

Port of Port Townsend
Summary Operations & Non-Operating Activity Budget
2018 Budget with Comparison to Prior Years

	2014 Actual	2015 Actual	2016 Actual	2017 Revised Budget	2018 Budget
REVENUES					
Marinas and RV Parks	2,101,147	2,242,335	2,474,924	2,545,000	2,604,539
Yard Operations	1,587,241	1,572,877	1,578,180	1,500,424	1,768,384
Property Leases & Use	1,041,536	1,061,642	1,107,302	1,153,990	1,166,522
Fuel Sales & Leases	50,047	44,539	40,015	50,000	47,100
Ramp Use	32,308	35,240	39,260	55,000	60,900
Utilities	153,885	164,195	184,275	230,076	227,630
Total Operating Revenues	4,966,164	5,120,829	5,423,956	5,534,490	5,875,075
OPERATING EXPENSES					
Personnel	2,373,771	2,471,235	2,724,120	3,013,738	3,212,985
Outside Services	394,881	349,778	438,913	585,256	592,500
Facilities & Operations	846,009	697,888	655,994	805,809	761,710
Utilities	532,241	473,673	543,545	554,180	525,000
Marketing	43,467	35,152	57,658	54,450	81,450
Economic Development	25,000	25,000	25,000	40,000	30,000
Travel & Training	27,025	33,466	30,059	30,000	35,000
Cost of Goods - Fuel	24,055	18,060	15,571	12,000	18,000
Community Relations	6,959	1,374	-	4,000	4,000
Total Operating Expenses	4,273,408	4,105,625	4,490,859	5,099,433	5,260,645
Income from Operations w/o Depr	692,756	1,015,203	933,097	435,057	614,430
Depreciation Expense	1,487,232	1,527,500	1,542,983	1,585,632	1,605,300
Income (Loss) from Operations with Depr	(794,475)	(512,297)	(609,886)	(1,150,575)	(990,870)
Non-Operating Revenue					
Capital Contributions/Grants	275,220	226,355	239,549	242,274	1,187,727
Interest	11,357	3,327	40,564	41,000	41,000
Property & other taxes	990,006	1,033,149	1,009,330	1,019,000	1,041,000
Misc Non-Operating Revenue	79,260	38,047	32,314	59,700	35,000
Total Non-Operating Revenues	1,355,844	1,300,878	1,321,757	1,361,974	2,304,727
Non-Operating Expenses					
Bond Interest	510,297	398,506	364,257	343,877	445,807
Bond Mgmt, Issuance, Investment	1,655	72,703	1,294	75,390	1,500
Election Expense	-	6,398	-	17,340	-
Total Non-Operating Expenses	511,952	477,608	365,551	436,607	447,307
Net Non-Operating Income(Expense)	843,892	823,270	956,206	925,367	1,857,420
Net Income (Loss)	49,416	310,973	346,320	(225,208)	866,550

2018 Final Capital Budget

CAPITAL BUDGET 2018		PLANNED FUNDING SOURCES						Total
		Operating REVENUE	Boat Haven RESERVES	Capital RESERVES	GRANTS	GO BOND	Revenue BOND	
Point Hudson Jetty South								
Engineering, design, permitting, administration	\$91,327				\$91,327			\$91,327
Construction	\$3,512,500				\$797,500	\$2,715,000		\$3,512,500
Jefferson County International Airport Runway								
Engineering, Permitting, Administration	\$262,000			\$13,100	\$248,900			\$262,000
Construction								
Equipment	\$150,000	\$150,000						\$150,000
	2018	Operating REVENUE	Boat Haven RESERVES	Capital RESERVES	GRANTS	GO BOND	Revenue BOND	Total
TOTALS	\$4,015,827	\$150,000	\$0	\$13,100	\$1,137,727	\$2,715,000	\$0	\$4,015,827

