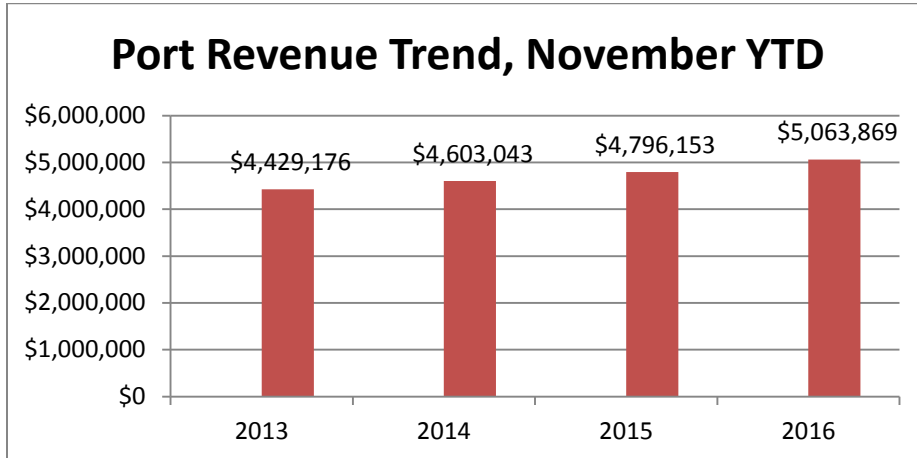
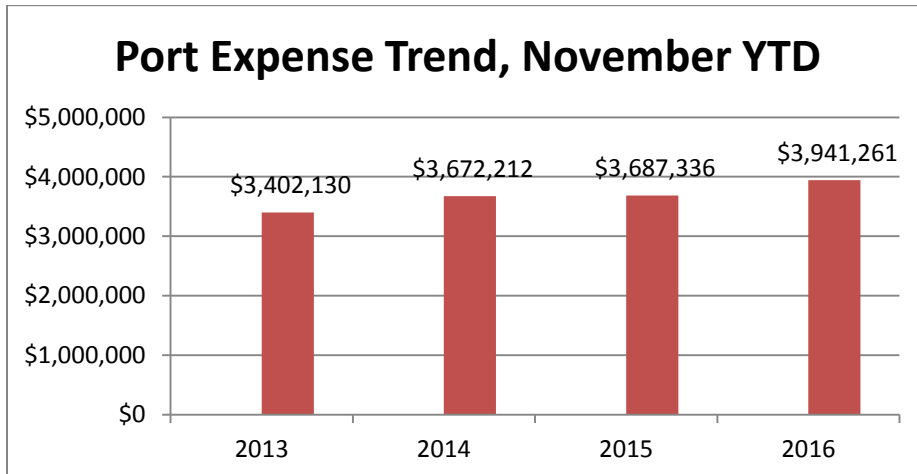


MEMORANDUM

Date: January 10, 2017
To: Commission & Directors
From: Abigail Berg
Subject: Port financial highlights, YTD November 2016



YTD Operating Revenues are up \$259,208, or 5.4%, compared to 2015, and are 93.5% of budget when we're at 92% of budget in the year.



YTD 2016 Operating expenses are \$253,675, or 6.8%, more than 2015, though 92% through the year, expenses are 88.2% of YTD budget (without depreciation).

Before depreciation, we have YTD net operating income of \$1,122,608 and after depreciation the YTD net operating income is a loss of (\$287,379). However the overall net income is \$555,122 (with depreciation) after non-operating revenues and expenses are included. This is \$176,573 more than 2015 YTD and at 92% through the year we are at 213.6% of budget for the Net Income (Loss) of the Port. *(It should be noted that with this increase, there is approximately \$48,000 in revenues that will likely not be collected.)*

YTD, the Port expended \$426,288 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 \$128,834.

YTD, the Port has paid \$395,000 of the \$625,000 total principle debt service for 2016. During the same period, \$339,552 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 November 30, 2016 were \$3,126,756, of which \$967,850 were reserves leaving a \$2,158,907 unreserved balance of cash. (*Debt service, both principle and interest, for December will reduce this cash by \$368,819.*)

Port of Port Townsend
Consolidated Statement of Revenue & Expense
For the Period Ended November 30, 2016

