



EAST PIERCE FIRE & RESCUE BOARD OF COMMISSIONERS
Regular Meeting Agenda
July 18, 2023
7:00 p.m.

Meetings are conducted in-person with the option of attending virtually.
Meeting Location: 18421 Veterans Memorial Dr. E, Bonney Lake 98391

Please click the link below to join the webinar:

<https://us06web.zoom.us/j/82572575165>

Viewers may ask questions at the appropriate time via the chat option available within the application. Statements and or questions may also be emailed to cbyerley@eastpiercefir.org.

1. CALL TO ORDER – 7:00 PM

2. ROLL CALL/PLEDGE OF ALLEGIANCE/WELCOME

- a) Roll Call/ Pledge of Allegiance
- b) Welcome the Public
- c) Honors and Recognition

3. APPROVAL OF AGENDA

4. CONSENT AGENDA

- a) Approve Minutes of the June 20th Regular Meeting..... Pages 3-6
- b) Treasurer’s Report..... Pages 7-8
- c) Approve Finances..... Pages 9-17
- d) Financial Waiver None

5. PRESENTATIONS

- a) Clark Number Financial Assessment – Parkinson Pages 18-43

6. VISITORS Open to Public Comments

Any individual may request that the Board recognize them to give their comments on items not on the agenda. Please identify yourself and state your address for the record before commenting. Comments/Questions should be submitted via chat feature on webinar or emailed to the District Secretary at cbyerley@eastpiercefir.org. Please submit copies of any reports, statements, etc. to the District Secretary for the Board via email or mail. The Board may not have the information at hand to address a subject or take action at this time.

7. BOND-2018:

- a) Update - Herrera Pages 44-49

8. CHIEF’S REPORT

- a) Monthly Chiefs Report..... Pages 50-55
- b) Monthly Injury Report..... Page 56

9. COMMISSIONER CONFERENCE/COMMITTEE REPORTS:

- a) Planning Committee – Wernet (Notes from 7/7 Meeting) Page 57
- b) Finance Committee – Napier (Notes from 7/10 Meeting)..... Page 58
- c) HR Committee –..... None

10. RESOLUTIONS: None

11. NEW BUSINESS (*Board Chair will allow for public comments via chat or email*)

a) Levy Consultant Recommendation – Parkinson Pages 59-64

12. UNFINISHED BUSINESS (*Board Chair will allow for public comments via chat or email*)

a) Facility Reserve Policy (2nd Reading) – Parkinson Pages 65-68

13. COMMISSIONER TRAINING/EVENT REQUESTS: None

14. EXECUTIVE SESSION: None

15. COMMISSIONER ACTION/DISCUSSION: None

16. ADJOURN

EVENTS:

- July 27, 2023 PC Commissioners- BBQ/Potluck
- August 24, 2023PC Commissioner Meeting
- September 28, 2023PC Commissioner Meeting
- October 26, 2023PC Commissioners- No Meeting – Annual Conference
- November 16, 2023PC Commissioner Meeting
- December 7, 2023..... PC Commissioners- No Meeting – Annual Awards

**A REGULAR MEETING OF THE
BOARD OF FIRE COMMISSIONERS OF
EAST PIERCE FIRE & RESCUE**

June 20, 2023

A regular meeting of the Board of Fire Commissioners of East Pierce Fire & Rescue was held on June 20, 2023, in-person and via conference/video call through Ring Central. Notice and link to join meeting was posted for public access. Chair Jon Napier called the meeting to order at 7:00 p.m. Present by roll call were Commissioners Ed Egan, Randy Kroum (virtual), Cynthia Wernet, Kevin Garling, Mike Cathey, Pat McElligott, Chief Jon Parkinson, Finance Manager Michelle Hollon (virtual), and District Secretary Corina Byerley.

Commissioners Excused: None

Audience: Assistant Chief Kevin Stabenfeldt, Assistant Chief Moore, Project Manager Phil Herrera

Honors and Recognitions: None

Oath of Office: None

Approval of Agenda:

Commissioner McElligott moved to approve the agenda. The motion was seconded by Commissioner Cathey and carried.

Consent Agenda:

Commissioner Garling moved to approve the consent agenda (minutes from the May 16th Regular meeting; treasurer's report; current expense vouchers 230602001-230602087 in the amount of \$455,884.90; payroll vouchers 230603001-230603010 in the amount of \$433,405.23; and electronic payroll in the amount of \$2,450,947.52; Capital expense vouchers 230601001-230601014 in the amount of \$1,390,891.92; and post-meeting payroll transactions in the amount of \$321,881.62). Motion seconded by Commissioner Egan and carried.

Guest Speaker Presentation: None

VISITOR COMMENTS: None

BOND-2018:

Project Manager: Project Manager Phil Herrera gave an update on the Capital Facilities Plan.

Station 111: The building foundation work is close to complete. Elevator shaft and tall apparatus bay columns completed this week. Slab on the admin section is complete. Structural steel components underway in admin area.

Station 112: Permit documents are being prepared from station 114 documents. Submitting for "conditional use permit". Survey and Legal description completed to facilitate land/building swap with the neighbor.

Station 114: Abatement work completed. Construction of the retaining wall is complete. Demolition of all buildings is complete. Final clean-up of debris this week. Site grading to begin next week.

Station 117: Building permit is in review. First review received with few comments. Awaiting second review comments expected this week. Bid documents are in process. Bid date is July 6th or sooner. Looking at September 4th to start construction.

Station 118: Landscaping is proceeding. Final interior finishes are underway. Final site construction in progress. Sidewalks and entrances completed. Working towards substantial completion.

Station 124: No changes.

CHIEF'S REPORT:

Monthly Chiefs Report: Reviewed the Chief's monthly report with the Board. Included in agenda packet. Chief Parkinson's report included: an update on council presentations (South Prairie complete); 2024 Budget process is underway, budget timeline shared; 2023 medic units Dodge chassis for three medic units will not be available, working with Braun NW on alternatives to present to the Board; a letter was sent to the Milton Mayor regarding the existing fire station in Milton, no response has been received at this time; the annual employee survey is complete (included in packet); the financial operational assessment is complete and will be presented to the Board in July; and an update was given regarding interviews of levy consultants.

Q2 Strategic Plan Update: Chief Parkinson gave an update on the progress made on the goals outlined in the Strategic Plan. Highlights included progress in goal 1 support the wellbeing and development of our team (Task book revisions are continuing, PCFTC working on delivery of common required promotional courses; all components of succession development planning have been completed and will remain ongoing for review and improvements; expanding peer support team; yoga and fitness classes offered; and recruitment is underway and has substantially increased), goal 2 prepare for a growing population and increasing demand for services (Community Connect is live; working with City of Bonney Lake to develop CERT program; and SOC adopted in March,)goal 3 cultivate strong relationships with the communities we serve (Characterization program redeployed for first time since COVID; FDSU Community Connect is now live; and EAC training has begun), and goal 4 be a highly efficient organization (financial operational assessment is complete; discussion has begun regarding regional EMS training, records, and certifications; and facility maintenance reserve policy has been drafted).

Q2 Standard of Cover Update: Chief Parkinson gave an update on the goals outlined in the Standard of Cover. Highlights included progress in goal 2a turnout times (staff is testing for data transfer delays), goal 2b call processing times (data collection continues), goal 2d implementing risk-based response to target hazards (internal work continuing to overhaul of response packages, ESZ's, and station orders), and goal 3a (enhance integration of key information systems (regional discussion to create data warehouse as a single hub for all data feeds continues).

2023 Employee Survey: Chief Parkinson gave an overview of the key takeaways from the employee survey. Mostly positive ratings in all categories except in the area of EPFR facilities.

COMMISSIONER CONFERENCE/COMMITTEE REPORTS:

Planning Committee: Commissioner Wernet reported on the committee's last meeting on 6/2. The committee meeting covered five topics.

1. A construction update by Project Manager Phil Herrera.
2. Discussion of Phase 2 facilities projects. Requested condition assessment of Stations 113, 116 and 124 is underway by RFM. Discussion included a "deep dive" into future options for vehicle maintenance. Committee would like additional information to determine next steps.
3. Levy consultant plan for upcoming levy request to voters planned for 2024. Consultant interviews are next step.
4. Planning Committee is recommending that a future Strategic Plan should be a rolling annual effort, guided initially by a consultant (TBD) and involving stakeholders to include employees,

community, partner agencies and entities. Consultant fees and associated costs may go to the Finance Committee for adding to the 2024 budget.

5. Committee reviewed the draft of a new Facility Maintenance Reserve Policy and recommended changes.

RESOLUTIONS:

Resolution 1024- Surplus EMS Equipment: Assistant Chief Moore presented to the Board Resolution 1024 requesting to the surplus of miscellaneous EMS equipment. Misc. EMS equipment listed in Appendix A is no longer of use to the district. Some items have been replaced, are damaged beyond cost effective to repair, or have been placed out of service for meeting expiration date criteria. Commissioner Wernet moved to approve Resolution 1024, the surplus of miscellaneous EMS equipment, and to dispose of, donate, sell, or recycle at the discretion of the Fire Chief. The motion was seconded by Commissioner Garling and carried.

NEW BUSINESS:

Facility Reserve Policy (1st Reading): Chief Parkinson presented to the Board the first reading of a new policy to capture the full resources required to operate and maintain existing and future facilities. No action taken.

Deputy Chief Evaluation and MOU: Chief Parkinson presented to the Board an overview of the Deputy Chief's evaluation and recommended MOU. Further discussion in executive session.

Interim Deputy Chief Contract: Chief Parkinson presented to the Board a request to fill the role of Deputy Chief with an interim assignment due to the long-term absence of DC Mack. Further discussion in executive session.

EXECUTIVE SESSION:

Chair Napier called for an executive session per RCW 42.30.11(1)(g) to evaluate the qualifications of an applicant for public employment and to review the performance of a public employee for discussion at 7:54 p.m. for 10 minutes.

Meeting reconvened at 8:04 p.m.

COMMISSIONER ACTION/DISCUSSION:

Upon reconvening the meeting from executive session, the following action was taken:

Deputy Chief's Contract MOU: Commissioner McElligott moved to approve the Memorandum of Understanding as presented as modification to the Deputy Chief's current agreement and authorize the Chair to sign on behalf of the Board of Commissioners. The motion was seconded by Commissioner Cathey and carried.

Interim Deputy Chief Contract: Commissioner McElligott moved to authorize the Board Chair to sign an employment agreement with Kevin Stabenfeldt for a period of six months. The motion was seconded by Commissioner Wernet and carried.

UNFINISHED BUSINESS: None

COMMISSIONER TRAINING/EVENT REQUESTS:

WFCA Annual Conference: District Secretary Corina Byerley provided information to the Board for the WFCA Annual Conference to be held in Tulalip October 25-28. All commissioners and Chief Parkinson expressed interest in attending. No action taken, information only.

NAEFO Annual Conference: District Secretary Corina Byerley provided information to the Board for the NAEFO Conference to be held in Las Vegas September 18-19. No interest in attending. No action taken, information only.

Long Term Care Deductions: District Secretary Corina Byerley reminded the Board that long term care fee deductions will begin on July 1st. Exemptions must be forwarded to Finance Manager Michelle Hollon by today (June 20th). No action taken, information only.

ADJOURN

There being no further business to come before the Board, the meeting was adjourned at 8:15 p.m.

District Secretary Corina Byerley

Chairman Jon Napier/Vice-Chair Ed Egan

DRAFT



EAST PIERCE FIRE & RESCUE

June 2023

for July 18, 2023 Meeting

	Current Month	Year to Date	Budget Resolution 1000	Remaining Amount	Remaining Percent
6 Months Remaining =					50.00%

General Fund (Current Expense)

Net Cash & Investments 12/31/2022 \$ 13,675,288 Budgeted

Operating Revenues					
	Current Month	Year to Date	Budget Resolution 1000	Remaining Amount	Remaining Percent
Property Tax - Current	148,100	18,920,184	35,580,911	16,660,727	46.8%
Property Tax - Prior Year/Delinquent	24,743	261,540	-	(261,540)	0.0%
Other Taxes	2	13,118	18,500	5,382	29.1%
Regular EMS Transport	229,045	1,520,668	2,800,000	1,279,332	45.7%
GEMT Transport	342,923	2,000,594	3,100,000	1,099,406	35.5%
GEMT Reconciliation	654,229	654,229	600,000	(54,229)	-9.0%
Intergovernmental	-	279,936	201,375	(78,561)	-39.0%
Tehaleh Mitigation	-	2,450	100,000	97,550	97.6%
Transfers in from Reserves/Capital	-	628,823	5,573,342	4,944,519	88.7%
Other Revenue	267,658	761,874	1,529,770	767,896	50.2%
Total Operating Revenues	1,666,699	25,043,417	49,503,898	24,460,481	49.4%

Reserved: Advance Travel & Petty Cash (Imprest Accounts) \$15,100 Not Included

	Current Month	Year to Date	Budget Resolution 1000	Remaining Amount	Remaining Percent
Operating Expenses					
Administration <i>(Comm, Fire Chief, Deputy Chief, Finance, HR)</i>	191,779	1,322,585	2,901,818	1,579,233	54.4%
Operations <i>(Fire, Training, Volunteers)</i>	2,354,670	14,598,274	30,172,400	15,574,126	51.6%
EMS	202,211	1,381,956	3,056,911	1,674,955	54.8%
Prevention <i>(Fire Prevention, Pub Ed)</i>	105,854	666,245	1,320,488	654,243	49.5%
Logistics <i>(Logistics, Emerg. Mgmt, IT)</i>	351,423	2,379,598	4,793,239	2,413,641	50.4%
Capital <i>(Project Manager)</i>	31,460	658,790	189,716	(469,074)	-247.3%
Reserve Purchases <i>(Equipmt., EMS, Facility)</i>	82,020	1,101,920	5,383,626	4,281,706	79.5%
Transfers Out	-	3,534,893	1,685,700	(1,849,193)	-109.7%
Total Operating Expenses	3,319,416	25,644,260	49,503,898	23,859,638	48.2%
Payroll Clearing Accruals	(25,612)	(25,416)			
Operating Expenses Net of Accruals	3,293,804	25,618,844			
Ending Net Cash & Investments			\$ 13,099,861		

