



Smith & Dietrich Law Offices

South Sound Community Lawyers

Smith & Dietrich
Law Offices PLLC

September 18, 2017

Via Electronic Delivery

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B.G. Sandahl, Deputy Director
Public Disclosure Commission

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Olympia, WA 98501

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Olympia, WA 98504-0908
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Telephone
(360) 918-7230

Re: *Public Disclosure Commission Complaint Concerning MTM Spokane*

Dear Deputy Director Sandahl,

I write to submit a complaint to the Public Disclosure Commission as provided by RCW 42.17A.105(5). As explained below, there is good reason to believe several violations of chapter 42.17A RCW, Washington State's campaign finance law, have been committed by participants in a group called March to the Majority Spokane (MTM Spokane or the "Respondents"), between 2016 and the present. MTM Spokane apparently did business as a political committee in at least the summer of 2016, without filing the statement of organization or other regular reports of contributions and expenditures required by law. I encourage the Commission staff to investigate the below allegations and verify who the responsible parties are, and whether violations of the campaign finance laws have occurred, as seems to be the case—and to initiate enforcement action for any violations.

Individual candidates for the House of Representatives identified in this letter reportedly gave funds to MTM Spokane from their active campaign accounts, and received contributions from MTM Spokane, yet the other (non-candidate) contributors to MTM Spokane and its full, itemized list of expenditures have apparently not been disclosed to date. The candidates whose campaigns either gave contributions to MTM Spokane, or received contributions from MTM Spokane, or both, are Thomas Dent, Mary Dye, Joel Kretz, Mathew Manweller, Robert McCaslin, Joseph Schmick, Matthew Shea, and Shelly Short, all of whom were running for the State House during the 2016 general election.

Background to March to the Majority Spokane Fundraising Activity

In the summer of 2016, seven candidates for the State House of Representatives reported paying expenditures to an entity called March to the Majority (or MTM) Spokane. Data reported to the Public Disclosure Commission shows the following candidates paid authorized committee funds to MTM Spokane:

<u>Name</u>	<u>Vendor</u>	<u>Date</u>	<u>Amount</u>	<u>Description</u>
KRETZ JOEL A	MTM SPOKANE	2016-06-24	500	CONTRIBUTION
SHORT SHELLY A	MTM SPOKANE	2016-06-24	500	CONTRIBUTION
MANWELLER MATHEW S	MTM SPOKANE	2016-07-01	500	FUNDRAISING EVENT
DYE MARY L	MTM CAMPAIGN	2016-06-26	500	SEED MONEY FOR JOINT FUNDRAISER
SHEA MATTHEW	MARCH TO MAJORITY SPOKANE	2016-06-29	500	FUNDRAISER FOR LEGISLATORS
SCHMICK JOSEPH S	MARCH TO THE MAJORITY SPOKANE	2016-06-24	500	HOUSE REPUBLICAN FUNDRAISER
MCCASLIN ROBERT	MARCH TO MAJORITY SPOKANE	2016-06-23	500	FUNDRAISING

The funds were reportedly paid out by the seven candidates' authorized committees' active campaign funds, as stated in form C-4 filings. A search of the PDC database reveals no other reported payments to MTM Spokane (or March to Majority Spokane or March to the Majority Spokane).

A few weeks after the initial payments to MTM Spokane, seven candidates reported receiving contributions from MTM Spokane in their form C-3 filings. The list of recipients included the candidates who reported making expenditures to MTM Spokane, other than Mary Dye, plus one candidate who did not report making expenditures to MTM Spokane: Thomas Dent.¹ The \$9,100 worth of contributions issued by MTM Spokane were reported as follows:

<u>Name</u>	<u>Contributor</u>	<u>Date</u>	<u>Amount</u>	<u>P/G</u>
MANWELLER MATHEW S	MTM SPOKANE	2016-08-10	1000	P
MANWELLER MATHEW S	MTM SPOKANE	2016-08-10	300	G
DENT THOMAS E	MTM SPOKANE	2016-08-03	1000	P
DENT THOMAS E	MTM SPOKANE	2016-08-03	300	G
SHEA MATTHEW T	MTM SPOKANE	2016-08-02	1000	P
SHEA MATTHEW T	MTM SPOKANE	2016-08-02	300	G
MCCASLIN ROBERT B	MTM SPOKANE	2016-08-01	1300	P
KRETZ JOEL A	MTM SPOKANE	2016-07-27	1000	P
SCHMICK JOSEPH S	MTM SPOKANE	2016-07-27	1000	P
SHORT SHELLY A	MTM SPOKANE	2016-07-27	1000	P
KRETZ JOEL A	MTM SPOKANE	2016-07-27	300	G
SCHMICK JOSEPH S	MTM SPOKANE	2016-07-27	300	G
SHORT SHELLY A	MTM SPOKANE	2016-07-27	300	G

¹ An analysis of PDC filings shows that Ms. Dye reported neither any contributions to her campaign from MTM Spokane, nor any refund of the \$500 her candidate authorized committee paid to MTM Spokane.

Brief online research confirms that on July 19, 2016, a fundraiser billed by its sponsors under the name “March to the Majority” was held in the City of Spokane’s Manito Park.² The \$25 fee for attending the event apparently paid for dinner, with an option of beef or salmon entrees; the dinner was followed by a dessert auction, and the evening was capped by the award of a door prize, a \$500 gift certificate from Sharp Shooting Indoor Range. *Id.*

Lack of PDC Reporting for MTM Spokane’s Contributions, Expenditures, or Organization as a Political Committee

Searches of the PDC’s database reveal no reporting by any entity with “MTM,” “March to Majority,” or “March to the Majority” in its name. Additionally, searches of the PDC database reveal no reporting by any entity that it received the funds paid by the seven candidates who themselves reported putting money toward MTM Spokane. Finally, searches of the PDC database reveal no reporting by any entity that it paid out the expenditures to the seven candidates which they reported as campaign contributions from MTM Spokane.

