

**SNOHOMISH COUNTY FIRE DISTRICT #12
BOARD OF COMMISSIONERS SPECIAL MEETING
December 4, 2019, 7 pm
Marysville City Hall**

CALL TO ORDER

FD12 Chairperson Christoffersen alongside MFD Chairperson Stevens called the FD 12 special meeting to order at 7 pm.

The following were in attendance:

Commissioners:

Tonya Christoffersen	Michael Stevens
Rick Ross	Tom King
Pat Cook	Steve Muller
	Kamille Norton

Staff Members:

Martin McFalls, Chief
Jeff Cole, Deputy Chief
Tom Maloney, Deputy Chief
Darryl Neuhoff, Deputy Chief
Chelsie McInnis, Finance Director
Steve Edin, Human Resource Manager
Paula DeSanctis, Board Secretary

Guests:

Grant Weed, District Attorney
Amanda Robinson, State Auditor Office

2018 SAO Audit Exit Conference: Chairperson Stevens introduced SAO Audit Supervisor Amanda Robinson who reviewed the results of the accountability and financial statement audit of Snohomish County Fire District 12 for the fiscal year 2018. Robinson thanked Finance Director Chelsie McInnis, Deputy Chief Darryl Neuhoff, Payroll Specialist Sandra Elvrom, MSA Terry Matsumura and Human Resource Manager Steve Edin for their tremendous help and cooperation throughout the audit. Robinson pointed out that the District has had a long history of clean audits and they are very proud of our organization.

Robinson stated the audit conducted is a risk based audit approach to ensure the District is in compliance and adequately safeguarding public resources from fraud, loss or abuse. This includes design, implementation and maintenance of internal controls relevant to these objectives. The areas examined were those representing the highest risk of fraud, loss, abuse or noncompliance which included the following:

- Payroll – all areas under the payroll umbrella, controls are adequate to safeguard public funds, recommendation/management letter on exceeding vacation hour accruals and leave cash outs.
- Procurement – purchase and bid law exemptions, no recommendation needed.
- Self-Insurance for unemployment compensation – no concerns found.
- Financial condition and fiscal sustainability – no concerns found, the District has a solid cash position.

A recommendation was given resulting in a management letter regarding employees exceeding the District policy and Collective Bargaining Agreement for vacation hour accruals and unauthorized leave cash outs. The SAO acknowledges that the District is aware of the problem and has taken steps to bring down those excess balances. The recommendation of the SAO is to work with legal counsel to attempt District recovery of those excess hours accrued and excess funds paid out to retirees.

Robinson congratulated the District for having clean financial statements. The full final report will be available in about two weeks.

ADJOURN

With no further business, Chairperson Christoffersen adjourned the District 12 special meeting at 7:45 pm.

Marta Mc Falls
District Secretary

12/18/19
Date Approved