



2023 BUDGET

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Port of Port Angeles

2023 Budget

<u>Operations</u>	<u>Log Yard & Marine Term</u>	<u>PABH & JWM Marinas</u>	<u>Marine Trades & Rental Prop</u>	<u>FIA & Sekiu Airports</u>	<u>Total</u>
Revenues	3,460,000	3,953,897	2,309,979	429,942	10,153,818
Direct Expenses	(2,044,338)	(1,846,983)	(985,738)	(636,714)	(5,513,773)
Overhead Support	(1,012,568)	(767,002)	(696,555)	(313,655)	(2,789,780)
Net Margin	403,094	1,339,912	627,686	(520,427)	1,850,265
Less Depreciation	(1,010,371)	(478,966)	(648,595)	(653,640)	(2,791,572)
Op Surplus (Deficit)	(607,277)	860,946	(20,909)	(1,174,066)	(941,307)
Non-Operating Items					
Property Tax Revenue					1,670,000
Capital Grant Income					7,459,950
Timber/Other Tax Revenue					140,000
Interest Expense					(126,175)
Interest Earnings					300,000
Net other Non-Op Items					(448,500)
Total Non-Operating					8,995,275
Total Net Surplus					8,053,968

Cash Flow / Fund Analysis

	<u>General Fund</u>	<u>Capital Fund</u>	<u>Total Port Funds</u>
Beginning Balance	4,151,776	12,653,131	16,804,907
Plus Cash Flow from Operations	1,850,265	-	1,850,265
Net Non-Op Cash flow	(8,500)	-	(8,500)
Plus Capital Grant Revenue	-	7,459,950	7,459,950
Plus Property Tax Revenue	-	1,670,000	1,670,000
Plus Loan Proceeds	-	-	-
Less Debt Service Payments	-	(533,101)	(533,101)
Less 2022 Capital Expenditures	-	(9,136,600)	(9,136,600)
Transfer excess of 1/2-yr op expenses	(1,758,541)	1,758,541	-
Projected Ending Balance	4,235,000	13,871,921	18,106,921

COMMISSIONER COLLEEN M. MCALEER (District 1)



Commissioner McAleer represents District 1 (east) and has served as a Port Commissioner since January 2014.

In Colleen's full-time capacity, she serves as the Executive Director of the Clallam County Economic Development Council. Prior to her current position, her full-time role was serving as the President of the Washington Business Alliance, a statewide business organization focused on advocating for more effective government using a business lens. As President, she led a team of professional experts to manage the business non-profit, its communications, government affairs and organizational development with members and partner organizations.

Prior to her position at the Business Alliance Colleen served on the Port of Port Angeles staff where she served initially as the Port's Marketing and Property Manager and then later as the Director of Business Development. During this time, she became deeply familiar with the operations of the Port and the business opportunities that exist for Clallam County. With state and community partners, Colleen spearheaded what became the Composites Recycling Technology Center. This brought Clallam County into the state and national spotlight as a proactive community partner supporting advanced composite technologies and innovative manufacturing processes.

Colleen and her family arrived in Sequim in 2002. For nine years she was a successful small business owner, offering business and commercial real estate brokerage services in Clallam County.

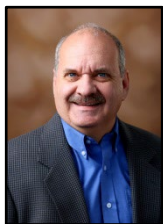
Community and State involvement: Colleen has served on multiple boards including Peninsula College Foundation and the Sequim Design Review Board. Today she serves on boards for the following statewide organizations: Washington State's US Global Leadership Coalition and the Seattle Sports Commission.

Education & Military Service:

After graduating from Florida Institute of Technology on a full scholarship, Colleen served as an US Army Aviator and a Military Intelligence Officer for ten years. She flew both helicopters and fixed wing aircraft while stationed in Europe, Asia and North America. Colleen is a decorated combat veteran. She deployed to the Middle-East as a platoon leader during Desert Storm.

Colleen and her husband, David Gilles, live in Sequim and are very proud of their four adult sons.

COMMISSIONER STEVEN D. BURKE (District 2)



Commissioner Burke represents District 2 (central) and has served as a Port Commissioner since March 2016. Commissioner Steve Burke is currently the Executive Director of the Shore Metro Park District. As an Executive Director of a junior taxing district, Steve has experience in the public sector and has received several awards for establishing new financial management practices as well as receiving several Distinguished Budget Awards. Steve has also been a private business owner and has had extensive knowledge in both marketing and manufacturing new product lines.

Commissioner Burke has also served in the public sector by being elected in 2014 to serve on the Clallam County Charter Commission for a one-year term in 2015. Steve is currently serving on the Port Angeles Regional Chamber of Commerce Board of Directors. He has also served as a Board member of the Clallam Economic Development Council.

Commissioner Burke grew up in San Diego and moved to Port Angeles to raise his family in 2001. He raises Galloway cattle. He went to college at the University of Northern Colorado and graduated with a BA in Political Science and Public Administration.

COMMISSIONER CONNIE L. BEAUVAIS (District 3)



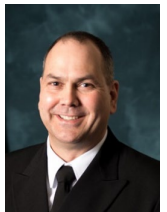
Commissioner Beauvais represents District 3 (west) and has served as a Port Commissioner since January 2016. Connie is currently the manager and state-certified operator at the Crescent Water Association where she oversees the business and operations of the water system. She has extensive professional experience in both the public and private sectors, having owned and operated three successful businesses and worked for four private businesses, three school districts, a university and the federal government.

Connie's community responsibilities have included eight years as a Clallam County Planning Commissioner and serving on the Clallam County Charter Review Commission, the Crescent Community Advisory Council, and the Government Affairs Committee of the Port Angeles Business Association.

She has also served on the Clallam Economic Development Council as an Agriculture Representative and on the Crescent Water Association Board of Trustees.

Originally from California, Connie spent 12 years on the Aleutian Island of Adak, Alaska and now lives in Joyce where she raises prize alpacas.

EXECUTIVE DIRECTOR GEOFF JAMES



Geoff is a native of Sacramento, California. In 1986 he enlisted in the U.S. Navy as a Machinist Mate and after obtaining a Bachelor of Science degree in Mechanical Engineering from Oregon State University, he received his commission in 1992.

Over the course of his 34-year career, Geoff has had the opportunity to serve in several diverse and challenging assignments including three nuclear submarines; Staff on the Ronald Reagan Carrier Strike Group; commanding a 65-foot submersible for conducting special operations; Command of TRIDENT Training Facility Bangor; a Provincial Reconstruction Team in Afghanistan; Submarine Material Officer in Europe; Navy Section Chief at US Embassy in Iraq; and Branch Chief for Current Operations to the International Military Staff at NATO Headquarters. After retirement, Geoff joined the Port of Port Angeles as the Executive Director in June of 2021.

BOARD OF PORT COMMISSIONERS

CONNIE L. BEAUVAIS, PRESIDENT

Term Expires 2023

COLLEEN M. MCALEER, VICE PRESIDENT

Term Expires 2025

STEVEN D. BURKE, SECRETARY

Term Expires 2025

PORT MANAGEMENT STAFF

Executive DirectorGEOFF JAMES
Director of Finance & Administration.....JOHN B. NUTTER
Director of Engineering.....CHRIS R. HARTMAN
Director of Economic DevelopmentCALEB MCMAHON
Director of ProjectsKAREN F. GOSCHEN
Director of OperationsPAUL JARKIEWICZ
Environmental Manager JESSE W. WAKNITZ
Airport & Marina Manager..... JON PICKER
Manager of Finance & Accounting.....JENNIFER BAKER
Real Estate AdministratorCHERIE GOTTSCHALK
Human Resource Specialist/Clerk of the Board BRAEDI JOUTSEN

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SECTION I

INTRODUCTION

2023 BUDGET MESSAGE

November 16, 2022

To: Board of Port Commissioners, Port of Port Angeles
From: Geoff James, Executive Director

On behalf of the Staff of the Port of Port Angeles, I am pleased to submit to the Commission the 2023 Budget. This Budget is an important planning document for the Staff and includes operating, non-operational and capital project budgets. The operations budget estimates revenues and expenses for the coming year based upon projections on specific business activities performed by the Port. The non-operational budget estimates revenues and expenses in areas such as interest earnings, tax receipts, environmental costs and grants. The capital project budget includes preventive and corrective maintenance of existing facilities, and development for new investments. The capital project budget also provides a 5-year forecast of anticipated projects for strategic long term planning. As a change from past budgets, a cap of \$10M has been imposed for the strategic reserve balance at the completion of the 5-year period. As a result, several projects have been reprioritized resulting in some being removed that were presented last year. The cap is placed due to several large projects that will need to be addressed after the 5-year period including further development on the MTC and float replacements at our two marinas. I expect this to be a continuing conversation in future budgets.

5 Year Strategic Plan. The Port's goals and strategies provide a guiding influence on this Budget cycle along for future budgets. The plan will help prioritize near term decisions along with day to day port operations. The Port's Goals are as follows with the enclosed 5 Year Strategic Plan providing further details:

- Aggressively market the Port and make strategic investments to foster living wage jobs.
- Assure Sound Financial and Economic Return on Port Assets.
- Improve Environmental Performance.
- Enhance Stakeholder Engagement and Outreach Efforts.

2023 Economic Conditions. The economic environment for 2023 remains uncertain with increasing inflation coupled with the Federal Reserve raising rates to slow the economy. Due to multiple factors there are strong indications that we will likely see a combination of both high inflation and a recession throughout 2023. Planning for a possible economic stagnation, the Port has reduced several of its planned projects as seen in its revised 5-year capital investment plan, limiting operational expenditures to necessary requirements, revising rates to keep pace with the economy, review/revise several internal business practices and explore more low-cost high impact opportunities. Overall, the 2023 Budget assumes a slight increase in net operating revenues compared to 2022 Budget projection though this exceeds capital project needs.

2023 Budget Development. The goal for developing the budget was to strive for a balanced cash flow from operations, and when practical, to set aside some reserves for future capital replacement. The projected cash flow from total Port operations (including non-operating activity such as taxes, grants, interest, debt service, legacy environmental, etc.) is \$10.8M (w/o depreciation), of which \$7.5M is through grants mainly in support of infrastructure development of the Marine Trades Center (MTC). The budget also includes a 1% increase in the property tax levy which equates to an estimated \$16K which will be used to help offset increasing long-term capital investment costs in stormwater, MTC development and rehabilitation of the cofferdam.

Budgeted 2023 Operating Revenues are planned to be \$10.2M which is slightly higher than 2022 projected year-end of \$9.9M. Part of this is the fact that the 2022 projected year-end is \$590K below budget primarily due to reduced cargo activity caused by continued supply chain issues

and charter rate increases due to slowdown of vessel movements. To add to this, in the second half of 2022 chip export operations ceased due to a higher demand for the product locally. Overall, our estimation for international log export is expected to be at the 2022 level with chip export operations to resume though likely at a level slightly less than 2021.

Budgeted 2023 Operating Expenses before depreciation, are planned at \$8.3M, which is \$190K more than 2022 projected year-end, primarily due to salary adjustments. Cost of living increases for staff are budgeted at 5%, which though lower than the August 2021 CPI West-Size Class B/C-All Urban Consumer is a conservative adjustment provided a likely slowdown (and thus Port revenue) of the economy.

The 2023 Non-Operating Budget includes \$1.6 million in property tax receipts which in turn will be used for \$533,101 in debt service (principal and interest payments), \$21,333 in Small Community Partner Program and the remainder towards capital projects including matching funds for the design of the MTC site development and rehabilitation of the runway at Fairchild Airport, needed building repairs and maintenance of the fuel system at John Wayne Marina. Investment income and other taxes are budgeted higher due to increase in valuations and improving investment markets.

Outstanding Debt by the end of 2023 is projected to be \$3.1M, comprised of the Limited Tax General Obligation Bond for the PABH, Marine Trades Area Washdown Facility, Utility Improvements at Fairchild International Airport and the cofferdam refurbishment. For 2023 our Non-Voted Debt Availability is \$29.2M for a Total Non-Voted Debt Capacity of \$32.3M. Regarding the CERB loan for the Cofferdam project, the Port has spent only \$73K of the \$1M CERB loan. The rehabilitation is one of two parts the Port was awarded by MARAD through Port Infrastructure Development Program, so once the project is permitted and bid, we will review if using the full CERB loan would be beneficial for the Port's match. In the interim, we intend to carry the debt as if the Port withdrew the full amount.

Geoff James
Executive Director

5-YEAR STRATEGIC PLAN

Port Mission

“We bring people, resources and industry together to foster living wage jobs.”

Port Vision

“A Prosperous Clallam County.”

Port Goals and Strategy for Obtaining its Goals

1. Aggressively market the Port and make strategic investments to foster living wage jobs.

- Expand maritime commerce opportunities through the development of the Marine Trades Center and additional industrially zoned waterfront properties.
- Promote innovative value-added wood products manufacturing while working to achieve a reliable and sustainable timber harvest.
- Market and leverage companies to develop industrial clusters at the Port’s Industrial Park.
- Establish and maintain sustainable air service at Fairchild International Airport (FIA).
- Develop/lease vacant industrial Port properties with focus on the industrial park at FIA.

2. Assure sound financial and economic return on port assets

- Annually generate a positive cash flow in all business lines, mirroring market rates.
- Actively market available Port properties, and to achieve and maintain minimum 90% occupancy in Port-owned buildings.
- Preserve and create asset through strategic investments.
- Develop strategies to reduce operating and capital expenses.
- Leverage Port resources to attract public and private investment.
- Acquire strategically located industrial property for future development.

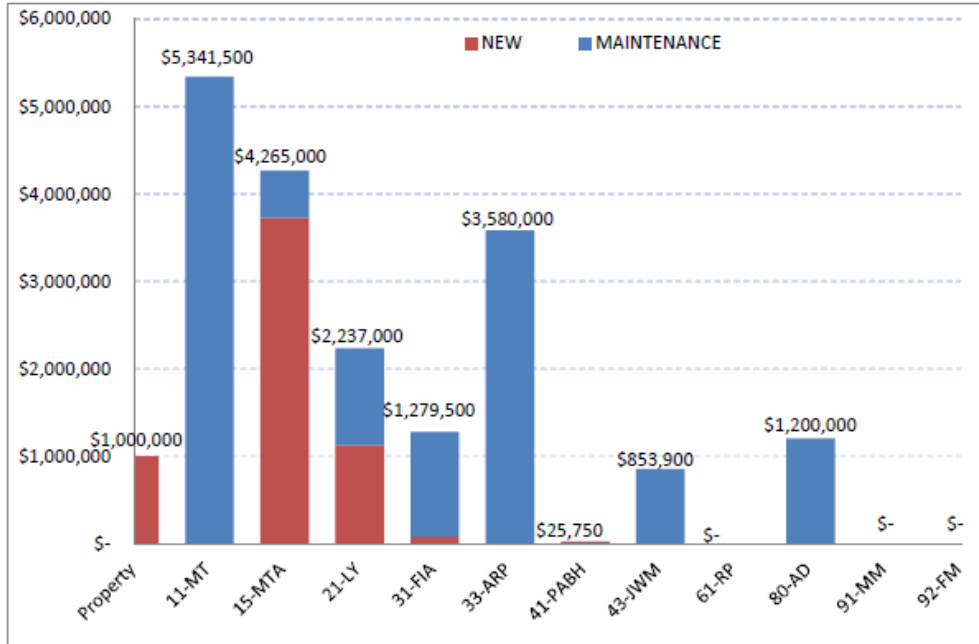
3. Improve environmental stewardship

- Continue clean-up of the Port’s upland contaminated sites.
- Demonstrate leadership in the western Port Angeles harbor clean-up.
- Ensure Port properties are maintained and/or improved to ensure compliance with Department of Ecology stormwater permits.
- Employ best practices and industry standards to ensure compliance of local, state and federal environmental rules and regulations.

4. Enhance stakeholder engagement and outreach efforts.

- Provide excellent customer service through transparency and fairness across all business lines.
- Develop partnerships with other public agencies in furtherance of economic development and growth.
- Educate and collaborate with Clallam County citizens on Port activities and future efforts.
- Advocate to advance the development and retention of a diversified and skilled workforce in sectors earning family wage level jobs.

2023 - 2027 CAPITAL IMPROVEMENT PLAN BY DEPARTMENT



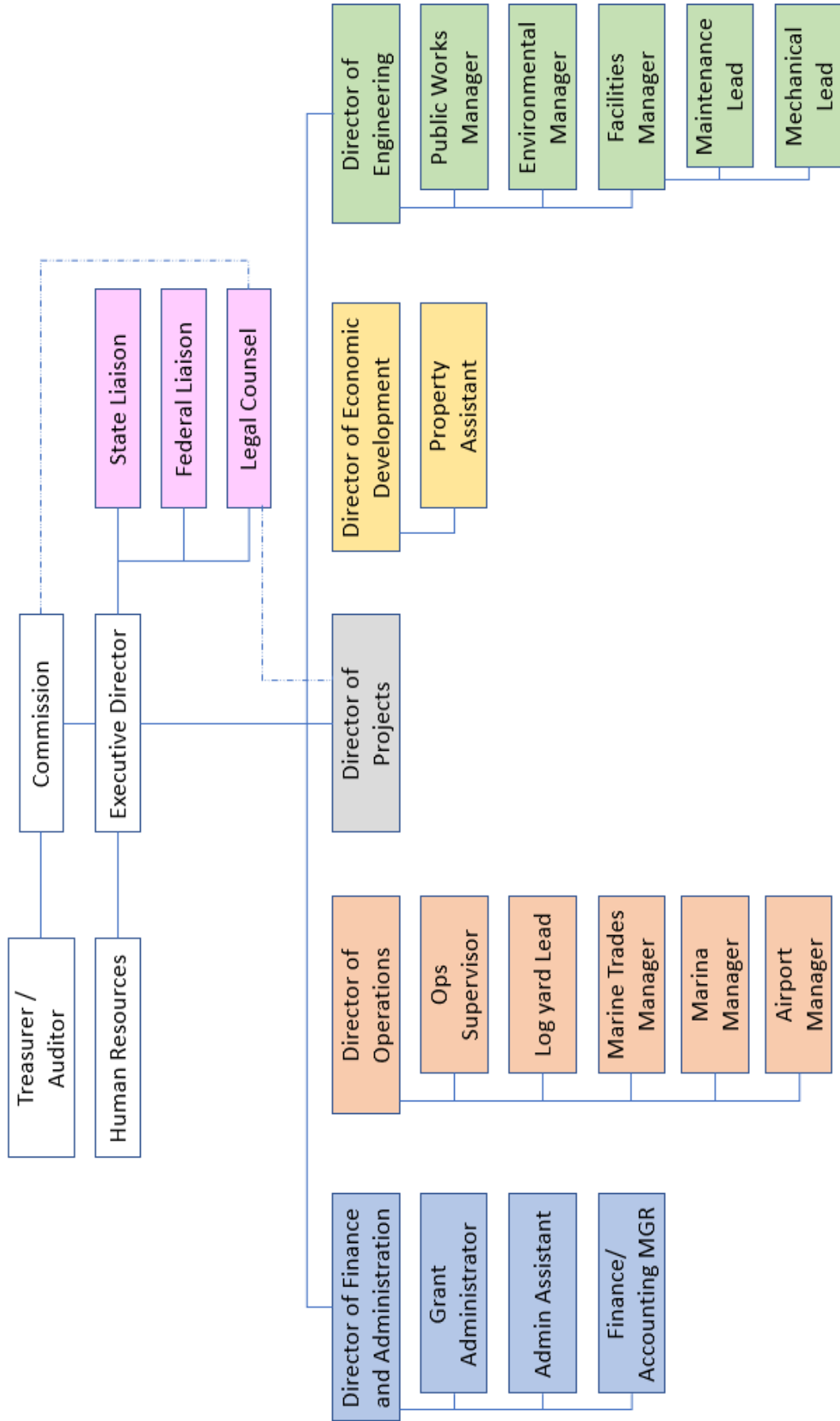
Dept.	New	Maintenance	Total
Property	\$ 1,000,000	\$ -	\$ 1,000,000
11-MT	\$ -	\$ 5,341,500	\$ 5,341,500
15-MTA	\$ 3,730,000	\$ 535,000	\$ 4,265,000
21-LY	\$ 1,125,000	\$ 1,112,000	\$ 2,237,000
31-FIA	\$ 80,000	\$ 1,199,500	\$ 1,279,500
33-ARP	\$ -	\$ 3,580,000	\$ 3,580,000
41-PABH	\$ 20,000	\$ 5,750	\$ 25,750
43-JWM	\$ -	\$ 853,900	\$ 853,900
61-RP	\$ -	\$ -	\$ -
80-AD	\$ -	\$ 1,200,000	\$ 1,200,000
91-MM	\$ -	\$ -	\$ -
92-FM	\$ -	\$ -	\$ -
TOTAL =	\$ 5,955,000	\$ 13,827,650	\$ 19,782,650

The four main priority categories for capital projects in the 5-year plan include:

1. Regulatory Required Projects
2. Committed Projects:
 - a. Port agreed to complete within a lease or other agreement.
 - b. Port has accepted grant funding and committed the matching funds.
3. Critical Maintenance Projects
4. Strategic Investment Projects (*prioritized in the following manner*):
 - a. Job Creation and Retention
 - b. Return on Investment
 - c. Environmental Benefit
 - d. Preventative Maintenance

SECTION II

PERSONNEL SUMMARY



PORT OF PORT ANGELES PERSONNEL SUMMARY

All Departments - Actual & Budgeted Employees

		2015	2016	2017	2018	2019	2020	2021	2022	2022	2023	2023 -2022
Department		Actual FTEs	Actual FTEs	Actual FTEs	Actual FTEs	Actual FTEs	Actual FTEs	Actual FTEs	Budget FTEs	Projected FTEs	Budget FTEs	Budget Change In FTEs
MT	Marine Terminal <i>(Includes PT & FT Security)</i>	5.90	5.30	6.15	5.90	5.78	5.43	6.26	5.20	6.17	5.20	-
MTA	Marine Trades Area <i>(Formerly Boat Yard & Travel Lift Pier)</i>	1.00	0.94	0.85	1.30	1.44	0.91	1.01	0.95	0.83	0.95	-
LY	Log Yard	6.00	6.59	7.87	7.94	4.96	4.63	4.81	4.65	4.54	3.65	(1.00)
FIA	William R. Fairchild Int'l Airport	2.50	2.38	2.99	2.15	2.96	1.68	2.06	1.70	1.61	1.20	(0.50)
ARP	Airport Rental Properties	1.50	1.41	0.63	1.40	1.03	1.21	1.66	1.40	1.52	1.30	(0.10)
SEK	Sekiu Airport	0.05	0.03	0.05	0.05	0.03	0.09	0.08	0.05	0.16	0.05	-
PABH	Port Angeles Boat Haven	0.75	0.74	0.81	0.82	1.30	1.09	1.28	1.05	1.40	1.20	0.15
JWM	John Wayne Marina <i>(Includes PT & FT Security)</i>	4.05	3.89	4.47	4.55	4.29	4.40	4.81	4.70	3.56	4.85	0.15
RP	Rental Properties	1.00	0.72	1.84	0.60	0.61	0.54	0.51	0.45	0.47	0.45	-
A&G	Administration & General <i>(Includes PT & FT Security)</i>	10.77	10.26	8.39	9.32	10.80	9.63	10.92	9.12	8.50	8.31	(0.82)
BD	Business (Economic) Development	1.00	0.73	0.24	0.45	0.45	1.05	1.43	1.15	1.24	1.15	-
MM	Mechanical Maintenance	2.07	2.13	2.27	2.24	2.21	2.45	2.34	2.25	2.20	2.25	-
FM	Facilities Maintenance	7.73	7.96	6.92	8.81	8.33	8.45	7.46	8.75	7.73	9.75	1.00
NOP	Non-Operating	0.12	0.13	0.12	0.35	0.33	0.38	0.36	0.15	0.46	0.29	0.14
Total		44.44	43.21	43.60	45.88	44.52	41.94	44.99	41.57	40.39	40.59	(0.98)

Significant changes from 2022 Budget to 2023 Budget:

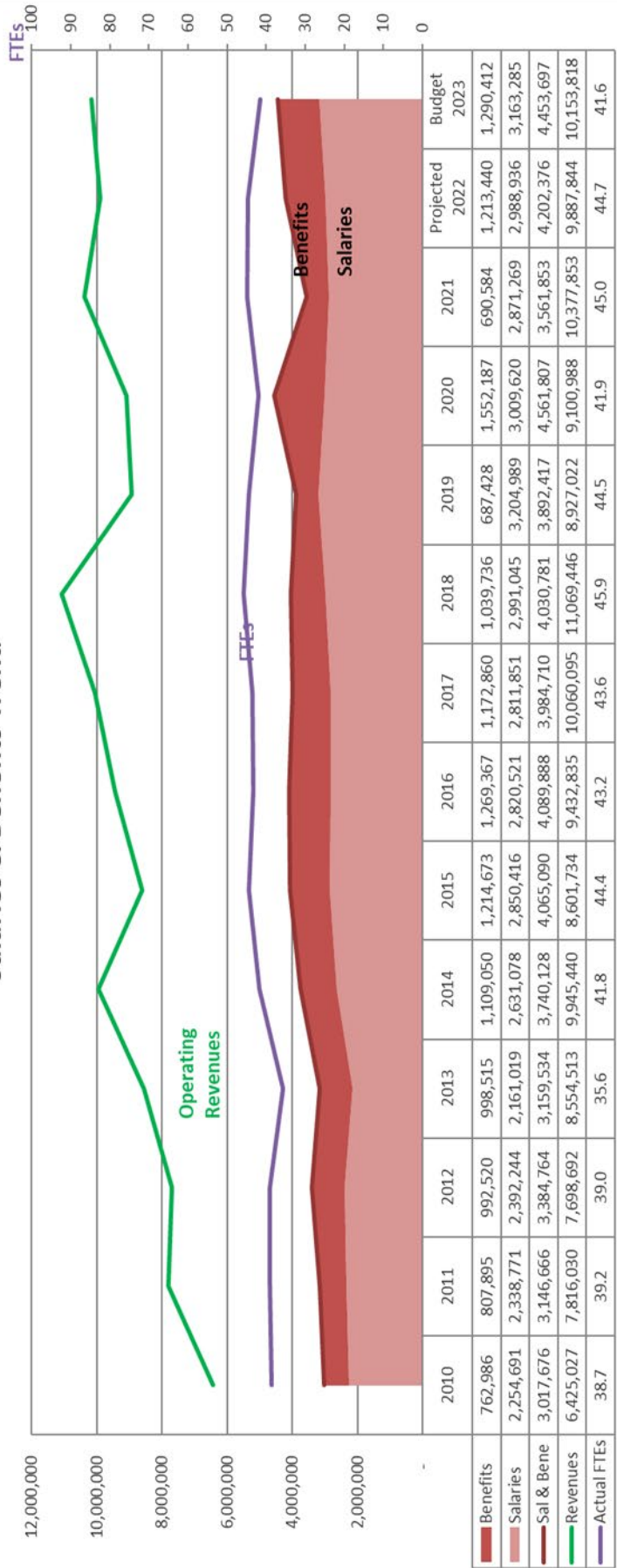
MT	N/A
MTA	N/A
LY	1 Emp left and will not be replaced.
FIA	1 Emp left in Sept overlap of new emp for 2 months
ARP	N/A
SEK	N/A
PABH	N/A
JWM	N/A
RP	N/A
A&G	1 Emp left and will not be replaced.
BD	N/A
MM	N/A
FM	N/A
NOP	N/A

FTEs = Full time equivalent

FT = Full Time

PT = Part Time

2009 thru 2022 Operating Activity Salaries & Benefits Trend



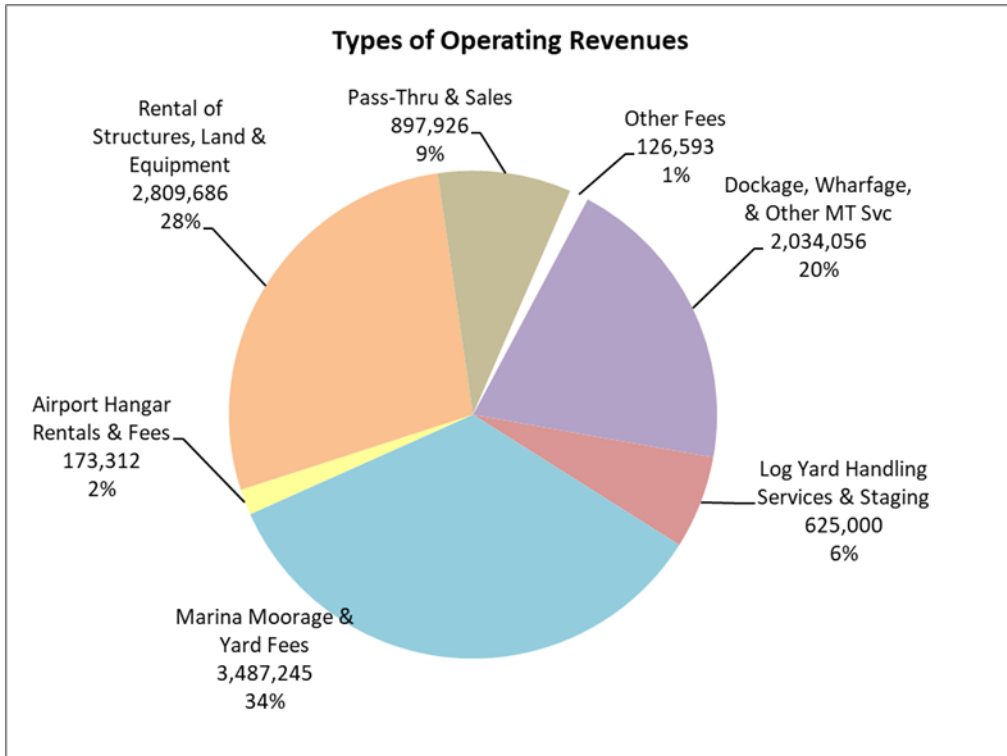
SECTION III

BUDGET OVERVIEW

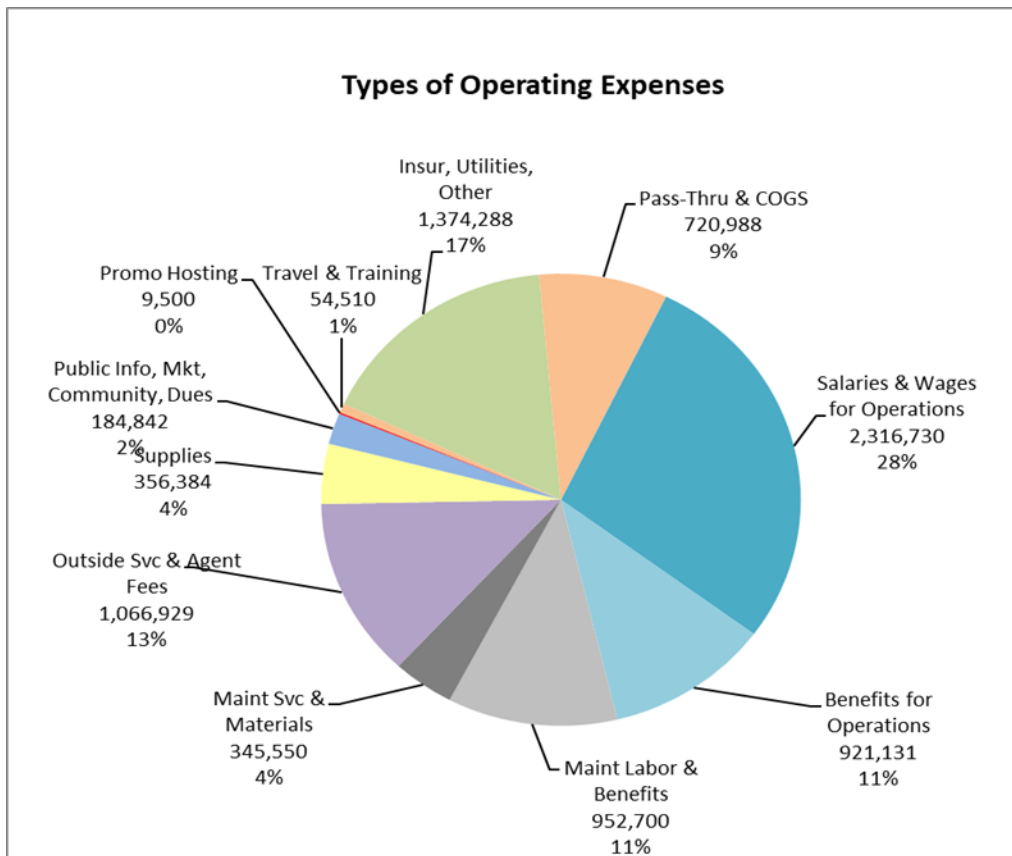
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FUND BALANCE

2023 - WHERE DOES THE MONEY COME FROM?