PDC reporting by the individual candidates who made expenditures to, or received contributions from, MTM Spokane shows no itemization of expenditures related to the fundraiser, aside from the initial \$500-per-donor amounts summarized above. Additionally, the contributors to MTM Spokane (other than the campaigns themselves) were apparently not reported by the individual candidates who received contributions from MTM Spokane.

In fact, the contributions reportedly received by the above candidates between July 19 and August 23, 2016 show only one common contributor reported by all the candidates: MTM Spokane. It appears the individual candidates involved in MTM Spokane did not report receiving contributions from a common set of contributors who purchased auction items from MTM Spokane for the benefit of the several candidates participating in the fundraiser. While Sharp Shooting Indoor Range has reportedly made contributions to and received expenditures from other committees and campaigns, no such in-kind contribution or expenditure was reported related to the MTM Spokane event.

Given how the MTM Spokane event was conducted, it is apparently not possible to determine from data reported to the PDC who the contributors were who gave the funds later divided up among seven candidates as contributions from “MTM Spokane.” Additionally, it is not possible to determine what amounts were raised by MTM Spokane, or what it spent its money on, aside from the known contributions it paid to seven campaigns (for example, how much MTM Spokane spent on catering, event space, auction items, and other expenses, and how many in-kind contributions were received). Finally, it is not possible to determine from PDC records who managed MTM Spokane, or where it kept its deposit accounts.

² https://en.eventhint.com/events/13277232/mtm-spokane-fundraiser?force_subdomain=true;
<http://spokanegop.com/event/repUBLICAN-march-to-the-majority-2016-in-washington-state/> (both accessed September 16, 2017).

MTM Spokane and Its Participants Violated Washington Campaign Finance Laws and Regulations

1. *MTM Spokane operated as an unregistered political committee, and has failed to file forms C-1, C-3, or C-4 required for its activities during summer 2016.*

Washington’s campaign finance laws provide that “[n]o candidate or authorized committee may transfer funds to any other candidate or other political committee.” RCW 42.17A.430(8). This limitation notwithstanding, the law permits “joint fund-raising efforts by candidates when a separate political committee is established for that purpose and all contributions are disbursed to and accounted for on a pro rata basis by the benefiting candidates.” RCW 42.17A.440 (emphasis added).

The law also provides that a political committee is subject to deadlines for filing its statement of organization and reports of contributions received and expenditures made:

Every political committee shall file a statement of organization with the commission. The statement must be filed within two weeks after organization or within two weeks after the date the committee first has the expectation of receiving contributions or making expenditures in any election campaign, whichever is earlier.

RCW 42.17A.205(1); *see also* RCW 42.17A.235 (deadlines for filing contribution and expenditure reporting). Here, the participants in MTM Spokane collected funds from active candidate campaigns, spent them on a fundraising effort to benefit various candidates, then paid out thousands of dollars in campaign contributions. In doing so, MTM Spokane had the “expectation of receiving contributions or making expenditures in support of, or opposition to, any candidate,” making it a political committee as defined by RCW 42.17A.005(37).

Moreover, MTM Spokane qualifies as a political committee under both the PDC’s “receiver of contributions” test, and most likely, under the “maker of expenditures” prong as well. *See State ex rel. Evergreen Freedom Foundation v. Washington Educ. Ass’n*, 111 Wn. App. 586, 598, 49 P.3d 894 (Div. 2 2002) (“a person or organization may become a political committee by either (1) expecting to receive or receiving contributions, or (2) expecting to make or making expenditures to further electoral political goals”). It is not currently clear whether MTM Spokane spent a majority of the funds it raised on contributions, but it appears that the primary purpose of MTM Spokane was to raise contributions for candidates—which would make it a political committee.

It appears that, to date, the participants in MTM Spokane have violated state law by operating an unregistered political committee, which should have registered and begun reporting by at least July 7, 2016, the date two weeks after it received its first contribution. The initial form C-1 registration and reporting of contributions received and expenditures made to date would currently be 438 days overdue, and still outstanding; an unknown number of other reports

would also be due dependent upon the nature and extent of MTM Spokane's unreported contribution and expenditure activity.

2. *The fundraising activities of MTM Spokane did not comply with PDC guidance for operating joint fundraising activities, and therefore MTM Spokane should not be excused from its duty to register and report as a political committee.*

The Public Disclosure Commission has issued guidance suggesting an alternative reporting method that "eliminates establishment of a separate joint fund raising committee, while still satisfying the legal requirements that all expenditures be reported and all contributions to the effort are attributed to the individual candidates involved."³ Per the guidance, candidates engaged in joint fundraising may operate a joint account for fundraising purposes, provided that "[a]fter expenses are paid, the remaining funds are distributed to all participants on a pro-rated basis. For example, if there are four candidates participating, each receives one-fourth of the net receipts." *Id.* The guidance requires that each participating candidate receive a

list of contributor names and addresses and the full amount of each candidate's pro-rated share. For example, if a donor gave \$500 to the joint fund raising effort of four candidates, the list would show this contributor giving each candidate \$125....

Each candidate uses the information on the list to complete his or her C-3 report that represents the deposit of the check from the joint fund raising account. It is understood that the C-3 will not match the amount of the deposit. (The difference will be the candidate's share of the expenditures for the joint fund raising.)

