



Office of the Washington State Auditor
Pat McCarthy

Financial Statements Audit Report

Clark County Fire Protection District No. 6

For the period January 1, 2023 through December 31, 2023

Published November 18, 2024

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

November 18, 2024

Board of Commissioners
Clark County Fire Protection District No. 6
Vancouver, Washington

Report on Financial Statements

Please find attached our report on Clark County Fire Protection District No. 6's financial statements.

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

Sincerely,

Pat McCarthy, State Auditor

Olympia, WA

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INDEPENDENT AUDITOR'S REPORT

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*

Clark County Fire Protection District No. 6 January 1, 2023 through December 31, 2023

Board of Commissioners
Clark County Fire Protection District No. 6
Vancouver, 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 Clark County Fire Protection District No. 6, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's financial statements, and have issued our report thereon dated November 12, 2024.

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 state law 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.

REPORT ON 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) as a basis for designing 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 above and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

REPORT ON 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 its compliance with certain provisions of laws, regulations, contracts and grant agreements, 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. 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 12, 2024

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Clark County Fire Protection District No. 6 January 1, 2023 through December 31, 2023

Board of Commissioners
Clark County Fire Protection District No. 6
Vancouver, Washington

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Unmodified and Adverse Opinions

We have audited the financial statements of Clark County Fire Protection District No. 6, as of and for the year ended December 31, 2023, and the related notes to the financial statements, as listed in the financial section of our report.

Unmodified Opinion on the Regulatory Basis of Accounting (BARS Manual)

As described in Note 1, the District has prepared these financial statements to meet the financial reporting requirements of state law and 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 accompanying financial statements referred to above present fairly, in all material respects, the cash and investments of Clark County Fire Protection District No. 6, and its changes in cash and investments, for the year ended December 31, 2023, on the basis of accounting described in Note 1.

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 Clark County Fire Protection District No. 6, as of December 31, 2023, or the changes in financial position or cash flows thereof for the year then ended, because of the significance of the matter discussed below.

Basis for Unmodified and Adverse Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and *Government Auditing Standards*. 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 unmodified and adverse opinions.

Matter Giving Rise to 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. As described in Note 1 of the financial statements, the financial statements are prepared by the District in accordance with state law using accounting practices prescribed by the BARS Manual, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management 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 state law and the BARS Manual 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.

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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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 GAAS 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.

Performing an audit in accordance with GAAS and *Government Auditing Standards* includes the following responsibilities:

- 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; and
- 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's financial statements. 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 as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated November 12, 2024 on our consideration of the District's internal control over financial reporting and on the 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.

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 12, 2024

FINANCIAL SECTION

Clark County Fire Protection District No. 6 January 1, 2023 through December 31, 2023

FINANCIAL STATEMENTS

Fund Resources and Uses Arising from Cash Transactions – 2023
Notes to Financial Statements – 2023

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Liabilities – 2023

Clark County Fire Protection District No. 6
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2023

		Total for All Funds (Memo Only)	001 Current Reporting Expense Fund	101 EMS Reporting Fund	213 Debt Service Reporting Fund
Beginning Cash and Investments					
308	Beginning Cash and Investments	26,127,706	16,052,448	2,561,441	17,434
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	22,273,355	16,216,214	6,057,141	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	146,783	24,287	122,496	-
340	Charges for Goods and Services	247,298	247,298	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	781,524	505,632	93,788	546
Total Revenues:		23,448,960	16,993,431	6,273,425	546
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	17,412,230	12,947,208	4,465,022	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		17,412,230	12,947,208	4,465,022	-
Excess (Deficiency) Revenues over Expenditures:		6,036,730	4,046,223	1,808,403	546
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	1,193,600	-	-	1,193,600
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		1,193,600	-	-	1,193,600
Other Decreases in Fund Resources					
594-595	Capital Expenditures	2,474,736	197,627	-	-
591-593, 599	Debt Service	1,193,600	-	-	1,193,600
597	Transfers-Out	1,193,600	1,193,600	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	(73,709)	(73,709)	-	-
Total Other Decreases in Fund Resources:		4,788,227	1,317,518	-	1,193,600
Increase (Decrease) in Cash and Investments:		2,442,103	2,728,705	1,808,403	546
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	9,788,656	-	4,369,844	17,980
50841	Committed	-	-	-	-
50851	Assigned	5,231,094	5,231,094	-	-
50891	Unassigned	13,550,057	13,550,057	-	-
Total Ending Cash and Investments		28,569,807	18,781,151	4,369,844	17,980

