

**MARYSVILLE FIRE DISTRICT**

**Regional Fire Authority**

**AGENDA BILL**

**BOARD MEETING DATE: January 19, 2022**

AGENDA ITEM: Equipment Fund Authorization/Establishment	AGENDA SECTION: New Business
PREPARED BY: Chelsie McInnis, Finance Director	
ATTACHMENTS: Resolution 2022-001 “A Resolution Authorizing the Establishment of Funds and Appointment of Personnel” MFD Policy #6005 – Budget & Funds (Red-Line Update Version)	
BUDGET CODE: N/A	AMOUNT: N/A
SUMMARY:  The District has identified the need to establish a new Equipment Fund for the purpose of accumulating funds to finance large scale future replacements of necessary capital equipment.  This resolution and policy update will authorize the County to establish such fund and provide a policy description for the purpose, source, and authorized use of fund resources.	

RECOMMENDED ACTION:  Motion to approve Resolution 2022-001 “A Resolution Authorizing the Establishment of Funds and Appointment of Personnel” and update to MFD Policy #6005 –Budget and Funds; effectively authorizing the creation of the new MFD RFA Equipment Fund.
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

**MARYSVILLE FIRE DISTRICT  
A REGIONAL FIRE AUTHORITY  
RESOLUTION NO. 2022-001;**

**A RESOLUTION AUTHORIZING THE ESTABLISHMENT OF FUNDS  
AND THE APPOINTMENT OF PERSONNEL**

**WHEREAS**, in accordance with RCW 39.34.030(4)(b) it is necessary that the Board of Directors establish funds with the Snohomish County Treasurer’s Office into which all monies used to finance the joint operations will be deposited; and

**WHEREAS**, the Marysville Fire District finds it necessary to establish separate revolving fund and/or depository accounts to facilitate advance travel, petty cash, ambulance billing, and deposit in-transit purposes; and

**WHEREAS**, the Marysville Fire District finds it necessary to appoint certain administrative personnel to fill the positions of District Secretary, Auditing Officer, Investment Officer, Advance Travel Fund Custodian and Authorized Signers, Petty Cash Fund Custodian and Authorized signers, Ambulance Billing Account Custodian and Authorized Signers, Deposit In-Transit Account Custodian and Authorized Signers, and Records Retention Officer.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS FOR THE MARYSVILLE FIRE DISTRICT, A REGIONAL FIRE AUTHORITY, AS FOLLOWS:**

1. The Snohomish County Treasurer’s Office is authorized and requested to establish four funds under the name of Marysville Fire District RFA to be labeled as Expense Fund, Capital/Reserve Fund, Apparatus Fund, and Equipment Fund.
2. The members of the Board of Directors are authorized to approve vouchers for the transfer and expenditure of funds from such accounts.
3. The Board of Directors authorizes the Fire Chief, Finance Director, and/or Human Resources Manager to initiate electronic transfer requests of monies from the revolving/depository accounts of the District to the County Treasurer Funds of the District.
4. Appointment of certain personnel to fill the following positions:
  - a. District Secretary – Fire Chief, Martin McFalls
  - b. Auditing Officer – Finance Director, Chelsie McLinnis
  - c. Investment Officer – Finance Director, Chelsie McLinnis
  - d. Advance Travel Fund Custodian – Human Resource Manager, Steven Edin
  - e. Advance Travel Fund Authorized Signers
    - a. Fire Chief, Martin McFalls
    - b. Human Resource Manager, Steven Edin
    - c. Finance Director, Chelsie McLinnis
  - f. Petty Cash Fund Custodian - Human Resource Manager, Steven Edin
  - g. Petty Cash Fund Authorized Signers
    - a. Fire Chief, Martin McFalls

