

PORT OF KINGSTON
KITSAP COUNTY, WASHINGTON
RESOLUTION 12-03-14

WHEREAS, the Port of Kingston accounting records are maintained in accordance with methods prescribed by the State Auditor under the authority of Chapter 43.09 RCW;

AND WHEREAS, the Port uses the Budgeting, Accounting, and Reporting System for Classified Port Districts in the State of Washington;

AND WHEREAS, the Port uses the full-accrual GAAP basis of accounting wherein revenues are recognized when earned and expenses are recognized when incurred;

AND WHEREAS, the Washington State Auditor's Office allows local governments the option to report on either a GAAP or cash basis under authority of RCW 43.09.200, the design of a government's accounting system and controls for financial reporting is a management decision, including the selection of the basis of reporting;

AND WHEREAS, adequate accountability, oversight and control can be achieved whether reporting on a cash or GAAP basis;

AND WHEREAS, Cash accounting method recognize revenues and expenses at the time physical cash is actually received or paid out;

THEREFORE BE IT RESOLVED, the Port of Kingston Board of Commissioners does hereby direct staff to transition to cash basis accounting for the calendar year 2015 and beyond with the understanding that both cash and GAAP accrual have their advantages and disadvantages, but that cash basis reporting produces financial reports that are more simple and easier to understand and use, clear presentation of cash flows and available cash, financial reporting that is aligned with budgets, and financial reporting that should be less costly and less training required for staff.

ADOPTED by the Board of Commissioners for the Port of Kingston, Kitsap County, Washington at a regular scheduled meeting held this 17th day of December, 2014.

Attest:





ORIGINAL

Watt Elliott

Commissioner Elliott

Pat DeBoer

Commissioner DeBoer

Ben MacIntyre

Commissioner MacIntyre