Then, on the candidate's next C-4, he or she will report on the Schedule A his or her portion of each expenditure made by the joint fund raising account. Again, if there were four candidates participating in a joint fund raiser, each would itemize the expenses made by the joint account showing one-fourth of each expense. Even though each candidate reports his or her share of the expenses on the Schedule A, no actual payment is made by the individual candidates to the vendors involved (since the vendors have already been paid by the joint account).

Id. MTM Spokane and its participants should not be excused from their duty to register and report as a political committee based upon the PDC's above-cited guidance, because MTM Spokane and its participating candidates did not comply with the guidance.

First, the guidance requires that each participating candidate would need to report (on the form C-3 listing the contribution from MTM Spokane) all contributions to MTM Spokane, pro-rated to him- or herself in equal, fractional amounts, which would add up to the amount of

³ <https://www.pdc.wa.gov/learn/publications/candidate-instructions/contributions/joint-fund-raising-slate-committees> (accessed September 15, 2017).

each contribution taken in by MTM Spokane. But the candidates have apparently not reported the common set of donors to MTM Spokane, let alone fractional contribution amounts they each received from those donors. Nor is there any identifiable setoff in the candidates' reporting for the joint fundraiser expenses; form C-3 reporting filed around the time of the MTM Spokane event shows no discrepancy between the amount deposited and the amount listed on form C-3.

Second, the candidates would need to report paying the expenses of the joint fundraiser in equal, fractional amounts. But the candidates have not reported making any expenditures for the MTM Spokane fundraiser aside from the initial \$500 contributions noted above—much less fractional amounts, identical to the shares paid by other participating candidates.

Finally, there is a significant discrepancy between the list of candidates who participated in MTM Spokane by giving \$500 each from their own authorized committee funds, and the list of candidates who reported receiving contributions from MTM Spokane. How can the proceeds be equally awarded among the “participating” candidates as required by the guidance, when different candidates take money *out* of the fundraising effort than put money *in*?

The guidance requiring joint fundraiser proceeds be distributed pro-rata states not only that equal shares be paid out, but that they must be given to the *participating candidates*. Because different candidates received proceeds of the fundraiser than paid into the effort, the guidance was not followed by MTM Spokane. Moreover, it appears that by taking in and giving out funds to different lists of candidates, MTM Spokane facilitated unlawful contributions between candidate authorized committees, as explained below.

In short, the Respondents violated what the guidance itself recognizes as “the legal requirements that all expenditures be reported and all contributions to the effort are attributed to the individual candidates involved.” Neither the individual contributions to MTM Spokane nor the itemized expenditures by MTM Spokane have been reported to date by any identifiable entity, nor did the candidates who participated in paying the costs of MTM Spokane share equally in the contributions it raised. Because MTM Spokane and its participants have not followed the PDC guidance for operating a joint fundraiser, they were required to register and report as a political committee, as explained above.

3. *MTM Spokane received unlawful contributions from candidate authorized committees and/or facilitated unlawful contributions between candidate authorized committees.*

Finally, because MTM Spokane was a political committee separate from each of its contributing candidates' campaigns, each of the seven candidates who gave \$500 contributions to the committee apparently thereby violated RCW 42.17A.430(8). Additionally, one candidate—Mary Dye—reportedly put money toward the fundraising efforts of MTM Spokane without receiving any refund, or any contribution from MTM Spokane in return. Even if MTM Spokane were analyzed only as a joint fundraiser under the rules in the PDC guidance discussed above,

because the fundraiser did not benefit Ms. Dye, her contribution unlawfully went to the seven candidates who benefited from it in equal shares (of \$71.43). *Id.*

On the other hand, one candidate—Thomas Dent— apparently received contributions from MTM Spokane without sharing in the cost of the fundraising effort. Even if MTM Spokane were analyzed only as a joint fundraising effort, and not as a political committee, *all* of the candidates who gave funds to defray its costs benefited the one that did not, but received proceeds from the fundraiser anyway. Each of the six contributing candidates other than Ms. Dye effectively gave \$71.43 (either as a contribution or an in-kind contribution) to Mr. Dent. It appears that *all* of the eight candidates (or authorized committees) that participated in MTM Spokane—either as a funder or as a recipient of its fundraising proceeds—either made or received contributions from given candidates to other candidates or committees, which is prohibited by RCW 42.17A.430(8).

Please advise if you should have any question about this complaint, and please let me know if the Commission schedules any hearing, or Commission staff takes enforcement action or issues any other final action about the allegations listed above.

Sincerely,



Walter M. Smith

Enclosures: Spokane County Republican Central Committee webpage detail for March to the Majority fundraiser, July 19, 2016



(https://spokane.gop/)

Don't miss this!!! Republican "March to the Majority 2016" in Washington State

(?action=login) ☰

⌂ (HTTP://SPOKANEGOP.COM) / DON'T MISS THIS!!! REPUBLICAN "MARCH TO THE MAJORITY 2016" IN WASHINGTON STATE

« All Events (<http://spokanegop.com/events/>)

This event has passed.

Don't miss this!!! Republican "March to the Majority 2016" in Washington State

July 19, 2016 @ 5:30 pm - 9:00 pm

\$25

« Republican National Convention
(<http://spokanegop.com/event/republican-national-convention/>)

OPENING Spokane Victory Center »
(<http://spokanegop.com/event/opening-spokane-victory-center/>)

The Washington State House Republicans are hosting a fundraiser for Districts 4, 6, 7, 9, and 13. Please come and meet all the Republican Representatives from our area. Help us take the majority in the Washington State House of Representatives.

Dinner & Fundraiser: Beef and Salmon
Dessert Auction

Door Prize: \$500 Gift Certificate from Sharp Shooting Indoor Range
Must be present to win!

