

Washington State Auditor's Office
Accountability Audit Report

City of Bainbridge Island
Kitsap County

Report Date
November 29, 2010

Report No. 1004975

Issue Date
January 24, 2011



WASHINGTON
BRIAN SONNTAG
STATE AUDITOR



**Washington State Auditor
Brian Sonntag**

January 24, 2011

Mayor and City Council
City of Bainbridge Island
Bainbridge Island, 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 Bainbridge Island'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

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Kitsap County
November 29, 2010**

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Audit Summary

City of Bainbridge Island
Kitsap County
November 29, 2010

ABOUT THE AUDIT

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

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:

- Contracts/agreements/procurement (bidding/prevaling wage)
- Open public meetings/records laws
- Citizen Hotline issue
- Merit pay
- Courts – financial operations/receivables
- Inter-fund transactions/balances
- Police – confidential funds/weapons inventory/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 Bainbridge Island
Kitsap County
November 29, 2010**

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 Bainbridge Island Kitsap County November 29, 2010

ABOUT THE CITY

The City of Bainbridge Island serves approximately 23,180 citizens in Kitsap County. The City provides an array of services including water, sewer and storm drainage, Municipal Court, street maintenance, parks, community service programs, and planning and economic development. It contracts for fire and jail services.

The City is administered by a council-manager form of government with seven elected Council Members. The Council selects one of its members to serve as Mayor for a one-year term. The Council appoints management to oversee the City's daily operations as well as its 130 employees. During 2009, the City operated on a \$54 million annual budget.

On May 19, 2009, the residents of Bainbridge Island voted to change from the mayor-council to the council-manager form of government. On June 10, 2009, the City council adopted Ordinance No. 2009-12 changing the City code to reflect that change. At that time, in accordance with state law, the elected mayor became the 8th Council Member for the remainder of 2009.

ELECTED OFFICIALS

These officials served during the audit period:

Mayor	Darlene Kordonowy (January 1, 2009 - June 9, 2009)
City Council:	Christopher Snow (Mayor June 10, 2009 - December 31, 2009)
	William Knobloch
	Kjell Stoknes
	Deborah Vancil
	Kimberlee Brackett
	Hilary Franz
	Barry Peters

APPOINTED OFFICIALS

City Administrator City Manager	Mark Dombroski (January 2009 - June 2, 2009)
Interim City Manager	Mark Dombroski (June 3, 2009 - November 4, 2009)
Municipal Court Judge	Lee Walton (November 4, 2009 - May 30, 2010)
Court Administrator	Brenda Bauer (effective May 31, 2010)
Finance Director	Kathryn Carruthers Telma Hauth
City Clerk	Elray Konkel (January 2009 - August 13, 2010)
IT Director	Ellen Schroer (effective September 29, 2010)
Police Chief	Rosalind Lassoff Steve Miller
Planning Director	Mathew Haney (January 2009 - April 2009)
Public Works Director	Jon Fehlman (effective May 1, 2009) Katharine Cook Randy Witt (January 1, 2009 - January 23, 2009) Lance Newkirk (effective January 23, 2009)

CITY CONTACT INFORMATION

Address: City of Bainbridge Island
280 Madison Avenue N.
Bainbridge Island, WA 98110

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Website: www.ci.bainbridge-isl.wa.us

AUDIT HISTORY

We audit the City annually and it has been free of findings for the last two 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.

Our mission is to work in cooperation 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 our 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 continue to refine our reporting efforts to ensure the results of our audits are useful and understandable.

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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