

**VALLEY CENTER  
FIRE PROTECTION DISTRICT**



**BOARD OF DIRECTORS' REGULAR MEETING  
VCMWD Board Room  
6:00 p.m.  
Thursday – February 20, 2020**

**Valley Center Fire Protection District Board of Directors**  
**REGULAR MEETING AGENDA**  
**February 20, 2020 / 6:00 p.m.**

Valley Center Municipal Water District Board Room  
29300 Valley Center Rd Valley Center, CA 92082

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. PLEDGE of ALLEGIANCE**
- 4. PUBLIC COMMENT**

*Any member of the Public may speak on any matter that is not on the Agenda. However, under State law, no decisions or actions can be taken and any such matters will be referred to the next meeting.*

**5. PROCLAMATIONS AND PRESENTATIONS**

- A. Swearing in of Director Seaborne

**6. ELECTION OF OFFICERS**

**7. CONSENT CALENDAR**

*All items listed on the Consent Calendar listed as Consent Items are considered routine and will be enacted in one motion. There will be no separate discussion of these items prior to the Board action on the motion, unless members of the Board, Staff or public request specific items be removed from the Consent Calendar from the Board Agenda for discussion.*

- A. Approve Regular Board Meeting Minutes on January 16, 2020  
**Standing Item – Review and Approve**
- B. Treasurer's Report – January 2020  
**Standing Item – Review and Approve**
- C. Proposal to adopt Resolution NO 2020-01 on Intention to Annex Territory (Wizard Way) to CFD 2008-1 in the form and content attached hereto.  
**Review and Approve**
- D. Proposal to adopt Resolution NO 2020-02 on Intention to Annex Territory (Pauma Heights Rd) to CFD 2008-1 in the form and content attached hereto.  
**Review and Approve**

**8. STAFF REPORTS**

- A. Valley Center Paramedic Services EOA: Mercy Medical Report
- B. Fire Chief's Report
- C. Operations Division Report
- D. Community Risk Reduction Division Report
- F. Valley Center Firefighters Association Report

**9. OLD BUSINESS**

- A. Approve 2018-2019 Audit Report from Leaf & Cole, LLP

## **10. NEW BUSINESS**

A. Staff Report – Management Reorganization by Chief Napier

## **11. CLOSED SESSION**

- **Personnel Matter**
- **Real Estate Transaction Contract**

*54957.7. Announcement prior to Closed Session:*

*(a) Prior to holding any closed session, the legislative body of the local agency shall disclose, in an open meeting, the item or items to be discussed in the closed session. The disclosure may take the form of a reference to the item or items as they are listed by number or letter on the agenda. In the closed session, the legislative body may consider only those matters covered in its statement. Nothing in this section shall require or authorize a disclosure of information prohibited by state or federal law.*

*(b) After any closed session, the legislative body shall reconvene into open session prior to adjournment and shall make any disclosures required by Section 54957.1 of action taken in the closed session.*

*(c) The announcements required to be made in open session pursuant to this section may be made at the location announced in the agenda for the closed session, as long as the public is allowed to be present at that location for the purpose of hearing the announcements.*

## **12. ANNOUNCEMENT OF CLOSED SESSION ACTIONS**

## **13. BOARD OF DIRECTORS COMMENTS**

## **14. ADJOURNMENT**

*Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to the Board Secretary at (760) 751-7600, at least 48 hours before the meeting, if possible.*

**NEXT REGULAR MEETING**  
**March 19, 2020**

**CONSENT CALENDAR**

**BOARD OF DIRECTORS' PACKET**

**VALLEY CENTER FIRE PROTECTION DISTRICT**





**Minutes  
Of The Regular Meeting  
Of the Board of Directors of  
Valley Center Fire Protection District  
January 16, 2020 / 6:00 p.m.**

Valley Center Municipal Water District Board Room  
29300 Valley Center Rd  
Valley Center, CA 92082

1. Call to Order at 6:00 p.m.
2. Roll Call:
  - Phil Bell-Present
  - Steve Hutchison-Present
  - Jim Wold-Present
  - Mike O'Connor-Present
3. Pledge of Allegiance – led by Chief Napier
4. Public Comment - None
5. Proclamations and Presentations
  - A. A badge pinning was held for new Division Chief Jeff Chumbley. Chief Napier administered the oath of office.
6. Election of Officers – After a proposal was made and seconded the Board voted unanimously to postpone the election of officers until the February Regular meeting to allow the newly appointed director to be included in the election process.
7. Consent Calendar – Upon motion made and seconded the consent calendar, containing the minutes from the December 19, 2019 Regular Board meeting, the Special meetings on December 17, 2019 and January 6, 2020 and the December 2019 Treasurer's Report was unanimously approved by the Board.
8. Staff Reports
  - A. Valley Center Paramedic Services EOA: Mercy Medical Report
  - B. Fire Chief's Report – Chief Napier presented the month's activities.
  - C. Operations Division Report – was also presented by Chief Napier.
  - D. Community Risk Reduction Division Report was presented by Fire Marshal Jim Davidson.
  - E. Valley Center Firefighters Association Report – Vice President Basinski gave the Association Report. They held a special meeting to make some revisions to the Association/Local MOU. The Burn Institute Boot Drive is coming in March.

9. Old Business

- A. After a short discussion and a unanimous vote, Ms. Charlotte Seaborne was appointed to the vacant seat on the Board.

10. New Business

- A. The Fiscal Year 2019 Audit Report from Leaf & Cole, LLC CPAs was presented for approval. Following a discussion of the Report and a motion made, seconded and approved unanimously, the Board decided to table the approval of the Audit Report until the February meeting.
- B. The CVRA Draft Map for District Voting Areas was presented to the Board as information only. We need an idea of other demographic percentages.

11. Closed Session – 6:13 p.m.

A Closed Session was held to discuss Personnel Matters.

12. Announcement of Closed Session Actions

President Bell announced that no action was taken.

13. Board of Directors Comments

Director Wold commented on his involvement on the Type I committee.

Director O'Connor asked the Board to consider purchasing a squad instead of a Type I.

Director Hutchison asked to make sure that the District voting map will include roads and boundaries.

Director Bell noted that the Fire Foundation does an amazing job for our firefighters and he also thanked our volunteers for their service to the District.

14. Adjournment - 8:30 p.m.

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Phil Bell, President

**NEXT REGULAR MEETING:**  
**February 20, 2020**

# JAMIE PHILLIPS

12170 Lilac Knolls Road, Valley Center, CA 92082 • 714-353-3771 • jamesnumber70@yahoo.com

## SUMMARY

Over thirteen years of progressively responsible Leadership and Management experience with eight in K-12 education. Proven track record of successfully motivating staff, creating a productive and positive work environment. Strong background in finance, accounting, human resources, sales, production, inventory management and operations. Positive attitude with a commitment to continuing improvement.

## EDUCATION

University of the Cumberlands, Williamsburg, KY  
Master of Business Administration, Anticipated Graduation 2020  
FCMAT CBO Mentor Program, Cohort 12  
CASBO CBO Certification  
Northern Arizona University, Flagstaff, AZ  
Bachelor of Science Degree in Hotel Restaurant Management, 2008  
School Nutrition Association  
School Nutrition Specialist Certification  
La Puente Valley ROP  
Emergency Medical Technician

## EXPERIENCE

Vista Unified School District • September 2016 - Present

### Director of Nutrition Services

Responsible for leadership of the nutrition service operation with oversight of 150 employees and 29 schools. In charge of an \$11 million annual budget that includes accounting, budgeting, maintenance, purchasing, staff development, technology, transportation and warehouse operations. Implementation of Farm-to-School program.

Upland Unified School District • January 2014 - September 2016

### Director of Nutrition Services

Responsible for leadership of the nutrition service operation with oversight of 80 employees and 19 schools. In charge of a \$4.5 million annual budget that includes accounting, budgeting, maintenance, purchasing, staff development, technology and transportation. Successfully implemented multiple programs including Harvest of the Month, Universal Breakfast, Farm-to-School, Meatless Monday, food pantry donations and Team Nutrition.

Perris Union High School District • October 2012 - January 2014

### Field Supervisor of Nutrition Services

Planned, supervised, and monitored all nutrition service activities. This included all personnel, nutrition operations, and marketing of food items. Traveled to school sites to observe daily operations, compliance with all local, state, and federal requirements. Assisted with training, coaching, and evaluating of all staff to ensure consistency, quality, and accuracy of production. Created and implemented online ordering, and computerized production worksheets. Doubled number of meals served during summer due to improved logistics.

Anaheim Union High School District • March 2011 - October 2012

### Food Service Manager 1 of Nutrition Services

Was responsible for operating junior high school site that fed over 1000 meals a day. Managed the labor, food, and other expenses related to the site. Ordered food, repairs and any other site based maintenance. Was responsible for going to other sites and reviewing afterschool program compliance. In addition to the site operations, I created a water bottle label for use district wide, assisted with the removal of old computers, and installation of new computers with the new point of sale software. Was responsible for continued progress with implementation of the new POS software.

## Jamie Phillips

Valley Center, CA 92082

December 11, 2019

To Chief Napier:

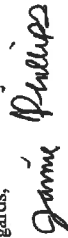
It is with great pleasure that I submit this letter and resume for the vacancy on Valley Center Fire Protection District's Board of Directors.

Ten years of management experience in the public and private sector makes me a highly qualified candidate. My previous experience includes over ten years in intense, high stress wildland firefighting. Having this experience allows me to handle stressful situations with ease. Currently as a Director of Nutrition Services, I oversee all aspects of a business with an \$11.5 million budget. Daily I manage finance, payroll, procurement, maintenance, technology, nutrition, risk management, and personnel issues. My public school district experience has varied from small districts to large, and unified to high school districts. I am well versed in the challenges and opportunities of each of those types of districts and have the skills to lead any size business.

I have a Bachelor's of Science in Hospitality Management and anticipate finishing my Master of Business by the middle of 2020. I am certified as a Chief Business Official, School Risk Manager, and a School Nutrition Specialist.

I am excited about the opportunity to be a valuable resource for the Valley Center Fire Protection District and the residents of Valley Center. I feel I have a tremendous amount of knowledge and a unique collection of experiences to offer your district. My combination of management and firefighting experience has equipped me to deal with high stress situations. I have a lot of energy, a phenomenal work ethic, and a deep desire to help improve the city I live in. I appreciate your time and consideration through this process. I look forward to meeting with you and the possibility of joining the Valley Center Fire Protection District Board of Directors.

Regards,



Jamie Phillips, CBO, CSRM, SNS

## JAMIE PHILLIPS

12170 Lilac Knolls Road, Valley Center, CA 92082 • 714-353-3771 • jamesnumber70@yahoo.com

**Bureau of Land Management, Ft. Wainwright, AK • May 2010 – September 2010**

### **Hotshot Firefighter**

Fought various fires in Alaska and California. I was the lead Emergency Medical Technician (EMT) on a team of elite firefighters. Performed extensive firefighting in remote areas for extended periods of time.

**Souplantation, Puente Hills, California • October 2008 – April 2010**

### **Service Manager**

Ensured optimal service in a fast-paced environment serving over 1000 customers per day. Managed employee schedules and food cost and was able to reduce expenses drastically over next year.

**USDA Forest Service, Flagstaff, AZ • April 2006 – November 2007**

### **Hotshot Firefighter**

I was part of an elite fire crew. Tour consisted of 16-hour days for 14 days straight, 2 days off, and then repeated. Performed computer data entry for the crew and made crew videos. Earned multiple fire certifications including USDA Certificate of Merit for effort and positive attitude and was responsible for supplies for entire crew.

### **OTHER POSITIONS HELD**

Range Technician, Bureau of Land Management  
Banquet Supervisor, Colonel Bozeman's  
Forest Technician, Department of Agriculture

### **AWARDS/CERTIFICATIONS**

Certified School Risk Manager  
School Nutrition Specialist  
USDA Certificate of Merit  
USDA Certificate of Appreciation  
San Bernardino County Certificate of Recognition  
Academy of Nutrition and Dietetics Certificate of Appreciation  
Multiple National Fire Certifications  
Fire Triangle Honorary Society  
National Residence Hall Honorary Top 1% of Student Leaders

### **MEMBERSHIP/ASSOCIATIONS/COMMITTEES**

City of Vista, California  
Safety Commissioner  
California Association of School Business Officials (CASBO)  
Legislative Committee At Large Member  
Strategic Planning Committee  
Child Nutrition Professional Council State Chair  
Child Nutrition Professional Council Assistant Chair  
Member  
Johnson County Volunteer Fire Department  
Volunteer Firefighter  
California School Nutrition Association (CSNA)  
Legislative Coordinator  
School Nutrition Association  
Member  
Orange County Medical Reserve Corp  
Disaster Response Team

## WILL ROGERS

Valley Center Fire Projection District  
28234 Lilac Road  
Valley Center, CA 92082

December 11, 2019

Attn: Human Resources

Re: Fire Board Opening

Dear Sir or Madam,

The Fire Board position requires someone who has the maturity and political acumen to be successful in the management of the Valley Center Fire Projection District and its operation. The following five reasons why I am most suited for this position;

1. As a professional planner, I have extensive experience in managing Planning Departments and influencing others to affect exceptional organizational outcomes, while balancing assertiveness and diplomacy to resolve issues and reach consensus both the public and private sectors. I have an intense commitment to mentor and empower staff and lead by example.
2. I have a strong knowledge of Fire Safety and Brush Management planning, economic development and revitalization, zoning and land use policies, principals on the East and West Coast. I provide comprehensive, objective information to policy makers and I use sound decision making and judgment on projects
3. As part of the Planning Senior staff for the City of San Diego, I developed budgets, conducted interviews, prepared performance evaluations, developed department statistics and analysis, authored new development codes, managed a large staff and collaborated on CEQA and NEPA documents. I use my interpersonal strengths to build partnered relationships with elected and appointed officials, executive management, stakeholders, advisory committees and community groups.
4. As a Principal Landscape Architect in Planning & Design firms, I have written several specific plans, economic development and revitalization design guidelines and designed several large projects including, industrial, commercial and residential projects.
5. I am a born leader and thrive in a highly visible position that is responsible for the coordination and administration of municipal planning functions. I succeed in a politically charged environment while remaining resilient, and maintaining a strong ethical commitment. I excel in public speaking and adept in public relations, mediation, and negotiations.

While the above explains why I am the best suited on a professional level, they are not the only reasons. Understanding how to manage human resources in a public culture is extremely important and how to affect desired organizational culture takes maturity strength. As part of the management team at the City of San Diego, I have extensive experience in; Fire Safety and Brush management, local, State, and federal laws and regulations relating to all elements of planning; principles, methods, and procedures applicable to County planning activities. I have strong knowledge of the principles of public administration and personnel management as they apply to the operation and administration of county planning including methods of budget preparation through program objective. I have practical experience in research methods including statistics; government policy and organization; the problems and technical phase of land use planning, and effective methods of public relations. I have real world experience in the principles of supervision and staff utilization; principles and methods of planning, developing and evaluating programs, policies, procedures, and operations. I am well versed on the current trends in public policy affecting land use planning operations and programs; and successful at managerial team building.

I am a strong but fair leader; I have the ability and experience to plan, organize, and implement a comprehensive planning program. I have developed and administered departmental budgets, analyze administrative difficulties, generate and evaluate alternatives. I reach logical conclusions, formulate recommendations, and institute effective changes. I have established and maintained effective working relationships with public officials, subordinates, general public and staff members of other agencies. I have prepared and presented clear and comprehensive reports, exhibit tact and diplomacy in politically difficult situations. I have directed the collection, interpretation, and evaluation of data and development of sound resolutions to administrative problems followed by precise coordination, and initiating actions. I use my communication skills and techniques that are required for gathering and transmitting information, for interviewing, counseling, and instructing and for organizing and directing discussions groups for all functional levels of the department.

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I am a dynamic and self-motivated professional who has professionally practiced planning & landscape architecture in California, Colorado and Massachusetts. I have strong knowledge and years of experience in the following disciplines: Planning / Development, Operations, Project Management, Land Development, Economic Development / Revitalization, Landscape Architecture, Architecture and Construction Management. Additionally you will see in my resume, I have knowledge and experience in both the private and public sectors including the following skills and experience in:

- Extensive experience and background in enforcement, inspection and review of brush management, planning, zoning, housing and building code;
- Civil Engineering experience involving management of ministerial and discretionary projects both public and private;
- Professional level experience managing a complex financial/administrative operation involving both enterprise and general fund budgets;
- Commitment to public service, fiscal responsibility and innovation in government;
- Substantial, progressively more responsible management experience that demonstrates the ability to direct a major division;
- Strong background and experience with development projects involving current planning and environmental review;
- Excellent problem solving skills with the ability to proactively identify and support creative and viable engineering solutions;
- Strong negotiating and analytical skills;
- Ability to balance competing interests in a regulatory and political environment;
- Proven expertise in project and program management;
- Ability to balance competing priorities with externally imposed deadlines;
- Excellent written and verbal communication skills;
- Focus on meeting Department performance measures, including enhanced customer service and customer satisfaction;
- Strong business and political acumen to work effectively with customers, elected officials, and external businesses and governmental agencies;
- Strong interpersonal skills, with the ability to successfully interact with a wide variety of stakeholders; and
- Active and genuine commitment to managing diversity in the workplace and encouraging high performing teams.

I have over 40 years of increasingly responsible professional environmental and/or land use planning experience including seven years of responsible management, supervisory and administrative experience. I hold a Bachelor's degree in landscape architecture and a Masters degree in architecture. Additionally, I have continuing education in planning, business/public administration and commercial retail development, which makes me uniquely qualified for the position. I am well known for my customer service both in the public and in private sectors working in a fast-paced high volume customer service environment. I have extensive experience in high-level negotiations and great interpersonal skills. I have excellent oral and written communication skills and I am very skilled in power point presentations to the public, community organizations, and decision-making bodies.

I am interested in give back to my community and think I would be a good fit to fill the vacancy on the Fire Board. My resume does not say it all. I have video conference capabilities and would welcome the opportunity of an interview with you to further explain why I am the best candidate for the position. My wife and I have lived in Valley Center for the last thirty years. Please review my attached CV and if you need additional information or would like to see my portfolio of work, please contact me. Thank you and I truly feel that I am the right professional for this challenging position.

Respectfully submitted,

Will Rogers  
RLA, 2745

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# WILL ROGERS



## Profile:

Mr. Rogers has years of experience in the development industry including: development of business plans, strategies, and budgets and adding value clarity in connection with prospective development projects. Expertise in directing the research and development of wild land fire technology such as architectural features, brush management clearing and thinning, access requirements and fire safety issues- Strong understanding of commercial and residential developments- Management of consultants and collaboration with experts for each phase of development projects, including financial analysts, CFDs, and assessment districts- Establishing and managing schedules, costs, resources, budgets, and technical objectives required to meet projected outcomes- Extensive knowledge on all aspects early stage development including site and land acquisitions, permitting, project studies and assessments, risk analysis and regulatory compliance- Extensive knowledge and experience in regulatory and environmental compliance matters such as EPA, WQMD, NEPA, CEQA & Fish and Game- Expertise in integrating brush management with development- Entitlements of numerous development projects through successful interaction with regulatory policy makers - Past experience in planning & design in various City and Counties in California, Colorado and Massachusetts -Extensive knowledge in all aspects of the project development process, shepherding projects from conception to completion- Directing, budgeting and managing of a land portfolio of 350 million dollars- Successfully evaluating and identifying the highest and best uses for property- Strong knowledge of various creative Real Estate financing options- Extensive knowledge in coordination with agency staff for various departments within private and public sector- Keen insight into the regulatory process -Strong business and political acumen - Strong negotiations skills- The ability to communicate effectively with multi media presentations for any size group, organization or agency to bring the project to a successful conclusion.

