

Port of Kingston
Kitsap County, WA

RESOLUTION NO. 2024-12-18-02

A Resolution of the Commission of the Port of Kingston

**RESCIND RESOLUTION 2022-12-14-05 AND APPROVE RESOLUTION 2024-12-18-02
GOVERNING PROMOTIONAL HOSTING EXPENDITURES**

WHEREAS: Article VIII, Section 8 of the State Constitution RCW 53.36.120, 130, 140, and 150 set specific rules and regulations governing the expenditures for industrial development, trade promotion or promotional hosting of port districts; and

WHEREAS: the voters of the State of Washington in November 1966, authorized port districts to make expenditures for trade and other promotion; and

WHEREAS: the office of the State Auditor issued bulletin number 404 on August 20, 1986, establishing promotional hosting guidelines; and

WHEREAS: industrial and trade promotion by the Port of Kingston is found and determined to be of benefit to the businesses and citizens of the Port of Kingston; and

NOW, THEREFORE BE IT HEREBY RESOLVED by the Port Commission of the Port Kingston that:

1. As suggested in the Office of the State Auditor Bulletin #404: *"the basic standard for promotional hosting at public expense is that the promotional hosting is calculated to result in the public purpose, declared by the Washington State Constitution, of promoting industrial development or trade within the district. Exceptions will be taken to any hosting where its possible influence on industrial development or trade promotion is so indirect or tenuous that the hosting expenditures appear to be hosting for the sake of hosting"*.
2. Promotional Hosting means furnishing customary meals, refreshments, lodging, transportation, or any combination of those items in connection with:
 - a. Business meetings,
 - b. Social gatherings,
 - c. Ceremonies honoring persons or events relating to the authorized business promotional activities of a port.

Hosting may also include reasonable and customary entertainment and souvenirs of nominal value, all incidental to such events.

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3. The office of the Auditor issued bulletin number 404 on August 20, 1986, setting forth general guidelines for the hosting of:
 - a. Private businesspeople,
 - b. Union officials,
 - c. Foreign government officials,
 - d. Government officials from other states,
 - e. Washington State and local government officials and employees,
 - f. Officers and employees of other port districts,
 - g. And spouses of businesspeople, officials, etc.

These guidelines are attached to this resolution to provide guidance to all persons authorized to make expenditures for promotional hosting.

4. The Port Commissioners and the Executive Director shall be authorized to make expenditures for promotional hosting subject to specific and general conditions hereafter set forth:
 - a. Funds for promotional hosting expenditures shall be expended only from gross operating revenues and shall not exceed one percent thereof upon the first two million five hundred thousand dollars of such gross operating revenues, one-half of one percent upon the next two million five hundred thousand dollars of such gross operating revenues, and one-fourth of one percent on the excess over five million dollars of such operating revenues: PROVIDED, HOWEVER, That in no case shall these limitations restrict a port district to less than twenty-five hundred dollars per year from any funds available to the port, per RCW 53.36.130.

| | |
|--------------------------------------|-------------|
| Total Gross Operating Revenues | \$3,606,457 |
| 1% of the 1st \$2,500,000 | 25,000 |
| 1/2 of 1% of 2nd \$2,500,000 | 5,532 |
| 1/4 of 1% of excess over \$5,000,000 | - |
| Promotional Hosting Limit | \$ 30,532 |

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- b. Port commissioners shall not personally make hosting expenditures, or seek reimbursement therefore, except where specific authorization of such expenditures was approved in advance by the port commission, per RCW 53.36.140.
5. The Port Commissioners, officials and employees authorized to make expenditures for promotional hosting shall be reimbursed subject to the following:
 - a. In filing claims for reimbursement, an official form approved by the Division of Municipal Corporation of the State Auditor shall be used, as approved by the Port Auditor.
 - b. Such forms shall have attached such receipts, documents, or other evidence to support the expenditure.
 - c. A Port of Kingston credit card is authorized for use in payment of approved promotional hosting expenditures.
 - d. The date and location of the hosting, name and affiliation of the person or persons hosted and the reason for the hosting shall be specified. In situations where confidentiality is important to individuals involved in a transaction, details relating to the meeting will be forwarded by an internal memorandum to the Finance Director to be maintained in a separate file and may be omitted from the expense reimbursement form.
 - e. Any travel specific hosting claims made by Port Commissioners, officials and employees must be in accordance with Port Travel Policies.
 - f. The approved reimbursement shall be made by a warrant approved at a Commission meeting.
6. Promotional hosting expenditures of up to \$2,500 may be approved by the Executive Director, as included in the 2025 annual budget. All expenditures over \$2,500 require prior approval from the Port Commission.

Passed by the Board of Commissioners for the Port of Kingston, Kitsap County, Washington at a Regular Meeting held this 18th day of December 2024.

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**PORT OF KINGSTON
KITSAP COUNTY, WASHINGTON**

DocuSigned by:
Laura Gronnvoll
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Laura Gronnvoll, Commissioner

Signed by:
Steve Heacock
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Steve Heacock, Commissioner

DocuSigned by:
Mary McClure
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Mary McClure, Commissioner

Attest: DocuSigned by:
Greg Englin
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Greg Englin, Executive Director