

# *The Port* OF PORT TOWNSEND SERVING ALL OF JEFFERSON COUNTY



**2019 Annual  
Operating Budget**

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# MESSAGE FROM THE EXECUTIVE DIRECTOR

## Introduction

The Port of Port Townsend provides many important services to the residents of Jefferson County: facilities and services that support the local marine trades industry; public recreational opportunities in the form of marinas, boat ramps, RV park; and air and water transportation links within the Puget Sound region. Maintaining and replacing the public infrastructure that supports these services is difficult at best. During periods of economic growth is the time that the Port needs to take a leadership role in making whatever headway we can for our future.

## Economic Outlook

The economic outlook for Jefferson County for 2019 and beyond is one of cautious optimism. However, the new economic normal suggests that obtaining federal and state funding for capital projects is likely to remain highly constrained and competitive and we will need to rely on our community partners for help securing these scarce funds.

## Capital Investment Needs – Present & Future

A series of major capital projects has been on the table for some time and needs to be addressed starting with this budget cycle. These are: a long-term fix for stormwater, a failing jetty at Point Hudson and a complete re-do of the runway at JCIA. In addition to these major capital needs there are several key capital maintenance projects outlined in the budget. I'm sure that we can all come up with several more necessary projects that are needed but we must remain focused on these major capital needs to be successful.

## Our Issues Are Not Unique

Our situation mirrors that of the nation, and many state and local governments: underfunded legacy infrastructure. Many of our facilities, like those across the nation, were built during a “golden age” of infrastructure construction and subsequent economic growth between the 1930s and early 1960s (e.g., Point Hudson and the Boat Haven were constructed during this period). The challenge is easily stated, but difficult to remedy: we lack enough resources to restore, replace, or repair aging infrastructure. Obviously, this aging infrastructure is the backbone of the Port and enables us to generate the revenues we depend upon to fund ongoing operations, and theoretically, to repair and replace infrastructure at the end of its useful life. Port maintenance staff has done an admirable job over the years in conducting routine and ordinary maintenance to preserve and extend the useful life of our assets.

## A Way Forward

To address these mounting issues, I recommend that the Port follow these six guiding goals.

- Build net operating revenues through a combination of growing revenue and reduce expenses.
- Continue to lease all vacant spaces in each of our port facilities.
- Complete infrastructure upgrades at Jefferson County International Airport while federal funds are still available.
- Create and adhere to a leasing policy for all Port properties.
- Develop and successfully execute a long-term stormwater solution to support our marine trades tenants
- Continue to cultivate, nurture and improve relationships with our community partners.

***Prepare for Some Tough Choices***

Adoption of the 2019 budget is only the beginning. Our current revenue streams and tax receipts are inadequate to fund the long-term maintenance, repair, and replacement of the suite of facilities and equipment we presently operate. This suggests that we will be required to undertake management responses that may include a combination of all the following:

- Increase rates and fees to recoup costs.
- Critically evaluate and potentially cut overhead expenses.
- Surplus non-performing assets that do not advance our central mission of economic development.
- Align expectations with realities.

My staff and I look forward to working with the Commission to ensure the continued financial stability of the Port of Port Townsend and to support a vibrant and healthy local economy.

Respectfully,

Jim Pivarnik  
Executive Director

# INTRODUCTION

## About Us

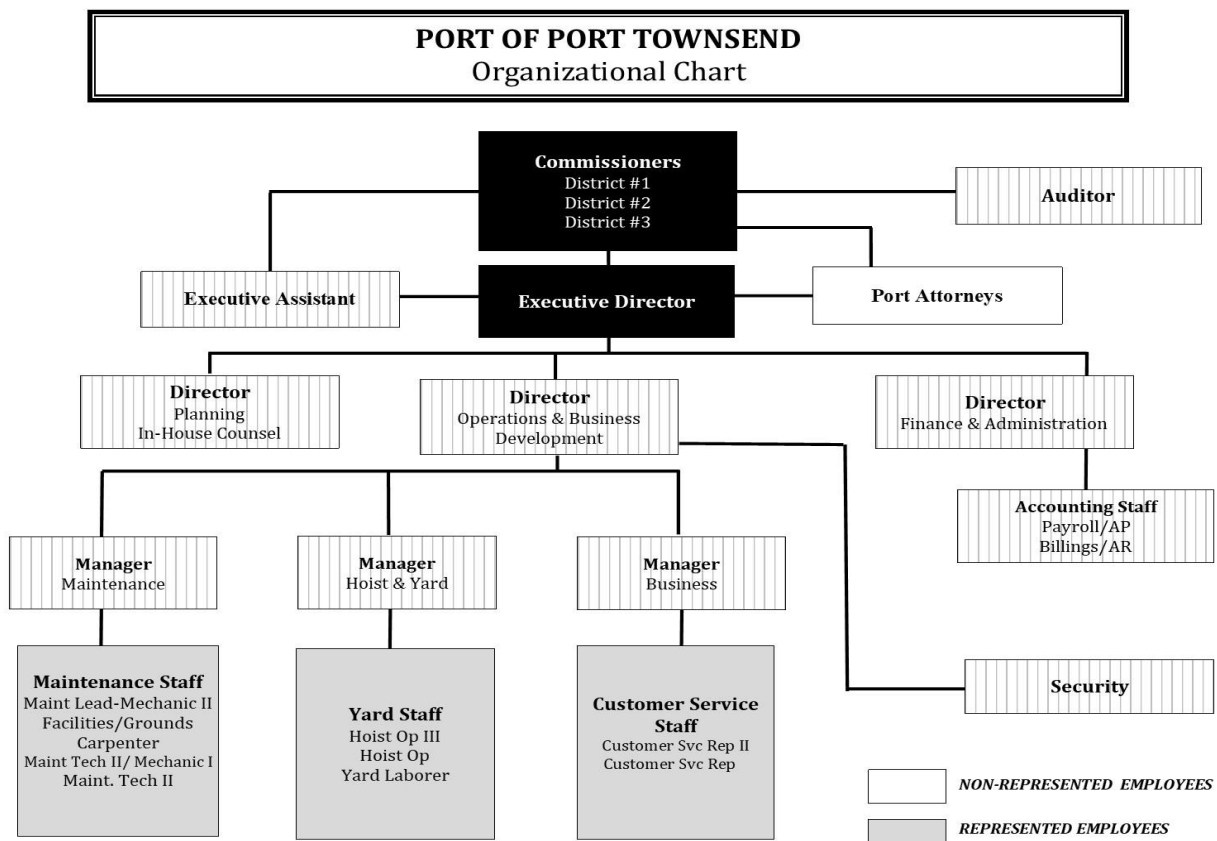
The Port of Port Townsend is a municipal corporation authorized by Washington State statute (Revised Code of Washington [RCW] Title 53) to provide for the development and maintenance of harbors and terminals and to promote tourism and foster economic activity. Created in 1924, the Port is a special purpose district independent from other local or state governments. The Port's geographical boundaries consist of all of Jefferson County, Washington.

The Port is governed by a three-member Board of Commissioners; each elected to a four-year term. The Commission delegates administrative authority to an Executive Director and staff to conduct operations of the Port. The County levies and collects taxes on the Port District's behalf, as determined by the Board of Commissioners, and acts as treasurer for the Port as defined under RCW 53.36.010.

## Mission

The Mission of the Port of Port Townsend is to serve the citizens of Jefferson County by responsibly maintaining and developing property and facilities to promote sustainable economic growth, to provide community access to Port facilities and services, and to protect and maintain our community resources and maritime heritage.

