



Office of the Washington State Auditor

Pat McCarthy

Unauditable Governments in Washington

Progress since May 2019

State law (RCW 43.09.260) requires local governments to be audited by our Office and for them to submit annual financial reports (RCW 43.09.230), yet every year some governments do not meet these obligations.

Many more now meet requirements

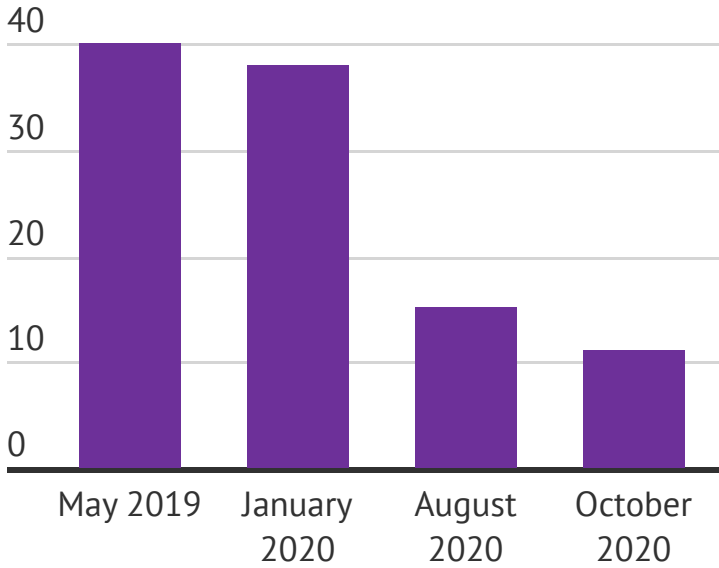
In May 2019, the Office of the Washington State Auditor first reported on roughly 40 governments that did not submit financial reports or respond to our requests for documents to perform an audit.

Since then, the state Legislature passed a law establishing consequences for being identified as an unauditable government. Counties in which these governments operate are now notified, and may withhold funding from these governments as a result.

The list of unauditable governments has now been cut by more than two-thirds. As of October 2020, only 11 governments have not submitted financial information by their final opportunity to do so.



Number of Unauditable Governments



What is their status now?

30 governments formerly identified as unauditable have filed financial information.

Some of these have received completed audits or dissolved, while others await the start or completion of their audit process.

District	Gov Type	County	Dissolved	Audit Started	Audit Complete
Grant Co. Cemetery Dist. No. 3	Cemetery	Grant			
Grant Co. Weed Dist. No. 1	Weed	Grant		✓	
Lincoln Co. Cemetery Dist. No. 6	Cemetery	Lincoln			
Redmond Public Corporation	Misc.	King			

District	Gov Type	County	Dissolved	Audit Started	Audit Complete
Redmond Public Corp.	Misc.	King			
King County Fire Protection District No. 31	Fire	King		✓	
Skagit Co. Drainage Dist. No. 17	Drainage	Skagit	N/A	✓	
Snohomish Co. Fire Protection Dist. No. 27	Fire	Snohomish	N/A	✓	
Lake Louise Weed Removal District	Weed	Pierce	N/A	✓	
Lake Ohop Weed Removal District	Weed	Pierce	N/A	✓	
Lake Steilacoom Weed Removal District	Weed	Pierce	N/A	✓	
Island Co. Drainage Dist. No. 1	Drainage	Island	✓	N/A	
Island Co. Drainage Dist. No. 5	Drainage	Island		✓	
Sprague Public Development Authority	PDA	Lincoln	✓	N/A	
Elkhorn Water District	Water	Pierce	N/A		👍
Harrington, City of	City	Lincoln	N/A		👍
Island Co. Drainage Dist. No. 8	Drainage	Island	N/A		👍
Juniper Beach Water District	Water	Island	N/A		👍
Lewis Co. Drainage Dist. No. 1	Drainage	Lewis	✓	N/A	
Lewis Co. Fire Protection Dist. No. 17	Fire	Lewis	N/A		👍
Okanogan Co. Cemetery Dist. No. 3	Cemetery	Okanogan	N/A		👍

