

ANNUAL REPORT

King County Fire Protection District #43

MCAG No 2533

Submitted pursuant to RCW 43.09.230 to the STATE AUDITOR'S OFFICE

For the Year Ended December 31, 2011

Certified correct this 2nd day May, 2012 to the best of my knowledge and belief.

GOVERNMENT INFORMATION

Official Mailing Address 23775 SE 264th St Maple Valley WA 98038

Official Web Site Address www.maplevalleyfire.org

PREPARER INFORMATION & CERTIFICATION

Preparer Name & Title Michele de Leon, Office Manager

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Signature

Michele de Leon

NOTES TO FINANCIAL STATEMENTS*For the Year Ended December 31, 2011*

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

King County Fire Protection District #43 is a Special Purpose District 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 on December 31, 2011 is \$1,474.25 and is used for miscellaneous district needs.

The District also has \$300 in petty cash and is not included in the ending cash balance. This is reimbursed monthly from the General Fund 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 on December 31, 2011 is \$2,000.00 and is used for travel per diem.

Healthcare Reimbursement Account / Flexible Spending Account This account is used for contributions made by the District and employee for healthcare expenses and is also not included in the ending cash balance. Choice Care Card manages the transactions and ensures that purchases are in compliance with IRS Regulations. The balance of this account as of December 31, 2011 is \$254,389.77.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2011

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.

f. Compensated Absences

Vacation pay may be accumulated up to 680 hours and is payable upon separation or retirement. The District's liability for Vacation Pay benefits on December 31, 2011 was \$455,584.78. 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 liability for sick leave termination benefits on December 31, 2011 was \$464,704.07. Comp time may be accumulated up to 200 hours and is payable upon separation or retirement. The District's liability for Comp Pay benefits on December 31, 2011 was \$47,831.84.

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 Fire District's regular levy for the year 2011 was \$1.50 per \$1,000 on an assessed valuation of \$4,536,145,558.00 for a total regular levy of \$6,804,218.00. In

NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2011

2011, the Fire District also levied \$.22 per \$1,000 for a total additional levy of \$997,952.00 to be used for debt service. The Fire District entered into an Interlocal Agreement with the King County Flood Control Zone District due to pro-rationing of the Flood Control District. In 2011, the District received \$498,658.00 from the King County Flood Control Zone District for property taxes, in accordance with the Interlocal Agreement.

NOTE 4 - INVESTMENTS

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

NOTE 5 - LIABILITIES

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-end 2011. The debt service requirements, including interest, are as follows:

2004 General	2007 General	
Obligation Bonds	Obligation Bonds	Total Debt
2012 704,400.00	247,600.00	952,000.00
2013 603,200.00	277,200.00	880,400.00
2014	1,100,400.00	1,100,400.00
2015	1,060,400.00	1,060,400.00
2016	320,400.00	320,400.00
2017	218,400.00	218,400.00
Totals 1,307,600.00	3,224,400.00	4,532,000.00

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:

Department of Retirement Systems
 Communications Unit
 PO Box 48380
 Olympia WA 98504-8380

Rates as of December 31, 2011 are as follows:

- PERS Plan 2 Member Contribution 0.0464
- PERS Plan 2 Employer Contribution 0.0725
- LEOFF Plan 2 Member Contribution 0.0846
- LEOFF Plan 2 Employer Contribution 0.0524

NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2011

OTHER DISCLOSURES

OPEB

1. The District has a commitment to pay for post employment benefits for 2 employees that belong to LEOFF I. These benefits include medical insurance and related costs, dental expenses and nursing care. The District is self-insured for their Dental coverage and pays up to \$3,000 per calendar year per retiree. In 2011, the District paid \$3,309.84 for medical related expenses, \$9,658.12 for medical insurance and \$5,226.00 for dental expenses.

Submitted on 05/02/2012

King County Fire Protection District #43
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS
For the Year Ended December 31, 2011

