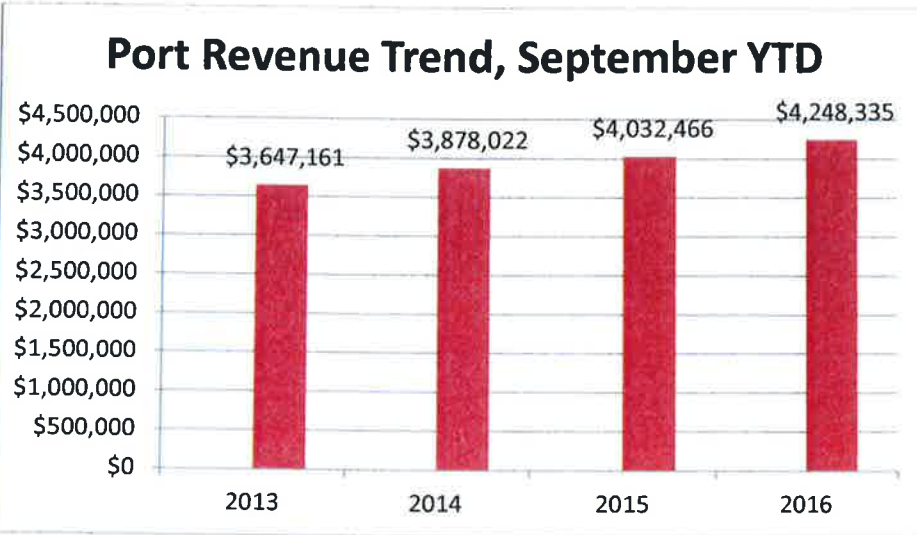
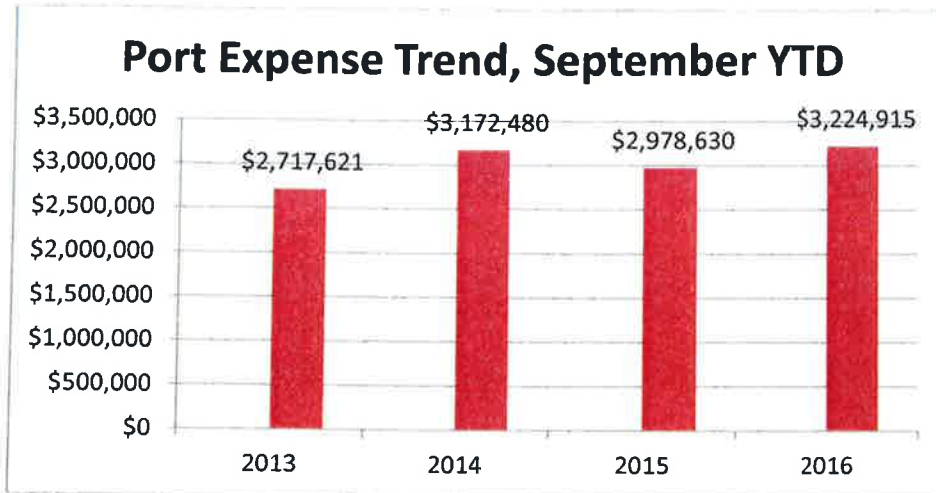


MEMORANDUM

Date: November 4, 2016
To: Commission & Directors
From: Abigail Berg
Subject: Port financial highlights, YTD September 2016



YTD Operating Revenues are up \$214,895 (or 5%) compared to 2015, and are 78.4% of budget (when we're at 75% of budget in the year). July and August's YTD operating revenues, were approximately 1% over the percentage of YTD budget and September is 3.4% over the percentage of YTD budget.



YTD 2016 Operating expenses are \$246,285 (or 8%) more than 2015, though 75% through the year, expenses are 72% of YTD budget (without depreciation).

Before depreciation, we have YTD net operating income of \$1,023,420 and after depreciation the YTD net operating income is a loss of (\$124,914). However the overall net income is \$524,058 (with depreciation) after non-operating revenues and expenses are included. This is \$193,971 more than 2015 YTD and at 75% through the year, we are at 81% of budget.

YTD, the Port expended \$372,563 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 \$151,495.

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 September 30, 2016 were \$2,712,287, of which \$947,850 were reserves leaving a \$1,764,437 unreserved balance of cash.

