



Office of the Washington State Auditor
Pat McCarthy

Financial Statements Audit Report

Port of Camas-Washougal

For the period January 1, 2024 through December 31, 2024

Published June 5, 2025

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

June 5, 2025

Board of Commissioners
Port of Camas-Washougal
Washougal, Washington

Report on Financial Statements

Please find attached our report on the Port of Camas-Washougal's financial statements.

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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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, 2024 through December 31, 2024

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, 2024, and the related notes to the financial statements, which collectively comprise the Port's financial statements, and have issued our report thereon dated May 29, 2025.

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.

We noted certain other matters that we have reported to the management of the Port in a separate letter dated May 29, 2025.

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

May 29, 2025

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Port of Camas-Washougal January 1, 2024 through December 31, 2024

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, 2024, 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, 2024, 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, 2024, 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.

Matters of Emphasis

As discussed in Note 11 to the financial statements, in 2024, the Port adopted new accounting guidance for compensated absences. Our opinion is not modified with respect to this matter.

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 Schedule of Liabilities is presented for purposes of additional analysis, as required by the prescribed BARS manual. This schedule is 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 May 29, 2025 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

May 29, 2025

FINANCIAL SECTION

Port of Camas-Washougal January 1, 2024 through December 31, 2024

FINANCIAL STATEMENTS

Fund Resources and Uses Arising from Cash Transactions – 2024
Notes to Financial Statements – 2024

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Liabilities – 2024

**Port of Camas-Washougal
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2024**

Beginning Cash and Investments

308	Beginning Cash and Investments	4,690,388
388 / 588	Net Adjustments	-

Revenues

310	Taxes	2,994,867
320	Licenses and Permits	-
330	Intergovernmental Revenues	3,192,146
340	Charges for Goods and Services	5,858,933
350	Fines and Penalties	-
360	Miscellaneous Revenues	271,412
Total Revenues:		12,317,358

Expenditures

510	General Government	-
520	Public Safety	-
530	Utilities	-
540	Transportation	5,312,646
550	Natural/Economic Environment	-
560	Social Services	-
570	Culture and Recreation	-
Total Expenditures:		5,312,646
Excess (Deficiency) Revenues over Expenditures:		7,004,712

Other Increases in Fund Resources

391-393, 596	Debt Proceeds	-
397	Transfers-In	-
385	Special or Extraordinary Items	-
381, 382, 389, 395, 398	Other Resources	630,216
Total Other Increases in Fund Resources:		630,216

Other Decreases in Fund Resources

594-595	Capital Expenditures	3,816,067
591-593, 599	Debt Service	1,593,162
597	Transfers-Out	-
585	Special or Extraordinary Items	-
581, 582, 589	Other Uses	630,446
Total Other Decreases in Fund Resources:		6,039,675

Increase (Decrease) in Cash and Investments: 1,595,253

Ending Cash and Investments

50821	Nonspendable	-
50831	Restricted	1,009,659
50841	Committed	209,522
50851	Assigned	5,066,461
50891	Unassigned	-
Total Ending Cash and Investments		6,285,642

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS – YEAR ENDING 12/31/2024
Port of Camas-Washougal

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

It is the Port of Camas-Washougal's policy to invest all temporary cash surpluses. For further information see Note 2 – Deposits and Investments.

D. Capital Assets

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.

NOTES TO FINANCIAL STATEMENTS – YEAR ENDING 12/31/2024
Port of Camas-Washougal

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 \$650,997 at December 31, 2024. See Schedule 09, Schedule of Liabilities. For more information see Note 11.

F. Liabilities

See Note 4.

G. Leases

Leases are reported as liabilities if the total payments over the life of the lease is more than \$5,000. For more information see Note 10 – Leases.

