

**VISTA FIRE PROTECTION DISTRICT  
FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITORS' REPORT  
For the Fiscal Year Ended  
June 30, 2025  
(With Comparative Amounts for June 30, 2024)**

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

**VISTA FIRE PROTECTION DISTRICT**  
*For the Fiscal Year Ended June 30, 2025*  
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***Financial Section***

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Vista Fire Protection District  
Vista, California

### Opinion

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Vista Fire Protection District as of and for the fiscal year ended June 30, 2025, 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 Vista Fire Protection District, as of June 30, 2025, 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 and budgetary comparison information 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, 2024, 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 November 12, 2025, 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  
November 12, 2025

**VISTA FIRE PROTECTION DISTRICT**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended June 30, 2025*

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Management's Discussion and Analysis (MD&A) offers readers of Vista Fire Protection District's (the District) financial statements a narrative overview of the District's financial activities for the fiscal year ended June 30, 2025. 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**

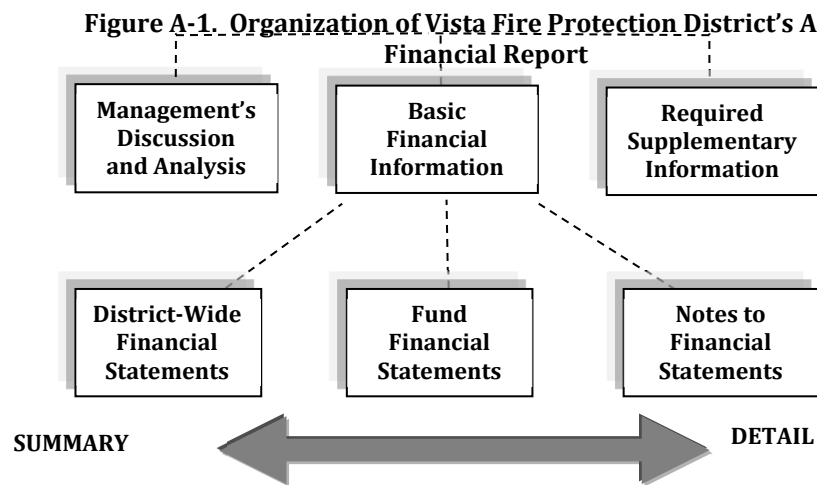
- The District's net position decreased 2.78% or \$381,288 from \$13,730,056 to \$13,348,768 as a result of this year's operations. The majority of the decrease was due to an increase in fire station reconstruction expenditures of \$1,424,642.
- Total revenues from all sources decreased by 3.13%, or \$182,899 from \$5,846,415 to \$5,663,516, from the prior year, primarily due to a decrease in capital grant funding.
- Total expenses for the District's operations increased by 29.77% or \$1,386,695 from \$4,658,109 to \$6,044,804 from the prior year, primarily due to a \$1,424,642 increase in fire reconstruction expenses.

**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.

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.



**VISTA FIRE PROTECTION DISTRICT**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended June 30, 2025*

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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.

## VISTA FIRE PROTECTION DISTRICT

*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended June 30, 2025*

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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*.

**VISTA FIRE PROTECTION DISTRICT**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended June 30, 2025*

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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, 2025</u>	<u>June 30, 2024</u>	<u>Change</u>
<b>Assets:</b>			
Current assets	\$ 14,080,069	\$ 13,210,793	\$ 869,276
Non-current assets	56,005	444,237	(388,232)
Capital assets, net	<u>98,275</u>	<u>114,754</u>	<u>(16,479)</u>
<b>Total assets</b>	<u>14,234,349</u>	<u>13,769,784</u>	<u>464,565</u>
<b>Liabilities:</b>			
Current liabilities	<u>885,581</u>	<u>39,728</u>	<u>845,853</u>
<b>Total liabilities</b>	<u>885,581</u>	<u>39,728</u>	<u>845,853</u>
<b>Net position :</b>			
Net investment in capital assets	98,275	114,754	(16,479)
Restricted for capital improvements	56,005	444,237	(388,232)
Unrestricted	<u>13,194,488</u>	<u>13,171,065</u>	<u>23,423</u>
<b>Total net position</b>	<u>\$ 13,348,768</u>	<u>\$ 13,730,056</u>	<u>\$ (381,288)</u>

At the end of fiscal year 2025, the District shows a balance in its unrestricted net position of \$13,194,488.