RSVP Brian Short 509.994.2382

Shelly Short 509.994.7862

Joe Schmick 509.879.2078

Or: www.Facebook.com/MtMSpokane

~~ACTION_TEMPLATE&TEXT=DON%27T+MISS+THIS%21%21%21+REPUBLICAN+%22MARCH+TO+THE+MAJORITY+2016%22-~~

+ ICAL EXPORT (HTTP://SPOKANEGOP.COM/EVENT/REPUBLICAN-MARCH-TO-THE-MAJORITY-2016-IN-WASHINGTON-STATE/?ICAL=1&TRIBE_DISPLAY=)

Details

Date:
[July 19, 2016 \(2016-07-19\)](#)

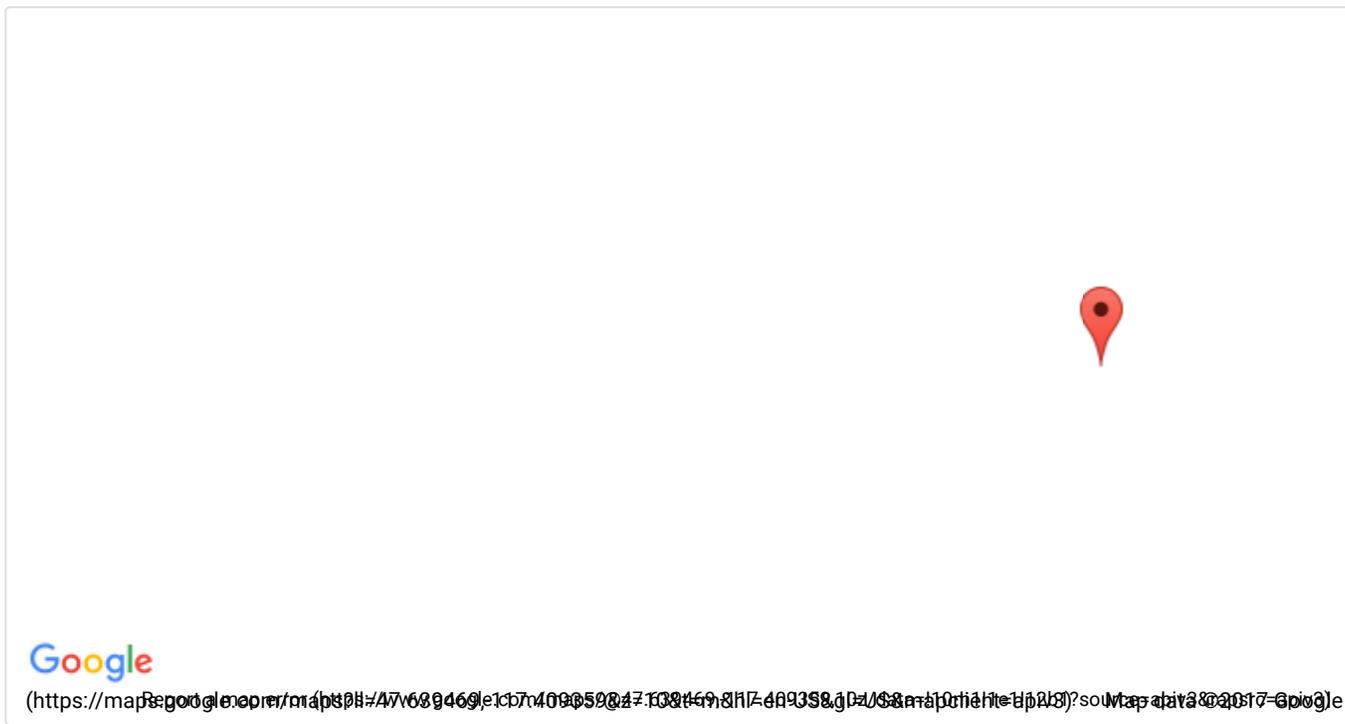
Time:
5:30 pm - 9:00 pm

Cost:
\$25

Venue

Lower Manito Park Picnic Shelter
(<http://spokanegop.com/venue/manito-park-gazebo/>)

1702 S. Grand Blvd.
Spokane, WA (Washington)
99203
+ Google Map (https://maps.google.com/maps?f=q&source=s_q&hl=en&geocode=



« [Republican National Convention](http://spokanegop.com/event/republican-national-convention/)

[OPENING Spokane Victory Center](http://spokanegop.com/event/opening-spokane-victory-center/) »

Calendar powered by The Events Calendar (https://theeventscalender.com/product/wordpress-events-calendar/?utm_medium=plugin-tec&utm_source=banner&utm_campaign=in-app)

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Spokane GOP
1011 E 2nd Ave
Spokane, WA 99202

Phone: (509) 838-6162

Email: info@spokanegop.com (<mailto:info@spokanegop.com>)

Site Map (<http://www.spokanegop.org/site-map/>)

