

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

	YTD Aug 2018	YTD Aug 2019	Variance to prior year - 2018 v 2019	notes	YTD Budget 2019	Variance to Budget YTD
<b>REVENUES</b>						
Boat Haven Moorage	1,258,532	1,288,127	29,594		1,287,732	395
Yard Operations	1,125,613	1,253,702	128,089		1,180,400	73,302
Boat Haven Properties	433,113	479,531	46,418		427,500	52,031
Pt. Hudson Marina, RV & Prop	985,783	1,022,971	37,188	a	1,028,094	(5,123)
Quilcene	109,709	118,014	8,305		111,199	6,815
Ramps	37,246	44,379	7,133		40,302	4,077
JCIA	89,570	100,553	10,984		92,985	7,569
<b>Total Operating Revenues</b>	<b>4,039,567</b>	<b>4,307,277</b>	<b>267,711</b>		<b>4,168,212</b>	<b>139,066</b>
<b>OPERATING EXPENSES</b>						
Salaries & Wages	1,439,081	1,348,489	(90,591)		1,422,351	(73,862)
Payroll Taxes	144,855	148,848	3,993		155,490	(6,642)
Employee Benefits	492,899	446,042	(46,857)		449,729	(3,687)
Uniform Expense	1,622	4,959	3,337		5,646	(687)
Contract Services	173,432	174,585	1,153		187,736	(13,151)
Consulting Services	50,050	48,439	(1,611)		86,000	(37,561)
Legal & Auditing	118,572	107,808	(10,764)	b	66,664	41,144
Facilities & Operations	440,632	320,327	(120,306)	c	311,497	8,830
Utilities	356,377	384,905	28,528	d	386,673	(1,768)
Marketing	34,799	36,562	1,763	e	29,282	7,280
Economic Development	15,000	-	(15,000)		15,000	(15,000)
Travel & Training	20,410	24,515	4,105	f	21,813	2,702
Cost of Goods - Fuel	7,461	10,113	2,653	g	7,461	2,652
Community Relations	-	35	35		-	35
<b>Total Operating Expenses</b>	<b>3,295,189</b>	<b>3,055,626</b>	<b>(239,563)</b>		<b>3,145,342</b>	<b>(89,716)</b>
<b>Income from Operations w/o Depr</b>	<b>744,377</b>	<b>1,251,651</b>	<b>507,274</b>		<b>1,022,870</b>	<b>228,782</b>
<b>Non-Operating Revenue</b>						
Capital Contributions/Grants	113,039	335,481	222,442	h	1,076,028	(740,547)
Interest	30,530	37,417	6,887	i	24,200	13,217
Property & other taxes	706,894	667,978	(38,916)		624,632	43,346
Misc Non-Operating Revenue	36,559	250,461	213,902	j	22,730	227,731
<b>Total Non-Operating Revenues</b>	<b>887,022</b>	<b>1,291,337</b>	<b>404,315</b>		<b>1,747,590</b>	<b>(456,253)</b>
<b>Non-Operating Expenses</b>						
Bond Interest	206,924	150,294	(56,631)		143,544	6,750
Bond Mgmt, Issuance & Misc Exp	400	400	-		845	(445)
Election Expense	-	-	-		-	-
<b>Total Non-Operating Expenses</b>	<b>207,324</b>	<b>150,694</b>	<b>(56,631)</b>		<b>144,389</b>	<b>6,305</b>
<b>Net Non-Operating Income (Expense)</b>	<b>679,697</b>	<b>1,140,643</b>	<b>460,946</b>		<b>1,603,201</b>	<b>(462,558)</b>
<b>Net Income (Loss)</b>	<b>1,424,075</b>	<b>2,392,295</b>	<b>968,220</b>		<b>2,626,071</b>	<b>(233,776)</b>

**Notes:**

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

(b) *Whereas this is below 2018, it is higher than budget due to invoices 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).*

(c) *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.*

(d) *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.*

(e) *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.*

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

(g) *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).*

(h) *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.*

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

(j) *Increases to Miscellaneous Non-Operating Revenue for the \$100,000 paid for the purchase of a surplus building by New Day Fisheries; these monies have been placed in the Port Wide Capital Reserve. In addition, there was 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**

		<b>YTD August 2019</b>
<b>Net Income w/out Depreciation</b>	notes	<b>2,392,295</b>
<b>Net Change in Accruals from Balance Sheet*</b>		<b>156,971</b>
<b>Less: Capital Expenses:</b>		
JCIA Runway Replacement project		(296,506)
PTBH Water Meters project		(23,187)
BH Breakwater Repair 2019		(3,395)
PH Moorage Office Exterior Paint 2019		(6,726)
WorkYard Resurfacing 2019		(2,850)
PH South Jetty 2019-2020		(1,367)
PH 375 Hudson St. - Air Quality Imprvmnts 2019 Improvements		(9,085) (81,063)
Equipment replacement	a	(91,096)
<b>Total Capital Expenses</b>		<b>(515,275)</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>1,583,991</b>
<b>Beginning Cash at 1/1/2019</b>		<b>1,632,311</b>
<b>Ending Cash at 7/31/2019</b>		<b>3,216,302</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 trucks (\$24,161 & \$2,500)*  
*full payment of BH Restroom Fob Locking system (\$16,192)*  
 (2) replacement tires for 300 ton Travelift (\$23,762)  
*BH Ramp Pay Station Kiosk & install (\$14,050)*