

**Washington State Auditor's Office**  
**Accountability Audit Report**

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**Public Utility District No. 1**  
**of Asotin County**

**Audit Period**  
**January 1, 2001 through December 31, 2001**

**Report No. 64278**

Issue Date  
**January 3, 2003**



Washington  
***State Auditor***  
Brian Sonntag

# Audit Summary

## Public Utility District No. 1 of Asotin County January 1, 2001 through December 31, 2001

### ***ABOUT THE AUDIT***

This report contains the results of our independent audit of Public Utility District No. 1 of Asotin County for the period January 1, 2001, through December 31, 2001.

We performed audit procedures to determine whether the District complied with state laws and regulations and its own policies and procedures. We also audited the financial statements and evaluated the internal controls established by District management. Our work focused on specific areas that have potential for abuse or misuse of public resources.

### ***RESULTS***

The District complied with state laws and regulations and its own policies and procedures in the areas we examined. The District generally had sufficient internal controls in place to safeguard assets.

### ***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 appreciate the District's commitment to develop and follow strong systems of controls to safeguard public assets and comply with legal requirements. We thank District officials and personnel for their assistance and cooperation during the audit.

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# Description of the District

## Public Utility District No. 1 of Asotin County January 1, 2001 through December 31, 2001

### **ABOUT THE DISTRICT**

Public Utility District No. 1 of Asotin County was formed in 1985 and is the exclusive distributor of residential, commercial and fire hydrant water service to approximately 6,500 customers in Asotin County. The District is administered by a three-member Board of Commissioners, who appoints a General Manager. The District operates on a \$2.7 million annual budget and has 13 employees.

### **AUDIT HISTORY**

We audit the District annually. No findings have been issued in recent audits. This reflects the District's commitment to maintain strong financial and compliance systems.

### **ELECTED OFFICIALS**

These officials served during the audit period:

Board of Commissioners:  
President

Judy Ridge  
Don Nuxoll  
Gary Hicks

### **APPOINTED OFFICIALS**

General Manager  
Attorney  
Treasurer

Tim Simpson  
Scott Broyles  
Kathy Hill, CPA

### **ADDRESS**

District

1500 Scenic Way  
P.O. Box 605  
Clarkston, WA 99403  
(509) 758-1010

# Audit Areas Examined

## Public Utility District No. 1 of Asotin County January 1, 2001 through December 31, 2001

In keeping with general auditing practices, we do not examine every portion of Public Utility District No. 1 of Asotin County'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:

- Utility billing and receipting
- Payroll
- Cash disbursements
- Property and equipment

### **LEGAL COMPLIANCE**

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

- Officials/conflicts of interest laws
- Open Public Meetings Act
- Legal and supported payments
- Contracts and agreements
- Petty cash and change accounts
- Competitive bidding requirements
- Commissioner compensation

### **FINANCIAL**

Our opinion on the District's financial statements is provided in a separate report. This 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
- Long-term debt
- Overall presentation of the financial statements