

2. BUDGETING

2.4 Budget Compliance

2.4.3 Budget Adoption and Amendments

2.4.3.10 All taxing districts must file certified levies and budgets with the county per RCW [84.52.020](#). All taxing districts are required to hold a public hearing on the proposed levy and budget (excluding capital, enterprise, and special assessment funds) and adopt their levy by ordinance or resolution per RCW [84.55.120](#).

2.4.3.20 Additional specific requirements for local governments that **are required to expend within their budget** are as follows:

- **Air Pollution Control Authorities (RCW [70.94.092](#)).** The budget year of each activated authority is July 1st to June 30th. On or before the fourth Monday in June of each year, the activated authority must adopt a budget sufficient to carry out the provisions of all applicable ordinances, resolutions, and local regulations related to the reduction, prevention, and control of air pollution.
- **Cities over 300,000 in population (Chapter [35.32A](#) RCW).** No later than 90 days prior to the beginning fiscal year, the mayor must submit the proposed budget to the city council who may accept or revise the budget. A summary of the proposed budget must be advertised in the official city newspaper at least once. Public hearings must be scheduled on two or more days, and the scheduled hearings must be published in the city official newspaper and provided to general news media. No later than 30 days prior to the beginning of the fiscal year, the city council must adopt an ordinance approving the budget submitted by the mayor. The detail of the budget is specified by the state statute, and in no case can the adopted budget expenditure allowances exceed total estimated revenues unless accompanied by proposed legislation to raise an equivalent amount of additional revenue. The detail of the budget is specified by the state statute.
- **Cities under 300,000 in population (Chapter [35.33](#) RCW).** At least 60 days prior to the beginning of the fiscal year (or other time as established by ordinance or charter), the chief administrative officer must submit the preliminary budget to the legislative body. The clerk must publish a notice once a week for two consecutive weeks in the official city newspaper that includes the following information: a copy of the preliminary budget is available to any taxpayer; and the date, time, and place the legislative body will meet to discuss the budget (must be on or before the first Monday of the month preceding the beginning of the fiscal year). Prior to the beginning of the fiscal year, the legislative body must adopt an ordinance approving the budget. A complete copy of the final budget as adopted must be transmitted to the association of Washington cities. The detail of the budget is specified by the state statute.
- **Counties (Chapter [36.40](#) RCW).** On or before the first Tuesday of September each year, the auditor must submit the budget to the board of county commissioners, who may accept or revise the preliminary budget. Immediately following the adoption of the preliminary budget, the county legislative authority must publish a notice once a week for two consecutive weeks in the official county newspaper that includes the following information: a copy of the preliminary budget is available to any taxpayer; and the date, time, and place the legislative body will meet to discuss the budget and making tax levies. Copies of the preliminary budget must be available two weeks prior to the first Monday in October. At the conclusion of the budget hearing the county legislative authority must adopt a resolution approving the budget.

- **Diking, Diking Improvement or Consolidated Diking Districts (RCW [85.38.170](#)).** On or before December 1st each year, the governing body must adopt a resolution approving the budget and special assessments sufficient to finance the budget. A copy of the resolution must be forwarded immediately to the county commissioners.
- **Drainage, Drainage Improvement or Consolidated Drainage Districts (RCW [85.38.170](#)).** On or before December 1st each year, the governing body must adopt a resolution approving the budget and special assessments sufficient to finance the budget. A copy of the resolution must be forwarded immediately to the county commissioners.
- **Flood Control Districts (RCW [86.09.466](#)).** On or before November 1st each year, the board must adopt a budget including the amount of funds necessary. The district must submit this budget for approval by the county commissioners, who may accept the budget as submitted or revised. The district's assessments for the year are limited to the approved budget. The budget shall only be approved after a public hearing with notice per RCW [36.32.120\(7\)](#).
- **Flood Control Zones (RCW [86.15.140](#)).** Annually, at the same time that county budgets are required to be prepared, the board of supervisors must adopt a budget. The detail of the budget is specified by the state statute.
- **Library Districts (RCW [27.12.210](#)).** Annually, prepare and certify a budget to deliver to the county "in ample time" for the county to levy taxes.
- **Sewerage Improvement Districts (RCW [85.38.170](#)).** On or before December 1st each year, the governing body must adopt a resolution approving the budget and special assessments sufficient to finance the budget. A copy of the resolution must be forwarded immediately to the county commissioners.