**Analysis of Revenues and Expenses**

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

	<u>2025 Fiscal Year</u>	<u>2024 Fiscal Year</u>	<u>Change</u>
<b>Program revenues</b>	\$ 235,203	\$ 427,787	\$ (192,584)
<b>Expenses</b>	<u>(6,044,804)</u>	<u>(4,658,109)</u>	<u>(1,386,695)</u>
<b>Net program expense</b>	(5,809,601)	(4,230,322)	(1,579,279)
<b>General revenues</b>	<u>5,428,313</u>	<u>5,418,628</u>	<u>9,685</u>
<b>Change in net position</b>	(381,288)	1,188,306	(1,569,594)
<b>Net position:</b>			
<b>Beginning of year</b>	<u>13,730,056</u>	<u>12,541,750</u>	<u>1,188,306</u>
<b>End of year</b>	<u>\$ 13,348,768</u>	<u>\$ 13,730,056</u>	<u>\$ (381,288)</u>

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 decreased its net position by \$381,288.

**VISTA FIRE PROTECTION DISTRICT**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended June 30, 2025*

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

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

**Table A-3: Total Revenues**

	<u>2025 Fiscal Year</u>	<u>2024 Fiscal Year</u>	<u>Increase (Decrease)</u>
<b>Program revenues:</b>			
Charges for services	\$ 74,926	\$ 53,798	\$ 21,128
Mitigation fees	160,277	180,589	(20,312)
Operating and capital grant funding	-	193,400	(193,400)
<b>Total program revenues</b>	<u>235,203</u>	<u>427,787</u>	<u>(192,584)</u>
<b>General revenues:</b>			
Property taxes	4,684,637	4,540,366	144,271
Investment earnings	734,098	865,937	(131,839)
Other revenues	9,578	12,325	(2,747)
<b>Total general revenues</b>	<u>5,428,313</u>	<u>5,418,628</u>	<u>9,685</u>
<b>Total revenues</b>	<u>\$ 5,663,516</u>	<u>\$ 5,846,415</u>	<u>\$ (182,899)</u>

Total revenues from all sources decreased by 3.13%, or \$182,899 from \$5,846,415 to \$5,663,516, from the prior year, primarily due to a decrease in operating and capital grant funding.

**Table A-4: Total Expenses**

	<u>2025 Fiscal Year</u>	<u>2024 Fiscal Year</u>	<u>Increase (Decrease)</u>
<b>Expenses:</b>			
Operations	\$ 6,028,325	\$ 4,640,490	\$ 1,387,835
Depreciation expense	16,479	17,619	(1,140)
<b>Total expenses</b>	<u>\$ 6,044,804</u>	<u>\$ 4,658,109</u>	<u>\$ 1,386,695</u>

Total expenses for the District's operations increased by 29.77% or \$1,386,695 from \$4,658,109 to \$6,044,804 from the prior year, primarily due to a \$1,424,642 increase in fire reconstruction expenses.

**VISTA FIRE PROTECTION DISTRICT**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended June 30, 2025*

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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, 2025, the District reported a total fund balance of \$13,250,493. An amount of \$2,423,216 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 \$1,242,877 less than actual. Budgeted revenues were less than actual revenues by \$320,838. Actual revenues less expenses were under budget by \$922,039.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

By the end of fiscal year 2025, the District had invested \$98,275 in capital assets. (More detailed information about capital assets can be found in Note 4 to the financial statements). Total depreciation expense for the year was \$16,479.

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

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
<b>Capital assets:</b>		
Depreciable assets	\$ 368,728	\$ 368,728
Accumulated depreciation	<u>(270,453)</u>	<u>(253,974)</u>
<b>Total capital assets, net</b>	<u>\$ 98,275</u>	<u>\$ 114,754</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 Vista Fire Protection District at 450 S. Melrose Drive, Vista, California 92081 or (760)688-7588.

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***Basic Financial Statements***

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# VISTA FIRE PROTECTION DISTRICT

## Statements of Net Position

June 30, 2025 (With Comparative Amounts as of June 30, 2024)

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	<u>Governmental Activities</u>	
<u>ASSETS</u>	<u>2025</u>	<u>2024</u>
<b>Current assets:</b>		
Cash and investments (Note 2)	\$ 14,011,752	\$ 13,121,258
Accrued interest receivable	35,388	48,874
Property taxes and assessments receivable	18,559	20,456
Other receivables	8,392	11,238
Prepaid items	5,978	8,967
<b>Total current assets</b>	<b>14,080,069</b>	<b>13,210,793</b>
<b>Non-current assets:</b>		
Restricted:		
Cash and investments (Note 2 and 3)	32,172	390,373
Accrued interest receivable (Note 3)	7,112	4,623
Other receivables (Note 3)	16,721	49,241
Capital assets – being depreciated, net (Note 4)	98,275	114,754
<b>Total non-current assets</b>	<b>154,280</b>	<b>558,991</b>
<b>Total assets</b>	<b>14,234,349</b>	<b>13,769,784</b>
<u>LIABILITIES</u>		
<b>Current liabilities:</b>		
Accounts payable and accrued expenses	885,581	39,728
<b>Total current liabilities</b>	<b>885,581</b>	<b>39,728</b>
<b>Total liabilities</b>	<b>885,581</b>	<b>39,728</b>
<u>NET POSITION (Note 8)</u>		
Investment in capital assets	98,275	114,754
Restricted (Note 3)	56,005	444,237
Unrestricted	13,194,488	13,171,065
<b>Total net position</b>	<b>\$ 13,348,768</b>	<b>\$ 13,730,056</b>

