



Office of the Washington State Auditor
Pat McCarthy

Financial Statements Audit Report

Mountain View Fire & Rescue

For the period January 1, 2021 through December 31, 2022

Published October 3, 2024

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

October 3, 2024

Board of Commissioners
Mountain View Fire & Rescue
Auburn, Washington

Report on Financial Statements

Please find attached our report on Mountain View Fire & Rescue'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*

Mountain View Fire & Rescue January 1, 2021 through December 31, 2022

Board of Commissioners
Mountain View Fire & Rescue
Auburn, 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 Mountain View Fire & Rescue, as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the District's financial statements, and have issued our report thereon dated October 3, 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 audits 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

October 3, 2024

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Mountain View Fire & Rescue January 1, 2021 through December 31, 2022

Board of Commissioners
Mountain View Fire & Rescue
Auburn, Washington

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Unmodified and Adverse Opinions

We have audited the financial statements of Mountain View Fire & Rescue, as of and for the years ended December 31, 2022 and 2021, 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 Mountain View Fire & Rescue, and its changes in cash and investments, for the years ended December 31, 2022 and 2021, 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 Mountain View Fire & Rescue, as of December 31, 2022 and 2021, or the changes in financial position or cash flows thereof for the years 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 audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements. The Schedules of Liabilities are presented for purposes of additional analysis, as required by the prescribed BARS manual. These schedules are 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 October 3, 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

October 3, 2024

**Mountain View Fire & Rescue
January 1, 2021 through December 31, 2022**

FINANCIAL STATEMENTS

Fund Resources and Uses Arising from Cash Transactions – 2022

Fund Resources and Uses Arising from Cash Transactions – 2021

Notes to Financial Statements – 2022

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SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Liabilities – 2022

Schedule of Liabilities – 2021

Mountain View Fire & Rescue
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2022

	Total for All Funds (Memo Only)	001 Expense 10- 044-0010	200 Bond Pymnt 2008/09 10-044- 8510
Beginning Cash and Investments			
308	Beginning Cash and Investments	3,231,861	3,017,363
388 / 588	Net Adjustments	-	-
Revenues			
310	Taxes	6,510,058	6,161,419
320	Licenses and Permits	-	-
330	Intergovernmental Revenues	65,106	65,077
340	Charges for Goods and Services	1,504,048	1,504,048
350	Fines and Penalties	-	-
360	Miscellaneous Revenues	463,210	256,024
Total Revenues:		<u>8,542,422</u>	<u>7,986,568</u>
Expenditures			
510	General Government	-	-
520	Public Safety	7,646,520	7,642,872
530	Utilities	-	-
540	Transportation	-	-
550	Natural/Economic Environment	-	-
560	Social Services	-	-
570	Culture and Recreation	-	-
Total Expenditures:		<u>7,646,520</u>	<u>7,642,872</u>
Excess (Deficiency) Revenues over Expenditures:		<u>895,902</u>	<u>343,696</u>
Other Increases in Fund Resources			
391-393, 596	Debt Proceeds	-	-
397	Transfers-In	334,432	200,000
385	Special or Extraordinary Items	-	-
381, 382, 389, 395, 398	Other Resources	208,469	208,469
Total Other Increases in Fund Resources:		<u>542,901</u>	<u>408,469</u>
Other Decreases in Fund Resources			
594-595	Capital Expenditures	488,823	488,823
591-593, 599	Debt Service	621,773	2,028
597	Transfers-Out	334,432	134,432
585	Special or Extraordinary Items	-	-
581, 582, 589	Other Uses	(25,646)	(25,646)
Total Other Decreases in Fund Resources:		<u>1,419,382</u>	<u>599,637</u>
Increase (Decrease) in Cash and Investments:		<u>19,421</u>	<u>152,528</u>
Ending Cash and Investments			
50821	Nonspendable	-	-
50831	Restricted	-	-
50841	Committed	520,641	440,221
50851	Assigned	2,732,655	2,731,686
50891	Unassigned	(2,014)	(2,014)
Total Ending Cash and Investments		<u>3,251,282</u>	<u>3,169,893</u>

The accompanying notes are an integral part of this statement.

