



2007 Annual Report

King County Fire Protection District #43
dba Maple Valley Fire & Life Safety

MCAG: 2533

Submitted pursuant to RCW 43-09-230
To the State Auditor's Office

FOR THE FISCAL YEAR ENDED: December 31, 2007

Certified correct March 31, 2008
To the best of my knowledge and belief:

NAME: _____, Timothy W. Lemon

TITLE: Fire Chief

PREPARED BY: Michele de Leon

TELEPHONE NUMBER: 425-432-0200

FAX NUMBER: 425-413-2040

E-MAIL ADDRESS: chief@maplevalleyfire.org

**King County Fire Protection District No. 43
(Maple Valley Fire and Life Safety)
Notes to the Financial Statements
January 1, 2007 through December 31, 2007**

TABLE OF CONTENTS

	<u>Page</u>
NOTE 1 - SUMMARY OF ACCOUNTING POLICIES.....	ii
a. Fund Accounting.....	ii
b. Basis of Accounting.....	ii
c. Budgets	iii
d. Cash.....	iii
e. Deposits.....	iii
f. Capital Assets.....	iii
g. Compensated Absences.....	iii
NOTE 2 - COMPLIANCE AND ACCOUNTABILITY	iii
NOTE 3 – PROPERTY TAXES	iv
NOTE 4 – INVESTMENTS	iv
NOTE 5 - LONG-TERM DEBT.....	v
NOTE 6 - PENSION PLANS.....	v
NOTE 7 – OTHER DISCLOSURES.....	vi

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES

King County Fire Protection District #43 (dba Maple Valley Fire & Life Safety) 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. The fire district uses single-entry, cash basis accounting which is a departure from generally accepted accounting principles (GAAP).

a. Fund Accounting

The accounts of the fire 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 fire 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 fire district:

GOVERNMENTAL FUND TYPES:

General Fund 0010

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

Debt Service Funds: 8510, 8520, 8530

The 8510 fund is used to accumulate the resources to pay principal, interest and related costs for long-term bond debt. The 8530 account was originally opened to track transfers in and out relating to the 2004 Bond Debt Servicing. Because King County processes all bond debt servicing out of the 8510 account, the others were closed in 2007.

Capital Project Funds: 3010

These funds account for financial resources that are designated for the acquisition or construction of general government capital projects. In 2007, King County Fire District #43 redeemed \$3.5 Million of the previously authorized bonds of 2004.

b. Basis of Accounting

The accounting records of KCFD #43 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, 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.

c. Budgets

Annual appropriated budgets are adopted for the Operating (0010), Capital Project Funds (3010). The financial statements include budgetary comparisons for those funds.

Annual appropriated budgets are adopted at the fund level (except the Operating, and Capital Project Funds, where budgets are adopted at the department level). The budgets constitute the legal authority for expenditures at that level. Annual appropriations for Operational funds lapse at the fiscal period end.

The Fire Chief is authorized to transfer budgeted amounts 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 Fire District's legislative body.

d. Cash

It is the Fire District's policy to invest all temporary cash surpluses. The amount is included in the net cash and investments shown on the statements of fund resources and uses arising from cash transactions.

e. Deposits

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

f. Capital Assets

Capital assets are long-lived assets of the Fire District, and are recorded as capital expenditures when purchased.

g. Compensated Absences

Holiday hours and vacation hours are earned in the same bank of hours and called Annual Leave. Annual Leave may be accumulated up to 2 times the employee's annual earning, but no more than 680 hours total and is payable upon separation or retirement.

Employees are given the opportunity to sell back accrued annual leave at the

then current hourly rate, up to 200 hours (100 twice yearly) to be paid on May 30th and November 30th of each year.

Sick leave may be accumulated up to 240 hours for full time personal service contract personnel and 960 hours for full time personnel. Upon retirement, any remaining sick leave shall be cashed out to the employee at a value of \$0.50 per \$1.00 (50%).

