

King County Fire Protection District No. 34
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2014

		Total for All Funds (Memo Only)	001 Operating	300 Capital Projects
Beginning Cash and Investments				
30810	Reserved	4,390,352	-	4,390,352
30880	Unreserved	2,099,355	2,099,355	-
388 & 588	Prior Period Adjustments, Net	-	-	-
Operating Revenues				
310	Taxes	6,879,366	6,879,366	-
320	Licenses and Permits	-	-	-
330	Intergovernmental Revenues	-	-	-
340	Charges for Goods and Services	3,786	3,786	-
350	Fines and Penalties	-	-	-
360	Miscellaneous Revenues	41,269	17,992	23,277
Total Operating Revenues:		6,924,421	6,901,144	23,277
Operating Expenditures				
510	General Government	-	-	-
520	Public Safety	6,311,923	6,311,923	-
Total Operating Expenditures:		6,311,923	6,311,923	-
Net Operating Increase (Decrease):		612,498	589,221	23,277
Nonoperating Revenues				
370-380, 395 & 398	Other Financing Sources	-	-	-
391-393	Debt Proceeds	-	-	-
397	Transfers-In	300,000	-	300,000
Total Nonoperating Revenues:		300,000	-	300,000
Nonoperating Expenditures				
580, 596 & 599	Other Financing Uses	-	-	-
591-593	Debt Service	-	-	-
594-595	Capital Expenditures	1,768	-	1,768
597	Transfers-Out	300,000	300,000	-
Total Nonoperating Expenditures:		301,768	300,000	1,768
Net Increase (Decrease) in Cash and Investments:		610,730	289,221	321,509
Ending Cash and Investments				
50810	Reserved	4,715,038	-	4,715,038
50880	Unreserved	2,385,400	2,385,400	-

The accompanying notes are an integral part of this statement.

King County Fire Protection District No. 34

Schedule 01

For the year ended December 31, 2014

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
2524	001	Operating	3088000	Unreserved Fund Balance (GAAP)/Unreserved Cash and Investments (Cash Basis)	\$917,976
2524	001	Operating	3111000	Property Tax	\$6,804,205
2524	001	Operating	3111000	Property Tax	\$73,078
2524	001	Operating	3174000	Timber Excise Tax	\$170
2524	001	Operating	3172000	Leasehold Excise Tax	\$1,913
2524	001	Operating	3418100	Data/Word Processing, Printing, Duplicating and IT Services	\$11
2524	001	Operating	3422100	Fire Protection and Emergency Medical Services	\$3,775
2524	001	Operating	3611100	Investment Interest	\$10,654
2524	001	Operating	3611900	Investment Interest	(\$352)
2524	001	Operating	3613100	Gains (Losses) on Investments	\$619
2524	001	Reserve	3088000	Unreserved Fund Balance (GAAP)/Unreserved Cash and Investments (Cash Basis)	\$1,181,379
2524	001	Reserve	3611100	Investment Interest	\$5,956
2524	001	Reserve	3611900	Investment Interest	(\$200)
2524	001	Reserve	3613100	Gains (Losses) on Investments	\$1,315
2524	300	Capital Projects	3081000	Reserved Fund Balance (GAAP)/Reserved Cash and Investments (Cash Basis)	\$4,390,352
2524	300	Capital Projects	3611100	Investment Interest	\$22,869
2524	300	Capital Projects	3611900	Investment Interest	(\$783)
2524	300	Capital Projects	3613100	Gains (Losses) on Investments	\$1,191
2524	300	Capital Projects	3970000	Transfers-In	\$300,000

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
2524	300	Capital Projects	5942240	Capital Expenditures/Expenses - Fire and EMS Services	\$1,768
2524	001	Operating	5221010	Administration	\$9,006
2524	001	Operating	5221030	Administration	\$11
2524	001	Operating	5221040	Administration	\$4,150
2524	001	Operating	5226040	Vehicles and Equipment Maintenance	\$19,775
2524	001	Operating	5226040	Vehicles and Equipment Maintenance	\$1,200
2524	001	Operating	5226040	Vehicles and Equipment Maintenance	\$302
2524	001	Operating	5227040	Ambulance Services	\$16,579
2524	001	Operating	5221110	Administration	\$49,747
2524	001	Operating	5221120	Administration	\$23,292
2524	001	Operating	5221130	Administration	\$789
2524	001	Operating	5221140	Administration	\$1,133
2524	001	Operating	5221140	Administration	\$59
2524	001	Operating	5221140	Administration	\$2,248
2524	001	Operating	5221240	Administration	\$1,060
2524	001	Operating	5221310	Administration	\$60
2524	001	Operating	5221140	Administration	\$6,972
2524	001	Operating	5970000	Transfers-Out	\$300,000
2524	001	Operating	5223050	Fire Prevention and Investigation	\$6,175,540
2524	001	Operating	5088000	Unreserved Fund Balance (GAAP)/Unreserved Cash and Investments (Cash Basis)	\$1,196,950
2524	300	Capital Projects	5081000	Reserved Fund Balance (GAAP)/Reserved Cash and Investments (Cash Basis)	\$4,715,038
2524	001	Reserve	5088000	Unreserved Fund Balance (GAAP)/Unreserved Cash and Investments (Cash Basis)	\$1,188,450