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

	Actual thru Sep. 30, 2015	Actual thru Sep. 30, 2016	Variance between YTD year to year	Annual Budget	% of Actual to Budget at 75% of year	Budget Remaining from Actual Results	Remarks
Revenues							
PTBH - Permanent Moorage	721,053	760,271	39,218	1,032,000	73.7%	271,729	
PTBH - Ship Moorage	3,465	0	(3,465)	0	0.0%	0	2016 monthly or nightly
PTBH - Liveaboard Fee	11,400	14,560	3,160	18,000	80.9%	3,440	
Work Float/Lift Pier Usage	1,397	11,206	9,809	18,000	62.3%	6,795	
PTBH - Monthly Guest	114,978	136,289	21,311	159,500	85.4%	23,211	
PTBH - Nightly Guest	172,547	217,609	45,061	231,600	94.0%	13,991	
PTBH - Electric	63,059	66,488	3,429	80,000	83.1%	13,512	
PTBH - Miscellaneous	8,917	18,158	9,241	10,000	181.6%	(8,158)	City water reim \$10,642
PTBH - Enviro Clean-up	135	0	(135)	0	0.0%	0	
PTBH - Showers	16,705	16,494	(211)	20,000	82.5%	3,506	
PTBH - Laundry	3,600	4,248	648	6,000	70.8%	1,752	
Total Moorage Revenue	1,117,256	1,245,322	128,066	1,575,100	79.1%	329,778	
Yard - Liveaboard Fee	140	665	525	500	133.0%	(165)	
Yard - Miscellaneous	5,745	29,527	23,783	15,000	196.8%	(14,527)	
Yard - Enviro Clean-up	15,226	4,014	(11,212)	0	0.0%	(4,014)	
Yard - BMP infractions	0	3,600	3,600	0	0.0%	(3,600)	
Yard - 70/75 Ton Hoist	230,804	232,636	1,832	270,639	86.0%	38,003	
Yard - 300 Ton Hoist	105,720	123,437	17,717	186,735	66.1%	63,298	
Yard - Washdown	59,457	61,829	2,372	75,000	82.4%	13,171	
Yard - Bilge Water	6,348	3,199	(3,149)	12,000	26.7%	8,801	
Yard - Work Yard	420,229	374,643	(45,586)	600,000	62.4%	225,357	
Yard - Ship Yard	258,483	288,050	29,567	360,080	80.0%	72,030	
Yard - L/T Storage	45,772	41,977	(3,795)	70,322	59.7%	28,345	
Yard - Electric	13,109	17,282	4,174	25,000	69.1%	7,718	
Yard - Blocking Rent	10,214	15,121	4,908	16,000	94.5%	879	
Yard - Tarp Pool Fee	265	0	(265)	0	0.0%	0	
Marine Trades 3%	95,147	67,635	(27,512)	81,800	82.7%	14,165	
Total Work Yard Revenue	1,266,658	1,263,615	(3,043)	1,713,076	73.8%	449,461	
PTBH Prop - Leases	379,167	378,258	(909)	509,600	74.2%	131,342	
PTBH Prop - Storage Unit	3,827	3,720	(107)	5,000	74.4%	1,280	
PTBH Prop - Fuel Dock Lease	17,303	16,242	(1,061)	20,400	79.6%	4,158	
PTBH Prop - Electric	10,390	3,858	(6,532)	14,000	27.6%	10,142	
PTBH Prop - Other Utilities	5,914	12,126	6,213	8,200	0.0%	(3,926)	
Total PTBH Property Revenue	416,600	414,204	(8,609)	557,200	74.3%	142,996	

