

# ANNUAL REPORT

**King County Fire Protection District #43**

*MCAG No 2533*

*Submitted pursuant to RCW 43.09.230*

*to the*

**STATE AUDITOR'S OFFICE**

*Local Government Support Team*

*PO Box 40031*

*Olympia WA 98504-0031*

*For the Year Ended December 31, 2008*

*Certified correct this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_*

*to the best of my knowledge and belief:*

*Name \_\_\_\_\_*

*Title \_\_\_\_\_*

*Prepared by \_\_\_\_\_*

*Phone \_\_\_\_\_*

*Fax \_\_\_\_\_*

*Email \_\_\_\_\_*

*Website \_\_\_\_\_*

**King County Fire Protection District #43**  
**RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**  
*For the Year Ended December 31, 2008*

| <b>Code</b>                                  | <b>Description</b>                             | <b>Total for All Funds</b> | <b>Current 001</b> | <b>Debt Service 200</b> | <b>Capital Project 300</b> |
|--|--|----------------------------|--------------------|-------------------------|----------------------------|
| 308  | <i>Beginning Net Cash and Investment</i>       | 6,826,618                  | 3,380,361          | 79,159                  | 3,367,098                  |
| <i>REVENUES AND OTHER SOURCES</i>            |  |                            |                    |                         |                            |
| 310  | <i>Taxes</i>                                   | 7,631,812                  | 6,594,686          | 1,037,126               |                            |
| 320  | <i>Licenses and Permits</i>                    | 720                        | 720                |                         |                            |
| 330  | <i>Intergovernmental Revenues</i>              | 638,877                    | 638,877            |                         |                            |
| 340  | <i>Charges for Goods and Services</i>          | 427,517                    | 427,517            |                         |                            |
| 350  | <i>Fines and Forfeits</i>                      |                            |                    |                         |                            |
| 360  | <i>Miscellaneous</i>                           | 295,432                    | 171,984            | 12,211                  | 111,237                    |
| 390  | <i>Other Financing Sources</i>                 | 87,146                     | 9,998              |                         | 77,148                     |
| <i>TOTAL REVENUE AND OTHER FINANCING</i>     |  | 9,081,504                  | 7,843,782          | 1,049,337               | 188,385                    |
| <i>TOTAL RESOURCES</i>                       |  | 15,908,122                 | 11,224,143         | 1,128,496               | 3,555,483                  |
| <i>EXPENDITURES AND OTHER USES</i>           |  |                            |                    |                         |                            |
| 510  | <i>General Government Services</i>             | 1,003,195                  | 1,003,195          |                         |                            |
| 520  | <i>Public Safety</i>                           | 6,692,291                  | 6,692,291          |                         |                            |
| <i>TOTAL OPERATING EXPENDITURES</i>          |  | 7,695,486                  | 7,695,486          |                         |                            |
| 591-593                                      | <i>Debt Service</i>                            | 911,717                    |                    | 911,099                 | 618                        |
| 594  | <i>Capital Expenditures</i>                    | 410,362                    |                    |                         | 410,362                    |
| <i>TOTAL EXPENDITURES</i>                    |  | 9,017,565                  | 7,695,486          | 911,099                 | 410,980                    |
| 596-599                                      | <i>Other Financing Uses</i>                    | 77,148                     | 77,148             |                         |                            |
| <i>TOTAL EXPENDITURES AND OTHER USES</i>     |  | 9,094,713                  | 7,772,634          | 911,099                 | 410,980                    |
| <i>EXCESS/DEFICIT OF RESOURCES OVER USES</i> |  | 6,813,409                  | 3,451,509          | 217,397                 | 3,144,503                  |
| 380  | <i>Nonrevenues (except 384 and 388.80)</i>     | 25,355                     | 25,355             |                         |                            |
| 580  | <i>Nonexpenditures (except 584 and 588.80)</i> | 118,310                    | 91,185             | 13,244                  | 13,881                     |
| 508  | <i>Ending Cash and Investments</i>             | 6,720,454                  | 3,385,678          | 204,153                 | 3,130,622                  |

The Accompanying Notes Are An Integral Part Of This Statement

**NOTES TO FINANCIAL STATEMENTS***For the Year Ended December 31, 2008***NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

King County Fire Protection District #43 is a special purpose government that provides fire protection and emergency response services to the general public and is supported primarily through property taxes. King County Fire Protection District #43 was incorporated in 1952 and operates under Chapter 52 RCW and other laws of the state of Washington applicable to fire districts.

