

Port of Port Townsend
2021 Summary of Fund Resources & Uses with Comparison to Prior 2 Years and Budget

	YTD Sept. 2019	YTD Sept. 2020	YTD Sept. 2021	Variance to prior year - 2020 v 2021	notes	YTD Budget 2021	Variance to Budget YTD
REVENUES							
Boat Haven Moorage	1,464,452	1,443,354	1,486,843	43,489	a	1,426,239	60,604
Yard Operations	1,438,275	1,475,214	1,816,159	340,945	b	1,399,326	416,833
Boat Haven Properties	535,388	533,155	607,021	73,866		565,894	41,127
Pt. Hudson Marina, RV & Prop	1,178,137	1,054,900	1,340,314	285,414	c	1,079,949	260,365
Quilcene	131,548	129,545	135,979	6,434		125,196	10,783
Ramps	47,684	49,481	49,822	340		45,351	4,471
Jeff. County Int'l Airport	112,922	111,182	125,151	13,969		117,350	7,801
(Increase)/Decrease in Accts. Receivable	70,818	(47,405)	35,059	82,464	a	-	35,059
Total Revenues	4,979,223	4,749,427	5,596,348	846,921	d	4,759,305	837,043
EXPENSES							
Salaries & Wages	1,521,889	1,663,999	1,768,130	104,130	e	1,779,598	(11,468)
Payroll Taxes	167,913	176,347	179,778	3,431		190,606	(10,828)
Employee Benefits	513,469	623,595	615,196	(8,399)		669,567	(54,371)
Uniform Expense	5,269	4,818	4,081	(737)		6,641	(2,559)
Contract Services	184,094	178,381	189,942	11,561		224,990	(35,048)
Consulting Services	48,629	18,000	-	(18,000)		-	-
Legal & Auditing	82,905	15,979	59,290	43,311	f	54,750	4,540
Insurance	276,150	309,220	365,552	56,332	g	316,857	48,695
Facilities & Operations	322,797	371,840	508,511	136,672	h	355,428	153,083
Utilities	406,120	390,721	399,303	8,582		419,130	(19,827)
Marketing	47,620	36,341	41,544	5,203		40,710	834
Economic Development	-	-	15,000	15,000		-	15,000
Travel & Training	22,839	9,745	4,016	(5,729)		10,642	(6,626)
Cost of Goods - Fuel	12,424	2,035	-	(2,035)		-	-
Community Relations	35	6,896	3,997	(2,899)		4,069	(72)
Total Expenses	3,612,153	3,807,918	4,154,341	346,423	i	4,072,987	81,354
Net Operating Income (Loss)	1,367,071	941,509	1,442,007	500,498	j	686,318	755,689
Other Increases in Fund Resources							
Deposits & Retainage Collected	77,422	82,356	75,720	(6,636)		56,297	19,423
Taxes Collected	443,606	449,542	511,079	61,537		457,226	53,853
Capital Contributions/Grants	335,481	492,726	264,343	(228,383)		655	263,688
Debt Proceeds - Line of Credit	-	1,650,000	-	(1,650,000)		-	-
Interest	40,218	25,312	35,411	10,099		41,800	(6,389)
Property & other taxes	686,536	1,205,896	1,693,350	487,454		1,704,985	(11,635)
Misc Other Incr. in Fund Resources	251,791	15,785	50,982	35,197		12,785	38,197
Total Other Incr. in Fund Resources	1,835,054	3,921,617	2,630,886	(1,290,731)	k	2,273,748	357,138
Other Decr. In Fund Resources							
Deposits & Retainage Paid	36,431	35,407	20,818	(14,589)		9,084	11,734
Taxes Remitted	437,034	414,006	509,298	95,291		451,016	58,282
Debt Principal & Interest	600,294	601,275	852,009	250,734		600,444	251,565
Debt Mgmt, Issuance & Misc Exp	450	9,806	60,246	50,440		1,110	59,136
Election Expense	-	15,674	-	(15,674)		-	-
Total Other Decr. In Fund Resources	1,074,209	1,076,169	1,442,371	366,202	l	1,061,654	380,717
Net Other Incr./Decr. Fund Resources	760,845	2,845,448	1,188,515	(1,656,933)		1,212,094	(23,579)
Net Income/(Expense)	2,127,915	3,786,956	2,630,522	(1,156,435)	m	1,898,412	732,110