## Organizational Chart

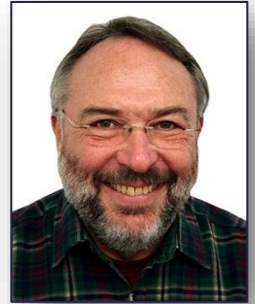


## Port Commissioners

**District 1 Commissioner:** *Stephen R. Tucker, President*

**Term of Office:** *January 1, 2015 – December 31, 2019*

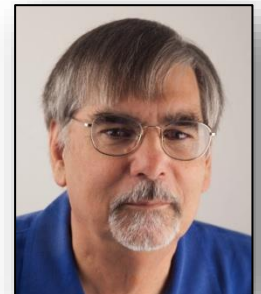
Commissioner Tucker was first elected Port Commissioner in 2011 and re-elected in 2015. He is a retired business owner and an avid boater, RV enthusiast, and fisherman. Over the years, through the Coast Guard Auxiliary and the Power Squadron, Steve has taught many courses in boating safety, maintenance, navigation and electronics.



**District 2 Commissioner:** *William Putney III, Secretary*

**Term of Office:** *January 1, 2018 – December 31, 2021*

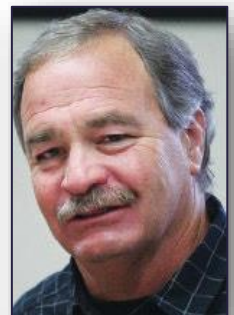
Commissioner Putney is serving his first term as Port Commissioner. He is a retired technologist and entrepreneur. Since his retirement in 2009, he has devoted himself to volunteering. Currently, Bill serves as the Chief Engineer at KPTZ, and volunteers for PTFF, Northwind Art Center and AAUW. He has his private pilot's license and holds an FAA Airframe and Powerplant Mechanic's certificate.



**District 3 Commissioner:** *Peter W. Hanke, Vice President*

**Term of Office:** *January 1, 2018 – December 31, 2021*

Commissioner Hanke was elected Port Commissioner in 2013. Mr. Hanke owns and operates Puget Sound Express, a family-owned passenger ferry and whale watch operation located at the Point Hudson marina. Besides being a boat captain and a business owner, Pete is also a pilot who has enjoyed flying out of Jefferson County International Airport since 1998.



# OPERATING BUDGET

## Overview

The goal of the 2019 Operating Budget is to align our business practices and objectives to support both our organizational capital needs and our short and long-term financial sustainability. The Port Commission has instructed staff to prepare a budget that supports economic vitality while avoiding a decrease in our net cash position.

## Organizational Initiatives

As part of our efforts to improve the Port's financial position over the course of the coming year, we intend to:

- Develop a comprehensive set of planning documents that reflect Commission direction.
- Continue to develop a comprehensive review of all Port business operations, carefully examining the value proposition each provides to the Port and to our customers.
- Modernize business and administrative procedures across our operations.
- Complete the development of a robust Capital Plan and develop funding strategies in the near term.
- Directly pursue and develop business to increase the Port's Operating Revenue and Net Operating Income by utilizing capacity in the Shipyard, the Marinas, RV park, and Properties in Boat Haven and Point Hudson.
- Develop marketing and brand strategies to better position the Port in successfully attracting businesses and customers.
- Conduct a comprehensive review of existing pricing structures across all Port business operations focusing on moorage rates, yard rates, and lease rates, to better reflect the value of services provided and to optimize our operating margins.

## Operating Revenues

The 2019 budget reflects total operating revenues of \$6,194,924, an increase of 5.2% from the 2018 budget. The key aspect of Port revenue is that it is trending upward over the past two years and should continue increasing. The goal is to grow Operating Revenue and Net Operating Income by \$200K or more year-over-year while controlling expenses to contribute to our Capital Improvement Program. Overall, the Port's revenues are spread throughout the operating units with Boat Haven providing 30.6%, Yard 29.5%, PTBH Properties 10.4%, Point Hudson 23.9%, Quilcene 2.6%, Ramps 0.8%, and Airport 2.2%.

## Operating Expenses

Port wide operating expenses are budgeted to be \$5,038,368 in 2019, a 4.4% decrease from the 2018 budget. An overall decrease for expenses was obtained by reducing various expenses (such as an Administrative Staff position, Contract Services, Legal & Auditing, Operating Supplies, Advertising, Utilities, etc.) even though there are increases in staffing costs with the implementation of more current

salaries, as well as increased cost in benefits. Administrative and General (A & G) expenses total \$1,569,151 (without depreciation) or 31% of total operating expenses. A & G costs are allocated to each operating unit based on a percentage of that unit's operating revenues.

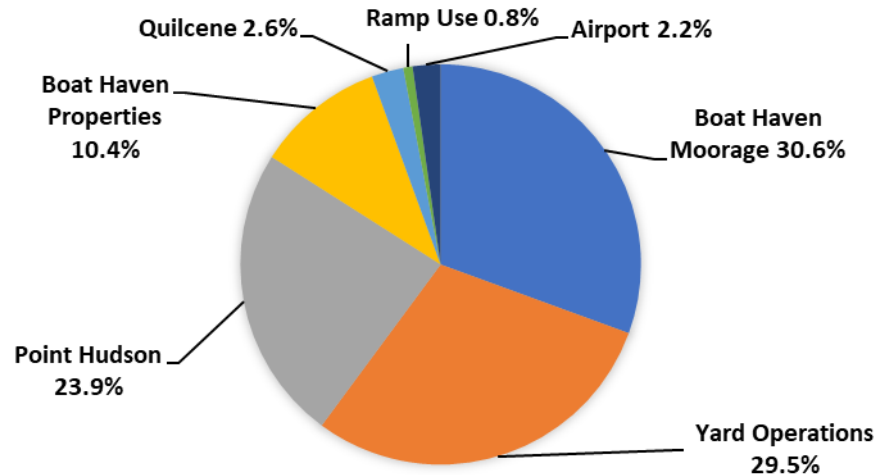
## **Operating Income**

The 2019 budget reflects a net operating income of \$1,156,556 before depreciation, an increase of 88.2% when compared to 2018. Much of the increase in net operating income over prior year is from projected increased revenues of nearly \$320,000 as well as expense reductions of \$222,277.

## **Non-Operating Revenue & Expenses**

The 2019 budget reflects a \$1,008,000 tax levy, which is an increase of 2.2%. This is based on estimates obtained from and recommended by the County Assessor. Interest income is budgeted conservatively at \$42,200 for 2019, which includes the ARRA Bond Interest Subsidy received semi-annually on the 2010 Limited Tax General Obligation (LTGO) bond. Grant revenue is budgeted at \$4,368,028 in anticipation of completing the Jefferson County International Airport Runway Rehabilitation project as well as the CERB grant for a Quilcene feasibility study. Non-operating expenses consist of interest expense on the debt service of \$293,838 as well as other non-operating expenses of \$11,000.

