



## **2013 BUDGET**



# **PORT OF PORT ANGELES**

**2013**

## **PRELIMINARY BUDGET**

Presented on October 22, 2012

## **COMMISSIONER JOHN M. CALHOUN**



Commissioner Calhoun has been a member of the Port Commission since January 2004 and represents the western part of the Port district. He has a Bachelor of Science degree in Forest Management from the University of California at Humboldt. With nearly three decades of experience at the State Department of Natural Resources and another decade with the University of Washington as Director of the Olympic Natural Resources Center, Mr. Calhoun has long been active in state and regional natural resource policy issues. He is especially interested in rural economic development and enjoys local volunteer work. Mr. Calhoun lives in Forks with his wife Judy.

## **COMMISSIONER JAMES D. HALLETT**

James D. Hallett represents District 2 (central) and has served as a Port Commissioner since January 2012. Jim is a life-long Washington resident. A graduate of Pacific Lutheran University, he moved to Port Angeles in 1978. He worked as an Account Executive and Sales Manager for Motorola Communications and Electronics until 1986. Jim established his financial planning and wealth management practice in 1987. For the past 25 years Jim has guided individuals, families and businesses on the road to financial wellness. Jim is the President and CEO of Hallett Advisors, a fee-only SEC Registered Investment Advisory firm headquartered in Port Angeles. His firm serves as a fiduciary, specializing in holistic wealth management, developing sustainable retirement income strategies and in helping people achieve their philanthropic and charitable goals. Jim holds a Master of Science in Financial Planning graduate degree as well as numerous professional accreditations including Certified Financial Planner (CFP), Chartered Financial Consultant (ChFC), Chartered Life Underwriter (CLU), Accredited Estate Planner (AEP) and Accredited Investment Fiduciary Analyst (AIFA). In addition to his private sector practice, Jim presently serves the people of Clallam County as one of three commissioners for the Port of Port Angeles. Jim was elected in 2011. Jim's public service spans more than three decades. Appointed to the Port Angeles Planning Commission in 1984, Jim was elected to the Port Angeles City Council in 1985, re-elected in 1989 serving as mayor from 1992-1993. Under his leadership the City negotiated federal legislation that authorized removal of the Elwha dams. Jim actively contributes to the community in many ways having recently completed two terms as President of the Port Angeles Regional Chamber of Commerce, past President of the Port Angeles Kiwanis Club and current Vice President of the North Olympic Library System Foundation. Jim and his wife Joanne have two grown sons.



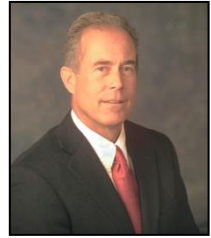
## **COMMISSIONER PAUL L. McHUGH**



Commissioner Paul L. McHugh represents District 1 (eastern Clallam County) and has served as a Port Commissioner since January 2012. A resident of Sequim since 1966, Paul's working background has focused on real estate brokerage and development. He and his wife Rochelle worked in the real estate industry since 1975 and owned and operated McHugh REALTORS through 2006. He retired from real estate sales in 2010. Paul has served his community as a member of the Clallam County Planning Commission (1992-1996), Clallam County Park and Recreation Commissioner (1994-2001) and Sequim City Council Member (2001-2008). He is a past president of the Sequim Dungeness Valley Chamber of Commerce, Sequim Association of REALTORS and the Sunrise Rotary Club. He served as a board member, Legislative Steering Committee member and Executive Committee member with the Washington Association of REALTORS. He presently serves on the Boards of United Way Clallam County and KSQM 91.5 Community Radio in Sequim. Paul and his wife Rochelle have two daughters and two grandchildren.

**JEFFERY K. ROBB, EXECUTIVE DIRECTOR**

Executive Director Jeff Robb has been employed by the Port of Port Angeles since 1984 with his first position as Resident Engineer for the construction of John Wayne Marina. He has held a number of additional positions including, Project Engineer, Mechanical Maintenance Manager, Public Works Manager and Director of Airports and Marinas until recently appointed Executive Director in August of 2009. He is actively involved in professional organizations and in his community. He served as President of the Washington Airport Management Association, President of Port Angeles Rotary Club and is active in the Boy Scouts of America. He is a second generation Sequim native and lives with his wife Laura in Sequim with daughter Danielle and son Colby.



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**BOARD OF PORT COMMISSIONERS**

**JOHN M. CALHOUN, PRESIDENT**

*Term Expires 2015*

**JAMES D. HALLETT, VICE PRESIDENT**

*Term Expires 2017*

**PAUL L. McHUGH, SECRETARY**

*Term Expires 2013*

**PORT MANAGEMENT STAFF**

Executive Director .....JEFFERY K. ROBB  
Director of Engineering .....CHRIS HARTMAN  
Director of Finance .....KAREN G. GOSCHEN  
Accounting & Budget Manager .....JERRY A. LUDKE  
Airport & Marina Manager .....DOUGLAS B. SANDAU  
Environmental Specialist.....JESSE W. WAKNITZ  
HR, PR & Admin Manager .....HOLLY M. HAIRELL  
Marine Terminal Manager .....MICHAEL V. NIMMO  
Marketing & Property Manager .....COLLEEN M. McALEER  
Operations & Public Works Manager .....NEW HIRE

## List of Abbreviations

ADMIN	Administration & General Management	PABH	Port Angeles Boat Haven
AIP	Airport Improvement Program	PERS	Public Employee Retirement System
ACC	Advanced Composite Center	PFC	Passenger Facility Charges
ACTI	Angeles Composite Technology, Inc.	PFD	Port Filled Dump
ALP	Airport Layout Plan	PTO	Paid Time Off
A/V	Audio / Visual	PUD	Public Utility District
BL	Boat Launch	RP	Rental Property
BY	Boat Yard	SEK	Sekiu
CMC	Composite Manufacturing Campus	SP	Strategic Plan
CPI	Consumer Price Index	T1	Terminal #1 Main Terminal
CSO	Combined Sewer Overflow	T2	Terminal #2 Black Ball Ferry
DOT	Department of Transportation	T3	Terminal #3 Concrete Cargo Pier
DNR	Department of Natural Resources	T4	Terminal #4 Timber Dock Oak Street
EA	Environmental Assessment	T5	Terminal #5 Old M&R Pier
EDC	Economic Development Council	T6	Terminal #6 Barge Berth Pier
FBO	Fixed Based Operator	T7	Terminal #7 Nippon/Daishowa Pier
FIA	Fairchild International Airport	TBD	To Be Determined
FM	Facilities Maintenance		
HVAC	Heating Ventilation Air Conditioning		
JWM	John Wayne Marina		
KPly	Site of PenPly location		
LY	Log Yard		
MM	Mechanic Maintenance		
MT	Marine Terminal		
MTA	Marine Trades Area		
MTIB	Multi-Tenant Industrial Building		
NOTAC	North Olympic Timber Action Committee		
NWF/FEMA	National Wildlife Federation/Federal Emergency Management Agency		
OB	Obstruction		
OPVB	Olympic Peninsula Visitor Bureau		

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## **SECTION I**

### **EXECUTIVE DIRECTOR SUMMARY**

## **BUDGET MESSAGE**

TO: BOARD OF PORT COMMISSIONERS  
PORT OF PORT ANGELES

FROM: JEFFERY ROBB, EXECUTIVE DIRECTOR

It is with pleasure the 2013 Budget for the Port of Port Angeles is forwarded to you. This budget provides a management plan for the forthcoming year, an operating budget to meet the goals, objectives and strategies established by the Board, the strategic and capital budget for 2013, and the outline for a five-year improvement plan.

This document provides the guidance for both the Port's short-term and long-term plans for utilization of its limited resources. The 2013 budget estimates gross receipts of \$8,213,894, expenditures of \$6,196,798 and capital expenditures of \$1,831,550.

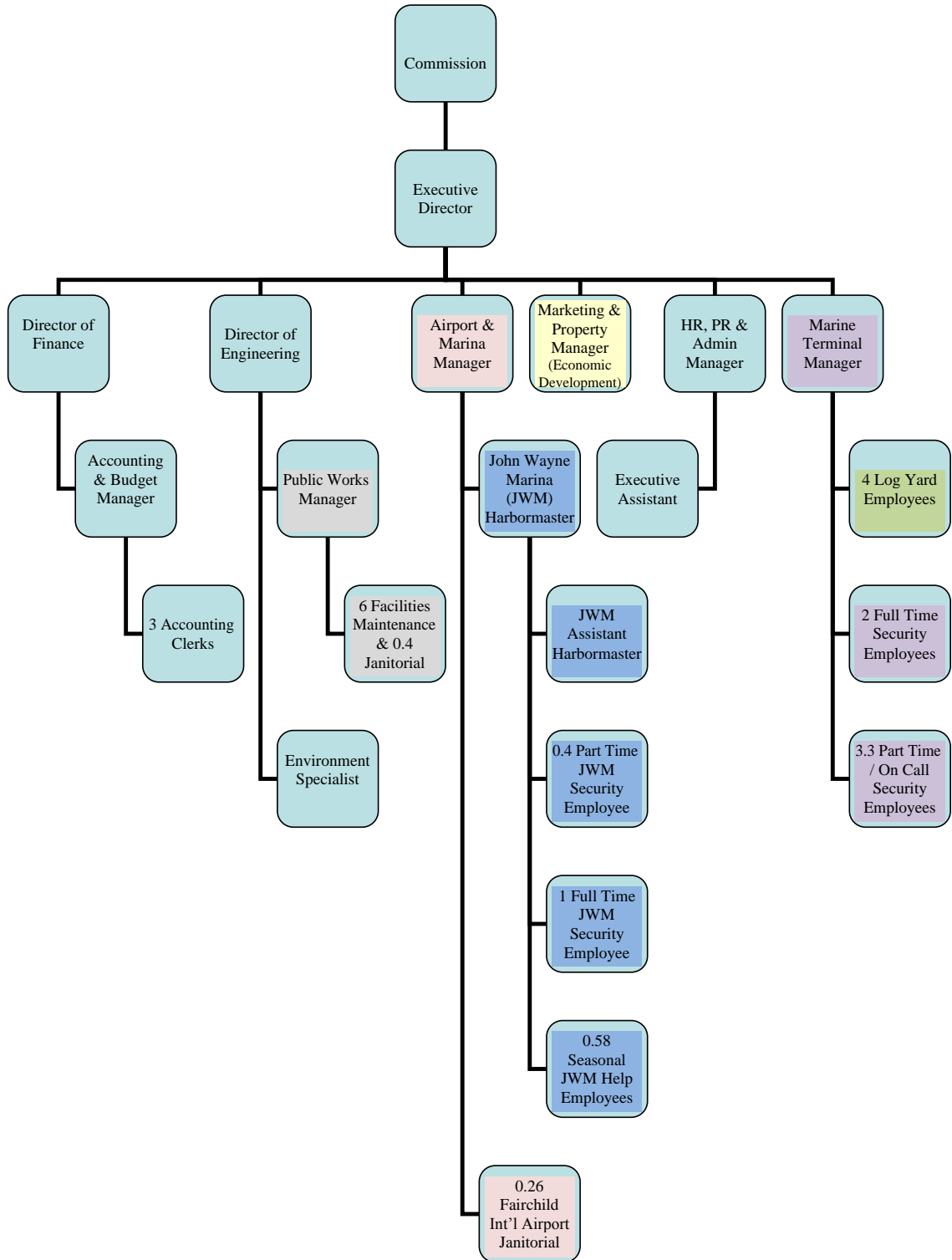
The Port by direction of the Board of Commissioners continues to maintain reserves and a good financial position. The Port continues to serve the Citizens of Clallam County by focusing on the goals and objectives established by the Board of Commissioners.

## **MISSION STATEMENT**

The Port of Port Angeles is a public enterprise organization committed to serving the citizens of Clallam County in the following ways:

- The Port is a provider and developer of facilities and services required to support waterborne and airborne transportation and commerce.
- Port policies and management are directed to achieve a high standard of professionalism and leadership in the Community by forming partnerships for the purpose of expanding economic development opportunities and sustainable family wage jobs.
- The Port is guided by the public trust in matters of fiduciary and environmental stewardship.
- The Port will demonstrate technical proficiency in planning and promotion of industrial, commercial, and recreational opportunities in a manner that will enhance the quality of life within the Port District.

# PORT OF PORT ANGELES ORGANIZATIONAL CHART



## PORT OF PORT ANGELES PERSONNEL SUMMARY

### All Divisions Budgeted Employees

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<b>Department</b>	<b>FTEs</b>	<b>FTEs</b>	<b>FTEs</b>	<b>FTEs</b>
Marine Terminal <i>(Includes PT &amp; FT Security)</i>	5.2	5.5	5.6	5.45
Log Yard	4.9	5.8	5.9	4.7
William R. Fairchild Int'l Airport	2.76	2.61	2.66	1.61
Sekiu Airport	0.05	0.05	0.05	0.05
Port Angeles Boat Haven	1	1	1.1	1
John Wayne Marina <i>(Includes PT &amp; FT Security)</i>	4.88	4.48	4.53	4.63
Boatyard	0.2	0.2	0.35	0.4
Rental Properties	0.9	1.2	1.35	1.6
Administration & General	9.05	9.4	8.95	7.7
Economic Development	1.8	1	1	0.6
Mechanical Maintenance	2.4	2.4	3.4*	2.25
Facilities Maintenance	6.8	6.3	6.05	6.95
<b>Total</b>	<b>39.94</b>	<b>39.94</b>	<b>40.94</b>	<b>36.94</b>
* A third mechanic was budgeted in 2012, but was not hired.				
** FTE = Full time employee equivalent				

## **SECTION II**

### **STRATEGIC PLAN**

# **STRATEGIC PLAN**

**2013 – 2017**

## **Our Vision:**

“To become the recognized leader of economic development in Clallam County.”

## **The Strategic Goals of the Port of Port Angeles**

The Port has identified several strategic goals that reach beyond a single department and may require Port-wide actions and efforts for success. Work on these goals is expected to expand beyond 2017. These goals reflect our core values, support our mission and help us realize our visions:

- Promote economic growth
- Avoid duplication of effort
- Give priority to projects that are uniquely Port-related
- Recognize stewardship responsibility with respect to transportation
- Be a leader in industrial development and zoning
- Encourage public and private partnerships to develop infrastructure
- Utilize assets and financing to achieve economic development goals
- Practice sound environmental stewardship

## **The Strategic Projects of the Port of Port Angeles**

The Port Commission has identified nine strategic projects that are vital for future economic growth and job creation in Clallam County and flow naturally from the Port's strategic goals.

Summarized on page II-2, these strategic projects compete with other desired capital and major maintenance projects for the limited funds available to the Port (based on criteria such as job creation, environmental stewardship and return on investment). While many strategic projects will be funded in 2013, others will remain on the “drawing board” until funding and resources are available.