NOTE 2 - COMPLIANCE AND ACCOUNTABILITY

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

There have been no expenditures exceeding legal appropriations in any of the funds of the fire district.

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 the month.

Property tax revenues are recognized when cash is received by King County Fire District #43. Delinquent taxes are considered fully collectible because a lien affixes to the property after taxes are levied.

King County Fire Protection District #43 regular levy for the year 2007 for collection in 2008 was 1.39/\$1000 on an assessed valuation of \$4,506,764,126.20 for a total regular levy of \$6,264,402.13.

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 service of the Fire District and summarizes the Fire District's debt transactions for 2007. The debt service requirements, including interest, are as follows:

	General Obligation Bonds				
	1999		2004*		Total Debt
	Principle	Interest	Principle	Interest	
2007	450,000.00	21,150.00	135,000.00	132,862.50	739,012.50
2008			635,000.00	312,752.00	947,752.00
2009			740,000.00	285,438.00	1,025,438.00
2010			790,000.00	257,625.00	1,047,625.00
2011			850,000.00	226,600.00	1,076,600.00
2012			790,000.00	190,150.00	980,150.00
2013			750,000.00	157,200.00	907,200.00
2014			1,000,000.00	125,500.00	1,125,500.00
2015			1,000,000.00	75,500.00	1,075,500.00
2016			300,000.00	25,500.00	325,500.00
2017			210,000.00	10,500.00	220,500.00
TOTALS	450,000.00	21,150.00	7,200,000.00	1,799,627.50	9,470,777.50

* This table does not include the redemption of \$1.5 Million scheduled to be redeemed in 2011.

NOTE 6 - PENSION PLANS

All the fire district's full-time employees participate in LEOFF 2 or PERS 2 plans as administered by the Washington State Department of Retirement Systems (WS DRS) under cost-sharing multiple-employer defined benefit and defined contribution retirement plans. Actuarial information is on a system-wide basis and is not considered pertinent to the fire district's financial statements. Contributions to the systems by both employee and employer are based upon gross wages covered by plan benefits.

Historical trends or other information regarding each plan is presented in the state Department of Retirement Systems 2007 Annual Financial Report. A copy of this report may be obtained at:

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

NOTE 7 OTHER DISCLOSURES

In 2004 the District passed a voter approved bond measure totaling nine million dollars (\$9,000,000) to be sold over the next 10 years in three increments. The first sale, on November 2004 was for four million dollars (\$4,000,000). These funds paid off the 2001 two million dollar (\$2,000,000) non-voter approved bonds and is funding capital improvements through 2007. The second sale of bonds in the approximate amount of 3.5 million dollars (\$3,500,000) will take place in late 2007 to provide capital improvements funds from 2008 through 2011. The final sale of bonds in the approximate amount of 1.5 million dollars (\$1,500,000) will take place in late 2011 to provide capital improvement funds from 2011 to 2014. All capital improvements are purchased through Bond funds.

King County Fire District #43
dba Maple Valley Fire Life Safety

Resources and Uses Arising From Cash Transactions
For the Year Ended December 31, 2007