Notes:

(a) The "Reduction for Bad Debt Write-off" was removed as a line item since the impact of such write-offs are reflected in the "(Increase)/Decrease in Accts. Receivable" line item just above the total Operating Revenue totals. These numbers are calculated by taking the beginning of the year accounts receivable balance and reducing it by the month end accounts receivable balance for the month reported. When bad debt is written off, it reduces the accounts receivable balance once approved by the Commission and is therefore already adjusted for.

(b) Yard Revenues continue to reign strong over YTD 2020 as well as budget. Most of this increase is from the 70/75 Ton Yard Revenue. Year to year comparison is up 49%, or \$241,966 and compared to budget is up 59%, or \$273,027.

(c) Point Hudson has made a strong rebound from last year after the beginning of the pandemic. Most of the increase is Nightly RV and Nightly Moorage revenues which represents 45%, or \$609,367, of the YTD Point Hudson revenues. Compared to budget, Point Hudson YTD revenues are 24% higher, or \$260,365.

(d) Operating Revenues overall increased by 18%, or \$846,921, when compared to 2020 and were 18%, or \$837,043, higher than budgeted for YTD this month.

(e) Salaries/Wages are more when compared to 2020 by \$104,130, however, this is less than budgeted YTD by \$11,468.

(f) The increase in Legal & Auditing Expense this year when compared to both 2020 and the budget 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 just slightly more than budgeted by \$4,540.

(g) Insurance is more than both the prior year and budget by \$56,332 and \$48,695, respectively.

(h) 2021 costs are higher for Facilities & Operations when compared to 2020 by \$136,672, which is a reduction from August by almost \$72,000. Comparison to budget has remained steady from August hovering about \$154,000 more than budget. The highest variances year to year from highest to lowest are Repair/Maintenance costs for \$50,984, Bank Charges for \$20,603, Environmental Materials/Supplies for \$16,879 and Equipment Rental for \$14,151; Computer Supplies and Operating Supplies come in close behind at \$12,079 and 12,520, respectively.

(i) Overall, Operating Expenses increased by \$346,423, or 11%, when compared to 2020 and are more than budget by \$81,354 which is 2%. As already mentioned, these year to year increases are due to increases in spending for Repair/Maintenance, Legal & Auditing, Salaries/Wages, Environmental Materials/Supplies, Operating Supplies & Bank Charges. It should be kept in mind that although this appears to be a significant increase in expenses, they are more closely aligned when compared to the budget.

(j) Net Operating Income is more than YTD in 2020 by \$500,498, or 53%, and more than budget by \$755,689, or 110%. Actual YTD Operating Revenues have clearly out-paced budget as actual YTD Operating Expenses are very close to budget.

(k) The year to year variance of \$1,290,731 for Total Other Increases in Fund Resources is directly related to the Line of Credit (2020 LTGO) draw in 2020 for \$1,650,000, the 2021 increased taxes collected, and decreases in grant project funds, and the increase in the IDD levy. Property and other related taxes, and revenues that tend to vary, such as collections of deposits, and are hard to budget.

(l) Both the year to year and budget to actual variance for Total Other Decreases in Fund Resources are related to the payoff of the 2020 LTGO Bond Line of Credit (\$251,565) in January 2021 and the increased taxes paid as the result of more business (\$95,291). Most of the Miscellaneous Expense is related to the cost of facilitating the Ecology Recycling Grant work.

(m) Overall, the YTD decrease of \$1,156,435 when comparing 2020 to 2021 for Net Income/(Expense) YTD is directly related to the \$1,400,000 principal payment on the 2020 Line of Credit that was made in October 2020 which will show next month. For the YTD actual compared to budget, we are \$732,110 ahead of budget. This increase is due to the strong rebound the Port had to Operating Revenues after the pandemic hit in 2020 which was hard to predict.