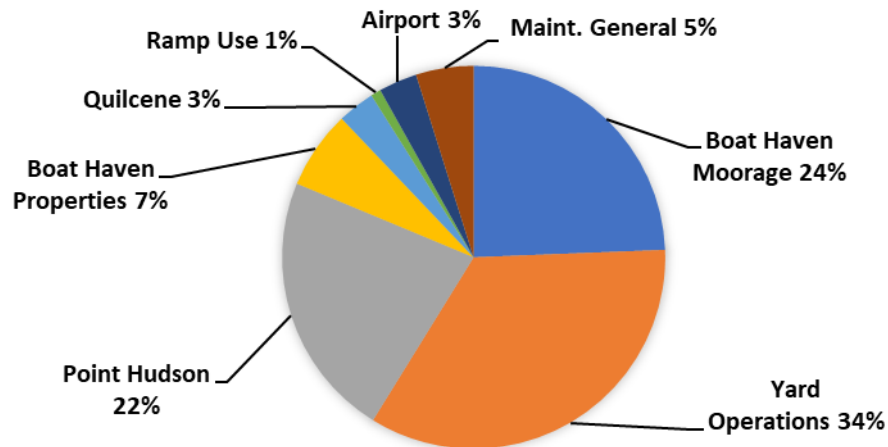
## 2019 OPERATING BUDGET REVENUES



### 2019 Operating Budget Revenue

|                       |                     |
|-----------------------|---------------------|
| Boat Haven Moorage    | \$ 1,894,472        |
| Yard Operations       | 1,830,288           |
| Point Hudson          | 1,480,374           |
| Boat Haven Properties | 644,660             |
| Quilcene              | 159,472             |
| Ramp Use              | 46,700              |
| Airport               | \$ 138,958          |
|                       | <u>\$ 6,194,924</u> |

## 2019 OPERATING BUDGET EXPENSES



### 2019 Operating Budget Expenses

|                       |                     |
|-----------------------|---------------------|
| Boat Haven Moorage    | \$ 1,228,358        |
| Yard Operations       | 1,734,845           |
| Point Hudson          | 1,132,250           |
| Boat Haven Properties | 333,046             |
| Quilcene              | 158,082             |
| Ramp Use              | 43,094              |
| Airport               | 163,255             |
| Maint. General        | 245,368             |
|                       | <u>\$ 5,038,298</u> |

## Summary Operations and Non-Operating Budget

Port of Port Townsend  
**CONSOLIDATED OPERATING & NON-OPERATING**  
 2019 Budget with Comparison to Prior Years

|  | 2017 Actual           | 2018 Budget         | 2019 Budget         | 2018-2019<br>variance |
|--|-----------------------|---------------------|---------------------|-----------------------|
| <b>REVENUES</b>                                |                       |                     |                     |                       |
| Marinas and RV Parks                           | 2,549,880             | 2,604,539           | 2,864,716           | 260,177               |
| Yard Operations                                | 1,421,708             | 1,768,384           | 1,801,788           | 33,404                |
| Property Leases & Use                          | 1,153,884             | 1,166,522           | 1,196,011           | 29,489                |
| Fuel Sales & Leases                            | 45,056                | 47,100              | 38,865              | (8,235)               |
| Ramp Use                                       | 60,322                | 60,900              | 60,900              | -                     |
| Utilities                                      | 219,199               | 227,630             | 232,644             | 5,014                 |
| <b>Total Operating Revenues</b>                | <b>\$ 5,450,049</b>   | <b>\$ 5,875,075</b> | <b>\$ 6,194,924</b> | <b>\$ 319,849</b>     |
| <b>OPERATING EXPENSES</b>                      |                       |                     |                     |                       |
| Salaries & Wages                               | 2,103,069             | 2,128,656           | 2,118,526           | (10,130)              |
| Payroll Taxes                                  | 217,816               | 298,102             | 231,824             | (66,278)              |
| Employee Benefits                              | 731,355               | 776,916             | 771,338             | (5,578)               |
| Uniform Expense                                | 6,736                 | 9,311               | 8,426               | (885)                 |
| Contract Services                              | 306,052               | 290,000             | 281,185             | (8,815)               |
| Consulting Services                            | 177,941               | 165,000             | 136,000             | (29,000)              |
| Legal fees                                     | 120,027               | 130,000             | 100,000             | (30,000)              |
| Audit  | 3,034                 | 7,500               | -                   | (7,500)               |
| Facilities & Operations                        | 746,165               | 761,710             | 708,903             | (52,807)              |
| Utilities                                      | 552,180               | 525,000             | 553,383             | 28,383                |
| Marketing & Advertising                        | 32,737                | 81,450              | 53,805              | (27,645)              |
| Economic Development                           | 30,000                | 30,000              | 30,000              | -                     |
| Travel & Training                              | 30,590                | 35,000              | 34,013              | (987)                 |
| Cost of Goods - Fuel                           | 16,730                | 18,000              | 10,965              | (7,035)               |
| Community Relations                            | 2,610                 | 4,000               | -                   | (4,000)               |
| <b>Total Operating Expenses</b>                | <b>\$ 5,077,041</b>   | <b>\$ 5,260,645</b> | <b>\$ 5,038,368</b> | <b>\$ (222,277)</b>   |
| <b>Income from Operations w/o Depr</b>         | <b>373,008</b>        | <b>614,430</b>      | <b>1,156,556</b>    | <b>542,126</b>        |
| <b>Depreciation Expense</b>                    | <b>1,585,632</b>      | <b>1,605,300</b>    | <b>1,546,958</b>    | <b>(58,342)</b>       |
| <b>Income (Loss) from Operations with Depr</b> | <b>\$ (1,212,624)</b> | <b>\$ (990,870)</b> | <b>\$ (390,402)</b> | <b>\$ 600,468</b>     |
| <b>Non-Operating Revenue</b>                   |                       |                     |                     |                       |
| Capital Contributions/Grants                   | 280,658               | 1,187,727           | 4,368,028           | 3,180,301             |
| Interest                                       | 45,108                | 41,000              | 42,200              | 1,200                 |
| Property & other taxes                         | 1,037,038             | 1,041,000           | 1,064,490           | 23,490                |
| Misc Non-Operating Revenue                     | 535,856               | 35,000              | 35,000              | -                     |
| <b>Total Non-Operating Revenues</b>            | <b>\$ 1,898,660</b>   | <b>\$ 2,304,727</b> | <b>\$ 5,509,718</b> | <b>\$ 3,204,991</b>   |
| <b>Non-Operating Expenses</b>                  |                       |                     |                     |                       |
| Bond Interest                                  | 341,943               | 332,127             | 293,838             | (38,289)              |
| Bond Mgmt, Issuance, Investment                | 1,458                 | 1,500               | 1,500               | -                     |
| Election Expense                               | 11,951                | -                   | 9,500               | 9,500                 |
| <b>Total Non-Operating Expenses</b>            | <b>\$ 355,352</b>     | <b>\$ 333,627</b>   | <b>\$ 304,838</b>   | <b>\$ (28,789)</b>    |
| <b>Net Non-Operating Income(Expense)</b>       | <b>1,543,308</b>      | <b>1,971,100</b>    | <b>5,204,880</b>    | <b>3,233,780</b>      |
| <b>Net Income (Loss)</b>                       | <b>\$ 330,684</b>     | <b>\$ 980,230</b>   | <b>\$ 4,814,477</b> | <b>\$ 3,834,247</b>   |

## 2019 Departmental Operating Budgets

### Boat Haven Moorage

Boat Haven moorage will increase \$82,989 in permanent moorage due partially to a rate increase of CPI as well as an increase overall in terms of occupancy and utilization. Additionally, monthly guest moorage will contribute nearly \$49,000 during the winter season.

