



Office of the Washington State Auditor  
Pat McCarthy

## **Accountability Audit Report**

# **Gardena Farms Irrigation District No. 13**

**(Gardena Irrigation District)**

**For the period January 1, 2020 through December 31, 2021**

*Published April 3, 2023*

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

April 3, 2023

Board of Directors  
Gardena Irrigation District  
Touchet, Washington

**Report on Accountability**

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.

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

Attached is our independent audit report on the District's compliance with applicable requirements and safeguarding of public resources for the areas we examined. We appreciate the opportunity to work with your staff and value your cooperation during the audit.

Sincerely,

Pat McCarthy, State Auditor  
Olympia, WA

***Americans with Disabilities***

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## AUDIT RESULTS

### Results in brief

This report describes the overall results and conclusions for the areas we examined. In those selected areas, District operations complied, in all material respects, with applicable state laws, regulations, and its own policies, and provided adequate controls over the safeguarding of public resources.

In keeping with general auditing practices, we do not examine every transaction, activity, policy, internal control, or area. As a result, no information is provided on the areas that were not examined.

### About the audit

This report contains the results of our independent accountability audit of Gardena Irrigation District from January 1, 2020 through December 31, 2021.

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.

This 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. Our audit involved obtaining evidence about the District's use of public resources, compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters. The procedures performed were based on our assessment of risks in the areas we examined.

Based on our risk assessment for the years ended December 31, 2021 and 2020, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. We examined the following areas during this audit period:

- Cash receipting – timeliness and completeness of deposits
- Accounts payable – general disbursements
- Accounts receivable – billings and adjustments
- Open public meetings – compliance with minutes, meetings and executive session requirements
- Financial condition – reviewing for indications of financial distress

**Gardena Farms District 13**  
**539 White Rd Touchet, Wa 99360**  
**(541) 861-9216**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**Gardena Irrigation District**  
**January 1, 2020 through December 31, 2021**

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

<b>Audit Period:</b> 1/1/2016 – 12/31/2019	<b>Report Ref. No.:</b> 1026560	<b>Finding Ref. No.:</b> 2019-001
<b>Finding Caption:</b> The District did not have adequate controls over annual report filing, customer billings, contractual revenues and general disbursements to safeguard public resources.		
<b>Background:</b> Gardena Farms Irrigation District No. 13 provides about 7,000 acres of irrigation water to about 80 customers in Walla Walla and Umatilla counties. The District collected \$334,289, \$317,963 and \$245,293 in revenues in 2017, 2018 and 2019, respectively. The District spent \$235,847, \$196,193 and \$246,786 in supplies, services and equipment in 2017, 2018 and 2019, respectively. Board members, state and federal agencies and the public rely on the information included in financial statements and reports to make decisions. District management is responsible for designing, implementing and maintaining internal controls that provide reasonable assurance regarding the reliability of financial reporting and that public resources are safeguarded.		
<b>Status of Corrective Action: (check one)</b> <div style="display: flex; justify-content: space-between; align-items: flex-start;"><div style="text-align: center;"><input checked="" type="checkbox"/> Fully Corrected</div><div style="text-align: center;"><input type="checkbox"/> Partially Corrected</div><div style="text-align: center;"><input type="checkbox"/> Not Corrected</div><div style="text-align: center;"><input type="checkbox"/> Finding is considered no longer valid</div></div>		
<b>Corrective Action Taken:</b> <i>The District has implemented internal controls and now has a CPA that produces the monthly vouchers and customer billings. The Board also receives monthly expense reports to compare to the vouchers to better track and confirm proper handling of public resources. The Secretary/ Manager also reports to the board on a monthly basis confirming intake of contractual revenues and report filings.</i>		

## INFORMATION ABOUT THE DISTRICT

The Gardena Irrigation District is located within the Walla Walla River basin along the border of Washington and Oregon, south of the town of Touchet, Washington. It provides irrigation water to about 7,000 acres in Walla Walla and Umatilla counties held by 81 property owners.

The District's annual revenues were \$245,293, \$280,799 and \$324,406 in 2019, 2020 and 2021, respectively. The District's annual expenditures were \$342,639, \$296,338 and \$390,309 in 2019, 2020 and 2021, respectively. An elected, three-member Board of Directors governs the District's operations and oversees two full-time employees and one part-time employee.

### Contact information related to this report

Address:	Gardena Irrigation District 539 White Road Touchet, WA 99360
Contact:	Anthony Oakes, Secretary
Telephone:	541-861-9216

*Information current as of report publish date.*

### Audit history

You can find current and past audit reports for Gardena Irrigation 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](http://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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[webmaster@sao.wa.gov](mailto:webmaster@sao.wa.gov)