

Service Driven Through Excellence and Innovation



UNITY - COMPASSION – INTEGRITY – COURAGE - HONOR

Board of Commissioners' Meeting

June 2, 2026



Clallam County Fire District 3

323 N Fifth Ave., Sequim, Washington 98382

360-683-4242, Fax: 360-683-6834

www.ccf3.org

Bill Miano
Michael Mingee
Jeffrey Nicholas
Commissioners

Justin Grider, Fire Chief

Board of Commissioners Meeting Agenda

June 2, 2026

Call to Order

Pledge of Allegiance

Changes to the Agenda

Public Comment

Consent Agenda:

- 1.) Regular Meeting Minutes, May 19th, 2026
- 2.) Claims and Payroll

Next Meeting – June 16th, 2026

Good of the Order –

Regular Business:

Reports – Fire Chief's Report

Agenda Bill 1: Amicus Brief Authorization

Agenda Bill 2: 2025 SAO Annual Financial Report

Agenda Bill 3: NFPA 1750 Discussion and Presentation

Executive Session

1. Collective bargaining sessions with employee organizations, including contract negotiations, grievance meetings, and discussions relating to the interpretation or application of a labor agreement; or that portion of a meeting during which the governing body is planning or adopting the strategy or position to be taken by the governing body during the course of any collective bargaining, professional negotiations, or grievance or mediation proceedings, or reviewing the proposals made in the negotiations or proceedings while in progress – RCW 42.30.140 (4).
2. To evaluate the qualifications of an applicant for public employment or to review the performance of a public employee – RCW 42.30.110 (g);

Adjournment



Clallam County Fire District 3

Motto: Serve, Respect, Prevent and Protect

BOARD OF COMMISSIONERS – MEETING MINUTES

May 19, 2026

Chairman Miano called the Board of Commissioners Meeting for Clallam County Fire District 3 to order at 1:00 p.m. via the Zoom App and in person at 255 Carlsborg Road in Sequim. Present were: Commissioners Jeffrey Nicholas, and Bill Miano, Fire Chief Justin Grider, Deputy Chief Tony Hudson, Finance Manager Misty Shaw, District Secretary Lori Coleman, Acting Battalion Chief Jeff Albers, Maintenance Supervisor Tharin Huisman, Community Paramedic Mark Karjalainen, Captain Konopaski and Lawson, Firefighter/PM Brent Lovell, Firefighter/EMT Jon Donahue, CERT members Blaine and Cindy Zechenelly, Charles Meyer, John Anzalotti, and John and Jennie Viada, citizens Kathleen Becker, Verda Merino, Judy Hatch and Stacey NicholSEN. Online were: Mike Mingee, M, Administrative Assistant Caity Karapostoles, St 34, Aracely Romero and St 37.

Changes to the Agenda – None.

PUBLIC COMMENT –

Two public comments were made:

First, Judy Hatch spoke regarding a hoarding house in her neighborhood. She brought up concerns about the issue of hoarding and this being a fire hazard and wanted to bring it to the attention of FD3 should a fire break out at this residence.

Second, Stacey Nelson spoke regarding the same housing concern. She gave the commissioners pictures of the residence and cautioned them regarding this house should a fire break out.

CONSENT AGENDA

- 1.) Regular Meeting Minutes, May 5, 2026.
- 2.) Claims

Accounts Payable Claim check numbers 113731 through 113763 dated May 19, 2026, totaling \$123,040.78, Payroll EFTs and IRS Deposit for Monthly Payroll dated May 8, 2026, totaling \$1,065,903.54, and Payroll EFTs and IRS Deposit for Monthly Draw and Quarterly Volunteer Points dated May 22, 2026, totaling \$58,630.18 for a disbursement grand total equaling \$1,247,574.50.

Commissioner Nicholas moved, and Commissioner Miano seconded to approve the Consent Agenda with amended meeting minutes. **MOTION CARRIED.**

Next Meeting – June 2, 2026 – Regular Board Meeting

- NFPA 1750 discussion

- Commissioner Mingee reminded staff that he still wants a presentation on the Service Delivery Study.

GOOD OF THE ORDER

Chief Grider reported –

- He met with the DNR yesterday for an interview with Keith Kortner on the funding mechanism for timber sales.

Commissioner Mingee reported –

- Attended the Revenue Advisory Committee meeting yesterday and will bring a letter or resolution forward for the Board to endorse regarding timber revenue lawsuit.

Battalion Chief Reports – Acting Battalion Chief Jeff Albers reported –

For A-Shift

- Continue to work on setting up First Due platform for inspections.
- Continues to update Active 911 for pre-fire plans
- Prepared items for give aways at the Irrigation events.
- Submitted and was approved for a \$25,000 grant for the Firewise program.
- Continue to submit weekly blotter updates to the newspaper.

For B-Shift

- Approved sixteen training requests in April.
- Continue to coordinate drills and drill instructors for 2026-Q2 training and is preparing for 2026-Q3 training.
- Continue to work with probationary firefighters; one counted as staffing and another started shift on April 4, 2026.
- Two recruits are attending Kitsap Fire Academy, and all reports are that they are excelling.
- Firefighter Darling oversaw the in-house academy for five of the new hires, and approximately twenty-six instructors assisted the academy.
- Assisting Deputy Chief Hudson with Captain promotional testing.
- Continue to mentor captains who are completing their acting Battalion Chief task books.
- Attended the volunteer recruit academy graduation on April 10, 2026.

For C-Shift

- 809 Calls for service in April. EMS calls accounted for 82.2%.
- Call volume is down 152 calls in 2026 from 2025.
- Reports show that the busiest times of day are 0800, 1400 and 1600 each day.

Agenda Bill 1: 2026-04 Proclamation for Cindy Zechenelly –Chief Grider reported that the District wants to recognize Cindy Zechenelly for her dedicated volunteerism with the Eastern Clallam County Emergency Response Team. Mrs. Zechenelly qualifies for the President’s Volunteer Service Award for completing over 4,000 hours of volunteerism. **INFORMATION ONLY. NO ACTION TAKEN.**

Agenda Bill 2: MIH-CP Program Update – Community Paramedic (CP) Mark Karjalainen provided an update on the program, noting that it has been in operation for just under two years. Year to date, he has responded to 263 calls for service, and since the program’s inception, he has assisted with 1,726 calls. He also reported supplementing crews on eight CPR calls. He shared that he has worked with

several high utilizers and stated that, between two individuals alone, the program has theoretically reduced annual call volume by approximately 250 calls. He also provided a brief overview of the District’s process for billing high utilizers for non-emergent responses. He reported that he has been able to complete all required fire and EMS training while continuing to perform his regular duties, though he noted that doing so is becoming increasingly difficult given his current workload. He discussed potential funding opportunities that may be available to help support the program and indicated that he will continue pursuing those options. He also shared several program success stories and played a few voicemails expressing gratitude from individuals he has assisted. Overall, he reported that the program is performing well, helping reduce the workload on shift personnel while providing meaningful support to community members. **INFORMATION ONLY. NO ACTION TAKEN.**

Agenda Bill 3: Ratification of the Maintenance Collective Bargaining Agreement (CBA) – Chief Grider presented the final draft of the CBA. He reported that the Board reviewed the draft during the last executive session and that the only revisions made since that time were grammatical in nature, with no substantive changes affecting the agreement. Commissioner Nicholas moved, and Commissioner Mingee seconded to approve the agreement as presented. **MOTION CARRIED.**

Commissioner Miano called for a 7-minute break at 2:28.

EXECUTIVE SESSION

Chairman Miano called for an Executive Session beginning at 2:35 p.m., expected to last for one sixty minutes (60) minutes, returning at 3:35 p.m. under RCW 42.30.140 (4) - Collective bargaining sessions with employee organizations, including contract negotiations, grievance meetings, and discussions relating to the interpretation or application of a labor agreement; or that portion of a meeting during which the governing body is planning or adopting the strategy or position to be taken by the governing body during the course of any collective bargaining, professional negotiations, or grievance or mediation proceedings, or reviewing the proposals made in the negotiations or proceedings while in progress, and RCW 42.30.110 (g) to evaluate the qualifications of an applicant for public employment or to review the performance of a public employee. In attendance were Commissioners Miano, Mingee, and Nicholas, Fire Chief Justin Grider, Deputy Chief Tony Hudson and Misty Shaw. At 3:35 p.m., Commissioner Miano extended the meeting an additional twenty-five (25) minutes, returning at 4:00 p.m. Commissioner Miano called the meeting back into Regular Session at 4:00 p.m. No decisions were reached during the Executive Session.

ADJOURNMENT

Commissioner Miano called for adjournment at 4:01 p.m.

Bill Miano, Chairman

Michael Mingee, Vice Chairman

Jeffrey Nicholas, Commissioner

Attest:
Lori Coleman, District Secretary



CLALLAM COUNTY FIRE DISTRICT 3

Agenda Bill No: Consent 2

Subject: Approval of Claims and Payroll for the period ending Tuesday, June 2, 2026

Attachments: Accounts Payable Claims & Payroll Registers

Date: Tuesday, June 2, 2026

Prepared By: Misty Shaw, Finance Manager

Approved By: Justin Grider, Fire Chief

Discussion: Approval of regular claims and payroll expenses as follows:

Accounts Payable Claim Numbers:	113764-113797
dated:	June 2, 2026
Totaling:	\$ 47,971.58
Total Accounts Payable Claims and Payroll:	<u>\$ 47,971.58</u>

Recommended

Action:

Recommended Motion:

Move to approve EFTs and Accounts Payable Claim Numbers: 113764-113797

For a Disbursement Grand Total of: \$ 47,971.58

CHECK REGISTER

Clallam County FD 3

Time: 06:05:47 Date: 05/28/2026

06/02/2026 To: 06/02/2026

Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
1216	06/02/2026	Claims	1	113764	A-1 AUTO PARTS, INC	242.62	DiscoBay Brush Fuel Filter; PA B11 Parts; Black Sealant Return; F44/G23 Connectors; F22 Breaker; Tire Coating; F71 Brush; F22 Fuses
1217	06/02/2026	Claims	1	113765	ALL BATTERY SALES & SERVICE, INC.	507.15	F22 Batteries
1218	06/02/2026	Claims	1	113766	BILL'S PLUMBING & SANIKAN, INC.	408.38	Pumping Shop/TOC
1219	06/02/2026	Claims	1	113767	CENTRAL KITSAP FIRE & RESCUE	819.00	Incident Safety Officer Training - 03.25.2026-03.26.2026 - McGuffey, Hagaman, Hueter
1220	06/02/2026	Claims	1	113768	CLALLAM COUNTY PUBLIC WORKS DEPT	240.50	Shop/Classroom Sewer; ST33 Sewer; Shop/Classroom Sewer
1221	06/02/2026	Claims	1	113769	CLALLAM COUNTY PUD	3,302.03	Admin Ste C Electricity; Admin Ste E Electricity; ST32 Water and Electricity; Classroom Water and Electricity; Shop/Classroom Irrigation Water; ST33 Water and Electricity; Shop Water and Electricity;;
1222	06/02/2026	Claims	1	113770	Tanner L Cupps	204.00	Meal per diem - 05.05.2026-05.08.2026 - Trails End Conference
1223	06/02/2026	Claims	1	113771	ESO SOLUTIONS, INC.	1,422.03	ESO Activities - 08.27.2026-08.26.2027
1224	06/02/2026	Claims	1	113772	FREIGHTLINER NORTHWEST PACIFIC	2,000.74	F49 Parts; F49 Parts; F50 Kit
1225	06/02/2026	Claims	1	113773	HEALTH CARE LOGISTICS, INC.	329.03	Narcotic Box Tags
1226	06/02/2026	Claims	1	113774	HI-TECH SECURITY, INC.	416.89	Alarm Monitoring - 06.11.2026-06.10.2027
1227	06/02/2026	Claims	1	113775	Elizabeth Hagaman	204.00	Meal per diem - 05.05.2026-05.08.2026 - Trails End Fire Conference
1228	06/02/2026	Claims	1	113776	J & J CONSTRUCTION OF PORT ANGELES, INC.	957.25	ST33 Plan Check & Permitting
1229	06/02/2026	Claims	1	113777	JAY OEN MOTOR COMPANY	1,747.14	D4 Brake Valves; F49 Governor; F49 Parts; F14 Brake Valve; Core Returns; F50 Coolant Reservoir; F81 Fuse; F49 Parts; PA Fire Brush 11 Transmission Fluid; Stock Parts
1230	06/02/2026	Claims	1	113778	L.N.CURTIS & SONS	2,745.99	F25/F26 - Pump Seals; Structure Boots (3); Structure Boots
1231	06/02/2026	Claims	1	113779	LIFE ASSIST, INC.	638.67	EMS Supplies; EMS Supplies
1232	06/02/2026	Claims	1	113780	LION GROUP, INC	750.04	PPE Repair and Alterations
1233	06/02/2026	Claims	1	113781	LOCALITY MEDIA, INC	1,001.88	First Due - Hydrant Management, Essentials Online Training Package, Implementation and Configuration Services
1234	06/02/2026	Claims	1	113782	MCKESSON MEDICAL SURGICAL	2,249.64	EMS Supplies; EMS Supplies; EMS Supplies; EMS Supplies; EMS Supplies; EMS Supplies
1235	06/02/2026	Claims	1	113783	JAMES MEYER	146.90	EMS Refund
1236	06/02/2026	Claims	1	113784	OLYMPIC DISPOSAL MURREYS DISPOSAL COMPANY, INC	555.79	ST37, ST33, Shop/Classroom Garbage; Shop/Classroom Garbage
1237	06/02/2026	Claims	1	113785	PACIFIC OFFICE EQUIPMENT, INC	1,062.24	ST34 Classroom Table Casters; Copier Contract Fees - Admin - 02.27.2026-04.10.2026 - Loaner