## AREAS OF EXPERTISE

- |   |  |
|---|--|
| <ul style="list-style-type: none"><li>• Negotiations</li><li>• Development Projects</li><li>• Fire Safety Regulations</li><li>• Land Acquisition / Entitlements</li><li>• Environmental Regulations</li><li>• Business Analysis/ Strategies</li></ul> | <ul style="list-style-type: none"><li>• Landscape Architecture</li><li>• Architecture</li><li>• Industrial Development</li><li>• Housing Development</li><li>• Planning &amp; Economic Development</li><li>• Construction Administration</li></ul> |
|---|--|

## EDUCATION

New School of Architecture & Design - Master of Design in Architecture

Harvard University - GSD- Landscape, Architecture, Planning & Retail Development

San Diego State University - Professional Program- Business Management

Cal Poly Pomona - Bachelor of Science in Landscape Architecture

## PROFESSIONAL EXPERIENCE & SIGNIFICANT ACHIEVEMENTS

Will Rogers & Associates, WRA (Landscape Architecture /Planning & Design)

As a the dynamic owner of a "Planning & Design Firm (WRA) Mr. Rogers has developed several large sustainable communities in San Diego and Riverside Counties providing Planning and Landscape Architecture services:

- Notable Design & Planning Projects (Current):
  - Village Station Commercial Shopping Center
  - Miller Plaza Commercial Center
  - Stone Summit Residential Development
  - Rancho Santa Fe Horse Ranch
  - Author of Specific Plans and Design Guidelines for:
    - Wincher Cross Roads (1,500 Dwelling Units Mix Use Development)
    - French Valley Polo Club (1,200 Dwelling Units with Commercial)
  - Design & Developed Guidelines for Sustainable Communities and Green Architecture for:
    - Ranch Alegre (Hillside Cluster Development)
    - Almanzon Homes (Hillside Development in environmentally sensitive lands)
- Notable Design & Planning Projects (Past):
  - Lead Designer on the John F. Kennedy Park in Cambridge, MA
  - Lead Designer on the Lechmere Cannel Development in Cambridge, MA

The Garrett Group (Land Development Company)

As a Senior Manager in the Development Company of The Garrett Group Mr. Rogers was responsible for the management and financing of seven large sustainable housing developments with a market value of three hundred and fifty million dollars. While at The Garrett Group Mr. Rogers provided direction and guidance to consultants including:

- Developed Business Strategies and Marketing for each development- theme
- Successfully Negotiated Development Agreements with Agencies.
- Developed project budgets and tracking systems on Microsoft Project program - used company wide.
- Negotiate Contracts with Consultants
- Successfully Negotiated Environmental Lands with Fish and Game, State and Local Agencies.
- Added value by increasing the number of units by 30% on each project. Entitlement of 3,000 Units
- Developed and established solid Value Engineering practices
- Developed sub-program for Cost Analysis and Budget to work with MS Project
- Represented the Company at hearings and community functions improving the image of the Company
- Developed strong business and political acumen for the Company- restored companies reputation

City of Delta- Planning Dept.- (Public Agency)

While in Colorado Mr. Rogers accepted a position to restructure the City of Delta's Planning Department. Mr. Rogers was responsible for all updating all Planning functions & Supervision of planning staff. While there Mr. Rogers provided the following:

- Directed and authored revisions to the Cities Municipal Code
- Prepared Annexations for review by City Council
- Set new standards for presentations to Planning Commission, City Council and the Community.
- Developed a conflict resolution standards and training
- Developed standards for Main Street Revitalization Project

City of San Diego- Development Services Dept. (Public Agency)

As part of the Senior Management Staff, Mr. Rogers was responsible the Landscape and Brush Management section of the City Planning Department. While managing staff, and customers, Mr. Rogers accomplished the following:

- Co-Author'd Land Development Code, Design Guide Lines & Technical Manuals
- Negotiated approvals with Developers related to Environmental/ Brush Management, Storm Water Compliance and Code consistency.
- Successful negotiations and presentations to City Council, Planning Commission & Coastal Commission
- Provided management, supervision and trained of Planning Staff to exceed the standards set by the City
- Developed conflict resolution standards and training for Development Services
- Co-developed award winning project tracking computer program that combined 21 disciplines under one common system for tracking, comments, billing and more.

#### **Lechmere & Target Stores - Dayton Hudson Corp. (Retail Development)**

As the Director, Northern Development Division for Lechmere Stores, Mr. Rogers was responsible for the development of 25 retail store a year on the east coast. Many of the retail developments included multiple retail stores owned by Dayton Hudson such as, Target and B-Dalton Book Seller and Mervyns. While at Lechmere Mr. Rogers accomplished the following:

- Negotiation, selection, and acquisition of stand alone of mall locations in Cities from Florida to New Hampshire
- Negotiated Contracts with and managed a professional staff of Architects and Engineers in each targeted area.
- Negotiated and commissioned donations to various Cities and Towns as neighborhood out reach.
- Presented & negotiated store designs to City Staff, Planning Commission & City Council for development approval
- Developed protocol for Project Managers & Store Planners interaction with each Community

#### **AFFILIATIONS**

As a professional in the development field Mr. Rogers maintains active memberships with the following organizations:

- United States Green Building Council (USGBC) LEED Member
- American Society of Landscape Architects (ASLA) Leadership Member
- American Planning Association (APA) Member
- Building Industry Association (BIA) Riverside Member

#### **PORTFOLIO & REFERENCES**

Over the years Mr. Rogers has accumulated an extensive Portfolio of work in the Development Industry. Examples will be provided during the interview process as some of the work has not completed its patented process or copy written.

Professional and personal references will be provided upon request.

#### **CONTACT**

Valley Center, CA 92082

Charlotte Seaborne

#### WORK HISTORY

Capital Group  
October 2005—Retired: May 2013  
*Manager, Data Security*

Managed an international team across multiple US sites, India, London, and Switzerland of 12 associates and 20 contractors responsible for granting security access to the company's systems and data for over 5000 internal customers. Supported applications development teams to ensure adequate access controls were built into new applications.

Con Agra Foods  
1998 - 2005  
*Manager, Customer Service*

Managed four IT teams responsible for supporting the internal customer. Areas of support included: Help Desk, Desktop Support, PC Procurement, and End User Training.

Nettle  
1993 – 1998

Held internal customer service positions of increasing responsibility including:

*Project Manager* – managed rollout and transition from mainframe email to Microsoft email for US based offices.  
*Manager, Sales Office Technology Support* – managed team responsible for supporting nationwide sales team in use of technology and tools.

Atlantic Richfield (ARCO)  
1980 – 1993

Held positions of increasing responsibility including:

*Internal Auditor* – responsible for assessing the adequacy of financial controls within organization.  
*EDP Auditor Supervisor*—supervised team responsible for assessing the adequacy of IT controls

US Auto Glass  
*Office Manager*  
1977 – 1980

Managed team responsible for scheduling and coordinating technicians to perform auto and home glass installations. Processed and submitted invoices for insurance payments. Manage accounts receivable, investigated and resolved past due accounts. Managed customer service issues with insurance companies and individual business customers.

CORE  
*Office Manager/Bookkeeper*  
1974-1977

Baltimore City Public Schools  
*Elementary School Teacher*  
1970-1974

#### VOLUNTEER ACTIVITIES

Served on multiple committees, led volunteer projects and served in leadership roles at local church. Served as a lay representative at the denominational level for Free Methodist Church Board of Administration (BOA), Ministerial Education and Guidance Board (MEG), and Ministry Appointments Committee (MAC).

Valley Center, CA 92082  
December 11, 2019

Fire Chief, Joe Napier  
Valley Center Fire Prevention District  
28234 Lilac Road Valley Center, CA 92082

Dear Mr. Napier:

Last October, I took the bold step of relocating into a new community. The preliminary research I had done suggested that Valley Center would be the type of place in which I had always dreamed of living. After living here for the past 14 months, Valley Center has exceeded my expectations.

I am taken aback by the warmth and support which my daughter and I have received from the Valley Center community. After having spent my life living in big cities, I did not imagine such a supportive community existed.

This summer, I had the privilege of joining the VCFPD volunteer team under the direction of Captain Jim Davidson. This has further expanded my understanding of what a special and unique community I now get to call home.

I would like to further support my new community through increased volunteer activity. Therefore, I am requesting that I be considered for the current vacancy on the VCFPD Board of Directors.

I have attached a current copy of my resume. I look forward to hearing from you.

Kind regards,

Charlotte Seaborne



**EDUCATION**

California State University, Los Angeles 1980  
MBA

**REFERENCES**

Will supply upon request.

VALLEY CENTER FIRE PROTECTION DISTRICT  
FINANCIAL STATEMENTS  
JUNE 30, 2019

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VALLEY CENTER FIRE PROTECTION DISTRICT  
FINANCIAL STATEMENTS  
JUNE 30, 2019



Leaf & Cole, LLP  
Certified Public Accountants  
A Partnership of Professional Corporations

### Independent Auditor's Report

To the Board of Directors  
Valley Center Fire Protection District

We have audited the accompanying financial statements of the governmental activities and each major fund of Valley Center Fire Protection District, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Valley Center Fire Protection District's basic financial statements as listed in the table of contents.

#### Management's Responsibility for the Financial Statements

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

#### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

To the Board of Directors  
Valley Center Fire Protection District

Page 2

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Valley Center Fire Protection District as of June 30, 2019, and the respective changes in financial position for the year ended in accordance with accounting principles generally accepted in the United States of America, as well as accounting systems prescribed by the State Controller's Office and state regulations governing special districts.

### Other Matters

#### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 to 7 and 32 to 33 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Valley Center Fire Protection District's basic financial statements. The other supplementary information, on pages 31 and 32 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The organization structure and assessed valuation have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Leaf & Cole, LLP

San Diego, California  
October 31, 2019

Our discussion and analysis of the financial performance of the Valley Center Fire Protection District (District) provides an overview of the District's financial activities for the year ended June 30, 2019. Please read it in conjunction with the District's financial statements, which begin on page 8.

#### Financial Highlights

- The District's net position decreased by \$143,806 to \$4,309,322 during the fiscal year ended June 30, 2019.
- The District's total revenues increased from \$3,054,747 for the year ended June 30, 2018 to \$3,184,100 for the year ended June 30, 2019.
- The District's total expenses increased from \$3,200,469 for the year ended June 30, 2018 to \$3,327,906 for the year ended June 30, 2019. The largest increases can be found in salaries, professional fees, maintenance, dispatch fees and utilities.

#### Using This Annual Report

This annual report consists of a series of financial statements. The statement of net position and the statement of activities (on pages 8 and 9) provide information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements start on page 10. For governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds.

#### Reporting the District as a Whole

##### The Statement of Net Position and the Statement of Activities

One of the most important questions asked about the District's finances is, "Is the District as a whole better off or worse off as a result of the year's activities?" The statement of net position and the statement of activities report information about the District as a whole and about its activities 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 cash is received or paid.

These two statements report the District's net position and changes in them. You can think of the District's net position—the difference between assets and liabilities—as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position is one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the District's property tax base and the condition of the District's assets, to assess the overall health of the District.

#### Reporting the District's Most Significant Funds

##### Fund Financial Statements

The fund financial statements begin on page 10 and provide detailed information about the District's most significant funds.

- **Governmental Funds** - The District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general governmental operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds in reconciliations on pages 11 and 14.

#### The District as a Whole

The District's combined net position decreased from \$4,453,128 a year ago to \$4,309,322 at June 30, 2019.

	Net Position		
	2019	2018	Dollar Change
<b>Assets:</b>			
Current assets	\$ 2,938,523	\$ 3,400,892	\$ (462,369)
Capital assets	1,480,470	1,303,366	177,104
Total Assets	<u>4,418,993</u>	<u>4,704,258</u>	<u>(285,265)</u>
<b>Liabilities:</b>			
Current liabilities	109,671	153,151	(43,480)
Noncurrent liabilities	-	97,979	(97,979)
Total Liabilities	<u>109,671</u>	<u>251,130</u>	<u>(141,459)</u>
<b>Net Position:</b>			
Net investment in capital assets	1,480,470	1,205,387	275,083
Unrestricted	2,828,852	3,247,741	(418,889)
Total Net Position	<u>\$ 4,309,322</u>	<u>\$ 4,453,128</u>	<u>\$ (143,806)</u>

As noted in the financial highlights above, net position decreased by \$143,806 from fiscal year 2018 to 2019. Net investment in capital assets increased by \$275,083 in fiscal year 2019. This increase is the result of investment in capital assets exceeding the District's depreciation expense in fiscal year 2019.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Revenues, Expenses and Changes in Net Position

The following is a summary of the District's revenues, expenses and changes in net position for the years ended June 30:

	2019	2018	Dollar Change
<b>Program Revenues:</b>			
Fees and charges for services	\$ 2,175,606	\$ 2,161,467	\$ 14,139
Operating grants and contributions	193,438	254,623	(61,185)
Total Program Revenues	2,369,044	2,416,090	(47,046)
<b>General Revenues:</b>			
Property taxes	545,464	514,623	30,841
Other income	230,208	92,140	138,068
Interest income	39,384	31,894	7,490
Total General Revenues	815,056	638,657	176,399
Total Revenues	3,184,100	3,054,747	129,353
<b>Program Expenses:</b>			
Fire protection	2,877,899	2,739,246	138,653
General administration	263,248	269,566	(6,318)
Interest	350	3,132	(2,782)
Unallocated depreciation	186,409	188,525	(2,116)
Total Program Expenses	3,327,906	3,200,469	127,437
Change in Net Position	(143,806)	(145,722)	1,916
Net Position at Beginning of Year	4,453,128	4,598,850	(145,722)
Net Position at End of Year	\$ 4,309,322	\$ 4,453,128	\$ (143,806)

A closer examination of the sources of changes in net position reveals that the District's operating and non-operating expenses, exclusive of depreciation, increased by \$129,553 in fiscal year 2019 due primarily to increased salaries of \$205,096, and decreased employee benefits and taxes of \$(61,523) and discontinued projects, studies and assessments of \$(59,673).

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Capital Assets

Capital assets consist of the following at June 30:

	2019	2018	Dollar Change
<b>Capital Assets Not Being Depreciated:</b>			
Land	\$ 151,600	\$ 151,600	\$ -
Total Capital Assets Not Being Depreciated	151,600	151,600	-
<b>Capital Assets Being Depreciated:</b>			
Structures and improvements	1,211,691	1,211,691	-
Engines and vehicles	2,510,620	2,420,376	90,244
Furniture and equipment	1,491,042	1,217,773	273,269
Total Capital Assets Being Depreciated	5,213,353	4,849,840	363,513
Less: Accumulated depreciation	(3,884,483)	(3,698,074)	(186,409)
Net Capital Assets Being Depreciated	1,328,870	1,151,766	177,104
Net Capital Assets	\$ 1,480,470	\$ 1,303,366	\$ 177,104

The net additions to capital assets being depreciated for fiscal year 2019 totaled \$363,513 and include safety equipment, communications equipment and vehicles.

### Noncurrent Liabilities

The following is a summary of the District's noncurrent liabilities at June 30:

	2019	2018	Dollar Change
Capital lease payable	\$ -	\$ 97,979	\$ (97,979)

The District reduced its capital lease obligation by \$97,979 during the year ended June 30, 2019. No new debt has been issued. Details of the capital lease obligation can be found in Note 5 to the financial statements.

### Economic Factors and Next Year's Budget

The District is guided by a five year strategic plan and a standards of cover report indicating the need for a third fire facility. The District is seeking to acquire property for such a facility and staff it using mitigation funds, increases in tax allocation, benefit fees and CFD fees from new growth and the proceeds from a proposed tax measure that will appear on the November 2020 ballot. The new growth will generate approximately 700 residences, a Vons grocery outlet, two gas facilities, an AutoZone and a Rite Aid Pharmacy. The estimated revenue generated from the new growth is \$800,000. The tax measure, if passed in November 2020 by 66.6% of the voters is estimated to provide an additional \$780,000 to the general fund's operating budget in the first year based upon the number of parcels assessed. The District's Board of Directors and management consider many factors when setting the fiscal year budget. In a comparison of the 2019 and 2020 budgets, operating revenues and expenses remain relatively similar with a revenue growth index of 3%. Any proceeds from the proposed tax measure and revenue allocation at total growth buildout would not be realized until the 2021 fiscal year.

Contacting the District's Financial Management

This financial report is designed to provide the Board, governmental agencies, customers, creditors, and the public with a general overview of the District's accountability for the financial resources it manages. If there are questions regarding this report, or additional financial information is required, please contact the Fire Chief for the Valley Center Fire Protection District at 28234 Lilac Road, Valley Center, California 92082 or call (760) 751-7600.

	Governmental Activities
<b>ASSETS:</b>	
Cash and cash equivalents	\$ 2,767,627
Accounts receivable	170,896
Capital Assets:	
Land and other non-depreciable capital assets	151,600
Depreciable capital assets, net of accumulated depreciation	1,328,870
<b>TOTAL ASSETS</b>	<b>4,418,993</b>
<b>LIABILITIES:</b>	
Accounts payable	28,620
Accrued liabilities	81,051
<b>TOTAL LIABILITIES</b>	<b>109,671</b>
<b>NET POSITION:</b>	
Net investment in capital assets	1,480,470
Unrestricted	2,828,852
<b>TOTAL NET POSITION</b>	<b>\$ 4,309,322</b>

The accompanying notes are an integral part of the financial statements.

VALLEY CENTER FIRE PROTECTION DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2019

		Program Revenues	
		Fees and Charges for Services	Operating Grants and Contributions
<b>Functions/Programs:</b>			
<b>Governmental Activities:</b>			
Fire protection	\$ 2,877,899	\$ 2,216,015	\$ 193,438
General administration	263,248	163,089	-
Interest	350	-	-
Unallocated depreciation	186,409	-	-
Total Governmental Activities	\$ 3,327,906	\$ 2,379,104	\$ 193,438
<b>General Revenues:</b>			
Property taxes			
Interest income			
Other income			
Total General Revenues			
Change in Net Position			
Net Position at Beginning of Year			
<b>NET POSITION AT END OF YEAR</b>			

The accompanying notes are an integral part of the financial statements.

VALLEY CENTER FIRE PROTECTION DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2019

	ASSETS		
	General Fund	Mitigation Fund	Total Governmental Funds
<b>Assets:</b>			
Cash and cash equivalents	\$ 2,051,616	\$ 716,011	\$ 2,767,627
Accounts receivable	137,082	33,814	170,896
Total Assets	\$ 2,188,698	\$ 749,825	\$ 2,938,523
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 28,620	\$ -	\$ 28,620
Accrued liabilities	81,051	-	81,051
Total Liabilities	109,671	-	109,671
<b>Fund Balances:</b>			
Assigned:			
Fire Mitigation	-	749,825	749,825
CFD 08-01	86,508	-	86,508
Explorer	3,040	-	3,040
Foundation	1,150	-	1,150
Unassigned	1,988,329	-	1,988,329
Total Fund Balances	2,079,027	749,825	2,828,852
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	\$ 2,188,698	\$ 749,825	\$ 2,938,523

The accompanying notes are an integral part of the financial statements.

