

Washington State Auditor's Office
Accountability Audit Report

City of Mill Creek
Snohomish County

Report Date
January 17, 2014

Report No. 1011218

Issue Date
February 3, 2014



WASHINGTON
TROY KELLEY
STATE AUDITOR



**Washington State Auditor
Troy Kelley**

February 3, 2014

Mayor and City Council
City of Mill Creek
Mill Creek, 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 Mill Creek'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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Snohomish County
January 17, 2014**

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Audit Summary

**City of Mill Creek
Snohomish County
January 17, 2014**

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the City of Mill Creek 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:

- Financial condition
- Bidding and procurement
- Contracts and agreements
- Payroll
- General disbursements
- Fuel cards and monitoring
- Compensated absences

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 Mill Creek
Snohomish County
January 17, 2014**

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 Mill Creek Snohomish County January 17, 2014

ABOUT THE CITY

The City of Mill Creek has a population of approximately 18,600 citizens and encompasses 4.68 square miles in Snohomish County. The City provides an array of services including police protection, recreational services, street maintenance, parks maintenance, planning and zoning, storm water and general government services. The City contracts with Snohomish County Fire Protection District No. 7 for its fire and emergency services. The Alderwood and Silver Lake Water districts provide the City's water and wastewater services.

An elected, seven-member Council governs the City. Council Members select one Member to serve as Mayor. The Council appoints a City Manager to oversee the City's daily operations as well as its 75 employees. For fiscal year 2012, the City had annual operating expenditures of \$12,209,019.

ELECTED OFFICIALS

These officials served during the audit period:

Mayor and City Council:	Mike Todd, Mayor Kathy Nielsen Terry Ryan (through September 2012) Lynn Sordel (appointed November 2012) Donna Michelson Bart Masterson Mark Harmsworth Mark Bond
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APPOINTED OFFICIALS

City Manager	Timothy W. Burns (until April 2012) Tom Gathmann (acting/interim) Ken Armstrong (beginning December 2012)
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CITY CONTACT INFORMATION

Address: City of Mill Creek
15728 Main Street
Mill Creek, WA 98012

Phone: (425) 921-5723

Website: www.cityofmillcreek.com

AUDIT HISTORY

This audit marked the seventh consecutive year no findings were reported for the City.



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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Main number
Toll-free Citizen Hotline

Troy Kelley
Doug Cochran
Chuck Pfeil, CPA
Kelly Collins, CPA
Jan M. Jutte, CPA, CGFM
Sadie Armijo
Mark Rapozo, CPA
Barb Hinton
Thomas Shapley
Mike Murphy
Mary Leider
(360) 902-0370
(866) 902-3900

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