



**PUBLIC MEETING OF THE  
DEER SPRINGS FIRE PROTECTION DISTRICT (DSFPD)**

**November 8, 2023**

**Open Session 4:00 p.m.**

**Meeting Location: DSFPD Station 1, 8709 Circle R Drive, Escondido, CA 92026**

All agenda materials and other writings related to agenda items that are distributed to the board are available for public inspection at the District's offices located at 8709 Circle R Drive, Escondido, Ca. 92026

**1. Call to Order, Roll Call**

President Sealey  
Vice-President Jackson  
Secretary/Treasurer Gordon  
Director Holley  
Director Kerrin

**2. Pledge of Allegiance**

**3. Adoption of Agenda**

**4. Public Comments Period**

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 shall be deferred to the next meeting.

**5. Fire Safe Council Report**

**6. Approval of Minutes**

a. **Regular Meeting October 11, 2023**

**7. Acceptance of October Finance Reports-General, Capital and Mitigation Funds**

**8. Chief's Report**

- a. Fire Prevention Report
- b. Community Emergency Response Team Report

**9. Committee Reports**

- a. Station 2 Improvement-Directors Holley, Gordon, and Chief Morrison  
Purpose: To oversee the transition of Station 2 from the existing facility to a permanent facility  
Type: Ad hoc

- b. Community Wildfire Protection Plan (CWPP) and Multi-Jurisdictional Hazard Mitigation Plan (MJHMP)-Directors Sealey, Kerrin and Chief Morrison  
Purpose: To update the District's CWPP and develop a Deer Springs Annex to the San Diego County MJHMP  
Type: Ad hoc
- c. FY 2022-2023 Audit-Directors Gordon and Kerrin  
Purpose: To oversee the District's participation in the FY 2022-2023 financial audit, develop the draft Management's Discussion and Analysis, and make recommendations to the Board on any audit findings  
Type: Ad hoc

## **10. Unfinished Business**

- a. Revision of Policy C02-Financial Responsibilities
- b. Revision of Policy C04-Purchasing

## **11. New Business**

- a. Determine tree removal plan along the property line between Station 2 and the Deer Springs Oaks Mobile Home Park; the Deer Springs Oaks Homeowners Association will provide a presentation on their concerns and recommend options for consideration
- b. Approve Community Economic Solutions contract renewal to provide administration services to levy the Annual Fire Suppression Assessment for Fiscal Years 2023-24 through 2025-26
- c. Approve the Fiscal Year 2022-2023 Management's Discussion and Analysis for inclusion in the Independent Auditors' Report

## **12. Correspondence**

## **13. Directors Comments**

## **14. Adjournment**

*Members of the public may submit written comments. The public is strongly encouraged to submit their comments on agenda and non-agenda items via e-mail to [liz@dsfd.sdcoxmail.com](mailto:liz@dsfd.sdcoxmail.com). All comments submitted are sent to the members of the Board for their consideration. Written comments will be accepted until 30 minutes before the start of the meeting. Public comments that are submitted will be read into the record at the Board Meeting. The public retains the right to make comments during the course of the meeting.*

*In compliance with the Americans with Disabilities Act (US Code Title 42), if you need special assistance to participate in a meeting, please contact the Clerk of the Board at (760)749-8001. Notification of 48 hours prior to the meeting will enable the District to make reasonable arrangements to assure accessibility to the meeting.*



**PUBLIC MEETING OF THE  
DEER SPRINGS FIRE PROTECTION DISTRICT (DSFPD)  
October 11, 2023  
Open Session 4:00 p.m.**

**1. Call to Order, Roll Call**

President Sealey-Absent  
Vice-President Jackson-Present  
Secretary/Treasurer Gordon-Present  
Director Holley-Late 4:43  
Director Kerrin-Present

Also in attendance District Fire Chief Morrison, and Legal Counsel

**2. Pledge of Allegiance-Led by Vice-President Jackson**

**3. Adoption of Agenda**

Director Gordon moved to adopt October 11 agenda with amendments; Director Kerrin seconded the motion. **Motion is adopted; 3 Ayes; 0 Noes; 2 Absent (Holley & Sealey); 0 Abstain.**

**4. Public Comments Period**

Residents from Deer Springs Oaks Mobile Park attended the meeting and requested to be placed on the November agenda to discuss the trees that border between station 2 and the park.

**5. Fire Safe Council Report-Steve Kerrin**

Two chipping days remain on existing grant and the new five year Chipper Grant has been signed by Deer Springs Fire Safe Council and forwarded to Sacramento for signature. The chipper equipment will phase out in December 2026. Postcards were sent out last week of September for Open House October 14. Instructional video media will be presented at the Open House. The Sierra Rojo camera is still in negotiations.

**6. Approval of Minutes**

**a. Regular Meeting September 13, 2023**

Director Kerrin made a motion to approve September 13 board minutes; Director Gordon seconded the motion. **Motion is adopted; 3 Ayes; 0 Noes; 2 Absent (Holley & Sealey); 0 Abstain**

## 7. Acceptance of September Finance Reports-General, Capital and Mitigation Funds

Director Kerrin made a motion to approve September Financial Reports; Director Gordon seconded the motion. **Motion is adopted; 3 Ayes; 0 Noes; 2 Absent (Holley & Sealey); 0 Abstain.**

## 8. Chief's Report

- During month of September the District received 132 calls for service
- Station 3 attended Sellers Faire, displayed Battery operated Holmatro tools
- Station 1 Dispatch Alert System needs to be replaced/updated
- Tree proposals for removing trees at station 1
- Belafonte Resort has been permanently closed with full time security
- Open House/Fire Prevention Day October 14, Station 3 in Hidden Meadows
- District required Defensible Space Inspections have been completed
- Researching grants for new Command Vehicle

a. **Fire Prevention Report-** September Prevention Report included 8 Annual business inspections, 4 Defensible Space, 8 Fire Alarm, 4 Fire Safety/Site inspections and 18 plan reviews.

b. **Community Emergency Response Team Report-**Held their first quarterly training in September since COVID. The CERT Team will be attending the Open House at Station 3 on October 14. There will be no meeting in the month of October.

## 9. Committee Reports

- a. Station 2 Improvement-Directors Holley, Gordon, and Chief Morrison  
Purpose: To oversee the transition of Station 2 from the existing facility to a permanent facility  
Type: Ad hoc

The project is on budget, experienced a 20 day delay due to contract, septic system and schematic changes.