2014 Notes to the Financial Statements

Note 1 - Summary of Significant Accounting Policies

The King County Fire District 34 reports financial activity using the revenue and expenditure classifications, statements, and schedules contained in the *Cash Basis Budgeting, Accounting and Reporting System* (BARS) manual. This basis of accounting and reporting is another comprehensive basis of accounting (OCBOA) that is prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW.

The King County Fire District 34 was incorporated on January 12, 1948 and operates under the laws of the state of Washington applicable to a Fire District. The King County Fire District 34 is a general purpose government and provides fire suppression and fire prevention services. The King County Fire District 34 uses single-entry, cash basis accounting which is a departure from generally accepted accounting principles (GAAP).

A. Fund Accounting

The accounts of the King County Fire District 34 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 King County Fire District 34 resources are allocated to and accounted for in individual funds depending on their intended purpose. The following are the fund types used by the King County Fire District:

GOVERNMENTAL FUND TYPES:

General (Current Expense) Fund

This fund is the primary operating fund of the King County Fire District 34. It accounts for all financial resources except those required or elected to be accounted for in another fund.

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

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, including those properly chargeable against the report year(s) budget appropriations as required by state law.

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.

The basis of accounting described above represents a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

C. Budgets

The King County Fire District 34 adopts annual appropriated budgets for two 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 follows:

Fund/Department	Final Appropriated Amounts	Actual Expenditures	Variance
General Fund:			
Total General Fund	6,438,100	\$6,311,921	\$126,179
Capital Project Fund	\$3,000	\$1,768	\$1,232

Budgeted amounts are authorized to be transferred between departments within any fund/object 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 King County Fire District 34 legislative body.

D. Cash

It is the King County Fire District 34's policy to invest all temporary cash surpluses. The amount is included in the cash and investments shown on the statements of fund resources and uses arising from cash transactions. The interest on these investments is prorated to the various funds.

E. Deposits

The King County Fire District 34 deposits and certificates of deposit are covered by the Federal Deposit Insurance Corporation.

F. Investments See Note 2, *Investments*.

G. Capital Assets

Capital assets are assets with an initial individual cost of more than \$9,999 and an estimated useful life in excess of one year. The capital assets of the King County Fire District are recorded as expenditures when purchased.

H. Compensated Absences

Vacation leave may be accumulated up to 360 hours (45 days) and is payable upon separation or retirement. As of December 31, 2014, the total vacation liability is 132 hours.

Sick leave may be accumulated up to a maximum of 960 hours. Upon retirement employees receive payment for 25% of unused sick leave. As of December 31, 2014, the total sick pay liability is 51 hours.

As a bonus for consistent attendance, the District's employees are entitled to a credit equal to 25% of unused sick leave accrued during the preceding 12 months. At the employee's option, the credit may be added to the employee's vacation leave or paid to the employee at their regular rate of pay.

Note 2 - Investments

The King County Fire District 34's investments are insured, registered or held by the King County Treasurer or its agent in the King County Fire District 34's name.

Investments are presented at market value.

Investments total at December 31, 2014 is \$7,100,438.

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 at the end of each month.

Property tax revenues are recognized when cash is received by King County Fire District 34. Delinquent taxes are considered fully collectible because a lien affixes to the property after tax is levied.

The King County Fire District regular levy for the year 2014 was \$1.50 per \$1,000 on an assessed valuation of \$4,586,392,756 for a total regular levy of \$6,933,561.

Note 4 - Pension Plans

Substantially all King County Fire District 34's full-time and qualifying part-time employees participate in the Public Employees' Retirement System (PERS) administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit and defined contribution retirement plans. Actuarial information is on a system-wide basis and is not considered pertinent to the King County Fire District 34'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 Washington State Department of Retirement Systems annual financial report. A copy of this report may be obtained by writing to:

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

Note 5 - Other Disclosures

King County Fire District 34 has an operating agreement with the City of Redmond, whereby the city provides fire prevention, suppression and medical aid services to all properties and persons within the boundaries of the District. The city also furnishes all personnel required to perform the services described above, except for one three-quarter time District Secretary/Administrative Assistant. In return, the District pays the city for said services based upon a percentage of cost determined by a combination of factors, including location of stations and calls for service. This agreement expires at the end of 2016.