## VISTA FIRE PROTECTION DISTRICT

### Statements of Activities

For the Fiscal Year Ended June 30, 2025

(With Comparative Amounts for the Fiscal Year Ended June 30, 2024)

	<u>Governmental Activities</u>	
	<u>2025</u>	<u>2024</u>
<b>Expenses:</b>		
Fire related services:		
Salaries and wages	\$ 75,247	\$ 66,210
Fire protection services –City of Vista	4,252,794	4,120,006
Materials and services	275,642	454,274
Fire station reconstruction –City of Vista (Note 5)	1,424,642	-
Depreciation expense	16,479	17,619
<b>Total expenses</b>	<u>6,044,804</u>	<u>4,658,109</u>
<b>Program revenues:</b>		
<b>Charges for services:</b>		
Property assessment –weed abatement	8,763	-
Ambulance fees	66,163	53,798
Mitigation fees	160,277	180,589
Operating and capital grant funding	-	193,400
<b>Total program revenues</b>	<u>235,203</u>	<u>427,787</u>
<b>Net program expense</b>	<u>(5,809,601)</u>	<u>(4,230,322)</u>
<b>General revenues:</b>		
Property taxes	4,684,637	4,540,366
Investment earnings	734,098	865,937
Other revenues	9,578	12,325
<b>Total general revenues</b>	<u>5,428,313</u>	<u>5,418,628</u>
<b>Change in net position</b>	<u>(381,288)</u>	<u>1,188,306</u>
<b>Net position:</b>		
Beginning of year	<u>13,730,056</u>	<u>12,541,750</u>
End of year	<u>\$ 13,348,768</u>	<u>\$ 13,730,056</u>

**VISTA FIRE PROTECTION DISTRICT**  
*Balance Sheet – Governmental Funds*  
*June 30, 2025*

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<u>ASSETS</u>	<u>General Fund</u>	<u>Fire Mitigation Fund</u>	<u>Total Governmental Funds</u>
<b>Assets:</b>			
Cash and investments	\$ 14,011,752	\$ 32,172	\$ 14,043,924
Accrued interest receivable	35,388	7,112	42,500
Property taxes receivable	18,559	-	18,559
Other receivables	8,392	16,721	25,113
Prepaid items	5,978	-	5,978
Due from other funds (Note 6)	1,357,493	-	1,357,493
<b>Total assets</b>	<u>\$ 15,437,562</u>	<u>\$ 56,005</u>	<u>\$ 15,493,567</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
<b>Liabilities:</b>			
Accounts payable and accrued expenses	\$ 885,581	\$ -	\$ 885,581
Due to other funds (Note 6)	-	1,357,493	1,357,493
<b>Total liabilities</b>	<u>885,581</u>	<u>1,357,493</u>	<u>2,243,074</u>
<b>Fund Balances: (Note 7)</b>			
Non-spendable	5,978	-	5,978
Restricted	-	56,005	56,005
Committed	2,429,192	-	2,429,192
Assigned	8,336,102	-	8,336,102
Unassigned	3,780,709	(1,357,493)	2,423,216
<b>Total fund balance</b>	<u>14,551,981</u>	<u>(1,301,488)</u>	<u>13,250,493</u>
<b>Total liabilities and fund balance</b>	<u>\$ 15,437,562</u>	<u>\$ 56,005</u>	<u>\$ 15,493,567</u>

**VISTA FIRE PROTECTION DISTRICT**

*Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position  
June 30, 2025*

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<b>Fund Balances – Governmental Funds</b>	<u>\$ 13,250,493</u>
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. However, the statement of net position includes those assets as capital assets.	<u>98,275</u>
Total adjustments	<u>98,275</u>
<b>Net Position of Governmental Activities</b>	<u><u>\$ 13,348,768</u></u>

**VISTA FIRE PROTECTION DISTRICT**

*Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds  
For the Fiscal Year Ended June 30, 2025*

