

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

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**Port of Silverdale**  
**Kitsap County**

Report Date  
**January 17, 2014**

**Report No. 1011160**

Issue Date  
**January 27, 2014**



WASHINGTON  
**TROY KELLEY**  
STATE AUDITOR



**Washington State Auditor  
Troy Kelley**

January 27, 2014

Board of Commissioners  
Port of Silverdale  
Silverdale, Washington

***Report on Accountability***

We appreciate the opportunity to work in cooperation with your Port 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 Port of Silverdale'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,

**TROY KELLEY**  
STATE AUDITOR

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Kitsap County  
January 17, 2014**

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# Audit Summary

## **Port of Silverdale Kitsap County January 17, 2014**

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

This report contains the results of our independent accountability audit of the Port of Silverdale from January 1, 2011 through December 31, 2012.

We evaluated internal controls and performed audit procedures on the activities of the Port. We also determined whether the Port 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 period:

- Cash receipting
- Contract monitoring
- Disbursements
- Lease agreements
- Safeguarding of small and attractive assets

### ***RESULTS***

In the areas we examined, the Port's internal controls were adequate to safeguard public assets. The Port also complied with state laws and regulations and its own policies and procedures in the areas we examined.

# Description of the Port

## Port of Silverdale Kitsap County January 17, 2014

### ***ABOUT THE PORT***

The Port of Silverdale, located in Kitsap County, was formed in 1920 to provide transient moorage and related services. The Port includes approximately 16 square miles with over 21,500 residents and a regional shopping center. In 1976 the Port and Kitsap County created an inter-local agreement to develop, construct and maintain a public park and recreational moorage facility. A 1984 land swap with the county enabled development of the county's Waterfront Park and construction of the Port's transient moorage facilities. During 1993, the Port developed a boat ramp and parking area. In addition, the Port has purchased rental properties for future development.

The Port receives most of its funding through property taxes and had revenue of approximately \$645,000 in 2011 and \$707,000 in 2012. The Port is governed by a three-member Board of Commissioners. In 2010 they hired their first employee to conduct administrative-type duties.

### ***ELECTED OFFICIALS***

These officials served during the audit period:

Board of Commissioners:

Henry Aus  
Lawrence Greaves  
Ed Scholfield

### ***APPOINTED OFFICIALS***

Port Auditor

Theresa Haaland

### ***PORT CONTACT INFORMATION***

Address: Port of Silverdale  
P.O. Box 310  
Silverdale, WA 98383

Phone: (360) 698-4918

Website: [www.portofsilverdale.com](http://www.portofsilverdale.com)

## ***AUDIT HISTORY***

We audit the Port every two years. There have been no findings in the past 18 years.



## **ABOUT THE STATE AUDITOR'S OFFICE**

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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 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 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 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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**Deputy Director of Quality Assurance**  
**Deputy Director of Communications**  
**Local Government Liaison**  
**Public Records Officer**  
**Main number**  
**Toll-free Citizen Hotline**

**Troy Kelley**  
**Doug Cochran**  
**Chuck Pfeil, CPA**  
**Kelly Collins, CPA**  
**Jan M. Jutte, CPA, CGFM**  
**Sadie Armijo**  
**Mark Rapozo, CPA**  
**Barb Hinton**  
**Thomas Shapley**  
**Mike Murphy**  
**Mary Leider**  
**(360) 902-0370**  
**(866) 902-3900**

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