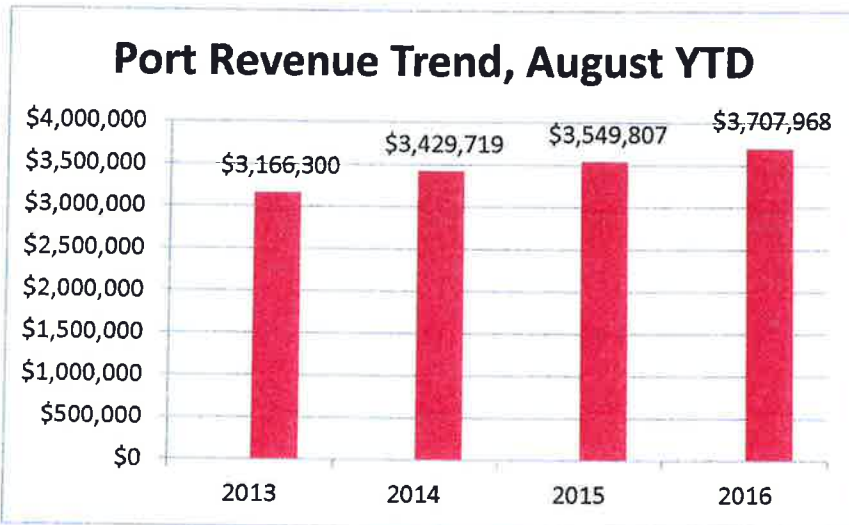
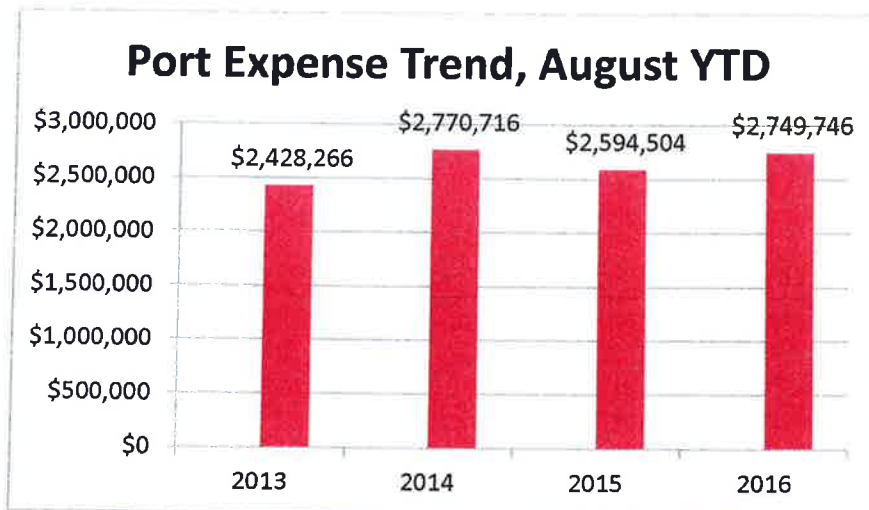


MEMORANDUM

Date: October 6, 2016
To: Commission & Directors
From: Abigail Berg
Subject: Port financial highlights, YTD August 2016



YTD Operating Revenues are up \$158,161 (or 4.5%) compared to 2015, and are 68.4% of budget (when we're at 67% of budget in the year). This is similar to July's YTD operating revenues, being approximately 1% over the percentage we are through the year.



YTD 2016 Operating expenses are \$155,242 (or 6%) more than 2015, though 67% through the year, expenses are 62% of budget (without depreciation). In addition, the operating expenses variance from 2015 improved from July to August by \$48,318.

We have a net loss from operations of \$(62,483) after depreciation which improved by approximately \$100,000 compared to July YTD. However the overall net income is \$535,393 after non-operating revenues and expenses are included. This is \$246,358 more than 2015 YTD and at 67% through the year, we are at 69% of budget.

YTD, the Port expended \$295,508 in WIP costs, which do not show on the Statement of Revenue and Expense, and reduce the amount of the overall increase from Net Income to \$239,885.

YTD, the Port has paid \$395,000 of the \$625,000 total principle debt service for 2016. During the same period, \$275,985 of the \$398,280 total interest debt service has been paid for 2016. The Bond *principal* payments are not reflected in the year to date non-operating results but do result in a reduction in cash.

Cash and investment balances at August 31, 2016 were \$2,674,198, of which \$937,850 were reserves.

