



# Washington State Auditor's Office

Government that works for citizens

## Accountability Audit Report **Klickitat County Port District No. 1**

**For the period January 1, 2013 through December 31, 2015**

**Published October 24, 2016**

**Report No. 1017746**





## Washington State Auditor's Office

October 24, 2016

Board of Commissioners  
Klickitat County Port District No. 1  
Bingen, Washington

### Report on Accountability

Thank you for the opportunity to work with you to promote accountability, integrity and openness in government. The State Auditor's Office takes seriously our role of providing state and local governments with assurance and accountability as the independent auditor of public accounts. In this way, we strive to help government work better, cost less, deliver higher value and earn greater public trust.

Independent audits provide essential accountability and transparency for Port operations. This information is valuable to management, the governing body and public stakeholders when assessing the government's stewardship of public resources.

The attached comprises our report on the Port's compliance and safeguarding of public resources. Our independent audit report describes the overall results and conclusions for areas we examined. We appreciate the opportunity to work with your staff and we value your cooperation during the audit.

Sincerely,

TROY KELLEY  
STATE AUDITOR  
OLYMPIA, WA

## TABLE OF CONTENTS

Audit Summary.....	4
Information About The Port.....	5
About The State Auditor’s Office.....	6

## AUDIT SUMMARY

### Results in brief

In the areas we audited, Port operations complied with applicable requirements and provided adequate safeguarding of public resources. The Port also complied with state laws and regulations and its own policies and procedures in the areas we examined.

### About the audit

This report contains the results of our independent accountability audit of Klickitat County Port District No. 1 from January 1, 2013 through December 31, 2015.

Management is responsible for ensuring compliance and adequate safeguarding of public resources from fraud, loss or abuse. This includes the design, implementation and maintenance of internal controls relevant to these objectives.

Our audit involved performing procedures to obtain evidence about the Port's uses of public resources, compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters.

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 fraud, loss, abuse, or noncompliance. The following areas were examined during this audit period:

- Payroll
- Disbursements
- Accounting software controls
- Procurement
- Lease revenues
- Open public meeting minutes

## INFORMATION ABOUT THE PORT

Klickitat County Port District No. 1 was formed in 1945. The District seeks to create long-term economic opportunities for local residents by encouraging the creation of diverse, stable employment, public and private capital investment, citizen involvement, and inter-agency coordination to encourage business recruitment, recreational development and quality of life.

An elected, three member Board of Commissioners governs the District and each Commissioner serves a six-year term. The District owns approximately 660 acres of property at Dallesport, on the Columbia River. The acreage consists of an industrial park, an aggregate mining operation, and a barge dock facility. Revenues at this site are generated from land/building leases, wharfage, dockage and the sale of water. Additionally, the District owns approximately 141 acres of property near Bingen, on the Columbia River.

Over the past several years, infrastructure has been placed on site in readiness for business park development. The acreage presently houses five industrial buildings, two parks, and a boat launch, as well as Bingen Lake and its surrounding wetlands. Presently, revenues at this site are generated mainly from land/building leases and property taxes.

The District has four full-time employees. The annual operating expense budgets for 2013, 2014, and 2015 were \$1.08 million, \$1.10 million and \$1.34 million, respectively, including debt service, infrastructure improvements and buildings. The Port's fiscal agent is the County Treasurer.

### Contact information related to this report

Address:	Klickitat County Port District No. 1 154 E. Bingen Point Way, Suite A Bingen, WA 98605
Contact:	Margie Ziegler, Administrative Assistant/Auditor
Telephone:	(509) 493-1655
Website:	<a href="http://www.portofklickitat.com">www.portofklickitat.com</a>

*Information current as of report publish date.*

### Audit history

You can find current and past audit reports for Klickitat County Port District No. 1 at <http://portal.sao.wa.gov/ReportSearch>.

## 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.

We work with our audit clients and citizens to achieve our vision of government that works for citizens, by helping governments work better, cost less, deliver higher value, and earn greater public trust.

In fulfilling our mission to hold state and local governments accountable for the use of public resources, we also hold ourselves accountable by continually improving our audit quality and operational efficiency and developing highly engaged and committed employees.

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.

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 as well as [fraud](#), state [whistleblower](#) and [citizen hotline](#) investigations.

The results of our work are widely distributed through a variety of reports, which are available on our [website](#) and through our free, electronic [subscription](#) service.

We take our role as partners in accountability seriously, and provide training and technical assistance to governments, and have an extensive quality assurance program.

<b>Contact information for the State Auditor's Office</b>	
<b>Public Records requests</b>	<a href="mailto:PublicRecords@sao.wa.gov">PublicRecords@sao.wa.gov</a>
<b>Main telephone</b>	(360) 902-0370
<b>Toll-free Citizen Hotline</b>	(866) 902-3900
<b>Website</b>	<a href="http://www.sao.wa.gov">www.sao.wa.gov</a>