District	Gov Type	County	Dissolved	Audit Started	Audit Complete
Lewis Co. Drainage Dist. No. 1	Drainage	Lewis	✓	N/A	
Lewis Co. Fire Protection Dist. No. 17	Fire	Lewis	N/A		👍
Okanogan Co. Cemetery Dist. No. 3	Cemetery	Okanogan	N/A		👍
Pierce Co. Drainage Dist. No. 23	Drainage	Pierce	N/A		👍
Pend Oreille Co. Cemetery Dist. No. 2	Cemetery	Pend Oreille	N/A		👍
Skagit Co. Dike Dist. No. 4	Drainage	Skagit	N/A		👍
Skagit Co. Dike Dist. No. 9	Drainage	Skagit	N/A		👍
Skagit Co. Drainage Dist. No. 18	Drainage	Skagit	N/A		👍
Skagit Co. Fire Protection Dist. No. 15	Fire	Skagit	N/A		👍
Snohomish Co. Diking Dist. No. 3	Drainage	Snohomish	N/A		👍
Wenatchee Chiwawa Irrigation District	Irrigation	Chelan	N/A		👍
Whitman County Cemetery No. 7	Cemetery	Whitman	N/A		👍
Whitman County Fire Protection District No 4	Fire	Whitman	N/A		👍

11 governments are currently deemed unauditabile.

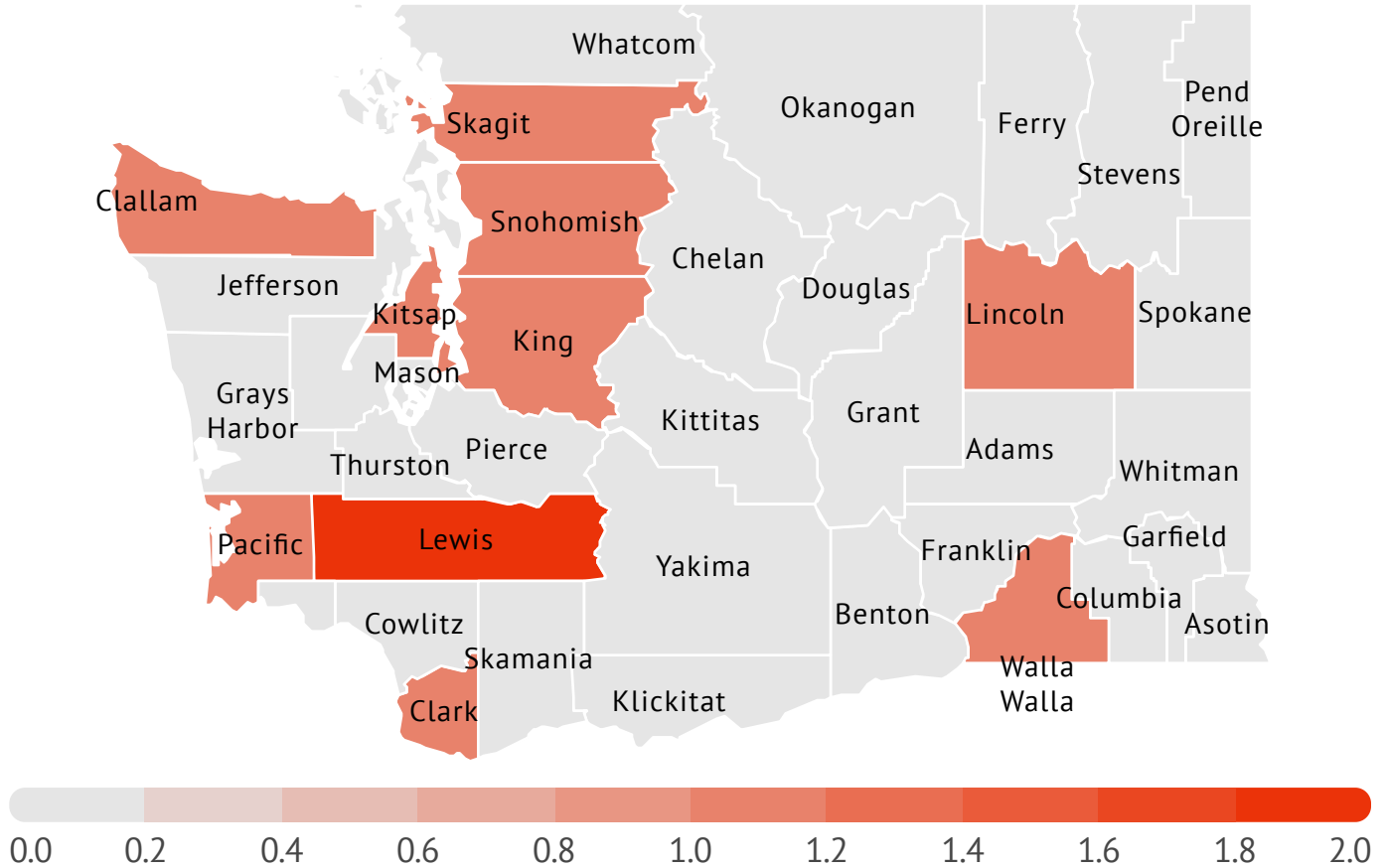
A government is unauditabile if it has not provided adequate financial records for SAO to perform an audit.

