



Office of the Washington State Auditor
Pat McCarthy

Financial Statements Audit Report

Mountain View Fire & Rescue

For the period January 1, 2023 through December 31, 2024

Published November 3, 2025

Report No. 1038391



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

November 3, 2025

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, 2023 through December 31, 2024

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, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the District's financial statements, and have issued our report thereon dated October 28, 2025.

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 style with a large initial "P" and "M".

Pat McCarthy, State Auditor

Olympia, WA

October 28, 2025

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Mountain View Fire & Rescue January 1, 2023 through December 31, 2024

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, 2024 and 2023, 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, 2024 and 2023, 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, 2024 and 2023, 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.

Matters of Emphasis

As discussed in note 5 to the financial statements in year 2024, the District adopted new accounting guidance for financial reporting for compensated absences as required by the BARS Manual. Our opinion is not modified with respect to this matter.

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 28, 2025 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 style with a large initial "P" and "M".

Pat McCarthy, State Auditor

Olympia, WA

October 28, 2025

FINANCIAL SECTION

Mountain View Fire & Rescue January 1, 2023 through December 31, 2024

FINANCIAL STATEMENTS

Fund Resources and Uses Arising from Cash Transactions – 2024

Fund Resources and Uses Arising from Cash Transactions – 2023

Notes to the Financial Statements – 2024

Notes to the Financial Statements – 2023

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Liabilities – 2024

Schedule of Liabilities – 2023

Mountain View Fire & Rescue
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2024

		Total for All Funds (Memo Only)	001 Expense 10- 044-0010	200 Bond Pymnt 2008/09 10-044-8510	201 COP Loan (s) 10-044-8880
Beginning Cash and Investments					
308	Beginning Cash and Investments	5,539,661	4,932,998	20,441	1,163
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	8,237,134	7,643,428	593,706	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	193,201	193,201	-	-
340	Charges for Goods and Services	2,474,412	2,474,412	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	915,562	881,680	8,393	163
Total Revenues:		<u>11,820,309</u>	<u>11,192,721</u>	<u>602,099</u>	<u>163</u>
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	9,363,924	9,361,026	2,898	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		<u>9,363,924</u>	<u>9,361,026</u>	<u>2,898</u>	<u>-</u>
Excess (Deficiency) Revenues over Expenditures:		<u>2,456,385</u>	<u>1,831,695</u>	<u>599,201</u>	<u>163</u>
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	545,511	78,251	-	62,000
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	60,193	60,193	-	-
Total Other Increases in Fund Resources:		<u>605,704</u>	<u>138,444</u>	<u>-</u>	<u>62,000</u>
Other Decreases in Fund Resources					
594-595	Capital Expenditures	603,303	603,303	-	-
591-593, 599	Debt Service	633,572	2,022	569,050	62,500
597	Transfers-Out	545,511	467,260	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	(1,500)	(1,500)	-	-
Total Other Decreases in Fund Resources:		<u>1,780,886</u>	<u>1,071,085</u>	<u>569,050</u>	<u>62,500</u>
Increase (Decrease) in Cash and Investments:		<u>1,281,203</u>	<u>899,054</u>	<u>30,151</u>	<u>(337)</u>
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	-	-	-
50841	Committed	1,617,557	629,571	50,592	-
50851	Assigned	5,202,073	5,201,247	-	826
50891	Unassigned	1,233	1,233	-	-
Total Ending Cash and Investments		<u>6,820,863</u>	<u>5,832,051</u>	<u>50,592</u>	<u>826</u>

The accompanying notes are an integral part of this statement.

Mountain View Fire & Rescue
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2024

