

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

	YTD Oct 2018	YTD Oct 2019	Variance to prior year - 2018 v 2019	notes	YTD Budget 2019	Variance to Budget YTD
REVENUES						
Boat Haven Moorage	1,576,611	1,617,170	40,559		1,614,896	2,274
Yard Operations	1,415,554	1,613,512	197,959		1,538,490	75,022
Boat Haven Properties	551,419	589,488	38,069		536,960	52,528
Pt. Hudson Marina, RV & Prop	1,262,700	1,291,652	28,952		1,287,999	3,653
Quilcene	135,657	141,838	6,181		138,795	3,043
Ramps	41,236	49,196	7,960		46,200	2,996
JCIA	112,253	125,464	13,211		116,006	9,458
Total Operating Revenues	5,095,430	5,428,320	332,890		5,279,346	148,974
OPERATING EXPENSES						
Salaries & Wages	1,824,335	1,696,128	(128,207)	a	1,774,359	(78,231)
Payroll Taxes	183,399	187,264	3,865		194,080	(6,816)
Employee Benefits	624,020	578,634	(45,386)	b	581,172	(2,538)
Uniform Expense	3,514	6,467	2,953		7,051	(584)
Contract Services	238,805	210,440	(28,365)		233,892	(23,452)
Consulting Services	57,365	49,769	(7,596)		111,000	(61,231)
Legal & Auditing	183,701	117,424	(66,277)	c	83,330	34,094
Insurance	237,198	276,150	38,952		236,867	39,283
Facilities & Operations	418,319	466,700	48,381	d	398,951	67,749
Utilities	447,066	455,405	8,339		462,240	(6,835)
Marketing	49,377	50,085	708	e	45,181	4,904
Economic Development	30,000	-	(30,000)		15,000	(15,000)
Travel & Training	21,664	25,539	3,874	f	23,913	1,626
Cost of Goods - Fuel	9,559	12,424	2,865	g	10,461	1,963
Community Relations	-	35	35		-	35
Total Operating Expenses	4,328,323	4,132,465	(195,858)		4,177,497	(45,032)
Income from Operations w/o Depr	767,107	1,295,856	528,748		1,101,850	194,006
Non-Operating Revenue						
Capital Contributions/Grants	113,713	335,481	221,767	h	3,328,028	(2,992,547)
Interest	51,222	42,932	(8,290)	i	25,200	17,732
Property & other taxes	893,440	1,014,589	121,149		985,575	29,014
Misc Non-Operating Revenue	57,159	253,001	195,842	j	26,740	226,261
Total Non-Operating Revenues	1,115,534	1,646,003	530,469		4,365,543	(2,719,540)
Non-Operating Expenses						
Bond Interest	256,428	150,294	(106,134)		143,544	6,750
Bond Mgmt, Issuance & Misc Exp	1,458	500	(958)		1,175	(675)
Election Expense	-	-	-		-	-
Total Non-Operating Expenses	257,886	150,794	(107,092)		144,719	6,075
Net Non-Operating Income (Expense)	857,648	1,495,209	637,561		4,220,824	(2,725,615)
Net Income (Loss)	1,624,756	2,791,065	1,166,309		5,322,674	(2,531,609)

Notes:

- (a) There have been several changes in staffing since 2018 that contribute to the year to year variance. Such changes have been noted and discussed throughout the year at Commission meetings. Also, part of the variance includes ~\$50,000 in sick and vacation payouts at termination in 2018.*
- (b) The 2018-2019 variance in benefits paid is partly due to changes and timing of those changes in staffing, but primarily is a timing issue that will catch up by year end.*
- (c) 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).*
- (d) The primary reason for the variance to prior year is due to the ~\$52,000 increase in Bad Debt write-offs.*
- (e) Marketing costs are on par with 2018 YTD, though ahead of budget by almost \$5,000.*
- (f) Variance to prior year, 2019 is higher due to Hazwoper training for staff (\$4,181).*
- (g) Variance between 2018-2019 and YTD budget to actual is from changing from accrual based (reporting the cost of fuel SOLD), versus cash based (reporting the cost of fuel PURCHASED).*
- (h) YTD 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. Conversely, it is slightly less than YTD 2018 since the ARRA Bond Rebate won't be received until December 1.*
- (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 (totaling \$212,000) that wasn't used to pay down the outstanding accounts receivable for the Cobb vessel.*

**Port of Port Townsend
YTD Cashflow report**

		<u>YTD October 2019</u>
	notes	
Net Income		2,791,065
Net Change in Accruals from Balance Sheet*		129,623
Less: Capital Expenses:		
JCIA Runway Replacement project		(382,263)
BH Breakwater Repair 2019		(9,511)
WorkYard Resurfacing 2019		(3,307)
PH South Jetty 2019-2020		(35,844)
PH 375 Hudson St. - Air Quality Imprvmnts 2019		(17,033)
BH Net Float Reconstruction		(15,750)
BH Prop - 810 Haines Street		(4,861)
BH Prop - 2900 WA Bldg Repair 2019		(3,824)
Improvements		(151,204)
Equipment replacement	a	(122,947)
Total Capital Expenses		(746,544)
Less: Principal Payments on Debt:		
Point Hudson - 2015 LTGO Refunding Bond		-
PTBH Marina - 2010 LTGO Bond		(450,000)
Total Principal Payments		(450,000)
Increase (Decrease) in Cash Y-T-D		1,724,144
Beginning Cash at 1/1/2019		1,632,311
Ending Cash at 10/31/2019		3,356,455

**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)
BH Restroom Fob Locking system (\$16,192)
 (2) replacement tires for 300 ton Travelift (\$23,762)
BH Ramp Pay Station Kiosk & install (\$14,050)
Genie lift (\$21,000)
Blocking (\$10,851)