



**Office of the Washington State Auditor**  
**Pat McCarthy**

**Financial Statements Audit Report**

**King County Fire Protection District  
No. 43**

**(Maple Valley Fire and Life Safety)**

**For the period January 1, 2017 through December 31, 2017**

**Published January 17, 2019**

**Report No. 1022939**





**Office of the Washington State Auditor  
Pat McCarthy**

January 17, 2019

Board of Commissioners  
Maple Valley Fire and Life Safety  
Maple Valley, Washington

**Report on Financial Statements**

Please find attached our report on Maple Valley Fire and Life Safety's financial statements.

We are issuing this report in order to provide information on the District's financial condition.

Sincerely,

A handwritten signature in cursive script that reads "Pat McCarthy".

Pat McCarthy  
State Auditor  
Olympia, WA

## TABLE OF CONTENTS

Independent Auditor's 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.....	4
Independent Auditor's Report on Financial Statements.....	7
Financial Section.....	10
About the State Auditor's Office.....	19

**INDEPENDENT AUDITOR'S 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**

**Maple Valley Fire and Life Safety  
January 1, 2017 through December 31, 2017**

Board of Commissioners  
Maple Valley Fire and Life Safety  
Maple Valley, Washington

We have audited, 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, the financial statements of Maple Valley Fire and Life Safety, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District's financial statements, and have issued our report thereon dated November 7, 2018.

We issued an unmodified opinion on the fair presentation of the District's financial statements in accordance with its regulatory basis of accounting. We issued an adverse opinion on the fair presentation with regard to accounting principles generally accepted in the United States of America (GAAP) because the financial statements are prepared by the District using accounting practices prescribed by Washington State statutes and the State Auditor's *Budgeting, Accounting and Reporting System* (BARS) manual described in Note 1, which is a basis of accounting other than GAAP. The effects on the financial statements of the variances between the basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine 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 may exist that have not been identified.

## COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance 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. However,

this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive, flowing style.

Pat McCarthy

State Auditor

Olympia, WA

November 7, 2018

# INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

## Maple Valley Fire and Life Safety January 1, 2017 through December 31, 2017

Board of Commissioners  
Maple Valley Fire and Life Safety  
Maple Valley, Washington

### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Maple Valley Fire and Life Safety, for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District's financial statements, as listed on page 10.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Washington State statutes and the *Budgeting, Accounting and Reporting System* (BARS) manual prescribed by the State Auditor described in Note 1. This includes determining that the basis of accounting is acceptable for the presentation of the financial statements in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control

relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Unmodified Opinion on Regulatory Basis of Accounting (BARS Manual)**

As described in Note 1, Maple Valley Fire and Life Safety has prepared these financial statements to meet the financial reporting requirements of Washington State statutes using accounting practices prescribed by the State Auditor's *Budgeting, Accounting and Reporting System* (BARS) manual. Those accounting practices differ from accounting principles generally accepted in the United States of America (GAAP). The differences in these accounting practices are also described in Note 1.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of Maple Valley Fire and Life Safety, for the year ended December 31, 2017, on the basis of accounting described in Note 1.

### **Basis for Adverse Opinion on U.S. GAAP**

Auditing standards issued by the American Institute of Certified Public Accountants (AICPA) require auditors to formally acknowledge when governments do not prepare their financial statements, intended for general use, in accordance with GAAP. The effects on the financial statements of the variances between GAAP and the accounting practices the District used, as described in Note 1, although not reasonably determinable, are presumed to be material. As a result, we are required to issue an adverse opinion on whether the financial statements are presented fairly, in all material respects, in accordance with GAAP.

### **Adverse Opinion on U.S. GAAP**

The financial statements referred to above were not intended to, and in our opinion they do not, present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Maple Valley Fire and Life Safety, as of December 31, 2017, or the changes in financial position or cash flows for the year then ended, due to the significance of the matter discussed in the above "Basis for Adverse Opinion on U.S. GAAP" paragraph.



## Other Matters

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements taken as a whole. The Schedule of Liabilities is presented for purposes of additional analysis, as required by the prescribed BARS manual. This schedule is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

## OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 2018 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 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.