Reserve Fund

Net Cash & Investments 12/31/2022 \$ 27,075,250 Budgeted

	Other Revenues	Transfer In	Transfer Out	Balance as of 06/30/23	(Short)/Over
Reserve Balances					
General Reserve				3,555,914	41,469
Equipment Reserve				13,660,144	N/A
Facilities Reserve				1,120,037	320,037
Employee Compensation Reserve				860,756	60,756
Capital Facilities Phase 2				14,076,628	Balance
Sale of Tax Title Property					
Investment Interest	141,094				
Current Month Total	141,094	-	-		
Year to Date Total	\$ 726,301	\$ 3,534,893	\$ 485,909	\$ 33,273,478	



EAST PIERCE FIRE & RESCUE

June 2023

for July 18, 2023 Meeting

Capital (Construction) Fund UTGO Bonds 2018	Current Month	Year to Date	Budget Resolution 1000	Remaining Amount	Remaining Percent
Net Cash & Investments 12/31/2022			\$ 15,999,374	Budgeted	
Revenues					
Investment Interest	45,049	315,481	75,000	(240,481)	-320.6%
Total Revenues	45,049	315,481	75,000	(240,481)	-320.6%
Expenses					
Capital Expenditures/Expenses	8,450	26,644	-	(26,644)	0.0%
Capital Purchases-Station 111	714,944	4,744,322	-	(4,744,322)	0.0%
Capital Purchases-Station 112	945	30,401	-	(30,401)	0.0%
Capital Purchases-Station 114	318,229	570,474	-	(570,474)	0.0%
Capital Purchases-Station 117	64,209	304,686	-	(304,686)	0.0%
Capital Purchases-Station 118	283,114	1,147,147	-	(1,147,147)	0.0%
Capital Purchases-Station 124	35	73,356	-	(73,356)	0.0%
Transfer Out - GF - Cap Fac Mgr	-	142,914	47,429	(95,485)	-201.3%
Total Expenses	1,389,925	7,039,943	47,429	(6,992,514)	-14743.1%
Ending Net Cash and Investments			\$ 9,274,913		

Capital (Construction) Fund UTGO Bonds 2022	Current Month	Year to Date	Budget Resolution 1000	Remaining Amount	Remaining Percent
Net Cash & Investments 12/31/2022			\$ 40,482,068	Budgeted	
Revenues					
Investment Interest	174,573	974,833	1,365,000	390,167	0.0%
Total Revenues	174,573	974,833	1,365,000	390,167	
Expenses					
Capital Purchases	-	-	-	-	0.0%
Transfer Out - GF - Cap Fac Mgr	-	-	142,287	142,287	
Total Expenses	-	-	142,287	-	0.0%
Ending Net Cash and Investments			\$ 41,456,901		



Finance Department
District Payment Transmittal

District Name: East Pierce Fire & Rescue #22

PAYMENT LISTING

Trans Date	District Ref #	Payee Printed Name	Amount
7/13/23	2930	CITY OF MILTON	\$798.30
7/13/23	2931	HONEY BUCKET	\$301.50
7/13/23	2933	LINCOLN CONSTRUCTION INC	\$173,746.80
7/13/23	2935	MT VIEW-EDGEWOOD WATER COMPANY	\$7,714.30
7/13/23	2937	PERFORMANCE VALIDATION INC.	\$3,201.00
7/13/23	2938	PIERCE COUNTY SEWER	\$38.57
7/13/23	2940	ROBERT HALF	\$6,498.00
7/13/23	2851	A-ADVANCED SEPTIC SERVICES INC.	\$277.02
7/13/23	2852	ABM JANITORIAL SERVICES	\$1,140.71
7/13/23	2928	A-ADVANCED SEPTIC SERVICES INC.	\$3,112.43
7/13/23	2929	ANDY JOHNSON & CO. INC.	\$529,716.33
7/13/23	2932	JONES & ROBERTS CO.	\$1,445,554.71
7/13/23	2934	MOBILE MODULAR	\$1,053.66
7/13/23	2936	OTTO ROSENAU & ASSOCIATES, INC.	\$2,061.40
7/13/23	2939	RICE FERGUS MILLER ARCHITECTURE	\$85,126.07
7/13/23	2941	TERRA ASSOCIATES, INC.	\$3,100.88
7/13/23	2942	TRANSGROUP	\$1,665.00
7/13/23	2943	WA STATE DEPT OF REVENUE (USE TAX)	\$5,675.13
7/13/23	2854	AMERICAN HEART ASSOCIATION	\$790.00
7/13/23	2853	AIR EXCHANGE, INC.	\$2,535.53
7/13/23	2857	BOUND TREE MEDICAL LLC	\$234.44
7/13/23	2859	BYERLEY CORINA	\$3,352.50
7/13/23	2860	CARDINAL HEALTH 112, LLC	\$2,286.29
7/13/23	2863	CINTAS CORPORATION # 461	\$8,447.15
7/13/23	2866	CODE MECHANICAL INC.	\$2,553.94
7/13/23	2868	DAVIS DOOR SERVICE, INC	\$2,312.64
7/13/23	2870	EIGHT TWENTY EIGHT	\$5,000.00
7/13/23	2871	ENUMCLAW CHRYSLER JEEP DODGE RAM	\$1,819.96
7/13/23	2876	HANEY MELISSA	\$196.00
7/13/23	2855	BARNHART MD PS STEPHEN W	\$3,825.00
7/13/23	2856	BERK CONSULTING	\$1,677.50
7/13/23	2858	BRITE COMPUTERS	\$1,526.37
7/13/23	2861	CASCADE HEALTHCARE SERVICES LLC	\$4,666.20
7/13/23	2862	CENTURYLINK (035B/376B/785B/786B/442B)	\$72.77
7/13/23	2864	CITY OF PUYALLUP	\$27,435.00
7/13/23	2865	CLARK NUBER	\$15,480.00
7/13/23	2867	CUMMINS NORTHWEST	\$816.01
7/13/23	2869	EDWARDS JUSTIN	\$750.00

7/13/23	2872	FIDELITY SOLUTIONS	\$1,159.64
7/13/23	2873	FIRE PROTECTION INC.	\$1,985.85
7/13/23	2874	FREIGHTLINER NORTHWEST	\$226,607.68
7/13/23	2875	GALLS, LLC	\$122.68
7/13/23	2877	HUGHES FIRE EQUIPMENT, INC.	\$1,009.12
7/13/23	2878	IMS ALLIANCE	\$20.97
7/13/23	2880	JULOTA	\$6,591.90
7/13/23	2882	KBUILT LLC	\$8,011.44
7/13/23	2883	KING COUNTY FIRE CHIEFS	\$1,995.00
7/13/23	2887	LAUREN SMITH PHOTOGRAPHY	\$300.00
7/13/23	2891	LIFE SCAN WELLNESS CENTERS	\$984.00
7/13/23	2879	JAMES OIL CO. INC.	\$20,179.08
7/13/23	2881	KAHNE ENTERPRISES LLC	\$5,004.70
7/13/23	2884	KOVACS GABOR	\$510.00
7/13/23	2885	L N CURTIS & SONS	\$3,712.69
7/13/23	2886	LARSEN SIGN CO	\$693.00
7/13/23	2888	LES SCHWAB TIRE CENTERS	\$1,277.19
7/13/23	2889	LEVEL ONE SECURITY INC	\$328.20
7/13/23	2890	LIFE ASSIST	\$10,523.82
7/13/23	2892	LINDE GAS & EQUIPMENT INC	\$1,325.47
7/13/23	2893	MOBILE HEALTH RESOURCES LLC	\$1,409.58
7/13/23	2894	MONSON BO	\$750.00
7/13/23	2896	NATIONAL CONSTRUCTION RENTALS	\$540.00
7/13/23	2897	NATL ASSOC OF FIRE INVESTIGATORS	\$65.00
7/13/23	2902	PEDI-ED-TRICS	\$9,955.00
7/13/23	2904	PIERCE COUNTY SEWER	\$79.52
7/13/23	2905	PUGET SOUND ENERGY	\$4,260.63
7/13/23	2910	RON & LEOS WELDING SERVICE	\$14,213.48
7/13/23	2911	RPB SOLUTIONS INC	\$2,295.00
7/13/23	2912	S & S METAL FABRICATION	\$976.16
7/13/23	2914	SEATTLE TIMES	\$14,744.29
7/13/23	2895	MUNICIPAL EMERGENCY SERVICES	\$56,451.63
7/13/23	2898	ODP BUSINESS SOLUTIONS LLC	\$151.49
7/13/23	2899	PACIFIC OFC AUTOMATION (OR)	\$275.02
7/13/23	2900	PACIFIC OFFICE AUTOMATION	\$598.82
7/13/23	2901	PC BUDGET & FINANCE DEPT	\$14,815.75
7/13/23	2903	PERFORMANCE SYSTEMS INTEGRATION LLC	\$2,920.60
7/13/23	2906	QUINN ERIC	\$600.00
7/13/23	2907	RAYBELL PLUMBING	\$1,858.93
7/13/23	2908	RICHARDS ALEXANDER	\$750.00
7/13/23	2909	ROBERTSON KEVIN	\$750.00

7/13/23	2913	SAFE SITTER, INC.	\$1,324.00
7/13/23	2915	SEAWESTERN	\$8,418.83
7/13/23	2919	SYSTEMS DESIGN WEST LLC	\$42,433.52
7/13/23	2920	TOWN OF SOUTH PRAIRIE	\$4,554.01
7/13/23	2922	US BANK	\$69,807.59
7/13/23	2927	WCIF-Life/Dental/EAP	\$20,208.01
7/13/23	2916	SITECRAFTING, INC.	\$143.00
7/13/23	2917	SNIDER PETROLEUM	\$2,887.22
7/13/23	2918	SOUTH SOUND 911	\$140,655.00
7/13/23	2921	TREASURY MANAGEMENT SVCS - US BANK	\$88.69
7/13/23	2923	VALVOLINE LLC	\$464.93
7/13/23	2924	VINK	\$100.00
7/13/23	2925	WA STATE DEPT OF REVENUE (USE TAX)	\$2,862.74
7/13/23	2926	WALKER TUCKER	\$512.64
Payment Count: 93			Total Amount: <u>\$3,071,822.62</u>

Payment Count: 93
Payment Total: \$3,071,822.62

CERTIFICATION

I, the undersigned do hereby certify under penalty of perjury, that the materials have been furnished, the services rendered or labor performed as described herein, and that the claim is a just, due and unpaid obligation, and that I am authorized to authenticate and certify to said claim.

_____ Authorized District Official Signature	_____ Date	_____ Authorized District Official Signature	_____ Date
_____ Authorized District Official Signature	_____ Date	_____ Authorized District Official Signature	_____ Date
_____ Authorized District Official Signature	_____ Date	_____ Authorized District Official Signature	_____ Date
_____ Authorized District Official Signature	_____ Date	_____ Authorized District Official Signature	_____ Date

INSTRUCTIONS FOR USE:

Submit signed Transmittal To Pierce County Finance Department

FAX:
253-798-6699

EMAIL:
pcacctspayable@piercecounitywa.gov

PC Finance Department Use Only

Authorization Recieved on _____

Batch Verified by _____



Finance Department
District Payment Transmittal


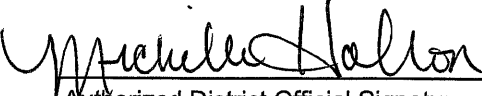
District Name: East Pierce Fire & Rescue #22

PAYMENT LISTING			
Trans Date	District Ref #	Payee Printed Name	Amount
6/21/23	2731	CANOPY WEST	\$10,922.98
Payment Count: 1		Total Amount:	<u>\$10,922.98</u>

Payment Count: 1
Payment Total: \$10,922.98

CERTIFICATION

I, the undersigned do hereby certify under penalty of perjury, that the materials have been furnished, the services rendered or labor performed as deccribed herein, and that the claim is a just, due and unpaid obligation, and that I am authorized to authenticate and certify to said claim.

 _____ Authorized District Official Signature	<u>6/21/23</u> _____ Date	_____ Authorized District Official Signature	_____ Date
 _____ Authorized District Official Signature	<u>6/21/23</u> _____ Date	_____ Authorized District Official Signature	_____ Date
_____ Authorized District Official Signature	_____ Date	_____ Authorized District Official Signature	_____ Date
_____ Authorized District Official Signature	_____ Date	_____ Authorized District Official Signature	_____ Date

INSTRUCTIONS FOR USE:
Submit signed Transmittal To Pierce County Finance Department
FAX: 253-798-6699 EMAIL: PCACCOUNTSPAYABLE@co.pierce.wa.us

PC Finance Department Use Only
Authorization Recieved on _____
Batch Verified by _____



Finance Department
District Payment Transmittal

District Name: East Pierce Fire & Rescue #22

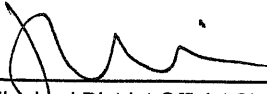
PAYMENT LISTING

Trans Date	District Ref #	Payee Printed Name	Amount
6/27/23	2786	IAFF - FIREPAC	\$682.00
Payment Count: 1		Total Amount:	\$682.00

Payment Count: 1
Payment Total: \$682.00

CERTIFICATION

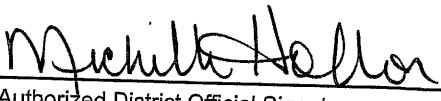
I, the undersigned do hereby certify under penalty of perjury, that the materials have been furnished, the services rendered or labor performed as described herein, and that the claim is a just, due and unpaid obligation, and that I am authorized to authenticate and certify to said claim.