- b. Human Resource Manager, Steven Edin
    - c. Finance Director, Chelsie McInnis
  - h. Ambulance Billing Account Custodian – Human Resource Manager, Steven Edin
  - i. Ambulance Billing Account Authorized Signers
    - a. Fire Chief, Martin McFalls
    - b. Human Resource Manager, Steven Edin
  - j. Deposit In-Transit Account Custodian – Human Resources Manager, Steven Edin
  - k. Deposit In-Transit Account Authorized Signers
    - a. Fire Chief, Martin McFalls
    - b. Human Resource Manager, Steven Edin
    - c. Finance Director, Chelsie McInnis
  - l. Records Retention Manager - Human Resource Manager, Steven Edin
  - m. Human Resource Manager, Steven Edin is designated as the alternative auditing officer and investment officer, and is authorized to act in the absence of Finance Director, Chelsie McInnis in the respect to the above designated accounts.
5. The mailing address for all correspondence and reports relating to the above designated information and funds shall be:

Marysville Fire District  
1094 Cedar Ave  
Marysville, WA 98270

6. Resolution No. 2020-005 is hereby repealed in its entirety and is superseded by this Resolution No. 2022-001.

**MARYSVILLE FIRE DISTRICT, A REGIONAL FIRE AUTHORITY**

**ADOPTED** by the Marysville Fire District, A Regional Fire Authority, this 19<sup>th</sup> day of January, 2022 by majority vote of the members.

BOARD OF DIRECTORS

\_\_\_\_\_  
Board Chairperson

ATTEST:

\_\_\_\_\_  
District Secretary

## FISCAL MANAGEMENT

### BUDGET AND FUNDS

#### Budget Preparation & Adoption

The Fire Chief shall prepare the annual budget of revenues and expenditures for consideration and adoption by the Marysville Fire District Board of Directors. In preparing the annual budget, the Fire Chief shall solicit the opinions of the Board members as they evaluate the various aspects of the Fire District.

The Board of Directors shall adopt the annual budget at fund level.

#### Budget Adjustment & Amendment Processes

Under the provisions of State law and the District's operating procedures, the budget may be adjusted or amended in two different ways. Adjustment for the budget involves a reallocation of existing appropriations and does not change the budget "bottom line". Amendment of the budget involves an addition to or reduction of existing fund level appropriations.

##### A. Adjustment

Those granted budget authority are responsible for managing their budgets within the total appropriation for their division, however unanticipated costs may arise requiring a reallocation of funds. The Finance Director will maintain a system for monitoring the District's budget performance to determine what adjustments are necessary and whether those adjustments can be made within the existing appropriation limits of the fund. Reallocation of funds for the unanticipated costs shall first be considered within the respective budget division before division transfers are considered. No Board of Director action is needed as State law allows budget adjustments to be done administratively.

##### B. Amendment

Amending of the budget involves an addition to or reduction of existing fund level appropriations. Items that may require a budget amendment, such as an unanticipated grant, may be approved throughout the year as needed. A budget amendment requires a resolution by the Board of Directors amending the original budget.

#### County Treasurer Funds and Financial Agent Assignment

In accordance with RCW 52.16.010, the County Treasurer shall serve as the financial agent for the district. At a minimum, the district shall establish ~~three~~four funds with the Snohomish County Treasurer: (1) Expense Fund, (2) Apparatus Fund, ~~and (3) Capital/Reserve Fund, and (4) Equipment Fund.~~ Additional funds may be established as necessary by the board of directors and as provided in RCW 52.16.020.

### Cash and Investment Balance Classifications

The cash and investment balances of each fund shall be analyzed and classified for financial reporting purposes into the following categories:

Nonspendable Cash and Investments	Applicable only to Permanent and Trust Funds; Amounts that cannot be spent according to laws or contracts.
Restricted Cash and Investments	Balances subject to externally enforceable legal restriction.
Committed Cash and Investments	Balances subject to restrictions imposed by the District's Board of Directors through the most binding formal action (i.e. resolution) for specifically identifiable purposes. Commitments can only be removed by the Board of Directors through resolution.
Assigned Cash and Investments	Balances that indicate the governments intended use of resources. Assignments can be placed on funds through a motion of the board. The board may also delegate this authority to the fire chief. Any transfer of resources to funds other than the general fund represents an assignment of balance.
Unassigned Cash and Investments	The amount remaining in a fund after all other classifications have been made. The general fund is the only fund that can have a positive unassigned balance.