VALLEY CENTER FIRE PROTECTION DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2019

Total fund balances - Governmental funds	\$ 2,828,852
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:	
Nondepreciable capital assets	\$ 151,600
Depreciable capital assets, net of accumulated depreciation	1,328,870
Total Capital Assets, Net	<u>1,480,470</u>
Total Net Position - Governmental Activities	<u>\$ 4,309,322</u>

The accompanying notes are an integral part of the financial statements.

VALLEY CENTER FIRE PROTECTION DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2019

	General Fund	Mitigation Fund	Total Governmental Funds
<b>Revenues:</b>			
Benefit fees	\$ 1,551,528	\$ -	\$ 1,551,528
Property taxes	545,464	-	545,464
CFD fees	364,857	-	364,857
Cost recovery income	203,498	-	203,498
Mercy medical ALS fees	130,000	-	130,000
Paramedic funding	96,132	-	96,132
Mitigation fees	-	91,210	91,210
Fire prevention fees	57,454	-	57,454
Mercy Medical dispatch fees	39,402	-	39,402
Interest income	25,433	13,951	39,384
Other income	26,710	-	26,710
Grants	16,542	-	16,542
First responder fees	14,425	-	14,425
Donations	7,494	-	7,494
Total Revenues	<u>3,078,939</u>	<u>105,161</u>	<u>3,184,100</u>

(Continued)

The accompanying notes are an integral part of the financial statements.



**VALLEY CENTER FIRE PROTECTION DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2019**

**VALLEY CENTER FIRE PROTECTION DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2019**

Total net change in fund balances - Governmental funds	\$	(418,889)
Amounts reported for governmental activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		363,513
Depreciation of capital assets used in governmental activities is not reported in the funds.		(186,409)
Issuance of long-term debt, including capital leases, provides current financial resources to governmental funds, while the repayment of the principal of long-term liabilities consumes current financial resources in governmental funds. Neither transaction has any effect on net position. This amount is the net effect of those differences in the treatment of long-term liabilities and related items.		97,979
Changes in Net Position - Governmental Activities	\$	<u>(143,806)</u>

The accompanying notes are an integral part of the financial statements.

**Expenditures:**

Current:					
Salaries	\$	2,035,743	\$	-	\$ 2,035,743
Employee benefits and taxes		344,864		-	344,864
Dispatch fees		149,412		-	149,412
Mercy Medical charges		96,132		-	96,132
Maintenance		94,484		-	94,484
Professional fees		74,967		-	74,967
Utilities		70,031		-	70,031
Other expenses		48,428		-	48,428
Fuel		42,706		-	42,706
Discontinued projects, studies and assessments		42,428		-	42,428
Training		24,431		-	24,431
Radios and pagers		16,777		-	16,777
Insurance		15,324		-	15,324
Household		15,144		-	15,144
Medical supplies		14,798		-	14,798
Office expenses		13,410		-	13,410
Membership		12,908		-	12,908
Printing		12,157		-	12,157
Uniform		12,035		-	12,035
Awards		1,416		-	1,416
Safety		1,407		-	1,407
Bad debts		1,120		-	1,120
Bank charges		1,025		-	1,025
Capital outlay		153,293		210,220	363,513
Debt Service:					
Principal		48,990		48,989	97,979
Interest		175		175	350
Total Expenditures		<u>3,343,605</u>		<u>259,384</u>	<u>3,602,989</u>
Deficiency of Revenues Over Expenditures		(264,666)		(154,223)	(418,889)
<b><u>Other Financing Sources (Uses):</u></b>					
Transfers		24,721		(24,721)	-
Total Other Financing Sources (Uses)		<u>24,721</u>		<u>(24,721)</u>	<u>-</u>
Net Change in Fund Balances		(239,945)		(178,944)	(418,889)
Fund Balances at Beginning of Year		2,318,972		938,769	3,247,741
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$</b>	<b><u>2,079,027</u></b>	<b>\$</b>	<b><u>749,825</u></b>	<b>\$ <u>2,828,852</u></b>

The accompanying notes are an integral part of the financial statements.

VALLEY CENTER FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019

Note 1 - Organization and Significant Accounting Policies:

The Valley Center Fire Protection District (the "District") is a governmental corporation formed by a majority vote of the people in 1982 with the primary purpose of providing exceptional all-risk fire, emergency medical, and community risk reduction services critical to public safety, health, and the preservation of life and property.

The District has two fire stations which are part of the District's 84.5 square mile service area serving a population of over 23,000 people in the San Diego County.

The District also contracts with the County of San Diego for funding of a paramedic ambulance transport service provided by Mercy Ambulance Transportation, Inc. This is an exclusive operating area which covers most of Northeast unincorporated County area.

The District's offices are located in Valley Center, California.

The criteria used in determining the scope of the reporting entity are based on the provisions of GASB Cod. Sec. 2100, "Defining the Financial Reporting Entity." The District is the primary government unit. Component units are those entities which are financially accountable to the primary government, either because the District appoints a voting majority of the component unit's board, or because the component unit will provide a financial benefit or impose a financial burden on the District. The District has no component units.

Significant Accounting Policies

A summary of the District's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

Basis of Presentation

Government-Wide Statements

The District's financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The District's general fund and mitigation fund are classified as governmental activities. The District has no business-type activities.

In the statement of net position, the governmental activities are reported on the accrual basis of accounting and the economic resource measurement focus, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in three parts; net investment in capital assets, restricted and unrestricted. The statement of net position includes all funds of the reporting entity.

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

VALLEY CENTER FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019

Note 1 - Organization and Significant Accounting Policies:

Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

Fund Financial Statements

Fund financial statements report detailed information about the District. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, reserves, net position, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on major funds. GASB Cod. Sec. 2200, "Comprehensive Annual Financial Report", sets forth minimum criteria for the determination of major funds.

The funds of the District are described below:

Governmental Funds

The focus of the governmental funds measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The District reports the general fund and mitigation fund as major governmental funds. The District has no non-major governmental funds.

Measurement Focus and Basis of Accounting

Method of Accounting

Method of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual

The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

VALLEY CENTER FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019

**Note 1 - Organization and Significant Accounting Policies:**

**Significant Accounting Policies (Continued)**

**Measurement Focus and Basis of Accounting (Continued)**

**Modified Accrual**

The governmental funds' financial statements are presented on the modified accrual basis of accounting and the current financial resources measurement focus. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers all revenue available if collected within 60 days after year-end. The District considers interest, certain taxes, grant revenues, mitigation fees and cost recoveries to be susceptible to accrual. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on long-term debt, if any, is recognized when due.

**Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Encumbrances**

Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid. All encumbrances are liquidated as of June 30.

**Revenue Recognition**

The District recognizes revenue from fees, and service charges as they earned. Benefit fees, CFD fees, and property taxes are recognized as revenue based upon amounts reported to the District by the County of San Diego.

**Budgets and Budgetary Accounting**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. By state law, the District's governing board must adopt a final budget no later than July 1. A public hearing must be conducted to receive comments prior to adoption. The District's governing board satisfied these requirements.

VALLEY CENTER FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019

**Note 1 - Organization and Significant Accounting Policies:**

**Significant Accounting Policies (Continued)**

**Budgets and Budgetary Accounting (Continued)**

These budgets are revised by the District's governing board and district fire chief during the fiscal year to give consideration to unanticipated income and expenditures.

Formal budgetary integration was used as a management control device during the fiscal year for all budgeted funds. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object code. All appropriations lapse at fiscal year-end.

**Investments**

Investments are stated at their fair value which represents the quoted or stated market value. Investments that are not traded on a market, such as investments in external pools, are valued based on the stated fair value as represented by the external pool.

**Allowance for Doubtful Accounts**

Bad debts are recognized on the allowance method based on historical experience and management's evaluation of outstanding accounts receivables. Management believes that all accounts receivable were fully collectible; therefore, no allowance for doubtful accounts receivable was recorded at June 30, 2019.

**Taxes and Assessments**

Property taxes and assessments are billed by the County of San Diego to property owners. The District's property tax calendar for the fiscal year ended June 30, 2019, was as follows:

Lien Date:	January 1
Levy Date:	July 1
Due Date:	First Installment - November 1
	Second Installment - February 1
Delinquent Date:	First Installment - December 10
	Second Installment - April 10

The County collects the taxes from the property owners and remits the funds to the District periodically during the year. The District has an arrangement with the County whereby the County remits taxes which are delinquent as of each June 30 to the District in exchange for the right to retain the delinquent taxes, penalties, and interest when these amounts are subsequently collected.

**Note 1 - Organization and Significant Accounting Policies:**

**Significant Accounting Policies (Continued)**

**Capital Assets**

Capital assets purchased or acquired with a cost exceeding \$5,000 and an estimated useful life of more than one year are reported at historical cost. Donated capital assets, donated works of art, and similar items and capital assets, received in service concession agreements are reported at acquisition value. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred, upon sale or disposition of property and equipment, the asset account is relieved of the cost and the accumulated depreciation account is charged with depreciation taken prior to the sale and any resultant gain or loss is charged to earnings. Depreciation is calculated on the straight-line method over the following estimated useful lives:

Structures and improvements	10 - 50 years
Engines and vehicles	5 - 20 years
Furniture and equipment	7 - 20 years

Depreciation aggregated \$186,409 for the year ended June 30, 2019.

**Interest**

The District incurs interest charges on long-term liabilities. No interest was capitalized as a cost of capital assets for the year ended June 30, 2019.

**Risk Management**

The District entered into a joint powers agreement designated as Fire Agencies Insurance Risk Authority, a self-insurance plan for general liability insurance (see Note 8).

At June 30, 2019, the District participated in the self-insurance programs as follows:

**Liability Limits**

- \$1,000,000 general liability including malpractice, each occurrence or wrongful act
- \$1,000,000 personal and advertising injury
- \$1,000,000 fire damage legal liability
- \$10,000 medical expense (each accident)
- \$10,000,000 general aggregate
- \$10,000,000 products/completed operations annual aggregate
- \$1,000,000 management liability
- \$1,000,000 cyber liability
- \$1,000,000 auto liability
- \$500,000 garagekeepers legal liability
- \$10,000,000 umbrella liability

**Note 1 - Organization and Significant Accounting Policies:**

**Significant Accounting Policies (Continued)**

**Risk Management (Continued)**

**Property Limits**

- Buildings – not to exceed scheduled value on file
- Contents – not to exceed scheduled value on file
- Crime – \$1,000,000 employee dishonesty coverage

The District pays annual premiums for this coverage. They are subject to retrospective adjustments based on claims experienced. The nature and amounts of the adjustments cannot be estimated and are charged to expense as incurred. The District's insurance expense was \$15,324 for the year ended June 30, 2019. There were no instances in the past three years where a settlement exceeded the District's coverage.

**Pensions and Other Post-Employment Benefits**

The District does not provide a pension program or other post-employment benefits (OPEB). The District administers a voluntary 457(b) (Deferred Compensation) program for its employees to contribute. There is no match and none of the assets of the 457(b) plan are the property of the District.

**Compensated Absences**

The District does not allow carryover of vacation or sick leave benefits. Unused vacation or sick leave at fiscal year-end is part of the final payroll of the District's fiscal year-end.

**Deferred Outflows of Resources and Deferred Inflows of Resources**

Deferred outflows of resources and deferred inflows of resources are defined as a consumption of net assets by the District that is applicable to a future period and an acquisition of net assets by the District that is applicable to a future reporting period respectively.

**Interfund Activity**

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line of the government-wide statement of net assets.

**VALLEY CENTER FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019**

### Note 1 - Organization and Significant Accounting Policies:

### Significant Accounting Policies (Continued)

### Fund Balances - Governmental Funds

The fund balances of the governmental funds are classified as follows at June 30, 2019:

- Restricted** - Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

**Committed** - Amounts that can be used only for specific purposes determined by a formal action of the Board of Directors. The Board Directors is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board of Directors.

Assigned - Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes.

Unassigned - All other spendable amounts.

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 necessary. When either committed, assigned, or unassigned resources are available for use, it is the District's policy to use committed resources first, followed by assigned and then unassigned amounts.

Fair value accounting standards define fair value, establish a framework for measuring fair value, outline a fair value hierarchy based on inputs used to measure fair value and enhance disclosure requirements for fair value measurements. The fair value hierarchy distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Level 1 or 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

- **Level 1** inputs are quoted prices in active markets for identical investments that the investment manager has the ability to access at the measurement date.
- **Level 2** inputs are inputs other than quoted prices included within **Level 1** that are observable for the investment, either directly or indirectly.
- **Level 3** inputs are unobservable inputs for the investment.

In preparing these financial statements, the District has evaluated events and transactions for potential recognition or disclosure through October 31, 2019, the date the financial statements were available to be issued.

Cash and investments held by the District were comprised of the following at June 30, 2019:

### Cash in County Treasury

The District maintains its cash in the San Diego County Treasury as part of the common investment pool (\$2,357,583 at June 30, 2019). The county pools these funds with those of other Districts in the County and invests the cash. Cash may be added or withdrawn from the investment pool without limitation. Interest earned is deposited quarterly into the participating funds. Any investment losses are shared by all funds in the pool. The fair value of the District's portion of this pool as of that date, as provided by the pool sponsor, was \$2,356 million. The underlying asset rating based on Fitch ranges from AA- to AAA.

**Note 2 - Cash and Cash Equivalents: (Continued)**

**Cash in County Treasury (Continued)**

The County Treasurer's pool consist of the following as of June 30, 2019:

Federal Agency Securities	27.79%
Commercial Paper	22.15%
Certificate of Deposit	18.27%
Supranationals	9.98%
Assets Backed Securities	7.20%
Medium-Term Notes	5.82%
Treasury Coupon Securities	4.78%
Money Market Accounts	3.89%
Bank Deposit	0.12%
	<u>100.00%</u>

**Disclosures Relating to Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by holding only cash and cash equivalents.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided in the previous table that shows the distribution of the District's investments by maturity as of June 30, 2019.

**Disclosures Relating to Credit Risk**

Generally, 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. Presented below is the actual rating as of the year end for each investment type.

Cash in County Treasury	Not Rated
Deposits with Financial Institutions	Not Applicable

**Concentration of Credit Risk**

Concentration of credit is the risk of loss attributed to the magnitude to the District's investment in a single issue.

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. The District holds no investments in any one issuer (other than external investment pools) that represent 5% or more of total District investments.

**Note 2 - Cash and Cash Equivalents: (Continued)**

**Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District 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 custodial credit risk for investments is the risk that, in the event of the failure of the counter-party (e.g., broker-dealer) the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local government 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. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

At June 30, 2019, none of the District's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts. At June 30, 2019, no District investments were held by the same broker-dealer (counterparty) that was used by the District to buy the securities.

**Investment Accounting Policy**

The District is required by GASB Statement No. 31 *Accounting and Financial Reporting for Certain Investments and for External Investment Pools* to disclose its policy for determining which investments, if any, are reported at amortized cost. The District's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earnings investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value.

The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

The District's investments in external investment pools are reported at an amount determined by the fair value per share of the pool's underlying portfolio, unless the pool is 2a7-like, in which case they are reported at share value. A 2a7-like pool is one which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the investment Company Act of 1940.

**VALLEY CENTER FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**Note 3 - Accounts Receivable:**

Accounts receivable consist of the following at June 30, 2019:

	General Fund	Mitigation Fund	Total
Cost recovery	\$ 50,801	\$ -	\$ 50,801
Mitigation fees	-	33,814	33,814
Grants	30,530	-	30,530
Dispatch fees	26,437	-	26,437
Paramedic funding	16,022	-	16,022
Benefit fees	4,770	-	4,770
Property taxes	2,875	-	2,875
Inspection fees	2,555	-	2,555
CDF fees	2,551	-	2,551
Other receivables	541	-	541
	<u>\$ 137,082</u>	<u>\$ 33,814</u>	<u>\$ 170,896</u>

**Note 4 - Capital Assets:**

Capital assets consist of the following at June 30, 2019:

	Balance at June 30, 2018	Additions	Deletions	Balance at June 30, 2019
<b>Capital Assets Not Being Depreciated:</b>				
Land	\$ 151,600	-	-	\$ 151,600
Total Capital Assets Not Being Depreciated	<u>151,600</u>	<u>-</u>	<u>-</u>	<u>151,600</u>
<b>Capital Assets Being Depreciated:</b>				
Structures and improvements	1,211,691	-	-	1,211,691
Engines and vehicles	2,420,376	90,244	-	2,510,620
Furniture and equipment	1,217,773	273,269	-	1,491,042
Total Capital Assets Being Depreciated	<u>4,849,840</u>	<u>363,513</u>	<u>-</u>	<u>5,213,353</u>
<b>Less Accumulated Depreciation For:</b>				
Structures and improvements	(1,108,012)	(13,716)	-	(1,121,728)
Engines and vehicles	(1,533,681)	(109,706)	-	(1,643,387)
Furniture and equipment	(1,056,381)	(62,987)	-	(1,119,368)
Total Accumulated Depreciation	<u>(3,698,074)</u>	<u>(186,409)</u>	<u>-</u>	<u>(3,884,483)</u>
Net Capital Assets Being Depreciated	<u>1,151,766</u>	<u>177,104</u>	<u>-</u>	<u>1,328,870</u>
<b>Net Capital Assets</b>	<b>\$ 1,303,366</b>	<b>\$ 177,104</b>	<b>\$ -</b>	<b>\$ 1,480,470</b>

**VALLEY CENTER FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**Note 5 - Noncurrent Liabilities:**

Noncurrent liabilities consist of the following at June 30, 2019:

	Balance at June 30, 2018	Additions	Deletions	Balance at June 30, 2019	Payable Within 1 Year	Payable After 1 Year
Capital lease payable	\$ 97,979	\$ -	\$ (97,979)	\$ -	\$ -	\$ -

On August 20, 2013, the District acquired a fire truck using the proceeds of a lease with option to purchase between First Municipal Leasing Corporation as lessee and the District as lessor. The capital lease payable calls for annual payments of \$100,774 commencing August 20, 2014 and maturing August 20, 2018. For financial reporting purposes, minimum lease payments related to the fire truck have been capitalized and included in capital assets in the statement of net position. The fire truck under capital lease has a cost of \$460,000, net of accumulated depreciation of \$150,778 at June 30, 2019.

**Note 6 - Operating Leases:**

The District has entered into a noncancelable operating lease for a copier with a lease term in excess of one year. The agreement contain no purchase option. Rent expense under this lease totaling \$2,874 is included in office expenses. Future minimum lease payments, under this agreement, are as follows:

Year Ended June 30	Minimum Lease Payments
2020	\$ 5,748
2021	5,748
2022	5,748
2023	5,748
2024	2,874
<b>Total</b>	<b>\$ 25,866</b>

In addition, the District also leases two modular building units on a month-to-month basis. Rent expense under this lease totaling \$9,090 is included in maintenance.

**Note 7 - Deferred Compensation Plan:**

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all District employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

VALLEY CENTER FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019

Note 8 - Joint Ventures (Joint Powers Agreements):

The District entered into a joint powers agreement (JPA) known as and designated "Fire Agencies Insurance Risk Authority" (FAIRA) a self-insurance plan for general liability insurance. Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to their participation in FAIRA. FAIRA is governed by an 11 member Board elected by a vote of the members. One seat is reserved for the highest premium member and one seat is reserved for an elected member from the State of Nevada.

The Board controls the operations of the FAIRA, including selection of management and approval of operation budgets, independent of any influence by the member districts beyond their representation on the Board. Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to their participation in the FAIRA.