Latest News

-  **Statement on the Commissioner Vote 9-12-2017** (<http://spokanegop.com/statement-on-the-commissioner-vote-9-12-2017/>)
🕒 September 12, 2017 (<http://spokanegop.com/statement-on-the-commissioner-vote-9-12-2017/>)
-  **Spokane GOP statement on Lisa Brown entering Congressional race for Washington's 5th District** (<http://spokanegop.com/spokane-gop-statement-on-lisa-brown-entering-congressional-race-for-washingtons-5th-district/>)
🕒 September 1, 2017 (<http://spokanegop.com/spokane-gop-statement-on-lisa-brown-entering-congressional-race-for-washingtons-5th-district/>)
-  **Spokane County GOP Rebukes WSU for Involvement in Lisa Brown Campaign** (<http://spokanegop.com/for-immediate-release/>)
🕒 September 1, 2017 (<http://spokanegop.com/for-immediate-release/>)
-  **Spokane City Council Hands Yet Another Victory to Fringe Leftist Group, Opening Door for New Taxes** (<http://spokanegop.com/spokane-city-council-hands-victory-to-leftist-goup/>)
🕒 July 22, 2017 (<http://spokanegop.com/spokane-city-council-hands-victory-to-leftist-goup/>)
-  **Spokane GOP reaffirms pro-life values in Resolution** (<http://spokanegop.com/spokane-gop-reaffirms-pro-life-values-in-resolution/>)
🕒 May 19, 2017 (<http://spokanegop.com/spokane-gop-reaffirms-pro-life-values-in-resolution/>)

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SpokaneGOP
2.3K likes

Spokane County Republican Party

Like Page

Be the first of your friends to like this



Spokane GOP's Facebook Feed

- Some positive news. We love this kid's initiative! #growthandopportunityparty



(<http://spokanegop.com/wp-content/uploads/wp-social/facebook/SpokaneGOP/2017/09/frank.jpg>)

The negativity pervading today's politics can be a severe mood-killer some days. Time to inject some positive energy into this downer fest.

Read More... (https://www.facebook.com/permalink.php?id=330027520345469&story_fbid=1856825907665615)

[dailywire.com](http://www.dailywire.com/news/21119/terrific-11-year-old-frank-gets-his-wish-mow-white-paul-bois?utm_source=facebook&utm_medium=social&utm_content=091517-news&utm_campaign=benshapiro) (http://www.dailywire.com/news/21119/terrific-11-year-old-frank-gets-his-wish-mow-white-paul-bois?utm_source=facebook&utm_medium=social&utm_content=091517-news&utm_campaign=benshapiro)

12 hours ago

[Walter](#) replied (Fri, 20 Oct at 1:14 PM)

to : pdc@pdc.wa.gov

Hi Micaiah,

I am writing with a few additional points to consider as PDC determines whether to formally investigate this complaint, which I believe would be appropriate.

Payments of \$1,300 to ROC Foundation by Short and Kretz Campaigns Are Inconsistent with Claim Costs Were Evenly Shared

Shortly after the disbursements from March to the Majority (which included \$1,300 paid to the Short and Kretz campaigns, respectively), on September 20, 2016, Short and Kretz's campaigns each paid \$1,300 to the ROC Foundation for "fundraising." The ROC Foundation is a business entity apparently controlled by Mitch Short. These payments suggest that Mrs. Short and Kretz owed *all* of the proceeds they received from MTM Spokane to Mr. Short to cover the costs of the fundraiser. However, the other participating candidates did not report making such payments.

In their September 20, 2016 payments, did the Short and Kretz campaigns either end up refunding the contributions they received from MTM Spokane, or did they end up paying a greater share of the event's expenses than the other benefiting candidates? Either scenario would be inconsistent with the claim that MTM Spokane was a joint fundraiser equally underwritten and benefiting all of the candidates.

Candidates' Reports of Contributions from MTM Spokane Were Filed After the Committee Operating the Event Should Have Reported

Mr. Short's response suggests it was the candidates who were obligated to report the contributions and expenditures for MTM Spokane, not Mr. Short and others involved in operating what appears to be a political committee. But several candidates filed

disclosures of the proceeds from MTM Spokane on form C-3 well after MTM Spokane's own treasurer would have been required to report by law. For contributions received on July 19, 2016, the deposits into MTM Spokane's account would have been due by July 26, 2016, and form C-3 would be due no later than the day before the primary election, August 1, 2016.

The reports that MTM Spokane should have filed were not made up for by candidates' reporting, which was filed in several cases after the primary election. MTM Spokane could (and effectively did) hide its contributions from public disclosure for a seemingly arbitrary period of time (i.e. for as long as MTM Spokane took to write a check to each candidate).

For example, Rep. Manweller filed a C-3 (no. 100715241) on 8/10/16 showing receipt of proceeds from MTM Spokane (in the amount of \$1,300) on 8/10/16, and that the contributions were deposited in the campaign's account the same day. Rep. Shea filed a C-3 (no. 100720995) on 9/13/16 showing receipt of proceeds from MTM Spokane (in the amount of \$1,300) on 8/2/16, which was deposited in his campaign account on 8/5/16. Rep. Dent filed a C-3 (no. 100714902) on 8/8/16 showing receipt of proceeds from MTM Spokane (in the amount of \$1,300) on 8/3/16, which was deposited in his campaign account the same day. These deposits and contributions data were only revealed after the primary was over.

MTM Spokane, at a Minimum, Should Have Been Reported Along With Its Sub-Vendors on the Candidates' Form C-4 Reports

Even assuming that Mr. Short did in fact take in the \$500 initial seed money for MTM Spokane from various campaigns as he claims, Mr. Short (and "MTM Spokane") then would have become a vendor facilitating various expenditures to sub-vendors for the catering, event space, entertainment, auction items, and any other incidental expenses for the event. The sub-vendors compensated with funds

Mr. Short handled would then need to be reported by the candidates' campaigns, which was not done. RCW 42.17A.240(6); WAC 390-16-037. As an alternative, if the campaigns donated funds to Mr. Short and he was free to put on the fundraiser however he pleased, he should have registered and reported these expenditures as a political committee.

\$500 Contribution to MTM Spokane was Not Reported by Rep. Dent

Mr. Short claims he has records showing that \$500 was contributed toward MTM Spokane by Rep. Dent, who later received \$1,300 of its proceeds. However, Rep. Dent's records of expenditures by his surplus account and campaign account, and of the campaign's in-kind contributions, show no such \$500 transfer to MTM Spokane.

