

Washington State Auditor's Office
Accountability Audit Report

Olympic View Water and Sewer District
Snohomish County

Report Date
February 6, 2014

Report No. 1011417

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March 13, 2014



WASHINGTON
TROY KELLEY
STATE AUDITOR



**Washington State Auditor
Troy Kelley**

March 13, 2014

Board of Commissioners
Olympic View Water and Sewer District
Edmonds, Washington

Report on Accountability

We appreciate the opportunity to work in cooperation with your District 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 Olympic View Water and Sewer District'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

Table of Contents

**Olympic View Water and Sewer District
Snohomish County
February 6, 2014**

Audit Summary 1

Related Reports 2

Description of the District 3

Audit Summary

Olympic View Water and Sewer District Snohomish County February 6, 2014

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the Olympic View Water and Sewer District from January 1, 2011 through December 31, 2012.

We evaluated internal controls and performed audit procedures on the activities of the District. We also determined whether the District 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:

- Utility billing and cash receipting

RESULTS

In the areas we examined, the District's internal controls were adequate to safeguard public assets. The District also complied with state laws and regulations and its own policies and procedures in the areas we examined.

Related Reports

**Olympic View Water and Sewer District
Snohomish County
February 6, 2014**

FINANCIAL

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

Description of the District

Olympic View Water and Sewer District Snohomish County February 6, 2014

ABOUT THE DISTRICT

The Olympic View Water and Sewer District was incorporated in 1937 and is located in the city of Edmonds. The District serves approximately 4,700 customers in the town of Woodway, city of Edmonds and the neighboring unincorporated portions of Snohomish County. In 1998 the District completed construction of its Deer Creek Water Treatment Plant. During the audit period, the Deer Creek Water Treatment Plant supplied an average of 41 percent of the District's water. It purchased the remaining 59 percent from the city of Seattle.

An elected, three-member Board of Commissioners governs the District. A staff of 13 employees handles the daily duties of the District. The District's operating expenses for fiscal years 2011 and 2012 were \$3,451,256 and \$3,802,408, respectively.

ELECTED OFFICIALS

These officials served during the audit period:

Board of Commissioners:	John Elsasser Lora Petso Mike Harrigan, beginning January 1, 2012 Patricia Meeker, through December 31, 2011
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APPOINTED OFFICIALS

General Manager	Lynne Danielson
Operations Manager	Steve Dunphy
Administrative Services Manager	Kelly Boswell

DISTRICT CONTACT INFORMATION

Address: Olympic View Water and Sewer District
8128 228th Street S.W.
Edmonds, WA 98026

Phone: 425-774-7769

AUDIT HISTORY

We audit the District every two years. We have not reported any findings in the last nine audits.



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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