



# Exit Conference

## Port of Port Angeles and Port of Port Angeles IDC

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December 9, 2025

# Results with impact



**Increased trust in government**



**Independent, transparent examinations**



**Improved efficiency and effectiveness of government**



**“ Independent audits can be believed and relied upon by everyone, regardless of personal or political beliefs. ”**

# Financial audit results

January 1, 2024 through December 31, 2024



## Report on the Financial Statements

- Unmodified opinion on Regulatory Basis of Accounting (BARS Manual)
- Adverse Opinion on U.S. GAAP also issued

## Report on Internal Control and Compliance

We reported:

- no significant deficiencies in internal control
- no deficiencies that we consider to be material weaknesses
- no instances of noncompliance that were material to the financial statements

# Financial audit results

January 1, 2024 through  
December 31, 2024



## Required Communications

- We did not identify any material misstatements that were corrected during the audit.
- No uncorrected misstatements have been identified.

The audit addressed the following risks, which required special consideration:

- Management override of controls





# Federal grant compliance audit results

January 1, 2024 through December 31, 2024

## Report on Compliance for Each Major Federal Program

- Unmodified opinion on compliance with requirements applicable to its major program
- Audit conducted in accordance with *Government Auditing Standards* and the Uniform Guidance

## Report on Internal Control over Compliance

We reported:

- no significant deficiencies in internal controls
- no deficiencies that we consider to be material weaknesses
- no instances of noncompliance that are required to be reported



# Major program selected for audit

ALN	Program or Cluster Title	Total Amount Expended
11.307	Economic Development Cluster – Economic Adjustment Assistance	\$5,382,793

These costs amount to approximately 97% of the total federal expenditures for 2024.

# IDC of Port of Port Angeles Assessment Audit Results

**January 1, 2024 through December 31, 2024**

## Results in Brief

Based on the procedures performed, nothing came to our attention in the areas we reviewed that caused us to believe the Corporation was not in substantial compliance with applicable state laws, regulations, and its own policies, or had not provided adequate controls over the safeguarding of public resources.

The assessment audit was limited to the following:

- Verifying that annual reports submitted to our Office were complete and filed timely in compliance with state law
- Corroborating financial information reported by the Corporation by comparing reported revenues, expenditures, and cash and investment balances to third-party sources





# Thank you!



- We thank Port officials and staff for timely communications throughout the audit process.
- In particular, we would like to thank Jennifer Baker, Director of Finance and Administration, and Sarah Kuh, Management Accountant, for their efficient efforts in all communication and in providing any needed documentation. It has been a pleasure working on the audit.





# Report publication

- ✓ Audit reports are published on our website.
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## Audit Survey

When your report is released, you will receive an audit survey from us. We value your opinions on our audit services and hope you provide feedback.





# Questions



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# STRATEGIC PLAN 2026-2030







# MISSION, VISION, VALUES & OUR STRATEGIC PILLARS







## MISSION

We bring people, resources, and industry together to foster economic prosperity and living wage jobs.

## VISION

### A Prosperous Clallam County

The Port of Port Angeles is responsible for promoting and enhancing the economic vitality of Clallam County through business development and job creation, and serves the community as both a public steward and an economically self-sustaining enterprise.

The Port is a municipal corporation that operates, manages, and makes capital investments in four lines of business: marine facilities, marinas, airports, and industrial properties. These businesses include five viable marine terminals, two airports, two marinas, three industrial business parks, and several other industrial and commercial properties. The Port also plays an important role in the redevelopment of industrial properties county-wide.

## VALUES

The Port of Port Angeles has an unwavering focus on its mandate to improve and grow the economic well-being of Clallam County. This is the basis for all policy decisions made by the Port Commission, guided by specific values as defined in our Strategic Plan:

### LEADERSHIP

We bring together private and public entities in the community to lead economic development.

### STEWARDSHIP

We responsibly manage resources for long-term sustainability and to quickly respond to new opportunities.

### INTEGRITY

We act as responsible stewards of public resources, delivering on our promises with transparency, accountability, and responsiveness.

### EXCELLENCE

We strive for continuous improvement.

## ACCOUNTABILITY

We are transparent about our performance and accountable for the decisions we make, in faithful stewardship of public trust.

## TRANSPARENCY

We openly share information with the public by explaining actions, decisions, and resulting consequences.