CHECK REGISTER

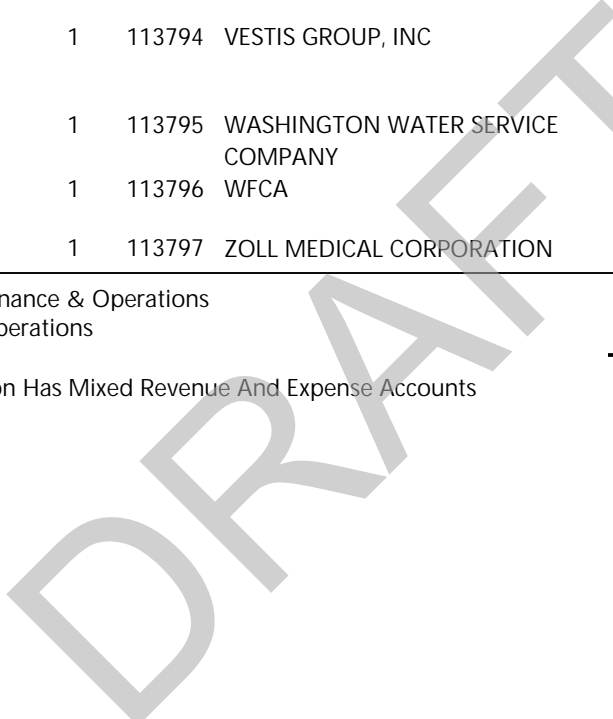
Clallam County FD 3

Time: 06:05:47 Date: 05/28/2026

06/02/2026 To: 06/02/2026

Page: 2

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
1238	06/02/2026	Claims	1	113786	PETROCARD INC.	4,324.58	Bulk Gasoline; Bulk Gasoline/Diesel
1239	06/02/2026	Claims	1	113787	QUAIL ELECTRIC, LLC	16,250.20	Reissue ST34 Kitchen Remodel Retainage
1240	06/02/2026	Claims	1	113788	SEATTLE AUTOMOTIVE DISTRIBUTING, INC	132.43	D4 Brush Parts
1241	06/02/2026	Claims	1	113789	STERICYCLE, INC.	65.75	EMS Disposal Fees
1242	06/02/2026	Claims	1	113790	STRYKER SALES LLC	219.25	EMS Supplies
1243	06/02/2026	Claims	1	113791	Jacob L Stanley	204.00	Meal per diem - 05.05.2026-05.08.2026 - Trails End Conference
1244	06/02/2026	Claims	1	113792	THOMAS BUILDING CENTER, INC	653.40	TOC Classroom Locks
1245	06/02/2026	Claims	1	113793	CELLULAR VERIZON WIRELESS	2,788.70	Cellular Services - 04.09.2026-05.08.2026 - LifePak; Cellular Services - 04.09.2026-05.08.2026
1246	06/02/2026	Claims	1	113794	VESTIS GROUP, INC	34.60	Cleaning services - mats and laundry - Shop; Cleaning services - mats and laundry - Shop
1247	06/02/2026	Claims	1	113795	WASHINGTON WATER SERVICE COMPANY	40.54	ST35 Water
1248	06/02/2026	Claims	1	113796	WFCA	625.86	2026 Saturday Seminar Series - Nicholas, Miano
1249	06/02/2026	Claims	1	113797	ZOLL MEDICAL CORPORATION	680.36	EMS Supplies
						47,824.68	
001 Maintenance & Operations						47,824.68	
002 EMS Operations						146.90	
						47,971.58	Claims: 47,971.58
* Transaction Has Mixed Revenue And Expense Accounts						47,971.58	





Fire Chiefs Report

06/02/2026



GOAL #1 – More efficient response matrix

The Fire Chief has communicated the district's desire for PenCom to move to a system that is similar to ProQA, if not that product. This discussion centered not only on triaging medical calls but also on "resource-depleting" calls for service, including smoke checks (outside a structure) and iPhone crash notifications. The discussion is also inclusive of Skilled Nursing Facilities and the borderline abuse of the 911 system. This communication was not answered; however, I understand the director of PenCom is out of the country, and his backup does not want to make that decision/discussion. We will agendize it for the next PenCom advisory. As this continues, service delivery through the deployment of resources will manifest through run cards.

Olympic Ambulance: Goal #1 Contract began April 1, 2026, and is working as designed. The executive director has stepped down, and I have a meeting with him on June 1, 2026, to see what is next. We have not been given any official word on the next steps from Metro West.

GOAL #2 - Decentralized decision making through organizational structure, and set milestones and deadlines for projects

Projects that involve all staff are being communicated for impacts and necessary changes. Locution (Station Alerting) as a project is well underway. The hardware has been ordered, and the discussions with PenCom, Locution, and FD3 are underway to ensure space on a server at PenCom (or hosted). Quail Electric is the contractor selected (the same company that did the kitchen remodel). Timelines are fluid, and Locution is confident that the system will work great. This project cannot happen fast enough. While the stations will have the digitized voice and lights, radios and pagers are to operate as normal.

The District has been the recipient of a 25K grant from DNR to support the FireWise project. This will allow the initial grant (DOI Title III) to stretch further. The project is being scheduled and is on target with Sunland HOA.

The Captain's promotional assessment has been completed, and we have four (4) successful candidates successfully passing the assessment center, with the top three (3) moving forward to the Chiefs' interview. Interviews are being conducted in the first week of June.

Operationally, the securing and tracking of controlled substances per the DEA update has been accomplished with a new policy being crafted. Controls are in place that meet the DEA requirements and have taken a lot of work and time from the mechanics installing of secure Knox med vaults, to the crews following the process, providing input and suggestions, plus the work put in place to draft a working document and policy statement that is dynamic enough to work through the nuances.

As of Friday, May 30, 2026, West Sound Workforce (WSW) has received 12 candidate applications/resumes. As quoted by WSW, "On first screening, it would appear that we have about a 50% rate of candidates that will be advanced to the next step in the screening process. I've been impressed with the level and variety of talent I am seeing so far.

With one week left before the job closes, I am sure we will see several more resumes come in."

Staffing – GOAL # 3 We have three career personnel out on extended leave. Two members are still attending the Kitsap Fire Recruit Academy, and all reports are that they are doing very well; they are on track for completion on June 19, 2026. FF Jeremy Long submitted his resignation with his last day with FD3 on June 8, 2026, and FF Leonard Horst has submitted his intent to retire effective July 1, 2026. A conditional offer of employment was extended to a candidate on our

Fire Chiefs Report

06/02/2026

FF/Paramedic list and has been accepted. The FF/EMT and FF/Paramedic lists, and per policy, have been decommissioned, and staff are working on creating a recruitment for both positions and establishing a new list.

Grant Updates –GOAL #3: Grants at the federal level have been opened for application (again). We have hired to have 16 personnel on duty, and as reported previously, we have been directed to find other revenue sources. The SAFER grant is open and funds 70% - 30% -30% over the first 3 years once granted.

GOAL # 4 - Continue to work on the Strategic Plan:

Staff continues to work on the Strategic Plan. At today's meeting, you will receive an update on NFPA 1750 and ICMA recommendations for first alarm assignments for a single occupancy structure fire, and where we are staffed currently. This presentation will lead into service delivery with a standard of cover, which will assist with a strategic plan. With negotiations open, we will address some critical areas for coverage.

Jamestown S'Klallam Tribe – GOALS #4 and #6 – Dialog is open and working on establishing meetings and connections for our strategic plan, fees, and schedules. Currently working on the new cell tower for the Carlsborg area. This will assist us with communications by placing our radio equipment on it, thus improving communications for the area, and should strengthen our reach.

GOAL # 5 - Continue to work on new Station 33 – break ground in 2027 – DC Hudson and Commissioner Mingee met with Aetta Architects in May for the kick-off meeting and design review. Items discussed were layout, CUP, stormwater, traffic engineering budget, and the orientation of the building. Overall, it was a great first meeting.

GOAL # 6 - Develop an impact fee schedule – No update.

Sequim City Manager – GOAL #6 I continue to meet with Matt Huish monthly. We continue to have our one-on-one meeting with him this month regarding City and District interests. These include Eastern Clallam County Emergency Operations and other city/district needs.

Jamestown S'Klallam Tribe – GOALS #4 and #6 – Dialog is open and working on establishing meetings and connections for our strategic plan, fees, and schedules. Currently working on the new cell tower for the Carlsborg area. This will assist us with communications by placing our radio equipment on it, thus improving communications for the area, and should strengthen our reach.

County Emergency Management – I continue to meet with EOC Staff monthly and work with them on courses and meetings. The county has completed and adopted the CWPP, and we presented with DNR, ONP and others on wildfire protection, strategies, and resources.

Meetings and Activities for the Month of May–

- Present at the Crazy Callen Family Fun Days over the weekend on May 2 and 3
- Present for Logging Show, Irrigation parade, and Fireworks on May 8 and 9
- Continue to represent with the Chamber of Commerce
- Attended the LRI conference May 5th - May 8th. Received a lot of great information

Fire Chiefs Report

06/02/2026

- Negotiations are underway with bargaining units
- Continue my one-on-one discussions with the Commissioners
- Met with West Sound Work Force on the recruitment of an HR Manager
- Presented at the Community Wildfire Resilience Workshop at the Port Angeles Library
- Continue to represent the District with the City of Sequim Emergency Management
- Met with the District's legal team
- Attended the Olympic Region Fire District Summit in Forks, WA.
- Continue weekly meetings with Chiefs of PAFD and C2FR
- Completed the Maintenance and CBA
- Continue to hold Staff and Battalion Chief Meetings
- Attend Labor/Management Meeting
- Interviewed with Matt Comisky, the Washington State Manager for the American Forest Resource Council, highlighting the importance of the timber sales and revenue and it's impact on our budget
- 2025 Member of the year, Chris Lovering, was recognized by the Olympic Peninsula Foot Printers for his contributions to the District and Community
- Met with the Marine Corps League on recognizing one of our personnel
- Represented the District on the East Clallam County CERT Association Board
- Attended the MAT Clinic Community Advisory Meeting
- Observed the Captain promotional process and thanked the assessors, role players and staff that made the process a success

Community Project Updates –

We continue to monitor. This is for our BOC to be aware of current projects and the community growth that is ongoing, with a number of large projects being submitted. Of note in the city of Sequim:

**new updates*

- * 12 lot subdivision off Solana
- * New application for a drive-through coffee in Sequim. Part of a larger development
- Seabrook – Master Planned Community – John Wayne Marina and Whitefeather
 - Under new review and extended a year.
- 16-bed inpatient facility – Jamestown property on 7 acres behind Costco
 - Progress is well underway
- S. Olympic View Condominiums – Proposed two 5-unit attached. – Garry Oak Drive
- Rainshadow Loop Subdivision – Proposed 35 lot – McCurdy Road
- Bell Creek Subdivision – Proposed 104 lot, single-family homes- Brownfield Rd.
- Bella Vista Estates – Proposed 24-lot, single-family homes – Miller Road
- Bradley Ridge Apartments – Proposed 2-story, 16-unit apartments. – E. Hammond
- Heckman Subdivision- 11 Parcels East of 7th Ave. & W. of Cherry Blossom Estates
- Habitat for Humanity – Proposed 50-unit development- Brownfield Road
- Rolling Hills – Currently being developed, 215 lots at McCurdy Rd. & E. of S. 7th Ave. 35% of permits issued for building.
Of special note to this subdivision, BC Turner and FCT McKenzie have had great communication with city staff as they monitor termination areas of streets and are quick to get our input for emergency access/egress.
- Cedar Ridge III – 25 lots as the 3rd phase of this development
- Foothills-Bell Creek – Proposed 90 lots between 3rd Ave and 7th Ave.

Fire Chiefs Report

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- Lavender Meadows. The development is filling in. Allotted 217 lots for the subdivision. Approximately 25% of this site is filled.
- Proposed shopping center/retail stores located at Priest Road, East Washington, and Brackett Road. Still in review.
- Expansion to the Westerra subdivision off of Galloway Blvd and Cameron Farm Rd between West Fir and West Hendrickson. An additional 20 homesites.
- New proposal for a new building at 505 S. 5th Ave. Sunbelt apartments to have a 2-story, with 36 1-bedroom apartments with additional common space and laundry room.

Staff continues to work by gathering information from the county on their developments in our area.

- Runnion Development – 6 Duplexes & 2 Triplexes. Intersection of Carlsborg Rd. and E. Runnion. The second phase is underway
- Blue Fern Development – 220 homes. Located between W. Runnion and Spath Rd off of Carlsborg Road. This subdivision is rapidly being built.
- New construction has started at the intersection of Dragonfly and Critter Country for 9-12 homes
- A new development in Gardiner for 3-4 homes has started on Daisy King Lane near Old School House
- Proposed Development - Carlsborg Manufactured Homes on Atterberry and Hooker. 66 single-family manufactured homes

Property Updates – Local properties of issue

Nothing new to report

2026 Annual Priorities



Fire Chiefs Report

06/02/2026

1) More efficient response matrix

- Update Dispatch Agreement to include call screening using a medical control program
- Update SOP on resource deployment for resource efficiency
- Update Run Cards

2) Decentralized decision making through organizational structure and set milestones and deadlines for projects

- Communicate up and down the chain to include updates to the BOC monthly

3) Staffing @ 16 people per shift (12-person minimum staffing)

- Fill vacancies as soon as possible
- Explore staffing Grants
- Promote for vacancies and backfill hires

4) Continue to work on the Strategic Plan

- Recognizing the current strategic plan should always be referenced to and updated accordingly
- Present to BOC the status on the Strategic Plan
- Expand on Service Delivery components of the Strategic Plan, including updates to Standards of Cover

5) Continue to work on new Station 33 – break ground in 2027

- Facility committee to move forward with the replacement of Station 33
- Including picking a funding mechanism, developer, and contractor

6) Develop an impact fee schedule

- Conduct Nexus Study to analyze the cost
- Negotiate with City of Sequim to implement a fair and consistent impact fee
- Ensure consistency and work with the County to implement impact fee within the County

CLALLAM COUNTY FIRE DISTRICT 3

Agenda Bill No. 1

Board of Commissioners meeting **06/02/2026**

To: Board of Commissioners

From: Commissioner Mingee

Subject: Amicus Brief Authorization – Washington Farm Forestry Association et al. v. State Forest Practice Board et al. – Non-Fish Bearing Streams Buffer Rule Adverse Impacts on Timber Revenue.

