

Washington State Auditor's Office
Accountability Audit Report

**Snohomish County Public Facilities
District**

Report Date
June 30, 2005

Report No. 69560

Issue Date
October 14, 2005



Washington _____
State Auditor
_____ Brian Sonntag



**Washington State Auditor
Brian Sonntag**

October 14, 2005

Board of Directors
Snohomish County Public Facilities District
Everett, Washington

Report on Accountability for Public Resources

Please find attached our report on the Snohomish County Public Facilities District's accountability for public resources and compliance with state laws and regulations and its own policies and procedures.

In addition to this work, we also audited the District's financial statements. The results of that audit will be included in a separately issued audit report.

Sincerely,

BRIAN SONNTAG, CGFM
STATE AUDITOR

Table of Contents

Snohomish County Public Facilities District June 30, 2005

Audit Summary..... 1

Description of the District 2

Audit Areas Examined..... 3

Audit Summary

Snohomish County Public Facilities District June 30, 2005

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the Snohomish County Public Facilities District.

We performed audit procedures to determine whether the District complied with state laws and regulations and its own policies and procedures. We also examined District management's accountability for public resources. Our work focused on specific areas that have potential for abuse and misuse of public resources.

Areas examined during the audit were selected using financial transactions from January 1, 2004, through December 31, 2004.

RESULTS

The District complied with state laws and regulations and its own policies and procedures in the areas we examined. We found no exceptions in the District's safeguarding public assets in the areas examined.

RELATED REPORTS

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

CLOSING REMARKS

We thank District officials and personnel for their assistance and cooperation during the audit.

Description of the District

Snohomish County Public Facilities District January 1, 2004 through December 31, 2004

ABOUT THE DISTRICT

The Snohomish County Council created the Snohomish County Public Facilities District in June 2001. The District is authorized to acquire, construct, own, remodel, maintain, equip, re-equip, repair, and finance and operate one or more regional centers within the meaning of such terms contained in state law (RCW 82.14.390). The District Board has allocated funding to four projects: the City of Everett Public Facilities District's Arena and Parking Garage; the South Snohomish County Public Facilities District's Regional Center in Lynnwood; the City of Edmonds Public Facilities District's remodel of the Puget Sound Christian College for use as a regional performing arts and convention center; and the Snohomish County Paine Field Airport project in conjunction with the Future of Flight. The District is governed by a five-member Board of Directors that is appointed by the Snohomish County Council.

AUDIT HISTORY

This was the second annual audit of the District. No findings were issued as a result of our prior audit.

APPOINTED OFFICIALS

Board of Directors:

Travis Snider, President
Boyd McPherson
Steve Juntwait
Eric Nelson

ADDRESS

District

3000 Rockefeller Ave., MS 610
Everett, WA 98201-4046

Audit Areas Examined

Snohomish County Public Facilities District June 30, 2005

In keeping with general auditing practices, we do not examine every portion of the Snohomish County Public Facilities District's financial activities during each audit. The areas examined were those representing the highest risk of noncompliance, misappropriation or misuse. Other areas are audited on a rotating basis over the course of several years. The following areas of the District were examined during this audit period:

ACCOUNTABILITY FOR PUBLIC RESOURCES

We evaluated the District's accountability in the following areas:

- Financial statement preparation and journal entries
- Purchase of goods and services

We audited the following areas for compliance with certain applicable state and local laws and regulations:

- Deposit and investment of public funds
- Insurance and bonding
- Ethics/conflict of interest laws
- Allowable expenditures
- Revenue matching requirements
- Use of restricted funds
- Open Public Meetings Act
- Compensation of Board Members
- Contracts and agreements

FINANCIAL AREAS

Our opinion on the District's financial statements is provided in a separate report. That report includes the District's financial statements and other required financial information. We examined the financial activity and balances of the District including:

- Cash and investments
- Revenues
- Expenditures
- Overall presentation of the financial statements