Pat McCarthy

State Auditor

Olympia, WA

November 7, 2018

## **FINANCIAL SECTION**

### **Maple Valley Fire and Life Safety January 1, 2017 through December 31, 2017**

#### **FINANCIAL STATEMENTS**

Fund Resources and Uses Arising from Cash Transaction – 2017  
Notes to Financial Statements – 2017

#### **SUPPLEMENTARY AND OTHER INFORMATION**

Schedule of Liabilities – 2017

**King County Fire Protection District No. 43**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2017**

		<b>Total for All Funds (Memo Only)</b>	<b>001 General</b>	<b>201 Debt</b>	<b>301 Capital</b>
<b>Beginning Cash and Investments</b>					
30810	Reserved	1,434,501	-	288,069	687,282
30880	Unreserved	4,418,703	4,418,703	-	-
388 / 588	Prior Period Adjustments, Net	-	-	-	-
<b>Revenues</b>					
310	Taxes	7,705,787	7,426,670	279,117	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	582,110	582,110	-	-
340	Charges for Goods and Services	828,414	828,414	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	66,496	50,925	4,247	6,431
Total Revenues:		9,182,807	8,888,119	283,364	6,431
<b>Expenditures</b>					
510	General Government	-	-	-	-
520	Public Safety	9,159,630	9,159,630	-	-
Total Expenditures:		9,159,630	9,159,630	-	-
Excess (Deficiency) Revenues over Expenditures:		23,177	(271,511)	283,364	6,431
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	558,673	2,172	-	556,501
385	Special or Extraordinary Items	-	-	-	-
386 / 389	Custodial Activities	3,482	3,482	-	-
381, 395, 398	Other Resources	28,589	28,589	-	-
Total Other Increases in Fund Resources:		590,744	34,243	-	556,501
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	201,527	-	-	201,527
591-593, 599	Debt Service	267,150	-	267,150	-
597	Transfers-Out	558,673	556,501	-	2,172
585	Special or Extraordinary Items	-	-	-	-
586 / 589	Custodial Activities	427	-	427	-
Total Other Decreases in Fund Resources:		1,027,777	556,501	267,577	203,699
<b>Increase (Decrease) in Cash and Investments:</b>		<b>(413,856)</b>	<b>(793,769)</b>	<b>15,787</b>	<b>359,233</b>
<b>Ending Cash and Investments</b>					
5081000	Reserved	1,814,416	-	303,858	1,046,514
5088000	Unreserved	3,624,933	3,624,933	-	-
<b>Total Ending Cash and Investments</b>		<b>5,439,349</b>	<b>3,624,933</b>	<b>303,858</b>	<b>1,046,514</b>

*The accompanying notes are an integral part of this statement.*

**King County Fire Protection District No. 43**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2017**

		<u>302 Capital</u>
<b>Beginning Cash and Investments</b>		
30810	Reserved	459,150
30880	Unreserved	-
388 / 588	Prior Period Adjustments, Net	-
<b>Revenues</b>		
310	Taxes	-
320	Licenses and Permits	-
330	Intergovernmental Revenues	-
340	Charges for Goods and Services	-
350	Fines and Penalties	-
360	Miscellaneous Revenues	4,893
Total Revenues:		<u>4,893</u>
<b>Expenditures</b>		
510	General Government	-
520	Public Safety	-
Total Expenditures:		<u>-</u>
Excess (Deficiency) Revenues over Expenditures:		4,893
<b>Other Increases in Fund Resources</b>		
391-393, 596	Debt Proceeds	-
397	Transfers-In	-
385	Special or Extraordinary Items	-
386 / 389	Custodial Activities	-
381, 395, 398	Other Resources	-
Total Other Increases in Fund Resources:		<u>-</u>
<b>Other Decreases in Fund Resources</b>		
594-595	Capital Expenditures	-
591-593, 599	Debt Service	-
597	Transfers-Out	-
585	Special or Extraordinary Items	-
586 / 589	Custodial Activities	-
Total Other Decreases in Fund Resources:		<u>-</u>
<b>Increase (Decrease) in Cash and Investments:</b>		<b>4,893</b>
<b>Ending Cash and Investments</b>		
5081000	Reserved	464,044
5088000	Unreserved	-
<b>Total Ending Cash and Investments</b>		<b><u>464,044</u></b>

**NOTES TO FINANCIAL STATEMENT***For the Year Ended December 31, 2017*

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**Note 1 - Summary of Significant Accounting Policies**

King County Fire Protection District #43 was incorporated in 1952 and operates under the laws of the state of Washington applicable to a fire district. The district is a special purpose local government and provides fire protection and emergency medical services.