	<b>General Fund</b>	<b>Fire Mitigation Fund</b>	<b>Total Governmental Funds</b>
<b>REVENUES:</b>			
Property taxes	\$ 4,684,637	\$ -	\$ 4,684,637
Property assessment –weed abatement	8,763	-	8,763
Ambulance fees	66,163	-	66,163
Mitigation fees	-	160,277	160,277
Investment earnings	707,865	26,233	734,098
Other revenues	9,578	-	9,578
<b>Total revenues</b>	<b>5,477,006</b>	<b>186,510</b>	<b>5,663,516</b>
<b>EXPENDITURES:</b>			
<b>Fire related services:</b>			
Salaries and wages	75,247	-	75,247
Fire protection services –City of Vista	4,252,794	-	4,252,794
Materials and services	275,642	-	275,642
Fire station reconstruction –City of Vista	1,424,642	-	1,424,642
<b>Total expenditures</b>	<b>6,028,325</b>	<b>-</b>	<b>6,028,325</b>
Excess of revenues over (under) expenditures	(551,319)	186,510	(364,809)
<b>Other financing sources (uses):</b>			
Transfers in/(out) (Note 6)	1,932,235	(1,932,235)	-
<b>Change in fund balance</b>	<b>1,380,916</b>	<b>(1,745,725)</b>	<b>(364,809)</b>
<b>FUND BALANCE:</b>			
Beginning of year	13,171,065	444,237	13,615,302
End of year	<u>\$ 14,551,981</u>	<u>\$ (1,301,488)</u>	<u>\$ 13,250,493</u>

**VISTA FIRE PROTECTION DISTRICT**

*Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes  
in Fund Balances to the Statement of Activities*

*For the Fiscal Year Ended June 30, 2025*

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**Net Change in Fund Balances – Governmental Funds** \$ (364,809)

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

Some expenses reported in the statement of activities do not require the use of current financial resources. Therefore, those expenses are not reported as expenditures in governmental funds as follows:

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

Depreciation expense (16,479)

**Total adjustments** (16,479)

**Change in Net Position of Governmental Activities** \$ (381,288)

## VISTA FIRE PROTECTION DISTRICT

### *Notes to Financial Statements*

*For the Fiscal Year Ended June 30, 2025*

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#### **NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

##### **A. Description of Organization**

The Vista Fire Protection District is adjacent to the City of Vista in San Diego County. The District is organized under the Fire Protection District Law of 1987 (Health and Safety Code Section 13800 et. Seq) to provide fire protection services within the Vista Fire Protection District. An elected board of directors makes all policy decisions.

The District is governed by a five-member elected Board of Directors. The Board is responsible for establishing policies, guidelines and providing direction for Fire District staff. Board meets on the second Wednesday of each month.

##### **Reporting Entity**

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the District consists of all funds, departments, and agencies that are not legally separate from the District.

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District, in that the District approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the District is not financially accountable but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete.

The District has identified no organizations that are required to be reported as component units.

##### **B. Basis of Presentation, Basis of Accounting**

###### **1. Basis of Presentation**

###### **Government-Wide Financial Statements**

The statement of net position and the statement of activities display information about the primary government (the District) and its component units. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, other nonexchange transactions, and charges for services.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) 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, including all taxes, are presented as general revenues.

**VISTA FIRE PROTECTION DISTRICT**  
*Notes to Financial Statements*  
*For the Fiscal Year Ended June 30, 2025*

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**NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Basis of Presentation, Basis of Accounting (continued)**

**1. Basis of Presentation (continued)**

**Major Governmental Funds**

The District maintains the following major governmental funds:

**General Fund:** This fund is used to account for all financial resources of the District, except those required to be accounted for in another fund when necessary.

**Fire Mitigation Fund:** This fund is used to account for fees collected from builders in the service area that are restricted for the purchase of new capital assets when those assets are needed due to population and infrastructure growth in the service area.

**2. Measurement Focus, Basis of Accounting**

**Government-Wide Financial Statements**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year in which all eligibility requirements have been satisfied.

**Governmental Fund Financial Statements**

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and financing from capital leases are reported as other financing sources.

**3. Revenues - Exchange and Non-Exchange Transactions**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year. Generally, available is defined as collectible within 60 days. Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, certain grants, entitlements, and donations. Revenue from property taxes is recognized in the fiscal year in which the taxes are received. Revenue from certain grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include time and purpose requirements. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

**VISTA FIRE PROTECTION DISTRICT**  
*Notes to Financial Statements*  
*For the Fiscal Year Ended June 30, 2025*

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**NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position**

**1. Cash and Investments**

The District considers all highly liquid investments with a maturity of three months or less, when purchased, to be cash equivalents. Cash deposits are reported at carrying amount, which reasonably estimates fair value.

Investments are reported at fair value except for short-term investments, which are reported at cost, which approximates fair value. Cash deposits are reported at carrying amount, which reasonably estimates fair value. Investments in governmental investment pools are reported at fair value based on the fair value per share of the pool's underlying portfolio.

In accordance with fair value measurements, the District categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement.

Financial assets and liabilities recorded on the balance sheet are categorized based on the inputs to the valuation techniques as follows:

*Level 1* – Inputs that reflect unadjusted quoted prices in active markets for identical investments, such as stocks, corporate and government bonds. The District has the ability to access the holding and quoted prices as of the measurement date.

*Level 2* – Inputs, other than quoted prices, that are observable for the asset or liability either directly or indirectly, including inputs from markets that are not considered to be active.

