

Washington State Auditor's Office
Accountability Audit Report

City of Black Diamond
King County

Report Date
November 23, 2011

Report No. 1006939

Issue Date
December 27, 2011



WASHINGTON
BRIAN SONNTAG
STATE AUDITOR



**Washington State Auditor
Brian Sonntag**

December 27, 2011

Mayor and City Council
City of Black Diamond
Black Diamond, Washington

Report on Accountability

We appreciate the opportunity to work in cooperation with your City 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 City of Black Diamond'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,

BRIAN SONNTAG, CGFM
STATE AUDITOR

Table of Contents

**City of Black Diamond
King County
November 23, 2011**

Audit Summary	1
Related Reports	2
Description of the City	3

Audit Summary

City of Black Diamond
King County
November 23, 2011

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the City of Black Diamond from January 1, 2009 through December 31, 2010.

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

- Cash receipting
- Open public meetings/records laws
- Information technology/data security
- Restricted funds
- Contracts/Agreements
- Disbursements/expenditures
- Payroll/personnel
- Conflict of interest/ethics laws
- Courts – financial operations
- Police/Sheriff/Jail – financial operations/custody of evidence

RESULTS

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

Related Reports

**City of Black Diamond
King County
November 23, 2011**

FINANCIAL

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

Description of the City

City of Black Diamond King County November 23, 2011

ABOUT THE CITY

The City of Black Diamond, incorporated in 1959, is classified as a non-charter code City located in King County. The City provides its approximately 4,120 residents with police, fire, water, sewer, public works, cemetery and municipal court services. An elected, five-member Council and an independently elected Mayor govern the City. The Council appoints management to oversee the City's daily operations as well as its approximately 50 employees. For fiscal years 2009 and 2010, the City reported expenditures of \$9.4 million and \$8.7 million, respectively.

ELECTED OFFICIALS

These officials served during the audit period:

Mayor
City Council:

Mayor Rebecca Olness
Kristine Hanson
Craig Goodwin
Bill Boston
William Saas
Leih Mulvihill

APPOINTED OFFICIALS

Interim City Administrator:

Brenda Martinez

CITY CONTACT INFORMATION

Address: City of Black Diamond
PO Box 599
Black Diamond, WA 98010

Phone: (360) 886-2560

Website: <http://www.ci.blackdiamond.wa.us>

AUDIT HISTORY

The City is audited every two years. We have reported no findings since the 1995-1996 audit.



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.

Our mission is to 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.

State Auditor
Chief of Staff
Deputy Chief of Staff
Chief Policy Advisor
Director of Audit
Director of Performance Audit
Director of Special Investigations
Director for Legal Affairs
Director of Quality Assurance
Local Government Liaison
Communications Director
Public Records Officer
Main number
Toll-free Citizen Hotline

Brian Sonntag, CGFM
Ted Rutt
Doug Cochran
Jerry Pugnetti
Chuck Pfeil, CPA
Larisa Benson
Jim Brittain, CPA
Jan Jutte, CPA, CGFM
Ivan Dansereau
Mike Murphy
Mindy Chambers
Mary Leider
(360) 902-0370
(866) 902-3900

Website
Subscription Service

www.sao.wa.gov
<https://www.sao.wa.gov/EN/News/Subscriptions/>