Authorized District Official Signature

6/27/23

Date



Authorized District Official Signature

6/27/23

Date

Authorized District Official Signature

Date

Authorized District Official Signature

Date

Authorized District Official Signature

Date

Authorized District Official Signature

Date

Authorized District Official Signature

Date

Authorized District Official Signature

Date

INSTRUCTIONS FOR USE:
Submit signed Transmittal To Pierce County Finance Department
FAX: 253-798-6699 EMAIL: PCACCOUNTSPAYABLE@co.pierce.wa.us

PC Finance Department Use Only
Authorization Received on _____
Batch Verified by _____

June 2023 Post-Meeting	
General Fund	
AP Special Batch	
Voucher # 230604001	\$ 10,922.98
Canopy West - asset 133 canopy pkg	
Payroll Special Batch	
Payroll Voucher	
Vouchers # 2306004	\$ 682.00
IAFF-Firepac	
Electronic Payroll	\$ 304,662.09
Payroll Void Request	
Warrant 1695418 IAFF-Firepac, original June entry	\$ 37,936.80
July 2023	
General Fund	
Total AP	\$ 802,458.54
AP Vouchers	
Vouchers # 230701001 - 230701077	\$ 802,458.54
Total Payroll	\$ -
Payroll Vouchers	
Vouchers # 23070x001 - 23070x0xx	\$ -
Electronic Payroll	\$ -
Total Expenditures (AP + Payroll)	\$ 802,458.54
Total BIAS Expenditures (111 - 999)	\$ 802,458.54
Capital Fund 301 (UTGO 2018 Bonds)	
Total AP	
Vouchers # 230702001 - 230702016	\$ 2,269,364.08



EAST PIERCE FIRE & RESCUE

Operational and Internal Control Evaluation

June 2023

DRAFT

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EAST PIERCE FIRE & RESCUE
Operational and Internal Control Evaluation
June 2023

Executive Summary

East Pierce Fire & Rescue (“EPFR”) engaged Clark Nuber PS (“CN”) to perform an independent outside evaluation of operational processes and procedures, internal controls, payroll compliance with federal and state regulations, and EPFR adherence to Governmental Accounting Standards Board (“GASB”) standards including implementation of GASB 87, the new lease standard, and the budgeting, accounting and reporting system (“BARS”) manual as prescribed by the Washington State Auditor’s Office (“SAO”).

For the Executive Summary, we have listed out the key recommendations that are based on the most critical or high-risk observations we noted across the three areas of the project: Operations and Internal Controls, Payroll Compliance and Adherence to GASB and BARS Standards. In consideration of each recommendation below, we have categorized them as high priority (“1”) to medium priority (“2”) and to lower priority (“3”). These priority levels represent the recommended order or urgency of action and completion. A complete listing of recommendations is detailed fully in the “Observations and Recommendations” section of this report and are only for the use of management and authorized designees.

Operations and Internal Controls

We observed that EPFR is focused on ensuring that adequate systems and internal controls are in place. Our recommendations are intended to enhance existing processes and to identify potential gaps in internal controls. Key recommendations are noted as follows:

1. Identify key finance related tasks and create procedures manual for each task by documenting how each task is performed. This will ensure the tasks are standardized and performed the same each time, reduce the risks of errors and fraud risks, retain knowledge within the Organization, and ensure proper processes are followed to adhere to federal and state regulations and other contract terms.
2. Implement a grant management system for recording and tracking grants to ensure completeness of grant information and supporting documents for compliance purpose.
2. Create a financial close and review checklist to ensure the close is complete and to document the review process. Digitize documents by moving to an electronic record keeping system to reduce the risks of paper-based records being lost, mishandled, or damaged.

Payroll Compliance with Federal and State Laws

CN performed payroll testing and Department of Retirement Systems (“DRS”) testing and the results were both satisfactory. Key recommendations noted in the payroll area are as follows:

1. Shorten the length of time allowed for time entry to be opened in the time entry system to reduce the risks of incorrect financial reporting and fraudulent time entries. All changes made after submission of timecards in the time entry system must be reviewed and approved by the payroll administrator.
2. Provide annual time entry training to all users of the time entry system.
2. Reconcile time entry between CrewSense (the “time entry system”) and SpringBrook (the “accounting software”) on a monthly or quarterly basis to ensure the two systems agree with each other.

Executive Summary

Adherence to GASB and BARS Standards

The SAO recently completed an accountability audit and a financial statement audit for fiscal years 2020 and 2021 with no findings noted. We evaluated the BARS codes used by EPFR for compliance with the State BARS requirements with no exceptions noted. We also evaluated EPFR's listing of leases which appeared to be consistent with our expectations for a fire department. No additional leases were noted by us.

Key recommendations related to adherence to GASB and BARS standards are as follows:

3. Create a formal training plan for each position in the finance team with basic required courses and recommended elective courses that may be specific to each position.
3. Consider the use of a third-party lease accounting software, LeaseCrunch. This software complies with GASB 87 and can generate lease amortization schedule, monthly lease journal entries, and footnote disclosures.

EAST PIERCE FIRE & RESCUE
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Overview and Scope

ORGANIZATION BACKGROUND

East Pierce Fire & Rescue (“EPFR”) was created when the City of Bonney Lake Fire Department, Lake Tapps Fire and Pierce County Fire District 24 merged in 2000 to provide 24-hour emergency medical and fire suppression services. Since then, other cities and fire protection districts have merged with EPFR including Pierce County Fire District No. 1, 8 and 12, South Prairie Fire District 20, and the Cities of Sumner and Milton. There are no interlocal agreements created among these districts and cities from the merger since they became one fire district.

EPFR operates under the laws of the state of Washington applicable to a fire district. It is a special purpose local government that provides fire protection and emergency medical services to the general public and is supported primarily through property taxes. EPFR reports financial activity in accordance with the BARS Manual as prescribed by the State Auditor’s Office.

BACKGROUND AND SCOPE

EPFR engaged Clark Nuber PS to perform an independent outside evaluation of the following areas:

- 1. Operations and Internal Controls**
 - a. To provide operational and internal control observations and recommendations over the finance/accounting operations of EPFR.
- 2. Payroll Compliance with Federal and State Regulations**
 - a. To examine payroll compliance with state and federal regulations, and to provide best practice recommendations to help ensure economy and efficiency in the payroll cycle.
- 3. Adherence To GASB And Bars Standards**
 - a. To identify potential areas where current GASB standards and BARS requirements are not in compliance.
 - b. To assess implementation of the new lease standard (GASB 87).

For a detailed description of work scope, please see Appendix A. For a list of information and documentation used in our assessments, please see Appendix B.

The comments and recommendations noted in this report are the result of inquiries and observations made during our review of provided documents, interviews and site visits. Management of EPFR is responsible for maintaining internal controls and evaluating recommendations in this report. The decision to implement any of the recommendations in this report is solely the responsibility of EPFR. The services performed as part of this engagement do not constitute an audit, review, or compilation of the financial statements in accordance with the standards established by the American Institute of Certified Public Accountants. The purpose of this report is to share our observations and recommendations and is intended solely for the internal use of EPFR and authorized designees.

EAST PIERCE FIRE & RESCUE
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Observations and Recommendations

EPFR has recently been audited by the State Auditor for fiscal years 2020 and 2021 and received unmodified opinions for both years. EPFR undertook this process, not because major issues were occurring, but were seeking to improve with a desire to strive towards best practices.

This project covers the following three areas: Operations and Internal Controls, Payroll Compliance, and Adherence to GASB and BARS Standards.

Operations And Internal Controls

To gain an understanding of the accounting operations at EPFR, we obtained and reviewed the organizational chart, manual policies, and agreements related to the areas under evaluation. A listing of these supporting documents is located in Appendix B. Interviews were conducted with the Fire Chief, Finance Manager, Finance Administrator (financial close and accounts payable duties), Payroll Administrator (payroll duties), and IT Manager (system access). Interviews with staff occurred in April 2023 and focused primarily on the following areas:

- a. Payments of invoices
- b. Billings, receipts, and recording of revenue
- c. Grant reporting and claims
- d. Inter-agency transactions
- e. Inter-local agreements
- f. Allocation of overhead and indirect costs
- g. Contract management
- h. Fund reconciliation, including reserves
- i. Financing reporting

The following sections discuss the specific observations in each of the areas listed above, along with our recommendations for strengthening controls and improving compliance and operational efficiency.

a. Payments of Invoices

Observation: The finance administrator receives invoices and supporting documents in various forms such as emails, inter-department mail, and paper mail. Original copies must be submitted and retained by the finance administrator.

Recommendation: EPFR might consider streamlining the invoice approval process by using a cloud-based accounts payable management system which would allow for upload of invoices and supporting documents, and automate the review and approval of invoices.

Observation: Per discussion with the finance manager, vendor payments are completed using paper checks. EFT's are used for vendors that are associated with payroll (other government agencies). EFT's are not used for AP vendors, unless it is required (e.g. purchasing property). For EFT payments, the finance manager approves these EFT payments and the exact amounts are transferred from Pierce County into EPFR's account. For paper checks, a check request list is prepared by the finance administrator and is included in the board package that is sent to the finance manager and to the Chief for review. Once they are reviewed by the finance manager and the Chief, the board package is sent to the

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Observations and Recommendations

board for review and approval. Once they are approved by the board, the list is forwarded to the County Treasurer for check cutting and signing. The

Operations And Internal Controls (Continued)

issued checks are sent back to the finance administrator to be mailed out. The finance administrator prepares the bank reconciliations which are included in the board package for review. It appears proper segregation of duties is in place on the paper check review and approval process.

Current controls that have been put into place for EFT payments include not relying on the information presented on the vendor invoice, calling the vendor to clarify, and no verification by email which are best practices for fraud prevention.

Recommendation: EPFR might consider the use of positive pay and/or ACH filters in the operating checking account to add control over what payments are allowed to be cleared and allowing each EFT item to be reviewed and approved before it is paid to minimize risks associating with EFT payments.

Observation: Cyber security breach has been on a rise across all industries. The finance team members have recently received cyber security training through KnowBe4, Inc, an on-demand interactive training platform. Cyber liability protection is included in EPFR's current insurance policy.

Recommendation: None

b. Billings, Receipts, and Recording of Revenue

Observations: None noted. Procedures were performed without exception.

Recommendation: None

c. Grant Reporting and Claims

Observation: Currently, EFPR does not use any grant management tools for tracking and reporting purposes. However, the number of grants received has been minimal in the past (one or two a year).

Recommendation: CN recommends that EPFR consider implementing a grant management system to track information such as how many grants have been received/reimbursed, how much was spent, what the expenses were, identification of allowable expenses vs unallowable expenses, reporting requirements, and a calculation showing the remaining grant balance. See sample grant management tools in Appendix C.

d. Inter-Agency Transactions

Observation: None noted. Procedures were performed without exception.

Recommendation: None

Observations and Recommendations

Operations And Internal Controls (Continued)

e. Inter-Local Agreements

Observation: None noted. Procedures were performed without exception.

Recommendation: None

f. Allocation of Overhead and Indirect Costs

Observation: None noted. Procedures were performed without exception.

Recommendation: None

g. Contract Management

Observation: Per discussion with EPFR, the accounting software does not have any document storage functionality. As such, supporting documents such as invoices and contracts are stored in paper form. The use of paper documentation increases the risk of documents being lost, mishandled, or damaged. It also takes time, space and effort to file and manage paper documents.

Recommendation: CN recommends that EPFR consider implementing an electronic record-keeping system. This could also serve as a centralized storage area for information.

h. Fund Reconciliation, including Reserves

Observation: None noted. Procedures were performed without exception.

Recommendation: None

i. Financing Reporting

Observation: Members in the finance team are experienced and knowledgeable about their roles and responsibilities. The majority of them have been with EPFR for many years and understand the existing processes, know where to look for certain things and can identify transactions when they appear to be unusual. Based on interview discussions, it appears the knowledge and expertise are retained by the individual persons. In addition, there are no procedure manuals in place. The risk of not having manuals with proper documented procedures includes loss of knowledge if there is turnover, not following proper procedures or inconsistency in how procedures are performed, as well as the risk of not being in compliance with federal and state regulations and other contracts, incurring errors, and potential fraud risks.

Recommendation: CN recommends that EPFR identify all the key finance related tasks and create a procedural manual for each task. Additionally, there should be a month-end close and

Observations and Recommendations

review checklist detailing all the procedures that need to be performed in a close including the preparation and review processes. See appendix D for a sample close

Operations And Internal Controls (Continued)

checklist that can be found on the SAO website. As this is a sample close checklist, CN recommends EPFR review and customize it by adding procedures that are currently performed specifically by EFPR but not in the checklist. CN also recommends that personnel in all key functions be cross-trained, and periodically rotated so that the same functions are being completed (short-term) by different people as a best practice.

Payroll Compliance With Federal And State Regulations

Observation: In our testing of two pay periods in fiscal year 2022, we randomly selected June and December for review. For each pay period, we recalculated the federal and state taxes and compared them to the taxes withheld from the employees per the payroll reports from the accounting software. We also reviewed the accrued vacation balances per the Payroll Review Totals reports from the accounting software and compared them to the maximum accrual amounts per the vacation policy. We did not note any anomalies as far as compliance with federal and state laws, and no employee has accrued over their maximum accrual limit.

Recommendation: None

Observation: We performed the DRS testing by selecting one pay period for review to ensure compliance with DRS rules and state regulations. We selected the December 2022 payroll report and included 10 employees participating in PERS2 and 10 employees participating in LEOFF2 in the testing. CN recalculated the service credits earned for the selected individuals based on the hours worked per the payroll report using service credits earned calculations from the LEOFF Plan 2 Handbook and the PERS Plan 2 Handbook. CN then compared our recalculated service credits earned to the information for that period that was entered into the DRS system. We observed minor differences (to the nearest 10th decimal place) which did not have a material effect on service credit calculation. Under current practice, the payroll administrator reconciles the DRS data monthly to make sure the submission matches between EPFR and DRS.

Recommendation: None

Observation: The payroll administrator uses the monthly timecards which are directly printed out from the time entry system, and enters the time for each person manually into the accounting software. EPFR has over 170 employees and it takes a few hours at the minimum to post all the times into the accounting software. Currently, the time entry system is not integrated with the accounting software.