	300 Capital Replacement 10-044-3010	301 2008-09 Bnd Prj (7.5Mil) 10-044-8512	315 District 17 Capital Reserve
Beginning Cash and Investments			
308	Beginning Cash and Investments	506,331	1,245
388 / 588	Net Adjustments	-	-
Revenues			
310	Taxes	-	-
320	Licenses and Permits	-	-
330	Intergovernmental Revenues	-	-
340	Charges for Goods and Services	-	-
350	Fines and Penalties	-	-
360	Miscellaneous Revenues	21,834	26
	Total Revenues:	21,834	26
Expenditures			
510	General Government	-	-
520	Public Safety	-	-
530	Utilities	-	-
540	Transportation	-	-
550	Natural/Economic Environment	-	-
560	Social Services	-	-
570	Culture and Recreation	-	-
	Total Expenditures:	-	-
	Excess (Deficiency) Revenues over Expenditures:	21,834	26
Other Increases in Fund Resources			
391-393, 596	Debt Proceeds	-	-
397	Transfers-In	400,000	-
385	Special or Extraordinary Items	-	-
381, 382, 389, 395, 398	Other Resources	-	-
	Total Other Increases in Fund Resources:	400,000	-
Other Decreases in Fund Resources			
594-595	Capital Expenditures	-	-
591-593, 599	Debt Service	-	-
597	Transfers-Out	-	1,261
585	Special or Extraordinary Items	-	-
581, 582, 589	Other Uses	-	-
	Total Other Decreases in Fund Resources:	-	1,261
	Increase (Decrease) in Cash and Investments:	421,834	(1,235)
Ending Cash and Investments			
50821	Nonspendable	-	-
50831	Restricted	-	-
50841	Committed	928,165	10
50851	Assigned	-	-
50891	Unassigned	-	-
	Total Ending Cash and Investments	928,165	10

The accompanying notes are an integral part of this statement.

Mountain View Fire & Rescue
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2023

		Total for All Funds (Memo Only)	001 Expense 10- 044-0010	200 Bond Pymnt 2008/09 10-044-8510	201 COP Loan (s) 10-044-8880
Beginning Cash and Investments					
308	Beginning Cash and Investments	3,253,291	3,171,902	3,200	969
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	8,905,935	8,343,555	562,380	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	101,744	101,703	41	-
340	Charges for Goods and Services	2,040,718	2,040,718	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	502,358	493,960	5,640	194
Total Revenues:		11,550,755	10,979,936	568,061	194
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	8,517,146	8,515,666	1,480	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		8,517,146	8,515,666	1,480	-
Excess (Deficiency) Revenues over Expenditures:		3,033,609	2,464,270	566,581	194
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	579,135	-	14,000	59,875
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	104,680	104,666	-	-
Total Other Increases in Fund Resources:		683,815	104,666	14,000	59,875
Other Decreases in Fund Resources					
594-595	Capital Expenditures	232,155	232,155	-	-
591-593, 599	Debt Service	626,502	3,287	563,340	59,875
597	Transfers-Out	579,135	579,135	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	(6,729)	(6,729)	-	-
Total Other Decreases in Fund Resources:		1,431,063	807,848	563,340	59,875
Increase (Decrease) in Cash and Investments:		2,286,361	1,761,088	17,241	194
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	-	-	-
50841	Committed	1,216,901	611,401	20,441	-
50851	Assigned	832,538	831,375	-	1,163
50891	Unassigned	3,490,222	3,490,222	-	-
Total Ending Cash and Investments		5,539,661	4,932,998	20,441	1,163

The accompanying notes are an integral part of this statement.

Mountain View Fire & Rescue
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2023

		300 Capital Replacement 10-044-3010	301 2008-09 Bnd Prj (7.5Mil) 10-044-8512	315 District 17 Capital Reserve
Beginning Cash and Investments				
308	Beginning Cash and Investments	5,926	1,209	70,085
388 / 588	Net Adjustments	-	-	-
Revenues				
310	Taxes	-	-	-
320	Licenses and Permits	-	-	-
330	Intergovernmental Revenues	-	-	-
340	Charges for Goods and Services	-	-	-
350	Fines and Penalties	-	-	-
360	Miscellaneous Revenues	391	35	2,138
Total Revenues:		391	35	2,138
Expenditures				
510	General Government	-	-	-
520	Public Safety	-	-	-
530	Utilities	-	-	-
540	Transportation	-	-	-
550	Natural/Economic Environment	-	-	-
560	Social Services	-	-	-
570	Culture and Recreation	-	-	-
Total Expenditures:		-	-	-
Excess (Deficiency) Revenues over Expenditures:		391	35	2,138
Other Increases in Fund Resources				
391-393, 596	Debt Proceeds	-	-	-
397	Transfers-In	500,000	-	5,260
385	Special or Extraordinary Items	-	-	-
381, 382, 389, 395, 398	Other Resources	14	-	-
Total Other Increases in Fund Resources:		500,014	-	5,260
Other Decreases in Fund Resources				
594-595	Capital Expenditures	-	-	-
591-593, 599	Debt Service	-	-	-
597	Transfers-Out	-	-	-
585	Special or Extraordinary Items	-	-	-
581, 582, 589	Other Uses	-	-	-
Total Other Decreases in Fund Resources:		-	-	-
Increase (Decrease) in Cash and Investments:		500,405	35	7,398
Ending Cash and Investments				
50821	Nonspendable	-	-	-
50831	Restricted	-	-	-
50841	Committed	506,331	1,245	77,483
50851	Assigned	-	-	-
50891	Unassigned	-	-	-
Total Ending Cash and Investments		506,331	1,245	77,483