**STRATEGIC PROJECTS  
OF THE  
PORT OF PORT ANGELES**

	Strategic Project	Cost	
		2013	2014-2022
1	Environmental Remediation (MTA)	\$100,000	\$100,000
2	Harbor Area Environmental Cleanup	525,000	525,000
3	Industrial Development		
	Advanced Composites Center		
	Composite Mfg. Campus CERB Match		
4	Redevelopment - KPly Property		
	Demolition	350,000	
	Environmental Remediation	100,000	100,000
	Infrastructure (Marine Trades Area)		3,000,000
5	T1 Programmatic Redevelopment		
	Breasting/Mooring Dolphin	100,000	900,000
	Structural Repairs	250,000	2,750,000
	Bulkhead		TBD
	Headline Dolphin		480,000
	Mooring Bollards	TBD	
	Mooring Hardware Maintenance	20,000	
	Terminal Warehouse	TBD	
6	Alternative Energy Development	TBD	
7	Central Waterfront Development	TBD	
8	T3 Breasting/Mooring Dolphin	TBD	
9	Waterfront or Industrial Property Purchase		500,000
	<b>Total</b>	<b>\$1,445,000</b>	<b>\$8,355,000</b>

1. Total Strategic Projects on page V-4 does not include Mooring Hardware Maintenance listed above; that \$20,000 is recorded as a major maintenance item on page V-9
2. For the complete Port capital budget, see pages V-1 through V-9





## **SECTION III**

### **BUDGET OVERVIEW**

## TOTAL FUNDS AVAILABLE

TOTAL FUNDS AVAILABLE IS A SUMMARY OF ALL PORT CASH AND INVESTMENTS

	GENERAL FUND	CAPITAL IMPR.	G.O. DEBT SERVICE	TOTAL FUNDS
<b>BALANCE, JANUARY 1, 2013</b>	<b>6,600,000</b>	<b>6,613,357</b>	<b>250,000</b>	<b>13,463,357</b>
OPERATING RECEIPTS (1)	8,213,894			
OPERATING EXPENDITURES (2)	(6,196,798)			
OPERATING SURPLUS	2,017,096			2,017,096
OPS SURPLUS TRANSFER TO CAPITAL IMPROVEMENT	(2,017,096)	2,017,096		0
TRANSFER TO CAP. IMPR. - GEN. FUND RESERVES	(400,000)	400,000		0
GENERAL TAX LEVY			1,384,391	1,384,391
TRANSFER TO CAP. IMPR. - GEN. TAX LEVY SURPLUS		274,298	(274,298)	0
CAPITAL PROJECT EXPENDITURES		(1,831,550)		(1,831,550)
GENERAL OBLIGATION DEBT SERVICE			(1,110,093)	(1,110,093)
<b>BALANCE, DECEMBER 31, 2013</b>	<b>6,200,000</b>	<b>7,473,201</b>	<b>250,000</b>	<b>13,923,201</b>

1. Total receipts on page IV-4 (\$8,213,894) is solely operating receipts
2. Total expenditures on page IV-4 (\$6,196,798) is solely operating expenditures
3. General fund ending-balance-target (\$6,200,000) is one year's operating expenditures

## HISTORICAL GENERAL FUND RECEIPTS & EXPENDITURES

## **Expenditure Category Descriptions**

1. Salaries & Wages  
Wages & salaries associated with the direct operations of the divisions
2. Benefits  
Related fringe benefits associated with Port employees
3. Agents Fees  
Contracted services for management of Shipyard and Boat Haven
4. Outside Services  
Payments made for personal services contracts, including legal services, auditing, marketing, and weather, log hauling, maintenance, etc.
5. Supplies  
Includes costs of all supplies and small tools expenditures by the Port
6. Promotional Hosting  
Reflects expenditures made in developing Port business in conformity with RCW, Chapter 53.36.130
7. Travel & Training  
Includes all normal travel expenditures including mileage, airfare expenditures, hotel and meal reimbursements, and conference registration expenditures
8. Insurance & Taxes  
Includes all insurance costs and taxes paid, such as excise taxes, by the Port
9. Utilities  
Includes cost of all utilities
10. Miscellaneous Expense  
Includes costs which are individually too small or too infrequent to track separately; examples include irrigation district payments, compactor services, public meeting expenditures, and delivery service charges
11. Labor  
Wages associated with maintaining buildings, facilities and equipment
12. Charge Out Expense/Recovery  
Includes charges to operating divisions associated with labor performed by Facilities Maintenance and Mechanic Shop personnel. The charge out amount was established to recover wages and benefits
13. Materials  
Materials provided by the Facilities Maintenance and Mechanic Shop to operating centers
14. Interdepartmental Transfers  
Reflects interdepartmental transfers, such as a transfer from Rental Properties to Fairchild International Airport, offsetting receipts reflected in airport operating budget

**GENERAL FUND EXPENDITURES SUMMARIZED BY  
ACCOUNT CATEGORY**

CATEGORY	ACTUAL 2011	% OF	BUDGET 2012	% OF	PROJECTED 2012	% OF	BUDGET 2013	% OF
<b>OPERATIONS</b>								
SALARIES & WAGES	1,143,312	17.3%	1,149,200	17.9%	1,040,000	18.5%	1,536,533	24.8%
BENEFITS - OPERATIONS	0	0.0%	0	0.0%	0	0.0%	597,432	9.6%
AGENTS FEES	226,011	3.4%	214,000	3.3%	223,600	4.0%	229,100	3.7%
OUTSIDE SERVICES	775,671	11.8%	503,100	7.8%	416,000	7.4%	572,000	9.2%
SUPPLIES	629,512	9.5%	616,300	9.6%	578,550	10.3%	611,000	9.9%
PROMOTIONAL HOSTING	7,039	0.1%	10,000	0.2%	5,000	0.1%	10,000	0.2%
TRAVEL & TRAINING	67,924	1.0%	104,000	1.6%	89,500	1.6%	107,500	1.7%
INSURANCE & TAXES	322,405	4.9%	319,000	5.0%	325,000	5.8%	379,400	6.1%
DUES & SUBSCRIPTIONS	16,252	0.2%	19,100	0.3%	22,400	0.4%	24,300	0.4%
UTILITIES	422,602	6.4%	468,100	7.3%	412,000	7.3%	423,600	6.8%
MARKETING, COMM. REL. & PUBLIC INFO	31,085	0.5%	75,000	1.2%	67,000	1.2%	80,000	1.3%
MISCELLANEOUS EXPENSE	637,138	9.7%	265,900	4.1%	194,000	3.5%	204,300	3.3%
CONTINGENCY	0	0.0%	0	0.0%	0	0.0%	180,000	2.9%
<b>SUB-TOTAL: OPERATIONS</b>	<b>4,278,950</b>	<b>64.9%</b>	<b>3,743,700</b>	<b>58.4%</b>	<b>3,373,050</b>	<b>60.1%</b>	<b>4,955,165</b>	<b>80.0%</b>
<b>MAINTENANCE</b>								
LABOR	875,073	13.3%	991,000	15.5%	871,200	15.5%	653,691	10.5%
BENEFITS - MAINTENANCE	0	0.0%	0	0.0%	0	0.0%	236,092	3.8%
CHARGE OUT EXPENSE	0	0.0%	0	0.0%	0	0.0%	732,539	11.8%
CHARGE OUT RECOVERY	0	0.0%	0	0.0%	0	0.0%	(732,539)	-11.8%
MATERIALS	220,782	3.3%	327,000	5.1%	150,700	2.7%	289,650	4.7%
INTERDEPARTMENTAL EXPENSE	58,812	0.9%	62,500	1.0%	62,500	1.1%	50,000	0.8%
<b>SUB-TOTAL: MAINTENANCE</b>	<b>1,154,668</b>	<b>17.5%</b>	<b>1,380,500</b>	<b>21.5%</b>	<b>1,084,400</b>	<b>19.3%</b>	<b>1,229,433</b>	<b>19.8%</b>
<b>NON-OP</b>								
INSURANCE & TAXES	839	0.0%	800	0.0%	700	0.0%	700	0.0%
MISCELLANEOUS EXPENSE	11,460	0.2%	0	0.0%	11,500	0.2%	11,500	0.2%
INTEREST EXPENSE	0	0.0%	0	0.0%	0	0.0%	0	0.0%
PRINCIPAL PAYMENTS	0	0.0%	0	0.0%	0	0.0%	0	0.0%
<b>SUB-TOTAL: NON-OP</b>	<b>12,299</b>	<b>0.2%</b>	<b>800</b>	<b>0.0%</b>	<b>12,200</b>	<b>0.2%</b>	<b>12,200</b>	<b>0.2%</b>
EST FRINGE BENEFITS	1,148,415	17.4%	1,284,100	20.0%	1,145,200	20.4%	0	0.0%
<b>TOTAL EXPENDITURES</b>	<b>6,594,331</b>	<b>100%</b>	<b>6,409,100</b>	<b>100%</b>	<b>5,614,850</b>	<b>100%</b>	<b>6,196,798</b>	<b>100%</b>

1. Additional maintenance labor is charged to capitalized projects
2. Transfer of interdepartmental expense is offset by interdepartmental receipts under receipt categories



## **SECTION IV**

### **OPERATING BUDGETS**

## 2012 ASSUMPTIONS YEAR-END PROJECTED OPERATIONS

The following assumptions apply to all Divisions unless the Division includes a specific assumption in their Projected Year-End Operations.

### Receipts

#### 2012 Projected:

1. Rates, fees and applicable leases were increased by not less than the 2% CPI.

### Expenses

#### 2012 Projected:

1. 2% increase for labor, salary & wages
2. Continue estimated fringe benefits (including leave) at 60%
3. 2% decrease for some insurance was partially offset by an increase in property insurance
4. Actual utility increase is trending slightly under budget
5. Actual increase of City of Port Angeles' combined sewer overflow (CSO) charges were less than budgeted



## 2013 OPERATING BUDGET ASSUMPTIONS

The following assumptions apply to all Divisions unless the Division includes a specific assumption in their budget assumptions.

### Receipts

1. Rates, fees and applicable leases will increase by not less than the August CPI West – Size Class B/C – All Urban Consumers (CPI-U) of 1.3%.
2. Property Tax Receipts – An increase in property tax is limited to a 1% increase in taxes plus additional taxes on new construction added to the tax rolls. New construction is estimated at \$60,000,000. An increase of property tax receipts is estimated at \$24,450. The Port will continue to use property tax revenues for new capital projects and debt service for prior capital projects.

### Expenses

1. Salaries & Wages will increase by the CPI of 1.3% as approved by the Commissioners.
2. Salaries & Wages includes paid time off (vacation, holiday and sick time). In previous years, this was reported in Est Fringe Benefits.
3. Benefits exclude paid time off (vacation, holiday and sick time). Increase of 2% in health insurance premiums and a 14% average increase in PERS (retirement) premiums (on 7/1/13 the rate goes from 7.21% to 9.19%).
4. Legal (outside services) will be charged directly to a department where feasible.
5. Insurance is mostly flat, except property insurance is estimated to increase 10% which represents about half of the insurance premiums; therefore the overall increase is about 5%.
  - a. Property insurance is distributed to the Divisions based on the value of the land, improvements and buildings.
  - b. Liability insurance is distributed based on the pro rata share of operating revenues and expenses.
  - c. Other insurance is charged to the Division using an appropriate base (Auto insurance is based on vehicles; Airport Liability charged to Airport, Skiff (owned small vessel) insurance charged to Logyard).
6. Utilities increases vary depending on the type of utility. The weighted average increase in utility rates is 6%. Estimated individual rate increases are: Electric by City of Port Angeles is 3.8% and PUD is 3%; sanitation (pickup and transfer station) is 6.4% to 8.2%; the combined sewer overflow charges (CSO) is not changing; utility taxes are not changing. The stormwater assessment fee is increasing 50% to 60%.

**2013 GENERAL FUND RECEIPTS**

**2013 GENERAL FUND EXPENDITURES**

## GENERAL FUND SUMMARY

### RECEIPTS

OPERATIONS RECEIPTS	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
MARINE TERMINAL	2,415,302	2,332,000	2,242,000	2,366,000
LOG YARD	1,215,454	1,424,000	1,112,000	1,217,000
AIRPORTS	348,083	353,500	343,263	343,310
MARINAS	2,646,002	2,627,200	2,553,844	2,475,484
BOAT LAUNCH RAMPS	44,043	45,000	45,000	50,000
RENTAL PROPERTIES	1,151,465	1,534,000	1,306,500	1,457,500
<b>OPERATIONS RECEIPTS</b>	<b>7,820,350</b>	<b>8,315,700</b>	<b>7,602,607</b>	<b>7,909,294</b>
NON-OPERATING	444,292	423,000	341,000	304,600
<b>TOTAL RECEIPTS</b>	<b>8,264,643</b>	<b>8,738,700</b>	<b>7,943,607</b>	<b>8,213,894</b>

### EXPENDITURES

OPERATIONS EXPENDITURES	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
MARINE TERMINAL	550,417	604,400	485,000	600,938
LOG YARD	1,074,454	1,224,000	1,020,500	1,014,762
AIRPORTS	757,523	450,300	464,500	460,506
MARINAS	1,419,029	1,482,200	1,374,600	1,492,650
BOAT LAUNCH RAMPS	6,954	16,800	3,150	7,288
RENTAL PROPERTIES	364,153	482,100	364,000	487,164
<b>OPERATIONS EXPENDITURES</b>	<b>4,172,529</b>	<b>4,259,800</b>	<b>3,711,750</b>	<b>4,063,308</b>
<b>EXPENDITURES FOR ALLOCATION</b>				
MECHANICAL MAINTENANCE	140,844	163,200	89,900	104,104
FACILITIES MAINTENANCE	251,374	271,100	163,000	151,962
ECONOMIC DEVELOPMENT	190,269	290,000	236,000	246,971
ADMIN & GENERAL	1,827,016	1,424,200	1,402,000	1,618,253
<b>EXPENDITURES FOR ALLOCATION</b>	<b>2,409,503</b>	<b>2,148,500</b>	<b>1,890,900</b>	<b>2,121,290</b>
<b>TOTAL OPERATIONS EXPENDITURES</b>	<b>6,582,032</b>	<b>6,408,300</b>	<b>5,602,650</b>	<b>6,184,598</b>
NON-OPERATING	12,299	800	12,200	12,200
<b>TOTAL EXPENDITURES</b>	<b>6,594,331</b>	<b>6,409,100</b>	<b>5,614,850</b>	<b>6,196,798</b>

### NET SURPLUS (DEFICIT)

	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>OPERATING NET SURPLUS (DEFICIT)</b>	<b>1,238,318</b>	<b>1,907,400</b>	<b>1,999,957</b>	<b>1,724,696</b>
<b>NON-OP NET SURPLUS (DEFICIT)</b>	<b>431,994</b>	<b>422,200</b>	<b>328,800</b>	<b>292,400</b>
<b>NET SURPLUS (DEFICIT)</b>	<b>1,670,312</b>	<b>2,329,600</b>	<b>2,328,757</b>	<b>2,017,096</b>

1. Revenues exclude property tax, grants and PFCs (which are used for debt service & capital projects)
2. Expenditures exclude debt service payments (principal and interest) and depreciation (see page VIII-4)
3. Projected 2012/Budget 2013 expenditures include major maintenance projects of \$418,500 / \$487,000

### DEPRECIATION

	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>DEPRECIATION</b>	<b>1,852,462</b>	<b>1,950,056</b>		<b>2,066,223</b>

## **MARINE TERMINAL (MT - 11)**

Marine terminals provide five deep water berths - three dockside and two dolphin berths and related equipment. The terminals have limited warehouse and cargo staging areas. The objectives of the marine terminals are:

- To provide the service and facilities for the efficient handling and loading of marine cargo, topside repairs and lay berthing
- To operate in a manner that will provide an excess of receipts over expenditures to fund Port activities and projects
- To obtain a competitive return on the public investment in these facilities

## **RECEIPT ASSUMPTIONS**

### 2012 Projected:

1. 130 tanker days for top-side repair and 65 million board feet of log exports
2. Rate increase of 2% for dockage, vessel repair dockage, wharfage, electrical service fee, service and facility charges, passenger fee, and security fee
3. 160 Travel-Lift operations (haul-outs and launch)
4. Rate increase of 5% for Equipment Rental (receipts recognized in Log Yard)
5. One cruise vessel in 2012
6. Man-hour handling rates adjusted per ILWU contract effective 7/1/2012

### 2013 Budget:

1. 130 tanker days for top-side repair and 65 million board feet of log exports
2. Rate increases of 2.1% for dockage, vessel repair dockage, wharfage, service and facilities charges, electrical service fee, passenger fee and security fee
3. 160 Travel-Lift operations (haul-outs and launch)
4. Rate increase not less than CPI for Equipment Rental (receipts and expenditures recognized in the Log Yard)
5. No cruise vessel calls in 2013
6. Man-hour handling rates adjusted per ILWU contract effective 7/1/2013

## **EXPENDITURE ASSUMPTIONS**

### 2012 Projected:

1. See page IV-1 for salaries & wages, benefits, insurance and utilities assumptions
2. Major maintenance cost for Dock Repairs/Bulkhead, Camel Logs/Walking Sticks and Gangway System Improvements. See page V-8 for additional information on all major maintenance items listed in Section IV

### 2013 Budget:

1. See page IV-2 for salaries & wages, benefits, insurance and utilities assumptions
2. Major maintenance costs for Mooring Hardware Maintenance, Dock Repairs, Camel Logs/Walking Sticks and Terminal 7 Engineering Inspection. See page V-9 for additional information

## MARINE TERMINAL

### RECEIPTS

CATEGORY	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
DOCKAGE	1,038,346	1,090,000	1,034,000	1,100,000
WHARFAGE	696,316	620,000	608,000	634,000
SERVICE CHARGE	404,679	354,000	366,000	362,000
SECURITY FEE	155,475	145,000	138,000	155,000
STORAGE	3,780	4,000	4,000	4,000
HANDLING	184	2,000	2,000	2,000
UTILITY SALES	34,903	35,000	23,000	30,000
LEASE/RENTAL INCOME	32,231	37,000	33,000	28,000
EQUIPMENT RENTAL	44,661	39,000	22,000	45,000
MISCELLANEOUS INCOME	4,727	6,000	12,000	6,000
<b>TOTAL RECEIPTS</b>	<b>2,415,302</b>	<b>2,332,000</b>	<b>2,242,000</b>	<b>2,366,000</b>

### EXPENDITURES

CATEGORY	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>OPERATIONS</b>				
SALARIES & WAGES	149,985	174,000	129,000	209,161
BENEFITS	0	0	0	63,531
OUTSIDE SERVICES	8,397	10,000	1,000	10,000
SUPPLIES	13,383	12,000	6,000	10,000
TRAVEL & TRAINING	3,392	5,000	2,000	5,000
INSURANCE & TAXES	55,805	56,000	58,000	74,000
DUES & SUBSCRIPTIONS	1,469	2,000	2,000	2,000
UTILITIES	48,087	59,000	40,000	45,000
MISCELLANEOUS EXPENSE	20,497	20,000	10,000	15,000
<b>SUB-TOTAL: OPERATIONS</b>	<b>301,016</b>	<b>338,000</b>	<b>248,000</b>	<b>433,692</b>
<b>MAINTENANCE</b>				
LABOR	83,786	70,000	87,000	0
BENEFITS	0	0	0	0
CHARGE OUT EXPENSE	0	0	0	105,246
MATERIALS	32,605	50,000	20,000	62,000
<b>SUB-TOTAL: MAINTENANCE</b>	<b>116,391</b>	<b>120,000</b>	<b>107,000</b>	<b>167,246</b>
EST FRINGE BENEFITS	133,010	146,400	130,000	0
<b>TOTAL EXPENDITURES</b>	<b>550,417</b>	<b>604,400</b>	<b>485,000</b>	<b>600,938</b>

	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>NET SURPLUS (DEFICIT)</b>	<b>1,864,885</b>	<b>1,727,600</b>	<b>1,757,000</b>	<b>1,765,062</b>

## **LOG YARD (LY - 21)**

The Log Yard provides facilities for the efficient movement of logs from land to water for loading from the water into vessels and for rafting of logs for towing to other locations. The objectives of the Log Yard are:

- To provide log handling facilities and services at cost effective rates
- To operate in a manner that will provide an excess of receipts over expenditures to fund Port activities and projects
- To obtain a competitive return on the public investment in these facilities

## **RECEIPT ASSUMPTIONS**

### 2012 Projected:

1. Rafting / Decked / Round Boom volume of 6.0 / 9.0 / 3.0 million board ft (mmbf)
2. Handling revenue includes: 6.0 mmbf (de-watered log volume); 5.5 mmbf (container loading); 10.0 mmbf (decked volume); 1.0 mmbf of Green Creek Roll Out; DNR Aquatic Log Storage receipts; 1.5 mmbf of log volume handled at the Port's T3 cargo staging area (surge area); revenue from ship tending services (X-Water loading) performed by Port log yard employees due to Dunlap Towing Co. terminating towing services in Port Angeles Harbor
3. Assumes a 2.0% increase on rafting and round boom charges
4. Assumes a 5.0% increase on container loading charges; a \$0.75 per load increase for thru-put deck charges; and no increase in banding charges
5. Miscellaneous income recognizes storage fee for chip loading tower
6. Equipment Rental includes receipts from log stackers used for cargo ops at MT

### 2013 Budget:

1. Rafting / Decked / Round Boom volume of 6.0 / 10.0 / 4.0 million board ft (mmbf)
2. Handling revenue include: 6.0 mmbf (de-watered log volume via raft); 7.0 mmbf (container loading); 10.0 mmbf (decked volume) which includes volume for export loading operations; 2.0 mmbf of Green Creek Mill and TMI Forest Products handling; DNR Aquatic Log Storage receipts; 10.0 mmbf of log volume and receipts for logs handled at the Port's T3 cargo staging area (surge area); revenue from ship tending services (X-Water loading) performed by Port I employees due to Dunlap Towing terminating towing services in the PA Harbor
3. \$4.00 per load increase of Aquatic Staging Fee in recognition of costs related to shifting log rafts & round-booms to and from the DNR aquatic storage
4. Increases of 2% on rafting, round boom, and thru-put decking charge
5. Assumes no storage fee revenue in Misc. Income for the chip loading tower
6. Assumes no increase in banding charges

## **EXPENDITURE ASSUMPTIONS**

### 2012 Projected:

1. See page IV-1 for salaries & wages, benefits, insurance and utilities assumptions
2. Major maintenance cost for Aquatic Storage & Log Boom Sidestick replacement
3. Utilities reflect City of Port Angeles' combined sewer overflow (CSO) charges

### 2013 Budget:

1. See page IV-2 for salaries & wages, benefits, insurance and utilities assumptions
2. Reduction of 1.0 FTE with workload offset by Facilities Maintenance personnel
3. Major maintenance costs for Aquatic Storage/Log Boom Sidestick Replacement, Boom Boat Maintenance, Equipment/Swifter Machine Repairs Drainage and Surfacing. See page V-9 for additional information

## LOG YARD

### RECEIPTS

CATEGORY	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
BANDING REVENUE	86,628	95,000	60,000	75,000
RAFTING REVENUE	111,440	272,000	105,000	93,000
ROUND BOOM REVENUE	97,868	40,000	21,000	41,000
HANDLING	630,551	745,000	615,000	775,000
LEASE/RENTAL REVENUE	57,700	62,000	59,000	60,000
EQUIPMENT RENTAL	170,253	150,000	164,000	168,000
MISCELLANEOUS REVENUE	61,014	60,000	88,000	5,000
<b>TOTAL RECEIPTS</b>	<b>1,215,454</b>	<b>1,424,000</b>	<b>1,112,000</b>	<b>1,217,000</b>

### EXPENDITURES

CATEGORY	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>OPERATIONS</b>				
SALARIES & WAGES	45,801	54,000	47,000	255,872
BENEFITS	0	0	0	106,134
OUTSIDE SERVICES	13,698	30,000	23,000	18,000
SUPPLIES	257,861	261,000	210,000	225,000
INSURANCE & TAXES	51,978	51,000	53,000	56,000
UTILITIES	11,613	11,000	12,000	13,000
MISCELLANEOUS EXPENSE	35,626	43,000	37,000	38,000
<b>SUB-TOTAL: OPERATIONS</b>	<b>416,577</b>	<b>450,000</b>	<b>382,000</b>	<b>712,006</b>
<b>MAINTENANCE</b>				
LABOR	344,641	416,000	340,000	0
BENEFITS	0	0	0	0
CHARGE OUT EXPENSE	0	0	0	187,756
MATERIALS	91,082	75,000	63,000	115,000
INTERDEPARTMENTAL EXPENSE	0	1,000	3,500	0
<b>SUB-TOTAL: MAINTENANCE</b>	<b>435,724</b>	<b>492,000</b>	<b>406,500</b>	<b>302,756</b>
EST FRINGE BENEFITS	222,153	282,000	232,000	0
<b>TOTAL EXPENDITURES</b>	<b>1,074,454</b>	<b>1,224,000</b>	<b>1,020,500</b>	<b>1,014,762</b>

	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>NET SURPLUS (DEFICIT)</b>	<b>141,000</b>	<b>200,000</b>	<b>91,500</b>	<b>202,238</b>

## **WILLIAM R. FAIRCHILD INTERNATIONAL AIRPORT (FIA - 31)**

Provides aviation support facilities for general aviation and commercial aviation activities.

The objectives of FIA are:

- To provide safe and efficient support to aviation activities
- To provide support facilities for economic activity generated by aviation
- To generate sufficient aviation receipts to cover expenditures of providing aviation facilities for the convenience of the Port District constituency

### **RECEIPT ASSUMPTIONS**

#### 2012 Projected:

1. 2% increase to rates and fees
2. Continue landing fee waiver for commercial passenger service subject to Commission approval
3. PFC receipts moved to capital budget - expected 40% decrease from last year
4. Same hangar receipts as in 2011

#### 2013 Budget:

1. Rates and fees increase not less than CPI
2. Continue landing fee waiver for commercial passenger service subject to Commission approval
3. PFC receipts moved to capital budget – approximately same receipts as 2012
4. 3% lower hangar occupancy than in 2012 general downward trend show signs of easing (2011 down 10% over previous yr. 2010)
5. 3% lower Parking Fee's show same trend as hangar occupancy
6. Lease income & fuel sales continue to hold steady 2009-11 and 2012 projections

### **EXPENDITURE ASSUMPTIONS**

#### 2012 Projected:

1. See page IV-1 for salaries & wages, benefits, insurance and utilities assumptions
2. Anticipate outside services to remain at 2011 level
3. Tenant rental rates increase if included in contract

#### 2013 Budget:

1. See page IV-2 for salaries & wages, benefits, insurance and utilities assumptions
2. Anticipate staffing for snow removal to be above typical historical winter demands
3. Major maintenance costs for terminal heat pump and trench drain repair. See page V-9 for additional information.
4. 20% reduction in FIA maintenance staff time (re-allocated to other departments)



# WILLIAM R. FAIRCHILD INTERNATIONAL AIRPORT

## RECEIPTS

CATEGORY	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
LANDING FEES/ETC	15,010	16,000	15,000	14,500
PARKING CHARGES	18,551	18,400	12,000	11,500
LEASE/RENTAL INCOME	132,670	132,000	136,000	153,000
INTERDEPARTMENTAL REVENUE	54,895	58,000	56,000	50,000
HANGARS & TIE DOWNS	103,928	102,000	102,000	92,000
FUEL SALES & HANDLING	9,350	10,000	9,000	9,000
EQUIPMENT RENTAL	0	0	0	0
MISCELLANEOUS INCOME	345	3,000	200	250
<b>TOTAL RECEIPTS</b>	<b>334,748</b>	<b>339,400</b>	<b>330,200</b>	<b>330,250</b>

## EXPENDITURES

CATEGORY	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>OPERATIONS</b>				
SALARIES & WAGES	43,495	42,000	40,000	58,827
BENEFITS	0	0	0	22,753
OUTSIDE SERVICES	361,766	25,000	38,000	30,000
SUPPLIES	20,446	22,000	19,000	21,000
TRAVEL & TRAINING	1,825	2,000	1,000	2,000
INSURANCE & TAXES	61,822	60,000	66,000	78,000
DUES & SUBSCRIPTIONS	615	600	400	300
UTILITIES	63,625	66,000	55,000	64,000
MISCELLANEOUS EXPENSE	2,803	4,000	4,000	3,000
<b>SUB-TOTAL: OPERATIONS</b>	<b>556,398</b>	<b>221,600</b>	<b>223,400</b>	<b>279,880</b>
<b>MAINTENANCE</b>				
LABOR	89,355	100,000	105,000	21,695
BENEFITS	0	0	0	2,893
CHARGE OUT EXPENSE	0	0	0	126,812
MATERIALS	3,210	12,000	13,000	10,100
INTERDEPARTMENTAL EXPENSE	3,500	3,500	4,000	(1,500)
<b>SUB-TOTAL: MAINTENANCE</b>	<b>96,065</b>	<b>115,500</b>	<b>122,000</b>	<b>160,000</b>
EST FRINGE BENEFITS	75,589	85,200	86,000	0
<b>TOTAL EXPENDITURES</b>	<b>728,052</b>	<b>422,300</b>	<b>431,400</b>	<b>439,880</b>

	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>NET SURPLUS (DEFICIT)</b>	<b>(393,304)</b>	<b>(82,900)</b>	<b>(101,200)</b>	<b>(109,630)</b>

## **SEKIU AIRPORT (SEK - 32)**

Provides a general aviation link for the Neah Bay, Clallam Bay and Sekiu area.