**a. Fund Accounting**

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. Each fund is accounted for with a separate set of single-entry accounts that comprises its cash, investments, revenues and expenditures, as appropriate. The District's resources are allocated to and accounted for in individual funds depending on their intended purpose. The following are the fund types used by the District:

**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.

Debt Service Fund (10-043-8510)

This fund is used for the accumulation of resources to pay principal, interest and related costs on general long-term debt.

Capital Project Funds (10-043-3010)

This fund is used for financial resources that are designated for the acquisition or construction of general government capital projects.

Petty Cash

This account is held at a local bank and not included in the ending cash balance. The balance of this account is \$1,700.00 and is used for miscellaneous district needs.

Advance Travel

This account is held at a local bank and not included in the ending cash balance. The balance of this account is \$2,000.00 and is used for travel per diem.

**b. Basis of Accounting**

The accounting records of the District are maintained in accordance with methods prescribed by the State Auditor under the authority of Chapter 43.09 RCW. The District uses the Budgeting, Accounting and Reporting System for Fire Districts in the State of Washington.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Revenues are recognized only when cash is received and expenditures are recognized when paid.

Purchases of capital assets are expensed during the year of acquisition. There is no capitalization of capital assets, nor allocation of depreciation expense. Inventory is expensed when purchased.

**c. Cash**

It is the District's policy to invest all temporary cash surpluses. The amount is included on the statement of resources and uses arising from cash transactions as net cash and investments.

**d. Deposits**

The District's deposits (and certificates of deposit) are covered by (the Federal Deposit Insurance Corporation and/or the Washington Public Deposit Protection Commission).

**e. Capital Assets**

Capital assets are long-lived assets of the District and are recorded as capital

**NOTES TO FINANCIAL STATEMENTS**

*For the Year Ended December 31, 2008*

expenditures when purchased.

f. Compensated Absences

Vacation pay may be accumulated up to 680 hours and is payable upon separation or retirement. Sick leave may accumulate up to 960 hours. Upon retirement, any remaining sick leave shall be cashed out to the employee at a value of \$0.50 per \$1.00 (50%). The District's estimated liability for sick leave termination benefits on December 31, 2008 was \$289,690.61.

NOTE 2 - COMPLIANCE AND ACCOUNTABILITY

There have been no material violations of finance-related legal or contractual provisions.

NOTE 3 - PROPERTY TAXES

The county treasurer acts as an agent to collect property taxes levied in the county for all taxing authorities. Collections are distributed at 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 taxes are levied.

The District regular levy for the year 2008 for collection in 2009 was \$1.36 per \$1,000 on an assessed valuation of \$4,882,305,997.00 for a total regular levy of \$6,737,458.00.

NOTE 4 - INVESTMENTS

The King County Treasurer performs all investment activities for the district and holds all investment details.

NOTE 5 - LONG-TERM DEBT

The accompanying Schedule of Long-Term Debt (09) provides a listing of the outstanding debt of the District and summarizes the District's debt transactions for year 2008. The debt service requirements, including interest, are as follows:

|             | (2004)General<br>Obligation Bonds | (2007) General<br>Obligation Bonds | Total Debt   |
|-------------|-----------------------------------|------------------------------------|--------------|
| 2009        | 525,000.00                        | 215,000.00                         | 740,000.00   |
| 2010        | 565,000.00                        | 225,000.00                         | 790,000.00   |
| 2011        | 605,000.00                        | 245,000.00                         | 850,000.00   |
| 2012        | 655,000.00                        | 135,000.00                         | 790,000.00   |
| 2013 - 2017 | 580,000.00                        | 2,680,000.00                       | 3,260,000.00 |
|             | -----                             | -----                              | -----        |
| Totals      | 2,930,000.00                      | 3,500,000.00                       | 6,430,000.00 |
|             | =====                             | =====                              | =====        |