2023 - WHERE DOES THE MONEY GO?



**Port of Port Angeles
Summary by Type of Revenues & Expenses
2023 Budget**

	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 BUDGET	2022 Proj Over/(Under) 2022 Budget	2023 Budget Over/(Under) 2023 Proj
<u>OPERATING REVENUES</u>								
DOCKAGE	971,033	1,121,886	1,193,422	1,132,617	1,100,000	950,000	(32,617)	(150,000)
WHARFAGE	507,846	410,985	631,514	568,060	453,785	489,056	(114,275)	35,271
SERVICE & FACILITIES	313,827	249,399	391,478	352,380	245,803	290,000	(106,577)	44,197
LOADING & UNLOADING	0	0	0	0	0	0	0	0
MT HANDLING	243,779	234,655	241,326	249,898	20,000	10,000	(229,898)	(10,000)
LABOR SERVICES	207,922	215,475	314,486	302,040	280,000	295,000	(22,040)	15,000
LOG YARD STAGING	50,503	31,891	46,501	30,254	42,000	45,000	11,746	3,000
LOG YARD LAND SERVICES	437,384	350,956	440,602	381,060	520,000	485,000	138,940	(35,000)
LOG YARD WATER SERVICES	117,237	68,715	23,539	92,232	75,000	95,000	(17,232)	20,000
MOORAGE	2,286,370	2,402,035	2,574,618	2,772,669	2,773,595	3,050,955	926	277,360
MARINA & YARD FEES	335,892	327,633	350,869	356,400	417,871	436,290	61,471	18,419
LANDING/PARKING FEES	7,034	7,295	9,454	9,100	9,276	9,100	176	(176)
HANGAR/TIE DOWN	120,502	127,083	139,967	139,285	152,578	164,212	13,293	11,634
STORAGE	0	0	0	0	0	0	0	0
OTHER USER FEES	199,621	286,922	294,853	333,793	148,141	100,280	(185,652)	(47,861)
EQUIPMENT RENTAL	286,950	268,431	333,547	327,130	303,880	306,084	(23,250)	2,204
LAND LEASE/RENT	608,429	597,006	707,193	698,680	644,471	671,130	(54,209)	26,659
STRUCTURE LEASE/RENT	1,408,752	1,561,523	1,637,093	1,457,741	1,671,090	1,724,181	213,349	53,091
USE AGMT AND OTHER RENT	81,545	76,905	117,707	101,123	106,791	108,291	5,668	1,500
UTILITY PASS THRU & PRODUCT SALES	715,237	755,203	918,329	773,524	890,627	897,926	117,103	7,299
MISC & INTERDEPT REVENUE	27,161	6,991	11,353	21,500	32,936	26,313	11,436	(6,623)
TOTAL OPERATING REVENUES	8,927,022	9,100,988	10,377,853	10,099,486	9,887,844	10,153,818	(211,642)	265,974
<u>OPERATING EXPENSES</u>								
SALARIES, BENEFITS & INTERDEPT CHRGS	2,818,675	3,493,102	2,214,431	3,306,925	3,128,669	3,237,861	(178,256)	109,192
SUPPLIES	310,321	242,308	305,826	282,650	365,033	356,384	82,383	(8,648)
OUTSIDE SERVICES	1,421,201	2,098,767	2,011,425	1,253,524	1,099,446	1,066,929	(154,079)	(32,517)
PUBLIC INFORMATION	166,832	124,939	132,439	128,250	130,929	125,795	2,679	(5,134)
MARKETING	27,537	20,716	6,820	27,500	18,966	23,005	(8,534)	4,039
COMMUNITY RELATIONS	23,082	0	332	5,000	0	2,500	(5,000)	2,500
ADS, DUES & PUBLICATIONS	48,413	43,309	42,792	35,219	38,420	33,542	3,201	(4,878)
TRAVEL MEETINGS	53,008	13,023	14,701	43,000	18,786	29,410	(24,214)	10,624
TRAINING/TRAVEL	41,539	12,129	27,580	35,700	14,159	25,100	(21,541)	10,941
PROMOTIONAL HOSTING	6,199	1,167	2,068	11,200	3,761	9,500	(7,439)	5,739
RENT, UTILITIES, INSURANCE, TAXES	1,097,692	1,188,764	1,256,668	1,287,923	1,249,585	1,307,984	(38,338)	58,399
UTILITY (Pass Thru) & COST OF GOODS SOLD	520,748	601,171	699,122	619,981	668,298	720,988	48,317	52,690
OTHER EXPENSES (Misc & Interdept)	87,185	153,911	140,200	70,100	62,443	66,304	(7,657)	3,861
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT	840,624	915,320	917,225	942,371	908,680	952,700	(33,692)	44,021
MAINTENANCE (Materials & Services)	268,666	475,666	329,406	295,300	406,034	345,550	110,734	(60,484)
TOTAL DIRECT EXPENSES	7,731,721	9,384,292	8,101,033	8,344,641	8,113,207	8,303,553	(231,434)	190,345
ALLOCATED EXPENSES - ADMIN & MAINT	0	0	0	0	(0)	0	(0)	0
NET SURPLUS (DEFICIT) - Before Depreciation	1,195,302	(283,304)	2,276,820	1,754,845	1,774,637	1,850,265	19,792	75,628
ALLOCATED DEPRECIATION	(0)	0	0	0	0	0	0	(0)
DEPRECIATION	2,591,811	2,681,169	2,729,045	2,776,616	2,741,572	2,791,572	(35,044)	50,000
NET SURPLUS (DEFICIT) - After Depreciation	(1,396,508)	(2,964,473)	(452,226)	(1,021,771)	(966,935)	(941,307)	54,836	25,628
<u>NON-OP (GENERAL)</u>								
NON-OP REV (General)	2,929,423	527,553	263,591	424,560	262,951	649,500	(161,609)	386,549
NON-OP EXP (General)	553,323	346,336	156,481	550,470	327,033	658,000	(223,437)	330,967
NON-OP (General) SURPLUS (DEFICIT)	2,376,100	181,217	107,110	(125,910)	(64,082)	(8,500)	61,828	55,582
<u>NON-OP (CAPITAL)</u>								
NON-OP REV (Capital)	1,857,226	1,990,277	2,271,529	8,317,718	2,095,951	9,129,950	(6,221,767)	7,033,999
NON-OP EXP (Capital)	264,590	262,128	57,773	61,476	61,703	126,175	227	64,472
NON-OP (Capital) SURPLUS (DEFICIT)	1,592,636	1,728,149	2,213,756	8,256,242	2,034,248	9,003,775	(6,221,994)	6,969,527
NET NON-OP SURPLUS (DEFICIT)	3,968,736	1,909,366	2,320,865	8,130,332	1,970,166	8,995,275	(6,160,166)	7,025,109
TOTAL NET SURPLUS (DEFICIT)	2,572,228	(1,055,107)	1,868,639	7,108,561	1,003,231	8,053,968	(6,105,330)	7,050,737

CASH BASED FUND BALANCE

(Approximates Cash Flow)

Projected 2022	DESIGNATED FUNDING	GENERAL FUND	CAPITAL IMPR.	G.O. DEBT SERVICE	TOTAL FUNDS
CASH BALANCE, JANUARY 1, 2022					
Operating Cash		8,109,732			
Investment Fund Balance		(3,130,532)	10,782,516	0	
Beginning Balance		4,979,199	10,782,516	0	15,761,715
PROJECTED GENERAL FUND ENDING BALANCE					
Operating Revenues		9,887,844			
Operating Expenses before Depreciation		(8,113,207)			
Operating Surplus (Deficit) before Depreciation		1,774,637			1,774,637
Beginning General Fund Balance + Op Surplus (Deficit)		6,753,836			
Net Non-Operating General Surplus (Deficit)		(64,082)			(64,082)
Projected General Fund Ending Balance		6,689,754			
GENERAL FUND TARGET FUND BALANCE					
Next Year Operating Expense Budget		4,151,776			
Projected Ending Balance over (under) Target Balance		2,537,978			
TRANSFER EXCESS GENERAL FUNDS TO CAPITAL FUND					
Capital Fund is "approximately" reimbursing General Fund for:		(2,537,978)	2,537,978		0
Community Partner Program	70,000				
New Bond Issue/Loan Proceeds				765,000	
General Property Tax Levy				1,640,301	
Less: Debt Service (Principal & Interest)				(458,934)	
Excess Property Tax Levy				1,946,367	1,946,367
TRANSFER EXCESS TAX LEVY TO CAPITAL FUND			1,946,367	(1,946,367)	0
Capital Grants			455,650		455,650
Less: Capital Project Expenses (before grant funding)			(3,069,380)		(3,069,380)
CASH BALANCE, DECEMBER 31, 2022		4,151,776	12,653,131	0	16,804,907
Budget 2023					
	DESIGNATED FUNDING	GENERAL FUND	CAPITAL IMPR.	G.O. DEBT SERVICE	TOTAL FUNDS
CASH BALANCE, JANUARY 1, 2023					
		4,151,776	12,653,131	0	16,804,907
PROJECTED GENERAL FUND ENDING BALANCE					
Operating Revenues		10,153,818			
Operating Expenses before Depreciation		(8,303,553)			
Operating Surplus (Deficit) before Depreciation		1,850,265			1,850,265
Beginning General Fund Balance + Op Surplus (Deficit)		6,002,041			
Net Non-Operating General Surplus (Deficit)		(8,500)			(8,500)
Projected General Fund Ending Balance		5,993,541			
GENERAL FUND TARGET FUND BALANCE					
6 Months of Next Year Operating Budget (budget year plus 2%)		4,235,000			
Projected Ending Balance over (under) Target Balance		1,758,541			
TRANSFER EXCESS GENERAL FUNDS TO CAPITAL FUND					
Capital Fund support for Economic Development		(1,758,541)	1,758,541		0
- Community Partner Program	25,000				
New Bond Issue/Loan Proceeds				0	
General Property Tax Levy				1,670,000	
Less: Debt Service (Principal & Interest)				(533,101)	
Excess Property Tax Levy				1,136,899	1,136,899
TRANSFER EXCESS TAX LEVY TO CAPITAL FUND			1,136,899	(1,136,899)	0
Capital Grants			7,459,950		7,459,950
Less: Capital Project Expenses			(9,136,600)		(9,136,600)
CASH BALANCE, DECEMBER 31, 2023		4,235,000	13,871,921	0	18,106,921

This summary "roughly" approximates cash flow to estimate fund balance available for capital projects.

Operating Expenses do not include depreciation because it is a non-cash expense.

Net Non-Operating (General) includes investment interest and timber taxes. It excludes Property Taxes.

Includes grant funding and expenses for legacy environmental projects; net expenses are reimbursed by Capital Fund.

This transfer is "what it takes" to leave an ending fund balance to meet the 1 year reserve requirement.

Because of legacy environmental projects and CRTC, the Capital Fund is reimbursing the General Fund.

Capital expenses are the total project costs before grant funding. It also includes capital purchase of equipment.

5 Year Projected Fund Balance

5-YEAR PROJECTED CASH BASED FUND BALANCE & EXPLANATION OF RESERVES

(Approximates Cash Flow)

	2023	2024	2025	2026	2027
GENERAL FUND					
Beginning Fund Balance	4,151,776	4,242,500	4,327,200	4,413,594	4,501,716
Op Surplus/(Deficit) (before Depreciation)	1,850,265	1,750,000	1,750,000	1,750,000	1,750,000
Net Non-Operating Surplus (before grant funds)	(8,500)	250,000	250,000	250,000	250,000
Non-Operating Unidentified Grants	-	-	-	-	-
Projected Ending Fund Balance	5,993,541	6,242,500	6,327,200	6,413,594	6,501,716
TRANSFER EXCESS TO CAPITAL FUND	(1,751,041)	(1,915,300)	(1,913,606)	(1,911,878)	(1,910,116)
Estimated Ending Fund Balance	4,242,500	4,327,200	4,413,594	4,501,716	4,591,600
Explanation of Reserves					
General Reserve for Adverse Conditions & to obtain strong bond rating					
Res 19-1203: 6 Mos Next Yr Op Budget (2% increas	4,235,000	4,319,700	4,406,094	4,494,216	4,584,100
Self-insurance reserves for unemployment	7,500	7,500	7,500	7,500	7,500
Target Reserve Balance	4,242,500	4,327,200	4,413,594	4,501,716	4,591,600
Estimated Over (Under) Target	-	-	-	-	-

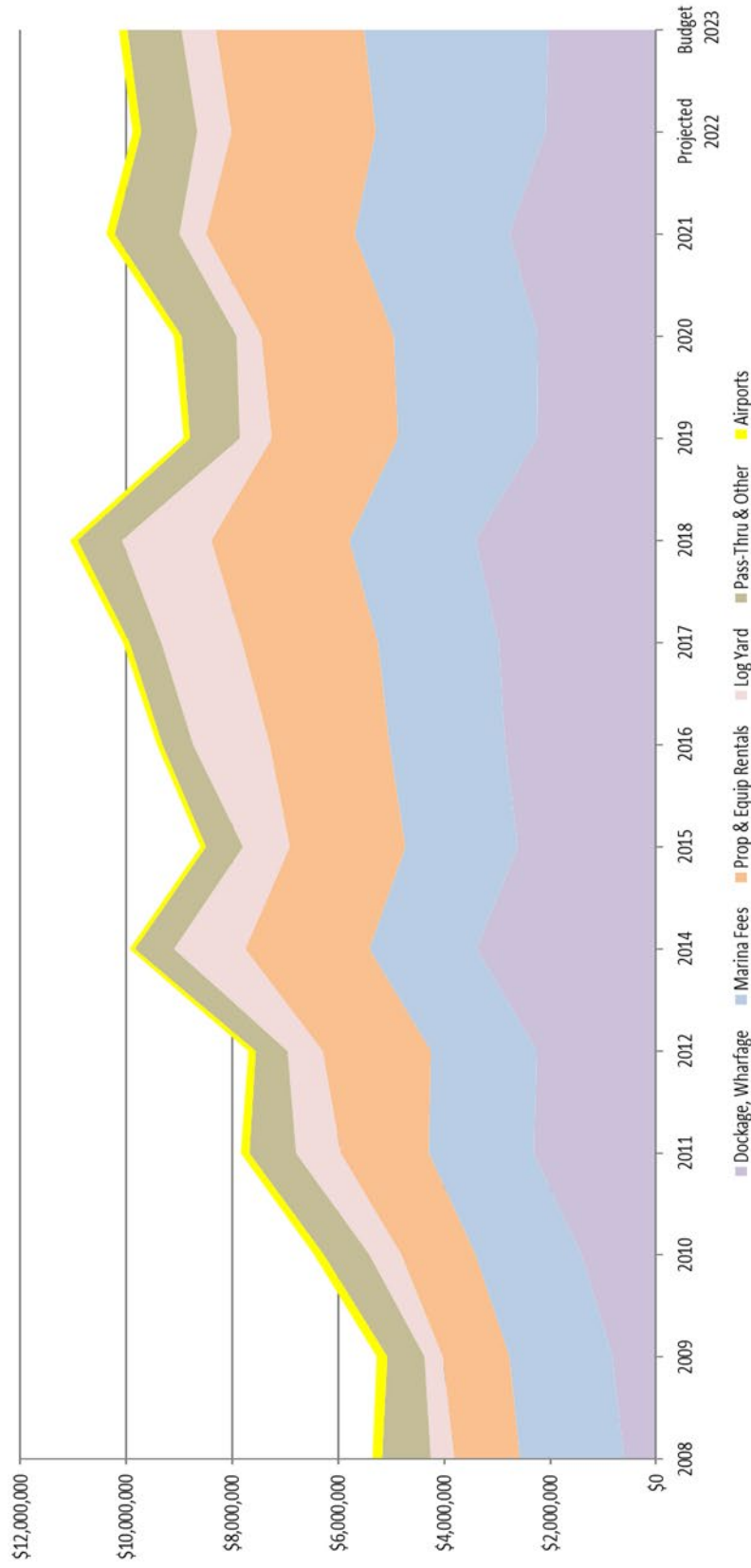
	2023	2024	2025	2026	2027
CAPITAL IMPROVEMENT FUND					
Beginning Fund Balance	12,653,131	21,324,371	18,970,559	18,283,544	16,146,529
Transfer from General Fund	1,751,041	1,915,300	1,913,606	1,911,878	1,910,116
Transfer from Debt Service Fund	1,136,899	1,172,888	1,188,379	1,571,107	1,588,313
Capital Grants for Committed Projects	7,459,950	-	-	-	-
Unidentified Capital Grants	7,459,950	13,345,000	776,000	10,493,000	970,000
Funds Available for Capital Projects	30,460,971	37,757,559	22,848,544	32,259,529	20,614,957
Capital Projects per 5 Yr Capital Plan	(9,136,600)	(18,787,000)	(4,565,000)	(16,113,000)	(4,225,000)
Estimated Ending Fund Balance	21,324,371	18,970,559	18,283,544	16,146,529	16,389,957
			Reduce Reserves and/or issue debt.		
0					
Environmental Liability GASB49	82,500	60,750	60,750	60,750	60,750
Environmental Projects (non-capital) Reserves	50,000	50,000	50,000	50,000	50,000
Emergency Repair or Unfortunate Event	500,000	500,000	500,000	500,000	500,000
Job Creation Opportunity	500,000	500,000	500,000	500,000	500,000
Target Capital Reserves	1,132,500	1,110,750	1,110,750	1,110,750	1,110,750
Estimated Over (Under) Target	20,191,871	17,859,809	17,172,794	15,035,779	15,279,207

This does not fully include Harbor Area cleanup plan since it cannot be reasonably estimated at this time.

General Caveat: Adjustments will be made based on Commission priorities and planned engineering studies.

	2023	2024	2025	2026	2027
DEBT SERVICE FUND					
Beginning Fund Balance	-	-	-	-	-
Property Tax Levy: 1% in 2022-2025	1,670,000	1,686,700	1,703,567	1,720,603	1,737,809
Increase new Construction + Refunds	included above	15,000	15,000	15,000	15,000
Less: Debt Service	(533,101)	(528,812)	(530,188)	(164,496)	(164,496)
Projected Ending Fund Balance	1,136,899	1,172,888	1,188,379	1,571,107	1,588,313
TRANSFER EXCESS TO CAPITAL FUND	(1,136,899)	(1,172,888)	(1,188,379)	(1,571,107)	(1,588,313)
Estimated Ending Fund Balance	-	-	-	-	-
New Debt using "Excess" Prop Tax (30 yr at 2.0%)	\$ 25,600,000	\$ 26,410,000	\$ 26,760,000	\$ 35,380,000	\$ 35,770,000

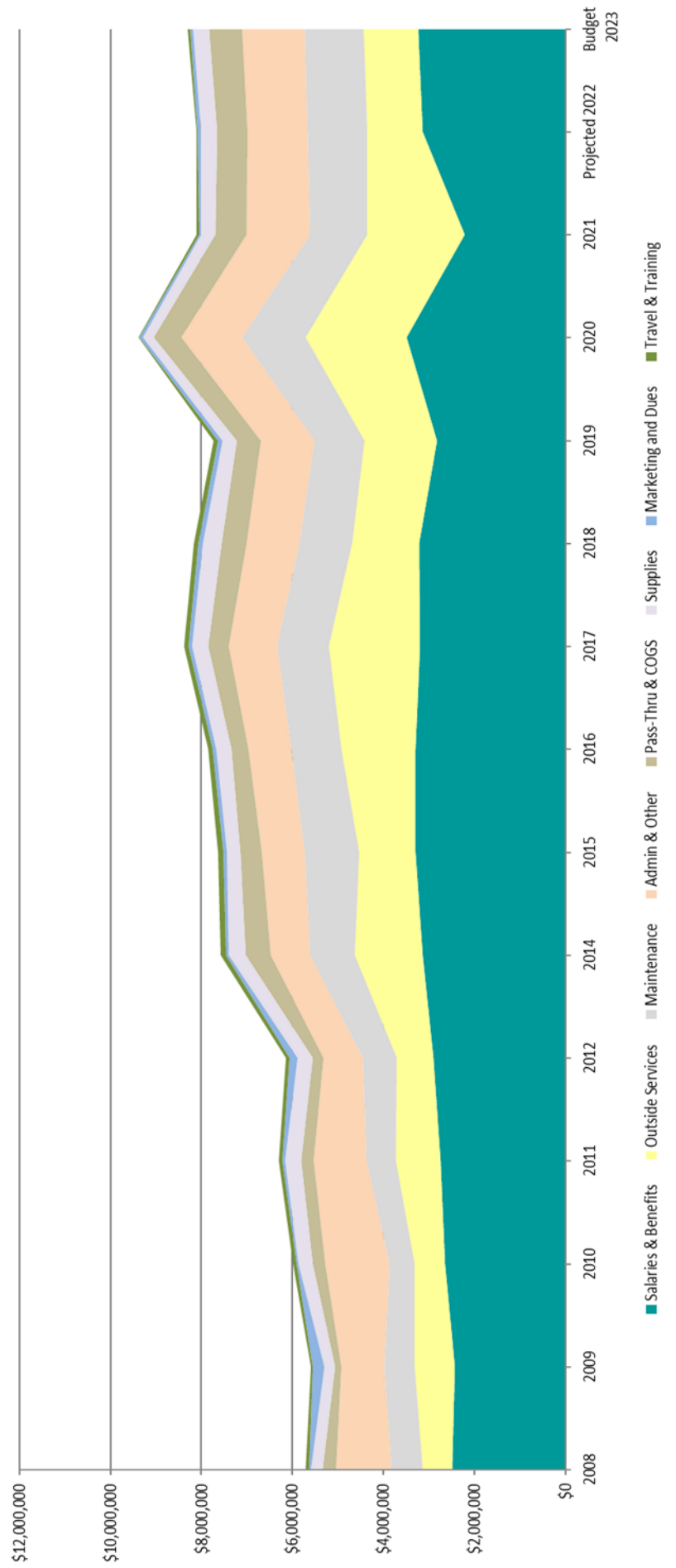
Revenue Trend - by Revenue Type



Revenue Type - Descriptions

- Dockage: Charges assessed against an ocean-going vessel for berthing at a wharf, piling structure, pier, bulkhead, etc., or for mooring to a vessel so berthed. (Marine Terminals)
- Equipment Rental: Fees received for equipment rental (with or without an operator) such as Log Yard and Marine Terminal loading equipment, Boat Yard travel lift and hydrowash, PABH hoist for loading/unloading items on/off boats.
- Hangar/Tie down: Rental of hangar space for inside aircraft storage or outside tie down space.
- Labor Services: For Marine Terminal, this is the security fee assessed against the vessel (or at the Port's discretion, against cargo), for providing security at the terminal working area as mandated by security regulations.
- Land Lease/Rent: Revenue from leasing land.
- Landing/Parking Fees: Fees charged for commercial aircraft to land and vehicle parking fees.
- Log Yard Land Services: Fees for sorting, grading, and decking logs.
- Log Yard Staging: Charges for temporary holding of logs (land or aquatic staging) prior to loading.
- Log Yard Water Services: Fees for dewatering logs (remove logs from the water), rafting (attach logs together in a raft for transport), round booming (create a floating structure to temporarily contain logs) and vessel tending (move log round booms to a ship for loading off water).
- Marina & Yard Fees: Marina fees include live-aboard fees, dock boxes, shower fees, boat ramp fees, commercial use fees, etc. Yard Fees are for use of working space and for boat storage.
- Misc & Interdept Revenue: Miscellaneous includes late fees and non-typical fees. Interdepartment is a transfer of revenue to the Airport from Rental Properties for the use of airport land.
- Moorage: Charges for use of a boat slip by either recreational boats or commercial vessels.
- MT Handling: Charges against the vessel for the use of longshore labor for physically moving cargo to/from ship's tackle to/from the first point of rest on the terminal facility. (Marine Terminals)
- Other User Fees: Fees for temporary use or access to Port facilities, such as access to provide fueling, and charges for the Port to provide minor services.
- Passenger Facility Charges: Per passenger fee charged to all departing commercial customers.
- Service & Facilities: Charges against a vessel for terminal working areas in the delivery or receipt of cargo (loading logs from the terminal or water) and for cargo documentation services.
- Storage: Fees for log storage over 60 days. Also marine terminal warehouse storage.
- Structure Lease/Rent: Revenue from leasing buildings or other structures.
- Use Agmt and Other Rent: Revenue for the use of Port facilities over a period of time based on an agreement (use of travel lift pier, use of terminal for crane services, etc.).
- Utility Pass Thru & Product Sales: Revenue for re-billing the cost of providing utilities (electric, water, etc.) when separate meters for direct bill are not available. Product sales include: Marina fuel, access cards, and laundry supplies; Log Yard banding supplies.
- Wharf: a structure built so that cargo may be loaded on or unloaded from vessels
- Wharfage: Charges assessed against cargo for use of the wharf based on the weight and measure of the cargo (logs, fish, etc.) that is loaded or unloaded over, onto, or under wharves or between vessels when berthed. (Marine Terminals, Marinas and Boat Launch Ramps)

Operating Expense Trend - by Expense Type



Expense Type - Descriptions

- Ads, Dues & Publications: Costs for professional dues, publications, and newspaper ads for public notifications.
- Benefits: Related benefits associated with Port employees.
- Community Relations: Support to assist the College, schools, business associations and other organizations in work force training and economic development. Includes ads, sponsorships, partnerships, materials, etc.
- Maintenance Charge-Out & Reimbursement: Includes charges to operating departments for labor performed by Facilities Maintenance and Mechanic Maintenance personnel. The charge-out amount was established to recover wages and benefits and accurately reflect departmental costs.
- Maintenance Labor & Benefits: related to maintaining building, facilities and equipment.
- Maintenance (Materials & Services): Materials purchased by the Facilities Maintenance and Mechanic Maintenance when performing work for operating departments as well as outside services performed for specific departments.
- Marketing: Market research, positioning, and other outreach efforts that are program specific. Includes design of materials, printing of brochures, banners, etc.
- Non-Maintenance Charge-Out & Reimbursement: Distributed Salaries & Benefits of Non-Maintenance staff based on the percentage of time worked in each department. The “home department” receives the reimbursement (offset) of the amount charged for services.
- Other Expenses (Misc & Interdept): Reflects interdepartmental transfers, such as a transfer from Rental Properties to Fairchild International Airport for use of airport land. It also includes the use of equipment owned by the airport and used by facilities maintenance.
- Outside Services: Payments made for personal services contracts, including legal services, consulting, auditing, marketing, and weather, etc.
- Promotional Hosting: Reflects expenditures made in developing Port business and retention of current customers in conformity with RCW, Chapter 53.36.130.
- Public Relations: General outreach efforts to the public and customers.
- Rent, Utilities, Insurance, Taxes: Rent is for harbor area leases, utilities for Port operations (not pass-thru utilities to customers, insurance covers liability and property, as well as specialty insurance specific to operations, and taxes include B&O excise taxes and leasehold taxes.
- Salaries & Wages: Wages & salaries associated with the operations of the departments, including administration and business development. Maintenance labor for maintaining infrastructure and equipment is identified separately.
- Supplies: Cost of office supplies, fuel, safety supplies and small tools.
- Training/Travel: Registration costs for training plus associated travel.
- Travel Meetings: Travel costs associated with professional meetings regarding Port business to include mileage, airfare expenditures, hotel and meal reimbursements.
- Utility (Pass-Thru) & Cost of Goods Sold: The metering of some facilities does not allow for utilities to be in the customer name as well as other circumstances. The Port re-bills the customer for amounts the Port pays on behalf of the customer. Cost of Goods Sold includes fuel, banding material for log activity, and products sold at the marinas.

