

CHAPTER 134.

[S. B. 237.]

FIRE PROTECTION DISTRICTS—FINANCES.

AN ACT relating to fire protection districts; creating special funds for fire districts in the county treasurer's office; authorizing the board of fire commissioners to contract indebtedness and issue coupon warrants; limiting yearly expenses to yearly tax levy and cash balances; and amending sections 2 and 3, chapter 176, Laws of 1953 and RCW 52.16.020 and 52.16.061, and section 10, chapter 24, Laws of 1951 second extraordinary session and RCW 52.16.070.

Be it enacted by the Legislature of the State of Washington:

Amendment. SECTION 1. Section 2, chapter 176, Laws of 1953 and RCW 52.16.020 are each amended to read as follows:

Funds. In each county in which a fire protection district is situated, there are hereby created in the county treasurer's office, for the use of each said district, the following funds: (1) expense fund; (2) coupon warrant fund; (3) contract fund; (4) reserve fund; (5) local improvement district No. fund; and (6) general obligation bond fund. All taxes levied for administrative, operative, and maintenance purposes and for the purchase of firefighting equipment and apparatus and for the housing thereof, when collected, and proceeds from the sale of coupon warrants shall be placed by the county treasurer in the expense fund. All taxes levied for the payment of coupon warrants and interest thereon, when collected, shall be placed by the county treasurer in the coupon warrant fund. Proceeds from the sale of general obligation bonds, and the transfer of any surplus in the expense fund, shall be placed by the county treasurer in the contract fund. The board of fire commissioners may include in its annual budget items of possible outlay to be provided for and held in reserve for any district purpose, and taxes shall be levied therefor, and all such taxes, when collected,

shall be placed by the county treasurer in the reserve fund; said reserve fund, or any part thereof, may be transferred by the county treasurer to any other funds of the district at any time upon order of the board of fire commissioners. All special taxes levied against the lands in any improvement district within the district, when collected, shall be placed by the county treasurer in the local improvement district fund for such local improvement district.

SEC. 2. Section 3, chapter 176, Laws of 1953 and RCW 52.16.061 are each amended to read as follows: Amendment.

The board of fire commissioners of the district shall have authority to contract indebtedness and to refund same for any general district purpose, including expenses of maintenance, operation and administration, and the acquisition of firefighting facilities, and evidence the same by the issuance and sale at par plus accrued interest not exceeding six percent per annum of coupon warrants of the district in such denominations, in such form and payable at such time or times not longer than six years from the issuing date of said coupon warrants; said date to be specified thereon, as the board shall determine and provide. Such coupon warrants shall be payable to bearer, shall have interest coupons attached providing for the payment of interest semiannually on the first day of January and of July following in each year: *Provided*, That at the option of district board the aggregate amount of coupon warrants may include a sum sufficient to pay the annual interest thereon for a period not exceeding one year from the issuing date of the coupon warrants and in that event such interest shall be taken from the proceeds of the sale of the coupon warrants and immediately placed in the coupon warrant fund of the district, for the payment of the interest coupons maturing during the first year of the coupon warrants. The issuance of the coupon warrants, prior to delivery Authorized indebtedness.

Coupon warrants.

thereof to the purchaser, shall be recorded in the office of the county treasurer in a book kept for that purpose. Said coupon warrants when issued shall constitute general obligations of the district. All outstanding district warrants of every kind shall outlaw and become void after six years from the maturity date thereof where money shall be available in the proper fund of the district within that time for their payment.

Amendment.

SEC. 3. Section 10, chapter 24, Laws of 1951 second extraordinary session and RCW 52.16.070 are each amended to read as follows:

Limitation of indebtedness.

Except as authorized by virtue of the issuance and sale of district coupon warrants and general obligation bonds, the board of fire commissioners shall have no authority to incur expenses or other financial obligations payable in any year in excess of the aggregate amount of taxes levied for that year and the cash balances on hand in the expense, contract and reserve funds of the district on the first day of that year. In the event that there are any unpaid warrants drawn on any district fund or funds for expenses and obligations incurred outstanding at the end of any calendar year, the same may be paid from taxes collected in the subsequent year or years for the same fund or funds.

Unpaid warrants.

Passed the Senate February 24, 1955.

Passed the House March 7, 1955.

Approved by the Governor March 14, 1955.