

**Washington State Auditor's Office**  
**Accountability Audit Report**

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**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

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Skagit County  
September 14, 2009**

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# **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](http://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**

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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**  
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