Recommendation:

A motion to join onto an Amicus Brief filed by the Port of Port Angeles in regard to Thurston County Superior Court case; Washington Farm Forestry Association et. al. vs. State Forest Practice Board et al.

Board would approve participation with other public entities and affected parties over concerns with the adverse impacts to Junior Taxing Districts in Clallam County including Fire District 3 through reduction in timber revenue.

Authorize the payment of the CCFD3 percentage share of the legal cost of the Amicus Brief researching, drafting, and filing at a cost of no more than \$2,857.

Background:

On November 12, 2025, the Forest Practice Board adopted new buffer rules concerning non-fish bearing streams. This new ruling decreases harvestable productive timber in Clallam County by over 9k acres resulting in a loss in revenue to the County and its Junior Taxing Districts of \$3.2 to \$4 million.

According to the plaintiff in this case, there is no finding that the existing forest fish buffers were failing or impairing resources. In addition, the Association believes the Forest Practice Board applied a standard not required by law, disregarded existing science, and did not consider less burdensome alternatives.

Discussion: TBD

Attachments: Timber Revenue History 2013-2025

Amicus Brief Authorization Form & Information Request, Resolution, Participants, On-Page Brief

Alternatives:

Decline to participate in the Port of Port Angeles Amicus Brief.

Fiscal Considerations: Fiscal impact of joining the brief of no more than \$2,857. Impact to District timber revenue cannot be estimated.

Impact to the Community: Fire District 3 operates at its highest efficiency when all traditional sources of Revenue are maintained.

AMICUS BRIEF AUTHORIZATION FORM & INFORMATION REQUESTED:

Thank you for Participating in the Amicus (Friend of the Court) Brief in Thurston County Superior Court Cause No. 25-2-05763-34, *Washington Farm Forestry Association et al. v. State Forest Practice Board et al.*, expressing concern with and describing adverse impacts of a new buffer rule imposed for non-fish bearing streams.

The more entities and numbers we can include as participants/signers, the stronger the message! Thank you!

Please provide:

- Name of entity:

- **Evidence of Authorization:** *(only one method needed)*

Copy of authorizing Resolution attached

Copy of authorizing motion/ meeting minutes attached

Authorization by signature:

I, (name) _____, am the (title) _____ of (entity) _____.

I warrant that I am authorized to confirm the participation of (entity) _____ in the Amicus Brief to be filed in the above matter,

and to paying its share of legal costs.

- Population or membership numbers your entity represents:

- How your constituents are affected by the expanded buffer rule and reduction in timber revenue. Please be as specific as possible. (loss of revenue, description of services diminished, etc...)

▪ _____

▪ _____

▪ _____

- Contact person: name, email, phone number:

RETURN TO Clerk of the Clallam County Board of Commissioners at: loni.gores@clallamcountywa.gov

Or to Port of Port Angeles Attorney Carolyn Lake @ clake@goodsteinlaw.com

Sample Motion Authorizing Participation in the Amicus Brief:

1. I move that the [agency] [legislative authority] authorizes the [executive] to take such actions necessary for the [agency] to participate as an amicus party in the case of *Washington Farm Forestry Association et al. v. State Forest Practice Board et al.*, Thurston County Superior Court Cause No. 25-2-05763-34.
2. The [agency] [legislative authority] authorizes the payment of its percentage share of the legal cost of the Amicus Brief researching, drafting, and filing, which costs are capped at a total amount of \$20,000.00.

(Note:) There are currently 6 participating entities; adding 1 more makes 7 entities.

\$20K divided by 7 equals a share of \$2,857. A bargain!

If the governmental Agency declines monetary participation, or is a non-profit, simply delete Paragraph 2.

RESOLUTION NO. ___ - 26

A RESOLUTION of the Commissioners of the [agency] authorizing the [agency] to participate with other public agencies and affected parties in the filing of an Amicus Brief in Thurston County Superior Court Cause No. 25-2-05763-34, *Washington Farm Forestry Association et al. v. State Forest Practice Board et al.*, expressing concern with and describing adverse impacts of a new buffer rule imposed for non-fish bearing streams.

WHEREAS, the [Agency] is a _____ under the laws of the State of Washington.

WHEREAS, on November 12, 2025, the Forest Practices Board adopted a new buffer rule for non-fish bearing (Type Np) streams, the effect of which removed over 200,000 acres of private forestland removed from productive use, equating to an estimated \$1–1.8 billion value of trees.

WHEREAS the buffer expansion action results in an estimated *decrease* in revenues to various Counties in Washington as follows:

County	Np rule Upland acres removed from production	County Excise Tax Impact calculated at 4%	Total Excise Tax Impact calculated at 5%
Lewis	(43,961)	\$ (14,846,806)	\$ (18,558,507)
Pacific	(32,136)	\$ (10,386,108)	\$ (12,982,635)
Cowlitz	(28,029)	\$ (9,815,192)	\$ (12,268,990)
Grays Harbor	(24,123)	\$ (8,641,365)	\$ (10,801,707)
Clallam	(9,726)	\$ (3,220,655)	\$ (4,025,819)
Skagit	(9,083)	\$ (3,937,629)	\$ (4,922,036)

WHEREAS, the buffer expansion action results in reduced timber harvest which lowers county trust revenues, disproportionately impacts rural and economically vulnerable counties, and adversely affects funding for roads, schools, hospitals, and local services.

WHEREAS, the Forest Practice Board’s adoption of the new buffer rule is legally problematic for at least the following reasons:

- There is no finding that the existing Forests & Fish buffers were failing or impairing resource protection objectives.
- The Board applied a new legal standard not required by law.
- The Board disregarded exiting science which showed that the existing buffer dimensions were working, and
- The Board did not consider less-burdensome alternatives.

WHEREAS, the adoption of the new buffer rule will set a precedent for future forest, agriculture, and land-use regulation, further adversely affecting counties and their junior taxing districts, such as ports, fire services, and schools.

WHEREAS, the Washington Farm Forestry Association and the Washington Forest Protection Association has petitioned the Courts for relief from this rule and seeks affected parties to join in by being signatories to an Amicus (“Friend of the Court”) brief in support of the legal action.

WHEREAS, the [agency], located within _____ County is a party adversely affected by the rule and seek to support the litigation challenging the rule, and

WHEREAS, the Port of Port Angeles, through its Commission, Chief Executive Officer and Legal Counsel are coordinating the researching, drafting, and filing an amicus brief, which numerous entities have agreed to sign on. The costs of the Amicus effort are capped at no more than \$20,000.00 and will be divided amongst the participating government entities.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF THE PORT OF WOODLAND that:

1. The [agency] [legislative authority] authorizes the [executive] to take such actions necessary for the [agency] to participate as an amicus party in the case of *Washington Farm Forestry Association et al. v. State Forest Practice Board et al.*, Thurston County Superior Court Cause No. 25-2-05763-34.
2. The [agency] [legislative authority] authorizes the payment of its percentage share of the legal cost of the Amicus Brief researching, drafting, and filing.

Adopted by [agency] , Washington at a regular meeting held this ____ day of _____ 2026.

Np Riparian Buffer Rule Lawsuit — One-Page Brief

Jason Spadaro and Cindy Mitchell, WFPA | jspadaro@wfpa.org | cmitchell@wfpa.org

Basics of the Case — What Happened

- On November 12, the Forest Practices Board adopted a new buffer rule for non-fish (Type Np) streams.
- Buffers expanded from largely intermittent 50' buffers to continuous 65–75' no-harvest buffers.
- Over 200,000 acres of private forestland removed from productive use (\$1–1.8 billion value of trees).
- Rule driven by Ecology's requirement of "no measurable change" in temperature (+0.3°C), a misinterpretation of Tier II antidegradation policy ([WAC 173-201A-320\(3\)](#)).

Why WFPA / WFFA Are Petitioning Court (Precedent-Setting)

- No finding that existing Forests & Fish buffers were failing or impairing resource objectives.
- Board applied a new legal standard not required by law ("no measurable change").
- Science showing buffers were working was disregarded.
- Less-burdensome alternatives were excluded (including Minority proposal).
- Case will set precedent for future forest, agriculture, and land-use regulation.

Who Are the Defendants

- Forest Practices Board (FPB): adopted the buffer rule.
- Department of Ecology (DOE): imposed Tier II interpretation and directed outcome.
- Department of Natural Resources (DNR): responsible for rule implementation.

Who Has Intervened

- Environmental organizations supporting the expanded buffer rule plan to intervene (e.g., WCA and CNW).
- Additional parties may participate through intervention or amicus briefs.

Legal Lead — K&L Gates (WFPA / WFFA Counsel) andre.szalay@klgates.com

- K&L Gates is serving as lead counsel for WFPA and WFFA.
- They are coordinating litigation strategy and outside participation.
- Primary coordination occurs through WFPA and WFFA leadership.

Timeline — Amicus Briefs (Estimated)

- Amicus briefs should be ready by **June 11, 2026**.
- Carolyn Lake, Port of Port Angeles Legal Counsel is coordinating the multi-government Amicus Brief and participation. clake@goodsteinlaw.com
- Legal costs for the Amicus Brief are capped at \$20,000 total, are expected to be shared amongst participating government entities, and waived for non-profits.
- Court has set formal deadlines the hearing is August 21, 2026 – 10 days before Np rule takes effect.
- See current list of participating entities attached.

How You Can Get Involved — Declarations and Amicus Briefs

- Individuals, organizations, and local governments can participate.
- Amicus briefs provide broader county, community, and downstream perspective (requires an attorney).
- Both support the court's analysis of real-world impacts.

Examples of Broader Impacts

- **Counties:** reduced timber harvest lowers county trust revenues; disproportionate impacts to rural and economically vulnerable counties; effects on roads, schools, hospitals, and local services.
- **Agriculture:** Tier II and nonpoint interpretations have impacts beyond forestry, shifting voluntary programs toward default buffers (215' west / 150' east); impacts to farmland, production, and food supply.
- **Builders / Developers / CAPR:** reduced buildable land, higher housing costs, longer permitting timelines, worsening housing affordability.
- **Energy & Utilities:** increased siting constraints, higher mitigation costs, delays to grid expansion, uncertainty.

Key Takeaway

- This case is about lawful process, science-based standards, and regulatory limits.
- Outcome will influence how Tier II and nonpoint rules are applied across sectors.
- **Broad participation strengthens the record on real-world impacts.**
- WFPA and WFFA are coordinating next steps and communications.

AMICUS PARTICIPANTS

Thurston County Superior Court Cause No. 25-2-05763-34, *Washington Farm Forestry Association et al. v. State Forest Practice Board et al.*,

Participating Entity	Contact Info			
Clallam County	Commissioner Randy Johnson randy.johnson@clallamcountywa.gov Mark Nichols, Clallam County Prosecuting Attorney Nichols, Mark mark.nichols@clallamcountywa.gov			
Skagit County	Erik Pedersen Chief Civil Deputy Prosecutor erikp@co.skagit.wa.us Ph (360)416-1600 Jennifer Johnson Skagit County Deputy Administrator 1800 Continental Place Mount Vernon, WA 98273 jenniferj@co.skagit.wa.us (360) 416-1304			
Grays Harbor County	Georgia Miller Commissioner District 1 Georgia Miller Georgia.Miller@GraysHarbor.us			
Pacific County	Lisa Olsen Commissioner, Dist 1 360-942-8840 lolsen@co.pacific.wa.us			
Port of Port Angeles	Connie Beauvais, District 3 Commissioner Port of Port Angeles Connie Beauvais connieb@portofpa.com Paul Jarkiewicz Chief Executive Officer Port of Port Angeles www.portofpa.com			
Port of Longview	Dale Lewis, Director of External Affairs Lewis dlewis@portoflongview.com 10 International Way, Longview, WA 98632			

AMICUS PARTICIPANTS

Thurston County Superior Court Cause No. 25-2-05763-34, *Washington Farm Forestry Association et al. v. State Forest Practice Board et al.*,

Participating Entity	Contact Info			
	p. 360-425-3305 d. 360-703-0256 www.portoflongview.com			
Port Angeles Chamber of Commerce Board of Directors	Marc Abshire Executive Director (360) 452-2364			
Port Angeles Business Association Government Affairs Committee	Kaj Ahlburg Chairman, 4513 Mount Pleasant Road Port Angeles, WA 98362 (360) 565-1146 ahlburgkaj@gmail.com			
Pacific County – local EMS district	Lisa Olsen Commissioner, Dist 1 360-942-8840 lolsen@co.pacific.wa.us			
	PENDING			
Port of Woodland	Chris Herman Executive Director cherman@portofwoodland.com			
Two School districts Pacific County				
Lewis County	Scott M. Gripp <i>Deputy Prosecutor, Civil Division</i> Lewis County Prosecuting Attorney's Office 345 W. Main Street, 2 nd Floor Chehalis, WA 98532 Office: 360-740-1186 Fax: 360-740-1497 scott.gripp@lewiscountywa.gov www.lewiscountywa.gov			
Skamania County	Brian Nichols, Nichols@co.skamania.wa.us (509) 427-3701 Skamania County Board Chair			

Clallam County Fire District 3
Sale of County Timber Revenue

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Average
General	163,388.86	160,655.96	105,727.18	495,877.05	257,518.45	10,473.71	29,637.36	84,575.17	11,467.42	126,419.68	105,895.05	349,869.96	159,127.51	158,510.26
EMS	103,718.65	62,451.01	36,866.14	158,224.13	88,711.47	2,955.80	8,902.68	25,570.71	4,260.62	44,730.33	34,626.30	110,640.44	50,323.71	56,306.31
Total	267,107.51	223,106.97	142,593.32	654,101.18	346,229.92	13,429.51	38,540.04	110,145.88	15,728.04	171,150.01	140,521.35	460,510.40	209,451.22	214,816.57

DRAFT

CLALLAM COUNTY FIRE DISTRICT 3

Agenda Bill No. 2

Board of Commissioners meeting **06/02/2025**

To: Board of Commissioners

From: Misty Shaw, Finance Manager

Subject: 2025 SAO Annual Financial Report

Recommendation: No action required, Review only

Background: Staff will discuss how the process went this year with the Board.