The objectives of the Sekiu Airport are:

- To continue to provide light aviation support for the West end
- To maximize revenue opportunities to help defray operating costs

## **RECEIPT ASSUMPTIONS**

### 2012 Projected:

1. Anticipate slight increase to hangar receipts due to reorganization of hangar facilities in 2011
2. 2% increase in rates and fees

### 2013 Budget:

1. Rates and fees increase not less than CPI
2. Other revenues for 2013 to remain unchanged

## **EXPENDITURE ASSUMPTIONS**

### 2012 Projected:

1. See page IV-1 for salaries & wages, benefits, insurance and utilities assumptions
2. Continue Inter Local agreement with Fire District

### 2013 Budget:

1. See page IV-2 for salaries & wages, benefits, insurance and utilities assumptions
2. Maintenance costs to be below 2012 level and more in line with 2011
3. Continue Inter Local agreement with Fire District

## SEKIU AIRPORT

### RECEIPTS

CATEGORY	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
LEASE/RENTAL INCOME	60	100	63	60
HANGARS & TIE DOWNS	13,275	14,000	13,000	13,000
<b>TOTAL RECEIPTS</b>	<b>13,335</b>	<b>14,100</b>	<b>13,063</b>	<b>13,060</b>

### EXPENDITURES

CATEGORY	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>OPERATIONS</b>				
SALARIES & WAGES	4,485	5,200	4,000	4,107
BENEFITS	0	0	0	1,294
AGENT FEES	0	0	3,600	3,600
OUTSIDE SERVICES	9,298	3,600	1,000	1,000
SUPPLIES	175	300	300	300
INSURANCE & TAXES	2,701	3,000	3,000	3,000
UTILITIES	2,911	3,600	3,000	3,200
MISCELLANEOUS EXPENSE	376	800	500	400
<b>SUB-TOTAL: OPERATIONS</b>	<b>19,946</b>	<b>16,500</b>	<b>15,400</b>	<b>16,901</b>
<b>MAINTENANCE</b>				
LABOR	3,681	4,000	10,000	0
BENEFITS	0	0	0	0
CHARGE OUT EXPENSE	0	0	0	2,675
MATERIALS	1,197	2,000	700	1,050
<b>SUB-TOTAL: MAINTENANCE</b>	<b>4,878</b>	<b>6,000</b>	<b>10,700</b>	<b>3,725</b>
EST FRINGE BENEFITS	4,647	5,500	7,000	0
<b>TOTAL EXPENDITURES</b>	<b>29,470</b>	<b>28,000</b>	<b>33,100</b>	<b>20,626</b>

	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>NET SURPLUS (DEFICIT)</b>	<b>(16,135)</b>	<b>(13,900)</b>	<b>(20,038)</b>	<b>(7,566)</b>



## PORT ANGELES BOAT HAVEN

### RECEIPTS

CATEGORY	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
MOORAGE	1,055,571	1,050,000	1,049,000	990,500
UTILITY SALES	130,849	145,000	131,000	120,000
LEASE/RENTAL INCOME	4,084	4,000	4,084	4,084
WHARFAGE	5,979	5,000	7,360	6,500
FUEL SALES & HANDLING	1,200	1,200	1,200	1,200
MISCELLANEOUS INCOME	21,044	22,000	14,500	15,000
<b>TOTAL RECEIPTS</b>	<b>1,218,728</b>	<b>1,227,200</b>	<b>1,207,144</b>	<b>1,137,284</b>

### EXPENDITURES

CATEGORY	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>OPERATIONS</b>				
SALARIES & WAGES	43,685	42,800	46,000	56,193
BENEFITS	0	0	0	22,893
AGENTS FEES	150,965	149,000	151,000	154,000
OUTSIDE SERVICES	14,786	20,000	8,000	10,000
SUPPLIES	22,638	22,000	18,000	20,000
INSURANCE & TAXES	45,095	44,000	42,000	54,000
UTILITIES	159,045	169,000	161,000	150,000
MISCELLANEOUS EXPENSE	10,487	6,000	8,000	10,000
<b>SUB-TOTAL: OPERATIONS</b>	<b>446,700</b>	<b>452,800</b>	<b>434,000</b>	<b>477,086</b>
<b>MAINTENANCE</b>				
LABOR	26,505	41,000	29,000	0
BENEFITS	0	0	0	0
CHARGE OUT EXPENSE	0	0	0	77,896
MATERIALS	13,206	46,000	20,000	15,700
<b>SUB-TOTAL: MAINTENANCE</b>	<b>39,711</b>	<b>87,000</b>	<b>49,000</b>	<b>93,596</b>
EST FRINGE BENEFITS	39,936	50,300	45,000	0
<b>TOTAL EXPENDITURES</b>	<b>526,348</b>	<b>590,100</b>	<b>528,000</b>	<b>570,682</b>

	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>NET SURPLUS (DEFICIT)</b>	<b>692,380</b>	<b>637,100</b>	<b>679,144</b>	<b>566,602</b>

## **JOHN WAYNE MARINA (JWM - 43)**

Provide moorage facilities for the East end of the Port district for the recreational boater, for charter fishing activities, and commercial fishing vessels.

The objectives of the JWM are:

- To provide public facilities for area residents
- To continue to provide quality moorage facilities
- To increase the number of slips to maximum capacity when feasible
- To continue increasing revenue opportunities and to generate receipts to cover expenditures and eventually have an excess of receipts over expenditures to help fund Port activities and projects
- To obtain a competitive return on the public investment in these facilities

## **RECEIPT ASSUMPTIONS**

### 2012 Projected:

1. Anticipate no substantive change in moorage occupancy for 2012
2. No increase in rates and fees per Commission directive until 12/31/2012
3. Reduced moorage due to Navy lease cancellation

### 2013 Budget:

1. Moorage rates adjusted as approved by Commission on 8/13/2012
2. Liveaboard permit fee to increase by \$10 per month
3. Other rates and fees increase not less than CPI
4. Slight decrease in moorage occupancy due to economic trends

## **EXPENDITURE ASSUMPTIONS**

### 2012 Projected:

1. See page IV-1 for salaries & wages, benefits, insurance and utilities assumptions
2. One programmed replacement fleet vehicle reflected in misc. expense
3. Major maintenance cost for Building and Ground Maintenance reflected in labor, materials and miscellaneous expense

### 2013 Budget:

1. See page IV-2 for salaries & wages, benefits, insurance and utilities assumptions
2. Major maintenance costs for building and ground maintenance, resurface interior roads (crack seal) and sewer pump station upgrade. See page V-9 for additional information

# JOHN WAYNE MARINA

## RECEIPTS

CATEGORY	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
MOORAGE	870,483	895,000	827,000	813,400
UTILITY SALES	1,339	1,500	1,400	1,400
LEASE/RENTAL INCOME	35,484	35,000	35,400	35,400
FUEL SALES & HANDLING	212,765	190,000	204,000	200,000
MISCELLANEOUS INCOME	54,419	60,000	48,000	50,000
<b>TOTAL RECEIPTS</b>	<b>1,174,489</b>	<b>1,181,500</b>	<b>1,115,800</b>	<b>1,100,200</b>

## EXPENDITURES

CATEGORY	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>OPERATIONS</b>				
SALARIES & WAGES	29,771	30,000	32,000	160,429
BENEFITS	0	0	0	61,918
OUTSIDE SERVICES	32,964	43,000	25,000	30,000
SUPPLIES	212,060	190,000	207,000	220,000
TRAVEL & TRAINING	1,297	500	500	500
INSURANCE & TAXES	33,145	35,000	33,000	39,000
UTILITIES	36,613	37,000	39,000	40,900
MISCELLANEOUS EXPENSE	2,330	25,000	5,000	5,500
<b>SUB-TOTAL: OPERATIONS</b>	<b>348,179</b>	<b>360,500</b>	<b>341,500</b>	<b>558,247</b>
<b>MAINTENANCE</b>				
LABOR	196,133	195,000	191,000	67,652
BENEFITS	0	0	0	25,443
CHARGE OUT EXPENSE	0	0	0	51,931
MATERIALS	24,228	30,000	7,000	21,500
<b>SUB-TOTAL: MAINTENANCE</b>	<b>220,361</b>	<b>225,000</b>	<b>198,000</b>	<b>166,526</b>
EST FRINGE BENEFITS	128,534	135,000	134,000	0
<b>TOTAL EXPENDITURES</b>	<b>697,074</b>	<b>720,500</b>	<b>673,500</b>	<b>724,773</b>

	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>NET SURPLUS (DEFICIT)</b>	<b>477,415</b>	<b>461,000</b>	<b>442,300</b>	<b>375,427</b>

## **BOAT YARD (BY - 45)**

Provides haulout facilities and a dry storage area for maintenance of commercial and recreational boats.

The objectives of the boatyard are to:

- Provide quality haulout service for maintenance and dry storage
- Provide facilities for tenants of the Port Angeles Boat Haven
- Obtain a competitive return on the public investment in these facilities

## **RECEIPT ASSUMPTIONS**

### 2012 Projected:

1. 5% increase in rates for stormwater regulatory improvements
2. 6% increase to rates and fees to cover CPI and utilities
3. Anticipate slight increase in storage receipts due to increase in available storage area in 2011
4. Anticipate miscellaneous revenue to be on par with 2011 amounts

### 2013 Budget:

1. Rates and fees increase not less than CPI
2. Slight increase in haul-out activity

## **EXPENDITURE ASSUMPTIONS**

### 2012 Projected:

1. See page IV-1 for salaries & wages, benefits, insurance and utilities assumptions
2. Agent's fee increase by appropriate CPI per contract
3. Scheduled maintenance for seal coat of Boat Yard included in labor and materials categories
4. Utilities reflect City of Port Angeles' combined sewer overflow (CSO) charges

### 2013 Budget:

1. See page IV-2 for salaries & wages, benefits, insurance and utilities assumptions
2. No major maintenance scheduled for 2013



## BOAT YARD

### RECEIPTS

CATEGORY	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
UTILITY SALES	1,597	3,000	2,200	2,300
LEASE/RENTAL INCOME	5,723	5,500	5,700	5,700
MISCELLANEOUS INCOME	245,466	210,000	223,000	230,000
<b>TOTAL RECEIPTS</b>	<b>252,786</b>	<b>218,500</b>	<b>230,900</b>	<b>238,000</b>

### EXPENDITURES

CATEGORY	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>OPERATIONS</b>				
SALARIES & WAGES	8,737	8,200	17,000	25,065
BENEFITS	0	0	0	9,549
AGENTS FEES	75,047	65,000	69,000	71,500
OUTSIDE SERVICES	22,669	12,000	4,000	6,000
SUPPLIES	5,475	5,000	8,700	5,500
INSURANCE & TAXES	7,267	7,000	7,000	10,000
UTILITIES	12,971	14,000	14,000	14,800
MISCELLANEOUS EXPENSE	5,210	3,500	1,400	3,000
<b>SUB-TOTAL: OPERATIONS</b>	<b>137,374</b>	<b>114,700</b>	<b>121,100</b>	<b>145,414</b>
<b>MAINTENANCE</b>				
LABOR	27,863	25,000	22,000	0
BENEFITS	0	0	0	0
CHARGE OUT EXPENSE	0	0	0	43,581
MATERIALS	9,546	12,000	6,000	8,200
<b>SUB-TOTAL: MAINTENANCE</b>	<b>37,409</b>	<b>37,000</b>	<b>28,000</b>	<b>51,781</b>
EST FRINGE BENEFITS	20,825	19,900	24,000	0
<b>TOTAL EXPENDITURES</b>	<b>195,608</b>	<b>171,600</b>	<b>173,100</b>	<b>197,195</b>

	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>NET SURPLUS (DEFICIT)</b>	<b>57,178</b>	<b>46,900</b>	<b>57,800</b>	<b>40,805</b>

## **PUBLIC BOAT RAMPS (PBR - 51)**

Provides and maintains two launching facilities for use by the public at John Wayne Marina and Port Angeles Boat Haven.

The objectives of the Public Boat Ramps are:

- To provide facilities for Clallam County's recreational boaters and an amenity to attract tourist boaters into the area
- To continue to maintain and upgrade existing facilities

## **RECEIPT ASSUMPTIONS**

### 2012 Projected:

1. Assume same activity level as 2011
2. 2% rate increase

### 2013 Budget:

1. Rates and fees increase from \$31 to \$35 annual
2. Boat Launch activity commensurate to that of 2012

## **EXPENDITURE ASSUMPTIONS**

### 2012 Projected:

1. See page IV-1 for salaries & wages, benefits, insurance and utilities assumptions
2. Normal operating maintenance costs

### 2013 Budget:

1. See page IV-2 for salaries & wages, benefits, insurance and utilities assumptions
2. Normal operating maintenance (no change anticipated)

## PUBLIC BOAT RAMPS

### RECEIPTS

CATEGORY	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
MISCELLANEOUS INCOME	44,043	45,000	45,000	50,000
<b>TOTAL RECEIPTS</b>	<b>44,043</b>	<b>45,000</b>	<b>45,000</b>	<b>50,000</b>

### EXPENDITURES

CATEGORY	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>OPERATIONS</b>				
OUTSIDE SERVICES	979	1,000	0	0
SUPPLIES	1,328	1,000	550	1,200
INSURANCE & TAXES	1,343	1,200	1,000	2,000
MISCELLANEOUS EXPENSE	182	600	200	400
<b>SUB-TOTAL: OPERATIONS</b>	<b>3,832</b>	<b>3,800</b>	<b>1,750</b>	<b>3,600</b>
<b>MAINTENANCE</b>				
LABOR	1,437	5,000	1,200	0
BENEFITS	0	0	0	0
CHARGE OUT EXPENSE	0	0	0	3,088
MATERIALS	867	5,000	0	600
<b>SUB-TOTAL: MAINTENANCE</b>	<b>2,304</b>	<b>10,000</b>	<b>1,200</b>	<b>3,688</b>
EST FRINGE BENEFITS	818	3,000	200	0
<b>TOTAL EXPENDITURES</b>	<b>6,954</b>	<b>16,800</b>	<b>3,150</b>	<b>7,288</b>

	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>NET SURPLUS (DEFICIT)</b>	<b>37,090</b>	<b>28,200</b>	<b>41,850</b>	<b>42,712</b>

## **RENTAL PROPERTY (RP - 61)**

Provides a wide range of industrial and commercial property to support various economic activities of the private sector. Examples of these properties are: Land and buildings located at Fairchild International Airport Industrial Park; land, buildings and autoclaves at the Composites Manufacturing Campus; land and facilities along the Port Angeles waterfront such as the Ferry Terminal; land leased to Munro LLC; and buildings and land along Marine Drive.