Port of Port Townsend  
**BOAT HAVEN MOORAGE OPERATIONS**  
 2019 Budget with Comparison to Prior Years

|  | 2017 Actual         | 2018 Budget         | 2019 Budget         | 2018-2019<br>variance |
|--|---------------------|---------------------|---------------------|-----------------------|
| <b>REVENUES</b>                        |                     |                     |                     |                       |
| PTBH - Permanent Moorage               | 1,050,478           | 1,103,000           | 1,185,989           | 82,989                |
| PTBH - Liveaboard Fee                  | 20,006              | 21,840              | 26,391              | 4,551                 |
| PTBH - Work Float/Lift Pier Usage      | 12,417              | 13,520              | 7,081               | (6,439)               |
| PTBH - Monthly Guest                   | 268,583             | 283,171             | 331,931             | 48,760                |
| PTBH - Nightly Guest                   | 211,180             | 219,200             | 209,631             | (9,569)               |
| PTBH - Miscellaneous Revenue           | 13,139              | 14,036              | 11,575              | (2,461)               |
| PTBH - Showers                         | 21,777              | 22,570              | 21,510              | (1,060)               |
| PTBH - Laundry                         | 687                 | 6,000               | 6,864               | 864                   |
| PTBH - Electric                        | 82,340              | 88,500              | 93,500              | 5,000                 |
| <b>Total Operating Revenues</b>        | <b>\$ 1,680,606</b> | <b>\$ 1,771,837</b> | <b>\$ 1,894,472</b> | <b>\$ 122,635</b>     |
| <b>OPERATING EXPENSES</b>              |                     |                     |                     |                       |
| Moorage Pay                            | 217,225             | 174,334             | 216,412             | 42,078                |
| Moorage Taxes                          | 26,769              | 32,676              | 23,807              | (8,869)               |
| Moorage Benefits                       | 75,195              | 69,096              | 76,336              | 7,240                 |
| Uniform Expense                        | 122                 | 1,076               | 1,076               | -                     |
| Maint Pay                              | 44,123              | 47,292              | 34,404              | (12,888)              |
| Maint Taxes                            | 5,337               | 7,824               | 3,785               | (4,039)               |
| Maint Benefits                         | 15,626              | 16,740              | 11,316              | (5,424)               |
| Contract Services                      | 33,480              | 37,200              | 36,000              | (1,200)               |
| Consulting Services                    | 1,750               | -                   | -                   | -                     |
| Facilities & Operations                | 162,137             | 158,496             | 161,852             | 3,356                 |
| Utilities                              | 169,432             | 165,400             | 172,441             | 7,041                 |
| Marketing & Advertising                | 7,856               | 11,160              | 7,615               | (3,545)               |
| Travel & Training                      | 1,361               | 1,000               | 1,000               | -                     |
| General & Administrative               | 488,855             | 546,974             | 482,314             | (64,660)              |
| <b>Total Operating Expenses</b>        | <b>\$ 1,249,267</b> | <b>\$ 1,269,268</b> | <b>\$ 1,228,358</b> | <b>\$ (40,910)</b>    |
| <b>Income from Operations w/o Depr</b> | <b>\$ 431,340</b>   | <b>\$ 502,569</b>   | <b>\$ 666,114</b>   | <b>\$ 163,545</b>     |

## Boat Haven Yard

Overall Yard revenue is expected to increase slightly, by \$33,404, over 2018 levels, which was an aggressive year for revenue growth. The Shipyard storage revenue is anticipated to decrease 5% due to the loss of a key tenant. This loss should be offset by focused efforts to bring in other vessels and business by Port staff.

The Boatyard is expected to increase in both hoist revenue and storage with direct marketing by both the Port staff and Marine Trades. Also, both the 70 and 75-ton hoists should remain in service during the coming year. Additionally, the Port staff, in partnership with the Marine Trades, developed a pricing rate for longer term storage of vessels with the intent of driving significantly higher numbers of vessels into the Boatyard. The discounted rate is estimated to be in effect until September, when it will be examined to determine if the rate effectively increased demand and use of the Boatyard, as anticipated.

With the reduction in operating expenses and modest revenue increases, the net effect should be a positive net income from operations of \$95,443.

Port of Port Townsend  
**WORK & SHIP YARD OPERATIONS**  
 2019 Budget with Comparison to Prior Years

|  | 2017 Actual         | 2018 Budget         | 2019 Budget         | 2018-2019<br>variance |
|--|---------------------|---------------------|---------------------|-----------------------|
| <b>REVENUES</b>                        |                     |                     |                     |                       |
| Yard - Work Yard Revenue               | 489,139             | 549,017             | 559,293             | 10,276                |
| Yard - 70/75 Ton Hoist Revenue         | 300,863             | 305,460             | 332,758             | 27,298                |
| Yard - Ship Yard Revenue               | 276,768             | 435,251             | 415,022             | (20,229)              |
| Yard - 300 Ton Hoist Revenue           | 148,530             | 169,295             | 196,408             | 27,113                |
| Yard - Washdown Revenue                | 68,896              | 83,095              | 96,158              | 13,063                |
| Yard - Bilge Water Revenue             | 4,162               | 6,000               | 6,971               | 971                   |
| Yard - L/T Storage                     | 63,134              | 60,000              | 72,326              | 12,326                |
| Yard - Blocking Rent                   | 29,397              | 30,576              | 36,943              | 6,367                 |
| Yard - Off Port Property Tarp Fee      | 400                 | 57,000              | 29,405              | (27,595)              |
| Customer Revenue Share                 | -                   | 60,000              | 30,000              | (30,000)              |
| Yard - Liveaboard Fee                  | 35                  | 140                 | 140                 | -                     |
| Yard - Miscellaneous Revenue           | 7,325               | 7,550               | 6,364               | (1,186)               |
| Yard - Enviro Fee                      | 140                 | 5,000               | 20,000              | 15,000                |
| Yard - Marine Trades 3% Revenue        | 32,919              | -                   | -                   | -                     |
| Yard - Electric                        | 29,663              | 28,500              | 28,500              | -                     |
| <b>Total Operating Revenues</b>        | <b>\$ 1,451,371</b> | <b>\$ 1,796,884</b> | <b>\$ 1,830,288</b> | <b>\$ 33,404</b>      |
| <b>OPERATING EXPENSES</b>              |                     |                     |                     |                       |
| Yard Pay                               | 518,842             | 557,033             | 548,995             | (8,038)               |
| Yard Taxes                             | 58,411              | 82,596              | 59,944              | (22,652)              |
| Yard Benefits                          | 181,853             | 199,656             | 201,648             | 1,992                 |
| Uniform Expense                        | 4,215               | 3,480               | 3,480               | -                     |
| Maint Pay                              | 56,727              | 58,560              | 42,891              | (15,669)              |
| Maint Taxes                            | 6,717               | 9,572               | 4,718               | (4,854)               |
| Maint Benefits                         | 20,019              | 20,510              | 14,100              | (6,410)               |
| Contract Services                      | 75,011              | 43,000              | 45,440              | 2,440                 |
| Facilities & Operations                | 215,723             | 222,654             | 239,119             | 16,465                |
| Utilities                              | 90,976              | 85,200              | 91,579              | 6,379                 |
| Marketing & Advertising                | 10,494              | 13,350              | 17,896              | 4,546                 |
| Travel & Training                      | 2,184               | 2,400               | 3,413               | 1,013                 |
| General & Administrative               | 439,750             | 554,706             | 461,622             | (93,084)              |
| <b>Total Operating Expenses</b>        | <b>\$ 1,680,923</b> | <b>\$ 1,852,717</b> | <b>\$ 1,734,845</b> | <b>\$ (117,872)</b>   |
| <b>Income from Operations w/o Depr</b> | <b>\$ (229,553)</b> | <b>\$ (55,833)</b>  | <b>\$ 95,443</b>    | <b>\$ 151,276</b>     |

## Point Hudson

Point Hudson RV Park revenue is expected to increase approximately \$22,000 as staff promotes winter monthly stays to customers. Nightly revenue should also increase modestly over the previous year.

