

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 11/28/2022
TO: Port Commission
FROM: Abigail Berg, Director of Finance & Administration
SUBJECT: IDD Levy Financial Report, YTD Qtr. 3, 2022

ISSUE

Provide a report to the Commission.

BACKGROUND/DISCUSSION

Per RCW 53.25, port districts are authorized to adopt an Industrial Development District (IDD) levy for the redevelopment of lands in an IDD designated area. The IDD Levy was adopted by the Commission via resolution 698-19 after a vote of the people approved it in the November 2019 election and includes all three districts of Jefferson County.

The purpose of this report is to keep the Commission apprised of the Industrial Development District (IDD) receipts and authorized capital expenditures activity during the term of the levy. It includes the annual budgeted tax receipts and capital project expenses as well as the actual year-to-date tax receipts and capital project expenses since the inception of the levy. In addition, we have included the running total of the estimated remaining levy amount that may be taxed, the annual millage rate, and the reserve fund balance as of the date of the reported quarter's reconciliation transfer.

Monthly IDD-funded capital expenses are paid from the Port's general fund, but the general fund is not reimbursed from the IDD reserve until the quarterly reconciliations are prepared and executed. When the quarter-end reconciliation is created and the transfer (reimbursement) is made to the general fund, those figures are entered into this report and reported to the Commission.

FISCAL IMPACT

The report shows the income, expenditures, and current balance of the IDD Reserve fund. The largest project planned for this year is the Point Hudson Jetty replacement, a 2-year phased project, that is approximately 2/3 of this year's capital budget and partially funded by the IDD; however, with the grant funding we may not have to access IDD funds until next year. The Sperry buildings capital maintenance work is completed for the year, and the Reconstruction of the Old Coast Guard building project is coming along, but waiting for a permit to finish with the new relocation's foundation, utilities, and subsequent movement of the building in 2023. The North Yard Expansion project will have approximately \$72,000 expended for the year in the Qtr. 4 reconciliation, in addition to a small amount of capital expenditures for the BH Stormwater Compliance Upgrade project. However, we don't expect the 4th quarter IDD funded capital project expenditures to bring the annual total up to what was originally budgeted.

RECOMMENDATION

NA