Recommendation: EPFR might consider the following options to replace the manual time entry processes that is currently in place.

1. Install a third-party application that could integrate the time entry system into the accounting software.

Observations and Recommendations

Payroll Compliance With Federal And State Regulations (Continued)

2. Evaluate the accounting software's own payroll management tool called Cirrus Cloud Timesheets and Timeclock which offers online timeclock, electronic approvals of timesheets and PTO, and assess whether it meets EPFR's time entry requirements.
3. Reach out to the accounting software provider to see if time entries can be imported rather than manually entered using an excel or csv file, and if the timecards can be exported out from the time entry system into an excel or csv file.

Observation: A manual process is being used for timekeeping and accounting systems. Furthermore, the two systems do not sync with each other. Due to the manual process and the time keeping and accounting systems currently not syncing up together, there is a risk that the times recorded in one system do not match the times recorded in the other system. Under the current process, no reconciliation is performed between the two systems.

Recommendation: CN recommends that a time entry reconciliation be performed between the time entry system and the accounting software to ensure the totals agree between the two systems on a monthly or quarterly basis. Any discrepancies noted should be followed up, documented and corrected in the systems.

Observation: Employees have the ability to make adjustments to their timecards in the time entry system which remains open. The risks of keeping time entry open for this long include incorrect financial reporting and the potential for undetected fraudulent time entries. Once payroll is completed, only the finance manager and the payroll administrator are authorized to make changes in the accounting software which contained the original approved time entry data.

Recommendation: CN recommends EPFR shorten the length of time allowed for time entry changes so that once timecards are submitted no additional changes can be made in the time entry system without review and approval of the payroll administrator. Additionally, EPFR might consider keeping an audit trail of the individuals who request time changes and provide yearly time entry training for all employees.

Observation: The monthly timecards are printed and are manually reviewed and signed by each employee and a supervisor. The supervisor reviewing and signing the timecard may or may not be the employee's direct supervisor whom the person has worked with. As such, it is difficult to detect whether the correct pay code is used for each time entry which opens the risk for potential misuse of overtime codes. Under the current time keeping system, restrictions cannot be set on the pay codes so EPFR cannot restrict certain codes to certain individuals based on their job functions. All signed and approved timecards are submitted to the payroll administrator for review before they are posted into the accounting system. Responsibilities and time entry procedures for employees and their supervisors are outlined in the time keeping policy manual. Pay codes are reviewed on a continuous basis throughout the year in Crewsence and is also reviewed by the payroll administrator when entering timecards.

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Observations and Recommendations

Payroll Compliance With Federal And State Regulations (Continued)

Recommendation: CN recommends that if the reviewer reviewing and approving the time cards is not the direct supervisor of the employee submitting the time card and overtime codes are used in particular, additional follow-up inquiries should be made with the direct supervisor. Provide annual time entry training to all signers and reviewers so they know what to look for before signing off on incomplete and/or incorrect timecards.

Adherence To GASB And Bars Standards

Observation: CN evaluated the SAO prepared accountability audit report and the financial statement audit report for periods January 1, 2020 thru December 31, 2021 noting EPFR had included all required schedules, there were no missing BARS footnotes, and both reports contained no findings. EPFR is in compliance with current GASB standards and State BARS requirements per the SAO report.

Recommendation: CN recommends that EPFR continue to follow standards and requirements.

Observation: CN obtained the 2022 Budget Position from EPFR and selected the following five accounts and checked against the BARS codes listed in the SAO Schedule 1 cash basis template for Fire Protection Districts noting the proper codes were used with no exceptions.

BARS Account from SAO Website	Description	BARS Account from EPFR Report	Expense Description	CN Comment
5221010	Administration - Salaries	522.10.11.01-02	Salaries & Wages - Commissioners	Meets expectation
5221020	Administration - Benefits	522.10.21.01-14	Health Care Benefits - Finance	Meets expectation
5221040	Administration - Services	522.10.42.09-06	Postage, Shipping & Mailing Services	Meets expectation
5255030	Disaster Facilities - Supplies	522.50.35.01-28	Furniture & appliances	Meets expectation
5255040	Disaster Facilities - Services	522.50.41.07-29	Custodial & landscaping	Meets expectation

Recommendation: Per CN evaluation of the BARS codes, it appears EPFR is in compliance with the State BARS requirements. CN has no further recommendation at this time.

Observation: Members of the finance team receive training related to their primarily roles and responsibilities. The finance manager and the finance administrator frequently attend trainings together and do attend all trainings that are offered by SAO that pertain to EPFR. All training records are kept in the personnel files. Currently no formal training plan is in place.

Recommendation: CN recommends a formal training plan be created for each position in the finance team with basic required courses and recommended elective courses that may be specific to each position.

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Observations and Recommendations

Observation: EPFR's accounting software uses the BARS chart of accounts, which is required by the Office of the Washington State Auditor (SAO). Based on our understanding of this system, new BARS codes are added in the system but the system will not automatically

Adherence To GASB And Bars Standards (Continued)

replace the retired BARS codes with the new BARS codes. They need to be manually updated by the users. This is currently conducted by the finance administrator as an annual procedure. The finance administrator checks for new updates on the SAO website and updates the codes in the accounting system.

Recommendation: None

Observation: CN evaluated EPFR's listing of leases and concluded that it appears consistent with typical operations of a fire department. General ledger details provided do not appear to show any potential lease agreements under GASB 87 not included in the provided listing of contracts. Contracts provided indicate the client's search has correctly identified an Interlocal Agreement with an embedded lease. Currently, EPFR uses an excel spreadsheet for lease tracking.

Recommendation: Our recommendation is to consider implementing a lease tracking software. Given the small number of leases and relatively simple terms of these lease agreements, use of an excel tool such as the GFOA Lease tool would be a reasonable consideration. EPFR could also use a software package such as LeaseCrunch to complete these calculations for a minimal cost. LeaseCrunch is a third-party lease software that can generate lease amortization schedules, journal entries and footnote support. EPFR should start their process of preparing the GASB 87 lease footnote by reviewing the Washington SAO requirements. As EPFR has not noted any lessor agreements, their footnote will be limited to the lessee footnote. The SAO template lessee footnote appears to address all required disclosures for the lease agreements noted.

Conclusion

Based on our observations, it appears that EPFR is working hard to maintain proper policies and controls. There are certain areas as identified above that could benefit by tightening up the control, streamlining the existing processes surrounding payroll and accounts payable, and supporting the finance operations with a well-documented close and review checklist, and procedural manuals. CN is available to assist further with these recommendations.

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Appendix A: Scope of Work

Appendix A: Scope of Work

The purpose of this review is to ensure that EPFR is operating financial practices that ensure compliance and minimize mistakes. To accomplish this, we will conduct the following:

1. Perform an operational assessment of accounting practices and look for opportunities for best practice recommendations.
2. Perform an operational assessment of payroll practices to ensure economy and efficiency of practices, compliance with state and federal regulations and other requirements and look for opportunities for best practice recommendations.
3. Identify areas where EPFR may not be in compliance with current GASB standards.
4. Assess status of EPFR's implementation of the new GASB lease standard and provide guidance where needed.

To accomplish this scope of work, we conduct testing and assessment on the following areas:

Operations and Internal Controls

1. Meet with management to discuss timing and scope of engagement. Coordinate access to key personnel.
2. Obtain an understanding of the accounting processes and internal controls over the areas identified below. Meet with staff members to interview and observe them performing their day-to-day tasks. Obtain and review sample documents.
 - a. Payments of invoices
 - b. Billings, receipts, and recording of revenue
 - c. Grant reporting and claims
 - d. Inter-EPFR transactions
 - e. Inter-local agreements
 - f. Allocation of overhead and indirect costs
 - g. Contract management
 - h. Fund reconciliation, including reserves
 - i. Financial reporting
3. Review findings, if issued, from the State Auditor's Office audits and determine the status of the finding
4. Provide internal control recommendations and observations over the accounting operations of EPFR.

Payroll Compliance with Federal and State Laws

1. Perform an operational review of payroll practices to ensure economy and efficiency of practices, compliance with state and federal regulations and other requirements and look for opportunities for best practice recommendations.
 - a. Select two pay periods during fiscal year 2022.
 - i. Review calculations to ensure compliance with state and federal regulations, any applicable union contracts, and EPFR policies and procedures.
 - b. Review supporting documentation for two separation agreements that occurred in 2022 to ensure compliance with DRS rules.
 - i. If issues are noted, discuss with management and consider expanding scope.

Appendix A: Scope of Work

Adherence to GASB and BARS Standards

2. Identify potential areas where EPFR does not appear to be in compliance with current GASB standards and State BARS requirements.
 - a. Obtain latest set of EPFR financial statements and trial balance.
 - b. Review in detail with accountant what is included in specific balances and how amounts are calculated.
 - c. Document any areas where GASB compliance issues are noted.
 - d. Assess adequacy of training provided to accounting staff.
3. Assess status of EPFR's implementation of the new GASB lease standard and provide guidance where needed.
 - a. Assess completeness of inventory of leases
 - b. Look for contracts with imbedded lease agreements
 - c. Discuss tools/options for tracking leases and generating monthly lease journal entries.
 - d. Present footnote disclosure options.

Reporting

1. After completion of the operational review, we will issue a draft report with recommendations, and then a final report based upon your feedback, discussions, and revisions.
 - a. Because these types of documents can be subject to public disclosure requirements, we have found it best to hold an exit conference meeting with management to discuss preliminary findings and recommendations. The goal is to ensure that there have been no misconceptions or miscommunications prior to committing something to writing.
 - b. Prepare draft report with sections for executive summary, background and scope, findings and recommendations, and appendices with detailed supporting information.
 - c. Review draft with management to ensure all are comfortable with tone and content and revise as necessary.
 - d. Present final report to Board, if desired.

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Appendix B - List of Documents and Information Provided by East Pierce Fire & Rescue

Appendix B – List of Documents and Information Provided by East Pierce Fire & Rescue

1. Organizational Chart
2. Operational Policies and Procedures
 - a. Financial Management Policy Manual No. 215
 - b. Audit of Expenditures Policy Manual No. 202
 - c. Petty Cash-Checking Account Policy Manual No. 309
 - d. Petty Cash Funds Policy Manual No. 310
 - e. Purchasing and Bid Requirements Policy Manual No. 313
 - f. Purchasing Card Use Policy Manual No. 314
 - g. Purchasing for Public Works Projects Policy Manual No. 315
 - h. Travel Expense Policy Manual No. 322
 - i. Targeted Fund Balances Policy Manual No. 321
 - j. Tuition Reimbursement Policy Manual No. 429
 - k. Board – Fire Chief Relations Policy Manual No. 203
 - l. Capital Asset Management Policy Manual No. 301
3. Leases
 - a. City of Milton 124 Lease History
 - b. Leases Paid in Capital Fund 2022
 - c. Leases Paid in General Fund 2022
 - d. Pacific Office Copier Lease Schedule
 - e. Postage Meter Lease Schedule
4. Financial Reporting
 - a. December 2022 Treasurer’s Report
 - b. Monthly Cash On-Hand Reports for 2020 - 2022
 - c. Monthly Revenue Reconciliations for 2020 - 2022
 - d. Monthly Expenditure Reconciliations for 2020 – 2022
 - e. GL Detail Report for 2022
 - f. 2022 Budget Position Totals Report
5. Payroll
 - a. DRS Report for Online Filing for December 2022 payroll period
 - b. LEOFF Plan 2 Handbook November 2020
 - c. PERS Plan 2 Handbook November 2020
 - d. Payroll Reviews Total Report for June 2022
 - e. Payroll Reviews Total Report for December 2022
 - f. Assistant Chief Collective Bargaining Agreement 2022 – 2024
 - g. Collective Bargaining Agreement 2022 – 2024
 - h. Letter of Agreement between the EPFR and the Union
 - i. Administrative Staff – Full Time Nonexempt 2023 Employee Information
 - j. Administrative Staff – Exempt 2023 Employee Information
6. SAO Reports
 - a. Financial Statements Audit Report for the period January 1, 2020 through December 31, 2021
 - b. Accountability Audit Report for the period January 1, 2020 through December 31, 2021
7. Others
 - a. Authorization to Issue Warrants Prior to Board Approval (Resolution No. 1015)
 - b. Delegation of Authority to Declare Emergencies and Allowing for Emergency Purchases or Contracts (Resolution No. 777)
 - c. Delegation of Contract Authority to Chief Relating to the 2018 Bond Capital Projects (Resolution No. 892)
 - d. Delegation of Contracts Authority to Chief for Expenditures Not Exceeding \$100,000 (Resolution No. 935)

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Appendix C: Grant Management Tools - Grant Intake Form

Appendix C: Grant Management Tools – Grant Intake Form

The grant intake form outlines the basic information that should be obtained and documented for each grant.

