



Office of the Washington State Auditor
Pat McCarthy

Financial Statements and Federal Single Audit Report

Port of Camas-Washougal

For the period January 1, 2023 through December 31, 2023

Published May 6, 2024

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

May 6, 2024

Board of Commissioners
Port of Camas-Washougal
Washougal, Washington

Report on Financial Statements and Federal Single Audit

Please find attached our report on the Port of Camas-Washougal's financial statements and compliance with federal laws and regulations.

We are issuing this report in order to provide information on the Port's financial activities and condition.

Sincerely,

Pat McCarthy, State Auditor
Olympia, WA

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Port of Camas-Washougal January 1, 2023 through December 31, 2023

SECTION I – SUMMARY OF AUDITOR’S RESULTS

The results of our audit of the Port of Camas-Washougal are summarized below in accordance with Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Financial Statements

We issued an unmodified opinion on the fair presentation of the Port’s financial statements in accordance with its regulatory basis of accounting. Separately, we issued an adverse opinion on the fair presentation with regard to accounting principles generally accepted in the United States of America (GAAP) because the financial statements are prepared using a basis of accounting other than GAAP.

Internal Control over Financial Reporting:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over financial reporting that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We noted no instances of noncompliance that were material to the financial statements of the Port.

Federal Awards

Internal Control over Major Programs:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over major federal programs that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We issued an unmodified opinion on the Port’s compliance with requirements applicable to its major federal program.

We reported no findings that are required to be disclosed in accordance with 2 CFR 200.516(a).

Identification of Major Federal Programs

The following program was selected as a major program in our audit of compliance in accordance with the Uniform Guidance.

<u>ALN</u>	<u>Program or Cluster Title</u>
11.300	Economic Development Cluster – Investments for Public Works and Economic Development Facilities

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by the Uniform Guidance, was \$750,000.

The Port did not qualify as a low-risk auditee under the Uniform Guidance.

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

INDEPENDENT AUDITOR'S REPORT

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Port of Camas-Washougal January 1, 2023 through December 31, 2023

Board of Commissioners
Port of Camas-Washougal
Washougal, Washington

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Port of Camas-Washougal, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Port's financial statements, and have issued our report thereon dated April 29, 2024.

We issued an unmodified opinion on the fair presentation of the Port's financial statements in accordance with its regulatory basis of accounting. We issued an adverse opinion on the fair presentation with regard to accounting principles generally accepted in the United States of America (GAAP) because the financial statements are prepared by the Port using accounting practices prescribed by state law and the State Auditor's *Budgeting, Accounting and Reporting System* (BARS) Manual described in Note 1, which is a basis of accounting other than GAAP. The effects on the financial statements of the variances between the basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the Port's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Port's internal control. Accordingly, we do not express an opinion on the effectiveness of the Port's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Port's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described above and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

REPORT ON COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the Port's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Port's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Port's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this

report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive, flowing style.

Pat McCarthy, State Auditor

Olympia, WA

April 29, 2024

INDEPENDENT AUDITOR'S REPORT

Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance

Port of Camas-Washougal January 1, 2023 through December 31, 2023

Board of Commissioners
Port of Camas-Washougal
Washougal, Washington

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

Opinion on Each Major Federal Program

We have audited the compliance of the Port of Camas-Washougal, with the types of compliance requirements identified as subject to audit in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the Port's major federal programs for the year ended December 31, 2023. The Port's major federal programs are identified in the auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Port complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Port and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on

compliance for each major federal program. Our audit does not provide a legal determination on the Port's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Port's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Port's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the Port's compliance with the requirements of each major federal program as a whole.

Performing an audit in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Port's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;
- Obtain an understanding of the Port's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Port's internal control over compliance. Accordingly, no such opinion is expressed; and

- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other

purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive style with a large initial "P" and "M".

Pat McCarthy, State Auditor

Olympia, WA

April 29, 2024

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Port of Camas-Washougal January 1, 2023 through December 31, 2023

Board of Commissioners
Port of Camas-Washougal
Washougal, Washington

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Unmodified and Adverse Opinions

We have audited the financial statements of the Port of Camas-Washougal, as of and for the year ended December 31, 2023, and the related notes to the financial statements, as listed in the financial section of our report.