The JPA is a separate entity which is independently audited. The financial transactions of the JPA are not included in this report because the District has a minority voting interest and no administrative authority.

Note 9 - New Governmental Accounting Standards:

GASB No. 83

In November 2016, the Governmental Accounting Standards Board issued Statement No. 83 "Certain Asset Retirement Obligations". The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier Application is encouraged. This pronouncement did not have a material effect on the financial statements of the District in the year of implementation.

GASB No. 84

In January 2017, the Governmental Accounting Standards Board issued Statement No. 84 "Fiduciary Activities". The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier Application is encouraged. The District has not determined the effects of this pronouncement on the financial statements of the District in the year of implementation.

GASB No. 86

In May 2017, the Governmental Accounting Standards Board issued Statement No. 86 "Certain Debt Extinguishment Issues". The requirements of this Statement are effective for reporting periods beginning after December 15, 2017. Earlier Application is encouraged. This pronouncement did not have a material effect on the financial statements of the District in the year of implementation.

GASB No. 87

In June 2017, the Governmental Accounting Standards Board issued Statement No. 87 "Leases". The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. The District has not determined the effects of this pronouncement on the financial statements of the District in the year of implementation.

VALLEY CENTER FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019

Note 9 - New Governmental Accounting Standards: (Continued)

GASB No. 88

In April 2018, the Governmental Accounting Standards Board issued Statement No. 88 "Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements". The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged. This pronouncement did not have a material effect on the financial statements of the District in the year of implementation.

GASB No. 89

In June 2018, the Governmental Accounting Standards Board issued Statement No. 89 "Accounting for Interest Cost Incurred before the End of a Construction Period". The requirements of this Statement are effective for reporting periods beginning after December 14, 2019. Earlier application is encouraged. The District has not yet determined the effects of this pronouncement on the financial statements of the District in the year of implementation.

GASB No. 90

In August 2018, the Governmental Accounting Standards Board issued Statement No. 90 "Majority Equity Interest-an amendment of GASB Statements No. 14 and No. 61". The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. The District has not yet determined the effects of this pronouncement on the financial statements of the District in the year of implementation.

GASB No. 91

In May 2019, the Governmental Accounting Standards Board issued Statement No. 91 "Conduit Debt Obligations". The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. The District has not determined the effects of this pronouncement on the financial statements of the District in the year of implementation.



**VALLEY CENTER FIRE PROTECTION DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2019**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues:</b>				
Benefit fees	\$ 1,577,447	\$ 1,577,447	\$ 1,551,528	\$ (25,919)
Property taxes	549,246	549,246	545,464	(3,782)
CFD fees	354,348	354,348	364,857	10,509
Cost recovery income	59,650	59,650	203,498	143,848
Mercy Medical ALS fees	130,000	130,000	130,000	-
Paramedic funding	96,132	96,132	96,132	-
Fire prevention fees	63,000	63,000	57,454	(5,546)
Mercy Medical dispatch fees	42,000	42,000	39,402	(2,598)
Other income	-	-	26,710	26,710
Interest income	23,581	23,581	25,433	1,852
Grants	38,114	38,114	16,542	(21,572)
First responder fees	16,000	16,000	14,425	(1,575)
Donations	2,000	2,000	7,494	5,494
<b>Total Revenues</b>	<b>2,951,518</b>	<b>2,951,518</b>	<b>3,078,939</b>	<b>127,421</b>

(Continued)

**VALLEY CENTER FIRE PROTECTION DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2019**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Expenditures:</b>				
Current:				
Salaries	\$ 1,886,876	\$ 1,886,876	\$ 2,035,743	\$ (148,867)
Employee benefits and taxes	265,000	265,000	344,864	(79,864)
Dispatch fees	170,550	170,550	149,412	21,138
Mercy Medical charges	96,132	96,132	96,132	-
Maintenance	121,850	121,850	94,484	27,366
Professional fees	36,960	36,960	74,967	(38,007)
Utilities	73,420	73,420	70,031	3,389
Other expenses	73,827	73,827	48,428	25,399
Fuel	31,162	31,162	42,706	(11,544)
Discontinued projects, studies and assessments	-	-	42,428	(42,428)
Training	43,850	43,850	24,431	19,419
Radios and pagers	10,660	10,660	16,777	(6,117)
Insurance	13,160	13,160	15,324	(2,164)
Household	12,000	12,000	15,144	(3,144)
Medical supplies	16,500	16,500	14,798	1,702
Office expenses	17,200	17,200	13,410	3,790
Membership	13,125	13,125	12,908	217
Printing	10,000	10,000	12,157	(2,157)
Uniform	16,000	16,000	12,035	3,965
Awards	1,500	1,500	1,416	84
Safety	1,600	1,600	1,407	193
Bad debts	-	-	1,120	(1,120)
Bank charges	9,000	9,000	1,025	7,975
Capital outlay	586,489	586,489	153,293	433,196
Debt Service:				
Principal	48,990	48,990	48,990	-
Interest	175	175	175	-
<b>Total Expenditures</b>	<b>3,556,026</b>	<b>3,556,026</b>	<b>3,343,605</b>	<b>212,421</b>
Deficiency of Revenues Over Expenditures	(604,508)	(604,508)	(264,666)	339,842
<b>Other Financing Sources:</b>				
Transfers	-	-	24,721	24,721
Total Other Financing Sources	-	-	24,721	24,721
Net Change in Fund Balance	\$ (604,508)	\$ (604,508)	(239,945)	\$ 364,563
Fund Balance at Beginning of Year			2,318,972	
<b>FUND BALANCE AT END OF YEAR</b>			<b>\$ 2,079,027</b>	

VALLEY CENTER FIRE PROTECTION DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE - MITIGATION FUND  
FOR THE YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues:</b>				
Mitigation fees	\$ 439,866	\$ 439,866	\$ 91,210	\$ (348,656)
Interest income	11,000	11,000	13,951	2,951
<b>Total Revenues</b>	<b>450,866</b>	<b>450,866</b>	<b>105,161</b>	<b>(345,705)</b>
<b>Expenditures:</b>				
Capital outlay	439,866	439,866	210,220	229,646
Debt Service:				
Principal	48,989	48,989	48,989	-
Interest	175	175	175	-
<b>Total Expenditures</b>	<b>489,030</b>	<b>489,030</b>	<b>259,384</b>	<b>229,646</b>
Excess (Deficiency) of Revenues Over Expenditures	(38,164)	(38,164)	(154,223)	(116,059)
<b>Other Financing Sources:</b>				
Transfers in	-	-	(24,721)	(24,721)
<b>Total Other Financing Uses</b>	<b>-</b>	<b>-</b>	<b>(24,721)</b>	<b>(24,721)</b>
Net Change in Fund Balance	\$ (38,164)	\$ (38,164)	(178,944)	\$ (140,780)
Fund Balance at Beginning of Year			928,769	
<b>FUND BALANCE AT END OF YEAR</b>			<b>\$ 749,825</b>	

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VALLEY CENTER FIRE PROTECTION DISTRICT  
OTHER SUPPLEMENTARY INFORMATION  
ORGANIZATION STRUCTURE  
JUNE 30, 2019

The Valley Center Fire Protection District (District), was formed as a fire protection district in 1982, and operates under the Health and Safety Code Sections 13801-13999 of the State of California and provides fire protection services to approximately 87 square miles in Valley Center, California. The activities of the District are supervised by a board consisting of five (5) Directors who are elected to a four (4) year term. Directors who are appointed serve a two (2) year term.

Board of Directors for the fiscal year ended June 30, 2019, was comprised of the following members:

<u>Name</u>	<u>Office</u>	<u>Years of Term</u>	<u>Term Expiration</u>
Phil Bell	President	4	2022
Steve Hutchison	Vice President	4	2022
Jim Wold	Director	4	2020
Jeremy Abrams	Secretary	4	2022
Mike O'Connor	Treasurer	4	2020
<b>Administration</b>			
<b>Name</b>	<b>Position</b>		
Josef Napier	Fire Chief		

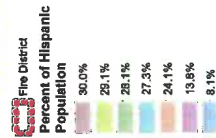
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VALLEY CENTER FIRE PROTECTION DISTRICT  
 OTHER SUPPLEMENTARY INFORMATION  
 ASSESSED VALUATION  
 JUNE 30, 2019

<u>Assessed Valuation:</u>	
Secured property	\$ 2,591,375,108
Unsecured property	18,256,255
Total Assessed Valuation	<u>\$ 2,609,631,363</u>

**Voting Blocks**

- Voter Area 5 (1,091)
- Voter Area 4 (1,700)
- Voter Area 3 (1,617)
- Voter Area 2 (1,645)
- Voter Area 1 (1,804)



Date: 12/14/2018

**RESOLUTION NO. 2019-06**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE VALLEY CENTER FIRE PROTECTION DISTRICT  
AUTHORIZING A STUDY TO IDENTIFY  
VCFPD VOTER DISTRICTS**

**WHEREAS**, the Valley Center Fire Protection District recognizes the need to be in compliance with CVRA-AB182; and

**WHEREAS**, the Valley Center Fire Protection District is approving the creation of Voter District boundaries set by a voter demographic study to comply with CVRA-AB182; and

**WHEREAS**, the Valley Center Fire Protection District is approving staff to contract a voter demographic study to create a District Voter Boundary Map to be presented at a regular meeting upon its completion showing the Valley Center Fire Protection District Voter District boundaries; and

**WHEREAS**, upon completion of the Valley Center Voter District Boundary Study, the study and map boundaries will be provided in two public hearings before and two after the formation of proposed district voter boundaries are accepted; and

**NOW, THEREFORE**, the Valley Center Fire Protection District resolves that it will provide the San Diego County Registrar of Voters Office said Voter Districts from the study in time to be in place and active before the regular elections on November 10, 2020.

Introduced, approved and adopted by the Board of Directors of the Valley Center Fire Protection District this 18<sup>th</sup> day of April, 2019 by the following roll call vote:

AYES: 4 - Bell, Hurrenson, Wadsworth

NOES: 0

ABSENT: 1 - Abrams

ABSTAINING: 0

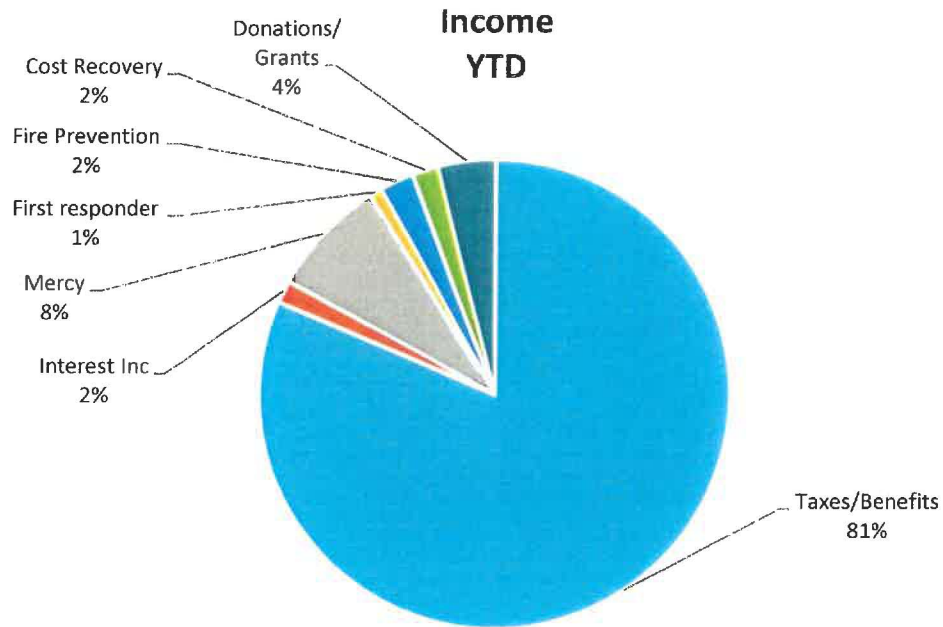
*Phil Bell*  
Phil Bell, President

*Jeremy Abrams*  
Jeremy Abrams, Secretary



**VCFPD**  
**Fiscal Recap**  
as of January 31, 2020

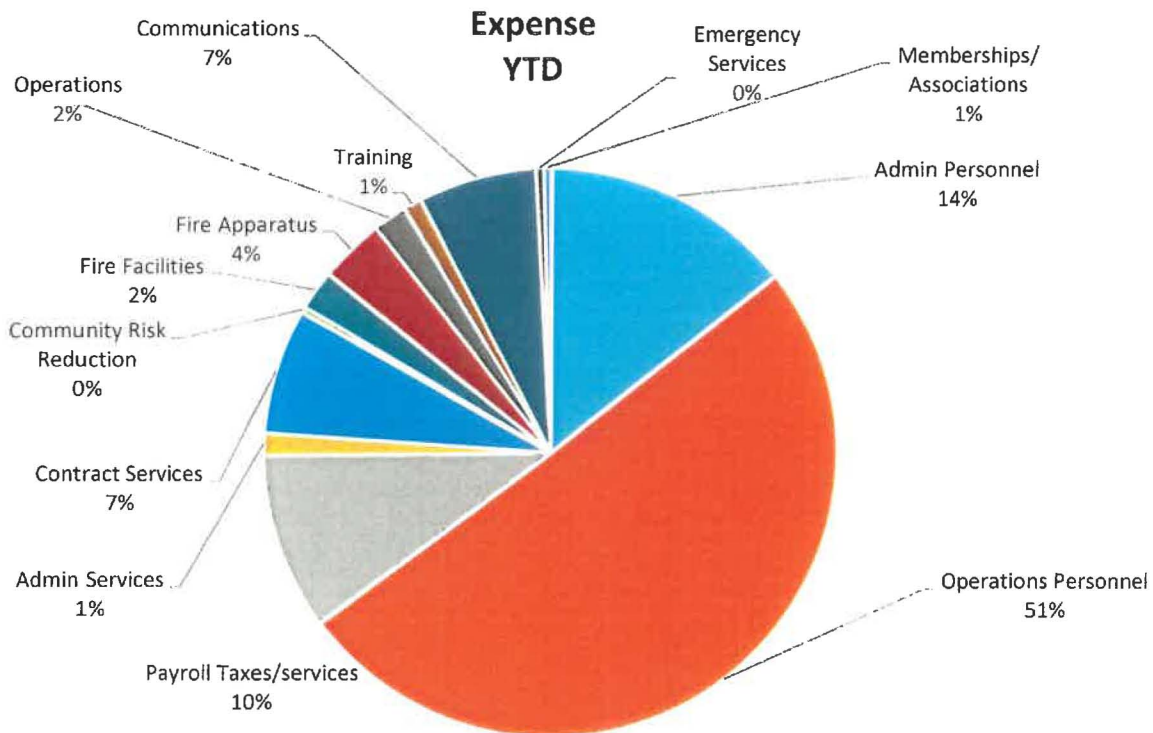
			Total Received	Total Budget	Variance	Percent
		Jan 20	Jul '19 - Jun '20	Jul '19 - Jun '20		
<b>Income</b>						
4000	Taxes/Benefits	821,379.18	1,420,601.21	2,584,520.11	-1,163,918.90	55%
4040	Interest Inc	3,120.31	26,912.77	23,000.00	3,912.77	117%
4050	Mercy	18,844.33	139,440.57	268,132.00	-128,691.43	52%
4060	First responder		15,260.00	14,500.00	760.00	105%
4070	Fire Prevention	8,415.00	40,334.15	63,000.00	-22,665.85	64%
4080	Cost Recovery	7,732.15	32,025.21	62,150.00	-30,124.79	52%
4090	Donations/Grants/other	68,419.00	70,095.00	42,114.00	27,981.00	166%
<b>Total Income -</b>		<b>927,909.97</b>	<b>1,744,668.91</b>	<b>3,057,416.11</b>	<b>-1,312,747.20</b>	<b>57%</b>





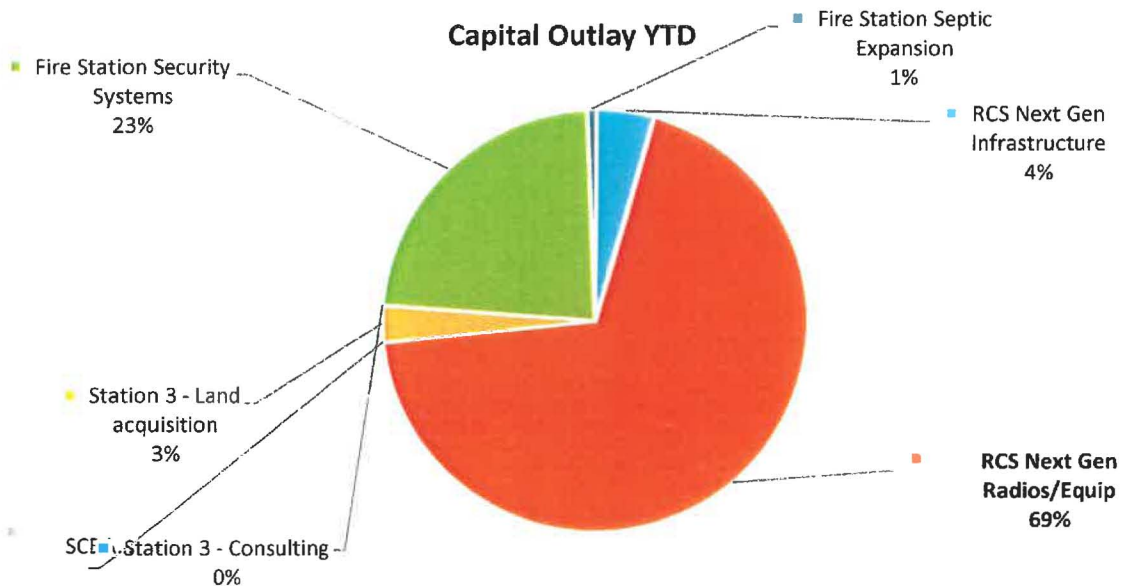
**VCFPD**  
**Fiscal Recap**  
as of January 31, 2020

Expense			Total Expenses	Total Budget	Variance	Percent
		Jan 20	Jul '19 - Jun '20	Jul '19 - Jun '20		Spent
5000	Admin Personnel	36,864.58	261,861	451,224	-189,362	58%
5010	Operations Personnel	171,789.51	920,905	1,581,330	-660,425	58%
5020	Payroll Taxes/services	34,260.34	183,293	280,000	-96,707	65%
5100	Admin Services	1,082.50	22,810	48,000	-25,190	48%
5110	Contract Services	9,607.62	129,930	211,262	-81,332	62%
5120	Community Risk Reduction	144.67	5,740	15,118	-9,378	38%
5130	Fire Facilities	4,835.08	41,026	88,280	-47,255	46%
5140	Fire Apparatus	8,936.51	66,809	91,800	-24,991	73%
5150	Operations	1,261.03	34,528	48,350	-13,822	71%
5160	Training	1,556.00	18,743	36,650	-17,907	51%
5170	Communications	4,026.00	122,463	172,428	-49,965	71%
5180	Emergency Services	1,746.75	7,594	15,500	-7,906	49%
5190	Memberships/Assoc	65.00	8,741	11,012	-2,271	79%
Total Expense		276,175.59	1,824,442	3,050,953	-1,226,511	60%
Net Income		651,734.38	-79,773			