The objectives of the Rental Property activity are to:

- Provide land and facilities for a range of industrial & marine transportation support activities
- Maximize utilization of Port assets
- Provide facilities for the creation of living wage jobs

## **RECEIPT ASSUMPTIONS**

### 2012 Projected:

1. New ACTI lease and several other lease increases will provide gross receipts
2. Rental adjustments where appropriate per Commission direction
3. Continue to maximize highest and best use of Port land and facilities
4. Blackball receipts reduced in anticipation of major investment by Blackball (subject to final lease approval by Commission)

### 2013 Budget:

1. Comprehensive portfolio lease audit will identify month to month and holdover leases that will be negotiated upward closer to market lease rates. That will increase revenues by 10% or more
2. Vacant building at 914 Marine Drive will be leased
3. Vacant suite at multi-tenant building in the Airport industrial Park will be leased

## **EXPENDITURE ASSUMPTIONS**

### 2012 Projected:

1. See page IV-1 for salaries & wages, benefits, insurance and utilities assumptions
2. Additional emphasis on maintenance enhancement of AIP facilities
3. Added maintenance with composite campus and facility/land purchases
4. Utilities reflect City of Port Angeles' combined sewer overflow (CSO) charges
5. Major maintenance cost for HVAC replacement was budgeted but will occur in 2013 as reflected in outside services
6. Tenant rental rates increase if included in contract

### 2013 Budget:

1. See page IV-2 for salaries & wages, benefits, insurance and utilities assumptions
2. Expenses will be lowered at CMC by assessing common area costs to tenants
3. Lease audit will identify utility expenses that will be passed along to tenants
4. Major maintenance cost for 1908 "O" Street heat pump replacement. See page V-9 for additional information

## RENTAL PROPERTY

### RECEIPTS

CATEGORY	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
LEASE/RENTAL INCOME	1,117,939	1,494,000	1,273,000	1,424,000
MISCELLANEOUS INCOME	33,527	40,000	33,500	33,500
<b>TOTAL RECEIPTS</b>	<b>1,151,465</b>	<b>1,534,000</b>	<b>1,306,500</b>	<b>1,457,500</b>

### EXPENDITURES

CATEGORY	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>OPERATIONS</b>				
SALARIES & WAGES	67,031	73,000	54,000	101,321
BENEFITS	0	0	0	38,127
OUTSIDE SERVICES	40,840	105,000	55,000	85,000
SUPPLIES	0	0	0	3,000
TRAVEL & TRAINING	0	5,000	1,000	1,000
INSURANCE & TAXES	34,546	33,300	35,000	35,000
UTILITIES	30,737	50,000	35,000	35,000
MISCELLANEOUS EXPENSE	21,549	22,000	16,000	22,000
<b>SUB-TOTAL: OPERATIONS</b>	<b>194,702</b>	<b>288,300</b>	<b>196,000</b>	<b>320,448</b>
<b>MAINTENANCE</b>				
LABOR	44,862	45,000	49,000	0
BENEFITS	0	0	0	0
CHARGE OUT EXPENSE	0	0	0	86,616
MATERIALS	10,613	25,000	7,000	30,100
INTERDEPARTMENTAL EXPENSE	50,312	53,000	50,000	50,000
<b>SUB-TOTAL: MAINTENANCE</b>	<b>105,787</b>	<b>123,000</b>	<b>106,000</b>	<b>166,716</b>
EST FRINGE BENEFITS	63,664	70,800	62,000	0
<b>TOTAL EXPENDITURES</b>	<b>364,153</b>	<b>482,100</b>	<b>364,000</b>	<b>487,164</b>

	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>NET SURPLUS (DEFICIT)</b>	<b>787,312</b>	<b>1,051,900</b>	<b>942,500</b>	<b>970,336</b>

## **MECHANICAL MAINTENANCE (MM - 91)**

The Port Mechanical Maintenance department is responsible for the maintenance and upkeep of the Port's equipment and vehicles. This equipment includes rolling stock and boom boats for log handling and cargo operations, maintenance related equipment, airport firefighting and snow removal equipment, marina and boatyard equipment and the Port's fleet of vehicles.

The Port also operates a welding shop with certified welders for maintenance and fabrication.

## **EXPENDITURE ASSUMPTIONS**

### 2012 Projected:

1. See page IV-1 for salaries & wages, benefits, insurance and utilities assumptions
2. Utilities reflect City of Port Angeles' combined sewer overflow (CSO) charges
3. Third mechanic not hired

### 2013 Budget:

1. See page IV-2 for salaries & wages, benefits, insurance and utilities assumptions
2. Includes LeTourneau training

## MECHANICAL MAINTENANCE

### EXPENDITURES

OVERHEAD COSTS	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>OPERATIONS</b>				
SALARIES & WAGES	32,842	35,000	28,000	18,809
BENEFITS	0	0	0	6,674
OUTSIDE SERVICES	2,719	6,000	3,000	3,000
SUPPLIES	16,791	12,000	12,000	15,000
TRAVEL & TRAINING	432	500	0	3,000
INSURANCE & TAXES	2,619	2,500	3,000	3,000
UTILITIES	22,330	22,000	19,000	20,000
MISCELLANEOUS EXPENSE	1,026	1,000	900	1,000
<b>SUB-TOTAL: OPERATIONS</b>	<b>78,760</b>	<b>79,000</b>	<b>65,900</b>	<b>70,483</b>
<b>MAINTENANCE</b>				
LABOR	16,797	27,000	5,000	124,230
BENEFITS	0	0	0	47,838
CHARGE OUT EXPENSE	0	0	0	1,748
CHARGE OUT RECOVERY	0	0	0	(141,795)
MATERIALS	17,044	20,000	1,000	1,600
<b>SUB-TOTAL: MAINTENANCE</b>	<b>33,841</b>	<b>47,000</b>	<b>6,000</b>	<b>33,621</b>
EST FRINGE BENEFITS	28,244	37,200	18,000	0
<b>TOTAL OVERHEAD COSTS</b>	<b>140,844</b>	<b>163,200</b>	<b>89,900</b>	<b>104,104</b>

## **FACILITIES MAINTENANCE (FM - 92)**

The Facilities Maintenance department provides for the maintenance and upkeep of numerous Port buildings and facilities as well as the Marine Terminals, William R. Fairchild International Airport, John Wayne Marina, Port Angeles Boat Haven, Port Angeles Boatyard, Launch Ramps, Port Log Yard and other improvements.

The primary services provided by the Facilities Maintenance department include carpentry, electrical, plumbing, machine operations and other general maintenance functions. In addition, the department undertakes a wide variety of capital improvement projects.

## **EXPENDITURE ASSUMPTIONS**

### 2012 Projected:

1. See page IV-1 for salaries & wages, benefits, insurance and utilities assumptions
2. One programmed replacement fleet vehicle; reflected in misc. expense
3. Utilities reflect City of Port Angeles' combined sewer overflow (CSO) charges

### 2013 Budget:

1. See page IV-2 for salaries & wages, benefits, insurance and utilities assumptions
2. Shift 0.5 FTE wages from Facility Maintenance in support of Log Yard Operations
3. Shift 0.2 FTE wages from Fairchild International Airport in support of Facility Maintenance
4. Major maintenance cost for one programmed replacement fleet vehicle reflected in miscellaneous expense. See page V-9 for additional information



## FACILITIES MAINTENANCE

### EXPENDITURES

OVERHEAD COSTS	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>OPERATIONS</b>				
SALARIES & WAGES	47,034	46,000	33,000	33,372
BENEFITS	0	0	0	11,863
OUTSIDE SERVICES	1,952	2,500	4,000	3,000
SUPPLIES	36,019	30,000	32,000	25,000
TRAVEL & TRAINING	1,077	1,000	2,000	2,000
INSURANCE & TAXES	8,836	7,500	9,000	10,000
UTILITIES	11,178	11,500	10,000	12,200
MISCELLANEOUS EXPENSE	55,930	35,000	5,000	5,000
<b>SUB-TOTAL: OPERATIONS</b>	<b>162,027</b>	<b>133,500</b>	<b>95,000</b>	<b>102,435</b>
<b>MAINTENANCE</b>				
LABOR	30,224	50,000	20,000	440,114
BENEFITS	0	0	0	159,918
CHARGE OUT EXPENSE	0	0	0	22,239
CHARGE OUT RECOVERY	0	0	0	(590,744)
MATERIALS	10,164	25,000	11,000	16,500
INTERDEPARTMENTAL EXPENSE	5,000	5,000	5,000	1,500
<b>SUB-TOTAL: MAINTENANCE</b>	<b>45,388</b>	<b>80,000</b>	<b>36,000</b>	<b>49,527</b>
EST FRINGE BENEFITS	43,958	57,600	32,000	0
<b>TOTAL OVERHEAD COSTS</b>	<b>251,374</b>	<b>271,100</b>	<b>163,000</b>	<b>151,962</b>

## **ECONOMIC DEVELOPMENT & MARKETING (ED - 81)**

Provides resources to support activities promoting the economic growth, diversification and promotion of new industry throughout the county.

The objectives of economic development activity are:

- To increase industrial and commercial activity
- To create new family wage jobs
- To continue economic development and marketing activities

### **EXPENDITURE ASSUMPTIONS**

#### 2012 Projected:

1. See page IV-1 for salaries & wages, benefits, insurance and utilities assumptions
2. Continue target market focus on composite and energy companies
3. Continue support for CCEDC, OPVB, NOTAC
4. Targeted direct mail for composites companies with follow up meetings
5. Outreach to tenants and local companies on supply chain recruitment.
6. Expand web page /social media content to increase Port message market
7. Staff participation in seminars, conferences, trade shows

#### 2013 Budget:

1. See page IV-2 for salaries & wages, benefits, insurance and utilities assumptions
2. Outside Services: Continue support for CCEDC, OPVB, NOTAC and PABA
3. Public Information: This includes completion of the new website
4. Marketing: Continue to market and increase efforts in the following areas:
  - Attend composite, aerospace, marine, renewable energy and other conferences as appropriate
  - Attend international conferences to create relationships that will expand our export base
  - Partner with regional municipalities and businesses to market our communities.
  - Engage with local manufacturing businesses and technical firms to market the Port's assets and partnerships
5. Added Community Relations expenses to financially support workforce training and educational opportunities with Peninsula College and the school districts to bridge the existing skills gap in technical and advanced manufacturing fields

### **PROMOTIONAL HOSTING**

These are marketing activities which are designed to promote and enhance the Port's revenue generating business activities.

The objectives of the Trade Development and Promotional Hosting efforts are:

- To continue to maintain and improve relations between the Port and its customers and to promote new business. The proposed budget for this activity is in conformance with R.C.W. 53.36.130
- Host events for partners in the aerospace, composites, marine, timber and other industries

## ECONOMIC DEVELOPMENT & MARKETING

### EXPENDITURES

CATEGORY	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>OPERATIONS</b>				
SALARIES & WAGES	73,655	75,000	61,000	46,742
BENEFITS	0	0	0	15,229
OUTSIDE SERVICES	29,666	45,000	31,000	55,000
SUPPLIES	1,707	10,000	5,000	5,000
PROMOTIONAL HOSTING*	7,039	10,000	5,000	10,000
TRAVEL & TRAINING	5,208	30,000	30,000	34,000
PUBLIC INFORMATION	27,485	40,000	31,000	14,000
MARKETING	3,600	35,000	36,000	47,000
COMMUNITY RELATIONS	0	0	0	19,000
MISCELLANEOUS EXPENSE	0	0	0	1,000
<b>SUB-TOTAL: OPERATIONS</b>	<b>148,360</b>	<b>245,000</b>	<b>199,000</b>	<b>246,971</b>
EST FRINGE BENEFITS	41,908	45,000	37,000	0
<b>TOTAL EXPENDITURES</b>	<b>190,269</b>	<b>290,000</b>	<b>236,000</b>	<b>246,971</b>

\*Promotional Hosting Legal Limit Under RCW 53.36.130:  
 $(\$2,500,000 \times 0.01) + (\$2,500,000 \times 0.005) + (\$3,213,894 \times 0.0025) = \mathbf{\$45,534}$

## **ADMINISTRATIVE AND GENERAL (ADMIN - 80)**

Provides administrative and general services to the Port Commission, staff and operating divisions of the Port. Services include accounting, budgeting, financial reporting, debt financing, investment management, insurance, risk management and audit functions.

The objectives of the A&G Section of the Port are:

- To provide quality information and support to the Commission, Staff and operating divisions
- To be responsive to inquiries and changing requirements of the Commission, Staff and operating divisions
- To provide transparency in financial reporting to the Commission, Staff and the public and compliance with regulations

## **EXPENDITURE ASSUMPTIONS**

### 2012 Projected:

1. See page IV-1 for salaries & wages, benefits, insurance and utilities assumptions
2. Salary & wages are less than budget due to changes in staffing
3. Materials less than budget due to capitalizing the planned HVAC upgrade
4. Dues and Subscriptions slightly higher than budget due to WPPA and professional memberships
5. Outside services higher than budget due to Wild Olympics Phase 2 study

### 2013 Budget:

1. See page IV-2 for salaries & wages, benefits, insurance and utilities assumptions. Also includes amounts for unemployment
2. Increase in Outside Services includes:
  - a. Continuation of technology contracts for equipment, software and support
  - b. Accounting and property management system, technology and process improvements for better tracking, reporting and analysis
  - c. Economic Impact study
  - d. Strategic Plan revision
  - e. Comparative Compensation Analysis
3. Contingency budget for Port-wide unanticipated expenses at approximately 3% of the Port's operating expense budget.
4. Major maintenance costs include conference room A/V system, network equipment, software system support, software licenses, and website design. See page V-9 for additional information

## ADMINISTRATION AND GENERAL

### EXPENDITURES

CATEGORY	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>OPERATIONS</b>				
SALARIES & WAGES	596,790	564,000	549,000	566,635
BENEFITS	0	0	0	237,467
OUTSIDE SERVICES	235,937	200,000	223,000	321,000
SUPPLIES	41,629	51,000	60,000	60,000
TRAVEL & TRAINING	54,692	60,000	53,000	60,000
INSURANCE & TAXES	17,248	18,500	15,000	15,400
DUES & SUBSCRIPTIONS	14,168	16,500	20,000	22,000
UTILITIES	23,492	25,000	24,000	25,500
MISCELLANEOUS EXPENSE	481,122	105,000	106,000	100,000
CONTINGENCY	0	0	0	180,000
<b>SUB-TOTAL: OPERATIONS</b>	<b>1,465,078</b>	<b>1,040,000</b>	<b>1,050,000</b>	<b>1,588,002</b>
<b>MAINTENANCE</b>				
LABOR	9,789	13,000	12,000	0
BENEFITS	0	0	0	0
CHARGE OUT EXPENSE	0	0	0	22,951
MATERIALS	7,019	25,000	2,000	7,300
<b>SUB-TOTAL: MAINTENANCE</b>	<b>16,808</b>	<b>38,000</b>	<b>14,000</b>	<b>30,251</b>
EST FRINGE BENEFITS	345,130	346,200	338,000	0
<b>TOTAL EXPENDITURES</b>	<b>1,827,016</b>	<b>1,424,200</b>	<b>1,402,000</b>	<b>1,618,253</b>

## **NON-OPERATING (NON-OP - 90)**

These activities generate receipts and require expenditures that are outside normal Port operating activities. Receipts consist of interest income on investments, distribution of funds from the county such as Port share of sales of county property and Port share of leasehold tax collected by the state. The expenditures are debt service payments on revenue bonds and other classes of debt excluding General Obligation (GO) bonds (see Other Funds-Debt Service for General Obligation Bonds).