## Our STRATEGIC PILLARS (5 Total)

The Port of Port Angeles outlines five strategic pillars that guide its mission and values:

- **Thriving Industry & Job Growth** focuses on economic prosperity through workforce and community partnerships
- **Modern Infrastructure for a Competitive Future** emphasizes investment in resilient, forward-looking infrastructure supporting various sectors
- **Stewardship of Public Resources** highlights integrity, transparency, and environmental responsibility
- **Operational Excellence & Service** commits to accountability, efficiency, and continuous improvement in internal operations
- **Community Leadership & Collaboration** promotes vision-driven partnerships and public engagement to foster prosperity in Clallam County

### 1. Thriving Industry & Job Growth

"We catalyze economic prosperity by developing people and strengthening our community partnerships."

How does this speak to our values and goals:

- Directly reflects our mission of living-wage jobs and economic prosperity Captures
- business recruitment, retention, workforce alignment, and strategic partnerships Supports strategies like innovation in wood products, aviation sector development,
- and barging/short-sea shipping service.

## 2. Modern Infrastructure for a Competitive Future

"We invest in resilient, future-ready infrastructure to support business and community needs."

How does this speak to our values and goals:

- Elevates infrastructure beyond 'resiliency' into forward-looking competitiveness
- Neatly encompasses our airport, terminal, marine trades, and broadband strategies
- It supports our CIP priorities and grant strategies (e.g., PIDP, FAA AIP)

## 3. Stewardship of Public Resources

"We manage our public resources with integrity, transparency, and long-term responsibility."

How does this speak to our values and goals:

- It speaks to environmental responsibility, asset management, and financial stewardship
- Speaks directly to our values of Stewardship, Integrity, Transparency Encompasses
- initiatives like resilience, brownfield redevelopment, and cleanups

## 4. Operational Excellence & Service

"We deliver high-quality service through accountability, efficiency, and continuous improvement."

How does this speak to our values and goals:

- Covers safety, maintenance, and systems/processes
- It reflects our internal operations, workforce development, and excellence in delivery
- It speaks to our values of Accountability and Excellence

## 5. Community Leadership & Collaboration

"We lead with vision and collaboration to build a prosperous Clallam County."

How does this speak to our values and goals:

- This offers space for intergovernmental, tribal, regional, and community partnerships
- It houses public engagement, tribal coordination, and local capacity building
- It reinforces our Leadership and public-facing role



## Contact Us



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# STRATEGIC METRICS 2026-2030





# STRATEGIC PILLARS

The infographic features a central graphic consisting of a large, thick, curved line that forms a partial circle. This line is divided into five segments of different shades of blue and grey. To the right of this central graphic, five horizontal, rounded rectangular boxes are arranged in a vertical column. Each box contains a number in a white circle, followed by the name of a strategic pillar. A dashed line connects the five boxes in a circular path, starting from the top and ending at the bottom. The background is white with dark blue geometric shapes in the corners.

