

Washington State Auditor's Office
Accountability Audit Report

City of Sedro-Woolley
Skagit County

Report Date
September 14, 2009

Report No. 1002233

Issue Date
September 28, 2009



WASHINGTON
BRIAN SONNTAG
STATE AUDITOR



**Washington State Auditor
Brian Sonntag**

September 28, 2009

Mayor and City Council
City of Sedro-Woolley
Sedro Woolley, Washington

Report on Accountability

We appreciate the opportunity to work in cooperation with your City to promote accountability, integrity and openness in government. The State Auditor's Office takes seriously our role to advocate for government accountability and transparency and to promote positive change.

Please find attached our report on the City of Sedro-Woolley's accountability and compliance with state laws and regulations and its own policies and procedures. Thank you for working with us to ensure the efficient and effective use of public resources.

Sincerely,

BRIAN SONNTAG, CGFM
STATE AUDITOR

Table of Contents

**City of Sedro-Woolley
Skagit County
September 14, 2009**

Audit Summary	1
Related Reports	2
Description of the City	3

Audit Summary

**City of Sedro-Woolley
Skagit County
September 14, 2009**

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the City of Sedro-Woolley for January 1, 2008, through December 31, 2008.

We evaluated internal controls and performed audit procedures on the activities of the City. We also determined whether the City complied with state laws and regulations and its own policies and procedures.

In keeping with general auditing practices, we do not examine every transaction, activity or area. Instead, the areas examined were those representing the highest risk of noncompliance, misappropriation or misuse. The following areas were examined during this audit:

- Open Public Meetings Act
- Restricted funds
- Fuel tracking
- Bond covenants
- Cash receipting
- Inter-fund activities
- Fixed assets

RESULTS

In the areas we examined, the City's internal controls were adequate to safeguard public assets. The City also complied with state laws and regulations and its own policies and procedures in the areas we examined.

Related Reports

**City of Sedro-Woolley
Skagit County
September 14, 2009**

FINANCIAL

Our opinion on the City's financial statements and compliance with federal grant program requirements is provided in a separate report, which includes the City's financial statements.

FEDERAL GRANT PROGRAMS

We evaluated internal controls and tested compliance with the federal program requirements, as applicable, for the City's major federal program, which is listed in the Federal Summary section of the financial statement and single audit report.

Description of the City

**City of Sedro-Woolley
Skagit County
September 14, 2009**

ABOUT THE CITY

The City of Sedro-Woolley was incorporated in December 1898 and currently serves approximately 10,030 citizens within Skagit County. Services provided by the City include police, fire, building inspection, general administration, stormwater, wastewater treatment, solid waste disposal, legal administration, library, street construction and maintenance, parks and a cemetery.

An elected, seven-member Council and an independently elected Mayor govern the City. For fiscal year 2008, the City operated on an annual general fund budget of approximately \$4 million and employed a staff of approximately 60 employees.

ELECTED OFFICIALS

These officials served during the audit period:

Mayor
City Council:

Mike Anderson
Ted Meamber
Tony Splane
Louis Requa
Pat Colgan
Hugh Galbreath
Rick Lemley
Dennis London

Note: Louis Requa was replaced by Thomas Storrs in 2009.

APPOINTED OFFICIALS

Finance Director

Patsy Nelson

CITY CONTACT INFORMATION

Address: City of Sedro-Woolley
325 Metcalf Street
Sedro Woolley, WA 98284

Phone: (360) 855-1661

Web site: www.ci.sedro-woolley.wa.us

AUDIT HISTORY

The City is audited on an annual basis. In 2003, we reported a finding for inadequate internal controls over the Municipal Court. This finding was resolved in 2004. There have been no findings in the last four audits and we believe this reflects the City's desire and commitment to maintain a strong financial system.



ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

Our mission is to work in cooperation with our audit clients and citizens as an advocate for government accountability. As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

The State Auditor's Office employees are located around the state to deliver our services effectively and efficiently.

Our audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits of state agencies and local governments and fraud, whistleblower and citizen hotline investigations.

The results of our work are widely distributed through a variety of reports, which are available on our Web site and through our free, electronic subscription service. We continue to refine our reporting efforts to ensure the results of our audits are useful and understandable.

We take our role as partners in accountability seriously. We provide training and technical assistance to governments and have an extensive quality assurance program.

State Auditor
Chief of Staff
Deputy Chief of Staff
Chief Policy Advisor
Director of Audit
Director of Special Investigations
Director for Legal Affairs
Director of Quality Assurance
Local Government Liaison
Communications Director
Public Records Officer
Main number
Toll-free Citizen Hotline

Brian Sonntag, CGFM
Ted Rutt
Doug Cochran
Jerry Pugnetti
Chuck Pfeil, CPA
Jim Brittain, CPA
Jan Jutte, CPA, CGFM
Ivan Dansereau
Mike Murphy
Mindy Chambers
Mary Leider
(360) 902-0370
(866) 902-3900

Web Site
Subscription Service

www.sao.wa.gov
<https://www.sao.wa.gov/EN/News/Subscriptions/>