### **RECEIPT ASSUMPTIONS**

#### 2012 Projected:

1. Reduced Interest Income due to continued reductions in market yield rates and aggressive calls by U.S. Agencies
2. No change in Carlsborg contracts
3. Miscellaneous revenues are below budget due to downward trend in timber harvest taxes

#### 2013 Budget:

1. Interest Income will decrease due to a lower fund balance as a result of capital project expenditures. Interest rates are expected to remain low.
2. No change in Carlsborg contracts
3. Miscellaneous revenues for timber harvest taxes (County and DNR) are estimated to be similar to 2012; leasehold taxes remain flat

### **EXPENDITURE ASSUMPTIONS**

#### 2012 Projected:

1. There are no revenue bond payments (principal and interest) to include; only revenue bond payments are included in the Operating Budgets section. Principal and Interest payments on LTGO (Limited Tax General Obligation) bonds are included in sections V (Capital Projects) and VI (Tax Levy)
2. Miscellaneous Expense includes bank fees

#### 2013 Budget:

1. There are no revenue bond payments (principal and interest) to include; only revenue bond payments are included in the Operating Budgets section. Principal and Interest payments on LTGO (Limited Tax General Obligation) bonds are included in sections V (Capital Projects) and VI (Tax Levy)
2. Miscellaneous Expense includes bank fees

## NON-OPERATING

### RECEIPTS

CATEGORY	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
CONTRACT SALES	2,758	3,000	4,000	4,600
INTEREST INCOME	282,809	240,000	237,000	200,000
MISCELLANEOUS REVENUE	158,725	180,000	100,000	100,000
<b>TOTAL RECEIPTS</b>	<b>444,292</b>	<b>423,000</b>	<b>341,000</b>	<b>304,600</b>

### EXPENDITURES

CATEGORY	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
INSURANCE & TAXES	839	800	700	700
MISCELLANEOUS EXPENSE	11,460	0	11,500	11,500
INTEREST EXPENSE	0	0	0	0
PRINCIPAL PAYMENTS	0	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>12,299</b>	<b>800</b>	<b>12,200</b>	<b>12,200</b>

	ACTUAL 2011	BUDGET 2012	PROJECTED 2012	BUDGET 2013
<b>NET SURPLUS (DEFICIT)</b>	<b>431,994</b>	<b>422,200</b>	<b>328,800</b>	<b>292,400</b>





## **SECTION V**

### **CAPITAL PROJECTS BUDGET**

## **CAPITAL PROJECTS BUDGET**

The 2013 Capital Projects Budget includes a Capital Improvement Budget, Capital Improvement Plan, Capital Project Prioritization Chart and a Major Maintenance Chart. The Capital Improvement Budget identifies balances at the beginning of the budget year and recognizes transfers of money from the Debt Service Fund to the Capital Improvement Fund. These funds are from existing balances and expenditure of these funds without replenishment from new revenue sources will diminish the Port's reserves. New revenues are identified under "Estimated Sources – 2013", and the Capital Improvement Budget estimates approximately \$9,304,751 of funds available for capital projects in 2013 (see page V-3).

### **A. CAPITAL IMPROVEMENT BUDGET**

The Capital Improvement Budget includes new construction projects planned for completion in 2013. Outside funding sources include grants from the federal Airport Improvement Program (AIP) which are 90% FAA Grant funded.

### **B. CAPITAL IMPROVEMENT PLAN**

The Capital Improvement Plan identifies new construction and major maintenance projects through the year 2017 which are anticipated at this time. Project costs will be separately tracked to assure compliance with budget estimates.

The estimated costs in the Capital Improvement Plan are net of any projected outside funding sources. Each year's projects are independent of one another, and funding for a specific year's projects does not obligate or commit the Port to funding later years' projects.

### **C. CAPITAL PROJECT PRIORITIZATION CHART**

In accordance with the Port's Strategic Plan, staff annually ranks traditional, strategic, and major maintenance projects according to four criteria: 1) job creation; 2) environmental stewardship; 3) return on investment; and 4) strategic planning importance.

The highest ranking projects are added to the Capital Improvement Budget one by one until all available funds are expended (see page V-8).

### **D. MAJOR MAINTENANCE CHART**

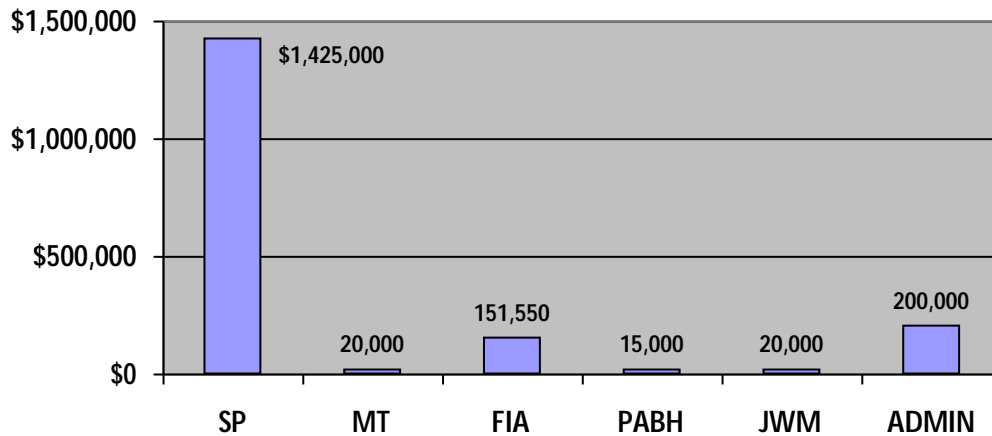
The Major Maintenance Chart summarizes projects to be carried out in 2013. Projects to be capitalized are listed with an annual depreciation amount; remaining projects are organized as expenditures in various divisional budgets.

Each funded projects achieves at least one of the following Port Strategic Plan Guiding Principles:

1. Promote economic growth
2. Avoid duplication of effort
3. Give priority to projects that are uniquely Port-related
4. Recognize stewardship responsibility with respect to transportation
5. Be a leader in industrial development and zoning
6. Encourage public and private partnerships to develop infrastructure
7. Utilize assets and financing to achieve economic development goals
8. Practice sound environmental stewardship

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### 2013 Capital Expenditures by Department



## 2013 CAPITAL IMPROVEMENT BUDGET

ACCOUNTS/PROJECTS	TOTAL COST 2013	NET COST 2013	CAPITAL BUDGET 2013
<b>ESTIMATED BALANCE, 1/1/2013</b>			<b>\$6,613,357</b>
<b>ESTIMATED SOURCES - 2013</b>			
Available from Operating Divisions			<b>\$2,017,096</b>
Transfer to Cap. Imp. From General Fund Reserves			<b>400,000</b>
General Tax Levy (net of GO debt service)*			<b>274,298</b>
<b>SOURCES AVAILABLE FOR USE - 2013</b>			<b>\$9,304,751</b>
<b>ESTIMATED CAPITAL EXPENDITURES:</b>			
<b>STRATEGIC PROJECTS</b>			
Environmental Remediation (MTA)	\$100,000	\$100,000	
Harbor Area Environmental Cleanup	525,000	525,000	
Redevelopment - KPly Property - Demolition	350,000	350,000	
Redevelopment - KPly Property - Environmental Remediation	100,000	100,000	
T1 Prog. Redevelopment - Breasting/Mooring Dolphin	100,000	100,000	
T1 Programmatic Redevelopment - Structural Repairs	250,000	250,000	
<b>OTHER PROJECTS</b>			
MT - Security Improvments (25% grant match) - #8 (T3)	20,000	20,000	
FIA - AIP 30 Taxiway Design/Construction (AIP 5%)	22,000	22,000	
FIA - AIP 31a Taxiway Lighting/Signage (AIP 10%)	89,000	89,000	
FIA - AIP 31b Taxiway Lighting/Vac. Sweeper (AIP 10%)	19,550	19,550	
FIA - Passenger Facility Charge (PFC) Revenue	-10,000	-10,000	
FIA - Rwy 26 Ob. Removal - AIP 32 Lincoln Pk EA (AIP 10%)	30,000	30,000	
FIA - Avigation Easement	0	0	
FIA - Lincoln Park Powerline Relocate (AIP - 10%)	0	0	
FIA - Lincoln Park Redevelopment	0	0	
FIA - Sekiu ALP Update (DOT - 10%)	1,000	1,000	
PABH - Security Improvements (25% grant match) - #8	15,000	15,000	
JWM - Security Improvements (25% grant match) - #8	20,000	20,000	
ADMIN - Flexible Projects	200,000	200,000	
<b>ESTIMATED CAPITAL EXPENDITURES</b>	<b>\$1,831,550</b>	<b>\$1,831,550</b>	<b>(\$1,831,550)</b>
<b>ESTIMATED BALANCE, 12/31/2013 CAPITAL IMPROVEMENT FUND</b>			<b>\$7,473,201</b>
<b>*General Tax Levy Calculation</b>			
1. 2012 Tax Levy	\$1,359,948		
2. Initiative (I-747) Inflation Limit Factor (%)	<u>1.000%</u>		
3. Initiative (I-747) Inflation Limit Factor (\$)	13,599		
4. Estimated New Construction	60,000,000		
5. 2012 Levy Rate (per thousand)	<u>0.180729167</u>		
6. New construction adjustment	10,844		
2013 Tax Levy (1 + 3 + 6) - estimated	\$1,384,391		
2013 LTGO Debt Service	<u>(1,110,093)</u>		
General Tax Levy (net of GO debt service)	\$274,298		

## CAPITAL IMPROVEMENT PLAN

	2013	2014	2015	2016	2017	Total
<b>STRATEGIC PROJECTS:</b>						
<b>Committed Projects for 2013</b>						
Environmental Remediation (MTA)	100,000	100,000				200,000
Harbor Area Environmental Cleanup	525,000	525,000	TBD	TBD	TBD	1,050,000
Industrial Development						
Redevelopment - KPly Property						
Demolition	350,000					350,000
Environmental Remediation	100,000	100,000				200,000
Infrastructure (Marine Trades Area)			1,500,000	1,500,000		3,000,000
T1 Programmatic Redevelopment						
Breasting/Mooring Dolphin	100,000	500,000	400,000			1,000,000
Structural Repairs	250,000	500,000	750,000	750,000	750,000	3,000,000
<b>Additional Projects</b>						
Alternative Energy Development	TBD					
Central Waterfront Development	TBD					
Industrial Development						
Advanced Composites Center	TBD					
Comp. Mfg. Campus						
T1 Programmatic Redevelopment						
Bulkhead			TBD			
Headline Dolphin		50,000	430,000			480,000
Mooring Bollards	TBD					
Terminal Warehouse	TBD					
T3 Breasting/Mooring Dolphin	TBD					
Waterfront or Ind. Property Purchase		250,000	250,000			500,000
<b>Total Strategic Projects</b>	<b>1,425,000</b>	<b>2,025,000</b>	<b>3,330,000</b>	<b>2,250,000</b>	<b>750,000</b>	<b>9,780,000</b>
<b>MARINE TERMINAL:</b>						
<b>Committed Projects for 2013</b>						
Security Imp. (25% grant match) - #8 (T3)	20,000					20,000
<b>Additional Projects</b>						
Equipment Purchase (forklifts/other)		70,000	75,000		80,000	225,000
Security Imp. (25% grant match) - #9 (T7)		91,000	16,500	17,000	17,500	142,000
T6 Finger Pier		TBD				
<b>Total Marine Terminal</b>	<b>20,000</b>	<b>161,000</b>	<b>91,500</b>	<b>17,000</b>	<b>97,500</b>	<b>387,000</b>
<b>LOGYARD:</b>						
<b>Additional Projects</b>						
Fuel Tank		150,000				150,000
Loading Equipment (wheel loader)		350,000				350,000
Resurfacing			100,000			100,000
<b>Total Logyard</b>	<b>0</b>	<b>500,000</b>	<b>100,000</b>	<b>0</b>	<b>0</b>	<b>600,000</b>

## CAPITAL IMPROVEMENT PLAN

	2013	2014	2015	2016	2017	Total
<b>FAIRCHILD INTERNATIONAL AIRPORT:</b>						
<b>Committed Projects for 2013</b>						
AIP 30 Taxiway Design/Const. (AIP-5%)	22,000					22,000
AIP 31a Taxiway Light/Signage (AIP 10%)	89,000					89,000
AIP 31b Taxiway Light/Vac Sweeper (10%)	19,550					19,550
Passenger Facility Charge (PFC) Revenue	-10,000	-10,000	-10,000	-10,000	-10,000	-50,000
Runway 26 Obstruction Removal						
AIP 32 Lincoln Park EA (AIP 10%)	30,000					30,000
Avigation Easement		TBD				
Lincoln Park PwrLine Relocate (AIP 10%)				TBD		
Lincoln Park Redevelopment		TBD				
Sekiu ALP Update (DOT-10%)	1,000					1,000
<b>Additional Projects</b>						
New Access Road to Terminal (AIP-10%)		TBD				
Remove/Replace Hangars (4)		TBD	TBD	TBD	TBD	
Replace Vehicle Electric Gate		25,000	25,000			50,000
Runway 26 Obstruction Removal						
Signage		25,000				25,000
Taxilane F and GA Taxiway (AIP-10%)			150,000			150,000
Taxiway A - Slurry Seal Pavement (AIP-10%)			13,100			13,100
<b>Total Fairchild International Airport</b>	<b>151,550</b>	<b>40,000</b>	<b>178,100</b>	<b>-10,000</b>	<b>-10,000</b>	<b>349,650</b>
<b>PORT ANGELES BOAT HAVEN:</b>						
<b>Committed Projects for 2013</b>						
Security Imp. (25% grant match) - #8	15,000					15,000
<b>Additional Projects</b>						
Breakwater Facing Repairs		TBD				
Bulkhead Replacement/Dredging (w/City)		TBD				
Dredge A Float		TBD				
Dredge M Float		TBD				
Dumpster Enclosures		TBD				
Fuel Tank Replacement	TBD					
Hydraulic Crane		50,000				50,000
Laundry Facilities East		15,000				15,000
Marine Security Imp. (s.t. lease)		100,000				100,000
Pave Parking East		300,000				300,000
Water/Sewer Pipe Replace		30,000				30,000
<b>Total Port Angeles Boat Haven</b>	<b>15,000</b>	<b>495,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>510,000</b>

## CAPITAL IMPROVEMENT PLAN

	2013	2014	2015	2016	2017	Total
<b>JOHN WAYNE MARINA:</b>						
<b>Committed Projects for 2013</b>						
Security Imp. (25% grant match) - #8	20,000					20,000
<b>Additional Projects</b>						
Armor Rock Stabilization		100,000				100,000
Dumpster Enclosures		50,000	25,000	25,000		100,000
Fuel Pumps Replacement		30,000				30,000
JWM Improvements (boardwalk/buoys)		TBD				
<b>Total John Wayne Marina</b>	20,000	180,000	25,000	25,000	0	250,000
<b>BOATYARD</b>						
<b>Additional Projects</b>						
Pave Dry Storage Yard		100,000				100,000
Power Line Relocation		TBD				
Resurfacing		TBD				
Stormwater Improvements		100,000	50,000		50,000	200,000
<b>Total Boatyard</b>	0	200,000	50,000	0	50,000	300,000
<b>BOAT LAUNCH RAMPS:</b>						
<b>Additional Projects</b>						
West Boat Launch Float Replacement (25%)		70,000				70,000
<b>Total Boat Launch Ramps</b>	0	70,000	0	0	0	70,000
<b>RENTAL PROPERTIES:</b>						
<b>Additional Projects</b>						
Dry Storage/Marine Trades Bldg (Utilities)		75,000				75,000
<b>Total Rental Properties</b>	0	75,000	0	0	0	75,000
<b>FACILITIES MAINTENANCE:</b>						
<b>Additional Projects</b>						
<b>Total Facilities Maintenance</b>	0	0	0	0	0	0
<b>MECHANICAL MAINTENANCE:</b>						
<b>Additional Projects</b>						
Forklift		10,000				10,000
Line Boring Machine		15,000				15,000
<b>Total Mechanical Maintenance</b>	0	25,000	0	0	0	25,000

