnings on pension plan investments in excess of actual earnings:				
CalPERS Miscellaneous	-	16,456	-	16,456
CalPERS Safety	-	137,295	-	137,295
Total projected earnings on pension plan investments in excess of actual earnings	<u>-</u>	<u>153,751</u>	<u>-</u>	<u>153,751</u>
Total deferred inflows of resources	<u>\$ 1,407,111</u>	<u>\$ 277,770</u>	<u>\$ (954,686)</u>	<u>\$ 730,195</u>

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, 2019 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, 2020

Note 7 – 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 percent 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, 2020 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	8.000%	8.000%	6.750%
Required employer contribution rates	13.182%	10.823%	6.985%

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

Note 7 – 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	21.927%	18.928%	13.034%

Members Covered by Benefit Terms

At the June 30, 2018 valuation date (measurement date of June 30, 2019), 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	2	2	8	12
Transferred and terminated members	19	2	2	23
Retired members and beneficiaries	7	-	-	7
Total plan members	<u>28</u>	<u>4</u>	<u>10</u>	<u>42</u>

Plan Members	Safety Plan			Total
	Classic Tier 1	Classic Tier 2	PEPRA Tier 3	
Active members	32	10	17	59
Transferred and terminated members	21	-	10	31
Retired members and beneficiaries	57	-	-	57
Total plan members	<u>110</u>	<u>10</u>	<u>27</u>	<u>147</u>

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

Note 7 – 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, 2019 (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, 2020, 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	\$ 94,786	\$ 26,616	\$ 40,814	\$ 162,216
Contributions – members	7,069	19,674	37,208	63,951
Total contributions	\$ 101,855	\$ 46,290	\$ 78,022	\$ 226,167

Plan Members	Safety Plan			Total
	Classic Tier 1	Classic Tier 2	PEPRA Tier 3	
Contributions – employer	\$ 1,777,385	\$ 214,553	\$ 221,516	\$ 2,213,454
Contributions – members	327,129	99,166	199,738	626,033
Total contributions	\$ 2,104,514	\$ 313,719	\$ 421,254	\$ 2,839,487

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, 2019 (Measurement Date), the total pension liability was determined by rolling forward the June 30, 2018 total pension liability. The June 30, 2019 total pension liability was based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
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, 2020

Note 7 – 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, 2018 valuation were based on the results of an actuarial experience study for the period from 1997 to 2011, 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 remained at 7.15 percent. All other actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period 1997 to 2011, 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 7.15 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	New Strategic Allocation	Real Return Years 1 - 10 ¹	Real Return Years 11+ ¹
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
	<u>100.00%</u>		

¹ An expected inflation rate-of-return of 2.00% is used for years 1 – 10.

² An expected inflation rate-of-return of 2.92% is used for years 11+.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

Note 7 – 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 7.15%, 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 (6.15%) or 1 percentage-point higher (8.15%) than the current rate:

Plan Type	Plan's Net Pension Liability/(Asset)		
	Discount Rate - 1% 6.15%	Current Discount 7.15%	Discount Rate + 1% 8.15%
CalPERS – Miscellaneous Plan	\$ 1,746,286	\$ 941,267	\$ 276,780
CalPERS – Safety Plan	\$ 18,972,924	\$ 9,980,193	\$ 2,607,562
Total	<u>\$ 20,719,210</u>	<u>\$ 10,921,460</u>	<u>\$ 2,884,342</u>

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, 2018 (Measurement Date)	\$ 5,384,900	\$ 4,537,740	\$ 847,160
Balance as of June 30, 2019 (Measurement Date)	\$ 5,985,138	\$ 5,043,871	\$ 941,267
Change in Plan Net Pension Liability	<u>\$ 600,238</u>	<u>\$ 506,131</u>	<u>\$ 94,107</u>
Plan Type and Balance Descriptions	Plan Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
CalPERS – Safety Plan:			
Balance as of June 30, 2018 (Measurement Date)	\$ 61,465,873	\$ 51,991,531	\$ 9,474,342
Balance as of June 30, 2019 (Measurement Date)	\$ 65,619,589	\$ 55,639,396	\$ 9,980,193
Change in Plan Net Pension Liability	<u>\$ 4,153,716</u>	<u>\$ 3,647,865</u>	<u>\$ 505,851</u>

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

Note 7 – 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, 2018). 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, 2019). 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, 2018 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, 2020	Fiscal Year Ending June 30, 2019	
CalPERS – Miscellaneous Plan			
Measurement Date	June 30, 2019	June 30, 2018	
Percentage of Risk Pool Net Pension Liability	0.033280%	0.031880%	0.001400%
Percentage of Plan (PERF C) Net Pension Liability	0.106580%	0.107110%	-0.000530%

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

Note 7 – 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)

	Percentage Share of Risk Pool		Change Increase/ (Decrease)
	Fiscal Year Ending June 30, 2020	Fiscal Year Ending June 30, 2019	
CalPERS – Safety Plan			
Measurement Date	June 30, 2019	June 30, 2018	
Percentage of Risk Pool Net Pension Liability	0.279920%	0.278710%	0.001210%
Percentage of Plan (PERF C) Net Pension Liability	0.106580%	0.107110%	-0.000530%

For the year ended June 30, 2020, the District recognized pension expense (credit) in the amount of \$3,676,359 for the CalPERS Miscellaneous and Safety Plans.