Discussion: FM Shaw will discuss the 2025 Annual Report filed with the Washington's State Auditor's Office.

Attachments: 2025 SAO Annual Financial Report – Draft as Filed

Alternatives: N/A

Fiscal Considerations: N/A

Impact to the Community: This report shows that the District is a good steward of the public's money and does a good job in using those funds to the benefit of the District's citizens and visitors.

Clallam County Fire Protection District 3

Serve Respect Prevent Protect



**Annual Financial Report For the Year
ended December 31, 2025**



2025 District Board Members and Officials

Jeffery C. Nicholas, Chairman of the Board

Michael Mingee, Commissioner, Vice Chair

Bill Miano, Commissioner

Justin Grider, Fire Chief

Tony Hudson, Deputy Fire Chief

Lori Coleman, District Secretary

Clallam County Fire Protection District No. 3
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2025

		001
		Maintenance & Operations
Beginning Cash and Investments		
308	Beginning Cash and Investments	11,909,745
388 / 588	Net Adjustments	-
Revenues		
310	Taxes	14,043,801
320	Licenses and Permits	-
330	Intergovernmental Revenues	437,739
340	Charges for Goods and Services	733,734
350	Fines and Penalties	-
360	Miscellaneous Revenues	693,135
Total Revenues:		15,908,410
Expenditures		
510	General Government	-
520	Public Safety	14,279,305
530	Utilities	-
540	Transportation	-
550	Natural/Economic Environment	-
560	Social Services	-
570	Culture and Recreation	-
Total Expenditures:		14,279,305
Excess (Deficiency) Revenues over Expenditures:		1,629,104
Other Increases in Fund Resources		
391-393, 596	Debt Proceeds	-
397	Transfers-In	-
385	Special or Extraordinary Items	-
381, 382, 389, 395, 398	Other Resources	36,275
Total Other Increases in Fund Resources:		36,275
Other Decreases in Fund Resources		
594-595	Capital Expenditures	2,285,055
591-593, 599	Debt Service	67,375
597	Transfers-Out	-
585	Special or Extraordinary Items	-
581, 582, 589	Other Uses	2,642
Total Other Decreases in Fund Resources:		2,355,071
Increase (Decrease) in Cash and Investments:		(689,692)
Ending Cash and Investments		
50821	Nonspendable	-
50831	Restricted	-
50841	Committed	-
50851	Assigned	8,581,257
50891	Unassigned	2,638,795
Total Ending Cash and Investments		11,220,051

The accompanying notes are an integral part of this statement.

Clallam County Fire Protection District No. 3
Notes to the Financial Statements
For the year ended December 31, 2024

Note 1 - Summary of Significant Accounting Policies

Clallam County Fire Protection District No. 3 was incorporated in June 1948 and operates under the laws of the state of Washington applicable to Fire Protection Districts. Clallam County Fire Protection District No. 3 is a special purpose local government and provides fire protection, fire suppression, life safety and fire prevention education and emergency medical services including Basic Life Support (BLS) and Advanced Life Support (ALS) services to portions of Clallam and Jefferson Counties.

The District reports financial activity in accordance with the *Cash Basis Budgeting, Accounting and Reporting System* (BARS) Manual prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW. This manual prescribes a financial reporting framework that differs from Generally Accepted Accounting Principles (GAAP) in the following manner:

- Financial transactions are recognized on a cash basis of accounting as described below.
- Component units are required to be disclosed, but are not included in the financial statements.
- Government-wide statements, as defined in GAAP, are not presented.
- All funds are presented, rather than a focus on major funds.
- The *Schedule of Liabilities* is required to be presented with the financial statements as supplementary information.
- Supplementary information required by GAAP is not presented.
- Ending balances for proprietary and fiduciary funds are presented using classifications that are different from the ending net position classifications in GAAP.

A. **Fund Accounting**

Financial transactions of the government are reported in individual funds. Each fund uses a separate set of self-balancing accounts that comprises its cash and investments, revenues, and expenditures. The government's resources are allocated to and accounted for in individual funds depending on their intended purpose. Each fund is reported as a separate column in the financial statements, except for fiduciary funds, which are presented by fund types. The total column is presented as "memo only" because any interfund activities are not eliminated. The following fund types are used:

GOVERNMENTAL - General Fund

This fund is the primary operating fund of the government. It accounts for all financial resources except those required or elected to be accounted for in another fund.

B. **Basis of Accounting and Measurement Focus**

Financial statements are prepared using the cash basis of accounting and measurement focus. Revenues are recognized when cash is received, and expenditures are recognized when paid.

C. Cash and Investments

It is the District's policy to invest all temporary cash surpluses. The interest on these investments is prorated to the various funds. For further information see Note 4 - Deposits and Investments.

D. Capital Assets

Capital assets are assets with an initial individual cost of more than \$10,000 and an estimated useful life in excess of one year. Capital assets are recorded as capital expenditures when purchased.

E. Compensated Absences

Liabilities for compensated absences are recognized on the Schedule of Liabilities when earned by employees, available for use in a subsequent period, and more likely than not to be paid.

Sick Leave may be accumulated up to 1040 hours for 40-hour-per-week employees and up to 1380 for 24-hour shift employees. Upon separation, employees receive payment for unused sick leave at a rate between 0 percent and 50 percent of their leave balance, depending on the circumstances of their separation. Employee separations due to a line of duty death will receive payment for 100 percent of their sick leave balance.

Holiday Leave for employees engaged in emergency response activities may be accumulated up to 336 hours and is payable upon separation or retirement or at the request of the employee.

Compensatory Time for employees engaged in emergency response activities may be accumulated up to 480 hours. Compensatory Time for all other eligible employees may be accumulated up to 240 hours. Compensatory Time is payable upon separation or retirement.

Vacation accruals differ among District employees based upon length of service. The maximum accrual rate is 32 hours per month and employees may accumulate, at the most, 24 months of their monthly accrual rate. Vacation leave is payable upon separation or retirement.

Payments for Compensated Absences are recognized as expenditures when paid.

F. Liabilities

See Note 6 - Long-Term Liabilities, Note 8 – Other Post-Employment Benefits (OPEB), and Note 9 – Pension Plans

G. Leases and Subscription Based Information Technology Arrangements (SBITA)

Leases and SBITAs are reported as liabilities if the total payments over the life of the lease or agreement are more than \$10,000. For more information see Note 5 – Leases and Note 12 – Subscription Based Information Technology Arrangements (SBITA).

H. Restricted and Committed Portion of Ending Cash Reserves and Investments

Beginning and Ending Cash and Investments are reported as restricted or committed when subject to restrictions on use imposed by external parties or due to internal commitments established by resolution

of the Board of Commissioners. When expenditures that meet restrictions are incurred, the District intends to use the most restricted resources first.

On December 31, 2025, the District does not have any restrictions or commitments of Ending Cash and Investments.

Note 2 – Accounting Changes and Error Corrections

During the year ended 2025, the District implemented Compensated Absences guidance as required by the BARS manual. The effect of that accounting standard is that the District has included additional sick leave expected to be used during employment in the compensated absences calculation. This inclusion has increased the liability for compensated absences shown in the Schedule of Liabilities.

Note 3 – Budget Compliance

The District adopts an annual appropriated budget for the General Fund and the budget constitutes the legal authority for expenditures at that level. The budget is appropriated at the department level. Annual appropriations for these funds lapse at the fiscal year end. Annual appropriated budgets are adopted on the same basis of accounting as used for financial reporting.

The appropriated and actual expenditures for the General Fund, by Department were as follows:

General Fund Department	Final Appropriated Amounts	Actual Expenditures	Variance
Commissioners	\$ 152,662	\$ 112,553	\$ 40,109
Administration	1,720,596	1,733,974	(13,378)
Volunteer Programs	192,514	179,944	12,570
Fire Suppression	1,885,773	1,834,411	51,362
Prevention & Risk Reduction	69,817	66,995	2,822
Emergency Medical Services	9,213,669	9,137,550	76,120
Other Response	68,700	99,915	(31,215)
Emergency Management	6,000	15,881	(9,881)
Facilities	619,705	558,472	61,233
Vehicles	549,381	542,253	7,128
Capital Expenditures	3,028,072	2,352,430	675,642
Total General Fund	\$ 17,506,889	\$ 16,634,377	\$ 872,512

Budgeted amounts are authorized to be transferred between departments within the General Fund; however, any revisions that alter the total expenditures of the General Fund, or that affect the number of authorized employee positions, salary ranges, hours, or other conditions of employment must be approved by the Fire Protection Districts’ legislative body.

During the year ended 2025, the District approved two resolutions amending the General Fund budget resulting in \$22,600 in added expenditures for the purpose of hiring additional personnel and \$267,750 in added expenditures for the purpose of purchasing land and related costs.

Material expenditure variances in the Capital Department of the General Fund are due to the budgeted

remaining balance on a 2025 Spartan Gladiator Engine purchase that was delayed and received in early 2026.

Note 4 – Deposits and Investments

Investments are reported at amortized cost. Deposits and investments by type on December 31, 2025, are as follows:

	District's Own Deposits	Deposits and Investments held by Clallam County as the custodian for the District	Total
Bank Deposits	\$ 5,100	\$ 198,105	\$ 203,205
Local Government Investment Pool	-	11,016,847	11,016,847
Total	\$ 5,100	\$ 11,214,951	\$ 11,220,051

Investments in the State Local Government Investment Pool (LGIP)

The District is a voluntary participant in the Local Government Investment Pool, an external investment pool operated by the Washington State Treasurer. The pool is not rated and not registered with the SEC. Rather, oversight is provided by the State Finance Committee in accordance with Chapter 43.250 RCW. Investments in the LGIP are reported at amortized cost, which is the same as the value of the pool per share. The LGIP does not impose any restrictions on participant withdrawals.

The Office of the State Treasurer prepares a stand-alone financial report for the Pool. A copy of the report is available from the Office of the State Treasurer, PO Box 40200, Olympia, Washington 98504-0200, online at www.tre.wa.gov.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in event of a failure of a depository financial institution, the District would not be able to recover deposits or would not be able to recover collateral securities that are in possession of an outside party. The District's deposits and certificates of deposit are mostly covered by Federal Depository Insurance Corporation (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

All investments are insured, registered or held by the District or its agent in the government's name.

Note 5 – Leases

The District follows guidance for the presentation and disclosure of leases, as required by the BARS manual. This requirement results in the addition of a lease liability reported on the Schedule of Liabilities.

The District leases office space from CP1, LLC for a total of \$2,400 per month under separate leases for two office suites. The lease agreements began March and May of 2022 and will end in February and April 2027, respectively. Both leases contain rent escalation clauses based on the Consumer Price Index (CPI) that CP1, LLC has chosen not to enforce. Both of the two lease agreements are cancelable after the first year with 60-days notice and the District projects utilizing the space for the full five years.

The total amount paid for office leases in 2025 was \$28,800. As of December 31, 2025, the future lease payments are as follows:

Year ended December 31	Total
2026	\$ 28,800
2027	\$ 1,500
Total	\$ 30,300

The District leases a fire station facility from the Jamestown S’Klallam Tribe, a federally-recognized Indian tribe, for \$2,500 per quarter. The facility was built by the Tribe to ensure timely fire and rescue services to their tribal lands. The lease agreement began in January of 2009 and has an initial term of twenty-five years. The District has the option to extend the term of the lease for an additional twenty-five year period. If the District exercises the option to extend the term of the lease, at the end of the fifty-year total lease term, a new lease must be negotiated with the Tribe and approved by the Secretary of the U.S. Department of the Interior for future lease of the facility if desired by both parties.

The Jamestown S’Klallam Tribe has sole discretion to terminate the lease during the initial term, or optional extension, provided a replacement fire station facility is offered for lease to the District. The replacement fire station facility must be substantially similar or superior to the existing facility and must be provided at no additional cost to the District.

The lease rent of \$2,500 per quarter is the amount necessary to repay the Jamestown S’Klallam Tribe for development costs totaling \$337,077. After the development costs are recouped by the Tribe, the lease rent payments will terminate.

As an alternative to issuing payments for the lease rent, the District and the Jamestown S’Klallam Tribe have elected to offset the lease rent with the Community Contribution Agreement payments due to the District from the Tribe. The Community Contribution Agreement commenced in January of 2000 and established a quarterly contribution of \$2,500 due from the Jamestown S’Klallam Tribe to offset the impact to the District created by the opening of a tribal gaming facility.

The total amount of the fire station facility lease in 2025 was \$10,000. As of December 31, 2025, the future minimum lease obligations are as follows:

Year ended December 31	Total
2026	\$ 10,000
2027	\$ 10,000
2028-2033*	\$ 147,077
Total	\$ 167,077
*Includes remaining balance of development costs of \$87,077 assumed due if lease is not renewed.	

In 2023, the District entered into a financing arrangement with Stryker for an installment purchase of 8 LIFEPAK Monitor/Defibrillators. The term of the arrangement is 5 years and totals \$305,318.

The total amount paid for the installment purchase in 2025 was \$61,064. As of December 31, 2025, the future minimum payments are as follows:

Year ended December 31	Total
2026	\$ 61,064
2027	\$ 61,064
Total	\$ 122,127

Note 6 – Long-Term Liabilities

The accompanying Schedule of Liabilities provides more details of the outstanding debt and liabilities of the District and summarizes the District’s debt transactions for the year ended December 31, 2025.

Liabilities reported in the 2025 Financial Report totaled \$5,270,137. This amount includes both pension and compensated absence liabilities, lease commitments, purchase arrangements, Subscription Based Technology Arrangements (SBITA), and Other Post Employment Benefit liabilities and satisfies the recommended reporting from the Washington State Auditor’s Office.