As a result of the South Jetty Breakwater Replacement project not being performed as budgeted in 2018 there is an estimated \$91,503 increase in nightly guest business in 2019. Similar reasons for an increase in monthly guest revenues are \$22,683. These revenues reflect normal operations and revenue goals.

City Pier and Union Wharf in 2019 are expected to be slightly less from the previous year.

Port of Port Townsend  
**POINT HUDSON OPERATIONS**  
 2019 Budget with Comparison to Prior Years

|  | 2017 Actual         | 2018 Budget         | 2019 Budget         | 2018-2019<br>variance |
|--|---------------------|---------------------|---------------------|-----------------------|
| <b>REVENUES</b>                        |                     |                     |                     |                       |
| Pt Hudson - Permanent Moorage          | 136,068             | 141,711             | 141,562             | (149)                 |
| Pt Hudson - Liveaboard Fee             | 4,720               | 5,096               | 4,750               | (346)                 |
| Pt Hudson - Monthly Guest              | 100,122             | 86,300              | 108,983             | 22,683                |
| Pt Hudson - Nightly Guest              | 214,362             | 115,840             | 207,343             | 91,503                |
| City Pier & Union Wharf Usage          | 9,262               | 24,000              | 20,494              | (3,506)               |
| Pt Hudson - Monthly R.V.               | 41,249              | 43,100              | 64,990              | 21,890                |
| Pt Hudson - Nightly R.V.               | 325,204             | 360,360             | 364,509             | 4,149                 |
| Pt Hudson - Kayak Racks                | 9,271               | 9,000               | 9,304               | 304                   |
| Pt Hudson - Reservation Fee            | 38,696              | 40,150              | 44,240              | 4,090                 |
| Pt Hudson - Showers                    | 7,087               | 9,000               | 8,428               | (572)                 |
| Pt Hudson - Laundry                    | 9,218               | 10,000              | 12,201              | 2,201                 |
| Pt Hudson - Passenger Fee              | 6,110               | 21,500              | 14,324              | (7,176)               |
| Pt Hudson - Promotional Sales          | -                   | -                   | 327                 | 327                   |
| Pt Hudson - Miscellaneous Rev          | 3,814               | 4,100               | 2,420               | (1,680)               |
| Pt Hudson - Building Lease Revenue     | 379,917             | 383,000             | 374,464             | (8,536)               |
| Pt Hudson - Parking                    | 122                 | 10,380              | 3,760               | (6,620)               |
| Pt Hudson - Event Facility Rev         | 24,974              | 24,700              | 28,415              | 3,715                 |
| Pt Hudson - Electric                   | 32,987              | 36,730              | 31,850              | (4,880)               |
| Pt Hudson - Property Utility Reimb     | 35,406              | 36,700              | 38,010              | 1,310                 |
| <b>Total Operating Revenues</b>        | <b>\$ 1,378,588</b> | <b>\$ 1,361,667</b> | <b>\$ 1,480,374</b> | <b>\$ 118,707</b>     |
| <b>OPERATING EXPENSES</b>              |                     |                     |                     |                       |
| Point Hudson Pay                       | 125,237             | 134,580             | 152,674             | 18,094                |
| Point Hudson Taxes                     | 16,997              | 19,231              | 16,073              | (3,158)               |
| Point Hudson Benefits                  | 41,575              | 45,312              | 52,027              | 6,715                 |
| Uniform Expense                        | 164                 | 960                 | 960                 | -                     |
| Maint Pay                              | 108,459             | 110,400             | 120,660             | 10,260                |
| Maint Taxes                            | 13,218              | 14,124              | 13,273              | (851)                 |
| Maint Benefits                         | 38,850              | 39,852              | 39,660              | (192)                 |
| Contract Services                      | 41,588              | 42,500              | 46,989              | 4,489                 |
| Facilities & Operations                | 90,335              | 151,201             | 115,922             | (35,279)              |
| Utilities                              | 184,839             | 178,750             | 188,481             | 9,731                 |
| Marketing & Advertising                | 6,399               | 14,040              | 9,355               | (4,685)               |
| Travel & Training                      | 274                 | 600                 | 600                 | -                     |
| General & Administrative               | 387,524             | 420,352             | 375,576             | (44,776)              |
| <b>Total Operating Expenses</b>        | <b>\$ 1,055,458</b> | <b>\$ 1,171,902</b> | <b>\$ 1,132,250</b> | <b>\$ (39,652)</b>    |
| <b>Income from Operations w/o Depr</b> | <b>\$ 323,130</b>   | <b>\$ 189,765</b>   | <b>\$ 348,124</b>   | <b>\$ 158,359</b>     |

*Note: The 2018 revenue for Point Hudson Monthly and Nightly Guest were reduced in anticipation of the South Jetty Breakwater replacement. These were reduced by approximately \$14,000 and \$100,000, respectively.*

## Boat Haven Properties

Properties are expected to increase by approximately \$31,000, or about 5%, due to leasing vacancies and CPI adjustments in rental rates.

Staff will be focusing efforts on leasing vacancies at the Boat Haven. All assets are marine dependent or related uses for manufacturing, warehousing and related office requirements.

Port of Port Townsend  
**BOAT HAVEN PROPERTIES OPERATIONS**  
 2019 Budget with Comparison to Prior Years

|  | 2017 Actual       | 2018 Budget       | 2019 Budget       | 2018-2019<br>variance |
|--|-------------------|-------------------|-------------------|-----------------------|
| <b>REVENUES</b>                        |                   |                   |                   |                       |
| PTBH Prop - Lease Revenue              | 549,067           | 556,620           | 584,918           | 28,298                |
| PTBH Prop - Water, Swr, Garbage, Other | 21,308            | 20,300            | 20,300            | -                     |
| PTBH Prop - Stormwater Fees            | 7,493             | 7,500             | 7,500             | -                     |
| PTBH Prop - Electric                   | 1,802             | 1,800             | 2,662             | 862                   |
| PTBH Prop - Fuel Dock Lease            | 21,158            | 21,000            | 21,000            | -                     |
| PTBH Prop - Storage Unit Revenue       | 6,334             | 6,650             | 8,280             | 1,630                 |
| PTBH Prop - Miscellaneous              | 4,688             | -                 | -                 | -                     |
| <b>Total Operating Revenues</b>        | <b>\$ 611,849</b> | <b>\$ 613,870</b> | <b>\$ 644,660</b> | <b>\$ 30,790</b>      |
| <b>OPERATING EXPENSES</b>              |                   |                   |                   |                       |
| PTBH Property Pay                      | 2,708             | 2,705             | 6,188             | 3,483                 |
| PTBH Property Taxes                    | 368               | 527               | 681               | 154                   |
| PTBH Property Benefits                 | 969               | 1,238             | 2,730             | 1,492                 |
| Maint Pay                              | 44,446            | 45,792            | 49,018            | 3,226                 |
| Maint Taxes                            | 5,454             | 7,440             | 5,392             | (2,048)               |
| Maint Benefits                         | 15,782            | 16,326            | 16,116            | (210)                 |
| Contract Services                      | 13,164            | 9,000             | 9,000             | -                     |
| Facilities & Operations                | 77,083            | 58,112            | 36,966            | (21,146)              |
| Utilities                              | 38,203            | 35,200            | 43,724            | 8,524                 |
| Marketing & Advertising                | -                 | -                 | 639               | 639                   |
| General & Administrative               | 180,640           | 189,504           | 162,592           | (26,912)              |
| <b>Total Operating Expenses</b>        | <b>\$ 378,818</b> | <b>\$ 365,844</b> | <b>\$ 333,046</b> | <b>\$ (32,798)</b>    |
| <b>Income from Operations w/o Depr</b> | <b>\$ 233,030</b> | <b>\$ 248,026</b> | <b>\$ 311,614</b> | <b>\$ 63,588</b>      |

*Note: In 2017, there was a Department of Revenue audit; the results required back payment to the Port for leasehold taxes on the cell tower lease which was placed in Miscellaneous revenue.*

## Quilcene

Quilcene is budgeted to produce a modest increase in net operating income. The increase is mostly due to gains in moorage and RV revenue for the coming year and a reduction in A & G. Utilities will be an area of focus during 2019 for controlling expenses and providing value to customers.