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 \$907,452. The port restrictions of \$907,452 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 \$1,009,659. These port restrictions are the same as the beginning balance, including a deposit of \$2,207 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 (the 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, under 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. During the Pool's fiscal year ending August 31, 2024, there were 507 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'

NOTES TO FINANCIAL STATEMENTS – YEAR ENDING 12/31/2024

Port of Camas-Washougal

Errors and Omissions liability, Terrorism liability and Employment Practices liability; Property coverage, which includes Building and Contents, Mobile Equipment, Boiler and Machinery, 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 and reported 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 some instances, the Pool may allow members to elect to participate in the programs at limits, coverage, deductibles, and co-pays specific to their needs. Enduris is responsible for payment of all covered losses above the member deductible or copay 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

Coverage	Coverage Type	Pool Self-Insured Retention	Excess/Reinsurance Limits	Member Deductibles/Co-Pays (1)
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⁾
Property (4):				
Buildings and Contents	Per Occurrence	\$500,000	\$1 billion	\$1,000 - \$250,000
Mobile Equipment	Per Occurrence	\$500,000	\$1 billion	\$1,000 - \$250,000
Boiler and Machinery	Per Occurrence	\$500,000	\$100 million	\$1,000 - \$250,000
Business Interruption (BI)/ Extra Expense (EE) ⁽⁵⁾	Per Occurrence	\$500,000	\$100 million (BI)/ \$50 million (EE)	\$1,000 - \$250,000
Sublimit (6):				
Flood	Per Occurrence	\$500,000	\$50 million (shared by Pool members)	\$1,000 - \$250,000
Earthquake	Per Occurrence	5% of indemnity, subject to a \$500,000 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	\$1,000 - \$250,000

NOTES TO FINANCIAL STATEMENTS – YEAR ENDING 12/31/2024
Port of Camas-Washougal

Terrorism Excess	Per Occurrence	\$500,000	aggregate \$600 million/ Pool aggregate \$1.1 billion/ per occurrence APIP program \$1.4 billion/ APIP program aggregate	\$0
	APIP Per Occurrence			
	APIP Aggregate			
Automobile Physical Damage (7)	Per Occurrence	\$500,000 with exceptions	\$1 billion	\$250 - \$1,000
Cyber (8)	Each Claim APIP Aggregate	\$50,000 to \$100,000 with waiting period	\$2 million \$45 million	20% Copay
Pollution (9)	Each Claim APIP Aggregate	\$250,000 with exceptions	\$2 million \$25 million	\$1,000 - \$250,000
Crime Blanket (10)	Per Occurrence	\$50,000	\$1 million	\$1,000
Named Position (11)	Per Occurrence	\$50,000	\$1 million	\$1,000
Identity Fraud Expense Reimbursement (12)	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) Terrorism liability is fully funded by the Pool, i.e., no excess/reinsurance is procured.
- (3) Members are responsible for a 20% co-pay for Employment Practices Liability coverage claim costs. However, the co-pay may be waived if they meet established guidelines.
- (4) 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 \$500,000 to the limit of \$1 billion, except for certain types of sub-limited property losses such as floods, earthquakes, and terrorism.
- (5) Business Interruption(BI)/Extra Expense (EE) coverage is based on scheduled revenue-generating locations/operations. A limited number of members are scheduled; 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.
- (6) This Property Program 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.
- (7) Auto Physical Damage coverage includes comprehensive, collision, and additional coverage (i.e., rental reimbursement, towing, and personal property). Each member's coverage is based on a detailed vehicle schedule. The Pool's Auto Physical Damage coverage deductible is \$500,000 per occurrence with certain exceptions: \$25,000 for on-premises comprehensive and collision; a \$100,000 minimum for emergency vehicles and all other vehicles with an RCV of \$250,000 to \$750,000; \$250,000 for all vehicles with an RCV above \$750,000.
- (8) Cyber coverage is included under the Pool's Property program on an optional basis. 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.
- (9) Pollution coverage is included under the Pool's Property program on an optional basis. Members are subject to a 20% co-pay per loss. The Pool's SIR is \$250,000, with certain specific deductibles ranging from \$250,000 to \$1 million. The reinsurance maximum limit of liability is \$2 million, with various declared sub-limits.
- (10) Each member is provided with \$2,500 of Crime Blanket coverage (also referred to as "Employee Dishonesty Coverage with Faithful Performance"). Members may elect to "buy up" the coverage from \$2,500 to \$1 million.
- (11) 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.
- (12) Enduris purchases Identity Fraud Expense Reimbursement coverage. Member claims are not subject to a deductible; the limit is \$25,000 per member.

