



RANCHO SANTA FE FIRE PROTECTION DISTRICT BOARD OF DIRECTORS MEETING AGENDA

Rancho Santa Fe FPD
Board/Community Room – 16936 El Fuego
Rancho Santa Fe, California 92067

December 10, 2008
1:00 pm

SPECIAL AGENDA (9:30 – 11:30 am)

ETHICS TRAINING (Workshop) – The Fire District will conduct ethics training for Board of Directors and senior management staff. Stephen J. Fitch, Fitch & Associates, will conduct the training. No action will be taken and members of the public are welcome to attend.

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 the Administrative Officer 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.

REGULAR AGENDA (1:00 pm)

Pledge of Allegiance

1. Oath of Allegiance – New Elected Board Members

Administration of the Oath of Allegiance to Board Members-Elect James Ashcraft, Nancy Hillgren, and Randall Malin. The Oath of Allegiance will be administered by a Notary Public.

2. Election of Officers

Pursuant to the Fire Protection District Law 1987, Section 13853, effective January 1, 1988, the district board shall elect a president, vice-president and a secretary or clerk.

3. Roll Call

4. Special Presentations

a. Badge Presentations

Presentation of Fire District Badges by Fire Chief Pavone will be presented to:

- Nathan Fritchle – Firefighter/Paramedic

5. Public Comment

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

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

7. Consent Calendar

a. Board of Directors Minutes

APPROVE the Board of Directors minutes of November 12, 2008

ACTION REQUESTED: **APPROVE**

b. Receive and File

i) Monthly/Quarterly Reports – ACTION REQUESTED: **INFORMATION**

(1) List of Demands

Check 18619 thru 18720 for the period November 1 – 30, 2008 totaling: \$324,046.37

Payroll for the period November 1 – 30, 2008 \$586,135.80

TOTAL DISTRIBUTION \$910,182.17

(2) Financial Reports

- Budget Review: July 1 – September 30, 2008
- Statement of Cash Assets

(3) Activity Reports – November 2008

- Fire Prevention
- Operations
- Training

(4) District Articles – November 2008

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

- CalPERS
- Jon Canavan, City of Poway
- Mark Waldorf, Maranatha Christian Schools

8. Old Business

a. Board Policy - 3040 - Expense Authorizations

To discuss and/or approve the board policy to authorize purchases made for the District.

ACTION REQUESTED: **DIRECTION AND/OR APPROVE**

9. New Business

a. Independent Auditor's Report FY 2007/2008

The Finance ad hoc committee will make a presentation on the financial status of the Fire District for FY 08 and present any findings as a result of the yearend audit to the Board of Directors.

ACTION REQUESTED: **ACCEPT**

b. District Seal

To discuss and/or approve a new District seal. [Staff Report 08-19](#)

ACTION REQUESTED: **ADOPT**

c. District Representation and Ad Hoc Committee Assignments

To appoint Board representatives to standing and ad hoc committees. [Staff Report 08-20](#)

ACTION REQUESTED: **Assign and Appoint District Representatives and Committee Assignments**

10. Public Hearing

a. Ordinance No. 2009-01

Ordinance No. 2009-01 – entitled an Ordinance of the Board of Directors of the Rancho Santa Fe Fire Protection District Adopting Fees for Services by Reference to the California Health and Safety Code Section 13916 and Section 13919 and Repealing Ordinance 2005-01.

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

11. Resolutions/Ordinances

a. Ordinance No. 2009-01

To adopt Ordinance No. 2009-01 – entitled an Ordinance of the Board of Directors of the Rancho Santa Fe Fire Protection District Adopting Fees for Services by Reference to the California Health and Safety Code Section 13916 and Section 13919 and Repealing Ordinance 2005-01.

ACTION REQUESTED: **ADOPT**

b. Resolution No. 2008-13

To adopt Ordinance No. 2008-13 – entitled a Resolution of the Rancho Santa Fe Fire Protection District Board of Directors, County of San Diego, State of California Approving the Purchase of Property

ACTION REQUESTED: **ADOPT**

12. Oral Reports

a. Fire Chief – Pavone

- i) Del Mar/Solana Beach Management Services – Update
- ii) District Activities

b. Operations – Deputy Chief Michel

c. Training – Battalion Chief Davidson

d. Fire Prevention - Fire Marshal Hunter

e. Administrative Manager – Rannals

- f. Board of Directors
 - i) North County Dispatch JPA – Update
 - ii) County Service Area – 17 – Update
 - iii) Comments

13. Closed Session

- a. With respect to every item of business to be discussed in closed session pursuant to Section 54957:
 - i) LIABILITY CLAIM
 - Claimant: Rancho Santa Fe School District
 - Agency claimed against: Rancho Santa Fe Fire Protection District
- b. With respect to every item of business to be discussed in closed session pursuant to Section 54956.8
 - i) Conference with Negotiators for Real Property to Address the District's Parking Needs

14. Adjournment



**RANCHO SANTA FE FIRE PROTECTION DISTRICT
REGULAR BOARD OF DIRECTORS MEETING
MINUTES – November 12, 2008**

Rancho Santa Fe FPD – Board/Community Room
Headquarters – 16936 El Fuego
Rancho Santa Fe, California 92067

A regular meeting of the Rancho Santa Fe Fire Protection District Board of Directors was called to order at 1:00 p.m.

Pledge of Allegiance

Urban Forester Mike Scott led the assembly in the *Pledge of Allegiance*.

1. Roll Call

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

Directors Absent: None

Staff Present: Nick Pavone, Fire Chief; Tony Michel, Deputy Chief; Jim Sturtevant, Battalion Chief; Cliff Hunter, Fire Marshal; Mike Scott, Urban Fire Forester; and Karlana Rannals, Board Clerk.

2. Public Comment

No one requested to speak.

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

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

4. Consent Calendar

MOTION BY DIRECTOR TANNER, SECOND BY DIRECTOR MALIN, CARRIED 5 AYES; 0 NOES; 0 ABSENT; 0 ABSTAIN to approve the Consent Calendar as submitted.

a. *Board of Directors Minutes*

MOTION BY DIRECTOR TANNER, SECOND BY DIRECTOR MALIN, CARRIED 5 AYES; 0 NOES; 0 ABSENT; 0 ABSTAIN to approve the Board of Directors minutes of October 8, 2008.

b. *Receive and File*

MOTION BY DIRECTOR TANNER, SECOND BY DIRECTOR MALIN, CARRIED 5 AYES; 0 NOES; 0 ABSENT; 0 ABSTAIN to receive and file:

i. Monthly/Quarterly Reports

(1) List of Demands

Check 18523 thru 18618 for the period October 1 – 31, 2008 totaling: \$200,581.97

Payroll for the period October 1 – 31, 2008 \$513,595.84

TOTAL DISTRIBUTION \$714,177.81

(2) Activity Reports – October 2008

- Fire Prevention
- Operations
- Training

(3) District Articles – October 2008

(4) Correspondence

- Green
- Dr. & Mrs. Sydney Levine
- Adzina Family
- Board of Supervisors – Butte County

(5) Travel Reports

- Ashcraft
- Pavone

5. Old Business

a. *None*

6. New Business

a. *Hazard Mitigation Plan*

Chief Pavone provided a brief background on the plan development and informed the Board that the presentation planned by Mike Scott, Urban Forester is an update to the former District's Top 10 Hazards.

Mike Scott presented the update entitled "Understanding All Risks Hazard Mitigation." He reported that hazard mitigation planning is the process of figuring out how to reduce or eliminate the loss of life and property damage resulting from natural or human-caused hazards. The information obtained can be used in other ways, such as prioritizing items within the District based upon the threat model developed by the State. In addition, this risk assessment and plan development is necessary for the District to obtain funds from FEMA. At the conclusion of the presentation, staff responded to questions.

b. *Budget Authorizations – Capital*

Chief Pavone summarized the staff report provided. The replacement vehicles were identified in the FY09 Capital Budget and the costs are less than expected.

MOTION BY DIRECTOR TANNER, SECOND BY DIRECTOR HILLGREN, CARRIED 5 AYES; 0 NOES; 0 ABSENT; 0 ABSTAIN to approve staff's recommendation for the following:

- (1) Authorize the purchase of one (1) replacement command vehicle and installation of radios and emergency lights;
- (2) Authorize the purchase of one (1) replacement utility pick-up truck and installation of radios and emergency lights; and
- (3) Authorize the sale of two (2) 2001 Ford Expeditions at auction.

c. Budget Authorizations – Contractual Services

Chief Pavone summarized the staff report provided. The proposed contract for services with Career Survival Group will allow the District to fully implement the California law outlined in AB220 also known as the Firefighters Bill of Rights. The cost includes a review of all District policies, recommended edits, and employee training for new district procedures. He also informed the Board that legal counsel had reviewed the proposed contract.

MOTION BY DIRECTOR TANNER, SECOND BY DIRECTOR MALIN, CARRIED 5 AYES; 0 NOES; 0 ABSENT; 0 ABSTAIN to approve staff's recommendation to approve and authorize the execution of the contract for services with Career Survival Group.

d. Board Policy – 3040 – Expense Authorizations

Chief Pavone summarized the current process used for discretionary and capital expenditures greater than \$5,000, which currently includes Board of Directors approval. The proposed policy was reviewed and direction was given to staff on additional language to include in a policy. The item was deferred and there was no action taken by the Board.

e. Fairbanks Rancho Replacement Fire Station – Architectural & Engineer Services Contracts

Chief Pavone summarized the staff report. He reported that the committee met and completed an objective review process for the selection of an architectural firm. He has completed negotiations with Jeff Katz Architecture. He informed that Board that legal counsel reviewed and approved the contract for services. Legal counsel also recommends that the District contract directly with the two sub-consultants for liability and management reasons. Staff responded to questions from the Board.

MOTION BY DIRECTOR HILLGREN, SECOND BY DIRECTOR MALIN, CARRIED 5 AYES; 0 NOES; 0 ABSENT; 0 ABSTAIN to approve staff's recommendation to approve and authorize the Board President to execute the following architectural and engineering service contracts:

Jeff Katz Architecture	\$320,000
Shapouri Engineering Co. (civil engineering)	\$80,050
Geocon Inc. (geotechnical services)	\$9,470

f. Long Range Financial Plan

Director Malin summarized his meetings with District staff in developing the assumptions used to develop the long-range plan. He reminded the board members that the District should have enough cash on hand to get through to the first major tax distribution scheduled for December 15 to cover operation costs. At the conclusion of his presentation, he informed the Board that the District's cash position over the next five years might be tight, if the conservative assumptions remain on target. Director Malin responded to questions from the Board.

7. Resolutions/Ordinances

a. Ordinance No. 2009-01

Fire Marshal Hunter summarized the changes to the Ordinance from the first to the second reading. The Board requested additional changes to Attachment C to clarify positions in performing the actual services.

President Ashcraft requested that the Board Clerk schedule the public hearing of the ordinance adoption process for December 10, 2008 and notify the hearing pursuant to all applicable codes.

b. Resolution No. 2008-12

Karlana Rannals summarized the staff report prepared. This revised resolution is necessary since the Board of Directors enhanced the miscellaneous employees retirement plan effective July 1, 2007, and the employee contribution rate changed from 7% to 8%.

MOTION BY DIRECTOR MALIN, SECOND BY DIRECTOR HILLGREN, and APPROVED Resolution No. 2008-12 on the following roll call vote:

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

8. Oral Reports

a. Fire Chief – Pavone

He reported on the following topics:

- Del Mar/Solana Beach Cooperative Effort – Update: he reported that he met with the City Managers of Del Mar and Solana Beach and both agencies continue to move forward to contract with the Fire District directly for management services. He informed the board that each city is working to have a decision by December 31; however, he has already sent the 60-day notice of the Fire District's intent to terminate the Duty Chief Coverage agreement December 31, 2008.
- LAFCO Activation of Latent Powers for Structural Fire Protection and EMS within an Unincorporated Area of CSA No. 135: he reports that this is the final step necessary to create a regional fire authority. The map included with the agenda material shows the unincorporated islands within the Fire District. All Fire Districts affected will be meeting with LAFCO to insure that the unserved islands have fire protection. He will also seek to negotiate a property tax exchange from the County to provide fire protection.
- LAFCO Election: he distributed the results of the election.
- Heritage Fund Grant: he was contacted by Rancho Santa Fe Insurance and Levine Insurance notifying him that the Fire District has been selected to receive \$25,000 in grant funding. The insurance companies would like to hold an "ice cream social" at the Rancho Cielo Station. No date has been determined.
- CalPERS Conference – October 27-29, 2008: Director Ashcraft, Chief Pavone, and Karlana Rannals attended the conference in Indian Wells. Each participant summarized their experience and the information shared included:

- Approximately 800 in attendance
- There are approximately 1.5 million members of CalPERS.
- 19.5% investment return in 2006
- The economy was the “hot topic” \$161 billion loss as of the date of conference
- Reiterated that looking over the long haul (the last 15 years) the rolling rate of return CalPERS maintains over a 9% rate of return
- Smoothing approach has been successful
- Current assumptions are being evaluated such as salaries are higher than the current assumption, and retirement dates are later
- Investment staff – more than 200 employees
- District Activities
 - Holiday Party scheduled for December 20 at the Inn at Rancho Santa Fe
 - Pancake Breakfast/Open House was well attended
 - CERT Training Class in progress. The graduation is set for Saturday, November 15

b. Operations – Deputy Chief Michel

He reported on the following topics

- The District sent personnel as a part of a strike team to Camp Pendleton and Oceanside.
- The OES engine responded to a fire in Los Angeles County
- Suspicious roadside fires occurred in the District during the recent Santa Ana’s

c. Training – Battalion Chief Davidson

Chief Michel summarized the monthly training activity, which included:

- A unique training opportunity, a resident allowed personnel to train in a house prior to demolition
- Swift water rescue training at the Encina Power Plant
- The recent Captain’s exam resulted in five individuals placing on the Captain’s list for future promotions.
- One Firefighter/Paramedic successfully completed his probationary period.

d. Fire Prevention – Fire Marshal Hunter

- Distributed a revised *Living with Wildfire* and *Shelter in Place* brochure for comments. He plans to have 5,000 brochures of each topic printed.
- Distributed information on the Child Safety Seat program. It takes up to one hour to install and test a child safety seat in a vehicle. Two employees in Fire Prevention are certified to install the safety seats.

e. Administration – Administrative Manager Rannals

She discussed the following topics:

- Reminded the board members of the upcoming Ethics Training scheduled for December 10 beginning at 9:30 am.
- Due to the independent financial audit starting later this year, the financials for year ending June 30, 2008 were not closed until October. The September 30 financials were not available for the November meeting, but they will be included on the consent calendar for the December meeting.

f. Board of Directors

- North County Dispatch JPA – Update – Director Ashcraft: the October 30 meeting was cancelled. There was no report.

- County Service Area 17 – Update – Director Hickerson: the Advisory Board met in October to review revised budget figures. The revenue is higher than anticipated. Staff is exploring the option of charging a user fee for transport services. An ad hoc committee was created to discuss the 4S Ranch and any other areas, which do not generate tax revenue.
- Comments:
 - None

9. Closed Session

Pursuant to the following Government Code Sections, the Board of Directors convened in Closed Session from 4:40 – 5:32 pm for discussions on:

- a. With respect to every item of business to be discussed in closed session pursuant to Section 54957:
 - i) LIABILITY CLAIM
Claimant: Rancho Santa Fe School District
Agency claimed against: Rancho Santa Fe Fire Protection District
- b. With respect to every item of business to be discussed in closed session pursuant to Section 54956.8:
 - i) Conference with Negotiators for Real Property to Address the Districts' Parking Needs

Upon reconvening, President Ashcraft reported that an update was provided to the board members on the status of the liability claim, and direction was provided to staff to pursue real property for the District's parking needs.

10. Adjournment

Meeting adjourned at 5:34 pm.

Karlana Rannals
Secretary

James H Ashcraft
President

RANCHO SANTA FE FIRE PROTECTION DISTRICT

List of Demands - November 2008

Check #	Amount	Vendor	Purpose
18619	\$128.53	ABC Mowers & Supply	Apparatus Tool/Equipment Replacement
18620	\$707.00	Accme Janitorial Service Inc	Montly Janitorial Service
18621	\$1,436.43	All Star Fire Equipment, Inc.	Firefighting Foam
18622	\$394.30	AT&T	Telephone
18623	\$132.96	AT&T	Telephone
18624	\$462.54	AT&T/MCI	Telephone
18626	\$1,177.00	Bay City Electric Works Inc	Building Maintenance/Repair
18627	\$55.00	Canyon Ridge Communications Inc	Pager Repair/Replacement
18628	\$450.00	Chula Vista Fire Department	School Education Reimbursement
18629	\$619.06	Daniels Tire Service Inc	Vehicle Maintenance/Repair
18630	\$2,993.28	Fire ETC Inc	Apparatus Tool/Equipment Replacement/Fire Hose, Nozzles & Supply
18631	\$320.94	Galls Retail	Uniform - Safety Personnel/Prevention
18632	\$12.45	Hunter, Clifford F	Meetings/M meal Expenses/Parking/Toll Fee Reimbursement
18633	\$1,725.78	L N Curtis & Sons Inc	Uniform - Administrative
18634	\$64.00	Ligtenberg, Ray	Class B License
18635	\$2,240.00	Lynx Technologies Inc	GIS Services
18637	\$60.00	Myers-Stevens & Toohey Co Inc.	Disability/Life Insurance
18638	\$1,026.76	N C E V S	Apparatus Repair/Maintenance
18639	\$239.00	New Earth Enterprises Inc	Landscaping Maintenance Service
18640	\$8,103.25	Ninyo and Moore Inc	Soil Contamination - Fuel Tank Removal
18641	\$31,965.00	North County Dispatch JPA	MDC - Maintenance/Interfund Transfer
18642	\$674.52	Premier Signs LLC	Apparatus - New Signage
18643	\$2,000.00	Prime Business Systems Inc	Telephone Repair
18644	\$318.01	Rannals, Karlana	Admin-Meal/Lodging/Travel Reimbursement
18645	\$25.00	RSFPFA	Firefighters Assn.
18646	\$130.00	Schmid, Brian	CSA-17 - Supplies
18647	\$130.00	SDCFCA	School Education Reimbursement
18648	\$64.00	Slattery, Brian Y	Class B License Reimbursement
18649	\$198.50	Terminix International	Building - Monthly Service Contract
18650	\$2,164.72	The SoCo Group Inc	Gasoline & Diesel Fuel
18651	\$19.03	U P S	Shipping Service
18652	\$9,667.85	U S Bank Corporate Payment System	Cal-Card./IMPAC program