201 COP Loan(s) 10-044-8880	300 Capital Replacement 10- 044-3010	301 2008-09 Bnd Prj (7.5Mil) 10-044- 8512	315 District 17 Capital Reserve
3,016	204,676	1,198	372
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
78	1,250	12	282
<u>78</u>	<u>1,250</u>	<u>12</u>	<u>282</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>78</u>	<u>1,250</u>	<u>12</u>	<u>282</u>
-	-	-	-
60,000	-	-	69,432
-	-	-	-
-	-	-	-
<u>60,000</u>	<u>-</u>	<u>-</u>	<u>69,432</u>
-	-	-	-
62,125	-	-	-
-	200,000	-	-
-	-	-	-
-	-	-	-
<u>62,125</u>	<u>200,000</u>	<u>-</u>	<u>-</u>
(2,047)	(198,750)	12	69,714
-	-	-	-
-	-	-	-
-	5,926	1,209	70,085
969	-	-	-
-	-	-	-
<u>969</u>	<u>5,926</u>	<u>1,209</u>	<u>70,085</u>

Mountain View Fire & Rescue
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2021

		Total for All Funds (Memo Only)	001 Expense 10- 044-0010	200 Bond Pymnt 2008/09 10-044- 8510
Beginning Cash and Investments				
308	Beginning Cash and Investments	3,294,586	3,038,497	6,249
388 / 588	Net Adjustments	3	-	-
Revenues				
310	Taxes	6,582,979	6,024,775	558,204
320	Licenses and Permits	-	-	-
330	Intergovernmental Revenues	106,739	106,710	29
340	Charges for Goods and Services	1,054,813	1,054,813	-
350	Fines and Penalties	-	-	-
360	Miscellaneous Revenues	163,859	161,333	1,058
Total Revenues:		<u>7,908,390</u>	<u>7,347,631</u>	<u>559,291</u>
Expenditures				
510	General Government	-	-	-
520	Public Safety	6,958,941	6,956,738	2,203
530	Utilities	-	-	-
540	Transportation	-	-	-
550	Natural/Economic Environment	-	-	-
560	Social Services	-	-	-
570	Culture and Recreation	-	-	-
Total Expenditures:		<u>6,958,941</u>	<u>6,956,738</u>	<u>2,203</u>
Excess (Deficiency) Revenues over Expenditures:		<u>949,449</u>	<u>390,893</u>	<u>557,088</u>
Other Increases in Fund Resources				
391-393, 596	Debt Proceeds	-	-	-
397	Transfers-In	110,453	42,035	4,043
385	Special or Extraordinary Items	-	-	-
381, 382, 389, 395, 398	Other Resources	72,543	72,542	1
Total Other Increases in Fund Resources:		<u>182,996</u>	<u>114,577</u>	<u>4,044</u>
Other Decreases in Fund Resources				
594-595	Capital Expenditures	469,580	469,580	-
591-593, 599	Debt Service	626,520	-	562,145
597	Transfers-Out	110,453	68,403	-
585	Special or Extraordinary Items	-	-	-
581, 582, 589	Other Uses	(11,392)	(11,392)	-
Total Other Decreases in Fund Resources:		<u>1,195,161</u>	<u>526,591</u>	<u>562,145</u>
Increase (Decrease) in Cash and Investments:		<u>(62,716)</u>	<u>(21,121)</u>	<u>(1,013)</u>
Ending Cash and Investments				
50821	Nonspendable	-	-	-
50831	Restricted	-	-	-
50841	Committed	1,049,182	837,700	5,236
50851	Assigned	33,088	30,072	-
50891	Unassigned	2,149,591	2,149,591	-
Total Ending Cash and Investments		<u>3,231,861</u>	<u>3,017,363</u>	<u>5,236</u>

The accompanying notes are an integral part of this statement.