Grant and Contract Information		
Award Number	<input style="width: 90%;" type="text"/>	
Award Name	<input style="width: 90%;" type="text"/>	
Grantor	<input style="width: 90%;" type="text"/>	
Federal awarding agency (if applicable)	<input style="width: 90%;" type="text"/>	
Award period		
From	<input style="width: 80%;" type="text"/>	
To	<input style="width: 80%;" type="text"/>	
Applicable laws and regulations (federal, state, local, other) - mark one		
Uniform Guidance	<input style="width: 80%;" type="text"/>	
Federal Acquisition Regulations	<input style="width: 80%;" type="text"/>	
State and local government	<input style="width: 80%;" type="text"/>	
Other (specify)	<input style="width: 90%;" type="text"/>	
Assistance Listing Number - CFDA (if applicable)	<input style="width: 80%;" type="text"/>	
Reporting Requirements	Frequency	Data Requirements
Financial	<input style="width: 80%;" type="text"/>	<input style="width: 90%;" type="text"/>
Programmatic	<input style="width: 80%;" type="text"/>	<input style="width: 90%;" type="text"/>
Other	<input style="width: 80%;" type="text"/>	<input style="width: 90%;" type="text"/>
Federal Funding Determination		
	Yes/No	Explain
1. Does the agreement reference a Federal Program Name and/or include an Assistance Listing number (previously CFDA number)?	<input style="width: 40%;" type="text"/>	<input style="width: 90%;" type="text"/>
2. Does the agreement reference federal regulations (Uniform Guidance, Federal Acquisition Regulations, etc.) as being the applicable regulations?	<input style="width: 40%;" type="text"/>	<input style="width: 90%;" type="text"/>
<i>If either question 1 or 2 are answered yes, this is an indication that the award is funded with federal funds, but may require documented follow up with the pass through agency for a final determination. If considered to be federal funded, proceed below.</i>		
3. Does the award agreement specifically identify the organization as being a Contractor or Subrecipient and, if not, has follow up been performed with the pass-through entity for the determination in order to ensure proper inclusion/exclusion from the Schedule of Expenditures of Federal Awards (SEFA) reporting?	<input style="width: 40%;" type="text"/>	<input style="width: 90%;" type="text"/>
<i>If the organization is considered a contractor, in accordance with the Uniform Guidance [2 CFR Part 200], the award is not considered federal assistance for purposes of the Schedule of Expenditures of Federal Awards and is if the organization is considered a subrecipient.</i>		
<i>The Uniform Guidance places the responsibility for this determination with the pass-through entity with the Uniform Guidance identifying characteristics of a subrecipient and a contractor.</i>		
4. Is the grant or contract considered federal assistance and required to be reported on the SEFA?	<input style="width: 40%;" type="text"/>	
Significant Compliance Requirements		
<i>Review the grant agreement, Part 4 of the recent OMB Compliance Supplement (if available for the particular program) and other knowledge of the program activities and document below which of the compliance requirements apply to the program. Provide additional information on the specific requirements as needed for tracking purposes. See Part 3.2 of the recent OMB Compliance Supplement for a further discussion of each of the compliance requirements listed below.</i>		
	Applicable?	Additional Compliance Information
Allowable Costs	<input style="width: 40%;" type="text"/>	<input style="width: 90%;" type="text"/>
Cash Management	<input style="width: 40%;" type="text"/>	<input style="width: 90%;" type="text"/>
Davis Bacon Act	<input style="width: 40%;" type="text"/>	<input style="width: 90%;" type="text"/>
Eligibility	<input style="width: 40%;" type="text"/>	<input style="width: 90%;" type="text"/>
Equipment & Real Property Management	<input style="width: 40%;" type="text"/>	<input style="width: 90%;" type="text"/>
Matching, Level of Effort, Earmarking	<input style="width: 40%;" type="text"/>	<input style="width: 90%;" type="text"/>
Period of Availability of Federal Funds	<input style="width: 40%;" type="text"/>	<input style="width: 90%;" type="text"/>
Procurement, Suspension & Debarment	<input style="width: 40%;" type="text"/>	<input style="width: 90%;" type="text"/>
Program Income	<input style="width: 40%;" type="text"/>	<input style="width: 90%;" type="text"/>
Reporting including applicability of the Federal Funding Accountability and Transparency Act (FFATA)	<input style="width: 40%;" type="text"/>	<input style="width: 90%;" type="text"/>
Subrecipient Monitoring	<input style="width: 40%;" type="text"/>	<input style="width: 90%;" type="text"/>
Special Tests & Provisions	<input style="width: 40%;" type="text"/>	<input style="width: 90%;" type="text"/>

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Appendix C: Grant Management Tools - Grant Program Tracking Form

Appendix C: Grant Management Tools – Grant Program Tracking Form

The grant report template is used for tracking actual expenditures vs budgeted amounts for the grant.

GRANT PROGRAM TRACKING TEMPLATE

Enter data below

GRANT INFORMATION			STATUS			IMPLEMENTATION	REPORTING		CLOSEOUT
FUNDING ORGANIZATION	PURPOSE OF GRANT	AMOUNT REQUESTED	APPLICATION SUBMITTED	ACCEPTED / REJECTED	AMOUNT RECEIVED	DELIVERABLE DEADLINE 1	INTERIM REPORT DEADLINE 1	FINAL REPORT DEADLINE	DEADLINE

DRAFT

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Appendix C: Grant Management Tools - Post Award Grant File Checklist

Appendix C: Grant Management Tools – Grant Reporting Template

The grant program tracking template is used for tracking grant status.

GRANT REPORT TEMPLATE

GRANT ISSUING ORGANIZATION NAME	GRANT NAME	GRANT NUMBER
SUBMITTED TO	ADDRESS / EMAIL OF RECEIVER	DATE SUBMITTED
REPORT PREPARED BY	ADDRESS / EMAIL OF PREPARER	PREPARER PHONE

GRANTEE FINAL NARRATIVE					
LEGAL NAME OF ORGANIZATION	COMMON NAME OF ORGANIZATION	GRANT START DATE	GRANT END DATE	REPORT START DATE	REPORT END DATE

MAJOR OUTCOMES

EVALUATION

COMMUNICATION

LESSONS LEARNED

LESSONS APPLIED

BUDGET REPORT PREPARED BY	EMAIL ADDRESS	PHONE
---------------------------	---------------	-------

BUDGET CATEGORIES	APPROVED SUPPORT				TOTAL SUPPORT	ACTUAL EXPENDITURES	VARIANCE Budget Less Actual
	YEAR 1	YEAR 2	YEAR 3	YEAR 4			
DIRECT PROJECT COSTS							
PERSONNEL EXPENSES							
Salaries					\$ -		\$ -
Benefits					\$ -		\$ -
Other					\$ -		\$ -
SUBTOTAL PERSONNEL EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER DIRECT EXPENSES							
Materials and Supplies					\$ -		\$ -
Equipment Rental / Purchase					\$ -		\$ -
Travel					\$ -		\$ -
Meetings / Conferences					\$ -		\$ -
Consultants					\$ -		\$ -
Evaluation					\$ -		\$ -
Communication					\$ -		\$ -
Subcontracts or Sub-grants					\$ -		\$ -
Third-Party Grant Management					\$ -		\$ -
Other					\$ -		\$ -
Other					\$ -		\$ -
Other					\$ -		\$ -
SUBTOTAL OTHER DIRECT EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INDIRECT COSTS							
Indirect Expenses					\$ -		\$ -
Other					\$ -		\$ -
Other					\$ -		\$ -
SUBTOTAL INDIRECT EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRAND TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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Appendix C: Grant Management Tools - Post Award Grant File Checklist

Appendix C: Grant Management Tools – Post Award Grant File Checklist

The post award grant file checklist provides guidance on the creation of grant file documentation.

ORG X
 Post Award Grant File Checklist

NOTE: Please use this form to start the grant file documentation

Grant Name: _____

Agency Grant Award #: _____ Assistance listing #: _____

Award Amount: _____ Financial System Code: _____

Amount of Award that is: Federal _____ Other _____

Agency Name and Address: _____

Grant Contact Name and Title: _____

Contact Phone #: _____ FAX #: _____

Program Director: _____ Phone #: _____

Department: _____

Indirect Rate/Amount: _____ Match amount & source: _____

Administrative Cap: _____

Other Important Details: _____

PROGRAM SUPPORT DOCUMENTS: **Please provide copies to your assigned grant accountant

<input type="checkbox"/>	Signed Award in File	<input type="checkbox"/>	Scope & Project Plan
<input type="checkbox"/>	Grantor Approved Budget	<input type="checkbox"/>	Application
<input type="checkbox"/>	Budget Amendment forms	<input type="checkbox"/>	Grantor specific training materials or guidance
<input type="checkbox"/>	Dept Org chart		

PROGRAMMATIC REPORTS DUE:

Date Due: _____	Date submitted: _____	Sent by: _____
Date Due: _____	Date submitted: _____	Sent by: _____
Date Due: _____	Date submitted: _____	Sent by: _____
Date Due: _____	Date submitted: _____	Sent by: _____
Date Due: _____	Date submitted: _____	Sent by: _____

Grant extension request Deadline: _____

Finance Department Use Only

FINANCIAL SUPPORT DOCUMENTS:

<input type="checkbox"/>	Regulations and Requirements	<input type="checkbox"/>	Budget entry in finance software and in file
<input type="checkbox"/>	Code created in finance software		

FINANCIAL REPORTS DUE FOR GRANT: **Please provide copies to the program director

Date Due: _____	Date submitted: _____	Sent by: _____
Date Due: _____	Date submitted: _____	Sent by: _____
Date Due: _____	Date submitted: _____	Sent by: _____
Date Due: _____	Date submitted: _____	Sent by: _____
Date Due: _____	Date submitted: _____	Sent by: _____

CLOSE-OUT:

<input type="checkbox"/>	Revenues equal expenses	<input type="checkbox"/>	Budget equals actual expenses
<input type="checkbox"/>	Final report submitted	<input type="checkbox"/>	Encumbrances cleared
<input type="checkbox"/>	Matching funds met	<input type="checkbox"/>	Program income reported and used
<input type="checkbox"/>	Final payment received	<input type="checkbox"/>	Financial System Code inactivated

Appendix D: Close Checklist

Appendix D: Close Checklist

This checklist is obtained from the SAO website for preparation and review of cash basis financial statements.



Checklist for Preparing and Reviewing Cash Basis Financial Statements

Date of Review:	
Completed by:	
Key recommendations:	

Instructions: Use this checklist to help prepare and review financial statements prepared in accordance with the Budgeting, Accounting and Reporting System (BARS) Cash Basis Manual. Complete this optional checklist before filing your annual report with our Office.

	Question	Yes	No	N/A	Comments
General ledger reconciliation					
1	Does your government have a process in place to ensure that all journal entries are completed, supported and reviewed by someone other than the preparer?				
2	Did someone verify that the general ledger reflects all of your government’s cash and related activity? <i>For example, if the court has a separate bank account, then the cash and related activity should be included in the general ledger and the financial statements.</i>				
3	Did someone reconcile each month’s general ledger ending cash and investment balances to third-party documents, such as bank statements or county treasurer reports? (BARS 3.1.9.5)				
4	Did someone reconcile each month’s general ledger revenues to total cash receipts as per third-party documents, such as bank statements or county treasurer reports?				
5	Did someone reconcile each month’s general ledger expenditures to total cash payments as per third-party documents, such as bank statements or county treasurer reports?				
6	Did someone reconcile each month any subsidiary ledgers to the general ledger? <i>Note: A subsidiary ledger, such as a utility billing and receipting module, provides transactional data for the general ledger; reconciliations can identify discrepancies or posting errors.</i>				
7	Did someone other than the preparer verify the reconciliations were completed, accurate and performed on time?				
BARS changes					
8	Did someone review the “Overview of Changes” section in the BARS Manual and any BARS Alerts sent out during the year?				
9	Have appropriate staff attended a recent BARS training? <i>Note: SAO offers an in-depth BARS Cash training at WFOA.org (under non-conference education) and an annual update of changes found at https://sao.wa.gov/bars-annual-filing/filing-training-and-workshops/#elearnings</i>				

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Question		Yes	No	N/A	Comments
Leases Implementation - new for 2022!					
10	Did someone identify all of your government's leases and ensure they are properly recorded in the accounting records, including accurately presented on the Schedule of Liabilities and disclosed in the notes to the financial statements? (BARS 3.4.1, Note X – Leases)				
11	Did someone properly calculate the lease term for each reportable lease, specifically considering any options to extend or terminate each lease? (BARS 3.4.1)				
12	Did someone calculate a beginning balance for existing leases to be reported on the Schedule of Liabilities? (BARS 3.4.1.55) <i>Note: For example, for calendar-year entities, the beginning balance is calculated as the total amount of payments remaining on the lease, as of January 1.</i>				
13	Did someone ensure all new leases entered into during the year are shown as additions on the Schedule of Liabilities? (See implementation guidance at https://sao.wa.gov/bars-annual-filing/leases/)				
14	Did your government disclose lease activity in its note disclosure, and did someone ensure that the future minimum lease payments total agrees to the ending lease liability balance reported on Schedule 09? (Note X – Leases)				
Fund structure					
15	Did someone combine all managerial funds into a reporting fund, for reporting purposes? (BARS 3.1.7.50, 4.8.1.60) <i>Note: If you create extra funds outside of what is prescribed, then you must roll them into the appropriate fund type when preparing your Schedule 01. You must also eliminate intrafund activity for reporting purposes (see checklist question 28).</i>				
16	Did your government report only one general fund? (BARS 3.1.7.50)				
17	Did someone verify all special revenue funds are used appropriately? (BARS 3.1.7.50) <i>Note: These funds (1xx) report revenues that are restricted or committed for specific purposes, except for debt service or capital projects.</i>				
18	Did someone verify all debt service funds are used appropriately? (BARS 3.1.7.50) <i>Note: These funds (2xx) should be used to account for revenues or resources set aside to make payments on debt. They should not be used for enterprise/proprietary fund debt.</i>				
19	Did someone verify that capital projects funds are used appropriately? (BARS 3.1.7.50) <i>Note: These funds (3xx) should be used to account for revenues or resources for capital outlays, construction of facilities or to acquire other capital assets. They should not be used for enterprise/proprietary fund capital projects.</i>				
20	Did someone verify that all qualifying activities are properly reported in an enterprise fund? (BARS 3.1.7.50) <i>Note: For example, these could be activities that are self-supporting where your policy is to fully recover the costs (as is the case with utilities and many building and planning functions).</i>				
21	Did someone combine enterprise funds that constitute a single activity, for reporting purposes? (BARS 3.1.7.50) <i>Note: For example, you would combine a water operating fund and water capital reserve fund for reporting purposes, as well as perform certain eliminations (see checklist question 28).</i>				
22	Did someone verify that internal service funds are used appropriately? (BARS 3.1.7.50) <i>Note: These funds (5xx) are used only when a service is being provided predominately to other funds on a cost-reimbursement basis.</i>				
23	Did someone verify that fiduciary funds are used appropriately? (BARS 3.1.7.50 and 4.3.14) <i>Note: BARS 4.3.14 includes detailed instructions and examples of how to apply the criteria to determine if an activity must be reported in a fiduciary fund.</i>				