\$500 Gift Certificate to Sharp Shooting Indoor Range Would Exceed Donation Limit for Low-Cost Fundraiser

While it is apparently impossible to determine from reports filed with the PDC who paid for the \$500 gift certificate from this gun range (or whether it was an in-kind contribution), if this item was donated, it would exceed the \$50 threshold for items at a low-cost fundraiser. RCW 42.17A.230(2)(a)(v) (including within definition of low-cost fundraiser "An auction or similar sale for which the total fair market value of items donated by any person is no more than fifty dollars"); RCW 42.17A.230(6)(a) (emphasis added). See attached advertisement noting \$500 gift certificate.

Only If at Least 228 Attendees Contributed an Aggregate of \$50 or Less Could the Proceeds of MTM Spokane Be Fully Exempt From Individual Reporting

Mr. Short states in his response that \$11,400 in contributions was raised at the MTM Spokane fundraiser (although he has filed no form C-3 report to certify this exact figure). By law, the limited reporting rules for low cost fundraisers would apply only if each individual contributor gave no more than \$50 in the aggregate. RCW

42.17A.230(2)(b). This would mean at least 228 individual donors would be needed to contribute the \$11,400 figure. PDC staff should be provided with records verifying the number of contributors to MTM Spokane, and its contribution amounts.

Conclusion

There is good reason for opening a formal investigation of MTM Spokane to include what were its expenditures, where (if at all) MTM Spokane's expenditures were reported, what were the sources of the contributions it raised, and whether MTM raised over \$50 from any source. Even if MTM Spokane qualified as a low-cost fundraiser, it appears that the expenditures for the event have not been disclosed, nor have the required contributions reports for low cost fundraisers been filed to date. RCW 42.17A.230(4)-(6).

Best regards,
Walter Smith

[Walter](#) replied (Wed, 25 Oct at 10:34 AM)

to : pdc@pdc.wa.gov

Dear Micaiah,

I am forwarding for your file the attached documents from the City of Spokane, which I obtained through a public records request. These include the permit application for the March to Majority event submitted in June 2016. Interestingly, the permit application reflects that no more than 200 attendees would likely come to the event.

If this event were a low-cost fundraiser, then the \$11,400 in proceeds would have to consist of donations of no more than \$50, from at least 228 individuals. This seems unlikely in light of the attached.

Best regards,
Walter

EVENT INFORMATION

Type of Event:

- RUN
 WALK
 BIKE TOUR
 BIKE RACE
 PARADE
 FAIR
 CONCERT

OTHER (specify): Seated Dinner/Dessert Auction (By invitation only) Fundraiser

Event Location (Check All That Apply):

- PUBLIC RIGHT OF WAY (CITY STREET/SIDEWALK)
 RIVERFRONT PARK

OTHER CITY PARK (specify): Manito Park

PRIVATE PROPERTY WITH PUBLIC SAFETY IMPACTS *You may still need a permit for private property if you will be doing any of the following: indoor/outdoor concert with or without sound amplification, any inflatable devices, the sale or use of alcoholic beverages such as a beer garden, the use of a tent (over 200 sq. ft.), a canopy over 700 sq.ft., cooking, liquid or gas fueled vehicles in an assembly building, any open flame or fire, or fireworks.*

Event Title: March to Majority Spokane

Event Date(s): Tuesday, July 19th, 2016

Total Anticipated Attendance: 150-200

Location: Manito Park, 1702 S. Grand Blvd., Spokane, WA 99203

Area: North Shelter

Actual Hours of Event: 6:00 am/pm to 8 am/pm

Set Up Times: 3:00 am/pm to 5:30 am/pm

Take Down Times: 8:00 am/pm to 9:00 am/pm

Describe Specifically Your Set Up Work: Setup canopy tents & serving tables; setting up podium & speakers; table cloths & table decorations

LIST ANY STREET(S) REQUIRING CLOSURE. INCLUDE STREET NAME(S), DATE AND TIME OF CLOSING AND TIME OF REOPENING (Recommend Attaching a Map):

Not necessary or applicable to our event

APPLICANT AND SPONSORING ORGANIZATION INFORMATION

SPONSORING ORGANIZATION: March to Majority Spokane

APPLICANT NAME: Shelly Short

EMAIL ADDRESS: mitch@tawoof.com

MAILING ADDRESS: P.O. Box 317, Adley, WA ZIP: 99101

PRIMARY PHONE: (509) 994-1362 FAX#: () N/A

CONTACT PERSON "ON SITE" DAY OF EVENT: Shelly Short or Joe Schwick

PAGER/CELLULAR: Shelly - (509) 994-1362; Joe - (509) 819-2019

OVERALL EVENT DESCRIPTION/ROUTE MAP/SITE DIAGRAM

Please provide a DETAILED DESCRIPTION of your event. Include details regarding anticipated use of vehicles, animals, public address systems, utility needs including power, garbage, and/or restrooms, rides or any other pertinent information about the event. If this is a sports tournament, please include description of event layout. Please attach additional sheet if necessary.