1

Operational Excellence  
& Service

2

Thriving Industry  
& Job Growth

3

Stewardship of  
Public Resources

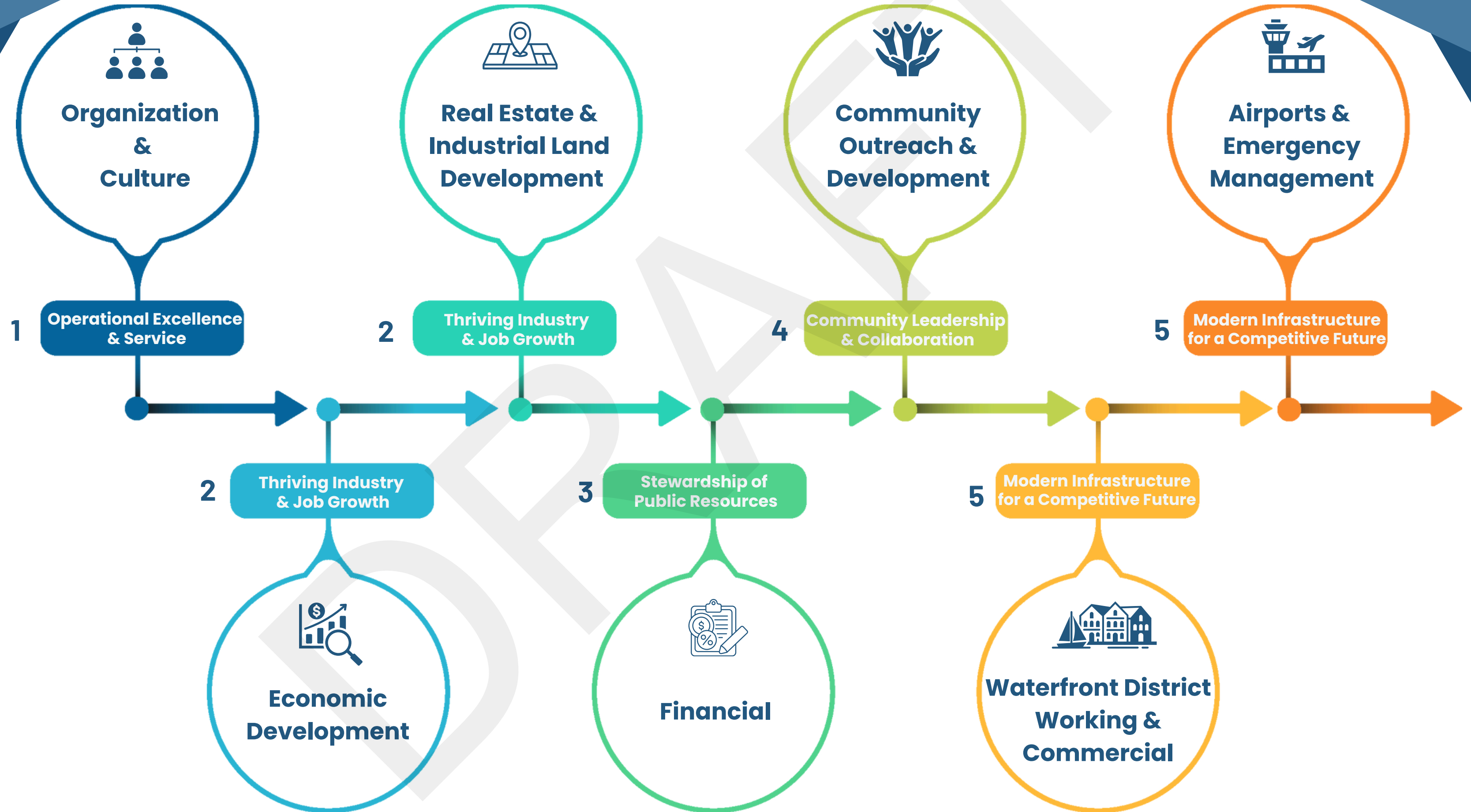
4

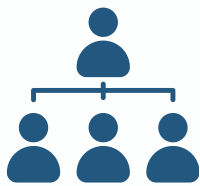
Community Leadership  
& Collaboration

5

Modern Infrastructure  
for a Competitive Future

# STRATEGIC ALIGNMENT





# ORGANIZATION AND CULTURE

1

Operational Excellence  
& Service

GOALS	STRATEGIES	PROPOSED METRIC
Increase the Port's organizational capacity and capabilities.	Maintain the Port's Team Retention Rate (TRR) at 90% or better.	TRR = (# retained ÷ avg headcount)×100; Owner HR; Quarterly; Baseline 2025 TBD; Targets 2026 ≥90%, 2030 ≥92% NB: Is this ambitious enough?
Promote a work environment and reputation that retains and attracts talent.	Enhance Team development, capabilities, and growth to meet current and future strategic goals.  Offer professional development opportunities that support the career advancement of the Port Team.	Professional Development Coverage (%) = # employees with ≥1 PD ÷ total ×100; Owner HR; Quarterly; 2026 ≥85%, 2030 ≥95%
Develop a workplace environment where all team members are empowered to contribute their thoughts and ideas.	Foster a merit-based mindset in the Port's daily operations that is an example for others.  Promote fairness and equity in all employment practices.	Merit Based Score (1–5) and Participation (%) from anonymous survey; Owner HR; Annual; 2026 ≥3.8 & ≥70% participation, 2030 ≥4.3 & ≥80%  HR Equity Index (audit pass rate %, grievance resolution ≤30 days); Owner HR; Semiannual; 2026 ≥85%/≤30d, 2030 ≥95%/≤20d
Operate Port facilities safely, efficiently, cost-effectively, and in a sustainable and inclusive manner.	Actively engage with Ecology and local stakeholders to promote the cleanup of contaminated properties within the Port district, creating space for safe and productive future uses.	Cleanup Milestone Attainment (%) = milestones achieved on/before dates ÷ planned; Owner Eng/Legal; Quarterly; 2026 ≥80%, 2030 ≥95%







