

SENATE BILL REPORT

SB 5154

As of January 23, 2025

Title: An act relating to the duties of county auditors.

Brief Description: Clarifying the duties of county auditors.

Sponsors: Senators Goehner, Bateman and Nobles.

Brief History:

Committee Activity: Local Government: 1/23/25.

Brief Summary of Bill

- Modifies the duties of the county auditor.
- Transfers the duty of clerk of the Board of County Commissioners from the county auditor to an employee designated by the Board of County Commissioners.
- Requires county auditors to audit disbursements and transfers, including transfers involving restricted funds held by the county.

SENATE COMMITTEE ON LOCAL GOVERNMENT

Staff: Karen Epps (786-7424)

Background: The county auditor records deeds and other written instruments. The county auditor is authorized to copy, preserve, and index documents filed with the county. The county auditor supervises primaries and elections.

The county auditor is also required to charge fees for service and to act as clerk for the Board of County Commissioners, unless the Board of County Commissioners appoints its own clerk. The clerk is responsible for recording the Board of County Commissioners's proceedings, recording votes taken by each county commissioner, preserving and filing

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petitions and applications for franchises requested of the Board of County Commissioners, and performing other duties required by the Board of County Commissioners.

Other duties of the county auditor include:

- monitoring the financial condition and operations of the county and other public entities within the county;
- recording the county treasurer's reports regarding county receipts and disbursements;
- filing yearly reports with the state auditor regarding state funds held by the county; and
- complying with procedural requirements regarding processing and record-keeping related to warrants issued out of funds controlled by a county.

County auditors also participate in preparing the county budget by collecting estimated expenditures and non-tax revenues for each county office, department, and institution, and then combining these estimates into a proposed budget that is submitted to the county legislative authority for its consideration.

Summary of Bill: The county auditor shall be the recorder of deeds and other instruments filed and recorded in the county, and all other duties in the statutes related to recording, registration, and legal publication.

The county auditor duties are modified as follows:

- must prepare a budget by collecting estimated expenditures and non-tax revenues for each county office, department, and institution, and then combining these estimates into a proposed budget that is submitted to the county legislative authority for its consideration;
- may hire an internal auditor or assign internal auditor tasks to an employee of the auditor, who operates independently;
- must conduct elections pursuant to the election statutes;
- may serve as an agent of the Department of Licensing for vehicle registration and certificate of title functions; and
- may perform other duties, by mutual agreement with the county commissioners, through a memorandum of understanding.

The county auditor or financial officer designated in a charter county must audit all disbursements and transfers, when auditing all claims, demands, and accounts of the county. The county auditor must audit all transfers involving restricted funds held by the county.

The provisions related to the county auditor acting as the clerk of the Board of County Commissioners are removed. The Board of County Commissioners must designate one of its employees to serve as clerk of the Board of County Commissioners. The clerk must:

- record all of the proceedings of the Board of County Commissioners;
- make full entries of all of their resolutions and decisions on all questions concerning the raising of money for and the allowance of accounts against the county;

- record the vote of each member on any question upon which there is a division or at the request of any member present;
- preserve and file all accounts acted upon by the Board of County Commissioners;
- preserve and file all petitions and applications for franchises and record the action of the legislative authority thereon;
- record all orders levying taxes; and
- perform all other duties required by any rule or order of the Board of County Commissioners.

The clerk must publish a summary of the proceedings of the Board of County Commissioners in a general circulation newspaper and three public places in the county. The clerk is designated as the holder of the seal of the Board of County Commissioners. If the clerk is unable to attend to their duties, a deputy clerk or a person temporarily appointed by the Board of County Commissioners may perform the duties of the clerk.

Appropriation: None.

Fiscal Note: Not requested.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: The Legislature has assigned county auditors a very specific set of responsibilities—elections, vehicle and vessel licensing, document recording, and financial services. These duties have not been consistently placed in the auditor statutes and some references have not been updated. This bill is an effort to bring clarity and transparency by collecting the scattered references of auditor duties and placing them in the proper section of law.

The bill addresses the role of the clerk of the board and reflects current practices by moving the clerk duties to the commissioner section of law, while still allowing auditors to serve in that role if the county chooses. This bill provides much needed clarification of the duties of the auditor for internal auditing. This bill does not change the current structure of having the county auditor develop a preliminary budget, but it adds flexibility to acknowledge the working relationship between auditors and their commissioners.

Some counties have removed budget preparation from the county auditor to county commissioner staff and this incorrect interpretation has resulted in complaints to the state auditor for budget actions taken by the board of county commissioner that were in violation of law and resulted in adverse audit findings. By controlling both budget preparation and approval in the commissioners' office, transparency is reduced and the risk of misuse of funds is increased. This bill will help remedy the process in some counties in which the county auditor is not preparing a preliminary budget by removing any ambiguity in the law.

It is important to have clarification of the law.

CON: There is opposition to this bill as it relates to budgetary issues and the autonomy of the board in fiscal matters. There is a fundamental concern about local governance and the county commissioners are directly elected to represent the people, manage resources, and ensure fiscal responsibility. This bill undermines that responsibility and diminishes county commissioner authority. The bill appears to shift budgetary responsibilities from the board to the county auditor and results in an overreach of authority. Counties should determine their own organizational structure for budget preparation.

OTHER: There are concerns with this bill. The addition about budget preparation could be misconstrued and the addition of the term preliminary would make it clear that the auditor prepares the preliminary budget. The bill provides new authority to the county auditor and would undermine existing authority of the legislative body to make decisions about hiring staff. There is some concern about removing the clerk of the board duties from the county auditor.

Persons Testifying: PRO: Senator Keith Goehner, Prime Sponsor; Barry Halverson; Jon Pettit, citizen; Steve Duenkel, Mason County Auditor; Heidi Hunt, Adams County Auditor/WSACA; Skip Moore, Chelan County Auditor.

CON: Commissioner Wayne Fournier, Thurston County Board of Commissioners.

OTHER: Paul Jewell, Washington State Association of Counties.

Persons Signed In To Testify But Not Testifying: No one.