- b. Station 2 Temporary Facility Location-Directors Jackson and Gordon  
Purpose: To oversee the identification and establishment of a temporary facility for Station 2 operations while the permanent station is being constructed  
Type: Ad hoc

Director Jackson reported the lease is signed with Greens Storage Facility for the temporary facility for station 2. The Alert System installation in process and the door locks have been installed. The committee was declared to be complete in its mission and dissolved. Director Jackson and Chief Morrison will work together with Greens Storage on remaining tasks for the Firefighters to move in and occupy the site.

- c. Community Wildfire Protection Plan (CWPP) and Multi-Jurisdictional Hazard Mitigation Plan (MJHMP)-Directors Sealey, Kerrin and Chief Morrison  
Purpose: To update the District's CWPP and develop a Deer Springs Annex to the San Diego County MJHMP  
Type: Ad hoc-NO REPORT

d. FY 2022-2023 Audit-Directors Gordon and Kerrin

Purpose: To oversee the District's participation in the FY 2022-2023 financial audit, develop the draft Management's Discussion and Analysis, and make recommendations to the Board on any audit findings

Type: Ad hoc-NO REPORT

**10. Unfinished Business**-Both items will be presented at November board meeting

- a. Revision of Policy C02-Financial Responsibilities
- b. Revision of Policy C04-Purchasing

**11. New Business**

- a. Review/Approval of recommended Station 2 design changes affecting the berthing area, training room, and exercise room.

Director Holley made a motion prior to approving, rejecting, or modifying the Fire Station 2 Design Changes, find that the demolition of the existing Fire Station 2 and design, construction, and operation of the proposed new Fire Station 2 located at 1321 Deer Springs Road in the County of San Diego, CA, APN 187-540-42-00 is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 1302, 15302, and 15304 of the CEQA Guidelines and that no exceptions to the exemptions apply pursuant to Section 15300.2 of the CEQA Guidelines; Director Kerrin seconded the motion. **Motion is adopted; 4 Ayes; 0 Noes; 1 Absent (Sealey); 0 Abstain.**

Director Holley made a motion to approve Station 2 design changes affecting the berthing area, training and exercise rooms; Director Kerrin seconded the motion. **Motion is adopted; 4 Ayes; 0 Noes; 1 Absent (Sealey); 0 Abstain.**

- b. Selection of a California Environmental Quality Act (CEQA) Consultant for Station 2 construction

Director Jackson made a motion to retain Stephanie Smith with Grid Law firm, she will be directly engaged to the District as Special CEQA Counsel for station 2 construction; Director Gordon seconded the motion. **Motion is adopted; 4 Ayes; 0 Noes; 1 Absent (Sealey); 0 Abstain.**

**12. Correspondence**-None

**13. Directors Comments**

Director Kerrin thanked everyone for all their work; I am happy to be a part of this Board and look forward to being a part of building a new fire station. Director Gordon thanked everyone and complemented the Board as a whole working together to better understand and meets the needs and interest of the District.

**14. Adjournment**

Meeting adjourned at 5:27 pm

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Director James Gordon  
Secretary-Treasurer

## Deer Springs Fire

11/1/23 1:48 PM

Register: 1110-01 · Calif Bank &amp; Trust Checking

From 10/01/23 through 10/31/23

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment C	Deposit	Balance
10/02/23	8915	San Diego Gas & Elect...	5105 · Utilities - electrici...	1	2,336.21		53,724.39
10/02/23	8916	Edco Waste & Recycli...	-split-	September 2023	499.37		53,225.02
10/02/23	8917	US Bank Card	5250 · Misc. supplies & ...	3207	280.83		52,944.19
10/04/23	8918	Verizon	-split-	742392332	68.18		52,876.01
10/04/23	8920	Wells Fargo Advisors	-split-	28044153	1,103.00		51,773.01
10/04/23	8919	Heaton, Liz A	-split-		1,350.00		50,423.01
10/05/23			-split-	Deposit		2,952.62	53,375.63
10/06/23	debit	CalPERS	-split-	October 23	2,561.58		50,814.05
10/10/23		Mercy Medical Trans. ...	1200 · Accounts receiva...			377.45	51,191.50
10/10/23	8921	Southern Counties Lub...	5310 · Fuel and oil	891579	2,385.82		48,805.68
10/10/23	8922	Vallecitos Water District	5100 · Utilities - water:5...	2	92.10		48,713.58
10/10/23	8923	Regional Communicati...	5330 · County 800 MHz ...	24DSPFPDN03	655.50		48,058.08
10/10/23	8924	Cox Communications	-split-	2	234.29		47,823.79
10/10/23	8925	Canon Solutions Amer...	5740 · Printing	622152	138.86		47,684.93
10/10/23	8926	Citi Cards	-split-	5316	647.04		47,037.89
10/10/23	8927	Western Exterminator...	-split-	1/2/3	227.89		46,810.00
10/11/23	8928		void				46,810.00
10/11/23	8942	FailSafe Testing, LLC	5215 · Ladders	13081	1,437.78		45,372.22
10/12/23			-split-	Deposit		1,643.10	47,015.32
10/12/23	8929	County of S. D. Planni...	5500 · Capital Expenditu...	Major Use Perm...	991.00		46,024.32
10/12/23	8930	SDG&E	-split-	2/3	2,257.21		43,767.11
10/16/23	8931	White and Bright, LLP	-split-	BM 09/13/23	5,505.50		38,261.61
10/16/23	8932	Independent Mobile R...	-split-	2631/2632	4,731.10		33,530.51
10/16/23	8933	James Gordon	5700 · Administrative ex...	07/27/23 Financ...	70.00		33,460.51
10/16/23	8934	Valley Center Water	-split-	1-3	525.87		32,934.64
10/17/23	8935	Global Door	5220 · Station bay door r...	19067	162.50		32,772.14
10/18/23	8936	Heaton, Liz A	-split-		2,000.00		30,772.14
10/19/23	8937	Southern Counties Lub...	5310 · Fuel and oil	891660	2,451.08		28,321.06
10/19/23	8938	Cox Communications	-split-	1/3	724.10		27,596.96
10/23/23	8939	AT&T	-split-	1/2/3	285.69		27,311.27
10/25/23	8940	James Gordon	5700 · Administrative ex...	07/27/23 Financ...	45.85		27,265.42
10/26/23			4010 · Standby Availabil...	Deposit		2,447.88	29,713.30
10/26/23	8941	Willdan Financial Serv...	5800 · County assessme...	010-56380	4,389.72		25,323.58
10/31/23	8943	US Bank Card	-split-	3207	117.79		25,205.79
10/31/23	8944	San Diego Gas & Elect...	5105 · Utilities - electrici...	1	2,027.55		23,178.24
10/31/23	8946	Regional Communicati...	5330 · County 800 MHz ...	24DSPFPDN04	655.50		22,522.74
10/31/23	8947	Citi Cards	-split-	3514	947.52		21,575.22
10/31/23	8945	Heaton, Liz A	-split-		2,000.00		19,575.22