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Question		Yes	No	N/A	Comments
Beginning and ending cash and investments					
24	Did someone verify that beginning and ending cash and investments include all reportable balances? <i>Note: Include all petty cash and imprest accounts, all investment accounts, and any bank accounts in your government's name and control, such as court trust accounts and department of licensing accounts (counties only).</i>				
25	Did someone agree the beginning cash and investment balance as per the current year financial statement to the ending cash and investment balance in the prior year statements? <i>Note: Error corrections should not directly affect beginning cash, but rather be shown separately as a prior-period adjustment.</i>				
26	Did someone verify ending cash and investment balances are properly classified, for every fund presented? (BARS 3.1.8)				
27	Did someone check for proper use of unassigned fund balance? (BARS 3.1.8.31, 3.1.8.140) <i>Note: General fund uses unassigned, while other fund types do not unless the total fund balance is negative.</i>				
Revenues and expenditures					
28	Did someone eliminate intrafund activity for each reporting fund so that your government does not overreport activity on its Schedule 01 or financial statements? (BARS 4.3.12.70) <i>Note: Intrafund activities are transactions or transfers that occur within the reporting fund between departments, programs or managerial funds.</i>				
29	Does your government account for overhead payments as an expenditure reduction—when one fund collects payment from other funds for their share of pooled activities? (BARS 3.9.8)				
30	If your government allocates shared costs to its various funds, did someone make sure that the basis for allocation is fair, equitable, and reflects the value of the services provided? (BARS 3.9.5)				
31	Did someone ensure that revenues and expenditures are reported at gross amounts, and only netted when prescribed by the BARS Manual? (BARS 3.9.8)				
32	Did someone resolve any transactions held in a suspense account to ensure they are properly included in the accounting records, before the annual report is prepared? (BARS 3.6.11) <i>Note: Unresolved receipts should be included in the general fund's balance.</i>				
33	Did someone verify expenditures have been coded to the appropriate year during the open period, if applicable? (BARS 3.1.7.40) <i>Note: An open period is an exception to expenditure recognition when expenditures can be charged against the previous period for claims incurred in the previous period. BARS requirements and options vary based on entity type.</i>				
34	Did someone verify interfund loans and interfund transfers were properly recorded for each reporting fund? (BARS 3.1.9.1) <i>Note: Negative ending cash balance in a fund may indicate a missing entry or an unrecorded loan or transfer.</i>				
35	Did your government engage any third party that physically handled money on its behalf and executed transactions with that money, such as that might occur with a bond refunding or the local loan program? If so, did someone then record the associated transactions in your government's general ledger? (BARS 3.4.11, 3.4.14, 3.1.7.40). <i>Note: With bond refunding, the full proceeds of the new debt and the payoff of the old debt must each be separately recorded in your general ledger.</i>				

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Question		Yes	No	N/A	Comments
Online filing checks					
36	Did your government have any loans forgiven this year? If so, did someone record the debt principal repayment and grant revenue in the year it was forgiven, as well as update the Schedule of Liabilities? (BARS 3.4.7)				
37	Did someone review the checks and balances on the Schedule 01 and Schedule 09 Summary of the online filing system and correct any issues? <i>Note: For more information, see the "Online Filing Flag Descriptions Guide" on the BARS reporting templates webpage at https://sao.wa.gov/bars-annual-filing/bars-reporting-templates/.</i>				
Schedule of Liabilities					
38	Did someone review the Schedule of Liabilities to ensure that all liabilities have been included? (BARS 4.14.13) <i>Note: All debt should be listed, regardless of whether it is for operating, capital or refunding purposes. Debt should be reported at face value, and anticipated interest or bond premiums or bond discounts should not be included.</i>				
39	Did someone other than the preparer carefully review the pension liability calculation, and reconcile the pension liability total to the Schedule of Liabilities? (BARS 3.4.13) <i>Note: Pension assets should not be included in the Schedule of Liabilities amounts. BARS contains step-by-step written guidance and links to other resources to help you, including a training video.</i>				
40	Did someone ensure the Schedule of Liabilities properly reflects the issuance and redemption of debt, respectively shown in the additions and reductions column? (BARS 4.14.13) <i>Note: This should include any bond refunding.</i>				
41	Did someone reconcile each reported liability balance on the Schedule of Liabilities to supporting records, such as amortization schedules, county treasurer reports or system reports?				
42	Does your government offer other postemployment benefits (OPEB) or participate in the Washington Health Care Authority's health benefit programs? If so, did someone properly identify your government's OPEB liabilities, accurately calculate the amount, and report it on the Schedule of Liabilities? Did your government also disclose it in the notes? (BARS 3.4.16) <i>Note: OPEB plans are medical, dental or long-term care plans provided to employees after retirement. If your government participates in Washington Health Care Authority programs, then you are likely providing an OPEB benefit to your employees (the ability to access health benefits after employment at the group rate, regardless of age). State-sponsored plans, government-sponsored plans, and pre-LEOFF1 should also be reported. SAO training is offered at https://sao.wa.gov/bars-annual-filing/filing-training-and-workshops/#elearnings</i>				
43	Does your government own any capital assets with an associated asset retirement obligation (ARO)? If so, did someone properly identify your government's ARO liabilities, accurately calculate the amount, and report it on the Schedule of Liabilities? Did your government also disclose it in the notes? (BARS 3.4.18) <i>Note: An ARO arises when there are legally mandated steps to decommission an asset; recognition occurs when there is certainty the asset will be retired and costs can be estimated.</i>				
44	Does your government have any environmental/pollution liabilities? If so, did someone properly identify your government's liability, accurately calculate the amount, and report it on the Schedule of Liabilities? Did your government also disclose it in the notes? (BARS 3.4.18) <i>Note: If the amount of liability can be reasonably estimated—and it's probable your government will be obligated to pay it—the amount should be reported.</i>				
45	NEW for 2022! Does your government have any conduit debt where it is more likely than not that it will have to make payments on behalf of the third-party obligor (e.g., more than 50 percent likelihood)? If so, did someone report the total amount of those payments on the Schedule of Liabilities? (Note X – Long Term Debt)				

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Question		Yes	No	N/A	Comments
Notes to the financial statements					
46	Did someone review and implement BARS changes to note disclosure requirements?				
47	Did someone evaluate significant events and transactions, and consider the potential effect on the note disclosures?				
48	Did someone review the note disclosures to ensure obsolete, trivial or unnecessary information is not included?				
49	Did someone verify any dollar amounts in the note disclosures are traceable to the financial statements or other supporting accounting records? <i>Note: For example, the cash and investment note should reconcile to the ending balances on Statement C-4 and C-5; total principal in the long-term debt note should reconcile to the Schedule of Liabilities; the OPEB note should reconcile to the Schedule of Liabilities; and the expense column in the budget note should reconcile to expenses on Statement C-4.</i>				
50	Did someone verify note disclosure data tables properly foot and cross-foot?				
51	Did someone review for subsequent events that qualify for note disclosure? (BARS – See Note X – Other Disclosures) <i>Note: Some examples of possible subsequent events needing disclosure include debt issuance, settlement of significant litigation, or an unresolved strike.</i>				
52	Did someone verify the note disclosures include all required pension information? Did someone also reconcile the total pension liability (excluding any asset amounts) to the Schedule of Liabilities? (BARS – See Note X – Pension Plans) <i>Note: Your pension disclosure must include your government’s share of the net pension liability (asset) and the related liability (asset) amounts.</i>				
53	New for 2022! Does your government provide telecommunication services? If so, did your government disclose it in the note disclosures? (BARS – See Note X – Telecommunications)				
54	Did someone read the final note disclosures to ensure they are understandable and complete, and make sense in light of your government’s activities during the year?				
Schedule of Expenditures of Federal Awards (SEFA)					
55	Did appropriate staff review the most current BARS Manual guidance on the SEFA before preparing it? (BARS 4.14.5) <i>Note: This guidance is comprehensive and includes a sample SEFA and note disclosures. If you have questions about how to prepare a SEFA, submit them to our HelpDesk in the client portal.</i>				
56	Did someone familiar with all of your government’s federal programs check to ensure the SEFA information aligns with their understanding of existing federal programs and the level of activity that occurred during the year?				
57	Did someone evaluate new grant awards with state agencies or other local governments to determine if the funding is federal? <i>Note: You should review each grant agreement to determine if the funds are federal. The agreement should reference an Assistance Listing Number (ALN), compliance with the Uniform Guidance 2 CFR 200, and refer to audit requirements. If in doubt, contact the awarding agency directly.</i>				
58	Did someone ensure all COVID-19 expenditures are listed separately on the SEFA? (BARS 4.14.5.60) <i>Note: COVID-19 expenditures should be listed on a separate line by ALN, with “COVID-19” added as a prefix to the program name.</i>				
59	Did your government report all federally funded non-cash assistance on the SEFA? (BARS 4.14.5.80-90) <i>Note: A common example is equipment transferred from the federal government. State agencies acting as pass-through agencies can also transfer federal non-cash assistance.</i>				

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	Question	Yes	No	N/A	Comments
60	Did someone reconcile SEFA information to claims for reimbursement or other underlying supporting accounting records, such as the general ledger information?				
61	Did someone review SEFA presentation, specifically checking that it is properly formatted to include the correct ALNs and program titles as per federal requirements? <i>Note: You provide ALNs when completing the SEFA template in SAO's online filing portal, which then allows our system to generate a SEFA with corresponding program titles organized by cluster. You should make sure you enter correct ALNs and confirm the overall presentation is accurate.</i>				
62	Is your government's SEFA prepared on the same accounting basis as the financial statements? If not, describe the departure in the notes to the SEFA.				
63	Does your government have any new or outstanding federal loans? If so, did someone review the loan terms and evaluate whether any loans need to be reported on the SEFA? (BARS 4.14.5.130) <i>Note: Loans have unique reporting requirements, which often include reporting the beginning of the period balance. Refer to detailed guidance in BARS 4.14.5.130 and note the exceptions to the rule.</i>				
64	Did your government pass through money to subrecipients? If so, did someone ensure it was properly reported on the SEFA?				
65	Did someone prepare the SEFA note disclosures, and do they meet all the requirements? <i>Note: A best practice is to use the template provided in the client portal to file SEFA note disclosures online.</i>				
66	Does your government's total SEFA expenditures equal or exceed \$750,000? If yes, your government is required to obtain a federal single audit by the deadline. Contact your local audit team to schedule a single audit if your government does not regularly receive one each year. <i>Note: To find your local audit team, go to sao.wa.gov/about-audits/find-your-audit-team/</i>				
67	Are your government's total SEFA expenditures less than but almost \$750,000? If yes, consider double-checking the expenditures to ensure no programs are missing and that expenditures are complete.				
Final Review					
68	Did someone with knowledge of your government's operations review the statements, notes, and schedules to ensure the expected revenue and expenditure activity, as well as ending cash balances, are consistent with general expectations and knowledge of actual results? <i>Note: The reviewer should develop expectations about financial activity before the review (using knowledge of significant financial transactions, prior-year amounts or budgeted figures).</i>				
69	Did someone with knowledge of BARS Manual reporting requirements review the statements, notes, and schedules to ensure they comply with the technical elements of the BARS Manual? <i>Note: Consider partnering with another government if no one is available at your government.</i>				
70	Has a finance committee or other qualified staff reviewed the entire annual report to ensure the required components are included and submitted to our Office by the reporting deadline of 150 days after your government's fiscal year-end? <i>Note: A best practice is to plan to file early to allow time for resolving unanticipated issues that can arise during the filing process.</i>				
71	Did your governing body have the opportunity to review the annual report and approve it? <i>Note: The governing body is ultimately responsible for financial reporting and should be given the opportunity to fulfill its role.</i>				

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Question	Yes	No	N/A	Comments
Post Filing of your annual report				
72 Did someone complete SAO's Data Quality Checklist to identify potential Schedule 01 errors? <i>Note: You can find the checklist here: https://sao.wa.gov/data-quality-checklist-2/. If you find errors, you are required to correct them by resubmitting your annual report. (BARS 4.1.5.60, 4.1.6.50)</i>				

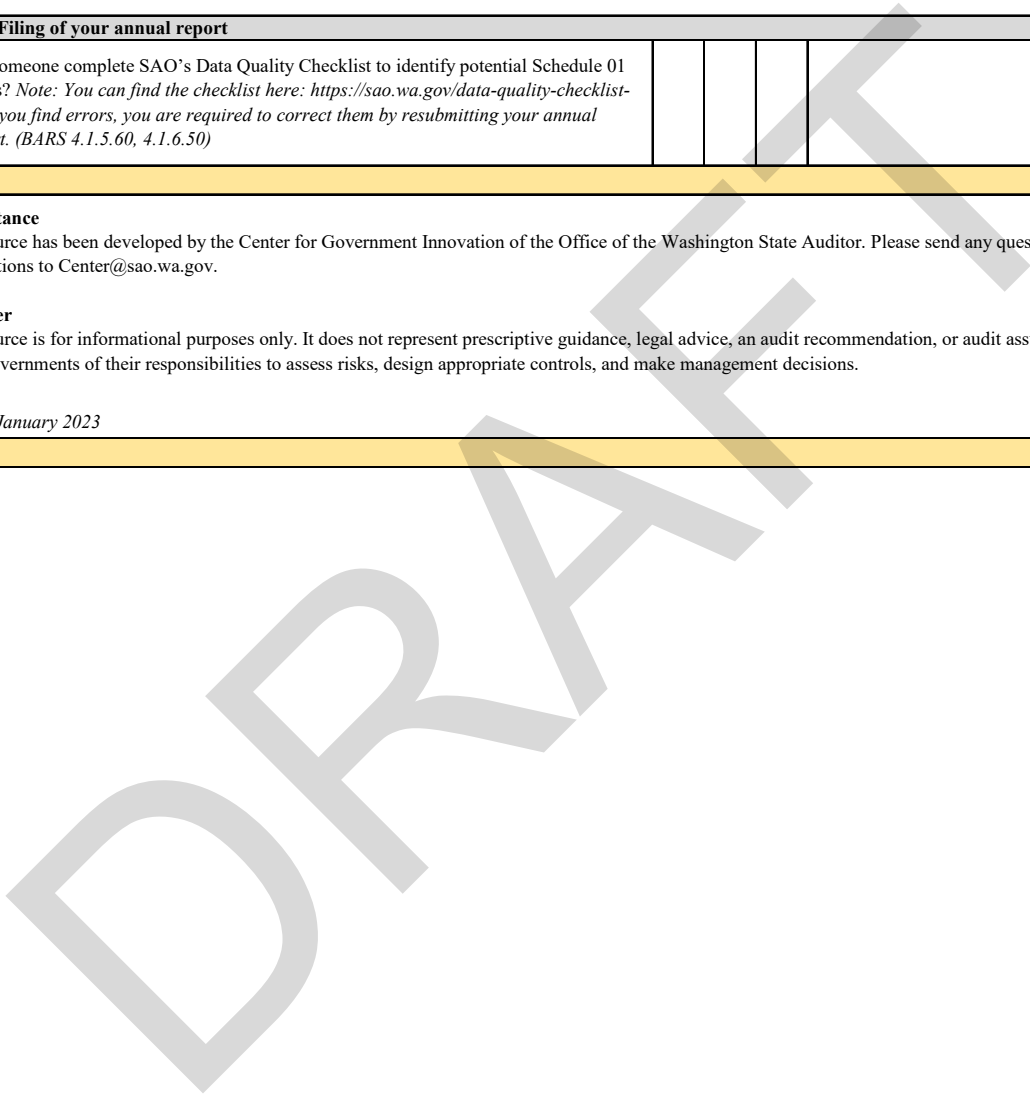
For assistance

This resource has been developed by the Center for Government Innovation of the Office of the Washington State Auditor. Please send any questions, comments, or suggestions to Center@sao.wa.gov.

