

**WOODINVILLE FIRE & RESCUE  
RESOLUTION NO. 2017-03**

**A RESOLUTION ADOPTING POLICY NO 2201,  
FISCAL MANAGEMENT  
(superseding that portion of Resolution 2014-04 relating to Policy 2201)**

---

**RECITALS**

**WHEREAS**, the State of Washington has vested in the governing bodies of fire protection districts the authority to adopt reasonable rules to govern the district and to perform its functions, and generally to perform all such acts as may be necessary to carry out the objects of the creation of the district under RCW 52.14.100; and

**WHEREAS**, the Board of Fire Commissioners of Woodinville Fire & Rescue (“District”) has vested the responsibility of the day-to-day operation of the District in the Fire Chief; and

**WHEREAS**, the Board of Fire Commissioners has determined that it is necessary to establish and maintain a set of policies, procedures and practices to ensure the efficient and effective management of the District’s affairs.

**NOW, THEREFORE**, it is resolved that the Board of Fire Commissioners of the District has adopted Policy 2201, Fiscal Management, and that the content of the paragraphs shown below shall become the policy segment of said policy.

***Policy Section 2201, Fiscal Management***

**1.0 Policy Statement**

- 1.1. The District’s Fiscal Management Policy/Procedure/Practice serves as the Board of Fire Commissioners’ (“Board”) approved framework for the accounting, budgeting, expenditure, finance, financial planning, financial reporting, payroll and other financial management practices.
- 1.2. Fund Balances and Reserves
  - 1.2.1. The minimum ending Fund Balance (projected Fund Balance at the end of the budget year) for the Expense Fund shall be targeted at 10 percent of the total annual estimated resources, excluding Fund Balance.

1.2.1.1. Projected variances in excess of the 10 percent minimum target shall be disclosed to the Board during the annual budget process.

1.2.1.2. Fund Balances may be established in an amount different than the 10 percent target by the Board during the annual budget process.

1.2.2. Reserve Fund

1.2.2.1. The Reserve Fund shall be used for the following:

1.2.2.1.1 Vehicles

1.2.2.1.2 Tools & Equipment

1.2.2.1.3 Facilities

1.2.2.1.4 Emergency

1.3. Any transfer of money between Funds (e.g., transfer from the Expense Fund to the Reserve Fund or vice versa), shall be approved by the Board either as a part of the Budget Adoption Resolution or by separate Board approval via Motion when requested by District staff.

1.4. Personnel Budget

1.4.1. Salary and benefits will be based on a position-by-position budget which will include full-time, part-time and temporary employees. Vendors will be excluded from this portion of the budget and included as contracted or professional services.

1.4.2. Any increase to the number of employee positions shall be approved by Board Resolution.

1.4.3. In any case where the Fire Chief or his/her designee declines to fill a budgeted position, a Board Resolution shall be required prior to re-appropriation of any savings from such decision.

1.5. Expenditures

1.5.1. All contracts and expenditures must be related to a District-related public purpose.

1.5.2. Records of expenditures shall be documented in a manner that demonstrates compliance with these provisions.

1.5.3. The Fire Chief:

- 1.5.3.1. Is granted authority to expend up to \$9,999.99 per transaction to a single source for a separate good or separate service (not including taxes and other add-on fees) within a budget year.
- 1.5.3.2. May issue purchase orders and commit the District to expenditures where the aggregate value of such commitments is up to \$9,999.99.
- 1.5.3.3. Expenditures of \$10,000 to \$50,000 per transaction to a single source for a separate good or separate service; or as the result of multiple transactions within a budget year that are planned and budgeted may be made with unanimous approval of the Finance Committee.
  - 1.5.3.4.1 The Finance Committee, although unanimous in its decision, may request that staff bring the expenditure to the full Board for approval;
  - 1.5.3.4.2 Should the Finance Committee not approve an expenditure by unanimous decision, staff may choose to move the request forward to the full Board.
- 1.5.3.5 Expenditures of \$10,000 or greater per transaction to a single source for a separate good or separate service; or as a result of multiple transactions within a budget year that are not specifically planned and budgeted for:
  - 1.5.3.5.1 Must be approved by the Board of Fire Commissioners.
  - 1.5.3.5.2 In the form of contracts may be signed and executed by the Board Chair or Vice Chair.
- 1.5.3.4. Purchases or contracts from \$10,000 up to \$50,000 shall be obtained by written quotation from at least three vendors. Board approval is required prior to authorization of expenditures or entering into contracts.
- 1.5.3.5. Purchases or contracts over \$50,000 shall be obtained through formal Request for Information, Request for Qualification, Request for Proposal or Sealed Bidding processes, depending on the nature of the goods and services being acquired.