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

	Actual thru Sep. 30, 2015	Actual thru Sep. 30, 2016	Variance between YTD year to year	Annual Budget	% of Actual to Budget at 75% of year	Budget Remaining from Actual Results	Remarks
Pt Hudson Prop - Bldg Leases	281,238	281,889	651	400,000	70.5%	118,111	
Pt Hudson Prop - Utility Reim	0	8,585	8,585	0	0.0%	(8,585)	<i>chg in accounting practice</i>
Pt Hudson - Perm Moorage	90,029	94,284	4,255	124,277	75.9%	29,993	
Pt Hudson - Liveaboard Fee	2,240	1,890	(350)	4,300	44.0%	2,410	
Pt Hudson - Monthly Guest	52,860	57,312	4,452	70,000	81.9%	12,688	
Pt Hudson - Wharf Garbage Reim	0	19,267	19,267	0	0.0%	(19,267)	<i>chg in accounting practice</i>
Pt Hudson - Nightly Guest	215,126	227,056	11,930	235,350	96.5%	8,295	
Pt Hudson - Wharf Usage	4,486	6,722	2,236	10,000	67.2%	3,278	
Pt Hudson - Monthly R.V.	18,263	20,475	2,213	27,100	75.6%	6,625	
Pt Hudson - Nightly R.V.	252,390	285,019	32,628	290,126	98.2%	5,107	
Pt Hudson - Kayak Racks	7,181	8,759	1,578	6,000	146.0%	(2,759)	
Pt Hudson - Reservation Fee	29,099	26,985	(2,114)	26,000	103.8%	(985)	
Pt Hudson - Showers	6,590	7,400	810	8,000	92.5%	600	
Pt Hudson - Laundry	6,522	7,173	652	7,500	95.6%	327	
Pt Hudson - Passenger Fee	2,791	3,560	770	4,000	89.0%	440	
Pt Hudson - Electric	23,297	23,793	496	22,000	108.2%	(1,793)	
Pt Hudson - Miscellaneous	3,064	3,333	269	2,500	133.3%	(833)	
Pt Hudson - Event Facility	4,977	4,422	(554)	5,000	88.4%	578	
Total Pt Hudson Revenue	1,000,152	1,087,923	87,771	1,242,153	87.6%	154,230	
Quilcene - Permanent Moorage	24,791	25,332	541	33,150	76.4%	7,818	
Quilcene - Nightly Moorage	4,184	3,533	(651)	2,600	135.9%	(933)	
Quilcene - Nightly R.V.	1,243	995	(248)	1,200	82.9%	205	
Quilcene - Electric	751	829	77	2,000	41.4%	1,171	
Quilcene - Showers	1,830	1,633	(197)	2,500	65.3%	867	
Quilcene - Fuel Sales	16,567	12,249	(4,318)	28,000	43.7%	15,751	
Quilcene - Ramp fees	0	2,677	2,677	0	0.0%	(2,677)	<i>prev under "Ramps"</i>
Quilcene - Leases	42,669	43,458	789	59,160	73.5%	15,702	
Quilcene - Rental Property	4,500	4,500	0	6,000	75.0%	1,500	
Quilcene - Water	5,186	5,549	363	7,000	79.3%	1,451	
Quilcene - Miscellaneous	0	0	0	200	0.0%	200	
Total Quilcene Revenue	101,722	100,755	(967)	141,810	71.0%	41,055	
Ramps - Passes	32,321	33,438	1,117	53,899	62.0%	20,461	<i>moved Quil to Quil</i>
Ramps - Dinghy Float	840	856	16	1,350	63.4%	494	
Total Ramp Revenue	33,161	34,294	1,133	55,249	62.1%	20,955	
JCIA - Miscellaneous	0	1,842	1,842	100	1841.5%	(1,742)	<i>incl reim damaged lights</i>
JCIA - Leases	77,758	78,905	1,148	105,264	75.0%	26,359	
JCIA - Hangar Revenue	16,556	17,878	1,322	22,404	79.8%	4,526	
JCIA - Vehicle Parking	360	540	180	750	72.0%	210	
JCIA - Aircraft Parking	512	840	328	1,000	84.0%	160	
JCIA - Commercial Landing Fee	0	0	0	0	0.0%	0	
JCIA - Fuel Lease	2,706	2,218	(488)	3,500	63.4%	1,282	
Total JCIA Revenue	97,891	102,222	4,331	133,018	76.8%	30,796	
Total Operating Revenue	4,033,440	4,248,335	208,682	5,417,606	78.4%	1,169,271	