## CAPITAL IMPROVEMENT PLAN

	2013	2014	2015	2016	2017	Total
<b>ADMINISTRATION:</b>						
<b>Additional Projects</b>						
<b>Flexible Projects</b>	200,000	200,000	200,000	200,000	200,000	1,000,000
<b>Building Maintenance/Improvements</b>						
Heat Pump Replacement (2nd floor)		TBD				
<b>Emergency Planning/Equipment</b>		5,000				5,000
<b>New Vehicle (Security)</b>				27,000		27,000
<b>Total Administration</b>	200,000	205,000	200,000	227,000	200,000	1,032,000
<b>Total Capital Improvement Plan</b>	<b>1,831,550</b>	<b>3,976,000</b>	<b>3,974,600</b>	<b>2,509,000</b>	<b>1,087,500</b>	<b>13,378,650</b>
<b>Total Committed Capital Projects</b>	<b>1,831,550</b>	<b>1,915,000</b>	<b>1,340,000</b>	<b>940,000</b>	<b>940,000</b>	<b>6,966,550</b>
<b>Total Additional Capital Projects</b>	<b>0</b>	<b>2,061,000</b>	<b>2,634,600</b>	<b>1,569,000</b>	<b>147,500</b>	<b>6,412,100</b>
<b>Capital Purchases from Major Maintenance</b>	<b>100,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100,000</b>
<b>Total Capital Budget</b>	<b>1,931,550</b>	<b>3,976,000</b>	<b>3,974,600</b>	<b>2,509,000</b>	<b>1,087,500</b>	<b>13,478,650</b>



## 2013 CAPITAL PROJECT PRIORITIZATION CHART

(Higher 'Average Staff Rating' ==> "Worse"; Lower 'Average Staff Rating' ==> "Better")

		↓						
		2013		2013	2014	2015	2016	2017
		Cumulative	Average	Individual	Individual	Individual	Individual	Individual
		Project	Staff	Project	Project	Project	Project	Project
		Cost	Rating	Cost	Cost	Cost	Cost	Cost
Division	Project							
<b>Committed Projects</b>								
1	SP	Environmental Remediation (MTA)	100,000	-	100,000	100,000		
2	SP	Harbor Area Environmental Cleanup	625,000	-	525,000	525,000	TBD	TBD
3	SP	Redevelopment - KPly Property - Demolition	975,000	-	350,000			
4	SP	Redevelopment- KPly Property- Env. Remediation	1,075,000	-	100,000	100,000		
5	SP	T1 Prog. Redev. - Breasting/Mooring Dolphin	1,175,000	-	100,000	500,000	400,000	
6	SP	T1 Programmatic Redev. - Structural Repairs	1,425,000	-	250,000	500,000	750,000	750,000
7	MT	Security Imp. (25% grant match) - #8 (T3)	1,445,000	-	20,000			
8	FIA	AIP 30 Taxiway Design/Construction (AIP 5%)	1,467,000	-	22,000			
9	FIA	AIP 31a Taxiway Lighting/Signage (AIP 10%)	1,556,000	-	89,000			
10	FIA	AIP 31b Taxiway Lighting/Vac. Sweeper (AIP 10%)	1,575,550	-	19,550			
11	FIA	Passenger Facility Charge (PFC) Revenue	1,565,550	-	-10,000			
12	FIA	Rwy 26 Ob. Removal- AIP 32 Lincoln Pk EA (AIP 10%)	1,595,550	-	30,000			
13	FIA	Avigation Easement	1,595,550	-	0	TBD		
14	FIA	Lincoln Park PwrLine Relocate (AIP - 10%)	1,595,550	-	0		TBD	
15	FIA	Lincoln Park Redevelopment	1,595,550	-	0	TBD		
16	FIA	Sekiu ALP Update (DOT-10%)	1,596,550	-	1,000			
17	PABH	Security Imp. (25% grant match) - #8	1,611,550	-	15,000			
18	JWM	Security Imp. (25% grant match) - #8	1,631,550	-	20,000			
19	ADMIN	Flexible Projects	<b>1,831,550</b>	-	200,000	200,000	200,000	200,000
<b>Rated Projects</b>								
20	SP	Alternative Energy Development	1,831,550	6.63	TBD			
21	PABH	Fuel Tank Replacement	1,831,550	8.71	TBD			
22	RP	Dry Storage/Marine Trades Bldg (Utilities)	1,906,550	9.13	75,000			
23	JWM	Fuel Pumps Replacement	1,936,550	9.14	30,000			
24	BLR	West Boat Launch Float Replacement (25%)	2,006,550	9.14	70,000			
25	JWM	Dumpster Enclosures	2,031,550	9.75	25,000			
26	MT	Security Imp. (25% grant match) - #9 (T7)	2,106,550	9.86	75,000			
27	ADMIN	Heat Pump Purchase (2nd floor)	2,106,550	10.00	TBD			
28	MM	Forklift	2,116,550	10.38	10,000			
29	ADMIN	Emergency Planning/Equipment	2,121,550	10.63	5,000			
30	JWM	JWM Improvements (boardwalk/buoys)	2,121,550	10.71	TBD			
31	FIA	Signage	2,146,550	10.75	25,000			
32	MM	Line Boring Machine	<b>2,161,550</b>	10.86	15,000			

		Year	2013	2014	2015	2016	2017
		Beginning Capital Fund Balance	6,613,357	7,473,201	7,748,201	8,598,201	9,848,201
		Net Tax Levy Receipts	274,298	200,000	200,000	200,000	200,000
		Operating Surplus (Deficit)*	2,017,096	2,000,000	2,000,000	2,000,000	2,000,000
		General Fund Reserves Transfer**	400,000	0	0	0	0
		Committed Projects Cost	-1,831,550	-1,925,000	-1,350,000	-950,000	-200,000
		Ending Capital Fund Balance	7,473,201	7,748,201	8,598,201	9,848,201	11,848,201
		*Excludes depreciation of \$2,066,223					
		**Maintains general fund ending-balance-target of one year's operating expenditures					

## 2013 MAJOR MAINTENANCE CHART

			Individual Project Cost	Annual Depre- ciation
	Division	Project		
1	SP	Mooring Hardware Maintenance	\$20,000	
2	MT	Camel Logs / Walking Sticks	12,000	
3	MT	Dock Repairs	50,000	
4	MT	T7 Engineering Inspection	25,000	
5	LY	Aquatic Storage / Log Boom Sidestick	55,000	
6	LY	Boom Boat Maintenance	50,000	
7	LY	Drainage & Surfacing	40,000	
8	LY	Equipment/Swifter Repairs	35,000	
9	FIA	Terminal Heat Pump**	45,000	\$4,500
10	FIA	Trench Drain Repair	6,000	
11	PABH	Hydrant Repair	5,000	
12	JWM	Building Maintenance	10,000	
13	JWM	Ground Maintenance	12,000	
14	JWM	Resurface Interior Roads (crack seal)	4,000	
15	JWM	Sewer Pump Station Upgrade	10,000	
16	RP	1908 "O" Street Heat Pump Replacement**	20,000	2,000
17	FM	Truck Replacement**	35,000	7,000
18	ADMIN	Meeting Room A/V System	3,000	
19	ADMIN	Network Equipment	9,000	
20	ADMIN	Software System Support	13,000	
21	ADMIN	Software	20,000	
22	ADMIN	Web Site Design (final 1/3)	8,000	
<b>Total Major Maintenance Projects</b>			<b>\$487,000</b>	<b>\$13,500</b>
Major maintenance costs are included in the individual divisions' operating expense				
** Indicates an expense that will be capitalized (Resolution 10-999...in excess				
of \$1,000 and an expected life of more than five years				

## **SECTION VI**

### **TAX LEVY**

## Port General Tax Levy Rate

## Port's General Tax Levy Collections

## PROPOSED 2013 TAX LEVY

### LEVY RATES:

Estimated 2013 levy rate: **\$.1939**/\$1,000

2012 levy rate: \$.1807/\$1,000

### Clallam County Total Assessed Valuation:

- 2003	\$4,633,750,176
- 2004	\$5,125,832,006
- 2005	\$6,053,545,616
- 2006	\$7,477,997,284
- 2007	\$8,196,577,906
- 2008	\$8,587,834,547
- 2009	\$8,243,327,771
- 2010	\$8,031,011,937
- 2011	\$7,536,713,662
- 2012	\$7,524,783,407

### TAX LEVY COLLECTIONS:

The Port will levy approximately **\$1,384,391** in 2013.

The Port will levy **\$1,357,871** in 2012.

### TAX LEVY USES:

The 2013 levy will be used for:

Debt Service - Prior Capital Construction Uses	\$1,110,093
Capital Construction	<u>274,298</u>
Total	<u>\$1,384,391</u>

## TAX LEVY SOURCES/USES

### A. Tax Levy Sources:

#### 1. General Tax Levy

The County Treasurer acts as an agent to collect property taxes levied in the County for all taxing authorities. Taxes are levied annually on January 1 on property value listed as of the prior year. Assessed values are established by the County Assessor at 100% of fair market value. A revaluation of all property is required every six years.

The Port is permitted by law to levy up to 45 cents per \$1,000 of assessed valuation for general port purposes. The levy may go beyond the 45 cent limit to provide for G.O. bond debt service. The rate may be reduced for either of the following reasons:

Passage of Initiative 747 in November 2001 limits the growth to 1% per year, plus adjustments for new construction.

If the assessed valuation increases due to revaluation, the levy rate will be decreased, and vice versa.

Over the period, 2003 to 2013, the Port general levy rate has trended downward to a range of 16-19¢ per \$1,000. The upper graph on page VI - I shows the maximum levy permitted by law compared to the actual general levy of the Port from 2003 to 2013.

#### 2. Special Tax Levies

Special levies approved by the voters are not subject to the above limitations. The Port can levy property taxes for dredging, canal construction, leveling or filling upon approval of the majority of voters within the Port District, not to exceed \$0.45 per \$1,000 of assessed value of taxable property within the Port District. The Port District has never levied this tax.

#### 3. Industrial Development District (IDD) Tax Levies

The Port may also levy property taxes for Industrial Development Districts (under a comprehensive scheme of harbor improvements); for twelve years only, not to exceed \$0.45 per \$1,000 of assessed value of taxable property within the Port District. If a Port District intends to levy this tax for one or more years after the first six years, the Port must publish notice of intent to impose such a levy and if signatures of at least eight percent (8%) of the voters protest the levy, a special election must be held with majority approval required.

The Industrial Development Levy, however, is not subject to the 106% limitation. The Port levied this tax from 1986-1992 and does not intend, at this time, to request a continuance.

B. Tax Levy Uses

The general tax levy will be used for 2013's debt service on G.O. Bonds which relates to prior years' capital construction uses and to fund capital projects. This tax levy could also be used for Port operating or maintenance expenditures, but Port Commission directives have determined that tax levy proceeds will not be used for operating expenses.

Proposed Use of 2013 Tax Levy

Over the last ten years, the Port has used the tax levy to pay for debt service on prior years' capital construction uses and capital construction. The levy has not been used for operations.

Historical Use of General Tax Levy

C. Tax Levy Comparison with Operating Receipts – waiting for WPPA update

The following graph shows the relationship of tax levies to operating receipts for 21 class A Ports in Washington. Based on a simple average, tax levies are 61% of operating receipts; Port Angeles estimates its levy proceeds to be 21% of operating receipts. **Lower ratios** indicate **less reliance** on tax levy proceeds.

2011 Tax Levy Comparison





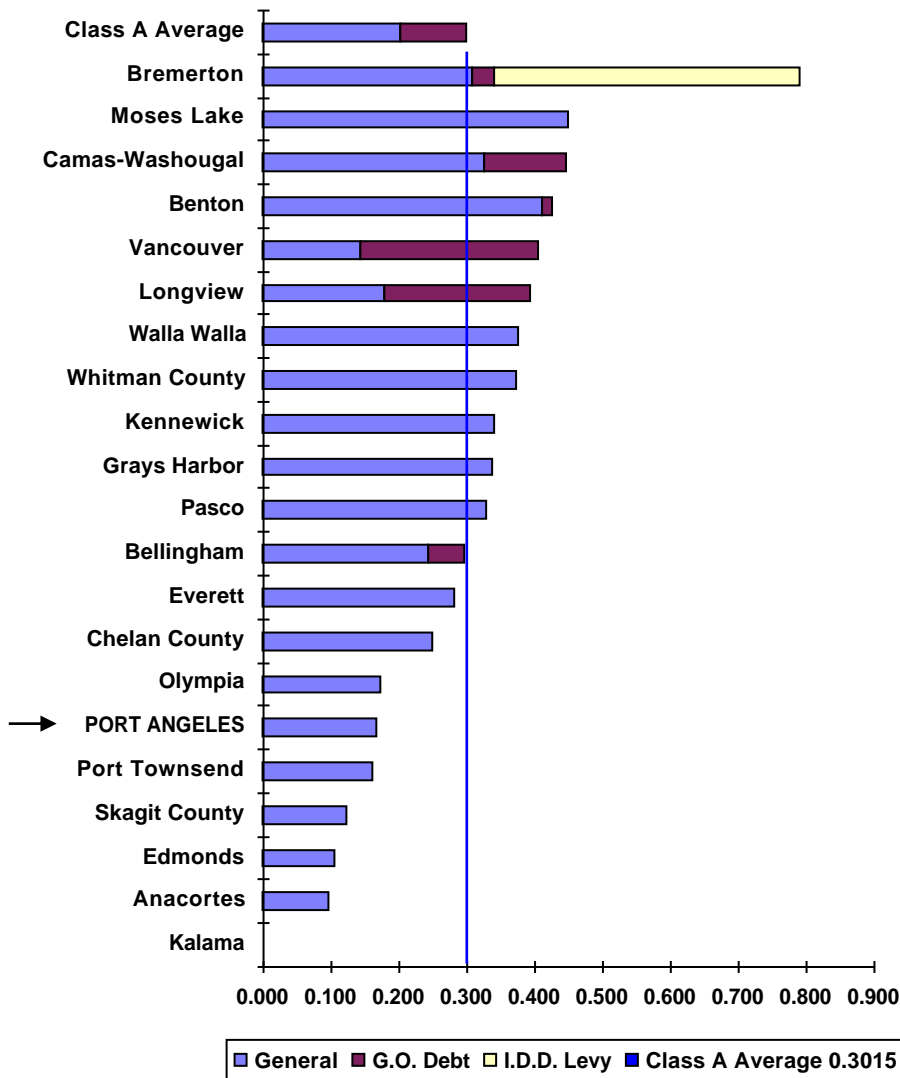
D. Comparable Tax Levies – waiting for WPPA update

1. Port Districts' Comparisons

The Washington Public Ports Association survey of port districts' tax levies for 2011 indicates an average levy rate of \$.3015/\$1,000 for the 21 Class A Ports which levied property taxes. Of these ports, the Port of Port Angeles had the sixth lowest levy rate at \$.1676. Presented below are the effective levy rates for the 21 ports.