RANCHO SANTA FE FIRE PROTECTION DISTRICT

List of Demands - November 2008

Check #	Amount	Vendor	Purpose
18653	\$1,424.96	Verizon Wireless	MDT Broadband + ATN Line/Cellular
18654	\$414.00	Vortex Industries, Inc.	Building - Repair/Maintenance
18655	\$652.23	Waste Management Inc	Trash Disposal
18656	\$1,886.34	Waxie Sanitary Supply	Janitorial Supplies
18657	\$5,000.00	WinTech Computer Services	Consulting Services
18658	\$186.10	ARS American Residential Inc	Fitness Equipment Repair
18659	\$406.11	AT&T/MCI	Telephone
18661	\$591.50	Bay City Electric Works Inc	Generator Repair
18662	\$2,648.82	CDW Government Inc.	Computer - License/Software
18664	\$4,388.00	Charles Z Fedak & Company	Accounting-Audit Services
18665	\$60.00	Cnty of SD APCD	Permits - County/City
18666	\$941.31	Complete Office of California Inc	Office Supplies
18667	\$2,827.16	County of SD/RCS	800 MHz Network Admin Fees
18668	\$196.89	Cutters Edge Inc	Apparatus Tools/Equipment Repair
18669	\$11,173.03	Dell Marketing	Computer/Printer Replacement
18670	\$130.00	Dennis E. Sceville & Sons	Building - Annual testing
18671	\$648.04	Fire ETC Inc	Apparatus Tool/Equipment Replacement/Safety Clothing
18672	\$692.31	Fitness Warehouse Inc	Fitness Equipment Maintenance
18673	\$2,364.09	Guardian Life Insurance Co	Dental Insurance
18674	\$54,239.94	Health Net	Medical Insurance
18675	\$173.98	Home Depot, Inc	Station Maintenance
18676	\$845.00	Irvine Valley Air Condit. Inc	Building - Monthly Service Contract/repair
18677	\$73.79	Lorenzo, Paul	Class B License/Mileage Reimbursement
18678	\$15.00	Marine Services	BA Bottle Maintenance/Hydro Testing
18679	\$223.00	Metro Fire & Safety Inc	Extinguishers
18680	\$3,789.17	Microsoft Corporation	Computer - License/Software/JPA reimbursement
18681	\$331.87	Motorola Inc.	Radio Equipment Minor
18682	\$37.70	Napa Auto Parts Inc	Apparatus Parts & Supplies
18683	\$949.21	Olivenhain Municipal Water District	Water
18684	\$105,379.47	PERS	PERS (Employer Paid)
18686	\$97.50	Rose Business Solutions Inc	Consulting Services
18687	\$4,712.80	San Diego Gas & Electric	Elec/Gas/Propane

RANCHO SANTA FE FIRE PROTECTION DISTRICT

List of Demands - November 2008

Check #	Amount	Vendor	Purpose
18688	\$700.00	Santa Fe Irrigation District	Vehicle Site Rental
18689	\$29.60	SD Cnty Vector Control Program	Taxes & Assessments
18690	\$2,104.22	Stephen J Fitch & Associates	Legal Services
18691	\$2,276.37	The SoCo Group Inc	Gasoline & Diesel Fuel
18692	\$1,451.02	ThyssenKrupp Elevator Inc	Elevator Service
18693	\$64.00	U P S	Shipping Service
18694	\$447.60	Vortex Industries, Inc.	Building - Repair/Maintenance
18695	\$483.96	Waxie Sanitary Supply	Janitorial Supplies
18697	\$128.53	ABC Mowers & Supply	Apparatus Tools/Equipment Repair/Parts & Supplies
18698	\$912.08	AT&T/MCI	Telephone
18700	\$657.13	Cnty of SD Dept.of Public Work	FBR #3 Replacement
18701	\$4,088.00	CSDA	Association Dues
18702	\$3,277.44	Culligan	Building - New Water Softner System
18703	\$300.00	Custom Design Software Inc	Computer Programming
18704	\$149.94	Cutters Edge Inc	Apparatus Tools/Equipment Repair
18705	\$12,708.57	Dell Marketing	Computer/Printer Replacement
18706	\$167.16	Direct Energy Business - Dallas	Elec/Gas/Propane
18707	\$587.24	Fire ETC Inc	Fire Hose, Nozzles & Supply
18708	\$28.35	Foster, Richard S.	Mileage Reimbursement
18709	\$1,730.55	Garrett Electric Inc	Building - update cabling for Admin & RSF 1
18710	\$341.25	KTU+A	GIS Services
18711	\$4,087.23	L N Curtis & Sons Inc	Safety Clothing
18712	\$400.00	Pacific Rim	Station Maintenance-Training Tower
18713	\$300.00	Rancho Santa Fe Rotary	Meetings/Meal Expenses/Association Dues
18714	\$1,840.00	Teleque on Fire	Building - update cabling for Admin & RSF 1
18715	\$416.84	The Lincoln National Life Ins Co	Disability/Life Insurance
18716	\$1,882.50	The SoCo Group Inc	Gasoline & Diesel Fuel
18717	\$31.62	U P S	Shipping Service
18718	\$536.99	Waxie Sanitary Supply	Janitorial Supplies
18719	\$392.52	Western State Design Inc	Building - Repair/Maintenance
18720	\$72.11	Willis, Erwin L.	Cabling
	<u>\$4,249.32</u>	Various	Medical Reimbursement

RANCHO SANTA FE FIRE PROTECTION DISTRICT

List of Demands - November 2008

Check #	Amount	Vendor	Purpose
Sub-total	\$324,046.37		
11/15/2008	\$193,873.77	RSFFPD	Payroll
11/29/2008	\$155,931.43	RSFFPD	Holiday Pay
11/30/2008	\$236,330.60	RSFFPD	Payroll
Sub-total	\$586,135.80		
Grand Total	<u>\$910,182.17</u>		

Prepared by Connie P. Balignasary

RANCHO SANTA FE FIRE PROTECTION DISTRICT
OPERATING EXPENDITURES FOR FISCAL YEAR 2008
 July 1, 2008 thru September 30, 2008

	BUDGETED EXPENDITURE FY 2009	BUDGETED EXPENDITURE FY 2009	% OF BUDGET
PERSONNEL COSTS			
Salaries/Wages - Staff	\$4,638,248	\$1,147,010	24.7%
Holiday Pay	\$155,487	\$0	0.0%
Overtime	\$947,337	\$257,431	27.2%
Health Insurance + HRSA	\$897,962	\$293,723	32.7%
Life Insurance & Long Term Disability	\$10,013	\$2,152	21.5%
Paramedic Incentive Pay	\$16,800	\$0	0.0%
Retirement	\$1,345,595	\$308,724	22.9%
Social Security Tax	\$1,798	\$281	15.6%
Unemployment Insurance	\$17,272	\$0	0.0%
Medicare Tax	\$70,449	\$16,628	23.6%
Workers' Compensation	\$121,755	\$74,137	60.9%
Labor (Temporary)	<u>\$17,200</u>	<u>\$0</u>	0.0%
PERSONNEL (Subtotal)	\$8,239,917	\$2,100,084	25.5%

**RANCHO SANTA FE FIRE PROTECTION DISTRICT
OPERATING EXPENDITURES FOR FISCAL YEAR 2008**

July 1, 2008 thru September 30, 2008

	BUDGETED EXPENDITURE FY 2009	BUDGETED EXPENDITURE FY 2009	% OF BUDGET
CONTRACTURAL			
Administrative Fees	\$152,170	\$14,211	9.3%
Advertising	\$3,278	(\$319)	-9.7%
Association Dues	\$7,095	\$1,511	21.3%
Building/Facility Lease	\$12,000	\$0	0.0%
Dispatching	\$113,700	\$68,220	60.0%
Engineering Services	\$0	\$0	
Equipment Rental	\$1,509	\$316	20.9%
Equipment Repair	\$38,115	\$1,102	0.0%
Insurance	\$61,022	\$60,371	98.9%
Laundry Service	\$375	\$0	0.0%
Legal Services	\$19,241	\$5,062	26.3%
Local Meeting/M meal Expense	\$7,084	\$1,050	14.8%
Mileage Reimbursement	\$854	\$127	14.9%
Other Contractual Services	\$102,317	\$8,760	8.6%
Other Professional Services	\$141,905	\$17,195	12.1%
Permits	\$6,860	\$607	8.8%
Service Agreements	\$46,211	\$8,530	18.5%
Soil Contamination Cleanup	\$35,000	\$3,683	10.5%
Subscriptions	\$2,526	\$189	7.5%
Training	\$87,473	\$24,324	27.8%
Utilities			
Electricity	\$90,620	\$17,226	19.0%
Sewer	\$20,969	\$0	0.0%
Telephone	\$55,605	\$10,240	18.4%
Trash	\$8,777	\$2,490	28.4%
Water	\$19,506	\$3,002	15.4%
Vehicle Maintenance (Scheduled)	\$66,300	\$13,057	19.7%
Vehicle Repair	<u>\$75,000</u>	<u>\$19,719</u>	26.3%
CONTRACTURAL COSTS (Subtotal)	\$1,175,512	\$280,673	23.9%

RANCHO SANTA FE FIRE PROTECTION DISTRICT
OPERATING EXPENDITURES FOR FISCAL YEAR 2008
July 1, 2008 thru September 30, 2008

	BUDGETED EXPENDITURE FY 2009	BUDGETED EXPENDITURE FY 2009	% OF BUDGET
MATERIALS & SUPPLY			
Apparatus	\$34,723	\$10,720	30.9%
Audio Visual	\$2,450	\$16	0.7%
Books	\$5,500	\$362	6.6%
Cellular	\$1,582	\$191	12.1%
Computer	\$67,413	\$3,229	4.8%
Electrical Supplies	\$417	\$0	0.0%
Fire Hose, Nozzles & Supply	\$9,000	\$113	1.3%
Firefighting Foam	\$3,500	\$0	0.0%
Food for Major Emergencies	\$2,000	\$0	0.0%
Fuel	\$88,000	\$22,280	25.3%
Furnishings/Equipment	\$11,000	\$399	3.6%
Grants	\$14,000	\$723	5.2%
Hydrant Maintenance	\$559	\$0	0.0%
Janitorial	\$31,167	\$7,503	24.1%
Knox Replacement	\$125		0.0%
Landscape	\$441	\$0	0.0%
Lumber/Screws/Nails	\$6	\$0	0.0%
Maps	\$1,000	\$0	0.0%
Medical Supplies	\$30,964	\$0	0.0%
Miscellaneous	\$5,897	\$0	0.0%
Office - General	\$58,705	\$3,574	6.1%
Paint	\$300		0.0%
Program Supplies	\$3,500	\$74	2.1%
Public Education	\$10,210	\$4,581	44.9%
Radio	\$33,762	\$844	2.5%
Rock, Sand, Gravel	\$500		0.0%
Safety	\$60,100	\$5,042	8.4%
Special Events & Awards	\$2,000	\$0	0.0%
Station Maintenance	\$54,175	\$9,125	16.8%
Station Supplies/Replacements	\$3,750	\$1,157	30.8%
Street Signs & Markers	\$750	\$0	0.0%
Tools	\$1,500	\$0	0.0%
Training (Expendable Supplies)	\$9,000	\$1,436	16.0%
Uniforms	\$31,800	\$5,339	16.8%
MATERIAL & SUPPLY (Subtotal)	\$579,794	\$76,707	13.2%
OPERATING COST SUMMARY			
Personnel	\$8,239,917	\$2,100,084	25.5%
Contractual	\$1,175,512	\$280,673	23.9%
Material & Supply	\$579,794	\$76,707	13.2%
Depreciation	\$612,793	\$0	0.0%
TOTAL COSTS	\$10,608,016	\$2,457,465	23.2%
BEFORE CAPITAL OUTLAY			

RANCHO SANTA FE FIRE PROTECTION DISTRICT
OPERATING EXPENDITURES FOR FISCAL YEAR 2008
July 1, 2008 thru September 30, 2008

	BUDGETED EXPENDITURE FY 2009	BUDGETED EXPENDITURE FY 2009	% OF BUDGET
CAPITAL and PLANNED PROJECTS			
RSF3 - FBR Station Engineering Services	\$4,789	\$0	0.0%
RSF3 - FBR Station Architectural Services	\$100,000	\$0	0.0%
Land Acquisition	\$6,250	\$0	0.0%
Temporary Facility	\$50,000	\$0	0.0%
RSF3 - FBR Station Construction	\$125,000	\$0	0.0%
Admin Building Remodel	\$39,757	\$0	0.0%
RSF1 - RSF Hqtrs Station Pavers	\$44,200	\$0	0.0%
Dept Operation Center (DOC)	\$50,000	\$0	0.0%
RSF2 - 4SR Station Refuel Facility (modification)	<u>\$75,000</u>	\$0	0.0%
Total Capital & Projects	<u>\$494,996</u>	<u>\$0</u>	0.0%
 TOTAL OPERATIONAL & PROJECT COSTS	 <u>\$11,103,012</u>	 <u>\$2,457,465</u>	 22.1%

COMBINED SUMMARY STATEMENT CASH ASSETS LIABILITIES

Rancho Santa Fe Fire Protection District

FY 09

	PERIODS		
Assets	30-Jun-08	30-Sep-08	30-Sep-07
Current Assets			
Cash	\$ 7,939,524	\$ 6,110,421	\$ 4,803,959
GF Accounts Receivable	\$ 221,455	\$ 83,267	\$ 91,563
ALS (Paramedic)	\$ 29,526	\$ 40,943	\$ 24,654
MDC Reserve	\$ 21,750	\$ 22,719	\$ -
PASIS (Workers Compensation)	\$ 538,391	\$ 542,452	\$ 676,971
PREPAID (Cap Assets)	\$ 51,000	\$ 51,000	\$ -
TOTAL ASSETS	\$ 8,801,647	\$ 6,850,801	\$ 5,597,148
Liabilities			
Current Liabilities			
Accounts Payable	\$ 219,782	\$ 18,478	\$ 396,798
Accrued Expenses	\$ 210,435	\$ 283,611	\$ 258,408
Other Payables	\$ 128,726	\$ 128,726	\$ 128,726
TOTAL LIABILITIES	\$ 558,943	\$ 430,815	\$ 783,932
Long Term Liabilities			
Contract Compensation	\$ 379,424	\$ 371,939	\$ 284,678
IBNR Liability (Workers Compensation)	\$ 86,037	\$ 86,037	\$ 331,948
Soil Contamination	\$ 6,106	\$ 6,106	\$ 6,106
TOTAL LONG TERM LIABILITIES	\$ 471,567	\$ 464,082	\$ 622,732
Fund Balance			
Restricted Reserves			
ALS / MDC Funds	\$ 62,455	\$ 62,455	\$ 24,654
PASIS (Workers Compensation)	\$ 456,410	\$ 460,465	\$ 345,023
General Fund Reserves			
Capital Replacement	\$ 3,000,000	\$ 3,000,000	\$ 1,893,576
Operating	\$ 4,000,000	\$ 2,606,545	\$ 1,818,182
Fund Balance Overage/(Deficit)	252,272	(173,562)	109,049
TOTAL FUND BALANCE	\$ 7,771,136	\$ 5,955,904	\$ 4,190,484
TOTAL LIABILITIES & FUND BALANCE	\$ 8,801,647	\$ 6,850,801	\$ 5,597,148
Restricted Cash			
Fire Mitigation	\$ 4,622,010	\$ 4,500,561	\$ 4,093,435
FMF Accounts Payable			
FMF Accounts Receivable	\$ 191,741	\$ 109,004	\$ 214,676
FMF Deposit In Transit	\$ 0	\$ 0	\$ 0
	<u>\$ 4,813,751</u>	<u>\$ 4,609,565</u>	<u>\$ 4,308,111</u>
Combined Fund Total	\$ 13,615,398	\$ 11,460,366	\$ 9,905,259

Rancho Santa Fe Fire District
Fire Prevention Bureau Monthly Activity Summary
November 2008

PLAN REVIEW

RESIDENTIAL PLAN REVIEWS	Number of Structures	Sq Footage
Fire Marshal	11	60,118
Fire Inspector	0	0
Urban Forester	0	0
TOTAL	11	60,118

RESIDENTIAL ADDITIONS	Original Sq Footage	Added Sq Footage
Fire Marshal	7,675	3,100
Fire Inspector	0	0
Urban Forester	0	0
TOTAL	7,675	3,100

COMMERCIAL PLAN REVIEWS	Number of Structures	Sq Footage
Fire Marshal	1	20,398
Fire Inspector	0	
TOTAL	1	20,398

TOTAL NEW CONSTRUCTION		Sq Footage
Based on permitted Sq footage	Total Added	83,616

FIRE SPRINKLER REVIEWS	Commercial	Residential
Fire Marshal	0	0
Fire Inspector	1	6
TOTAL	1	6

TENANT IMPROVEMENTS	Number of Structures	Sq Footage
Fire Marshal	2	29,500
Fire Inspector	0	0
TOTAL	2	29,500

LANDSCAPE REVIEWS	Number of Reviews	Staff Hours
Urban Forester	32	30.0
TOTAL	32	30.0

Rancho Santa Fe Fire District
Fire Prevention Bureau Monthly Activity Summary
November 2008

SERVICES PERFORMED

DPLU - Fire Marshal	Number	Staff Hours
Project Availability Forms	0	0.0
Use Permits	1	2.0
Zaps	0	0.0
Administrative Review	1	1.0
Habit Plans	0	0.0
Approval Letters	5	5.0
TOTAL	7	8.0

INSPECTION SERVICES- All Staff	Number of Inspections	Staff Hours
Undergrounds	17	17.0
Hydros	26	21.0
Finals	19	17.0
Landscape	5	3.0
Reinspections	5	4.0
Code Enforcement	22	25.0
Misc.	8	8.0
TOTAL	102	95.0

HAZARD INSPECTIONS - All Staff	Number of Inspections	Staff Hours
Top 10 Hazards (# of Parcels Notified)	1	1.0
#10. Mt. Israel/Lake Hodges	0	0.0
#9. Hacienda Santa Fe	0	0.0
#8. San Dieguito River/Zumaque Area	0	0.0
#7. Via del Alba	0	0.0
#6. La Glorieta	0	0.0
#5. La Madreselva	0	0.0
#4. Escondido Creek	0	0.0
#3. El Camino Real	0	0.0
#2. Sun Valley Road	0	0.0
#1. Roadway Vegetation/Canopies	0	1.0
Weed Abatement Inspection	18	9.0
Weed Abatement Reinspection	13	6.5
1st Notice	18	4.5
2nd Notice	10	2.5
Final Notice	6	1.5
Forced Abatement	0	0.0
Homeowner Meeting	10	10.0
TOTAL	76	36.0
Top 10 Hazards notified this month	1/1243	
Top 10 Hazards notified YTD	221/1243	
Shelter-In-Place Communities (5)	5/5	

Rancho Santa Fe Fire District
Fire Prevention Bureau Monthly Activity Summary
November 2008

SERVICES PERFORMED

GRADING - Fire Marshal	Number of Inspections	Staff Hours
Plan Review	9	9.0
Site Inspection	5	5.0
TOTAL	14	14.0

SPECIAL PROJECTS - All Staff	Number of Inspections	Staff Hours
GIS Mapping	0	
Fuels Mitigation	0	
Special Projects/Other	0	
Continuing Education (Staff Hours)		
TOTAL	0	0.0

FIRE PREVENTION - All Staff	Number	Staff Hours
Incoming Phone Calls	373	64.3
Consultations	8	8.0
General Office		
TOTAL	381	72.3

PUBLIC EDUCATION - PRC	Number	Staff Hours
Web Master (Website hits and hours worked)	2,582	2.0
Graphic Design		4.0
Communication & Relations		5.0
Number of Releases	1.0	
Education: Design and Prepare		16.0
Education: Presentations	0.0	20.5
Number Reached: Children		
Number Reached: Adults		
In Service Staff Training		
Child Safety Seat Installations	11.0	11.0
Clerical		39.0
Continuing Education		3.0
Special Projects		0.0
TOTAL	2,594.0	100.5

