

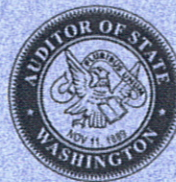
Washington State Auditor's Office
Accountability Audit Report

City of Black Diamond
King County

Report Date
February 2, 2010

Report No. 1003139

Issue Date
March 8, 2010



WASHINGTON
BRIAN SONNTAG
STATE AUDITOR



**Washington State Auditor
Brian Sonntag**

March 8, 2010

Mayor and City Council
City of Black Diamond
Black Diamond, 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 Black Diamond'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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King County
February 2, 2010

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Audit Summary

City of Black Diamond
King County
February 2, 2010

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the City of Black Diamond for January 1, 2007, through December 31, 2008.

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:

- Court
- Contracts and agreements
- Intent to prevailing wages
- Payroll
- Utility billings
- Cash receipting
- Credit cards
- Legal services billings

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 Black Diamond
King County
February 2, 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 Black Diamond
King County
February 2, 2010**

ABOUT THE CITY

The City of Black Diamond, incorporated in 1959, is classified as a non-charter code City located in King County. The City provides its approximately 4,120 residents with police, fire, water, sewer, public works, cemetery and municipal court services.

An elected five-member Council and an independently elected Mayor govern the City. The Council appoints management to oversee the City's daily operations as well as its approximately 50 employees. For fiscal years 2007 and 2008, the City budgeted for expenditures of \$11.2 million and \$11.6 million, respectively.

ELECTED OFFICIALS

These officials served during the audit period:

Mayor
City Council:

Howard Botts
Kristine Hanson
Geoff Bowie
Bill Boston
Rebecca Olness
Leih Mulvihill

APPOINTED OFFICIALS

City Administrator
Finance Director
Police Chief

Gwendolyn Voelpel
May Miller
Jamey Kiblinger

CITY CONTACT INFORMATION

Address: City of Black Diamond
P.O. Box 599
Black Diamond, WA 98010

Phone: (360) 886-2560

Web site: <http://www.ci.blackdiamond.wa.us/>

AUDIT HISTORY

The City is audited every two years. We have reported no findings since the 1995-1996 audit period.



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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