

## CHAPTER 164.

[H. B. 102.]

## COUNTY BUDGET.

AN ACT providing for a budget system for making and controlling county estimates, tax levies and expenditures and providing penalties for the violation thereof.

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

SECTION 1. On or before the second Monday in July of each year the county auditor of each county shall notify in writing each county official, elective or appointive, in charge of an office, department, service or institution of the county, to file with said auditor on or before the second Monday in August thereafter detailed and itemized estimates, both of the probable revenues from sources other than taxation, and of all expenditures required by such office, department, service or institution for the ensuing fiscal year. The county commissioners shall submit to the auditor a detailed statement showing all new road and bridge construction to be financed from the county road and bridge fund, each separate road district fund, the permanent highway fund and from bond issues theretofore issued, if any, for the ensuing fiscal year, together with the cost thereof as computed by the county engineer or for constructions in charge of a special engineer, then by such engineer, and it shall be the duty of such engineer to prepare such estimates of cost for the county commissioners. They shall also submit a similar statement showing the road and bridge maintenance program as near as can be estimated.

Auditor to notify officials to file estimates.

Commissioners to submit statement.

Roads and bridges.

The county commissioners shall submit to the auditor detailed estimates of all expenditures for construction or improvement purposes proposed to

Improvements from bonds and warrants.

be made from the proceeds of bonds or warrants not yet authorized.

Forms and  
classifications.

The estimates required in this section shall be submitted on forms provided by the auditor and classified according to the classification established by the State Division of Municipal Corporations. The auditor is hereby directed to provide such forms. He shall also prepare the estimates for interest and debt redemption requirements and any other estimates the preparation of which properly falls within the duties of his office.

Estimates to  
be filed,  
penalty  
for failure.

It shall be the duty of each of said officials to file such estimates within the time and in the manner provided in said notice and form, and the auditor shall deduct and withhold as a penalty from the salary of each official failing or refusing to file such estimates as herein provided, the sum of ten dollars for each day of delay: *Provided*, that the total penalty against any one official shall not exceed fifty dollars in any one year: and *Provided further*, that in the absence or disability of any such official the duties required herein shall devolve upon the official or employee in charge of such office, department, service or institution for the time being. The said notice shall contain a copy of this penalty clause.

Budget  
prepared.

SEC. 2. Upon the receipt of such estimates the auditor shall prepare the county budget which shall set forth the complete financial program of the county for the ensuing fiscal year, showing the expenditure program and the sources of revenue by which it is to be financed.

Revenue  
section.

The revenue section shall set forth the estimated receipts from sources other than taxation for each office, department, service or institution for the ensuing fiscal year, the actual receipts for the first six months of the current fiscal year and the actual receipts for the last completed fiscal year, the esti-

mated surplus at the close of the current fiscal year and the amount proposed to be raised by taxation.

The expenditure section shall set forth in comparative and tabular form by offices, departments, services and institutions the estimated expenditures for the ensuing fiscal year, the appropriations for the current fiscal year, the actual expenditures for the first six months of the current fiscal year including all contracts or other obligations against current appropriations, and the actual expenditures for the last completed fiscal year.

Expenditure  
section.

Such estimates, appropriations and expenditures shall be classified under the general classes of (1) salaries and wages (2) maintenance and operation (3) capital outlay (4) interest and debt redemption, and (5) expenditures proposed to be made from bond or warrant issues not yet authorized.

General  
classes.

Within the general class of "salaries and wages" each salary shall be set forth separately together with the title or position of the recipient. Wages for day labor may be given in totals according to the general purpose or object for which to be expended but the proposed rate per diem for each class or kind of labor shall be set forth. Expenditures coming under the general class of "maintenance and operation" shall be classified according to the standard classification established by the said Division of Municipal Corporations. Expenditures for "capital outlay" shall set forth and describe each object of expenditure separately. Under the general class of "interest and debt redemption" proposed expenditures for interest and for redemption of principal shall be set forth separately for each series or issue of bonds and warrant interest and redemption requirements shall be set out in a similar manner. The total amount of emergency warrants issued during the preceding fiscal year shall be set forth separately together with a state-

Salaries  
and wages.

Capital  
outlay.

Interest and  
debt  
redemption.

ment showing the amount issued for each emergency.