The district reports financial activity in accordance with the Cash Basis Budgeting, Accounting and Reporting System (BARS) Manual prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW. This manual prescribes a financial reporting framework that differs from generally accepted accounting principles (GAAP) in the following manner:

Financial transactions are recognized on a cash basis of accounting as described below.

Component units are required to be disclosed, but are not included in the financial statements.

Government-wide statements, as defined in GAAP, are not presented.

All funds are presented, rather than a focus on major funds.

The Schedule of Liabilities is required to be presented with the financial statements as supplementary information.

Supplementary information required by GAAP is not presented.

Ending balances are not presented using the classifications defined in GAAP.

**A. Fund Accounting**

Financial transactions of the government are reported in individual funds. Each fund uses a separate set of self-balancing accounts that comprises its cash and investments, revenues and expenditures. The government's resources are allocated to and accounted for in individual funds depending on their intended purpose. Each fund is reported as a separate column in the financial statements. The following fund types are used:

**GOVERNMENTAL FUND TYPES:****General Fund (10-043-0010)**

This fund is the primary operating fund of the district. It accounts for all financial resources except those required or elected to be accounted for in another fund.

**Capital Project Funds (10-043-3010 & 10-043-3020)**

These funds account for financial resources which are restricted, committed, or assigned for the acquisition or construction of capital facilities or other capital assets.

**Debt Service Fund (10-043-8510)**

This fund accounts for the financial resources that are restricted, committed, or assigned to expenditures for principal, interest and related costs on general long-term debt.

**FIDUCIARY FUND TYPES:****Agency Funds**

Healthcare Reimbursement Account / Flexible Spending Account: This account is used for contributions made by the District and employees for healthcare expenses. Choice Strategies managed the transactions to ensure compliance with IRS Regulations through December 27, 2017. On December 29, 2017 \$910,295.12 was transmitted to Peak One Administration and on January 2, 2018 was distributed into each employees' individual HRA Account. The U.S. Bank account remains open for FSA employee funded deposits and withdrawals. The balance of the account held at U.S. Bank as of December 31, 2017 was \$914,552.58.

**B. Basis of Accounting and Measurement Focus**

## NOTES TO FINANCIAL STATEMENT

For the Year Ended December 31, 2017

Financial statements are prepared using the cash basis of accounting and measurement focus. Revenues are recognized when cash is received and expenditures are recognized when paid.

In accordance with state law the district also recognizes expenditures paid during twenty days after the close of the fiscal year for claims incurred during the previous period.

## C. Budgets

The district adopts annual appropriated budgets for General and Capital funds. These budgets are appropriated at the fund level except the general fund, where the budget is adopted at the department level. The budget constitutes the legal authority for expenditures at that level. Annual appropriations for these funds lapse at the fiscal year end.

Annual appropriated budgets are adopted on the same basis of accounting as used for financial reporting.

The appropriated and actual expenditures for the legally adopted budgets were as follow:

Fund Name	Appropriated Expenditures	Actual Expenditures	Variance
General Fund	\$9,569,803.87	\$9,159,629.16	\$410,174.71
Capital Fund	\$936,000.00	\$203,698.90	\$732,301.10
Totals	\$10,505,803.87	\$9,363,328.06	\$1,142,475.81

Budgeted amounts are authorized to be transferred between departments within any fund classes within departments; however, any revisions that alter the total expenditures of a fund, or that affect the number of authorized employee positions, salary ranges, hours, or other conditions of employment must be approved by the district's legislative body.

## D. Cash and Investments

See Note 2, Deposits and Investments.

## E. Capital Assets

Per Policy SOG 43-5000 capital assets are assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of 1 year. Capital assets and inventory are recorded as capital expenditures when purchased.

## F. Compensated Absences

Vacation leave may be accumulated up to 2.4 times the annual earnings and is payable upon separation or retirement. Sick leave may be accumulated up to 960 hours. Upon separation or retirement employees receive payment for 50% of unused sick leave. Comp Time may be accumulated up to 200 hours and is payable upon separation or retirement. Payments are recognized as expenditures when paid. The value as of December 31, 2017 of Vacation Leave is \$567,313.00, Sick Leave \$615,923.00 and Comp Time \$101,039.00.

## G. Long-Term Debt

See Note 5, Debt Service Requirements.