Compensated Absences

During the year ended December 31, 2025, the following changes occurred in compensated absences:

	Beginning Balance 01/01/2025	Additions	Reductions	Ending Balance 12/31/2025
Compensated Absences *	\$2,413,394	\$ 663,858	\$ -	\$3,077,251

*additions and reductions are reported as a net change

Note 7 – Other Disclosures

Government Combinations

In 2009, the District approved a petition to merge in a portion of Jefferson County for fire protection and emergency medical services. The District receives property tax collected in Jefferson County as Jefferson County Fire Protection District No. 8. No assets or liabilities were assumed. With the exception of tax collection, the District functions as one entity under Clallam County Fire Protection District No. 3. The District operates six fire stations, three fully staffed, to cover its service area from the Gardiner Community in Jefferson County to the Deer Park area east of Port Angeles in Clallam County. The District, as a whole, is governed by a three-member Board of Commissioners elected at-large to staggered six-year terms, with one position up for election every two years.

Contingencies and Litigations

A lawsuit was filed against the District in the Superior Court of Washington for Clallam County on January 8, 2025. A trial is set to commence on March 1, 2027. If the District is found liable, losses are not expected to exceed insurance coverage.

Note 8 – Other Post-Employment Benefits (OPEB)

The District is a participating employer in the HRA VEBA Plan which is a funded health reimbursement arrangement for public employees in the Northwest. The HRA VEBA Plan is administered by the Spokane, WA branch of Gallagher Benefit Services, Inc., and allows employer and employee contributions as determined by collective bargaining and contractual employee agreements. Retiring members of IAFF Local #2933 and salaried members who provide the District written notice of their intent to retire, at least six months in advance of their service retirement date, are eligible to receive a lump sum one-time contribution equivalent to the Employee Only cost of Medical, Dental and Life Insurance of the current plan being utilized x 36. This is a defined contribution plan, and the funds are deposited in the employee's HRA VEBA account on retirement to be used to reimburse the cost of qualified medical expenses including health insurance premiums as the retiree chooses. The District has no further obligation once the funds are transferred to HRA VEBA. This benefit may be amended by mutual contract ratification between the District and IAFF Local #2933 or by approved employment contract changes in the case of the salaried members. For the year ended December 31, 2025, there were 58 active members eligible to receive the benefit and the total OPEB liability is estimated to be \$1,777,682 as calculated using the alternative measurement method. In 2025, the District paid \$28,380 in benefits for this plan.

Note 9 – Pension Plans

State Sponsored Pension Plans

All District full-time and qualifying part-time employees participate in LEOFF Plan 2, PERS Plan 2 or PERS Plan 3 statewide retirement systems administered by the Washington State Department of Retirement Systems (DRS), under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans.

The State Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

The Department of Retirement Systems, a department within the primary government of the State of Washington, issues a publicly available Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information for each plan. The DRS ACFR may be downloaded from the DRS website at www.drs.wa.gov.

The District also participates in the Volunteer Fire Fighters' Relief and Pension Fund (VFFRPF) administered by the State Board for Volunteer Fire Fighters and Reserve Officers. Detailed information about the plan is included in the State of Washington ACFR available from the Office of Financial Management website at

www.ofm.wa.gov.

On June 30, 2025 (the measurement date of the plans), the District’s proportionate share of the collective net pension liabilities (assets) was as follows:

	Allocation %	Liability (Asset)
PERS 1	0.004620%	54,470
PERS 2/3	0.005890%	(224,773)
LEOFF 2	0.148208%	(2,871,555)
VFFRPF	0.37%	(132,589)

Only the net pension liabilities are reported on the Schedule of Liabilities.

LEOFF Plan 2

The Legislature, by means of a special funding arrangement, appropriates money from the state general fund to supplement the current service liability and fund the prior service costs of Plan 2 in accordance with the recommendations of the Pension Funding Council and the LEOFF Plan 2 Retirement Board. This special funding situation is not mandated by the state constitution and could be changed by statute.

Note 10 - Property Tax

The County Treasurer acts as an agent to collect property tax levied in the county for all taxing authorities. Collections are distributed at the end of each month.

Property Tax Calendar	
January 1	Tax is levied and becomes an enforceable lien against the properties
February 14	Tax bills are mailed
April 30	First of two equal installment payments are due
May 31	Assessed value of property established for next year's levy at 100 percent of market value
October 31	Second installment is due

Property tax revenues are recognized when cash is received by the District. Delinquent taxes are considered fully collectible because a lien affixes to the property after tax is levied.

The District’s General levy for the year 2025 was \$1.1127388631 per \$1,000 on an assessed valuation of \$9,580,500,303 for a total General levy of \$10,660,595.

The District’s EMS levy for the year 2025 was \$0.3517989269 per \$1,000 on an assessed valuation of \$9,627,602,892 for a total EMS levy of \$3,386,980.

Washington State Constitution and Washington State law, RCW 84.55.010, limit the rate.

Note 11 – Risk Management

Clallam County Fire Protection District No. 3 is a member of Enduris Washington (“Enduris” or “the Pool”) under an interlocal governmental agreement. Enduris was established as a Washington Risk Pool under RCW

48.62.031, allowing local government entities to self-insure risks independently or collectively, purchase insurance or reinsurance together, and contract for services like risk management, claims processing, and administration. Enduris is fully funded by its member participants. Members submit claims to the Pool, which evaluates coverage and manages the claims process.

For the fiscal year ending August 31, 2025, Enduris had 497 members from various special-purpose districts across the state. Members make annual contributions to fund the Pool. Since Enduris is a cooperative program, there is joint liability among the participating members. Membership requires a minimum one-year commitment, with 60 days' notice required to terminate before renewal. The Interlocal Governmental Agreement renews automatically unless withdrawal or termination options are exercised. Withdrawing or terminated members remain liable on a pro rata basis for any assessments levied against the membership during their period of membership, as if they were still a member.

The Enduris program offers various forms of joint self-insurance and reinsurance coverage for its members, including Liability coverage (general, auto, public officials' errors and omissions, terrorism, employment practices), Property coverage (buildings, contents, equipment, boiler/machinery, business interruption), Auto Physical Damage, Cyber coverage, Pollution coverage, Crime Blanket coverage, Named Position coverage, Alliant Deadly Weapon Response Program (ADWRP) coverage, and Identity Fraud Reimbursement coverage. Blanket Accident Insurance is provided for specific participating districts. Pollution, Cyber, Blanket Accident, ADWRP, and Identity Fraud Expense Reimbursement coverage are claims-made and reported; Crime coverage is discovery-based; all other coverage is occurrence-based.

Members may pay a deductible or co-pay for each covered loss, as per the terms of their coverage. Each year, members receive a Memorandum of Coverage detailing their specific coverage, limits, and deductibles. In certain instances, the Pool may allow members to elect limits, coverage, deductibles, and co-pays specific to their needs. Enduris pays for covered losses above the member's deductible or co-pay for the specific coverage, up to the Pool's self-insured retention (SIR), and then uses excess/reinsurance from unrelated insurance companies to indemnify covered losses beyond the SIR up to the coverage maximum limit.

Enduris issues an annual Financial Report that includes financial statements and other required supplementary information. The latest Enduris Washington Financial Statements Audit Report is available on the SAO website. <https://sao.wa.gov/reports-data/audit-reports>

Note 12 – Subscription Based Information Technology Arrangements (SBITA)

The District follows guidance for the presentation and disclosure of Subscription Based Information Technology Arrangements (SBITA), as required by the BARS manual. Subscription liabilities are reported on the Schedule of Liabilities.

The District entered into a contract effective December 31, 2024 with minimum subscription payments of \$11,429 per year for learning management software. The initial term of the contract is 36 months with automatic renewal for a renewal term equal to the initial term, unless terminated by either party.

The District makes subscription payments of \$6,600 per year for vehicle and building maintenance software. The contract is for one year but automatically renews unless terminated by the District. The subscription fees may increase annually based on the Consumer Price Index and the number of vehicles and buildings tracked. The District planned to cancel in 2026, but renewed at \$7,825 annually. Future terms are uncertain and have been excluded.

The District makes subscription payments of \$10,546 per year for productivity and collaboration software. The contract has a term of three years. An additional amount may be due if users are added.

The total amount paid for SBITAs in 2025, was \$28,575. As of December 31, 2025, the future SBITA payments are as follows.

Year ended December 31	Total
2026	\$ 29,800
2027	\$ 11,429
Total	\$ 41,229

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Clallam County Fire Protection District No. 3

Schedule 01

For the year ended December 31, 2025

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
1051	001	Maintenance & Operations	3085100	Assigned Cash and Investments - Beginning	\$2,328,207
1051	001	Maintenance & Operations	3085100	Assigned Cash and Investments - Beginning	\$769,000
1051	001	Maintenance & Operations	3085100	Assigned Cash and Investments - Beginning	\$4,656,492
1051	001	Maintenance & Operations	3089100	Unassigned Cash and Investments - Beginning	\$3,802,021
1051	001	Maintenance & Operations	3089100	Unassigned Cash and Investments - Beginning	\$354,024
1051	001	Maintenance & Operations	3111000	Property Tax	\$10,654,858
1051	001	Maintenance & Operations	3111000	Property Tax	\$3,388,943
1051	001	Maintenance & Operations	3331501	Federal Indirect Award from Department of Interior	\$78,222
1051	001	Maintenance & Operations	3339705	Federal Indirect Award from Department of Homeland Security	\$110,983
1051	001	Maintenance & Operations	3340040	State Award from Office of Financial Management	\$2,289
1051	001	Maintenance & Operations	3340490	State Award from Department of Health	\$778
1051	001	Maintenance & Operations	3370000	Local Awards, Entitlements, Tribal Government Distributions, and Other Payments	\$157,264
1051	001	Maintenance & Operations	3370000	Local Awards, Entitlements, Tribal Government Distributions, and Other Payments	\$49,720
1051	001	Maintenance & Operations	3370000	Local Awards, Entitlements, Tribal Government Distributions, and Other Payments	\$1,864

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
1051	001	Maintenance & Operations	3370000	Local Awards, Entitlements, Tribal Government Distributions, and Other Payments	\$604
1051	001	Maintenance & Operations	3372000	Local Awards, Entitlements, Tribal Government Distributions, and Other Payments	\$9,827
1051	001	Maintenance & Operations	3372000	Local Awards, Entitlements, Tribal Government Distributions, and Other Payments	\$3,107
1051	001	Maintenance & Operations	3374000	Local Awards, Entitlements, Tribal Government Distributions, and Other Payments	\$17,245
1051	001	Maintenance & Operations	3374000	Local Awards, Entitlements, Tribal Government Distributions, and Other Payments	\$5,837
1051	001	Maintenance & Operations	3422100	Fire Protection and Emergency Medical Services	\$12,854
1051	001	Maintenance & Operations	3422100	Fire Protection and Emergency Medical Services	\$2,408
1051	001	Maintenance & Operations	3422100	Fire Protection and Emergency Medical Services	\$255,253
1051	001	Maintenance & Operations	3422100	Fire Protection and Emergency Medical Services	\$113,331
1051	001	Maintenance & Operations	3424000	Protective Inspection Services	\$26,305
1051	001	Maintenance & Operations	3426000	Ambulance Services	\$323,585
1051	001	Maintenance & Operations	3611100	Investment Earnings	\$262,983
1051	001	Maintenance & Operations	3611100	Investment Earnings	\$69,152
1051	001	Maintenance & Operations	3611100	Investment Earnings	\$198,219

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
1051	001	Maintenance & Operations	3614000	Other Interest	\$849
1051	001	Maintenance & Operations	3614000	Other Interest	\$269
1051	001	Maintenance & Operations	3670000	Contributions and Donations from Nongovernmental Sources	\$44,219
1051	001	Maintenance & Operations	3670000	Contributions and Donations from Nongovernmental Sources	\$7,246
1051	001	Maintenance & Operations	3691000	Sale of Surplus	\$14,095
1051	001	Maintenance & Operations	3699100	Miscellaneous Other Operating	\$93,461
1051	001	Maintenance & Operations	3699100	Miscellaneous Other Operating	\$2,640
1051	001	Maintenance & Operations	5221110	Administration	\$37,352
1051	001	Maintenance & Operations	5221120	Administration	\$2,857
1051	001	Maintenance & Operations	5221120	Administration	\$35
1051	001	Maintenance & Operations	5221120	Administration	\$91
1051	001	Maintenance & Operations	5221140	Administration	\$46
1051	001	Maintenance & Operations	5221140	Administration	\$62,754
1051	001	Maintenance & Operations	5221140	Administration	\$5,242
1051	001	Maintenance & Operations	5221210	Administration	\$768,391
1051	001	Maintenance & Operations	5221210	Administration	\$25,049
1051	001	Maintenance & Operations	5221210	Administration	\$11,100
1051	001	Maintenance & Operations	5221210	Administration	\$48,600
1051	001	Maintenance & Operations	5221220	Administration	\$12,668
1051	001	Maintenance & Operations	5221220	Administration	\$52,268

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
1051	001	Maintenance & Operations	5221220	Administration	\$12,314
1051	001	Maintenance & Operations	5221220	Administration	\$47,521
1051	001	Maintenance & Operations	5221220	Administration	\$3,043
1051	001	Maintenance & Operations	5221220	Administration	\$8,901
1051	001	Maintenance & Operations	5221220	Administration	\$1,260
1051	001	Maintenance & Operations	5221230	Administration	\$5,705
1051	001	Maintenance & Operations	5221230	Administration	\$16,584
1051	001	Maintenance & Operations	5221240	Administration	\$31,297
1051	001	Maintenance & Operations	5221240	Administration	\$3,688
1051	001	Maintenance & Operations	5221240	Administration	\$1,846
1051	001	Maintenance & Operations	5221240	Administration	\$48,427
1051	001	Maintenance & Operations	5221240	Administration	\$1,621
1051	001	Maintenance & Operations	5221240	Administration	\$54,445
1051	001	Maintenance & Operations	5221240	Administration	\$32,528
1051	001	Maintenance & Operations	5221240	Administration	\$32,894
1051	001	Maintenance & Operations	5221240	Administration	\$16,215
1051	001	Maintenance & Operations	5221240	Administration	\$1,980
1051	001	Maintenance & Operations	5221240	Administration	\$13,860
1051	001	Maintenance & Operations	5221240	Administration	\$771
1051	001	Maintenance & Operations	5221240	Administration	\$6,190
1051	001	Maintenance & Operations	5221240	Administration	\$307,165

