

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

	YTD Apr. 2020	YTD Apr. 2021	Variance to prior year - 2020 v 2021	notes	YTD Budget 2021	Variance to Budget YTD
<b>REVENUES</b>						
Boat Haven Moorage	580,692	595,331	14,639	a	600,011	(4,680)
Yard Operations	586,815	775,580	188,764	a, b	597,886	177,694
Boat Haven Properties	223,830	262,863	39,034	a	248,520	14,343
Pt. Hudson Marina, RV & Prop	366,467	437,755	71,288	a, c	392,735	45,020
Quilcene	48,337	52,183	3,846		46,940	5,243
Ramps	11,847	14,250	2,403		15,072	(822)
Jeff. County Int'l Airport	50,508	52,627	2,120		51,618	1,009
(Increase)/Decrease in Accts. Receivable	(32,009)	63,506	95,515	a	-	63,506
<b>Total Revenues</b>	<b>1,836,487</b>	<b>2,254,095</b>	<b>417,609</b>	<b>d</b>	<b>1,952,782</b>	<b>301,313</b>
<b>EXPENSES</b>						
Salaries & Wages	742,665	761,397	18,732		754,889	6,508
Payroll Taxes	78,335	77,749	(586)		80,131	(2,382)
Employee Benefits	203,782	277,691	73,910	e	286,334	(8,643)
Uniform Expense	4,067	3,118	(949)		3,192	(74)
Contract Services	90,229	88,563	(1,666)		96,459	(7,896)
Legal & Auditing	4,776	52,831	48,055	f	28,943	23,888
Insurance	228	99	(129)		-	99
Facilities & Operations	149,693	255,498	105,805	g	146,522	108,975
Utilities	205,731	176,674	(29,057)	h	217,913	(41,239)
Marketing	15,823	11,400	(4,423)	i	18,655	(7,255)
Travel & Training	2,904	717	(2,187)		2,746	(2,029)
Cost of Goods - Fuel	2,035	-	(2,035)		-	-
Community Relations	6,496	3,847	(2,649)		-	3,847
<b>Total Expenses</b>	<b>1,506,764</b>	<b>1,709,584</b>	<b>202,820</b>	<b>j</b>	<b>1,635,784</b>	<b>73,799</b>
<b>Net Operating Income (Loss)</b>	<b>329,723</b>	<b>544,512</b>	<b>214,789</b>		<b>316,998</b>	<b>227,514</b>
<b>Other Increases in Fund Resources</b>						
Deposits & Retainage Collected	25,080	39,915	14,835		24,634	15,281
Taxes Collected	191,358	220,032	28,674		195,146	24,886
Capital Contributions/Grants	122,717	2,494	(120,223)		-	2,494
Debt Proceeds - Line of Credit	-	-	-		-	-
Interest	6,748	17,543	10,794		18,800	(1,257)
Property & other taxes	914,338	1,315,389	401,052		1,358,832	(43,443)
Misc Other Incr. in Fund Resources	3,463	8,147	4,684		5,260	2,887
<b>Total Other Incr. in Fund Resources</b>	<b>1,263,704</b>	<b>1,603,520</b>	<b>339,816</b>	<b>k</b>	<b>1,602,672</b>	<b>848</b>
<b>Other Decr. In Fund Resources</b>						
Deposits & Retainage Paid	1,883	5,646	3,763		4,084	1,562
Taxes Remitted	250,664	303,009	52,345		278,666	24,343
Debt Principal & Interest	-	251,565	251,565		-	251,565
Debt Mgmt, Issuance & Misc Exp	200	9,353	9,153		415	8,938
Election Expense	15,674	-	(15,674)		-	-
<b>Total Other Decr. In Fund Resources</b>	<b>268,421</b>	<b>569,574</b>	<b>301,153</b>	<b>l</b>	<b>283,165</b>	<b>286,409</b>
<b>Net Other Incr./Decr. Fund Resources</b>	<b>995,283</b>	<b>1,033,946</b>	<b>38,663</b>		<b>1,319,507</b>	<b>(285,561)</b>
<b>Net Income/(Expense)</b>	<b>1,325,006</b>	<b>1,578,458</b>	<b>253,452</b>	<b>m</b>	<b>1,636,505</b>	<b>(58,047)</b>

Summary of Fund Resources Uses, April YTD 2021

**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. There is a new line item as of April 2021 showing the Operating Revenues adjusted for YTD changes in the AR balance.