# ECONOMIC DEVELOPMENT

GOALS	STRATEGIES	PROPOSED METRIC
Develop and support Economic Development throughout Clallam County.	Proactively support regional economic development initiatives to expand the local employment base.  Create conditions to attract new business and industry to the District.	Regional Initiative Contributions (# & outcomes): # initiatives with Port contributions; # achieving outcomes (MOUs/grants/program starts); Owner Econ Dev; Semiannual; 2026 ≥4/≥3, 2030 ≥12/≥9  Qualified Prospect Pipeline (# Stage 3–5) & Conversion Rate (%); Owner RE/Econ Dev; Quarterly; 2026 ≥12 & ≥25%, 2030 ≥40 & ≥35%
Promote innovative, value-added wood product manufacturing.	Continue ongoing communication with legislators.  Engage with WA DNR to achieve a reliable and sustainable timber harvest.	Legislative Touchpoints (#/qtr) = briefings/tours/letters; Owner Govt Affair/Exec Dir; <b>Quarterly; 2026 ≥8/qtr, 2030 ≥12/qtr NB: Review with KF</b>  Timber Harvest Reliability Index (1–5) using volume vs plan, variance, predictability; Owner Exec Dir/Econ Dev; Annual; 2026 ≥3.5, 2030 ≥4.0
Coordinate efforts with key legislators to improve local economic opportunities by supporting the retention, expansion, and recruitment of preferred employers to the District.	Focus business recruitment efforts on Port-owned properties, while keeping in mind potential opportunities for referrals to regional partners.	Port Property Utilization (%) with active campaigns + Partner Referrals (# & outcomes); Owner RE/Econ Dev; <b>Quarterly; 2026 ≥75% &amp; ≥10 referrals, 2030 ≥90% &amp; ≥40</b>
Preserve and expand the Port District's Working Waterfront.	Understand and strengthen the Port's impact on the District.	Working Waterfront Throughput Growth (%) by terminal/log yard; Owner Ops/Marine; <b>Quarterly; 2026 ≥+3%, 2030 ≥+15% cum NB: Check with SH</b>





# REAL ESTATE & INDUSTRIAL LAND DEVELOPMENT

2

Thriving Industry  
& Job Growth

GOALS	STRATEGIES	PROPOSED METRIC
Promote sustainable community prosperity by ensuring an ample supply of land, infrastructure, and facilities to meet.	Continuously evaluate markets and align Port assets and marketing strategies to address market demand.	Market Alignment Actions (#) (pricing/listings/campaigns launched); Owner <b>RE/Comms/Econ Dev</b> ; Quarterly; 2026 $\geq 10$ , 2030 $\geq 40$ cumulative
Expand the port's land and building assets with an emphasis on positive economic impacts through continuous outreach and partnerships.	Continue to acquire strategically located properties that align with the Port's goals and investment rationale.	Strategic Acquisition Pipeline (#) & Closes (#); Owner RE/Finance; <b>Quarterly; 2026 <math>\geq 2</math> closes, 2030 <math>\geq 6</math> NB: Is this enough?</b>
Operate industrial properties in an economically sustainable manner.	<p>Develop and maintain <b>industrial park design guidelines and standards</b> that can be used internally, and in support of other municipal efforts in the Port District. <b>NB: To be developed</b></p> <p>Improve <b>property variety and availability</b> in the Industrial Parks to support new businesses and facilitate the expansion of current tenants.</p>	<p>Guideline Adoption &amp; Compliance (%) (application &amp; inspection pass); <b>Owner Eng/Econ Dev/RE</b>; Semiannual; 2026 <math>\geq 80\%</math>, 2030 <math>\geq 95\%</math></p> <p>Variety &amp; Availability Index (1–5) + Market-ready %; Owner Econ Dev/RE; <b>Quarterly; 2026 <math>\geq 3.5</math> &amp; <math>\geq 65\%</math>, 2030 <math>\geq 4.2</math> &amp; <math>\geq 85\%</math></b></p>





