



Office of the Washington State Auditor
Pat McCarthy

Assessment Audit Report

Juniper Beach Water District

For the period January 1, 2019 through December 31, 2020

Published March 14, 2022

Report No. 1030102



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**Office of the Washington State Auditor
Pat McCarthy**

March 14, 2022

Board of Commissioners
Juniper Beach Water District
Camano Island, Washington

Report on Assessment Audit

Thank you for the opportunity to work with you to promote accountability, integrity and openness in government. The Office of the Washington State Auditor 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.

The attached report describes the procedures performed and conclusions for the areas we reviewed. We appreciate the opportunity to work with your staff, and value your cooperation during the assessment audit.

Sincerely,

Pat McCarthy, State Auditor
Olympia, WA

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AUDIT SUMMARY

Results in brief

Based on the procedures performed, nothing came to our attention in the areas we reviewed that caused us to believe the District was not in substantial compliance with applicable state laws, regulations, and its own policies, or had not provided adequate controls over the safeguarding of public resources. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

About the assessment audit

This report contains the results of our independent audit of the Juniper Beach Water District from January 1, 2019 through December 31, 2020.

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. State law (RCW 43.09.230) also requires local governments to prepare and submit certified annual reports to our Office summarizing such things as revenues received, collections made, amounts receivable or payable, expenditures made, and debt owed.

This assessment audit was conducted under the authority of RCW 43.09.260, which requires the Office of the Washington State Auditor to examine the financial affairs of all local governments at least once every three years. Assessment audits are risk-based, limited-scope reviews of small local governments, generally defined as local governments with less than \$300,000 in annual revenues. To help minimize audit costs, our work for this engagement was conducted off-site primarily using financial and other information provided by the District.

This assessment audit was limited to the following:

- Reviewing meeting minutes for compliance with the Open Public Meetings Act
- Inquiring as to internal controls over assets, revenues, and disbursements
- Verifying that annual reports submitted to our Office were complete and filed timely in compliance with state law
- Reviewing the District's annual revenues and expenditures for unusual transactions or trends
- Corroborating financial information reported by the District by comparing its annual revenues, expenditures, and cash and investment balances to third-party sources
- Reviewing expenditures for indications of unusual activities, excessive Board of Commissioners compensation, conflicts of interest, or procurement requirements
- Evaluating the District's financial information for indications of financial distress



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Juniper Beach Water District **January 1, 2019 through December 31, 2020**

This schedule presents the status of findings reported in prior audit periods.

Audit Period: January 1, 2014 – December 31, 2018	Report Ref. No.: 1025960	Finding Ref. No.: 2018-001
Finding Caption: The District’s controls over financial reporting were not adequate to ensure timely reporting.		
Background: The District did not take appropriate action to prepare or submit the required annual reports within 150 days after its fiscal year end for fiscal years 2014, 2015, 2016, 2017 and 2018. Though the District did subsequently file its annual reports, the filings for 2014, 2015, 2016, 2017 and 2018 were 1611, 1251, 891, 526 and 161 days late, respectively.		
Status of Corrective Action: (check one) <input checked="" type="checkbox"/> Fully Corrected <input type="checkbox"/> Partially Corrected <input type="checkbox"/> Not Corrected <input type="checkbox"/> Finding is considered no longer valid		
Corrective Action Taken: <i>Juniper Beach Water District (JBWD) recognizes that the required annual reports for 2014 through 2019 were not filed in a timely fashion. As already indicated JBWD did subsequently file the annual reports for all those years. As well, the 2019, 2020, and 2021 Annual Filing Reports have been filed prior to the due date.</i> <i>JBWD has a full understanding of the reporting requirements and means by which to file all reports. JBWD has instituted internal controls to ensure that complete and timely reporting for future fiscal years will occur. Part of those processes is an improvement in the electronic and records filing of financial and business operations documents, the purchase of technology to assist in review of essential documents, an improvement of the procedures for the handling and submittal of accounts payables vouchers and the inclusive review and reporting of essential business operations amongst the Board of Commissioners. As always, JBWD is committed to be fully transparent to our customers about the operations and financial accounting of the water district.</i>		

INFORMATION ABOUT THE DISTRICT

The Juniper Beach Water District was formed in 1990. It provides water services to approximately 145 customers of the community of Juniper Beach, on the north end of Port Susan on Camano Island.

A five-member Board of Commissioners, elected to six-year terms, manage and govern the District. The District operates on an annual budget of approximately \$140,000 and \$175,000 in 2019 and 2020, respectively. The District has no employees and contracts for services for water systems operations, engineering and bookkeeping

Contact information related to this report

Address:	Juniper Beach Water District P.O. Box 1178 Camano Island, WA 98292
Contact:	Kevin Plambeck, President
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Website:	http://www.juniperbeachwaterdistrict.net/

Information current as of report publish date.

Audit history

You can find current and past audit reports for the Juniper Beach Water District at <http://portal.sao.wa.gov/ReportSearch>.

ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the Washington State Constitution and is part of the executive branch of state government. The State Auditor is elected by the people of Washington and serves four-year terms.

We work with state agencies, local governments and the public to achieve our vision of increasing trust in government by helping governments work better and deliver higher value.

In fulfilling our mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, we hold ourselves to those same standards by continually improving our audit quality and operational efficiency, and by developing highly engaged and committed employees.

As an agency, the State Auditor's Office has the independence necessary to objectively perform audits, attestation engagements and investigations. Our work is designed to comply with professional standards as well as to satisfy the requirements of federal, state and local laws. The Office also has an extensive quality control program and undergoes regular external peer review to ensure our work meets the highest possible standards of accuracy, objectivity and clarity.

Our audits look at financial information and compliance with federal, state and local laws for all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits and cybersecurity audits of state agencies and local governments, as well as state whistleblower, fraud and citizen hotline investigations.

The results of our work are available to everyone through the more than 2,000 reports we publish each year on our website, www.sao.wa.gov. Additionally, we share regular news and other information via an email subscription service and social media channels.

We take our role as partners in accountability seriously. The Office provides training and technical assistance to governments both directly and through partnerships with other governmental support organizations.

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