Budget submitted to commissioners.

SEC. 3. The said budget shall be submitted by the auditor to the county commissioners on or before the first Tuesday in September of each year. The county commissioners shall thereupon consider the same in detail, make any revisions or additions they deem advisable and shall then publish a notice stating that the said county commissioners have completed and placed on file their preliminary budget for the county for the ensuing fiscal year, a copy of which will be furnished any citizen who will call at their office for it, and that they will meet on the first Monday in October thereafter for the purpose of fixing the final budget and making tax levies, designating the time and place of such meeting, and that any taxpayer may appear thereat and be heard for or against any part of said budget. Such notice shall be published once each week for two consecutive weeks immediately following said adoption of the preliminary budget in the official newspaper of the county, or if there be none, in a newspaper of general circulation in the county. The county commissioners shall provide a sufficient number of copies of said detailed and comparative preliminary budget to meet the reasonable demands of the taxpayers therefor and the same shall be available for such distribution not later than two weeks immediately preceding the first Monday in October.

Preliminary budget.

Notice of filing.

Copies.

Hearings.

SEC. 4. On the first Monday in October in each year the county commissioners shall meet at the time and place designated in said notice, whereat any taxpayer may appear and be heard for or against any part of such budget. Such hearing may be continued from day to day until concluded but not to exceed a total of five days. The officials in charge of the several offices, departments, services and institutions shall, at the time the estimates for their

respective offices, departments, services or institutions are under consideration, be called in and appear before such hearing by the county commissioners at the request of any taxpayer and may be questioned concerning such estimates by the commissioners or any taxpayer present.

Upon the conclusion of such hearing the county commissioners shall fix and determine each item of the budget separately and shall by resolution adopt the budget as so finally determined and enter the same in detail in the official minutes of the board, a copy of which budget shall be forwarded to the Division of Municipal Corporations.

Items  
determined.

The County Commissioners shall then fix the amount of the levies necessary to raise the amount of the estimated expenditures as finally determined, less the total of the estimated revenues from sources other than taxation including available surplus and such expenditures as are to be met from bond or warrant issues. All taxes shall be levied in specific sums and shall not exceed the amount specified in the preliminary budget.

Tax levy.

SEC. 5. The estimates of expenditures itemized and classified as required in section 2 hereof and as finally fixed and adopted in detail by said board of county commissioners shall constitute the appropriations for the county for the ensuing fiscal year; and the county commissioners and every other county official shall be limited in the making of expenditures or the incurring of liabilities to the amount of such detailed appropriation items or classes respectively: *Provided*, that upon a resolution formally adopted by the county commissioners at a regular or special meeting and entered upon the minutes, transfers or revisions within the general class of "salaries and wages" and of "maintenance and operation" may be made: *Provided*, that no salary item shall be increased above the amount appropriated therefor.

Appropriations.

Transfers  
within  
classes.

Transfers between the general classes provided in section 2 hereof shall not be permitted: *Provided*, that in the case of road and bridge maintenance appropriations any lawful transfer deemed necessary may be made.

Borrowed  
monies.

Monies received from borrowings shall be used for no other purpose than that for which borrowed except that if any surplus shall remain after the accomplishment of the purpose for which borrowed, it shall be used to redeem the county debt. Where any budget shall contain an expenditure program to be financed from a bond issue to be authorized thereafter no such expenditures shall be made or incurred until such bonds have been duly authorized.

Expenditures  
in excess of  
budget, void.

Expenditures made, liabilities incurred or warrants issued in excess of any of the detailed budget appropriations or as revised by transfer as herein provided shall not be a liability of the county but the official making or incurring such expenditure or issuing such warrant shall be liable therefor personally and upon his official bond. The county auditor shall issue no warrant and the county commissioners shall approve no claim for any expenditure in excess of said detailed budget appropriation or as revised under the provisions hereof, except upon an order of a court of competent jurisdiction, or for emergencies as hereinafter provided. Any county commissioner, or commissioners, or county auditor approving any claim or issuing any warrant in excess of any such budget appropriation except as above provided shall forfeit to the county fourfold the amount of such claim or warrant which shall be recovered by action against such county commissioner or commissioners or auditor, or all of them, and their several sureties on their official bonds.

Penalty.

Emergency  
expenditures.

