



# Washington State Auditor's Office

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## Accountability Audit Report

# Bainbridge Island Transportation Benefit District

Kitsap County

For the period January 1, 2013 through December 31, 2015

Published July 25, 2016

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## Washington State Auditor's Office

July 25, 2016

Council  
Bainbridge Island Transportation Benefit District  
Bainbridge Island, 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 District 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 District'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,

A handwritten signature in cursive script that reads "Troy X. Kelley".

TROY KELLEY  
STATE AUDITOR  
OLYMPIA, WA

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## AUDIT SUMMARY

### Results in brief

In the areas we audited, District operations complied with applicable requirements and provided adequate safeguarding of public resources. The District 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 Bainbridge Island Transportation Benefit District from January 1, 2013 through December 31, 2015.

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 District'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:

- Accounting/financial reporting
- Use of restricted funds
- Dissolution of the District

## INFORMATION ABOUT THE DISTRICT

The District was created in August 2012 by the City of Bainbridge Island and operated under the laws of the state of Washington applicable to Transportation Benefit Districts.

The seven City Council Members served as the District's governing board and acted in an ex-officio and independent capacity. The District's geographical boundaries were the same as the City's. The District was a special purpose government created to improve and protect the City's long-term investment in its transportation infrastructure, reduce the risk of transportation facility failure, improve safety, avoid more expensive infrastructure replacements in the future, and reduce congestion or stem the expected increase in congestion created by failing roads. The District was funded by a \$20 vehicle registration fee used for transportation improvements as defined by RCW 36.73.015.

On December 1, 2015, the City of Bainbridge Island Council passed Ordinance No. 2015-31 dissolving and assuming the District into the City's operations in accordance with Chapter 36.74 RCW. This assumption was effective December 31, 2015.

<b>Contact information related to this report</b>	
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*Information current as of report publish date.*

## Audit history

This was the first audit of the Bainbridge Island Transportation Benefit District. This was also the final audit of the District as the District was dissolved December 31, 2015.

## 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.

Contact information for the State Auditor's Office	
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