**VCFPD**  
**Fiscal Recap**  
as of January 31, 2020

Other Expenses - Capital Outlay			Total Expenses	Total Budget	Variance	Percent
		Jan 20	Jul '19 - Jun '20	Jul '19 - Jun '20		Spent
85500	Engines/Equip - #7		0		0.00	0%
85501	Command Vehicle #16		0		0.00	0%
85502	Investigator Vehicle #17		0		0.00	0%
85600	RCS Next Gen Infrastructure	882.00	6,174	11,000.00	-4,826.00	56%
85601	RCS Next Gen Radios/Equip		98,714	98,714.00	0.22	100%
85700	SCBA		0	106,000.00	-106,000.00	0%
85800	Station 3 - Land acquisition		4,004	90,000.00	-85,995.70	4%
85801	Station 3 - Consulting		0	90,000.00	-90,000.00	0%
85900	Fire Station Security Systems		33,150	15,000.00	18,149.71	221%
85910	Fire Station Septic Expansion		951	30,000.00	-29,048.90	3%
85930	Fire Station LED Conversion			3,000.00	-3,000.00	0%
<b>Total Capital Outlay:</b>		<b>882.00</b>	<b>142,993.33</b>	<b>443,714.00</b>	<b>-300,720.67</b>	



**BANK BALANCES:**

**Jan-20**

Cash Reserves:	\$ 111,007.15
Petty Cash	\$ 352.60
CB&T Foundation	\$ 1,650.00
CB&T Explorer Funds	\$ 4,216.25
Payroll Account	\$ 330,560.44
General Fund	\$ 1,301,906.16
Mitigation Fund	\$ 727,466.58
CFD 08-01	\$ 146,847.01
<b>Total Cash In Bank:</b>	<b>\$ 2,624,006.19</b>



RESOLUTION 2020-01

CFD 2008-1 - Annexation

PROPERTY APN: 188-350-03-00

PROPERTY ADDRESS: 16043 Wizard Way

ACREAGE: 5.54



**RESOLUTION NO. 2020-01**  
**A RESOLUTION OF INTENTION**  
**OF THE BOARD OF DIRECTORS OF THE VALLEY CENTER FIRE PROTECTION DISTRICT**  
**TO ANNEX TERRITORY TO COMMUNITY FACILITIES DISTRICT NO. 2008-1**  
**AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES THEREIN**

WHEREAS, under the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at section 53311 of the California Government Code, the Board of Directors (the "Board") of the Valley Center Fire Protection District (the "District") has conducted proceedings to establish Community Facilities District No. 2008-1 (the "CFD"), and

WHEREAS, the Board is the legislative body for the CFD and is empowered with the authority to annex territory to the CFD and now desires to undertake proceedings to annex territory to the CFD, and

WHEREAS, a petition requesting institution proceedings to annex territory to Community Facilities District No.2008-1 District has been received from landowners owning not less that 10% of the proposed land to be annexed to the CFD, and

WHEREAS, the petition dated January 28, 2020 has been found to meet the requirements of Government Code section 53319, and

WHEREAS, this Board, having received indications of interest from the owner of the areas of land proposed to be annexed to the CFD, now desires to proceed with the annexation to the CFD in order to finance the balance of the costs of certain public services and facilities necessary or incident to development in the CSD.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Valley Center Fire Protection District as follows:

1. This Board hereby finds and determines that public convenience and necessity require that territory be added to the CFD be formed and that the Board is authorized to conduct proceedings for the annexation of territory to the CFD pursuant to the Act.
2. The name of the existing CFD is "Community Facilities District No. 2008-1."
3. The territory included in the existing CFD is as shown on the map thereof filed in Book 42 of Maps of Assessment and Community Facilities Districts at Page 27 in the office of the County Recorder, County of San Diego, State of California to which map reference is hereby made for further particulars. The territory now proposed to be annexed to the CFD is as shown on Annexation Map No.2 to the CFD on file with the Clerk of the Board, the boundaries of which territory are hereby preliminarily approved and which map is incorporated in full herein by reference. The Clerk of the Board is hereby directed to record, or cause to be recorded, said map showing the territory to be annexed to the CFD in the office of the County Recorder of the County of San Diego within fifteen days of the date of adoption of this Resolution.

4. The types of services financed by the CFD and pursuant to the Act consist of those services (the "Services") described in Exhibit A to Resolution 2008-09, adopted by the Board on May 29, 2008 (the "Resolution of Formation"). It is presently intended that the Services will be shared, without preference or priority, by the existing territory in the CFD and the territory proposed to be annexed to the CFD.

5. Except to the extent that the funds are otherwise available to the CFD to pay for the Services, a special tax sufficient to pay the costs thereof is intended to be levied annually within the CFD and collected in the same manner and at the same time as ordinary *ad valorem* property taxes. The proposed rate and method of apportionment of the special tax among the parcels of real property within the CFD, as now in existence and following the annexation proposed herein, in sufficient detail to allow each landowner within the territory proposed to be annexed to the CFD to estimate the maximum amount such owner will have to pay are described in detail in Exhibit A attached to the Resolution of Formation, which by this reference is incorporated herein.

6. The Board shall hold a public hearing (the "Hearing") on the annexation of territory to the CFD and the proposed Rate and Method of Apportionment at 6 p.m., or as soon thereafter as practicable, on March 19, 2020, at the Valley Center Municipal Water District, at 29300 Valley Center Road, Valley Center, California. At the hearing, the Board will consider and finally determine whether the public interest, convenience and necessity require the annexation of territory to the CFD. Should the Board determine to annex territory to the CFD, a special election will be held to authorize the levy of the special tax in accordance with the procedures contained in Government Code section 53326. If held, the proposed voting procedure at the election is expected to be a landowner vote with each landowner of record as of the close of the Hearing having one vote for each acre of land or portion thereof owned within the territory to be annexed to the CFD. Ballots for the special election may be distributed by mail or by personal service. At the time and place set forth above for the Hearing, any interested person, including all persons owning lands or registered to vote within the proposed CFD, may appear and be heard.

7. The District may accept advances of funds or work-in-kind from any source, including, but not limited to, private persons or private entities, for any authorized purpose, including, but not limited to, paying any cost incurred by the District in the annexation of territory to the CFD. The District may enter into an agreement with the person or entity advancing the funds or work-in-kind, to repay all or a portion of the funds advanced, or to reimburse the person or entity for the value, or cost, whichever is less, of the work-in-kind, as determined by this Board, with or without interest.

8. The District Secretary is hereby directed to cause notice of the public hearing to be given by publication one time in a newspaper published in the area of the CFD. The publication shall be completed at least seven days before the date of the public hearing in Section 6. The Secretary shall also cause notice of the hearing to be given to each property owner within the CFD by first class mail, postage prepaid, to each such owner's addresses as it appears on the most recent tax records of the District or as otherwise known to the Secretary to be correct. Such mailed notice shall be completed not less than fifteen days before the date of the public hearing. Each of the notices shall be substantially in the form specified in section 53322 of the Act, with the form summarizing the provisions hereof hereby specifically approved.

9. Except as may otherwise be provided by law or by the rate and method of apportionment of the special tax for the CFD, all lands owned by any public entity, including the United States, the State of California and/or the District, or any departments or political subdivisions thereof, shall be omitted from the levy of the Special Tax to be made to cover the costs and expenses of the Services and the CFD. In the event that a portion of the property within the CFD shall become for



any reason exempt, wholly or in part, from the levy of the special tax, this Board will, on behalf of the CFD, increase the levy to the extent necessary upon the remaining property within the CFD that is not exempt in order to yield the required revenues to pay for the Services and other annual expenses of the CFD, if any, subject to the provisions of the rate and method of apportionment of the special tax.

10. The officers, employees and agents of the District are hereby authorized and directed to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution.

PASSED AND ADOPTED by the Board of Directors of the Valley Center Fire Protection District on the 20<sup>th</sup> day of February, 2020 by the following vote:

Ayes:

Noes:

Absent:

Abstain:

ATTEST:

\_\_\_\_\_  
President, Board of Directors

\_\_\_\_\_  
Secretary, Board of Directors

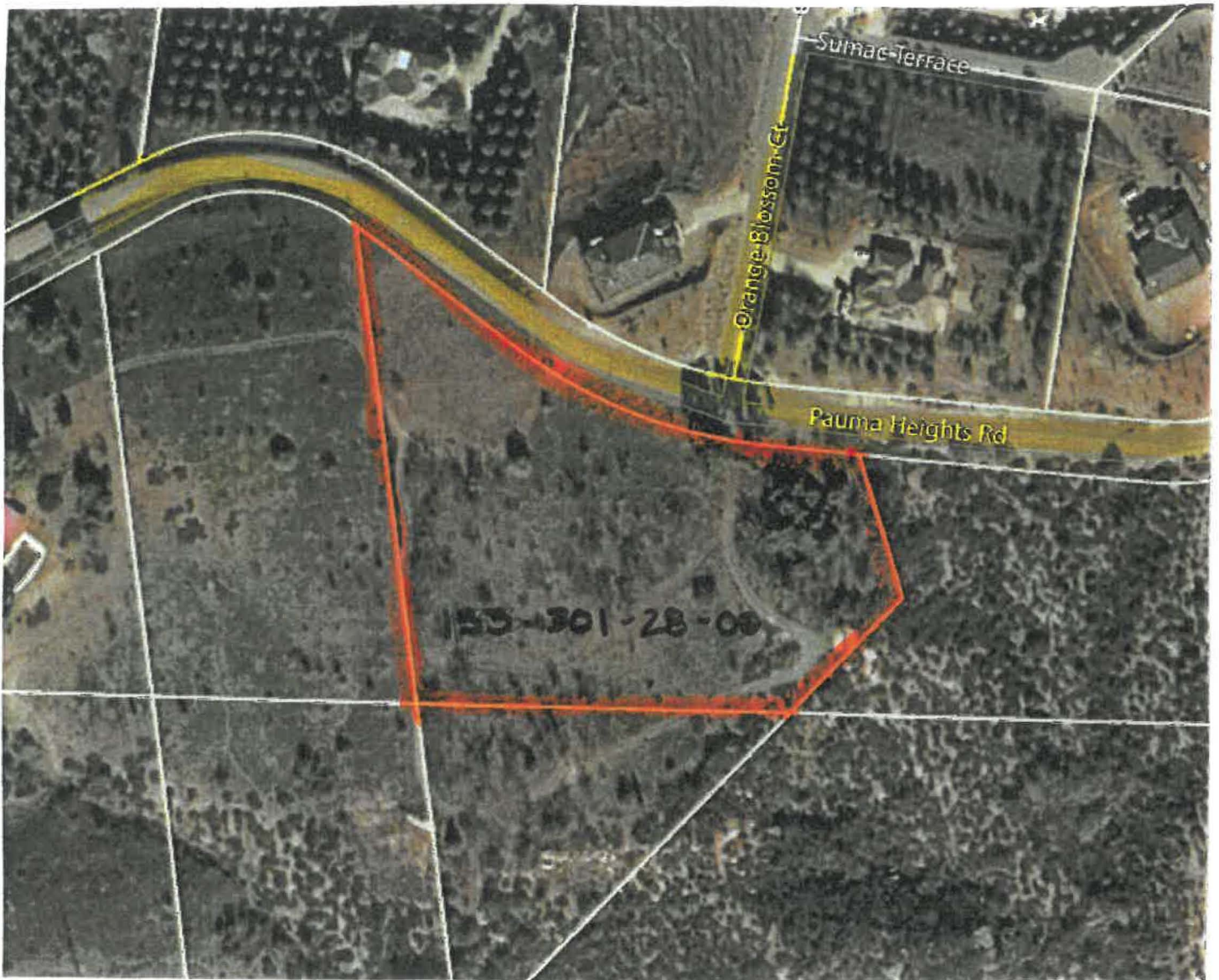
RESOLUTION 2020-02

CFD 2008-1 – Annexation

PROPERTY APN: 133-301-28-00

PROPERTY ADDRESS: 31327 Pauma Heights Rd

ACREAGE: 3.84



**RESOLUTION NO. 2020-02**  
**A RESOLUTION OF INTENTION**  
**OF THE BOARD OF DIRECTORS OF THE VALLEY CENTER FIRE PROTECTION DISTRICT**  
**TO ANNEX TERRITORY TO COMMUNITY FACILITIES DISTRICT NO. 2008-1**  
**AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES THEREIN**

WHEREAS, under the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at section 53311 of the California Government Code, the Board of Directors (the "Board") of the Valley Center Fire Protection District (the "District") has conducted proceedings to establish Community Facilities District No. 2008-1 (the "CFD"), and

WHEREAS, the Board is the legislative body for the CFD and is empowered with the authority to annex territory to the CFD and now desires to undertake proceedings to annex territory to the CFD, and

WHEREAS, a petition requesting institution proceedings to annex territory to Community Facilities District No.2008-1 District has been received from landowners owning not less that 10% of the proposed land to be annexed to the CFD, and

WHEREAS, the petition dated February 7, 2020 has been found to meet the requirements of Government Code section 53319, and

WHEREAS, this Board, having received indications of interest from the owner of the areas of land proposed to be annexed to the CFD, now desires to proceed with the annexation to the CFD in order to finance the balance of the costs of certain public services and facilities necessary or incident to development in the CSD.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Valley Center Fire Protection District as follows:

1. This Board hereby finds and determines that public convenience and necessity require that territory be added to the CFD be formed and that the Board is authorized to conduct proceedings for the annexation of territory to the CFD pursuant to the Act.
2. The name of the existing CFD is "Community Facilities District No. 2008-1."
3. The territory included in the existing CFD is as shown on the map thereof filed in Book 42 of Maps of Assessment and Community Facilities Districts at Page 27 in the office of the County Recorder, County of San Diego, State of California to which map reference is hereby made for further particulars. The territory now proposed to be annexed to the CFD is as shown on Annexation Map No.2 to the CFD on file with the Clerk of the Board, the boundaries of which territory are hereby preliminarily approved and which map is incorporated in full herein by reference. The Clerk of the Board is hereby directed to record, or cause to be recorded, said map showing the territory to be annexed to the CFD in the office of the County Recorder of the County of San Diego within fifteen days of the date of adoption of this Resolution.



4. The types of services financed by the CFD and pursuant to the Act consist of those services (the "Services") described in Exhibit A to Resolution 2008-09, adopted by the Board on May 29, 2008 (the "Resolution of Formation"). It is presently intended that the Services will be shared, without preference or priority, by the existing territory in the CFD and the territory proposed to be annexed to the CFD.

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7. The District may accept advances of funds or work-in-kind from any source, including, but not limited to, private persons or private entities, for any authorized purpose, including, but not limited to, paying any cost incurred by the District in the annexation of territory to the CFD. The District may enter into an agreement with the person or entity advancing the funds or work-in-kind, to repay all or a portion of the funds advanced, or to reimburse the person or entity for the value, or cost, whichever is less, of the work-in-kind, as determined by this Board, with or without interest.

8. The District Secretary is hereby directed to cause notice of the public hearing to be given by publication one time in a newspaper published in the area of the CFD. The publication shall be completed at least seven days before the date of the public hearing in Section 6. The Secretary shall also cause notice of the hearing to be given to each property owner within the CFD by first class mail, postage prepaid, to each such owner's addresses as it appears on the most recent tax records of the District or as otherwise known to the Secretary to be correct. Such mailed notice shall be completed not less than fifteen days before the date of the public hearing. Each of the notices shall be substantially in the form specified in section 53322 of the Act, with the form summarizing the provisions hereof hereby specifically approved.

9. Except as may otherwise be provided by law or by the rate and method of apportionment of the special tax for the CFD, all lands owned by any public entity, including the United States, the State of California and/or the District, or any departments or political subdivisions thereof, shall be omitted from the levy of the Special Tax to be made to cover the costs and expenses of the Services and the CFD. In the event that a portion of the property within the CFD shall become for

any reason exempt, wholly or in part, from the levy of the special tax, this Board will, on behalf of the CFD, increase the levy to the extent necessary upon the remaining property within the CFD that is not exempt in order to yield the required revenues to pay for the Services and other annual expenses of the CFD, if any, subject to the provisions of the rate and method of apportionment of the special tax.

10. The officers, employees and agents of the District are hereby authorized and directed to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution.

PASSED AND ADOPTED by the Board of Directors of the Valley Center Fire Protection District on the 20<sup>th</sup> day of February, 2020 by the following vote:

Ayes:

Noes:

Absent:

Abstain:

ATTEST:

\_\_\_\_\_  
President, Board of Directors

\_\_\_\_\_  
Secretary, Board of Directors



## **STAFF REPORTS**

**BOARD OF DIRECTORS' PACKET**  
**VALLEY CENTER FIRE PROTECTION DISTRICT**

## **Mercy Summary - January 2020**

Total Calls	498
Cancelled En Route	82
Total Responses	416
Non-Compliant Responses	19
Exemptions Granted	3
Compliant Responses	482
Compliance %	97%
Treated Or Cancelled On Scene	159
Transports	257
Average Response Time	0:11:11



## **VALLEY CENTER FIRE PROTECTION DISTRICT**

Administrative Office & Fire Prevention Bureau

28234 Lilac Road

Valley Center, CA 92082

Tel: 760-751-7600 Fax: 760-749-3892 Website: [vcfpd.org](http://vcfpd.org)

February 20, 2020

### **Fire Chief's Report Valley Center Fire Protection District Board**

1. The Valley Center Fire Department has been very involved in the community events included: Emergency Responses, Customer Service, Local Training and Regional Training
2. ALS Program: New Field Care Audits Set for 2020
3. Operational Area Update: CFAA Contract Extended through 2020
4. Local and Regional Training: Communication Failure Protocols
5. Cal Fire Valley Center Battalion: Station 71 is operating with 2 administrative Captains for burn permits. USAR 12 Training Scheduled with Deer Springs
6. Law Enforcement / Fire Interagency Operations: School Emergency Plan Review
7. The USA RFP: Still waiting for announcements from County EMS
8. Land Acquisition: All of the signatures have been collected and we are ready to sign and go into escrow for phase 1 testing and lot line adjustments.
9. CVRA Districting Study is still in process with SANDAG, County Registrar and Lynx Technologies

Fire Station #1  
28234 Lilac Road  
Valley Center, CA 92082

Fire Station #2  
28205 N. Lake Wohlford Road  
Valley Center, CA 92082

## **VCFPD OPERATIONAL REPORT: January 2020**

### **Monthly Incident Data:**

	VCFPD Station 1 E161	VCFPD Station 2 E162/OES	VCFPD Station 1 RA161	VCFPD Station 2 RS162	VCFPD Admin Command	VCFPD Admin Prevention	Auto Aid Received	Auto Aid Given	Total Incidents	Turnout Time	Travel Time	Response Time
	Total Incidents	Total Incidents	Total Incidents	Total Incidents	Total Incidents	Total Incidents	Total Incidents	Total Incidents	Total Unit Responses	90 <sup>th</sup> Percentile	90 <sup>th</sup> Percentile	90 <sup>th</sup> Percentile
JAN	78	42	79	50	5	3	35	28	156	0:02:03	0:15:46	0:16:27
FEB												
MAR												
APR												
MAY												
JUN												
JUL												
AUG												
SEP												
OCT												
NOV												
DEC												
Last Month	72	41	77	55	6	4	38	31	150	0:01:56	0:16:15	0:17:55
2019 Year to Date	1033	596	940	806	69	30	598	357	2091	0:1:47	0:16:10	0:16:55
2020 Year to Date	78	42	79	50	5	3	35	28	156	0:2:03	0:15:46	0:16:27
% Change										14%	-2%	-3%

### **Firefighters in the program: 25**

- Firefighter Driver Operators: 0
- Firefighter Paramedics: 9
- Firefighter EMTs: 16
- Fire Explorers: 10

### **Apparatus and Equipment:**

- **Station 1:** E-161 – In Service      E-169 – In Shop Status: In Service Reserve  
RA-161 – In Service
- C-1601 In Service
- C-1602 In Service
- C-1603 In Service
- P-1650 In Service
- P-1651 In Service
  
- **Station 2:** E-162 – In Service      E-168 – In Service Reserve  
RS-162 – In Service      OES WT62: In Service

**Special Training and Future Events:**

- Firefighter's Inaugural Gala: Valley View Casino, February 26, 2020
- Planning Group Evacuation Sub-Committee Meeting: February 27, 2020
- March 12, 2020: Irish Stew Cook-off
- March 14, 2020: San Diego St. Patrick's Day Parade: VCFFA E1 Participating
- New Ambulance Contract: April 1, 2020
- Valley Center Fire Safe Council: Next Chipping Day: April 11, 2020
- May 2020: Western Days Chili Cook-off, Parade and Rodeo
- June 20, 2020: Wildland Symposium at Community Center and Fire Station 1

**Legislative / Political Updates:**

None

**Grants/Awards:**

- SHSGP: 2019 Grant Application: \$ 10,000 Structure PPE: Approved
- SHSGP: 2020 Grant Application: \$ 14,150 Structure PPE
- UASI: 2020 Grant Application \$ 4200 for Succession Training: Approved
- 2019 Valley Center Greater Fire Safe Council: Roadside Mowing, Community Chipping, Community CPR and AED Classes
- County Neighborhood Reinvestment Grant Application: \$68,000. Plymovent awarded and the parts ordered for installation in March.