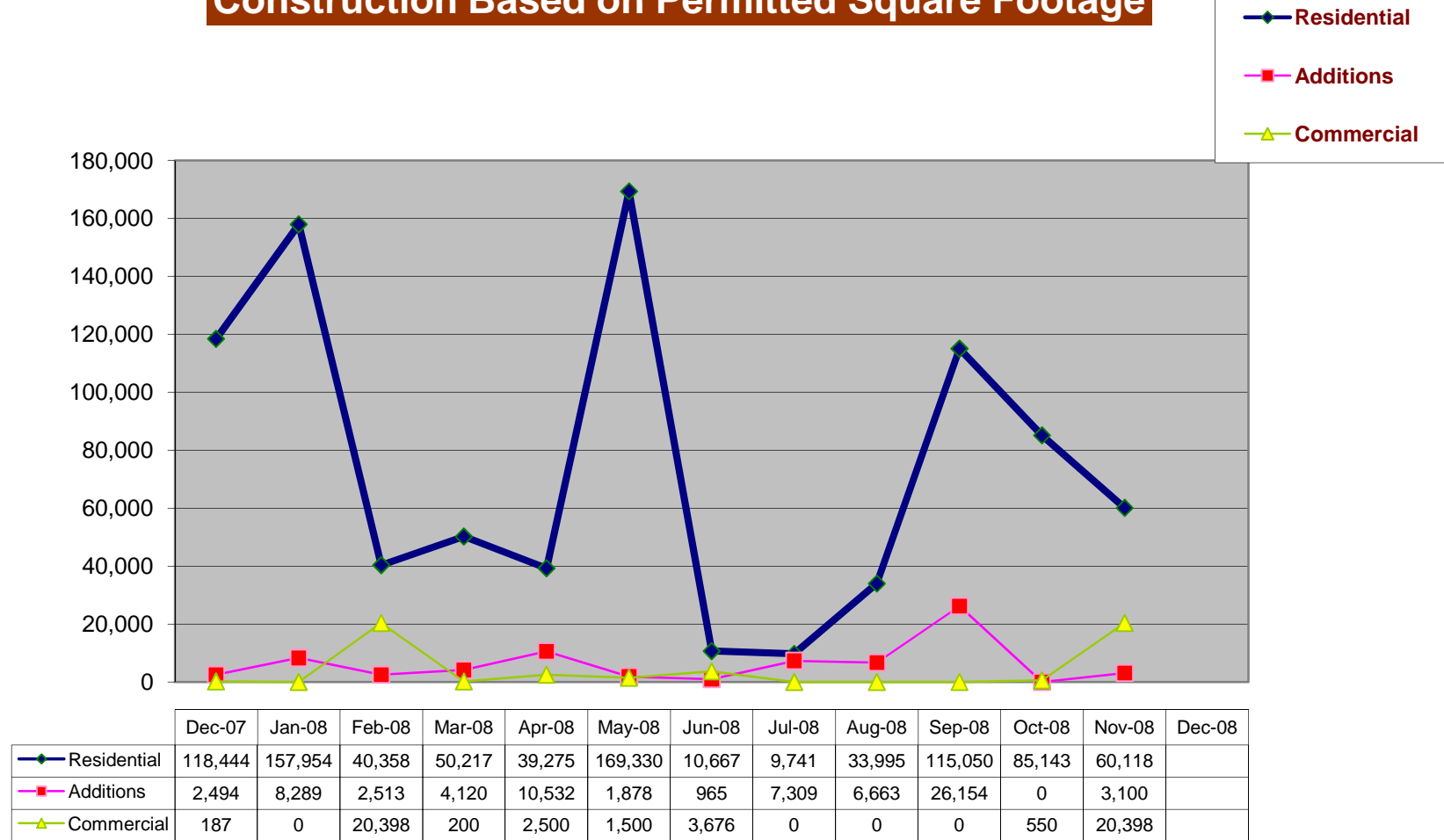
Office Support Coordinator-Prevention	Number	Staff Hours
Phone Calls (All Administrative Staff)	735	36.8
Walk in/Counter (All Administrative Staff)	199	10.0
Knox Application Request	4	0.3
UPS Outgoing Shipments	2	0.2
Plan Accepted/Routed	49	8.2
Training Classes:		
Outside Meetings		
TOTAL		55.4

Rancho Santa Fe Fire Protection District

Fire Prevention Bureau

November 2008

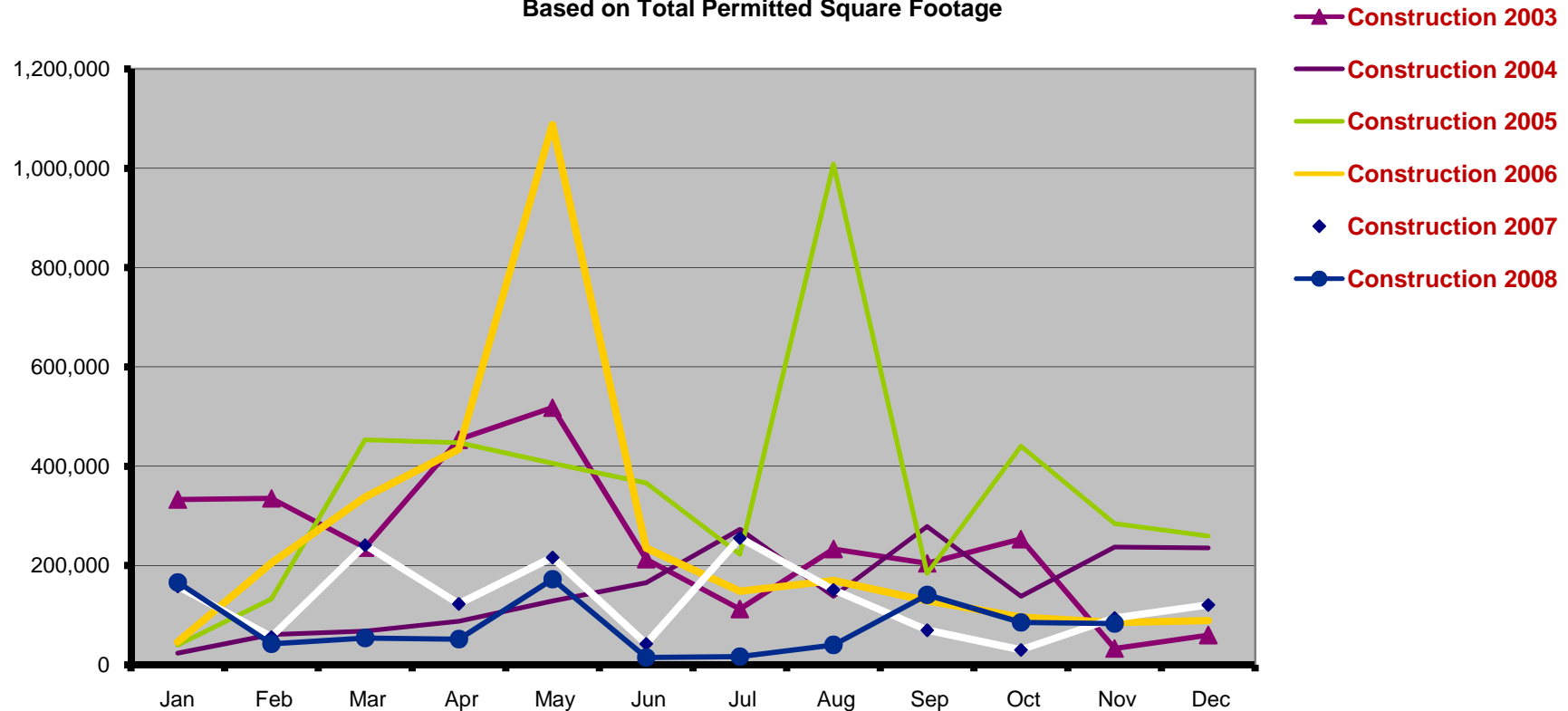
Construction Based on Permitted Square Footage



Rancho Santa Fe Fire Protection District

Fire Prevention Bureau

Construction Trends 2003 thru 2008
Based on Total Permitted Square Footage



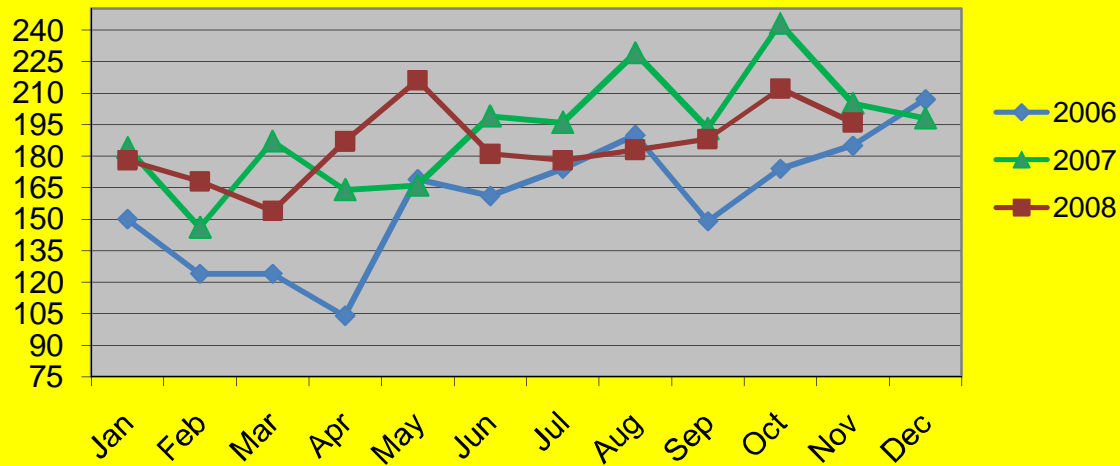
2003	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03
	333,048	335,439	236,205	453,789	518,253	213,183	112,611	233,561	204,699	253,526	33,105	60,130
2004	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04
	23,737	61,058	68,214	87,768	128,876	165,585	273,075	138,232	278,793	137,914	237,348	235,335
2005	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05
	39,985	132,738	452,849	447,022	405,857	366,244	222,683	1,008,098	183,972	440,457	284,495	259,612
2006	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06
	46,126	205,163	337,951	434,515	1,088,179	235,495	148,424	170,111	128,957	96,576	85,093	89,508
2007	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07
	158,437	56,423	241,123	122,953	216,739	42,555	255,724	151,428	70,034	30,360	94,413	121,125
2008	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08
	166,243	42,871	54,537	52,307	172,708	15,308	17,050	40,658	141,204	85,693	83,616	

Rancho Santa Fe Fire Protection District

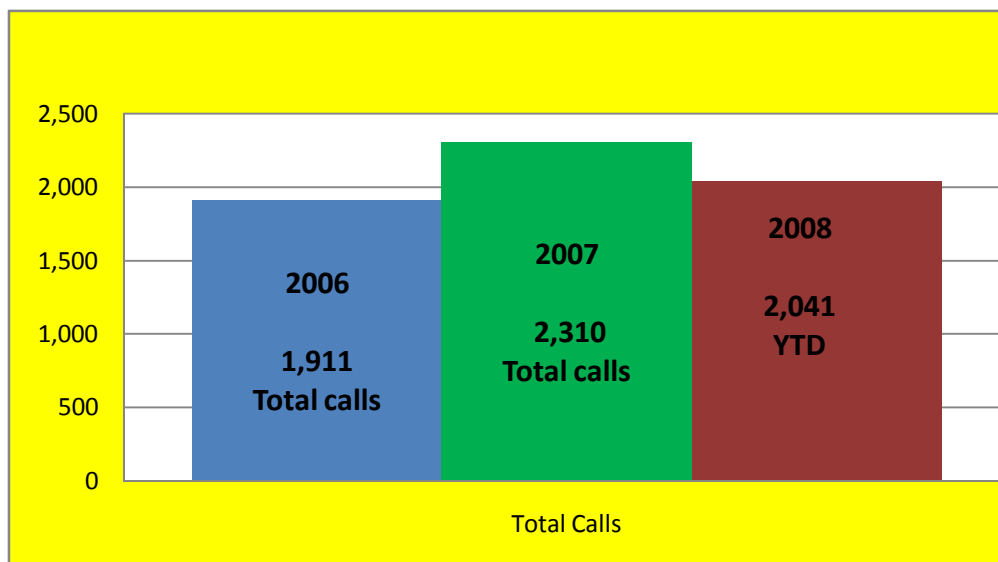
Incident Response Report

December 2008 Board Report

Three Year Monthly Response Comparison



2006	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Responses
Responses	150	124	124	104	169	161	174	190	149	174	185	207	1,911
YTD	150	274	398	502	671	832	1,006	1,196	1,345	1,519	1,704	1,911	18% increase
2007	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Responses
Responses	184	146	187	164	166	199	196	229	193	243	205	198	2,310
YTD	184	330	517	681	847	1,046	1,242	1,471	1,664	1,907	2,112	2,310	21% increase
2008	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Responses
Responses	178	168	154	187	216	181	178	183	188	212	196		2,041
YTD	178	346	500	687	903	1,084	1,262	1,445	1,633	1,845	2,041		
% / last year													



Incident Summary by Incident Type

Date Range: From 11/01/2008 To 11/30/2008

Incident Type(s) Selected: All

Incident Type	Incident Count	Used in Ave. Resp.	Average Response Time hh:mm:ss	Total Loss	Total Value
Fire	11	6	00:13:04	\$3,500.00	\$3,500.00
Rupture/Explosion	1	0		\$0.00	\$0.00
EMS/Rescue	81	77	00:05:43	\$0.00	\$0.00
Hazardous Condition	7	2	00:04:09	\$0.00	\$0.00
Service Call	28	8	00:08:27	\$0.00	\$0.00
Good Intent	44	8	00:06:42	\$0.00	\$0.00
False Call	24	23	00:06:32	\$0.00	\$0.00
Blank or Invalid	9	0		\$0.00	\$0.00
Totals	205	124		\$3,500.00	\$3,500.00

Note: The incident count used in averages does not include the following:

Not Completed incidents, Mutual Aid Given, Other Aid Given, Cancelled in Route, Not Priority, Fill-In Standby, No Arrival and Invalid Dates/Times.

November 2008

November 2008							December 2008						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
2	3	4	5	6	7	1	7	1	2	3	4	5	6
9	10	11	12	13	14	8	14	8	9	10	11	12	13
16	17	18	19	20	21	15	21	15	16	17	18	19	20
23	24	25	26	27	28	22	28	22	23	24	25	26	27
30						29		29	30	31			

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	Oct 26	27	28	29	30	31	Nov 1
10/26 - 31							8:00am ENC CERT Fin
	2	3	4	5	6	7	8
11/2 - 7	10:00am 4S Ranch Stre	Fire Prevention Inspe	8:00am RIC Train The 9:00am Hose Lays ; Tr 9:00am CSA 17 Chief:	9:00am Scripps EMS (9:00am Hose Lays ; Tr	9:00am Hose Lays ; Tr	Battalion Chiefs Drill;
	9	10	11	12	13	14	15
11/9 - 14	12:00pm Birthday Party			9:00am Scripps EMS (8:30am Peer Review M 9:00am Scripps EMS (8:00am CERT Final De
	16	17	18	19	20	21	22
11/16 - 21		9:00am Fire Preventic 6:00pm Cub Scouts Fi		Fire Prevention Inspe 10:00am Station Tour;	EMS Committee Meet Fire Prevention Inspe		Battalion Chiefs Drill;
	23	24	25	26	27	28	29
11/23 - 28		8:00am ENC Nozzle L		Fire Prevention Inspe 8:30am Canceled: Cap		Fire Prevention Inspe	Battalion Chiefs Drill;
	30	Dec 1	2	3	4	5	6
11/30 - 12/5							



P.O. Box 942709
Sacramento, CA 94229-2709
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www.calpers.ca.gov

Date: November 18, 2008
Reference No.:
Circular Letter No.: 200-056-08
Distribution: I, IA, VI
Special:

Circular Letter

TO: ALL PUBLIC AGENCIES

SUBJECT: INVESTMENT RETURN IMPACT ON EMPLOYER RATES

**ATTENTION: FINANCE DIRECTORS, HUMAN RESOURCE DIRECTORS,
PUBLIC AGENCY DECISION MAKERS**

CalPERS is sending this circular as a result of our commitment to periodically provide information regarding the current financial market volatility impact to the CalPERS trust fund, to our employers and to our members. CalPERS continues to manage a well diversified portfolio and maintain a prudent, long term investment strategy in order to ensure the financial security for those we serve.

RECENT EMPLOYER OUTREACH

CalPERS issued Circular Letter 310-050-08 on October 6, 2008 in order to inform public agencies of the CalPERS investment policy and strategy during the market decline. That Circular Letter also addressed the impact of financial market volatility on employer contribution rates and on the security of retiree benefits. On October 21, 2008, CalPERS staff presented an agenda item to the Board of Administration that assessed the impact to the System's funding status and employer contribution rates under various 2008/2009 fiscal year investment return scenarios. In addition, CalPERS Board Members and Executive staff addressed these same issues extensively during the 2008 CalPERS Educational Forum that was held in southern California from October 27 through October 29. This Circular Letter updates the information shared in October and includes the impact of a revision to the fiscal year 2007/2008 investment return and more recent asset return information during fiscal year 2008/2009.

FINAL 2007/2008 INVESTMENT RESULTS

In July 2008, CalPERS released preliminary net of fees investment returns for the 2007/2008 fiscal year of about negative 2.5 percent. Consistent with previous years, this announced return was labeled preliminary because the market value figures for the real estate and Alternate Investment Management (AIM) programs were as of March 31, 2008 and December 31, 2007, respectively.

The one to two quarter lag is a normal consequence of the time private market partners take to complete their financial reporting to CalPERS. This lag is consistent with industry reporting standards. CalPERS has now obtained final figures for these investments. The official 2007/2008 investment return net of expenses is negative 5.1 percent. More information about the official investment return is available on the CalPERS web site at www.calpers.ca.gov.

IMPACT ON 2010/2011 PUBLIC AGENCY EMPLOYER RATES

Local public agency contribution rates are affected by the investment return of a given fiscal year in the third fiscal year that follows. For example, CalPERS recently set the employer contribution rates for fiscal year 2009/2010 based on the investment return of the fiscal year ending June 30, 2007. The negative 5.1 percent return for fiscal year 2007/2008 will first be reflected in the public agency employer contribution rates applicable for the 2010/2011 fiscal year.

CalPERS achieved double digit gains in each of the four years leading up to the 2007/2008 fiscal year. Through CalPERS 15 year smoothing of investment returns, these previous positive returns will cushion the impact the 2007/2008 investment losses will have on employer contribution rates in 2010/2011. In fact as of June 30, 2007, the asset smoothing method set aside about 14 percent of the CalPERS fund as a "rainy day" fund. The negative 5.1 percent return for fiscal year 2007/2008, about 12.9 percent less than the 7.75 percent expected rate of return, uses up most of the 14 percent of the "rainy day" fund. The good news is that employer contribution rates in 2010/2011 are not expected to increase as a result of the 2007/2008 negative 5.1 percent return. In fact, with the rate smoothing policies at CalPERS, the estimated impact of the negative 5.1 percent investment return is a decrease up to 0.1 percent of payroll in expected 2010/2011 employer rates. This assumes that all other actuarial assumptions are realized in aggregate. **It is important to note that in recent years, the demographic experience of most plans translated to increases in employer rates.**

By now, you should have received your actuarial valuation report as of June 30, 2007, which set employer contribution rates for fiscal year 2009/2010. That actuarial valuation also contained an estimated employer contribution rate for fiscal year 2010/2011. However, due to timing and availability of data, that report projected the 2010/2011 employer rate using the preliminary estimated negative 2.5 percent rate of return rather than the actual negative 5.1 percent investment for fiscal 2007/2008. The projected employer contribution rate for 2010/2011 shown in the annual valuation report should be about 0.1 percent of payroll higher than the figure contained in this most recent report.