BARS Code	Description	Fund Total	Fund 001	Fund 301 Actual Amount	Fund 851 Actual Amount	Fund 852 Actual Amount
308	Beginning Net Cash & Investment Revenues and Other Sources	3,314,819.96	2,817,046.40	411,570.47	64,709.97	21,493.12
310	Taxes	7,043,807.52	6,327,352.03		716,455.49	
320	Licenses & Permits		1,280.00			
330	Intergovernmental Revenues	1,044,776.83	1,044,776.83			
340	Charges for Goods and Services	406,290.91	406,290.91			
360	Miscellaneous	184,198.67	149,789.10	18,896.56	14,685.11	827.90
380	Non Revenue	87,133.21	87,133.21			
390	Other Financing Sources	3,750,044.75	167,855.13	3,559,868.60	22,321.02	
	Total Revenues and Other Sources	12,517,531.89	8,184,477.21	3,578,765.16	753,461.62	827.90
	Total Resources	15,832,351.85	11,001,523.61	3,990,335.63	818,171.59	22,321.02
	Expenditures and Other Uses					
510	General Government Services	1,318,875.79	1,318,875.79			
520	Public Safety	6,119,058.30	6,119,058.30			
	Total Operating Expenditures	7,437,934.09	7,437,934.09	0.00	0.00	
591-593	Debt Service	739,012.50			739,012.50	
594	Capital Expenditures	459,595.31		459,595.31		
598	Other Expenditures	163,000.00	163,000.00			
	Total Expenditures	1,198,607.81		459,595.31	739,012.50	0.00
597, 599	Other Financing Uses		20,228.70	163,641.87		22,321.02
	Total Expenditures and Other Uses	9,005,733.49	7,621,162.79	623,237.18	739,012.50	22,321.02
	Excess (Deficit) of Resources Over Uses					
580	Nonexpenditures (Except 584 and 588.80)					
508	Ending Net Cash and Investments	6,826,618.36	\$3,380,360.82	\$3,367,098.45	\$79,159.09	\$0.00

Schedule of Limitation of Indebtedness as of 12/31/07

Total Taxable Property Value \$4,506,764,126.20

0.75% general purposes limit is allocated between: \$33,800,730.95

Up to 0.375% debt without a vote for capital purposes

Less: Outstanding non-voted debt* \$0

Less: Excess of debt with a vote for capital purposes \$0

Add: Available allocated assets \$ -

Equals remaining debt capacity without a vote for capital purposes \$ -

Up to 0.75% debt with a vote for general purposes 33,800,730.95

Less: Outstanding voted debt \$7,065,000.00

Add: Available allocated assets \$ -

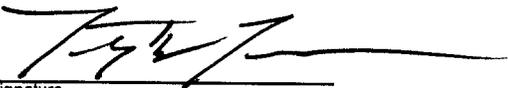
Equals remaining debt capacity with a vote for general purposes \$26,735,730.95

For the Year Ended December 31, 2007

Grantor Pass Through Grantor Program Title	Other Identification Number	Current Year Expenditures
EMS Prehospital Part Grant	FY07-17D43	\$1,439.00
Washington State Archives	OSOS G-3656	\$5,260.80
TOTAL		\$6,699.80

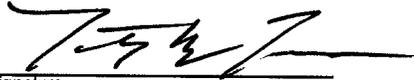
For the Year Ended December 31, 2007

Has your government engaged labor relations consultants? X Yes No

Name Of Firm Perkins Coie
Name Of Consultant D. Heyrich, L. Hannah
Business Address 1201 Third Ave., Suite 4800 Seattle, Wa 98101
Amount Paid To Consultant During Fiscal Year \$6,324.40
Terms And Conditions, As Applicable, Including: Rates (E.g., Hourly, Etc) _____ D. Heyrich \$310.00 L. Hannah \$405.00 Duration Of Service _____ 2007 Services Provided _____ IAFF Lawsuit to Compel Arbitration, General Labor Certified Correct this <u>31</u> day of <u>MARCH</u> , 2008 to the best of my knowledge and belief:  Signature Timothy W. Lemon Printed Name Chief Title

For the Year Ended December 31, 2007

Has your government engaged labor relations consultants? X Yes No

Name Of Firm Cabot Dow Associates, Inc.
Name Of Consultant Cabot Dow
Business Address P.O. Box 1806 Bellevue, WA 98009
Amount Paid To Consultant During Fiscal Year \$1,381.76
Terms And Conditions, As Applicable, Including: Rates (E.g., Hourly, Etc) _____ Cabot Dow \$140 Duration Of Service _____ 2007 Services Provided _____ IAFF Negotiations Certified Correct this <u>31</u> day of <u>MARCH</u> , 2008 to the best of my knowledge and belief:  Signature Timothy W. Lemon Printed Name Chief Title