# FINANCIAL

GOALS	STRATEGIES	PROPOSED METRIC
Ensure that Port projects, operations, and assets receive sufficient funding, are well-planned, and are properly maintained.	<p>Develop and identify funding for a <b>10-year Capital Improvement Plan</b>.</p> <p>Provide appropriate support to accommodate and achieve multi-year Capital Improvement Projects.</p>	<p><b>10-Year CIP Funding Coverage (%)</b> = identified sources ÷ total CIP; Owner Finance/Eng/Grants; <b>Semiannual</b>; 2026 ≥60%, 2030 ≥85%</p> <p><b>Multi-Year CIP Support Index</b> (green/yellow/red across staffing, procurement, permitting, controls); Owner PMO/Eng/Finance; <b>Quarterly</b>; 2026 ≥80% green factors, 2030 ≥90%</p>
Target annual revenue increase of 5% across all business units.	<p>Develop and maintain a diversified revenue stream through operating revenues, property taxes, grants, and debt financing tools.</p> <p>Prioritize new investments for inclusion in the Capital Improvement Plan.</p> <p>Continue development of the Port's Self-Performance capabilities.</p>	<p><b>Revenue Mix Diversification Index</b> (Herfindahl-type) + % by source; Owner Finance; <b>Quarterly</b>; 2026 improved vs 2025, 2030 sustained</p> <p><b>Investment Prioritization Compliance (%)</b> = items scored via rubric before gate; Owner PMO/Eng; <b>Quarterly</b>; 2026 ≥95%, 2030 ≥98%</p> <p><b>Self-Performance Share (%)</b> of eligible scope; Owner Eng/Ops; <b>Quarterly</b>; 2026 ≥25%, 2030 ≥40%</p>





# COMMUNITY OUTREACH & PARTNERSHIPS

4

Community Leadership  
& Collaboration

GOALS	STRATEGIES	PROPOSED METRIC
Increase community understanding, sense of ownership, and support for the Port of Port Angeles, its facilities, and its initiatives.	Provide ongoing communication and engagement with our constituents through diverse media and platforms.	Engagement Touchpoints (#/qtr); Owner TBD/Marketing?; Quarterly; 2026 ≥12/qtr, 2030 ≥16/qtr
	Educate our constituents and stakeholders on Port business, economic development, environmental stewardship, and initiatives.	Education Sessions & Reach (# & audience); Owner Govt Affairs/ED/Env/Econ Dev; Quarterly; 2026 ≥8 & ≥800, 2030 ≥30 & ≥3,000
	Foster partnerships with other municipalities, Tribes, community organizations, and State/Federal agencies to pursue Port initiatives with regional impact.	Active Partnership MOUs (#) with milestones met; Owner Exec Dir/Govt Affairs/Econ Dev/Etc.; Semiannual; 2026 ≥6, 2030 ≥20
	Engage with customers and constituents regarding specific business lines through developing and promoting advisory committees.	Advisory Committee Cadence Compliance (%) (meetings held on time; minutes posted); Owner Biz Line Leads/Govt Affairs?; Quarterly; 2026 ≥90%, 2030 ≥95%







# WATERFRONT DISTRICT - WORKING & COMMERCIAL

GOALS	STRATEGIES	PROPOSED METRIC
Lead a collaborative effort to develop a more vibrant, economically viable, and publicly accessible Port Angeles Waterfront while preserving the Working Waterfront.	Collaborate with the Port Angeles Waterfront District and waterfront stakeholders to improve the walkability and public access of the 'promenade' and the Central Business District.	Access Enhancements Delivered (#); Owner Eng/Waterfront; Semiannual; 2026 ≥3, 2030 ≥10 cumulative NB: Check with CM/PAWD
	Add tenants to the Marine Trade Center, and collaborate internally and externally on the "Marine Drive Working Waterfront" corridor.	Marine Trade Center Occupancy (%) & New Tenants (#); Owner RE/Econ Dev; Quarterly; 2026 ≥90% & ≥3, 2030 ≥95% & ≥12 cumulative NB: Is this achievable?
	Develop a plan for the Phase 1 and 2 West and East PABH parking areas to enhance public access to the recreational and commercial waterfront, dovetailed with the WPABH update project. NB: Should we add JWM to this?	PABH Parking Plan Milestones (%) (concept → permits → bid → construction → in service); Owner Eng/Marinas; Quarterly; 2026 ≥60%, 2030 ≥100%