Disclaimer

This resource is for informational purposes only. It does not represent prescriptive guidance, legal advice, an audit recommendation, or audit assurance. It does not relieve governments of their responsibilities to assess risks, design appropriate controls, and make management decisions.

Updated January 2023



Station 118

- Substantial completion: July 21st
- Punch list, testing, beginning: July 12th
- Furnishings move-in: July 28th after substantial completion
- Operations in August

Overall budget	\$15,717,331
To date expenditures	\$11,516,042
Original construction contract	\$8,951,486
Change orders to date	\$481,951
Construction expenditure to date is	\$9,433,437
*Total expenditure includes	\$859,310 in sales tax.

Threats

Lincoln Construction has struggled with timelines. We feel confident they will deliver on substantial completion on 7/21.

Station 111

- 18-month construction time
- Substantial completion: Feb 23, 2024.
- Projected move-in and operations: May 15, 2024

Overall budget	\$21,186,198
To date expenditures	\$9,356,414
Original construction contract	\$18,950,000
Change orders to date	\$235,600
Construction expenditure to date is	\$6,559,873
*Total expenditure includes	\$649,427 in sales tax.

Opportunities

The contractor continues at a good pace. Projected timelines look realistic.

Threats

The ground water intrusion appears to be getting better. Our mitigation efforts are showing results in that the soils are firming up and geological testing is finding we are achieving good compaction. There are some signs of water infiltration when we cut and trench however, they seem to resolve when covered and compacted with fill imports. Most underground has been completed.

Station 114

- 13-month construction time
- Substantial completion: April 24, 2024
- Projected move-in and operations: June 17, 2024

Overall budget.	\$10,856,061
To date expenditures	\$2,337,727
Original construction contract amount	\$7,463,744
Change orders to date -	\$0
Construction expenditure to date is	\$394,940
*Total expenditure includes	\$39,099 in sales tax

Threats

No significant threats currently

Station 117

- Currently in permitting
- Currently “Out to bid” - closes August 15, 2023
- Construction starts: September 2023
- Substantial completion: November 2024.
- Projected move-in and operations: January 2025

Overall budget.	\$13,663,312
To date expenditures	\$552,457
Original construction contract amount -	\$ N/A

Threats

No significant threats currently

Station 112

- Document development Phase
- Conditional Use Permit, up to 6-month process. Pressing for a 4-month process.
- Submit for permitting: Nov 13th, 2023
- Projected construction starts: May 2024. 13-month construction time.
- Projected move-in operations: June 2025

Threats

1. We are required to go through the county Conditional Use Permit process. This can take up to 6 months, The county won't let us submit for permitting until we complete that process. We will be pushing the county to move quickly with the hope of finishing the CUP by the end of September. This would allow us to get submitted prior to the Energy code changes.
2. The new energy code adaption has been pushed to October 26th. This gives us a chance to get the permit started prior to adoption.

Station 118 July Photos

Interiors are finishing up. Start-up of systems begins next week. Commissioning and testing will start at that time. Final cleaning will begin after start-up.

Prepped for the final layer of asphalt on July 15th.



Landscaping is complete except for the grass sod areas.



July 2023 Station 111 Photos

The steel structure is nearly complete.



Wood framing of the admin area is underway.



This is the pass-thru connecting the administration portion to the fire station portion.



The steel beams that took so long to get for 118 are going to be installed next week.



July 2023 station 114 photos

The underground storm water retention system is being installed. This will be under the parking lot and driveway on both the entry side and exit side.

The east driveway.



The building pad has been prepared. Footings and foundation will start this week.



East parking area





To: **Board of Fire Commissioners**
From: **Jon Parkinson, Fire Chief**
Subject: **Monthly Chief's Report – July 2023**

4th of July

The 4th was extremely busy this year. Both the 4th and the 5th were in Red Flag weather conditions. Attached to this report is a data breakout of the holiday period. On the 4th alone, EPFR responded to:

- 82 incidents
- 39 brush fires
- 2 house fires
- 1 apartment fire

District AV

District AV will see a decrease of -1.1% in 2024. This will help keep the District levy rates from eroding any further in 2024. I will discuss the long-range impact of this at the meeting.

CPI – Data

June CPI was released on July 12 and came in at 4.6%. I will discuss the long-range impact of this at the meeting.

Station 117

Station 117 went out to bid on 7/7/23 and closes on August 15.

2023 Medic Units

We believe we may have a path forward to secure Ford chassis for the three 2023 medic units. We won't know for sure for a couple of months. I will report back to the Board as we learn more.

2024 Budget Process

Staff is now working on the 2024 budget. The next steps in the process for the Board will be:

- Finance Committee reviews the first budget draft (early October)
 - staff makes modifications
- Board reviews the first budget draft with modifications (October 17)
 - staff makes modifications
- Finance Committee reviews the second budget draft (early November)
 - staff makes modifications
- Board reviews the final budget draft (November 21)

Other activities in the past month


- Pierce County Fire Chiefs meeting
- Pierce County Fire Chiefs Executive Board meeting
- Pierce County Fire Training Consortium Administrative Board meetings
- Sumner Rotary meetings

Upcoming Community Events

August 19: South Prairie Days

August 19: Milton Days

August 26: Bonney Lake Days



June 28th thru July 10th, 2023

2023 Fireworks Reported Incidents

Injuries from Fireworks

Two fireworks injuries identified in 2021, both on July 4th. One in Puyallup and one in Bonney Lake

One reported injury from a roman candle. Incident happened in late February 2022 in Orting, WA—Result: patient transported to Harborview for hand injury.

No identified injuries during time period for 2023

2023 Fires Possibly related to fireworks

Incident #	Date	Type	Location	City
EPF23006054	7/2/2023	142-Brush Fire	524 Meridian	Milton
EPF23006152	7/4/2023	142-Brush Fire	18418 121st	Bonney Lake
EPF23006155	7/4/2023	143-Grass fire	809 27th	Milton
EPF23006157	7/4/2023	142-Brush Fire	23911 96th	Buckley
EPF23006169	7/4/2023	142-Brush Fire	3014 220th	Bonney Lake
EPF23006189	7/4/2023	140-Natural Vegetation Fire	11206 32nd	Edgewood
EPF23006191	7/4/2023	140-Natural Vegetation Fire	21501 143rd	Bonney Lake
EPF23006193	7/4/2023	140-Natural Vegetation Fire	2817 208th	Lake Tapps
EPF23006194	7/4/2023	140-Natural Vegetation Fire	21914 125th	Bonney Lake
EPF23006201	7/4/2023	140-Natural Vegetation Fire	2817 208th	Lake Tapps
EPF23006203	7/4/2023	111-Building Fire	24101 123rd	Buckley
EPF23006212	7/5/2023	100-Fire other	2287 Alder	Milton
EPF23006229	7/4/2023	140-Natural Vegetation Fire	10605 41st	Puyallup

All East Pierce Fire June 28~July 10, 2023

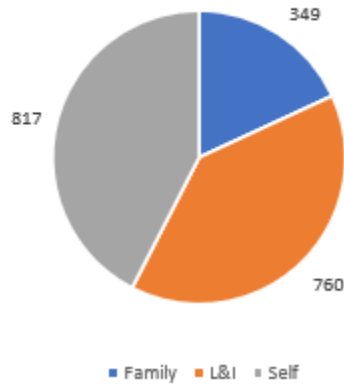
NFIRS Description	Incident Count
Outside rubbish fire	2
Special outside fire	1
Fire, other	3
Natural vegetation fire	37
Structure fire	4
Mobile property (vehicle) fire	3
Total	50

- Total fires--50
- Total fireworks-related--13
- Total fires in Edgewood--5
- Fireworks-related in Edgewood--1

Injury – Medical Leave Report – June 2023

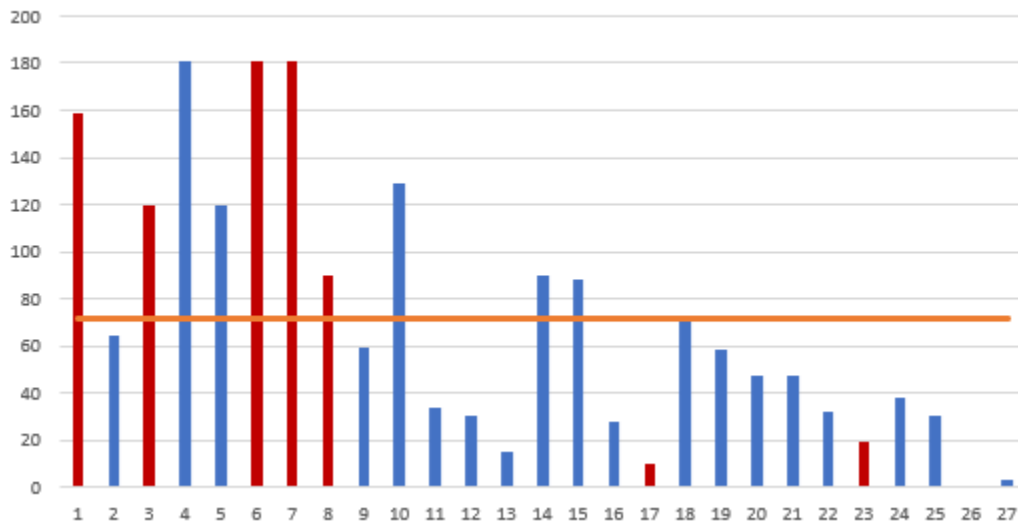
- As of June, a total of 27 employees have experienced extended leave (greater than three consecutive shifts); this includes both L&I and Non-L&I leave.
 - The average time loss of these employees is estimated at 71.33 calendar days

Time Loss by Type (calendar days)



- 7 L&I claims for time-loss have occurred in 2023 (seen below in red).
 - 2 of the 7 qualify for the Stay-at-Work program through L&I

Time Loss by Employee (calendar days)



Planning Committee Meeting Notes

July 7, 2023 @ 1000 hrs.

C. Wernet (Chair), M. Cathey, R. Kroum

Staff: Chief Parkinson, AC Sandlian, P. Herrera

1. Call to Order – 1000 hrs.

2. Station Construction Update

a. Project timeline overview

- i. 118- substantial completion 7/21; testing 7/12; furnishings 7/28; operations in August. Overall budget \$15.7M. EAC \$12.5M with \$2M available, not yet earmarked. Threats: Contractor struggling with timelines.
- ii. 111-substantial completion Feb 2024; Operations March 2024. Overall budget \$21.2M. EAC \$27M. May re-designate funds available from 118 under-run, 111 property purchase savings, 112/117/114 savings and interest on bond funds. Threats: Water infiltration still concern but seems to resolve.
- iii. 114- substantial completion April 2024; operations June 2024. Overall budget \$10.9M.
- iv. 117-in permitting phase and project is out to bid. Construction starts September 2023; substantial completion November 2024; operation January 2025. Overall budget \$13.6M

3. Phase 2 Projects

a. Facility Grading

- i. Awaiting work by Rice Fergus Miller. We have asked them to prioritize existing projects for stations 117 & 112 over this new scope of work.

b. Vehicle maintenance

- i. Evaluation is underway. Report out to planning committee expected in December.

c. Milton Fire Station

- i. City Mayor will follow up. We are waiting for response.

4. Levy Consultant Plan

- a. Chief recommends that we use Lund Fawcett as consultant. They are the top candidate interviewed, proposal is good, and they have substantial experience working in Western Washington, even Central Pierce. The Planning Committee concurs with this recommendation. Requires Board action to approval, will be on July agenda.
- b. Chief will be meeting with Local 3520 to align plans.
- c. “Did-you-know” videos that are not levy focused will be coming out soon on social media.

5. Future Strategic Plan

- a. In 2024 draft budget. Staff is evaluating consultant options will include consideration of Berk, who did our last strategic plan.
- b. Assuming budget is approved as requested, consultant selection would occur in later 2023/early 2024. Will need approval from the Board sometime this year.