For the Year Ended December 31, 2007

Has your government engaged labor relations consultants? X Yes No

Name Of Firm	Law Offices of Don Heyrich
Name Of Consultant	Don Heyrich
Business Address	701 5th Avenue, Suite 4795 Seattle, WA 98104
Amount Paid To Consultant During Fiscal Year	\$3,075.56
Terms And Conditions, As Applicable, Including:	
Rates (E.g., Hourly, Etc)	D. Heyrich \$250.00
Duration Of Service	2007
Services Provided	IAFF Negotiations, General Labor
Certified Correct this <u>31</u> day of <u>MARCH</u> , 2008 to the best of my knowledge and belief:	
Signature	
Printed Name	Timothy W. Lemon
Title	Chief

Schedule of Long Term Debt
 For the Year Ended December 31, 2007

Date of Original Issue	Date of Maturity	Beginning Outstanding Debt	Amount Issued in Current Year	BARS Code	Redeeming Fund Number	Principal Expense	Interest Expense	Debt Service in Current Year	12/31/2007
1999	2007	450,000.00	0.00	590.00	851	450,000.00	21,150.00	471,150.00	0.00
2004	2013	3,700,000.00	3,500,000.00	590.00	851	135,000.00	132,862.50	267,862.50	7,065,000.00
TOTAL		4,150,000.00	3,500,000.00			585,000.00	154,012.50	739,012.50	7,065,000.00

King County Fire District #43

10-043-0010 Operating Expense Fund

DETAIL OF REVENUES AND OTHER SOURCES

For the Year Ended December 31, 2007

Account No.	Description	Actual Amount
308.00	Beginning Net Cash and Investments	2,817,046.40
311.10.00	Real and Personal Property Taxes	6,326,051.00
312.10.00	Forest Excise Tax	296.59
317.20.00	Leasehold Excise Tax	1,004.44
310.00	TOTAL TAXES	6,327,352.03
334.04.90	Grant from the Department of Health	1,439.00
334.00.00	Washington State Archives Local Records Grant	5,260.80
330.10.00	Service Contract - Covington	610,726.00
334.01.90	Washington State Patrol FF Training Reimbursement	15,069.00
336.10.00	In-Lieu Taxes from Local Govt Agencies	37,686.53
337.10.00	Level of Service Contributions	31,190.00
338.22.00	Fire Marshal Services	39,112.50
338.25.00	King County EMS Levy	304,293.00
330.00	TOTAL INTERGOVERNMENTAL REVENUES	1,044,776.83
322.90.00	Burn Permits	1,280.00
322.00	TOTAL LICENSE AND PERMITS	1,280.00
342.20.00	Fire Protection Services Training	14,127.00
342.60.00	Transport Fees	389,375.51
342.90.00	First Aid CPR Training	2,788.40
342.00.00	TOTAL CHARGES FOR GOODS AND SERVICES	406,290.91
361.11.00	Investment Interest	143,466.51
362.40.00	Room Rental & Facility Lease	3,560.00
363.00.00	Insurance Recovery	60.00
367.11.00	Donations	1,719.00
369.20.00	Unclaimed Property / Money	269.27
369.90.00	Miscellaneous Revenue	714.32
360.00	TOTAL MISCELLANEOUS REVENUES	149,789.10
310-360.00	TOTAL REVENUES	7,929,488.87
389.91.00	Non Revenue Deposits	86,948.53
380.00	TOTAL NONREVENUES	86,948.53
395.10.00	Sale of Fixed Assets	4,213.26
397.00.00	Transfer from Capital Exp Fund for Purchase of Aid Car	163,641.87
397.00.00		
390.00	TOTAL OTHER FINANCING SOURCES	167,855.13
	SUB TOTAL - REVENUE AND OTHER FINANCING SOURCE	\$8,184,292.53
	TOTAL CASH ASSETS	\$11,001,338.93