Unmodified Opinion on the Regulatory Basis of Accounting (BARS Manual)

As described in Note 1, the Port has prepared these financial statements to meet the financial reporting requirements of state law and accounting practices prescribed by the State Auditor's *Budgeting, Accounting and Reporting System (BARS) Manual*. Those accounting practices differ from accounting principles generally accepted in the United States of America (GAAP). The differences in these accounting practices are also described in Note 1.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash and investments of the Port of Camas-Washougal, and its changes in cash and investments, for the year ended December 31, 2023, on the basis of accounting described in Note 1.

Adverse Opinion on U.S. GAAP

The financial statements referred to above were not intended to, and in our opinion, they do not, present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Port of Camas-Washougal, as of December 31, 2023, or the changes in financial position or cash flows thereof for the year then ended, because of the significance of the matter discussed below.

Basis for Unmodified and Adverse Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and *Government Auditing Standards*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Port, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit unmodified and adverse opinions.

Matter Giving Rise to Adverse Opinion on U.S. GAAP

Auditing standards issued by the American Institute of Certified Public Accountants (AICPA) require auditors to formally acknowledge when governments do not prepare their financial statements, intended for general use, in accordance with GAAP. As described in Note 1 of the financial statements, the financial statements are prepared by the Port in accordance with state law using accounting practices prescribed by the BARS Manual, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of state law and the BARS Manual described in Note 1. This includes determining that the basis of accounting is acceptable for the presentation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Port's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and

Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Performing an audit in accordance with GAAS and *Government Auditing Standards* includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Port's internal control. Accordingly, no such opinion is expressed;
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements;
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Port's ability to continue as a going concern for a reasonable period of time; and
- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Port's financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Schedule of Liabilities is also presented for purposes of additional analysis, as required by the prescribed BARS Manual. These schedules are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain

additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated April 29, 2024 on our consideration of the Port's internal control over financial reporting and on the tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Port's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Port's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive, flowing style.

Pat McCarthy, State Auditor

Olympia, WA

April 29, 2024

FINANCIAL SECTION

Port of Camas-Washougal January 1, 2023 through December 31, 2023

FINANCIAL STATEMENTS

Fund Resources and Uses Arising from Cash Transactions – 2023
Notes to Financial Statements – 2023

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Liabilities – 2023
Schedule of Expenditures of Federal Awards – 2023
Notes to the Schedule of Expenditures of Federal Awards – 2023

**Port of Camas-Washougal
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2023**

Beginning Cash and Investments

308	Beginning Cash and Investments	5,768,650
388 / 588	Net Adjustments	-

Revenues

310	Taxes	2,920,374
320	Licenses and Permits	-
330	Intergovernmental Revenues	1,463,255
340	Charges for Goods and Services	5,342,547
350	Fines and Penalties	-
360	Miscellaneous Revenues	174,912
Total Revenues:		<u>9,901,088</u>

Expenditures

510	General Government	-
520	Public Safety	-
530	Utilities	-
540	Transportation	4,799,580
550	Natural/Economic Environment	-
560	Social Services	-
570	Culture and Recreation	-
Total Expenditures:		<u>4,799,580</u>
Excess (Deficiency) Revenues over Expenditures:		5,101,508

Other Increases in Fund Resources

391-393, 596	Debt Proceeds	368,255
397	Transfers-In	-
385	Special or Extraordinary Items	-
381, 382, 389, 395, 398	Other Resources	583,080
Total Other Increases in Fund Resources:		<u>951,335</u>

Other Decreases in Fund Resources

594-595	Capital Expenditures	4,954,844
591-593, 599	Debt Service	1,593,702
597	Transfers-Out	-
585	Special or Extraordinary Items	-
581, 582, 589	Other Uses	582,455
Total Other Decreases in Fund Resources:		<u>7,131,001</u>

Increase (Decrease) in Cash and Investments: (1,078,158)

Ending Cash and Investments

50821	Nonspendable	-
50831	Restricted	907,452
50841	Committed	20,078
50851	Assigned	3,762,858
50891	Unassigned	-
Total Ending Cash and Investments		<u>4,690,388</u>

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Port of Camas-Washougal was incorporated in 1935 and operates under the laws of the state of Washington applicable to a port district.

A. Reporting Entity

The Port of Camas-Washougal is a special purpose government and provides airport hangar rentals, moorage, land and industrial development, and public recreation facilities to the general public and is supported primarily through user charges and property tax levy. The Port may acquire and improve land for sale or lease for industrial or commercial purposes. The Port is governed by an elected three-member board.

