

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

	YTD June 2020	YTD June 2021	Variance to prior year - 2020 v 2021	notes	YTD Budget 2021	Variance to Budget YTD
REVENUES						
Boat Haven Moorage	903,170	940,774	37,604	a	926,190	14,584
Yard Operations	956,393	1,237,411	281,018	a, b	977,712	259,699
Boat Haven Properties	360,196	403,900	43,704	a	376,890	27,010
Pt. Hudson Marina, RV & Prop	544,369	761,710	217,341	a, c	640,615	121,095
Quilcene	81,055	83,939	2,884		78,303	5,636
Ramps	27,718	32,256	4,537		27,512	4,744
Jeff. County Int'l Airport	74,809	82,282	7,473		77,971	4,311
(Increase)/Decrease in Accts. Receivable	(27,403)	37,799	65,202	a	-	37,799
Total Revenues	2,920,307	3,580,071	659,764	d	3,105,193	474,878
EXPENSES						
Salaries & Wages	1,116,649	1,149,684	33,035		1,164,710	(15,026)
Payroll Taxes	117,140	117,419	278		124,027	(6,608)
Employee Benefits	419,288	416,227	(3,061)		439,013	(22,786)
Uniform Expense	4,067	3,118	(949)		4,515	(1,397)
Contract Services	125,477	128,392	2,914		146,583	(18,191)
Legal & Auditing	9,764	53,656	43,892	e	35,609	18,047
Insurance	1,199	99	(1,100)		-	99
Facilities & Operations	239,463	350,991	111,528	f	236,225	114,766
Utilities	270,145	278,877	8,732		302,474	(23,597)
Marketing	19,880	25,515	5,635		27,227	(1,712)
Travel & Training	8,339	1,553	(6,785)		5,144	(3,591)
Cost of Goods - Fuel	2,035	-	(2,035)		-	-
Community Relations	6,496	3,847	(2,649)		1,500	2,347
Total Expenses	2,339,942	2,529,378	189,435	g	2,487,027	42,351
Net Operating Income (Loss)	580,365	1,050,693	470,328	h	618,166	432,527
Other Increases in Fund Resources						
Deposits & Retainage Collected	34,835	67,816	32,982		40,898	26,918
Taxes Collected	292,326	339,439	47,113		296,794	42,645
Capital Contributions/Grants	208,035	33,327	(174,708)		655	32,672
Debt Proceeds - Line of Credit	-	-	-		-	-
Interest	7,864	34,427	26,564		21,600	12,827
Property & other taxes	1,112,805	1,609,011	496,207		1,597,443	11,568
Misc Other Incr. in Fund Resources	10,748	12,252	1,504		8,070	4,182
Total Other Incr. in Fund Resources	1,666,611	2,096,272	429,661	j	1,965,460	130,812
Other Decr. In Fund Resources						
Deposits & Retainage Paid	2,592	20,818	18,226		6,084	14,734
Taxes Remitted	258,700	323,218	64,518		288,566	34,652
Debt Principal & Interest	-	339,284	339,284		87,719	251,565
Debt Mgmt, Issuance & Misc Exp	9,756	59,168	49,412		755	58,413
Election Expense	15,674	-	(15,674)		-	-
Total Other Decr. In Fund Resources	286,722	742,488	455,766	j	383,124	359,364
Net Other Incr./Decr. Fund Resources	1,379,889	1,353,784	(26,105)		1,582,336	(228,552)
Net Income/(Expense)	1,960,254	2,404,478	444,224	k	2,200,502	203,975

Notes:

(a) In Qtr. 1, 2020 a Bad Debt Write-off was approved by Commission and recorded in the accounting system. This is a GAAP convention, and though we are Cash Based now, we chose to reinstitute an Accounts Receivable (AR) account in the accounting system (the detailed tracking is done in the marina billing software). As such, the revenues recorded should be adjusted by any Bad Debt write-offs as well as changes in the AR balance. There have been no AR write-offs YTD 2021. There is a new line item as of April 2021 showing the Operating Revenues adjusted for YTD changes in the AR balance.

(b) Yard Revenues continue to reign strong over YTD 2020 as well as budget. Most of this increase is from the 70/75 Ton Yard Storage, Hoist and Environmental revenues and the 300 Ton Yard's storage revenue which together make up 76% of Yard revenues YTD.

(c) Point Hudson has made a rebound from last year after the beginning of the pandemic. Most of the increase is Nightly RV and Nightly Moorage revenues which represents 35%, or \$267,316, of the YTD Point Hudson revenues. Compared to budget, Point Hudson YTD revenues are 16% higher, or \$121,095.

(d) Operating Revenues overall increased by 18%, or \$659,764, when compared to 2020 and were 13%, or \$474,878, higher than budgeted for YTD this month.

(e) The increase in Legal & Auditing Expense this year when compared to 2020 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. This amount is also more than budgeted by \$18,047.

(f) 2021 costs are higher for Facilities & Operations when compared to 2020 by \$111,528, and more than Budget by \$114,766. Part of the significant jump in prior year comparisons from last month is the correction of removing "Bad Debt Expense" from 2020 because it is already reduced from Operating Revenues. Otherwise, the highest variances year to year from highest to lowest are Repair/Maintenance costs for \$54,316, Environmental Materials/Supplies for \$22,058, Bank Charges for \$11,808 and Operating Supplies for \$10,958. Bank Charges have increased due to the new software, Molo, that directs customers online to pay electronically. This is a huge plus to the Port because we receive funds more quickly, and we don't have to rely on staff to process the paper money and checks. In addition, we are having difficulty getting staffed up for summer, so the increase in efficiency via electronic payments is very helpful and worth the price.

(g) Overall, Operating Expenses increased by \$189,435, or 8%, when compared to 2020 and are more than budget by \$42,351, or 2%. As already mentioned, these year to year increases are due to increases in spending for Repair/Maintenance, Legal & Auditing, Salaries/Wages, Environmental Supplies, Operating Supplies & Bank Charges. It should be kept in mind that although this appears to be a significant increase in expenses, they are more in alignment when compared to the budget, or the plan for the year.

(h) Net Operating Income is more than YTD in 2020 by \$470,328, or 81%, and more than budget by \$432,527, or 70%. Actual YTD Operating Revenues have clearly out-paced budget as actual YTD Operating Expenses are very close to budget.

(i) The year to year variance of \$429,661 for Total Other Increases in Fund Resources is primarily related to increased tax revenues. This total is more than budget by \$130,812.

(j) Both the year to year and budget to actual variance for Total Other Decreases in Fund Resources, \$455,766 and \$359,364, respectively, are related to the payoff of the 2020 LTGO Bond Line of Credit (\$251,565), increased taxes paid as the result of more business (\$64,518), increased Deposits & Retainage Paid (18,226), 2021 LTGO Line of Credit issuance cost (\$9,300) and the Tetra Tech invoices for the Ecology Recycling Grant work.

(k) Overall, the increase of \$444,224 when comparing 2020 to 2021 for Net Income/(Expense) is due to the strong increase in Net Operating Income (more in 2021 by \$659,764) and the increase in Net Other Increases/Decreases in Fund Resources of \$429,661. It is important to compare to prior year, but just as important, if not more, to compare to budget because the budget is where we expect to be based on anticipated changes, increases, initiatives, etc. When compared to YTD budget, we are more than budgeted by \$203,975.