## H. Reserved Portion of Ending Cash and Investments

Beginning and Ending Cash and Investments is reported as reserved when it is subject to restrictions on use imposed by external parties or due to internal commitments

## King County Fire Protection District #43

## NOTES TO FINANCIAL STATEMENT

For the Year Ended December 31, 2017

established by the legislative body. When expenditures that meet restrictions are incurred, the district intends to use reserved resources first before using unreserved amounts.

Reservations of Ending Cash and Investments consist of maintaining a reserve balance of a minimum of 4% of the estimated expenses as measured on December 31st for the subsequent year. Per Policy AG 43-1118, if at the end of any fiscal year, the balance falls below 4%, then the district shall rebuild the balance within a period not to exceed two (2) years.

## Note 2 - Deposits and Investments

It is the district's policy to invest all temporary cash surpluses. The interest on these investments is prorated to the various funds.

All deposits and certificates of deposit are FDIC insured up to the FDIC limits, and are collateralized by the Public Deposit Protection Commission. All investments are insured, registered or held by the district or its agent in the government's name.

Investments are reported at fair value. Investments by type at December 31, 2017 are as follows:

Fund	Investment	Impaired	Total
10-043-0010	\$3,620,133.31	\$5,660.37	\$3,625,793.68
10-043-3010	\$1,046,514.13	\$1,628.54	\$1,048,142.67
10-043-3020	\$464,043.68		\$464,043.68
10-043-8510	\$303,857.61	\$824.29	\$304,681.90

Per King County investment pool policy an investment is deemed to be "impaired" when (a) its credit quality is rated below investment grade by Standard and Poors and/or Fitch; (b) a default has occurred on payment or maturity; or (c) an enforcement event, as defined by the investment's program documents has occurred.

Not included in the funds above, the district has imprest funds and cash on hand. These funds consist of a petty cash, petty cash checking and advance travel checking account. These accounts are used for miscellaneous and minor disbursements. The combined balance of these accounts on December 31, 2017 is \$4,800 and is included in the beginning and ending cash balance on Statement C-4. The account is replenished from the county treasurer for the exact amount of receipted disbursements. Internal controls are in place regarding the disbursement of these funds.

## Note 3 Property Tax

The county treasurer acts as an agent to collect property tax levied in the county for all taxing authorities. Collections are distributed after the end of each month.

Property tax revenues are recognized when cash is received by the district. Delinquent taxes are considered fully collectible because a lien affixes to the property after tax is levied.

The district's regular levy for the year 2017 was \$1.26381 per \$1,000 on an assessed valuation of \$5,864,497,562 for a total regular levy of \$7,411,610 .

## Note 4 Interfund Loans

The district currently has no interfund loans.

## Note 5 - Debt Service Requirements

## Debt Service

The accompanying Schedule of Liabilities (09) provides more details of the

## NOTES TO FINANCIAL STATEMENT

For the Year Ended December 31, 2017

outstanding debt and liabilities of the district and summarizes the district's debt transactions for year ended December 31, 2017.

The debt service requirements for general obligation bonds are as follows:

	Principal	Interest	Total
2017	\$210,000.00	\$63,900.00	\$273,900.00
2018	\$300,000.00	\$55,500.00	\$355,500.00
2019	\$300,000.00	\$45,750.00	\$345,750.00
2020	\$300,000.00	\$35,250.00	\$335,250.00
2021	\$300,000.00	\$24,000.00	\$324,000.00
2022	\$300,000.00	\$12,000.00	\$312,000.00
TOTALS	\$1,710,000.00	\$236,400.00	\$1,946,400.00

## Note 6 - Pension Plans

## A. State Sponsored Pension Plans

Substantially all of the district's full-time and qualifying part-time employees participate in the following statewide retirement systems administered by the Washington State Department of Retirement Systems (DRS), under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans.

The State Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

The Department of Retirement Systems, a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to:

Department of Retirement Systems  
Communications Unit  
P.O. Box 48380  
Olympia, WA 98540-8380

Also, the DRS CAFR may be downloaded from the DRS website at [www.drs.wa.gov](http://www.drs.wa.gov).

The district also participates in the Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund (VFFRPF) administered by the State Board for Volunteer Fire Fighters and Reserve Officers. Detailed information about the plan is included in the State of Washington CAFR available from the Office of Financial Management website at [www.ofm.wa.gov](http://www.ofm.wa.gov).