District	Government Type	County	Status
King County Fire Protection District No. 24	Fire	King	Evaluating
Lakeview Sewer District No. 1	Sewer	Lincoln	Evaluating
Lewis Co. Cemetery Dist. No. 4	Cemetery	Lewis	Evaluating
Cline Irrigation District	Irrigation	Clallam	Final notice served
Rocky Point Water Dist. No, 12	Water	Kitsap	Final notice served
Lewis Co. Water Dist. No. 3	Water	Lewis	Final notice served
Snohomish Co. Dike/Drainage Improvement Dist. No. 7	Drainage	Snohomish	Report of Unauditabile Government issued
Pacific County Fire Protection District No. 7	Fire	Pacific	Report of Unauditabile Government issued
Waitsburg Coppei Flood Control District	Flood	Walla Walla	Report of Unauditabile Government issued
Skagit Co. Dike Dist. No. 19	Drainage	Skagit	Report of Unauditabile Government issued
Camas-Washougal Economic Development Association	Miscellaneous	Clark	Report of Unauditabile Government issued



Where are they?

This issue isn't limited to a specific area of the state. Hover over the counties or the numbered bar at the bottom of the map to see the distribution of the 11 remaining "unauditable" governments.



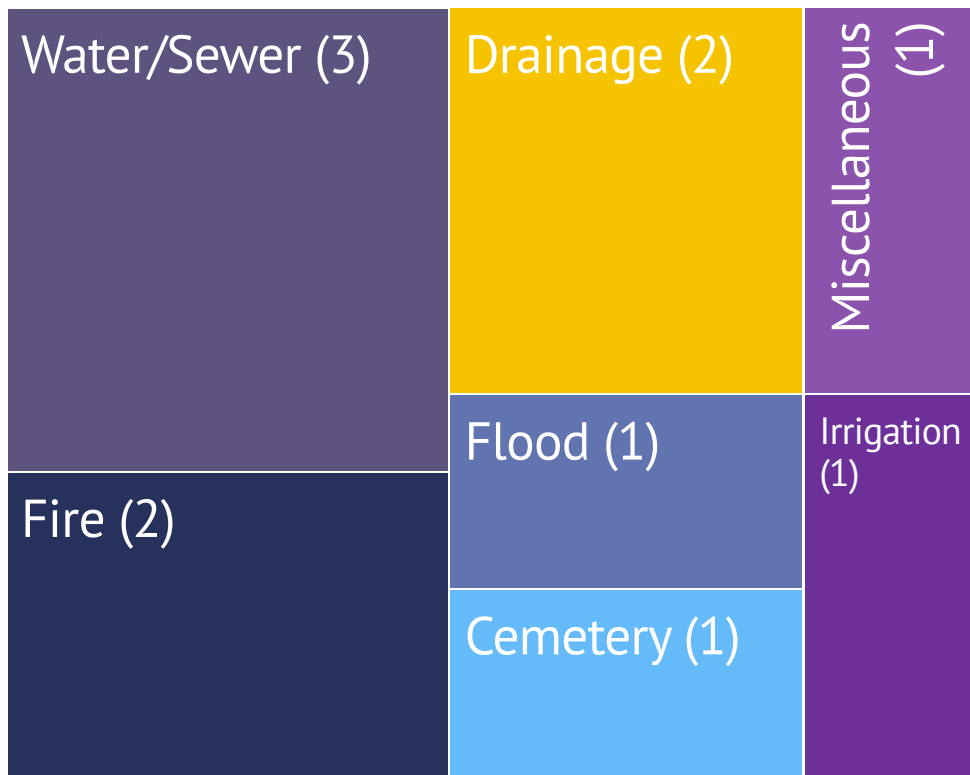
Number of unauditable governments by county



What are they?

Most are very small governments.

Hover over the chart to uncover how many of these types of governments are currently unauditible.



What's next?

SAO continues outreach and action

We continue to work with governments that have not been audited.

“We’ve focused on ensuring every government in Washington receives an independent audit, and it’s made a difference. The public expects every government to be transparent, and I want to acknowledge the Legislature and local government leaders for supporting this effort to increase transparency,” said State Auditor Pat McCarthy.

What you can do

Local governments and citizens can encourage unauditible governments to return to compliance with state law. Many of the leaders of these small governments are responsive to both the people they serve and to neighboring governments. A call, a letter or a conversation can make a difference.

Please contact our Office if you have concerns or questions about government transparency. You can call or email Director of Local Audit Kelly Collins at (564) 999-0807 or Kelly.Collins@sao.wa.gov.