*Level 3* – Inputs that are unobservable. Unobservable inputs reflect the District's own assumptions about the factors market participants would use in pricing an investment, and is based on the best information available in the circumstances.

# VISTA FIRE PROTECTION DISTRICT

## Notes to Financial Statements

For the Fiscal Year Ended June 30, 2025

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### NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

#### C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

##### 2. Prepaids Expenses

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

##### 3. Capital Assets

Capital assets are stated at cost or at their estimated fair value at date of donation. It is the District's policy to capitalize assets costing over \$7,500. The provision for depreciation is computed using the straight-line method over the estimated service lives of the capital assets.

Estimated service lives for the District's classes of assets are as follows:

Description	Estimated Lives
Buildings	15-25 years
Equipment	5-10 years
Office furniture	5 years
Vehicles	5-10 years

##### 4. Net Position

Net position is classified into three components: net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

**Investment in capital assets** - This component of net position consists of capital assets net of accumulated depreciation.

**Restricted** - This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

**Unrestricted** - This component of net position consists of net position that does not meet the definition of "investment in capital assets" or "restricted". When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

**VISTA FIRE PROTECTION DISTRICT**  
*Notes to Financial Statements*  
*For the Fiscal Year Ended June 30, 2025*

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**NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)**

**6. Fund Balances**

The fund balance for governmental funds is reported in classifications based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

**Non-spendable:** Fund balance is reported as non-spendable when the resources cannot be spent because they are either in a non-spendable form or legally or contractually required to be maintained intact. Resources in non-spendable form include inventories and prepaid assets.

**Restricted:** Fund balance is reported as restricted when the constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments; or imposed by law through constitutional provision or by enabling legislation.

**Assigned:** Resources that are constrained by the District's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. Intent may be expressed by either the Board, committees (such as budget or finance), or officials to which the Board has delegated authority.

**Unassigned:** Unassigned fund balance represents fund balance that has not been restricted, committed, or assigned and may be utilized by the District for any purpose. When expenditures are incurred, and both restricted and unrestricted resources are available, it is the District's policy to use restricted resources first, then unrestricted resources in the order of committed, assigned, and then unassigned, as they are needed.

**7. Reclassifications**

The District has reclassified certain prior year information to conform with current year presentation.

**D. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those estimates.

**E. Budgetary Policies**

The District follows specific procedures in establishing the budgetary data reflected in the financial statements. By state law, the District may adopt a tentative budget no later than June 30, of each year and adopt a final budget no later than September 30 of each year. Budget revisions are adopted as required in consideration to unanticipated revenues or expenditures.

**VISTA FIRE PROTECTION DISTRICT**

*Notes to Financial Statements*

*For the Fiscal Year Ended June 30, 2025*

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**NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

**F. Property Taxes**

The San Diego County Assessor’s Office assesses all real and personal property within the County each year. The San Diego County Tax Collector’s Office bills and collects the District’s share of property taxes and voter-approved taxes. The San Diego County Auditor-Controller’s Office remits current property tax collections to the District throughout the year. Property tax in California is levied in accordance with Article XIII A of the State Constitution at one percent (1%) of countywide assessed valuations.

Property taxes receivable at year-end are related to property taxes collected by San Diego County, which have not been credited to the District's cash balance as of June 30. The property tax calendar is as follows:

Lien date	March 1
Levy date	July 1
Due dates	November 1 and March 1
Collection dates	December 10 and November 10

Property taxes levied are recorded as revenue when received, in the fiscal year of levy, because of the adoption of the *alternate method of property tax distribution* known as the Teeter Plan, by the District and San Diego County. The Teeter Plan authorizes the San Diego County Auditor-Controller to allocate 100% of the secured property tax billed but not yet received or paid to the District. San Diego County Auditor-Controller remits tax proceeds to the District in installments during the fiscal year.

**VISTA FIRE PROTECTION DISTRICT**  
*Notes to Financial Statements*  
*For the Fiscal Year Ended June 30, 2025*

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**NOTE 2 – CASH AND INVESTMENTS**

Cash and investments at June 30, 2025, were categorized on the statement of net position as follows:

<u>Description</u>	<u>Balance</u>
Cash and investments	\$ 14,011,752
Restricted – cash and investments	<u>32,172</u>
Total cash and investments	<u>\$ 14,043,924</u>

Cash and investments at June 30, 2025, consisted of the following:

<u>Description</u>	<u>Balance</u>
Demand deposits held with financial institutions	\$ 56,395
Local Agency Investment Fund (LAIF)	469,798
San Diego County Pooled Investment Fund (SDCPIF)	1,645,113
California CLASS	5,150,230
California Asset Management Program (CAMP) Pool	1,586,876
Investments	<u>5,135,512</u>
Total cash and investments	<u>\$ 14,043,924</u>

**Demand Deposits with Financial Institutions**

At June 30, 2025, the carrying amount of the District’s demand deposits was \$56,395 and the financial institution’s balance was \$714,585. The net difference represents outstanding checks, deposits-in-transit and/or other reconciling items between the financial institution’s balance and the District’s balance for each year.