King County Fire District #43

10-043-8510 Debt Service Fund

DETAIL OF REVENUES AND OTHER SOURCES

For the Year Ended December 31, 2007

Account No.	Description	Actual Amount
308.00	Beginning Net Cash and Investments	64,709.97
311.10.00	Real and Personal Property Tax	702,406.67
312.10.00	Forest Excise Tax	14,010.82
317.20.00	Leasehold Excise Tax	38.00
310.00	TOTAL TAXES	716,455.49
361.11.00	Investment Interest	14,685.11
360.00	TOTAL MISCELLANEOUS REVENUE	14,685.11
397.00.00	Transfer from 8520 to close account	22,321.02
390.00	TOTAL OTHER FINANCING SOURCES	22,321.02
	TOTAL CASH ASSETS	724,765.69

King County Fire District #43

10-043-0010 Operating Expense Fund

DETAIL OF EXPENDITURES AND OTHER USES

For the Year Ended December 31, 2007

Account No.	Description	Actual Amount
511.60.40	Legislative Professional Services	14,447.25
511.70.50	Election Services	61,617.33
511	TOTAL GENERAL GOVERNMENT SERVICES	76,064.58
514.10.10	Administrative Salaries	505,975.62
514.10.20	Administrative Benefits	112,722.60
514.10.20	Administrative Supplies	10,663.65
514.10.30	Administrative Services	613,449.34
514	ADMINISTRATIVE TOTAL	1,242,811.21
522.20.10	Suppression Salaries	1,174,626.56
522.20.20	Suppression Benefits	252,122.85
522.20.30	Suppression Supplies	19,535.56
522.20.40	Suppression Services	10,566.76
	SUPPRESSION TOTAL	1,456,851.73
522.30.10	Public Education Salaries	25,147.50
522.30.20	Public Education Benefits	11,261.29
522.30.30	Public Education Supplies	12,044.40
522.30.40	Public Education Services	11,996.00
	PUBLIC EDUCATION TOTAL	60,449.19
522.31.10	Fire Marshal Salaries	113,355.76
522.31.20	Fire Marshal Benefits	21,119.11
522.31.30	Fire Marshal Supplies	983.32
522.31.40	Fire Marshal Services	8,318.79
	FIRE MARSHAL TOTAL	143,776.98
522.40.10	Training Salaries	200,887.14
522.40.20	Training Benefits	47,176.86
522.40.30	Training Supplies	6,595.96
522.40.40	Training Services	113,652.33
	TOTAL TRAINING	368,312.29
522.50.10	Maintenance Salaries	171,779.22
522.50.20	Maintenance Benefits	38,771.12
522.50.30	Maintenance Supplies	121,930.01
522.50.40	Maintenance Services	101,876.17
	TOTAL MAINTENANCE	434,356.52
522	TOTAL FIRE CONTROL	2,463,746.71
526.10.10	EMS Salaries	2,841,202.05
526.10.20	EMS Benefits	629,780.22
526.10.30	EMS Supplies	49,627.52
526.10.40	EMS Services	74.32
526	TOTAL EMS	\$3,520,684.11
528.60.50	Dispatch Services	70,449.05
528.70.49	800 MHz Radio Access	11,368.95
528.80.30	Communications Operations	634.89
528.80.40	Communications Utilities	52,174.59
528	TOTAL COMMUNICATIONS, ALARMS & DISPATCH	134,627.48
597.00.00	Transfer LOSC funds to Capital Expense Fund	20,044.02
597.00.00	Transfer Refund Check issued From Capital Exp Fund	184.68
597	TOTAL TRANSFERS	20,228.70
	TOTAL EXPENDITURES, NONEXPENDITURES AND OTHER FINANCING USES	7,458,162.79