At June 30, 2017, the district's proportionate share of the collective net pension liabilities, as reported on the Schedule 09, was as follows:

	Employer Contributions	Allocation % Liability (Asset)
PERS 1	%.003825	\$181,499
PERS 2/3	%.004921	\$170,981
LEOFF 1	%.004642	(\$70,429)
LEOFF 2	%.172094	(\$2,388,107)
VFFRPF		

## LEOFF Plan 1

The district also participates in LEOFF Plan 1. The LEOFF Plan 1 is fully funded and no further employer contributions have been required since June 2000. If the plan becomes underfunded, funding of the remaining liability will require new legislation. Starting on July 1, 2000, employers and employees contribute zero percent.



**NOTES TO FINANCIAL STATEMENT***For the Year Ended December 31, 2017*

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**LEOFF Plan 2**

The district also participates in the LEOFF Plan 2. The Legislature, by means of a special funding arrangement, appropriates money from the state general fund to supplement the current service liability and fund the prior service costs of Plan 2 in accordance with the recommendations of the Pension Funding Council and the LEOFF Plan 2 Retirement Board. This special funding situation is not mandated by the state constitution and could be changed by statute.

**Note 7 - Risk Management****Note 8 - Other Disclosures**

A. LEOFF 1 Retiree Post Employment: The district has a commitment to pay for post-employment benefits for two LEOFF 1 retirees. These benefits include medical insurance and related costs, dental expenses and nursing care. In 2017, the district paid \$7,296 for 3 claims, \$9,674.50 for medical insurance and \$1,906.05 for prescription/eyecare claims.

B. LEOFF 2 Retiree Post Employment: The district through Personal Services Contracts and the Collective Bargaining Agreement with Local 3062 pay up to \$600 per month per employee for HRA Contributions until the employee reaches the age of 65 or death, which ever occurs first. As of December 31, 2017 the liability through November 30, 2026 is \$198,600.00.

C. King County Fire Protection District #43 continues to partner with Puget Sound Regional Fire Authority to fulfill staff training requirements.

D. King County Fire Protection District #43 entered into an Interlocal Agreement with Puget Sound Regional Fire Authority in 2016, previously the Kent Regional Fire Authority, to implement collaborative activities relating to Information Technology.

E. The Board of Volunteer Firefighters is a related organization made up of District Secretary and Commissioners' Walls and Hooper.

F. The district continues to self insure orthodontia. Invoices are paid at 75% up to a maximum lifetime benefit of \$4,000 for employee, spouse and dependent under the age of 19. Three claims totaling \$5,800.00 were paid in 2017.

Prepared on 10/19/2018

**King County Fire Protection District No. 43**  
**Schedule of Liabilities**  
**For the Year Ended December 31, 2017**

<u>ID. No.</u>	<u>Description</u>	<u>Due Date</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
<b>General Obligation Debt/Liabilities</b>						
251.12	2007 Bonds	12/31/2017	210,000	-	210,000	-
251.12	2012 Bonds	12/31/2022	1,500,000	-	-	1,500,000
<b>Total General Obligation Debt/Liabilities:</b>			<b>1,710,000</b>	<b>-</b>	<b>210,000</b>	<b>1,500,000</b>
<b>Revenue and Other (non G.O.) Debt/Liabilities</b>						
259.12	Comp Time		80,395	20,644	-	101,039
259.12	Sick Leave		625,243	-	9,320	615,923
259.12	Vacation Pay		570,538	-	3,225	567,313
264.30	Pension Liability		399,326	-	46,846	352,480
<b>Total Revenue and Other (non G.O.) Debt/Liabilities:</b>			<b>1,675,502</b>	<b>20,644</b>	<b>59,391</b>	<b>1,636,755</b>
<b>Total Liabilities:</b>			<b>3,385,502</b>	<b>20,644</b>	<b>269,391</b>	<b>3,136,755</b>

## ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

We work with our audit clients and citizens to achieve our vision of government that works for citizens, by helping governments work better, cost less, deliver higher value, and earn greater public trust.

In fulfilling our mission to hold state and local governments accountable for the use of public resources, we also hold ourselves accountable by continually improving our audit quality and operational efficiency and developing highly engaged and committed employees.

As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

Our audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits of state agencies and local governments as well as [fraud](#), state [whistleblower](#) and [citizen hotline](#) investigations.

The results of our work are widely distributed through a variety of reports, which are available on our [website](#) and through our free, electronic [subscription](#) service.

We take our role as partners in accountability seriously, and provide training and technical assistance to governments, and have an extensive quality assurance program.

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