Port of Port Townsend
Consolidated Statement of Revenue & Expense
For the Period Ended August 31, 2016

	Actual thru Aug. 31, 2015	Actual thru Aug. 31, 2016	Variance between YTD year to year	Annual Budget	% of Actual to Budget at 67% of year	Budget Remaining from Actual Results	Remarks
Revenues							
PTBH - Permanent Moorage	641,865	674,105	32,240	1,032,000	65.3%	357,895	
PTBH - Ship Moorage	3,465	0	(3,465)	0	0.0%	0	2016 monthly or nightly
PTBH - Liveaboard Fee	10,000	12,880	2,880	18,000	71.6%	5,120	
Work Float/Lift Pier Usage	1,117	9,676	8,559	18,000	53.8%	8,325	
PTBH - Monthly Guest	104,666	122,700	18,034	159,500	76.9%	36,800	
PTBH - Nightly Guest	142,191	179,033	36,842	231,600	77.3%	52,567	
PTBH - Electric	56,733	59,811	3,077	80,000	74.8%	20,189	
PTBH - Miscellaneous Revenue	7,436	17,133	9,696	10,000	171.3%	(7,133)	\$10,642 water reim City of PT
PTBH - Environmental Clean-up	135	0	(135)	0	0.0%	0	
PTBH - Showers	14,000	14,185	185	20,000	70.9%	5,815	
PTBH - Laundry	3,029	3,673	644	6,000	61.2%	2,327	
Total Moorage Revenue	984,638	1,093,195	108,558	1,575,100	69.4%	481,905	
Yard - Liveaboard Fee	140	560	420	500	112.0%	(60)	
Yard - Miscellaneous Revenue	4,685	3,520	(1,165)	15,000	23.5%	11,481	
Yard - Environmental Clean-up	14,251	4,014	(10,237)	0	0.0%	(4,014)	
Yard - BMP infractions	0	2,700	2,700	0	0.0%	(2,700)	
Yard - 70/75 Ton Hoist Revenue	203,089	208,955	5,866	270,639	77.2%	61,684	
Yard - 300 Ton Hoist Revenue	91,071	108,598	17,527	186,735	58.2%	78,137	
Yard - Washdown Revenue	50,667	53,949	3,281	75,000	71.9%	21,051	
Yard - Bilge Water Revenue	6,002	2,929	(3,073)	12,000	24.4%	9,071	
Yard - Work Yard Revenue	376,830	328,572	(48,257)	600,000	54.8%	271,428	
Yard - Ship Yard Revenue	234,802	261,211	26,410	360,080	72.5%	98,869	
Yard - L/T Storage	41,050	38,215	(2,835)	70,322	54.3%	32,107	
Yard - Electric	12,171	15,813	3,642	25,000	63.3%	9,187	
Yard - Blocking Rent	9,228	13,313	4,085	16,000	83.2%	2,687	
Yard - Tarp Pool Fee	265	0	(265)	0	0.0%	0	
Marine Trades 3% Revenue	74,741	57,258	(17,483)	81,800	70.0%	24,542	
Total Work Yard Revenue	1,118,990	1,099,607	(19,383)	1,713,076	64.2%	613,469	
PTBH Prop - Lease Revenue	338,499	335,904	(2,595)	509,600	65.9%	173,696	
PTBH Prop - Storage Unit Revenue	3,404	3,302	(103)	5,000	66.0%	1,698	
PTBH Prop - Fuel Dock Lease	15,047	14,132	(915)	20,400	69.3%	6,268	
PTBH Prop - Electric	14,467	8,716	(5,751)	22,200	39.3%	13,484	
PTBH Prop - Other Utilities	0	5,451	5,451	0	0.0%	(5,451)	
Total PTBH Property Revenue	371,417	367,505	(9,363)	557,200	66.0%	189,695	

Port of Port Townsend
Consolidated Statement of Revenue & Expense
For the Period Ended August 31, 2016