- 1.5.3.6. All proposed expenditures meeting the definition of Public Work (RCW Chapter 39) shall be procured in accordance with the provisions of state law.
- 1.5.4. In emergency situations, as defined by District policy, commitments up to \$50,000 or the issuance of checks or warrants up to \$50,000 out of the normal review and approval cycle shall be handled as follows:
  - 1.5.4.1. The Fire Chief or his/her designee in the Fire Chief's absence, determines that an emergency situation exists that requires immediate commitment of the District's resources and/or the immediate issuance of warrants or checks up to \$50,000.
  - 1.5.4.2. The Fire Chief or his/her designee contacts the Board Chair or Vice Chair to obtain their verbal approval to proceed.
  - 1.5.4.3. As soon as reasonably possible, but not more than 24 hours from the verbal approval to proceed from the Board Chair or Vice Chair, the Fire Chief or his/her designee will electronically forward documentation of the action to the full Board.
  - 1.5.4.4. The review of documentation and the actions of the Fire Chief or his/her designee will be ratified at either the next regularly scheduled Board meeting, or at the direction of the Board Chair or Vice Chair, at a Special Board meeting called in accordance with the applicable provisions of state law.
- 1.5.5. District payments shall be made in a manner that provides for the greatest duration by which District monies can remain invested, consistent with payment timelines established by vendors, State law and/or District contracts.
- 1.5.6. Exceptions to these expenditure policies shall be discussed with and approved in advance by the Board prior to the commitment of District resources.

## 1.6. Expenditure Review and Approval

- 1.6.1. District claims payments shall be reviewed, approved and recommended for payment to the full Board by the Finance Committee prior to the release of checks or warrants for such payments.
- 1.6.2. All payments shall be audited by the District's Auditing Officer prior to presentation to the Finance Committee.
- 1.6.3. The Finance Committee voucher review and approval is intended to provide for a general, high-level review of claims to assure that adequate documentation is being maintained and staff are doing appropriate due diligence in their expenditure and expenditure review activities.
- 1.6.4. Pursuant to Board Resolution 2012-06, in circumstances when the Board does not meet prior to a day in which they would need to approve vouchers for the District's warrants and claims, the Auditing Officer shall certify the voucher approval document for the correct and certified submission of vouchers to the King County Finance Office without awaiting a Board meeting to authorize specific payments.

## 1.7. Grants

- 1.7.1. District staff has authority to approve grant revenue authorizations where the value of the grants is less than \$10,000 and the Fire Chief/Chief Executive Officer or his/her designee is authorized to execute all such grant authorizations.
- 1.7.2. Board approval is required in advance of making commitments for grants \$10,000 or greater where the District is required to make a contribution or a match as a part of the grant agreement.
- 1.7.3. The Board Chair or Vice Chair shall execute grant agreements for amounts \$10,000 or greater.

## 1.8. Cost Recovery

- 1.8.1. These policies will specify the percentage of full costs to be recovered through the fees and charges.
- 1.8.2. The level of cost recovery may be adjusted periodically by the Board to ensure that fees and charges are current, equitable, competitive, etc. and cover the percentage of costs deemed appropriate.
- 1.8.3. Absent alternative direction from the Board, all fees and charges shall be adjusted annually on January 1 for inflation based on the change in the

Seattle-Tacoma-Bremerton Urban Wage Earners and Clerical Workers Consumer Price Index for the twelve month period ending June 30, or other applicable index or measure as determined by the Board.

1.9. Accounting

1.9.1. The District shall utilize “governmental fund accounting” as the organizational structure for its financial activities in accordance with RCW 52.16.020 for accounting, budgeting and financial reporting.

1.9.2. The accounting and financial reporting system shall meet governmental accounting standards and the State of Washington Budgeting, Accounting and Reporting System (BARS) Manual.

1.9.3. The District shall report the results of operations using the cash basis of accounting as allowed by the BARS Manual.

1.10. Any significant variances from the Budget (or Amended Budget) shall be reported to the Fire Chief/Chief Executive Officer and the Board in a timely manner.

1.11. Pursuant to RCW 42.24.180 the Fire Chief and the Chief Administrative Officer shall furnish, at District expense, an official bond for the faithful discharge of his or her duties in an amount not less than \$50,000.

1.12. District Treasurer

1.12.1. The District shall utilize the King County Finance Department as its designated Treasurer as required by RCW 52.16.010.

1.12.2. All District funds shall be managed and invested by King County.

**ADOPTED AT A REGULAR MEETING OF THE BOARD OF FIRE COMMISSIONERS OF WOODINVILLE FIRE & RESCUE THIS 7th DAY OF FEBRUARY, 2017.**

**WOODINVILLE FIRE & RESCUE  
COUNTY OF KING, WASHINGTON**

**Approved as to Form:**

/s/ Jeffrey Ganson

Jeffrey Ganson, District Counsel


---

Mark Emery, Commissioner, Position 1

---

Jim Dorney, Commissioner, Position 2


---

Timothy Osgood, Commissioner, Position 3

---

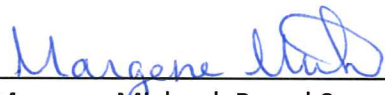
Kevin Coughlin, Commissioner, Position 4

---

Roger Collins, Commissioner, Position 5

**Attest:**

---

Margene Michael, Board Secretary