	Actual thru Nov. 30, 2015	Actual thru Nov. 30, 2016	Variance between YTD year to year	Annual Budget	% of Actual to Budget at 92% of year	Budget Remaining from Actual Results	Remarks
Revenues							
PTBH - Permanent Moorage	876,046	926,122	50,075	1,032,000	89.7%	105,878	
PTBH - Ship Moorage	3,465	0	(3,465)	0	0.0%	0	2016 monthly or nightly
PTBH - Liveaboard Fee	14,480	18,340	3,860	18,000	101.9%	(340)	
Work Float/Lift Pier Usage	2,349	12,478	10,129	18,000	69.3%	5,522	
PTBH - Monthly Guest	150,806	168,855	18,049	159,500	105.9%	(9,355)	
PTBH - Nightly Guest	190,937	236,339	45,402	231,600	102.0%	(4,739)	
PTBH - Electric	76,416	80,628	4,212	80,000	100.8%	(628)	
PTBH - Miscellaneous	10,311	34,321	24,010	10,000	343.2%	(24,321)	City water reim ~\$10k ck, Cobb ~\$15k accrual, not likely to realize
PTBH - Enviro Clean-up	135	0	(135)	0	0.0%	0	
PTBH - Showers	19,747	19,618	(128)	20,000	98.1%	382	
PTBH - Laundry	4,431	4,803	372	6,000	80.0%	1,197	
Total Moorage Revenue	1,349,123	1,501,504	152,382	1,575,100	95.3%	73,596	
Yard - Liveaboard Fee	140	805	665	500	161.0%	(305)	\$32,618 Landry costs, not likely to realize this revenue
Yard - Miscellaneous	7,575	39,061	31,486	15,000	260.4%	(24,061)	
Yard - Enviro Clean-up	19,226	14,790	(4,436)	0	0.0%	(14,790)	
Yard - BMP infractions	600	3,600	3,000	0	0.0%	(3,600)	
Yard - 70/75 Ton Hoist	263,319	269,957	6,638	270,639	99.7%	682	
Yard - 300 Ton Hoist	124,147	146,096	21,949	186,735	78.2%	40,639	
Yard - Washdown	67,653	71,420	3,768	75,000	95.2%	3,580	
Yard - Bilge Water	6,924	3,558	(3,366)	12,000	29.7%	8,442	
Yard - Work Yard	495,421	447,193	(48,228)	600,000	74.5%	152,807	
Yard - Ship Yard	314,937	329,955	15,018	360,080	91.6%	30,125	
Yard - L/T Storage	56,921	50,246	(6,674)	70,322	71.5%	20,076	
Yard - Electric	16,512	20,700	4,189	25,000	82.8%	4,300	
Yard - Blocking Rent	12,640	17,888	5,248	16,000	111.8%	(1,888)	
Yard - Tarp Pool Fee	265	0	(265)	0	0.0%	0	
Marine Trades 3%	101,872	79,243	(22,629)	81,800	96.9%	2,557	
Total Work Yard Revenue	1,488,150	1,494,514	6,363	1,713,076	87.2%	218,563	
PTBH Prop - Leases	464,065	463,655	(410)	509,600	91.0%	45,945	
PTBH Prop - Storage Unit	4,673	4,556	(117)	5,000	91.1%	444	
PTBH Prop - Fuel Dock Lease	19,920	18,730	(1,190)	20,400	91.8%	1,670	pre 2016 "other" utilities were put in Electric, now is corrected
PTBH Prop - Electric	13,090	4,027	(9,064)	14,000	28.8%	9,973	
PTBH Prop - Other Utilities	7,019	15,530	8,510	8,200	189.4%	(7,330)	
Total PTBH Property Revenue	508,768	506,498	(10,780)	557,200	90.9%	50,702	

Port of Port Townsend
Consolidated Statement of Revenue & Expense
For the Period Ended November 30, 2016