	Actual thru Aug. 31, 2015	Actual thru Aug. 31, 2016	Variance between YTD year to year	Annual Budget	% of Actual to Budget at 67% of year	Budget Remaining from Actual Results	Remarks
Pt Hudson Prop - Building Leases	249,876	250,498	622	400,000	62.6%	149,502	
Pt Hudson Prop - Utility Reim	0	7,631	7,631	0	0.0%	(7,631)	
Pt Hudson - Permanent Moorage	80,754	83,347	2,593	124,277	67.1%	40,930	
Pt Hudson - Liveaboard Fee	2,240	1,820	(420)	4,300	42.3%	2,480	
Pt Hudson - Monthly Guest	49,760	55,381	5,621	70,000	79.1%	14,619	
PT HUDSON - UTILITY REIMBURSE	0	16,623	16,623	0	0.0%	(16,623)	
Pt Hudson - Nightly Guest	174,787	181,169	6,382	235,350	77.0%	54,181	
Pt Hudson - Wharf Usage	3,052	5,225	2,173	10,000	52.2%	4,776	
Pt Hudson - Monthly R.V.	17,863	20,025	2,163	27,100	73.9%	7,075	
Pt Hudson - Nightly R.V.	214,050	240,598	26,548	290,126	82.9%	49,528	
Pt Hudson - Kayak Racks	5,930	7,164	1,234	6,000	119.4%	(1,164)	
Pt Hudson - Reservation Fee	26,124	24,542	(1,582)	26,000	94.4%	1,458	
Pt Hudson - Showers	5,973	6,553	580	8,000	81.9%	1,447	
Pt Hudson - Laundry	5,209	6,213	1,004	7,500	82.8%	1,288	
Pt Hudson - Passenger Fee	2,791	2,854	63	4,000	71.3%	1,146	
Pt Hudson - Electric	20,403	20,741	339	22,000	94.3%	1,259	
Pt Hudson - Miscellaneous Revenue	2,938	3,139	202	2,500	125.6%	(639)	
Pt Hudson - Event Facility Revenue	4,186	3,837	(349)	5,000	76.7%	1,163	
Total Pt Hudson	865,935	937,360	71,425	1,242,153	75.5%	304,793	
Quilcene - Permanent Moorage	21,965	21,657	(308)	33,150	65.3%	11,493	
Quilcene - Nightly Moorage	4,017	3,082	(935)	2,600	118.5%	(482)	
Quilcene - Nightly R.V.	946	905	(41)	1,200	75.4%	295	
Quilcene - Electric	703	712	9	2,000	35.6%	1,288	
Quilcene - Showers	1,470	1,452	(18)	2,500	58.1%	1,048	
Quilcene - Fuel Sales	14,808	9,381	(5,427)	28,000	33.5%	18,619	
Quilcene - Ramp fees	0	2,477	2,477	0	0.0%	(2,477)	prev under "Ramps"
Quilcene - Lease Revenue	37,928	38,630	701	59,160	65.3%	20,530	
Quilcene - Rental Property Revenue	4,000	4,000	0	6,000	66.7%	2,000	
Quilcene - Water	4,529	4,875	346	7,000	69.6%	2,125	
Quilcene - Miscellaneous Revenue	0	0	0	200	0.0%	200	
Total Quilcene Revenue	90,367	87,171	(3,196)	141,810	61.5%	54,639	
Ramp Fees	30,926	31,588	662	53,899	58.6%	22,311	moved Quil to Quil
Dinghy Float Revenue	825	829	4	1,350	61.4%	521	
Total Ramp Revenue	31,751	32,417	666	55,249	58.7%	22,832	
JCIA - Miscellaneous Revenue	0	1,716	1,716	100	1716.5%	(1,616)	
JCIA - Lease Revenue	69,120	70,149	1,030	105,264	66.6%	35,115	
JCIA - Hangar Revenue	14,592	15,891	1,299	22,404	70.9%	6,513	
JCIA - Vehicle Parking Revenue	180	360	180	750	48.0%	390	
JCIA - Aircraft Parking	472	695	223	1,000	69.5%	305	
JCIA - Commercial Landing Fee	0	0	0	0	0.0%	0	
JCIA - Fuel Lease Revenue	2,346	1,901	(445)	3,500	54.3%	1,599	
Total JCIA Revenue	86,710	90,713	4,004	133,018	68.2%	42,305	
Total Operating Revenue	3,549,807	3,707,968	152,710	5,417,606	68.4%	1,709,638	

Port of Port Townsend
Consolidated Statement of Revenue & Expense
For the Period Ended August 31, 2016