B. Basis of Accounting

The Port of Camas-Washougal reports financial activity in accordance with the *Cash Basis Budgeting, Accounting and Reporting System* (BARS) Manual prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW. This manual prescribes a financial reporting framework that differs from generally accepted accounting principles (GAAP) in the following manner:

- Financial transactions are recognized on a cash basis of accounting as described below.
- Component units are required to be disclosed, but are not included in the financial statements.
- Government-wide statements, as defined in GAAP, are not presented.
- All funds are presented, rather than a focus on major funds.
- The *Schedule of Liabilities* is required to be presented with the financial statements as supplementary information.
- Supplementary information required by GAAP is not presented.
- Ending balances are presented using classifications that are similar to the ending balance classification in GAAP.

The accounts of the Port of Camas-Washougal are maintained on the basis of funds. For reporting purposes, the financial activities of all the Port of Camas-Washougal funds are combined.

Financial statements are prepared using the cash basis of accounting and measurement focus. Revenues are recognized when cash is received, and expenditures are recognized when paid.

The Port's annual budget is adopted on the same basis of accounting as used for financial reporting.

C. Cash and Investments

See Note 2.

D. Capital Assets

NOTES TO FINANCIAL STATEMENTS – YEAR ENDING 12/31/2023
Port of Camas-Washougal

Capital assets are assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets and inventory are recorded as capital expenditures when purchased.

E. Compensated Absences

Vacation leave may be accumulated up to 40 days and is payable upon separation, retirement, or death. Sick leave may accumulate up to 120 days. Upon retirement or death all unused sick leave may be exchanged for compensation at the rate of 2 sick days per 1 day of compensation. Payments are recognized as expenditures when paid.

The total compensated absences balance was \$144,006 at December 31, 2023. See Schedule 09, Schedule of Liabilities.

F. Long-Term Debt

See Note 4.

H. Restricted and Committed Portion of Ending Cash and Investments

Beginning and Ending Cash and Investments are reported as restricted or committed when it is subject to restrictions on use imposed by external parties or due to internal commitments established by resolution of the Port Commission. When expenditures that meet restrictions are incurred, the port intends to use the most restricted resources first.

Beginning Restricted Cash and Investments consist of \$726,199. The port restrictions of \$726,199 were imposed by 2017 revenue bond covenants and 9-16 and 4-20 Community Economic Revitalization Board Loan Resolutions. Restrictions of Ending Cash and Investments consist of \$907,452. These port restrictions are the same as the beginning balance, including a deposit of \$79,144.78 and including an additional \$100,000 imposed by 2017 revenue bond covenants requiring \$100,000 deposited into a bond sinking fund annually for the purpose of accumulating available net revenue to pay the 2017A bonds when due or prior to their scheduled maturity.

I. Risk Management

Port of Camas-Washougal is a member of the Enduris Washington (Pool). Chapter 48.62 RCW provides the exclusive source of local government entity authority to individually or jointly self-insure risks, jointly purchase insurance or reinsurance, and contract for risk management, claims, and administrative services. The Pool was formed on July 10, 1987 pursuant to the provisions of Chapter 48.62 RCW, Chapter 200-100 WAC, and Chapter 39.34 RCW when two counties and two cities in the State of Washington joined together by signing an interlocal governmental agreement to fund their self-insured losses and jointly purchase insurance and administrative services. For the Pool's fiscal year ending August 31, 2023, there were 518 Enduris members representing a broad array of special purpose districts throughout the state.

The Enduris program provides various forms of joint self-insurance and reinsurance coverage for its members: Liability coverage, which includes General Liability, Automobile Liability, Public Officials' Errors and Omissions liability, Terrorism liability and Employment Practices liability; Property coverage, which includes Building and Contents, Mobile Equipment, Boiler and Machinery,

NOTES TO FINANCIAL STATEMENTS – YEAR ENDING 12/31/2023
Port of Camas-Washougal

and Business Interruption/Extra Expense; Automobile Physical Damage coverage; Cyber coverage; Crime blanket coverage; Named Position coverage; and an Identity Fraud reimbursement policy. Pollution and Cyber coverage are provided on a claims-made coverage form. Crime coverage is provided on a discovery form. All other coverage is provided on an occurrence coverage form.

Members are responsible for a coverage deductible or co-pay on each covered loss. Each policy year members receive a Memorandum of Coverage (MOC) outlining the specific coverage, limits, and deductibles/co-pays that apply to them. In certain cases, the Pool may allow members to elect to participate in the programs at limits, coverage, deductibles, and co-pays that are specific to their needs. Enduris is responsible for payment of all covered losses above the member retention, up to the Pool self-insured retention (SIR). Enduris acquires excess/reinsurance from unrelated insurance companies to cover losses above the Pool’s SIR up to the coverage maximum limit of liability. The tables below reflect the Pool’s SIR, reinsurance limits, and member deductibles/co- pays by coverage type.