201 COP Loan(s) 10-044-8880	300 Capital Replacement 10- 044-3010	301 2008-09 Bnd Prj (7.5Mil) 10-044- 8512	315 District 17 Capital Reserve
43,804	203,288	1,203	1,545
-	-	-	3
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
67	1,390	8	3
<u>67</u>	<u>1,390</u>	<u>8</u>	<u>3</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>67</u>	<u>1,390</u>	<u>8</u>	<u>3</u>
-	-	-	-
64,375	-	-	-
-	-	-	-
-	-	-	-
<u>64,375</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-
64,375	-	-	-
40,855	2	13	1,180
-	-	-	-
-	-	-	-
<u>105,230</u>	<u>2</u>	<u>13</u>	<u>1,180</u>
(40,788)	1,388	(5)	(1,177)
-	-	-	-
-	-	-	-
-	204,676	1,198	372
3,016	-	-	-
-	-	-	-
<u>3,016</u>	<u>204,676</u>	<u>1,198</u>	<u>372</u>

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2022

Note 1 - Summary of Significant Accounting Policies

Mountain View Fire and Rescue was incorporated on January 6, 1953, and operates under the laws of the state of Washington applicable to a fire protection district. The district is a special purpose of local government and provides fire and life safety (EMS).

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:

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2022

Fund Types & Funds	Number Range	Have	Do Not Have	Description
Governmental Fund Types		X		
General Fund	000-099	X		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	100-199		X	These funds account for specific revenue sources that are restricted or committed to expenditures for specified purposes of the government.
Debt Service Funds	200-299	X		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.
Capital Projects Funds	300-399	X		These funds account for financial resources which are restricted, committed, or assigned for the acquisition or construction of capital facilities or other capital assets.
Permanent Funds	700-799		X	These funds account for financial resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support programs for the benefit of the government or its citizenry.
Proprietary Fund Types			X	
Enterprise Funds	400-499		X	These funds account for operations that provide goods or services to the general public and are supported primarily through user charges.
Internal Service Funds	500-599		X	These funds account for operations that provide goods or services to other departments or funds of the government on a cost reimbursement basis.
Fiduciary Fund Types			X	
Pension	610-619		X	These funds are used to report fiduciary activities for pension and OPEB plans administered through trust.
Investment Trust Funds	600-609		X	These funds are used to report fiduciary activities from the external portion of investment pools and individual investment accounts that are held in trust.
Private-Purpose Funds	620-629		X	These funds report all trust arrangements under which principal and income benefit individuals, private organizations or other governments.
Custodial Funds	630-699		X	These funds are used to account assets that the government holds on behalf of others in a custodial capacity.

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.

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 4 - Deposits and Investments.

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2022

D. Capital Assets

Capital assets are assets with an initial individual cost of more than \$5,000.00, an estimated useful life of more than one year and be legally considered real or personal property. Capital assets and inventory are recorded as capital expenditures when purchased.

E. Compensated Absences

Vacation leave is addressed by Policy 2.11, a collective bargaining agreement and personal service contracts. Generally, vacation must be used in the year it is earned. The Chief may authorize vacation leave to be carried over to the following year. Typically, those authorizations include the stipulation that the leave will be used during the first few months of the year. Administrative personnel on personal services contracts may elect to carry over 80 hours of vacation from one year to the next. Sick leave may accumulate up to 1,200 hours. Upon separation of retirement employees may receive payment for up to 960 hours of unused sick leave at 25%. Payment is recognized as expenditures when paid.

Employees covered under the collective bargaining agreement may accumulate a maximum of 120 hours of compensatory leave. Other employees may accumulate a maximum of 100 hours by Policy 2.15.

The total value of earned by unpaid compensated absences as of December 31, 2022, is \$218,718.27 – a reduction of \$94,184.05 from the prior year.

F. Long-Term Debt

See Note 6 - 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 our Board of Commissioners. When expenditures that meet restrictions are incurred, the district intends to use the most restricted resources first.

