

Washington State Auditor's Office
Accountability Audit Report

Port of Edmonds
Snohomish County

Report Date
November 1, 2012

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February 11, 2013



WASHINGTON
TROY KELLEY
STATE AUDITOR



**Washington State Auditor
Troy Kelley**

February 11, 2013

Board of Commissioners
Port of Edmonds
Edmonds, 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 Edmonds' 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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Snohomish County
November 1, 2012**

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Audit Summary

Port of Edmonds
Snohomish County
November 1, 2012

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the Port of Edmonds from January 1, 2010 through December 31, 2011.

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:

- Lease agreements
- Moorage fees
- Contracts
- Gifting of public funds
- Procurement/bid laws

RESULTS

In most areas, the Port complied with state laws and regulations and its own policies and procedures.

However, we noted certain matters that we communicated to Port management. We appreciate the Port's commitment to resolving those matters.

Related Reports

**Port of Edmonds
Snohomish County
November 1, 2012**

FINANCIAL

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

Description of the Port

Port of Edmonds
Snohomish County
November 1, 2012

ABOUT THE PORT

The Port of Edmonds, located in Snohomish County, owns and leases properties at the marina, Harbor Square and various sites along the waterfront. These properties include vessel repair and boat sales as well as commercial properties such as restaurants, offices, retailers and an athletic club that serves over 7,230 citizens. The Port's marina provides 665 moorage slips, 274 dry storage slips, fuel dock, guest moorage, public launcher, a travelift and work yard.

An elected, five-member Board of Commissioners governs the Port. Board Members serve staggered, four-year terms. The Board appoints management to oversee the Port's daily operations as well as its approximately 30 employees. The Port is supported primarily through user fees. For 2010 and 2011, the Port had budgeted revenue of approximately \$7,392,800 and \$6,835,100, respectively.

ELECTED OFFICIALS

These officials served during the audit period:

Board of Commissioners:

Fredrick Gourge
Marianne Burkhart Zagorski
Bruce Faires
Jim Orvis
Mary Lou Block

APPOINTED OFFICIALS

Executive Director
Deputy Director
Finance Manger

Robert McChesney
Marla Kempf
Tina Drennan

PORT CONTACT INFORMATION

Address: Port of Edmonds
336 Admiral Way
Edmonds, WA 98020

Phone: (425) 774-0549

Website: www.portofedmonds.org

AUDIT HISTORY

We audit the Port once every two years. The Port has been free of findings for the past 18 audits.



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.

Our mission is to 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.

**State Auditor
Chief of Staff**

**Troy Kelley
Doug Cochran**

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