Coverage	Coverage Type	Pool Self-Insured Retention	Excess/ Reinsurance Limits	Member Deductibles/ Co-Pays ⁽¹⁾
Liability:				
General Liability	Per Occurrence	\$1 million	\$20 million	\$1,000 - \$100,000
Automobile Liability	Per Occurrence	\$1 million	\$20 million	\$1,000 - \$100,000
Public Officials Errors and Omissions Liability	Each Wrongful Act Member Aggregate	\$1 million	\$20 million \$20 million	\$1,000 - \$100,000
Terrorism Liability ⁽²⁾	Per Occurrence Pool Aggregate	\$500,000 \$1 million	None	\$1,000 - \$100,000
Employment Practices Liability	Per Occurrence Member Aggregate	\$1 million	\$20 million \$20 million	20% Copay ⁽³⁾

(1) Members may request or be required to pay a higher deductible than the minimum for certain coverage and certain types of losses require a specific co-pay or deductible

(2) Terrorism liability is fully funded by the Pool i.e. no excess/reinsurance is procured.

(3) Members pay a 20% co-pay of costs. By meeting established guidelines, the co-pay may be waived.

NOTES TO FINANCIAL STATEMENTS – YEAR ENDING 12/31/2023
Port of Camas-Washougal

Coverage	Coverage Type	Pool Self-Insured Retention	Excess/ Reinsurance Limits	Member Deductibles/ Co-Pays ⁽¹⁾
Property ^{(2):}				
Buildings and Contents	Per Occurrence	\$250,000	\$1 billion	\$1,000 - \$250,000
Mobile Equipment	Per Occurrence	\$250,000	\$1 billion	\$1,000 - \$250,000
Boiler and Machinery ⁽³⁾	Per Occurrence	Varies	\$100 million	Varies
Business Interruption (BI)/ Extra Expense (EE) ⁽⁴⁾	Per Occurrence	\$250,000	\$100 million (BI)/ \$50 million (EE)	\$1,000 - \$250,000
Sublimit ^{(5):}				
Flood	Per Occurrence	\$250,000	\$50 million (shared by Pool members)	\$1,000 - \$250,000
Earthquake	Per Occurrence	5% of indemnity, subject to a \$250,000 minimum	\$10 million (shared by Pool members)	\$1,000 - \$250,000
Terrorism Primary	Per Occurrence Pool Aggregate	\$250,000	\$100 million per occurrence \$200 million aggregate	\$1,000 - \$250,000
Terrorism Excess	Per Occurrence APIP Per Occurrence APIP Aggregate	\$500,000	\$600 million/ Pool aggregate \$1.1 billion/ per occurrence APIP program \$1.4 billion/ APIP program aggregate	\$0
Automobile Physical Damage ⁽⁶⁾	Per Occurrence	\$25,000; \$100,000 for Emergency Vehicles; \$250,000 for Emergency Vehicles valued >\$750,000	\$1 billion	\$250 - \$1,000
Crime Blanket ⁽⁷⁾	Per Occurrence	\$50,000	\$1 million	\$1,000
Named Position ⁽⁸⁾	Per Occurrence	\$50,000	\$1 million	\$1,000
Cyber ⁽⁹⁾	Each Claim APIP Aggregate	\$100,000	\$2 million \$40 million	20% Copay
Identity Fraud Expense Reimbursement ⁽¹⁰⁾	Member Aggregate	\$0	\$25,000	\$0