IMPACT ON 2011/2012 PUBLIC AGENCY EMPLOYER RATES

The investment return for fiscal year 2008/2009 will first impact public agency employer contribution rates in the 2011/2012 fiscal year. As a result of the rate stabilization method adopted by the Board, the impact on employer rates will be greatly mitigated. However, the smoothing method adopted by CalPERS imposes a corridor of 80 percent to 120 percent of the market value of assets when determining the smoothed actuarial value of assets. Stated another way, the 15 year smoothing method stops when the actuarial value of assets hits 120 percent of the market value of assets or 80 percent of the market value assets.

The corridor limit will be hit if the 2008/2009 investment return reaches about negative 13 percent. Investment return lower than negative 13 percent will produce a significantly greater impact on employer rates. Note that the impact on employer rates will vary from plan to plan based on the assets of your plan compared to the payroll of active members of your plan. The higher the ratio of assets to payroll, the greater the change in employer rate.

The table below shows the estimated impact of various 2008-2009 investment returns on the employer rate for fiscal 2011/2012.

ESTIMATED Change in Employer Contribution Rates in Fiscal 2011/2012

	Hypothetical Investment Return for 2008-2009						
	-20% Return	-15% Return	-10% Return	0% Return	7.75% Return	10% Return	20% Return
Range of Estimated Changes in Rates in Fiscal Year 2011/2012	Increase of about 2% to 5% of Payroll	Increase of about 1% to 2% of Payroll	Increase of about 0.2% to 0.5% of Payroll	Increase of about 0.1% to 0.2% of Payroll	Decrease of less than 0.1% of Payroll	Decrease of about 0.1% to 0.2% of Payroll	Decrease of about 0.2% to 0.5% of Payroll

If CalPERS does experience a negative return in 2008-2009 as illustrated above, and then returns to its anticipated 7.75 percent investment return, employer rates would likely continue to rise slowly over time. Returns in excess of 7.75 percent in subsequent years would be necessary to prevent a steady rise in employer rates.

For example, if the 2008/2009 fiscal year ends with an investment return of negative 20 percent, investment returns of 7.75 percent in the next few years would result in increases in employer rates of about 0.2 percent to 0.6 percent of payroll each year.

IMPACT ON FUNDED STATUS

CalPERS determines a plan's funded status by comparing the market value of assets to the accrued liability.

The table below displays the average funded status of CalPERS public agency plans as of June 30, 2007. The table also shows the estimated funded status as of June 30, 2008 based on the negative 5.1 percent return during 2007/2008.

	Funded Status on a Market Value of Assets Basis as of June 30, 2007	ESTIMATED Funded Status on a Market Value of Assets Basis as of June 30, 2008
Average Public Agency Miscellaneous Plan	103%	89%
Average Public Agency Safety Plan	99%	85%

The table below provides estimated average funded status for CalPERS public agency plans as of June 30, 2009 under various possible investment return scenarios.

ESTIMATED Funded Status on a Market Value of Assets Basis as of June 30, 2009 Based on Hypothetical Investment Returns

	Hypothetical Investment Return for 2008-2009						
	-20% Return	-15% Return	-10% Return	0% Return	7.75% Return	10% Return	20% Return
PA (Misc)	66%	70%	74%	82%	89%	91%	99%
PA (Safety)	63%	67%	71%	79%	85%	87%	95%

CalPERS cannot predict what the rest of the fiscal year will bring in the way of investment return; therefore, we are providing these scenarios to employers in order to build awareness of the potential impacts due to the global market downturn and to assist administrators with long term planning. CalPERS will continue to utilize our full range of resources and talents to protect our employer and member financial interests today and into the future.

If you wish to discuss these issues further, please contact your CalPERS actuary at **888 CalPERS** or (888-225-7377).

Ronald L. Seeling, Chief Actuary
Actuarial & Employer Services Branch

From: Jon Canavan [mailto:JCanavan@ci.poway.ca.us]
Sent: Saturday, November 22, 2008 1:48 PM
To: Nicholas G. Pavone
Subject: Great Job!

Chief Pavone,

This last week I had the pleasure of being the Strike Team Leader for OES6841A. The strike team included units from Rancho Santa Fe, Poway, San Diego, La Mesa, and San Miguel. It was a typical Type I strike team of "hurry up, stage, hurry up, stage". OES6841A reported to Prado Mobilization on Friday, November 14th and rested in a nearby hotel after check-in. On Saturday morning, we were re-assigned to the Sayre Incident in the Sylmar community of Los Angeles where we staged at Station #91 and later at Hansen Dam Park (base camp). On Sunday, November 16th, OES6841A was assigned to Division E performing mop up activities along Highway 14 and DWP access roads. On Monday we were demobilized and returned to our home bases.

Captain Terry Gibson, Engineer Lee Haskin, Firefighter Paramedic Nick Brandow, and Firefighter Paramedic Nathan Fritchle were working on OES228. Your personnel did an outstanding job and were a pleasure to work with. They maintained a high state of readiness, worked hard when needed, and displayed a professional demeanor throughout our deployment. Captain Gibson was organized and ensured his team was informed and prepared. They were great ambassadors of your Department and all San Diego county firefighters.

It was a pleasure working with the personnel of OES228. I hope to have another opportunity in the future. Please extend a sincere "thanks for a great job" to them.

If you have any questions or need additional information, just let me know.

Have a safe and Happy Thanksgiving holiday.

Jon M. Canavan
Fire Division Chief
City of Poway
(858) 668-4485 Office
(858) 232-3666 Cell
(858) 679-7513 Fax
Jcanavan@ci.poway.ca.us

From: Mark Waldorf [mailto:mark.waldorf@maranathachristianschools.org]
Sent: Wednesday, November 19, 2008 12:59 PM
To: Nicholas G. Pavone
Subject: Thank you

Dear Chief Pavone,

I would like to thank you personally and on behalf of Maranatha Christian Schools for taking the time to come out and meet and speak with us regarding the importance of the CERT program.

I also would like to thank Captain Chris Mertz, John Jerome, Dave McQuade, and Mike Connor and everyone involved at Rancho Santa Fe's Fire Department for all of the hard work, energy, and expertise put into helping us prepare for and complete the CERT training program.

We were blessed by the opportunity to tour Fire Station 1 and 2 and also be able to operate a fire hose on Saturday after our commencement exercises.

It is because of the willing RSFFD staff that we are prepared and equipped, knowing that these skills will help keep not only our school safer in the event of a disaster, but also provide our learned skills to our homes and the surrounding community.

We at Maranatha Christian Schools appreciate the Fire Department's attention to keeping our school safe. We look forward to our continued valued partnership.

Sincerely,

Mark Waldorf
Facilities Director
Maranatha Christian Schools
9050 Maranatha Drive
San Diego, CA 92127
858/229-8876

Rancho Santa Fe Fire Protection District

POLICY HANDBOOK

SERIES 3000: OPERATIONS
POLICY TITLE: Expense Authorizations
POLICY NUMBER: 3040

3040.1 All purchases made for the District by staff shall be authorized by the Fire Chief or the appropriate responsible Manager and shall be in conformance with the approved District budget.

3040.2 Any commitment of District funds for a discretionary purchase or expense between \$10,000 and \$20,000 greater than \$1,000.00 shall be subject to approval at a regular Board of Directors meeting using the Agenda's Consent Calendar, first be submitted to the Board of Directors for approval, or shall be in conformance with prior Board action and/or authorizations.

3040.3 Any commitment of District funds for a discretionary purchase or expense greater than \$20,000 shall be first submitted to the Board of Directors for approval at a regular or special Board of Directors meeting as a matter of new business, or shall be in conformance with prior Board action and/or authorizations.

3040.3 A "petty cash" fund shall be maintained in the District office having a balance-on-hand maximum of \$300.00.

3040.3.1 No personal checks shall be cashed in the petty cash fund.

3040.3.2 The petty cash fund shall be included in the District's annual independent accounting audit.

3040.4 Whenever employees or Directors of the District incur "out-of-pocket" expenses for item(s) or service(s) appropriately relating to District business as verified by valid receipts, said expended cash shall be reimbursed upon request by check request. In those instances when a receipt is not obtainable, the requested reimbursement shall be approved by the Fire Chief or the appropriate responsible manager prior to payment.

APPROVED: Board of Directors held November 12, 2008

ATTEST:

Karlana Rannals, Board Clerk



**Rancho Santa Fe
Fire Protection District
Annual Financial Report
June 30, 2008**



Mission Statement

To serve the public through the protection of life, environment and property from fire and other emergencies through prevention, preparedness, education and response

Rancho Santa Fe Fire Protection District

Board of Directors as of June 30, 2008

Name	Position	Elected/Appointed	Current Term
James Ashcraft	President	Elected	11/04 - 11/08
Thomas Hickerson	Vice President	Elected	11/06 - 11/10
Nancy C. Hillgren	Director	Elected	11/04 - 11/08
Randall Malin	Director	Elected	11/04 - 11/08
John C. Tanner	Director	Elected	11/06 - 11/10

**Rancho Santa Fe Fire Protection District
Nicholas G. Pavone, Fire Chief
16936 El Fuego Drive
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, 2008**

**Rancho Santa Fe Fire Protection District
Annual Financial Report
For the Year Ended June 30, 2008**

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Financial Section

Independent Auditor's Report

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

We have audited the accompanying financial statements of the Rancho Santa Fe Fire Protection District (District) as of and for the year ended June 30, 2008, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Rancho Santa Fe Fire Protection District as of June 30, 2008, and the respective changes in financial position and the respective budgetary comparison for the General Fund thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 22, 2008, 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. This report can be found on page 25.

Management's discussion and analysis and the budgetary comparison information on pages 2 through 6 and 23 through 24, respectively, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information or express an opinion on it.

October 22, 2008
Cypress, California

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Rancho Santa Fe Fire Protection District
Management's Discussion and Analysis, continued
For the Year Ended June 30, 2008

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, 2008. 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 assets increased 10.2% or \$2,665,446 from \$25,916,824 to \$28,582,270, due primarily to increases in other revenues of \$278,306, property tax revenues of approximately \$1,038,857 and in the net effect of prior period adjustment of \$431,184. These increases were offset by an increase in employee wages and benefits of approximately \$1,045,311.
- As noted above during the year, the District's property tax revenue increased by 11.9% or \$1,038,857 from \$8,709,042 to \$9,747,899 is primarily due to higher property valuation.
- Total revenues from all sources increased 11.9% or \$1,329,637 from \$11,195,930 to \$12,535,567, from the prior year primarily due to an increase in property tax revenue.

Using This Financial Report

This annual report consists of a series of financial statements. The Statement of Net Assets 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 Assets 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.

District Activities

The Rancho Santa Fe Fire Protection District was formed on October 14, 1946 under an order adopted by the County Board of Supervisors. At the time, the District was comprised of one Chief and 15 volunteer suppression personnel who protected an estimated 3,800 residents.

After operating over 60 years, the District now spans approximately 42-square miles and protects over 21,884 citizens. What was once an all-volunteer force operating out of a single fire station is now a full-time fire protection agency comprised of one Chief, one Deputy Chief, three Battalion Chiefs, 39 paid fire suppression positions, five fire prevention positions and four administrative positions.

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. Board meetings are held the second Wednesday of each month at 1:00 p.m.

The District currently operates out of four full-time fire stations serving communities surrounding and within Rancho Santa Fe, 4S-Ranch, Fairbanks Ranch, Cielo, Crosby and Del Dios.

Rancho Santa Fe Fire Protection District
Management's Discussion and Analysis, continued
For the Year Ended June 30, 2008

Government-wide Financial Statements

Statement of Net Assets 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 Assets 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 assets* and changes in them. Think of the District's net assets – 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 assets are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other non-financial factors; however, such as changes in the District's property tax and assessment base to assess the *overall health* of the District.

Governmental Funds Financial Statements

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

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

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

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 12 through 22.

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. Required supplementary information can be found on pages 23 through 24.

Rancho Santa Fe Fire Protection District
Management's Discussion and Analysis, continued
For the Year Ended June 30, 2008

Government-wide Financial Analysis

Condensed Statement of Net Assets

	<u>2008</u>	<u>2007</u>	<u>Change</u>
Assets:			
Current assets	\$ 13,615,399	12,083,092	1,532,307
Capital assets, net	<u>16,037,118</u>	<u>15,426,612</u>	<u>610,506</u>
Total assets	<u><u>29,652,517</u></u>	<u><u>27,509,704</u></u>	<u><u>2,142,813</u></u>
Liabilities:			
Current liabilities	689,135	1,251,132	(561,998)
Non-current liabilities	<u>381,113</u>	<u>341,748</u>	<u>39,365</u>
Total liabilities	<u><u>1,070,247</u></u>	<u><u>1,592,880</u></u>	<u><u>(522,633)</u></u>
Net assets:			
Net investment in capital assets	16,037,118	15,426,612	610,506
Restricted – fire mitigation	4,813,751	3,855,408	958,343
Restricted – PASIS	456,410	360,664	95,746
Restricted – MDC	22,719	-	22,719
Restricted – ALS	952	-	952
Unrestricted	<u>7,251,320</u>	<u>6,274,140</u>	<u>977,180</u>
Total net assets	<u><u>\$ 28,582,270</u></u>	<u><u>25,916,824</u></u>	<u><u>2,665,446</u></u>

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets of the District exceeded liabilities by \$28,582,270 as of June 30, 2008.

A portion of the District's net assets (56% or \$16,037,118) reflects its investment in capital assets (net of accumulated depreciation), less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets for operations; consequently, these assets are *not* available for future spending. At the end of fiscal year 2008, the District shows a positive balance in its unrestricted net assets of \$7,251,320 that may be utilized in future years.

The District has designated use of its unrestricted net assets as follows:

Designated for fire protection – operating reserve	\$ 4,125,000
Designated for fire protection – capital reserve	<u>3,126,320</u>
Total	<u><u>\$ 7,251,320</u></u>

The District receives a bulk of its funding from the San Diego County Tax Collector at the end of the months of December and April, which coincides with the property tax payment dates of December 10 and April 10. The District will need to utilize its six-month operating reserve until this funding is received.

Rancho Santa Fe Fire Protection District
Management's Discussion and Analysis, continued
For the Year Ended June 30, 2008

Condensed Statement of Activities

	<u>2008</u>	<u>2007</u>	<u>Change</u>
Expenses:			
Fire protection operations	\$ 10,291,305	9,022,401	1,268,904
Total expenses	<u>10,291,305</u>	<u>9,022,401</u>	<u>1,268,904</u>
Program revenues	1,048,750	1,107,757	(59,007)
General revenues	<u>11,476,817</u>	<u>10,088,173</u>	<u>1,388,644</u>
Total revenues	<u>12,525,567</u>	<u>11,195,930</u>	<u>1,329,637</u>
Change in net assets	2,234,262	2,173,529	60,733
Net assets – beginning of period	25,916,824	23,743,295	2,173,529
Net assets - adjustment beginning of period	<u>431,184</u>	<u>-</u>	<u>431,184</u>
Net assets – end of period	<u>\$ 28,582,270</u>	<u>25,916,824</u>	<u>2,665,446</u>

The statement of activities shows how the government's net assets changed during the fiscal year. In the case of the District, net assets increased by \$2,665,446 during the fiscal year ended June 30, 2008. The increase in net assets is due primarily to an increase in other revenues of \$278,306, an increase property tax revenues \$1,038,857, in the net effect of a prior period adjustment in the amount of \$431,184.

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 *unreserved 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, 2008 the District's General Fund reported a fund balance of \$8,325,588. An amount of \$7,775,656 constitutes the District's *unreserved fund balance*, which is available for future District operations. The remainder of fund balance of \$549,932 is *reserved* to indicate that it is not available for future spending because it is held for future workers' compensation claims.

Capital Asset Administration

Changes in capital assets for 2008 were as follows:

	<u>Balance 2007</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Balance 2008</u>
Non-depreciable assets	\$ 3,486,312	307,848	(190,225)	3,603,935
Depreciable assets	15,486,583	1,191,426	(24,176)	16,653,833
Accumulated depreciation	<u>(3,546,283)</u>	<u>(698,543)</u>	<u>24,176</u>	<u>(4,220,650)</u>
Total capital assets, net	<u>\$ 15,426,612</u>	<u>800,731</u>	<u>(190,225)</u>	<u>16,037,118</u>

At the end of fiscal year 2008, the District's investment in capital assets amounted to \$16,037,118 (net of accumulated depreciation). This investment in capital assets includes structures and improvements, and equipment and vehicles.

Rancho Santa Fe Fire Protection District
Management's Discussion and Analysis, continued
For the Year Ended June 30, 2008

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, 16936 El Fuego, Rancho Santa Fe, California, 92067 or (858) 756-5971.