Code	Description	All Funds	001 GEN	201 DEBT	301 CAP
308.10	Reserved Beginning Cash & Investments	1,709,904		202,219	1,507,686
308.80	Unreserved Beginning Cash & Investments	3,271,140	3,271,140		
	BEGINNING CASH & INVESTMENTS	4,981,044	3,271,140	202,219	1,507,686
	REVENUES AND OTHER SOURCES				
310	Taxes	7,846,893	6,808,523	1,038,370	
320	Licenses and Permits				
330	Intergovernmental Revenues	515,446	515,446		
340	Charges for Goods and Services	383,572	383,572		
350	Fines and Forfeits				
360	Miscellaneous	43,457	24,888	8,141	10,427
390	Other Financing Sources	130,778	93,476		37,303
	TOTAL REVENUE AND OTHER FINANCING	8,920,147	7,825,906	1,046,511	47,730
	TOTAL RESOURCES	13,901,190	11,097,045	1,248,729	1,555,416
	EXPENDITURES AND OTHER USES				
510	General Government Services	871,534	871,357	48	129
520	Public Safety	6,883,924	6,883,924		
	TOTAL OPERATING EXPENDITURES	7,755,458	7,755,281	48	129
591-593	Debt Service	1,046,604		1,046,000	604
594	Capital Expenditures	337,663			337,663
	TOTAL EXPENDITURES	9,139,725	7,755,281	1,046,048	338,396
596-599	Other Financing Uses	42,999	37,303		5,696
	TOTAL EXPENDITURES AND OTHER USES	9,182,723	7,792,583	1,046,048	344,092
	EXCESS/DEFICIT OF RESOURCES OVER USES	4,718,467	3,304,462	202,681	1,211,324
380	Nonrevenues (except 384 and 388.80)				
580	Nonexpenditures (except 584 and 588.80)	51,668	51,668		
508.10	Reserved Ending Cash & Investments	1,414,005		202,681	1,211,324
508.80	Unreserved Ending Cash & Investments	3,356,130	3,356,130		
508	ENDING CASH & INVESTMENTS	4,770,135	3,356,130	202,681	1,211,324

The Accompanying Notes Are An Integral Part Of This Statement

REVENUES AND EXPENDITURES

For the Year Ended December 31, 2011

SCHEDULE 04 REVENUE DETAILS

311.10.00	Real and Personal Property Taxes -	6,807,718
312.10.00	Forest Excise Tax -	98
317.20.00	Leasehold Excise Tax -	708
310.00 TOTAL TAXES		6,808,524
331.97.03	Direct Federal Grants -	200
331.97.06		2,933
334.01.00	State Grants -	4,565
337.10.00	Interlocal Grants, Entitlements & Impact Payments -	32,090
338.22.00	Intergov Fire Control Services -	45,435
338.22.01		12,330
338.25.00	Intergov Emergency Services -	417,893
330.00 TOTAL INTERGOVERNMENTAL REVENUES		515,446
342.60.00	Ambulance & Emergency Aid Services -	378,700
342.90.00	Other Fees/Services -	4,872
340.00 TOTAL CHARGES FOR GOODS & SERVICES		383,572
361.11.00	Investment Interest -	24,431
367.11.00	Gifts, Pledges, Grants & Bequests from Private Sources -	90
369.20.00	Unclaimed Money or Property Sales -	277
369.90.00	Other Misc Revenue -	90
360.00 TOTAL MISCELLANEOUS REVENUE		24,888
389.00.00	Other Nonrevenues -	51,668
380.00 TOTAL NONREVENUES		51,668
395.10.00	Proceeds from Sales of Capital Assets -	22,444
397.00.00	Transfers In -	5,696
398.00.00	Insurance Recoveries -	65,336
390.00 TOTAL OTHER FINANCING SOURCES		93,476

SCHEDULE 05 EXPENDITURE DETAILS

511.60.10	Legislative - Legislative Services - Salaries & Wages	15,392
511.60.20	Legislative - Legislative Services - Personnel Benefits	1,178
511.60.40	Legislative - Legislative Services - Services	5,041
514.10.10	Financial & Records Services - Administration - Salaries & Wages	501,352
514.10.20	Financial & Records Services - Administration - Personnel Benefits	175,747
514.10.30	Financial & Records Services - Administration - Supplies	60,090
514.10.40	Financial & Records Services - Administration - Services	112,136
519.90.50	Other - Miscellaneous - Intergovernmental	421
510.00 TOTAL GENERAL GOVERNMENT SERVICES		871,357
522.20.10	Fire Control - Suppression - Salaries & Wages	1,354,359

REVENUES AND EXPENDITURES

For the Year Ended December 31, 2011

522.20.20	Fire Control - Suppression - Personnel Benefits	409,736
522.20.30	Fire Control - Suppression - Supplies	21,949
522.30.10	Fire Control - Prevention & Investigation - Salaries & Wages	108,193
522.30.20	Fire Control - Prevention & Investigation - Personnel Benefits	34,099
522.30.30	Fire Control - Prevention & Investigation - Supplies	5,105
522.30.40	Fire Control - Prevention & Investigation - Services	11,363
522.40.10	Fire Control - Training - Salaries & Wages	119,289
522.40.20	Fire Control - Training - Personnel Benefits	27,488
522.40.30	Fire Control - Training - Supplies	4,551
522.40.40	Fire Control - Training - Services	60,834
522.50.10	Fire Control - Facility Maintenance - Salaries & Wages	88,965
522.50.20	Fire Control - Facility Maintenance - Personnel Benefits	36,393
522.50.30	Fire Control - Facility Maintenance - Supplies	140,537
522.50.40	Fire Control - Facility Maintenance - Services	117,509
526.10.10	Ambulance, Rescue & Emergency Aid - Administration - Salaries & Wages	3,137,937
526.10.20	Ambulance, Rescue & Emergency Aid - Administration - Personnel Benefits	1,003,507
526.10.30	Ambulance, Rescue & Emergency Aid - Administration - Supplies	24,923
526.10.40	Ambulance, Rescue & Emergency Aid - Administration - Services	29,200
526.20.40	Ambulance, Rescue & Emergency Aid - Ambulance Services - Services	2,900
528.60.30	Communications, Alarms & Dispatch - Contracted Services - Supplies	7,414
528.60.40	Communications, Alarms & Dispatch - Contracted Services - Services	114,192
520.00 TOTAL PUBLIC SAFETY		6,860,443
597.22.00	Transfers Out for Fire Control -	37,303
590.00 TOTAL OTHER FINANCING USES		37,303