Restrictions and Commitments of Ending Cash and Investments consist of:

Fund Name	Portion of Ending Balance Restricted	Portion of Ending Balance Committed	Combined Reason for Restriction or Commitment	
Bond Payment		3,200	3,200	Repayment of 2008 and 2009 G.O Bonds
Bond Project		1,209	1,209	Capital Acquisition and Construction
District 17 Reserve/Mitigation Fees		70,085	70,085	Capital Acquisition and Construction/Mitigation Fees Benefitting Fire Station 98
<i>Totals</i>	0	74,494	74,494	

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2022

Note 2 - Budget Compliance

The district adopts annual appropriated budgets for all funds. These budgets are appropriated at the fund level (except the general/current expense) fund, where budget is adopted at the department 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 Expenses	Variance	Explanation of Variances
Fund/Department	Final Appropriated Amounts	Actual Expenses	Variance	
001 - Expense 10-044-0010				
Expense 10-044-0010	8,138,666	8,226,913	(88,246)	Hiring of additional firefighters to meet the demands of the public and AMB transport
44 Reserve 10-044-6010	5,350	12,504	(7,154)	Ad Valorem Tax charges exceeding projections resulted in variances in the 44 Reserve
Maint. And Ops Levy 10-044-0020	520	3,088	(2,568)	Ad Valorem Tax charges exceeding projections resulted in variances in the 44 Reserve
Emerg Operating Fund 10-044-1010	150	150		
Total 001 - Expense 10-044-0010	8,144,686	8,242,504	(97,818)	
200 - Bond Pymnt 2008/09 10-044-8510	558,060	561,268	(3,208)	Over expenditure due to rebalancing transactions within funds
201 - COP Loan(s) 10-044-8880	62,125	62,125		
300 - Capital Replacement 10-044-3010	100	200,000	(199,900)	Over-stated cash balance due to error correction in prior period. Tx out to balance fund
301 - 2008-09 Bnd Prj (7.5Mil) 10-044-8512	5		5	

Budgeted amounts are authorized to be transferred between 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 district's legislative body.

Title for Disclosure	Details for Disclosure
Consolidation Effects:	Interfund tx 2,149,000 excluded due to consolidation, interfund tx 400,000 excluded due to consolidation, interfund tx 670,173 excluded due to consolidation, interfund tx 283,000 excluded due to consolidation, interfund tx 147,000 excluded due to consolidation
Interfund Transfers:	Interfund tx from 44 reserve to expense for operating costs, tx from M&O Excess Revenue to expense for payment of new fire engine, tx from M&O excess revenue to expense for additional costs of hiring firefighters, tx from expense to COP loan for yearly payment, tx from emergency ops fund, capital replacment fund and reserve fund for operating costs, tx from expense to bond payment to insure adequate funds for Dec 1 payment of interest and interfund tx's from expense to mitigation (formerly Dist 17 reserve) fund for the collection of mitigation fees.
Over-expended:	Over expenditures due to error correction associated to re-balancing transactions within funds, also ambulance transport of patients in our district due to the decline in outside agencies transporting.
Budget amendment:	Our yearly budget amendment in 2022 included hiring 5 additional firefighters to meet demands of the public and to offset the retiring of firefighters.

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2022

Note 3 – COVID-19 Pandemic

In February 2020, the Governor of the state of Washington declared a state of emergency in response to the spread of the deadly new virus known as COVID-19. In the months following the declaration, precautionary measures to slow the spread of the virus were ordered. These measures included closing schools, cancelling public events, limiting public and private gatherings, and restricting business operations, travel, and non-essential activities.

As of December 31, 2022, Mt View Fire and Rescue applied and was approved for a continuation of our original 4481-COVID-19 Federal Indirect Grant from the Department of Homeland Security, (State of Military Dept. of Emergency Management Division) in the amount of \$41,687. This was for 100% reimbursable monies for COVID-19 related Wages, Equipment and Supplies. We received the funds in January of 2023. Mountain View Fire and Rescue does not plan on submitting for any further COVID-19 grants currently.