6. Adjourn – 1200 hrs.

Next Meeting:

- Friday, September 8th @ 1000
- Friday, October 6th @ 1000



EAST PIERCE FIRE & RESCUE

Meeting Notes

**Finance Committee Meeting
Monday, July 10, 2023
0900 hours**

Attendees: Parkinson, Napier, Garling, McElligott, Hollon, Stabenfeldt

Guests: Clark Nuber CPA

1. Clark Nuber Financial Assessment
 - a. The committee received a presentation from Clark Nuber regarding the financial operational assessment. Overall, there were no significant findings. The highest priority items are related to timekeeping timelines/access and the creation of internal financial process procedures. The board will receive the same presentation and staff will update the board over time as action items are completed (similar to the strategic plan and SOC quarterly update).
2. GEMT Funding
 - a. Staff reviewed changes in GEMT. The new rules have not yet been finalized but still appear that it will result in approximately 33% reduction in GEMT revenues. For comparison, in the 2023 GEMT revenues are expected to be \$3.7M, and in 2024 that is expected to reduce to \$2.5M. This reduction is already accounted for in the 5-year forecast. Once the rules are final, they will be retroactive to July 1, 2023. Staff will then direct Systems Design (transport billing company) to adjust collections accordingly. At that point, we will more accurately be able to estimate what monies may be owed back to the federal government. The payment back to the federal government would likely not occur until 2025 and would be funded via reserves.



Board Meeting Agenda Item Summary

Meeting Date:	July 18, 2023
Title:	Levy Consultant Recommendation

Recommendation from Staff:	Approve
Recommendation from Committee:	Approve – Planning Committee
Recommended Action/Motion:	<i>Move to authorize the fire chief to enter into an agreement with Lund Faucett for levy education consulting</i>
Presenter:	Chief Parkinson
Attachments:	Lund Faucett Proposal

Summary:
<p>Staff have reviewed options for levy education consulting and are recommending EPFR utilize Lund Faucett. Chief Parkinson gave a presentation to the planning committee and they support the recommendation.</p> <p>About Lund Faucett:</p> <p>The team of Lund Faucett has more than 25 years of successful experience providing strategic communications, facilitation and stakeholder education and engagement to public and private entities including successfully supporting Fire Districts and other jurisdictions on public education for ballot measures.</p> <p>Lund Faucett regularly partners with Karen Reed Consulting on ballot proposals and have included Karen on our team for this project. Karen has worked with local governments in Western Washington for over 30 years in a variety of capacities, for the last 20 years as a consultant focusing on public facilitation and interagency agreements. Together, they have successfully supported Central Pierce Fire and Rescue, Renton Regional Fire Authority, Graham Fire & Rescue, Snohomish Regional Fire & Rescue on ballot measures and establishing RFAs.</p>

Fiscal Impact:	\$25,760 estimate
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LUND FAUCETT

June 26, 2023

TO: Chief Jon Parkinson
East Pierce Fire & Rescue

FROM: Kris Faucett & Karen Reed

RE: Ballot Measure: Public Education

We are excited about the opportunity to propose public education support to East Pierce Fire & Rescue (EPFR) related to a potential April 2024 levy lid lift ballot measure.

The team of [Lund Faucett](#) has more than 25 years of successful experience providing strategic communications, facilitation and stakeholder education and engagement to public and private entities including successfully supporting Fire Districts and other jurisdictions on public education for ballot measures. We would be honored to support EPFR in this important effort.

We regularly partner with Karen Reed Consulting on ballot proposals and have included Karen on our team for this project. Karen has worked with local governments in Western Washington for over 30 years in a variety of capacities, for the last 20 years as a consultant focusing on public facilitation and interagency agreements. Together, we have successfully supported Central Pierce Fire and Rescue, Renton Regional Fire Authority, Graham Fire & Rescue, Snohomish Regional Fire & Rescue on ballot measures and establishing RFAs.

We appreciated the time and insights you shared on our recent call. Based on those learnings, we propose the following scope of work and budget for your review and feedback.

About This Effort

EPFR is planning to ask voters for a single year inflation adjusted levy lid lift on the April 2024 ballot. EPFR has successfully passed ballot measures over the years but was unsuccessful in 2021 in both the primary and general elections with a levy lid lift measure. Your service area continues to grow, and EPFR wants to ensure funding keeps pace so that you can continue to provide high-quality service to your community.

It will be important to implement a robust public education effort to ensure the public, key stakeholders and media have accurate information. Fire District funding can be complex and therefore understandable, factual messages and materials will be critical, along with ample time to educate residents and businesses about the measure.

Proposed Scope

EPFR is looking for high-level, strategic communication and public education support. We see our role as “advisory”—supporting education planning, message and materials development and identifying potential strategy and tactics as well as opportunities (and risks) to effectively communicate facts and information about what the measure would cost and provide. EPFR staff would tactically implement the work with our support.

The following outlines the support we envision providing. We would refine this approach with you and other your team as needed.

Project Kickoff, Regular Communications

We like to start projects with a kickoff meeting to clarify objectives, resources, points of contact, expectations, deliverables and timelines and to assess the landscape. We’ll prepare an agenda, facilitate the meeting and capture feedback which will inform the overall education plan. We’ll follow the kickoff with regular one-hour check-in calls (monthly and then more regularly as we get closer to the election) to ensure we are coordinated, efficient and on track throughout the public education effort.

Strategic Advice, Project Management

Throughout the project our team will provide strategic advice regarding overall approach and when specific issues arise. Our work will include preparing and leveraging EPFR staff, community leaders and resources and providing expertise and support strategically and efficiently.

Supporting a Strong Team

To successfully educate and communicate about this effort, EPFR will need a team of experts that works well together. In addition to our support, we recommend your team identify other key players.

- It will be important to bring EPFR’s attorney into the effort early to meet election requirements/filings (resolutions, pro/con committees, etc.) and ensure his/her review of messages, materials, etc. throughout. We’ll defer to the attorney’s expertise on the PDC and elections so we are sure to meet all requirements and deadlines.
- EPFR finance staff will also be critical to confirm specific details about finances (structure and impacts).
- EPFR communications and outreach staff with strong local community expertise will also play a central role in this effort. Local nuances matter, and we need to rely on you for this component.

Discovery, Review

We'll start our work with some initial discovery and analysis. We'll utilize the kickoff to learn more about relevant issues, stakeholders, etc. If budget allows, we recommend that we conduct informal interviews with a few individuals (up to 5) with strong community knowledge to gain insights into current public and/or stakeholder awareness and sentiment which will help guide communications and messaging. We'll also complete an online, media, materials, etc. scan. The review and the discussions will provide a high-level landscape assessment, including and lessons learned from previous efforts.

Planning, Messages, Materials

After the initial assessment, we'll work with the EPFR team to develop a high-level public information plan with strategy, tactics and timelines. We'll also lead message development and advise and support basic materials development and deployment through EPFR channels, including:

- Website content
- FAQ
- Mailer (estimate includes design but not production/ mailing)
- Handout / card
- PowerPoint (for Speakers' Bureau and other presentations)
- Speaking points
- Newsletter articles (up to 3)
- Video(s) (up to 2; we'll support concept and script development)

We will help arm the EPFR team with facts, speaking points and informational materials to educate about the measure. Production, printing and distribution of materials and speaking/staffing of presentations and events would be completed by EPFR.

Education, Engagement

The education and engagement phase will be driven by the public information plan. This budget assumes that EPFR will implement the education effort, with advising and light support from our team, including helping identify unforeseen opportunities and risks and refining messages and materials.

We were pleased to understand from our discussion that EPFR has established traditional and social media capabilities and channels. This budget assumes our team will play mostly an advisory role, help with creating sharable social media and traditional media content, but minimal tactical support.

Reporting

We recommend EPFR pull together a final report that summarizes efforts, outcomes, lessons learned and recommendations for future efforts should that be desired. We will help draft the report and EPFR staff will compile final materials.

Budget Estimate

We bill clients for work in progress monthly. We record time and charge for staff time in 15-minute increments using the following public agency rate (reduced for this project) schedule:

Partners / Karen Reed	\$220.00
Senior Associates	\$155.00
Associates	\$130.00

Below are budget estimates for the various items addressed in the scope of work. As we discussed, we've provided estimates by task to allow for an à la carte approach.

We would bill against these estimates, so if we didn't complete a task, we of course, wouldn't bill for it, or if something took less time than expected, there would be money left in the budget.

We've assumed support for approximately 10 months (July 2023 – April 2024). We see work in July – December focused on planning, preparation and materials development, with more public education starting early in 2024.

Task	Budget estimate
Strategic advice, project kickoff, regular meetings (assumes 10 one-hour monthly coordinating calls) and email coordination and project management	\$7,800
Discovery/review (includes up to 5 stakeholder interviews and landscape scan	\$2,880
Public information plan	\$880
Messages, materials (website content (does not include design/development), FAQ, mailer (does not include printing, mailing, postage), PowerPoint presentation and speaking points, handout/card (does not include production), newsletter articles (3), final report	\$7,200
Design of mailer (creative, graphics) *If this can be done in-house, we would not bill this amount	\$3,000

Education, engagement (strategic advice; does not include staffing events, etc.)	\$4,000
Total estimate	\$25,760

Thank you again for the opportunity to support EPFR in this important endeavor. We look forward to discussing this proposal further with you.



Board Meeting Agenda Item Summary

Meeting Date:	July 18, 2023
Title:	Facilities Reserve Policy – 2 nd Reading

Recommendation from Staff:	Approve
Recommendation from Committee:	Approve – Finance & Planning Committee
Recommended Action/Motion:	<i>I move to approve the facilities reserve policy as presented.</i>
Presenter:	Chief Parkinson
Attachments:	Draft Policy

Summary:
<p>The Strategic Plan identifies an objective to, “[c]reate a Facility Maintenance Plan that captures the full resources required to operate and maintain existing and future facilities.” The attached draft policy has been reviewed by both the finance committee and the planning committee, and is intended to ensure all facilities remain in a state of good repair. The policy mirrors the equipment reserve policy in much of its structure and methodology.</p> <p>The board received a presentation over the policy and projected budgetary impacts in June. No edits have occurred since that meeting.</p>

Fiscal Impact:	N/A – Annual budgeted transfer
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Facilities Maintenance Reserve

239.1 PURPOSE AND SCOPE

The purpose of this policy is to provide the District with a tool for timely, efficient, coordinated maintenance of facilities and an annual and long-term budgeting tool to ensure all facilities are in a state of good repair.

239.2 POLICY

(a) Scope and Length of Budget Period

1. The Facilities Maintenance Reserve (FMR) budget shall be based on the fiscal year beginning January 1 through December 31.

(b) Budget Process

1. The fire chief shall annually prepare a budget showing all FMR expenses for the fiscal year and an updated revenue and expense forecast.

(c) Budget Adoption:

1. FMR revenue and expenditures shall be adopted by the Board annually as part of the regular budget adoption process.

(d) Level of Control:

1. The fire chief cannot spend more than the adopted budget per project, nor can the fire chief utilize the FMR for items not specifically identified in the Facility Standard Schedule without Board approval.

(a) Project cost overruns may be funded through the operating budget at the fire chief's discretion.

(b) Upon project completion, any excess funds will remain in the FMR.

(e) Forecast:

1. The fire chief shall maintain a rolling 15-year replacement forecast, and ensure each of the first 10 years maintains a positive end fund balance in the FMR.

(f) Contributions (transfers):

1. Contributions (transfers) to the FMR reserve will occur through the adopted operating budget and are generally expected to increase year over year.

(g) Schedule updates:

1. The fire chief shall annually assess the condition of District facility items identified in the facility standard in need of replacement within the next 15 years.

(h) Inflation:

East Pierce Fire & Rescue

Policy Manual

Facilities Maintenance Reserve

1. Inflation on facility maintenance items shall be calculated at a rate of 3% per year and may be adjusted by the fire chief periodically based on market conditions and approved by the Board as part of the budget adoption process.

(i) Revenue sources:

1. The primary sources of FMR funding are:

(a) General operating revenues (property taxes, transport revenue, etc.)

239.3 DEFINITIONS

(a) Facility Standard:

1. The Fire Chief shall maintain a standard schedule of facility items and their project useful life and recommended replacement year.

2. The Fire Chief shall ensure the pricing, as well as the service life of facility items, is assessed annually.

3. Changes to the facility standard shall be recommended by the fire chief and implemented through the policy amendment and budget adoption process.

239.4 FACILITY STANDARD SCHEDULE

(a) The Facility Standard Schedule contains items that generally:

1. Have a replacement or maintenance value of greater than \$5,000 and are fixed to a specific facility.

2. Have a combined purchase price that will total more than \$5,000 (when the individual item value is less than \$5,000).

3. Are replaced at a predictable interval other than annually.

(b) Item Schedule and notes

Item	Age is less than (years)
Flooring (vinyl)	20
Flooring (tile)	20
Flooring (concrete)	25
Carpet	15
Paint (interior)	15
Paint (exterior)	15
Generator	25
Windows	50
Vehicle Exhaust	25
Septic Systems	40

East Pierce Fire & Rescue

Policy Manual

Facilities Maintenance Reserve

Roof - 30 year	30
Roof - 40 year	40
Roof - 50 year	50
AC Units	15
Garage Door (Roll-Up)	25
Garage Door (Bi-Fold)	50
Asphalt (replace)	25
Asphalt (seal)	5
Concrete (exterior)	25
Furnace	25
Appliances	15
Bathrooms	25
Water Heater (Boiler)	15
Water Heater (Tankless)	8
Kitchen	25
Apparatus Bay Heating	30
Electric Gate Controller	15
Station Access Control	20
Elevator	25
Fire Protection System	15

(a) Septic Systems

1. As a septic system becomes due for replacement or significant repair, consideration will be given to sewer connections if available.

(b) Appliances

1. Include items such as ovens, cooktops, and refrigerators.

(c) Bathrooms

1. Include a complete update of flooring, showers, toilets, sinks, cabinetry, etc.

(d) Kitchen Cabinetry

1. Include a complete replacement of cabinetry, countertops, and food lockers.