The accompanying notes are an integral part of this statement.

Clark County Fire Protection District No. 6
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2023

		323 Capital Projects Reporting Fund
Beginning Cash and Investments		
308	Beginning Cash and Investments	7,496,383
388 / 588	Net Adjustments	-
Revenues		
310	Taxes	-
320	Licenses and Permits	-
330	Intergovernmental Revenues	-
340	Charges for Goods and Services	-
350	Fines and Penalties	-
360	Miscellaneous Revenues	181,558
Total Revenues:		181,558
Expenditures		
510	General Government	-
520	Public Safety	-
530	Utilities	-
540	Transportation	-
550	Natural/Economic Environment	-
560	Social Services	-
570	Culture and Recreation	-
Total Expenditures:		-
Excess (Deficiency) Revenues over Expenditures:		181,558
Other Increases in Fund Resources		
391-393, 596	Debt Proceeds	-
397	Transfers-In	-
385	Special or Extraordinary Items	-
381, 382, 389, 395, 398	Other Resources	-
Total Other Increases in Fund Resources:		-
Other Decreases in Fund Resources		
594-595	Capital Expenditures	2,277,109
591-593, 599	Debt Service	-
597	Transfers-Out	-
585	Special or Extraordinary Items	-
581, 582, 589	Other Uses	-
Total Other Decreases in Fund Resources:		2,277,109
Increase (Decrease) in Cash and Investments:		(2,095,551)
Ending Cash and Investments		
50821	Nonspendable	-
50831	Restricted	5,400,832
50841	Committed	-
50851	Assigned	-
50891	Unassigned	-
Total Ending Cash and Investments		5,400,832

The accompanying notes are an integral part of this statement.

Clark County Fire Protection District No 6
Notes to the Financial Statements
For the year ended December 31, 2023

Note 1 - Summary of Significant Accounting Policies

Clark County Fire District 6 was incorporated in 1954 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 suppression, fire prevention and EMS 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 (see *Notes to 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 presented using classifications that are different from the ending net position classifications 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, except for fiduciary funds, which are presented by fund types. The total column is presented as "memo only" because any interfund activities are not eliminated. The following fund types are used:

GOVERNMENTAL FUND TYPES:

General Fund

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

Special Revenue Funds

These funds account for specific revenue sources that are restricted or committed to expenditures for specified purposes of the government.

Debt Service Funds

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

Clark County Fire Protection District No 6
Notes to the Financial Statements
For the year ended December 31, 2023

Capital Projects Funds

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

B. Basis of Accounting and Measurement Focus

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.

C. Cash and Investments

See Note 3 - *Deposits and Investments*.

D. Capital Assets

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.

E. Compensated Absences

Vacation leave may be accumulated up to 600 hours and is payable upon separation or retirement. For bargaining members, 100% of the employees accrued vacation shall be contributed to their VEBA or MERP account on a pre-tax basis. Sick leave may be accumulated up to 1,550 hours. Upon separation or retirement, the district contributes an amount equal to 100% of the balance of the employee's unused sick leave up to a maximum of 75% of accumulated hours to VEBA Trust or MERP for bargaining members and a maximum of 100% of accumulated hours to VEBA Trust for administrative personnel, to the credit of the employee. Comp Time may be accumulated up to 60 hours for bargaining members and 96 for some administrative members and is payable when requested, upon separation or retirement.