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
1051	001	Maintenance & Operations	5221240	Administration	\$4,624
1051	001	Maintenance & Operations	5221240	Administration	\$141,518
1051	001	Maintenance & Operations	5221240	Administration	\$1,667
1051	001	Maintenance & Operations	5221240	Administration	\$1,456
1051	001	Maintenance & Operations	5221240	Administration	\$2,852
1051	001	Maintenance & Operations	5221240	Administration	\$7,180
1051	001	Maintenance & Operations	5222110	Fire Suppression and Emergency Medical Services	\$983,833
1051	001	Maintenance & Operations	5222110	Fire Suppression and Emergency Medical Services	\$1,151
1051	001	Maintenance & Operations	5222110	Fire Suppression and Emergency Medical Services	\$10,365
1051	001	Maintenance & Operations	5222110	Fire Suppression and Emergency Medical Services	\$10,510
1051	001	Maintenance & Operations	5222110	Fire Suppression and Emergency Medical Services	\$5,086
1051	001	Maintenance & Operations	5222110	Fire Suppression and Emergency Medical Services	\$184,968
1051	001	Maintenance & Operations	5222110	Fire Suppression and Emergency Medical Services	\$19,040
1051	001	Maintenance & Operations	5222110	Fire Suppression and Emergency Medical Services	\$35,690
1051	001	Maintenance & Operations	5222110	Fire Suppression and Emergency Medical Services	\$7,140
1051	001	Maintenance & Operations	5222120	Fire Suppression and Emergency Medical Services	\$18,290
1051	001	Maintenance & Operations	5222120	Fire Suppression and Emergency Medical Services	\$71,363

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
1051	001	Maintenance & Operations	5222120	Fire Suppression and Emergency Medical Services	\$16,541
1051	001	Maintenance & Operations	5222120	Fire Suppression and Emergency Medical Services	\$57,411
1051	001	Maintenance & Operations	5222120	Fire Suppression and Emergency Medical Services	\$180,137
1051	001	Maintenance & Operations	5222120	Fire Suppression and Emergency Medical Services	\$4,466
1051	001	Maintenance & Operations	5222120	Fire Suppression and Emergency Medical Services	\$17,093
1051	001	Maintenance & Operations	5222130	Fire Suppression and Emergency Medical Services	\$6,003
1051	001	Maintenance & Operations	5222130	Fire Suppression and Emergency Medical Services	\$47,969
1051	001	Maintenance & Operations	5222130	Fire Suppression and Emergency Medical Services	\$10,653
1051	001	Maintenance & Operations	5222130	Fire Suppression and Emergency Medical Services	\$8,935
1051	001	Maintenance & Operations	5222140	Fire Suppression and Emergency Medical Services	\$21,817
1051	001	Maintenance & Operations	5222140	Fire Suppression and Emergency Medical Services	\$94
1051	001	Maintenance & Operations	5222140	Fire Suppression and Emergency Medical Services	\$22,584
1051	001	Maintenance & Operations	5222140	Fire Suppression and Emergency Medical Services	\$2,041
1051	001	Maintenance & Operations	5222140	Fire Suppression and Emergency Medical Services	\$316
1051	001	Maintenance & Operations	5222140	Fire Suppression and Emergency Medical Services	\$49,328

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
1051	001	Maintenance & Operations	5222140	Fire Suppression and Emergency Medical Services	\$6,909
1051	001	Maintenance & Operations	5222140	Fire Suppression and Emergency Medical Services	\$708
1051	001	Maintenance & Operations	5222210	Fire Suppression and Emergency Medical Services	\$5,177,902
1051	001	Maintenance & Operations	5222210	Fire Suppression and Emergency Medical Services	\$7,243
1051	001	Maintenance & Operations	5222210	Fire Suppression and Emergency Medical Services	\$54,419
1051	001	Maintenance & Operations	5222210	Fire Suppression and Emergency Medical Services	\$55,179
1051	001	Maintenance & Operations	5222210	Fire Suppression and Emergency Medical Services	\$26,699
1051	001	Maintenance & Operations	5222210	Fire Suppression and Emergency Medical Services	\$971,080
1051	001	Maintenance & Operations	5222210	Fire Suppression and Emergency Medical Services	\$99,960
1051	001	Maintenance & Operations	5222210	Fire Suppression and Emergency Medical Services	\$187,374
1051	001	Maintenance & Operations	5222210	Fire Suppression and Emergency Medical Services	\$37,485
1051	001	Maintenance & Operations	5222210	Fire Suppression and Emergency Medical Services	\$6,747
1051	001	Maintenance & Operations	5222210	Fire Suppression and Emergency Medical Services	(\$6,644)
1051	001	Maintenance & Operations	5222220	Fire Suppression and Emergency Medical Services	\$96,023
1051	001	Maintenance & Operations	5222220	Fire Suppression and Emergency Medical Services	\$336,865

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
1051	001	Maintenance & Operations	5222220	Fire Suppression and Emergency Medical Services	\$86,839
1051	001	Maintenance & Operations	5222220	Fire Suppression and Emergency Medical Services	\$301,412
1051	001	Maintenance & Operations	5222220	Fire Suppression and Emergency Medical Services	\$945,728
1051	001	Maintenance & Operations	5222220	Fire Suppression and Emergency Medical Services	\$23,443
1051	001	Maintenance & Operations	5222220	Fire Suppression and Emergency Medical Services	\$33,019
1051	001	Maintenance & Operations	5222230	Fire Suppression and Emergency Medical Services	\$140,408
1051	001	Maintenance & Operations	5222230	Fire Suppression and Emergency Medical Services	\$2,927
1051	001	Maintenance & Operations	5222240	Fire Suppression and Emergency Medical Services	\$7,089
1051	001	Maintenance & Operations	5222240	Fire Suppression and Emergency Medical Services	\$147,702
1051	001	Maintenance & Operations	5222240	Fire Suppression and Emergency Medical Services	\$26,008
1051	001	Maintenance & Operations	5222240	Fire Suppression and Emergency Medical Services	\$32,317
1051	001	Maintenance & Operations	5222240	Fire Suppression and Emergency Medical Services	\$385
1051	001	Maintenance & Operations	5222240	Fire Suppression and Emergency Medical Services	\$258,972
1051	001	Maintenance & Operations	5222240	Fire Suppression and Emergency Medical Services	\$36,268
1051	001	Maintenance & Operations	5222240	Fire Suppression and Emergency Medical Services	\$24,600

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
1051	001	Maintenance & Operations	5222310	Fire Suppression and Emergency Medical Services	\$2,475
1051	001	Maintenance & Operations	5222330	Fire Suppression and Emergency Medical Services	\$548
1051	001	Maintenance & Operations	5222340	Fire Suppression and Emergency Medical Services	\$78
1051	001	Maintenance & Operations	5222410	Fire Suppression and Emergency Medical Services	\$2,050
1051	001	Maintenance & Operations	5222410	Fire Suppression and Emergency Medical Services	\$82,728
1051	001	Maintenance & Operations	5222430	Fire Suppression and Emergency Medical Services	\$207
1051	001	Maintenance & Operations	5222440	Fire Suppression and Emergency Medical Services	\$5,789
1051	001	Maintenance & Operations	5222440	Fire Suppression and Emergency Medical Services	\$1,244
1051	001	Maintenance & Operations	5222530	Fire Suppression and Emergency Medical Services	\$623
1051	001	Maintenance & Operations	5222630	Fire Suppression and Emergency Medical Services	\$354
1051	001	Maintenance & Operations	5222630	Fire Suppression and Emergency Medical Services	\$342
1051	001	Maintenance & Operations	5222640	Fire Suppression and Emergency Medical Services	\$868
1051	001	Maintenance & Operations	5222730	Fire Suppression and Emergency Medical Services	\$3,881
1051	001	Maintenance & Operations	5222730	Fire Suppression and Emergency Medical Services	\$12,001
1051	001	Maintenance & Operations	5222810	Fire Suppression and Emergency Medical Services	\$144,163

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
1051	001	Maintenance & Operations	5222820	Fire Suppression and Emergency Medical Services	\$8,976
1051	001	Maintenance & Operations	5222820	Fire Suppression and Emergency Medical Services	\$2,519
1051	001	Maintenance & Operations	5222820	Fire Suppression and Emergency Medical Services	\$197
1051	001	Maintenance & Operations	5222820	Fire Suppression and Emergency Medical Services	\$171
1051	001	Maintenance & Operations	5222820	Fire Suppression and Emergency Medical Services	\$4,300
1051	001	Maintenance & Operations	5222820	Fire Suppression and Emergency Medical Services	\$1,674
1051	001	Maintenance & Operations	5222830	Fire Suppression and Emergency Medical Services	\$326
1051	001	Maintenance & Operations	5222840	Fire Suppression and Emergency Medical Services	\$2,812
1051	001	Maintenance & Operations	5222840	Fire Suppression and Emergency Medical Services	\$11,907
1051	001	Maintenance & Operations	5223110	Fire Prevention and Investigation	\$47,359
1051	001	Maintenance & Operations	5223120	Fire Prevention and Investigation	\$687
1051	001	Maintenance & Operations	5223120	Fire Prevention and Investigation	\$3,611
1051	001	Maintenance & Operations	5223120	Fire Prevention and Investigation	\$2,141
1051	001	Maintenance & Operations	5223120	Fire Prevention and Investigation	\$242
1051	001	Maintenance & Operations	5223120	Fire Prevention and Investigation	\$304
1051	001	Maintenance & Operations	5223130	Fire Prevention and Investigation	\$325
1051	001	Maintenance & Operations	5223140	Fire Prevention and Investigation	\$995
1051	001	Maintenance & Operations	5223140	Fire Prevention and Investigation	\$26

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
1051	001	Maintenance & Operations	5224130	Training Provided to External Parties	\$8,896
1051	001	Maintenance & Operations	5224530	Training Obtained by Employees	\$8,590
1051	001	Maintenance & Operations	5224530	Training Obtained by Employees	\$347
1051	001	Maintenance & Operations	5224530	Training Obtained by Employees	\$1,145
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$385
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$26
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$214
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$580
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$491
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$253
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$749
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$486
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$4,693
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$5,196
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$479
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$1,416
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$1,181
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$1,547
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$4,253
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$3,118
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$868

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$1,320
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$70
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$2,155
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$2,245
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$3,569
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$16,052
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$11,518
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$119
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$2,409
1051	001	Maintenance & Operations	5224540	Training Obtained by Employees	\$3,861
1051	001	Maintenance & Operations	5225010	Facilities	\$204,264
1051	001	Maintenance & Operations	5225010	Facilities	\$3,975
1051	001	Maintenance & Operations	5225010	Facilities	\$16,458
1051	001	Maintenance & Operations	5225010	Facilities	\$3,600
1051	001	Maintenance & Operations	5225010	Facilities	\$49,167
1051	001	Maintenance & Operations	5225020	Facilities	\$3,977
1051	001	Maintenance & Operations	5225020	Facilities	\$20,702
1051	001	Maintenance & Operations	5225020	Facilities	\$600
1051	001	Maintenance & Operations	5225020	Facilities	\$5,312
1051	001	Maintenance & Operations	5225020	Facilities	\$1,136
1051	001	Maintenance & Operations	5225020	Facilities	\$3,187

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
1051	001	Maintenance & Operations	5225020	Facilities	\$799
1051	001	Maintenance & Operations	5225030	Facilities	\$32,976
1051	001	Maintenance & Operations	5225030	Facilities	\$17,919
1051	001	Maintenance & Operations	5225030	Facilities	\$682
1051	001	Maintenance & Operations	5225030	Facilities	\$3,372
1051	001	Maintenance & Operations	5225040	Facilities	\$14,988
1051	001	Maintenance & Operations	5225040	Facilities	\$3,185
1051	001	Maintenance & Operations	5225040	Facilities	\$73,889
1051	001	Maintenance & Operations	5225040	Facilities	\$21,725
1051	001	Maintenance & Operations	5225040	Facilities	\$1,571
1051	001	Maintenance & Operations	5225040	Facilities	\$10,911
1051	001	Maintenance & Operations	5225040	Facilities	\$58,151
1051	001	Maintenance & Operations	5225040	Facilities	\$3,577
1051	001	Maintenance & Operations	5225040	Facilities	\$1,484
1051	001	Maintenance & Operations	5226010	Vehicles and Equipment Maintenance	\$180,787
1051	001	Maintenance & Operations	5226010	Vehicles and Equipment Maintenance	\$568
1051	001	Maintenance & Operations	5226010	Vehicles and Equipment Maintenance	\$971
1051	001	Maintenance & Operations	5226010	Vehicles and Equipment Maintenance	\$5,925
1051	001	Maintenance & Operations	5226010	Vehicles and Equipment Maintenance	\$2,850
1051	001	Maintenance & Operations	5226020	Vehicles and Equipment Maintenance	\$2,762
1051	001	Maintenance & Operations	5226020	Vehicles and Equipment Maintenance	\$14,584