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 (EARS�) for PERF C for the measurement date ending June 30, 2019 is 3.8 years, which was obtained by dividing the total service years of 516,147 (the sum of remaining service lifetimes of the active employees) by 135,474 (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, 2020, 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	\$ 2,375,670	\$ -
Difference between actual and proportionate share of employer contributions	259,185	120,915
Adjustment due to differences in proportions	586,934	359,788
Differences between expected and actual experience	711,927	-
Differences between projected and actual earnings on pension plan investments	-	153,751
Changes in assumptions	453,955	95,741
Total Deferred Outflows/(Inflows) of Resources	\$ 4,387,671	\$ 730,195

The District will recognize \$2,375,670 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, 2021.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

Note 7 – 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
2021	\$ 979,355
2022	160,541
2023	111,871
2024	30,039
2025	-
Thereafter	-
	\$ 1,281,806

Note 8 – 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, 2020 was \$9,389,170 with Voya Financial and \$1,504,828 with Nationwide.

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

Note 9 – 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, 2020

Note 9 – 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, 2020 was \$4,231,990. The District made contributions of \$367,016 to the Trust for the year ended June 30, 2020.

Note 10 – 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. Each member provides an annually determined contribution towards the ongoing operation of the Authority. 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 11 – 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, 2020, the District had \$628,980 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, 2020, the liability for workers' compensation claims payable was estimated at \$669,375.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

Note 11 – Risk Management (Continued)

Changes in workers’ compensation claims payable for the year ended June 30, 2020, were as follows:

Description	Amount
Estimated claims – beginning of year	\$ 659,774
Revised claims estimate	729,375
Claim payments	(719,774)
Estimated claims – end of year	\$ 669,375

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, 2020:

- 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 12 – 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.

REQUIRED SUPPLEMENTARY INFORMATION

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Rancho Santa Fe Fire Protection District
Budgetary Comparison Schedule – General Fund
For the Year Ended June 30, 2020

	Adopted Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property taxes	\$ 13,041,675	\$ 13,041,675	\$ 13,258,685	\$ 217,010
Voter approved taxes	1,516,153	1,516,153	1,606,903	90,750
Developer payments in-lieu of property taxes	217,992	217,992	377,574	159,582
Reorganization revenue – Elfin Forest/Harmony Grove	312,500	312,500	312,500	-
Charges for services	350,939	350,939	938,471	587,532
Operating grants and contributions	1,059,623	1,059,623	655,707	(403,916)
Rental income	392,137	392,137	396,844	4,707
Investment earnings	570,631	570,631	605,152	34,521
Other	775,524	775,524	10,056	(765,468)
Total revenues	<u>18,237,174</u>	<u>18,237,174</u>	<u>18,161,892</u>	<u>(75,282)</u>
Expenditures:				
Fire protection operations:				
Salaries and wages	9,187,166	9,187,166	9,097,724	89,442
Employee benefits	4,668,241	4,668,241	4,384,019	284,222
Contractual services	2,510,163	2,510,163	1,674,633	835,530
Materials and supplies	1,180,890	1,180,890	881,843	299,047
Other expenditures	915,293	915,293	1,586,268	(670,975)
Capital outlay	6,221,617	6,221,617	5,421,000	800,617
Total expenditures	<u>24,683,370</u>	<u>24,683,370</u>	<u>23,045,487</u>	<u>1,637,883</u>
Excess of revenues over expenditures	<u>(6,446,196)</u>	<u>(6,446,196)</u>	<u>(4,883,595)</u>	<u>(1,713,165)</u>
Other financing sources (uses):				
Transfers in	1,637,900	1,637,900	1,188,093	449,807
Total other financing sources (uses)	<u>1,637,900</u>	<u>1,637,900</u>	<u>1,188,093</u>	<u>449,807</u>
Change in fund balance	<u>\$ (4,808,296)</u>	<u>\$ (4,808,296)</u>	<u>(3,695,502)</u>	<u>\$ (1,263,358)</u>
Fund balance:				
Beginning of year			<u>20,860,367</u>	
End of year			<u>\$ 17,164,865</u>	