## Deer Springs Fire General Fund-Profit & Loss Budget vs. Actual July 2023 through June 2024

	Jul '23 - Jun 24	Budget	\$ Over Budget	% of Budget
<b>Income</b>				
4000 · Property Taxes	24,673.31	585,000.00	-560,326.69	4.2%
4010 · Standby Availability	10,563.03	2,012,261.00	-2,001,697.97	0.5%
4020 · Fire Suppression Assessment	5,065.22	3,564,052.00	-3,558,986.78	0.1%
4100 · Interest-General Fund	29,850.72	37,500.00	-7,649.28	79.6%
4115 · Transfer in from Mitigation	0.00	35,000.00	-35,000.00	0.0%
4200 · San Diego County				
4200-01 · Fire Services Fund Agreement	68,906.25	68,906.25	0.00	100.0%
<b>Total 4200 · San Diego County</b>	<b>68,906.25</b>	<b>68,906.25</b>	<b>0.00</b>	<b>100.0%</b>
4600 · Incident reimbursement				
4600.07 · Various Incidents	0.00	40,000.00	-40,000.00	0.0%
4600 · Incident reimbursement - Other	1,326.60			
<b>Total 4600 · Incident reimbursement</b>	<b>1,326.60</b>	<b>40,000.00</b>	<b>-38,673.40</b>	<b>3.3%</b>
4800 · Other Income	150.00			
<b>Total Income</b>	<b>140,535.13</b>	<b>6,342,719.25</b>	<b>-6,202,184.12</b>	<b>2.2%</b>
<b>Gross Profit</b>	<b>140,535.13</b>	<b>6,342,719.25</b>	<b>-6,202,184.12</b>	<b>2.2%</b>
<b>Expense</b>				
5000 · CAL FIRE Agreement	13,511.92	5,886,076.00	-5,872,564.08	0.2%
5010 · Chief's discretionary	144.00	5,000.00	-4,856.00	2.9%
5020 · Insurance	0.00	65,000.00	-65,000.00	0.0%
5100 · Utilities - water				
5100.01 · S1	1,061.20			
5100.02 · S2	381.21			
5100.03 · S3	949.31			
5100 · Utilities - water - Other	690.37	9,000.00	-8,309.63	7.7%
<b>Total 5100 · Utilities - water</b>	<b>3,082.09</b>	<b>9,000.00</b>	<b>-5,917.91</b>	<b>34.2%</b>
5105 · Utilities - electricity				
5105.01 · S1	9,181.48			
5105.02 · S2	5,371.60			
5105.03 · S3	5,369.65			
5105 · Utilities - electricity - Other	0.00	40,000.00	-40,000.00	0.0%
<b>Total 5105 · Utilities - electricity</b>	<b>19,922.73</b>	<b>40,000.00</b>	<b>-20,077.27</b>	<b>49.8%</b>
5110 · Utilities - exterminators				
5110.01 · S1	346.76			
5110.02 · S2	235.60			
5110.03 · S3	492.80			
5110 · Utilities - exterminators - Other	0.00	2,750.00	-2,750.00	0.0%
<b>Total 5110 · Utilities - exterminators</b>	<b>1,075.16</b>	<b>2,750.00</b>	<b>-1,674.84</b>	<b>39.1%</b>
5120 · Utilities - propane				
5120.01 · S1	63.49			
5120.02 · S2	1.00			
5120.03 · S3	1.00			
5120 · Utilities - propane - Other	0.00	4,200.00	-4,200.00	0.0%
<b>Total 5120 · Utilities - propane</b>	<b>65.49</b>	<b>4,200.00</b>	<b>-4,134.51</b>	<b>1.6%</b>
5125 · Utilities - trash				
5125.01 · S1	829.37			
5125.02 · S2	389.88			
5125.03 · S3	188.28			
5125 · Utilities - trash - Other	0.00	4,500.00	-4,500.00	0.0%
<b>Total 5125 · Utilities - trash</b>	<b>1,407.53</b>	<b>4,500.00</b>	<b>-3,092.47</b>	<b>31.3%</b>

## Deer Springs Fire General Fund-Profit & Loss Budget vs. Actual July 2023 through June 2024

	Jul '23 - Jun 24	Budget	\$ Over Budget	% of Budget
<b>5130 · Utilities - cable</b>				
5130.01 · S1	192.50			
5130.02 · S2	657.20			
5130.03 · S3	599.60			
5130 · Utilities - cable - Other	60.00	4,100.00	-4,040.00	1.5%
<b>Total 5130 · Utilities - cable</b>	1,509.30	4,100.00	-2,590.70	36.8%
<b>5135 · Utilities - telephone</b>				
5135.01 · S1	836.87			
5135.02 · S2	523.92			
5135.03 · S3	411.52			
5135 · Utilities - telephone - Other	0.00	5,500.00	-5,500.00	0.0%
<b>Total 5135 · Utilities - telephone</b>	1,772.31	5,500.00	-3,727.69	32.2%
<b>5140 · Utilities - Internet</b>				
5140.01 · S1	265.71			
5140.02 · S2	279.96			
5140.03 · S3	223.96			
5140 · Utilities - Internet - Other	0.00	2,000.00	-2,000.00	0.0%
<b>Total 5140 · Utilities - Internet</b>	769.63	2,000.00	-1,230.37	38.5%
<b>5200 · Small Equipment Repair</b>				
5200.01 · S1	8.61			
5200.02 · S2	182.39			
5200 · Small Equipment Repair - Other	0.00	6,800.00	-6,800.00	0.0%
<b>Total 5200 · Small Equipment Repair</b>	191.00	6,800.00	-6,609.00	2.8%
<b>5210 · Building Repair</b>				
5210.01 · S1	3,837.03			
5210.02 · S2	2,049.83			
5210 · Building Repair - Other	0.00	30,000.00	-30,000.00	0.0%
<b>Total 5210 · Building Repair</b>	5,886.86	30,000.00	-24,113.14	19.6%
<b>5215 · Ladders</b>	1,437.78	2,000.00	-562.22	71.9%
<b>5220 · Station bay door repairs</b>	791.25	5,000.00	-4,208.75	15.8%
<b>5225 · Extrication Tools</b>	0.00	5,500.00	-5,500.00	0.0%
<b>5230 · Generator repair</b>	0.00	5,000.00	-5,000.00	0.0%
<b>5235 · AIR VAC-Exhaust System (Mainten...</b>	0.00	2,000.00	-2,000.00	0.0%
<b>5240 · Fire extinguishers</b>	0.00	1,200.00	-1,200.00	0.0%
<b>5250 · Misc. supplies &amp; services</b>				
5250.01 · S1	1,744.87			
5250.02 · S2	510.84			
5250.03 · S3	688.60			
5250 · Misc. supplies & services - Other	0.00	12,000.00	-12,000.00	0.0%
<b>Total 5250 · Misc. supplies &amp; services</b>	2,944.31	12,000.00	-9,055.69	24.5%
<b>5260 · SCBA supplies, repairs</b>	2,055.42	5,000.00	-2,944.58	41.1%
<b>5270 · Pers. Protection, Rep/Repl</b>	0.00	24,000.00	-24,000.00	0.0%
<b>5300 · Vehicle maintenance &amp; repair</b>				
5300-02 · E211-2004 KME 8827	3,603.91			
5300-03 · E13-2006 KME 8013	1,028.26			
5300-11 · E12-2017 Spartan 1363	1,139.77			
5300-13 · E11-2021 Ferrara 0029	4,889.90			
5300 · Vehicle maintenance & repair - O...	0.00	95,000.00	-95,000.00	0.0%
<b>Total 5300 · Vehicle maintenance &amp; repair</b>	10,661.84	95,000.00	-84,338.16	11.2%
<b>5310 · Fuel and oil</b>	15,958.34	50,000.00	-34,041.66	31.9%
<b>5320 · Radio maintenance &amp; repair</b>	2,343.05	5,000.00	-2,656.95	46.9%
<b>5330 · County 800 MHz fees</b>	3,277.50	9,000.00	-5,722.50	36.4%
<b>5340 · First responder supplies</b>	1,066.43			
<b>5350 · Fire hose replacement</b>	0.00	8,000.00	-8,000.00	0.0%
<b>5360 · Safety Ropes</b>	0.00	2,500.00	-2,500.00	0.0%
<b>5370 · Hydrant maintenance</b>	0.00	600.00	-600.00	0.0%