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SECTION IV

OPERATING BUDGET

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2022 PROJECTED YEAR END - ASSUMPTIONS All Departments

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

Revenues - 2022 Projected

1. Rates, fees, and applicable leases were increased by CPI, except as specifically identified. This is consistent with the 2022 budget assumptions.
2. Marine Terminal revenues are projected to be below budget by \$590,000 primarily due to a reduction in cargo volume. Cargo volume for logs is projected to be 35.0 million board feet with 2 additional cargo vessels projected for Q4 (10 total vessels received logs but were lower capacity cargo vessels that what has been typical). 2022 Budget was 42.0 million board feet at 8 vessels. Wood chip export volume is projected to be approximately 40% of budget, both at terminal 3 and handling services in surge area. Chip exports ceased for 9 months but are starting back up. The Port's customer expects the flow of chips through the Port to return to similar rates as 2021.
3. Marine Terminal revenues for non-timber related dockage also projected to be very close to budget as a result of having 42 days for topside repair days compared to the budgeted 40 days. Cable Innovator's lay berthing expecting to in line with the budgeted 260 days by EOY 2022.
4. Marine Trades revenues will be higher than budget due to adjustments in rental lease rates and increased activity in the boat yard activity (equipment rental and yard fees).
5. Airport revenues have remained consistent from 2021 due to hangar occupancy remaining at or near 100%. DASH Air Shuttle is now expected to commence service at the end of 2022. There is a possibility that the FedEx will be vacated sometime in 2023 so there will be a potential increase in rental revenue when the facility is leased due to increased rates.
6. Lease revenue, across all departments, is projected to be slightly higher than budget. This is due to rental rate increases and new tenants.
7. Airport Rental Property revenue is projected to be over budget. This is due to rental rate increases and new tenants. There is a reduction in Land/Lease rent due to minimization of month-to-month leases.
8. Marina moorage revenues at PABH and JWM have remained consistent due to relatively high occupancy. Revenue increases are primarily due to normal rate increases.

2022 PROJECTED YEAR END - ASSUMPTIONS
All Departments - continued

Expenses – 2022 Projected

1. Marine Terminal expenses are projected to be below budget by \$260k due to lower volume of cargo being exported across Terminal 3 resulting in lower costs to operate the terminal. In addition, budgeted longshore labor will be well below budget due to the decrease in chip export activity.
2. Marine Trades expenses are under budget across a variety of categories; notably lower than budgeted in Facilities Maintenance, Mechanical Maintenance charge-out Expenses.
3. Log Yard expenses, in total, are expected to be over budget by year-end. The primary unplanned cost drivers have been equipment maintenance and the cost of diesel fuel.
4. Airport expenses are projected to be on budget.
5. Airport Rental Property expenses projected to be under budget mainly due to decreased maintenance expenses.
6. Marina expenses are on track with budget projections.
7. Mechanical Maintenance (MM) and Facilities Maintenance (FM) expenses are projected to be over budget. Much of the budget variance is attributed to the increased cost of petroleum products including fuel, oil, lubricants, and hydraulic fluid.
8. Administration expenses are projected to be under budget by approximately \$150K mainly due to Salaries, Benefits & Interdepartmental Changes. One finance position was not refilled following a retirement and there have been other gaps in staffing due to staff turnover during the year.
9. Business Development expenses are projected to be over budget by approximately \$55k. This is due primarily to an unplanned grant that was applied for and awarded by CERB for engineering studies for the potential of a dry dock. Our match portion of the grant was \$79,693, which was not budgeted. BD has been able to reduce \$30,000 from original budget in order to minimize impact.
10. Insurance renewals - all Port - occur twice a year with property insurance renewing in July of each year and liability insurance renewing in October of each year. The property insurance premium increased by \$14k in July 2022 despite a \$100K premium reduction related to lower limits for earthquake insurance. The ongoing increases are attributed to multiple years of the largest insured losses in recorded history, both domestically and globally, which have occurred due to catastrophic natural disasters. The property insurance renewal in October is expected to increase at a rate of 15%.
11. Non-Operating: Significantly below budget due to capital grant funding for the Marine Trades Center and Airport Runway project being delayed until 2023.

2023 BUDGET - ASSUMPTIONS All Departments

General

1. CPI: August 2022 CPI West–Size Class B/C–All Urban Consumer (CPI-U) was 8.3% with an 8.5% average over the first 6 months of 2022. The Commission can adopt one of these or another as the benchmark rate for annual rate increases.
2. Inflation. General Inflation outlook is currently at 8%.

Revenues – 2023 Budget

1. In general, rates, fees and applicable leases will increase by the rate factor set by the Commission with additional adjustments made based on market factors.
2. Marine Terminal tariff rates will be adjusted based on the August 2021 CPI West - All Urban Consumers (CPI-U), which is 8.3%. This tariff rate adjustments include Dockage, Vessel Repair Dockage, Equipment Rental, Wharfage, Service and Facilities Charges, Passenger Fees, Security and Environmental Fees.
3. Marine Terminal activity includes revenue and associated expenditures based on an initial estimate of 32 million board feet of log exports (6 vessels), 40 days of top side repair dockage, and 32 chip barges.
4. Marine Trades revenue for use of the Travel-Lift Pier and Wash-Down will increase in accordance with the published rates for 2023. Travel-Lift Pier fees are calculated based on the overall length of the vessel.
5. Marine Trades. Fees at the Marine Trades Area are currently going through a market review and will be increased by an appropriate factor. For budgeting purpose, an assumed rate increase of CPI is being used. Most Boat Yard and MTC charges are based on the overall length of the vessel.
6. Log Yard rates for log handling services (and fees) will be increased by 8.3% in the initial budget.
7. Log Yard anticipates a similar level of activity in 2023 as it did in 2022. Budgeted revenue is slightly below the project year end of 2022, but higher than what the Port has received in recent years.
8. Log Yard Domestic barging demand for import should remain consistent, but the demand for domestic exports is increasing.
9. Log Yard - Equipment Rental includes revenue for loading equipment used at the marine terminal for cargo operations. Equipment Rental revenue is based on a volume of 32 million board feet loaded at terminal 3.
10. Log Yard rates for log handling services (and fees) will be increased by 8.3% in the initial budget.
11. Marina moorage rates will increase by - CPI plus 3% with a cap of 6% for slips under 50 feet; CPI plus 4% with a 7% cap for 50-foot slips and greater, PA Boat Haven and John Wayne Marina.
12. FIA and Airport Rental Property revenues will see an increase in existing rents based on contractual CPI driven increases. Current inquiries for buildings 10.10, 10.50 and MTIB could result in new leases.

2023 BUDGET – ASSUMPTIONS **All Departments (continued)**

13. Property Tax Revenues. The Port will continue to use property tax revenues for new capital projects, debt service for prior capital projects, the Community Partner Program and the Commission approved special economic initiative to support the return of passenger air service to the William R. Fairchild International Airport (\$133k match for \$200k USDOT grant award).

Expenses – 2023 Budget

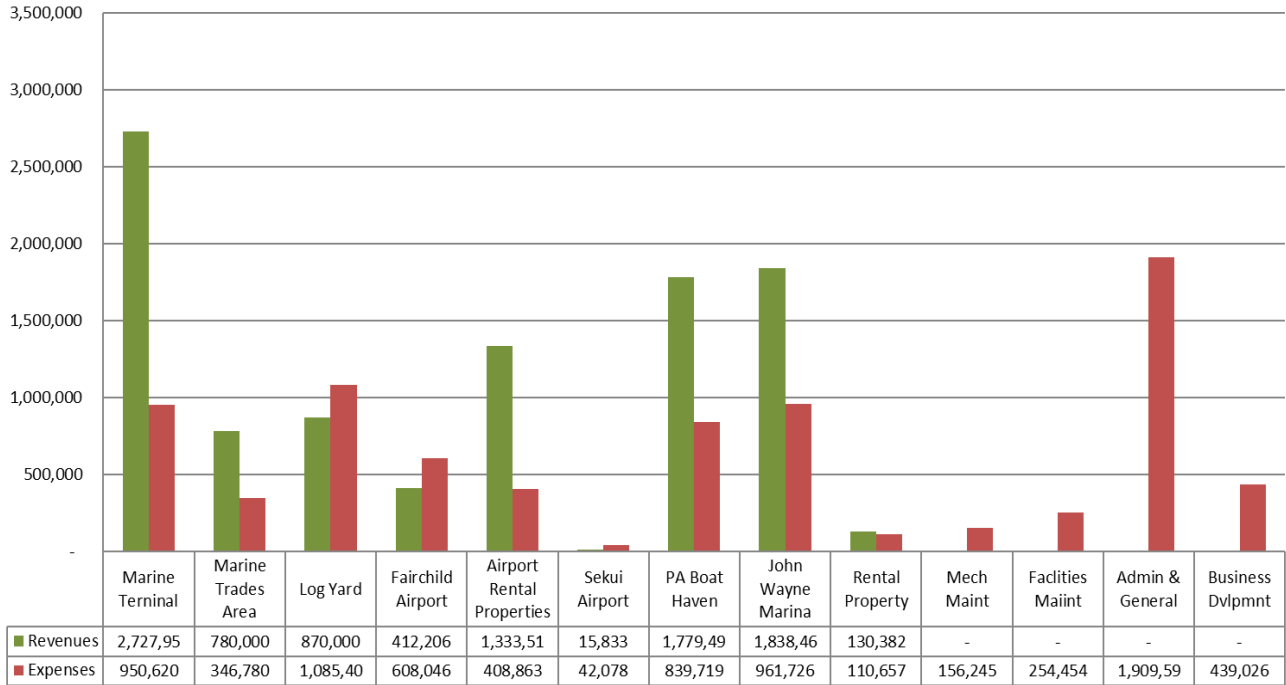
1. Salaries & Wages. The August 2022 CPI West-Size Class B/C-All Urban Consumer (CPI-U) is 8.3%. Traditionally, the August CPI-U has generally been used to determine salary and wage increases. The 2022 projected and 2023 operating budget present challenging financial times. During such challenging financial times in the past, the Port Commission would not finalize the salary and wage increases until near the end of the budget development process. The Commission may approve none, partial or a full CPI increase. The CPI in the draft budget will assume a 5% increase subject to Commission approval. The proposed merit pool for non-represented staff will remain at \$15k, unchanged from last year. Represented staff will receive pay step increases per the applicable collective bargaining agreement, which is approximately \$5,423 (step increases are at 2.5% spread over multiple years).
2. Health insurance premiums will remain at the current rates for monthly premiums during January 1, 2023, to June 30, 2023. Premiums for July 1, 2023, to December 31, 2023 are projected to remain stable with no increase. The PERS (Public Employee Retirement System) premiums are on a yearly cycle (September 1, 2022 – August 31, 2023).
3. Paid Family Leave. In 2019, the State of Washington implemented RCW 50A.04 which created a state Paid Family Medical Leave (FMLA) plan. Unpaid FMLA has been an employee benefit dictated by federal regulations for number of years. However, the new state plan is for Paid FMLA. Employees and employers began contributing to the Paid Family Leave plan beginning January 1, 2019. As of January 1, 2020, eligible employees will be able to utilize this benefit. The employer premium is approximately \$4,600 or 37% of the total premium, with the remainder of the premium paid by the employee.
4. Washington Labor and Industries Rates. The Port's Labor and Industries rates are expected to increase slightly in 2023.
5. Legal services on environmental legacy issues will continue for litigation/negotiations with third parties.
6. Outside services include all services contracted by the Port including legal services, environmental consulting and various services associated with normal Port operations. All services are current under review by staff.

2023 BUDGET – ASSUMPTIONS
All Departments (continued)

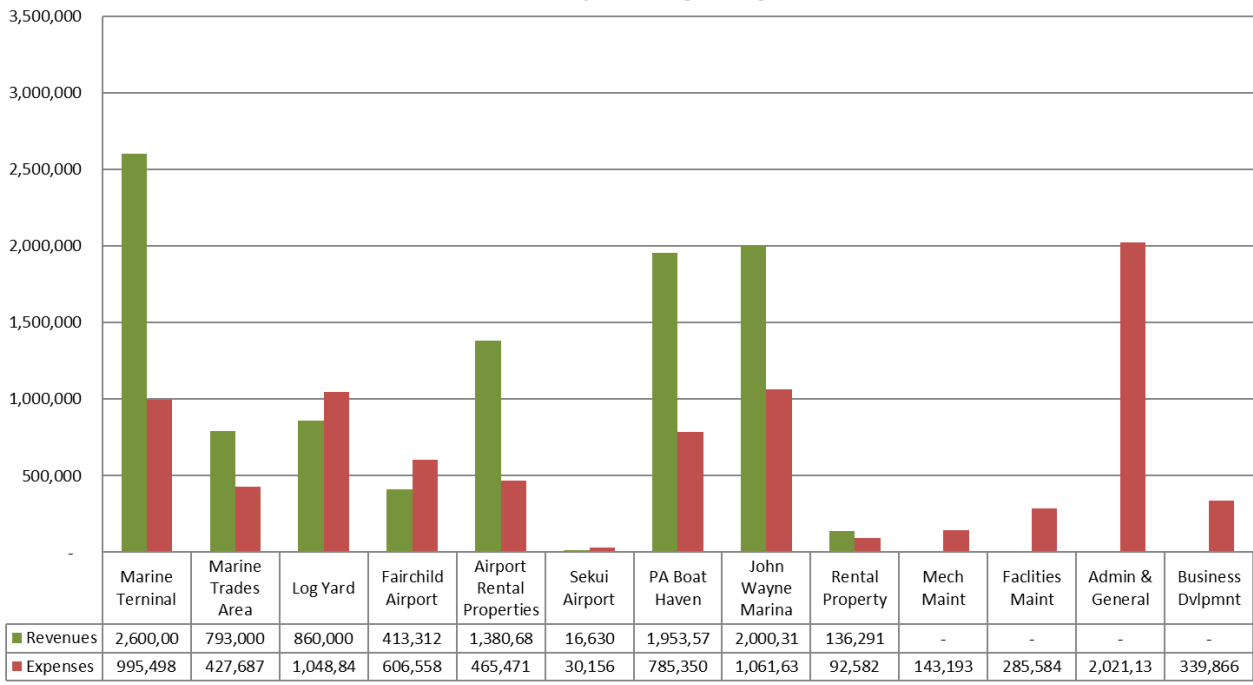
7. Insurance renewals - all Port - occur twice a year with property insurance renewing in July of each year and liability insurance renewing in October of each year. Over the past few years, the insurance rates have been increasing at a rate of approximately 20% per year. To mitigate the cost increases staff continues to work with our insurance broker to adjust deductibles and coverage while maintain appropriate insurance of Port assets. This active management approach will continue into 2023. The July 2022 property insurance policy renewed at \$467K which was only \$14K over the previous year. This minimal increase was the result of reducing earthquake limits to reduce the annual premium by \$100K. Such savings may not be available in 2023.
 - a. Property insurance is distributed to the departments based on the value of the land, improvements, and buildings.
 - b. Liability insurance is distributed based on the pro rata share of operating expenses.
 - c. Other insurance is charged to the departments using an appropriate base (i.e., auto insurance is allocated by vehicle use; airport liability is charged to Airport; skiff (owned small vessel) insurance is charged to Log Yard).
8. Washington State Audit. Washington State Auditor's Office Annual Report Audit will be approximately \$50k. A Single Federal Audit is expected to be needed due to the receipt of more than \$750k Federal grant funds. This will result in an additional audit fee of approximately \$10K.
9. Operating Contingency. The 2023 budget does not currently contain an operating contingency.

***Continue to the next page*

2022 Projected Operating Activity



2023 Operating Budget



**Port of Port Angeles
Summary by Department
2023 Budget**

	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 BUDGET	2022 Proj Over/(Under) 2022 Budget	2023 Budget Over/(Under) 2023 Proj
OPERATING REVENUES								
11 MARINE TERMINAL	2,872,277	2,974,359	3,572,883	3,319,896	2,727,953	2,600,000	(591,943)	(127,953)
15 MARINE TRADES AREA	564,271	602,040	769,838	721,297	780,000	793,000	58,703	13,000
21 LOG YARD	868,434	698,893	809,401	764,406	870,000	860,000	105,594	(10,000)
31 FAIRCHILD INTERNATIONAL AIRPORT	341,628	365,768	465,361	392,712	412,206	413,312	19,494	1,106
33 AIRPORT RENTAL PROPERTIES	1,166,240	1,292,971	1,389,530	1,258,061	1,333,513	1,380,688	75,452	47,175
32 SEKIU AIRPORT	14,759	14,726	14,194	14,600	15,833	16,630	1,233	797
41 PA BOAT HAVEN	1,507,328	1,564,474	1,656,064	1,771,514	1,779,490	1,953,579	7,976	174,089
43 JOHN WAYNE MARINA	1,496,763	1,490,605	1,622,428	1,736,790	1,838,467	2,000,317	101,677	161,850
61 RENTAL PROPERTY	95,322	97,153	78,153	120,210	130,382	136,291	10,172	5,909
91 MECHANICAL MAINTENANCE	0	0	0	0	0	0	0	0
92 FACILITIES MAINTENANCE	0	0	0	0	0	0	0	0
80 ADMINISTRATION & GENERAL	0	0	0	0	0	0	0	0
81 BUSINESS (Economic) DEVELOPMENT	0	0	0	0	0	0	0	0
TOTAL OPERATING REVENUES	8,927,022	9,100,988	10,377,853	10,099,486	9,887,844	10,153,818	(211,642)	265,974
OPERATING EXPENSES								
11 MARINE TERMINAL	1,125,729	2,127,840	2,128,202	1,139,743	950,620	995,498	(189,123)	44,878
15 MARINE TRADES AREA	357,879	442,298	362,345	425,159	346,780	427,687	(78,379)	80,907
21 LOG YARD	1,060,035	992,726	1,060,941	962,890	1,085,403	1,048,840	122,513	(36,563)
31 FAIRCHILD INTERNATIONAL AIRPORT	653,213	643,018	666,322	617,561	608,046	606,558	(9,515)	(1,488)
33 AIRPORT RENTAL PROPERTIES	519,239	408,820	508,928	501,461	408,863	465,471	(92,598)	56,608
32 SEKIU AIRPORT	30,095	30,704	30,113	30,218	42,078	30,156	11,860	(11,922)
41 PA BOAT HAVEN	756,546	769,623	762,445	770,844	839,719	785,350	68,875	(54,370)
43 JOHN WAYNE MARINA	898,943	850,719	972,365	1,003,287	961,726	1,061,634	(41,561)	99,908
61 RENTAL PROPERTY	83,813	118,395	102,572	87,113	110,657	92,582	23,544	(18,075)
91 MECHANICAL MAINTENANCE	133,621	146,069	132,945	129,103	156,245	143,193	27,142	(13,052)
92 FACILITIES MAINTENANCE	247,192	321,151	247,361	245,021	254,454	285,584	9,433	31,129
80 ADMINISTRATION & GENERAL	1,325,206	2,226,879	781,641	2,048,189	1,909,590	2,021,137	(138,599)	111,547
81 BUSINESS (Economic) DEVELOPMENT	540,211	306,051	344,855	384,054	439,026	339,866	54,972	(99,160)
TOTAL DIRECT EXPENSES	7,731,721	9,384,292	8,101,035	8,344,641	8,113,207	8,303,553	(231,434)	190,345
ALLOCATED EXPENSES - ADMIN & MAIN	0	0	0	0%	(0)	0	(0)	0
NET SURPLUS (DEFICIT) - Before Depreciation	1,195,302	(283,304)	2,276,818	1,754,845	1,774,637	1,850,265	19,792	75,628
ALLOCATED DEPRECIATION	(0)	-	-	0	0	0	(0)	0
DEPRECIATION EXPENSE	2,591,811	2,681,169	2,729,045	2,776,616	2,741,572	2,791,572	(35,044)	50,000
NET SURPLUS (DEFICIT) - After Depreciation	(1,396,508)	(2,964,473)	(452,227)	(1,021,770)	(966,935)	(941,307)	54,835	25,628
NON-OP (GENERAL)								
NON-OP REV (General)	2,929,423	527,553	263,591	424,560	262,951	649,500	(161,609)	386,549
NON-OP EXP (General)	553,323	346,336	156,481	550,470	327,033	658,000	(223,437)	330,967
NON-OP (General) SURPLUS (DEFICIT)	2,376,100	181,217	107,110	(125,910)	(64,082)	(8,500)	61,828	55,582
NON-OP (CAPITAL)								
NON-OP REV (Capital)	1,857,226	1,990,277	2,271,529	8,317,718	2,095,951	9,129,950	(6,221,767)	7,033,999
NON-OP EXP (Capital)	264,590	262,128	57,773	61,476	61,703	126,175	227	64,472
NON-OP (Capital) SURPLUS (DEFICIT)	1,592,636	1,728,149	2,213,756	8,256,242	2,034,248	9,003,775	(6,221,994)	6,969,527
NET NON-OP SURPLUS (DEFICIT)	3,968,736	1,909,366	2,320,866	8,130,332	1,970,166	8,995,275	(6,160,166)	7,025,109
TOTAL NET SURPLUS (DEFICIT)	2,572,228	(1,055,107)	1,868,639	7,108,562	1,003,231	8,053,968	(6,105,331)	7,050,737

MARINE TERMINAL (MT 11)

The Port of Port Angeles operates and maintains 2 deep water operating terminals and related equipment that support marine cargo operations, topside vessel repair and lay berth. Additionally, the MT department leases to private companies an industrial building, warehouse / office space and two piers. The objectives of the marine terminal department are:

- To operate the marine terminals in a manner that will provide an excess of revenues over expenses.
- To provide services, industrial waterfront facilities and a dedicated workforce for the efficient handling and loading of marine cargo, topside vessel repair and lay berth.
- Reinvest in the marine terminals to ensure that the Port's maritime infrastructure continues to support maritime jobs while obtaining a competitive return on the public investment.

2022 PROJECTED

Revenue Assumptions

1. Dockage, Wharfage and Service and Facilities will be less than budget with projected end year cargo volumes of 35 million board feet of raw logs and 30,000 metric tons of wood chips, which is below the budgeted 42 million board feet and 80,000 metric tons respectively.
2. Vessel Repair Dockage revenue will be in line with budget with a total of 42 repair vessel days compared to the budgeted 40 days.
3. Labor Services associated revenues for vessel security will be less than budget due to decrease in cargo. Labor services associated with tanker repair vessel calls and vessel on lay status is consistent with budget.
4. Other User Fees is projected to be 30% of budget which reflects the reduction wood chip volume being handled by the Port in the "surge area".

Expense Assumptions

1. Outside Services include longshoremen labor used in support of chip barge operation (corresponding revenue recognized in MT handling).
2. Utility and Cost of Goods Sold higher than budget due to increased electrical use for long term lay berth vessels (corresponding revenue recognized in Utility Pass Thru and Product Sales).
3. Overall Marine Terminal expenses are less than budget primarily due to decreases in outside services and maintenance expenses.

2023 BUDGET

Revenue Assumptions

1. Projected cargo activity and associated revenue in 2023 is based on 6 cargo vessel calls (32 million board feet) and 32 chip barges (80,000 metric tons).
2. 40 days for top-side repair.
3. Marine Terminal tariff rates will be adjusted based on the August 2022 CPI West - All Urban Consumers (CPI-U), which is 8.3% for Dockage, Wharfage, Service and Facilities Charges, Equipment Rental, Stormwater Fee Passenger Fee, security, and fuel Handling Fee.

Expense Assumptions

1. Overall expense is trending down from previous years due to the projected decrease in cargo activity.
2. MT expenses include setup and removal of cargo loading equipment as well as cleaning and maintenance of equipment, docks, grounds, and buildings.

Port of Port Angeles
MARINE TERMINAL (MT - DEPT 11)
2023 Budget

	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 BUDGET	2022 Proj Over/(Under) 2022 Budget	2023 Budget Over/(Under) 2023 Proj
OPERATING REVENUES								
DOCKAGE	971,033	1,121,886	1,193,422	1,132,617	1,100,000	950,000	(32,617)	(150,000)
WHARFAGE	504,076	409,173	628,955	566,160	450,000	485,000	(116,160)	35,000
SERVICE & FACILITIES	313,827	249,399	391,479	352,380	245,803	290,000	(106,577)	44,197
MT HANDLING	243,779	234,655	241,326	249,898	20,000	10,000	(229,898)	(10,000)
LABOR SERVICES	207,922	215,475	314,486	302,040	280,000	295,000	(22,040)	15,000
LOG YARD STAGING	0	0	0	0	0	0	0	0
LOG YARD LAND SERVICES	0	0	0	0	0	0	0	0
LOG YARD WATER SERVICES	0	0	0	0	0	0	0	0
MOORAGE	0	0	0	0	0	0	0	0
MARINA & YARD FEES	0	0	0	0	0	0	0	0
LANDING/PARKING FEES	0	0	0	0	0	0	0	0
HANGAR/TIE DOWN	0	0	0	0	0	0	0	0
OTHER USER FEES	144,050	237,194	234,679	268,093	80,000	25,000	(188,093)	(55,000)
EQUIPMENT RENTAL	18,130	30,236	26,161	30,000	10,000	20,000	(20,000)	10,000
LAND LEASE/RENT	55,032	57,035	43,284	74,226	42,000	50,000	(32,226)	8,000
STRUCTURE LEASE/RENT	223,998	229,961	218,751	148,482	225,000	230,000	76,518	5,000
USE AGMT AND OTHER RENT	365	0	0	500	0	0	(500)	0
UTILITY PASS THRU & PRODUCT SALES	192,221	199,638	298,075	204,500	275,000	250,000	70,500	(25,000)
MISC & INTERDEPT REVENUE	(2,157)	(10,293)	(17,736)	(9,000)	150	(5,000)	9,150	(5,150)
TOTAL OPERATING REVENUES	2,872,277	2,974,359	3,572,883	3,319,896	2,727,953	2,600,000	(591,943)	(127,953)
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	397,637	328,663	395,214	354,501	353,857	340,863	(644)	(12,994)
SUPPLIES	7,928	13,005	10,031	12,000	3,500	10,000	(8,501)	6,501
OUTSIDE SERVICES *	248,873	1,191,840	1,075,728	214,500	35,665	33,000	(178,836)	(2,665)
PUBLIC INFORMATION	0	0	0	250	0	250	(250)	250
MARKETING	0	0	0	0	0	0	0	0
COMMUNITY RELATIONS	0	0	0	0	0	0	0	0
ADS, DUES & PUBLICATIONS	2,408	2,119	2,261	0	875	1,777	875	902
TRAVEL MEETINGS	1,332	160	90	3,000	500	3,000	(2,500)	2,500
TRAVEL/TRAINING	400	234	2,191	1,600	0	1,600	(1,600)	1,600
PROMOTIONAL HOSTING	434	101	275	1,000	100	500	(900)	400
RENT, UTILITIES, INSURANCE, TAXES	200,238	227,458	265,314	231,655	220,220	243,508	(11,435)	23,288
UTILITY (Pass Thru) & COST OF GOODS SOLD	115,757	137,150	186,675	170,417	225,000	200,000	54,583	(25,000)
OTHER EXPENSES (Misc & Interdept)	592	15,326	36,015	1,000	0	1,000	(1,000)	1,000
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT	126,611	158,179	118,964	127,820	82,118	130,000	(45,703)	47,883
MAINTENANCE (Materials & Services)	23,519	53,605	35,444	22,000	28,787	30,000	6,787	1,214
TOTAL DIRECT EXPENSES	1,125,729	2,127,840	2,128,202	1,139,743	950,620	995,498	(189,123)	44,878
ALLOCATED EXPENSES - ADMIN & MAIN	450,738	1,024,543	491,414	524,595	398,653	441,528	(125,942)	42,875
NET SURPLUS (DEFICIT) - Before Depreciation	1,295,810	(178,024)	953,266	1,655,558	1,378,680	1,162,974	(276,878)	(215,706)
ALLOCATED DEPRECIATION	18,204	26,200	26,152	15,931	12,836	14,008	(3,095)	1,172
DEPRECIATION (includes donated assets)	561,034	631,475	640,991	652,149	642,272	653,985	(9,877)	11,714
NET SURPLUS (DEFICIT) - After Depreciation	716,572	(835,699)	286,123	987,478	723,573	494,981	(263,905)	(228,592)

MARINE TRADES AREA (MTA 15)

The Marine Trades Area (MTA) department primary focus is to promote economic opportunity and growth in the vessel repair and manufacturing sector of our local economy. Port waterfront facilities that are dedicated to marine trades include the Port Angeles Boat Yard and the 18-acre Marine Trades Center. Services offered include vessel haul-out capability up to 500 metric tons, upland boat storage, wash-down facilities and a skilled dedicated workforce. The objectives of Marine Trades Area are to:

- Provide quality haul-out service for maintenance and dry storage of commercial, government and recreational boats.
- Provide repair facilities and infrastructure for tenants of the Port Angeles Boat Haven.
- Obtain a competitive return on the public investment in these facilities which include two Travel Lift Piers, a 70 Ton TravelLift, two wash-down facilities and a full-service boat yard.
- Support maritime commerce and associated jobs through development of the 18-acre Marine Trades Center (MTC).