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Basic Financial Statements

Rancho Santa Fe Fire Protection District
Statements of Net Assets
June 30, 2008
With comparative amounts as of June 30, 2007

	<u>2008</u>	<u>2007</u>
Current assets:		
Cash and cash equivalents (note 2)	\$ 7,939,525	7,064,906
Restricted cash and cash equivalents (note 2)	5,211,678	4,278,632
Accrued interest receivable	66,203	90,785
Restricted accrued interest receivable	207,927	50,132
Accounts receivable – other fees	121,657	31,088
Restricted accounts receivable – mitigation fees	-	243,910
Property taxes receivable	17,409	36,995
Prepaid expense and deposits	51,000	286,644
Total current assets	<u>13,615,399</u>	<u>12,083,092</u>
Non-current assets:		
Capital assets, net (note 3)	16,037,118	15,426,612
Total assets	<u><u>29,652,517</u></u>	<u><u>27,509,704</u></u>
Current liabilities:		
Accounts payable and accrued expenses	178,640	527,984
Accrued salaries and wages	257,684	252,630
Advanced life support deposit	39,736	24,654
Workers' compensation claims payable – PASIS (note 9)	86,037	331,948
Long-term liabilities - due in less than one year:		
Compensated absences (note 4)	127,038	113,916
Total current liabilities	<u>689,135</u>	<u>1,251,132</u>
Non-current liabilities:		
Long-term liabilities - due in more than one year:		
Compensated absences (note 4)	381,113	341,748
Total liabilities	<u><u>1,070,247</u></u>	<u><u>1,592,880</u></u>
Net assets:		
Net investment in capital assets	16,037,118	15,426,612
Restricted – fire mitigation	4,813,751	3,855,408
Restricted – PASIS	456,410	360,664
Restricted – MDC	22,719	-
Restricted – ALS	952	-
Unrestricted	7,251,320	6,274,140
Total net assets	<u><u>\$ 28,582,270</u></u>	<u><u>25,916,824</u></u>

See accompanying notes to the basic financial statements

Rancho Santa Fe Fire Protection District
Statements of Activities
For the Year Ended June 30, 2008
With comparative amounts for the Year Ended June 30, 2007

	<u>2008</u>	<u>2007</u>
<i>Governmental Activities:</i>		
Expenses:		
Fire protection operations:		
Salaries and wages	\$ 5,535,702	5,020,997
Employee benefits	2,536,242	2,005,636
Administration fees	125,196	128,560
Advertising	817	648
Association dues	6,757	6,256
Subscriptions	1,129	2,377
Dispatching	100,780	85,208
Equipment rental and repairs	22,256	8,249
Laundry service	-	12
Legal expenses	18,324	10,389
Meetings and meals	22,985	18,213
Training	28,319	39,864
Service agreements	250,409	214,923
Other professional services	40,398	257,809
Licenses and permits	18,603	13,685
Utilities	129,004	101,548
Vehicle maintenance and repairs	99,509	101,708
Materials and supplies – office	34,405	39,484
Materials and supplies – fuel	74,406	53,251
Safety clothing and equipment	84,764	84,821
Materials and supplies – uniforms	20,659	25,541
Other materials and supplies	332,049	199,457
Insurance	57,914	57,030
Other	33,169	-
Bad debt	-	3,811
Depreciation	717,509	542,924
Total expenses	<u>10,291,305</u>	<u>9,022,401</u>
Program revenues:		
Charges for services – fire protection	376,564	431,824
Operating grants and contributions – fire protection	33,334	88,398
Capital grants and contributions – fire protection	638,852	587,535
Total program revenues	<u>1,048,750</u>	<u>1,107,757</u>
Net program expense	<u>9,242,555</u>	<u>7,914,644</u>
General revenues:		
Property taxes	9,747,899	8,709,042
In-lieu of property taxes – developer payments	351,470	325,374
Interest earnings	524,271	489,682
Rental income – cellular antennas	50,831	40,035
Other	802,346	524,040
Total general revenues	<u>11,476,817</u>	<u>10,088,173</u>
Change in net assets	<u>2,234,262</u>	<u>2,173,529</u>
Net assets – beginning of year	25,916,824	23,743,295
Net assets - adjustment beginning of year (note 12)	431,184	-
Net assets – end of year	<u>\$ 28,582,270</u>	<u>25,916,824</u>

See accompanying notes to the basic financial statements

Rancho Santa Fe Fire Protection District
Reconciliation of the Balance Sheet of Governmental
Type Funds to the Statement of Net Assets
June 30, 2008

	<u>General Fund</u>	<u>Mitigation Fund</u>	<u>Total Governmental</u>	<u>Reclassifications & Eliminations</u>	<u>Statement of Net Assets</u>
Current assets:					
Cash and cash equivalents	\$ 7,939,525	-	7,939,525	-	7,939,525
Restricted cash and cash equivalents	589,668	4,622,010	5,211,678	-	5,211,678
Accrued interest receivable	66,203	-	66,203	-	66,203
Restricted accrued interest receivable	16,186	191,741	207,927	-	207,927
Accounts receivable – other fees	121,657	-	121,657	-	121,657
Property taxes receivable	17,409	-	17,409	-	17,409
Prepaid expenses and deposits	51,000	-	51,000	-	51,000
Total current assets	<u>8,801,648</u>	<u>4,813,751</u>	<u>13,615,399</u>	<u>-</u>	<u>13,615,399</u>
Non-current assets:					
Capital assets, net	-	-	-	16,037,118	16,037,118
Total assets	<u>8,801,648</u>	<u>4,813,751</u>	<u>13,615,399</u>	<u>16,037,118</u>	<u>29,652,517</u>
Current liabilities:					
Accounts payable and accrued expenses	178,640	-	178,640	-	178,640
Accrued salaries and wages	257,684	-	257,684	-	257,684
Advanced life support deposit	39,736	-	39,736	-	39,736
Workers' compensation claims payable – PASIS	-	-	-	86,037	86,037
Compensated absences	-	-	-	127,038	127,038
Total current liabilities	<u>476,060</u>	<u>-</u>	<u>476,060</u>	<u>213,075</u>	<u>689,135</u>
Non-current liabilities:					
Long-term liabilities - due in more than one year:					
Compensated absences	-	-	-	381,113	381,113
Total liabilities	<u>476,060</u>	<u>-</u>	<u>476,060</u>	<u>594,187</u>	<u>1,070,247</u>
Fund balance:					
Reserved for PASIS	549,932	-	549,932	(549,932)	-
Reserved for mitigation	-	4,813,751	4,813,751	(4,813,751)	-
Unreserved:					
Designated for fire protection – operating reserve	4,125,000	-	4,125,000	(4,125,000)	-
Designated for fire protection – capital reserve	3,650,656	-	3,650,656	(3,650,656)	-
Total fund balance	<u>8,325,588</u>	<u>4,813,751</u>	<u>13,139,339</u>	<u>(13,139,339)</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 8,801,648</u>	<u>4,813,751</u>	<u>13,615,399</u>	<u>(12,545,152)</u>	<u>1,070,247</u>
Net assets:					
Net investment in capital assets					16,037,118
Restricted – fire mitigation					4,813,751
Restricted – PASIS					456,410
Restricted – MDC					22,719
Restricted – ALS					952
Unrestricted					7,251,320
Total net assets					<u>\$ 28,582,270</u>
Reconciliation:					
Fund balance of governmental funds			13,139,339		
Amounts reported for governmental activities in the statement of net assets is different because:					
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet.			16,037,118		
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 Assets.					
Compensated absences			(508,150)		
Workers' compensation claims payable – PASIS			(86,037)		
Net assets of governmental activities			<u>28,582,270</u>		

See accompanying notes to the basic financial statements

Rancho Santa Fe Fire Protection District
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balance of Governmental Type Funds to the Statement of Activities
For the Year Ended June 30, 2008

	<u>General Fund</u>	<u>Mitigation Fund</u>	<u>Total Governmental</u>	<u>Reclassifications & Eliminations</u>	<u>Statement of Activities</u>
Expenditures/Expenses:					
Fire protection operations:					
Salaries and wages	\$ 5,483,216	-	5,483,216	52,486	5,535,702
Employee benefits	2,495,298	-	2,495,298	40,944	2,536,242
Administration fees	125,196	-	125,196	-	125,196
Advertising	817	-	817	-	817
Association dues	6,757	-	6,757	-	6,757
Subscriptions	1,129	-	1,129	-	1,129
Dispatching	100,780	-	100,780	-	100,780
Equipment rental and repairs	22,256	-	22,256	-	22,256
Legal expenses	18,324	-	18,324	-	18,324
Meetings and meals	22,985	-	22,985	-	22,985
Training	28,319	-	28,319	-	28,319
Service agreements	250,409	-	250,409	-	250,409
Other professional services	40,398	-	40,398	-	40,398
Licenses and permits	18,603	-	18,603	-	18,603
Utilities	129,004	-	129,004	-	129,004
Vehicle maintenance and repairs	99,509	-	99,509	-	99,509
Materials and supplies – office	34,405	-	34,405	-	34,405
Materials and supplies – fuel	74,406	-	74,406	-	74,406
Safety clothing and equipment	84,764	-	84,764	-	84,764
Materials and supplies – uniforms	20,659	-	20,659	-	20,659
Other materials and supplies	332,049	-	332,049	-	332,049
Insurance	57,914	-	57,914	-	57,914
Other	33,169	-	33,169	-	33,169
Depreciation	-	-	-	717,509	717,509
Capital outlay					
Equipment and vehicles	897,042	-	897,042	(897,042)	-
Total expenditures/expenses	<u>10,377,408</u>	<u>-</u>	<u>10,377,408</u>	<u>(86,103)</u>	<u>10,291,305</u>
Program revenues:					
Charges for services – fire protection	376,564	-	376,564	-	376,564
Operating grants and contributions – fire protection	33,334	-	33,334	-	33,334
Capital grants and contributions – fire protection	115,953	522,899	638,852	-	638,852
Total program revenues	<u>525,851</u>	<u>522,899</u>	<u>1,048,750</u>	<u>-</u>	<u>1,048,750</u>
Net program expense					<u>9,242,555</u>

Rancho Santa Fe Fire Protection District
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balance of Governmental Type Funds to the Statement of Activities, continued
For the Year Ended June 30, 2008

General revenues:					
Property taxes	9,747,899	-	9,747,899	-	9,747,899
In-lieu of property taxes – developer payments	351,470	-	351,470	-	351,470
Interest earnings	326,854	197,417	524,271	-	524,271
Rental income – cellular antennas	50,831	-	50,831	-	50,831
Other	802,346	-	802,346	-	802,346
Total general revenues	<u>11,279,400</u>	<u>197,417</u>	<u>11,476,817</u>	<u>-</u>	<u>11,476,817</u>
Total revenues	<u>11,805,251</u>	<u>720,316</u>	<u>12,525,567</u>		
Excess of revenues over expenditures	1,427,843	720,316	2,148,159		
Other financing sources(uses):					
Transfers in(out)	<u>(238,027)</u>	<u>238,027</u>	<u>-</u>		
Net change in fund balance	1,189,816	958,343	2,148,159	(2,148,159)	
Change in net assets	-	-	-	2,234,262	2,234,262
Fund balance/Net assets – beginning of year	<u>7,135,772</u>	<u>3,855,408</u>	<u>10,991,180</u>	<u>-</u>	<u>25,916,824</u>
Net assets - adjustment beginning of year (note 13)					431,184
Fund balance/Net assets – end of year	<u>\$ 8,325,588</u>	<u>4,813,751</u>	<u>13,139,339</u>	<u>86,103</u>	<u>28,582,270</u>

Continued on next page

See accompanying notes to the basic financial statements

Reconciliation:

Net changes in fund balance of total governmental funds \$ 2,148,159

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

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

Capital outlay	897,042
Depreciation expense	(717,509)

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 CalPERS pension liability for the current period	(286,855)
Net change in compensated absences for the current period	(52,486)
Net change in workers' compensation claims payable-PASIS for the current period	<u>245,911</u>

Change in net assets of governmental activities \$ 2,234,262

See accompanying notes to the basic financial statements

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements
June 30, 2008

(1) Reporting Entity and Summary of Significant Accounting Policies

A. 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 42-square miles and protects over 21,884 citizens. The District is governed by a five-person elected Board of Directors. The Board is responsible for establishing policies, guidelines and providing direction for Fire District staff.

B. Basis of Accounting and Measurement Focus

The *basic financial statements* of the District are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

Financial reporting is based upon all GASB pronouncements, as well as well as any applicable pronouncements of the Financial Accounting Standards Board (FASB), the Accounting Principals Board (APB), or any Accounting Research Bulletins (ARB) issued on or before November 30, 1989, unless they contradict or conflict with GASB pronouncements.

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 Assets. The Statement of Activities presents changes in net assets. 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.

Governmental 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 assets as presented in these statements to the net assets 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 GASB Statement No. 34.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements, continued
June 30, 2008

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

B. Basis of Accounting and Measurement Focus, continued

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.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed.

The District reports the following major governmental 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.

Mitigation Fund – is used for fees collected that can only be used to purchase capital assets.

C. Assets, Liabilities and Net Assets

1. 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 assets during the reporting period. Actual results could differ from those estimates.

2. Cash and Cash Equivalents

Substantially all of District's cash is invested in interest bearing cash accounts. The District considers all highly liquid investments with initial maturities of three months or less to be cash equivalents.

3. 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:

- San Diego County Pooled Investment Fund (SDCPIF)
- State of California local area investment fund (LAIF)
- U.S. Treasury Bills, Notes, and Bonds
- Negotiable Certificates of Deposit
- Government Agency Securities

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
June 30, 2008

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

C. Assets, Liabilities and Net Assets, continued

San Diego County Pooled Investment Fund

The San Diego County Pooled Investment Fund (SDCPIF) is a pooled investment fund program governed by the County of San Diego Board of Supervisors, and administered by the County of San Diego Treasurer and Tax Collector. Investments in SDCPIF are highly liquid as deposits and withdrawals can be made at anytime without penalty. SDCPIF does not impose a maximum investment limit.

The County of San Diego's bank deposits are either Federally insured or collateralized in accordance with the California Government Code. Pool detail is included in the County of San Diego Comprehensive Annual Financial Report (CAFR). Copies of the CAFR may be obtained from the County of San Diego Auditor-Controller's Office – 1600 Pacific Coast Highway – San Diego, CA 92101.

Local Agency Investment Fund

LAIF is regulated by California Government Code (Code) Section 16429 and is under the management of the State of California Treasurer's Office with oversight provided by the Local Agency Investment Advisory Board.

LAIF is carried at fair value based on the value of each participating dollar as provided by LAIF. The fair value of the District's position in the LAIF is the same as the value of its pooled share. Investments in securities of the U.S. government or its agencies are carried at fair value based on quoted market prices. Bank balances are secured by the pledging of a pool of eligible securities to collateralize the District's deposits with the bank in accordance with the Code.

4. Property Taxes and Assessments

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.

5. Prepaid Expenses

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

6. Restricted Assets

Certain assets are restricted as to their use, and therefore, are classified as restricted on the Statement of Net Assets.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements, continued
June 30, 2008

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

C. Assets, Liabilities and Net Assets, continued

7. 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 fair market 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 – 5 to 10 years

8. 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 20 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.

9. Net Assets

The financial statements utilize a net assets presentation. Net assets are categorized as follows:

- **Net Investment in Capital Assets** – This component of net assets consists of capital assets, net of accumulated depreciation and reduced by any outstanding debt outstanding against the acquisition, construction or improvement of those assets.
- **Restricted Net Assets** – This component of net assets consists of constraints placed on net assets 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 Net Assets** – This component of net assets consists of net assets that do not meet the definition of *restricted* or *net investment in capital assets*.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements, continued
June 30, 2008

(2) Cash and Cash Equivalents

Cash and cash equivalents as of June 30, 2008, are classified in the Statement of Net Assets as follows:

Cash and cash equivalents	\$ 7,939,525
Restricted cash and cash equivalents	<u>5,211,678</u>
Total	<u>\$ 13,151,203</u>

Cash and cash equivalents as of June 30, 2008, consist of the following:

Cash on hand	\$ 350
Deposits held with financial institutions	125,539
Deposits held with San Diego County Pooled Investment Fund (SDCPIF)	10,085,994
Deposits held with California Local Agency Investment Fund (LAIF)	2,379,178
Deposits held with Public Agencies Self Insurance System (PASIS)	538,392
Deposits held at NCDJPA (Mobile Data Computer- MDC)	<u>21,750</u>
Total	<u>\$ 13,151,203</u>

As of June 30, 2008, the District's authorized deposits had the following maturities:

Deposits held with San Diego County Pooled Investment Fund (SDCPIF)	427 days
Deposits held with the California Local Agency Investment Fund (LAIF)	212 days
Deposits held with PASIS are primarily held with SDCPIF	427 days

Authorized Deposits and Investments

Under provisions of the District's investment policy, and in accordance with Section 53601 of the California Government Code, the District may invest in certain types of investments as listed in Note 1(D)(3) to the financial statements.

Custodial Credit Risk

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 its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the District's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. The District had deposits with bank balances totaling \$205,407 as of June 30, 2008 at three banking institutions. Of the bank balances, up to \$100,000 is federally insured per institution and the remaining balance is collateralized in accordance with the Code; however, the collateralized securities are not held in the District's name.

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Code and the District's investment policy contain legal and policy requirements that would limit the exposure to custodial credit risk for investments. 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 SDCPIF and LAIF).

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements, continued
June 30, 2008

(2) Cash and Cash Equivalents, continued

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The longer the maturity an investment has the greater its fair value has 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.

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; however, LAIF is not rated. As of June 30, 2008, the District's investment in the SDCPIF was rated by Standard & Poor's as AAAs / S1.

Concentration of Credit Risk

The District's investment policy contains various limitations on the amounts that can be invested in any one governmental agency or non-governmental issuer as stipulated by the California Government Code. The District's deposit portfolio with governmental agencies, SDCPIF and LAIF, are 77% and 18% of the District's total depository and investment portfolio, respectively. There were no investments in any one non-governmental issuer that represent 5% or more of the District's total investments.

(3) Capital Assets

Changes in capital assets for the year were as follows:

	<u>Balance 2007</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Balance 2008</u>
Non-depreciable assets:				
Land	\$ 3,323,840	-	-	3,323,840
Construction-in progress	162,472	307,848	(190,225)	280,095
Total non-depreciable assets	<u>3,486,312</u>	<u>307,848</u>	<u>(190,225)</u>	<u>3,603,935</u>
Depreciable assets:				
Structures and improvements	12,579,852	190,225	-	12,770,077
Equipment and vehicles	2,906,731	1,001,201	(24,176)	3,883,756
Total depreciable assets	<u>15,486,583</u>	<u>1,191,426</u>	<u>(24,176)</u>	<u>16,653,833</u>
Accumulated depreciation:				
Structures and improvements	(1,997,507)	(313,304)	-	(2,310,811)
Equipment and vehicles	(1,548,776)	(385,239)	24,176	(1,909,839)
Total accumulated depreciation	<u>(3,546,283)</u>	<u>(698,543)</u>	<u>24,176</u>	<u>(4,220,650)</u>
Total depreciable assets, net	<u>11,940,300</u>	<u>492,883</u>	<u>-</u>	<u>12,433,183</u>
Total capital assets, net	<u>\$ 15,426,612</u>			<u>16,037,118</u>

Major capital asset additions during the year for equipment and vehicles included two engines (\$895,375), two vehicles (\$87,465), and a hydraulic rescue tool (\$18,361), a storage addition to the administration building (\$190,225) and various equipment and improvement items of (\$307,848).

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements, continued
June 30, 2008

(4) Compensated Absences

The District's policy is to permit employees to accumulate earned vacation. The liability for vested vacation leave is recorded as an expense when earned. Upon termination or retirement, employees are entitled to receive compensation at their current base salary for all unused vacation.

The changes to compensated absences balances at June 30, were as follows:

<u>Balance</u> <u>2007</u>	<u>Earned</u>	<u>Taken</u>	<u>Balance</u> <u>2008</u>	<u>Due Within</u> <u>One Year</u>	<u>Due in more</u> <u>than one year</u>
\$ 455,664	423,333	(370,847)	508,150	127,038	381,113
<u>Balance</u> <u>2006</u>	<u>Earned</u>	<u>Taken</u>	<u>Balance</u> <u>2007</u>	<u>Due Within</u> <u>One Year</u>	<u>Due in more</u> <u>than one year</u>
\$ 405,063	291,763	(241,162)	455,664	113,916	341,748

(5) Reserves and Designations of Fund Balance

The District has established reserves and designations of its fund balance. Reservations of fund balance represent amounts that are not appropriable for future expenditures or are legally segregated for a specific purpose. Designations of fund balance represent tentative plans for financial resource utilization in a future period. Such plans are subject to change and may not result in expenditures for the indicated purpose. The District's reserves and designations of fund balance are explained below as to the nature and purpose of each reserve and designation.

- a. **Reserved for fire mitigation:** These funds are reserved for capital outlay.
- b. **Reserved for PASIS:** These funds are reserved for workers' compensation self-insurance through the Public Agency Self-Insurance System.
- c. **Designated for fire protection – operating reserves:** These funds are designated for use in the District's fire protection services for the six month period of July 1 to December 31 or until the first half portion of property tax payments is remitted to the District from the San Diego County Tax Collector's Office after the December 10th payment deadline.
- d. **Designated for fire protection – capital reserves:** These funds are designated for use in the District's fire protection services for capital replace of facilities, equipment or fire apparatus.

(6) 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 by ING Life Insurance and Annuity Company at June 30, 2008 was \$4,199,600.

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

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements, continued
June 30, 2008

(7) 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, 2007. The purposes of the Trust are (1) to provide a source of funds to pay benefits and administrative expenses under the District's Medical Retirement Savings Plan (Plan), and (2) to permit Trust assets to be invested and such earnings thereon to be not taxable under the Internal Revenue Code (Code).

All assets of the Plan are held in the Trust by the Trustee. The Trust is intended to qualify as a tax exempt trust under the Section 501(c)(9) of the Code. The 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 ING Life Insurance and Annuity Company at June 30, 2008 was \$305,504.