The total cost of compensated absence liability as of December 31, 2023 is \$3,275,617.14.

F. Long-Term Debt

See Note 5 – *Long-Term Debt (formerly Debt Service Requirements)*.

G. Restricted and Committed Portion of Ending Cash and Investments

Beginning and Ending Cash and Investments are reported as restricted or committed when it is subject to restrictions on use imposed by external parties or due to internal commitments established by the Board of Fire Commissioners. When expenditures that meet restrictions are incurred, the district intends to use the most restricted resources first.

The total restricted or committed total of all funds as of December 31, 2023 is \$9,788,656.

Restrictions and commitments of Ending Cash and Investments consist of Fund 101-EMS, Fund 213-Debt Service and Fund 223-Capital Projects.

Clark County Fire Protection District No 6
Notes to the Financial Statements
For the year ended December 31, 2023

Fund Name	Portion of Ending Balance Restricted	Portion of Ending Balance Committed	Combined	Reason for Restriction or Commitment
101-EMS Fund	\$4,369,844		\$4,369,844	EMS tax revenue is restricted for EMS operation purposes.
213-Deb Service Fund	\$17,980		\$17,980	Restricted due to bond covenant.
223-Capital Projects Fund	\$5,400,832		\$5,400,832	Restricted due to bond covenant.
<i>Totals</i>	\$9,788,656	\$0	\$9,788,656	

Note 2 - Budget Compliance

The district adopts annual appropriated budgets for all funds. These budgets are appropriated at the fund 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/Department	Final Appropriated Amounts	Actual Expenses	Variance
001 - Current Reporting Expense Fund			
General Fund / Fire Suppression	\$ 17,749,458.16	\$ 14,264,728.23	\$ 3,484,729.93
Operating Reserve			
Capital Reserve			
Total 001 - Current Reporting Expense Fund	\$ 17,749,458.16	\$ 14,264,728.23	\$ 3,484,729.93
101 - EMS Reporting Fund	\$ 5,792,202.82	\$ 4,465,021.91	\$ 1,327,180.91
213 - Debt Service Reporting Fund	\$ 1,214,684.17	\$ 1,193,600.00	\$ 21,084.17
323 - Capital Projects Reporting Fund	\$ 7,300,000.00	\$ 2,277,108.61	\$ 5,022,891.39

Budgeted amounts are authorized to be transferred between departments within any fund/object class 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.

Note 3 – Deposits and Investments

Investments are reported at fair value. Deposits and investments by type at December 31, 2023 are as follows:

Clark County Fire Protection District No 6
Notes to the Financial Statements
For the year ended December 31, 2023

Type of Deposit or Investment	District's own deposits & investments	Combined
Bank Deposits	\$2,500	\$2,500
Loal Government Investment Pool (LGIP)	\$28,567,307	\$28,567,307
<i>Totals</i>	\$28,569,807	\$28,569,807

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

Investments in Clark County Investment Pool

The district is a voluntary participant in the Clark County Investment Pool, an external investment pool operated by the County Treasurer. The pool is not rated or registered with the SEC. Rather, oversight is provided by the County Treasurer in accordance with RCW 36.48.070. The district reports its investment in the pool at fair value.

The district has an investment services agreement with the Treasurer outlining the roles and responsibilities of each entity. The Treasurer provides monthly fair value investment reports on a fund level to all participants through footnote disclosures. This information is based on the NAV of each share in the Pool relative to each fund's month-end investment balance. A share is defined as what \$1.00 invested is worth based on the market value of the portfolio's holdings. The NAV per share in the Pool is computed by dividing the total value of the securities and other assets of the Pool, less any liabilities, by the total outstanding shares of the Pool. Participants for whom the Treasurer serves as Treasurer or ex-officio Treasurer may redeem Pool shares for normal expenditure purposes on a daily basis and will receive one dollar per share for shares redeemed.