SEC. 6. When a public emergency other than such as are specifically described hereinafter, and

which could not reasonably have been foreseen at the time of making the budget, shall require the expenditure of money not provided for in the budget, the county commissioners by unanimous vote of the commissioners present at any meeting the time and place of which all the commissioners shall have had reasonable notice, shall adopt and enter upon their minutes a resolution stating the facts constituting the emergency and the estimated amount of money required to meet the emergency, and shall publish the same, together with a notice that a public hearing thereon will be held at the time and place designated therein but which shall be not less than one week after the date of said publication, at which any taxpayer may appear and be heard for or against the expenditure of money for such alleged emergency. Such resolution and notice shall be published once in the official county newspaper or if there be none, in a newspaper of general circulation in the county. Upon the conclusion of said hearing if the county commissioners deem it advisable they may proceed to make the expenditures necessary to meet the said emergency and no more:

*Provided*, that upon the happening of any emergency caused by fire, flood, explosion, storm, earthquake, epidemic, riot or insurrection, or for the immediate preservation of order or of public health or for the restoration to a condition of usefulness of any public property the usefulness of which has been destroyed by accident, or for the relief of a stricken community overtaken by a calamity, or in settlement of approved claims for personal injuries or property damages exclusive of claims arising from the operation of any public utility owned by the county, or to meet mandatory expenditures required by any law enacted since the last budget was adopted, the county commissioners may, upon the adoption by the unanimous vote of the commissioners present at any

Emergencies  
enumerated.

meeting the time and place of which all of such commissioners shall have had reasonable notice, of a resolution stating the facts constituting the emergency and entering the same upon their minutes, make the expenditures necessary to meet such emergency without further notice or hearing.

Emergency warrants.

All emergency expenditures shall be paid for by the issuance of emergency warrants which shall be paid from any monies on hand in the county treasury in the fund properly chargeable with such expenditures and the county treasurer is hereby authorized and directed to pay such warrants out of any monies in the treasury in such fund. If at any time there shall be insufficient monies on hand in the treasury to pay any of such warrants, then such warrants shall be registered, bear interest and be called in the manner provided by law for other county warrants.

Emergency warrants paid.

The county auditor shall include in the annual budget to be submitted to the county commissioners the total amount of emergency warrants issued during the preceding fiscal year and the county commissioners shall include in their tax levies a levy sufficient to raise an amount equal to the total of such warrants: *Provided*, that the county commissioners, if they deem it advisable, instead of including the amount of such emergency warrants in their budget levy may fund the same or any part thereof into bonds in any manner provided by law.

Appropriations lapse.

All appropriations shall lapse at the end of the fiscal year: *Provided*, that the appropriation accounts shall remain open for a period of thirty days thereafter for the payment of claims incurred against such appropriations prior to the close of the fiscal year. After said period shall have expired all appropriations shall become null and void and any claim presented thereafter against any such appropriation shall be provided for in the next ensuing

budget: *Provided, however* that this shall not prevent payments upon uncompleted improvements in progress at the close of the fiscal year.

SEC. 7. On or before the 25th day of each month the auditor shall submit to the county commissioners a report showing the expenditures and liabilities against each separate budget appropriation incurred during the preceding calendar month and like information for the whole of the current fiscal year to the first day of said month, together with the unexpended and unencumbered balance of each appropriation. He shall also set forth the receipts from taxes and from sources other than taxation for the same periods.

Monthly  
report by  
auditor.

SEC. 8. The said State Division of Municipal Corporations is hereby empowered to make such rules, classifications and forms as may be necessary to carry out the provisions of this act, to define what expenditures shall be chargeable to each budget account, and to establish such accounting and cost systems as may be necessary to provide accurate budget information.

Forms and  
classification  
to be  
provided.

SEC. 9. This act shall not be construed to create any new fund or funds.

No new funds.

SEC. 10. Any person violating any of the provisions of this act shall be guilty of a misdemeanor and upon conviction thereof shall be fined not less than twenty-five dollars nor more than five hundred dollars.

Penalty.

SEC. 11. All acts or parts of acts in conflict herewith are hereby repealed.

Repeal.

Passed the House February 26, 1923.

Passed the Senate March 6, 1923.

Approved by the Governor March 20, 1923.