Port of Port Townsend  
**QUILCENE MARINA & RV OPERATIONS**  
 2019 Budget with Comparison to Prior Years

|  | 2017 Actual        | 2018 Budget       | 2019 Budget       | 2018-2019<br>variance |
|--|--------------------|-------------------|-------------------|-----------------------|
| <b>REVENUES</b>                        |                    |                   |                   |                       |
| Quilcene - Permanent Moorage           | 38,028             | 40,800            | 48,117            | 7,317                 |
| Quilcene - Liveaboard Fee              | -                  | -                 | 225               | 225                   |
| Quilcene - Nightly Moorage             | 4,397              | 5,630             | 3,645             | (1,985)               |
| Quilcene - Monthly R.V.                | -                  | -                 | 2,985             | 2,985                 |
| Quilcene - Nightly R.V.                | 1,209              | 1,400             | 1,208             | (192)                 |
| Quilcene - Showers                     | 2,451              | 2,600             | 3,074             | 474                   |
| Quilcene - Miscellaneous Revenue       | -                  | 215               | 215               | -                     |
| Quilcene - Reservations                | 345                | 400               | 400               | -                     |
| Quilcene - Rental Property Revenue     | 1,000              | -                 | -                 | -                     |
| Quilcene - Lease Revenue               | 58,760             | 58,752            | 62,028            | 3,276                 |
| Quilcene - Fuel Sales                  | 20,629             | 23,100            | 14,700            | (8,400)               |
| Quilcene - Recreational Ramp Fees      | 9,512              | 9,600             | 9,600             | -                     |
| Quilcene - Commercial Use Fees         | 4,600              | 4,600             | 4,600             | -                     |
| Quilcene - Water                       | 5,431              | 5,500             | 7,486             | 1,986                 |
| Quilcene - Electric                    | 888                | 900               | 1,189             | 289                   |
| <b>Total Operating Revenues</b>        | <b>\$ 147,250</b>  | <b>\$ 153,497</b> | <b>\$ 159,472</b> | <b>\$ 5,975</b>       |
| <b>OPERATING EXPENSES</b>              |                    |                   |                   |                       |
| Quilcene Pay                           | 24,166             | 29,286            | 22,282            | (7,004)               |
| Quilcene Taxes                         | 4,061              | 4,350             | 2,451             | (1,899)               |
| Quilcene Benefits                      | 3,755              | 3,950             | 5,444             | 1,494                 |
| Maint Pay                              | 29,942             | 18,960            | 23,566            | 4,606                 |
| Maint Taxes                            | 3,589              | 2,552             | 2,592             | 40                    |
| Maint Benefits                         | 10,913             | 6,156             | 7,752             | 1,596                 |
| Contract Services                      | 24,127             | 13,600            | 9,120             | (4,480)               |
| Facilities & Operations                | 44,730             | 13,834            | 20,773            | 6,940                 |
| Utilities                              | 14,386             | 13,980            | 12,015            | (1,965)               |
| Marketing & Advertising                | 72                 | 700               | 700               | -                     |
| Travel & Training                      | -                  | 200               | 200               | -                     |
| Cost of Fuel Sold                      | 16,730             | 18,000            | 10,965            | (7,035)               |
| General & Administrative               | 41,712             | 47,385            | 40,222            | (7,163)               |
| <b>Total Operating Expenses</b>        | <b>\$ 201,455</b>  | <b>\$ 154,953</b> | <b>\$ 158,082</b> | <b>\$ (7,835)</b>     |
| <b>Income from Operations w/o Depr</b> | <b>\$ (54,205)</b> | <b>\$ (1,456)</b> | <b>\$ 1,390</b>   | <b>\$ 13,810</b>      |

## Ramps

The Port has boat launch ramps located in Port Townsend, Port Hadlock, Gardiner and Mats Mats in Port Ludlow. All these boat ramps are single ramps, except for the one in Port Townsend which is a double ramp. Ramp activity is budgeted the same as 2018 for operating revenue with a slight decrease in expenses. Port staff will work in 2019 with tribal leaders to establish a commercial rate structure for tribal fisheries.

Port of Port Townsend  
**BOAT RAMP OPERATIONS**  
 2019 Budget with Comparison to Prior Years

|  | 2017 Actual       | 2018 Budget       | 2019 Budget      | 2018-2019<br>variance |
|--|-------------------|-------------------|------------------|-----------------------|
| <b>REVENUES</b>                        |                   |                   |                  |                       |
| Ramp Fees                              | 37,868            | 40,000            | 40,000           | -                     |
| PTBH - Commercial Use Fees             | 7,200             | 5,600             | 5,600            | -                     |
| Dinghy Float Revenue                   | 1,142             | 1,100             | 1,100            | -                     |
| <b>Total Operating Revenues</b>        | <b>\$ 46,210</b>  | <b>\$ 46,700</b>  | <b>\$ 46,700</b> | <b>\$ -</b>           |
| <b>OPERATING EXPENSES</b>              |                   |                   |                  |                       |
| Ramps Pay                              | 4,849             | 5,460             | 4,800            | (660)                 |
| Ramps Taxes                            | 551               | 850               | 480              | (370)                 |
| Ramps Benefits                         | 1,199             | 1,380             | 1,752            | 372                   |
| Maint Pay                              | 10,504            | 12,504            | 7,070            | (5,434)               |
| Maint Taxes                            | 1,268             | 2,500             | 778              | (1,722)               |
| Maint Benefits                         | 3,742             | 4,380             | 2,328            | (2,052)               |
| Facilities & Operations                | 5,912             | 6,466             | 7,458            | 992                   |
| Utilities                              | 3,726             | 3,750             | 3,750            | -                     |
| Marketing & Advertising                | 2,350             | 3,000             | 2,900            | (100)                 |
| General & Administrative               | 15,230            | 14,416            | 11,778           | (2,638)               |
| <b>Total Operating Expenses</b>        | <b>\$ 49,331</b>  | <b>\$ 54,706</b>  | <b>\$ 43,094</b> | <b>\$ (11,612)</b>    |
| <b>Income from Operations w/o Depr</b> | <b>\$ (3,121)</b> | <b>\$ (8,006)</b> | <b>\$ 3,606</b>  | <b>\$ 11,612</b>      |

## Jefferson County International Airport (JCIA)

JCIA revenues are estimated to increase by approximately 6% primarily due to applying CPI to lease and hangar rates. Expenses will be slightly more, approximately 1.5%, than the previous year.