(8) Defined Benefit Pension Plan

Plan Description

The District contributes to the California Public Employees Retirement System (CalPERS), a cost-sharing multi-employer defined benefit pension plan. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public agencies within the State of California. Benefit provisions and all other requirements are established by state statute and the Agency. Copies of CalPERS annual financial report may be obtained from their executive Office: 400 P Street, Sacramento, CA, 95814.

The District separated its joint participation in CalPERS with North County Dispatch Joint Powers Authority effective November 11, 2007. Also, the District changed its participation in CalPERS for its Miscellaneous employees from the 2.0% at 55 years old participation pool to the 2.7% at 55 years old participation pool. The effective date of the split is November 11, 2007. Pre-funding of the new Plan has been reflected in the fiscal year 2007 financial statements.

Funding Policy

The contribution rate for plan members in the Safety CalPERS 3.0% at 50 Risk Pool Retirement Plan is 9% of their annual salary, and the contribution rate for plan members in the Miscellaneous CalPERS 2.0% at 55 Risk Pool Retirement Plan is 7% of their annual covered salary. The District makes these contributions required of District employees on their behalf and for their account. Also, the District is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The required employer contribution rates for the Safety Plan and the Miscellaneous Plan for fiscal years 2008, 2007 and 2006 are noted below. The contribution requirements of the plan members are established by State statute, and the employer contribution rate is established and may be amended by CalPERS. For fiscal years 2008, 2007 and 2006, the District's annual contributions for the CalPERS plan were equal to the District's required and actual contribution for each fiscal year as follows:

Three Year Funding Information:

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>	<u>APC - Safety Percentage of Payroll</u>	<u>APC - Misc Percentage of Payroll</u>
2006	\$ 1,166,910	100%	-	29.711%	9.655%
2007	1,087,738	100%	-	20.669%	9.919%
2008	1,474,078	100%	-	16.881%	10.307%

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements, continued
June 30, 2008

(9) 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 \$500,000 per occurrence. 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, 2008, the liability for workers' compensation claims payable was estimated at \$86,037.

Changes in workers' compensation claims payable for the year ended June 30, 2008, were as follows:

Estimated claims, beginning of year	\$	331,948
Estimated claims incurred		(61,925)
Claim payments		<u>(183,986)</u>
Estimated claims, end of year	\$	<u><u>86,037</u></u>

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, 2008:

- 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.

(10) Governmental Accounting Standards Board Statements Issued, Not Yet Effective

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to June 30, 2007, that has effective dates that may impact future financial presentations.

Governmental Accounting Standards Board Statement No. 45

In June 2004, the GASB issued Statement No. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions*. This Statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information (RSI) in the financial reports of state and local government employers. This statement is not effective for this District until the fiscal year ended June 30, 2010. This statement is expected to have a significant impact on the presentation of the District's financial statements in future years.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements, continued
June 30, 2008

(10) Governmental Accounting Standards Board Statements Issued, Not Yet Effective

Governmental Accounting Standards Board Statement No. 49

In November 2006, the GASB issued Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*. This statement provides guidance on how to calculate and report the costs and obligations associated with pollution cleanup efforts. This statement is not effective for this District until the fiscal year ended June 30, 2009. This statement is not expected to have a significant impact on the presentation of the District's financial statements.

Governmental Accounting Standards Board Statement No. 50

In May 2007, the GASB issued Statement No. 50, *Pension Disclosures, an amendment of GASB Statements No. 25 and 27*. This statement more closely aligns the financial reporting requirements for pensions with those for other post-employment benefits (OPEB) and, in doing so, enhances information disclosed in the notes to financial statements or presented as required supplementary information (RSI) by pension plans and by employers that provide pension benefits. The reporting changes required by this Statement amend applicable note disclosure and RSI requirements of GASB Statements No. 25 and 27, to conform with requirements of GASB Statements No. 43 and 45. This statement is not effective for this District until the fiscal year ended June 30, 2010. This statement is not expected to have a significant impact on the presentation of the District's financial statements.

Governmental Accounting Standards Board Statement No. 51

In June 2007, the GASB issued Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*. This statement requires that all intangible assets not specifically excluded by its scope provisions be classified as capital assets. This statement is not effective for this District until the fiscal year ended June 30, 2010. This statement is not expected to have a significant impact on the presentation of the District's financial statements.

Governmental Accounting Standards Board Statement No. 53

In June 2008, the GASB issued Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. This statement addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. This statement is not effective for this Authority until the fiscal year ended June 30, 2009. This statement is not expected to have a significant impact on the presentation of the Authority's financial statements.

(11) Contingencies

Grant Awards

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

Litigation

In the ordinary course of operations, the District is subject to 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.

Rancho Santa Fe Fire Protection District
Notes to the Basic Financial Statements, continued
June 30, 2008

(12) Prior Period Adjustment

In 2007, the District did not capitalize certain capital assets; therefore, the District recorded a prior-period adjustment to reconcile its capital assets presented on the statement of net assets as follows:

Net assets, beginning of year	\$ <u>25,916,824</u>
Adjustment for non-capitalized assets	412,007
Adjustment for accumulated depreciation	<u>19,177</u>
Total adjustments	<u>431,184</u>
Net assets, beginning of year, as adjusted	\$ <u><u>26,348,008</u></u>

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Required Supplementary Information

Rancho Santa Fe Fire Protection District
Budgetary Comparison Schedule – General Fund
For the Year Ended June 30, 2008

	Adopted Original Budget	Board Approved Changes	Revised Budget	Actual Budgetary Basis	Variance Positive (Negative)
Expenditures/Expenses:					
Fire protection operations:					
Salaries and wages	\$ 5,145,000	-	5,145,000	5,483,216	(338,216)
Employee benefits	2,178,000	-	2,178,000	2,495,298	(317,298)
Administration fees	152,000	-	152,000	125,196	26,804
Advertising	-	-	-	817	(817)
Association dues	-	-	-	6,757	(6,757)
Subscriptions	-	-	-	1,129	(1,129)
Dispatching	100,000	-	100,000	100,780	(780)
Equipment rental and repairs	24,000	-	24,000	22,256	1,744
Legal expenses	12,000	-	12,000	18,324	(6,324)
Meetings and meals	8,000	-	8,000	22,985	(14,985)
Training	84,000	-	84,000	28,319	55,681
Service agreements	31,000	-	31,000	250,409	(219,409)
Other professional services	212,000	-	212,000	40,398	171,602
Licenses and permits	-	-	-	18,603	(18,603)
Utilities	166,000	-	166,000	129,004	36,996
Vehicle maintenance and repairs	117,000	-	117,000	99,509	17,491
Materials and supplies – office	67,000	-	67,000	34,405	32,595
Materials and supplies – fuel	65,000	-	65,000	74,406	(9,406)
Safety clothing and equipment	-	-	-	84,764	(84,764)
Materials and supplies – uniforms	26,000	-	26,000	20,659	5,341
Other materials and supplies	390,000	-	390,000	332,049	57,951
Insurance	61,000	-	61,000	57,914	3,086
Other	71,000	-	71,000	33,169	37,831
Capital outlay			-		
Equipment and vehicles	-	-	-	897,042	(897,042)
Total expenditures/expenses	8,909,000	-	8,909,000	10,377,408	(1,468,408)
Program revenues:					
Charges for services – fire protection	322,000	-	322,000	376,564	(54,564)
Operating grants and contributions – fire protection	10,000	-	10,000	33,334	(23,334)
Capital grants and contributions – fire protection	-	-	-	115,953	(115,953)
Total program revenues	332,000	-	332,000	525,851	(193,851)
General revenues:					
Property taxes	9,663,000	-	9,663,000	9,747,899	(84,899)
In-lieu of property taxes – developer payments	-	-	-	351,470	(351,470)
Interest earnings	319,000	-	319,000	326,854	(7,854)
Rental income – cellular antennas	119,000	-	119,000	50,831	68,169
Other	59,000	-	59,000	802,346	(743,346)
Total general revenues	10,160,000	-	10,160,000	11,279,400	(1,119,400)
Total revenues	10,492,000	-	10,492,000	11,805,251	(1,313,251)
Excess of revenues over expenditures	1,583,000	-	1,583,000	1,427,843	155,157
Other financing sources(uses):					
Transfers in(out)	1,343,000	-	-	(238,027)	(238,027)
Net change in fund balance	2,926,000	-	1,583,000	1,189,816	(82,870)
Fund balance – beginning of year	-	-	-	7,135,772	
Fund balance – end of year	\$ 2,926,000	-	1,583,000	8,325,588	

Rancho Santa Fe Fire Protection District
Budgetary Comparison Schedule – Mitigation Fund
June 30, 2008

	<u>Adopted Original Budget</u>	<u>Board Approved Changes</u>	<u>Revised Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Positive (Negative)</u>
Expenditures/Expenses:					
Capital outlay					
Equipment and vehicles	\$ 1,343,000	-	1,343,000	-	(1,343,000)
Total expenditures/expenses	<u>1,343,000</u>	<u>-</u>	<u>1,343,000</u>	<u>-</u>	<u>(1,343,000)</u>
Program revenues:					
Capital grants and contributions – fire protection	\$ 569,000	-	569,000	522,899	(46,101)
Total program revenues	<u>569,000</u>	<u>-</u>	<u>569,000</u>	<u>522,899</u>	<u>(46,101)</u>
General revenues:					
Interest earnings	-	-	-	197,417	197,417
Total general revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>197,417</u>	<u>197,417</u>
Total revenues	<u>569,000</u>	<u>-</u>	<u>569,000</u>	<u>720,316</u>	<u>151,316</u>
Excess of revenues over expenditures	(774,000)	-	(774,000)	720,316	1,494,316
Other financing sources(uses):					
Transfers in(out)	(1,343,000)	-	(1,343,000)	238,027	1,581,027
Net change in fund balance	<u>(2,117,000)</u>	<u>-</u>	<u>(2,117,000)</u>	<u>958,343</u>	<u>3,075,343</u>
Fund balance – beginning of year	3,855,408	-	3,855,408	3,855,408	-
Fund balance – end of year	<u>\$ 1,738,408</u>	<u>-</u>	<u>1,738,408</u>	<u>4,813,751</u>	<u>3,075,343</u>

Notes to Required Supplementary Information

(1) Budgets and Budgetary Data

The District follows specific procedures in establishing the budgetary data reflected in the financial statements. Each year the District's District Manager and Fiscal Officer prepares and submits an operating budget to the Board of Directors for the General Fund no later than June of each year. The basis used to prepare the budget does not differ substantially from the modified accrual basis of accounting. The adopted budget becomes operative on July 1. The Board of Directors must approve all supplemental appropriations to the budget and transfers between major accounts. The District's annual budget is presented as a balanced budget (inflows and reserves equal outflows and reserves) adopted for the General Fund at the detailed expenditure-type level.

The District presents a comparison of the annual budget to actual results for the General Fund at the functional expenditure-type major object level for financial reporting purposes. The budgeted expenditure amounts represent the adopted budget. No Board approved supplemental appropriations were made. The budgeted revenue amounts represent the adopted budget as originally approved.

Report on Compliance and Internal Controls

**Independent Auditor's Report on Internal Controls Over Financial Reporting
And on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

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

We have audited the basic financial statements of the Rancho Santa Fe Fire Protection District (District) as of and for the year ended June 30, 2008 and have issued our report thereon dated October 22, 2008. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the District's financial statements that is more than inconsequential will not be prevented or detected by the District's internal control. A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the District's internal control. Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

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

October 22, 2008
Cypress, California

**Rancho Santa Fe
Fire Protection District**

Management Report

June 30, 2008

Rancho Santa Fe Fire Protection District

Management Report

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CONFIDENTIAL

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

Dear Members of the Board:

We have audited the basic financial statements of the Rancho Santa Fe Fire Protection District (District) as of and for the year ended June 30, 2008, in accordance with auditing standards generally accepted in the United States of America, we considered District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing an opinion on the effectiveness of District's internal control. Accordingly, we do not express an opinion on the effectiveness of District's internal control.

A control deficiency 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 misstatements on a timely basis.

A significant deficiency is a control deficiency, or combination of control deficiencies that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected.

Our consideration on internal control was for the limited period described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

We did not identify any deficiencies in internal control that we consider to be significant deficiencies and/or material weaknesses, as defined above; however, we did identify a few control deficiencies.

Our comments, all of which have been discussed with the appropriate members of management, are summarized as follows:

Summary of Current Year Comments and Recommendations

Timely Reconciliation of Accounts

Accounting tasks such as monthly or quarterly account reconciliations play a key role in substantiating the accuracy of accounting data and information included in the financial statements. Therefore, in order to provide more accurate and timely accounting information, we strongly recommend that the District establish more effective monthly and/or quarterly review and reconciliation policies and procedures as a customary part of the accounting process. This would involve monthly and/or quarterly reconciliations of all balance-sheet accounts, making adjustments throughout the year that have typically been made at year-end only, and performing more frequent reviews of the general ledger throughout the year, including making any necessary adjustments on a timely basis. This comment is provided to address the audit adjusting and reclassification entries attached.

Management's Response

We concur with the auditor's recommendation and we will make the necessary changes in our account reconciliation process accordingly.

Disclosure of Audit Adjustments and Reclassifications

As your external auditor, we assume that the books and records of the District are properly adjusted before the start of the audit. In many cases, however, audit adjustments and reclassifications are made in the normal course of the audit process to present the District's financial statements in conformity with accounting principles generally accepted in the United States of America or for comparison purposes with the prior year. For the Board of Directors to gain a full and complete understanding and appreciation of the scope and extent of the audit process we have presented these audit adjustments and reclassifications as an attachment to this letter. There can be very reasonable explanations for situations of having numerous adjustments as well as having no adjustments at all. However, the issue is simply disclosure of the adjustments and reclassifications that were made and to provide the Board of Directors with a better understanding of the scope of the audit.

Management's Response

We have reviewed and approved all of the audit adjustment and reclassification entries provided by the auditor and have entered those entries into the District's accounting system to close-out the District's year-end trial balance.

Status of Comments and Recommendations Made in the Previous Year

None Reported

* * * * *

This report is intended solely for the information and use of the Board and management of the District. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

We appreciate the courtesy and cooperation extended to us during our examination. We would be pleased to discuss the contents of this letter with you at your convenience. Please do not hesitate to contact us.

October 22, 2008
Cypress, California

APPENDIX

Rancho Santa Fe Fire Protection District

Audit/Finance Committee Letter

June 30, 2008

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

In connection with our audit of Rancho Santa Fe Fire Protection District (District) for the year ended June 30, 2008, this letter sets forth certain matters that we wish to bring to your attention.

The Auditor's Responsibility under Auditing Standards Generally Accepted in the United States of America

Our audit of the basic financial statements of the District for the year ended June 30, 2008, was conducted in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error, fraudulent financial reporting or misappropriation of assets. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Accordingly, the audit was designed to obtain reasonable, rather than absolute, assurance about the financial statements. We believe that our audit accomplished that objective.

Significant Accounting Policies and Pronouncements

Management has the ultimate responsibility of the appropriateness of the accounting policies used by the District. The District did not adopt any new accounting policies or pronouncements in 2008.

Significant or Extraordinary Transactions

We did not identify any significant or extraordinary transactions or significant accounting policies in controversial or emerging areas for which there is lack of authoritative guidance or consensus.

Management's Judgments and Accounting Estimates

Accounting estimates are an internal part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions and future events. Management has informed us that they used all the relevant facts available to them at the time to make the best judgments about accounting estimates, and we considered this information in the scope of our audit. There were no particularly sensitive estimates formulated in the financial statements.

Significant Audit Adjustments

There were seven (7) audit adjustment and/or reclassification entries, made to the original trial balance presented to us to begin our audit. The overall net effect of these adjustments was to increase the net assets of the District by approximately \$409,034. We have provided a listing of these audit adjustments to the District's management and have included them at the end of this report.

Other Information in Documents Containing Audited Financial Statements

We are not aware of any other documents that contain the audited financial statements. If such documents were to be published, we would have a responsibility to determine that such financial information was not materially inconsistent with the audited statements of the District.

Disagreements with Management

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit or significant disclosures to be included in the financial statements.

Consultations with Other Accountants

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

Major Issues Discussed with Management

No major issues were discussed with management prior to our retention to perform the aforementioned audit.

Difficulties Encountered in Performing the Audit

We did not encounter any difficulties in dealing with management relating to the performance of the audit. We appreciate the cooperation extended us by Nicholas Pavone, Fire Chief, and Karlana Rannals, Administrative Manager, in the performance of our audit testwork.

We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to continue to be of service to the District.

This report is intended solely for the information and use of the Board and management and is not intended to be and should not be used by anyone other than the specified, parties. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

October 22, 2008
Cypress, California

Rancho Santa Fe Fire Protection District
June 30, 2008
Schedule of Audit Adjusting Journal Entries

Entry #	Status	Account	Description	Debit	Credit
AJE 1	Posted	2060-001-00-0000-01	Fleet Vehicles	58,090.00	
		4570-001-00-0000-01	Unspecified Capital Reserves		58,090.00
		AJE - To record capital asset expensed in prior years.			
AJE 2	Posted	4570-001-00-0000-01	Unspecified Capital Reserves	38,912.76	
		2080-001-00-0000-01	Accumulated Depreciation		38,912.76
		AJE - To record depreciation expense on asset expensed in prior years.			
AJE 3	Posted	2050-001-00-0000-01	Land & Building	210.90	
		7950-001-00-0000-01	Depreciation Expense		210.90
		AJE - To adjust land and building to actual at year-end.			
RJE 4	Posted	3450-001-01-0000-01	Due to Other Funds	313,187.00	
		7010-007-00-0000-01	Interfund Transfer		313,187.00
		3480-001-00-0000-01	Due From/To Other Fund	313,187.00	
		1120-001-00-0000-01	Accounts Receivable		313,187.00
		RJE - To reclass due to/from account balances at year-end.			
AJE 5	Posted	1055-001-00-0000-01	California Bank & Trust		6,663.35
		7203-001-00-0000-01	Taxes & Assessments	6,663.35	
		7203-001-00-0000-01	Taxes & Assessments		6,040.62
		3480-001-00-0000-01	Due From/To Other Fund	6,040.62	
		AJE - To adjust due to/from accounts and correct client entry.			
AJE 6	Posted	4525-001-00-0000-01	MDC Equipment Reserves (NCDJPA)	22,719.01	
		4599-002-00-0000-01	GL Adjustments		22,719.01
		4590-001-00-0000-01	Undesignated Reserves	22,719.01	
		4525-001-00-0000-01	MDC Equipment Reserves (NCDJPA)		22,719.01
		AJE - To record entry to offset General Reserve to GL Adjust in net assets.			
AJE 7	Posted	4590-001-00-0000-01	Undesignated Reserves	331,947.69	
		3595-001-00-0000-01	IBNR Liability		331,947.69
		3595-001-00-0000-01	IBNR Liability	86,036.90	
		4590-001-00-0000-01	Undesignated Reserves		86,036.90
		7125-001-00-0000-01	Workers' Compensation	150,165.04	
		4590-001-00-0000-01	Undesignated Reserves		150,165.04
		4590-001-00-0000-01	Undesignated Reserves	512.41	
		7590-001-00-0000-01	Miscellaneous		512.41
		7125-001-00-0000-01	Workers' Compensation	26,418.44	
		3595-001-00-0000-01	IBNR Liability	245,910.79	
		6070-001-00-0000-01	Miscellaneous		272,329.23
		AJE - To reverse client entries and correct net asset accounts and adjust Work Comp IBNR per client detail.			
TOTALS				1,622,720.92	1,622,720.92

Key:	Description
CPE	Client Prepared Entry
RJE	Reclass Journal Entry
AJE	Auditor Journal Entry

STAFF REPORT

No. 08-19

TO: Board of Directors
Nicholas G. Pavone, Fire Chief
FROM: Jim Sturtevant, Battalion Chief
SUBJECT: Fire District Logo/Seal
DATE: December 3, 2008



Background

The Rancho Santa Fe Fire Protection District started a strategic planning process in October 2003. As part of the planning process, four tasks or items regarding the Fire Districts identity were developed in Section VII A. Section VII A-3 of the strategic plan states:

1. Develop a “graphical identity” that better reflects the District boundary area and the services the District provides. (District logo, patch, letterhead, business cards, etc.)