2022 PROJECTED

Revenue Assumptions

1. Equipment Rental, which includes Travel-Lift & Hydro-wash activities are higher than budget due to an increase in activity at the Port Angeles Boat Yard (PABY).
2. Lease Revenues will be higher than budget due to mid-year adjustments in land rental lease rates and near continuous use of the boat yard work building.

Expense Assumptions

1. Expenses lower than budget in Facilities Maintenance and Mechanical Maintenance.

2023 BUDGET

Revenue Assumptions

1. MTA rates and fees will increase by the West Coast CPI factor for the month of August, which is 8.3%.
2. Equipment Rental includes revenue for use of the boatyard travel lift and boatyard hydro-wash.
3. Use Agreement and Other Rent includes fees for the use of the Travel Lift Pier and Wash Facility. Budget anticipates 140 operations (haul out and launches using the Port's Travel Lift Pier). Approximately 90% of haul-outs also utilize the wash facility.

Expense Assumptions

1. Budget includes Marketing Expenses associated with participation at the Pacific Marine Expo in Seattle. Efforts to market the Port's available waterfront industrial properties may also include attendance at the following: International Work Boat Show - New Orleans, LA. And the Fort Lauderdale International Boat Show, FL (travel expenses are budgeted in Business Development Department).
2. MTA expenses include agent fees, labor and materials required for equipment maintenance, wastewater / stormwater treatment facility operations, maintenance of grounds and buildings and waste disposal.

Port of Port Angeles
MARINE TRADES AREA (MTA - DEPT 15)
2023 Budget

	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 BUDGET	2022 Proj Over/(Under) 2022 Budget	2023 Budget Over/(Under) 2023 Proj
OPERATING REVENUES								
DOCKAGE	0	0	0	0	0	0	0	0
WHARFAGE	0	0	0	0	0	0	0	0
SERVICE & FACILITIES	0	0	0	0	0	0	0	0
MT HANDLING	0	0	0	0	0	0	0	0
LABOR SERVICES	0	0	0	0	0	0	0	0
LOG YARD STAGING	0	0	0	0	0	0	0	0
LOG YARD LAND SERVICES	0	0	0	0	0	0	0	0
LOG YARD WATER SERVICES	0	0	0	0	0	0	0	0
MOORAGE	0	0	0	0	0	0	0	0
MARINA & YARD FEES	218,753	204,318	219,051	211,400	246,000	243,000	34,600	(3,000)
LANDING/PARKING FEES	0	0	0	0	0	0	0	0
HANGAR/TIE DOWN	0	0	0	0	0	0	0	0
OTHER USER FEES	15,762	5,366	4,570	2,200	8,000	8,000	5,800	0
EQUIPMENT RENTAL	115,827	126,074	139,122	142,490	145,000	145,000	2,510	0
LAND LEASE/RENT	96,949	109,354	206,994	174,367	180,000	190,000	5,633	10,000
STRUCTURE LEASE/RENT	46,948	92,882	103,697	102,948	110,000	115,000	7,052	5,000
USE AGMT AND OTHER RENT	69,325	64,984	96,124	86,832	90,500	91,500	3,668	1,000
UTILITY PASS THRU & PRODUCT SALES	1,102	1,102	590	560	500	500	(60)	0
MISC & INTERDEPT REVENUE	(396)	(2,039)	(310)	500	0	0	(500)	0
TOTAL OPERATING REVENUES	564,271	602,040	769,838	721,297	780,000	793,000	58,703	13,000
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	118,275	67,675	93,055	104,380	82,000	115,187	(22,380)	33,187
SUPPLIES	4,067	5,133	7,865	5,000	5,000	7,000	0	2,000
OUTSIDE SERVICES	97,516	148,990	101,748	89,928	85,000	100,000	(4,928)	15,000
PUBLIC INFORMATION	0	375	0	1,000	500	500	(500)	0
MARKETING	0	2,349	0	2,500	1,000	3,000	(1,500)	2,000
COMMUNITY RELATIONS	0	0	0	0	0	0	0	0
ADS, DUES & PUBLICATIONS	447	500	1,600	2,500	2,500	2,000	0	(500)
TRAVEL MEETINGS	485	0	0	1,000	500	1,000	(500)	500
TRAVEL/TRAINING	0	0	0	0	0	1,000	0	1,000
PROMOTIONAL HOSTING	262	0	223	1,000	0	1,000	(1,000)	1,000
RENT, UTILITIES, INSURANCE, TAXES	46,232	53,756	55,908	74,309	64,280	74,000	(10,029)	9,720
UTILITY (Pass Thru) & COST OF GOODS SOLD	0	0	0	0	0	0	0	0
OTHER EXPENSES (Misc & Interdept)	3,752	1,433	4,096	2,500	1,000	2,000	(1,500)	1,000
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT	64,657	90,738	73,981	107,542	70,000	86,000	(37,542)	16,000
MAINTENANCE (Materials & Services)	22,185	71,350	23,871	33,500	35,000	35,000	1,500	0
TOTAL DIRECT EXPENSES	357,879	442,298	362,345	425,159	346,780	427,687	(78,379)	80,907
ALLOCATED EXPENSES - ADMIN & MAINT	170,719	204,798	99,953	230,094	190,520	237,380	(39,574)	46,860
NET SURPLUS (DEFICIT) - Before Depreciation	35,673	(45,056)	307,540	66,044	242,700	127,933	176,656	(114,767)
ALLOCATED DEPRECIATION	6,917	5,227	5,300	6,987	6,134	7,531	(853)	1,397
DEPRECIATION (includes donated assets)	88,464	152,672	159,967	162,082	163,343	166,322	1,261	2,979
NET SURPLUS (DEFICIT) - After Depreciation	(59,708)	(202,955)	142,273	(103,026)	73,223	(45,920)	176,248	(119,143)

LOG YARD (LY 21)

The Log Yard provides facilities for the efficient movement of logs from land to water. Land services include the sorting, decking and staging of loads for both vessels and container trucking. Water services also include the rafting of logs transported via water to a variety of locations within the Puget Sound region and dewatering of inbound volume from Canada via raft. Water services also include round boom and x-water loading (the loading onto vessels from the water). The objectives are:

- To provide log handling facilities and services that are responsive to forest industry needs.
- To operate in a manner to cover the cost of Log Yard operations.
- To obtain a fair return on the public investment in these facilities.
- To manage access to critical waterfront infrastructure to serve the economic interest of the Port district.

2022 PROJECTED

Revenue Assumptions

1. Log Yard Staging is expected to be above 2022 Budget.
2. Log Yard Land Services are over budget due to increased LY domestic handling volume.
3. Log Yard Water Service revenues are below budget due to decreased domestic handling associated with rafting, round booming and dewatering.
4. Equipment rental is expected to be below 2022 Budget.

Expenditure Assumptions

1. Maintenance Materials & Labor are higher than budget due to increased usage of log handling equipment and facilities.
2. Cost of Goods Sold is lower due to decreased banding purchases for loads that are barged.
3. Utilities are lower due to decreased sanitation and debris removal.

2023 BUDGET

Revenue Assumptions

1. Log Yard rates for log handling services (and fees) will increase by the West Cost CPI factor for the month of August, which is 8.3% on January 1.
2. Log Yard Land Services revenue is budgeted to decrease from projected EOY 2022. 2023 budget is still significantly higher than previous years, but it is unknown if the Log Yard will see the same level of elevated activity as 2022.
3. Demand for domestic barging is only expected to increase in the coming years.
4. Log Yard Water Services include revenue from rafting, round booming and dewatering of log volume originating from Canada (via raft) or Oregon (barge). Log volumes and associated revenues expected to be greater than EOY 2022 due to domestic raft and barge activity.
5. Equipment Rental rate from loading equipment used at the marine terminal for on-dock cargo operations will be adjusted by 8.3% with revenue based on 32 MMBF of log cargo volume.

Expenditure Assumptions

1. Log Yard handling is performed with 3 FTE and supported by 1 FTE from FM when operations require. FM & MM personnel will continue to support LY workforce as needed.
2. Promotional Hosting includes the annual Olympic Logging Conference.
3. Log Yard expenses include labor and materials required for equipment maintenance, stormwater treatment facility operations, grounds maintenance and woody debris collection and disposal.

**Port of Port Angeles
LOG YARD (LY - DEPT 21)
2023 Budget**

	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 BUDGET	2022 Proj Over/(Under) 2022 Budget	2023 Budget Over/(Under) 2023 Proj
OPERATING REVENUES								
DOCKAGE	0	0	0	0	0	0	0	0
WHARFAGE	0	0	0	0	0	0	0	0
SERVICE & FACILITIES	0	0	0	0	0	0	0	0
MT HANDLING	0	0	0	0	0	0	0	0
LABOR SERVICES	0	0	0	0	0	0	0	0
LOG YARD STAGING	50,503	31,891	46,501	30,254	42,000	45,000	11,746	3,000
LOG YARD LAND SERVICES	437,384	350,956	440,602	381,060	520,000	485,000	138,940	(35,000)
LOG YARD WATER SERVICES	117,237	68,715	23,539	92,232	75,000	95,000	(17,232)	20,000
MOORAGE	0	0	0	0	0	0	0	0
MARINA & YARD FEES	0	0	0	0	0	0	0	0
LANDING/PARKING FEES	0	0	0	0	0	0	0	0
HANGAR/TIE DOWN	0	0	0	0	0	0	0	0
OTHER USER FEES	18,067	23,343	33,275	41,500	40,000	45,000	(1,500)	5,000
EQUIPMENT RENTAL	135,148	92,288	152,107	139,540	132,000	125,000	(7,540)	(7,000)
LAND LEASE/RENT	50,043	48,091	46,588	3,789	0	0	(3,789)	0
STRUCTURE LEASE/RENT	44,201	45,328	46,949	51,203	50,000	50,000	(1,203)	0
USE AGMT AND OTHER RENT	374	0	0	0	0	0	0	0
UTILITY PASS THRU & PRODUCT SALES	17,101	40,009	24,557	24,828	11,000	15,000	(13,828)	4,000
MISC & INTERDEPT REVENUE	(1,623)	(1,728)	(4,717)	0	0	0	0	0
TOTAL OPERATING REVENUES	868,434	698,893	809,401	764,406	870,000	860,000	105,594	(10,000)
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	597,220	435,434	466,590	482,427	494,000	438,840	11,573	(55,160)
SUPPLIES	96,067	82,901	115,195	85,000	150,000	150,000	65,000	0
OUTSIDE SERVICES	66,531	37,656	50,820	40,000	35,000	50,000	(5,000)	15,000
PUBLIC INFORMATION	0	0	0	0	0	0	0	0
MARKETING	1,500	0	0	1,500	1,000	1,000	(500)	0
COMMUNITY RELATIONS	0	0	0	0	0	0	0	0
ADS, DUES & PUBLICATIONS	0	0	0	0	0	0	0	0
TRAVEL MEETINGS	846	13	17	1,000	1,500	1,000	500	(500)
TRAVEL/TRAINING	6,963	(900)	988	2,200	1,500	1,000	(700)	(500)
PROMOTIONAL HOSTING	1,770	0	35	1,700	1,000	2,000	(700)	1,000
RENT, UTILITIES, INSURANCE, TAXES	102,384	90,146	106,362	118,255	100,403	119,000	(17,852)	18,597
UTILITY (Pass Thru) & COST OF GOODS SOLD	3,996	42,814	19,788	17,612	9,000	20,000	(8,612)	11,000
OTHER EXPENSES (Misc & Interdept)	1,941	4,179	34,619	1,000	1,000	1,000	0	0
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT	110,386	114,173	158,642	120,196	156,000	150,000	35,804	(6,000)
MAINTENANCE (Materials & Services)	70,430	186,311	107,885	92,000	135,000	115,000	43,000	(20,000)
TOTAL DIRECT EXPENSES	1,060,035	992,726	1,060,941	962,890	1,085,403	1,048,840	122,513	(36,563)
ALLOCATED EXPENSES - ADMIN & MAINT	499,324	494,340	264,504	511,581	591,372	571,040	79,791	(20,332)
NET SURPLUS (DEFICIT) - Before Depreciation	(690,925)	(788,173)	(516,044)	(710,065)	(806,775)	(759,880)	(96,710)	46,895
ALLOCATED DEPRECIATION	20,383	12,696	14,206	15,536	19,041	18,117	3,505	(924)
DEPRECIATION (includes donated assets)	359,343	359,475	348,215	354,774	318,453	324,261	(36,321)	5,808
NET SURPLUS (DEFICIT) - After Depreciation	(1,070,651)	(1,160,344)	(878,465)	(1,080,374)	(1,144,269)	(1,102,258)	(63,894)	42,011

FAIRCHILD INTERNATIONAL AIRPORT (FIA 31)

The airport provides aviation support facilities for general, commercial, corporate, medical evacuation and military 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.
- To provide aviation facilities and support for emergency response activities.
- To engage in and seek out aviation related planning and development opportunities.

2022 BUDGET

Revenue Assumptions

1. Rates and fees are increased by CPI and in some cases additionally adjusted based upon market demand.
2. Commercial passenger service was suspended in November 2014 and an active search has been underway to identify a replacement. Communication with a new startup airline has been ongoing and they are anticipated to begin round trip service between Port Angeles and SeaTac by year end 2021 or early 2022. Slight expected revenue increase based upon expected fuel flowage charges.

Expense Assumptions

1. Overall decrease in operating expenses due to reduction in outside services and professional dues.

2023 BUDGET

Revenue Assumptions

1. Rates and fees are increased by CPI and in some cases additionally adjusted based upon market demand.
2. The Fedex lease will be terminated this year by direction of FAA due to non-aeronautical use of the hangar. Real Estate is actively pursuing filling the space to ensure that there is no loss in revenue.
3. Commercial passenger service was delayed in 2022 due to the certification process with the FAA. It is anticipated that Dash Air Shuttle will begin service in early 2023. There is a projected minor revenue increase based upon expected fuel flowage charges.

Expense Assumptions

1. Overall decrease in operating expenses due to reduction in outside services and professional dues.
2. Runway 26 resurfacing and lighting projects should begin summer 2023.

Port of Port Angeles
FAIRCHILD INTL AIRPORT (FIA - DEPT 31)
2023 Budget

	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 BUDGET	2022 Proj Over/(Under) 2022 Budget	2023 Budget Over/(Under) 2023 Proj
OPERATING REVENUES								
DOCKAGE	0	0	0	0	0	0	0	0
WHARFAGE	0	0	0	0	0	0	0	0
SERVICE & FACILITIES	0	0	0	0	0	0	0	0
MT HANDLING	0	0	0	0	0	0	0	0
LABOR SERVICES	0	0	0	0	0	0	0	0
LOG YARD STAGING	0	0	0	0	0	0	0	0
LOG YARD LAND SERVICES	0	0	0	0	0	0	0	0
LOG YARD WATER SERVICES	0	0	0	0	0	0	0	0
MOORAGE	0	0	0	0	0	0	0	0
MARINA & YARD FEES	0	0	0	0	0	0	0	0
LANDING/PARKING FEES	7,034	7,295	9,454	9,100	9,276	9,100	176	(176)
HANGAR/TIE DOWN	106,373	112,957	125,690	125,285	137,345	148,212	12,060	10,867
OTHER USER FEES	7,590	8,599	10,773	12,000	9,488	13,000	(2,512)	3,512
EQUIPMENT RENTAL	276	0	0	0	0	0	0	0
LAND LEASE/RENT	35,267	49,404	50,105	51,493	60,938	52,000	9,445	(8,938)
STRUCTURE LEASE/RENT	142,084	141,092	142,590	144,798	146,711	145,000	1,913	(1,711)
USE AGMT AND OTHER RENT	0	0	0	0	0	0	0	0
UTILITY PASS THRU & PRODUCT SALES	19,523	20,875	29,776	25,036	27,414	26,000	2,378	(1,414)
MISC & INTERDEPT REVENUE	23,482	25,545	96,973	25,000	21,034	20,000	(3,966)	(1,034)
TOTAL OPERATING REVENUES	341,628	365,768	465,361	392,712	412,206	413,312	19,494	1,106
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	218,568	193,176	166,715	178,134	164,195	115,504	(13,939)	(48,691)
SUPPLIES	18,300	7,169	7,481	12,500	9,800	10,000	(2,700)	200
OUTSIDE SERVICES	16,106	61,321	23,544	8,084	10,612	9,860	2,528	(752)
PUBLIC INFORMATION	9,762	1,703	752	2,000	2,306	2,420	306	114
MARKETING	1,842	703	476	0	535	550	535	15
COMMUNITY RELATIONS	3,166	0	0	0	0	0	0	0
ADS, DUES & PUBLICATIONS	2,207	2,599	872	710	2,434	150	1,724	(2,284)
TRAVEL MEETINGS	5,541	1,380	795	5,000	0	4,165	(5,000)	4,165
TRAVEL/TRAINING	1,712	0	894	600	1,435	1,500	835	65
PROMOTIONAL HOSTING	167	0	36	1,000	0	0	(1,000)	0
RENT, UTILITIES, INSURANCE, TAXES	162,607	170,576	200,159	200,082	151,989	205,435	(48,093)	53,446
UTILITY (Pass Thru) & COST OF GOODS SOLD	19,567	20,803	24,022	20,863	22,260	23,108	1,397	848
OTHER EXPENSES (Misc & Interdept)	1,995	11,715	3,258	2,000	0	0	(2,000)	0
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT	166,176	140,685	198,040	153,588	196,584	195,866	42,996	(718)
MAINTENANCE (Materials & Services)	25,495	31,189	39,278	33,000	45,896	38,000	12,896	(7,896)
TOTAL DIRECT EXPENSES	653,213	643,018	666,322	617,561	608,046	606,558	(9,515)	(1,488)
ALLOCATED EXPENSES - ADMIN & MAINT	218,821	294,974	125,377	293,880	290,079	298,240	(3,801)	8,161
NET SURPLUS (DEFICIT) - Before Depreciation	(530,406)	(572,224)	(326,338)	(518,729)	(485,919)	(491,486)	32,810	(5,567)
ALLOCATED DEPRECIATION	12,129	8,360	8,643	9,807	10,362	10,274	555	(88)
DEPRECIATION (includes donated assets)	554,609	601,754	626,069	639,029	628,702	640,169	(10,327)	11,466
NET SURPLUS (DEFICIT) - After Depreciation	(1,097,144)	(1,182,338)	(961,050)	(1,167,565)	(1,124,984)	(1,141,928)	42,581	(16,945)

AIRPORT RENTAL PROPERTIES (ARP 33)

The Airport Rental Property business line provides a wide range of industrial and commercial properties that support economic activities in both the public and private sector. Examples of these properties included land and buildings leased by local and state government entities, a not-for-profit carbon fiber recycling technology center and various other private businesses.

Additional Port rental properties (outside of the airport boundary) fall within other lines of businesses.

The objectives of the Airport Rental Property activities are to:

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

2022 PROJECTED

Revenue Assumptions

1. Airport Rental Properties-Structure revenues are higher due to new clientele and expansion of existing clientele.
2. Airport Rental Properties-Land lease revenues are down due to the minimization of month-to-month rents and reduction of space.

Expense Assumptions

1. Maintenance on facilities is projected to be under budget.
2. Combined total of all other expenses also projected to be under budget.

2023 BUDGET

Revenue Assumptions

1. The 2023 budget is forecasted to see a slight increase due to CPI and additional leases.

Expense Assumptions

1. Overall expenses should go down primarily due to low forecasted maintenance.

Port of Port Angeles
AIRPORT RENTAL PROPERTIES (ARP - DEPT 33)
2023 Budget

	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 BUDGET	2022 Proj Over/(Under) 2022 Budget	2023 Budget Over/(Under) 2023 Proj
OPERATING REVENUES								
DOCKAGE	0	0	0	0	0	0	0	0
WHARFAGE	0	0	0	0	0	0	0	0
SERVICE & FACILITIES	0	0	0	0	0	0	0	0
MT HANDLING	0	0	0	0	0	0	0	0
LABOR SERVICES	0	0	0	0	0	0	0	0
LOG YARD STAGING	0	0	0	0	0	0	0	0
LOG YARD LAND SERVICES	0	0	0	0	0	0	0	0
LOG YARD WATER SERVICES	0	0	0	0	0	0	0	0
MOORAGE	0	0	0	0	0	0	0	0
MARINA & YARD FEES	0	0	0	0	0	0	0	0
LANDING/PARKING FEES	0	0	0	0	0	0	0	0
HANGAR/TIE DOWN	0	0	0	0	0	0	0	0
OTHER USER FEES	280	0	0	0	0	0	0	0
EQUIPMENT RENTAL	17,269	16,032	15,882	15,000	15,867	15,000	867	(867)
LAND LEASE/RENT	294,702	251,462	275,794	312,530	279,782	293,771	(32,748)	13,989
STRUCTURE LEASE/RENT	849,426	979,162	1,040,645	902,031	1,014,683	1,050,417	112,652	35,734
USE AGMT AND OTHER RENT	4,190	4,630	14,293	6,500	9,000	9,500	2,500	500
UTILITY PASS THRU & PRODUCT SALES	3,113	42,735	51,640	22,000	13,201	12,000	(8,799)	(1,201)
MISC & INTERDEPT REVENUE	(2,740)	(1,050)	(8,724)	0	980	0	980	(980)
TOTAL OPERATING REVENUES	1,166,240	1,292,971	1,389,530	1,258,061	1,333,513	1,380,688	75,452	47,175
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	152,633	67,687	107,625	118,681	81,341	113,190	(37,340)	31,849
SUPPLIES	1,737	327	912	2,500	1,020	2,500	(1,480)	1,480
OUTSIDE SERVICES	46,253	28,415	57,192	37,000	25,365	37,000	(11,635)	11,635
PUBLIC INFORMATION	0	0	0	0	0	0	0	0
MARKETING	5,579	5,565	4,500	4,500	5,108	4,500	608	(608)
COMMUNITY RELATIONS	0	0	0	0	0	0	0	0
ADS, DUES & PUBLICATIONS	529	373	0	0	0	0	0	0
TRAVEL MEETINGS	(460)	0	0	1,000	0	1,000	(1,000)	1,000
TRAVEL/TRAINING	57	0	0	500	0	500	(500)	500
PROMOTIONAL HOSTING	53	0	0	1,000	0	1,000	(1,000)	1,000
RENT, UTILITIES, INSURANCE, TAXES	168,861	162,026	160,882	168,858	191,740	174,500	22,882	(17,240)
UTILITY (Pass Thru) & COST OF GOODS SOLD	1,963	39,199	59,635	20,833	11,028	12,000	(9,805)	972
OTHER EXPENSES (Misc & Interdept)	417	1,658	1,212	1,750	1,094	1,000	(656)	(94)
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT	108,441	84,252	90,346	122,839	81,557	96,281	(41,282)	14,724
MAINTENANCE (Materials & Services)	33,176	19,318	26,624	22,000	10,610	22,000	(11,390)	11,390
TOTAL DIRECT EXPENSES	519,239	408,820	508,928	501,461	408,863	465,471	(92,598)	56,608
ALLOCATED EXPENSES - ADMIN & MAINT	505,081	247,477	160,019	435,241	437,666	408,232	2,425	(29,434)
NET SURPLUS (DEFICIT) - Before Depreciation	141,921	636,674	720,583	321,359	486,984	506,985	165,625	20,001
ALLOCATED DEPRECIATION	9,743	4,968	6,054	7,899	7,037	7,985	(862)	948
DEPRECIATION (includes donated assets)	461,672	442,696	446,215	452,870	443,042	451,122	(9,828)	8,080
NET SURPLUS (DEFICIT) - After Depreciation	(329,495)	189,008	268,314	(139,411)	36,904	47,877	176,314	10,973

SEKIU AIRPORT (SEK 32)

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

The objectives of the Sekiu Airport are:

- Provide light aviation support for the West end of the Port district.
- To maximize revenue opportunities to help defray operating costs.

2022 BUDGET

Revenue Assumptions

1. Rates and fees will be collected as scheduled.

Expense Assumptions

1. Continue inter-local agreement with Clallam County Fire District #5 to assist with supervision and maintenance of the airport facilities.

2023 BUDGET

Revenue Assumptions

1. Rates and fees increase by CPI.
2. Other revenues remain unchanged.

Expense Assumptions

1. Continue inter-local agreement with Clallam County Fire District #5 to assist with supervision and maintenance of the airport facilities.

**Port of Port Angeles
SEKIU (SEK - DEPT 32)
2023 Budget**

	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 BUDGET	2022 Proj Over/(Under) 2022 Budget	2023 Budget Over/(Under) 2023 Proj
OPERATING REVENUES								
DOCKAGE	0	0	0	0	0	0	0	0
WHARFAGE	0	0	0	0	0	0	0	0
SERVICE & FACILITIES	0	0	0	0	0	0	0	0
MT HANDLING	0	0	0	0	0	0	0	0
LABOR SERVICES	0	0	0	0	0	0	0	0
LOG YARD STAGING	0	0	0	0	0	0	0	0
LOG YARD LAND SERVICES	0	0	0	0	0	0	0	0
LOG YARD WATER SERVICES	0	0	0	0	0	0	0	0
MOORAGE	0	0	0	0	0	0	0	0
MARINA & YARD FEES	0	0	0	0	0	0	0	0
LANDING/PARKING FEES	0	0	0	0	0	0	0	0
HANGAR/TIE DOWN	14,129	14,126	14,276	14,000	15,233	16,000	1,233	767
OTHER USER FEES	0	0	0	0	0	0	0	0
EQUIPMENT RENTAL	0	0	0	0	0	0	0	0
LAND LEASE/RENT	0	0	0	0	0	0	0	0
STRUCTURE LEASE/RENT	0	0	0	0	0	0	0	0
USE AGMT AND OTHER RENT	0	0	0	0	0	0	0	0
UTILITY PASS THRU & PRODUCT SALES	600	600	600	600	600	630	0	30
MISC & INTERDEPT REVENUE	30	0	(682)	0	0	0	0	0
TOTAL OPERATING REVENUES	14,759	14,726	14,194	14,600	15,833	16,630	1,233	797
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	8,217	14,370	7,039	6,171	7,083	5,832	912	(1,251)
SUPPLIES	0	0	188	150	0	150	(150)	150
OUTSIDE SERVICES	3,600	3,600	3,800	3,600	3,600	3,780	0	180
PUBLIC INFORMATION	0	0	0	0	0	0	0	0
MARKETING	38	0	0	500	0	0	(500)	0
COMMUNITY RELATIONS	0	0	0	0	0	0	0	0
ADS, DUES & PUBLICATIONS	100	0	0	150	0	0	(150)	0
TRAVEL MEETINGS	278	140	0	0	232	245	232	13
TRAVEL/TRAINING	0	0	0	300	0	0	(300)	0
PROMOTIONAL HOSTING	0	0	0	0	0	0	0	0
RENT, UTILITIES, INSURANCE, TAXES	6,559	6,794	6,742	7,092	7,681	6,649	589	(1,032)
UTILITY (Pass Thru) & COST OF GOODS SOLD	0	0	0	0	0	0	0	0
OTHER EXPENSES (Misc & Interdept)	(3)	31	0	0	0	0	0	0
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT	8,593	5,740	9,207	8,055	20,000	8,500	11,945	(11,500)
MAINTENANCE (Materials & Services)	2,713	29	3,137	4,200	3,482	5,000	(718)	1,518
TOTAL DIRECT EXPENSES	30,095	30,704	30,113	30,218	42,078	30,156	11,860	(11,922)
ALLOCATED EXPENSES - ADMIN & MAINT	10,494	14,562	5,849	14,883	20,837	15,415	5,954	(5,422)
NET SURPLUS (DEFICIT) - Before Depreciation	(25,831)	(30,540)	(21,768)	(30,501)	(47,082)	(28,941)	(16,581)	18,141
ALLOCATED DEPRECIATION	582	413	404	497	744	531	247	(213)
DEPRECIATION (includes donated assets)	3,699	3,690	2,618	2,666	2,618	2,666	(48)	48
NET SURPLUS (DEFICIT) - After Depreciation	(30,112)	(34,643)	(24,790)	(33,663)	(50,445)	(32,138)	(16,781)	18,307

PORT ANGELES BOAT HAVEN (PABH 41)

Provide moorage facilities for the commercial fishermen and the recreational boater.

The objectives of the PABH are:

- To provide moorage facilities for both commercial and private vessels
- To enhance the amenities of the facility
- To operate in a manner that will cover the cost of PABH operations
- To obtain a competitive return on the public investment in these facilities

2022 BUDGET

Revenue Assumptions

1. Marina moorage rates will increase by the following: 3.5% CPI plus 3% for most slips; 3.5% CPI plus 4% with a 7% cap for 50-foot slips and greater. All established rates as approved by the Commission.
2. Annual Launch ramp fee to increase to \$60 after increasing from \$42 \$50 in 2020.
3. Other rates and fees increase by 3.5% CPI.

Expense Assumptions

1. Total 2022 expenses expected to increase by approximately \$40K. The 2 largest increases are marina insurance and the agent base fee which will increase by the August 2021 CPI factor of 5.6% in accordance with the agent contract.
2. PetroCard (formerly Masco Petroleum) will continue as the Port's agent in 2022.

2023 BUDGET

Revenue Assumptions

1. Moorage rates for slips under 50' will increase by 6% and slips over 50' will increase by 7%. All established rates as approved by the Commission.
2. Annual Launch ramp fee to increase to \$15 per day or \$80 per year.
3. In general, other rates and fees to increase by market factors.

Expense Assumptions

1. Outside service expenses will continue to rise in parallel to CPI increases.
2. Maintenance labor will continue to increase as dictated by market expenses
3. PetroCard (formerly Masco Petroleum) will continue as the Port's agent in 2023. Per the agent agreement, the base agent fee will increase by 8.3%.