2011 Tax Levy Rates

Washington Class A Ports

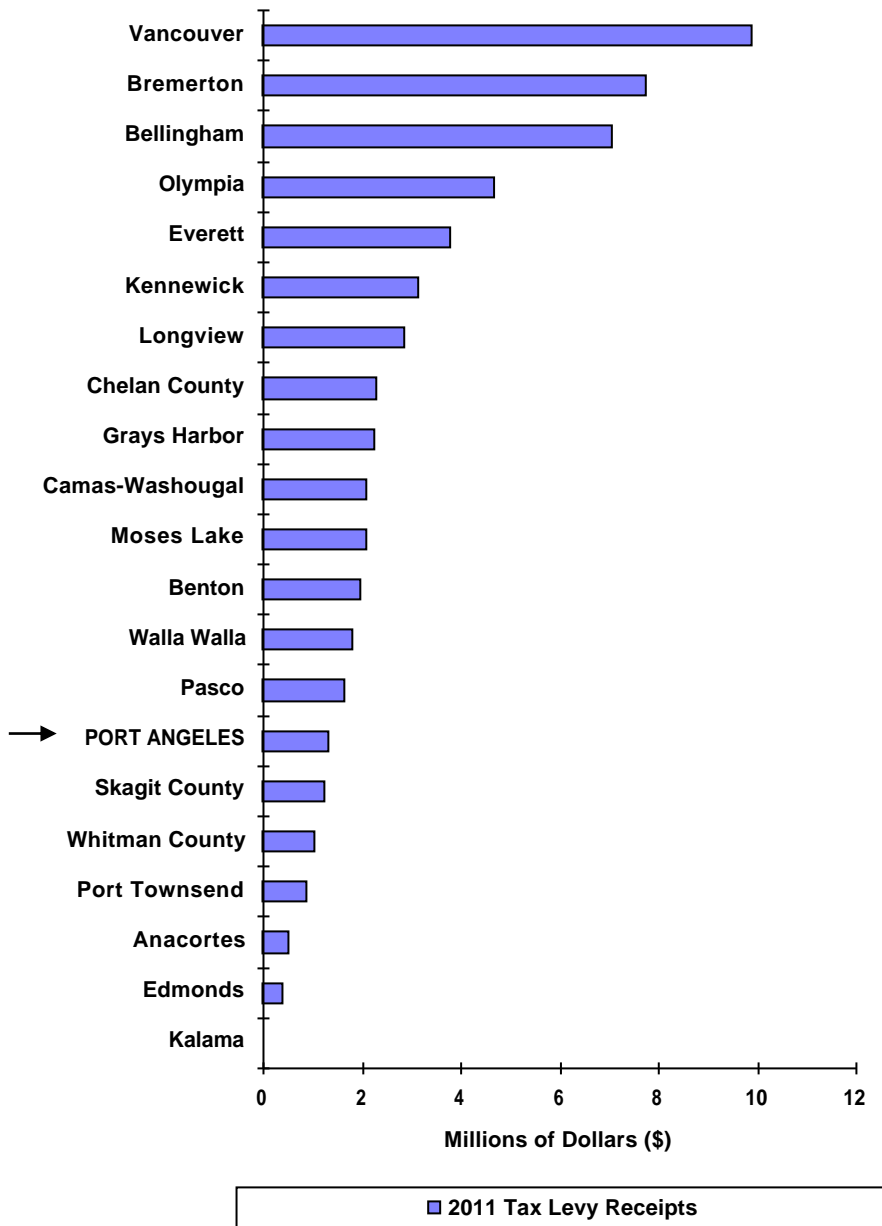


Waiting for WPPA update

The same survey for 2011 indicates the average levy collection in dollars for Class A ports is \$2,801,295. The Port of Port Angeles expects to collect \$1,347,598 in 2011.

2011 Tax Levy Receipts

Washington Class A Ports

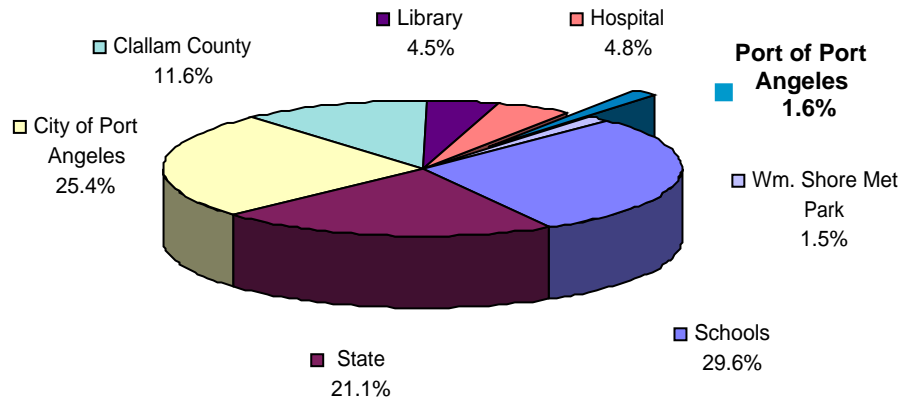


2. Clallam County Comparison

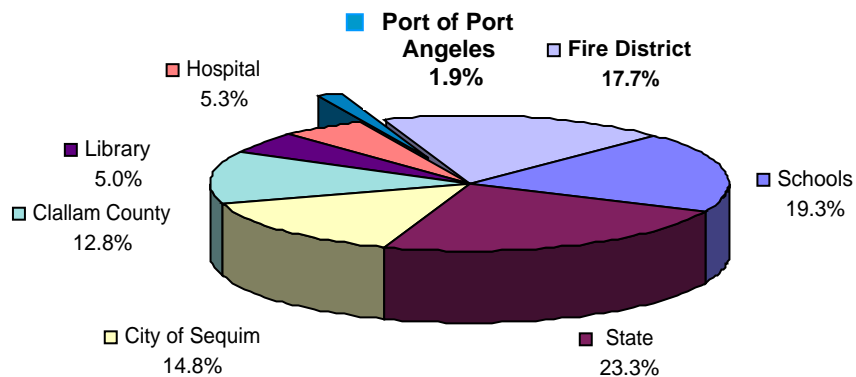
The graphs below show the Port's general tax levy as it compares to total taxes paid in 2012 by a typical resident in Port Angeles, Sequim and Forks. Taxing districts have not submitted their levy rates for 2013 yet; therefore, 2012 rates are the most current. The total 2012 levy for all Port Angeles taxing districts was \$11.16/\$1,000. The Port's levy for Port Angeles was \$0.18/\$1,000 which is less than 2% of the total levy rate.

**2012 Property Tax Levy Distribution**

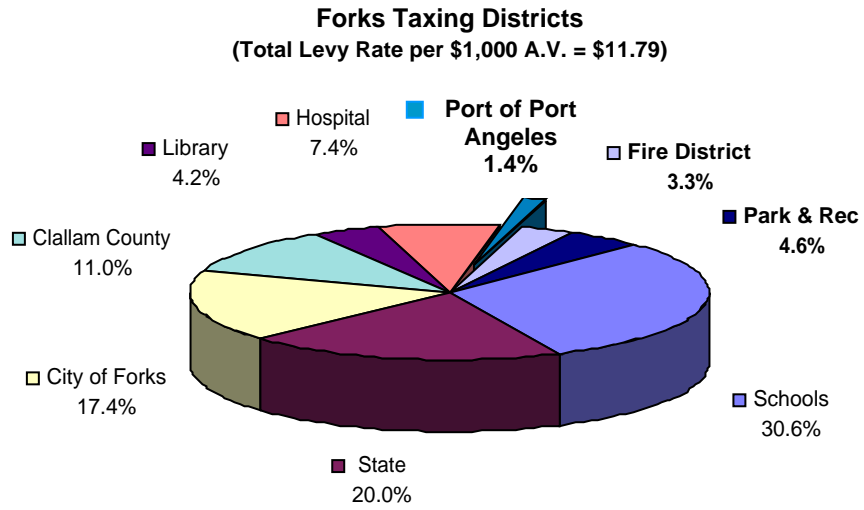
**Port Angeles Taxing Districts**  
(Total Levy Rate per \$1,000 A.V. = \$11.16)



**Sequim Taxing Districts**  
(Total Levy Rate per \$1,000 A.V. = \$10.08)



# 2012 Property Tax Levy Distribution



## **SECTION VII**

### **OTHER FUNDS:**

### **DEBT SERVICE AND BOND FUNDS**

**G.O. DEBT SERVICE FUND**

<b>ESTIMATED BALANCE, JANUARY 1, 2013</b>		<b>\$250,000</b>
<b>ESTIMATED RECEIPTS:</b>		
GENERAL TAX LEVY		\$1,384,391
AVAILABLE FUNDS		\$1,634,391
<b>ESTIMATED EXPENDITURES:</b>		
2006 PRINCIPAL & INTEREST - LTGO BONDS	\$407,568	
2010A PRINCIPAL & INTEREST - LTGO BONDS	57,000	
2010B PRINCIPAL & INTEREST - LTGO BONDS	163,925	
2012B PRINCIPAL & INTEREST - LTGO BONDS	481,600	
TRANSFER TO CAP. IMPR. FUND FROM GEN TAX LEVY SURPLUS	274,298	(\$1,384,391)
<b>ESTIMATED BALANCE, DECEMBER 31, 2013</b>		<b>\$250,000</b>

**SUMMARY OF DEBT SERVICE  
AND BOND FUNDS**

	1/1/2013 BALANCE	ADDITIONS	PAYMENTS	12/31/2013 BALANCE
G.O. DEBT SERVICE FUND	250,000	1,384,391	(1,384,391)	250,000
<b>TOTAL</b>	<b>\$250,000</b>	<b>\$1,384,391</b>	<b>(\$1,384,391)</b>	<b>\$250,000</b>

**GENERAL FUND PAYMENTS  
OTHER BONDS/LOANS**

<b>ESTIMATED BALANCE, JANUARY 1, 2013</b>		<b>\$0</b>
<b>ESTIMATED RECEIPTS:</b>		
TRANSFER FROM GENERAL FUND		\$0
<b>ESTIMATED EXPENDITURES:</b>		
CERB (Community Economic Revitalization Board)	\$0	
RTA (Revolving Technical Assistance) Loan	\$0	\$0
<b>ESTIMATED BALANCE, DECEMBER 31, 2013</b>		<b>\$0</b>

SEE PAGE IV - 31, NON-OPERATING SECTION OF GENERAL FUND

**SUMMARY OF OUTSTANDING LONG-TERM  
DEBT PRINCIPAL  
AS OF JANUARY 1, 2013**

<b>DEBT CATEGORY</b>	<b>PURPOSE</b>	<b>ORIGINAL PRINCIPAL</b>	<b>1/1/2013 BALANCE</b>	<b>FINAL MATURITY</b>
<b>GENERAL OBLIGATION BONDS:</b>				
2006 BOND FUND	CAPITAL CONSTRUCTION	4,995,000	3,965,000	2025
2010A BOND FUND	CAPITAL CONSTRUCTION	760,000	760,000	2030
2010B BOND FUND	CAPITAL CONSTRUCTION	3,435,000	3,435,000	2029
2012 BOND FUND	REFINANCE OF 2002B	1,830,000	<u>1,830,000</u>	2016
<b>TOTAL - G.O. BONDS:</b>		<b>\$11,020,000</b>	<b>\$9,990,000</b>	
<b>OTHER BONDS/LOANS:</b>				
TOTAL-OTHER DEBT			<b>\$0</b>	
<b>TOTAL PRINCIPAL-PORT DEBT:</b>			<b>\$9,990,000</b>	

VII - 3

**LONG TERM DEBT SERVICE  
PRINCIPAL AND INTEREST**



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022+	TOTAL
G.O. DEBT SERVICE (1)	1,110,093	1,106,205	1,105,568	1,109,255	727,168	730,405	728,680	731,318	728,445	6,561,273	14,638,410
OTHER DEBT SERVICE (2)	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>1,110,093</b>	<b>1,106,205</b>	<b>1,105,568</b>	<b>1,109,255</b>	<b>727,168</b>	<b>730,405</b>	<b>728,680</b>	<b>731,318</b>	<b>728,445</b>	<b>6,561,273</b>	<b>14,638,410</b>

1. See Page VII - 1, Debt Service Fund
2. See Page IV - 31, Non-Operating section of General Fund



## **SECTION VIII**

### **SUPPLEMENTAL INFORMATION**

**TRAVEL AND TRAINING BUDGET  
SUMMARIZED BY RECEIPT/EXPENDITURE CENTER**

<b>TRAVEL/TRAINING PURPOSE</b>	<b>2012 BUDGET</b>	<b>2012 PROJECTED</b>	<b>2013 BUDGET</b>
Training	\$20,000	\$17,200	\$20,700
Travel - Public Meetings	3,000	2,600	3,100
Travel - Business Meetings	32,500	28,000	33,600
Travel - Conventions	25,000	21,500	25,800
Travel - Contract Reimbursement	6,500	5,600	6,700
Other Travel & Training	17,000	14,600	17,600
<b>TOTAL TRAVEL/TRAINING</b>	<b>\$104,000</b>	<b>\$89,500</b>	<b>\$107,500</b>

## MEMBERSHIPS BUDGET

<b>PROFESSIONAL ORGANIZATION</b>	<b>2012 BUDGET</b>	<b>2012 PROJECTED</b>	<b>2013 BUDGET</b>
American Association of Airport Executives	\$275	\$275	\$0
Certified Commercial Investment Member (CCIM)	0	665	665
Government Finance Officers Association	160	160	160
Miscellaneous Memberships	100	100	100
Northwest Marine Terminal Association	1,000	1,014	1,020
Northwest Marine Trade Association	0	410	410
Olympic Region Municipal Clerks Association	0	50	50
Pacific NW Waterways Association	600	610	0
Resource Conservation & Development District	500	500	500
Washington Airport Managers Association	350	250	250
Washington Finance Officers Association	50	50	150
Washington State Purchasing Cooperative	0	1,000	1,000
WPPA (including estimated assessments)	13,100	13,059	15,600
<b>TOTAL PROFESSIONAL ORGANIZATIONS</b>	<b>\$16,135</b>	<b>\$18,143</b>	<b>\$19,905</b>

## COMMUNITY SUPPORT BUDGET

COMMUNITY SUPPORT - CASH	2012 BUDGET	2012 PROJECTED	2013 BUDGET
Clallam County EDC Contract*	\$25,000	\$25,000	\$25,000
Sekiu Chamber of Commerce	100	100	100
Sequim Chamber of Commerce	500	450	450
Forks Chamber of Commerce	100	100	100
Port Angeles Chamber of Commerce	600	550	550
Port Angeles Association of Realtors	150	130	130
NOTAC	50	45	45
PABA	100	65	65
Rotary Clubs	250	150	300
Sequim Association of Realtors	0	0	65
<b>TOTAL COMMUNITY SUPPORT - CASH</b>	<b>\$26,850</b>	<b>\$26,590</b>	<b>\$26,805</b>

COMMUNITY SUPPORT - IN KIND	2012 BUDGET	2012 PROJECTED	2013 BUDGET
North Olympic Timber Action Committee	\$2,500	\$2,500	\$2,500
Olympic Peninsula Visitor Bureau	5,000	5,000	5,000
<b>TOTAL COMMUNITY SUPPORT - IN KIND</b>	<b>\$7,500</b>	<b>\$7,500</b>	<b>\$7,500</b>

The Port also includes individual memberships in other organizations (see Port Commissioners' Resolution No. 05-923).

\*Total 2012 Clallam County EDC Contract is \$25,000.

## ESTIMATED 2012 DEPRECIATION

Division	Estimated 2012 Depreciation
Marine Terminal	\$300,398
Log Yard	220,534
FIA	585,809
Sekiu Airport	10,169
Port Angeles Boat Haven	383,014
John Wayne Marina	216,496
Boat Yard	13,936
Public Boat Ramps	5,530
Rental Property	204,857
Administration & General	59,122
Mechanical Maintenance	30,736
Facilities Maintenance	<u>35,622</u>
Total	\$2,066,223

Note: Total depreciation includes \$323,479 depreciation on donated assets