# AIRPORTS & EMERGENCY MANAGEMENT

5

Modern Infrastructure  
for a Competitive Future

GOALS	STRATEGIES	PROPOSED METRIC
Operate and develop Fairchild International Airport (FIA) in a safe and economically sustainable manner.	<p>Develop the new hangar sites at FIA using self-performance for site improvements and FAA funding for construction. <b>NB: Is one hangar enough of a measure?</b></p> <p>Expand economic opportunities at FIA by improving infrastructure, seeking FAA approvals, and collaborating with our Airport tenants.</p> <p>Continue pursuit of <b>FAA funding for Taxiway 'A' rehabilitation.</b></p>	<p>Hangar Program Progress (%) (site improvements &amp; construction stages); Owner Aviation/Eng; Quarterly; 2026: site <math>\geq 60\%</math> &amp; award, 2030: in service</p> <p>FIA Tenant Growth (#) &amp; Airfield Reliability (% availability); Owner Aviation/Ops; Quarterly; 2026 <math>\geq 2</math> expansions &amp; <math>\geq 98\%</math>, 2030 <math>\geq 8</math> &amp; <math>\geq 98.5\%</math></p> <p>Taxiway A Funding &amp; Delivery (milestone tracker: award/NEPA/permits/bid/construction/in-service); Owner Aviation/Eng/Grants; <b>Quarterly; 2026 award/NEPA on plan, 2030 in service</b></p>
Develop a plan for the future of Sekiu Airport.	<p>Develop a mid- to longer-term plan for Sekiu Airport with a focus on Community Support and Resilience.</p>	<p>Sekiu Plan Completion (%) &amp; Stakeholder Endorsements (#); Owner Aviation/Comms/Econ Dev; Semiannual; 2026 <math>\geq 60\%</math> &amp; <math>\geq 3</math> endorsements, 2030 adopted &amp; <math>\geq 6</math></p>
Develop the Port's Emergency Management and Response capabilities.	<p>Continue to collaborate with the USCG, Clallam County Emergency Management, and other agencies to develop a comprehensive and supportive plan for the Port.</p>	<p>EM Readiness Exercises (#) &amp; Corrective Close-out (% <math>\leq 90</math> days); Owner Ops/Em Mgt; Semiannual; 2026 <math>\geq 2</math> &amp; <math>\geq 85\%</math>, 2030 <math>\geq 4</math> &amp; <math>\geq 95\%</math></p>





**Reed Wendel**  
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**Society of American Foresters**  
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**(360) 912-2214**

**Greetings,**

On behalf of the North Olympic Chapter of the Society of American Foresters (SAF) we are excited to let you know that our chapter will be hosting the Washington State Society of American Forester's Annual Meeting on March 18-20 in Forks, Washington. The event will feature panel discussions and field trips in the Olympic Experimental State Forest. Our chapter is seeking sponsorships for this event.

The 270,000-acre Olympic Experimental State Forest serves as a living forest laboratory. The Department of Natural Resources adaptively manages the forest through continuous research and monitoring of forest practices. The North Olympic SAF Chapter is proud to host the event which will feature forestry science and research in the heart of the Olympic Rainforest.

As a nonprofit organization, we rely on the generosity of local businesses, community members, and supporters. Your sponsorship will help make the event possible by helping our chapter:

- Fund reduced attendance fees to the conference for forestry and natural resource students.
- Cover partial costs associated with venue and field trip van rentals.

If you are interested in sponsoring, please fill out the attached sponsorship form. We offer a variety of sponsorship levels to suit different types of contributions, each with corresponding recognition at our event, and in our program materials. We are grateful for your support.

Sincerely,

Reed Wendel



## 2026 Washington State SAF Meeting Sponsorship Form

Forks, WA

March 18-20, 2026

### Sponsorship Levels:

- **Redcedar Sponsor:** \$1,000 and above  
*Recognition at the event, logo in program, and one free registration to the program, banquet, and field trip.*
- **Douglas Fir Sponsor:** \$500–\$999  
*Recognition the event and a logo in the program.*
- **Western Hemlock Sponsor:** \$250–\$499  
*Recognition at the event and logo in the program.*

**Sponsor Amount:**     \$\_\_\_\_\_

**Sponsor Name:** \_\_\_\_\_

**Sponsor Address:** \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

**Email Address:** \_\_\_\_\_

**Phone:** \_\_\_\_\_

**Contact Person:** \_\_\_\_\_

**Please Make Checks Payable to:**     WA ST Society of American Foresters – North Olympic Chapter

**Mail Sponsorships with this form to:**     WA ST Society of American Foresters  
North Olympic Chapter  
PO Box 61  
Beaver, WA 98305