Port of Port Angeles
PORT ANGELES BOAT HAVEN (PABH - DEPT 41)
2023 Budget

	2019	2020	2021	2022	2022	2023	2022 Proj	2023 Budget
	ACTUAL	ACTUAL	ACTUAL	BUDGET	PROJECTED	BUDGET	Over/(Under)	Over/(Under)
							2022 Budget	2023 Proj
OPERATING REVENUES								
DOCKAGE	0	0	0	0	0	0	0	0
WHARFAGE	3,368	1,660	1,709	1,400	3,585	3,836	2,185	251
SERVICE & FACILITIES	0	0	0	0	0	0	0	0
MT HANDLING	0	0	0	0	0	0	0	0
LABOR SERVICES	0	0	0	0	0	0	0	0
LOG YARD STAGING	0	0	0	0	0	0	0	0
LOG YARD LAND SERVICES	0	0	0	0	0	0	0	0
LOG YARD WATER SERVICES	0	0	0	0	0	0	0	0
MOORAGE	1,258,134	1,310,119	1,396,023	1,510,500	1,491,852	1,641,037	(18,648)	149,185
MARINA & YARD FEES	54,906	56,309	61,906	70,000	80,645	91,060	10,645	10,415
LANDING/PARKING FEES	0	0	0	0	0	0	0	0
HANGAR/TIE DOWN	0	0	0	0	0	0	0	0
OTHER USER FEES	13,871	12,422	10,711	10,000	8,673	9,280	(1,327)	607
EQUIPMENT RENTAL	300	3,800	275	100	1,013	1,084	913	71
LAND LEASE/RENT	7,822	12,125	11,919	12,295	12,579	13,459	284	880
STRUCTURE LEASE/RENT	28,907	18,647	40,694	29,719	38,097	40,764	8,378	2,667
USE AGMT AND OTHER RENT	0	0	0	0	0	0	0	0
UTILITY PASS THRU & PRODUCT SALES	138,140	146,169	132,824	135,000	137,193	146,796	2,193	9,603
MISC & INTERDEPT REVENUE	1,880	3,223	3	2,500	5,853	6,263	3,353	410
TOTAL OPERATING REVENUES	1,507,328	1,564,474	1,656,064	1,771,514	1,779,490	1,953,579	7,976	174,089
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	90,614	96,671	86,646	95,357	86,140	113,182	(9,217)	27,042
SUPPLIES	14,551	7,939	5,277	15,000	4,776	5,015	(10,224)	239
OUTSIDE SERVICES	335,112	327,124	313,051	340,612	335,934	354,903	(4,678)	18,969
PUBLIC INFORMATION	3,127	1,343	0	2,500	2,500	2,625	0	125
MARKETING	0	0	224	2,500	458	480	(2,042)	22
COMMUNITY RELATIONS	0	0	0	0	0	0	0	0
ADS, DUES & PUBLICATIONS	922	712	1,354	500	894	263	394	(632)
TRAVEL MEETINGS	463	0	0	500	0	500	(500)	500
TRAVEL/TRAINING	355	128	766	500	0	0	(500)	0
PROMOTIONAL HOSTING	83	0	0	0	0	0	0	0
RENT, UTILITIES, INSURANCE, TAXES	125,260	137,647	146,457	143,719	144,990	134,954	1,271	(10,036)
UTILITY (Pass Thru) & COST OF GOODS SOLD	104,337	115,383	109,721	112,500	98,420	103,340	(14,080)	4,920
OTHER EXPENSES (Misc & Interdept)	128	5,412	4,116	500	4,655	4,888	4,155	233
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT	52,579	53,824	66,825	37,456	105,878	44,500	68,422	(61,378)
MAINTENANCE (Materials & Services)	29,017	23,440	28,008	19,200	55,074	20,700	35,874	(34,374)
TOTAL DIRECT EXPENSES	756,546	769,623	762,445	770,844	839,719	785,350	68,875	(54,370)
ALLOCATED EXPENSES - ADMIN & MAINT	295,720	341,043	164,285	356,293	407,267	378,538	50,974	(28,729)
NET SURPLUS (DEFICIT) - Before Depreciation	455,062	453,808	729,334	644,377	532,504	789,692	(111,873)	257,188
ALLOCATED DEPRECIATION	12,526	8,765	8,833	10,820	13,113	12,010	2,293	(1,104)
DEPRECIATION (includes donated assets)	334,318	334,059	346,736	351,745	380,343	387,280	28,598	6,937
NET SURPLUS (DEFICIT) - After Depreciation	108,219	110,984	373,765	281,812	139,048	390,402	(142,764)	251,355

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 waterfront facilities for area residents.
- To continue to explore new revenue opportunities and to generate an excess of receipts over expenditures to help fund Port activities and projects at the marina.
- To obtain a competitive return on the public investment in these facilities.

2022 BUDGET

Revenue Assumptions

1. Moorage rates for most slips will increase by 3.5% CPI plus 3.0% or 4% with a 7% cap for 50-foot slips and greater. All established rates as approved by the Commission.
2. Annual Launch ramp fee to increase to \$60 after increasing from \$42 to \$50 in 2020.
3. Other rates and fees to increase by 3.5% CPI or market.

Expense Assumptions

1. Outside services expected to increase in 2022 due to needed maintenance work on the fuel distribution system.
2. \$10K of marketing, public information and community relations has been budgeted in the event the Port further considers alternative management options.
3. Forecasted maintenance labor increased in anticipation of significant maintenance and repair work on the deteriorating soffit and gutter system.

2023 BUDGET

Revenue Assumptions

1. Moorage rates for slips under 50' will increase by 6% and slips over 50' will increase by 7%. All established rates as approved by the Commission.
2. Annual Launch ramp fee to increase to \$15 per day or \$80 per year.
3. In general, other rates and fees to increase by market factors

Expense Assumptions

1. Outside service expenses will continue to rise in parallel to CPI increases.
2. Maintenance labor will continue to increase as dictated by market expenses.

**Port of Port Angeles
JOHN WAYNE MARINA (JWM - DEPT 43)
2023 Budget**

	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 BUDGET	2022 Proj Over/(Under) 2022 Budget	2023 Budget Over/(Under) 2023 Proj
OPERATING REVENUES								
DOCKAGE	0	0	0	0	0	0	0	0
WHARFAGE	402	152	850	500	200	220	(300)	20
SERVICE & FACILITIES	0	0	0	0	0	0	0	0
MT HANDLING	0	0	0	0	0	0	0	0
LABOR SERVICES	0	0	0	0	0	0	0	0
LOG YARD STAGING	0	0	0	0	0	0	0	0
LOG YARD LAND SERVICES	0	0	0	0	0	0	0	0
LOG YARD WATER SERVICES	0	0	0	0	0	0	0	0
MOORAGE	1,028,235	1,091,916	1,178,595	1,262,169	1,281,743	1,409,917	19,574	128,174
MARINA & YARD FEES	62,233	67,006	69,912	75,000	91,226	102,230	16,226	11,004
LANDING/PARKING FEES	0	0	0	0	0	0	0	0
HANGAR/TIE DOWN	0	0	0	0	0	0	0	0
OTHER USER FEES	0	0	125	0	0	0	0	0
EQUIPMENT RENTAL	0	0	0	0	0	0	0	0
LAND LEASE/RENT	848	869	890	0	850	900	850	50
STRUCTURE LEASE/RENT	52,872	34,160	30,330	36,621	38,419	40,000	1,798	1,581
USE AGMT AND OTHER RENT	0	0	0	0	0	0	0	0
UTILITY PASS THRU & PRODUCT SALES	342,778	303,355	378,926	360,000	421,200	442,000	61,200	20,800
MISC & INTERDEPT REVENUE	9,394	(6,853)	(37,200)	2,500	4,829	5,050	2,329	221
TOTAL OPERATING REVENUES	1,496,763	1,490,605	1,622,428	1,736,790	1,838,467	2,000,317	101,677	161,850
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	387,029	401,641	413,672	402,694	393,003	429,901	(9,691)	36,898
SUPPLIES	13,950	12,236	11,640	14,000	11,359	11,920	(2,641)	561
OUTSIDE SERVICES	20,475	14,926	15,348	15,000	7,778	15,000	(7,222)	7,222
PUBLIC INFORMATION	2,710	787	1,000	2,500	0	0	(2,500)	0
MARKETING	1,616	0	224	2,500	450	475	(2,050)	25
COMMUNITY RELATIONS	7,204	0	0	2,500	0	0	(2,500)	0
ADS, DUES & PUBLICATIONS	707	537	510	1,500	424	263	(1,076)	(162)
TRAVEL MEETINGS	711	210	230	500	0	0	(500)	0
TRAVEL/TRAINING	0	128	766	500	0	0	(500)	0
PROMOTIONAL HOSTING	234	0	0	0	0	0	0	0
RENT, UTILITIES, INSURANCE, TAXES	74,532	92,454	100,049	101,309	102,351	105,929	1,042	3,578
UTILITY (Pass Thru) & COST OF GOODS SOLD	274,317	244,817	297,971	276,923	301,960	361,740	25,037	59,780
OTHER EXPENSES (Misc & Interdept)	24,964	30,729	47,838	38,350	34,863	36,606	(3,487)	1,743
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT	64,127	34,894	58,975	118,011	60,618	62,800	(57,393)	2,182
MAINTENANCE CHARGE-OUT & REIMBUR	58,045	33,214	118,011	118,011	58,795	62,800	(59,216)	4,005
MAINTENANCE (Materials & Services)	26,367	17,360	24,142	27,000	48,920	37,000	21,920	(11,920)
TOTAL DIRECT EXPENSES	898,943	850,719	972,365	1,003,287	961,726	1,061,634	(41,561)	99,908
ALLOCATED EXPENSES - ADMIN & MAINT	81,255	316,867	169,782	393,105	362,473	388,464	(30,632)	25,991
NET SURPLUS (DEFICIT) - Before Depreciation	516,565	323,019	480,281	340,397	514,268	550,220	173,870	35,952
ALLOCATED DEPRECIATION	11,993	8,143	9,129	11,938	11,671	12,324	(267)	654
DEPRECIATION (includes donated assets)	120,836	65,231	64,371	66,449	66,145	67,352	(304)	1,206
NET SURPLUS (DEFICIT) - After Depreciation	383,736	249,645	406,781	262,010	436,452	470,544	174,441	34,092

RENTAL PROPERTIES (RP 61)

The Rental Property business line consists of those properties that are not associated with other lines of business and provides a range of mostly industrial properties and a few commercial properties that support various economic activities in the private sector. Examples of these properties are: land and buildings along the Port Angeles waterfront and Marine Drive.

Additional Rental Properties fall within other, specific lines of businesses (LOB).

The objectives of the Rental Property activity are to:

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

2022 PROJECTED

1. 2022 structure lease revenue is projected to be higher than budgeted due to CPI increases, new tenants and tenant expansion.
2. 2022 land lease revenue is down due to month-to-month lease update.

Expense Assumptions

1. 2022 expense are higher due to outside services.

2023 BUDGET

Revenue Assumptions

1. No major changes expected in current, miscellaneous leases. Department 61 – Rental Properties consists of the land & structure leases that are not easily categorized into the physical locations of other Port departments.

Expense Assumptions

1. Maintenance and staff salary allocations budgeted conservatively for 2023. No major expenses are anticipated at this time.

Port of Port Angeles
RENTAL PROPERTIES (RP - DEPT 61)
2023 Budget

	2019	2020	2021	2022	2022	2023	2022 Proj	2023 Budget
	ACTUAL	ACTUAL	ACTUAL	BUDGET	PROJECTED	BUDGET	Over/(Under)	Over/(Under)
							2022 Budget	2023 Proj
OPERATING REVENUES								
DOCKAGE	0	0	0	0	0	0	0	0
WHARFAGE	0	0	0	0	0	0	0	0
SERVICE & FACILITIES	0	0	0	0	0	0	0	0
MT HANDLING	0	0	0	0	0	0	0	0
LABOR SERVICES	0	0	0	0	0	0	0	0
LOG YARD STAGING	0	0	0	0	0	0	0	0
LOG YARD LAND SERVICES	0	0	0	0	0	0	0	0
LOG YARD WATER SERVICES	0	0	0	0	0	0	0	0
MOORAGE	0	0	0	0	0	0	0	0
MARINA & YARD FEES	0	0	0	0	0	0	0	0
LANDING/PARKING FEES	0	0	0	0	0	0	0	0
HANGAR/TIE DOWN	0	0	0	0	0	0	0	0
OTHER USER FEES	0	0	720	0	1,980	0	1,980	(1,980)
EQUIPMENT RENTAL	0	0	0	0	0	0	0	0
LAND LEASE/RENT	67,765	68,666	71,618	69,980	68,322	71,000	(1,658)	2,678
STRUCTURE LEASE/RENT	20,316	20,291	13,438	41,939	48,180	53,000	6,241	4,820
USE AGMT AND OTHER RENT	7,291	7,291	7,291	7,291	7,291	7,291	0	0
UTILITY PASS THRU & PRODUCT SALES	660	720	1,340	1,000	4,519	5,000	3,519	481
MISC & INTERDEPT REVENUE	(710)	185	(16,254)	0	90	0	90	(90)
TOTAL OPERATING REVENUES	95,322	97,153	78,153	120,210	130,382	136,291	10,172	5,909
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	52,098	52,496	46,827	33,516	33,647	36,948	131	3,301
SUPPLIES	0	109	79	0	0	0	0	0
OUTSIDE SERVICES	11	273	2,280	1,800	17,258	1,800	15,458	(15,458)
PUBLIC INFORMATION	0	0	0	0	0	0	0	0
MARKETING	500	4,600	0	500	0	0	(500)	0
COMMUNITY RELATIONS	0	0	0	0	0	0	0	0
ADS, DUES & PUBLICATIONS	617	140	140	500	90	0	(410)	(90)
TRAVEL MEETINGS	0	0	0	0	0	0	0	0
TRAVEL/TRAINING	895	0	0	0	0	0	0	0
PROMOTIONAL HOSTING	0	0	0	0	0	0	0	0
RENT, UTILITIES, INSURANCE, TAXES	19,919	36,068	38,831	27,663	32,621	30,534	4,958	(2,087)
UTILITY (Pass Thru) & COST OF GOODS SOLD	720	720	720	833	630	800	(203)	170
OTHER EXPENSES (Misc & Interdept)	(49)	3,210	0	250	1,021	500	771	(521)
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT	5,882	14,779	11,996	17,051	14,791	14,500	(2,260)	(291)
MAINTENANCE (Materials & Services)	3,220	6,000	1,699	5,000	10,599	7,500	5,599	(3,099)
TOTAL DIRECT EXPENSES	83,813	118,395	102,572	87,113	110,657	92,582	23,544	(18,075)
ALLOCATED EXPENSES - ADMIN & MAINT	6,448	61,545	25,617	46,694	60,448	50,942	13,754	(9,506)
NET SURPLUS (DEFICIT) - Before Depreciation	5,061	(82,787)	(50,036)	(13,597)	(40,723)	(7,234)	(27,126)	33,490
ALLOCATED DEPRECIATION	1,592	1,582	1,378	1,418	1,946	1,616	528	(330)
DEPRECIATION (includes donated assets)	13,768	13,763	13,767	14,020	13,767	14,018	(253)	251
NET SURPLUS (DEFICIT) - After Depreciation	(10,299)	(98,132)	(65,181)	(29,035)	(56,437)	(22,868)	(27,402)	33,569

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 maintains the following equipment:

- 6 - Log stackers
- 4 - Hydraulic grapple log loaders
- 1 - 980 Caterpillar wheel loaders
- 2 - John Deere Gators
- 1 - John Deere Backhoe
- 3 - Boom boats
- 1 - Tymco Vacuum Sweeper and 1 Broce Broom
- 2 - 10-yard dump trucks and 1 5-yard dump truck
- 1 - John Deere Grader
- 1 - 2-ton flatbed truck
- 1 - Water truck
- 1- ARFF Fire trucks and firefighting equipment
- 7 - Forklifts
- 4 - Tractors
- 1 - New Holland Tractor Mower
- 1 - John Deere Tractor w/mower deck
- 1 - International Tractor w/brush hog mower
- 3 - riding mowers
- 3 - push mowers
- 1 - Scissor lift
- 1 - boom lift
- 19 Fleet vehicles (mostly pickup trucks)

2022 PROJECTED

Expense Assumptions

1. Increased labor dollars charged across all departments maintaining heavy equipment, cargo loading operations and building systems.
2. Expenses overall are expected to be higher than 2022 budget as inflation cost have increased over the last 6 months.

2023 BUDGET

Expense Assumptions

1. Workload will to be accomplished with 2 FTE's.
2. Outside Services, including residual waste disposal from the used-oil-driven shop heater (recycles used engine oil from vehicles and equipment, reduces disposal expense overall) and laundry services, are expected to be similar to 2022.
3. Supplies purchased for MM are to replace aging equipment and improve safety & efficiency of daily tasks. There are no major purchases anticipated in 2023.

Port of Port Angeles
MECHANICAL MAINTENANCE (MM - DEPT 91)
2023 Budget

	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 BUDGET	2022 Proj Over/(Under) 2022 Budget	2023 Budget Over/(Under) 2023 Proj
OPERATING REVENUES								
DOCKAGE	0	0	0	0	0	0	0	0
WHARFAGE	0	0	0	0	0	0	0	0
SERVICE & FACILITIES	0	0	0	0	0	0	0	0
MT HANDLING	0	0	0	0	0	0	0	0
LABOR SERVICES	0	0	0	0	0	0	0	0
LOG YARD STAGING	0	0	0	0	0	0	0	0
LOG YARD LAND SERVICES	0	0	0	0	0	0	0	0
LOG YARD WATER SERVICES	0	0	0	0	0	0	0	0
MOORAGE	0	0	0	0	0	0	0	0
MARINA & YARD FEES	0	0	0	0	0	0	0	0
LANDING/PARKING FEES	0	0	0	0	0	0	0	0
HANGAR/TIE DOWN	0	0	0	0	0	0	0	0
OTHER USER FEES	0	0	0	0	0	0	0	0
EQUIPMENT RENTAL	0	0	0	0	0	0	0	0
LAND LEASE/RENT	0	0	0	0	0	0	0	0
STRUCTURE LEASE/RENT	0	0	0	0	0	0	0	0
USE AGMT AND OTHER RENT	0	0	0	0	0	0	0	0
UTILITY PASS THRU & PRODUCT SALES	0	0	0	0	0	0	0	0
MISC & INTERDEPT REVENUE	0	0	0	0	0	0	0	0
TOTAL OPERATING REVENUES	0	0	0	0	0	0	0	0
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	19,902	22,394	12,325	18,339	15,679	20,217	(2,660)	4,538
SUPPLIES	43,661	40,129	60,471	37,000	66,445	51,000	29,445	(15,445)
OUTSIDE SERVICES	4,960	5,273	9,283	8,700	8,255	4,700	(445)	(3,555)
PUBLIC INFORMATION	0	0	0	0	0	0	0	0
MARKETING	0	0	0	0	0	0	0	0
COMMUNITY RELATIONS	0	0	0	0	0	0	0	0
ADS, DUES & PUBLICATIONS	0	469	0	0	0	0	0	0
TRAVEL MEETINGS	48	0	0	0	0	0	0	0
TRAVEL/TRAINING	0	0	6,906	500	0	500	(500)	500
PROMOTIONAL HOSTING	0	0	0	0	0	0	0	0
RENT, UTILITIES, INSURANCE, TAXES	20,478	28,379	7,998	22,236	25,100	22,700	2,864	(2,400)
UTILITY (Pass Thru) & COST OF GOODS SOLD	0	0	0	0	0	0	0	0
OTHER EXPENSES (Misc & Interdept)	0	0	27	250	0	0	(250)	0
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT MAINTENANCE (Materials & Services)	39,641 4,931	39,256 10,169	29,131 6,804	37,878 4,200	34,984 5,782	38,876 5,200	(2,894) 1,582	3,892 (582)
TOTAL DIRECT EXPENSES	133,621	146,069	132,945	129,103	156,245	143,193	27,142	(13,052)
ALLOCATED EXPENSES - ADMIN & MAINT	(133,621)	(146,069)	(132,945)	(129,103)	(156,245)	(143,193)	(27,142)	13,052
NET SURPLUS (DEFICIT) - Before Depreciation	0	0	0	0	0	0	0	0
ALLOCATED DEPRECIATION	(15,171)	(15,658)	(16,005)	(16,299)	(16,005)	(16,297)	294	(292)
DEPRECIATION (includes donated assets)	15,171	15,658	16,005	16,299	16,005	16,297	(294)	292
NET SURPLUS (DEFICIT) - After Depreciation	0	0	0	0	0	0	0	0

Note: All expenses for centralized services (overhead departments) are allocated to the lines of business using the Modified Total Direct Cost (MTDC) model as specified by the US Office of Management & Budget – see Section VIII Supplemental Information, pages VIII-13 & VIII-14. The resulting total in the Net Surplus (Deficit) After Depreciation line is \$0 for all centralized services.

FACILITIES MAINTENANCE (FM 92)

The Facilities Maintenance (FM) department provides for the maintenance and upkeep of numerous Port buildings and facilities including the Marine Terminals, William R. Fairchild International and Sekiu Airports, John Wayne Marina, Port Angeles Boat Haven, the Marine Trades Area, T1 & T3 Pier, PABH & JWM Boat Launch Ramps, the Port Log Yard and various rental properties. FM also provides maintenance and upkeep of the MTA Washdown Facility and all Port storm water filtration systems.

Primary services provided by the FM department include carpentry, electrical, plumbing, HVAC, fire safety, stormwater, material handling, equipment operations, grounds maintenance and a wide variety of capital improvement projects. The FM crew also provides a reservoir of labor that can be called upon by the Log Yard during busy periods including operation of boom boats, loading logs, watering, etc.

2022 PROJECTED

Expense Assumptions

1. FM labor also utilized for Port capital projects which include, West boat haven bathroom replacement. T1 dredging site Maintenance, another portable workspace Installation in PABY, Electrical breaker box replacement for LM Float and West boat haven bathrooms. Installation of power receptacles and fiber optic cabling for Upgrade of PABH WIFI and security systems.
2. FM activities through the end of year will include routine and seasonal maintenance. Assist with log yard dirt berm removal, dredging site plastic tarp maintenance.

2023 BUDGET

Expense Assumptions

1. Workload will to be accomplished with 9 FTE's.
2. FM assistance with LY Operations continues based on need. FM Labor services also utilized to assist with: LY dust control, Bark/rock hauling, Chip set up and tear down and associated dock clean up.
3. Maintenance expenses vary across departments, generally following trend, but punctuated with larger maintenance projects. These projects include landscaping at various Port owned rental properties, airport/main terminal and hanger areas, grounds keeping all properties, Black top maintenance for airport and port owned parking lots. Expense increases as we encounter more homeless camp site clean-ups. Also increased material cost and Manpower time for our 4 storm water treatment facilities.
4. Equipment purchased for FM is to replace aging equipment and to improve safety & efficiency of daily tasks.

Port of Port Angeles
FACILITIES MAINTENANCE (FM - DEPT 92)
2023 Budget

	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 BUDGET	2022 Proj Over/(Under) 2022 Budget	2023 Budget Over/(Under) 2023 Proj
OPERATING REVENUES								
DOCKAGE	0	0	0	0	0	0	0	0
WHARFAGE	0	0	0	0	0	0	0	0
SERVICE & FACILITIES	0	0	0	0	0	0	0	0
MT HANDLING	0	0	0	0	0	0	0	0
LABOR SERVICES	0	0	0	0	0	0	0	0
LOG YARD STAGING	0	0	0	0	0	0	0	0
LOG YARD LAND SERVICES	0	0	0	0	0	0	0	0
LOG YARD WATER SERVICES	0	0	0	0	0	0	0	0
MOORAGE	0	0	0	0	0	0	0	0
MARINA & YARD FEES	0	0	0	0	0	0	0	0
LANDING/PARKING FEES	0	0	0	0	0	0	0	0
HANGAR/TIE DOWN	0	0	0	0	0	0	0	0
OTHER USER FEES	0	0	0	0	0	0	0	0
EQUIPMENT RENTAL	0	0	0	0	0	0	0	0
LAND LEASE/RENT	0	0	0	0	0	0	0	0
STRUCTURE LEASE/RENT	0	0	0	0	0	0	0	0
USE AGMT AND OTHER RENT	0	0	0	0	0	0	0	0
UTILITY PASS THRU & PRODUCT SALES	0	0	0	0	0	0	0	0
MISC & INTERDEPT REVENUE	0	0	0	0	0	0	0	0
TOTAL OPERATING REVENUES	0	0	0	0	0	0	0	0
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	83,475	74,942	67,808	72,387	82,887	86,884	10,500	3,997
SUPPLIES	39,112	34,485	41,667	39,500	55,133	48,799	15,633	(6,334)
OUTSIDE SERVICES	7,565	5,284	6,266	8,800	5,778	5,886	(3,022)	108
PUBLIC INFORMATION	0	0	0	0	0	0	0	0
MARKETING	0	0	0	0	0	0	0	0
COMMUNITY RELATIONS	0	0	0	0	0	0	0	0
ADS, DUES & PUBLICATIONS	454	540	0	450	950	450	500	(500)
TRAVEL MEETINGS	0	6	91	0	0	0	0	0
TRAVEL/TRAINING	983	5,402	249	4,000	0	4,000	(4,000)	4,000
PROMOTIONAL HOSTING	0	82	0	0	0	0	0	0
RENT, UTILITIES, INSURANCE, TAXES	24,826	25,088	23,909	26,675	28,541	12,875	1,866	(15,666)
UTILITY (Pass Thru) & COST OF GOODS SOLD	0	0	0	0	0	0	0	0
OTHER EXPENSES (Misc & Interdept)	4,054	2,505	3,298	5,500	2,310	2,310	(3,190)	0
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT MAINTENANCE (Materials & Services)	70,349 16,374	140,224 32,593	81,181 22,892	68,709 19,000	63,450 15,405	105,379 19,000	(5,259) (3,595)	41,929 3,595
TOTAL DIRECT EXPENSES	247,192	321,151	247,361	245,021	254,454	285,584	9,433	31,129
ALLOCATED EXPENSES - ADMIN & MAINT	(247,192)	(321,151)	(247,361)	(245,021)	(254,454)	(285,584)	(9,433)	(31,129)
NET SURPLUS (DEFICIT) - Before Depreciation	0	0	(0)	0	0	0	(0)	0
ALLOCATED DEPRECIATION	(35,374)	(22,599)	(23,856)	(24,293)	(26,664)	(27,150)	(2,371)	(486)
DEPRECIATION (includes donated assets)	35,374	22,599	23,856	24,293	26,664	27,150	2,371	486
NET SURPLUS (DEFICIT) - After Depreciation	0	0	(0)	0	0	0	(0)	0

Note: All expenses for centralized services (overhead departments) are allocated to the lines of business using the Modified Total Direct Cost (MTDC) model as specified by the US Office of Management & Budget – see Section VIII Supplemental Information, pages VIII-13 & VIII-14. The resulting total in the Net Surplus (Deficit) After Depreciation line is \$0 for all centralized services.

ADMINISTRATIVE AND GENERAL (A&G 80)

Administration includes the Commission, Executive Management, Finance and Accounting, Human Resources, Public Relations, Engineering, Environmental and Security, and Port Counsel services to all departments. Activities include accounting, budgeting, financial reporting, debt financing, investment management, insurance/risk management, audit functions, engineering, capital project management, environmental stewardship and legal services.

The objectives of the Administration of the Port are:

- To provide quality information and support to the Commission and all departments.
- To be responsive to inquiries and changing requirements of the Commission, the public, customers, and employees.
- To provide transparency in financial reporting to the Commission, the public, staff and compliance with regulations.

2022 PROJECTED

Expense Assumptions

1. Salaries and benefits combined are expected to be higher than the budget due to staffing changes.
2. Outside services are under budget due to lower use of specialized consulting support (regulatory, grant writing assistance, marketing, strategic plan).
3. Contingency funds budgeted for 2021 have not been utilized.

2023 BUDGET

Expense Assumptions

1. Staffing costs reflect cost of living increases.
2. Outside services include a base level for legal, technology, general consulting, janitorial, state audit, etc.
3. Public information includes community outreach and state/federal legislative advocacy.
4. Rent, Utilities, Insurance and Taxes are expected to be slightly higher in 2023.

