

**Port of Port Townsend**  
**Summary of Operating & Non-Operating Revenues & Expenses**  
**2019 Activity with Comparison to Prior Year and Budget**

	YTD July 2018	YTD July 2019	Variance to prior year - 2018 v 2019	notes	YTD Budget 2019	Variance to Budget YTD
<b>REVENUES</b>						
Boat Haven Moorage	1,075,086	1,115,257	40,172		1,108,501	6,756
Yard Operations	1,008,309	1,116,210	107,901		1,055,702	60,508
Boat Haven Properties	373,859	420,626	46,767		368,686	51,940
Pt. Hudson Marina, RV & Prop	811,770	841,079	29,309	a	848,001	(6,922)
Quilcene	90,374	100,775	10,401		92,602	8,173
Ramps	35,086	41,318	6,232		36,842	4,476
JCIA	78,405	88,098	9,694		81,349	6,749
<b>Total Operating Revenues</b>	<b>3,472,889</b>	<b>3,723,364</b>	<b>250,475</b>		<b>3,591,683</b>	<b>131,680</b>
<b>OPERATING EXPENSES</b>						
Salaries & Wages	1,189,847	1,172,588	(17,260)		1,239,671	(67,083)
Payroll Taxes	123,687	129,021	5,335		135,572	(6,551)
Employee Benefits	434,754	380,845	(53,909)		383,691	(2,846)
Uniform Expense	1,481	4,397	2,917		4,944	(546)
Contract Services	150,975	163,094	12,119	b	166,183	(3,089)
Consulting Services	40,248	48,249	8,001	c	73,500	(25,251)
Legal & Auditing	105,357	107,657	2,300	d	58,331	49,326
Facilities & Operations	399,795	260,864	(138,931)	e	259,309	1,555
Utilities	314,038	347,512	33,474	f	347,375	137
Marketing	26,769	35,982	9,213	g	24,953	11,029
Economic Development	15,000	-	(15,000)		15,000	(15,000)
Travel & Training	18,067	22,559	4,492	h	19,563	2,996
Cost of Goods - Fuel	5,785	10,113	4,328	i	5,785	4,328
Community Relations	-	35	35		-	35
<b>Total Operating Expenses</b>	<b>2,825,802</b>	<b>2,682,917</b>	<b>(142,885)</b>		<b>2,733,877</b>	<b>(50,960)</b>
<b>Income from Operations w/o Depr</b>	<b>647,087</b>	<b>1,040,447</b>	<b>393,360</b>		<b>857,807</b>	<b>182,640</b>
<b>Non-Operating Revenue</b>						
Capital Contributions/Grants	113,039	226,856	113,818	j	410,528	(183,672)
Interest	28,451	34,715	6,264	k	23,700	11,015
Property & other taxes	613,147	648,658	35,512		606,717	41,941
Misc Non-Operating Revenue	34,415	248,680	214,265	l	20,625	228,055
<b>Total Non-Operating Revenues</b>	<b>789,051</b>	<b>1,158,909</b>	<b>369,858</b>		<b>1,061,570</b>	<b>97,339</b>
<b>Non-Operating Expenses</b>						
Bond Interest	182,172	150,294	(31,879)		143,544	6,750
Bond Mgmt, Issuance & Misc Exp	350	350	-		800	(450)
Election Expense	-	-	-		-	-
<b>Total Non-Operating Expenses</b>	<b>182,522</b>	<b>150,644</b>	<b>(31,879)</b>		<b>144,344</b>	<b>6,300</b>
<b>Net Non-Operating Income (Expense)</b>	<b>606,529</b>	<b>1,008,266</b>	<b>401,737</b>		<b>917,226</b>	<b>91,040</b>
<b>Net Income (Loss)</b>	<b>1,253,615</b>	<b>2,048,712</b>	<b>795,097</b>		<b>1,775,033</b>	<b>273,680</b>

**Notes:**

(a) *YTD Point Hudson revenues are more than the prior year by approximately \$29,000, but below budget by approximately \$7,000. The RV Park was significantly below budget due to the February cold weather (~8,000) which continues to effect the YTD budget results.*