- (1) Members may request or be required to pay a higher deductible than the minimum for certain coverage and certain types of losses require a specific co-pay or deductible.
- (2) Property coverage for each member is based on a detailed property schedule. Scheduled items are covered to the extent of the cost of repair or replacement according to the excess/reinsurance policy terms. Under the Alliant Property Insurance Program (APIP) Reinsurance carriers cover insured losses over \$250,000 to the limit of \$1 billion except for certain types of sub-limited property losses such as flood, earthquake, and terrorism.
- (3) Boiler and Machinery self-insured retention for the Pool varies depending on motor horsepower.
- (4) Business Interruption/ Extra expense coverage is based on scheduled revenue-generating locations/operations. A limited number of members are scheduled, and the rest are limited to \$500,000 of coverage with a \$2.5 million Pool maximum for undeclared exposure. The waiting period (deductible) is typically 24 hours but there are exceptions specific to the type of exposure covered.
- (5) This sub-limit list is simplified and is not all-inclusive. In addition, sub-limits are often shared or aggregated by all pool members and, in a few cases, are shared by all APIP members. Deductibles often vary by coverage sub-limit.
- (6) Auto Physical Damage coverage includes comprehensive, named perils and collision. Coverage for each member is based on a detailed vehicle schedule.
- (7) Crime Blanket coverage (also referred to as "Employee Dishonesty Coverage with Faithful Performance" of \$2,500 is provided to each member. Members may elect to "buy up" the level of coverage from \$5,000 to \$2 million.
- (8) Named Position coverage is optional. Members may elect to schedule various employees, directors, and commissioners, with individual limits of between \$5,000 and \$1 million.
- (9) Cyber coverage is included under the Pool's Property program. Members are subject to a 20% co-pay per loss and the Pool's SIR is tiered between \$50,000 and \$100,000 depending on the insured/member's property TIV with an 8-hour waiting period. By meeting established guidelines, the co-pay may be waived. The reinsurance maximum limit of liability is \$2 million, with various declared sub-limits.
- (10) Enduris purchases Identity Fraud Expense Reimbursement coverage. Member claims do not have a deductible. There is a \$25,000 limit per member.

NOTES TO FINANCIAL STATEMENTS – YEAR ENDING 12/31/2023
Port of Camas-Washougal

Members make an annual contribution to fund the Pool. Since Enduris is a cooperative program, there is joint liability among the participating members. There were no claim settlements above the insurance coverage in any of the last three policy years.

Upon joining the Pool, members are contractually obligated to remain in the Pool for a minimum of one year. They must give notice 60 days before renewal to terminate participation. The Interlocal Governmental Agreement (formerly known as the Master Agreement) is automatically renewed each year unless provisions for withdrawal or termination are applied. Even after termination, a member is still responsible for contributing to Enduris for any unresolved, unreported, and in-process claims for the period they were a signatory to the Interlocal Governmental Agreement.

Its member participants fully fund Enduris. Members file claims with the Pool, which determines coverage and administers the claims.

The Pool is governed by a Board of Directors comprising seven board members. The Pool’s members elect the Board, and the positions are filled on a rotating basis. The Board meets quarterly and is responsible for overseeing the business affairs of Enduris and providing policy direction to the Pool’s Executive Director.

NOTE 2 – DEPOSITS AND INVESTMENTS

Investments are reported at original cost. Deposits and investments by type at December 31, 2023 are as follows:

<u>Type of Investment</u>	<u>Port’s Own Investments</u>	<u>Investments held by Port as Agent for other local governments or private organizations</u>	<u>Total</u>
Wells Fargo Checking Accts	\$211,999	\$0	\$211,999
Wells Fargo Interest Bearing Acct	\$218,452	\$0	\$218,452
US Bank Safekeeping Account	\$69,107	\$0	\$69,107
Federal Farm Credit Bond	\$1,000,000	\$0	\$1,000,000
Clark County Investment Pool	\$142,616	\$0	\$142,616
Local Govt Investment Pool	\$3,048,215	\$0	\$3,048,215
	<u>\$4,690,389</u>	<u>\$0</u>	<u>\$4,690,389</u>

NOTES TO FINANCIAL STATEMENTS – YEAR ENDING 12/31/2023
Port of Camas-Washougal

It is the Port of Camas-Washougal's policy to invest all temporary cash surpluses. The interest on these investments is deposited into the port's General Fund.

The Port of Camas-Washougal's investments at Wells Fargo and US Bank are covered by federal depository insurance (FDIC).

The Port of Camas-Washougal's is a voluntary participant in the Local Government Investment Pool, an external investment pool operated by the Washington State Treasurer. The pool is not rated and not registered with the SEC. Rather, oversight is provided by the State Finance Committee in accordance with Chapter 43.250 RCW. Investments in the LGIP are reported at amortized cost, which is the same as the value of the pool per share. The LGIP does not impose any restrictions on participant withdrawals.

The Office of the State Treasurer prepares a stand-alone financial report for the pool. A copy of the report is available from the Office of the State Treasurer, PO Box 40200, Olympia, Washington 98504-0200, online at www.tre.wa.gov.

The Port of Camas-Washougal is a voluntary participant in the Clark County Investment Pool, an external investment pool operated by the County Treasurer. The pool is not rated or registered with the SEC. Rather, oversight is provided by the County Finance Committee in accordance with RCW 36.48.070. The Port of Camas-Washougal reports its investment in the pool at cost. The Clark County Investment Pool does not impose liquidity fees or redemption gates on participant withdrawals.

