Washington State Auditor's Office

Troy Kelley

Integrity • Respect • Independence

Accountability Audit Report

Chehalis-Centralia Airport

Lewis County

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

Published September 29, 2014

Report No. 1012700

Washington State Auditor
Troy Kelley

September 29, 2014

Board of Directors
Chehalis-Centralia Airport
Chehalis, 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 Airport 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 Airport'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 X. Kelley

TROY KELLEY

STATE AUDITOR

TABLE OF CONTENTS

Audit Summary 4

Information About The Airport 5

About The State Auditor's Office 6

AUDIT SUMMARY

Results in brief

In the areas we audited, Airport operations complied with applicable requirements and provided adequate safeguarding of public resources. The Airport 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 the Chehalis-Centralia Airport from January 1, 2013 through December 31, 2013.

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 Airport'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:

- Open Public Meetings Act
- General revenue
- General expenditures
- Dissolution of entity
- Payroll
- General disbursements – fuel
- Cash receipting – lease payments

INFORMATION ABOUT THE AIRPORT

The Chehalis-Centralia Airport, located in Chehalis, was founded in 1961 by an inter-local agreement between Lewis County and the cities of Chehalis and Centralia. The Airport receives revenue for general aviation services such as tie-down fees and fuel; however, the majority of its revenue comes from several large retail establishments that lease land from the Airport. In 2005 a joint resolution was approved to remove the city of Centralia from the joint operating agreement. In 2013 a joint resolution was approved by the city of Chehalis and Lewis County, removing the County's ownership of the Airport. Beginning January 1, 2014, the city of Chehalis took over full operation of the Airport, which is now considered a department of the City. For fiscal year 2013, the operating budget of the Airport was approximately $1.5 million.

Contact information related to this report

Address:	Chehalis-Centralia Airport 900 N.W. Airport Road P.O. Box 1344 Chehalis, WA 98532
Contact:	Ladonna Neiser, Administrative Assistant
Phone:	(360) 748-1230
Website:	www.flycls.com

Information current as of report publish date.

Audit history

You can find current and past audit reports for the Chehalis-Centralia Airport 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.

Contact information for the State Auditor's Office

Deputy Director for Communications	Thomas Shapley Thomas.Shapley@sao.wa.gov (360) 902-0367
Public Records requests	(360) 725-5617
Main telephone	(360) 902-0370
Toll-free Citizen Hotline	(866) 902-3900
Website	www.sao.wa.gov