## Deer Springs Fire General Fund-Profit & Loss Budget vs. Actual

July 2023 through June 2024

	Jul '23 - Jun 24	Budget	\$ Over Budget	% of Budget
5400 · Grant expenditures				
5400-01 · Matching Funds	0.00	20,000.00	-20,000.00	0.0%
<b>Total 5400 · Grant expenditures</b>	<b>0.00</b>	<b>20,000.00</b>	<b>-20,000.00</b>	<b>0.0%</b>
5420 · DS Fire Safe Council	0.00	5,000.00	-5,000.00	0.0%
5425 · Community Education	0.00	1,500.00	-1,500.00	0.0%
5600 · Salaries				
5600-01 · Administrator	31,101.32	90,065.00	-58,963.68	34.5%
5600-03 · Directors	2,500.00	9,000.00	-6,500.00	27.8%
<b>Total 5600 · Salaries</b>	<b>33,601.32</b>	<b>99,065.00</b>	<b>-65,463.68</b>	<b>33.9%</b>
5610 · Deferred Compensation Plan				
5610-01 · Administrator	725.00	2,800.00	-2,075.00	25.9%
5610 · Deferred Compensation Plan - Ot...	0.00	0.00	0.00	0.0%
<b>Total 5610 · Deferred Compensation Plan</b>	<b>725.00</b>	<b>2,800.00</b>	<b>-2,075.00</b>	<b>25.9%</b>
5615 · Vacation accrual	0.00	8,256.00	-8,256.00	0.0%
5620 · Medical insurance	3,869.60	11,500.00	-7,630.40	33.6%
5630 · Retiree benefits	5,884.74	20,000.00	-14,115.26	29.4%
5640 · Social Security, Medicare	2,570.51	8,000.00	-5,429.49	32.1%
5660 · State unemployment taxes	0.00	150.00	-150.00	0.0%
5670 · Workers compensation	3,085.65	3,500.00	-414.35	88.2%
5700 · Administrative expenses				
5700-01 · Meetings, training & travel	115.85	4,000.00	-3,884.15	2.9%
5700-02 · Dues, subscriptions	325.00	2,000.00	-1,675.00	16.3%
5700-03 · Supplies - office	66.02	2,500.00	-2,433.98	2.6%
5700.05 · Tech Improvement	0.00	25,000.00	-25,000.00	0.0%
<b>Total 5700 · Administrative expenses</b>	<b>506.87</b>	<b>33,500.00</b>	<b>-32,993.13</b>	<b>1.5%</b>
5720 · Computer Equipment				
5720-01 · Hardware	0.00	4,000.00	-4,000.00	0.0%
5720-02 · Software	198.87	3,000.00	-2,801.13	6.6%
5720-03 · Repair	0.00	1,500.00	-1,500.00	0.0%
<b>Total 5720 · Computer Equipment</b>	<b>198.87</b>	<b>8,500.00</b>	<b>-8,301.13</b>	<b>2.3%</b>
5730 · Office equipment	0.00	2,500.00	-2,500.00	0.0%
5740 · Printing	1,062.75	1,500.00	-437.25	70.9%
5750 · Professional services				
5750-01 · Legal	11,248.00	25,000.00	-13,752.00	45.0%
5750-02 · Accounting	4,000.00	10,000.00	-6,000.00	40.0%
5750-03 · Board of Directors Election	0.00	200.00	-200.00	0.0%
5750 · Professional services - Other	2,604.00			
<b>Total 5750 · Professional services</b>	<b>17,852.00</b>	<b>35,200.00</b>	<b>-17,348.00</b>	<b>50.7%</b>
5760 · Fees & permits	0.00	1,750.00	-1,750.00	0.0%
5800 · County assessments				
5800-01 · LAFCO	3,636.26	4,200.00	-563.74	86.6%
5800-02 · Tax collections	0.00	50.00	-50.00	0.0%
5800-03 · Fire suppression	2,625.00	4,000.00	-1,375.00	65.6%
5800-05 · Standby & availability	4,389.72	5,000.00	-610.28	87.8%
<b>Total 5800 · County assessments</b>	<b>10,650.98</b>	<b>13,250.00</b>	<b>-2,599.02</b>	<b>80.4%</b>
5900 · Miscellaneous	9.00	600.00	-591.00	1.5%
<b>Total Expense</b>	<b>169,891.23</b>	<b>6,573,297.00</b>	<b>-6,403,405.77</b>	<b>2.6%</b>
<b>Net Income</b>	<b>-29,356.10</b>	<b>-230,577.75</b>	<b>201,221.65</b>	<b>12.7%</b>

