

Port of Port Townsend
2021 Summary of Fund Resources & Uses with Comparison to Prior Year and Budget

	YTD Mar. 2020	YTD Mar. 2021	Variance to prior year - 2020 v 2021	notes	YTD Budget 2021	Variance to Budget YTD
REVENUES						
Boat Haven Moorage	443,080	434,283	(8,797)	a, b	445,203	(10,920)
Yard Operations	415,285	549,805	134,520	a, c	413,218	136,587
Boat Haven Properties	176,752	194,587	17,835	a	185,861	8,726
Pt. Hudson Marina, RV & Prop	281,900	313,801	31,901	a, d	285,439	28,362
Quilcene	36,655	37,667	1,012		33,099	4,568
Ramps	11,282	6,125	(5,157)	e	10,635	(4,510)
JCIA	38,818	37,416	(1,402)		38,670	(1,254)
Total Revenues	1,403,771	1,573,684	169,912	f	1,412,125	161,559
EXPENSES						
Salaries & Wages	439,934	555,851	115,917	g	558,230	(2,378)
Payroll Taxes	46,860	57,567	10,707	g	58,541	(974)
Employee Benefits	132,356	203,586	71,230	h	211,322	(7,736)
Uniform Expense	3,719	2,542	(1,177)		2,391	151
Contract Services	73,037	64,592	(8,444)		75,398	(10,806)
Legal & Auditing	4,776	43,689	38,914	i	25,610	18,079
Insurance	228	-	(228)		-	-
Facilities & Operations	100,921	168,447	67,527	j	110,076	58,371
Utilities	145,241	150,274	5,033		166,441	(16,167)
Marketing	10,134	6,405	(3,729)		8,513	(2,108)
Travel & Training	3,825	659	(3,166)		2,122	(1,463)
Cost of Goods - Fuel	2,035	-	(2,035)		-	-
Community Relations	6,496	3,847	(2,649)		-	3,847
Total Expenses	969,561	1,257,460	287,899	k	1,218,643	38,817
Net Operating Income (Loss)	434,210	316,224	(117,987)		193,482	122,742
Other Increases in Fund Resources						
Deposits & Retainage Collected	33,117	18,624	(14,493)		18,503	121
Taxes Collected	142,754	160,693	17,940		145,747	14,946
Capital Contributions/Grants	69,836	-	(69,836)		-	-
Interest	5,745	17,291	11,545	l	17,400	(109)
Property & other taxes	254,898	358,909	104,011		324,455	34,454
Misc Other Incr. in Fund Resources	3,473	2,772	(702)	m	4,005	(1,233)
Total Other Incr. in Fund Resources	509,823	558,288	48,465		510,110	48,178
Other Decr. In Fund Resources						
Deposits & Retainage Paid	1,883	5,646	3,763		3,023	2,623
Taxes Remitted	-	139,069	139,069	n	138,441	628
Debt Principal & Interest	-	251,565	251,565	o	-	251,565
Debt Mgmt, Issuance & Misc Exp	150	9,341	9,191		370	8,971
Election Expense	-	-	-		-	-
Total Non-Operating Expenses	2,033	405,621	403,589		141,834	263,787
Net Non-Operating Income/Expense	507,790	152,667	(355,124)		368,276	(215,609)
Net Income/(Expense)	942,001	468,890	(473,110)	p	561,758	(92,867)

Notes:

(a) *In Qtr.1, 2020 a Bad Debt Write-off was approved by Commission and recorded in the accounting system. This is a GAAP convention, and though we are Cash Based now, we chose to reinstitute an Accounts Receivable (AR) account in the accounting system (the detailed tracking is done in the marina billing software). As such, the revenues recorded should be adjusted by any Bad Debt write-offs as well as changes in the AR balance. There have been no AR write-offs YTD 2021, and the AR balance will be up-to-date and be reduced from Operating Revenues in the April YTD financial report.*