The use of amortized cost valuation means that the Pool's stable \$1.00 price value may vary from its market value NAV per share. In the unlikely event that the Treasurer were to determine that the extent of the deviation between the Pool's amortized cost per share and the market value NAV per share may result in the material dilution or other unfair results to the shareholders, the Treasurer may cause that Pool to take such action as it deems appropriate to eliminate or reduce dilutions that cause unfair results to participants.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in event of a failure of a depository financial institution, the district would not be able to recover deposits or would not be able to recover collateral securities that are in possession of an outside party. The district's deposits and certificates of deposit are mostly covered by federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

All investments are insured, registered or held by the district or its agent in the government's name.

Note 4 – Leases (Lessees)

The District leases building space from Garden Park Property, LLC for \$4,806 per month under a lease agreement that ends October 31, 2024. The lease began on August 1, 2023.

Clark County Fire Protection District No 6
Notes to the Financial Statements
For the year ended December 31, 2023

The total amount paid for leases to Garden Park Property in 2023 was \$33,642. As of December 31, 2023, the future lease payments will be \$43,254.

Year	Lease Payments
2024	\$ 43,254.00
2025	
2026	
2027	
2028	
2029-2033	
2034-2038	
2039-2043	
2044-2048	
2049-2053	
2054-2058	
2059-2063	
<i>Total</i>	\$ 43,254.00

The District leases two copy machines from Hewlette-Packard Financial Services for \$363.04 per month under a lease agreement that ends September 2025.

The total amount paid for leases to Hewlette-Packard in 2023 was \$4,647.55. As of December 31, 2023, the future lease payments will be \$7,624.

Year	Lease Payments
2024	\$ 4,356.48
2025	\$ 3,267.36
2026	
2027	
2028	
2029-2033	
2034-2038	
2039-2043	
2044-2048	
2049-2053	
2054-2058	
2059-2063	
<i>Total</i>	\$ 7,623.84

Note 5 – Long-Term Debt *(formerly Debt Service Requirements)*

The accompanying Schedule of Liabilities provides more details of the outstanding debt and liabilities of the district and summarizes the district’s debt transactions for year ended December 31, 2023.

Clark County Fire Protection District No 6
Notes to the Financial Statements
For the year ended December 31, 2023

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

Fund 213			
Year	Principal	Interest	Total Debt Service
2024	\$460,000.00	\$247,000.00	\$707,000.00
2025	\$475,000.00	\$228,600.00	\$703,600.00
2026	\$495,000.00	\$209,600.00	\$704,600.00
2027	\$515,000.00	\$189,800.00	\$704,800.00
2028	\$535,000.00	\$169,200.00	\$704,200.00
2029	\$555,000.00	\$147,800.00	\$702,800.00
2030	\$580,000.00	\$125,600.00	\$705,600.00
2031	\$605,000.00	\$102,400.00	\$707,400.00
2032	\$625,000.00	\$78,200.00	\$703,200.00
2033	\$650,000.00	\$53,200.00	\$703,200.00
2034	\$680,000.00	\$27,200.00	\$707,200.00
Totals	\$6,175,000.00	\$1,578,600.00	\$7,753,600.00
Fund 323			
Year	Principal	Interest	Total Debt Service
2024	\$275,000.00	\$216,050.00	\$491,050.00
2025	\$285,000.00	\$207,800.00	\$492,800.00
2026	\$290,000.00	\$199,250.00	\$489,250.00
2027	\$305,000.00	\$187,650.00	\$492,650.00
2028	\$315,000.00	\$175,450.00	\$490,450.00
2029	\$330,000.00	\$162,850.00	\$492,850.00
2030	\$340,000.00	\$149,650.00	\$489,650.00
2031	\$355,000.00	\$136,050.00	\$491,050.00
2032	\$365,000.00	\$125,400.00	\$490,400.00
2033	\$375,000.00	\$114,450.00	\$489,450.00
2034	\$385,000.00	\$103,200.00	\$488,200.00
2035	\$400,000.00	\$91,650.00	\$491,650.00
2036	\$410,000.00	\$79,650.00	\$489,650.00
2037	\$425,000.00	\$67,350.00	\$492,350.00
2038	\$435,000.00	\$54,600.00	\$489,600.00
2039	\$450,000.00	\$41,550.00	\$491,550.00
2040	\$460,000.00	\$28,050.00	\$488,050.00
2041	\$475,000.00	\$14,250.00	\$489,250.00
Totals	\$6,675,000.00	\$2,154,900.00	\$8,829,900.00