NOTES TO FINANCIAL STATEMENTS – YEAR ENDING 12/31/2024
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. No claim settlements were above the insurance coverage in the last three policy years.

Upon joining the Pool, members are contractually obligated to remain for at least 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. Any Member terminated or withdrawing from the Pool shall be liable pro-rata for any assessments levied against Members for any year in which that Member belonged to the Pool as if they were still a Member.

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

A seven-member Board of Directors governs the Pool. The Pool's members elect the Board, and the positions are filled on a rotating basis. The Board meets quarterly, oversees Enduris' business affairs, and provides 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, 2024 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	\$1,260,065	\$0	\$1,260,065
Wells Fargo Interest Bearing Acct	\$220,659	\$0	\$220,659
US Bank Safekeeping Account	\$113,847	\$0	\$113,847
Federal Farm Credit Bond	\$1,000,000	\$0	\$1,000,000
Clark County Investment Pool	\$148,040	\$0	\$148,040
Local Govt Investment Pool	\$3,543,031	\$0	\$3,543,031
	<u>\$6,285,642</u>	<u>\$0</u>	<u>\$6,285,642</u>

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.

NOTES TO FINANCIAL STATEMENTS – YEAR ENDING 12/31/2024
Port of Camas-Washougal

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 2024 was \$0.1239 per \$1,000 on an assessed valuation of \$13,218,644,789 for a total regular levy of \$1,637,587. In addition, the Port's bond fund levy was \$0.1045 per \$1,000 for a total of \$1,381,455. The total levy for 2024 was \$.228 per \$1,000 resulting in a total tax levy of \$3,019,042. Actual tax levy revenue received in 2024 was \$2,994,867 or 99.19%.

Washington State Constitution and Washington State law, RCW 84.55.010, limit the rate.

NOTE 4 – LONG-TERM LIABILITIES

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

NOTES TO FINANCIAL STATEMENTS – YEAR ENDING 12/31/2024
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, 2024.

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, 2024, are as follows:

G.O. Bonds	Principal	Interest	Total
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	905,000	73,610	978,610
2030 - 2032	1,870,000	96,350	1,966,350
Total	\$6,230,000	\$681,985	\$6,911,985

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, 2024:

	Industrial Park	Airport	Marina	Total
Operating Revenue	\$3,698,164	\$754,596	\$1,371,405	\$5,824,165
Operating Expenses	\$1,823,200	\$604,804	\$992,343	\$3,420,347
Net Operating Income	\$1,874,963	\$149,792	\$379,063	\$2,403,818

* 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, 2024, are as follows:

NOTES TO FINANCIAL STATEMENTS – YEAR ENDING 12/31/2024
Port of Camas-Washougal

Revenue Bonds	Principal	Interest	Total
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	265,000	103,725	368,725
2030 - 2034	1,510,000	340,360	1,850,360
2035 - 2037	585,000	45,990	630,990
Total	\$3,325,000	\$1,006,250	\$4,331,250

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, 2024, are as follows:

CERB Loans	Principal	Interest	Total
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	167,850.49	37,248.08	205,098.57
2030 - 2034	875,695.98	139,948.24	1,015,644.22
2035 - 2039	713,864.21	64,864.46	778,728.67
2040 - 2042	226,039.49	11,394.99	237,434.48
Total	\$2,632,063.99	\$431,802.06	\$3,063,866.05

During the year ended December 31, 2024, the following changes occurred to compensated absences:

	Beginning Balance 1/1/24	Additions	Reductions	Ending Balance 12/31/2024
Compensated Absences	\$144,006	\$506,991	\$-	\$650,997

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.