The accompanying notes are an integral part of this statement.

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2024

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 protection and emergency medical services.

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.
- 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

The financial transactions of the government are organized within specific funds, each with its own set of self-balancing accounts encompassing cash, investments, revenues, and expenditures. Resources are allocated and tracked within these distinct funds based on their designated purposes. In the financial statements, each fund appears as a separate column, except for fiduciary funds, which are categorized by fund types. The total column is included for informational purposes only, as it does not eliminate any interfund activities. The government employs the following types of funds:

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2024

Governmental Funds Overview:

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. [Identify revenues and other resources]
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.

General Fund

This is the main operating fund of the government, encompassing all financial resources not required or chosen to be allocated to another fund.

Special Revenue Funds

These funds manage specific revenue sources that are restricted or designated for governmental expenditure purposes. Included in these funds are:

- Emergency Ops Fund: Funded via interfund transfers from the Expense Fund.
- Mitigation Fees Fund: Funded through new home developments within our Fire District, pursuant to mitigation agreements.

Debt Service Funds

These funds handle the financial resources restricted, committed, or assigned for principal, interest, and related costs on general long-term debt. Included in these funds are:

- Bond Payment Fund: Funded by taxpayer votes, collected via property tax, and held in this fund.
- COP Loan Repayment: Covered by the Expense Fund with earmarked budget funds.

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2024

Capital Projects Funds

These funds manage financial resources restricted, committed, or assigned for acquiring or constructing capital facilities or other capital assets. Included in these funds are:

- Capital Replacement Fund: Funded through interfund transfers from the Expense Fund.
- Bond Project Fund: Currently not in use.

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

It is the district's policy to invest all temporary cash surpluses.
See Note 3 - Deposits and Investments.

D. Capital Assets

Capital assets refer to items with an initial individual cost exceeding \$5,000 and an estimated useful life of more than one year. These assets and inventory are classified as capital expenditures upon purchase.

E. Compensated Absences

Vacation leave policies are governed by Policy 2.11, collective bargaining agreements, and personal service contracts. Generally, vacation leave must be utilized within the year it is earned, although the Chief may permit leave to be carried over to the following year, typically with the condition that it be used within the first few months.

Administrative personnel under personal services contracts may choose to carry over vacation and/or executive leave yearly. Upon separation or retirement, employees are entitled to a cashout of all accrued vacation and compensatory time at their current hourly rate.

Sick leave per the Local 3186 Bargaining Agreement can accumulate up to 1,200 hours. Upon separation or retirement, employees (with 5+ years of service), may receive payment for up to 960 hours of unused sick leave at a rate of 25%. This payment is recorded as an expenditure when paid.

Employees under the collective bargaining agreement can accumulate a maximum of 120 hours of compensatory leave, while others are limited to 100 hours by Policy 2.15.

As noted in the Financial Statement, vacation costs are estimated for the following year. Currently, one retirement is anticipated for 2025.

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2024

F. Long Term-Debt

See Note 5 – Long Term Debt

G. Liabilities

See Note 5 – Long-Term Liabilities

H. Restricted and Committed Portion of Ending Cash and Investments:

Cash and Investments are classified as restricted or committed when restricted by external parties or internally by the Board of Commissioners. The district aims to use the most restricted resources first for qualifying expenditures.

