

Washington State Auditor's Office
Accountability Audit Report

**Snohomish County Public Facilities
District**

Report Date
December 12, 2007

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WASHINGTON
BRIAN SONNTAG
STATE AUDITOR



**Washington State Auditor
Brian Sonntag**

February 4, 2008

Board of Directors
Snohomish County Public Facilities District
Everett, Washington

Report on Accountability

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

Sincerely,

BRIAN SONNTAG, CGFM
STATE AUDITOR

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December 12, 2007**

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Audit Summary

Snohomish County Public Facilities District December 12, 2007

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, 2005, through December 31, 2006.

RESULTS

The District complied with state laws and regulations and its own policies and procedures in the areas we examined. Internal controls were adequate to safeguard public resources.

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 December 12, 2007

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, finance and operate one or more regional centers that will increase economic prosperity and promote private investment in the County. The District's Board of Directors 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. Board Members are appointed by the Snohomish County Council. The District has no employees and receives administrative support through an administrative services contract with Snohomish County. The District's 2006 operating budget was approximately \$1.9 million.

AUDIT HISTORY

Typically, we audit the District annually. However, based on the level of District activity and the District's audit history, the current audit covers a two-year period. The past three audits have reported no findings.

APPOINTED OFFICIALS

These officials served during the audit period:

Board of Directors:

Travis Snider, President
Boyd McPherson
Erik Nelson
Debbie Emge
Janice Greene

ADDRESS

District

3000 Rockefeller Avenue
Everett, WA 98201-4046
(425) 388-3862

Audit Areas Examined

Snohomish County Public Facilities District December 12, 2007

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

We evaluated the District's accountability and compliance with laws, regulations, contracts and grant agreements in the following areas:

- Contracts/agreements
- Insurance
- Open public meetings/records laws
- Conflict of interest/ethics laws
- Compensation of Board Members



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 has 300 employees who are located around the state to deliver our services effectively and efficiently. Approximately 65 percent of our staff are certified public accountants or hold other certifications and advanced degrees.

Our regular 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. We also perform fraud and whistleblower investigations. In addition, we have the authority to conduct performance audits of state agencies and local governments.

The results of our audits are widely distributed through a variety of reports, which are available on our Web site. 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 program to coordinate audit efficiency and to ensure high-quality audits.

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