

**SPECIAL
CITY COUNCIL
MEETING**

**May 15, 2007
5:00 p.m.**

MINUTES

City of



"Where Dreams Can Soar"

*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.*

Location: Bonney Lake City Council Chambers – 19306 Bonney Lake Blvd.

I. CALL TO ORDER – Deputy Mayor Dan Swatman called the special meeting to order at 5:05 p.m.

A. Roll Call: [A1.3]

Elected Officials in attendance were Deputy Mayor Dan Swatman, Councilmember David Bowen, Councilmember Phil DeLeo, and Councilmember Jim Rackley. Councilmember Dave King and Councilmember Mark Hamilton arrived at 5:26 p.m. Councilmember Cheryle Noble was absent.

Staff Members Present were: City Administrator Don Morrison, Interim Planning & Community Development Director Marvin Vialle, Public Works Director Dan Grigsby, Administrative Services Director/City Clerk Harwood Edvalson, Chief Financial Officer Beth Anne Wroe, Detective Dana Hubbard, Senior Accountant Barbara Barth, Accountant Donna Berube and Records & Information Specialist Virginia Phelan.

Agenda Items:

1. Exit Interview With State Auditors Regarding Fiscal Year 2005 Financial Audit.

State Auditor June Li explained the State Auditor's Office conducts exit meetings to provide formal closure on 2005 business, the year for which the audit was performed. She distributed two reports. The first of was the Financial Statements Audit Report. This report consists of two parts, the first of which is the State's opinion of the City's internal control on financial reporting and compliance. Auditor Li summarized this and explained that the City was found to have no instances of non-compliance and received a clean report. She and State Auditor Joanne McInelly went on to describe the second part of the report as being the State's opinion on the Financial Statements as a whole. This is also a clean report. Lastly, the Auditors described the second distributed report, the Accountability Audit Report. This is a report on accountability and compliance and is written in plain language for the average person to understand. Auditor Li said it essentially summarizes the audit and then detailed the content for those in attendance.

Council questioned the auditing methods and value of a clean report. The Auditors explained this is the 6th year in a row the City has had clean reports. They only review certain areas each year, but rotate so they are able to evaluate all of the City's financial areas over the course of a

few years. There was discussion on the difference between incident items noted in the report and official findings, as well as the role of the change in management in the City's Finance Department and how that affects the reports. Auditor Li explained these are draft copies of the reports and the finals would be issued in a couple of months.

2. Adjournment

Councilmember Rackley made a motion to adjourn. Deputy Mayor Swatman seconded the motion.

Motion approved 6 – 0.

The meeting adjourned at 5:30 p.m.

Harwood T. Edvalson, CMC
City Clerk

Neil Johnson, Mayor

Items submitted to the May 15, 2007 Special Meeting:

- Washington State Auditor's Office – *Financial Statements Audit Report for City of Bonney Lake* – State Auditor June Li.
- Washington State Auditor's Office – *Accountability Audit Report for City of Bonney Lake* – State Auditor June Li.