NOTE 3 – PROPERTY TAXES

The county treasurer acts as an agent to collect property taxes levied in the county for all taxing authorities. Collections are distributed throughout the month to the Port's Wells Fargo bank account by Clark County Treasurer.

Property tax revenues are recognized when cash is received by Clark County Treasurer. Delinquent taxes are considered fully collectible because a lien affixes to the property after tax is levied.

The Port's regular levy for 2023 was \$0.1265 per \$1,000 on an assessed valuation of \$12,273,968,065 for a total regular levy of \$1,553,071. In addition, the Port's bond fund levy was \$0.1125 per \$1,000 for a total of \$1,380,843. The total levy for 2023 was \$.239 per \$1,000 resulting in a total tax levy of \$2,933,914. Actual tax levy revenue received in 2023 was \$2,920,374 or 99.54%.

NOTE 4 – LONG-TERM DEBT

The Port of Camas-Washougal issues general obligation bonds to finance the acquisition and construction of capital assets.

NOTES TO FINANCIAL STATEMENTS – YEAR ENDING 12/31/2023
Port of Camas-Washougal

The Port is also liable for revenue bonds, and three subordinate obligation loans to Washington State Community Economic Revitalization Board. The bonds and loans are payable from the revenues of the Port.

The accompanying Schedule of Long-Term Liabilities provides more details of the outstanding debt and liabilities of the port and summarizes the port's debt transactions for year ended December 31, 2023.

The 2020 general obligation bonds were incurred for land, buildings and infrastructure. The annual debt service requirements to maturity for general obligation bonds at December 31, 2023, are as follows:

G.O. Bonds	Principal	Interest	Total
2024	835,000	169,255	1,004,255
2025	855,000	154,225	1,009,225
2026	875,000	138,408	1,013,408
2027	845,000	120,908	965,908
2028	880,000	98,485	978,485
2029 - 2032	2,775,000	169,960	2,944,960
Total	\$7,065,000	\$851,240	\$7,916,240

The Port of Camas-Washougal issued Revenue Bonds on June 28, 2017. These bonds are revenue obligations of the Port and are secured by a pledge of Net Revenues. As long as any Revenue Bonds remain outstanding, the Port has obligated and bound itself irrevocably to set aside and pay from Net Revenue or money in the General Fund into the Bond Fund the amounts necessary to pay the principal of and interest on the bonds when they become due (June 1 and December 1 of each year, for 20 years).

Below is the Operating Income by Business Line* at December 31, 2023:

	Industrial Park	Airport	Marina	Total
Operating Revenue	\$3,277,146	\$713,460	\$1,315,160	\$5,305,766
Operating Expenses	\$1,634,566	\$583,789	\$982,758	\$3,201,113
Net Operating Income	\$1,642,580	\$129,671	\$332,402	\$2,104,653

* before administrative and park expenses

The bond proceeds consist of \$4,575,000 along with \$251,651 in original issuance premium. Beginning in 2019, there is a required \$100,000 extra principal payment for 10 years (through 2028). There are both taxable and non-taxable portions to this bond issue. The 2017A Bonds are taxable and in the amount of \$2,825,000 along with a \$65,382 premium. The 2017B Bonds are tax-exempt and in the amount of \$1,750,000 along with a \$186,269 premium.

The 2017 revenue bonds were incurred for land, buildings and infrastructure. The annual debt service requirements to maturity for revenue bonds at December 31, 2023, are as follows:

NOTES TO FINANCIAL STATEMENTS – YEAR ENDING 12/31/2023
Port of Camas-Washougal

Revenue Bonds	Principal	Interest	Total
2024	225,000	152,200	377,200
2025	230,000	143,200	373,200
2026	235,000	134,000	369,000
2027	245,000	124,600	369,600
2028	255,000	114,375	369,375
2029 - 2033	1,450,000	402,065	1,852,065
2034 - 2037	910,000	88,010	998,010
Total	\$3,550,000	\$1,158,450	\$4,708,450

The Port is also liable for three interagency Washington State Community Revitalization Board (CERB) loans. These loans are payable from the revenues of the Port.