NOTE 6 - PENSION PLANS

Substantially all of the District's full-time and qualifying part-time employees participate in the LEOFF 2 and PERS 2 plans administered by the Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit retirement systems. Actuarial information is on a system-wide basis and is not considered pertinent to the District's financial statements. Contributions to the systems by both employee and employer are based upon gross wages covered by plan benefits.

Historical trend or other information regarding each plan is presented in the state Department of Retirement Systems annual financial report. A copy of this report may be obtained at:

**NOTES TO FINANCIAL STATEMENTS**

*For the Year Ended December 31, 2008*

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Communications Unit  
PO Box 48380  
Olympia WA 98504-8380

OTHER DISCLOSURES

1. In 2007 the district received a grant from the Washington State Archives Department for \$5,260.80. In 2008, the unused portion of \$1,249.25 was returned.
2. On January 22, 2008, the district received a Homaltro HCT 312 Hand Combi-Tool valued at \$3,939.45 from the Office of Emergency Management. Grant #FFY06-SHSP, Project #E07-174.

Submitted on 12/01/2009

## DETAIL OF REVENUE AND OTHER SOURCES

For the Year Ended December 31, 2008

| Account No | Description  | Amount     |
|------------|--|------------|
| 311.10     | Taxes - Real and Personal Property Taxes                     | 6,593,551  |
| 312.10     | Taxes - Forest Excise Tax                                    | 213        |
| 317.20     | Taxes - Leasehold Excise Tax                                 | 921        |
| 310.00     | TOTAL TAXES  | 6,594,685  |
| 322.90     | Licenses & Permits - Nonbusiness Licenses & Permits          | 720        |
| 320.00     | TOTAL LICENSES & PERMITS                                     | 720        |
| 331.00     | Intergovernmental Revenues - Direct Federal Grants           | 72,000     |
| 333.00     | Intergovernmental Revenues - Indirect Federal Grants         | 1,644      |
| 334.00     | Intergovernmental Revenues - State Grants                    | 7,526      |
| 336.02     | Intergovernmental Revenues - Payment In-Lieu of Taxes - Game | 22,326     |
| 337.00     | Intergovernmental Revenues - Interlocal Grants, Entitlements | 23,210     |
| 338.22     | Intergovernmental Revenues - Intergov Fire Control Services  | 109,922    |
| 338.25     | Intergovernmental Revenues - Intergov Emergency Services     | 402,249    |
| 330.00     | TOTAL INTERGOVERNMENTAL REVENUES                             | 638,877    |
| 342.20     | Charges for Goods & Services - Fire Protection Services      | 6,975      |
| 342.60     | Charges for Goods & Services - Ambulance & Emergency Aid Ser | 414,406    |
| 342.90     | Charges for Goods & Services - Other Fees/Services           | 2,366      |
| 344.30     | Charges for Goods & Services - Repair Charges                | 3,770      |
| 340.00     | TOTAL CHARGES FOR GOODS & SERVICES                           | 427,517    |
| 361.11     | Miscellaneous Revenue - Investment Interest                  | 105,137    |
| 362.40     | Miscellaneous Revenue - Space & Facility Rentals (Short-Term | 430        |
| 367.11     | Miscellaneous Revenue - Gifts, Pledges, Grants & Bequests fr | 53,635     |
| 369.20     | Miscellaneous Revenue - Unclaimed Money or Property Sales    | 248        |
| 369.90     | Miscellaneous Revenue - Other Misc Revenue                   | 12,534     |
| 360.00     | TOTAL MISCELLANEOUS REVENUE                                  | 171,984    |
| 389.00     | Nonrevenues - Other Nonrevenues                              | 25,355     |
| 380.00     | TOTAL NONREVENUES  | 25,355     |
| 395.10     | Other Financing Sources - Proceeds from Sales of Capital Ass | 9,998      |
| 390.00     | TOTAL OTHER FINANCING SOURCES                                | 9,998      |
| 310 - 390  | TOTAL REVENUES, NONREVENUES AND OTHER FINANCING SOURCES      | 7,869,136  |
| 308.00     | Beginning Net Cash and Investments                           | 3,380,361  |
|            | TOTAL  | 11,249,497 |