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

	Actual thru Sep. 30, 2015	Actual thru Sep. 30, 2016	Variance between YTD year to year	Annual Budget	% of Actual to Budget at 75% of year	Budget Remaining from Actual Results	Remarks
Operating Expenses							
Salaries & Wages	1,269,757	1,356,430	86,674	1,877,504	72.2%	521,074	
Payroll Taxes	127,525	152,879	25,354	221,100	69.1%	68,221	
Employee Benefits	424,400	460,322	35,922	670,101	68.7%	209,778	
Uniforms	4,777	4,677	(101)	9,908	47.2%	5,232	
Contract Services	200,513	192,933	(7,580)	201,310	95.8%	8,377	Boat Demo ~\$30k, not Patrol
Legal & Auditing	35,716	92,740	57,024	81,600	113.7%	(11,140)	primarily Patrol I
Operating Supplies	129,426	111,940	(17,487)	154,854	72.3%	42,914	
Cost of Fuel Sold - Quilcene	14,750	11,028	(3,722)	20,000	55.1%	8,972	
Moorage Credit System - PTBH	41,366	43,455	2,089	40,000	108.6%	(3,455)	expected to vary
Travel	13,125	11,667	(1,458)	17,100	68.2%	5,433	
Training	8,987	6,016	(2,971)	8,000	75.2%	1,984	retreat Strtgc Plan
Insurance	141,437	146,767	5,330	189,175	77.6%	42,409	
Claims & Damages	0	4,816	4,816	7,000	68.8%	2,184	
Advertising	24,471	49,842	25,371	48,050	103.7%	(1,792)	Exec. Dir. Recruitment
Promotion	5,269	4,308	(961)	5,000	86.2%	692	
Membership & Dues	12,340	11,267	(1,073)	14,670	76.8%	3,403	WPPA dues pd in Jan.
Community Relations	1,366	0	(1,366)	4,000	0.0%	4,000	
Bank Charges	42,649	46,328	3,678	53,320	86.9%	6,992	incr in customer chrgs
Utilities	289,948	355,849	65,901	530,347	67.1%	174,497	
Excise Tax	17,682	18,853	1,171	23,125	81.5%	4,272	expected to vary
Bad Debt	19,291	1,838	(17,454)	19,200	9.6%	17,362	expected to vary
Miscellaneous	325	950	625	4,200	22.6%	3,250	
Repair & Maintenance	128,505	115,009	(13,496)	245,520	46.8%	130,511	
Economic Development	25,000	25,000	0	25,000	100.0%	0	
Operating Expenses w/o Depr	2,978,630	3,224,915	246,285	4,470,084	72.1%	1,245,169	
Income from Operations w/o Depr	1,054,811	1,023,420	(37,603)	947,522	108.0%	(75,898)	
Depreciation Expense	1,135,457	1,148,334	12,877	1,161,116	98.9%	399,813	
Income (Loss) from Oper w/Depr	(80,646)	(124,914)	(44,267)	(213,594)	58.5%	(475,711)	

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

	Actual thru Sep. 30, 2015	Actual thru Sep. 30, 2016	Variance between YTD year to year	Annual Budget	% of Actual to Budget at 75% of year	Budget Remaining from Actual Results	Remarks
Non-Operating Revenue							
Grant - FAA	18,364	38,907	20,543	0	0.0%	(38,907)	<i>final AWOS close-out</i>
Miscellaneous Grants	0	20,082	20,082	0	0.0%	(20,082)	<i>Quil WW Study-County</i>
Capital Contributions	0	83,111	83,111	223,740	37.1%	140,629	<i>timing of Boat Ramp proj</i>
ARRA Bond Interest Subsidy	0	16,283	16,283	0	0.0%	(16,283)	<i>2010 LTGO Bond rebate</i>
Investment Interest	2,877	5,363	2,485	4,200	127.7%	(1,163)	
Operating Tax Levy	690,960	700,492	9,533	948,000	73.9%	247,508	
State Forest Sales	44,680	33,188	(11,492)	25,000	132.8%	(8,188)	<i>expected to vary</i>
State Timber Excise Tax	42,018	27,929	(14,088)	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	11,792	15,649	3,857	14,000	111.8%	(1,649)	<i>incr in credit card use</i>
Other Non-Operating	1	463	462	0	0.0%	(463)	
Cash Over/(Short)	(81)	(139)	(58)	0	0.0%	139	
Total Non-Operating Revenue	826,926	951,861	124,935	1,260,940	75.5%	309,079	
Non-Operating Expenses							
Interest Exp - CERB Loan	6,875	3,894	(2,981)	5,500	70.8%	1,606	
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	21,066	14,972	(6,095)	17,532	85.4%	2,560	
Interest Exp - 2010 LTGO Bond	159,515	163,620	4,106	226,836	72.1%	63,216	
Interest Exp - 2013 Revenue Bond	14,795	13,316	(1,480)	17,754	75.0%	4,439	
Interest Exp - 2015 LTGO Ref Bond	29,364	83,310	53,946	130,651	63.8%	47,341	
Bond Management Fees	260	1,342	1,082	1,200	111.8%	(142)	
Bond Issue Costs	67,338	0	(67,338)	0	0.0%	0	
Investment Fees	77	243	166	1,000	24.3%	757	
Other Non-Operating	0	22,191	22,191	0	0.0%	(22,191)	<i>Quil WW Study</i>
Total Non-Operating Expenses	416,192	302,889	(113,303)	400,473	75.6%	97,584	
Net Non-Oper Income(Expense)	410,733	648,972	238,238	860,467	75.4%	211,495	
Net Income(Loss)	330,087	524,058	193,971	646,873	81.0%	(264,216)	