Deer Springs Fire

11/1/23 10:52 AM

Register: 1100 · Cash in county treasury

From 10/01/23 through 10/31/23

Sorted by: Date, Type, Number/Ref

<u>Date</u>	<u>Number</u>	<u>Payee</u>	<u>Account</u>	<u>Memo</u>	<u>Payment</u>	<u>C</u>	<u>Deposit</u>	<u>Balance</u>
10/10/23			4000 · Property Taxes	Deposit			7,696.53	3,639,875.91

**Deer Springs Fire**  
**Capital Fund Profit & Loss Budget vs. Actual**  
 July 2023 through June 2024

	Jul '23 - Jun 24	Budget	\$ Over Budget	% of Budget
<b>Income</b>				
4105 · Capital-Interest	145,936.75	212,000.00	-66,063.25	68.8%
4200 · San Diego County				
4200-02 · OES Grants-2021	0.00	11,400.00	-11,400.00	0.0%
<b>Total 4200 · San Diego County</b>	<b>0.00</b>	<b>11,400.00</b>	<b>-11,400.00</b>	<b>0.0%</b>
4500 · Other grants				
4500.04 · Traffic Safety Grant	972.95	1,376.00	-403.05	70.7%
4500.05 · ARPA	0.00	22,000.00	-22,000.00	0.0%
<b>Total 4500 · Other grants</b>	<b>972.95</b>	<b>23,376.00</b>	<b>-22,403.05</b>	<b>4.2%</b>
<b>Total Income</b>	<b>146,909.70</b>	<b>246,776.00</b>	<b>-99,866.30</b>	<b>59.5%</b>
<b>Gross Profit</b>	<b>146,909.70</b>	<b>246,776.00</b>	<b>-99,866.30</b>	<b>59.5%</b>
<b>Expense</b>				
5400 · Grant expenditures				
5400-11 · SHSP Grant 2020-11 BA Bottles	0.00	11,400.00	-11,400.00	0.0%
<b>Total 5400 · Grant expenditures</b>	<b>0.00</b>	<b>11,400.00</b>	<b>-11,400.00</b>	<b>0.0%</b>
5500 · Capital Expenditures				
5500.01 · Apparatus	0.00	911,000.00	-911,000.00	0.0%
5500.04 · Station 1 Upgrades	0.00	10,000.00	-10,000.00	0.0%
5500.05 · Station 2 Upgrades	0.00	10,000.00	-10,000.00	0.0%
5500.06 · Station 3 Upgrades	0.00	25,000.00	-25,000.00	0.0%
5500.12 · Station 2 Facility				
5500.1 · Station 2 temporary Location (Green ...	33,103.50	0.00	33,103.50	100.0%
5500.2 · EC Constructors	415,193.53			
5500.12 · Station 2 Facility - Other	60,835.00	3,500,000.00	-3,439,165.00	1.7%
<b>Total 5500.12 · Station 2 Facility</b>	<b>509,132.03</b>	<b>3,500,000.00</b>	<b>-2,990,867.97</b>	<b>14.5%</b>
5500.15 · Station 1 Concrete	0.00	200,000.00	-200,000.00	0.0%
<b>Total 5500 · Capital Expenditures</b>	<b>509,132.03</b>	<b>4,656,000.00</b>	<b>-4,146,867.97</b>	<b>10.9%</b>
<b>Total Expense</b>	<b>509,132.03</b>	<b>4,667,400.00</b>	<b>-4,158,267.97</b>	<b>10.9%</b>
<b>Net Income</b>	<b>-362,222.33</b>	<b>-4,420,624.00</b>	<b>4,058,401.67</b>	<b>8.2%</b>

# Deer Springs Fire

11/1/23 10:51 AM

Register: 1111 · Capital Fund

From 10/01/23 through 10/31/23

Sorted by: Date, Type, Number/Ref

<b>Date</b>	<b>Number</b>	<b>Payee</b>	<b>Account</b>	<b>Memo</b>	<b>Payment</b>	<b>C</b>	<b>Deposit</b>	<b>Balance</b>
10/26/23	2539	Greens Global Inc.	5500 · Capital Expenditu...	November 2023 ...	9,175.00			17,618,630.27
10/26/23	2540	Kitchell/CEM, Inc.	5500 · Capital Expenditu...	Sept. 108.5 hrs. ...	19,610.00			17,599,020.27
10/26/23	2541	Banner Bank	5500 · Capital Expenditu...	5% retention #0...	2,194.75			17,596,825.52
10/26/23	2542	EC Constructors, Inc.	5500 · Capital Expenditu...	COAR/Septic/S...	41,699.78			17,555,125.74

Deer Springs Fire

11/1/23 10:51 AM

Register: 1112 · Mitigation Fund

From 10/01/23 through 10/31/23

Sorted by: Date, Type, Number/Ref

<u>Date</u>	<u>Number</u>	<u>Payee</u>	<u>Account</u>	<u>Memo</u>	<u>Payment</u>	<u>C</u>	<u>Deposit</u>	<u>Balance</u>
10/19/23			4030 · Mitigation Fees	Deposit			36,577.06	78,097.90



October 2023  
 San Diego County Fire  
 Inspection Activity Report



FDID

Deer Springs FPD

Row Labels	Count of Completed
<b>Annual</b>	<b>8</b>
Castle Creek Country Club - 8797 Circle R Dr	1
Country Club Guest Home - 25533 Rua Michelle	1
Lawrence Welk Resort- Member Relations - 8860 Lawrence Welk Dr	1
Moose Lodge - 25721 Jesmond Dene Rd	2
Stoneridge Preview Center - 9059 Welk View Dr	2
Welk - Executive Cabin - 8860 Welk View Dr	1
<b>Defensible Space</b>	<b>3</b>
Castle Creek Country Club - 8797 Circle R Dr	1
Rose Garden Capo LLC - 28688 Mountain Meadow Rd	2
<b>Fire Alarm Inspection</b>	<b>8</b>
The Welk - Showboat - 8914 Moonwind Circle	1
The Welk Resort - Applause - 8902 Moonwind Circle	1
The Welk Resort - Brigadoon - 8810 Moonwind Circle	1
The Welk Resort - Carousel - 8904 Moonwind Circle	1
The Welk Resort - Drifter - 8807 Chalice Dr	1
The Welk Resort - Evergreen - 8809 Chalice Dr	1
The Welk Resort - Gypsy - 8906 Moonwind Circle	1
The Welk Resort - Paradise - 39998 Brienwood Dr	1
<b>Fire Safety/Site Inspection</b>	<b>4</b>
Belafonte Resort-Vacant - 29850 Circle R Way	3
Private Residence - 29650 Castleridge Rd	1
<b>Grand Total</b>	<b>23</b>