The length of time these measures will continue to be in place, and the full extent of the financial impact on the district is unknown at this time.

Note 4 – Deposits and Investments

Investments are reported at fair value. Deposits and investments by type on December 31, 2022, are as follows:

Type of Deposit or Investment	(City/Town/District)'s own deposits & investments	Deposits & investments held by the (City,Town/District) as custodian for other local governments, individuals, or private organizations.	Combined
Checking Accounts	6,100		6,100
LGIP (King County Investment Pool)		3,251,283	3,251,283
			0
<i>Totals</i>	6,100	3,251,283	3,257,383

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 King County Investment Pool

The district is a voluntary participant in the King 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 Finance Committee in accordance with RCW 36.48.070. The district reports its investment in the pool at fair value, which is the same as the value of the pool per share.

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2022

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 5 – Leases

The district leases one aid car from a neighboring department. Mountain View Fire and Rescue will keep up maintenance and repairs on the vehicle, will provide insurance on the vehicle, and may only be used for emergency medical response and transport. There is no money exchanged. The terms continue until terminated by either party with 3 days advance written notice.

The district leases space in a fire station to King County Medic One each month and is beneficial for call response time in the responding area. Currently, the contract states that the agreement is subject to termination upon ninety days' written notice by either party. KCM1 pays \$549.08 monthly to Mt View Fire.

The district leases one copier from Kelley Connect for a base price of \$168.98 each month with a 60-month lease from May 2020, ending in May of 2025. The cost in 2022 was \$2,028.00.

Year	Lease Payments
2023	2,028
2024	2,028
2025	1,013
2026	—
Total	5,070

Note 6 - Long-Term Debt

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 the year ended December 31, 2022.

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

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2022

Year	Principal	Interest	Total Debt Service
2023	475,000	148,215	623,215
2024	500,000	130,850	630,850
2025	510,000	110,150	620,150
2026	535,000	87,075	622,075
2027	560,000	62,850	622,850
2028-2031	840,000	50,100	890,100
<i>Totals</i>	3,420,000	589,240	4,009,240

Note 7 – Pension Plans

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.

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 comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to:

Department of Retirement Systems
 Communications Unit
 P.O. Box 48380
 Olympia, WA 98540-8380

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

The district also participates in the Volunteer Fire Fighters’ and Reserve Officers’ Relief and Pension Fund (VFFRPF) administered by the State Board for Volunteer Fire Fighters and Reserve Officers. Detailed information about the plan is included in the State of Washington CAFR available from the Office of Financial Management website at www.ofm.wa.gov.

On June 30, 2022 (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:

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2022

Plan Type	Employer Contributions	Allocation Percentage	Plan Liability / Asset	NPL	NPA
PERS 1 UAAL	6288	0.00102600%	2,784,367,000	28,568	
PERS 2/3	10751	0.00133800%	(3,708,781,000)		(49,623)
LEOFF 2	192412	0.09293900%	(2,717,698,000)		(2,525,801)
VFFRPF	150	0.080000%			22,297
		<i>Totals</i>		\$ 28,568	\$ (2,553,128)

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.

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 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 tax is levied.

The district's regular levy for the year 2022 was \$1.50 per \$1,000 on an assessed valuation of \$4,955,861,415 for a total regular levy of \$7,433,792.

Levy Type	Assessed Valuation		
	Per \$1000		Amount
Regular	1.5	4,955,861,415	7,433,792
G.O.Bond (2008)			300,600
G.O.Bond (2009)			262,740
M&O Levy			965,000

Note 9 – Risk Management

Policy holders pay an annual premium to Volunteer Fireman's Insurance Services (VFIS), in lieu of a membership assessment. VFIS is responsible for payment of all covered causes of loss against the district above the stated deductible, if any. Portable equipment and real and personal property are covered at either actual cash value, replacement cost or guaranteed replacement cost. VFIS provides general, automobile and management liability on an

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2022

"occurrence" and/or "claims-made" basis, subject to a "follow form" umbrella, if elected. The most common sub-limit of liability starts at \$1M, while aggregate limits may reach as high as \$20M.