We have since developed a new patch, as was previously presented to the Board, and have been working on a new District logo in the recent months. There is limited information on our current District logo or seal. As far as we can tell, the District’s logo was informally adopted in the late 70’s or the early 80’s. The District’s seal was modeled after the Rancho Santa Fe Association’s seal with a modification of adding the Osuna brand.

Current Situation

In an effort to continue progress on the strategic plan, the Operations Committee was given the task to review suggestions on updating our District seal. The Operations Committee reviewed the current seal and explored opportunities to provide a connection to our current uniform patch. It was determined that the history behind the current seal is important to the Fire District and something that was important to maintain. The Operations Committee also determined it is important to include the maltase cross from the patch, which represents the fire service. The new seal would better represent the tradition of the fire service, yet maintain some connection to the original identity of the District. After applying changes suggested by staff and the Operations Committee as appropriate, the proposed seal is ready for the board to review and approve.

Recommendation

The logo/seal has been a collaborative effort of the Operations Committee and the management staff. Staff recommends that the Board of Directors adopt the new proposed Fire District seal as presented.



STAFF REPORT

NO. 08-20

TO: BOARD OF DIRECTORS
FROM: KARLENA RANNALS, ADMINISTRATIVE MANAGER
SUBJECT: DISTRICT REPRESENTATIVES; APPOINTMENTS
DATE: DECEMBER 3, 2008

BACKGROUND

After each general election, the District must select its officers (President, Vice president, and Secretary/Clerk). At the same meeting, the Board of Directors typically reviews their committee assignments.

CURRENT SITUATION

The following Board members are assigned currently to the following boards or committees:

Board of Directors

North County Dispatch JPA – Jim Ashcraft

Advisory Board

County Service Area (CSA) – 17 – Tom Hickerson

Ad Hoc Committee

Finance – Randy Malin, John Tanner

Staff Assigned: Karlenna Rannals

Negotiations – Jim Ashcraft, Randy Malin

Staff Assigned: Nick Pavone, Karlenna Rannals

RECOMMENDATION

Review Board and committee assignments, select and appoint Board members as appropriate.

ORDINANCE No. 2009-01

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE RANCHO SANTA FE FIRE PROTECTION DISTRICT ADOPTING FEES FOR SERVICES BY REFERENCE TO THE CALIFORNIA HEALTH AND SAFETY CODE SECTION 13916 AND SECTION 13919 AND REPEALING ORDINANCE 2005-01.

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

ARTICLE I. The Rancho Santa Fe Fire Protection District has incurred un-reimbursed discretionary development costs and is anticipating that further new discretionary development will occur within the District, which will place a greater demand on the existing staffing resources of the fire prevention bureau. Escalating demands have also been placed upon suppression personnel in conducting increasingly numerous and complex occupancy inspections.

ARTICLE II. The Rancho Santa Fe Fire Protection District is charged with the responsibility of enforcing applicable codes pertaining to fire and panic safety and other regulations of the State Fire Marshal pursuant to Section 13146 of the California Health & Safety Code.

ARTICLE III. The Rancho Santa Fe Fire Protection District incurs additional costs in lost personnel hours and expended District resources when said fire prevention services are of a recurrent nature and the result of discretionary development. The District charges fees to recover costs incurred for the provision of said services, however, said fees require periodic revision to reflect current personnel costs.

ARTICLE IV. The Fire Chief may impose a fee for recovery of expenses incurred as a result of activities undertaken pursuant to enforcing the fire prevention provisions of the fire code, pursuant Health and Safety Code Section 13916 and 13919 and Govt. Code Section 66014.

ARTICLE V. Fire District fees are based upon the actual costs incurred by the fire agency, which are based upon the total compensation of the employee(s) providing a particular service and include total personnel hours utilized for plan review, file review, database information entry, travel to and from the site, written response, and site inspection.

ARTICLE VI. The actual fee shall be paid by the applicant to the Fire District at time of application or submittal to cover the actual costs in accordance with the aforementioned schedule for an INSPECTION or PLAN REVIEW or any OTHER SERVICES listed on the fee schedule.

ARTICLE VII. The cost for the provision of said services shall not exceed the costs reasonably borne by the District.

ARTICLE VIII. In the event that fees are not paid at the time of application or upon request for additional fees, the District shall not be obligated to process, approve, or take further action on renewable permits, installation, removal, activity or alteration permits, inspections, plan reviews, or other services necessitating a fee as delineated in the Fire District Fee Schedule.

ARTICLE IX. The Board of Directors hereby declares that should any section, paragraph, sentence or word of this ordinance or of the Fire District Fee Schedule referenced herein be declared for any reason to be invalid, it is the intent of the Board that it would have adopted all other portions of this ordinance independent of the elimination there from of any such portion as may be declared invalid.

ARTICLE X. The Board of Directors, the Fire Chief or his/her designee shall have the ability to waive any and all fees as adopted by a Resolution of the Board of Directors. When Fees are waived, a report shall be provided at the next Board of Directors meeting.

ARTICLE XI. The Board of Directors of the Rancho Santa Fe Fire Protection District does hereby approve the adoption of the attached Schedule of Fire District Services and Estimated Fees therefore, (Attachment A, B & C).

ARTICLE XII. Ordinance 2005-01 is hereby repealed.

ARTICLE XIII.

The Secretary to the Board of Directors will certify to the adoption of this Ordinance and cause the same to be published in the manner required by law. This Ordinance will take effect forty-five (45) days after its final passage at a public hearing as required by law.

First Read at a regular meeting of the Board of Directors of the Rancho Santa Fe Fire Protection District of the County of San Diego, California, on the 8th day of October 2008. A second reading occurred at a regular meeting on November 12, 2008 and a public hearing and final adoption on the 10th day of December 2008 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

James Ashcraft
President

ATTEST

KARLENA RANNALS
Secretary



Rancho Santa Fe Fire Protection District

ADMINISTRATIVE POLICY AND PROCEDURES

ATTACHMENT "A"

FIRE PREVENTION SERVICES AND FEES

Section: [A100.13](#)

Date Implemented: 2-14-04

Date Revised: 9-10-08

Page: 1 of 2

FIRE CHIEF: _____

I. PURPOSE:

The purpose is to describe the procedures for the establishment, collection, and management of fire prevention services and fees.

II. POLICY:

As a condition of reviewing plans for discretionary development and enforcement of the fire code, the District will collect fees to cover costs incurred for provision of these services, pursuant to the Fire Prevention Fee Schedule Ordinance. In accordance with this ordinance, the District shall not be obligated to review, approve, or take action on any activity or service delineated in the fee schedule for which the fee indicated has not been remitted, or for which additional fees are required.

III. AUTHORITY:

The Rancho Santa Fe Fire Protection District retains the right to collect fees for certain fire prevention services pursuant Health and Safety Code Section 13916 and 13919 and Govt. Code Section 66014. The District has established a Fire Prevention Services and Fee Schedule.

IV. PROCEDURE:

A. **ESTABLISHMENT OF FEE SCHEDULE.** Fire prevention fees are based upon the actual personnel and overhead administrative costs incurred for services provided. Personnel costs ([Attachment B](#)) are determined by multiplying the total hourly compensation (including benefits) by the average time required to complete the specified assignment. The total time allotment includes the total time required to review plans, enter database information, travel to and from the site, and conduct a site inspection. ([Attachment C](#))

B. PAYMENT OF FEES.

1. **Plan Review, Construction, and Service Fees.** Payment for these services provided is collected at time of request for service or plan submittal.
2. **Payment may be made by** credit card, check, or money order made out to the Rancho Santa Fe Fire Protection District, or cash. A receipt shall be provided, which shall identify the purchaser and project in question.
3. **Additional Fees.** If the estimated fees remitted are found to be insufficient to compensate the District for actual personnel costs incurred, the District will require the payment of additional fees by the applicant in order to process or complete the specified service(s).

FIRE PREVENTION SERVICES AND FEES
ATTACHMENT “A”

Section: **A100.13**

Date Implemented: 02-14-04

Date Revised: 09-10-08

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4. Non-compliance Inspection Fees. Fees for non-compliance (Reference 4.5, 4.18) inspections must be submitted prior to rescheduling of a re-inspection. A non-compliance inspection is defined as the third and any subsequent inspection.
5. Services Generated by Outside Agencies. Fees for services generated by outside agencies (i.e. DPLU or DPW) as a result of a request for agency recommendation or similar request are billed to the responsible party (owner, developer, etc.). Said responsible party is to be notified that no future action will be taken by the District on subject project until payment has been received for such services. At such time when payment has been received, a receipt shall be provided, which shall identify the purchaser and project in question.
6. The Board of Directors, the Fire Chief or his/her designee shall have the ability to waive any and all fees as specified by the adopted resolution of the Board of Directors. When Fees are waived, a report shall be provided at the next Board of Directors meeting.

C. RECORDKEEPING. Fee collection shall be dually recorded in the current Bookkeeping Records program and database for subject property.

D. MEETING FACILITIES. All facilities must be reserved in advanced and arrangements will be made in accordance with District Policy. Additional requirements may be made at the discretion of the Fire Chief. Additional requirements may include, but not limited to, reimbursement cost of stand-by personnel, all cost for any property damage, and liability Insurance.

E. FEE RECOVERY FOR SPECIAL SERVICES. Apparatus shall be charged at **\$200.00** per hour, and actual employee costs incurred by the Fire District. A deposit shall be required. The Fire Chief shall determine the estimated cost of use of the apparatus and personnel. Any additional monies due at calculation of actual cost shall be immediately payable to the Fire District. Should the original estimates ~~actually~~ be larger than the actual costs, a refund shall be delivered through normal procedures.

F. CONSTRUCTION PLANS. Plans may be sent to an engineering firm to verify the calculations and insure that the design will meet all fire safety code requirements. The cost for this certification will be paid for the owner, contractor or developer.



Rancho Santa Fe Fire Protection District

ADMINISTRATIVE POLICY AND PROCEDURES

ATTACHMENT "B"

FIRE PREVENTION SERVICES FEES AND CALCULATION METHODS

FIRE CHIEF: _____

Section: **A100.13**

Date Implemented: **02-14-04**

Date Revised: **09-10-08**

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- I. **PURPOSE:** To illustrate the basis upon which hourly time commitments are determined for services provided in the fire prevention **services and fees** schedule.
- II. **POLICY:** The total hourly basis for fire prevention services are determined by calculating total personnel time commitment for processing a particular service request plus associated support costs. Personnel costs are determined by calculating the total personnel time plan review, file review, database entry, inspection, billing, written response, and travel to and from the site. Total associated support costs were determined by establishing the proportionate costs to the District for administering the Fire Prevention Bureau (Admin Fees) and proportionate use of related equipment (vehicles, computers), expendable supplies and ancillary services (phone, computer, consultant, utilities, insurance), as determined on an hourly basis.
- III. **PROCEDURE:** The basis for the District's deposit fee structure for the fire prevention fee schedule is based upon the following time figures, which represent the actual average time spent on the services listed below and associated support costs. 15 minutes (.25) have been added to all plan review activities to account for database information entry and 30 minutes (15 minutes each way) (.50) for each inspection activity to account for file review.

a. Hourly Support Costs

SERVICE	HOURLY AVERAGE	NOTES
Utilities/ Supplies	\$13.00	Cost per month per hour
Phone/Fax/Cell	\$2.00	Cell phone (1 phone), fax, per hour usage.
Vehicles	\$3.20 Operation \$2.00 Replacement	Includes, equipment, service, fuel for one vehicle on an hourly basis. (.50 cents per mile) & replacement cost
District Administration/ Overhead	\$18.45	2/3 Staff time hourly basis. Includes, bookkeeping, computers, office supplies, etc.
Liability & Vehicle Insurance	\$4.00	For one vehicle
COMBINED HOURLY ADMIN. FEE TOTAL	\$41.55/hr Rounded to \$42.00/hr	Total overhead & admin. Costs.

**FIRE PREVENTION SERVICES FEES AND
CALCULATION
ATTACHMENT “B”**

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b. Personnel Cost on Hourly Basis and Total Employee Compensation

Fees defined as follows:

Average time spent on service (First Number) .75+.25=1.0

Database entry into computer system (Second Number) .75+.25+.30=1.30

Travel time to and from job site – not all inspection (Third Number) .75+.25+.30=1.30

Total time to complete entire inspection (forth number) .75+.25+.30=1.30

Reference Number	SERVICE	HOURLY AVERAGE	NOTES
DEVELOPMENT PLAN REVIEW			
1.1	Project Availability Form for Minor Subdivision, Minor Use Permit (service letter) (5 parcels or less) (FM)	.75 + .25 = 1.0	Includes review and written response, data base entry.
1.2	Project Availability Form for Major Subdivision (service letter) (6 parcels or more) (FM)	1.0 + .25 = 1.25	Includes review and written response, data base entry
1.3	TPM or Minor Subdivision Service Letter Renewal (FM)	.5 + .25 = .75	Includes written response, data base entry
1.4	TM or Major Subdivision Service Letter Renewal (FM)	.5 + .25 = .75	Includes written response, data base entry
1.5	Final Map/Mylar Review (signing all mylar's) (FM)	.25 + .25 = .50	Includes standard review and data base entry
1.6	Release of Map Covenants or letters for release of other projects i.e. coastal commission, planning department, fire flow etc. (FM)	.50 = .50	Includes site inspection and written response, data base entry or letters for release of other projects i.e. coastal commission, planning department, fire flow etc.
1.7	Cellular Sites (FM)	.25 + .50 + .25 = 1.00	Includes site inspection and written response and data base entry
1.8	MUP/STP (FM)	1.0 + .25 = 1.25	Includes written response and data base entry
1.9	Fuel Modification Plan/EIR (UF)	1.3 + .25 = 1.55	Includes written response, data base entry
1.9.1	Review of fire protection plan Base	6.0 + per hour	Includes review, written

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Reference Number	SERVICE	HOURLY AVERAGE	NOTES
	Fee (UF)		response, data base entry, scanning documents
1.10	L Grading Plan (Department of Public Works) (FM)	$.50 + .25 = .75$	Includes written response
1.11	Administrative (AD), Variance (VAR), Vacation Review (VAC), or Zoning (ZAP) FM	$.25 + .75 = 1.00$	Includes Review of access, water supply and fire code compliance for zoning (ZAP), variance (VAR) and vacation (VAC) requests
1.12	Improvement Plans/PRD (FM)	$1 + .25 = 1.25$	Includes written response, data base entry
1.13	Remote Water Meter, water line extension	$.25 + .25 + .25 = .75$	Includes travel, site inspection and written response and data base entry
1.14	Conceptual Site Landscaping Plan/Consultation (UF)	$.75 + .25 = 1.00$	Includes written response and data base entry
1.15	Conceptual Site Plan/Consultation (FM)	$.75 + .25 = 1.00$	Includes written response and data base entry
NEW CONSTRUCTION			
2.1	Grading Plan (Building) (FM)	$.50 + .25 + .25 = 1.00$	Includes plan review, site inspection and data base entry
2.2	New residential construction (Up to 7,999 square foot) (FM)	$1 + 1.5 + .25 = 2.75$	Includes plan review, site, rough & final inspections and data base entry
2.3	New residential construction (8,000 – 11,999 square foot) (FM)	$1.75 + .25 + 1.5 = 3.50$	Includes plan review, site, rough & final inspections,
2.4	New residential construction (12,000 square foot and up) (FM)	$2.25 + .25 + 2.25 = 4.50$	Includes plan review, site, rough & final inspections, data base entry
2.5	Residential addition or remodel (FM) Over 2,000 square feet	$.5 + 1.50 + .25 = 2.25$	Includes plan review, site, rough & final inspections, data base entry

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Reference Number	SERVICE	HOURLY AVERAGE	NOTES
2.6	Residential Landscape Plans (UF)	$2.0 + 1.0 + .25 = 3.25$	Includes plan review, site, final inspections, data base entry
2.6.1	Small Landscape plan reviews UF	$.25 + .25 = .50$	Review small landscape
2.7	Residential plan re-submittal-new or remodel or addition under 2,000 square feet (FM)	$.25 + .25 = .50$	Includes second review of plan, data base entry
2.8	Residential Building Plans (PRD) (FM)	$.75 + 1.50 + .25 = 2.5$	Includes plan review, site, rough & final inspections, data base entry
2.9	Residential Building Plans (PRD), each additional unit (FM)	$.25 + 1.50 + .25 = 2.0$	Includes additional plan review, site, rough & final inspections, data base entry
2.10	Room addition or tenant improvement < 50% remodel without sprinklers	$.5 + .5 + .25 = 1.25$	Includes plan review, site, rough & final inspections, data base entry
2.11	Barn & Outbuilding (over 1,000 square feet) (FM)	$.50 + .25 + .25 = 1.00$	Includes plan review, site, rough & final inspections, data base entry
2.12	Commercial/Industrial and Multi-Family Building Plans (FM)	$2.25 + 1.50 + .25 = 3.75$	Includes plan review for new commercial construction and site, rough, field inspection and data entry
2.13	Commercial/Industrial and Multi-family Landscape Plans (UF)	$3 + 1.0 + .25 = 4.25$	Review of plans for fire safe planting for new construction and 1 field inspection each (site & final)
2.14	Commercial/Industrial and Multi-Family Plan Re-submittal (FM)	$.5 + .25 = .75$	Includes second review of plan, data base entry
FIRE PROTECTION SYSTEMS AND INSTALLATIONS			
3.1	Residential fire sprinkler system, 13D or 13R (FS)	$.5 + 1.0 + .25 = 1.75$	Includes consultant plan review, rough & final inspections, data base entry
3.2	Residential fire sprinkler plans-PRD,	$.25 + 1.0 + .25 =$	Includes additional plan

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Reference Number	SERVICE	HOURLY AVERAGE	NOTES
	each additional unit (FS)	1.50	review, rough & final inspections, data base entry
3.3	Residential fire sprinkler plan re-submittal (after the third review) (FS)	.25 + .25 = .50	Includes second review of plan, data base entry
3.4	Commercial fire sprinkler system	.75 + 1.0 + .25 = 2.00	Includes consultant plan review, rough & final inspections, data base entry
3.5	Underground Sprinkler System Plans (Commercial)	.75 + 1.0 + .25 = 2.0	Includes plan review, rough & final inspections, data base entry
3.6	Commercial sprinkler plan re-submittal (after the third review)	.25 + .25 = .50	Includes second review of plan, data base entry
3.7	Commercial sprinkler tenant improvement	.5 + .5 + .25 = 1.25	Includes plan review, rough & final inspections, data base entry
3.8	Special Fire Protection Installations--Hood & duct system, remote extinguishing systems (FS)	1.0 + .50 + .25 = 1.75	Hood & duct, remote extinguishing systems, includes inspection and data base entry
3.9	Special Hazard Installations-High Piled Storage, Underground/Aboveground Storage Tanks, spray booths, industrial ovens, refrigeration systems, etc. (FS)	2.0 + 1.0 + .25 = 3.25	Includes consultant plan review, rough & final inspections, data base entry
3.10	Fire Alarm System (FS)	1 + .5 + .25 = 1.75	Includes consultant plan review, rough & final inspections, data base entry
MISCELLANEOUS FEES			
4.1	Stamp Approval Transfer (FM)	.25	Transfer stamp approval from one plan to another (maximum 2 sets)

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Reference Number	SERVICE	HOURLY AVERAGE	NOTES
4.2	Knox Key Installation (FS)	.25 + .50 +.25 = 1.0	Includes plan review, site inspection, data base entry
4.3	Temporary membrane Structures, Tents and Canopies (FS)	.75 + .25 = 1.00	Includes site, and final approval data base entry
4.4	Business License Inspection (SDSO, CCLB permit) (FS)	.75 + .50 = 1.25	Data base entry and re-inspection
4.5	Non-compliance re-inspection FS	.50+.75=1.25	Conduct inspection of existing property which remains non-compliant with codes (3rd and subsequent inspections)
4.6	Non-compliance weed abatement re-inspection (FS)	1.0 + .25 = 1.25	Two site inspection and data base entry
4.7	Forced weed abatement administrative fee (Expense of Abatement Report and Hearing) (FM)	Expense of abatement \$500	Includes above 4.5, plus work order, description of work, hearing, contractor meetings, inspections, billing and report.
4.8	Urgent Plan Check - Overtime Plan Review/Inspection New residential construction Up to 7,999 square foot) (FM)	2.75 +1.37+1.5 +.37 = 5.99	Includes base plan check time plus ½ time plus travel time and data base entry
	Urgent Plan Check New residential construction (8,000 - 11,999 square foot) (FM)	3.50 +1.75+ 1.5 +.37 = 7.12	Includes base plan check time plus ½ time plus travel time and data base entry
	Urgent Plan Check New residential construction (12,000 square foot and up) (FM)	4.50 +2.25+ 1.50 +.37= 8.62	Includes base plan check time plus ½ time plus travel time and data base entry
	Urgent Plan Check Commercial/Industrial and Multi-Family Building Plans (FM)	2.25 + 1.12+1.50 +.37= 5.24	Includes base plan check time plus ½ time plus travel time and data base entry
4.9	Fire Department Documents, other than District Ordinances	\$5.00 for the first 5 pages, \$.70 for each additional page thereafter	Staff time, plus paper, copier, toner, electricity etc.

