



Washington State Auditor's Office

Troy Kelley

Integrity • Respect • Independence

Accountability Audit Report

City of Bridgeport

Douglas County

For the period January 1, 2012 through December 31, 2013

Published November 17, 2014

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Washington State Auditor Troy Kelley

November 17, 2014

Mayor and City Council
City of Bridgeport
Bridgeport, Washington

Report on Accountability

Thank you for the opportunity to work with you to promote accountability, integrity and openness in government. The State Auditor's Office takes seriously our role of providing state and local governments with assurance and accountability as the independent auditor of public accounts. In this way, we strive to help government work better, cost less, deliver higher value and earn greater public trust.

Independent audits provide essential accountability and transparency for City operations. This information is valuable to management, the governing body and public stakeholders when assessing the government's stewardship of public resources.

The attached comprises our report on the City's compliance and safeguarding of public resources. Our independent audit report describes the overall results and conclusions for areas we examined. We appreciate the opportunity to work with your staff and we value your cooperation during the audit.

Sincerely,

TROY KELLEY
STATE AUDITOR

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AUDIT SUMMARY

Results in brief

In the areas we audited, City operations complied with applicable requirements and provided adequate safeguarding of public resources. The City also complied with state laws and regulations and its own policies and procedures in the areas we examined.

About the audit

This report contains the results of our independent accountability audit of the City of Bridgeport from January 1, 2012 through December 31, 2013.

Management is responsible for ensuring compliance and adequate safeguarding of public resources from fraud, loss or abuse. This includes the design, implementation and maintenance of internal controls relevant to these objectives.

Our audit involved performing procedures to obtain evidence about the City's uses of public resources, compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters.

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 fraud, loss, abuse, or noncompliance. The following areas were examined during this audit period:

- Ambulance transactions
- Utility billings and receivables

STATUS OF PRIOR AUDIT FINDINGS

The status of findings contained in the prior years' audit reports of the City of Bridgeport is provided below:

1. The City of Bridgeport did not adequately monitor utility and ambulance billing adjustments.

Report No. 1009030, dated January 28, 2013.

Background

The City had ambulance write-offs of approximately \$122,000 that were not reviewed or approved by Council. The City also made approximately \$39,000 in utility billing adjustments that were not adequately supported, reviewed or approved by someone independent of billings and receipting. The City lacked monitoring controls.

Status

City management and staff have improved controls over utility account adjustments through expanded documentation. The City outsourced its ambulance billings to a third-party company. While we have made recommendations to further improve the monitoring of third party billings and utility adjustments, we nevertheless consider this issue to be resolved.

RELATED REPORTS

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.

INFORMATION ABOUT THE CITY

The City of Bridgeport, incorporated in 1910, serves approximately 2,300 citizens in Douglas County. The City is governed by an elected, five-member council and an independently elected Mayor. The City's six full-time employees and other seasonal employees provide services including street maintenance, water, sewer, garbage utilities, parks, ambulance and cemetery. In addition, the City also operates a swimming pool and camping facility during the summer months. For fiscal years 2012 and 2013, the City operated on annual budgets of \$1.5 million.

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Information current as of report publish date.

Audit history

You can find current and past audit reports for the City of Bridgeport at <http://portal.sao.wa.gov/ReportSearch>.

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 to achieve our vision of government that works for citizens, by helping governments work better, cost less, deliver higher value, and earn greater public trust.

In fulfilling our mission to hold state and local governments accountable for the use of public resources, we also hold ourselves accountable by continually improving our audit quality and operational efficiency and developing highly engaged and committed employees.

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.

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 as well as [fraud](#), state [whistleblower](#) and [citizen hotline](#) investigations.

The results of our work are widely distributed through a variety of reports, which are available on our [website](#) and through our free, electronic [subscription](#) service.

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

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