See attached addendum

- NO YES
DOES THIS EVENT INVOLVE THE SALE OR USE OF ALCOHOLIC BEVERAGES? IF SO, YOU MUST CONTACT THE WASHINGTON STATE LIQUOR AND CANNABIS BOARD (509) 625-5513 AND THE SPECIAL POLICE PROBLEMS DIVISION (509) 835-4530.
- WILL ITEMS OR SERVICES BE SOLD AT THIS EVENT? IF YES, PLEASE DESCRIBE:

A CITY BUSINESS LICENSE MAY BE REQUIRED.
- DOES THIS EVENT INVOLVE A MOVING ROUTE OF ANY KIND ALONG STREETS, SIDEWALKS OR HIGHWAYS? IF YES, ATTACH A DETAILED MAP OF YOUR PROPOSED ROUTE, INDICATE DIRECTION OF TRAVEL, AND PROVIDE A WRITTEN NARRATIVE TO EXPLAIN YOUR ROUTE.
- DOES THIS EVENT INVOLVE A FIXED VENUE SITE? IF YES, ATTACH A DETAILED SITE MAP SHOWING ALL STREETS IMPACTED BY THE EVENT. *- See attached*

IN ADDITION TO THE ROUTE MAP REQUIRED ABOVE, PLEASE ATTACH A DIAGRAM SHOWING THE OVERALL LAYOUT AND SET-UP LOCATIONS FOR THE FOLLOWING ITEMS: (CHECK ITEMS USING)

- ALCOHOLIC CONCESSION AND/OR BEER GARDEN AREAS (Must have LCB License)
- FOOD CONCESSION AND/OR FOOD PREPARATION AREAS (IF YOU INTEND TO COOK FOOD IN THE EVENT AREA, PLEASE SPECIFY METHOD:
 GAS ELECTRIC CHARCOAL OTHER specify _____)
(A Spokane Regional Health District food handlers permit may be needed)
- CATERED BY AN ESTABLISHMENT (Please specify how many: *one right now; possibly 2 to 3 more (see addendum regarding catering)*)
- PORTABLE AND/OR PERMANENT TOILET FACILITIES
- FIRST AID FACILITIES AND AMBULANCE LOCATIONS
- TABLES AND CHAIRS
- FENCING, BARRIERS AND/OR BARRICADES
- GENERATOR LOCATIONS AND/OR SOURCE OF ELECTRICITY (Please note an electrical inspection may be needed)
- CANOPIES OR TENT LOCATIONS *(2 10x10 pop up canopies)*
- BOOTHS, EXHIBITS, DISPLAYS OR ENCLOSURES
- SCAFFOLDING, BLEACHERS, PLATFORMS, STAGES, GRANDSTANDS OR RELATED STRUCTURES
- VEHICLES AND/OR TRAILERS
- TRASH CONTAINERS AND DUMPSTERS

DESCRIBE YOUR PLAN FOR CLEAN-UP AND REMOVAL OF WASTE AND GARBAGE DURING AND AFTER THE EVENT:

We plan to use park garbage cans. We will remove our garbage off site & transport to a landfill facility. We will replace liners in cans.

SAFETY / SECURITY / ACCESSIBILITY

PLEASE DESCRIBE YOUR PROCEDURES FOR BOTH CROWD CONTROL AND INTERNAL SECURITY:

Not anticipated as necessary. Our event is wholly within shelter.

PLEASE DESCRIBE YOUR FIRST-AID/MEDICAL PLAN. HOW MANY FIRST-AID STATIONS AND WHERE ARE THEY LOCATED ALONG THE ROUTE? HOW WILL THEY BE STAFFED?:

Not applicable to our event.

PLEASE DESCRIBE YOUR ACCESSIBILITY PLAN FOR ACCESS AT YOUR EVENT FOR INDIVIDUALS WITH DISABILITIES:

We have individuals identified at our event to provide any assistance necessary.

NO YES



HAVE YOU HIRED ANY PROFESSIONAL SECURITY ORGANIZATION TO HANDLE SECURITY ARRANGEMENTS FOR THIS EVENT? IF YES, PLEASE STATE:

SECURITY ORGANIZATION: _____

PHONE#: _____

ADDRESS: _____

SECURITY DIRECTOR NAME: _____



IS THIS A NIGHT EVENT? IF YES, PLEASE STATE HOW THE EVENT AND SURROUNDING AREA WILL BE ILLUMINATED TO ENSURE SAFETY OF THE PARTICIPANTS AND SPECTATORS:

Not necessary. Our event will be finished before nightfall.

ENTERTAINMENT / ATTRACTIONS / RELATED EVENT ACTIVITIES

NO YES



WILL ADMISSION BE CHARGED?



ARE THERE ANY MUSICAL ENTERTAINMENT FEATURES RELATED TO YOUR EVENT? IF YES, PLEASE STATE THE NUMBER OF STAGES, NUMBER OF BANDS AND TYPE OF MUSIC.

NUMBER OF STAGES: _____ NUMBER OF BANDS: _____

TYPE OF MUSIC: _____



WILL SOUND AMPLIFICATION BE USED? IF YES, PLEASE INDICATE

START TIME: 6:00 AM/PM

FINISH TIME: 8:00 AM/PM.

PLEASE DESCRIBE THE SOUND EQUIPMENT THAT WILL BE USED FOR YOUR EVENT:

Microphone + audio speakers for use by Master of Ceremonies + guest speakers



ANY INFLATABLE DEVICES OR HOT AIR BALLOONS? IF YES, HOW MANY AND PLEASE DESCRIBE:



ANY FIREWORKS, ROCKETS OR OTHER PYROTECHNICS? IF YES, PLEASE DESCRIBE:



ANY SIGNS, BANNERS, DECORATIONS, SPECIAL LIGHTING? IF YES, PLEASE DESCRIBE:

Tablecloths and centerpieces for each table

NOTICE REGARDING EVENTS IN CITY OF SPOKANE PARKS

ANY SPECIAL EVENTS IN CITY PARKS INVOLVING COMMERCIAL ACTIVITIES, VENDORS, FUND RAISING, EXCEPTIONS TO PARK RULES AND POLICIES (SUCH AS LIQUOR USE, WHICH IS GENERALLY PROHIBITED IN PARKS EVEN WITH LCB PERMIT), SPECIAL SUPPORT FROM THE PARK DEPARTMENT, OR OTHER UNUSUAL CIRCUMSTANCES REQUIRE PARK BOARD APPROVAL.