	Actual thru Nov. 30, 2015	Actual thru Nov. 30, 2016	Variance between YTD year to year	Annual Budget	% of Actual to Budget at 92% of year	Budget Remaining from Actual Results	Remarks
Pt Hudson Prop - Bldg Leases	343,540	345,159	1,619	400,000	86.3%	54,841	
Pt Hudson Prop - Utility Reim	0	10,720	10,720	0	0.0%	(10,720)	chg in accounting practice
Pt Hudson - Perm Moorage	109,029	115,410	6,380	124,277	92.9%	8,867	
Pt Hudson - Liveaboard Fee	3,395	3,220	(175)	4,300	74.9%	1,080	
Pt Hudson - Monthly Guest	75,304	84,413	9,109	70,000	120.6%	(14,413)	
Pt Hudson - Wharf Garbage Reim	0	23,836	23,836	0	0.0%	(23,836)	chg in accounting practice
Pt Hudson - Nightly Guest	227,169	237,082	9,913	235,350	100.7%	(1,732)	
Pt Hudson - Wharf Usage	6,778	8,687	1,909	10,000	86.9%	1,313	
Pt Hudson - Monthly R.V.	25,863	28,125	2,263	27,100	103.8%	(1,025)	
Pt Hudson - Nightly R.V.	289,833	325,271	35,439	290,126	112.1%	(35,145)	
Pt Hudson - Kayak Racks	8,381	10,259	1,878	6,000	171.0%	(4,259)	
Pt Hudson - Reservation Fee	32,193	30,542	(1,651)	26,000	117.5%	(4,542)	
Pt Hudson - Showers	7,864	8,254	390	8,000	103.2%	(254)	
Pt Hudson - Laundry	7,734	8,703	969	7,500	116.0%	(1,203)	
Pt Hudson - Passenger Fee	3,815	4,019	205	4,000	100.5%	(19)	
Pt Hudson - Electric	27,040	27,714	674	22,000	126.0%	(5,714)	
Pt Hudson - Miscellaneous	3,310	3,774	464	2,500	151.0%	(1,274)	
Pt Hudson - Event Facility	5,277	5,222	(54)	5,000	104.4%	(222)	
Total Pt Hudson Revenue	1,176,524	1,280,410	103,886	1,242,153	103.1%	(38,257)	
Quilcene - Permanent Moorage	28,126	29,413	1,287	33,150	88.7%	3,737	
Quilcene - Nightly Moorage	4,314	3,553	(761)	2,600	136.7%	(953)	
Quilcene - Nightly R.V.	1,243	995	(248)	1,200	82.9%	205	
Quilcene - Electric	903	1,072	169	2,000	53.6%	928	
Quilcene - Showers	2,190	1,953	(237)	2,500	78.1%	547	
Quilcene - Fuel Sales	19,107	16,133	(2,974)	28,000	57.6%	11,867	
Quilcene - Ramp fees	0	2,707	2,707	0	0.0%	(2,707)	prev under "Ramps"
Quilcene - Leases	52,151	53,116	964	59,160	89.8%	6,044	
Quilcene - Rental Property	5,500	5,500	0	6,000	91.7%	500	
Quilcene - Water	6,266	6,633	367	7,000	94.8%	367	
Quilcene - Miscellaneous	0	0	0	200	0.0%	200	
Total Quilcene Revenue	119,801	121,075	1,274	141,810	85.4%	20,735	
Ramps - Passes	33,180	34,587	1,407	53,899	64.2%	19,312	moved Quil to Quil
Ramps - Dinghy Float	840	856	16	1,350	63.4%	494	
Total Ramp Revenue	34,020	35,443	1,423	55,249	64.2%	19,806	
JCIA - Miscellaneous	0	2,138	2,138	100	2137.6%	(2,038)	incl reim damaged lights
JCIA - Leases	95,074	96,448	1,374	105,264	91.6%	8,816	
JCIA - Hangar Revenue	20,327	21,583	1,256	22,404	96.3%	821	
JCIA - Vehicle Parking	720	720	0	750	96.0%	30	
JCIA - Aircraft Parking	582	1,115	533	1,000	111.5%	(115)	
JCIA - Commercial Landing Fee	0	0	0	0	0.0%	0	
JCIA - Fuel Lease	3,061	2,421	(640)	3,500	69.2%	1,079	
Total JCIA Revenue	119,765	124,425	4,660	133,018	93.5%	8,593	
Total Operating Revenue	4,796,150	5,063,869	259,208	5,417,606	93.5%	353,737	

Port of Port Townsend
Consolidated Statement of Revenue & Expense
For the Period Ended November 30, 2016