Projected Cashflow for 2018 through 2021

	2018 Budgeted Cashflow	2019 Budgeted Cashflow	2020 Budgeted Cashflow	2021 Budgeted Cashflow
Estimated Beginning Year Cash				
Unreserved Cash	847,692	1,332,311	1,622,004	2,008,765
Reserved Cash	882,234	979,134	1,000,152	1,120,152
Operating Revenues	5,875,075	6,051,327	6,232,867	6,419,853
Operating Expenses (w/o depreciation)	(5,260,645)	(5,418,464)	(5,581,018)	(5,748,449)
Non-Operating Revenues	2,304,727	4,922,180	1,065,900	1,065,900
Non-Operating Expenses	(447,307)	(450,088)	(425,988)	(400,388)
Debt service - principle	(1,074,504)	(715,000)	(755,000)	(785,000)
Issuance of Bond Debt	3,200,000	-	-	-
Capital expenses (from Grants)	(1,137,727)	(3,856,280)	-	-
Capital expenses (from Unreserved Cash)	(150,000)	(123,982)	(30,000)	(60,000)
Capital expenses (from Bonds)	(2,715,000)	-	-	-
Capital expenses (from Reserves)	(13,100)	(98,982)	-	-
Increase/(Decrease) in cash	581,519	310,711	506,761	491,916
Total Estimated Ending Cash	2,311,445	2,622,156	3,128,917	3,620,833
Unreserved Cash	1,332,311	1,622,004	2,008,765	2,500,681
Reserved Cash	979,134	1,000,152	1,120,152	1,120,152
TOTAL	2,311,445	2,622,156	3,128,917	3,620,833

Notes & Assumptions:

1. The Estimated Ending Cash for 2017 was calculated based on September 2017 month end cash and the budgeted revenues and expenses for the remainder of 2017. At month end September, 75% through the year, revenues were at 76.9% of budget and expenses were at 70.4% of budget. In addition, we included known contract increases (primarily capital related) and capital costs estimated through December 31.
2. For years 2019-2021, we projected annual increases in revenue and expense both by 3% which is approximately the historical increase over the years at the Port.
3. Non-Operating Revenues & Expenses are based on 2018 known and anticipated projections (such as property tax levy or debt service interest), with adjustments made in accordance with projections made for the Capital Expenses in the 2018 Capital Budget, such as issuance of new bond debt.
4. Capital Expenses are based on the Capital Budget for currently planned projects and purchases. These include the Point Hudson South Jetty, the JCIA Runway Rehabilitation, vehicles and software.
5. Issuance of new Bond debt (a GO bond) is the principle amount projected from the Capital Budget for 2018.
6. Debt Service principle was estimated on the new debt assumption of wrapping all current debt into a new issue of \$3.2 million for the Point Hudson South Jetty, plus the final debt service in 2018 for the 2013 Revenue Bond.
7. Updates were made to more recently obtained capital estimates for the JCIA runway rehab and the WSDOT 5% grant that will help fund the project. In addition, we found the project may all occur in 2019.
8. Vehicle purchases were included in the line for "Capital expenses (from Unreserved Cash)" through 2021.

Details on Estimated Capital Expenses for 2018

1. Both Capital Expenses (from Grants) and Capital Expenses (from Unreserved Cash) agree to the Capital Budget.
2. Capital Expenses (from Bonds) is the current estimated on bond proceeds needed for the South Jetty at Point Hudson.
3. Capital Expenses (from Reserves) is the Port's match portion estimated for engineering work JCIA Runway Rehab project.

Details on Estimated Capital Expenses for 2019

1. Capital Expenses (from Grants) is comprised of the current estimated cost of the JCIA Runway Rehab final engineering (~\$95,000) and construction (~\$3,761,280).
2. Capital Expenses (from Unreserved Cash) contains half (1/2) match for the FAA grant (~\$98,982) and \$25,000 for a vehicle).
3. Capital Expenses (from Reserves) contains the other half (1/2) match for the FAA grant (~\$98,982).