THE SPOKANE PARK BOARD MEETS ONLY ONCE PER MONTH. SPECIAL EVENT PERMIT APPLICATIONS REQUIRING PARK BOARD REVIEW AND APPROVAL COULD TAKE THIRTY (30) DAYS OR LONGER TO GET ON A MEETING AGENDA AND BE PROCESSED. PLEASE PLAN ACCORDINGLY.

DEPOSIT FOR CITY PARKS: (Returnable, in whole or in part, after damage assessment and additional fee review)
\$250.00 deposit for over 200 people total attendance
\$350.00 deposit for sporting tournaments
Deposit due upon verbal approval of event, payable to CITY OF SPOKANE.

INSURANCE REQUIREMENTS

IN MOST CASES, EVIDENCE OF INSURANCE WILL BE REQUIRED BEFORE FINAL PERMIT APPROVAL. PLEASE PROVIDE A CERTIFICATE OF INSURANCE WHICH SHOWS **\$1.5 MILLION** IN COMMERCIAL GENERAL LIABILITY INSURANCE AND A POLICY ENDORSEMENT WHICH NAMES THE CITY OF SPOKANE AS ADDITIONAL INSURED. SOME EVENTS MAY REQUIRE A HIGHER LIMIT OF INSURANCE. EACH EVENT IS EVALUATED ON ITS RISK EXPOSURE. FOR MORE INFORMATION CONTACT RISK MANAGEMENT 625-6845.

HOLD HARMLESS / AFFIDAVIT OF APPLICANT

I CERTIFY THAT THE INFORMATION CONTAINED IN THIS APPLICATION IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, THAT I HAVE READ, UNDERSTAND AND AGREE TO ABIDE BY THE RULES AND REGULATIONS GOVERNING THE PROPOSED SPECIAL EVENT UNDER THE SPOKANE MUNICIPAL CODE AND CITY COUNCIL POLICY. I AGREE TO ABIDE BY THESE RULES, AND FURTHER CERTIFY THAT I, ON BEHALF OF THE SPONSOR, AM ALSO AUTHORIZED TO COMMIT THE SPONSOR, AND THEREFORE AGREE TO BE FINANCIALLY RESPONSIBLE FOR ANY COST AND FEES THAT MAY BE INCURRED BY OR ON BEHALF OF THE EVENT TO THE CITY OF SPOKANE.

I AGREE, ON BEHALF OF THE SPONSOR, TO DEFEND, INDEMNIFY AND HOLD HARMLESS THE CITY OF SPOKANE, ITS DEPARTMENTS, EMPLOYEES, AGENTS, OFFICERS AND VOLUNTEERS FROM ANY AND ALL LIABILITY IN ANY AND ALL MATTERS CONCERNING THIS SPECIAL EVENT.

NAME OF APPLICANT: Shelly Short
(print)
SIGNATURE: Shelly Short DATE: 6/14/16

ONLY RETURN EVENT INFORMATION PAGES 1-4 ALONG WITH THE PERMIT APPLICATION FEE AND PROOF OF INSURANCE WHEN APPLYING FOR PERMIT.

Addendum to Master Special Event Permit Application

Overall Event Description/Route Map/Site Diagram

The March to Majority Spokane event will take place at the North Shelter in Manito Park on Tuesday, July 19th from 3:00 p.m. – 9:00 p.m. which includes set up and clean up. The actual event takes place from 6:00 p.m. – 8:00 p.m. We are hoping for 150-200 people in attendance.

We anticipate utilizing the parking facilities nearest the shelter with possible on road parking along Manito Place or other areas allowed around the park. Given that this event takes place on a weeknight, we do not anticipate disruption to normal park visitation. We anticipate using bathrooms that are closest to the North Shelter. Again, due to the short length of the event, we do not anticipate extensive use of park restroom facilities by our guests.

We will need access to power in the shelter for sound equipment (microphone and small speakers). We are prepared to bring in the appropriate extension cord and will place and tape down to minimize tripping hazard. We will utilize existing garbage cans, but are prepared to take our garbage out and dispose of at landfill facilities away from park. We will replace liners in the garbage cans we utilize.

Our main caterer will need access to the shelter by road to bring in the charcoal bbq he will need to prepare the main course. This individual has a current food handler's permit which he will have on-site. We will utilize the same access point to deliver the supplies we will need for our event. We anticipate two to three more area restaurants providing a portion of our event meal.

Our intent is to rent two pop-up canopies (10x10) and 8 foot tables that will serve to provide shelter for the food which will be served buffet style. We anticipate having tubs filled with ice that will serve to keep beverages cold (water, juice, pop, etc.). We WILL NOT be serving alcoholic beverages per park rules. All beverages will be non-alcoholic. These items will be set up just outside of the shelter facility.

Detailed Site Map



○ - Event location at North Shelter

→ Roads impacted:

+ Manito Place
(pot. overflow parking where allowed)

+ Grand Blvd.

- increased traffic into main park entrance

MANITO PARK

Spokane Washington

www.manitopark.org
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Diagram showing overall layout
and set up locations

- Food Prep
- Tent Campsites
- Food Tables
- Sound System



* Note: Tables and
bench seats
will be set
up on shelter

Garbage cans
will be located
right outside of
shelter.