(b) Yard Revenues continue to reign strong over YTD 2020 as well as budget. Most of this increase is from the Yard Storage and Hoist revenues in both the 70/75 Ton and 300 Ton Yards which make up 79%, or \$149,929 of the increase.

(c) Point Hudson has made a rebound from last year at the beginning of the pandemic. The increase in Nightly RV and Nightly Moorage revenues represent 74%, or \$53,064, of the total year to year increase.

(d) Operating Revenues overall increased by 17.5%, or \$322,094, when compared to 2020 and were 12% higher than budgeted for YTD this month.

(e) Due to the timing of benefit payments in 2020, there's a variance of \$73,910. This corrects itself in June. Benefits are just under budget to-date.

(f) 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.

(g) 2021 costs are higher for Facilities & Operations when compared to 2020 by \$105,805 and more than Budget by \$108,975. There were several increases and decreases in various line items, but the highest variances year to year are \$45,729 more in Repair/Maintenance costs, \$27,645 more in Environmental Materials/Supplies, and approximately \$10,000 more each in Bank Charges and Janitorial Supplies. Bank Charges have increased due to the new software, Molo, that directs customers online to pay electronically. This is a huge plus to the Port because we receive funds more quickly, and we don't have to rely on staff to process the paper money and checks. In addition, we are having difficulty getting staffed up for summer, so the increase in efficiency via electronic payments is very helpful and worth the price.

(h) The year to year variance of \$29,057 is due to the April PUD bill being received late. There are 2 months of PUD bills paid in May -- services for April and May.

(i) The year to year variance for Marketing is due to approximately \$2,000 in ads regarding the Executive Director hiring process in 2020 and this year we did not use Bri Communications for the Puget Sound Boating Guide (>\$4,000), which are maps.

(j) Overall, Operating Expenses increased by \$202,820, or 13%, when compared to 2020 and are more than budget by \$73,799, or 5%. As already mentioned, these increases are due to timing of bills received and paid as well as increases in spending for Materials/Supplies - computer, janitorial, environmental and repair/maintenance. It should be kept in mind that although this appears to be a significant increase in expenses, they are in alignment with the budget, or the plan for the year. When you adjust for the timing of the benefit payments in the amount of \$73,910 (note e), we are almost spot on with budget.

(k) The year to year variance of \$339,816 for Total Other Increases in Fund Resources is primarily related to increased tax and grant revenues. This line item is in alignment with budget.

(l) Both the year to year and budget to actual variance for Total Non-Operating Expenses, \$301,153 and \$286,409, respectively, are related to the payoff of the 2020 LTGO Bond Line of Credit. This was paid in January 2020 in the amount of \$250,000.

*(m) Overall, the increase of \$253,452 when comparing 2020 to 2021 for Net Income/(Expense) is due to the strong increase in Net Operating Income (more in 2021 by \$214,789) and the small increase in Net Other Increases/Decreases in Fund Resources of \$38,663. If you reduce 2021 by the increase in tax receipts (by \$401,052), increase 2021 by the January payment of the 2020 LTGO Line of Credit for \$251,565 and reduce 2020 by the larger portion of Grant revenue (\$120,223), then 2021 is higher than 2020 by \$224,188. It should be noted that we are in close alignment with the 2021 budget; just less than budget by \$58,047. It is important to compare to prior year, but just as important, if not more, to compare to budget because the budget is where we expect to be based on anticipated changes, increases, initiatives, etc.*