**DETAIL OF REVENUE AND OTHER SOURCES***For the Year Ended December 31, 2008*

| <b>Account No</b> | <b>Description</b>                                      | <b>Amount</b> |
|-------------------|---|---------------|
| 311.10            | Taxes - Real and Personal Property Taxes                | 1,037,126     |
| 310.00            | TOTAL TAXES   | 1,037,126     |
| 361.11            | Miscellaneous Revenue - Investment Interest             | 12,211        |
| 360.00            | TOTAL MISCELLANEOUS REVENUE                             | 12,211        |
| 310 - 390         | TOTAL REVENUES, NONREVENUES AND OTHER FINANCING SOURCES | 1,049,337     |
| 308.00            | Beginning Net Cash and Investments                      | 79,159        |
|                   | TOTAL   | 1,128,496     |

Submitted on 12/01/2009

**DETAIL OF REVENUE AND OTHER SOURCES***For the Year Ended December 31, 2008*

| <b>Account No</b> | <b>Description</b>                                      | <b>Amount</b> |
|-------------------|---|---------------|
| 361.11            | Miscellaneous Revenue - Investment Interest             | 111,237       |
| 360.00            | TOTAL MISCELLANEOUS REVENUE                             | 111,237       |
| 397.00            | Other Financing Sources - Transfers In                  | 77,148        |
| 390.00            | TOTAL OTHER FINANCING SOURCES                           | 77,148        |
| 310 - 390         | TOTAL REVENUES, NONREVENUES AND OTHER FINANCING SOURCES | 188,385       |
| 308.00            | Beginning Net Cash and Investments                      | 3,367,098     |
|                   | TOTAL   | 3,555,483     |