**Significant Incidents/Station Activities:**

- Structure Fire: 26953 Banbury Road: Attic Fire
- Structure Fire: 14085 Pauma Vista Drive: Electrical Fire
- Rescue Vehicle Traffic Collision: 14563 Woods Valley Road
- Rescue Vehicle Traffic Collision: 15954 Woods Valley Road
- 25276 Lake Wohlford Road: High Angle Rescue

**Trauma Intervention Program (TIP):**

- 1 TIP response for the month of January to Valley Center.

Josef G. Napier  
Fire Chief, Valley Center Fire Protection District,



## Community Risk Reduction Division Fire Marshal's Report

January 2020

Significant Events since last report:

- Grading complete for Park Circle, ongoing for Orchard Run. Park Circle is preparing to widen Old Road.
- Bear Peak Models and Phase 1-3 complete but not finalized yet. Final is waiting for electrical undergrounding in Park Circle. Phase 4 in progress.
- Miller Plaza - Preliminary Plans submitted and under review.
- Pallet Yard - Paid fine for non-compliance... Again.

Operations with the CRR Division:

- Weed Abatement/DSI:
  - Finishing up on last few follow-ups
  - Working on palm trees and groves still.
  - Planning next seasons process
- Plan reviews completed:
  - 4 Residential (New + Additions).
  - 6 Fire Sprinklers
  - 5 Commercial plan review
- Inspections:
  - 11 Overhead/Hydro
  - 2 code enforcement
  - 1 Smoke detector installation
  - 9 Fire Final
  - 0 Knox/Opticom opened, 0 closed.
  - 1 Home Safety inspections triggered by weed letters.
  - Pulsepoint: 7439 followers 2893 with CPR alerts enabled
- Volunteers
  - Volunteers have donated a total of 2400 hours in the program (Only 185 so far in 2020)

**OLD BUSINESS**

**BOARD OF DIRECTORS' PACKET**  
**VALLEY CENTER FIRE PROTECTION DISTRICT**

**VALLEY CENTER FIRE PROTECTION DISTRICT**  
**FINANCIAL STATEMENTS**  
**JUNE 30, 2019**



*Leaf & Cole, LLP*  
*Certified Public Accountants*



**VALLEY CENTER FIRE PROTECTION DISTRICT  
FINANCIAL STATEMENTS  
JUNE 30, 2019**

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Leaf & Cole, LLP  
Certified Public Accountants  
A Partnership of Professional Corporations

## **Independent Auditor's Report**

To the Board of Directors  
Valley Center Fire Protection District

We have audited the accompanying financial statements of the governmental activities and each major fund of Valley Center Fire Protection District, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Valley Center Fire Protection District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Valley Center Fire Protection District as of June 30, 2019, and the respective changes in financial position for the year ended in accordance with accounting principles generally accepted in the United States of America, as well as accounting systems prescribed by the State Controller's Office and state regulations governing special districts.

### **Other Matters**

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 to 7 and 32 to 33 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Valley Center Fire Protection District's basic financial statements. The other supplementary information, on pages 31 and 32 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The organization structure and assessed valuation have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

*Leaf & Cole LLP*

San Diego, California  
October 31, 2019

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

Our discussion and analysis of the financial performance of the Valley Center Fire Protection District (District) provides an overview of the District's financial activities for the year ended June 30, 2019. Please read it in conjunction with the District's financial statements, which begin on page 8.

### **Financial Highlights**

- The District's net position decreased by \$143,806 to \$4,309,322 during the fiscal year ended June 30, 2019.
- The District's total revenues increased from \$3,054,747 for the year ended June 30, 2018 to \$3,184,100 for the year ended June 30, 2019.
- The District's total expenses increased from \$3,200,469 for the year ended June 30, 2018 to \$3,327,906 for the year ended June 30, 2019. The largest increases can be found in salaries, professional fees, maintenance, dispatch fees and utilities.

### **Using This Annual Report**

This annual report consists of a series of financial statements. The statement of net position and the statement of activities (on pages 8 and 9) provide information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements start on page 10. For governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds.

### **Reporting the District as a Whole**

#### **The Statement of Net Position and the Statement of Activities**

One of the most important questions asked about the District's finances is, "Is the District as a whole better off or worse off as a result of the year's activities?" The statement of net position and the statement of activities report information about the District as a whole and about its activities 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 cash is received or paid.

These two statements report the District's net position and changes in them. You can think of the District's net position--the difference between assets and liabilities--as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position is one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the District's property tax base and the condition of the District's assets, to assess the overall health of the District.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Reporting the District's Most Significant Funds

#### Fund Financial Statements

The fund financial statements begin on page 10 and provide detailed information about the District's most significant funds.

- **Governmental Funds** - The District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general governmental operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds in reconciliations on pages 11 and 14.

### The District as a Whole

The District's combined net position decreased from \$4,453,128 a year ago to \$4,309,332 at June 30, 2019.

	<b>Net Position</b>		
	<u>2019</u>	<u>2018</u>	<u>Dollar Change</u>
<u>Assets:</u>			
Current assets	\$ 2,938,523	\$ 3,400,892	\$ (462,369)
Capital assets	<u>1,480,470</u>	<u>1,303,366</u>	<u>177,104</u>
Total Assets	<u>4,418,993</u>	<u>4,704,258</u>	<u>(285,265)</u>
<u>Liabilities:</u>			
Current liabilities	109,671	153,151	(43,480)
Noncurrent liabilities	<u>-</u>	<u>97,979</u>	<u>(97,979)</u>
Total Liabilities	<u>109,671</u>	<u>251,130</u>	<u>(141,459)</u>
<u>Net Position:</u>			
Net investment in capital assets	1,480,470	1,205,387	275,083
Unrestricted	<u>2,828,852</u>	<u>3,247,741</u>	<u>(418,889)</u>
Total Net Position	<u>\$ 4,309,322</u>	<u>\$ 4,453,128</u>	<u>\$ (143,806)</u>

As noted in the financial highlights above, net position decreased by \$143,806 from fiscal year 2018 to 2019. Net investment in capital assets increased by \$275,083 in fiscal year 2019. This increase is the result of investment in capital assets exceeding the District's depreciation expense in fiscal year 2019.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Revenues, Expenses and Changes in Net Position

The following is a summary of the District's revenues, expenses and changes in net position for the years ended June 30:

	<u>2019</u>	<u>2018</u>	<u>Dollar Change</u>
<u>Program Revenues:</u>			
Fees and charges for services	\$ 2,175,606	\$ 2,161,467	\$ 14,139
Operating grants and contributions	<u>193,438</u>	<u>254,623</u>	<u>(61,185)</u>
Total Program Revenues	<u>2,369,044</u>	<u>2,416,090</u>	<u>(47,046)</u>
<u>General Revenues:</u>			
Property taxes	545,464	514,623	30,841
Other income	230,208	92,140	138,068
Interest income	<u>39,384</u>	<u>31,894</u>	<u>7,490</u>
Total General Revenues	<u>815,056</u>	<u>638,657</u>	<u>176,399</u>
 Total Revenues	 <u>3,184,100</u>	 <u>3,054,747</u>	 <u>129,353</u>
<u>Program Expenses:</u>			
Fire protection	2,877,899	2,739,246	138,653
General administration	263,248	269,566	(6,318)
Interest	350	3,132	(2,782)
Unallocated depreciation	<u>186,409</u>	<u>188,525</u>	<u>(2,116)</u>
Total Program Expenses	<u>3,327,906</u>	<u>3,200,469</u>	<u>127,437</u>
 Change in Net Position	 (143,806)	 (145,722)	 1,916
 Net Position at Beginning of Year	 <u>4,453,128</u>	 <u>4,598,850</u>	 <u>(145,722)</u>
 Net Position at End of Year	 <u>\$ 4,309,322</u>	 <u>\$ 4,453,128</u>	 <u>\$ (143,806)</u>

A closer examination of the sources of changes in net position reveals that the District's operating and non-operating expenses, exclusive of depreciation, increased by \$129,553 in fiscal year 2019 due primarily to increased salaries of \$205,096, and decreased employee benefits and taxes of \$(61,523) and discontinued projects, studies and assessments of \$(59,673).

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### **Capital Assets**

Capital assets consist of the following at June 30:

	<u>2019</u>	<u>2018</u>	<u>Dollar Change</u>
<b><u>Capital Assets Not Being Depreciated:</u></b>			
Land	\$ 151,600	\$ 151,600	\$ -
Total Capital Assets Not Being Depreciated	<u>151,600</u>	<u>151,600</u>	<u>-</u>
<b><u>Capital Assets Being Depreciated:</u></b>			
Structures and improvements	1,211,691	1,211,691	-
Engines and vehicles	2,510,620	2,420,376	90,244
Furniture and equipment	<u>1,491,042</u>	<u>1,217,773</u>	<u>273,269</u>
Total Capital Assets Being Depreciated	5,213,353	4,849,840	363,513
Less: Accumulated depreciation	<u>(3,884,483)</u>	<u>(3,698,074)</u>	<u>(186,409)</u>
Net Capital Assets Being Depreciated	<u>1,328,870</u>	<u>1,151,766</u>	<u>177,104</u>
Net Capital Assets	<u>\$ 1,480,470</u>	<u>\$ 1,303,366</u>	<u>\$ 177,104</u>

The net additions to capital assets being depreciated for fiscal year 2019 totaled \$363,513 and include safety equipment, communications equipment and vehicles.

### **Noncurrent Liabilities**

The following is a summary of the District's noncurrent liabilities at June 30:

	<u>2019</u>	<u>2018</u>	<u>Dollar Change</u>
Capital lease payable	\$ <u>-</u>	\$ <u>97,979</u>	\$ <u>(97,979)</u>

The District reduced its capital lease obligation by \$97,979 during the year ended June 30, 2019. No new debt has been issued. Details of the capital lease obligation can be found in Note 5 to the financial statements.

### **Economic Factors and Next Year's Budget**

The District is guided by a five year strategic plan and a standards of cover report indicating the need for a third fire facility. The District is seeking to acquire property for such a facility and staff it using mitigation funds, increases in tax allocation, benefit fees and CFD fees from new growth and the proceeds from a proposed tax measure that will appear on the November 2020 ballot. The new growth will generate approximately 700 residences, a Vons grocery outlet, two gas facilities, an AutoZone and a Rite Aid Pharmacy. The estimated revenue generated from the new growth is \$800,000. The tax measure, if passed in November 2020 by 66.6% of the voters is estimated to provide an additional \$780,000 to the general fund's operating budget in the first year based upon the number of parcels assessed. The District's Board of Directors and management consider many factors when setting the fiscal year budget. In a comparison of the 2019 and 2020 budgets, operating revenues and expenses remain relatively similar with a revenue growth index of 3%. Any proceeds from the proposed tax measure and revenue allocation at total growth buildout would not be realized until the 2021 fiscal year.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### **Contacting the District's Financial Management**

This financial report is designed to provide the Board, governmental agencies, customers, creditors, and the public with a general overview of the District's accountability for the financial resources it manages. If there are questions regarding this report, or additional financial information is required, please contact the Fire Chief for the Valley Center Fire Protection District at 28234 Lilac Road, Valley Center, California 92082 or call (760) 751-7600.



**VALLEY CENTER FIRE PROTECTION DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2019**

	<u>Governmental Activities</u>
<b><u>ASSETS:</u></b>	
Cash and cash equivalents	\$ 2,767,627
Accounts receivable	170,896
Capital Assets:	
Land and other non-depreciable capital assets	151,600
Depreciable capital assets, net of accumulated depreciation	<u>1,328,870</u>
<b>TOTAL ASSETS</b>	<u>4,418,993</u>
<b><u>LIABILITIES:</u></b>	
Accounts payable	28,620
Accrued liabilities	<u>81,051</u>
<b>TOTAL LIABILITIES</b>	<u>109,671</u>
<b><u>NET POSITION:</u></b>	
Net investment in capital assets	1,480,470
Unrestricted	<u>2,828,852</u>
<b>TOTAL NET POSITION</b>	<u>\$ 4,309,322</u>

The accompanying notes are an integral part of the financial statements.

**VALLEY CENTER FIRE PROTECTION DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2019**

				Net (Expenses) Revenues and Changes in Net Position
<b>Functions/Programs:</b>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Governmental Activities</u>
		<u>Fees and Charges for Services</u>	<u>Operating Grants and Contributions</u>	
<b>Governmental Activities:</b>				
Fire protection	\$ 2,877,899	\$ 2,216,015	\$ 193,438	\$ (468,446)
General administration	263,248	163,089	-	(100,159)
Interest	350	-	-	(350)
Unallocated depreciation	186,409	-	-	(186,409)
Total Governmental Activities	<u>\$ 3,327,906</u>	<u>\$ 2,379,104</u>	<u>\$ 193,438</u>	<u>(755,364)</u>
<b>General Revenues:</b>				
Property taxes				545,464
Interest income				39,384
Other income				<u>26,710</u>
Total General Revenues				<u>611,558</u>
Change in Net Position				(143,806)
Net Position at Beginning of Year				<u>4,453,128</u>
<b>NET POSITION AT END OF YEAR</b>				<u>\$ 4,309,322</u>

The accompanying notes are an integral part of the financial statements.

**VALLEY CENTER FIRE PROTECTION DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2019**

**ASSETS**

	General Fund	Mitigation Fund	Total Governmental Funds
<b><u>Assets:</u></b>			
Cash and cash equivalents	\$ 2,051,616	\$ 716,011	\$ 2,767,627
Accounts receivable	137,082	33,814	170,896
Total Assets	<u>\$ 2,188,698</u>	<u>\$ 749,825</u>	<u>\$ 2,938,523</u>

**LIABILITIES AND FUND BALANCES**

**Liabilities:**

Accounts payable	\$ 28,620	\$ -	\$ 28,620
Accrued liabilities	81,051	-	81,051
Total Liabilities	<u>109,671</u>	<u>-</u>	<u>109,671</u>

**Fund Balances:**

Assigned:			
Fire Mitigation	-	749,825	749,825
CFD 08-01	86,508	-	86,508
Explorer	3,040	-	3,040
Foundation	1,150	-	1,150
Unassigned	1,988,329	-	1,988,329
Total Fund Balances	<u>2,079,027</u>	<u>749,825</u>	<u>2,828,852</u>

**TOTAL LIABILITIES AND  
FUND BALANCES**

<u>\$ 2,188,698</u>	<u>\$ 749,825</u>	<u>\$ 2,938,523</u>
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The accompanying notes are an integral part of the financial statements.

**VALLEY CENTER FIRE PROTECTION DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2019**

Total fund balances - Governmental funds	\$ 2,828,852
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Total net position reported for governmental activities in the statement  
of net position is different because:

Capital assets used in governmental activities are not financial  
resources and therefore are not reported in the funds. Those  
assets consist of:

Nondepreciable capital assets	\$ 151,600	
Depreciable capital assets, net of accumulated depreciation	<u>1,328,870</u>	
Total Capital Assets, Net		<u>1,480,470</u>

Total Net Position - Governmental Activities	\$ <u><u>4,309,322</u></u>
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The accompanying notes are an integral part of the financial statements.

**VALLEY CENTER FIRE PROTECTION DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2019**

	General Fund	Mitigation Fund	Total Governmental Funds
<b><u>Revenues:</u></b>			
Benefit fees	\$ 1,551,528	\$ -	\$ 1,551,528
Property taxes	545,464	-	545,464
CFD fees	364,857	-	364,857
Cost recovery income	203,498	-	203,498
Mercy medical ALS fees	130,000	-	130,000
Paramedic funding	96,132	-	96,132
Mitigation fees	-	91,210	91,210
Fire prevention fees	57,454	-	57,454
Mercy Medical dispatch fees	39,402	-	39,402
Interest income	25,433	13,951	39,384
Other income	26,710	-	26,710
Grants	16,542	-	16,542
First responder fees	14,425	-	14,425
Donations	7,494	-	7,494
Total Revenues	<u>3,078,939</u>	<u>105,161</u>	<u>3,184,100</u>

(Continued)

The accompanying notes are an integral part of the financial statements.

**VALLEY CENTER FIRE PROTECTION DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2019**

	General Fund	Mitigation Fund	Total Governmental Funds
<b><u>Expenditures:</u></b>			
Current:			
Salaries	\$ 2,035,743	\$ -	\$ 2,035,743
Employee benefits and taxes	344,864	-	344,864
Dispatch fees	149,412	-	149,412
Mercy Medical charges	96,132	-	96,132
Maintenance	94,484	-	94,484
Professional fees	74,967	-	74,967
Utilities	70,031	-	70,031
Other expenses	48,428	-	48,428
Fuel	42,706	-	42,706
Discontinued projects, studies and assessments	42,428	-	42,428
Training	24,431	-	24,431
Radios and pagers	16,777	-	16,777
Insurance	15,324	-	15,324
Household	15,144	-	15,144
Medical supplies	14,798	-	14,798
Office expenses	13,410	-	13,410
Membership	12,908	-	12,908
Printing	12,157	-	12,157
Uniform	12,035	-	12,035
Awards	1,416	-	1,416
Safety	1,407	-	1,407
Bad debts	1,120	-	1,120
Bank charges	1,025	-	1,025
Capital outlay	153,293	210,220	363,513
Debt Service:			
Principal	48,990	48,989	97,979
Interest	175	175	350
Total Expenditures	<u>3,343,605</u>	<u>259,384</u>	<u>3,602,989</u>
Deficiency of Revenues Over Expenditures	<u>(264,666)</u>	<u>(154,223)</u>	<u>(418,889)</u>
<b><u>Other Financing Sources (Uses):</u></b>			
Transfers	24,721	(24,721)	-
Total Other Financing Sources (Uses)	<u>24,721</u>	<u>(24,721)</u>	<u>-</u>
Net Change in Fund Balances	(239,945)	(178,944)	(418,889)
Fund Balances at Beginning of Year	<u>2,318,972</u>	<u>928,769</u>	<u>3,247,741</u>
<b>FUND BALANCES AT END OF YEAR</b>	<b><u>\$ 2,079,027</u></b>	<b><u>\$ 749,825</u></b>	<b><u>\$ 2,828,852</u></b>

The accompanying notes are an integral part of the financial statements.