	Actual thru Nov. 30, 2015	Actual thru Nov. 30, 2016	Variance between YTD year to year	Annual Budget	% of Actual to Budget at 92% of year	Budget Remaining from Actual Results	Remarks
Operating Expenses							
Salaries & Wages	1,557,181	1,667,493	110,312	1,877,504	88.8%	210,011	
Payroll Taxes	160,311	179,888	19,577	221,100	81.4%	41,212	
Employee Benefits	543,481	562,233	18,752	670,101	83.9%	107,868	
Uniforms	7,010	5,271	(1,739)	9,908	53.2%	4,637	
Contract Services	280,463	252,248	(28,216)	201,310	125.3%	(50,938)	<i>Boat Demo ~\$30k, not Patrol I</i>
Legal & Auditing	40,516	107,799	67,283	81,600	132.1%	(26,199)	<i>primarily Patrol I & Cobb</i>
Operating Supplies	156,195	139,992	(16,204)	154,854	90.4%	14,862	
Cost of Fuel Sold - Quilcene	16,794	14,280	(2,514)	20,000	71.4%	5,720	
Moorage Credit System - PTBH	49,733	46,570	(3,162)	40,000	116.4%	(6,570)	<i>expected to vary</i>
Travel	16,578	15,961	(617)	17,100	93.3%	1,139	
Training	9,563	7,769	(1,795)	8,000	97.1%	231	<i>retreat Strtgc Plan</i>
Insurance	174,043	179,389	5,346	189,175	94.8%	9,787	
Claims & Damages	0	5,923	5,923	7,000	84.6%	1,077	
Advertising	26,923	50,772	23,849	48,050	105.7%	(2,722)	<i>Exec. Dir. Recruitment</i>
Promotion	6,109	4,378	(1,731)	5,000	87.6%	622	
Membership & Dues	11,560	11,970	410	14,670	81.6%	2,700	<i>WPPA dues pd in Jan.</i>
Community Relations	1,374	0	(1,374)	4,000	0.0%	4,000	
Bank Charges	52,775	54,262	1,487	53,320	101.8%	(942)	<i>incr in customer chrgs</i>
Utilities	367,335	445,503	78,168	530,347	84.0%	84,843	<i>~\$34k related to chg in acctg practice</i>
Excise Tax	20,064	22,257	2,192	23,125	96.2%	868	<i>expected to vary</i>
Bad Debt	14,477	1,838	(12,639)	19,200	9.6%	17,362	<i>expected to vary</i>
Miscellaneous	325	1,013	688	4,200	24.1%	3,187	
Repair & Maintenance	149,773	139,452	(10,322)	245,520	56.8%	106,068	
Economic Development	25,000	25,000	0	25,000	100.0%	0	
Operating Expenses w/o Depr	3,687,586	3,941,261	253,675	4,470,084	88.2%	528,823	
Income from Operations w/o Depr	1,108,565	1,122,608	5,533	947,522	118.5%	(175,086)	
Depreciation Expense	1,263,283	1,409,986	146,703	1,548,147	91.1%	138,161	
Income (Loss) from Oper w/Depr	(154,719)	(287,379)	(132,660)	(600,625)	47.8%	(313,246)	

Port of Port Townsend
Consolidated Statement of Revenue & Expense
For the Period Ended November 30, 2016

	Actual thru Nov. 30, 2015	Actual thru Nov. 30, 2016	Variance between YTD year to year	Annual Budget	% of Actual to Budget at 92% of year	Budget Remaining from Actual Results	Remarks
Non-Operating Revenue							
Grant - FAA	18,364	38,907	20,543	0	0.0%	(38,907)	final AWOS close-out
Miscellaneous Grants	0	24,180	24,180	0	0.0%	(24,180)	Quil WW Study-County
Capital Contributions	0	163,517	163,517	223,740	73.1%	60,223	incl PH Jetty 2014 reim
ARRA Bond Interest Subsidy	0	16,283	16,283	0	0.0%	(16,283)	2010 LTGO Bond rebate
Investment Interest	3,266	6,872	3,605	4,200	163.6%	(2,672)	incr in invstmt balances
Operating Tax Levy	845,153	856,026	10,873	948,000	90.3%	91,974	
State Forest Sales	51,140	36,821	(14,319)	25,000	147.3%	(11,821)	expected to vary
State Timber Excise Tax	52,469	31,140	(21,329)	39,000	79.8%	7,860	expected to vary
Leasehold Excise Tax	5,814	5,786	(28)	7,000	82.7%	1,214	
Insurance Recovery	10,847	10,000	(847)	0	#DIV/0!	(10,000)	expected to vary
Finance Charges	15,509	19,424	3,915	14,000	138.7%	(5,424)	incr in credit card use
Other Non-Operating	10,001	479	(9,521)	0	0.0%	(479)	
Cash Over/(Short)	(89)	(140)	(51)	0	0.0%	140	
Total Non-Operating Revenue	1,012,475	1,209,296	196,821	1,260,940	95.9%	51,644	
Non-Operating Expenses							
Interest Exp - CERB Loan	8,250	4,353	(3,897)	5,500	79.1%	1,147	
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	25,748	17,034	(8,713)	17,532	97.2%	498	
Interest Exp - 2010 LTGO Bond	191,418	199,981	8,563	226,836	88.2%	26,855	
Interest Exp - 2013 Revenue Bond	17,754	16,813	(942)	17,754	94.7%	942	
Interest Exp - 2015 LTGO Ref Bond	48,940	101,371	52,431	130,651	77.6%	29,280	
Bond Management Fees	2,760	940	(1,820)	1,200	78.3%	260	
Bond Issue Costs	67,338	0	(67,338)	0	0.0%	0	
Investment Fees	97	319	222	1,000	31.9%	681	
Other Non-Operating	0	25,985	25,985	0	0.0%	(25,985)	Quil WW Study
Total Non-Operating Expenses	479,207	366,796	(112,411)	400,473	91.6%	33,677	
Net Non-Oper Income(Expense)	533,268	842,500	309,233	860,467	97.9%	17,967	
Net Income(Loss)	378,549	555,122	176,573	259,842	213.6%	(295,280)	