Rancho Santa Fe Fire Protection District
Budgetary Comparison Schedule – Special Revenue Fund
For the Year Ended June 30, 2020

	<u>Adopted Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:				
Capital grants and contributions	\$ 596,700	\$ 596,700	\$ 780,569	\$ 183,869
Interest earnings	54,900	54,900	95,585	40,685
Total revenues	<u>651,600</u>	<u>651,600</u>	<u>876,154</u>	<u>224,554</u>
Other financing sources (uses):				
Transfers (out)	<u>(1,637,900)</u>	<u>(1,637,900)</u>	<u>(1,188,093)</u>	<u>449,807</u>
Total other financing sources (uses)	<u>(1,637,900)</u>	<u>(1,637,900)</u>	<u>(1,188,093)</u>	<u>449,807</u>
Change in fund balance	<u>\$ (986,300)</u>	<u>\$ (986,300)</u>	(311,939)	<u>\$ 674,361</u>
Fund balance:				
Beginning of year			<u>2,254,181</u>	
End of year			<u>\$ 1,942,242</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, 2020

Last Ten Fiscal Years

California Public Employees' Retirement System (CalPERS)

Measurement Date:	<u>June 30, 2019¹</u>	<u>June 30, 2018¹</u>	<u>June 30, 2017¹</u>	<u>June 30, 2016¹</u>	<u>June 30, 2015¹</u>	<u>June 30, 2014¹</u>
District's Proportion of the Net Pension Liability	<u>0.106580%</u>	<u>0.107110%</u>	<u>0.112792%</u>	<u>0.125562%</u>	<u>0.129422%</u>	<u>0.152943%</u>
District's Proportionate Share of the Net Pension Liability	<u>\$ 10,921,460</u>	<u>\$ 10,321,502</u>	<u>\$ 11,185,827</u>	<u>\$ 10,865,029</u>	<u>\$ 8,883,393</u>	<u>\$ 9,516,816</u>
District's Covered-Employee Payroll	<u>\$ 7,340,616</u>	<u>\$ 6,967,247</u>	<u>\$ 6,270,128</u>	<u>\$ 5,925,389</u>	<u>\$ 5,473,782</u>	<u>\$ 5,039,982</u>
District's Proportionate Share of the Net Pension Liability as a Percentage of Covered-Employee Payroll	<u>148.78%</u>	<u>148.14%</u>	<u>178.40%</u>	<u>183.36%</u>	<u>162.29%</u>	<u>188.83%</u>
Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	<u>75.26%</u>	<u>75.26%</u>	<u>73.31%</u>	<u>74.06%</u>	<u>83.47%</u>	<u>81.57%</u>

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, 2020

Last Ten Fiscal Years

California Public Employees' Retirement System (CalPERS)

Fiscal Year:	2019-20 ¹	2018-19 ¹	2017-18 ¹	2016-17 ¹	2015-16 ¹	2014-15 ¹	2013-14 ¹
Actuarially Determined Contribution ²	\$ 1,918,645	\$ 1,694,429	\$ 1,172,632	\$ 1,398,414	\$ 1,293,222	\$ 1,388,366	\$ 1,240,671
Contribution in Relation to the Actuarially Determined Contribution ²	(2,375,670)	(2,656,080)	(2,110,926)	(3,025,702)	(2,793,222)	(3,889,970)	(1,240,671)
Contribution Deficiency (Excess)	\$ (457,025)	\$ (961,651)	\$ (938,294)	\$ (1,627,288)	\$ (1,500,000)	\$ (2,501,604)	\$ -
District's Covered-Employee Payroll ³	\$ 7,300,832	\$ 7,340,616	\$ 6,967,247	\$ 6,270,128	\$ 5,925,389	\$ 5,473,782	\$ 5,039,982
Contributions as a Percentage of Covered-Employee Payroll	32.54%	36.18%	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.

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).

STAFF REPORT

NO. FY 20-24

TO: BOARD OF DIRECTORS
FROM: FRED COX, FIRE CHIEF
SUBJECT: PENSION - ADDITIONAL DISCRETIONARY PAYMENT
DATE: NOVEMBER 13, 2020



RECOMMENDATION

Staff recommends an “Additional Discretionary Payment” (ADP) of \$700,000 to assist in paying down the District’s CalPERS Unfunded Accrued liability (UAL). Paying down the UAL will provide for long-term savings as well as increase the funding ratio for the identified plans.

Based on current fund balances and future obligations, the District Board of Directors may also elect to add additional funding to increase long-term savings.