***FIRE PREVENTION SERVICES FEES AND
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Reference Number	SERVICE	HOURLY AVERAGE	NOTES
4.10	District Ordinances, Developmental Guides	No Charge for the first copy; \$5.00 for the first 5 pages, \$.70 for each additional page when additional copies are ordered.	Staff time, plus paper, copier, toner, electricity etc.
4.10.1	Copies of Large Plans (C,D & E Size)	\$25 \$55 \$85	17x22 Ansi C 22x34 Ansi D 34x44 Ansi E
4.10.2	Color Copy Photos	\$1.00 \$1.50	4x6 = \$1.00 8½x11=\$1.50
4.11	Documents sent electronically, or accessed via the web site (www.rsf-fire.org)	No Fee	No Fee
4.12	Annexation Fees - each acre or portion thereof:	\$1,000	\$1,000
	Annexation Fees - Each Dwelling Parcel:	\$500	\$500
	Annexation Fees - Each Commercial/Industrial Parcel:	\$1,000	\$1,000
4.13	Meeting Facilities -Category 1- for use of District-owned meeting facilities by members of the general public as noted.	\$50.00	\$50.00
4.14	Meeting Facilities - Category 2 -for use of District-owned meeting facilities by members of the general public as noted.	\$250.00	\$250.00
4.15	Return Check Fee	\$25.00	Addition handling fee for retuned check plus the amount of the check

**FIRE PREVENTION SERVICES FEES AND
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Reference Number	SERVICE	HOURLY AVERAGE	NOTES
4.17	Other services not listed Services not otherwise specified herein	Actual cost	Actual cost
4.18	Inspection Cancellation fee (FM)	Per failure	Failure to cancel field inspection within 24 hours of set appointment
4.18.1	Inspection Cancellation fee (UF)	Per failure	Failure to cancel field inspection within 24 hours of set appointment
4.18.2	Inspection Cancellation fee (FS)	Per failure	Failure to cancel field inspection within 24 hours of set appointment
4.19	Fee recovery for special services	\$200.00	Per hour per apparatus
TRAINING FACILITY FEES (for use by outside agencies)			
5.1	Training Tower with grounds	\$400/per day	\$200/half day No Burn Room Use
5.2	Burn Room	\$200/per hour	Per hour, plus tower fee. Includes three personnel to run the burn room and fuel cost
5.3	Multiple burn rooms	\$50.00/hour	Additional personnel may require at a rate of \$50 per hour per employee
5.4	Training Grounds	\$200 per day	Per day fee, no tower
5.5	Ventilation Prop	\$150 per day	Outsides agency required to replace and repair all materials used on prop
5.6	Confined space Prop	\$150 per day	Per day fee
5.7	Drafting/Test Pit	\$50 per apparatus	Per fire apparatus
5.8	Clean – up	\$150 per hour	If not done by using agency
5.9	Water Use	Actual Cost	

**Rancho Santa Fe Fire Protection District
Schedule of Fire Prevention Services and Fees
Effective TBD, 2009**

ATTACHMENT "C"

PLAN REVIEW, CONSTRUCTION and SERVICE FEES				
Reference Number	DEVELOPMENT PLAN REVIEW (includes plan review & written response if applicable)	Fee Description	Average Review & Inspection Time (in hrs.)	Total Fee or Cost
1.1	Project Availability Form for Minor Subdivision or Minor Use Permit (new service letter) (5 parcels or less)	Review of access, water supply, clearance & fire code requirements for subdivisions or Minor use permit	1.00	\$135
1.2	Project Availability Form for Major Subdivision (new service letter) (6 parcels or more)	Review of access, water supply, clearance & fire code requirements for subdivisions	1.25	\$169
1.3	TPM or Minor Subdivision Service Letter Renewal (5 parcels or less)	Review of access, water supply, clearance & fire code requirements for subdivisions	0.75	\$101
1.4	TM or Major Subdivision Service Letter Renewal (6 parcels or more)	Review of access, water supply, clearance & fire code requirements for subdivisions	0.75	\$101
1.5	Final Map/Mylar Review (Signing all Maylars)	Review of access, water supply, clearance & fire code requirements for subdivisions. Includes standard condition letter	0.50	\$68
1.6	Release of Map Covenants or letters for release of other projects i.e. coastal commission, planning department, fire flow etc.	Site inspection and written confirmation of installation of covenanted improvements.	0.50	\$68
1.7	Cellular Sites	Review of access, water supply and fire code compliance	1.00	\$129
1.8	Major Use Permit (P or MUP) or Site Plan (S or STP)	Review of plan for access, water supply, clearance and fire code requirements for a MUP or STP	1.25	\$169
1.9	Fuel Modification Plans or Environmental Review-Mitigated Negative Declaration	Review & comment of project's fire impacts & proposed mitigation	1.55	\$171
1.9.1	Review of Fire Protection Plan	Review and comment letter, Scan fire protection plan into computer system. 6 hours base fee plus additional cost if necessary	6.00	\$660
1.10	L Grading Plan (Department of Public Works)	Review of access, building setback, and water supply requirements	0.75	\$101
1.11	Administrative (AD), Variance (VAR), Vacation Review (VAC), or Zoning (ZAP)	Review of access, water supply and fire code compliance for zoning (ZAP), variance (VAR) and vacation (VAC) requests	1.00	\$135
1.12	Improvement Plans Planned Residential Development (PRD)	Review of roadway, turnaround, building setback, access, and water supply requirements	1.25	\$169
1.13	Remote Water Meter and water line extension	Includes site inspection and written response	0.75	\$101
1.14	Site Plan Review Landscape (single occupancy) conceptual/consultation	Conceptual review of site plan for access, landscape, vegetation clearance and fire code requirements for a single occupancy.	1.00	\$110
1.15	Site Plan Review (single occupancy) conceptual/consultation	Conceptual review of site plan for access, water supply, clearance and fire code requirements for a single occupancy.	1.00	\$135

**Rancho Santa Fe Fire Protection District
Schedule of Fire Prevention Services and Fees
Effective TBD, 2009**

ATTACHMENT "C"

Reference Number	NEW CONSTRUCTION (Includes plan review & inspection)	Fee Description	Average Review & Inspection Time (in hrs.)	Total Fee or Cost
2.1	Grading Plan (Building)	Review of access requirements pertaining to grading and 1 inspection	1.00	\$135
2.2	New residential construction (Up to 7,999 square foot)	Review of plans for fire & building code compliance for new residential construction and 3 field inspections each (site, rough & final)	2.75	\$371
2.3	New residential construction (8,000 square foot and up to 11,999 square foot)	Review of plans for fire & building code compliance for new residential construction and 3 field inspections each (site, rough & final)	3.50	\$473
2.4	New residential construction (12,000 square foot and up)	Review of plans for fire & building code compliance for new residential construction and 3 field inspections each (site, rough & final)	4.50	\$608
2.5	Residential addition or remodel Over 2,000 Square feet	Review of plans for fire & building code compliance for new construction and 1 field inspection each (site, rough & final)	2.25	\$225
2.6	Residential Landscape Plans	Review of plans for fire safe planting for new residential construction and 1 field inspection each (site, rough & final) Includes two reviews additional charge after two reviews.	3.25	\$358
2.6.1	Small Landscape plan reviews	Review of small landscape modification or changes for fire safe planting.	0.50	\$55
2.7	Residential plan re-submittal-new, remodel or addition under 2,000 square feet (After the third time)	Third residential plan submittal and all subsequent re-submittals/ minor plan change	0.50	\$68
2.8	Residential Building Plans (PRD)	Review of site plan for fire & building code compliance for new construction and 1 field inspection each (rough & final) site	2.50	\$338
2.9	Residential Building Plans (PRD), each additional unit	Review of additional unit, site plan for fire & building code compliance for new construction and 1 field inspection each (rough & final)	2.00	\$270
2.10	Room addition or tenant improvement	Review of plans for fire & building code compliance for new construction room addition and 1 field inspection each (site, rough & final)	1.25	\$169
2.11	Barns and Outbuildings (over 1,000 square feet)	Includes plan review, site, rough & final inspections, data base entry	1.00	\$135
2.12	Commercial/Industrial and Multi-Family Building Plans FM	Review of plans for fire & building code compliance for new commercial construction and 1 field inspection each (site & final)	3.75	\$506
2.13	Commercial/Industrial and Multi-family Landscape Plans UF	Review of plans for fire safe planting for new construction and 1 field inspection each (site & final)	4.25	\$468
2.14	Commercial/Industrial and Multi-Family Plan Re-submittal (After the second time)	Second commercial plan submittal and all subsequent re-submittals	0.75	\$101

**Rancho Santa Fe Fire Protection District
Schedule of Fire Prevention Services and Fees
Effective TBD, 2009**

ATTACHMENT "C"

Reference Number	FIRE PROTECTION SYSTEMS and INSTALLATIONS	Fee Description	Average Review & Inspection Time (in hrs.)	Total Fee or Cost
3.1	Residential fire sprinkler system, 13D- or 13-R	Plan review of residential fire sprinkler system 13-D one or two family dwelling and 1 field inspection each (rough & final)	1.75	\$159
3.2	Residential fire sprinkler plans-PRD, each additional unit	Plan review of residential fire sprinkler system 13-D one or two family dwelling and 1 field inspection each (rough & final)	1.50	\$137
3.3	Residential fire sprinkler plan re-submittal (After the third time)	Second residential plan submittal and all subsequent re-submittals	0.50	\$46
3.4	Commercial fire sprinkler system	Plan approval of commercial fire sprinkler system and 1 field inspection. Plan review conducted by independent engineer at an additional cost	2.00	\$182
3.5	Underground Sprinkler System Plans	Plan approval of underground supply to sprinkler system and 1 field inspection. Plan review conducted by independent engineer at an additional cost	2.00	\$182
3.6	Commercial sprinkler plan re-submittal (After the third time)	Second residential plan submittal and all subsequent re-submittals/stamp transfer	0.50	\$46
3.7	Commercial sprinkler tenant improvement	Plan review of new commercial sprinkler system and 1 field inspection each (rough & final)	1.25	\$114
3.8	Special Fire Protection Installations--Hood & duct system, remote extinguishing systems	Plan approval and 1 inspection of new special extinguishing system. Plan review conducted by independent engineer at an additional cost.	1.75	\$159
3.9	Special Hazard Installations--High Piled Storage, Underground/Aboveground Storage Tanks, spray booths, industrial ovens, refrigeration systems, etc.	Plan approval and 1 inspection of high piled storage, underground/aboveground tanks, spray booths, industrial ovens, refrigeration systems, etc. Plan review conducted by an independent engineer at an additional cost.	3.25	\$296
3.10.	Fire Alarm System	Plan approval and 1 inspection of a fire alarm system. Plan review conducted by an independent engineer at an additional cost.	1.75	\$159

**Rancho Santa Fe Fire Protection District
Schedule of Fire Prevention Services and Fees
Effective TBD, 2009**

ATTACHMENT "C"

Reference Number	MISCELLANEOUS FEES (includes review and/or inspection as indicated)	Fee Description	Average Review & Inspection Time (in hrs.)	Total Fee or Cost
4.1	Stamp Approval Transfer	Reviewing plans and transferring necessary stamps	0.25	\$34
4.2	Knox Key Installation	Site inspection of installation of and proper operation of knox key device.	1.00	\$91
4.3	Temporary Membrane Structures, Tents and Canopies	Permit and Inspection fee, includes permit, plan review, travel to and from and data entry	1.00	\$91
4.4	Business License Inspection (SDSO, CCLB, or other outside agency)	Conduct inspection of existing property which requires annual inspection by AHJ	1.25	\$114
4.5	Non-compliance re-inspection	Conduct inspection of existing property which remains non-compliant with codes (3rd and subsequent inspections)	1.25	\$114
4.6	Non-compliance weed abatement re-inspection	Conduct legal noticing and re-inspections of a property which remains non-compliant after expiration of final notice to abate hazard	1.25	\$114
4.7	Forced weed abatement administrative fee (Expense of abatement Report and Hearing) (Ordinance 02-01)	Includes above, plus work order, description of work, contractor meetings, expense of abatement, inspections, billing, and report.	Expense of abatement	\$500
4.8	Urgent Plan Check - Overtime Plan Review/Inspection	New residential construction Up to 7,999 square foot) Includes base plan check time plus ½ time plus travel time and data base entry	5.99	\$809
		New residential construction (8,000-11,999 square foot and up) Includes base plan check time plus ½ time plus travel time and data base entry	7.12	\$961
		New residential construction (12,000 square foot and up) Includes base plan check time plus ½ time plus travel time and data base entry	8.62	\$1,164
		Commercial/Industrial and Multi-Family Building Plans Includes base plan check time plus ½ time plus travel time and data base entry	5.24	\$707
4.9	Fire Department Documents, other than District Ordinances	\$5.00 for the first 5 pages, \$.70 for each additional page thereafter		\$5
4.10	District Ordinances, Developmental Guides	No Charge for the first copy; \$5.00 for the first 5 pages, \$.70 for each additional page when additional		\$1
4.10.1	Copies of Large Plans (C,D & E Size)	Copies - Building, site plan, Landscaping, Fire Sprinklers and Grading.	17x22Ansi C 22x34 Ansi D 34x44 Ansi E	\$25 \$55 \$85
4.10.2	Color Copy Photos	Size is 4"X6" Size is 8 1/2" X 11" per page or per photo	4x6 = \$1.00 8 1/2 X 11 = \$1.50	TBD
4.11	Documents sent electronically, or accessed via the web site (www.rsf-fire.org)	No Charge		\$0
4.12	Annexation Fees	each acre or portion thereof:		\$1,000
		Each Dwelling Parcel:		\$500
		Each Commercial/Industrial Parcel:		\$1,000

**Rancho Santa Fe Fire Protection District
Schedule of Fire Prevention Services and Fees
Effective TBD, 2009**

ATTACHMENT "C"

Reference Number	MISCELLANEOUS FEES (includes review and/or inspection as indicated)	Fee Description	Average Review & Inspection Time (in hrs.)	Total Fee or Cost
4.13	Meeting Facilities - for use of District-owned meeting facilities by members of the general public as noted.	Category 1- not for profit non commercial community services groups which have members who reside in the District (Tax Exempt (501.C.3) - set-up/cleaning fee		\$50
4.14	Meeting Facilities - for use of District-owned meeting facilities by members of the general public as noted.	Category 2- all other organizations - set-up/cleaning fee		\$250
4.15	Returned Check Fee	Additional handling fee for returned check plus the amount of the check		\$25
4.16	Postage/supplies Cost	Actual cost	Actual	Actual
4.17	Other services not listed	Services not otherwise specified herein	Actual	Actual
4.18	Inspection Cancellation fee (FM)	Failure to cancel field inspection within 24 hours of set appointment	per failure	\$135.00
4.18.1	Inspection Cancellation fee (FS)	Failure to cancel field inspection within 24 hours of set appointment	per failure	\$110.00
4.18.2	Inspection Cancellation fee (UF)	Failure to cancel field inspection within 24 hours of set appointment	per failure	\$91.00
4.19	Fee recovery for special services	Apparatus charge	Per hour	\$200.00
Reference Number	TRAINING FACILITY FEES - for use by outside agencies	Fee Description		Total Fee or Cost
5.1	Training Tower w/ grounds	No Burn Room (per day)		\$400/day
		(per half day)		\$200/half day
5.2	Burn room	Per Hour, plus tower fee. Includes three personnel to run the burn room and fuel costs		\$200/hour
5.3	Multiple burn rooms	Additional personnel may be required at a rate of \$50 per hour, per employee		\$50/hour
5.4	Training Grounds	Per day fee. No Tower		\$200/day
5.5	Ventilation Prop	Per day fee. Outside agency required to replace and repair all materials use on the prop		\$150/day
5.6	Confined Space prop	Per day fee		\$150/day
5.7	Drafting/Testing Pit	Per Fire Apparatus		\$50/apparatus
5.8	Clean up	If not done by using agency		\$150/hour
5.9	Water Use	Actual cost		Actual

RESOLUTION No. 2008-13

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RANCHO SANTA FE FIRE PROTECTION DISTRICT, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA APPROVING THE PURCHASE OF PROPERTY

WHEREAS, the **Rancho Santa Fe Fire Protection District** has the authority to purchase property pursuant to Health and Safety Code 13861(b); and

WHEREAS, it is in the best interest of the Rancho Santa Fe Fire Protection District to purchase the property located at 6363 Calle Del Campanario (APN: 269183-24-00) for the purpose of building a replacement fire station located in the Fairbanks Ranch area.

NOW, THEREFORE BE IT RESOLVED that the governing body of the **Rancho Santa Fe Fire Protection District** shall purchase property located at 6363 Calle Del Campanario (APN: 269183-24-00); and

IT IS FURTHER RESOLVED, that the President of the Board of Directors shall be authorized on behalf of the Rancho Santa Fe Fire Protection District, without the consent or approval of any other party or entity, to execute any and all documents and instruments in connection with this purchase.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Rancho Santa Fe Fire Protection District on December 10, 2008 by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

JAMES H ASHCRAFT
President

ATTEST:

Karlana Rannals
Secretary