**Custodial Credit Risk – Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. Cash balances held in banks are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC) and are collateralized by the respective financial institutions. In addition, 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 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits.

## VISTA FIRE PROTECTION DISTRICT

### *Notes to Financial Statements*

*For the Fiscal Year Ended June 30, 2025*

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#### **NOTE 2 – CASH AND INVESTMENTS (continued)**

##### **Local Agency Investment Fund (LAIF)**

The California State Treasurer, through the Pooled Money Investment Account (PMIA), invests its funds to manage the State's cash flow and strengthen the financial security of local public agencies. PMIA's policy sets as primary investment objectives safety, liquidity and yield. Through the PMIA, the Investment Division manages the Local Agency Investment Fund (LAIF). The LAIF allows cities, counties and special districts to place money in a major portfolio and, at no additional costs, use the expertise of Investment Division staff. Participating agencies can withdraw their funds from the LAIF at any time as LAIF is highly liquid and has a dollar-in dollar-out amortized cost methodology.

The District is a voluntary participant in LAIF. The fair value of the District's investment in this pool is reported at an amount based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of the portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF. LAIF is not categorized under the fair value hierarchy established by GAAP as it is held at an amortized cost basis and it is Not Rated under the current credit risk ratings format. For financial reporting purposes, the District considers funds in LAIF a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology. As of June 30, 2025, the District held \$469,798 in LAIF.

##### **San Diego County Treasury Investment Pool (SDCTIP)**

The District is a voluntary participant in the San Diego County Treasury Investment Pool (SDCTIP) pursuant to Government Code Section 53694. The cash flow needs of participants are monitored daily to ensure that sufficient liquidity is maintained to meet the needs of those participants. At the time deposits are made, the San Diego County Treasurer may require the depositing entity to provide annual cash flow projections or an anticipated withdrawal schedule for deposits in excess of \$1 million. Projections are performed no less than semi-annually. In accordance with Government Code Section 27136, all request for withdrawal of funds for the purpose of investing or depositing the funds elsewhere shall be evaluated to ensure the proposed withdrawal will not adversely affect the principal deposits of the other participants. Pool detail may be obtained from the Treasurer-Tax Collector – San Diego Administration Center – 1600 Pacific Hwy, Room 162 – San Diego, CA 92101 or the Treasurer and Tax Collector's office website at [www.sdttc.com](http://www.sdttc.com). As of June 30, 2025, the District had \$1,645,113 in the SDCTIP.

##### **California Cooperative Liquid Assets Securities System (California CLASS)**

The California Cooperative Liquid Assets Securities System (California CLASS) is a joint exercise of powers entity authorized under Section 6509.7, California Government Code. California CLASS is a pooled investment option that was created via a joint exercise of powers agreement by and among California public agencies. California CLASS provides California public agencies with a convenient method for investing in high-quality, short- to medium-term securities carefully selected to optimize interest earnings while prioritizing safety and liquidity. The California CLASS Prime and Enhanced Cash funds offer public agencies the opportunity to strengthen and diversify their cash management programs in accordance with the safety, liquidity, and yield hierarchy that governs the investment of public funds. The management of California CLASS is under the direction of a Board of Trustees comprised of eligible Participants of the program. The Board of Trustees has appointed Public Trust Advisors, LLC to serve as the Investment Advisor and Administrator of the program and has U.S. Bank as the Custodian.

# VISTA FIRE PROTECTION DISTRICT

## Notes to Financial Statements

For the Fiscal Year Ended June 30, 2025

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### NOTE 2 – CASH AND INVESTMENTS (continued)

#### California Cooperative Liquid Assets Securities System (California CLASS) (continued)

The District is a voluntary participant in California CLASS. The fair value of the District’s investment in this pool is reported at an amount based upon the District’s pro-rata share of the fair value provided by California CLASS for the entire California CLASS portfolio (in relation to the amortized cost of the of that portfolio). The balance available for withdrawal is based on the accounting records maintained by California CLASS. California CLASS is not categorized under the fair value hierarchy established by GAAP as it is held at an amortized cost basis. The California Class Prime and Enhanced Cash funds receive a credit rating of AAAM (S&P Global Ratings) and AAAs/S1 (FitchRatings), respectively. For financial reporting purposes, the District considers California CLASS a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology. As of June 30, 2025, the District held \$5,150,230 in California CLASS.

#### California Asset Management Program (CAMP) Pool – External Pool

The District is a voluntary participant in the California Asset Management Program (CAMP), a California Joint Powers Authority (JPA) established in 1989 to provide California public agencies with professional investment services. The CAMP Pool is managed to maintain a dollar-weighted average portfolio maturity of 60 days or less and seeks to maintain a constant net asset value (NAV) per share of \$1.00. The CAMP Pool invests in obligations of the United States Government and its agencies, high-quality, short-term debt obligations of U.S. companies and financial institutions.