Fund	Portion of Ending Balance Restricted	Portion of Ending Balance Committed	Combined	Description of Restriction or Commitment
Capital Replacement		928,165	928,165	Capital Funds Set Aside for Replacing Apparatus
Expense		629,570	629,570	Capital Expense Funds for Capital Purchases
Bond Payment		50,592	50,592	Repayment of 2008 and 2009 G.O. Bonds
Bond Project		10	10	Capital Acquisition and Construction
Mitigation Fees (District 17 Capital Reserve)		9,219	9,219	Capital Acquisition and Construction/Mitigation Fees for Capital Purchase
<i>Totals</i>		1,617,556	1,617,556	

Note 2 - Budget Compliance

The district adopts and implements annual budgets for all funds, which are appropriated at the fund level, except for the general (current expense) fund, where the budget is adopted at the department level. This budget serves as the legal authorization for expenditures at the designated level. Annual appropriations for these funds expire at the end of the fiscal year.

Budgets adopted annually follow the same accounting basis as that used for financial reporting.

The legally adopted budgets compared to the actual expenditures were as follows:

Fund/Department	Final Appropriated Amounts	Actual Expenses	Variance	Explanation of Variances
001 - Expense 10-044-0010	\$ 11,115,953	\$ 10,432,110	\$ 683,843	Opening balance and reserves transfer exceeded projections resulting in variance
200 - Bond Pymnt 2008/09 10-044-8510	\$ 568,790	\$ 571,948	\$ (3,158)	Ad Valorem Taxes and Bond Admin Fee
201 - COP Loan(s) 10-044-8880	\$ 62,500	\$ 62,500	\$ -	
300 - Capital Replacement 10-044-3010	\$ -	\$ -	\$ -	
301 - 2008-09 Bnd Prj (7.5Mil) 10-044-8512	\$ 5	\$ 1,261	\$ (1,256)	Interfund Transfer to reduce fund, no longer using
315 - District 17 Capital Reserve	\$ -	\$ 76,990	\$ (76,990)	Interfund Transfer for capital purchase

The district adopts budgets for all funds listed.

These funds are not reported separately on the financial statements, but in the General Expense Fund.

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2024

Fund/Department	Final Appropriated Amounts	Actual Expenses	Variance	Explanation of Variances
Expense 10-044-0010	11,112,582.50	10,424,509.43	688,073.07	Opening balance and reserves transfer exceeded projections resulting in variance
44 Reserve 10-044-6010	350.00	3,572.17	-3,222.17	Interfund transfer to reduce fund, no longer using
Emergency Ops Fund	0.00	0.00	0.00	No Budget, No Expenditures for 2024
Maint. And Ops Levy 10-044-0020	3,020.00	4,028.13	-1,008.13	Ad Valorem Tax charges exceeding projections resulted in variances in the M&O Levy
<i>Total 001 - Expense 10-044-0010</i>	\$ 11,115,953	\$ 10,432,110	\$ 683,843	Opening balance and reserves transfer exceeded projections resulting in variance

Departments are permitted to transfer budgeted amounts between object classes. However, any changes that affect the total expenditure of a fund, or that impact the number of authorized employee positions, salary ranges, work hours, or other employment conditions, must receive approval from the district’s legislative body.

Disclosure	Details of Disclosure
Consolidation Effects:	Interfund transactions amounting to 3,486,831 were excluded due to consolidation, as well as interfund transactions totaling 972,124. Additionally, interfund transactions
Interfund Transfers	Interfund transfers include: moving funds from the 44 Reserve to cover operating expenses and closing out the fund; transferring from expense to the COPloan for the annual payment; reallocating M&O Excess Revenue to cover operating costs; moving mitigation fees to the Mitigation Fees fund; transferring from expense to the Capital Replacement Fund to replenish it; using the Mitigation Fees fund to purchase capital equipment; transferring from the bond project to the expense fund to close out the project; and moving accumulated deferred property tax from the Reserve fund to the expense fund.
Budget Amendment	Amendment to Balance Expense Fund Accounts

Note 3 – Deposits and Investments

Investments are reported at fair value. Deposits and investments by type on December 31, 2024 are as follows:

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
LGIP	6,820,862		6,820,862
			0
<i>Totals</i>	6,820,862		6,820,862

Participation in the King County Investment Pool

The district voluntarily engages with the King County Investment Pool, under the management of the County Treasurer. Although the pool is neither rated nor registered

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2024

with the SEC, it is supervised by the County Finance Committee as per RCW 36.48.070. The district assesses its investment's fair value to match the pool's per-share value.