REVENUES AND EXPENDITURES

For the Year Ended December 31, 2011

SCHEDULE 04 REVENUE SUMMARY

310 - 390	TOTAL REVENUES, NONREVENUES AND OTHER FINANCING SOURCES	7,877,574
308.80	Unreserved Beginning Cash & Investments	3,271,140
	BEGINNING CASH & INVESTMENTS (including any prior period adjustments)	3,271,140
	SCHEDULE 04 TOTAL	11,148,714

SCHEDULE 05 EXPENDITURE SUMMARY

510 - 590	TOTAL EXPENDITURES, NONEXPENDITURES AND OTHER FINANCING USES	7,792,583
508.80	Unreserved Ending Cash & Investments	3,356,130
	ENDING CASH & INVESTMENTS	3,356,130
	SCHEDULE 05 TOTAL	11,148,713

Submitted on 05/02/2012

REVENUES AND EXPENDITURES

For the Year Ended December 31, 2011

SCHEDULE 04 REVENUE DETAILS

311.10.00	Real and Personal Property Taxes -	1,038,354
312.10.00	Forest Excise Tax -	16
310.00 TOTAL TAXES		1,038,370
361.11.00	Investment Interest -	8,141
360.00 TOTAL MISCELLANEOUS REVENUE		8,141

SCHEDULE 05 EXPENDITURE DETAILS

519.90.50	Other - Miscellaneous - Intergovernmental	48
510.00 TOTAL GENERAL GOVERNMENT SERVICES		48
591.89.70	Redemption Long-Term Debt for Refunding Debt - Principal	850,000
592.22.80	Interest & Other Debt Service Costs for Fire Control - Interest	196,000
590.00 TOTAL OTHER FINANCING USES		1,046,000

SCHEDULE 04 REVENUE SUMMARY

310 - 390	TOTAL REVENUES, NONREVENUES AND OTHER FINANCING SOURCES	1,046,511
308.10	Reserved Beginning Cash & Investments	202,219
BEGINNING CASH & INVESTMENTS (including any prior period adjustments)		202,219
SCHEDULE 04 TOTAL		1,248,730

SCHEDULE 05 EXPENDITURE SUMMARY

510 - 590	TOTAL EXPENDITURES, NONEXPENDITURES AND OTHER FINANCING USES	1,046,048
508.10	Reserved Ending Cash & Investments	202,681
ENDING CASH & INVESTMENTS		202,681
SCHEDULE 05 TOTAL		1,248,729

Submitted on 05/02/2012

REVENUES AND EXPENDITURES

For the Year Ended December 31, 2011

SCHEDULE 04 REVENUE DETAILS

361.11.00	Investment Interest -	10,427
360.00 TOTAL MISCELLANEOUS REVENUE		10,427
397.00.00	Transfers In -	37,303
390.00 TOTAL OTHER FINANCING SOURCES		37,303

SCHEDULE 05 EXPENDITURE DETAILS

519.90.50	Other - Miscellaneous - Intergovernmental	129
510.00 TOTAL GENERAL GOVERNMENT SERVICES		129
592.22.80	Interest & Other Debt Service Costs for Fire Control - Interest	604
594.22.60	Capital Expenditures for Fire Control - Capital Outlay	247,400
594.25.60	Capital Expenditures for Emergency Services - Capital Outlay	35,620
594.28.60	Capital Expenditures for Comm/Alarm/Dispatch - Capital Outlay	54,643
597.22.00	Transfers Out for Fire Control -	5,696
590.00 TOTAL OTHER FINANCING USES		343,963

SCHEDULE 04 REVENUE SUMMARY

310 - 390	TOTAL REVENUES, NONREVENUES AND OTHER FINANCING SOURCES	47,730
308.10	Reserved Beginning Cash & Investments	1,507,686
BEGINNING CASH & INVESTMENTS (including any prior period adjustments)		1,507,686
SCHEDULE 04 TOTAL		1,555,416