Port of Port Townsend  
**JEFFERSON COUNTY INTERNATIONAL AIRPORT OPERATIONS**  
 2019 Budget with Comparison to Prior Years

|  | 2017 Actual        | 2018 Budget        | 2019 Budget        | 2018-2019<br>variance |
|--|--------------------|--------------------|--------------------|-----------------------|
| <b>REVENUES</b>                        |                    |                    |                    |                       |
| JCIA - Lease Revenue                   | 106,350            | 104,400            | 110,287            | 5,887                 |
| JCIA - Hangar Revenue                  | 20,362             | 20,000             | 22,424             | 2,424                 |
| JCIA - Vehicle Parking Revenue         | 540                | 720                | 720                | -                     |
| JCIA - Aircraft Parking                | 1,471              | 1,200              | 615                | (585)                 |
| JCIA - Fuel Lease Revenue              | 3,270              | 3,000              | 3,165              | 165                   |
| JCIA - Electric                        | 1,883              | 1,200              | 1,647              | 447                   |
| JCIA - Miscellaneous Revenue           | 300                | 100                | 100                | -                     |
| <b>Total Operating Revenues</b>        | <b>\$ 134,175</b>  | <b>\$ 130,620</b>  | <b>\$ 138,958</b>  | <b>\$ 8,338</b>       |
| <b>OPERATING EXPENSES</b>              |                    |                    |                    |                       |
| JCIA Pay                               | 3,601              | 3,672              | 6,188              | 2,516                 |
| JCIA Taxes                             | 482                | 740                | 681                | (59)                  |
| JCIA Benefits                          | 1,280              | 1,284              | 2,730              | 1,446                 |
| Maint Pay                              | 29,424             | 30,336             | 34,878             | 4,542                 |
| Maint Taxes                            | 3,731              | 4,876              | 3,837              | (1,039)               |
| Maint Benefits                         | 10,587             | 9,840              | 11,460             | 1,620                 |
| Contract Services                      | 21,272             | 19,680             | 19,680             | -                     |
| Facilities & Operations                | 33,267             | 32,100             | 30,030             | (2,070)               |
| Utilities                              | 19,362             | 18,020             | 18,693             | 673                   |
| General & Administrative               | 40,909             | 40,323             | 35,048             | (5,275)               |
| <b>Total Operating Expenses</b>        | <b>\$ 163,915</b>  | <b>\$ 160,871</b>  | <b>\$ 163,225</b>  | <b>\$ 2,354</b>       |
| <b>Income from Operations w/o Depr</b> | <b>\$ (29,739)</b> | <b>\$ (30,251)</b> | <b>\$ (24,267)</b> | <b>\$ 5,984</b>       |

## Maintenance - General

The Port's Maintenance department activity is typically recorded in the Port department in which it occurs. Maintenance costs not specific to any particular department are included here under Maintenance-General. Variances between 2017 and 2018 simply show actual activity versus planned activity.

Port of Port Townsend  
**MAINTENANCE - GENERAL OPERATIONS**  
 2019 Budget with Comparison to Prior Years

|                                 | 2017 Actual    | 2018 Budget    | 2019 Budget    | 2018-2019<br>variance |
|---------------------------------|----------------|----------------|----------------|-----------------------|
| <b>OPERATING EXPENSES</b>       |                |                |                |                       |
| Salaries & Wages                | 126,330        | 95,062         | 137,157        | 42,095                |
| Payroll Taxes                   | 11,445         | 12,748         | 15,087         | 2,339                 |
| Employee Benefits               | 43,080         | 30,756         | 45,084         | 14,328                |
| Uniform Expense                 | 2,235          | 2,910          | 2,910          | -                     |
| Facilities & Operations         | 35,302         | 39,417         | 37,430         | (1,987)               |
| Utilities                       | 8,223          | 6,800          | 6,800          | -                     |
| Advertising (legal)             | -              | -              | 500            | 500                   |
| Travel & Training               | 266            | 800            | 400            | (400)                 |
| <b>Total Operating Expenses</b> | <b>226,880</b> | <b>188,493</b> | <b>245,368</b> | <b>56,875</b>         |

# CASH FLOW PROJECTIONS

## Assumptions

In September, a projection for the remainder of 2018 was presented to the Commission. This resulted in estimated ending cash for 2018 and is included in the cash flow (*presentation was based on YTD July activity, the remaining year budget and any relevant known differences from the budget, such as staffing and the pause of the Point Hudson South Jetty project*). At month end August 67% through the year, revenues were at 67% of budget and expenses were at 63% of budget.

For years 2019-2021, we projected annual increases in revenue and expense both by 3% which are the historical average Port increases over the years.

Non-Operating Revenues and Expenses are based on 2019 known and anticipated projections such as grants, the property tax levy, debt service interest, the JCIA Runway Rehabilitation project and future election costs.

Capital Expenses in 2019 include the JCIA Runway Rehabilitation project, vehicles, a contingency for an emergency repair of the Point Hudson South Jetty and some small capital projects not yet unidentified. For years 2020-2021, there is a capital expenses placeholder for small capital projects (not yet unidentified), vehicles and contingency money for an emergency repair of the Point Hudson South Jetty, if needed. The small capital project amounts in all years are based on money taken from the operating budget in 2019 (to continue in the future) from the Repair & Maintenance line item in addition to estimated labor. When the Capital budget is prepared, the small capital projects will be identified.

Debt Service principle is in accordance with the bond amortization schedules. No new debt is planned at this time.

## Budgeted Cashflow Summary 2019-2021

|   | 2019 Budgeted<br>Cashflow | 2020 Budgeted<br>Cashflow | 2021 Budgeted<br>Cashflow |
|---|---------------------------|---------------------------|---------------------------|
| <b>Estimated Beginning Year Cash &amp; Investments, per 9/10/18 estimates</b>             |                           |                           |                           |
| Unreserved Cash & Investments   | \$ 707,290                | \$ 1,305,362              | \$ 2,095,867              |
| Reserved Cash & Investments   | 957,423                   | 1,027,423                 | 1,097,423                 |
| <b>Operating Revenues (after 2019, includes 3% annual increase)</b>                       | <b>6,194,924</b>          | <b>6,380,772</b>          | <b>6,572,195</b>          |
| <b>Operating Expenses (w/o depreciation, after 2019, includes 3% annual increase)</b>     | <b>(5,038,368)</b>        | <b>(5,189,519)</b>        | <b>(5,345,205)</b>        |
| 2020 one (1) year Federal and two (2) year Financial & Accountability Audit               | -                         | (26,300)                  | -                         |
| <b>Non-Operating Revenues</b>   |                           |                           |                           |
| Grants - JCIA Airport Improvmt (AIP) grant  | 4,318,028                 | -                         | -                         |
| Grants - Quilcene CERB  | 50,000                    | -                         | -                         |
| Interest (bond rebate and investment interest)  | 42,200                    | 44,200                    | 46,200                    |
| Property Tax Levy & other taxes (conservative)  | 1,064,490                 | 1,074,490                 | 1,084,490                 |
| Miscellaneous   | 35,000                    | 35,000                    | 35,000                    |
| <b>Non-Operating Expenses</b>   |                           |                           |                           |
| Bond interest (per bond amortization schedules)   | (293,838)                 | (276,488)                 | (250,888)                 |
| Bond management fees  | (1,500)                   | (1,650)                   | (1,750)                   |
| Elections (2019 district 1, 2021 districts 2 & 3)   | (9,500)                   | -                         | (13,750)                  |
| <b>Debt service - principle payments</b>  | <b>(715,000)</b>          | <b>(755,000)</b>          | <b>(785,000)</b>          |
| <b>Capital expenses (from Grants)</b>   |                           |                           |                           |
| JCIA AIP - remainder of Phase II Engineering  | (138,028)                 | -                         | -                         |
| JCIA AIP - Phase III Construction (90%)   | (3,960,000)               | -                         | -                         |
| JCIA WSDOT - Phase III Construction (5%)  | (220,000)                 | -                         | -                         |
| <b>Capital expenses (from Unreserved Cash)</b>  |                           |                           |                           |
| JCIA Port match - remainder of Phase II Engineering (10%)                                 | (15,336)                  | -                         | -                         |
| JCIA Port match - Phase III Construction (5%)   | (220,000)                 | -                         | -                         |
| Small capital projects  | (125,000)                 | (125,000)                 | (130,000)                 |
| <b>Capital expenses (from Reserves) - vehicle replacement</b>                             | <b>(50,000)</b>           | <b>(50,000)</b>           | <b>(50,000)</b>           |
| <b>Contingency funds - Emergency repair on Point Hudson Jetty</b>                         | <b>(250,000)</b>          | <b>(250,000)</b>          | <b>(250,000)</b>          |
| <b>Increase/(Decrease) in Cash</b>  | <b>\$ 668,072</b>         | <b>\$ 860,505</b>         | <b>\$ 911,292</b>         |
| <b>Total Estimated Ending Cash &amp; Investments (beginning cash + incr/decr in cash)</b> | <b>\$ 2,332,785</b>       | <b>\$ 3,193,290</b>       | <b>\$ 4,104,582</b>       |
| <b>Unreserved Cash &amp; Investments</b>  | <b>1,305,362</b>          | <b>2,095,867</b>          | <b>2,937,159</b>          |
| <b>Reserved Cash &amp; Investments</b>  | <b>1,027,423</b>          | <b>1,097,423</b>          | <b>1,167,423</b>          |
| <b>Total Estimated Ending Cash &amp; Investments</b>                                      | <b>\$ 2,332,785</b>       | <b>\$ 3,193,290</b>       | <b>\$ 4,104,582</b>       |