Custodial Credit Risk

Custodial credit risk for deposits occurs when a financial institution fails, making it impossible for the district to recover its deposits or collateral securities held externally. The majority of the district's deposits and certificates of deposit are safeguarded by federal depository insurance (FDIC) or by collateral contained within a multi-financial institution collateral pool managed by the Washington Public Deposit Protection Commission (PDPC).

All investments are either insured, registered, or held by the district or its appointed representative in the government's name.

Note 4 – Leases (Lessees)

The district rents space in a fire station to King County Medic One monthly, which greatly improves call response times in the serviced area. The current contract allows for termination with a ninety-day written notice from either party. King County Medic One pays \$576.88 per month to Mt View Fire.

Additionally, the district leases a copier from Kelley Connect for a base rate of \$168.98 per month under a 60-month lease agreement that commenced in June 2020 and will conclude in June 2025. The total cost for the copier in 2024 was \$2,022.00.

Year	Lease Payments
2025	851
<i>Total</i>	851

Note 5 – Long-Term Liabilities (formerly 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, 2024.

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2024

CHANGE IN ACCOUNTING PRINCIPLE

With financial statement reporting for the year ending December 31, 2024, the District implemented the requirements of GASB Statement 101 Compensated Absences. The statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. GASB 101 states that a liability should be recognized for that leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or noncash means. Included in Statement 21 is the requirement to estimate a liability to non-vesting benefits that are more likely than not to be used or otherwise paid or settle. The impact of this change has had no impact to the reported compensated absence liability that would not previously have been reported under GASB 16 Accounting for Compensated Absences.

Mountain View Fire During the year ended December 31, 2024, the following changes occurred in compensated absences:

	Beginning Balance on 01/01/2024	Additions	Reductions	Ending Balance 12/31/2024
Compensated Absences	641,571	217,515	0	859,086

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

Year	Principal	Interest	Total Debt Service
2025	510,000	110,150	620,150
2026	535,000	87,075	622,075
2027	560,000	62,850	622,850
2028	590,000	37,600	627,600
2029-2033	250,000	12,500	262,500
<i>Totals</i>	2,445,000	310,175	2,755,175

As of December 31, 2024, the total value of earned but unpaid compensated absences was \$820,844, reflecting an increase of \$440,558 from the previous year.

Mt View Fire sponsors a HRA/VEBA defined contribution plan for all full-time employees, contributing \$245,500.00 as of December 31, 2024 to a total of 46 employees.

Mt View Fire contributes to employees' deferred compensation accounts if the

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2024

employee is enrolled. As of December 31, 2024 a total of \$35,325.00 was contributed to 38 employees.

Note 6 – Pension Plans

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

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

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2024

Also, the DRS ACFR 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 ACFR available from the Office of Financial Management website at www.ofm.wa.gov.

As of June 30, 2024 the district's proportionate share of the collective net pension liabilities, as reported on the Schedule of Liabilities, was as follows:

Plan	Employer Contributions	Allocation Percentage	Plan Liability / Asset	NPL	NPA
PERS 1 UAAL	9118.72	0.00152300%	1,776,838,000	27,061	
PERS 2/3	19424.84	0.00197300%	(3,296,573,000)		(65,041)
LEOFF 2	250615.64	0.10229000%	(1,872,745,000)		(1,915,631)
		<i>Totals</i>		\$ 27,061	\$ (1,980,672)

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.

The district contributes \$50.00 per month to Deferred Compensation Plans to members who participate in the DCP program.

Note 7 Property Tax

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2024

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 2024 was \$1.50 per \$1,000 on an assessed valuation of \$5,039,303,171 for a total regular levy of \$7,558,955.

Levy	Per \$1000	Assessed Valuation	Amount
Regular	\$ 1.50	5,039,303,171	7,558,955
G.O.Bonds (2008)			316,304
G.O.Bonds (2009)			277,455

Note 8 – Risk Management

Insurance	Self -insured (Y/N)	Not Applicable (Y/N)	Or Name of Insurer
Property & Liability	N		Volunteer Fireman's Insurance Services (VFIS)
Health & Welfare	N		IAFF Health and Wellness
Unemployment Compensation (ESD)	y		Mountain View Fire & Rescue
Workers Compensation (L&I)	N		Dept of Labor & Industries
Family Leave	N		WA State ESD PFMLA & Long Term Care

Policyholders pay an annual premium to Volunteer Fireman's Insurance Services (VFIS) instead of a membership fee. VFIS is responsible for covering all insured losses above the deductible, if any. Coverage for portable equipment, real, and personal property is available at actual cash value, replacement cost, or guaranteed replacement cost. VFIS offers general, automobile, and management liability on an "occurrence" and/or "claims-made" basis, with an optional "follow form" umbrella. The minimum sub-limit of liability is \$1M, with aggregate limits reaching up to \$20M.