Clark County Fire Protection District No 6
Notes to the Financial Statements
For the year ended December 31, 2023

Note 6 – Other Postemployment Benefits (OPEB Plans)

The LEOFF I Retiree Medical Plan is a closed, single-employer, defined-benefit OPEB plan administered by the district. The plan pays for 100% of eligible retirees' healthcare costs on a pay-as-you-go basis. As of December 31, 2023, the plan had 10 members, all retirees. As of December 31, 2023 the district's total OPEB liability was \$4,540,251, as calculated using the alternative measurement method. For the year ended December 31, 2023, the district paid \$170,723 in benefits.

Note 7 – Pension Plans

A. State Sponsored Pension Plans

Substantially all 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 LEOFF 2, PERS 2/3.

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 Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information for each plan.

Also, the DRS ACFR may be downloaded from the DRS website at www.drs.wa.gov.

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.

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.

At June 30, 2023 (the measurement date of the plans), the district's proportionate share of the collective net pension liabilities, as reported on the Schedule of Liabilities, was as follows:

Clark County Fire Protection District No 6
Notes to the Financial Statements
For the year ended December 31, 2023

Plan Type	Employer Contributions	Allocation Percentage	Plan Liability / Asset	Net Pension Liability	Net Pension Asset
PERS 1 UAAL	\$20,100.91	0.002950%	\$2,282,732,000.00	\$67,340.59	
PERS 2/3	\$33,407.18	0.003800%	(\$4,098,683,000.00)		(\$155,749.95)
LEOFF 1		0.022269%	(\$2,968,024,000.00)		(\$660,949.26)
LEOFF 2	\$557,302.45	0.246903%	(\$2,398,598,000.00)		(\$5,922,210.42)
		<i>Totals</i>		\$ 67,341	\$ (6,738,910)

B. Defined Contribution Pension Plans

The district also participates in a 457 deferred compensation plan administered by Nationwide and VOYA Financial. The district contributes \$415 per month per employee for bargaining members. Administrative staff contributions are 6% of base salary. The total amount contributed by the district for 2023 is \$418,939.86.

Note 8 - 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 Calendar

January 1	Tax is levied and becomes an enforceable lien against the properties.
February 14	Tax bills are mailed
April 30	First of two equal installment payments are due
May 31	Assessed value of property established for next year's levy at 100% of market value
October 31	Second installment is due

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

Levy Type	Per \$1000	Assessed Valuation	Amount
EMS Levy	\$0.4500000000	\$13,522,525,240	\$6,085,136.36
Regular Levy	\$1.2029776666	\$13,522,525,240	\$16,267,295.86

Note 9 – Risk Management

On October 21, 1994 under the authority of RCW 39.34 and RCW 48.62, the Secretary of State approved the creation of a nonprofit corporation entitled Clark County Fire Rescue Risk Management Group. The member districts are East County Fire & Rescue, Clark County Fire District 6, Clark-Cowlitz Fire and Rescue, Cowlitz County Fire District 6 and Cowlitz 2 Fire & Rescue. The purpose of the corporation is to lower insurance premiums for these member districts.