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Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2021

Note 1 - Summary of Significant Accounting Policies

Mountain View Fire and Rescue was incorporated on January 6, 1953, and operates under the laws of the state of Washington applicable to a fire protection district. The district is a special purpose local government and provides fire and life safety (EMS).

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:

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2021

Fund Types & Funds	Number Range	Have	Do Not Have
Governmental Fund Types		X	
General Fund	000-099	X	
Special Revenue Funds	100-199		X
Debt Service Funds	200-299	X	
Capital Projects Funds	300-399	X	
Permanent Funds	700-799		X
Proprietary Fund Types			X
Enterprise Funds	400-499		X
Internal Service Funds	500-599		X
Fiduciary Fund Types			X
Pension	610-619		X
Investment Trust Funds	600-609		X
Private-Purpose Funds	620-629		X
Custodial Funds	630-699		X

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.

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2021

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 4- Deposits and Investments.

D. Capital Assets

Capital assets are items or equipment with 1) asset value over five thousand dollars (\$5,000), 2) a useful life of one or more years, and 3) legally considered either real or personal property. Capital assets and inventory are recorded as capital expenditures when purchased.

E. Compensated Absences

Vacation leave is addressed by Policy 2.11, a collective bargaining agreement and personal services contracts. Generally, vacation must be used in the year it is earned. The Chief may authorize vacation leave being carried over to the following year. Typically, those authorizations include the stipulation that the leave will be used during the first few months of the year. Administrative personnel on personal services contracts may elect to carry over 80 hours of vacation from one year to the next. Sick leave may be accumulated up to 1,200 hours. Upon separation or retirement employees may receive payment for up to 960 hours unused sick leave at 25%. Payments are recognized as expenditures when paid.

Employees covered under the collective bargaining agreement may accumulate a maximum of 120 hours of compensatory leave. Other employees may accumulate a maximum of 100 hours by Policy 2.15.

The total value of earned but unpaid compensated absences as of December 31, 2021, is \$312,920.32 - an increase of \$44,454.32 from the prior year.

F. Long-Term Debt

See Note 5 – 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 our Board of Commissioners. When expenditures that meet restrictions are incurred, the district intends to use the most restricted resources first.

Restrictions and commitments of Ending Cash and Investments consist of:

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2021

Fund Name	Portion of Ending Balance Restricted	Portion of Ending Balance Committed	Combined	Reason for Restriction or Commitment
Bond Payment		5,236	5,236	Repayment of 2008 and 2009 G.O. Bonds
Bond Project		1,198	1,198	Capital Acquisition and Construction
District 17 Reserve/Mitigation Fees		368	368	Capital Acquisition and Construction Benefitting Fire Station 98
<i>Totals</i>		\$ -	\$ 6,802.00	

Note 2 - Budget Compliance

The district adopts annual appropriated budgets for all funds. These budgets are appropriated at the fund level (except the general (current expense) fund, where budget is adopted at the department 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 Expenses	Variance	Explanation of Variances
Fund/Department	Final Appropriated Amounts	Actual Expenses	Variance	
001 - Expense 10-044-0010				
Expense 10-044-0010	\$ 7,559,169.23	\$ 7,474,614.87	\$ 84,554.36	
44 Reserve 10-044-6010	\$ 1,550.00	\$ 8,547.74	\$ (6,997.74)	Ad Valorem Tax charges exceeding projections resulted in variances in the 44 Reserve
Maint. And Ops Levy 10-044-0020	\$ 10.00	\$ 176.90	\$ (166.90)	Ad Valorem Tax charges exceeding projections resulted in variances in the M&O Fund
Emerg Operating Fund 10-044-1010	\$ 150.00	\$	\$ 150.00	
Total 001 - Expense 10-044-0010	\$ 7,560,879.23	\$ 7,483,339.51	\$ 77,539.72	
200 - Bond Pymnt 2008/09 10-044-8510	\$ 561,985.00	\$ 564,347.95	\$ (2,362.95)	Over expenditure due to re-balancing transactions within funds
201 - COP Loan(s) 10-044-8880	\$ 64,375.00	\$ 105,230.03	\$ (40,855.03)	Over-stated cash to fund balance due to error correction in prior period. Tx out to balance fund
300 - Capital Replacement 10-044-3010	\$ 100.00	\$ 2.14	\$ 97.86	
301 - 2008-09 Bnd Prj (7.5Mii) 10-044-8512	\$ 5.00	\$ 13.15	\$ (8.15)	Investment Interest
315 - District 17 Capital Reserve		\$ 1,176.45	\$ (1,176.45)	Interfund tx due to balancing fund transfer

