



Office of the Washington State Auditor
Pat McCarthy

Accountability Audit Report
Thurston County Fire Protection
District No. 3
(Lacey Fire District 3)

For the period January 1, 2019 through December 31, 2019

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**Office of the Washington State Auditor
Pat McCarthy**

June 25, 2020

Board of Commissioners
Lacey Fire District 3
Lacey, Washington

Report on Accountability

Thank you for the opportunity to work with you to promote accountability, integrity and openness in government. The Office of the Washington State Auditor takes seriously our role of providing state and local governments with assurance and accountability as the independent auditor of public accounts. In this way, we strive to help government work better, cost less, deliver higher value and earn greater public trust.

Independent audits provide essential accountability and transparency for District operations. This information is valuable to management, the governing body and public stakeholders when assessing the government's stewardship of public resources.

Attached is our independent audit report on the District's compliance with applicable requirements and safeguarding of public resources for the areas we examined. We appreciate the opportunity to work with your staff and we value your cooperation during the audit.

Sincerely,

Pat McCarthy
State Auditor
Olympia, WA

Americans with Disabilities

In accordance with the Americans with Disabilities Act, we will make this document available in alternative formats. For more information, please contact our Office at (564) 999-0950, TDD Relay at (800) 833-6388, or email our webmaster at webmaster@sao.wa.gov.

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AUDIT RESULTS

Results in brief

This report describes the overall results and conclusions for the areas we examined. In those selected areas, District operations complied, in all material respects, with applicable state laws, regulations, and its own policies, and provided adequate controls over the safeguarding of public resources.

In keeping with general auditing practices, we do not examine every transaction, activity, policy, internal control, or area. As a result, no information is provided on the areas that were not examined.

About the audit

This report contains the results of our independent accountability audit of Lacey Fire District 3 from January 1, 2019 through December 31, 2019.

Management is responsible for ensuring compliance and adequate safeguarding of public resources from fraud, loss or abuse. This includes the design, implementation and maintenance of internal controls relevant to these objectives.

This audit was conducted under the authority of RCW 43.09.260, which requires the Office of the State Auditor to examine the financial affairs of all local governments. Our audit involved obtaining evidence about the District's use of public resources, compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters. The procedures performed were based on our assessment of risks in the areas we examined.

Based on our risk assessment for the year ended December 31, 2019, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. We examined the following areas during this audit period:

- Procurement – public works
- Payroll – gross wages, overtime and electronic funds transfers
- Accounts payable – credit cards
- Open public meetings – documentation of minutes, executive sessions and special meetings

RELATED REPORTS

Financial

Our opinion on the District's financial statements is provided in a separate report, which includes the District's financial statements. That report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

INFORMATION ABOUT THE DISTRICT

Thurston County Fire Protection District No. 3, doing business as Lacey Fire District 3, was created in 1948. The District serves an area covering approximately 70 square-miles and serves nearly 100,000 residents in Thurston County. The District provides fire and life safety services through emergency response, education and code enforcement. In 2017 the District completed its Capital Equipment and Facilities Plan. The District mounted a successful bond measure to fund this exciting body of work which includes the construction of a new station and the purchase of at least three apparatus. To date we have taken delivery of a new Engine and construction is well underway on our new Station 34.

An elected, five-member Board of Commissioners governs the District since the annexation of the City of Lacey in 2010. Board Members serve staggered, six-year terms. The Board appoints a Fire Chief to oversee the District's daily operations as well as its 122 full-time firefighters, paramedics, administrative employees and 42 volunteers. In 2019, the District operated on an annual general fund appropriations budget of approximately \$24.9 million.

Contact information related to this report

Address:	Lacey Fire District 3 1231 Franz Street S.E. Lacey, WA 98503-2412
Contact:	Dale Hough, Finance Director
Telephone:	3605282310
Website:	www.laceyfire.com

Information current as of report publish date.

Audit history

You can find current and past audit reports for Lacey Fire District 3 at <http://portal.sao.wa.gov/ReportSearch>.

ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

We work with our audit clients and citizens to achieve our vision of government that works for citizens, by helping governments work better, cost less, deliver higher value, and earn greater public trust.

In fulfilling our mission to hold state and local governments accountable for the use of public resources, we also hold ourselves accountable by continually improving our audit quality and operational efficiency and developing highly engaged and committed employees.

As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

Our audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits of state agencies and local governments as well as [fraud](#), state [whistleblower](#) and [citizen hotline](#) investigations.

The results of our work are widely distributed through a variety of reports, which are available on our [website](#) and through our free, electronic [subscription](#) service.

We take our role as partners in accountability seriously, and provide training and technical assistance to governments, and have an extensive quality assurance program.

Contact information for the State Auditor's Office	
Public Records requests	PublicRecords@sao.wa.gov
Main telephone	(564) 999-0950
Toll-free Citizen Hotline	(866) 902-3900
Website	www.sao.wa.gov