(b) *Part of year to year variance is timing related to Cash Basis reporting, while part of the variance is Engineer Rpt on Linear Dock (\$4,382), Stormwater Sampling (\$2,750), Vault Cleaning (\$2,449) and Kidder Matthews appraisal for New Day bldg. (\$2,500). However, this line item is below budget YTD.*

(c) *Consulting Services are more than the prior year, though below budget. YTD the most significant cost is for Parametrix who is tasked with the Port's continued efforts to achieve and maintain compliance under the Boatyard General Permit.*

(d) *Substantial invoice for legal services related to Seattle Maritime Academy litigation regarding the John Cobb derelict vessel. A settlement payment was received in July that offset the YTD SMA legal fees (~\$47,000).*

(e) *The primary reason for the variance to prior year is due to the Cash Basis reporting of payment for the Port's General Liability and Property insurance as it is no longer allocated monthly, but recognized when paid (~September annually). Budget is on target.*

(f) *The primary reason for the year to year comparative increase is due to invoice payment timing using Cash Basis reporting rather than accrual. However, this line item is closely aligned to budget YTD.*

(g) *Significant increase in Marketing costs, specifically marketing port facilities and services, with emphasis on the Marine Trades (increase of \$6,181). Other costs are related to Promotional efforts, such as \$2,900 newspaper contribution to the Working Waterfront section of the Leader last winter.*

(h) *Variance to prior year, 2019 is higher due to Hazwoper training for staff (\$4,181).*

(i) *Increase from year to year comparison and YTD budget to actual is changing from accrual based (reporting the cost of fuel SOLD), versus cash based (reporting the cost of fuel PURCHASED).*

(j) *YTD July Capital Contributions/Grants are less than YTD budget because it was anticipated the Port would be in construction phase of the JCIA Runway Rehab project at this point when the budget was adopted last year.*

(k) *Interest income is higher than budgeted because more cash has been retained since the JCIA Runway Rehab construction hasn't commenced.*

(l) *Increases to Miscellaneous Non-Operating Revenue for the \$100,000 paid for the purchase of a surplus building by New Day Fisheries. These monies will be directed to the Port Wide Capital Reserve in July. In addition, there's an increase of approximately \$132,000 for the portion of the SMA legal settlement (\$212,000) that wasn't used to pay down the outstanding accounts receivable for the Cobb vessel.*

**Port of Port Townsend  
YTD Cashflow report**

		YTD July 2019
<b>Net Income w/out Depreciation</b>	notes	<b>2,048,712</b>
<b>Net Change in Accruals from Balance Sheet*</b>		<b>114,307</b>
<b>Less: Capital Expenses:</b>		
JCIA Runway Replacement project		(293,127)
PTBH Water Meters project		(18,439)
BH Breakwater Repair 2019		(1,892)
PH Moorage Office Exterior Paint 2019		(609)
WorkYard Resurfacing 2019		(1,948)
PH South Jetty 2019-2020		(986)
PH 375 Hudson St. - Air Quality Imprvmts 2019		(8,920)
Land		-
Buildings		-
Improvements		(41,862)
Equipment replacement	a	(75,748)
<b>Total Capital Expenses</b>		<b>(443,531)</b>
<b>Less: Principal Payments on Debt:</b>		
Point Hudson - 2015 LTGO Refunding Bond		-
PTBH Marina - 2010 LTGO Bond		(450,000)
<b>Total Principal Payments</b>		<b>(450,000)</b>
<b>Increase (Decrease) in Cash Y-T-D</b>		<b>1,269,488</b>
<b>Beginning Cash at 1/1/2019</b>		<b>1,632,311</b>
<b>Ending Cash at 7/31/2019</b>		<b>2,901,799</b>

\*These are current assets and current liabilities.

**Notes:**

- (a) Purchase of the following equipment & vehicles:  
    Vactor truck from City of Port Townsend (\$10,432)  
    Maintenance pick-up truck (\$24,161)  
    full payment of BH Restroom Fob Locking system (\$16,192)  
    (2) replacement tires for 300 ton Travelift (\$23,762)  
    Materials for BH Ramp Kiosk install (\$1,201)