The 2013, 2017 and 2020 subordinate interagency loans outstanding at December 31, 2023, are as follows:

CERB Loans	Principal	Interest	Total
2024	156,669.55	51,711.93	208,381.48
2025	158,821.39	48,903.51	207,724.90
2026	161,014.51	46,053.81	207,068.32
2027	163,249.78	43,161.95	206,411.73
2028	165,528.14	40,227.02	205,755.16
2029 - 2033	863,389.95	155,537.15	1,018,927.10
2034 - 2038	822,319.41	79,080.11	901,399.52
2039 - 2042	297,740.81	18,838.51	316,579.32
Total	\$2,788,733.54	\$483,513.99	\$3,272,247.53

NOTE 5 – PENSION PLANS

Substantially all port full-time and qualifying part-time employees participate in the PERS Plan 2 and PERS Plan 3 administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit and defined contribution retirement plans.

The State Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

The Department of Retirement Systems, a department within the primary government of the State of Washington, issues a publicly available annual comprehensive financial report (ACFR) that includes financial statements and required supplementary information for each plan.

The DRS ACFR may be downloaded from the DRS website at www.drs.wa.gov.

NOTES TO FINANCIAL STATEMENTS – YEAR ENDING 12/31/2023
Port of Camas-Washougal

At June 30, 2023, the Port of Camas-Washougal’s proportionate share of the collective net pension liabilities, as reported on the Schedule 09, was as follows:

	Employer contributions	Allocation %	(Asset)/Liability
PERS 1	\$64,585	.009478%	\$216,357
PERS 2/3	\$107,331	.012207%	(\$500,326)

NOTE 6 – CONSTRUCTION IN PROGRESS

The Port has active construction projects as of December 31, 2023. The projects include:

Project	Spent to Date	Remaining Commitment
GMA – Planning Services	\$13,982	\$15,938
Breakwater Access Construction *	\$1,342,285	\$64,907
Breakwater Access Permitting/Bidding *	\$59,238	\$95
Building 20 Construction **	\$9,394,019	\$433,203
41 st Street Project***	\$269,134	\$279,154
Financial Software Implementation	\$12,975	\$9,063
Waterfront Stockpile Testing	\$0	\$1,400

The Port has the cash reserves available to pay all Port commitments listed.

*The Breakwater Access Construction has grant revenue of \$100,000 from RCO that offsets actual port costs, amount to be received in 2024 when retainage has been released.

**Building 20 Construction has grant revenue from EDA totaling \$4,004,354 and a CERB loan totaling \$1,224,742 and CERB grant totaling \$216,131 that offsets actual port costs. Total spent in 2023 was \$3,217,274 however the port received \$1,282,447 in EDA grant revenues as well as \$431,569 against the CERB loan/grant leaving an actual cost to the Port for 2023 of \$1,503,258. The remaining commitment of \$433,203 will be offset with CERB revenue of \$152,817 leaving an actual cost to the port for 2024 of \$280,386.

NOTES TO FINANCIAL STATEMENTS – YEAR ENDING 12/31/2023
Port of Camas-Washougal

***41st Street Project funding awarded by the Washington State Department of Commerce in the amount of \$2,400,000. The remaining commitment listed is the Architect & Engineering contract. The project has not gone out to bid for construction yet.

NOTE 7 – POLLUTION REMEDIATION

The port's Hambleton property has ground contaminated with oil and fuels from lumber yard business activities.

In 2013-2015, the port worked with the Washington State Department of Ecology (DOE) to clean up the site. DOE awarded a 90% grant coverage to the port for the cleanup cost of \$861,222.

Total cost to the port for the cleanup was 10% of the \$861,222 or \$86,122. The port also received an insurance settlement for the land contamination in the amount of \$256,142.

Actual amount spent on cleanup was \$580,406.04. Of this amount, \$516,523.15 was reimbursed by DOE with the remaining owing of \$63,882.89 covered by our insurance settlement.

The port received a Status of Agreed Order No. 9935 from the Department of Ecology on August 6, 2015, stating no further remedial action was necessary to clean up contamination at the site. However, monitoring and periodic reviewing of the conditions at the site still remain in effect until groundwater cleanup levels have been achieved. The cost for this monitoring will be approximately \$3,000-\$5,000 every 18 months.

NOTE 8 – OPEB

The Port of Camas-Washougal is a participating employer in the state's Public Employees Benefits Board (PEBB) program, a defined benefit plan administered by the Washington State Health Care Authority. The plan provides medical, dental, and life insurance benefits for public employees and retirees and their dependents on a pay-as-you-go basis. The plan provides OPEB benefits through both explicit and implicit subsidies. The explicit subsidy is a set dollar amount that lowers the monthly premium paid by members over the age of 65 enrolled in Medicare Parts A and B. PEBB determines the amount of the explicit subsidy annually. The implicit subsidy results from the inclusion of active and non-Medicare eligible retirees in the same pool when determining premiums. There is an implicit subsidy from active employees since the premiums paid by retirees are lower than they would have been if the retirees were insured separately.