# San Diego County Fire Prevention Activity Report

## Deer Springs FPD

### October 2023



Date	Type	Details	Address	Comment
<b>Plan Review</b>				
10/04/2023	Building	Accessory structure for existing SFD	30498 Spearhead Trail, Valley C	Fire stamp transfer
10/10/2023	Fire Alarm	Fire alarm system installation	Chalice Dr, Escondido, CA 9202	1st review/ FPE stamped - Approved
10/10/2023	Fire Alarm	Fire alarm system installation	8914 Moonwind Circle, Escondi	1st review/ FPE stamped - Approved
10/11/2023	Building	New dormitory building	2499 Melru Ln, Escondido, CA 9	2nd review - Approved
10/12/2023	Building	Detached ADU	9547 Lilac Walk	Approved
10/12/2023	Building	Detached Barn	10218 Circle P Lane	Approved
10/12/2023	Building	SFD w/Att. Garage	10004 Paseo Rojo	Resubmittal Required
10/17/2023	Alt Suppression System	Kitchen wet chem AFS installation	13026 Meadow Glen Way East,	1st review - Approved with annotations
10/19/2023	Other	Grading for SFD	9707 Crystal Ridge Drive	PDF Review - Approved - Mylars Signed
10/24/2023	Fire Sprinkler	2-story garage and rec room	10112 Circlr P Ln, Escondido, CA	1st review - Approved
10/24/2023	Grading	Grading for SFD	Castlegarden Court	Resubmittal Required
10/26/2023	Building	SFD w/Att. ADU and Det. Garage	9626 Indian Creek Way	Approved
10/31/2023	Building	Garage conversion and new Att. Garage	7520 N. Rancho Amigos Road	Approved
10/31/2023	Building	Detached Storage Building	26270 Wyndemere Court	Resubmittal Required
				Amount: 14

1. Background – Deer Springs Oaks Mobile Home Park (DSO) has had a very good relationship with the Fire Department for as long as we have been neighbors. The Fire Department answers calls, often from DSO residents needing emergency help. DSO has maintained the trees adjacent to Fire Station #2 for the entire time Station #2 has been a neighbor, with the belief that the trees were on DSO property. A recent survey completed by the Fire Department, revealed that the trees on both sides of the drainage ditch belong to the Fire Department.
2. The tree line and drainage ditch – there are a variety of trees that divide our park and the fire station, including eucalyptus, pine, pepper, and many bushes. There are also many volunteer trees that have grown up amongst the larger trees. The larger eucalyptus trees were trimmed/cut about 8 years ago. There is no watering system on this line. All the trees, bushes and plants are self- sustaining. There is a drainage ditch that runs from the road to the back of the DSO property that is essential to keep cleared to prevent flooding during the rainy season. There are a variety of trees and bushes on both sides of the ditch. DSO maintains the ditch, clearing out debris as needed.
3. Beauty of the park – residents who move here, do so because of the beauty of the trees and greenery. We have spent thousands of dollars and hours volunteering, maintaining, and trimming trees and bushes all over the park. DSO contracts a landscape service that does weed abatement and trims trees as well. We pride ourselves in having a very beautiful, natural living area, including all sorts of wildlife. Every spring the trees are abundant with birds nesting. Our biggest desire is to keep the landscape as natural and as beautiful as possible.
4. Park Road (from Mesa Rock to Windsong Lane) – a few years ago DSO paid around \$45,000 to put down a new road. This is a prescriptive easement that is used by DSO residents, two residents on Windsong and utility companies, including SDG&E, AT&T, and Vallecitos Water District.
5. DSO concerns – Our concerns with the current Fire Department proposal are:
  - a. maintaining the natural beauty of the park
  - b. increased noise and air pollutants
  - c. protecting all wildlife, especially birds that nest every springWe agree in that all the trees need trimming to create a healthy and safe environment. DSO would like to have as many trees trimmed as necessary without removal. Removing trees will negatively impact the environment, including the drainage ditch.
6. DSO proposal For the Deer Springs Fire Department
  - a. Cut all Eucalyptus trees in half and lace all limbs. Maintain the trees every five years.
  - b. Retain all small green trees and bushes as they are now.
  - c. Do not use backhoes or bulldozers as they will negatively impact the environment and Park Road, our main road into the park, and to the residents beyond our park.
  - d. Retain the drainage ditch, leave as is, clearing and maintaining on a regular basis
  - e. Retain the current wood fence dividing the properties providing privacy.
  - f. Pay one half of the cost to maintain Park Road from Mesa Rock to the Fire Department property marker. (patching cracks in the road before rainy season).



**Community Economic Solutions**  
*"Better Communities through Better Funding"*

October 30, 2023

Liz Heaton  
District Administrator  
Deer Springs Fire Protection District  
8709 Circle "R" Drive  
Escondido, CA 92026

**Subject: Proposal to Provide Administration Services to Levy the Annual Fire Suppression Assessment for Fiscal Years 2023-24 through 2025-26**

Dear Liz:

Community Economic Solutions (CES) is pleased to submit our proposal to continue providing Special Assessment Administration Services for the Deer Springs Fire Protection District Fire Suppression Assessment for Fiscal Years 2023-24 through 2025-26.

The services included in our proposal are updating the assessment roll and filing the assessment information with the San Diego County Treasurer/Tax Collector's office as directed by the Deer Springs Board of Directors. We propose to use the existing district database developed in previous years (property of The Deer Springs Fire Protection District), which will be updated with information from the County Assessor's office and the Deer Springs Fire Protection District.

We have developed the following scope of work with a schedule to ensure that the fire suppression assessments can be placed on the Fiscal Year 2023-24 property tax roll for collection:

**SCOPE OF SERVICES**

**PHASE I - Update the Existing Database (property of Deer Springs Fire District) per Board Direction**

1. Schedule annual kick-off meeting with Deer Springs staff to discuss the District's budget, financial needs and any assessment changes from the previous fiscal year.
2. Receive parcel data changes from the Deer Springs Fire District including information such as assessor parcel number and current property use information, zoning, improved square footage, owner name and fire prevention devices, etc.