### Fund Descriptions

#### A. Marysville Fire District RFA – Expense Fund 778-70

*Purpose:*

The Marysville Fire District Expense Fund shall serve as the general operating fund for Marysville Fire District.

*Minimum Fund Balance:*

The District shall maintain a minimum fund balance of no less than three months (25%) of general fund operating expenditures, exclusive of inter-fund transfers, as approved by the Board of Directors during the normal budgetary cycle for the ensuing fiscal period. This fund balance is intended to provide stability in the event of unexpected changes to revenues or expenses. Expenditures depleting this balance, where the funds will not be replenished within 60 days, must be officially approved by the Board of Directors.

*Fund Balance Assignments of Cash & Investments:*

Specific Purpose Assignments. The District may wish to assign a portion of fund balance to reflect an intended use of resources. Assigned fund balance may be authorized by a motion of the Board of Directors. Alternatively, the Board of Directors may delegate this authority to the Fire Chief; the Fire Chief shall keep the Board informed of all administrative fund

balance assignments. The Finance Director shall keep on file a list of all current assignments and document the qualifying expenditures reducing such balances.

Unassigned Cash and Investments. Unless otherwise classified as restricted, committed or assigned, the balance of this fund shall be considered unassigned.

B. Marysville Fire District RFA – Apparatus Fund 778-72

*Purpose:*

The Marysville Fire District Apparatus Fund shall provide advance funding for the acquisition of apparatus and the tools/services/equipment necessary to place the apparatus in service. Uses outside the scope of this purpose must be officially approved by the Board of Directors

*Funding:*

Revenues to this fund shall come from budgeted funds of the District (via inter-fund transfer and/or board assigned current revenue deposit) as part of the normal budgetary cycle for the ensuing fiscal period. The District shall seek to transfer-in monies on an annual basis as determined by the Board of Directors.

*Fund Balance Assignments of Cash and Investments:*

Unless otherwise classified as restricted or committed, the balance of this fund shall be considered assigned.

C. Marysville Fire District RFA – Capital/Reserve Fund 778-73

*Purpose:*

The Marysville Fire District Capital/Reserve Fund shall provide advance funding for the acquisition, construction, and/or improvement of capital assets. This includes: land, buildings, machinery, equipment, and services to put a capital asset in service or provide improvement upon such. Uses outside the scope of this purpose must be officially approved by the Board of Directors.

*Funding:*

Revenues to this fund shall come from budgeted funds of the District (via inter-fund transfer and/or board assigned current revenue deposit) as part of the normal budgetary cycle for the ensuing fiscal period. The District shall seek to transfer-in monies on an annual basis as determined by the Board of Directors.

*Fund Balance Assignments of Cash and Investments:*

Unless otherwise classified as restricted or committed, the balance of this fund shall be considered assigned.

6005

Formatted: Indent: Left: 0"

D. Marysville Fire District RFA – Equipment Fund 778-74

Purpose:

The Marysville Fire District Equipment Fund shall provide advance funding for future large scale replacements of capital equipment. Uses outside the scope of this purpose must be officially approved by the Board of Directors.

Funding:

Revenues to this fund shall come from budgeted funds of the District (via inter-fund transfer and/or board assigned current revenue deposit) as part of the normal budgetary cycle for the ensuing fiscal period. The District shall seek to transfer-in monies on an annual basis as determined by the Board of Directors.

Fund Balance Assignments of Cash and Investments:

Unless otherwise classified as restricted or committed, the balance of this fund shall be considered assigned.