

**PORT OF KENNEWICK**

**RESOLUTION 2014-31**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS  
OF THE PORT OF KENNEWICK ADOPTING THE  
BUDGET, FINANCIAL AND OPERATIONAL PHILOSOPHY**

**WHEREAS**, on August 12, 2014 the Director of Finance presented a draft Budget, Financial and Operational Philosophy along with a number of other suggested financial and operational amendments; and

**WHEREAS**, the Board of Commissioners accepted the objectives and directed staff to present each of the objectives for Commission consideration; and

**WHEREAS**, staff presented the Budget, Financial and Operational Philosophy for Commission consideration, with additional elements to follow in the future.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Commissioners of the Port of Kennewick does hereby adopt the Budget, Financial and Operational Philosophy (attached).

**ADOPTED** by the Board of Commissioners of the Port of Kennewick this 9<sup>th</sup> day of September, 2014.

**PORT OF KENNEWICK  
BOARD OF COMMISSIONERS**

By:



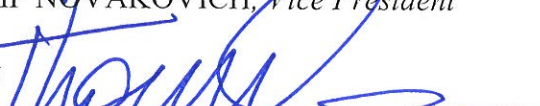
DON BARNES, *President*

By:



SKIP NOVAKOVICH, *Vice President*

By:



THOMAS MOAK, *Secretary*

**PORT OF KENNEWICK  
BUDGET, FINANCIAL & OPERATIONAL PHILOSOPHY**

This Budget, Financial and Operational Philosophy assists port commissioners in their analyses of information; assisting them in making the assumptions and estimates required to formulate high quality, timely and fiscally-responsible financial and operational plans, resulting in a well-run port that increases community confidence in port leadership and meets the needs of district residents.

- Produce and maintain a balanced budget;
- Provide a fiscally sound approach to finances by ensuring that expenditures and debt repayments do not exceed available resources in current budget and future years impacted;
- Provide for financial stability by:
  - ✓ Funding projects that provide a positive return on investment or which provide important identifiable non-economic benefits to the port district at large;
  - ✓ Eliminating or transferring to the private sector, holdings which provide minimal economic or community benefit;
  - ✓ Reducing costs and enhancing revenues when feasible while maintaining acceptable service levels;
  - ✓ Ensure the port's portfolio includes diversity of revenue streams to offset risk adverse projects;
  - ✓ Accurately forecasting funding sources;
  - ✓ Creating successful strategies for capital acquisitions;
  - ✓ Closely monitoring and accurately reporting all revenues and expenditures;
  - ✓ Leveraging funds by seeking grants and matching funds from the public and private sectors;
  - ✓ Accurately and honestly identifying potential financial issues and providing feasible potential solutions;
  - ✓ Identifying and recommending potential improvements;
  - ✓ Learning and sharing ideas for improvement.
- Promote fiscal responsibility among departments;
- Focus on long-term financial planning;
- Support intergovernmental cooperation by partnering with entities which demonstrate support; (e.g. matching funds; previous successes; political and taxpayer support; and enthusiasm);
- Provide the public with high quality projects and services within a healthy work environment by encouraging efficiency, cooperation, honesty, integrity, and respect;
- Evaluate economic development opportunities based on results to be derived district-wide versus project-specific or jurisdiction-specific results;
- Acknowledge the Port's limited staff and financial resources;
- Establish a project ranking and selection process which focuses on producing a limited number of projects in order to ensure successful and timely implementation;
- Encourage open competition and equal project consideration, fostering a reputation for fairness with the local business community;
- Seek to fund projects with available resources;
- Incur debt only when both the level and rate of growth of public debt is fundamentally sustainable, can be serviced under appropriate circumstances while meeting cost and risk objectives, can withstand economic uncertainties, while identifying in advance any legal or commission-directed restrictions on its use;
- Identify and report the return on investment (ROI) on projects as appropriate; and
- Share with the public port audited financial and operating data through print and online sources.