Budgeted amounts are authorized to be transferred between 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 district's legislative body.

Variances are due to adjusting fund balances to match cash activity. Actual cost of the COP Loan was 64,375.

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2021

Title for Disclosure	Details for Disclosure
Consolidation Effects:	Interfund tx 2,298,485 excluded due to consolidation, Interfund tx 400,000 excluded to consolidation, Interfund tx 227,932 excluded due to consolidation
Interfund Transfers:	Interfund tx from 44 reserve to expense for operating costs, Tx from M&O Levy to expense for partial payment of new fire engine, tx from expense to COP loan for yearly payment, tx from Emergency Operating fund to expense for hiring additional firefighters, Interfund tx from expense to Bond Payment to insure adequate funds for Dec 1 payment of interest
Over-expend:	Over expenditures due to error correction associated to re-balancing transactions within funds
Budget Amendments:	Our yearly budget amendment in 2021 included hiring 4 additional firefighters and 2 temporary firefighters to meet demands of the public and to offset the retiring of firefighters

Note 3 – COVID-19 Pandemic

In February 2020, the Governor of the state of Washington declared a state of emergency in response to the spread of the deadly new virus known as COVID-19. In the months following the declaration, precautionary measures to slow the spread of the virus were ordered. These measures included closing schools, cancelling public events, limiting public and private gatherings, and restricting business operations, travel, and non-essential activities.

As of December 31, 2021 Mt View Fire and Rescue applied for and received a continuation of our original 4481-Covid19 Federal Indirect Grant from the Department of Homeland Security, (State of Military Dept. of Emergency Management Division) for \$46,711. This was for 100% reimbursable monies for Covid-19 related Wages, Equipment and Supplies.

Mt View Fire and Rescue also received approximately \$19,179 in donated EMS masks, gowns, face-shields, gloves and hand sanitizer from the King County Covid-19 Cache. We also received approximately \$500 value of cleaning supplies.

Mt View Fire plans to submit another continuation grant for any remainder costs that are reimbursable under this grant. The Amount is unknown at this time.

The length of time these measures will continue to be in place, and the full extent of the financial impact on the district is unknown at this time.

Note 4 – Deposits and Investments

Investments are reported at fair value. Deposits and investments by type on December 31, 2021, are as follows:

Type of Deposit or Investment	(City/Town/District)'s own deposits & investments	Deposits & investments held by the (City, Town/District) as custodian for other local governments, individuals, or private organizations.	Combined
Checking Accounts, Petty Cash	6,100		6,100

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2021

LGIP (King County Investment Pool)		3,225,761	3,225,761
			0
Totals	6,100	3,225,761	3,231,861

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 King County Investment Pool. The district is a voluntary participant in the King 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 Finance Committee in accordance with RCW 36.48.070. The district reports its investment in the pool at fair value, which is the same as the value of the pool per share.

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 5 – Long-Term Debt

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, 2021.

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

Year	Principal	Interest	Total Debt Service
2022	455,000	164,745	619,745
2023	475,000	148,215	623,215
2024	500,000	130,850	630,850
2025	510,000	110,150	620,150
2026	535,000	87,075	622,075
2027-2031	1,400,000	112,950	1,512,950
Totals	3,875,000	753,985	4,628,985

Note 6 – Pension Plans

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2021

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.