Port of Port Angeles
ADMINISTRATION (ADMIN - DEPT 80)
2023 Budget

	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 BUDGET	2022 Proj Over/(Under) 2022 Budget	2023 Budget Over/(Under) 2023 Proj
OPERATING REVENUES								
DOCKAGE	0	0	0	0	0	0	0	0
WHARFAGE	0	0	0	0	0	0	0	0
SERVICE & FACILITIES	0	0	0	0	0	0	0	0
MT HANDLING	0	0	0	0	0	0	0	0
LABOR SERVICES	0	0	0	0	0	0	0	0
LOG YARD STAGING	0	0	0	0	0	0	0	0
LOG YARD LAND SERVICES	0	0	0	0	0	0	0	0
LOG YARD WATER SERVICES	0	0	0	0	0	0	0	0
MOORAGE	0	0	0	0	0	0	0	0
MARINA & YARD FEES	0	0	0	0	0	0	0	0
LANDING/PARKING FEES	0	0	0	0	0	0	0	0
HANGAR/TIE DOWN	0	0	0	0	0	0	0	0
OTHER USER FEES	0	0	0	0	0	0	0	0
EQUIPMENT RENTAL	0	0	0	0	0	0	0	0
LAND LEASE/RENT	0	0	0	0	0	0	0	0
STRUCTURE LEASE/RENT	0	0	0	0	0	0	0	0
USE AGMT AND OTHER RENT	0	0	0	0	0	0	0	0
UTILITY PASS THRU & PRODUCT SALES	0	0	0	0	0	0	0	0
MISC & INTERDEPT REVENUE	0	0	0	0	0	0	0	0
TOTAL OPERATING REVENUES	0	0	0	0	0	0	0	0
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	620,694	1,582,854	118,745	1,251,484	1,150,562	1,226,647	(100,922)	76,085
SUPPLIES	70,836	38,875	44,912	60,000	58,000	60,000	(2,000)	2,000
OUTSIDE SERVICES	228,684	184,143	299,142	355,500	338,508	368,500	(16,992)	29,992
PUBLIC INFORMATION	125,977	109,530	123,682	105,000	104,094	105,000	(906)	906
MARKETING	703	1,881	0	2,500	0	2,500	(2,500)	2,500
COMMUNITY RELATIONS	12,302	0	197	2,500	0	2,500	(2,500)	2,500
ADS, DUES & PUBLICATIONS	37,134	32,120	29,680	22,909	23,678	22,640	769	(1,038)
TRAVEL MEETINGS	18,647	7,187	10,515	20,000	10,000	10,000	(10,000)	0
TRAVEL/TRAINING	27,859	8,237	11,827	20,000	6,389	10,000	(13,611)	3,611
PROMOTIONAL HOSTING	76	30	141	500	161	0	(339)	(161)
RENT, UTILITIES, INSURANCE, TAXES	145,796	157,832	141,845	165,370	179,019	177,200	13,649	(1,819)
UTILITY (Pass Thru) & COST OF GOODS SOLD	90	285	590	0	0	0	0	0
OTHER EXPENSES (Misc & Interdept)	1,987	40,598	(29,196)	5,000	5,000	5,000	0	0
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT	23,182	39,004	19,937	23,226	22,700	20,000	(526)	(2,700)
MAINTENANCE (Materials & Services)	11,239	24,303	9,623	14,200	11,479	11,150	(2,721)	(329)
TOTAL DIRECT EXPENSES	1,325,206	2,226,879	781,641	2,048,189	1,909,590	2,021,137	(138,599)	111,547
ALLOCATED EXPENSES - ADMIN & MAINT	(1,325,206)	(2,226,879)	(781,641)	(2,048,189)	(1,909,590)	(2,021,137)	138,599	(111,547)
NET SURPLUS (DEFICIT) - Before Depreciation	0	0	(0)	0	0	0	0	0
ALLOCATED DEPRECIATION	(43,524)	(38,097)	(40,235)	(40,240)	(40,216)	(40,949)	24	(733)
DEPRECIATION (includes donated assets)	43,524	38,097	40,235	40,240	40,216	40,949	(24)	733
NET SURPLUS (DEFICIT) - After Depreciation	0	0	(0)	0	0	0	0	0

Note: All expenses for centralized services (overhead departments) are allocated to the lines of business using the Modified Total Direct Cost (MTDC) model as specified by the US Office of Management & Budget – see Section VIII Supplemental Information, pages VIII-13 & VIII-14. The resulting total in the Net Surplus (Deficit) After Depreciation line is \$0 for all centralized services.

ECONOMIC & BUSINESS DEVELOPMENT (BD 81)

Economic development focuses on the strategic priorities of the Port to further economic growth in Clallam County by identifying new opportunities, creating diversification for more resiliency, and supporting targeted industries with a focus on industries that provide living wage jobs.

The objectives of business development activity are:

- To increase industrial activity through targeted marketing of Port assets and capabilities.
- To partner with public, nonprofit and private entities to create synergies and leverage community assets.

Maintaining and improving relations between the Port and its customers and potential targeted customers is a core aspect of expanding existing business and creating new business. Each line of business has a set of activities related to taking care of their existing business and customers. This department is for activities that go beyond taking care of the Port's existing business lines. Promotional Hosting can only be used for the public purpose of furthering the local economy through expanding industrial development and trade promotion as stipulated by R.C.W. 53.36.130 and as supported by the Port's Strategic Plan.

2022 PROJECTED

Expense Assumptions

1. The Economic Development department is projected to be at or under budget for 2022. The reason for the delta primarily being lack of travel, promotional hosting, and outside services.

2023 BUDGET

Expense Assumptions

1. Outside Services are forecasted to shrink after redesign of website.
2. Travel for Meetings and Training has been decreased for 2023.

Port of Port Angeles
ECONOMIC & BUSINESS DEVELOPMENT (BD - DEPT 81)
2023 Budget

	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 BUDGET	2022 Proj Over/(Under) 2022 Budget	2023 Budget Over/(Under) 2023 Proj
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	72,312	155,100	232,169	188,854	184,275	194,666	(4,579)	10,391
SUPPLIES	112	0	108	0	0	0	0	0
OUTSIDE SERVICES	345,515	89,923	53,222	130,000	190,693	82,500	60,693	(108,193)
PUBLIC INFORMATION	25,256	11,201	7,005	15,000	21,529	15,000	6,529	(6,529)
MARKETING	15,759	5,618	1,396	10,500	10,415	10,500	(85)	85
COMMUNITY RELATIONS	410	0	135	0	0	0	0	0
ADS, DUES & PUBLICATIONS	2,888	3,200	6,375	6,000	6,575	6,000	575	(575)
TRAVEL MEETINGS	25,116	3,928	2,963	11,000	6,054	8,500	(4,946)	2,446
TRAVEL/TRAINING	2,316	(1,100)	2,994	5,000	4,835	5,000	(165)	165
PROMOTIONAL HOSTING	3,119	954	1,359	5,000	2,500	5,000	(2,500)	2,500
RENT, UTILITIES, INSURANCE, TAXES	0	540	2,212	700	650	700	(50)	50
UTILITY (Pass Thru) & COST OF GOODS SOLD	0	0	0	0	0	0	0	0
OTHER EXPENSES (Misc & Interdept)	47,407	37,115	34,917	12,000	11,500	12,000	(500)	500
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT	0	(428)	0	0	0	0	0	0
MAINTENANCE (Materials & Services)	0	0	0	0	0	0	0	0
TOTAL DIRECT EXPENSES	540,211	306,051	344,855	384,054	439,026	339,866	54,972	(99,160)
ALLOCATED EXPENSES - ADMIN & MAINT	(540,211)	(306,051)	(344,855)	(384,054)	(439,026)	(339,866)	(54,972)	99,160
NET SURPLUS (DEFICIT)	0	0	0	0	0	0	0	0
ALLOCATED DEPRECIATION	0	0	0	0	0	0	0	0
DEPRECIATION (includes donated assets)	0	0	0	0	0	0	0	0
NET SURPLUS (DEFICIT) - After Depreciation	0	0	0	0	0	0	0	0

Note: All expenses for centralized services (overhead departments) are allocated to the lines of business using the Modified Total Direct Cost (MTDC) model as specified by the US Office of Management & Budget – see Section VIII Supplemental Information, pages VIII-13 & VIII-14. The resulting total in the Net Surplus (Deficit) After Depreciation line is \$0 for all centralized services.

Promotional Hosting Maximum

Per RCW 53.36.130, funds for promotional hosting expenditures shall be expended only from gross operating revenues and shall not exceed one percent (1%) thereof upon the first two million five hundred thousand dollars (\$2,500,000.00) of such gross operating revenues, one-half of one percent (.5%) upon the next two million five hundred thousand dollars (\$2,500,000.00) of such gross operating revenues, and one-fourth of one percent (.25%) on the excess over five million dollars (\$5,000,000.00) of such revenues:

PROVIDED, HOWEVER, that in no case shall these limitations restrict the Port District to less than twenty-five hundred dollars (\$2,500.00) per year from any funds available to the Port.

		2018 ACTUAL	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 Budget	2022 Projected	2023 Budget
Gross Operating Revenue Budget		11,069,446	8,927,022	9,100,988	10,377,853	10,099,486	9,887,844	10,153,818
• \$0 to \$2,500,000	1.00%	25,000	25,000	25,000	25,000	25,000	25,000	25,000
• Over \$2,500,000 to \$5,000,000	0.50%	12,500	12,500	12,500	12,500	12,500	12,500	12,500
• Excess over \$5,000,000	0.25%	15,174	9,818	10,252	13,445	12,749	12,220	12,885
Allowed Promotional Hosting per RCW		52,674	47,318	47,752	50,945	50,249	49,720	50,385

	2018 ACTUAL	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 Budget	2022 Projected	2023 Budget
Promotional Hosting by Line of Business							
Marine Terminal	1,081	434	101	275	1,000	100	500
Marine Trades Area	253	262	0	223	1,000	0	1,000
Log Yard	1,731	1,770	0	35	1,700	1,000	2,000
Fairchild International Airport & Airport Rental Prop.	49	221	0	36	2,000	0	1,000
Business Development	2,470	3,430	984	1,500	5,500	2,661	5,000
Total Promotional Hosting	5,584	6,116	1,085	2,069	11,200	3,761	9,500

Per RCW 53.36.120, expenditures for industrial development and trade promotion are also specific budget items, but are not limited in amount per RCW. Industrial development and trade promotion are included in the Business Development budget as well as the Marketing line item across all departments.

	2018 ACTUAL	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 Budget	2022 Projected	2023 Budget
Industrial Development & Trade Promotion							
Marketing Line Item							
Fairchild International Airport & Airport Rental Prop.	10,666	7,458	6,268	4,976	5,000	5,643	5,050
Marine Trades Area & Log Yard	7,311	1,500	2,349	0	4,000	2,000	4,000
Port Angeles Boat Haven & John Wayne Marina	3,252	1,616	0	448	5,000	908	955
Rental Properties	0	500	4,600	0	500	0	0
Administration	1,734	703	1,881	0	2,500	0	2,500
Business Development	8,779	15,759	5,618	1,396	10,500	10,415	10,500
Total Industrial Dev & Trade Promotion	31,741	27,537	20,716	6,820	27,500	18,966	23,005

In addition to the above, the Port contracts for Economic Development Services (currently) & CRTC in Outside Services (ended 2017)

Economic Development Corporation	40,000	30,000	40,000	50,000	50,000	50,000	50,000
CRTC	n/a	n/a	n/a	n/a	n/a	n/a	n/a

NON-OPERATING (NONOP 90)

These activities generate revenues and require expenditures that are outside normal Port operating activities. Revenues consist of interest earnings on investments, grant funds for operations and capital projects, and tax receipts distributed by the county (property tax, timber tax, leasehold tax). Timber tax applies to all timber harvested on private, state and federal lands. Leasehold tax is imposed for the private use of publicly owned real or personal property. The expenditures consist of environmental costs from historical operations (investigation, feasibility study, and cleanup), other unusual gains/losses or settlements and debt interest payments.

2022 PROJECTED

Revenue Assumptions

General:

1. Other taxes (timber harvest taxes) are slightly lower than budget due to unpredictable harvest activities. Interest earnings are higher than budgeted due rising interest rates.

Capital:

1. Property tax revenues are on track with budget.

Expense Assumptions

General:

1. Environmental expenses for historical cleanup sites are netted against Port insurance reimbursements. Legal and staff administrative expenses are not typically covered by insurance policies.

Capital:

1. Interest expense continues to decrease due to lower debt levels.

2023 BUDGET

Revenue Assumptions

General:

1. Interest earnings are projected to be higher than 2022 due to increasing market interest rates of short and long-term investments. The Local Government Investment Pool (LGIP) and Money Market account rates also continue to increase. Investments are managed with the goal of realizing maximum interest revenue while maintaining needed liquidity. Other taxes (timber harvest taxes) are budgeted conservatively; they are difficult to predict.

Capital:

1. The Port property tax levy will be increased in 2023 by 1% as directed by the Commission. The property tax levy calculation assumes approximately \$XXX million of new construction (as reported by the Clallam County Assessor).

Expense Assumptions

General:

1. Net Environmental line item includes specialized consulting expenses \$600k, reduced by insurance payments (\$600k). Expenses that are not covered by insurance result in estimated, higher than 2022 actuals. The \$290k estimated net expense is a compilation of staff administrative work, continued litigation, consulting fees and environmental settlement. Values used are estimates using historical data including the cleanup of the 220 Tumwater site. Misc. expenses include \$70k funding for the Community Partner Program.

Capital:

1. See Section V – Capital Budget for details of the estimated \$7.5 million grant revenue.

**Port of Port Angeles
NON-OPERATING (NONOP - DEPT 90)
2023 Budget**

	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 BUDGET	2022 Proj Over/(Under) 2022 Budget	2023 Budget Over/(Under) 2023 Proj
NON-OP GENERAL REVENUES								
INTEREST EARNINGS	405,332	258,573	42,430	70,400	127,500	300,000	57,100	172,500
OTHER TAX RECEIPTS	167,324	142,293	142,799	145,000	125,870	140,000	(19,130)	14,130
MISC NON OP REVENUES	33,048	43,787	22,793	6,700	7,000	7,000	300	0
GRANTS - OPERATIONS	529	153,745	76,404	201,000	1,000	201,000	(200,000)	200,000
PASSENGER FACILITY CHARGES (PFC'S)	1,869	882	1,548	1,460	1,581	1,500	121	(81)
GAIN (LOSS) & SPECIAL ITEMS	2,321,321	(71,727)	(22,384)	0	0	0	0	0
TOTAL NON-OP GENERAL REV	2,929,423	527,553	263,590	424,560	262,951	649,500	(161,609)	386,549
NON-OP GENERAL EXPENSES								
NET ENVIRONMENTAL (see narrative)	172,009	250,260	109,860	470,470	272,033	290,000	(198,437)	17,967
MISC NON OP EXPENSE	381,314	96,076	46,621	80,000	55,000	368,000	(25,000)	313,000
TOTAL NON-OP GENERAL EXP	553,323	346,336	156,481	550,470	327,033	658,000	(223,437)	330,967
NET NON-OP GENERAL SURPLUS (DEFICIT)	2,376,100	181,217	107,109	(125,910)	(64,082)	(8,500)	61,828	55,582
NON-OP CAPITAL REVENUES								
PROPERTY TAX RECEIPTS	1,537,007	1,580,760	1,608,294	1,638,718	1,640,301	1,670,000	1,583	29,699
GRANTS - CAPITAL	320,219	409,517	663,235	6,679,000	455,650	7,459,950	(6,223,350)	7,004,300
TOTAL NON-OP CAPITAL REV	1,857,226	1,990,277	2,271,529	8,317,718	2,095,951	9,129,950	(6,221,767)	7,033,999
NON-OP CAPITAL EXPENSES								
BOND COSTS & INTEREST EXPENSE	264,590	262,128	57,773	61,476	61,703	126,175	227	64,472
TOTAL NON-OP CAPITAL EXP	264,590	262,128	57,773	61,476	61,703	126,175	227	64,472
NET NON-OP CAPITAL SURPLUS (DEFICIT)	1,592,636	1,728,149	2,213,756	8,256,242	2,034,248	9,003,775	(6,221,994)	6,969,527
NET NON-OP SURPLUS (DEFICIT)	3,968,736	1,909,366	2,320,865	8,130,332	1,970,166	8,995,275	(6,160,166)	7,025,109
TOTAL NET NON-OP SURPLUS (DEFICIT)	3,968,736	1,909,366	2,320,865	8,130,332	1,970,166	8,995,275	(6,160,166)	7,025,109

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SECTION V

CAPITAL BUDGET

CAPITAL BUDGET

The 2023 Capital Budget includes a 1-year Capital Projects Budget, a 5-year Capital Improvement Plan and a 20-year Capital Improvement Plan. The Capital Projects Budget is funded by a combination of grants, property tax surplus, operating surplus and reserves. Surplus from property taxes is net of general tax levies in excess of debt service expenditures. Surplus from Port operations results from the cumulative excess of revenues over expenses. The operating surplus that is transferred from the General Fund to the Capital Improvement Fund is the amount that exceeds the target fund balance for the General Fund. Periodically, the Port will also issue debt to fund projects. See a breakdown below of where the funds are coming from for this year's capital budget. *(The below numbers are preliminary at this time and will be finalized after the operating budget is approved).*

Property Tax Levy	\$ 1,700,000
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The property tax increase will be used to partially offset the ongoing long-term capital investments required to upgrade the stormwater collection and treatment facilities at the Log Yard, rehabilitate the Cofferdam and development of the Marine Trade Center.

Debt Service	\$ (533,000)
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Misc. & Non-Op	\$ (500,000)
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Net Operating Surplus	\$ 1,800,000
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<u>2023 Capital Expenditures</u>	<u>\$ (1,676,650)</u>
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Added to Cash Reserve Balance	\$ 790,350
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Investments in new infrastructure are shown separate from maintaining existing infrastructure to help staff determine if there is sufficient investment in maintaining existing infrastructure. The Port has approximately \$2.8 million per year of depreciation, which is used as a long-term investment target for maintaining its assets.

A. CAPITAL PROJECTS BUDGET

The total project cost must exceed \$5,000 and the asset must have a minimum useful life of five (5) years to be included in the Capital Budget. If it is maintenance project, then the life of the asset must be extended by at least five (5) years.

The capital projects are included in the budget based on a descending list of priority. The four main priority categories for projects include:

1. Regulatory Required Projects: These projects are required by a regulatory agency. The Port must complete these projects to remain in compliance with established regulations.
2. Committed Projects: These projects are considered "committed" because of one or more of the following reasons:
 - a. Port agreed to complete within a lease or other agreement.
 - b. Port has accepted grant funding and committed the matching funds.

3. Critical Maintenance Projects: In order to prevent further damage to a Port asset, these projects are included in the Capital Budget. Delaying these projects will result in more costly repairs.
4. Strategic Investment Projects: Following regulatory, committed and critical maintenance are the Strategic Investment projects. These projects will be prioritized based on a combination of the following factors: 1) Job Creation and Retention, 2) Return on Investment and 3) Environmental Benefit and 4) Preventative Maintenance. Preventative maintenance project are maintenance projects that won't results in further damage to the asset if they are deferred until next year.

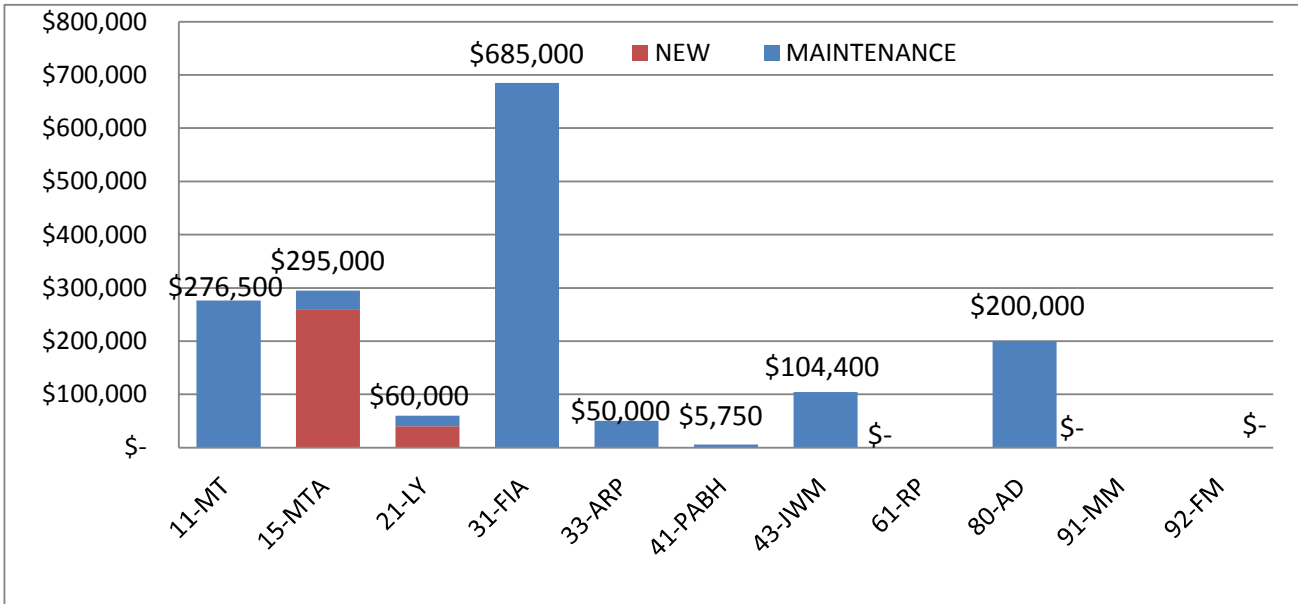
B. 5 YEAR CAPITAL IMPROVEMENT PLAN

The 5 Year Capital Improvement Plan (CIP) is a planning tool that identifies Capital Projects through the year 2027. The 5-year CIP aims to maintain a minimum cash reserve balance of \$10 Million. Projects shown in future years do not commit the Port for funding. Each project will go through a more stringent prioritization analysis prior to being accepted in a current year Capital Budget.

C. 20 YEAR CAPITAL IMPROVEMENT PLAN

This list represents projects that are major capital investments that the Port will likely make within the next 6 to 20 years (2028 - 2043). These projects are primarily infrastructure replacement projects, but there are a few new development projects that represent high priority strategic investments. This plan is intended to be used to help balance current capital investments and debt with the understanding of future investment needs.

2023 CAPITAL EXPENDITURES BY DEPARTMENT



Dept.	Actual 2021	Budget 2022	Projected 2022	2023 New	2023 Maint.	2023 Total
11-MT	\$ 105,759	\$ 370,000	\$ 180,135	\$ -	\$ 276,500	\$ 276,500
15-MTA	\$ 195,935	\$ 225,000	\$ 90,240	\$ 260,000	\$ 35,000	\$ 295,000
21-LY	\$ 678,097	\$ 2,097,000	\$ 85,000	\$ 40,000	\$ 20,000	\$ 60,000
31-FIA	\$ 152,164	\$ 490,000	\$ 292,915	\$ -	\$ 685,000	\$ 685,000
33-ARP	\$ 106,960	\$ 110,000	\$ 58,785	\$ -	\$ 50,000	\$ 50,000
41-PABH	\$ 875,862	\$ 825,000	\$ 994,910	\$ -	\$ 5,750	\$ 5,750
43-JWM	\$ 6,759	\$ 150,000	\$ 66,987	\$ -	\$ 104,400	\$ 104,400
61-RP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
80-AD	\$ 21,600	\$ 200,000	\$ 100,000	\$ -	\$ 200,000	\$ 200,000
91-MM	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
92-FM	\$ 36,765	\$ 45,000	\$ 2,391	\$ -	\$ -	\$ -
Total	\$ 2,179,901	\$ 4,512,000	\$ 1,871,363	\$ 300,000	\$ 1,376,650	\$ 1,676,650

Project	Grant Agency	Port \$	Grant \$	Total \$
MT Surveillance/Lighting	U.S. Dept. Homeland Security	\$ 26,500	\$ 79,500	\$ 106,000
MTC Ph2. Site Dev.	U.S. Dept. of Commerce	\$ 260,000	\$500,000	\$ 760,000
FIA Runway Rehab.	Federal Aviation Administration	\$ 650,000	\$6,850,000	\$ 7,500,000
BH Surveillance/Access	U.S. Dept. Homeland Security	\$ 5,750	\$17,250	\$ 23,000
JWM Surveillance/Access	U.S. Dept. Homeland Security	\$ 4,400	\$13,200	\$ 17,600

TOTAL 2023 GRANT FUNDS = \$ 7,459,950

*: Grant funding has not yet been awarded. Funding determination expected mid-October.

2023 CAPITAL PROJECTS

#	Dept.	Project Description	Port Funds	Grant Funds	Total
1.1	21-LY	LY Site & S.W. Impts (G*) (P)	\$ 40,000		\$ 40,000
2.1	80-AD	Capital Budget Contingency	\$ 200,000		\$ 200,000
2.2	15-MTA	MTC Site Development (G) (P)	\$ 260,000	\$500,000	\$ 760,000
2.3	11-MT	T1 - T3 Repairs (P)	\$ 50,000		\$ 50,000
3.1	11-MT	731 Marine Dr. Roof Rehab.	\$ 200,000		\$ 200,000
3.2	31-FIA	Terminal Roof Rehab (P)	\$ 20,000		\$ 20,000
3.3	31-FIA	Runway 26 - Taxiway "A" (G)	\$ 650,000	\$6,850,000	\$ 7,500,000
3.4	43-JWM	Fuel System Upgrades	\$ 100,000		\$ 100,000
3.5	21-LY	Cofferdam Rehab. (G*) (P)	\$ 20,000		\$ 20,000
4.1	15-MTA	435 Marine Dr. Roof Replace	\$ 35,000		\$ 35,000
4.2	33-ARP	MTIB Roof Overlay (P)	\$ 50,000		\$ 50,000
4.3	31-FIA	Surface Improvement	\$ 15,000		\$ 15,000
4.4	11-MT	Surveillance and Lighting (G)	\$ 26,500	\$79,500	\$ 106,000
4.5	41-PABH	Surveillance (G)	\$ 5,750	\$17,250	\$ 23,000
4.6	43-JWM	Surveillance (G)	\$ 4,400	\$13,200	\$ 17,600
TOTALS =			\$1,676,650	\$7,459,950	\$9,136,600

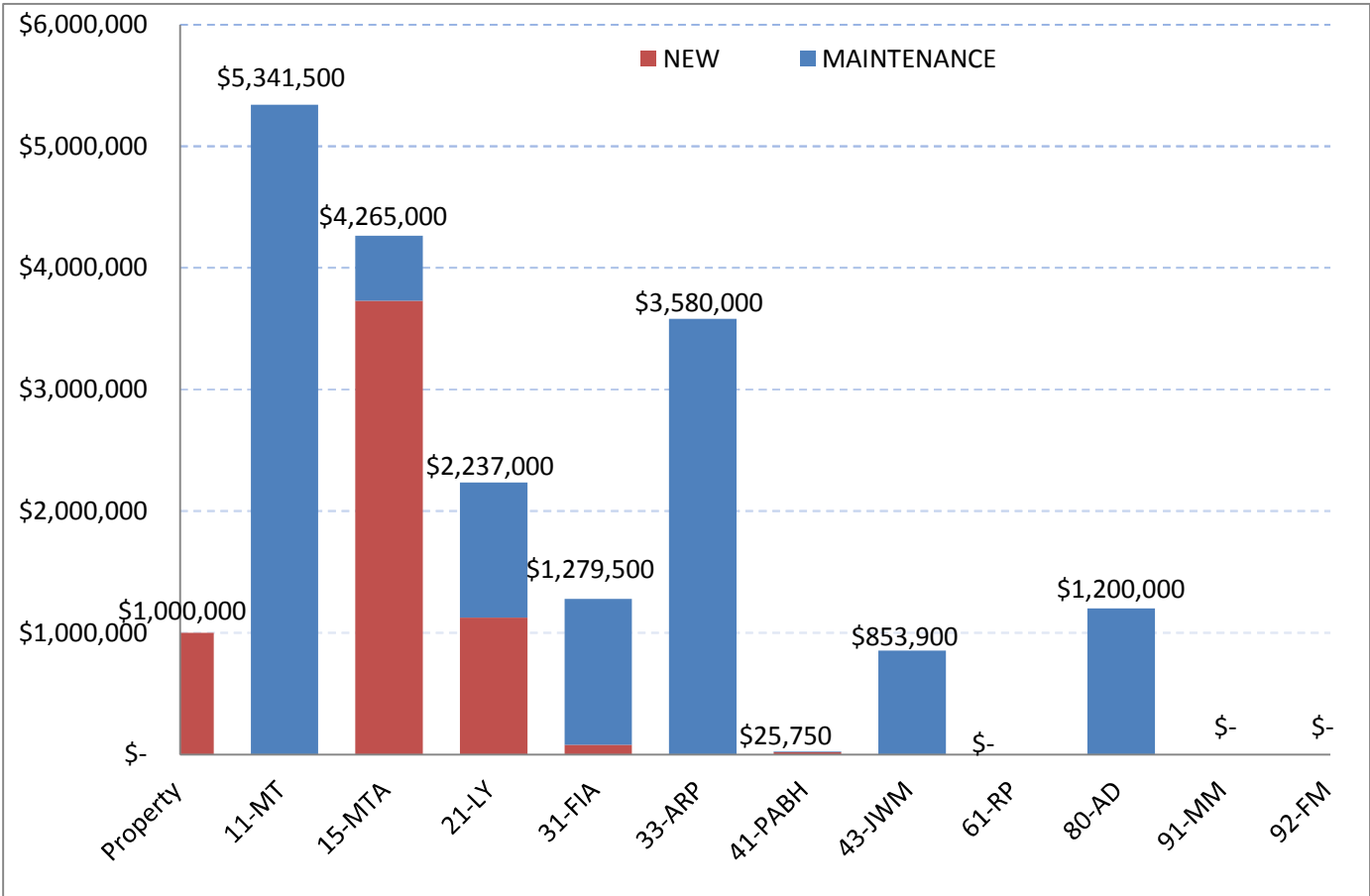
#: Priority Ranking. The first number is the project category. An explanation of the priority categories begins on Page V-1. The second number is its ranking within that category.

G: Grant funding

G*: Grant funding has not yet been awarded.

P: Planning work such as engineering, design, permitting, bid document preparation, ect...