# PROPERTY TAX LEVY

## Regular Tax Levy

The preliminary total assessed value (AV) for the Port District for 2019, as of budget adoption, is \$5,577,421,241. Per the County Assessor, the total recommended general tax levy to budget for 2019 is projected to be approximately \$0.18 per \$1,000 of AV, which calculates to \$1,008,000.

The County Treasurer acts as an agent to collect property taxes levied in the County for all taxing authorities. Taxes are levied annually on January 1 on the property value listed as of the prior year. Assessed values are established by the County Assessor at 100% of fair market value. A revaluation of all property is required annually, which includes physical inspections every six (6) years while the remainder is performed with a combination of statistics, sales studies and inspections.

The Port is permitted by law to levy up to 45 cents per \$1,000 of assessed valuation for general port purposes. The rate may be reduced for either of the following reasons:

1. Washington State Law in Revised Code (RCW) 84.55.010 limits tax growth to 1% per year, plus adjustments for new construction,
2. If the assessed valuation increases by more than the tax limitations due to revaluation, the levy rate is decreased accordingly so that no more than the tax limit is collected.

## Special Tax Levies

Special levies approved by the voters are not subject to the above limitation. The Port can levy property taxes for dredging, canal construction, leveling or filling upon approval of the majority of voters within the Port District, not to exceed \$0.45 per \$1,000 of AV of taxable property.

## Industrial Development District Tax Levies

The Port may also levy property taxes for Industrial Development Districts (under a comprehensive scheme of harbor improvements), for two (2) multiyear levy periods only. The levy may not exceed the sum of \$2.70 per \$1,000 of AV for taxable property in the Port District for taxes collected in the base year and the maximum allowable amount that could have been collected under RCW 84.55.010 for the first six (6) collection years of the levy period. The levy period may not exceed twenty years from the date the initial levy is made, and the levy rate in any year may not exceed \$0.45 per \$1,000 of AV. If a Port District intends to levy this tax over a second multiyear levy period, the Port must publish notice of intent to impose such a levy, and if signatures of at least eight (8) percent of the voters protest the levy a special election must be held with a majority approval required. The Port District has not levied this tax.

## Tax Levy Uses

The Port Commission has directed that the funds collected by the tax levy will be used for debt service for general obligation bonds.

## TAX LEVY Graph

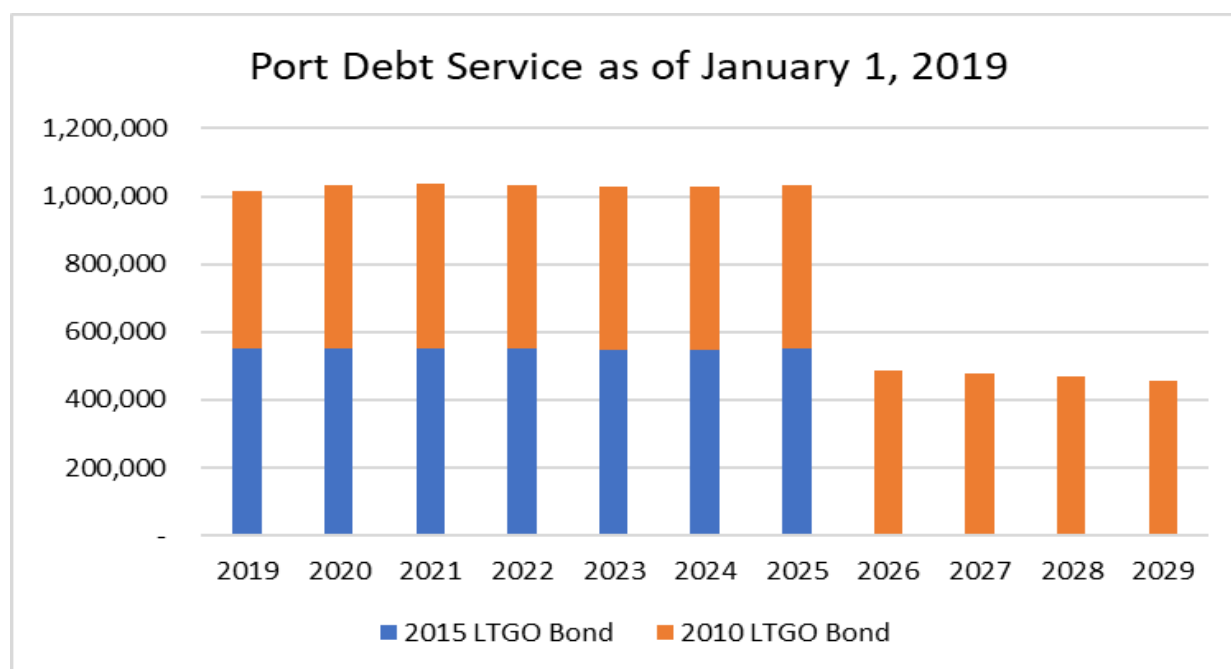
This graph depicts the actual tax levy for the last 10 years (blue line) as compared to the statutory maximum rate for the same period. This maximum by statute depicted by the graph's orange line, would require approval of the Port District's voters, as discussed on the prior page. Annually, the Port is restricted to increases in the levy by 1% (RCW 84.55.010) or more if there is banked capacity. A banked capacity can only occur when a taxing district opts not to take an increase in any given tax year. The Port currently does not have any banked capacity.



# DEBT SERVICE

| Name/Type of Debt         | Principle Balance  | Interest Balance   | Pay-off Date  |
|---------------------------|--------------------|--------------------|---------------|
| 2015 LTGO Bond (refunded) | \$3,425,000        | \$422,700          | July 2025     |
| 2010 LTGO Bond            | \$3,870,000        | \$1,371,550        | December 2029 |
| <b>Total</b>              | <b>\$7,295,000</b> | <b>\$1,794,250</b> |               |
|                           |                    | <b>\$9,089,250</b> |               |

Source: Bond Amortization Schedules



## Use of Debt:

*2015 LTGO Bond – Refunding of 2005 LTGO Bond used for Point Hudson Marina Construction*

*2010 LTGO Bond – Reconstruction of Boat Haven A/B Dock (83%) and 75 Ton Lift Pier (17%)*