	Actual thru Aug. 31, 2015	Actual thru Aug. 31, 2016	Variance between YTD year to year	Annual Budget	% of Actual to Budget at 67% of year	Budget Remaining from Actual Results	Remarks
Operating Expenses							
Salaries & Wages	1,109,906	1,116,511	6,605	1,877,504	59.5%	760,993	
Payroll Taxes	111,897	125,892	13,995	221,100	56.9%	95,208	
Employee Benefits	389,095	406,757	17,662	670,101	60.7%	263,343	
Uniform Expense	4,137	4,430	294	9,908	44.7%	5,478	
Contract Services	144,036	174,178	30,142	201,310	86.5%	27,132	<i>Boat Demolitions ~\$30k, not Patrol I</i>
Legal & Auditing	27,125	62,658	35,532	81,600	76.8%	18,942	<i>primarily Patrol I</i>
Operating Supplies	116,935	103,499	(13,436)	154,854	66.8%	51,355	
Cost of Fuel Sold - Quilcene	13,459	9,069	(4,391)	20,000	45.3%	10,931	
Moorage Credit System - PTBH	36,310	40,095	3,785	40,000	100.2%	(95)	<i>expected to vary</i>
Travel	12,894	10,156	(2,738)	17,100	59.4%	6,944	
Training	7,162	5,781	(1,381)	8,000	72.3%	2,219	<i>retreat Strtgc Plan</i>
Insurance	125,134	130,464	5,330	189,175	69.0%	58,712	
Claims & Damages	0	4,816	4,816	7,000	68.8%	2,184	
Advertising	16,742	37,222	20,480	48,050	77.5%	10,828	<i>Exec. Dir. Recruitment</i>
Promotion	5,269	4,098	(1,171)	5,000	82.0%	902	
Membership & Dues	12,340	11,267	(1,073)	14,670	76.8%	3,403	<i>WPPA dues pd in Jan.</i>
Community Relations	1,173	0	(1,173)	4,000	0.0%	4,000	
Bank Charges	37,112	40,445	3,333	53,320	75.9%	12,875	<i>incr in customer chrgs</i>
Utilities	264,409	315,837	51,428	530,347	59.6%	214,510	
Excise Tax	15,005	15,978	974	23,125	69.1%	7,147	
Bad Debt	19,291	1,838	(17,454)	19,200	9.6%	17,362	
Miscellaneous Expense	0	950	950	4,200	22.6%	3,250	
Repair & Maintenance	100,074	102,806	2,731	245,520	41.9%	142,714	
Economic Development	25,000	25,000	0	25,000	100.0%	0	
Operating Expenses w/o Depr	2,594,504	2,749,746	155,242	4,470,084	61.5%	1,720,338	
Income from Operations w/o Depr	955,303	958,223	(2,532)	947,522	101.1%	(10,701)	
Depreciation Expense	1,009,483	1,020,705	11,223	1,032,102	98.9%	527,442	
Income (Loss) from Oper w/Depr	(54,179)	(62,483)	(8,303)	(84,580)	73.9%	(538,142)	

Port of Port Townsend
Consolidated Statement of Revenue & Expense
For the Period Ended August 31, 2016

	Actual thru Aug. 31, 2015	Actual thru Aug. 31, 2016	Variance between YTD year to year	Annual Budget	% of Actual to Budget at 67% of year	Budget Remaining from Actual Results	Remarks
Non-Operating Revenue							
Grant - FAA	18,364	38,907	20,543	0	0.0%	(38,907)	
Misc. Grant Revenue	0	5,986	5,986	0	0.0%	(5,986)	<i>Quil WW Study-County</i>
Capital Contributions - Non-Oper	0	83,111	83,111	223,740	37.1%	140,629	<i>timing of Boat Ramp proj</i>
ARRA Bond Interest Subsidy Pmt	0	16,283	16,283	0	0.0%	(16,283)	
Investment Interest	2,686	4,581	1,895	4,200	109.1%	(381)	
Operating Tax Levy	615,076	622,804	7,729	948,000	65.7%	325,196	
State Forest Revenues	39,125	28,931	(10,194)	25,000	115.7%	(3,931)	<i>expected to vary</i>
State Timber Excise Tax	42,016	27,929	(14,087)	39,000	71.6%	11,071	<i>expected to vary</i>
Leasehold Excise Tax	5,469	5,532	63	7,000	79.0%	1,468	
Finance Charges	9,842	13,742	3,900	14,000	98.2%	258	
Other Non-Operating Revenues	1	276	275	0	0.0%	(276)	
Cash Over/(Short)	(27)	(138)	(111)	0	0.0%	138	
Total Non-Operating Revenue	732,550	852,944	120,394	1,260,940	67.6%	407,996	
Non-Operating Expenses							
Interest Exp - CERB Loan	6,188	3,665	(2,522)	5,500	66.6%	1,835	
Interest Exp - 2005 Rev Ref Bond	23,964	0	(23,964)	0	0.0%	0	
Interest Exp - 2005 LTGO Bond	92,937	0	(92,937)	0	0.0%	0	
Interest Exp - 2006 LTGO Ref Bond	18,726	13,941	(4,785)	17,532	79.5%	3,591	
Interest Exp - 2010 LTGO Bond	143,563	145,440	1,877	226,836	64.1%	81,396	
Interest Exp - 2013 Revenue Bond	13,316	11,836	(1,480)	17,754	66.7%	5,918	
Interest Exp - 2015 LTGO Ref Bond	22,975	74,280	51,304	130,651	56.9%	56,371	
Bond Management Fees	260	0	(260)	1,200	0.0%	1,200	
Bond Issue Costs	67,338	0	(67,338)	0	0.0%	0	
Investment Fees	69	205	137	1,000	20.5%	795	
Other Non-Operating Expense	0	5,701	5,701	0	0.0%	(5,701)	<i>Quil WW Study-County</i>
Total Non-Operating Expenses	389,336	255,068	(134,268)	400,473	63.7%	145,405	
Net Non-Operating Income(Expense)	343,215	597,876	254,661	860,467	69.5%	262,591	
Net Income(Loss)	289,035	535,393	246,358	775,887	69.0%	(275,551)	