**Community Economic Solutions**

27603 Alps Lane  
Escondido, CA 92026

Main: (888) 423-7476  
Fax: (760) 749-2644  
cathyshepherd@coecso.com

3. Maintain and update the existing database from Fiscal Year 2022-23 using County Assessor's data as well as development information provided by the District. Data provided by the District will be augmented with data from other sources, such as County Assessor's Maps, County Assessment Roll data and third-party data resources.
4. Attend up to two (2) meetings of the Deer Springs Fire Protection District Board of Directors and/or meetings with District staff and answer any questions as requested by the Board or District staff.

**PHASE II - Submit Annual Assessment Roll**

1. Prepare an electronic version of the assessment roll in the format required by the County Treasurer/Tax Collector's office.
2. Submit Assessment Roll to the County Treasurer/Tax Collector. Provide the District with the Certification letter required by San Diego County for the initial submittal and any subsequent re-submittals.
3. Research unapplied parcels and re-submit to the County Treasurer/Tax Collector. Community Economic Solutions will manually invoice the special assessment installments that cannot be placed on the County Secured Property Tax Roll.
4. After acceptance of the Assessment Roll for inclusion on the ensuing years tax roll, provide the District with one (1) copy of the Final Assessment Roll as accepted by the County Treasurer/Tax Collector.

**EXTENDED SERVICES**

1. Attend additional meetings as requested by District staff.
2. Preparation of Annual Reports.
3. Preparation of display boards and/or audio-visual materials.
4. Modification of database to include additional data not currently contained in the parcel database.
5. Respond to citizen and board comments
6. Attendance at property owner meetings
7. Modification of special assessments as submitted to the County at the request of the District.
8. Any other services requested and authorized by the Deer Springs Fire Protection District.

**FEE SCHEDULE**

Based upon our understanding of the Deer Springs Fire Protection District's direction, CES proposes the following fee estimate for the completion of Phases I and II for Fiscal Year 2023-24 as described in the Scope of Work.

PHASE I - UPDATE EXISTING DATA.....Lump Sum \$1,750.00  
PHASE II - SUBMIT ASSESSMENT ROLL .....Lump Sum \$1,750.00  
**Total Fee .....Lump Sum \$3,500.00**

As the District is interested in pursuing a multi-year agreement, CES will discount the fees for ensuing fiscal years by 10%, such that a three year contract lasting through fiscal year 2025-26 would be \$9,800, averaging \$3,267 per year. The fee breakdown for each fiscal year will be as follows:

PHASE I - UPDATE EXISTING DATA.....Lump Sum \$1,633.50  
PHASE II - SUBMIT ASSESSMENT ROLL .....Lump Sum \$1,633.50  
**Total Fee .....Lump Sum \$3,267.00**

Reimbursable expenses, such as the purchase of County Assessor's data, mileage, duplication, and postage are in addition to in the lump sum fees. Extended Services shall be provided on an item by item basis, in accordance with our hourly rate schedule.

**PROJECT TEAM**

Our project team has extensive experience in the formation and administration of all types of assessment districts and special tax districts. Chuck Crandall, C.P.A. will serve as the Principal in-Charge and Catherine Shepherd will be the Project Manager and the contact person responsible for renewing the district.

If you concur with the scope of services and fees, please sign below and forward one (1) copy to me for our records. After we have received your concurrence it will act as our notice to proceed and we will commence work immediately.

If you have any questions or comments, please feel free to call me directly at (619) 201-4011.

Sincerely,

*COMMUNITY ECONOMIC SOLUTIONS*

*DEER SPRINGS FIRE PROTECTION DISTRICT*



Catherine A. Shepherd  
Vice President  
Community Economic Solutions

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**DEER SPRINGS FIRE PROTECTION DISTRICT  
FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITORS' REPORT  
For the Fiscal Year Ended  
June 30, 2023  
(With Comparative Amounts for June 30, 2022)**

**NIGRO & NIGRO<sup>PC</sup>**

**DEER SPRINGS FIRE PROTECTION DISTRICT**

*For the Fiscal Year Ended June 30, 2023*

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*Financial Section*

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**NIGRO & NIGRO** PC

*A Professional Accountancy Corporation*

## **INDEPENDENT AUDITORS' REPORT**

Board of Directors  
Deer Springs Fire Protection District  
Escondido, California

### **Opinion**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Deer Springs Fire Protection District as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Deer Springs Fire Protection District, as of June 30, 2023, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

## **Required Supplementary Information**

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

## **Prior-Year Comparative Information**

The financial statements include partial prior-year comparative information. Such information does not include sufficient detail to constitute a presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2022, from which such partial information was derived.



**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a separate report dated October 31, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Murrieta, California  
October 31, 2023

**DEER SPRINGS FIRE PROTECTION DISTRICT**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended June 30, 2023*

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Management's Discussion and Analysis (MD&A) offers readers of Deer Springs Fire Protection District's (the District) financial statements a narrative overview of the District's financial activities for the fiscal year ended June 30, 2023. This MD&A presents financial highlights, an overview of the accompanying financial statements, an analysis of net position and results of operations, a current-to-prior year analysis, a discussion on restrictions, commitments and limitations, and a discussion of significant activity involving capital assets and long-term debt. Please read in conjunction with the financial statements, which follow this section.

**FINANCIAL HIGHLIGHTS**

- The District's net position increased 1.58% or \$256,309 from \$16,186,525 to \$16,442,834 as a result of this year's operations.
- Total revenues from all sources increased by 19.61%, or \$1,113,683 from \$5,679,726 to \$6,793,409, from the prior year, primarily due to an increase in capital grant funding.
- Total expenses for the District's operations increased by 20.94% or \$1,131,664 from \$5,405,436 to \$6,537,100 from the prior year, primarily due to a \$1,094,876 increase in operations expense.
- The District purchased new capital assets during the year in the amount of \$463,674. Depreciation expense was \$278,220.

