



Office of the Washington State Auditor
Pat McCarthy

Accountability Audit Report

Kenmore Transportation Benefit District

King County

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

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Office of the Washington State Auditor
Pat McCarthy

January 4, 2018

Board of Directors
Kenmore Transportation Benefit District
Kenmore, 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,

Pat McCarthy
State Auditor
Olympia, WA

TABLE OF CONTENTS

Audit Summary.....	4
Information About The District	5
About The State Auditor’s Office.....	6

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 Kenmore Transportation Benefit District 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.

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 area was examined during this audit period:

- Dissolution of Transportation Benefit District

INFORMATION ABOUT THE DISTRICT

The Kenmore Transportation Benefit District was created on April 16, 2012 by Ordinance No.12-0339. The District shared the same boundaries as the City of Kenmore. On November 20, 2012, the Governing Board of the District authorized a \$20 vehicle fee via resolution No. 2012-008. The Members of the Kenmore City Council constitute the governing board of the District. The District did not start the collecting vehicle fees until June 2013 and generated revenues of \$324,522 in 2016 and total expenditures were \$5,720. These funds help pay for the City's arterial overlay program, road maintenance and preservation efforts.

In 2015, the Washington State Legislature passed legislation which allowed cities and counties to assume their transportation benefit districts directly into their primary governments. On November 28, 2016 the City Council passed Ordinance No. 16-0424 assuming the rights, power, functions, immunities, and obligations of the District, effective December 7, 2016. Therefore, the District will no longer be a separate legal entity and is now accounted for as a special revenue fund of the City. The District had no liabilities as of the date of the assumption.

Contact information related to this report	
Address:	Kenmore Transportation Benefit District 18120 68th Avenue N.E. Kenmore, WA 98028
Contact:	Brian Randall, Accountant
Telephone:	(425) 398-8900
Website:	www.cityofkenmore.com/content/transportation-benefit-district

Information current as of report publish date.

Audit history

You can find current and past audit reports for the Kenmore Transportation Benefit District 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	
Public Records requests	PublicRecords@sao.wa.gov
Main telephone	(360) 902-0370
Toll-free Citizen Hotline	(866) 902-3900
Website	www.sao.wa.gov