Submitted on 12/01/2009



**DETAIL OF EXPENDITURES AND OTHER USES**

For the Year Ended December 31, 2008

| <b>Account No</b> | <b>Description</b>  | <b>Amount</b>    |
|-------------------|---|------------------|
| 511.60.10         | Legislative - Legislative Services - Salaries & Wages                   | 9,158            |
| 511.60.20         | Legislative - Legislative Services - Personnel Benefits                 | 701              |
| 511.60.40         | Legislative - Legislative Services - Services                           | 43,349           |
| 511.70.50         | Legislative - Election Costs - Intergovernmental                        | 18,106           |
| 514.10.10         | Financial & Records Services - Administration - Salaries & Wages        | 606,853          |
| 514.10.20         | Financial & Records Services - Administration - Personnel Benefits      | 146,650          |
| 514.10.30         | Financial & Records Services - Administration - Supplies                | 48,492           |
| 514.10.40         | Financial & Records Services - Administration - Services                | 129,886          |
| <b>510.00</b>     | <b>TOTAL GENERAL GOVERNMENT SERVICES</b>                                | <b>1,003,195</b> |
| 522.20.10         | Fire Control - Suppression - Salaries & Wages                           | 1,242,632        |
| 522.20.20         | Fire Control - Suppression - Personnel Benefits                         | 314,179          |
| 522.20.30         | Fire Control - Suppression - Supplies                                   | 25,421           |
| 522.20.40         | Fire Control - Suppression - Services                                   | 355              |
| 522.30.10         | Fire Control - Prevention & Investigation - Salaries & Wages            | 99,001           |
| 522.30.20         | Fire Control - Prevention & Investigation - Personnel Benefits          | 42,411           |
| 522.30.30         | Fire Control - Prevention & Investigation - Supplies                    | 7,053            |
| 522.30.40         | Fire Control - Prevention & Investigation - Services                    | 11,941           |
| 522.40.10         | Fire Control - Training - Salaries & Wages                              | 233,717          |
| 522.40.20         | Fire Control - Training - Personnel Benefits                            | 58,225           |
| 522.40.30         | Fire Control - Training - Supplies                                      | 7,072            |
| 522.40.40         | Fire Control - Training - Services                                      | 53,340           |
| 522.50.10         | Fire Control - Facility Maintenance - Salaries & Wages                  | 193,699          |
| 522.50.20         | Fire Control - Facility Maintenance - Personnel Benefits                | 49,379           |
| 522.50.30         | Fire Control - Facility Maintenance - Supplies                          | 106,807          |
| 522.50.40         | Fire Control - Facility Maintenance - Services                          | 111,098          |
| 526.10.10         | Ambulance, Rescue & Emergency Aid - Administration - Salaries & Wages   | 3,125,885        |
| 526.10.20         | Ambulance, Rescue & Emergency Aid - Administration - Personnel Benefits | 817,522          |
| 526.10.30         | Ambulance, Rescue & Emergency Aid - Administration - Supplies           | 29,079           |
| 526.10.40         | Ambulance, Rescue & Emergency Aid - Administration - Services           | 19,441           |
| 526.20.40         | Ambulance, Rescue & Emergency Aid - Ambulance Services - Services       | 3,219            |
| 528.60.30         | Communications, Alarms & Dispatch - Contracted Services - Supplies      | 4,518            |
| 528.60.40         | Communications, Alarms & Dispatch - Contracted Services - Services      | 136,298          |
| <b>520.00</b>     | <b>TOTAL PUBLIC SAFETY</b>  | <b>6,692,292</b> |
| 588.90.00         | Other Decreases in Cash & Investments -                                 | 91,185           |
| <b>580.00</b>     | <b>TOTAL NONEXPENDITURES</b>  | <b>91,185</b>    |
| 597.22.00         | Transfers Out for Fire Control -  | 77,148           |
| <b>590.00</b>     | <b>TOTAL OTHER FINANCING USES</b>                                       | <b>77,148</b>    |

|           |  |            |
|-----------|--|------------|
| 510 - 590 | TOTAL EXPENDITURES, NONEXPENDITURES AND OTHER FINANCING USES | 7,863,819  |
| 508.00    | Ending Net Cash and Investments                              | 3,385,678  |
|           | TOTAL  | 11,249,497 |

Submitted on 12/01/2009

**DETAIL OF EXPENDITURES AND OTHER USES***For the Year Ended December 31, 2008*

| <b>Account No</b> | <b>Description</b>   | <b>Amount</b> |
|-------------------|--|---------------|
| 588.90.00         | <i>Other Decreases in Cash &amp; Investments -</i>                         | 13,244        |
| 580.00            | <i>TOTAL NONEXPENDITURES</i>   | 13,244        |
| 591.89.70         | <i>Redemption Long-Term Debt for Refunding Debt - Principal</i>            | 635,000       |
| 592.22.80         | <i>Interest &amp; Other Debt Service Costs for Fire Control - Interest</i> | 276,099       |
| 590.00            | <i>TOTAL OTHER FINANCING USES</i>  | 911,099       |
| 510 - 590         | <i>TOTAL EXPENDITURES, NONEXPENDITURES AND OTHER FINANCING USES</i>        | 924,343       |
| 508.00            | <i>Ending Net Cash and Investments</i>                                     | 204,153       |
|                   | <i>TOTAL</i>   | 1,128,496     |