NOTES TO FINANCIAL STATEMENTS – YEAR ENDING 12/31/2024
Port of Camas-Washougal

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.

At June 30, 2024, 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	\$53,527	.008942%	\$158,885
PERS 2/3	\$115,343	.011718%	(\$386,292)

NOTE 6 – CONSTRUCTION IN PROGRESS

The Port has active construction projects as of December 31, 2024. The projects include:

Project	Spent to Date	Remaining Commitment
GMA – Planning Services	\$40,315	\$21,606
35 th Street Pavement Analysis	\$18,425	\$36,165
WF Soils Removal – Geo-Tech*	\$139,730	\$64,063
WF Soils Removal – Construction*	\$1,246,811	\$545,732
41 st Street Project**	\$361,818	\$186,470
Black Pearl Pathway	\$173,384	\$13,259
Boathouse – Modern Structures	\$126,186	\$50,064
Grove Field Solar***	\$107,429	\$141,937
Administrative Building Solar***	\$63,780	\$71,080
Rail Crossing 28 th & Index	\$132,827	\$6,417

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

*WF Soils Removal Project funding awarded by the Washington State Department of Commerce in the amount of \$1,950,000. The remaining commitment is fully funded by the appropriation.

NOTES TO FINANCIAL STATEMENTS – YEAR ENDING 12/31/2024
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.

*******Grove Field Solar and Administrative Building Solar fully funded by grants provided by the Solar Plus Program through the Department of Commerce.

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 2024	
Number of Active Plan Members	23

NOTES TO FINANCIAL STATEMENTS – YEAR ENDING 12/31/2024
Port of Camas-Washougal

Number of Retired Plan Members	1
Contributions made	\$587,415
*Total OPEB Liability	\$406,289

*Measured using the alternative measurement method.

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 2024.

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 2024 was \$1,925. As of December 31, 2024, the future lease payments are as follows:

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

NOTE 11 - Accounting Changes and Error Corrections

During the fiscal year 2024, the Port of Camas-Washougal implemented Compensated Absences guidance as required by the BARS Manual. The effect of that accounting standard is shown in the Compensated Absences table in Note 4.

**Port of Camas-Washougal
Schedule of Liabilities
For the Year Ended December 31, 2024**

ID. No.	Debt ID Title	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
General Obligation Debt/Liabilities							
251.11	Non-voted General obligation bonds	2020 Series A	12/31/2029	820,000	-	-	820,000
251.11	Non-voted General obligation bonds	2020 Series B	12/1/2032	6,245,000	-	835,000	5,410,000
263.85	Loans and other obligations to other Washington local governments	CERB Loan - 2013	1/31/2034	288,896	-	26,263	262,633
263.85	Loans and other obligations to other Washington local governments	CERB Loan - 2017	1/31/2038	1,314,338	-	80,899	1,233,439
263.85	Loans and other obligations to other Washington local governments	CERB Loan - 2020	1/31/2042	1,185,502	-	49,507	1,135,995
Total General Obligation Debt/Liabilities:				9,853,736	-	991,669	8,862,067
Revenue and Other (non G.O.) Debt/Liabilities							
252.11	Non-voted Revenue bonds	Revenue Bonds 2017 Series A	12/1/2035	2,160,000	-	145,000	2,015,000
252.11	Non-voted Revenue bonds	Revenue Bonds 2017 Series B	12/1/2037	1,390,000	-	80,000	1,310,000
259.12	Compensated Absences	Compensated Absences		144,006	506,991	-	650,997
263.57	Leases, SBITA, and PPPs	Copier Lease - GASB 87	8/31/2027	7,700	-	1,925	5,775
264.30	Pension Liabilities	PERS1 - pension liability		216,357	-	57,472	158,885
264.40	OPEB Liabilities	OPEB Liabilities		482,950	-	76,661	406,289
Total Revenue and Other (non G.O.) Debt/Liabilities:				4,401,013	506,991	361,058	4,546,946
Total Liabilities:				14,254,749	506,991	1,352,727	13,409,013

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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.

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