



Gig Harbor Fire & Medic One

RESOLUTION 2022-09
September 27, 2022

BE IT RESOLVED by the Board of Fire Commissioners of Pierce County Fire Protection District No. 5 as follows:

WHEREAS, the Pierce County Fire District #5 Board of Fire Commissioners has authorized the Fire Chief, Assistant Chief of Finance and Administration and the Finance Director to act on behalf of the Board in matters of investment of fire district funds; and

WHEREAS, any investment of District funds shall be in accordance with the Financial Management Policy identified as Attachment "A" and included as a permanent part of this Resolution adopted by the Board of Fire Commissioners, and

WHEREAS, it is the opinion of the Attorney General of the State of Washington that the governing body of a municipal corporation is not precluded from delegation of its statutory authority to direct the County Treasurer to invest surplus funds, provided sufficient criteria are established for the guidance of the person(s) to whom such authority is delegated;

NOW, THEREFORE BE IT HEREBY RESOLVED, that the authority vested in the Board of Fire Commissioners pursuant to RCW 36.29.020 to direct the Pierce County Treasurer to invest surplus funds of the District in accordance with this section is delegated to the Fire Chief, Assistant Chief of Finance and Administration and/or the Finance Director.

Adopted at a regular meeting of the Board of Fire Commissioners, Pierce County Fire District No. 5, this 27th day of September 2022.

Attest:

District Secretary

PIERCE COUNTY FIRE PROTECTION
DISTRICT NO. 5

Alex Wilsie (Oct 4, 2022 08:42 PDT)

Chairman

Thomas A. Sutich (Oct 4, 2022 08:40 PDT)

Commissioner

Kevin L. Entze (Oct 3, 2022 15:25 PDT)

Commissioner

Bryce Nelson (Oct 4, 2022 08:54 PDT)

Commissioner

Joe Urvina (Oct 3, 2022 16:17 PDT)

Commissioner

**Gig Harbor Fire & Medic One
Financial Management Policies
(Adopted by Resolution No.2018-10)**

The safekeeping, proper use, and management of the Fire District resources is a very serious responsibility. These tasks shall be conducted by the Fire District in a manner that makes the District fully accountable to the public for its fiscal activities. A spirit of openness and transparency shall be the District's philosophy for financial management programs and policies.

I. Expense Fund Policies:

- a. Gig Harbor Fire & Medic One will only propose operating expenditures which can be supported from on-going operating revenues.
- b. Department directors are responsible for managing their budgets within the total appropriation for their department.
- c. Gig Harbor Fire & Medic One will maintain expenditure categories according to state statute and administrative regulations. The District uses the "Budgeting, Accounting, and Reporting System" (BARS) prescribed by the State Auditor for its revenue and expenditure classification.
- d. Expense fund monies not needed for immediate payment of salaries and benefits, supplies and services, or machinery and equipment purchases shall be invested through the Pierce County Office of Budget and Finance in accordance with RCW 36.29.020 and Resolution No. 2018-10 of the Board of Commissioners of Gig Harbor Fire & Medic One.
- e. As a general guideline, Gig Harbor Fire & Medic One should maintain a minimum expense fund balance (cash and investments) equal to one month's operating cash.

II. Reserve Fund Policies:

Adequate reserve funds are a necessary component of the District's overall financial management strategy and also a key factor in the measurement of the District's financial strength by outside agencies.

- a. It will be the policy of the Fire District to maintain the Reserve Fund at a level of at least equal to 16.67% of the total budgeted expenses. This amount represents approximately two months operating expenses. These reserves are maintained to address temporary revenue shortfalls; reserves for expenditures deemed necessary by the Board of Fire Commissioners; and payment of approved expenditures during periods of inadequate cash flow.
- b. Funds for specific future capital expenditures shall be set aside in the Reserve Fund.
- c. Annual contributions will be budgeted from Expense Fund resources as available to maintain the target Reserve Fund level.

- d. Reserve fund monies, not immediately needed for approved district expenditures, shall be invested for the benefit of the Fire District and in accordance with RCW 36.29.020 and Resolution No. 2018-10 of the Board of Commissioners of Gig Harbor Fire & Medic One.

III. Debt Management Policies:

This policy shall be used to guide the District in the issuance and management of debt, unless modified by Board of Fire Commissioner's resolution.

- a. The term of long-term debt will not exceed the life of the projects financed.
- b. Current operations will not be financed with long-term debt.
- c. The District will comply with all statutory debt limitations imposed by the Revised Code of Washington (RCW). The District's long-term debt will not exceed an aggregate total of 3/8 of 1% of the value of the taxable property in the Fire District without the assent of three-fifths of the voters voting at an election held for that purpose.
- d. No debt shall be issued for which the District is not confident that a sufficient, specifically identified source is available for repayment.