The district is self-insured for employment security and reimburses the Employment Security Department for claims. In 2024, we paid \$0.00 to Employment Security. For 2025, we project a liability of \$20,000 based on the formula from the L & I website.

Note 9 – SBITA (Lessees)

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2023

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 protection and emergency medical services.

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, 2023

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 manage specific revenue sources that are restricted or designated for governmental expenditure purposes. Included in these funds are:

- Emergency Ops Fund: Funded via interfund transfers from the Expense Fund.
- Mitigation Fees Fund: Funded through new home developments within our Fire District, pursuant to mitigation agreements.

Debt Service Funds

These funds handle the financial resources restricted, committed, or assigned for principal, interest, and related costs on general long-term debt. Included in these funds are:

- Bond Payment Fund: Funded by taxpayer votes, collected via property tax, and held in this fund.
- COP Loan Repayment: Covered by the Expense Fund with earmarked budget funds.

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2023

Capital Projects Funds

These funds manage financial resources restricted, committed, or assigned for acquiring or constructing capital facilities or other capital assets. Included in these funds are:

- Capital Replacement Fund: Funded through interfund transfers from the Expense Fund.
- Bond Project Fund: Currently not in use.

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

It is the district's policy to invest all temporary cash surpluses.
See Note 3 - *Deposits and Investments*.

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 but unpaid compensated absences as of December 31, 2023, is \$641,571.39 – an increase of \$ 422,852.98 from the prior year.

Mt View Fire sponsors an HRA/VEBA defined contribution plan for all full-time employees. Mt View contributed \$ 211,000.00 as of December 31, 2023

F. Long-Term Debt

See Note 5 – *Long-Term Debt (formerly Debt Service Requirements)*.

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2023

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
Capital Replacement		506,331	506,331	
Expense		611,401	611,401	
Bond Payment	20,441		20,441	Repayment of 2008 and 2009 G.O. Bonds
Bond Project	1,245		1,245	Capital Acquisition and Construction
Mitigation Fees	77,483		77,483	Capital Acquisition and Construction/Mitigation Fees Benefitting Fire Station 98
Totals	\$ 99,168.74	\$ -	\$ 1,216,900.74	

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 follow:

Fund/Department	Final Appropriated Amounts	Actual Expenses	Variance	Explanation of Variances
001 - Expense 10-044-0010				
Expense 10-044-0010	9,869,097.61	9,315,537.91	553,559.70	
44 Reserve 10-044-6010	10,350.00	5,632.09	4,717.91	
Maint. And Ops Levy 10-044-0020	3,020.00	2,338.97	681.03	
Total 001 - Expense 10-044-0010	9,882,467.61	9,323,508.97	558,958.64	
				Over expenditure due to rebalancing transactions within
200 - Bond Pymnt 2008/09 10-044-8510	563,780.00	564,820.39	-1,040.39	funds
201 - COP Loan(s) 10-044-8880	59,875.00	59,875.00	0.00	
301 - 2008-09 Bond Prj (7.5Mil) 10-044-8512	5.00	0.00	5.00	

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2023

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 2,052,000 excluded due to consolidation, interfund tx 967,437 excluded due to consolidation, interfund tx 436,429 excluded due to consolidation
Interfund Transfers:	Interfund tx from 44 reserve to expense for operating costs, tx's from M&O Excess Revenue to expense for operating costs, tx from expense to COP Loan for yearly payment, tx from expense to bond payment to insure adequate funds for Dec 1 payment of interest, tx from expense to mitigation fund for the collection of mitigation fees, interfund tx to emergency operating fund to replenish fund, interfund tx to emergency ops fund to replenish fund
Over-Expended	Over expenditure due to rebalancing transactions within funds
Budget Amendment	Our yearly budget amendment in 2023 included making a correction on the transfers in the reserve acct <1,045,471>. We made an adjustment for the remaining 2022 M&O Levy Funds.