(b) *YTD Boat Haven Moorage Revenues are less than in 2020 by about \$14,000, this is off-set by a bad debt write-off reduction of \$5,523. The driving force of this reduction is the hold on renting Permanent Moorage for the D-Dock Renovation project which impacts that revenue specifically, as well as Electric and Monthly Guest revenues. The project hold was removed at the end of February. These declines were off-set by other PTBH revenues.*

(c) *Yard Revenues continue to reign strong over YTD 2020 as well as budget. Most of this increase is from the Yard and Hoist revenues in both the 70/75 Ton and 300 Ton Yards which make up 91%, or \$83,623 of the increase.*

(d) *Point Hudson Revenues increased from 2020 by about \$32,000, or 11%, and is more than budget YTD by about \$28,000. The largest part of the year to year increase is from the RV Park, both Nightly and Monthly, which together increased by \$21,400, and the bulk of the increase is primarily from Permanent Moorage. Property Utility Reimbursement revenues are still lower than 2020 by \$4,202. This is largely due to use reductions related to closed or severely limited business use in Jan. -Mar. 2021 due to the pandemic and the slow re-opening of businesses. The report shows a year to year reduction in Reservations Fees of \$2,631, but this is due to Molo allocating those reservation fees to future dates based on the date of the reservation. This improved from the YTD Feb. variance by \$1,172. YTD March, the actual Reservation Fee revenues in 2021 are \$6,952.*

(e) *Ramp revenues YTD 2021 when compared to 2020 are down by \$5,157. Part of this decline is likely due to the annualizing of annual pass expiration dates that were implemented mid year 2020. In addition to and as a result of that change, the salmon season is uncertain this year and customers can now wait to purchase an annual pass until they hear about the salmon season in about a month. When compared to budget, these revenues are down by \$4,510.*

(f) *Operating Revenues overall increased by 12%, or \$169,912, when compared to 2020 and were 11% higher than budgeted for YTD this month.*

(g) *The variance year to year for Salaries/Wages of \$115,917 is actually \$24,314. The \$91,603 is a timing difference with last year's March 31 payroll that was mistakenly recorded in April, not March which also impacts payroll taxes paid. This will auto-correct with the April YTD report. This line item is in alignment with budget YTD.*

(h) *Due to the timing of benefit payments in 2020, there's a variance of \$71,230. This corrects itself in April. Benefits are just under budget to-date.*

(i) *The large increase in Legal & Auditing Expense this year when compared to 2020 is in part due to the final billing of the 2018 & 2019 Financial Statement and Accountability audits for approximately \$14,000 and partly due to increased Legal in 2021 due to a now resolved litigation issue. This amount is more than budgeted.*

(j) *2021 costs were higher for Facilities & Operations when compared to 2020 by \$67,527 and \$58,371 more than Budget. There were several increases and decreases in various line items, but the highest variances year to year are \$36,151 more in Enviro Materials/Supplies, \$18,160 in Maintenance/Repair and around \$5,000 each increase in Computer Supplies, Bank Charges and Membership Dues expenses.*

(k) Operating Expenses increased by \$287,899, or 30%, when compared to 2020 and are more than budget by \$38,817, or 3%. As already mentioned, some of this increase is due to changes in reporting (GAAP to Cash) and some are due to increased spending in other areas.

(l) The variance between 2020 and 2021 for Interest revenue is primarily related to timing of the receipt of the 2010 LTGO (Bond Build America Bond) rebate submitted to the IRS semi-annually. This is off-set somewhat by the large reduction in interest received on investments in 2021.

(l) The Taxes Remitted line item was added in the May 2020 report as a Cash Basis line item.

(m) In January 2021, we paid off and closed out the 2020 Line of Credit.

(m) Overall, the difference between 2020 and 2021 for Net Income/(Expense) is due to the FAA Grant proceeds in 2020 of almost \$70,000, the pay-off of the 2020 Line of Credit in Jan. 2021 for \$251,565, and the addition of the Taxes Remitted line item in May 2020 (the 2021 YTD is \$139,069). When those three items are adjusted for, the variance between 2020 and 2021 becomes a decrease from 2020 of \$8,257.