



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

**Accountability Audit Report**  
**Port of Ridgefield**

**For the period January 1, 2017 through December 31, 2018**

**Published October 17, 2019**

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

October 17, 2019

Board of Commissioners  
Port of Ridgefield  
Ridgefield, 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 Port 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 independent audit report on the Port'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 we value your cooperation during the audit.

Sincerely,

Pat McCarthy  
State Auditor  
Olympia, WA

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## AUDIT RESULTS

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

### About the audit

This report contains the results of our independent accountability audit of the Port of Ridgefield from January 1, 2017 through December 31, 2018.

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 State Auditor to examine the financial affairs of all local governments. Our audit involved performing procedures to obtain evidence about the Port'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, based on our risk assessment for the years ended December 31, 2018 and 2017, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. The following areas were examined during this audit period:

- Payroll – gross wages and vacation cash outs
- Accounts payable – general disbursements and travel expenditures
- IT security policies, procedures, practices and controls protecting financial systems
- Procurement – public works projects
- Compliance with public works projects – change orders, prevailing wages, and retainage requirements
- Financial condition and fiscal sustainability
- Open public meetings – documentation of minutes, executive sessions and special meetings

## RELATED REPORTS

### **Financial**

Our opinion on the Port's financial statements is provided in a separate report, which includes the Port's financial statements. That report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

## INFORMATION ABOUT THE PORT

The Port of Ridgefield is located in Clark County and was created in 1940. The Port is a community owned special purpose governmental agency. Their purpose is to make strategic financial investments that strengthen the local economy and enhance the collective economic well-being of the citizens living within the Port District. The Port of Ridgefield currently owns four facilities including the Port office building, the Ridgefield boat launch and two industrial buildings for lease. In addition, the Port owns three tracts of industrial land, the Ridgefield waterfront (a.k.a. Millers' Landing), Discovery Ridge and the South 11th Street property.

The Port is currently working on two major long-term capital projects, the environmental cleanup of the former Pacific Wood Treating Site (projected to finish in 2018) and construction of the Pioneer Street Extension/Rail Overpass project in downtown Ridgefield (projected completion after 2017).

The Port of Ridgefield is governed by an elected, three-member Board of Commissioners. The Commission appoints an Executive Director to oversee the Port's daily operations and its seven employees. The Port operated on an annual operating budget of \$1.681 million in 2018, \$1.633 million in 2017, and \$1.376 million in 2016.

### Contact information related to this report

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*Information current as of report publish date.*

### Audit history

You can find current and past audit reports for the Port of Ridgefield 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.

<b>Contact information for the State Auditor's Office</b>	
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