2023 - 2027 CAPITAL IMPROVEMENT PLAN BY DEPARTMENT



Dept.	New	Maintenance	Total
Property	\$ 1,000,000	\$ -	\$ 1,000,000
11-MT	\$ -	\$ 5,341,500	\$ 5,341,500
15-MTA	\$ 3,730,000	\$ 535,000	\$ 4,265,000
21-LY	\$ 1,125,000	\$ 1,112,000	\$ 2,237,000
31-FIA	\$ 80,000	\$ 1,199,500	\$ 1,279,500
33-ARP	\$ -	\$ 3,580,000	\$ 3,580,000
41-PABH	\$ 20,000	\$ 5,750	\$ 25,750
43-JWM	\$ -	\$ 853,900	\$ 853,900
61-RP	\$ -	\$ -	\$ -
80-AD	\$ -	\$ 1,200,000	\$ 1,200,000
91-MM	\$ -	\$ -	\$ -
92-FM	\$ -	\$ -	\$ -
TOTAL =	\$ 5,955,000	\$ 13,827,650	\$ 19,782,650

2023 - 2027 CAPITAL IMPROVEMENT PLAN

Dept.	Project Description	2023	2024	2025	2026	2027
	Industrial Prop. Acquisition		\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
11-MT	Surveillance and Lighting (G)	\$ 26,500				
11-MT	T1 - T3 Repairs	\$ 50,000			\$ 3,200,000	\$ 500,000
11-MT	T1 Asphalt Patching			\$ 50,000		
11-MT	T1 Warehouse Rehab.					\$ 1,000,000
11-MT	Replace Forklift				\$ 75,000	
11-MT	731 Marine Dr. Roof Rehab	\$ 200,000				
11-MT	Tumwater Creek Stabilization (G)		\$ 90,000	\$ 10,000	\$ 105,000	
11-MT	Fleet Vehicle Replace (G)			\$ 35,000		
15-MTA	MTC Site Development (G)	\$ 260,000	\$ 3,470,000			
15-MTA	B.Y. Building Roof Replace		\$ 200,000			
15-MTA	S.W. Conveyance Impts.			\$ 300,000		
15-MTA	435 Marine Dr. Roof Replace	\$ 35,000				
21-LY	Cofferdam Rehab. (G)	\$ 20,000	\$ 10,000	\$ 4,000	\$ 318,000	
21-LY	LY Site & S.W. Impts (G)	\$ 40,000	\$ 10,000	\$ 10,000	\$ 965,000	
21-LY	Swifter Repairs		\$ 30,000			
21-LY	Sweeper Truck (G)					\$ 100,000
21-LY	Boom Boat Repairs			\$ 30,000		
21-LY	Boom Boat Replacement					\$ 300,000
21-LY	Hydraulic Loader Replace				\$ 400,000	
31-FIA	Surface Improvements	\$ 15,000				
31-FIA	FIA Hangar Site Dev. (G)		\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
31-FIA	Terminal Roof Replace	\$ 20,000	\$ 145,000			
31-FIA	Runway 26 Rehab. (G)	\$ 650,000				
31-FIA	Taxiway "A" Rehab. (G)		\$ 310,000			
31-FIA	26 Obst. Removal (G)				\$ 17,000	
31-FIA	Snow Removal Equipment (G)					\$ 30,000
31-FIA	General Pavement Maint.			\$ 12,500		
33-ARP	1010-1050 Roof Replacement			\$ 1,500,000		
33-ARP	1050 Paint Booth Repairs		\$ 30,000			
33-ARP	MTIB Roof Overlay	\$ 50,000	\$ 500,000			
33-ARP	1020 Bldg. Roof Overlay			\$ 500,000		

2023 - 2027 CAPITAL IMPROVEMENT PLAN

Dept.	Project Description	2023	2024	2025	2026	2027
33-ARP	1030 Bldg. Roof Overlay			\$ 500,000		
33-ARP	1040 Bldg. Roof Overlay					\$ 500,000
41-PABH	Surveillance (G)	\$ 5,750				
41-PABH	Boat Launch Restroom (G)				\$ 20,000	
43-JWM	Fuel System Upgrades	\$ 100,000				
43-JWM	Dumpster Enclosure Replace		\$ 20,000			
43-JWM	Surveillance (G)	\$ 4,400				
43-JWM	Float & Pile Repairs			\$ 300,000		\$ 260,000
43-JWM	Sewer Pump Out Replace (G)			\$ 17,500		
43-JWM	Ductless Heat Pump		\$ 12,000			
43-JWM	Boat Launch Float Replace (G)		\$ 95,000			
43-JWM	Replace Bldg. Guardrails					\$ 45,000
80-AD	Capital Budget Contingency	\$ 200,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Total not including grant funds		\$ 1,676,650	\$ 5,442,000	\$ 3,789,000	\$ 5,620,000	\$ 3,255,000
Grant Funds		\$ 7,459,950	\$ 13,345,000	\$ 776,000	\$ 10,493,000	\$ 970,000
TOTAL (including grant funds)		\$ 9,136,600	\$ 18,787,000	\$ 4,565,000	\$ 16,113,000	\$ 4,225,000
PORT ESTIMATED CASH RESERVE BALANCE		\$ 16,790,350	\$ 13,890,350	\$ 12,712,750	\$ 10,141,978	\$ 10,010,491

5 YEAR TOTAL = \$ 19,782,650
(not including grant funds)

5 YEAR TOTAL = \$ 52,826,600
(including grant funds)

The Port has a target fund balance for Cast Reserves of \$10 Million.

2023 - 2027 CAPITAL IMPROVEMENT PLAN

Dept.	Project Description	2023	2024	2025	2026	2027
Cleanup Expenditures for Active Cleanup Sites 2023 - 2027						
90-NO	KPLY Monitoring (Total)	\$ 44,000	\$ 44,000	\$ 46,000	\$ 48,000	\$ 48,000
	KPLY Monitoring (Port)	\$ -	\$ -			
90-NO	MTA (Total)	\$ 331,000	\$ 965,000	\$ 115,000	\$ 115,000	\$ 115,000
	MTA (Port)	\$ -	\$ -	\$ -	\$ -	\$ -
90-NO	Fmr Shell Oil Bulk Plant - 220 Tumwater Truck Rt (Total)	\$ 101,000	\$ 675,500	\$ 7,000	\$ 7,000	\$ -
	Fmr Shell Oil Bulk Plant - 220 Tumwater Truck Rt (Port)	\$ 13,344	\$ 60,531	\$ 7,000	\$ 7,000	\$ -
90-NO	Fmr Pettit Oil - 220 Tumwater Truck Rt (Total)	\$ 32,000	\$ 246,500	\$ 9,500	\$ 9,500	\$ -
	Fmr Pettit Oil - 220 Tumwater Truck Rt (Port)	\$ 11,375	\$ 65,000	\$ 9,500	\$ 9,500	\$ -
90-NO	T5, T6, T7 Upland (Total)	\$ 400,000	\$ 11,000	\$ 6,000	\$ -	\$ -
	T5, T6, T7 Upland (Port)	\$ -	\$ -	\$ -	\$ -	\$ -
90-NO	Harbor (Total)	\$ 100,000	\$ 1,780,000	\$ 3,350,000	\$ 10,900,000	\$ 10,750,000
	Harbor (Port)	\$ -	\$ -	\$ -	\$ -	\$ -
5 Year Total =		\$ 29,839,000				
** 5 Year Port Total =		\$ 183,250				

** Estimated Port funds after reimbursements received from other Potential Liable Parties.

2028 - 2043 CAPITAL IMPROVEMENT PLAN

DEPT.	Project Description	2022 \$	Project Year	Project Year \$	Purpose
21-LY	Equip. Replace 1	\$ 1,600,000	2028	\$ 2,131,930	Maint.
43-JWM	Parking Lot Rehab. 1	\$ 475,000	2028	\$ 632,917	Maint.
43-JWM	Connect to Sequim Sewer	\$ 850,000	2028	\$ 1,132,588	Maint.
92-FM	Equip. / Vehicle Replace 1	\$ 125,000	2028	\$ 166,557	Maint.
43-JWM	Parking lot Rehab. 2	\$ 485,000	2028	\$ 646,241	Maint.
41-PABH	W. PABH Float / Pile Replace	\$ 11,000,000	2029	\$ 15,375,212	Maint.
41-PABH	Breakwater Rehabilitation	\$ 2,500,000	2029	\$ 3,494,366	Maint.
15-MTA	Marine Dr. Intersection	\$ 1,500,000	2029	\$ 2,096,620	Maint.
31-FIA	Hangar Site Design / Permit	\$ 200,000	2029	\$ 279,549	Jobs / ROI
31-FIA	Hangar Site Development	\$ 750,000	2030	\$ 1,099,677	Jobs / ROI
33-ARP	Site Preparation for Building	\$ 1,650,000	2030	\$ 2,419,290	Jobs / ROI
33-ARP	Manufacturing Facility	\$ 8,500,000	2030	\$ 12,463,007	Jobs / ROI
33-ARP	Industrial Bldg. (25,000 s.f.)	\$ 8,000,000	2031	\$ 12,304,653	Jobs / ROI
15-MTA	Replace B.Y. Travel Lift	\$ 550,000	2031	\$ 845,945	Maint.
91-MM	Mech. Shop Maint. / Impts	\$ 115,000	2031	\$ 176,879	Maint.
15-MTA	MTC Boat Lift Pier	\$ 8,000,000	2032	\$ 12,907,581	Jobs
21-LY	Equip. Replace 2	\$ 500,000	2032	\$ 806,724	Maint.
92-FM	Equip. / Vehicle Replace 2	\$ 120,000	2033	\$ 203,101	Maint.
43-JWM	Admin. Building Maint.	\$ 300,000	2033	\$ 507,752	Maint.
11-MT	Terminal 1 /3 Repairs	\$ 4,500,000	2034	\$ 7,989,477	Maint.
21-LY	Boom Boat Replace	\$ 300,000	2034	\$ 532,632	Maint.
43-JWM	Float / Pile Replacement	\$ 15,500,000	2035	\$ 28,867,757	Maint.
43-JWM	Electrical & Lighting Replace	\$ 1,400,000	2038	\$ 3,009,788	Maint.
43-JWM	Shoreline & Breakwater	\$ 1,150,000	2039	\$ 2,593,469	Maint.
21-LY	General Equip. Replace 3	\$ 1,350,000	2040	\$ 3,193,689	Maint.
92-FM	Equip. / Vehicle Replace 3	\$ 220,000	2041	\$ 545,955	Maint.
41-PABH	E. PABH Jetty Stabilization	\$ 2,200,000	2042	\$ 5,727,069	Maint.
31-FIA	New Terminal Building	\$ 2,500,000	2043	\$ 6,826,927	Jobs / ROI

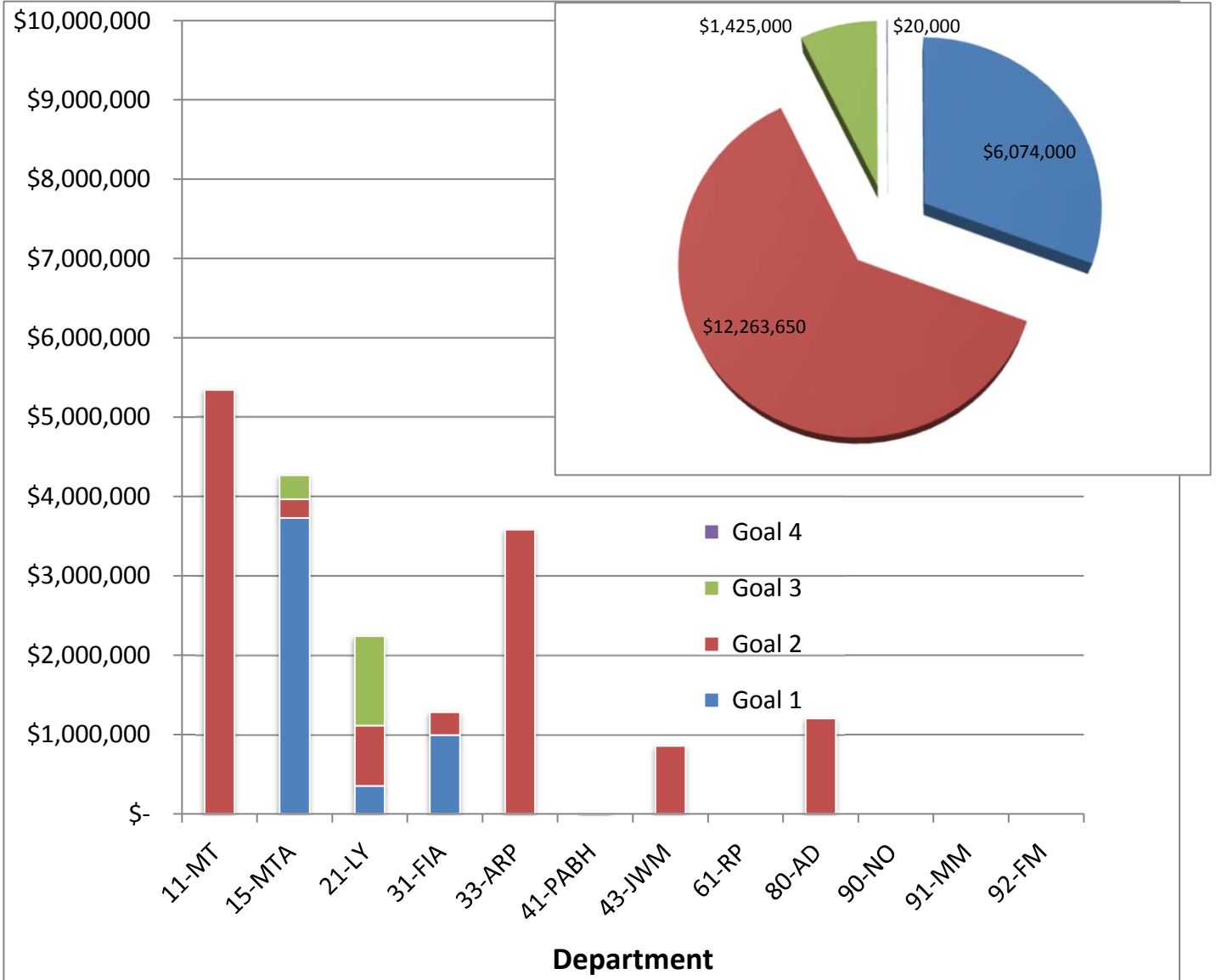
TOTAL = \$ 76,340,000

\$ 128,977,352

R.O.I. = Return on Investment

Inflation Rate = 4.90% (per Wa. St. Office of Financial Management)

2023 - 2027 CAPITAL EXPENDITURES BY STRATEGIC GOAL AND DEPARTMENT



PORT OF PORT ANGELES STRATEGIC PLAN GOALS

- Goal 1 Aggressively market the Port and make strategic investments to foster living wage jobs
- Goal 2 Assure Sound Financial and Economic Return on Port Assets
- Goal 3 Improve Environmental Performance
- Goal 4 Enhance Stakeholder Engagement and Outreach Efforts

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SECTION VI

PROPERTY TAX LEVY

YOUR TAX LEVY AT WORK

The Port of Port Angeles uses your property taxes for public investments in the community, not for day-to-day Port operations. Public investments support jobs, trade, commerce and recreation in our community. Property tax dollars are used for:

- debt service used to fund infrastructure investments
- the Community Partner Program, which was created to fund local economic development projects in communities throughout Clallam County
- direct funding of capital improvements
- environmental restoration of legacy sites
- property acquisition
- economic development initiatives

For 2023, there will be a 1.0% increase to the Port tax levy as directed by the Commission. The dollar increase to the Port's tax revenue (reflected below) is a result of the elected tax levy increase and the increased values for existing and new construction properties, as reported by the Clallam County Assessor. The estimated 2023 Port tax levy rate is \$ 0.11 per \$1,000.

TAX LEVY IMPACT ON HOMEOWNER

(for example purposes only, does not include all calculation factors)

A residential property owner with a home value of \$250,000 is currently paying approximately \$34.26 per year in Port taxes, which is based on a rate of \$0.14 per \$1,000. Port taxes as a percent of total property taxes vary per taxing district. *Note: estimated numbers only.*

Year	City of Port Angeles Home Value	Total Annual Tax Bill	Port Share of Tax	Port %	Port Levy Rate *	Total Port Property Tax
2022	\$ 250,000	\$ 2,700.50	\$ 34.26	1.27%	\$ 0.13705	\$ 1,640,301
2023 Property Tax w/1% increase						\$ 1,656,704
2023 Property Tax Calculated on New Construction & Other						\$ 25,035
2023 Total Property Tax (estimate)			\$ 28.08		\$ 0.11230	\$ 1,681,739
2023 Total Property Tax Increase (estimate)						\$ 41,438

* Levy rate is per \$1,000 assessed value

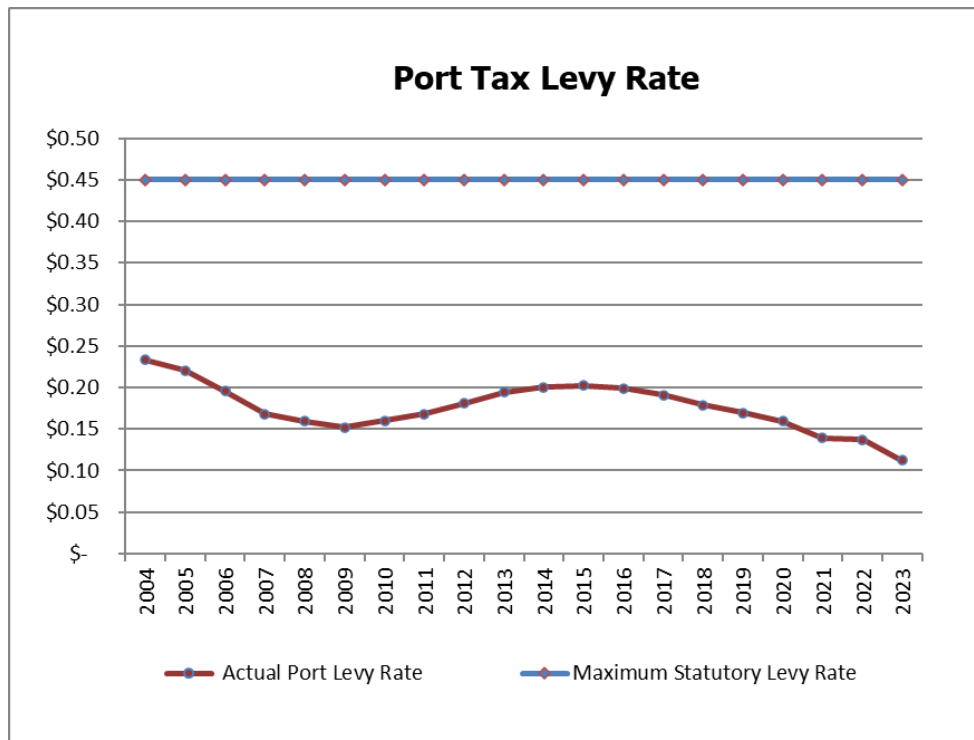
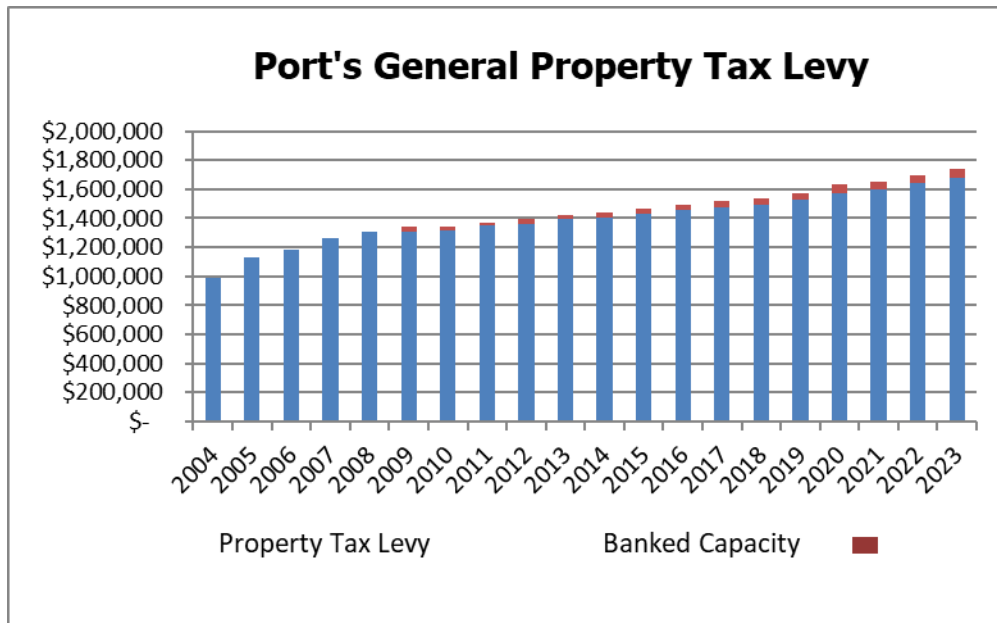
2023 TAX LEVY USES

Debt Service Payments (principal & interest)	\$ 533,101	32%
Community Partner Program	25,000	1%
Capital Improvement Fund - Construction	1,123,638	67%
Total Port Property Tax Levy	\$1,681,739	100%

History of Property Tax Increases & Banked Tax Balances

Property Tax Levy History	2016	2017	2018	2019	2020	2021	2022	2023
Tax Levy % Increase	1%	Banked	Banked	1%	1%	0.6%	1%	1%
Banked Capacity	38,765	50,606	47,438	45,148	60,516	56,234	54,999	53,549

If the district levies less than they could have levied (not levy the maximum 1% increase) the difference is considered “banked”. The **Port’s banked capacity, as of 2023, is \$53,549**. To use the banked capacity, the Port would need to levy more than 1%.



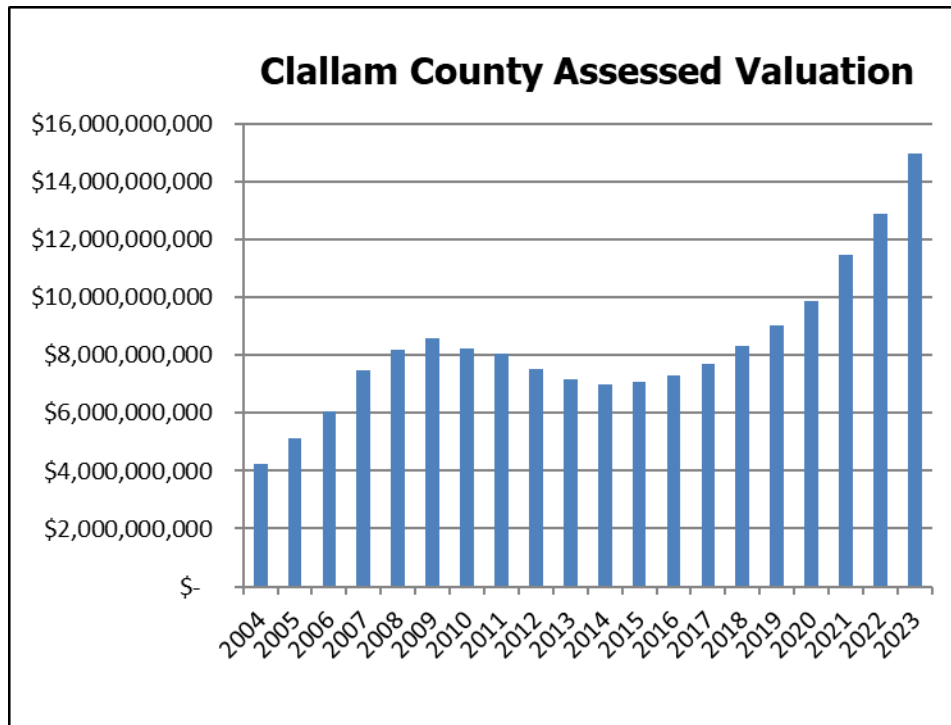
ASSESSED VALUATION & PROPERTY TAX LEVY

Prior year's assessed valuation is used for current year's tax levy

Clallam County Prior Year Assessed Valuation		Port of Port Angeles General Tax Levy		Levy Rate
2005	\$ 6,053,545,616	2006	\$ 1,184,195	0.19562
2006	\$ 7,477,997,284	2007	\$ 1,258,397	0.16828
2007	\$ 8,196,577,906	2008	\$ 1,304,813	0.15919
2008	\$ 8,587,834,547	2009	\$ 1,305,694	0.15204
2009	\$ 8,243,327,771	2010	\$ 1,318,250	0.159917235
2010	\$ 8,031,011,937	2011	\$ 1,347,598	0.167799335
2011	\$ 7,524,783,407	2012	\$ 1,359,948	0.180729167
2012	\$ 7,173,041,376	2013	\$ 1,391,568	0.193999656
2013	\$ 7,002,941,388	2014	\$ 1,400,756	0.200023942
2014	\$ 7,054,903,078	2015	\$ 1,427,094	0.202283927
2015	\$ 7,318,181,962	2016	\$ 1,453,778	0.1986528659
2016	\$ 7,697,314,552	2017	\$ 1,470,970	0.1911016732
2017	\$ 8,321,650,465	2018	\$ 1,490,112	0.1790644748
2018	\$ 9,041,260,634	2019	\$ 1,530,215	0.1692480011
2019	\$ 9,863,835,562	2020	\$ 1,569,883	0.1591600000
2020	\$ 11,471,631,886	2021	\$ 1,599,023	0.1393893401
2021	\$ 12,906,254,568	2022	\$ 1,638,718	0.1269708343
2022	\$ 14,975,332,854	2023 est*	\$ 1,681,739	0.1123006398

* 2023 – increase of 1.0%.

The levy rate fluctuates with changes in assessed valuations.



TAX LEVY SOURCES & USES

Tax Levy Sources

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 General Obligation (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, 2004 to 2023, the Port general levy rate has ranged from 11-23¢ per \$1,000. The Property Tax Levy Rate graph shows the maximum levy permitted by law compared to the actual general levy of the Port from 2004 to 2023 estimate.

Each year, the Port is allowed, by law, to increase its tax levy by a maximum of 1% without voter pre-approval. The option of a 1% increase is affected by the Implicit Price Deflator (IPD). An IPD of less than 1% limits the maximum tax increase to the IPD percentage. In this situation, the Port Commission can only elect an increase above the IPD (up to 1%) by passing a resolution finding substantial need for the maximum 1% increase. For 2023, the IPD is greater than 1%. The Port Property Tax Levy will be increased by 1% in 2023, as directed by the Commission.

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.

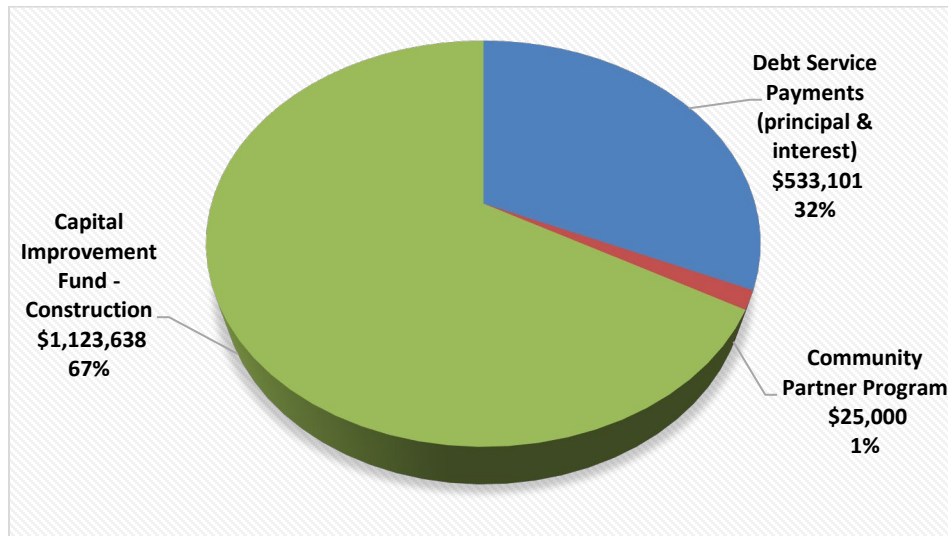
Industrial Development District (IDD) Tax Levies

Port districts may annually levy for industrial development district (IDD) purposes when they have adopted a comprehensive scheme of harbor improvements and industrial development. Levies for IDD purposes are treated as though they are separate regular property tax levies made by or for a separate taxing district. The Port may impose up to three periods of multiyear IDD levies. The multiyear levy periods do not have to be continuous, but they may not overlap. Except as otherwise provided, a multiyear levy period may not exceed twenty years from the date the first levy is made in the period. No levy in any period may exceed forty-five cents per thousand dollars of assessed value of the Port district. The Port has only utilized one of the available three, multiyear IDD levy periods, which occurred from 1986-1992. The Port does not intend to utilize this type of levy at this time.

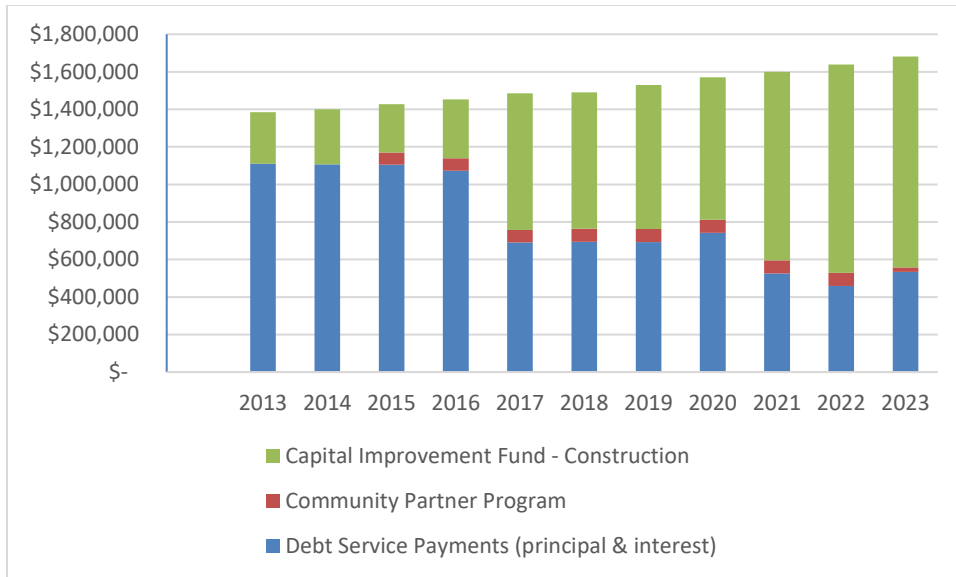
Tax Levy Uses

The general tax levy will be used for debt service on general obligation bonds & low interest loans which relates to prior years' capital construction for capital projects, the capital improvement fund, and the community partner program. By law, the property tax levy could also be used for Port operating expenditures. However, the Port Commission has limited the use of tax levy revenues to capital projects and non-operating uses, such as legacy environmental projects.