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
1051	001	Maintenance & Operations	5226020	Vehicles and Equipment Maintenance	\$600
1051	001	Maintenance & Operations	5226020	Vehicles and Equipment Maintenance	\$5,446
1051	001	Maintenance & Operations	5226020	Vehicles and Equipment Maintenance	\$47,730
1051	001	Maintenance & Operations	5226020	Vehicles and Equipment Maintenance	\$930
1051	001	Maintenance & Operations	5226020	Vehicles and Equipment Maintenance	\$1,261
1051	001	Maintenance & Operations	5226030	Vehicles and Equipment Maintenance	\$102,940
1051	001	Maintenance & Operations	5226030	Vehicles and Equipment Maintenance	\$14,578
1051	001	Maintenance & Operations	5226030	Vehicles and Equipment Maintenance	\$20,387
1051	001	Maintenance & Operations	5226030	Vehicles and Equipment Maintenance	\$91,452
1051	001	Maintenance & Operations	5226030	Vehicles and Equipment Maintenance	\$647
1051	001	Maintenance & Operations	5226030	Vehicles and Equipment Maintenance	\$3,470
1051	001	Maintenance & Operations	5226040	Vehicles and Equipment Maintenance	\$241
1051	001	Maintenance & Operations	5226040	Vehicles and Equipment Maintenance	\$32,233
1051	001	Maintenance & Operations	5226040	Vehicles and Equipment Maintenance	\$1,765
1051	001	Maintenance & Operations	5226040	Vehicles and Equipment Maintenance	\$3,528
1051	001	Maintenance & Operations	5085100	Assigned Cash and Investments - Ending	\$2,978,781
1051	001	Maintenance & Operations	5085100	Assigned Cash and Investments - Ending	\$4,524,476
1051	001	Maintenance & Operations	5085100	Assigned Cash and Investments - Ending	\$1,078,000
1051	001	Maintenance & Operations	5089100	Unassigned Cash and Investments - Ending	(\$2,197,855)
1051	001	Maintenance & Operations	5089100	Unassigned Cash and Investments - Ending	\$2,628,336
1051	001	Maintenance & Operations	5089100	Unassigned Cash and Investments - Ending	\$2,208,313

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
1051	001	Maintenance & Operations	3829000	Immaterial Fiduciary Collections	\$9,810
1051	001	Maintenance & Operations	3981000	Insurance Recoveries (Cash Basis)	\$26,465
1051	001	Maintenance & Operations	5829000	Immaterial Fiduciary Remittance	\$2,642
1051	001	Maintenance & Operations	5912270	Debt Repayment - Fire Suppression and EMS Services	\$28,575
1051	001	Maintenance & Operations	5912270	Debt Repayment - Fire Suppression and EMS Services	\$38,800
1051	001	Maintenance & Operations	5942260	Capital Expenditures/Expenses - Fire Suppression and EMS Services	\$290,732
1051	001	Maintenance & Operations	5942260	Capital Expenditures/Expenses - Fire Suppression and EMS Services	\$232,406
1051	001	Maintenance & Operations	5942260	Capital Expenditures/Expenses - Fire Suppression and EMS Services	\$1,435,881
1051	001	Maintenance & Operations	5942260	Capital Expenditures/Expenses - Fire Suppression and EMS Services	\$264,971
1051	001	Maintenance & Operations	5942270	Capital Expenditures/Expenses - Fire Suppression and EMS Services	\$61,064

Clallam County Fire Protection District No. 3
Schedule of Liabilities
For the Year Ended December 31, 2025

ID. No.	Debt ID Title	Description	Beginning Balance	Additions	Reductions	Ending Balance
Revenue and Other (non G.O.) Debt/Liabilities						
259.12	Compensated Absences	Compensated Absences - Employee Benefit Accounts	2,413,394	663,857	-	3,077,251
264.30	Pension Liabilities	PERS 1	76,280	-	21,810	54,470
263.52	Installment Purchases	Stryker LifePaks Installment Purchase	183,191	-	61,064	122,127
263.57	Leases, SBITA, and PPPs	Office Lease	59,100	-	28,800	30,300
263.57	Leases, SBITA, and PPPs	Fire Station Facility Lease	177,077	-	10,000	167,077
264.40	OPEB Liabilities	HRA VEBA Defined Contribution Plan	1,643,405	245,694	111,417	1,777,682
263.57	Leases, SBITA, and PPPs	Software Based Information Technology Arrangements (SBITA)	61,979	7,825	28,575	41,229
Total Revenue and Other (non G.O.) Debt/Liabilities:			4,614,426	917,376	261,666	5,270,136
Total Liabilities:			4,614,426	917,376	261,666	5,270,136

**Clallam County Fire Protection District No. 3
 Schedule of Expenditures of State Financial Assistance
 For the Year Ended December 31, 2025**

State Agency Name	Program Title	Identification Number	Total
State Award from Department of Health	2025 EMS Trauma Care Fund Pass-Through Grant	2025	778
		Sub-Total:	778
State Award from Office of Financial Management	Community Emergency Response Team (CERT) Radio Equipment	DLY006	2,289
		Sub-Total:	2,289
		Total State Grants Expended:	3,067

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**Clallam County Fire Protection District No. 3
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2025**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
RURAL HOUSING SERVICE, AGRICULTURE, DEPARTMENT OF	Community Facilities Loans and Grants	10.766	CLSS00000084 645	-	110,983	110,983	-	
Total Federal Awards Expended:				-	110,983	110,983	-	

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The accompanying notes are an integral part of this schedule.

Clallam County Fire Protection District No. 3
Notes to the Schedule of Expenditures of Federal Awards
For the year ended December 31, 2025

Note 1 – Basis of Accounting

This schedule is prepared on the same basis of accounting as the District's financial statements and in accordance with requirements contained in Uniform Guidance. The District uses the cash basis of accounting.

Note 2 – Federal Indirect Cost Rate

The District has elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3 – Program Costs

The amounts shown as current year expenditures represent only the federal award portion of the program costs. Entire program costs, including the District's portion, are more than shown. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Clallam County Fire Protection District No. 3

Schedule 21 Questions 1-6 (unaudited)

For Fiscal Year Ended: 2025

Property and Liability Insurance	Health and Welfare Insurance	Unemployment Compensation Obligations	Workers Compensation Obligations	Other Risks or Obligations
Belong to a public entity risk pool	Belong to a public entity risk pool	Pay taxes to the Department of Employment Security ("Taxable")	Pay premiums to the Department of Labor and Industries	

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Washington PFML Program	Entity	Government Type
Pay premiums to the State's program for both benefits	Clallam County Fire Protection District No 3	Fire Protection District

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Clallam County Fire Protection District No. 3
Schedule 22 - Audit Assessment Questionnaire (unaudited)
For Fiscal Year ended December 31, 2025

Reference	#	Question	Answer	Explanation
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INSTRUCTIONS FOR PREPARER!!!IMPORTANT!! Click the "SAVE" button at the bottom periodically as you complete the questions below. Be sure to save before refreshing the page.

The Schedule 22 questions can be found below and are categorized based on the type of operation each question is related to. Click the category title to expand or collapse that category of questions.

Import Prior Year Responses: responses to specific questions from the prior year annual report may be imported by clicking the "Import Prior Year Responses" button below. NOTE: this will not import ALL responses from the prior year, it is only allowable for certain questions.

Please review the imported responses to ensure they are still accurate. If needed, you can update the responses that were imported from the prior year.

FINANCIAL MONITORING

1	Please indicate which of the following best describes the accounting system of the government: A) Rely on the County Treasurer (no other accounting software used) B) Other accounting software (i.e. QuickBooks, BIAS, Vision, Excel, etc.).	(B)
---	---	-----

2	Does the government use their own bank accounts in lieu of or in addition to the County Treasurer? If yes, please attach bank statements for the fiscal year. <i>Note: auditors will request all monthly bank statements for the reporting year during the audit. If preferred, you may attach all statements here.</i>	Yes	Attachments County Trial Balance Bank Statements 2025.pdf US Bank Stripe Bank Statements 2025.pdf Sound Community Bank Statements 2025.pdf US Bank Payroll Account Statements 2025.pdf
---	--	-----	---

3	Please disclose the accounting software the government uses.	Springbrook Express, Formerly BIAS
---	--	------------------------------------

Reference	#	Question	Answer	Explanation
	4	Please describe the government's reconciliation of their bank accounts (County Treasurer and transmittal) to the accounting records. Include the personnel responsible for performing the reconciliation and the personnel responsible for reviewing the reconciliation. Note: the job position/title is sufficient for the identification purpose.	All District bank accounts are reconciled monthly by the Finance Manager. The Finance Manager then prepares a Treasurer's Report packet that includes all the reconciliation detail, this packet is then reviewed by the Fire Chief. The Treasurer's report packet also includes signature approval pages for any voids or BARS account coding changes that occurred during the month.	

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Reference	#	Question	Answer	Explanation
	5	Entries Process - please describe the process to record journal entries into the government's general ledger and, if applicable, the process for reviewing and monitoring the journal entries being posted, both during the year and at year-end. Note: include the job position/title of the person responsible for posting and reviewing the entries.	Revenue and expense transactions are recorded. If is determined that an adjustment needs to be made (e.g. allocating costs to a different department) then the Finance Manager posts the change, prints & signs the adjustment and submits to the Fire Chief for review & signature with the next monthly Treasurer's Report. Non-cash adjustment entries are not done with the exception of the JSKT ST37 lease/gaming contribution.	
	6	Please indicate which of the following best describes the government's own internal accounting system: A) It uses the BARS chart of accounts; B) It uses a chart of accounts that is compatible with BARS; C) It uses a chart of accounts that requires manual adjustments to file the Schedule 01;	(B)	
	7	Does the Governing Body receive and review monthly financial reports? If yes, please describe what is reviewed and how often. Examples include: cancelled checks, financial reports from the county, expenditure listings, bank accounts or petty cash activity.	No	

Reference	#	Question	Answer	Explanation
	8	Preparation of Financial Reports - please describe the process or procedure for the preparation of financial statements (including the Schedule 01). Please identify any significant changes that occurred since the prior year (ex: staff turnover).	Financial Reports are prepared by the Finance Manager and reviewed by the Fire Chief and the Board of Commissioners on a quarterly basis. Before the annual schedule 1 is prepared, the Finance Manager reviews the BARS Cash Basis updates, makes any necessary changes, calculates ending assigned balances and then runs and uploads the Schedule 1. If any red flags are found, the problem is investigated and further adjustments are made to fix the issue.	

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Reference	#	Question	Answer	Explanation
	9	Does the government have a process for pre-authorizing payments (id. use of an auditing officer) or are all payments approved by the governing body prior to issuance? If yes, provide a brief explanation of what the process is.	Yes	All accounts payable registers are approved by the Board of Commissioners before the checks are released. Signed check registers are sent to the County Treasurer to ensure checks are valid when clearing. The volunteer reimbursements are approved for processing by the Board prior to payment through the payroll process. Employee payroll is processed by the Finance Manager and reviewed by the Fire Chief for approval. Payroll registers are approved by the Board but often after the payroll process is complete.
	10	Has the government contracted out for, or recently assumed responsibility for, any major governmental function? If yes, please explain. For example: contracts for accounting services, janitorial/grounds keeping or other maintenance contracts; the government performs fire protection services for another government assumes a new water system from another government or annexations.	No	

CURRENT OPERATIONS

	11	Please check all boxes that occurred during the fiscal year. If none of these events occurred, please check the box for "none".	Additions/changes to software applications	
	11	Please check all boxes that occurred during the fiscal year. If none of these events occurred, please check the box for "none".	Utilized a purchasing cooperative or state contract	

Reference	#	Question	Answer	Explanation
	12	Please provide an explanation of additions or changes in software applications since the previous year. For example: changes in providers, new software for a specific activity or function, etc.	Started the transition from WFTS (timekeeping/scheduling), Active911 (volunteer dispatch) and PSTRax (maintenance) to First Due. It is still in progress. Contracted for GovAI Software to start Jan 1, 2026.	
	14	Please provide an explanation of the purchasing cooperative or state contract used during the fiscal year to procure goods and services.	Utilized WA State Department of Enterprise Services contract to purchase 3 support vehicles. Purchase was initiated in 2024 with deposit paid. Two finalized in 2025. Remaining finalized in 2026. Utilized a Sourcewell Contract 091521-NAF to purchase a brush truck. Utilized a Sourcewell Contract 020124 to purchase hose for new fire engines through MES.	
	16	Did the government make any significant updates to key administrative, personnel, or financial policies? If yes, please attach the newest policy.	No	

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Reference	#	Question	Answer	Explanation
	17	Did the government enter into, or modify any existing, interlocal agreements? If yes, please attach.	Yes	<p>Attachments</p> <p>Fire District Assistance Agreement.pdf</p> <p>Queen of Angels- Handle with Care.pdf</p> <p>MOU - PASD and CCFPD#3.pdf</p> <p>2025 - 2027 Forestland response agreement.pdf</p> <p>JCFD5 - Vehicle Maintenance Agreement (Effective 2025-0916).pdf</p> <p>2025-0902 CRT ILA - Signed by FD3 .pdf</p> <p>Sequim School District - Handle with Care.pdf</p>
	18	Does the government have a system or process to record information about its capital assets, including buildings, equipment, etc.? If yes, please describe the process for tracking.	Yes	<p>Listings of Buildings & Vehicles are maintained on the Insurance Property Schedules and are updated when assets are added or retired. Information Technology related items, including items such as computers, laptops, switches, access points and cell phones are maintained in a database by the IT Tech & Deputy Chief. Listings of other facility & vehicle capital items (valued over 10K) as well as items considered small & attractive assets that have a value greater than \$300 and less than 10K are maintained in databases by the District's Maintenance Supervisor & Deputy Chief.</p>

SIGNIFICANT DISCLOSURES

Reference	#	Question	Answer	Explanation
	19	Did the government receive any non-SAO audits during the year? If yes, please attach related report. For example: work of internal auditors, state/federal grant review, etc.	No	
	20	Is the government currently involved in any lawsuits? We may be requesting an update on the status of legal matters during the audit.	Yes	In January of 2025, the District was served with a lawsuit for an injury that occurred in August of 2023 for which we do not believe we were at fault. Enduris, our insurance company originally assigned Josh Orf-Rodriguez with the law firm Law, Lyman, Daniel, Kamerrer & Bogdanovich out of Olympia as defense council for the case. Orf-Rodriguez left the firm and Amanda Bley Kuehn has now been assigned. The trial is scheduled for March 1, 2027.
	21	Are there any licensing, regulatory, contracting, or granting agencies with the ability to impose material penalties that would play a role in the government's ability to continue? If yes, please list the agency that could impose them. Examples include: Department of Health, FEMA, etc.	No	

REVENUES AND EXPENDITURES

	22	Please describe any new sources of revenues or expenditure streams, or state there were none. Examples include: new activities, special levies, state or federal grants, leases, etc.	None. The District did pass a general levy lid lift for collection in 2026.	
	23	Were there any rate increases during the fiscal year?	Yes	
	24	Attach rate and fee schedules in effect during the fiscal year.	Attached	Attachments Rates Schedule - 2025.xlsx

Reference	#	Question	Answer	Explanation
	25	Does the government accept cash/checks locally (using its own staff, issuing receipts) or use a third-party vendor to bill or receipt payments? Please check all that apply.	Receipts Locally	
	25	Does the government accept cash/checks locally (using its own staff, issuing receipts) or use a third-party vendor to bill or receipt payments? Please check all that apply.	Uses Third Party to Bill/Collect	
	26	Cash/Check Receipting - Please briefly describe the government's process for collection of payments. Please include a list of the locations where cash/checks are accepted/receipted.	During 2025, cash was receipted at 863 Carlsborg RD, STE C by the Administrative Staff. Cash, checks or money orders are received by the Administrative Assistant and immediately recorded on pre-numbered and imprinted receipt book. The transactions are then entered into the accounting system. Funds are kept in a locked combination box in a locked drawer until deposited on a weekly basis. See the Cash Receipting Procedures below for more details. EMS Billing and collection is done by Systems Design West.	