**VALLEY CENTER FIRE PROTECTION DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2019**

Total net change in fund balances - Governmental funds	\$ (418,889)
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Amounts reported for governmental activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.	363,513
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Depreciation of capital assets used in governmental activities is not reported in the funds.	(186,409)
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Issuance of long-term debt, including capital leases, provides current financial resources to governmental funds, while the repayment of the principal of long-term liabilities consumes current financial resources in governmental funds. Neither transaction has any affect on net position. This amount is the net affect of those differences in the treatment of long-term liabilities and related items.	<div style="border-top: 1px solid black; border-bottom: 3px double black;">97,979</div>
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Changes in Net Position - Governmental Activities	<div style="border-top: 1px solid black; border-bottom: 3px double black;">\$ (143,806)</div>
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The accompanying notes are an integral part of the financial statements.

**VALLEY CENTER FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**Note 1 - Organization and Significant Accounting Policies:**

The Valley Center Fire Protection District (the “District”) is a governmental corporation formed by a majority vote of the people in 1982 with the primary purpose of providing exceptional all-risk fire, emergency medical, and community risk reduction services critical to public safety, health, and the preservation of life and property.

The District has two fire stations which are part of the District’s 84.5 square mile service area serving a population of over 23,000 people in the San Diego County.

The District also contracts with the County of San Diego for funding of a paramedic ambulance transport service provided by Mercy Ambulance Transportation, Inc. This is an exclusive operating area which covers most of Northeast unincorporated County area.

The District’s offices are located in Valley Center, California.

The criteria used in determining the scope of the reporting entity are based on the provisions of GASB Cod. Sec. 2100, “Defining the Financial Reporting Entity.” The District is the primary government unit. Component units are those entities which are financially accountable to the primary government, either because the District appoints a voting majority of the component unit’s board, or because the component unit will provide a financial benefit or impose a financial burden on the District. The District has no component units.

**Significant Accounting Policies**

A summary of the District’s significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

**Basis of Presentation**

**Government-Wide Statements**

The District’s financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District’s major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The District’s general fund and mitigation fund are classified as governmental activities. The District has no business-type activities.

In the statement of net position, the governmental activities are reported on the accrual basis of accounting and the economic resource measurement focus, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District’s net position is reported in three parts; net investment in capital assets, restricted and unrestricted. The statement of net position includes all funds of the reporting entity.

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



**VALLEY CENTER FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**Note 1 - Organization and Significant Accounting Policies:**

**Significant Accounting Policies (Continued)**

**Basis of Presentation (Continued)**

**Fund Financial Statements**

Fund financial statements report detailed information about the District. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, reserves, net position, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on major funds. GASB Cod. Sec. 2200, "Comprehensive Annual Financial Report", sets forth minimum criteria for the determination of major funds.

The funds of the District are described below:

**Governmental Funds**

The focus of the governmental funds measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The District reports the general fund and mitigation fund as major governmental funds. The District has no non-major governmental funds.

**Measurement Focus and Basis of Accounting**

**Method of Accounting**

Method of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

**Accrual**

The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

**VALLEY CENTER FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**Note 1 - Organization and Significant Accounting Policies:**

**Significant Accounting Policies (Continued)**

**Measurement Focus and Basis of Accounting (Continued)**

**Modified Accrual**

The governmental funds' financial statements are presented on the modified accrual basis of accounting and the current financial resources measurement focus. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers all revenue available if collected within 60 days after year-end. The District considers interest, certain taxes, grant revenues, mitigation fees and cost recoveries to be susceptible to accrual. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on long-term debt, if any, is recognized when due.

**Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Encumbrances**

Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid. All encumbrances are liquidated as of June 30.

**Revenue Recognition**

The District recognizes revenue from fees, and service charges as they earned. Benefit fees, CFD fees, and property taxes are recognized as revenue based upon amounts reported to the District by the County of San Diego.

**Budgets and Budgetary Accounting**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. By state law, the District's governing board must adopt a final budget no later than July 1. A public hearing must be conducted to receive comments prior to adoption. The District's governing board satisfied these requirements.

**VALLEY CENTER FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**Note 1 - Organization and Significant Accounting Policies:**

**Significant Accounting Policies (Continued)**

**Budgets and Budgetary Accounting (Continued)**

These budgets are revised by the District's governing board and district fire chief during the fiscal year to give consideration to unanticipated income and expenditures.

Formal budgetary integration was used as a management control device during the fiscal year for all budgeted funds. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object code. All appropriations lapse at fiscal year-end.

**Investments**

Investments are stated at their fair value which represents the quoted or stated market value. Investments that are not traded on a market, such as investments in external pools, are valued based on the stated fair value as represented by the external pool.

**Allowance for Doubtful Accounts**

Bad debts are recognized on the allowance method based on historical experience and management's evaluation of outstanding accounts receivables. Management believes that all accounts receivable were fully collectible, therefore, no allowance for doubtful accounts receivable was recorded at June 30, 2019.

**Taxes and Assessments**

Property taxes and assessments are billed by the County of San Diego to property owners. The District's property tax calendar for the fiscal year ended June 30, 2019, was as follows:

Lien Date:	January 1
Levy Date:	July 1
Due Date:	First Installment – November 1 Second Installment – February 1
Delinquent Date:	First Installment – December 10 Second Installment – April 10

The County collects the taxes from the property owners and remits the funds to the District periodically during the year. The District has an arrangement with the County whereby the County remits taxes which are delinquent as of each June 30 to the District in exchange for the right to retain the delinquent taxes, penalties, and interest when these amounts are subsequently collected.

**VALLEY CENTER FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**Note 1 - Organization and Significant Accounting Policies:**

**Significant Accounting Policies (Continued)**

**Capital Assets**

Capital assets purchased or acquired with a cost exceeding \$5,000 and an estimated useful life of more than one year are reported at historical cost. Donated capital assets, donated works of art, and similar items and capital assets, received in service concession agreements are reported as acquisition value. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred, upon sale or disposition of property and equipment, the asset account is relieved of the cost and the accumulated depreciation account is charged with depreciation taken prior to the sale and any resultant gain or loss is charged to earnings. Depreciation is calculated on the straight-line method over the following estimated useful lives:

Structures and improvements	10 - 50 years
Engines and vehicles	5 - 20 years
Furniture and equipment	7 - 20 years

Depreciation aggregated \$186,409 for the year ended June 30, 2019.

**Interest**

The District incurs interest charges on long-term liabilities. No interest was capitalized as a cost of capital assets for the year ended June 30, 2019.

**Risk Management**

The District entered into a joint powers agreement designated as Fire Agencies Insurance Risk Authority, a self-insurance plan for general liability insurance (see Note 8).

At June 30, 2019, the District participated in the self-insurance programs as follows:

**Liability Limits**

- \$1,000,000 general liability including malpractice, each occurrence or wrongful act
- \$1,000,000 personal and advertising injury
- \$1,000,000 fire damage legal liability
- \$10,000 medical expense (each accident)
- \$10,000,000 general aggregate
- \$10,000,000 products/completed operations annual aggregate
- \$1,000,000 management liability
- \$1,000,000 cyber liability
- \$1,000,000 auto liability
- \$500,000 garagekeepers legal liability
- \$10,000,000 umbrella liability

**VALLEY CENTER FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**Note 1 - Organization and Significant Accounting Policies:**

**Significant Accounting Policies (Continued)**

**Risk Management (Continued)**

Property Limits

- Buildings – not to exceed scheduled value on file
- Contents – not to exceed scheduled value on file
- Crime - \$1,000,000 employee dishonesty coverage

The District pays annual premiums for this coverage. They are subject to retrospective adjustments based on claims experienced. The nature and amounts of the adjustments cannot be estimated and are charged to expense as invoiced. The District's insurance expense was \$15,324 for the year ended June 30, 2019. There were no instances in the past three years where a settlement exceeded the District's coverage.

**Pensions and Other Post-Employment Benefits**

The District does not provide a pension program or other post-employment benefits (OPEB). The District administers a voluntary 457(b) (Deferred Compensation) program for its employees to contribute. There is no match and none of the assets of the 457(b) plan are the property of the District.

**Compensated Absences**

The District does not allow carryover of vacation or sick leave benefits. Unused vacation or sick leave at fiscal year-end is part of the final payroll of the District's fiscal year-end.

**Deferred Outflows of Resources and Deferred Inflows of Resources**

Deferred outflows of resources and deferred inflows of resources are defined as a consumption of net assets by the District that is applicable to a future period and an acquisition of net assets by the District that is applicable to a future reporting period respectively.

**Interfund Activity**

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line of the government-wide statement of net assets.

**VALLEY CENTER FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**Note 1 - Organization and Significant Accounting Policies:**

**Significant Accounting Policies (Continued)**

**Fund Balances - Governmental Funds**

The fund balances of the governmental funds are classified as follows at June 30, 2019:

Nonspendable - Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed - Amounts that can be used only for specific purposes determined by a formal action of the Board of Directors. The Board Directors is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board of Directors.

Assigned - Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes.

Unassigned - All other spendable amounts.

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 necessary. When either committed, assigned, or unassigned resources are available for use, it is the District's policy to use committed resources first, followed by assigned and then unassigned amounts.

**Fair Value Measurements**

Fair value accounting standards define fair value, establish a framework for measuring fair value, outline a fair value hierarchy based on inputs used to measure fair value and enhance disclosure requirements for fair value measurements. The fair value hierarchy distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Level 1 or 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

- Level 1 inputs are quoted prices in active markets for identical investments that the investment manager has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the investment, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the investment.

**VALLEY CENTER FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**Note 1 - Organization and Significant Accounting Policies:**

**Significant Accounting Policies (Continued)**

**Fair Value Measurements (Continued)**

The District's statements of financial position include the following financial instruments that are required to be measured at fair value on a recurring basis:

- Investments in the San Diego County Treasurer's Pooled Money Fund are considered Level 2 assets and are reported at historical cost which approximates the fair value of the underlying assets as provided by San Diego County.

**Subsequent Events**

In preparing these financial statements, the District has evaluated events and transactions for potential recognition or disclosure through October 31, 2019, the date the financial statements were available to be issued.

**Note 2 - Cash and Cash Equivalents:**

Cash and investments held by the District were comprised of the following at June 30, 2019:

	<u>Maturity in Less Than One Year</u>
Cash in County Treasury	\$ 2,357,583
Deposits with financial institutions	410,044
Total	<u>\$ 2,767,627</u>

**Cash in County Treasury**

The District maintains its cash in the San Diego County Treasury as part of the common investment pool (\$2,357,583 at June 30, 2019). The county pools these funds with those of other Districts in the County and invests the cash. Cash may be added or withdrawn from the investment pool without limitation. Interest earned is deposited quarterly into the participating funds. Any investment losses are shared by all funds in the pool. The fair value of the District's portion of this pool as of that date, as provided by the pool sponsor, was \$2.356 million. The underlying asset rating based on Fitch ranges from AA- to AAA.

**VALLEY CENTER FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**Note 2 - Cash and Cash Equivalents: (Continued)**

**Cash in County Treasury (Continued)**

The Country Treasurer's pool consist of the following as of June 30, 2019:

Federal Agency Securities	27.79%
Commercial Paper	22.15%
Certificate of Deposit	18.27%
Supranationals	9.98%
Assets Backed Securities	7.20%
Medium-Term Notes	5.82%
Treasury Coupon Securities	4.78%
Money Market Accounts	3.89%
Bank Deposit	0.12%
	<u>100.00%</u>

**Disclosures Relating to Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by holding only cash and cash equivalents.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided in the previous table that shows the distribution of the District's investments by maturity as of June 30, 2019.

**Disclosures Relating to Credit Risk**

Generally, 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. Presented below is the actual rating as of the year end for each investment type.

Cash in County Treasury	Not Rated
Deposits with Financial Institutions	Not Applicable

**Concentration of Credit Risk**

Concentration of credit is the risk of loss attributed to the magnitude to the District's investment in a single issue.

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. The District holds no investments in any one issuer (other than external investment pools) that represent 5% or more of total District investments.



**VALLEY CENTER FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**Note 2 - Cash and Cash Equivalents: (Continued)**

**Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District 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 custodial credit risk for investments is the risk that, in the event of the failure of the counter-party (e.g., broker-dealer) the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, 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. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

At June 30, 2019, none of the District's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts. At June 30, 2019, no District investments were held by the same broker-dealer (counterparty) that was used by the District to buy the securities.

**Investment Accounting Policy**

The District is required by GASB Statement No. 31 *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, to disclose its policy for determining which investments, if any, are reported at amortized cost. The District's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earnings investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value.

The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

The District's investments in external investment pools are reported at an amount determined by the fair value per share of the pool's underlying portfolio, unless the pool is 2a7-like, in which case they are reported at share value. A 2a7-like pool is one which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the investment Company Act of 1940.

**VALLEY CENTER FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**Note 3 - Accounts Receivable:**

Accounts receivable consist of the following at June 30, 2019:

	<u>General Fund</u>	<u>Mitigation Fund</u>	<u>Total</u>
Cost recovery	\$ 50,801	\$ -	\$ 50,801
Mitigation fees	-	33,814	33,814
Grants	30,530	-	30,530
Dispatch fees	26,437	-	26,437
Paramedic funding	16,022	-	16,022
Benefit fees	4,770	-	4,770
Property taxes	2,875	-	2,875
Inspection fees	2,555	-	2,555
CDF fees	2,551	-	2,551
Other receivables	541	-	541
	<u>\$ 137,082</u>	<u>\$ 33,814</u>	<u>\$ 170,896</u>

**Note 4 - Capital Assets:**

Capital assets consist of the following at June 30, 2019:

	<u>Balance at June 30, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2019</u>
<b>Capital Assets Not Being Depreciated:</b>				
Land	\$ 151,600	\$ -	\$ -	\$ 151,600
Total Capital Assets Not Being Depreciated	<u>151,600</u>	<u>-</u>	<u>-</u>	<u>151,600</u>
<b>Capital Assets Being Depreciated:</b>				
Structures and improvements	1,211,691	-	-	1,211,691
Engines and vehicles	2,420,376	90,244	-	2,510,620
Furniture and equipment	1,217,773	273,269	-	1,491,042
Total Capital Assets Being Depreciated	<u>4,849,840</u>	<u>363,513</u>	<u>-</u>	<u>5,213,353</u>
<b>Less Accumulated Depreciation For:</b>				
Structures and improvements	(1,108,012)	(13,716)	-	(1,121,728)
Engines and vehicles	(1,533,681)	(109,706)	-	(1,643,387)
Furniture and equipment	(1,056,381)	(62,987)	-	(1,119,368)
Total Accumulated Depreciation	<u>(3,698,074)</u>	<u>(186,409)</u>	<u>-</u>	<u>(3,884,483)</u>
Net Capital Assets Being Depreciated	<u>1,151,766</u>	<u>177,104</u>	<u>-</u>	<u>1,328,870</u>
<b>Net Capital Assets</b>	<u>\$ 1,303,366</u>	<u>\$ 177,104</u>	<u>\$ -</u>	<u>\$ 1,480,470</u>

**VALLEY CENTER FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**Note 5 - Noncurrent Liabilities:**

Noncurrent liabilities consist of the following at June 30, 2019:

	Balance at <u>June 30, 2018</u>	<u>Additions</u>	<u>Deletions</u>	Balance at <u>June 30, 2019</u>	Payable Within <u>1 Year</u>	Payable After <u>1 Year</u>
Capital lease payable	\$ 97,979	\$ -	\$ (97,979)	\$ -	\$ -	\$ -

On August 20, 2013, the District acquired a fire truck using the proceeds of a lease with option to purchase between First Municipal Leasing Corporation as lessee and the District as lessor. The capital lease payable calls for annual payments of \$100,774 commencing August 20, 2014 and maturing August 20, 2018. For financial reporting purposes, minimum lease payments related to the fire truck have been capitalized and included in capital assets in the statement of net position. The fire truck under capital lease has a cost of \$460,000, net of accumulated depreciation of \$150,778 at June 30, 2019.

**Note 6 - Operating Leases:**

The District has entered into a noncancelable operating lease for a copier with a lease term in excess of one year. The agreement contain no purchase option. Rent expense under this lease totaling \$2,874 is included in office expenses. Future minimum lease payments, under this agreement, are as follows:

Year Ended <u>June 30</u>	Minimum Lease <u>Payments</u>
2020	\$ 5,748
2021	5,748
2022	5,748
2023	5,748
2024	2,874
Total	\$ <u>25,866</u>

In addition, the District also leases two modular building units on a month-to-month basis. Rent expense under this lease totaling \$9,090 is included in maintenance.

**Note 7 - Deferred Compensation Plan:**

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all District employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

**VALLEY CENTER FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**Note 8 - Joint Ventures (Joint Powers Agreements):**

The District entered into a joint powers agreement (JPA) known as and designated “Fire Agencies Insurance Risk Authority” (FAIRA) a self-insurance plan for general liability insurance. Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to their participation in FAIRA. FAIRA is governed by an 11 member Board elected by a vote of the members. One seat is reserved for the highest premium member and one seat is reserved for an elected member from the State of Nevada.

The Board controls the operations of the FAIRA, including selection of management and approval of operation budgets, independent of any influence by the member districts beyond their representation on the Board. Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to their participation in the FAIRA.

The JPA is a separate entity which is independently audited. The financial transactions of the JPA are not included in this report because the District has a minority voting interest and no administrative authority.

**Note 9 - New Governmental Accounting Standards:**

**GASB No. 83**

In November 2016, the Governmental Accounting Standards Board issued Statement No. 83 “Certain Asset Retirement Obligations”. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier Application is encouraged. This pronouncement did not have a material effect on the financial statements of the District in the year of implementation.

**GASB No. 84**

In January 2017, the Governmental Accounting Standards Board issued Statement No. 84 “Fiduciary Activities”. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier Application is encouraged. The District has not determined the effects of this pronouncement on the financial statements of the District in the year of implementation.

**GASB No. 86**

In May 2017, the Governmental Accounting Standards Board issued Statement No. 86 “Certain Debt Extinguishment Issues”. The requirements of this Statement are effective for reporting periods beginning after December 15, 2017. Earlier Application is encouraged. This pronouncement did not have a material effect on the financial statements of the District in the year of implementation.

**GASB No. 87**

In June 2017, the Governmental Accounting Standards Board issued Statement No. 87 “Leases”. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. The District has not determined the effects of this pronouncement on the financial statements of the District in the year of implementation.

**VALLEY CENTER FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**Note 9 - New Governmental Accounting Standards: (Continued)**

**GASB No. 88**

In April 2018, the Governmental Accounting Standards Board issued Statement No. 88 “Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements”. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged. This pronouncement did not have a material effect on the financial statements of the District in the year of implementation.

**GASB No. 89**

In June 2018, the Governmental Accounting Standards Board issued Statement No. 89 “Accounting for Interest Cost Incurred before the End of a Construction Period”. The requirements of this Statement are effective for reporting periods beginning after December 14, 2019. Earlier application is encouraged. The District has not yet determined the effects of this pronouncement on the financial statements of the District in the year of implementation.

