

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

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**Port of Peninsula**  
**Pacific County**

Report Date  
**March 17, 2006**

**Report No. 70545**

Issue Date  
**April 21, 2006**



Washington \_\_\_\_\_  
***State Auditor***  
\_\_\_\_\_  
Brian Sonntag



**Washington State Auditor  
Brian Sonntag**

April 21, 2006

Board of Commissioners  
Port of Peninsula  
Ocean Park, Washington

***Report on Accountability for Public Resources***

Please find attached our report on the Port of Peninsula's accountability for public resources and compliance with state laws and regulations and its own policies and procedures.

In addition to this work, we also audit the Port's financial statements. The results of that audit will be included in a separately issued audit report.

Sincerely,

**BRIAN SONNTAG, CGFM**  
STATE AUDITOR

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Pacific County  
March 17, 2006**

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# Audit Summary

**Port of Peninsula  
Pacific County  
March 17, 2006**

## ***ABOUT THE AUDIT***

This report contains the results of our independent accountability audit of the Port of Peninsula.

We performed audit procedures to determine whether the Port complied with state laws and regulations and its own policies and procedures. We also examined Port management's accountability for public resources. Our work focused on specific areas that have potential for abuse and misuse of public resources.

Areas examined during the audit were selected using financial transactions from January 1, 2002, through December 31, 2004.

## ***RESULTS***

In most areas that we examined, the Port complied with state laws and regulations and its own policies and procedures. Internal controls were adequate to safeguard public assets. However, we noted certain issues that we communicated to Port management.

## ***RELATED REPORTS***

Our opinion on the Port's financial statements is provided in a separate report, which includes the Port's financial statements.

## ***CLOSING REMARKS***

We thank Port officials and personnel for their assistance and cooperation during the audit.

# Description of the Port

## Port of Peninsula Pacific County March 17, 2006

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

The Port of Peninsula was incorporated in 1928 and is governed by an elected, three-member Board of Commissioners. Two full-time marina employees and one seasonal employee provide services to the general public that include a marina, leased properties, moorage and fuel sales. The Port operates on a \$486,000 budget.

### ***AUDIT HISTORY***

The Port is audited every three years. Management has been very responsive to prior audit recommendations. Audit concerns are often discussed, addressed and resolved before completion of our audit. Prior to 1996, the results of the Port's audits were included in the Pacific County Combined Special Purpose District report. In 1998, the Port received its own report and, as in previous audits, it was found to be free of any findings.

### ***ELECTED OFFICIALS***

These officials served during the audit period:

Board of Commissioners:

Dave Clemens  
Bobbie Reynolds  
Clyde Sayce

### ***APPOINTED OFFICIALS***

Port Manager

Howard Teague

### ***ADDRESS***

Port

3311 275<sup>th</sup> Street  
Ocean Park, WA 98640

# Audit Areas Examined

## Port of Peninsula Pacific County March 17, 2006

In keeping with general auditing practices, we do not examine every portion of the Port of Peninsula's financial activities during each audit. The areas examined were those representing the highest risk of noncompliance, misappropriation or misuse. Other areas are audited on a rotating basis over the course of several years. The following areas of the Port were examined during this audit period:

### ***ACCOUNTABILITY FOR PUBLIC RESOURCES***

We evaluated the Port's accountability in the following areas:

- Cash receipting
- Payroll
- Disbursements

We audited the following areas for compliance with certain applicable state and local laws and regulations:

- Open Public Meetings Act
- Competitive bid requirements
- Conflict of interest
- Insurance and bonding coverage

### ***FINANCIAL AREAS***

Our opinion on the Port's financial statements is provided in a separate report. That report includes the Port's financial statements and other required financial information. We examined the financial activity and balances of the Port including:

- Cash and investments
- Revenues
- Expenditures
- Long-term debt
- Overall presentation of the financial statements