2.4.3.30 Requirements for local governments that **are not** limited to expenditures within their budget are as follows:

- **Fire Districts (RCW [52.16.030](#)).** Annually, after the county board has equalized the assessments for general tax purposes, the district secretary must prepare and certify a budget for each fund. The budget must be delivered to the county board in ample time for the tax levies to be made for the district.
- **Hospital Districts (RCW [70.44.060\(6\)](#)).** On or before November 1st, the superintendent must prepare and submit a proposed budget to the district commission. The district must publish a notice of a public hearing once a week for two consecutive weeks in a newspaper printed in and of general circulation of the county that states the date, time, and place the commission body will meet to discuss the budget. The hearing must be held on or before November 15th. At the conclusion of the hearing, the commission must adopt a resolution approving the budget. *Note: Hospital districts are not required to amend their budgets if actual expenditures exceed those budgeted.*
- **Housing Authorities.** Not required by state law to create or follow a budget. However, authorities are required to create budgets for most of the federal grants they receive. The authority's responsibilities for these budgets would be a matter of grant compliance.

- **Irrigation/Reclamation Districts (RCW [87.80.140](#)).** Not required by state law to create or follow a budget. However, Boards of Joint Control established under Chapter 87.80 RCW must prepare annual budgets per RCW 87.80.140 on or before the month of September each year.
- **Port Districts (Chapter [53.35](#) RCW).** On or before the September 15 each year, port commission must prepare a preliminary budget showing estimated revenues and expenses. Between September 15 and the first Tuesday (following the first Monday) in October, the port must advertise, hold a hearing and adopt a final budget by resolution. The port has until the first Wednesday (following the first Monday) in October to submit a certified copy of the budget to the county. However, ports are not required to limit expenses to budgeted amounts.
- **Public Development Authorities.** Not specifically required by state law to create or follow a budget. However, PDAs operations and funds are subject to the creating government's limitations and budgeting restrictions.
- **Public Facilities Districts.** As a proprietary fund, PFDs are not subject to budgeting requirements; they are not required by state law to create or follow a budget.
- **Public Utility Districts (RCW [54.16.080](#)).** *If property taxes are levied*, a budget is required, although the PUD is not required to limit expenses to budgeted expenses. On or before the first Monday in September, the district must prepare a preliminary budget. A notice of the budget hearing must be published at least two consecutive weeks in a newspaper of general circulation within the county. The hearing must occur on the first Monday in October, at which the commission must adopt the budget by resolution.
- **Water/Sewer Districts.** As a proprietary fund, water-sewer districts are not subject to budgeting requirements.

Budget Amendments

- 2.4.3.40 For governmental funds (except those types specifically identified above in 2.4.3.30), budgeted appropriations are legally binding. This means that the government cannot spend more than the amount budgeted. As new information becomes available throughout the year, the government can amend (increase) the budget through formal processes. Budget compliance is determined at the end of the fiscal period. Therefore, amendments may be done at any time during the fiscal period, but cannot be done after the fiscal period. If the entity adopts a biennial budget, amendments may be made at any time during the biennium. Regardless, budgetary authority must be in place ***before*** actual expenditures are made.

The following local governments have specific requirements for adoption of supplemental budgets:

- **Flood Control Zones (RCW [86.15.140](#)).** If additional funds become available, a supplemental budget may be done covering additional authorized improvements. Supplemental budgets shall only be approved after a public hearing with notice per RCW 36.32.120(7).
- **Port Districts (RCW [53.35.050](#)).** Supplemental budgets may only be adopted by resolution subsequent to a hearing that is advertised between 5 and 15 days in advance of the hearing.