**GASB No. 90**

In August 2018, the Governmental Accounting Standards Board issued Statement No. 90 “Majority Equity Interests-an amendment of GASB Statements No. 14 and No. 61”. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. The District has not yet determined the effects of this pronouncement on the financial statements of the District in the year of implementation.

**GASB No. 91**

In May 2019, the Governmental Accounting Standards Board issued Statement No. 91 “Conduit Debt Obligations”. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. The District has not determined the effects of this pronouncement on the financial statements of the District in the year of implementation.

**VALLEY CENTER FIRE PROTECTION DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2019**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b><u>Revenues:</u></b>				
Benefit fees	\$ 1,577,447	\$ 1,577,447	\$ 1,551,528	\$ (25,919)
Property taxes	549,246	549,246	545,464	(3,782)
CFD fees	354,348	354,348	364,857	10,509
Cost recovery income	59,650	59,650	203,498	143,848
Mercy Medical ALS fees	130,000	130,000	130,000	-
Paramedic funding	96,132	96,132	96,132	-
Fire prevention fees	63,000	63,000	57,454	(5,546)
Mercy Medical dispatch fees	42,000	42,000	39,402	(2,598)
Other income	-	-	26,710	26,710
Interest income	23,581	23,581	25,433	1,852
Grants	38,114	38,114	16,542	(21,572)
First responder fees	16,000	16,000	14,425	(1,575)
Donations	2,000	2,000	7,494	5,494
Total Revenues	<u>2,951,518</u>	<u>2,951,518</u>	<u>3,078,939</u>	<u>127,421</u>

(Continued)

**VALLEY CENTER FIRE PROTECTION DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2019**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b><u>Expenditures:</u></b>				
Current:				
Salaries	\$ 1,886,876	\$ 1,886,876	\$ 2,035,743	\$ (148,867)
Employee benefits and taxes	265,000	265,000	344,864	(79,864)
Dispatch fees	170,550	170,550	149,412	21,138
Mercy Medical charges	96,132	96,132	96,132	-
Maintenance	121,850	121,850	94,484	27,366
Professional fees	36,960	36,960	74,967	(38,007)
Utilities	73,420	73,420	70,031	3,389
Other expenses	73,827	73,827	48,428	25,399
Fuel	31,162	31,162	42,706	(11,544)
Discontinued projects, studies and assessments	-	-	42,428	(42,428)
Training	43,850	43,850	24,431	19,419
Radios and pagers	10,660	10,660	16,777	(6,117)
Insurance	13,160	13,160	15,324	(2,164)
Household	12,000	12,000	15,144	(3,144)
Medical supplies	16,500	16,500	14,798	1,702
Office expenses	17,200	17,200	13,410	3,790
Membership	13,125	13,125	12,908	217
Printing	10,000	10,000	12,157	(2,157)
Uniform	16,000	16,000	12,035	3,965
Awards	1,500	1,500	1,416	84
Safety	1,600	1,600	1,407	193
Bad debts	-	-	1,120	(1,120)
Bank charges	9,000	9,000	1,025	7,975
Capital outlay	586,489	586,489	153,293	433,196
Debt Service:				
Principal	48,990	48,990	48,990	-
Interest	175	175	175	-
Total Expenditures	<u>3,556,026</u>	<u>3,556,026</u>	<u>3,343,605</u>	<u>212,421</u>
Deficiency of Revenues Over Expenditures	<u>(604,508)</u>	<u>(604,508)</u>	<u>(264,666)</u>	<u>339,842</u>
<b><u>Other Financing Sources:</u></b>				
Transfers	-	-	24,721	24,721
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>24,721</u>	<u>24,721</u>
Net Change in Fund Balance	\$ <u>(604,508)</u>	\$ <u>(604,508)</u>	(239,945)	\$ <u>364,563</u>
Fund Balance at Beginning of Year			<u>2,318,972</u>	
<b>FUND BALANCE AT END OF YEAR</b>			<u>\$ 2,079,027</u>	

**VALLEY CENTER FIRE PROTECTION DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE - MITIGATION FUND  
FOR THE YEAR ENDED JUNE 30, 2019**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b><u>Revenues:</u></b>				
Mitigation fees	\$ 439,866	\$ 439,866	\$ 91,210	\$ (348,656)
Interest income	11,000	11,000	13,951	2,951
Total Revenues	<u>450,866</u>	<u>450,866</u>	<u>105,161</u>	<u>(345,705)</u>
<b><u>Expenditures:</u></b>				
Capital outlay	439,866	439,866	210,220	229,646
Debt Service:				
Principal	48,989	48,989	48,989	-
Interest	175	175	175	-
Total Expenditures	<u>489,030</u>	<u>489,030</u>	<u>259,384</u>	<u>229,646</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(38,164)</u>	<u>(38,164)</u>	<u>(154,223)</u>	<u>(116,059)</u>
<b><u>Other Financing Sources:</u></b>				
Transfers in	-	-	(24,721)	(24,721)
Total Other Financing Uses	<u>-</u>	<u>-</u>	<u>(24,721)</u>	<u>(24,721)</u>
Net Change in Fund Balance	\$ <u>(38,164)</u>	\$ <u>(38,164)</u>	(178,944)	\$ <u>(140,780)</u>
Fund Balance at Beginning of Year			<u>928,769</u>	
<b>FUND BALANCE AT END OF YEAR</b>			<u>\$ 749,825</u>	



**VALLEY CENTER FIRE PROTECTION DISTRICT  
OTHER SUPPLEMENTARY INFORMATION  
ORGANIZATION STRUCTURE  
JUNE 30, 2019**

The Valley Center Fire Protection District (District), was formed as a fire protection district in 1982, and operates under the Health and Safety Code Sections 13801-13999 of the State of California and provides fire protection services to approximately 87 square miles in Valley Center, California. The activities of the District are supervised by a board consisting of five (5) Directors who are elected to a four (4) year term. Directors who are appointed serve a two (2) year term.

Board of Directors for the fiscal year ended June 30, 2019, was comprised of the following members:

<u>Name</u>	<u>Office</u>	<u>Years of Term</u>	<u>Term Expiration</u>
Phil Bell	President	4	2022
Steve Hutchison	Vice President	4	2022
Jim Wold	Director	4	2020
Jeremy Abrams	Secretary	4	2022
Mike O'Connor	Treasurer	4	2020

<u>Administration</u>	
<u>Name</u>	<u>Position</u>
Josef Napier	Fire Chief

**VALLEY CENTER FIRE PROTECTION DISTRICT  
OTHER SUPPLEMENTARY INFORMATION  
ASSESSED VALUATION  
JUNE 30, 2019**

**Assessed Valuation:**

Secured property	\$ 2,591,375,108
Unsecured property	<u>18,256,255</u>
Total Assessed Valuation	<u><u>\$ 2,609,631,363</u></u>

**NEW BUSINESS**

**BOARD OF DIRECTORS' PACKET**  
**VALLEY CENTER FIRE PROTECTION DISTRICT**



## **Valley Center Fire Protection District Staff Report**

**Prepared by: Josef G. Napier  
Fire Chief, VCFPD**

**Meeting Date: 02/20/2020**

**Approved by: Phil Bell  
District Board President**

**Agenda: Action Item  
Location: Board Meeting**

**SUBJECT: Reorganization of the Valley Center Fire Protection District Command and Administrative Management Staff**

**RECOMMENDATION:**

As directed by the Board of Directors of the Valley Center Fire Protection District, it is the recommendation of the Fire Chief to reorganize the Valley Center Fire Protection District Command and Administrative Management staff by:

- 1. On the acceptance of a 30 day notice of separation from the Valley Center Fire Protection District by Division Chief Greg Funderburk, the position of Administrative Services and EMS Chief will not be filled until approved by the Valley Center Fire Protection District Board of Directors. All of the essential functions of that position will be shifted to The Fire Chief, Division Chief of Operations and Battalion Chief of Community Risk Reduction and Community Development as directed by the Fire Chief.**
- 2. The Administrative Captain's Position in Community Risk Reduction or Training shall remain vacant until approved by the Valley Center Fire Protection District Board of Directors and shift those responsibilities to the Battalion Chief of Community Risk Reduction and Community Development.**
- 3. Extra Duty Coverage for Command and Arson Investigation will be resigned to The Fire Chief, Division Chief of Operations and Battalion Chief of Community Risk Reduction and Community Development**
- 4. Reallocate the funds into the general fund budget from the open positions to personnel wages and healthcare benefits.**

**PRIOR BOARD ACTION:**

The Valley Center Fire Protection District Board of Directors assigned the Valley Center Fire Protection District Fire Chief with the task to reorganize the Command and Administrative Management Staff of the Valley Center Fire Protection District with minimal impact to the District.

**STATEMENT ON THE SUBJECT:**

As recommended by Chief Napier, the Valley Center Fire Protection District should authorize through a vote of the Board of the Valley Center Fire Protection District to reorganize the Command and Administrative Management Staff of the Valley Center Fire Protection District.

**FISCAL IMPACT:**

Through the temporary elimination of a Division Chief of Administrative Services and EMS, as well as, the Administrative Captain's position in Community Risk Reduction and Community Development, and shifting those budgetary funds into the general budget, the Valley Center Fire Protection District would see an increase of discretionary budget funds to reallocate to personnel wages and healthcare benefits.

**ADMINISTRATIVE IMPACT:**

The increase in essential command and administrative functions as well as the overnight duty coverage will add additional staff hours on a monthly basis to command and administrative staff. The unintended stress and workload would be difficult to quantify without deploying the model for a 1 year trial period. Staff is able and willing to take on the difficult task in order to benefit the entire organization with the caveat that as soon as the budget is able to reallocate the necessary funds to replace the open positions or until the Fire Chief recognizes significant failures in leadership are occurring to the extensive workload, the Fire Chief will prepare a report to request the reallocation of the positions to balance the essential functions of the Command and Administrative Staff.

**REPORT EXHIBITS:**

**Exhibit A: 02/20/2020 Proposed Reallocated Pay Schedule**

**Exhibit B: 02/01/2020 Current Organizational Chart**

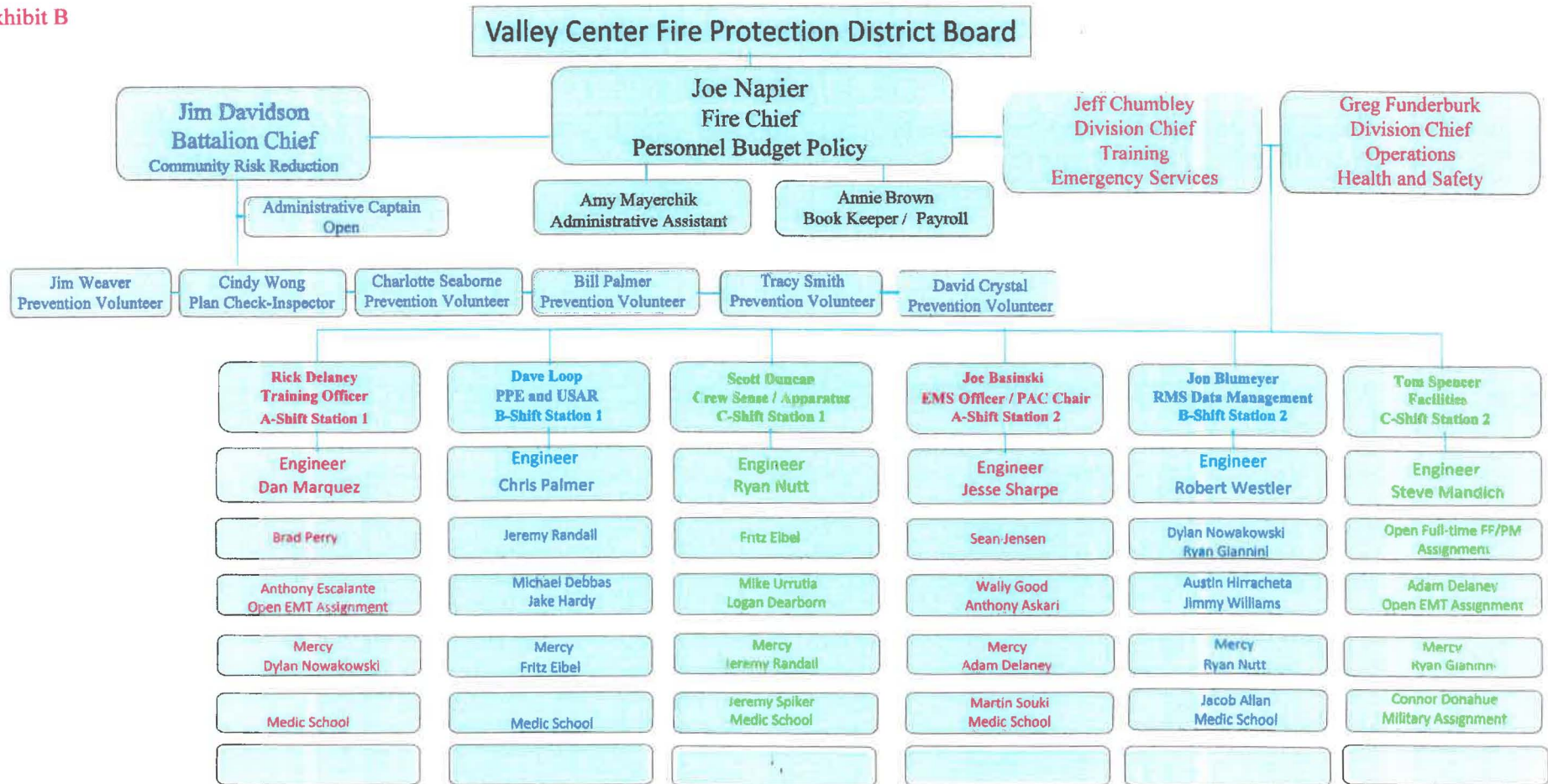
**Exhibit C: 07/01/2020 Proposed Organizational Chart**

**Exhibit A****Valley Center Fire Budget Reallocation Worksheet: Wages and Benfits FY 2020-2021**

	<b>Admin Captain</b>	<b>Battalion Chief</b>	<b>Division Chief</b>
<b>4 / 10 Adminstrative Flex Schedule Schedule:</b>	<b>\$54,394.00</b>	<b>\$78,000.00</b>	<b>\$96,000.00</b>
<b>15 Arson Investigation Duty Coverage Days</b>			
<b>12 Command Duty Coverage Days</b>			
<b>Medical Stipend</b>	<b>\$4,800.00</b>	<b>\$6,800.00</b>	<b>\$6,800.00</b>
<b>13 Paid Holidays: \$18.65 X 8 X 13</b>		<b>Paid Time Off</b>	<b>Paid Time Off</b>
<b>New Years, MLK, Presidents, Memorial, Independence, Labor, Veterans</b>			
<b>Thanksgiving, Day After, Christmas Eve, Christmas Day, Easter, Patriot day</b>			
<b>3 Weeks of Paid Vacation per Fiscal Year</b>			
<b>2 Weeks of Paid Sick Leave per Fiscal Year</b>			
<b>2 Paid Personal Days Per Fiscal Year</b>			
<b>Total Wages</b>	<b>\$59,194.00</b>	<b>\$84,800.00</b>	<b>\$102,800.00</b>
<b>Taxes, SDI, Medicare @ 14 %</b>	<b>\$7,615.16</b>	<b>\$10,920.00</b>	<b>\$13,440.00</b>
<b>Total Cost</b>	<b>\$66,809.16</b>	<b>\$95,720.00</b>	<b>\$116,240.00</b>
<b>Total Personnel Budget Difference</b>	<b>\$0.00</b>	<b>\$28,911.00</b>	<b>\$87,329.00</b>
<b>Total Budget Savings for Reallocation</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$87,329.00</b>

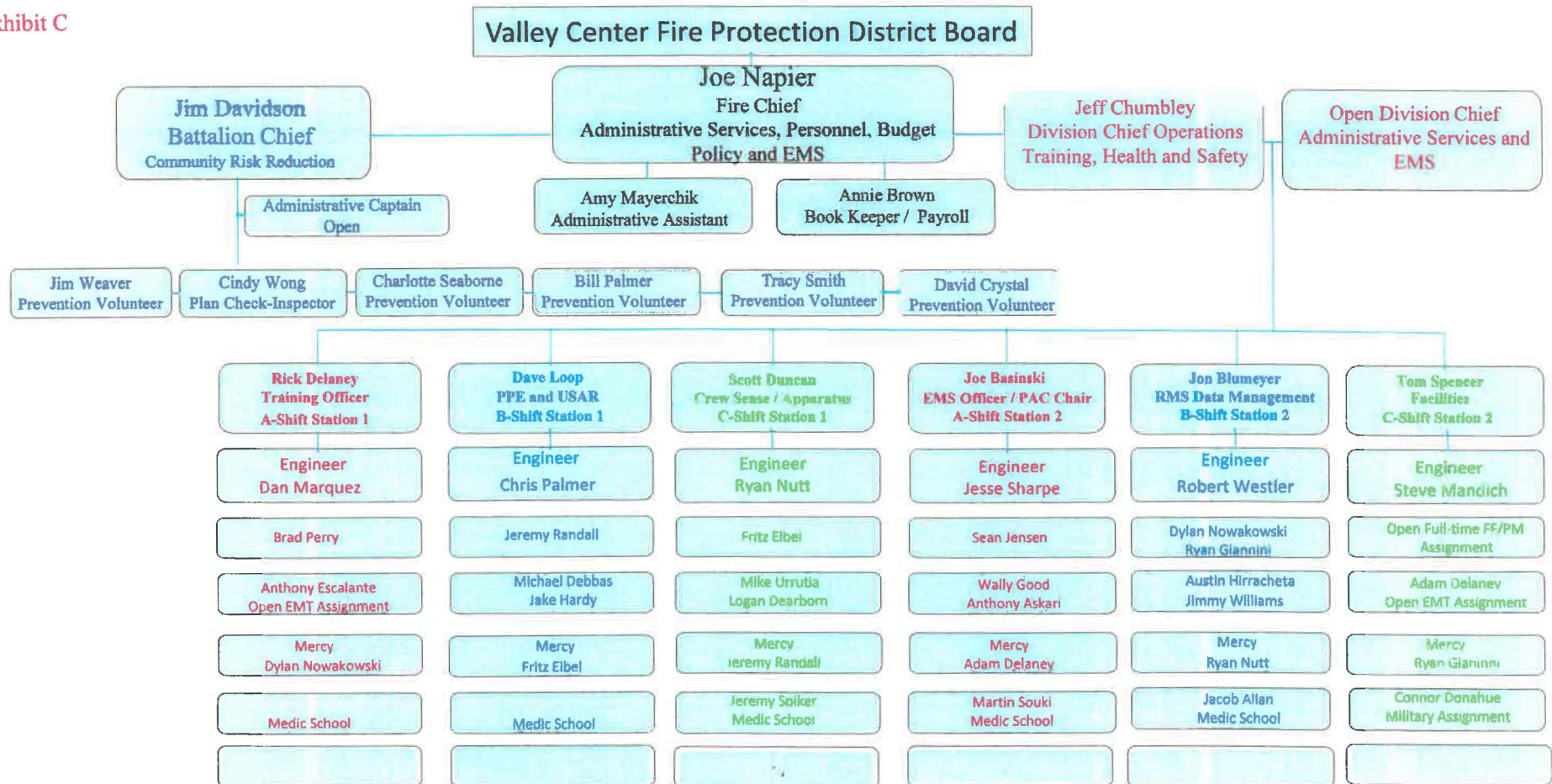


Exhibit B



UPDATED 02/01/2020

Exhibit C



UPDATED 02/20/2020