

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

	YTD Dec. 2019	YTD Dec. 2020	YTD Dec. 2021	Variance to prior year - 2020 v 2021	notes	YTD Budget 2021	Variance to Budget YTD
REVENUES							
Boat Haven Moorage	1,900,981	1,879,943	1,917,967	38,024		1,853,219	64,748
Yard Operations	1,859,895	1,952,913	2,342,905	389,992	a	1,849,604	493,301
Boat Haven Properties	696,478	718,251	819,708	101,457		750,817	68,891
Pt. Hudson Marina, RV & Prop	1,482,287	1,397,926	1,690,255	292,328	b	1,375,228	315,027
Quilcene	166,374	166,983	172,256	5,273		159,081	13,175
Ramps	47,586	52,668	52,437	(232)		50,540	1,897
Jeff. County Int'l Airport	150,635	148,526	166,996	18,470		155,756	11,240
(Increase)/Decrease in Accts. Receivable	153,739	(53,767)	(86,057)	(32,290)	c	-	(86,057)
Total Revenues	6,457,975	6,263,444	7,076,467	813,023	d	6,194,245	882,222
EXPENSES							
Salaries & Wages	2,051,190	2,233,287	2,340,224	106,938		2,332,936	7,288
Payroll Taxes	223,337	234,500	235,055	555		251,957	(16,902)
Employee Benefits	777,463	821,474	811,900	(9,574)		889,398	(77,498)
Uniform Expense	8,627	8,868	9,283	415		8,950	333
Contract Services	277,935	270,900	275,775	4,876		296,906	(21,131)
Consulting Services	49,769	23,500	-	(23,500)		-	-
Legal & Auditing	93,541	53,073	83,883	30,810	e	67,750	16,133
Insurance	276,190	313,259	365,552	52,293	f	316,857	48,695
Facilities & Operations	483,795	530,260	695,177	164,917	g	451,751	243,426
Utilities	568,049	543,402	605,456	62,054		565,773	39,683
Marketing	57,243	46,640	52,608	5,967		52,622	(14)
Economic Development	-	-	15,000	15,000		-	15,000
Travel & Training	32,184	12,174	15,387	3,214		24,939	(9,552)
Cost of Goods - Fuel	16,255	2,035	-	(2,035)		-	-
Community Relations	1,025	6,896	3,997	(2,899)		6,965	(2,968)
Total Expenses	4,916,604	5,100,268	5,509,298	409,030	h	5,266,804	242,494
Net Operating Income (Loss)	1,541,371	1,163,175	1,567,168	403,993	i	927,441	639,727
Other Increases in Fund Resources							
Deposits & Retainage Collected	109,925	92,930	118,803	25,873		66,882	51,921
Taxes Collected	571,865	595,331	673,889	78,559		606,794	67,095
Capital Contributions/Grants	360,959	3,490,128	571,576	(2,918,552)		361,055	210,521
Debt Proceeds - Line of Credit	-	1,650,000	-	(1,650,000)		-	-
Interest	64,159	25,983	52,859	26,875		46,000	6,859
Property & other taxes	1,094,866	1,992,409	2,764,518	772,108		2,738,879	25,639
Misc Other Incr. in Fund Resources	255,568	130,152	56,324	(73,827)		18,000	38,324
Total Other Incr. in Fund Resources	2,457,342	7,976,933	4,237,970	(3,738,964)	j	3,837,610	400,360
Other Decr. In Fund Resources							
Deposits & Retainage Paid	62,037	63,726	26,311	(37,415)		10,544	15,767
Taxes Remitted	579,079	571,092	672,858	101,766		606,794	66,064
Debt Principal & Interest	1,008,838	2,433,680	1,249,728	(1,183,953)		1,028,763	220,965
Debt Mgmt, Issuance & Misc Exp	1,500	10,938	60,302	49,364		1,475	58,827
Election Expense	10,021	15,674	14,698	(976)		22,000	(7,302)
Total Other Decr. In Fund Resources	1,661,475	3,095,110	2,023,897	(1,071,213)	k	1,669,576	354,321
Net Other Incr./Decr. Fund Resources	795,867	4,881,823	2,214,073	(2,667,751)		2,168,035	46,038
Net Income/(Expense)	2,337,238	6,044,999	3,781,241	(2,263,758)	l	3,095,476	685,765

Notes:

(a) *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 that is up 41%, or \$270,811, compared to last year, is up 59%, or \$347,020.*

(b) *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 \$684,519, of the YTD Point Hudson revenues. Compared to budget, Point Hudson YTD revenues are 23% higher, or \$315,027.*

(c) *The "(Increase)/Decrease in Accts. Receivable" line item just above the total Operating Revenue totals is an adjustment to cash revenues. 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.*

(d) *Overall, Operating Revenues increased by 12%, or \$813,023, when compared to 2020 and were 14%, or \$882,222, higher than budgeted for YTD this month.*

(e) *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.*

(f) *Insurance is more than both the prior year and budget by \$52,293 and \$48,695, respectively.*

(g) *2021 costs are higher for Facilities & Operations when compared to 2020 by \$164,917. Comparison to budget is \$243,426. The highest variances year to year from highest to lowest are Repair/Maintenance costs for \$46,282, Bank Charges for \$40,958, Equipment Rental for \$30,384, Membership/Dues for \$20,636 and Operating Supplies for \$17,898. The highest variances when compared to budget (from highest to lowest) are Repair/Maintenance for \$112,376, Bank Charges for \$44,158, Equipment Rental for \$29,155, Enviro Materials/Supplies for 420,119 and Fuel & Lubricants for \$16,858.*

(h) *Overall, Operating Expenses increased by \$409,030 or 8%, when compared to 2020 and are more than budget by \$242,494 which is 5%. As already mentioned, these year to year increases are due to increases in spending for Repair/Maintenance, Insurance, Legal & Auditing, Contract Services, Bank Charges, Operating Supplies & Equipment Rental. It should be kept in mind that although this appears to be a significant increase in expenses year to year, they are more closely aligned when compared to the budget.*

(i) *Net Operating Income is more than YTD in 2020 by \$403,993, or 35%, and more than budget by \$639,727, or 69%. Actual YTD Operating Revenues have clearly out-paced budget as actual YTD Operating Expenses are very close to budget.*

(j) *The year to year variance of a \$3,738,964 decrease 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.*

(k) *The year to year variance of a \$1,071,213 decrease in Total Other Decreases in Fund Resources is related to the 2020 payoff of the 2020 LTGO Bond Line of Credit in the amount of \$1,400,000. The budget to actual variance is due to the payoff of the 2020 LOC for \$250,000 in January of 2021 and the cost of the Ecology Recycling feasibility grant of almost \$50,000.*

(l) *Overall, the YTD decrease of \$2,263,758 when comparing 2020 to 2021 for Net Income/(Expense) is directly related to the more than \$3 million FAA grant funds received in 2020, and the \$1,400,000 principal payment on the 2020 Line of Credit made in October 2020. For the YTD actual compared to budget, we are \$685,765 ahead of budget. This increase is due to the strong rebound the Port had to Operating Revenues after the pandemic hit in 2020.*