Submitted on 12/01/2009

**DETAIL OF EXPENDITURES AND OTHER USES***For the Year Ended December 31, 2008*

| <b>Account No</b> | <b>Description</b>   | <b>Amount</b>    |
|-------------------|--|------------------|
| 588.90.00         | <i>Other Decreases in Cash &amp; Investments -</i>                         | 13,881           |
| 580.00            | <i>TOTAL NONEXPENDITURES</i>   | 13,881           |
| 592.22.80         | <i>Interest &amp; Other Debt Service Costs for Fire Control - Interest</i> | 618              |
| 594.22.60         | <i>Capital Expenditures for Fire Control - Capital Outlay</i>              | 267,751          |
| 594.25.60         | <i>Capital Expenditures for Emergency Services - Capital Outlay</i>        | 85,663           |
| 594.28.60         | <i>Capital Expenditures for Comm/Alarm/Dispatch - Capital Outlay</i>       | 56,948           |
| 590.00            | <i>TOTAL OTHER FINANCING USES</i>  | 410,980          |
| 510 - 590         | <i>TOTAL EXPENDITURES, NONEXPENDITURES AND OTHER FINANCING USES</i>        | 424,861          |
| 508.00            | <i>Ending Net Cash and Investments</i>                                     | 3,130,622        |
|                   | <b>TOTAL</b>   | <b>3,555,483</b> |

Submitted on 12/01/2009

SCHEDULE OF LONG-TERM DEBT

For the Year Ended December 31, 2008

| Date of Original Issue | Date of Maturity | Balance at Beginning of Year | Amount Received This Year | Receiving Account(s) and Fund(s) | Amount Redeemed This Year | Redeeming Account(s) and Fund(s) | Balance at End of Year |
|------------------------|------------------|------------------------------|---------------------------|----------------------------------|---------------------------|----------------------------------|------------------------|
| 01/01/2004             | 12/31/2013       | 3,565,000                    |                           |                                  | 635,000                   |                                  | 2,930,000              |
| 11/01/2007             | 12/31/2017       | 3,500,000                    |                           |                                  |                           |                                  | 3,500,000              |
| <b>Totals</b>          |                  | 7,065,000                    | 0                         |                                  | 635,000                   |                                  | 6,430,000              |

**King County Fire Protection District #43**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
*For the Year Ended December 31, 2008*

| Grantor(s) and Program Title | CFDA Number | Other Number | Pass-Thru<br>Expenditures | Direct<br>Expenditures | Total<br>Expenditures | Footnote Ref |
|------------------------------|-------------|--------------|---------------------------|------------------------|-----------------------|--------------|
| FEMA<br>Homeland Security    | 97.044      |              | 0                         | 72,000                 | 72,000                | 3            |
| <b>Totals</b>                |             |              | 0                         | 72,000                 | 72,000                |              |

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

*For the Year Ended December 31, 2008*

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3. In August 2008, the district received a FEMA grant approved in 2007 for \$72,000.00 for the purchase of Station Generators.

Submitted on 12/01/2009

**King County Fire Protection District #43**  
**SCHEDULE OF STATE AND LOCAL FINANCIAL ASSISTANCE**

*For the Year Ended December 31, 2008*

| <b>Grantor</b>       | <b>Program Title</b>       | <b>Number</b> | <b>Expenditures</b> |
|----------------------|----------------------------|---------------|---------------------|
| Department of Health | EMS Prehospital Grant      | FY08-17D43    | 1,644               |
| King County EMS      | Student CPR Training Grant |               | 1,853               |
| <b>Total</b>         |                            |               | <b>3,497</b>        |



SCHEDULE OF LABOR RELATIONS CONSULTANTS

For the Year Ended December 31, 2008

We have engaged labor relations consultants, see details below:

Name of Firm CABOT DOW ASSOCIATES INC

Name of Consultant CABOT DOW

Address P.O. BOX 1806  
BELLEVUE, WA 98009

Amount Paid 1,050

Rates 140.00

Maximum Compensation

Duration of Services 2008

Services Provided LEGAL COUNSEL

Name of Firm PERKINS COIE

Name of Consultant L. HANNAH, C. EVERHARDT

Address 1201 THIRD AVENUE, 40TH FL  
SEATTLE, WA 98101-3099

Amount Paid 791

Rates 376

Maximum Compensation

Duration of Services 2008

Services Provided LEGAL COUNSEL

Certified correct this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

to the best of my knowledge and belief:

Signature \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_