The CAMP Pool is a permitted investment for all local agencies under CGC Section 53601(p). CAMP is directed by a Board of Trustees, which is made up of experienced finance directors and treasurers of California public agencies that are members of the JPA. CAMP determines fair value on its investment portfolio based on amortized cost. The Authority measures the value of its CAMP Pool investment at the fair value amount provided by CAMP. For financial reporting purposes, the Agency considers CAMP Pool a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology. As of June 30, 2025, the District held \$1,586,876 in the CAMP Pool.

#### Investments

The District’s investments as of June 30, 2024 are presented in the following Investment Table:

Type of Investments	Measurement Input	Credit Rating	Total Fair Value	12 Months or Less	13 to 24 Months
Money-market mutual funds	Level 2	N/A	\$ 41,997	\$ 41,997	\$ -
Government sponsored agency securities	Level 2	A to AAA	2,927,835	2,581,140	346,695
Certificates of deposit	Level 2	A to AAA	965,242	492,238	473,004
U.S. treasury obligations	Level 2	N/A	1,197,438	997,922	199,516
			<u>\$ 5,132,512</u>	<u>\$ 4,113,297</u>	<u>\$ 1,019,215</u>

**VISTA FIRE PROTECTION DISTRICT**  
*Notes to Financial Statements*  
*For the Fiscal Year Ended June 30, 2025*

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**NOTE 3 – RESTRICTED ASSETS AND RESTRICTED NET POSITION**

Restricted assets and restricted net position as of June 30, 2025 were categorized as follows:

<u>Description</u>	<u>Balance</u>
Cash and investments	\$ 32,172
Accrued interest receivable	7,112
Other receivables	<u>16,721</u>
<b>Total restricted net position</b>	<b><u>\$ 56,005</u></b>

Restricted assets and restricted net position as of June 30, 2025 were received from mitigation fees for capital improvements.

**NOTE 4 – CAPITAL ASSETS**

Changes in capital assets for the year were as follows:

<u>Description</u>	<u>Balance July 1, 2024</u>	<u>Additions/ Transfers</u>	<u>Deletions/ Transfers</u>	<u>Balance June 30, 2025</u>
Depreciable capital assets:				
Access road improvements	<u>\$ 368,728</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 368,728</u>
Total depreciable capital assets	<u>368,728</u>	<u>-</u>	<u>-</u>	<u>368,728</u>
Accumulated depreciation:				
Access road improvements	<u>(253,974)</u>	<u>(16,479)</u>	<u>-</u>	<u>(270,453)</u>
Total accumulated depreciation	<u>(253,974)</u>	<u>(16,479)</u>	<u>-</u>	<u>(270,453)</u>
Total depreciable capital assets, net	<u>114,754</u>	<u>(16,479)</u>	<u>-</u>	<u>98,275</u>
<b>Total capital assets, net</b>	<b><u>\$ 114,754</u></b>	<b><u>\$ (16,479)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 98,275</u></b>

Depreciation expense for the year ended June 30, 2025 was \$16,479.

**VISTA FIRE PROTECTION DISTRICT**  
*Notes to Financial Statements*  
*For the Fiscal Year Ended June 30, 2025*

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**NOTE 5 – AGREEMENT WITH THE CITY OF VISTA**

On July 1, 2022, the District entered into a seventh supplemental agreement with City of Vista (City) for the reconstruction of City Fire Station Three. The expected cost of the project is \$9,500,000, for which \$4,500,000 will be funded by the District. The District has funded this project \$2,070,808 to date. Remaining funds of \$2,429,192 will be paid from the General fund, which is listed as committed fund balance under Footnote 7. In addition to the District’s contribution to the reconstruction of the fire station, the contract between the District and the City was extended through June 30, 2056.

**NOTE 6 – DUE TO/(FROM) OTHER FUNDS AND TRANSFERS TO/(FROM) OTHER FUNDS**

**Due To(From) Other Funds**

The District’s Mitigation Fund owes the General Fund for a reimbursement of expenditures made for the City of Vista fire station reconstruction from future mitigation receipts. At June 30, 2025 the remaining balance owed to the General Fund was \$1,357,493.

**Transfers To/(From) Other Funds**

<u>Description</u>	<u>General Fund</u>	<u>Fire Mitigation Fund</u>	<u>Total</u>
Operating transfers for fire station reconstruction	\$ 1,932,235	\$ (1,932,235)	\$ -

The District agreed to reimburse the City of Vista \$2,385,000 for the fire station reconstruction costs. The City had previously received \$452,765 from the District leaving a balance to transfer of \$1,932,235 in mitigation funds to the General Fund to satisfy the reimbursement.

