

SAO Exit Conference

March 16, 2021

9 a.m.

Present: Commissioner Stamper, Commissioner Pollock, Commissioner Swope, County Manager Erik Martin, Steve Wohld, Suzette Smith, State Auditor's Office (SAO) Audit Lead Jordan Coleman, SAO Program Manager Bryson Bristol, Chris Panush, Assessor Dianne Dorey, Treasurer Arny Davis, Graham Gowing, Josh Metcalf, Katie Conradi, Kevin McDowell, Lara McRea, Lee Napier, Sherri Dokken, Tim Fife, Undersheriff Wes Rethwill, Clerk Scott Tinney, Grace Jimenez, Auditor Larry Grove, Becky Butler, Lee Wlazlak

Guest: Edna J. Fund

Recorder: Rieva Lester

State Auditor's Office (SAO) Program Manager Bryson Bristol and SAO Audit Lead Jordan Coleman reviewed results of the accountability audit.

Jordan said the county complied – in all material respects – with state laws, regulations and its own policies.

Jordan said the accountability audit was for Jan. 1, 2019, through Dec. 31, 2019. He said the areas reviewed included the following:

- Use of restricted funds – hotel/motel taxes and sales and use tax for public facilities in rural counties.
- Payroll software conversion.
- Cash receipting – timeliness and completeness of deposits at the animal shelter. Jordan said the SAO recommends depositing all cash deposits within 24 hours.
- Assessor's office – property tax valuations and billings, exemptions and deferrals and new construction appraisals. Jordan said appraisals should take place within 12 months. Jordan said the SAO also was unable to trace or reconcile the difference from the certified tax roll and total property tax billings to supporting documentation. He said the SAO recommends that the county perform a reconciliation of the certified tax roll to total property billings and the time of generation to ensure the amounts agree and to reconcile any differences.
- Self-insurance for unemployment and workers compensation.
- Electronic funds transfers – payroll and accounts payable.
- Open public meetings – documentation of minutes, executive sessions and special meetings.

Bryson provided the following overview regarding the SAO's Distressed Counties / .09 audit:

- Under RCW 82.14.370, rural counties may impose a sales and use tax of 0.09 percent. These funds can be used only to finance public facilities serving economic development purposes in rural counties and finance personnel in economic development offices.

- The public facility must be listed as an item in the officially adopted county overall economic development plan, or the economic development section of the county's comprehensive plan, or the comprehensive plan of a city or town in the county for those counties planning under RCW 36.70A.040.
- During its review of the projects funded by the sales and use tax, the SAO determined the projects were not included in an appropriate plan.
- The SAO recommends that the county ensure all projects that are awarded sales and use tax funding are included in the appropriate plan, as required by state law.

Bryson introduced the SAO's new "Tracker," a program available on the SAO's portal.

Bryson said Lewis County's next audit will take place in 2021 and will cover the following general areas:

- Accountability for public resources
- Financial statement
- Federal programs

Jordan outlined highlights of the audit:

- County staff were friendly and easy to work with.
- Supporting documentation was provided in an organized and timely manner.
- Staff were open and welcoming of recommendations for improvement.

Suzette Smith thanked county staff for their efforts.

Meeting ended at 9:22 a.m.