

Washington State Auditor's Office
Accountability Audit Report

City of Bainbridge Island
Kitsap County

Report Date
December 3, 2013

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Issue Date
December 23, 2013



WASHINGTON
TROY KELLEY
STATE AUDITOR



**Washington State Auditor
Troy Kelley**

December 23, 2013

City Council
City of Bainbridge Island
Bainbridge Island, 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 Bainbridge Island'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,

TROY KELLEY
STATE AUDITOR

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Kitsap County
December 3, 2013**

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Audit Summary

City of Bainbridge Island Kitsap County December 3, 2013

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the City of Bainbridge Island from January 1, 2012 through December 31, 2012.

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 period:

- Use of on-call contracts
- Safeguarding of public resources – contracts and contract monitoring
- Change orders for public works
- Cash receipting
- Third-party cash receipting

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 Bainbridge Island
Kitsap County
December 3, 2013**

FINANCIAL

Our opinion on the City's financial statements is provided in a separate report, which includes the City's financial statements.

Description of the City

City of Bainbridge Island Kitsap County December 3, 2013

ABOUT THE CITY

The City of Bainbridge Island serves approximately 23,000 citizens in Kitsap County. The City provides an array of services including police, water, sewer and storm drainage, Municipal Court, street maintenance, parks and boat docks, community service programs, and planning and economic development. It contracts for fire and jail services.

The City is administered by a council-manager form of government with seven elected Council Members, each serving a four-year term. The Council selects one of its members to serve as Mayor for a one-year term. The Council appoints management to oversee the City's daily operations as well as its approximately 110 employees. During 2012, the City had approximately \$27.8 million in revenue.

ELECTED OFFICIALS

These officials served during the audit period:

City Council:

At-Large Position No. 1	Steven Bonkowski
North Ward Position No. 2	Anne Blair
South Ward Position No. 3	Kirsten Hytopoulos
Central Ward Position No. 4	David Ward
Central Ward Position No. 5	Debbi Lester, Mayor
South Ward Position No. 6	Sarah Blossom
North Ward Position No. 7	Bob Scales

APPOINTED OFFICIALS

City Manager	Douglas Schulze
Deputy City Manager	Morgan Smith
Court Administrator	Telma Hauth
Finance Director	Ellen Schroer
City Clerk	Rosalind Lassoff
Police Chief Interim	Larry Dickerson
Planning Director	Kathy Cook
Public Works Director	Lance Newkirk

CITY CONTACT INFORMATION

Address: City of Bainbridge Island
280 Madison Avenue N.
Bainbridge Island, WA 98110-1812

Phone: (206) 780-8668

Website: www.bainbridgewa.gov

AUDIT HISTORY

We audit the City on an annual basis. The City has been free of accountability findings for more than seven years.



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.

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

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