



**Office of the Washington State Auditor**  
**Pat McCarthy**

**Accountability Audit Report**

**City of Snoqualmie**

**King County**

**For the period January 1, 2016 through December 31, 2016**

**Published July 16, 2018**

**Report No. 1021750**





**Office of the Washington State Auditor  
Pat McCarthy**

July 16, 2018

Mayor  
City of Snoqualmie  
Snoqualmie, 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 independent audit report on the City's compliance with applicable requirements and safeguarding of public resources for the areas we examined. We appreciate the opportunity to work with your staff and we value your cooperation during the audit.

Sincerely,

Pat McCarthy  
State Auditor  
Olympia, WA

## TABLE OF CONTENTS

Audit Results.....	4
Related Reports.....	6
Information about the City.....	7
About the State Auditor's Office.....	8

## AUDIT RESULTS

This report describes the overall results and conclusions for the areas we examined. In most of the areas we examined, except as described below, City operations complied with applicable state laws, regulations, and its own policies, and provided adequate controls over safeguarding of public resources.

As referenced above, we noted certain matters that we communicated to City management and councilmembers in a letter dated July 3, 2018, related to consultant services contract, state and city business and occupation taxes, and state business licenses. We appreciate the City's commitment to resolving those matters.

### About the audit

This report contains the results of our independent accountability audit of the City of Snoqualmie from January 1, 2016 through December 31, 2016.

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.

This audit was conducted under the authority of RCW 43.09.260, which requires the Office of the State Auditor to examine the financial affairs of all local governments. 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, based on our risk assessment for the year ended December 31, 2016, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. The following areas were examined during this audit period:

- Compliance with refunded bond
- Financial condition
- Procurement – compliance with public works project awarded for Emergency generator for the sewer treatment facility
- Payroll – support for police overtime
- Citizen Hotline referral – Review of consultant services contract and payments
- Citizen Hotline referral – Review of vendor activities and services
- Citizen Hotline Referral – I-9 form completion

- Citizen Hotline Referral – Compliance with city and state business and occupation tax
- Citizen Hotline Referral – Business license permit review

## RELATED REPORTS

### **Financial**

Our opinion on the City's financial statements is provided in a separate report, which includes the City's financial statements. That report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

## INFORMATION ABOUT THE CITY

The City of Snoqualmie is located in eastern King County and serves approximately 13,100 residents. The City provides services including police, fire, public works, water and sewer utilities, building, planning and parks and recreation. It also provides police services to the neighboring City of North Bend.

An elected, seven-member Council and an independently elected Mayor govern the City. Council Members and the Mayor serve staggered, four-year terms. The Mayor appoints management to oversee the City's daily operations as well as its 115 employees. For fiscal year 2016, the City's budget was approximately \$76 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 Snoqualmie 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.

Contact information for the State Auditor's Office	
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