Note 3 – Deposits and Investments

Investments are reported at fair value. Deposits and investments by type on December 31, 2023 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
LGIP	5,539,660		5,539,660
			0
<i>Totals</i>	5,539,660	0	5,539,660

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, 2023

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).

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2023

All investments are insured, registered, or held by the district or its agent in the government's name.

Note 4 – Leases (Lessees)

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 \$576.88 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 2023 was \$2,028.00.

Year	Lease Payments
2024	2,028
2025	845
2026	—
Total	2,873

Note 5 – Long-Term Debt *(formerly Debt Service Requirements)*

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, 2023.

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

Year	Principal	Interest	Total Debt Service
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	590,000	37,600	627,600
2029-2033	250,000	12,500	262,500
2034-2038	—	—	0
Totals	2,945,000	441,025	3,386,025

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2023

Note 6 – Pension Plans

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, 2023 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	9148.06	0.00134200%	2,282,732,000	30,634	
PERS 2/3	15195.09	0.00172800%	(4,098,683,000)		(70,825)
LEOFF 2	219750.54	0.09735700%	(2,398,598,000)		(2,335,218)
VFFRPF	60	0.030000%			6,867
		Totals		\$ 30,634	\$ (2,399,161)

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2023

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 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 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 2023 was \$1.50 per \$1,000 on an assessed valuation of \$4,488,175,491 for a total regular levy of \$6,732,263.

Levy Type	Per \$1000	Assessed Valuation	Amount
Regular	1.5	4,488,175,491	6,732,263
G.O. Bonds (2008)			321,604
G.O. Bonds (2009)			280,847
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 \$2,821.95 to Employment Security in 2023 due to a firefighter who resigned because he could not perform the job of duty. We project a liability of \$5,000 for 2024 based on the formula from the L & I website

Mountain View Fire and Rescue
Notes to the Financial Statements
For the year ended December 31, 2023

Note 9 – SBITA (Lessees)

During 2023, the district adopted guidance for the presentation and disclosure of Subscription Based Information Technology Arrangements (SBITA), as required by the BARS manual.

Mountain View Fire has no current SBITA leases.

Mountain View Fire & Rescue
Schedule of Liabilities
For the Year Ended December 31, 2024

ID. No.	Debt ID Title	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
General Obligation Debt/Liabilities							
251.11	Non-voted General obligation bonds	Bond	12/30/2028	1,335,000	-	250,000	1,085,000
251.11	Non-voted General obligation bonds	Bond	12/30/2029	1,335,000	-	200,000	1,135,000
263.96	LOCAL Program	COP Series 2018C	6/1/2028	275,000	-	50,000	225,000
Total General Obligation Debt/Liabilities:				2,945,000	-	500,000	2,445,000
Revenue and Other (non G.O.) Debt/Liabilities							
259.12	Compensated Absences	Compensated Absences		641,571	217,515	-	859,086
264.30	Pension Liabilities	Net Pension Liability		30,634	-	3,573	27,061
263.57	Leases, SBITA, and PPPs	Copier Lease	5/31/2025	2,873	-	2,022	851
Total Revenue and Other (non G.O.) Debt/Liabilities:				675,078	217,515	5,595	848,756
Total Liabilities:				3,620,078	217,515	505,595	3,331,998

**Mountain View Fire & Rescue
Schedule of Liabilities
For the Year Ended December 31, 2023**

ID. No.	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
General Obligation Debt/Liabilities						
251.11	Bond	12/30/2028	1,575,000	-	240,000	1,335,000
251.11	Bond	12/30/2029	1,525,000	-	190,000	1,335,000
263.96	COP Series 2018C	6/1/2028	320,000	-	45,000	275,000
Total General Obligation Debt/Liabilities:			3,420,000	-	475,000	2,945,000
Revenue and Other (non G.O.) Debt/Liabilities						
259.12	Compensated Absences		218,718	422,853	-	641,571.
263.57	Copier Lease	5/31/2025	4,901	-	2,028	2,873
264.30	Net Pension Liability		28,568	2,066	-	30,634
Total Revenue and Other (non G.O.) Debt/Liabilities:			252,187	424,919	2,028	675,078
Total Liabilities:			3,672,187	424,919	477,028	3,620,078

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.

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