

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 2/28/2022
TO: Commission
FROM: Abigail Berg, Director of Finance & Administration
SUBJECT: January 2022 Financial Report

Attached is the January 2022 financial report of Port activities. This is a consolidated report that shows the variance between the current period as compared to the prior year and the variance to budget year-to-date. The following is additional information not included in the attached financial report, but key in fully understanding the Port's financial status:

2022 YTD Capital Project Expenses

Point Hudson Jetties	19,705
D-Dock Renovation	0
BH Breakwater Repair	447
PH Pavilion Bldg. Remodel	12,875
FEMA Grant – Yard Stormwater Materials Replacement	0
FEMA Grant – City Dock	0
FEMA Grant – JCIA Asbestos Roof	0
Reconstruct Old Coast Guard Building	<u>9,654</u>
Total Capital Expenses YTD	<u>\$ 42,681</u>

2022 Capital Purchase

Kendrick Equipment, Inc. (final payment on 75-Ton lift)	397,964
Northsound Auto Group, LLC (3 RAM pick-up trucks)	<u>86,704</u>
Total Capital Purchases YTD	<u>\$ 484,668</u>

Ending Cash Balances as of January 31	2022	2021
Reserved Cash & Investments – Other*	\$ 2,572,964	\$ 1,726,134
Reserved Cash & Investments – IDD	2,050,918	\$ 550,325
Unreserved Cash & Investments	<u>1,436,884</u>	<u>\$ 1,986,350</u>
Total Cash & Investments	<u>\$ 6,060,766</u>	<u>\$ 4,262,809</u>

*Other Reserves detail:

	<u>Current balance</u>	<u>Target balance</u>
Unemployment Reserve	\$ 10,000	na
Operating Reserve (a)	863,440	\$ 1,470,609
Boat Haven Renovation Reserve (b)	447,878	na
Emergency Reserve	500,000	na
Port-Wide Capital Reserve (c)	<u>751,646</u>	na
Total Other Reserves	<u>\$ 2,572,964</u>	

- (a) The target for the Operating Reserve is 25%, or three (3) months, of operating expenses, per current budget. See resolution 692-19 for more detail.
- (b) The plan for this reserve is to use it on Boat Haven Moorage projects until is it extinguished. It was replaced by the Port-Wide Capital Reserve in resolution 693-19.
- (c) Resolution 693-19 does not set a target for this reserve.

Debt Service for the Year

2010 LTGO Bond – (83% paid A/B Dock Reconstruction, 17% paid 75 Ton Lift Pier)

June 1 – interest only	\$ 80,744
December 1 – principal and interest	400,744

2015 LTGO Refunding Bond- (paid for Point Hudson Marina Reconstruction – 2005 LTGO Bonds refunded in 2015)

July 1 – principal and interest	520,600
December 31 – interest only	<u>23,250</u>

Total Debt Service for 2021 \$ 1,025,338

Remaining Debt for years 2023-2029

2010 LTGO Bond – principal and interest	\$ 3,329,550	payoff December 2029
2015 LTGO Bond – principal and interest	<u>1,620,800</u>	payoff July 2025
Total	<u>\$ 4,950,350*</u>	

**Port staff hopes to extinguish all debt obligations two years early in 2027.*

DISCUSSION

As requested by Commission.

FISCAL IMPACT

NA

RECOMMENDATIONS

For discussion only.