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 comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to:

Department of Retirement Systems
 Communications Unit
 P.O. Box 48380
 Olympia, WA 98540-8380

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

The district also participates in the Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund (VFFRPF) administered by the State Board for Volunteer Fire Fighters and Reserve Officers. Detailed information about the plan is included in the State of Washington CAFR available from the Office of Financial Management website at www.ofm.wa.gov.

On June 30, 2021 (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:

Plan Type	Employer Contributions	Allocation Percentage	Plan Liability / Asset	NPL	NPA
PERS 1 UAAL	6834	0.00091700%	1,221,234,000	11,199	
PERS 2/3	11149	0.00117700%	-9,961,609,000		(117,248)
LEOFF 2	159768	0.08014700%	-5,808,414,000		(4,655,270)
VFFRPF	210	0.110000%			23,756
		<i>Totals</i>		\$ 11,199	\$ (4,748,762)

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

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2021

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.

Note 7 - 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 district. Delinquent taxes are considered fully collectible because a lien affixes to the property after tax is levied.

The district's regular levy for the year 2021 was \$1.50 per \$1,000 on an assessed valuation of \$3,392,248,679 for a total regular levy of \$5,088,373.

Levy Type	Assessed Valuation		
	Per \$1000		Amount
Regular	1.50	3,392,248,679	5,088,373
G.O. Bond (2008)			299,250
G.O. Bond (2009)			262,295
M&O Levy			965,000

Note 8– Risk Management

Policy holders pay an annual premium to Volunteer Fireman's Insurance Services (VFIS), in lieu of a membership assessment. VFIS is responsible for payment of all covered causes of loss against the District above the stated deductible, if any. Portable equipment and real and personal property are covered at either actual cash value, replacement cost or guaranteed replacement cost. VFIS provides general, automobile and management liability on an "occurrence" and/or "claims-made" basis, subject to a "follow form" umbrella, if elected. The most common sub-limit of liability starts at \$1M, while aggregate limits may reach as high as \$20M.

The district is self-insured for employment security. The district pays claims to the Employment Security Department on a reimbursable basis. We paid a total of \$9,295.00 to Employment Security in 2021 due to a Mechanic we laid off receiving extended benefits during Covid-19 We project a liability of \$12,000 for 2021 based on the formula from the L & I website.

Mountain View Fire & Rescue
Schedule of Liabilities
For the Year Ended December 31, 2022

<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	Bond	12/30/2028	1,805,000	-	230,000	1,575,000
251.11	Bond	12/30/2029	1,705,000	-	180,000	1,525,000
263.96	COP Series 2018C	6/1/2028	365,000	-	45,000	320,000
Total General Obligation Debt/Liabilities:			3,875,000	-	455,000	3,420,000
Revenue and Other (non G.O.) Debt/Liabilities						
259.12	Compensated Absences		312,920	-	94,202	218,718
264.30	Net Pension Liability		11,199	17,369	-	28,568
263.57	Copier Lease	5/31/2025	7,098	-	2,028	5,070
Total Revenue and Other (non G.O.) Debt/Liabilities:			331,217	17,369	96,230	252,356
Total Liabilities:			4,206,217	17,369	551,230	3,672,356

Mountain View Fire & Rescue
Schedule of Liabilities
For the Year Ended December 31, 2021

<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	Bond	12/30/2028	2,030,000	-	225,000	1,805,000
251.11	Bond	12/30/2029	1,880,000	-	175,000	1,705,000
263.96	COP Series 2018C	6/1/2028	410,000	-	45,000	365,000
Total General Obligation Debt/Liabilities:			4,320,000	-	445,000	3,875,000
Revenue and Other (non G.O.) Debt/Liabilities						
259.12	Compensated Absences		278,306	34,614	-	312,920
264.30	Net Pension Liability		69,745	-	58,546	11,199
Total Revenue and Other (non G.O.) Debt/Liabilities:			348,051	34,614	58,546	324,119
Total Liabilities:			4,668,051	34,614	503,546	4,199,119

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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