**NOTE 7 – FUND BALANCES**

At June 30, 2025, fund balances of the District’s governmental funds were classified as follows:

<u>Description</u>	<u>General Fund</u>	<u>Fire Mitigation Fund</u>	<u>Total</u>
<b>Non-spendable:</b>			
Prepaid items	\$ 5,978	\$ -	\$ 5,978
<b>Restricted:</b>			
Mitigation fees	-	56,005	56,005
<b>Committed:</b>			
Fire Station Reconstruction	2,429,192	-	2,429,192
<b>Assigned:</b>			
Fire/EMS Services	4,399,712	-	4,399,712
General Operating Reserve	2,936,390	-	2,936,390
Community Wildfire Protection	1,000,000	-	1,000,000
<b>Total Assigned:</b>	8,336,102	-	8,336,102
<b>Unassigned</b>	3,780,709	(1,357,493)	2,423,216
<b>Total fund balances</b>	<u>\$ 14,551,981</u>	<u>\$ (1,301,488)</u>	<u>\$ 13,250,493</u>

**VISTA FIRE PROTECTION DISTRICT**  
*Notes to Financial Statements*  
*For the Fiscal Year Ended June 30, 2025*

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**NOTE 8 – NET POSITION**

At June 30, 2025, the District classified net position as follows:

<u>Description</u>	<u>2025</u>
<b>Investment in capital assets:</b>	
Capital assets	\$ 98,275
<b>Restricted:</b>	
Fire mitigation fund	56,005
<b>Unrestricted:</b>	
<b>Non-spendable:</b>	
Prepaid expenses	5,978
<b>Spendable:</b>	
Designated for Fire Station Reconstruction	2,429,192
Designated for Fire/EMS Services	4,399,712
Designated for General Operating Reserve	2,936,390
Designated for Community Wildfire Protection	1,000,000
Non-designated	2,423,216
<b>Total Unrestricted</b>	<u>13,194,488</u>
<b>Total net position</b>	<u>\$ 13,348,768</u>

**NOTE 9 – COMMITMENTS AND CONTINGENCIES**

**Excluded Leases – Short-Term Leases and De Minimis Leases**

The District does not recognize a lease receivable and a deferred inflow of resources for short-term leases. Short-term leases are certain leases that have a maximum possible term under the lease contract of 12-months (or less), including any options to extend, regardless of their probability of being exercised.

Also, *de minimis* lessor or lessee leases are certain leases (i.e., room rental, copiers, printers, postage machines) that regardless of their lease contract period are *de minimis* with regards to their aggregate total dollar amount to the financial statements as a whole.

**Grant Awards**

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

**Litigation**

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

**NOTE 10 – SUBSEQUENT EVENTS**

The District has evaluated subsequent events through November 12, 2025, the date which the financial statements were available to be issued.

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***Required Supplementary Information***

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**VISTA FIRE PROTECTION DISTRICT**  
*Budgetary Comparison Schedule – General Fund*  
*For the Fiscal Year Ended June 30, 2025*

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	<b>Adopted Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>REVENUES:</b>			
Property taxes	\$ 4,712,005	\$ 4,684,637	\$ (27,368)
Property assessment –weed abatement	9,000	8,763	(237)
Ambulance fees	50,000	66,163	16,163
Investment earnings	385,163	707,865	322,702
Other revenues	-	9,578	9,578
<b>Total revenues</b>	<u>5,156,168</u>	<u>5,477,006</u>	<u>320,838</u>
<b>EXPENDITURES:</b>			
Fire related services:			
Salaries and wages	123,305	75,247	48,058
Fire protection services –City of Vista	4,326,925	4,252,794	74,131
Materials and services	335,218	275,642	59,576
Fire station reconstruction –City of Vista	-	1,424,642	(1,424,642)
<b>Total expenditures</b>	<u>4,785,448</u>	<u>6,028,325</u>	<u>(1,242,877)</u>
<b>REVENUES OVER(UUNDER) EXPENDITURES</b>	370,720	(551,319)	(922,039)
<b>OTHER FINANCING SOURCES(USES):</b>			
Transfer in/(out)	-	1,932,235	1,932,235
<b>Total other financing sources(uses)</b>	<u>-</u>	<u>1,932,235</u>	<u>1,932,235</u>
<b>NET CHANGES IN FUND BALANCE</b>	<u>\$ 370,720</u>	1,380,916	<u>\$ 1,010,196</u>
<b>FUND BALANCE:</b>			
Beginning of year		<u>13,171,065</u>	
End of year		<u>\$ 14,551,981</u>	

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***Other Independent Auditors' Report***

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors  
Vista Fire Protection District  
Vista, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Vista Fire Protection District (District) as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise District's basic financial statements, and have issued our report thereon dated November 12, 2025.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered District's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

**Compliance and Other Matters**

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

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Murrieta, California  
November 12, 2025