BACKGROUND

For the past several years, the District’s Board of Directors has been actively managing its future pension obligations. These actions have resulted in millions of dollars in savings and have greatly reduced the District’s debt obligation. A strategic priority of the Board has been managing this obligation, and it should continue to ensure stability of the fund. The additional amount that is a part of the operating budget is determined from the CalPERS Actuarial reports issued each year. The following chart shows the planned ADP and the plan funding status from the three previous valuation reports:

CalPERS Plan	Budget \$\$	Payment Determination	Funding Status 6/30/2017	Funding Status 6/30/2018	Funding Status 06/30/2019
Safety Tier 1 (3% @ 50)	582,112	15-year Amortization	82.2%	81.3%	82.2%
Safety Tier 2 (3% @ 55)	12,361	10-year Amortization	97.9%	93.9%	92.8%
Safety Tier 3 (2.7% @ 57)	11,278	10-year Amortization	96.0%	93.2%	92.2%
Non-safety Tier 1 (2.7% @ 55)	55,203	15-year Amortization	81.9%	80.8%	81.1%
Non-safety Tier 2 (2.5% @ 55)	6,620	10-year Amortization	105.0%	99.6%	97.7%
Non-safety Tier 3 (2% @ 62)	21,748	10-year Amortization	95.0%	92.7%	92.7%
	\$689,322				

STAFF ANALYSIS

CalPERS Actuarial staff has developed a new payment tool which is based upon the upon 2019 retirement plan valuations. Staff is requesting that with the new tool that the Board consider a change in focus from a “payment plan” based upon the amortization schedule, to a targeted funding status. The new ADP tool also recognizes the June 30, 2020 investment return of 4.7%, short of the 7% target, and projects the future funded status. The following is an example of the results reallocating the budgeted ADP planned for FY21.

Plan	ADP Amount	Base Line	Savings	Funded Status (06/30/20)	Future Funded Status
Misc. Emp - Tier 1	\$300,000	Non investment (Gain)/Loss 2018 Full	\$386,574	79.8%	85.2%
Safety Emp - Tier 1	\$400,000	Investment (Gain)/Loss 2016 Partial	\$563,588	81.4%	84.5%
Total Payment	\$700,000		\$950,162		

If approved, staff will confirm with the District’s assigned Actuarial to ensure this payment plan offers the most savings.

STAFF REPORT

NO. 20-25

TO: BOARD OF DIRECTORS
FROM: KARLENA RANNALS, ADMINISTRATIVE MANAGER
SUBJECT: CY 2021 BOARD MEETING SCHEDULE
DATE: NOVEMBER 13, 2020



RECOMMENDATION

Review schedule and approve any changes to the meeting schedule that may be necessary.

BACKGROUND

The Board of Directors has adopted Resolution No. 2018-20 establishing the third Wednesday of each month as the regular meeting date to conduct business of the District. On occasion, it is necessary to adjust the date to accommodate holidays and scheduling conflicts. In addition, the Board requested a continuation of this item to discuss the regular meeting date.

CURRENT SITUATION

The following table list the meeting dates for 2021, if approved; and I have included the annual (or routine) agenda topics that the Board must act upon:

Meeting Dates – 2021	Annual Agenda Topic(s)
January 20	Accept: FY Financial Statements (if complete); final audit reports must be provided to the State Controller's office not later than 1/31
February 17	Resolution: to Participate in Fire Mitigation Fee Program (<i>must be adopted by April 15</i>) Harassment Training (<i>every two years – 2021</i>)
March 17	
April 21	
May 19	Select criteria to determine annual appropriations limit Resolution: Appropriations Limit Resolution: Setting Benefit Charges (RSF & Elfin Forest)
June 16	Adopt: Preliminary Budget (<i>must be adopted by June 30</i>) Accept: List of forced abatements to be placed on property tax bills, if any Public Hearing: FMF Multi Year Plan Resolution: Fire Mitigation Fee 5 Year Capital Plan
July 21	
August 18	Public Hearing: Fire Mitigation Fee 5 Year Capital Plan Adopt: Fire Mitigation Fee 5 Year Capital Plan
September 15	Public Hearing: Final Budget Resolution: Establishing Constrained or Committed Fund Balances Adopt: Final Budget (<i>must be adopted by September 30</i>) Resolution: Required Inspection of Certain Occupancies (<i>must be done by December 31</i>)
October 20	
November 17	Accept: FY21 Financial Statements (if complete); final audit reports must be provided to the State Controller's office not later than 1/31/2021 Board of Directors Meeting Calendar Review (next year)
December 15	Accept: FY21 Financial Statements (if not completed in November); final audit reports must be provided to the State Controller's office not later than 1/31/2021 Ethics Training (<i>every two years – 2022</i>) Oath of Office (<i>every election year – 2022</i>) Election of Officers (<i>every election year – 2022</i>)