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Reference	#	Question	Answer	Explanation
	27	Does the government deposit funds on a daily basis?	No	We have been granted a waiver of the daily requirement by Clallam County and we deposit weekly, with the exception of checks received in excess of \$10,000, which are deposited on the day received.
	28	Please briefly describe the governments process for monitoring revenues collected by the third-party vendor.	Systems Design West provides monthly reports that reconcile to the receipts sent to the County. In addition, a quarterly review of the EMS billing and collection is done after suggested in the 2023 audit.	
	29	Please check all that apply to the government and list the authorized balance for each fund or account in the explanation box:	Petty cash	Petty Cash - \$500 Imprest - \$100 (Stripe acct. to facilitate CPR class registrations) \$4,500 - Imprest Advanced Travel Account
	29	Please check all that apply to the government and list the authorized balance for each fund or account in the explanation box:	Revolving/imprest bank account	Petty Cash - \$500 Imprest - \$100 (Stripe acct. to facilitate CPR class registrations) \$4,500 - Imprest Advanced Travel Account
	29	Please check all that apply to the government and list the authorized balance for each fund or account in the explanation box:	Travel account	Petty Cash - \$500 Imprest - \$100 (Stripe acct. to facilitate CPR class registrations) \$4,500 - Imprest Advanced Travel Account

Reference	#	Question	Answer	Explanation
	30	Please describe the governments process to reconcile its petty cash. Please include frequency of reconciliation. (e.g. monthly, quarterly, yearly)	In 2025, the Petty Cash fund was counted and verified on a monthly basis. Restoration of the petty cash balance is done quarterly if needed.	
	31	Please attach the year-end reconciliation and petty cash log.	Attached	Attachments Petty Cash Reconciliation 12.2025.pdf
	34	Please describe the governments process to reconcile the revolving/imprest bank accounts.	The Stripe account imprest amount is \$100 and the bank statement transactions are verified each month by the Administrative Assistant and reviewed each month by the Finance Manager.	
	35	Please attach the year-end reconciliation of the revolving/imprest account	Attached	Attachments US Bank Stripe Account Reconciliation 12.2025.pdf
	36	Please describe the governments process to reconcile the travel accounts.	The Travel Account ledger is maintained on an Excel spreadsheet, the Executive Assistant enters checks and the Finance Manager reconciles the account on a monthly basis.	

Reference	#	Question	Answer	Explanation
	37	Please attach the year-end reconciliation with the bank statement.	Attached	Attachments Travel Account Reconciliation 12.2025.pdf
	38	What type(s) of electronic payment (EFT/ACH) does the government make? Please list them in the box below. Examples include: payroll, direct deposit, employee reimbursements, wire transfers, AP vendor payments, etc.	Employee Direct Deposit Internal Revenue Service Employee Benefit Check payments	
	39	Does the government incur payroll costs?	Yes	
	40	Please describe the governing body's process to review payroll expenses and include how many employees the government has.	Employees are paid monthly. Each month the Finance Manager prepares payroll and during that process reconciles time recorded on WorkForce Telestaff (WFTS) compared to expected regular hours for each employee and also reconciles manual Overtime slips to the Overtime recorded in WFTS. Prior to submitting payroll, the FM reviews all aspects of the payroll details for each member including hours paid, regular amounts paid, overtime paid, leave accrual earned and used. At the end of the monthly	

Reference	#	Question	Answer	Explanation
			<p>process the FM performs an additional variance analysis on the pay and documents any significant variances, such as a large amount of Overtime. Also, each time payroll is prepared, the Fire Chief reviews & signs off on the payroll packet. The Fire Chief specifically signs off on the total payroll, the confirmation of the IRS deposit and the documented variation analysis items.</p>	
			<p>Regular payroll occurs on the 10th of each month for 66 employees (as of EOY), the monthly draw is paid on the 25th for 14 employees (as of EOY) and the quarterly volunteer reimbursement is paid for approx. 40 members.</p>	

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Reference	#	Question	Answer	Explanation
	41	Please mark all that apply to the government: Note: "open store accounts" refers to arrangements where individuals may make purchases on the government's behalf that are subsequently billed (e.g., local hardware store).	Fuel Card(s)	
	41	Please mark all that apply to the government: Note: "open store accounts" refers to arrangements where individuals may make purchases on the government's behalf that are subsequently billed (e.g., local hardware store).	Credit Card(s)	
	41	Please mark all that apply to the government: Note: "open store accounts" refers to arrangements where individuals may make purchases on the government's behalf that are subsequently billed (e.g., local hardware store).	Open Store Accounts	
	42	Fuel Cards - use the "ADD ROW" button to add the applicable number of rows for each vendor/institution the government has physical fuel cards with.		
		Vendor/Institution	The Co-Op Farm and Garden	
		Number of Cards	44	
		Total Credit Limit	10000	
	43	Credit Cards - use the "ADD ROW" button to add the applicable number of rows for each vendor/institution the government has physical credit cards with.		
		Vendor/Institution	US Bank	
		Number of Cards	85	
		Total Credit Limit	125000	

Reference	#	Question	Answer	Explanation
	44	Please attach a list of open accounts the government has.	Attached	Attachments CCFD3 Open Account Listing - 2025.xlsx
	45	Does the government receive any funds from state or federal grantors? If yes, please attach the grant agreements for the reporting year.	Yes	Attachments USDA Community Facilities Grant Agreement - 12.10.2024.pdf 25-05D03 EMS Trauma.pdf FD3 Title III Contract.pdf Clallam_A19.pdf USDA - OLR2 - Revised.pdf

FIRE/EMS SPECIFIC QUESTIONS

<i>Informational</i>	46	Indicate services offered by the government (check all that apply):	ALS Transports	
<i>Informational</i>	46	Indicate services offered by the government (check all that apply):	BLS Transports	
<i>Informational</i>	46	Indicate services offered by the government (check all that apply):	Repairs for Other Entities	
<i>Informational</i>	46	Indicate services offered by the government (check all that apply):	Trainings (CPR/First Aid)	
<i>Informational</i>	46	Indicate services offered by the government (check all that apply):	Facility Rentals	
<i>Informational</i>	47	Does the government prepare or contract for transport billing? If transport service billings are prepared in house, attach a copy of the government's policy, and fee schedule. If transport service billings are contracted out, attach a copy of the contract/agreement.	Contract for billing	Attachments 2021-Systems Design Professional Services Agreement.pdf

Reference	#	Question	Answer	Explanation
	48	Has there been any changes to agreements for which the government 1) performs fire protection services/EMS for another local government (e.g. city, fire district), or 2) another local government provides fire protection services/EMS? Note: This does not include mutual aid agreements. If there were changes to any agreements, please explain.	No Changes	
	49	Does the government have any volunteers? If yes, please include the number of volunteers and any benefits they may receive.	Yes	Approximately 40 volunteers receive reimbursement of \$20 per point earned for training, call response, or other events. They may also receive a stipend for serving as Chaplain, EMT school completion, Fire Academy completion, CERT leader, Central Supply, or Admin Support. Benefits include District contribution to the volunteer pension and disability program.
	50	Does the government have career firefighters? If yes, please include the number of career firefighters (approximately).	Yes	51 at EOY
	51	Does the government provide other post-employment benefits (OPEB) for current retirees and active employees? Examples include: medical, dental, vision, hearing, etc.	Yes	
	52	Please indicate which employee group the benefits are for:	LEOFF 2	Contract provisions allow payment of 36 months of health insurance for employees giving six months notice to be paid at retirement. (Other applies to Administrative Staff)

Reference	#	Question	Answer	Explanation
	52	Please indicate which employee group the benefits are for:	Other	Contract provisions allow payment of 36 months of health insurance for employees giving six months notice to be paid at retirement. (Other applies to Administrative Staff)
	53	Does the government have any closely related associations or foundations? If yes, please list.	Yes	CCFD3 has a volunteer association - Clallam County Volunteer Association. Also, East Clallam County CERT Association formed in 2025.
<i>Informational</i>	54	How many stations does the government have?	6	
	55	Was the government involved in any mergers, acquisitions, or transfer of operations? If yes, please attach copies of documentation (i.e. resolutions, etc.) authorizing the mergers, acquisition, or transfer of operations.	No	
	56	Does the government act as the fiscal agent for any other entities? If yes, please list parties served. Examples may include: holding accounts, receiving/disbursing funds, etc.	No	
	57	Does the government have any outstanding bonds or other debt?	Yes	
REQUIRED ATTACHMENTS				
<i>Informational</i>	58	Meeting Minutes - Attach the meeting minutes and resolutions for all governing body meetings held during the reporting year.	See Web Page	Meeting minutes are available here: https://www.ccf3.org/board-meetings?year=2025

Reference	#	Question	Answer	Explanation
	59	Cash Balance Summary - Attach a copy of the year-end County Treasurer (or other fiscal agent) report (s) inclusive of all year-end cash and investment balances. If the government holds funds outside of the County, please upload the first and last bank statements of the year, inclusive of all cash and investment balances.	Attach	Attachments 1225 trialbal.pdf 2025.12 - SCB Travel.pdf 2025-01 SCB Travel Stmt.pdf 2025-01-30 US Bank Checking Statement 8802.pdf 2025-12-31 Statement - USB Checking 8802.pdf US PR 2025-12.pdf US PR 2025-01.pdf
	60	Detailed Revenue by Source - Attach a copy of the County Treasurer's Revenue Report that shows total receipts for the reporting year by revenue source. If the County does not provide this report, please upload comparable accounting records to substantiate revenue activity and/or all bank statements for the year that comprise the government's financial statements.	Attach	Attachments revstat.pdf
	61	Detailed Expenditure List - Attach warrant registers, payroll registers, check registers and/or petty cash log detailing all expenditures made during the year. This includes those expenditures paid by the County on a government's behalf due to Treasurer responsibilities.	Attach	Attachments Check Register 01.01.2025-12.31.2025.pdf
<i>Informational</i>	62	Cash Receipting Policy - Attach a detailed description of the government's invoicing, cash and check receiving and deposit process. The description should include name of positions completing tasks in the process and all reconciliations and reviews performed. Include a copy of your written Cash and Check Receipting Policy or procedure if you have one. This request applies to all governments that invoice for a service (including third party billing services) or receive funds other than at the county treasurer (including charges for services or goods, fees, donations, grants, etc.).	Attached	Attachments 1051_Cash Receipting Procedures.docx

Reference	#	Question	Answer	Explanation
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Informational

63 **Elected Official List** - Click the "ADD ROW" button to add the applicable number of rows for each governing board member. If the governing board exceeds 5 members, please include the 3-top-ranking Board officers (e.g. chair/president, treasurer, etc.). Note: (*) mailing address is an optional field but should be provided for at least one board member.

Governing Board Member Name	William Miano
Board Member Spouse Name	Adina Miano
Business Interest(s)	None
Phone Number	8015972317
Email Address	bmiano@ccfd3.org
Mailing Address*	150 Shelly Ln, Sequim, WA 98382
Governing Board Member Name	Jeff Nicholas
Board Member Spouse Name	June Nicholas
Business Interest(s)	None
Phone Number	3609219660
Email Address	jnicholas@ccfd3.org
Mailing Address*	53 Timber Rd, Sequim, WA 98382
Governing Board Member Name	Michael Mingee
Board Member Spouse Name	Cheryl Mingee
Business Interest(s)	White Helmet Management

Reference	#	Question	Answer	Explanation
		Phone Number	8058818286	
		Email Address	mmingee@ccfd3.org	
		Mailing Address*	51 Cormorant Dr, Sequim, WA 98382	
<i>Preparer</i>	64	Please include the below information in the text box for the local government personnel who completed the annual report. Full name, role (e.g., Secretary, Board Member, etc.) Telephone number E-mail address	Misty Shaw, Finance Manager, 360-582-2051, mshaw@ccfd3.org	

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CLALLAM COUNTY FIRE DISTRICT 3

Agenda Bill No. 3

Board of Commissioners meeting **06/02/2025**

To: Board of Commissioners

From: Justin Grider, Fire Chief, with Travis Anderson, Presenting

Subject: NFPA 1750 Discussion and Presentation

Recommendation: No action required, Discussion.

Background: Commissioners have requested a presentation or information on NFPA and how we compare as a District to the standard.

Discussion: Captain Anderson will present on NFPA 1750 for discussion and on opportunities to achieve the standard.

Attachments: A presentation and a cut sheet will be presented at the time of the presentation

Alternatives: N/A

Fiscal Considerations: N/A

Impact to the Community: This report shows where the District is compared to an accepted standard that has incorporated input from NIOSH, ICMA, IAFF, IAFC, and others. The community benefits with proper fire and EMS coverage.