Clark County Fire Protection District No 6
Notes to the Financial Statements
For the year ended December 31, 2023

In the opinion of management, the district's insurance policies and/or self-insurance reserves are adequate to pay all known or pending claims. There were 0 claims in 2023. During 2023, the corporation purchased insurance coverage for property, crime/cyber liability, general liability, auto liability, portable equipment, management liability and excess liability through Volunteer Firemen's Insurance Services (VFIS) with American Alternative Insurance Corporation as the underwriter. There is a property deductible of \$1,000 and \$250 deductible for auto.

The District paid \$124,519.08 to the Clark County Fire Rescue Risk Management Group in 2023.

The district has had no significant reduction in insurance coverage from prior years. The district has had no settlements exceed insurance coverage for the past several years.

The district self-insures its unemployment compensation risk on a reimbursable basis with the Washington State Employment Security Department, which acts as a third-party administrator. There were zero claims for 2023.

Note 10 – Other Disclosures

Work continues on a remodel of Station 61 with the objective of meeting essential facility standards.

Fairgrounds Fire Facility Board

The Fairgrounds Fire Facility Board was created by inter-local agreement with Clark County Fire Districts 6, 11 and 12 in 1999. The Board is responsible for facility management of the Fairgrounds Public Safety Complex, which houses the Clark County Fire Marshal's Office and the Clark County Sheriff's Office West Precinct. As a result of the merger of Districts 11 and 12, effective January 1, 2009 the FFFB is comprised of the fire chief and one fire commissioner from each of the two remaining districts. Members retain equal voting rights. In late 2011, it was determined by the State Auditor's Office that the FFFB is not a separate legal entity and is to be managed as a special revenue fund under Clark-Cowlitz Fire & Rescue, which has been the fiscal agent for the Board since inception.

Clark County Fire District 6 fund contributions to the Fairgrounds Fire Facility Board were \$43,853 in 2023.

Clark County Fire Protection District No. 6
Schedule of Liabilities
For the Year Ended December 31, 2023

<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>
General Obligation Debt/Liabilities						
251.11	LTGO Bond - Fire	12/1/2034	6,615,000	-	440,000	6,175,000
251.11	LTGO Bond - Fire	12/1/2041	6,940,000	-	265,000	6,675,000
Total General Obligation Debt/Liabilities:			13,555,000	-	705,000	12,850,000
Revenue and Other (non G.O.) Debt/Liabilities						
259.12	Compensated Balances		2,846,927	428,690	-	3,275,617
264.30	Pension Liability		76,041	-	8,700	67,341
264.40	OPEB Liability		4,355,519	184,732	-	4,540,251
263.57	Lease	10/31/2024	-	76,896	33,642	43,254
263.57	Lease	9/30/2025	-	12,272	4,648	7,624
Total Revenue and Other (non G.O.) Debt/Liabilities:			7,278,487	702,590	46,990	7,934,087
Total Liabilities:			20,833,487	702,590	751,990	20,784,087

ABOUT THE STATE AUDITOR'S OFFICE

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

We work with state agencies, local governments and the public to achieve our vision of increasing trust in government by helping governments work better and deliver higher value.

In fulfilling our mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, we hold ourselves to those same standards by continually improving our audit quality and operational efficiency, and by developing highly engaged and committed employees.

As an agency, the State Auditor's Office has the independence necessary to objectively perform audits, attestation engagements and investigations. Our work is designed to comply with professional standards as well as to satisfy the requirements of federal, state and local laws. The Office also has an extensive quality control program and undergoes regular external peer review to ensure our work meets the highest possible standards of accuracy, objectivity and clarity.

Our audits look at financial information and compliance with federal, state and local laws for all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits and cybersecurity audits of state agencies and local governments, as well as state whistleblower, fraud and citizen hotline investigations.

The results of our work are available to everyone through the more than 2,000 reports we publish each year on our website, www.sao.wa.gov. Additionally, we share regular news and other information via an email subscription service and social media channels.

We take our role as partners in accountability seriously. The Office provides training and technical assistance to governments both directly and through partnerships with other governmental support organizations.

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