SCHEDULE 05 EXPENDITURE SUMMARY

510 - 590	TOTAL EXPENDITURES, NONEXPENDITURES AND OTHER FINANCING USES	344,092
508.10	Reserved Ending Cash & Investments	1,211,324
ENDING CASH & INVESTMENTS		1,211,324
SCHEDULE 05 TOTAL		1,555,416

Submitted on 05/02/2012

SCHEDULE OF LIABILITIES

For the Year Ended December 31, 2011

Debt ID No Description	Issue Date Maturity Date	Beginning Balance	Additions	Reductions	Ending Balance	BARS Code for Redemptions of Debt Only
251.12 2004 Bonds	01/01/2004 12/31/2013	1,840,000		605,000	1,235,000	591.01.00
251.12 2007 Bonds	11/01/2007 12/31/2017	3,060,000		245,000	2,815,000	591.01.00
259.11 Comp Time	/ / / /	41,355	47,831	41,355	47,831	
259.11 Sick Leave	/ / / /	426,858	464,704	426,858	464,704	
259.11 Vacation Pay	/ / / /	504,358	455,584	504,358	455,584	
Totals		5,872,572	968,120	1,822,572	5,018,120	

King County Fire Protection District #43
SCHEDULE OF LIMITATION OF INDEBTEDNESS
For the Year Ended December 31, 2011

Total Taxable Property Value	4,536,145,558.00	
1. Maximum indebtedness for both general and capital purposes (.75%)		34,021,091.69
2. Outstanding non-voted debt for general purposes		
3. Available assets		
4. Net outstanding non-voted debt (line 2 minus line 3)		
5. Maximum indebtedness for non-voted debt (.375%)		17,010,545.84
6. Amount under (over) non-voted statutory limitation (line 5 minus line 4)		17,010,545.84
7. Outstanding voted debt for capital purposes		4,050,000.00
8. Available assets		
9. Net outstanding voted debt for capital purposes (line 7 minus line 8)		4,050,000.00
10. Net outstanding non-voted debt (from line 4)		
11. Total outstanding debt (line 9 plus line 10)		4,050,000.00
12. Amount under (over) combined statutory limitation (line 1 minus line 11)		29,971,091.69

King County Fire Protection District #43
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended December 31, 2011

Grantor(s) and Program Title	CFDA Number	Other Number	Pass-Thru Expenditures	Direct Expenditures	Total Expenditures	Footnote Reference(s)
FEMA Washington State Military Dept	97.036	D09-449	0	100	100	1
FEMA Washington State Military Dept	97.036	D09-051	0	100	100	2
Homeland Security City of Seattle DHS Urban Area Security Init.	97.067		2,933	0	2,933	3
Totals					3,133	

The Accompanying Notes to the Schedule of Expenditures of Federal Awards Are An Integral Part Of This Statement

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended December 31, 2011

NOTE 1 - BASIS OF ACCOUNTING

This schedule is prepared on the same basis of accounting as the financial statements.

NOTE 2 - PROGRAM COSTS

The amounts shown as current year expenditures represent only the federal grant portion of the program costs. Entire program costs, including the Districts portion, are more than shown.

NOTE 6 - NONCASH AWARDS

The District received the following items from King County EMS Grant #FSY09CCP001 administered through the City of Auburn Emergency Management.

- CERT Aid Supplies valued at \$123.00
- 13 CERT Cots, 2 pairs knee pads valued at \$640.00
- 50 CERT Back-Packs valued at \$1,500.00.

Submitted on 05/02/2012

King County Fire Protection District #43
SCHEDULE OF STATE AND LOCAL FINANCIAL ASSISTANCE
For the Year Ended December 31, 2011

Grantor	Program Title	Number	Expenditures
Department of Health	EMS Prehospital Grant	FY11-17D43	1,738
King County EMS	Injury Prev. Pass-Thru Grant	D39813D	1,827
King County Public Health	Student CPR Program	D3907D	999
Total			4,564

SCHEDULE OF LABOR RELATIONS CONSULTANTS

For the Year Ended December 31, 2011

We have engaged labor relations consultants, see details below:

Name of Firm Inslee, Best, Doezie & Ryder
Name of Consultant Kathy Weber
Address P.O. Box 90016

 Bellevue, WA 98009-9016
Amount Paid 3,821
Rates 280.00 Per Hour
Maximum Compensation
Duration of Services 1 Year
Services Provided Labor Relations

Name of Firm Snure Law Office
Name of Consultant Thomas G. Burke
Address 612 South 227th Street

 Des Moines, WA 98198
Amount Paid 1,120
Rates 200.00 Per Hour
Maximum Compensation
Duration of Services 1 Year
Services Provided Grievance Hearing

Certified correct this 2nd day of May, 2012
to the best of my knowledge and belief:

Signature Michele de Lean
Name Michele de Lean
Title Office Manager