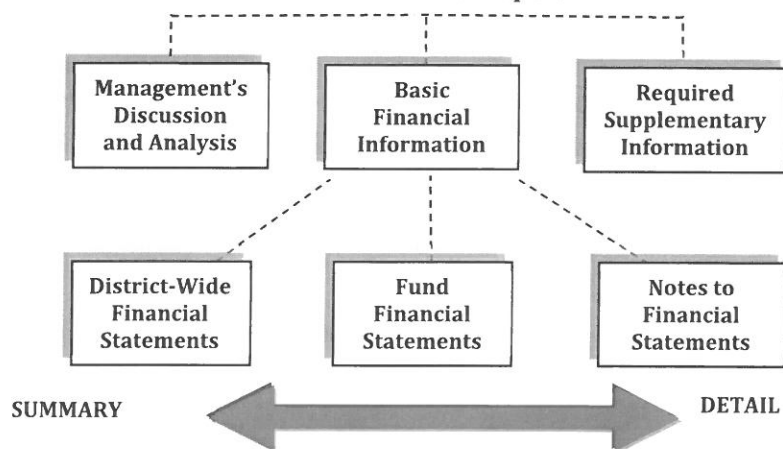
**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

**Figure A-1. Organization of Deer Springs Fire Protection District's Annual Financial Report**

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



**DEER SPRINGS FIRE PROTECTION DISTRICT**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended June 30, 2023*

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**OVERVIEW OF THE FINANCIAL STATEMENTS (continued)**

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

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

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

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

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**OVERVIEW OF THE FINANCIAL STATEMENTS (continued)**

**District-Wide Statements**

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

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

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

**GOVERNMENTAL FUNDS FINANCIAL STATEMENTS**

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

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

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

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**FINANCIAL ANALYSIS AND CONDENSED FINANCIAL INFORMATION**

**Analysis of Net Position**

**Table A-1: Condensed Statement of Net Position**

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>Change</u>
<b>Assets:</b>			
Current assets	\$ 21,220,021	\$ 13,453,714	\$ 7,766,307
Non-current assets	40,364	55,170	(14,806)
Capital assets, net	<u>2,882,095</u>	<u>2,696,641</u>	<u>185,454</u>
<b>Total assets</b>	<u>24,142,480</u>	<u>16,205,525</u>	<u>7,936,955</u>
<b>Liabilities:</b>			
Current liabilities	7,692,747	12,847	7,679,900
Non-current liabilities	<u>6,899</u>	<u>6,153</u>	<u>746</u>
<b>Total liabilities</b>	<u>7,699,646</u>	<u>19,000</u>	<u>7,680,646</u>
<b>Net position :</b>			
Net investment in capital assets	2,882,095	2,696,641	185,454
Restricted	40,364	55,170	(14,806)
Unrestricted	<u>13,520,375</u>	<u>13,434,714</u>	<u>85,661</u>
<b>Total net position</b>	<u>\$ 16,442,834</u>	<u>\$ 16,186,525</u>	<u>\$ 256,309</u>

At the end of fiscal year 2023, the District shows a balance in its unrestricted net position of \$13,520,375.

**Analysis of Revenues and Expenses**

**Table A-2: Condensed Statements of Activities**

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>Change</u>
<b>Program revenues</b>	\$ 6,106,767	\$ 5,365,915	\$ 740,852
<b>Expenses</b>	<u>(6,537,100)</u>	<u>(5,405,436)</u>	<u>(1,131,664)</u>
<b>Net program expense</b>	(430,333)	(39,521)	(390,812)
<b>General revenues</b>	<u>686,642</u>	<u>313,811</u>	<u>372,831</u>
<b>Change in net position</b>	256,309	274,290	(17,981)
<b>Net position:</b>			
<b>Beginning of year</b>	<u>16,186,525</u>	<u>15,912,235</u>	<u>274,290</u>
<b>End of year</b>	<u>\$ 16,442,834</u>	<u>\$ 16,186,525</u>	<u>\$ 256,309</u>

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**FINANCIAL ANALYSIS AND CONDENSED FINANCIAL INFORMATION (continued)**

**Analysis of Revenues and Expenses (continued)**

The statement of activities shows how the government's net position changed during the fiscal year. In the case of the District, the operations of the District increased its net position by \$256,309.

**Table A-3: Total Revenues**

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>Increase (Decrease)</u>
<b>Program revenues:</b>			
Charges for services	\$ 5,527,830	\$ 5,250,324	\$ 277,506
Mitigation fees	34,847	47,498	(12,651)
Operating and capital grant funding	<u>544,090</u>	<u>68,093</u>	<u>475,997</u>
<b>Total program revenues</b>	<u>6,106,767</u>	<u>5,365,915</u>	<u>740,852</u>
<b>General revenues:</b>			
Property taxes	602,423	548,394	54,029
Investment earnings	78,219	(234,583)	312,802
Sale of assets	<u>6,000</u>	<u>-</u>	<u>6,000</u>
<b>Total general revenues</b>	<u>686,642</u>	<u>313,811</u>	<u>372,831</u>
<b>Total revenues</b>	<u>\$ 6,793,409</u>	<u>\$ 5,679,726</u>	<u>\$ 1,113,683</u>

Total revenues from all sources increased by 19.61%, or \$1,113,683 from \$5,679,726 to \$6,793,409, from the prior year, primarily due to an increase in operating and capital grant funding.

**Table A-4: Total Expenses**

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>Increase (Decrease)</u>
<b>Expenses:</b>			
Operations	\$ 6,258,880	\$ 5,164,004	\$ 1,094,876
Depreciation expense	<u>278,220</u>	<u>241,432</u>	<u>36,788</u>
<b>Total expenses</b>	<u>\$ 6,537,100</u>	<u>\$ 5,405,436</u>	<u>\$ 1,131,664</u>

Total expenses for the District's operations increased by 20.94% or \$1,131,664 from \$5,405,436 to \$6,537,100 from the prior year, primarily due to a \$1,094,876 increase in operations expense.

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**GOVERNMENTAL FUNDS FINANCIAL ANALYSIS**

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

As of June 30, 2023, the District reported a total fund balance of \$13,574,537. An amount of \$13,461,527 constitutes the District's *unassigned fund balance*.

**OPERATIONS FUND BUDGETARY HIGHLIGHTS**

The final budgeted expenditures for the District's general fund at year-end were \$128,283 less than actual. Budgeted revenues were less than actual revenues by \$528,122. Actual revenues less expenses were over budget by \$656,405.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

By the end of fiscal year 2023, the District had invested \$2,882,095 in capital assets, related to the purchase of equipment for use in fire protection. (More detailed information about capital assets can be found in Note 4 to the financial statements). Total depreciation expense for the year was \$278,220.

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

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
<b>Capital assets:</b>		
Non-depreciable assets	\$ 1,105,588	\$ 824,065
Depreciable assets	6,227,226	6,076,007
Accumulated depreciation	<u>(4,450,719)</u>	<u>(4,203,431)</u>
<b>Total capital assets, net</b>	<u>\$ 2,882,095</u>	<u>\$ 2,696,641</u>

**FACTORS AFFECTING CURRENT FINANCIAL POSITION**

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

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

The District's basic financial statements are designed to present users with a general overview of the District's finances and to demonstrate the District's accountability. If you have any questions about the report or need additional information, please contact the District's Fire Chief at the Deer Springs Fire Protection District at 8709 Circle R Dr, Escondido, CA 92026 or (760)749-8001.