Fiscal Year 2023	
Number of Active Plan Members	26
Number of Retired Plan Members	1
Contributions made	\$511,643
*Total OPEB Liability	\$482,950

*Measured using the alternative measurement method.

NOTES TO FINANCIAL STATEMENTS – YEAR ENDING 12/31/2023
Port of Camas-Washougal

NOTE 9 – FORMATION OF PUBLIC CORPORATION

The Port of Camas-Washougal's Public Industrial Corporation was formed in 1982 by the Port Commissioners pursuant to the provisions of 1981 Washington laws Chapter 300 to promote local economic development. Commissioners of the Port of Camas-Washougal also serve as directors of the Port of Camas-Washougal's Public Industrial Corporation.

The corporation had authorized and issued bonds totaling \$10,900,000 in 1982. In 1993, the corporation refunded the entire 1982 bond for \$10,300,000 with a maturity date of April 1, 2023. On February 8, 2012, Georgia Pacific called for redemption of all the outstanding \$10,300,000 refunding revenue bonds. With this action, there were no further annual \$3,000 deposits required from Georgia Pacific to Public Industrial Corporation, resulting in an ending account balance of \$0, and the bank account being closed. There was no activity with PIC in 2023.

NOTE 10 – LEASES

During the year ended December 31, 2022, the Port of Camas-Washougal adopted guidance for the presentation and disclosure of leases, as required by the BARS manual. This requirement resulted in the addition of a lease liability reported on the Schedule of Liabilities.

The Port of Camas-Washougal leases one copier from Pacific Office Automation for \$175.00 per month under a 63-month lease agreement that can be canceled with 30 days written notice prior to the expiration of the original term, the term expires August 31, 2027.

The total amount paid for leases in 2023 was \$2,275. As of December 31, 2023, the future lease payments are as follows:

Year ended December 31	Total
2024	\$1,925
2025	\$2,100
2026	\$2,100
2027	\$1,575

**Port of Camas-Washougal
Schedule of Liabilities
For the Year Ended December 31, 2023**

ID. No.	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
General Obligation Debt/Liabilities						
251.11	2013 Series A	12/1/2023	115,000	-	115,000	-
251.11	2020 Series A	12/1/2029	820,000	-	-	820,000
251.11	2020 Series B	12/1/2032	6,950,000	-	705,000	6,245,000
263.85	CERB Loan - 2013	1/31/2034	315,159	-	26,263	288,896
263.85	CERB Loan - 2017	1/31/2038	1,394,333	-	79,995	1,314,338
263.85	CERB Loan - 2020	1/31/2042	856,486	368,256	39,240	1,185,502
Total General Obligation Debt/Liabilities:			10,450,978	368,256	965,498	9,853,736
Revenue and Other (non G.O.) Debt/Liabilities						
252.11	Revenue Bonds 2017 Series A	12/1/2035	2,300,000	-	140,000	2,160,000
252.11	Revenue Bonds 2017 Series B	12/1/2037	1,465,000	-	75,000	1,390,000
259.12	Compensated Absences		129,837	14,169	-	144,006
263.57	Copier Lease - GASB 87	8/31/2027	9,975	-	2,275	7,700
264.30	PERS 1 - pension liability		263,624	-	47,267	216,357
264.40	OPEB Liabilities		687,295	-	204,345	482,950
Total Revenue and Other (non G.O.) Debt/Liabilities:			4,855,731	14,169	468,887	4,401,013
Total Liabilities:			15,306,709	382,425	1,434,385	14,254,749

**Port of Camas-Washougal
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
Economic Development Cluster								
ECONOMIC DEVELOPMENT ADMINISTRATION, COMMERCE, DEPARTMENT OF	Investments for Public Works and Economic Development Facilities	11.300	-	-	1,282,447	1,282,447	-	1,2
	Total Economic Development Cluster:			-	1,282,447	1,282,447	-	
	Total Federal Awards Expended:			-	1,282,447	1,282,447	-	

The accompanying notes are an integral part of this schedule.

Port of Camas-Washougal

Notes to the Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2023

Note 1 – Basis of Accounting

This schedule is prepared on the same basis of accounting as the Port of Camas Washougal's financial statements. The Port uses the cash basis of accounting.

Note 2 – Indirect Cost Rate

The Port of Camas-Washougal has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

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.

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