

**SPECIAL COUNCIL
MEETING**

February 8, 2005

MINUTES

City of



The City of Bonney Lake's Mission is to protect the community's livable identity and scenic beauty through responsible growth planning and by providing accountable, accessible and efficient local government services.

"Where Dreams Can Soar"

I. CALL TO ORDER – Mayor Young called the meeting to order at 5:33 p.m.

A. Roll Call [A1.3]

City Clerk Edvalson called the roll. In addition to Mayor Young the following Councilmembers were in attendance: Deputy Mayor Dan Swatman, Councilmember Phil DeLeo, Councilmember Dave King and Councilmember Jim Rackley. Councilmember Mark Hamilton, Councilmember Neil Johnson and Councilmember Cheryle Noble were absent.

Staff members attending were Administrative Services Coordinator (ASC) Don Morrison, Planning and Community Development Director Bob Leedy, Public Works Director Daniel Grigsby, Interim Police Chief Buster McGehee, Judge James Helbling, Court Administrator Kathy Seymour, Senior Accountant Barbara Barth, Senior Human Resources Analyst Karen Meeks and City Clerk Harwood Edvalson.

II. CURRENT BUSINESS:

A. Exit Interview for 2003 Financial Audit – State Auditor's Office Representatives.

Julie Amos, Assistant Audit Manager, and Mark Rapozo, Audit Manager, appeared before the Council to provide an overview of the Washington State Auditor's Office review of Bonney Lake for 2003. Ms. Amos described the audit methodology beginning with the City's Financial Statements. She responded to Council questions and quoted the *Report on Financial Statements* as follows, "The results of our tests disclosed no instances of material noncompliance that are required to be reported herein under Government Auditing Standards."

Addressing the Accountability Audit Report, Ms. Amos described the areas covered by the report. She quoted from the *Accountability Audit Report*, saying, "The City complied with state laws and regulations and its own policies and procedures in the areas we examined. Internal controls were adequate to safeguard public assets."

When the utilities were discussed, Councilmember Rackley asked if the allocation of overhead is appropriate. Ms. Amos responded that this issue is more in the realm of a performance audit, but said that the allocation seems appropriate and raised no concerns among the auditors. Councilmember DeLeo inquired about the types of assets covered. He asked specifically if the audit covered the use of public employees on the elected official's property. Mr. Rapozo replied that the auditors did

look into the allegations raised about the fallen tree on the Mayor's property and found no issues of concern.

Deputy Mayor Swatman asked if the backup documentation can be made available to those interested in seeing more detail. Mr. Rapozo said that once the audit report is final, then the supporting documentation can be made available. Mr. Rapozo and Ms. Amos congratulated the City for its efforts to come into compliance with the Generally Accepted Accounting Principles (GAAP) of GASB 34. They praised the City's record of four consecutive audits with no audit findings.

Mayor Young and the Councilmembers congratulated the staff for their accomplishments in this area.

III. ADJOURNMENT.

At 6:07 p.m. with the common consent of the City Council, Mayor Young adjourned the meeting.

Documents submitted at the Special Council Meeting of February 8, 2005:

- *Washington State Auditor's Office – Draft Report on Financial Statements* – Julie Amos, Assistant Audit Manager
- *Washington State Auditor's Office – Draft Accountability Audit Report* – Julie Amos, Assistant Audit Manager

Harwood T. Edvalson, CMC, City Clerk

Robert Young, Mayor