Proposed Use of 2023 Tax Levy



Historically, the Port has used the tax levy to pay for debt service on prior years' capital projects and contributed to the capital projects fund. The levy has not been used for operations.

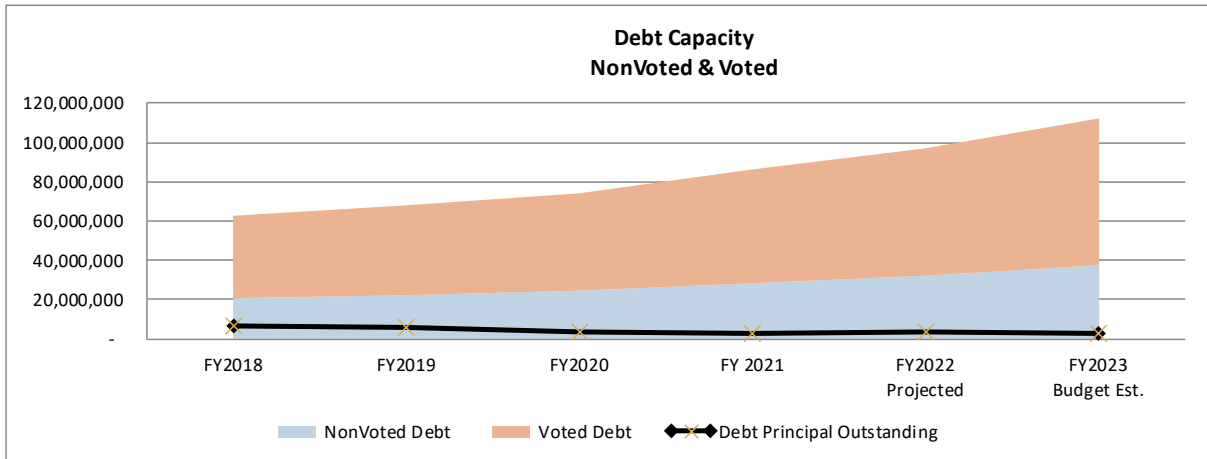


SECTION VII

OTHER FUNDS:

DEBT SERVICE AND BOND FUNDS

Debt Capacity



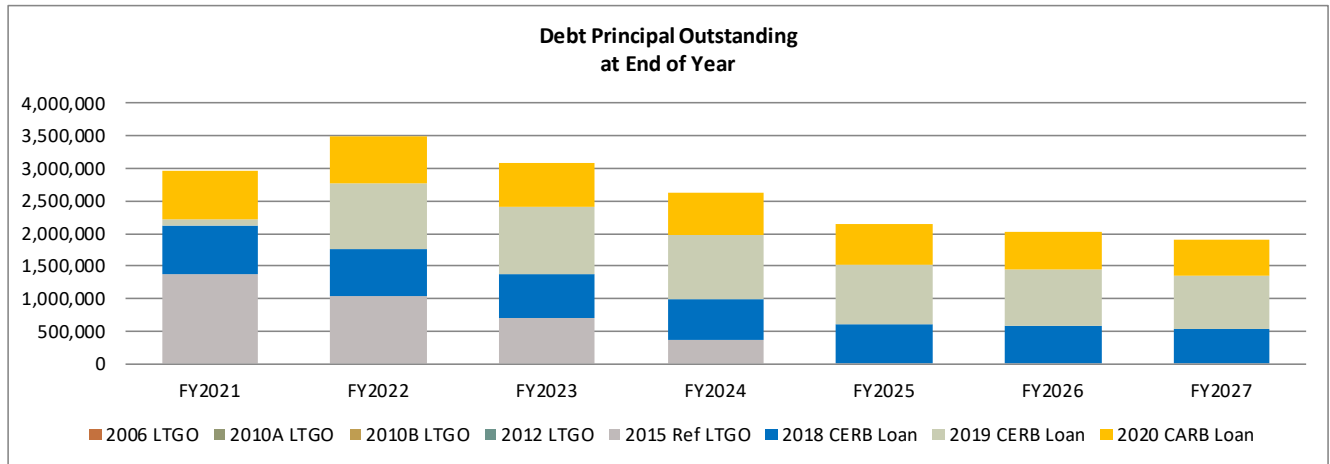
	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>	<u>FY 2021</u>	<u>FY2022 Projected</u>	<u>FY2023 Budget Est.</u>
Prior Year Assessed Value (AV)	8,321,650,465	9,041,260,634	9,863,835,562	11,471,631,886	12,906,254,568	14,975,332,854
Debt Capacity						
NonVoted Debt	20,804,126	22,603,152	24,659,589	28,679,080	32,265,636	37,438,332
Voted Debt	41,608,252	45,206,303	49,319,178	57,358,159	64,531,273	74,876,664
Total Debt Capacity	62,412,378	67,809,455	73,978,767	86,037,239	96,796,909	112,314,996
<i>Statutory Debt Limit: NonVoted debt cannot exceed .25% of AV; combined Non-Voted & Voted debt cannot exceed .75% of AV</i>						
Debt Principal Outstanding	6,332,706	5,905,899	3,284,795	2,973,070	3,495,612	3,088,686
NonVoted Debt Availability	14,471,420	16,697,252	21,374,794	25,706,010	28,770,024	34,349,646
Debt as of % of AV	0.08%	0.07%	0.03%	0.03%	0.03%	0.02%
Property Taxes	1,490,112	1,530,215	1,569,838	1,599,291	1,638,718	1,681,739
Debt Payments (Prin + Int)	694,734	693,009	4,445,646	416,761	458,934	533,101
Small Communities Program	70,000	70,000	70,000	70,000	70,000	70,000
Property Taxes Available	725,378	767,206	(2,945,808)	1,112,530	1,109,784	1,078,638

Property Taxes Available for New Debt		\$ 1,078,638
Potential New Debt	# Yrs	Potential New Debt
based on "A" Rated Municipal Bond Interest Ra	10	\$ 9,200,000
	20	\$ 15,130,000
	30	\$ 18,910,000

Property Taxes Available	Banked Capacity Estimate	\$ 1,132,187
Potential New Debt using Banked Capacity	# Yrs	Potential New Debt
	10	\$ 9,620,000
Banked Capacity Tax Increase*	20	\$ 15,830,000
	30	\$ 19,800,000

* Tax increase % to recover banked capacity fluctuates based on changes in AV and highest lawful levy calculation.

Outstanding Long-Term Debt



		Debt Outstanding (at end of year)						
		<u>FY2021</u>	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>
<u>Bond/Loan Name</u>	<u>Project Name</u>							
2006 LTGO	PABH							
2010A LTGO	Composite Mfg-Site	Paid off Dec 2020						
2010B LTGO	Composite Mfg-Bldg	Paid off Dec 2020						
2012 LTGO	25 Projects 1993-98	Paid off Dec 2016						
2015 Ref LTGO	Refunded 2006 PABH	1,384,420	1,050,169	707,714	357,505	-	-	-
2018 CERB Loan	MTA Washdown Facility	738,650	706,310	673,324	639,678	605,359	570,354	534,649
2019 CERB Loan	LY Cofferdam Barge Facility	100,000	1,020,000	1,020,000	971,027	918,931	865,793	811,593
2020 CARB Loan	FIA Utility Extension	750,000	719,132	687,648	655,533	622,776	589,364	555,284
Total Principal Outstanding		2,973,070	3,495,612	3,088,686	2,623,743	2,147,067	2,025,512	1,901,526
Decrease/(Increase) in Principal		311,725	(522,542)	406,926	464,943	476,676	598,231	245,540

		Fiscal Years (FY)		
		2022 thru 2041		
<u>Bond/Loan Name</u>	<u>Project Name</u>	<u>Original Principal</u>	<u>Remaining Principal</u>	<u>Pymt Maturity</u>
2006 LTGO	PABH	4,995,000	-----	see 2015 Refunding-----
2010A LTGO	Composite Mfg-Site	760,000	-----	Paid off Dec 2020-----
2010B LTGO	Composite Mfg-Bldg	3,435,000	-----	Paid off Dec 2020-----
2012 LTGO	25 Projects 1993-98	1,830,000	-----	Paid off Dec 2016-----
2015 Ref LTGO	Refunded 2006 PABH	3,251,350	1,384,420	Dec 1, 2025
2018 CERB Loan	MTA Washdown Facility	765,000	738,650	Jan 31, 2040
2019 CERB Loan	LY Cofferdam Barge Facility	1,020,000	1,020,000	Jul 31, 2040
2020 CARB Loan	FIA Utility Extension	750,000	750,000	Jan 1, 2041
		16,806,350	3,893,070	

Long-Term Debt Service Schedule

DEBT PRINCIPAL PAYMENTS											
Bond/Loan Name	Project Name	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028 +	Fiscal Years (FY) 2022 thru 2041 Remaining Principal	Maturity
2006 LTGO	PABH										Dec 1, 2030
2010A LTGO	Composite Mfg-Site	Paid off Dec 2020									Dec 1, 2029
2010B LTGO	Composite Mfg-Bldg	Paid off Dec 2020									Dec 1, 2016
2012 LTGO	25 Projects 1993-98	Paid off Dec 2016									
2015 Ref LTGO	Refunde d 2006 PABH	330,380	334,251	342,455	350,210	357,505	-	-	-	1,384,420	Dec 1, 2025
2018 CERB Loan	MTA Washdown Facility	26,350	32,339	32,986	33,646	34,319	35,005	35,705	534,649	738,650	Jan 31, 2040
2019 CERB Loan	LY Cofferdam Barge Facility	-	-	-	48,973	52,096	53,138	54,200	811,593	1,020,000	Jul 31, 2040
2020 CARB Loan	FIA Utility Extension	-	30,868	31,485	32,115	32,757	33,412	34,080	555,284	750,000	Jan 1, 2041
TOTAL	Debt Principal Outstanding	356,730	397,458	406,926	464,943	476,676	121,555	123,986	1,901,526	3,893,070	
DEBT INTEREST PAYMENTS											
Bond/Loan Name	Project Name	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028 +	Fiscal Years (FY) 2022 thru 2041 Remaining Interest	Coupon Rate
2006 LTGO	PABH										4.40% - 4.75%
1 2010A LTGO	Composite Mfg-Site	Paid off Dec 2020									4.125%*
2 2010B LTGO	Composite Mfg-Bldg	Paid off Dec 2020									4.00% - 5.00%
2012 LTGO	25 Projects 1993-98	Paid off Dec 2016									2.00%
2015 Ref LTGO	Refunde d 2006 PABH	39,269	31,703	24,049	16,207	8,187	-	-	-	80,146	2.29%
2018 CERB Loan	MTA Washdown Facility	20,762	14,773	14,126	13,466	12,794	12,107	11,407	77,812	156,486	2.00%
2019 CERB Loan	LY Cofferdam Barge Facility	-	-	73,617	20,442	19,421	18,379	17,316	118,118	267,292	2.00%
2020 CARB Loan	FIA Utility Extension	-	15,000	14,383	13,753	13,111	12,456	11,787	85,962	166,451	2.00%
TOTAL	Interest	60,031	61,476	126,175	63,868	53,512	42,941	40,510	281,893	670,375	
1 Interest only until 2029; Federal subsidy reduces interest											
2 Interest only until 2017											
* Interest rate is net of Federal subsidy (7.5% stated rate with 45% subsidy = 4.125% effective rate). Interest payment is amount before subsidy.											
DEBT SERVICE PAYMENTS (PRIN + INT)											
Bond/Loan Name	Project Name	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028 +	Fiscal Years (FY) 2022 thru 2041 Remaining Payments	
2006 LTGO	PABH										
2010A LTGO	Composite Mfg-Site	Paid off Dec 2020									
2010B LTGO	Composite Mfg-Bldg	Paid off Dec 2020									
2012 LTGO	25 Projects 1993-98	Paid off Dec									
2015 Ref LTGO	Refunde d 2006 PABH	369,649	365,954	366,504	366,416	365,691	-	-	-	1,464,566	
2018 CERB Loan	MTA Washdown Facility	47,112	47,112	47,112	47,112	47,112	47,112	47,112	612,461	895,135	
2019 CERB Loan	LY Cofferdam Barge Facility	-	-	73,617	69,415	71,516	71,516	71,516	929,711	1,287,292	
2020 CARB Loan	FIA Utility Extension	-	45,868	45,868	45,868	45,868	45,868	45,867	641,246	916,451	
TOTAL	Debt Payments (Prin + Int)	416,761	458,934	533,101	528,812	530,188	164,496	164,496	2,183,419	4,563,445	

SECTION VIII

SUPPLEMENTAL INFORMATION

PORT OPERATING AREAS



PORT OPERATING AREAS
PORT ANGELES WATERFRONT

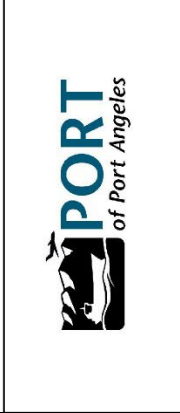
- 11-MARINE TERMINAL
- 15-MARINE TRADES AREA
- 21-LOG YARD
- 41-PORT ANGELES BOATHAVEN
- 61-RENTAL PROPERTY
- 91-MECH SHOP

DATE:
9/13/2022

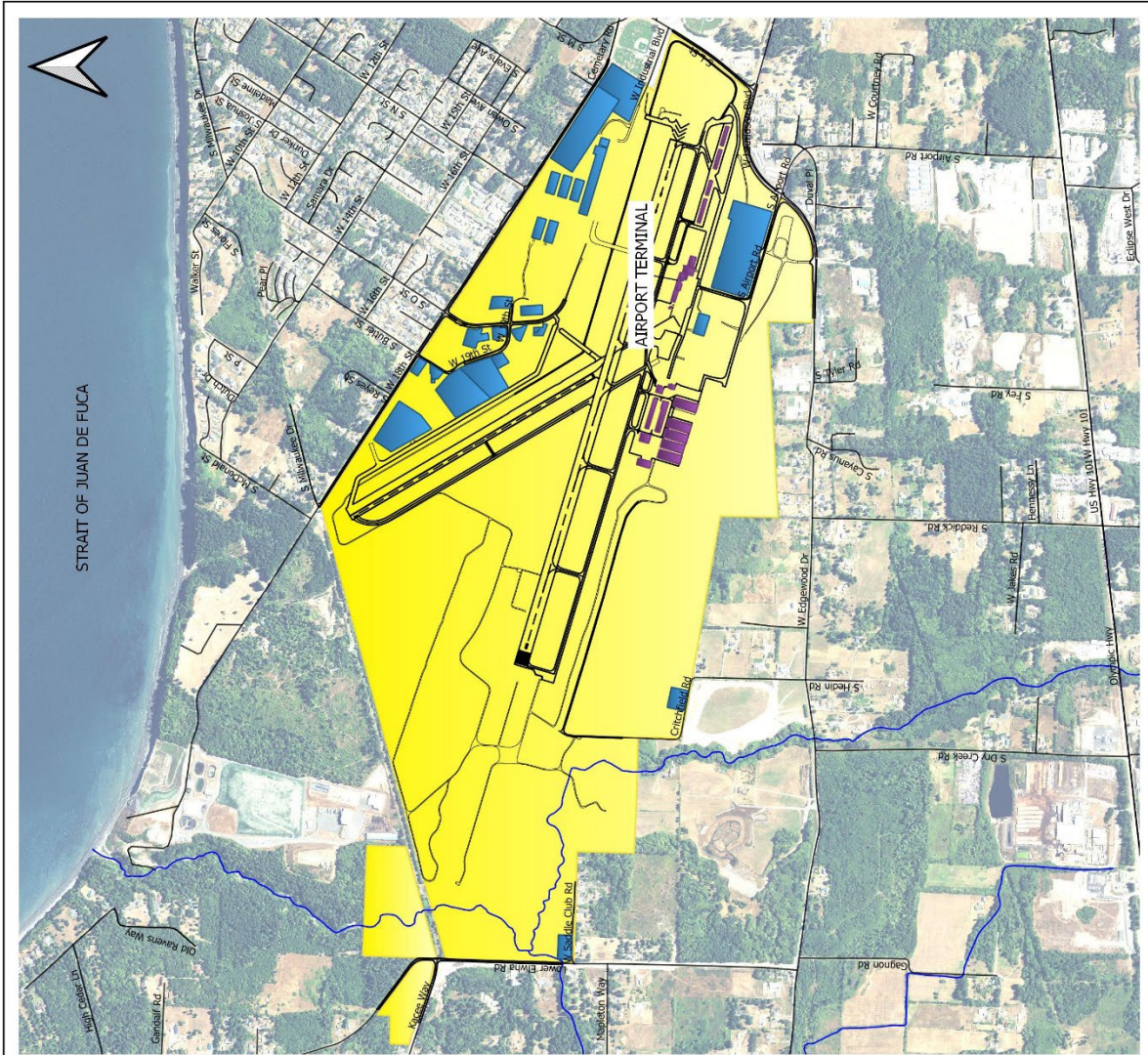
SCALE
1" = 1400'

OPERATION AREA
PORT ANGELES WATERFRONT

SHEET:
1 OF 4



PORT OPERATING AREAS – continued



PORT OPERATING AREAS
WILLIAM R. FAIRCHILD
INTL AIRPORT (CLM)

- 31-AIRPORT (CLM)
- 31-RENTAL-AERONAUTICAL
- 33-RENTAL-NON-AERONAUTICAL

DATE:
9/13/2022

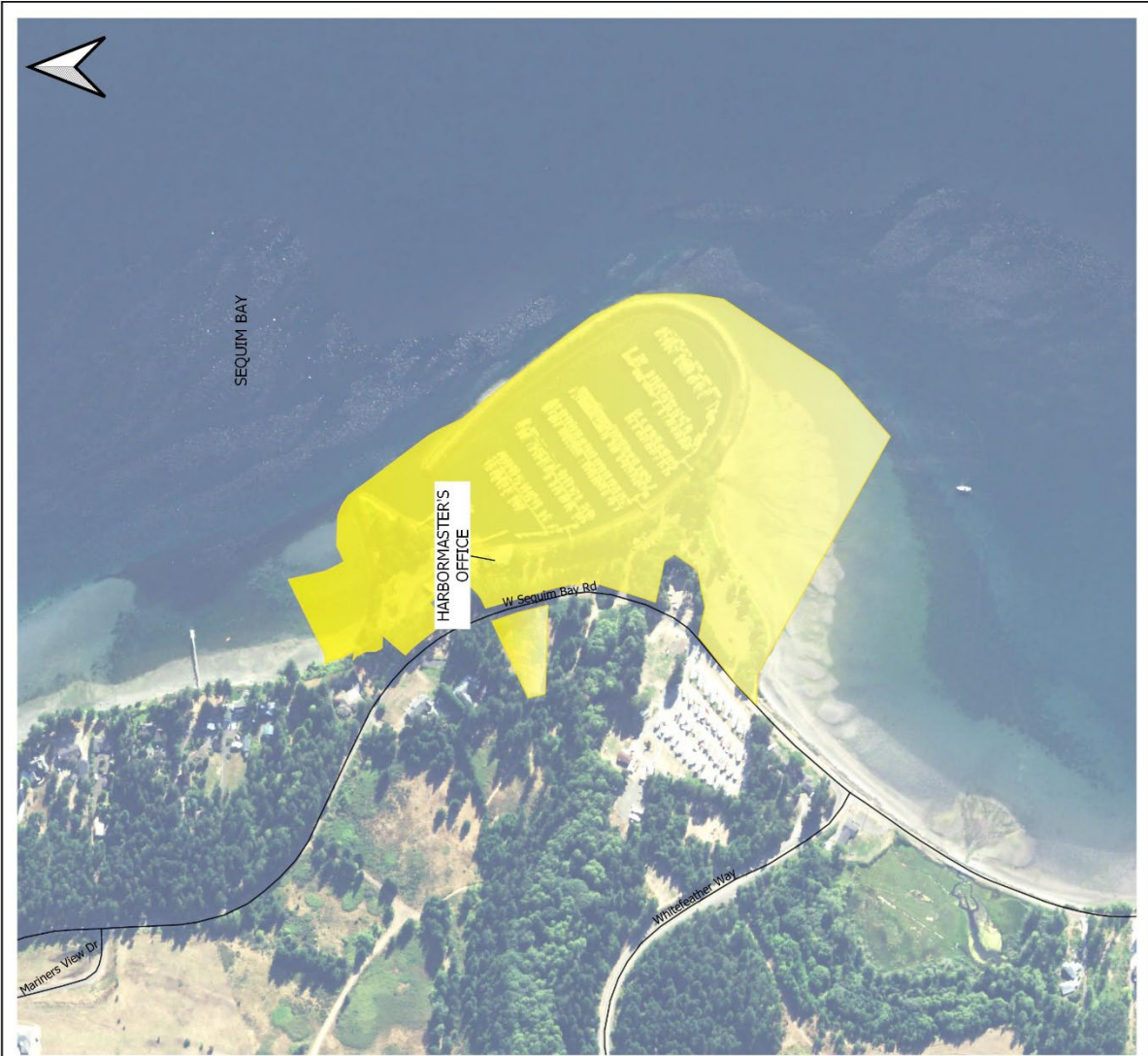
SCALE
1" = 1600'


OPERATION AREA
WILLIAM R FAIRCHILD INTL AIRPORT (CLM)

SHEET
2 OF 4



PORT OPERATING AREAS – continued



<p>PORT OPERATING AREAS JOHN WAYNE MARINA (JWM)</p>	<p>43-JOHN WAYNE MARINA</p>	<p>DATE: 9/13/2022</p>	<p>SCALE 1" = 500'</p>	<p>OPERATION AREA JOHN WAYNE MARINA (JWM)</p>	<p>SHEET 3 OF 4</p>	
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PORT OPERATING AREAS – continued



PORT OPERATING AREAS

SEKIU AIRPORT (11S)

 32-SEKIU AIRPORT

DATE:
9/13/2022

SCALE
1" = 900'

OPERATION AREA
SEKIU AIRPORT (11S)

SHEET
4 OF 4



TRAVEL & TRAINING BUDGET
(includes Training Fees)
2023 Budget

Travel - Meetings	2018 ACTUAL	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2022 PROJCTD	2023 BUDGET
MT	1,041	1,332	160	90	3,000	500	3,000
MTA	3,629	485	0	0	1,000	500	1,000
LY	2,442	846	13	17	1,000	1,500	1,000
FIA	2,379	5,081	1,380	795	5,000	0	4,165
ARP	876	0	0	0	1,000	0	1,000
SEK	122	278	140	0	0	232	245
PABH	0	463	0	0	500	0	500
JWM	2,553	711	210	230	500	0	0
RP	0	0	0	0	0	0	0
MM	22	48	0	0	0	0	0
FM	6	0	6	92	0	0	0
ADM	22,704	18,647	7,187	10,515	20,000	10,000	10,000
BD	21,350	25,116	3,928	2,962	11,000	6,054	8,500
Subtotal	57,124	53,007	13,024	14,701	43,000	18,786	29,410
Travel - Training	2018 ACTUAL	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2022 PROJCTD	2023 BUDGET
MT	1,438	400	234	2,191	1,600	0	1,600
MTA	0	0	0	0	0	0	1,000
LY	4,640	6,963	(900)	988	2,200	1,500	1,000
FIA	2,201	1,712	0	894	600	1,435	1,500
ARP	0	57	0	0	500	0	500
SEK	0	0	0	0	0	0	0
PABH	0	355	128	766	500	0	0
JWM	0	0	128	765	500	0	0
RP	529	895	0	0	0	0	0
MM	0	0	0	6,906	500	0	500
FM	3,519	983	5,402	249	4,000	0	4,000
ADM	24,379	27,859	8,237	11,827	20,000	6,389	0
BD	4,159	2,316	(1,100)	2,994	5,000	5,000	4,835
Subtotal	40,865	41,540	12,129	27,580	35,400	14,324	14,935
TOTAL	97,989	94,547	25,153	42,281	78,400	33,110	44,345

**CONSULTING & SPECIAL PROJECTS
2023 Budget**

RECIPIENT	2023 CONTRIBUTION	REMARKS
Clallam County EDC	\$ 37,465	Cash: Operating Costs \$ 30,000
		In-Kind: Facility Fee Waiver (NTE 12/year) \$ 900
		In-Kind: Office Space & Utilities Annual Rent \$ 6,565
Center for Inclusive Entrepreneurship	\$ 13,291	Cash: Operating Costs \$ 7,500
		In-Kind: Office Space & Utilities Annual Rent \$ 5,791
Port Angeles Yacht Club	\$ 4,312	50% Ground Lease rate (written directly in lease) \$ 2,780
		50% moorage on a 30' slip \$ 1,532
Sequim Bay Yacht Club	\$ 17,011	Waived fees for the Hendricks Room (NTE 9/year) \$ 4,703
		50% rate for club space and storage area(s) \$ 7,035
		50% rate for mooring float including waiving of two moorages \$ 5,273
Sea Scout - Marvin Shields	\$ 5,844	Waived moorage on a single 50' slip \$ 5,844
Olympic Peninsula Rowing Assoc.	\$ 1,958	50% moorage on 2 limited access 20' slips (seasonal use) \$ 1,958
CRTC	\$ 12,000	Waived Equipment Rental \$ 12,000
Jamestown Klallam Tribe	\$ 3,064	Waived: 30' slip for patrol activities ('83 Agreement) \$ 3,064
Community Partner Program	\$ 21,333	Community Boating Program (First Sail Community Event) \$ 1,000
		Forks Chamber (Forever Twilight Festival) \$ 2,333
		Habitat for Humanity (Residential Construction workforce training classes) \$ 10,000
		Port Angeles Yacht Club (Boater Safety, Skills, & Seamanship Training) \$ 333
		Sea Scouts (Vessel Repair) \$ 3,000
		Sequim School District (Purchase of walk-in fridge and long table saw for CTE classes) \$ 4,667
TOTAL:	\$ 116,277	

COMMUNITY EVENTS	2023 CONTRIBUTION
Centennial Celebration Fund	\$ 6,000
Miscellaneous Fee/Waivers/Sponsorships	\$ 10,000
Total:	\$ 16,300

**PROFESSIONAL MEMBERSHIPS
2023 Budget**

Line #	DEPT	PROFESSIONAL ORGANIZATION (alphabetical order)	2020	2021	2022	2023
			ACTUAL	ACTUAL	BUDGET	BUDGET
1	ADMIN	Washington Public Ports Association (WPPA)	20,348	15,419	20,000	14,786
2	ADMIN	Municipal Research & Services Center (MRSC thru WPPA)	950	0	950	950
3	ADMIN	American Forest Resource Council	600	600	600	600
4	ADMIN	Government Finance Officers Association (GFOA -1)	150	150	300	150
5	ADMIN	Society for Human Resources Management (SHRM)	219	219	219	219
6	ADMIN	Washington Finance Officers Association (WFOA -1)	125	400	150	75
7	ADMIN	Engineering License	110	116	110	110
8	ADMIN	Washington Agriculture & Forestry Leadership Program	500	0	0	0
9	FIA	Washington Airport Managers Association (WAMA)	125	140	275	150
10	FM	American Public Works Association (APWA) - 2	240	480	450	450
11	MT	Northwest Marine Trades Association (NWMTA)	1,216	1,216	1,216	1,277
12	MT	Marine Exchange of Puget Sound	500	500	500	500
13	MTA	Super Yachts Northwest (NMTA)	500	0	1,000	1,000
14	MTA	U.S. Superyacht Association	600	600	500	500
15	MTA	Puget Sound Ship Repair Association (PSSRA)	500	500	500	500
16	PABH/JWM	Northwest Marine Trade Association (NMTA)	460	475	500	525
		TOTAL PROFESSIONAL ORGANIZATIONS	27,143	20,815	27,270	21,792

MEMBERSHIP & DUES POLICY

In Resolutions 727 & 05-923 the Commissioners encourage administrative staff to participate in civic and service organizations as part of the commitment of the Port to serve the citizens of Clallam County. This resolution authorizes staff to be reimbursed for reasonable costs associated with participation in civic

Employee Handbook, Section VI.E "Memberships and Dues" includes a list of appropriate civic organizations. Participation in local business and other public service organizations places Port employees in direct frequent contact with other community leaders, thus providing an opportunity to promote the Port while increasing its visibility within the community. Membership deemed to be beneficial to the Port should be submitted as part of the Port's annual budget process.

Memberships List:

- . Economic Development Council(s)
- . Chamber(s) of Commerce
- . Civic service organizations (Rotary, Soroptimist, Exchange Club, Kiwanis, Lions, United Way)
- . Business organizations (Port Angeles Business Association, Port Angeles Downtown Association)
- . Trade Organizations (NW Marine Trade Assoc., NW Marine Terminal Assoc., Gov't Finance Officers Assoc., WA Public Ports Assoc.)

This list is not inclusive and may be modified by the Executive Director with notification to the Commission.

2023 POPA Budgeted Outside Services

Dept	Description	2021 Budget	2022 Budget	2023 Budget
41-PABH	PABH Agent Fee	318,500	331,112	340,353
80-ADM	Est legal services	120,000	150,000	150,000
80-ADM	IT support services	54,200	54,200	72,500
15-MTA	Boatyard Agent Fees	53,000	57,228	63,000
80-ADM	SAO Audit Fees	44,000	56,500	50,000
81-BD	Clallam County EDC	50,000	50,000	30,000
33-ARP	Janitorial for Homeland / GSA	35,000	26,000	26,000
80-ADM	Admin Janitorial	19,000	25,000	22,000
11-MT	Stormwater system maintenance	-	-	20,000
21-LY	Stormwater system maintenance	20,000	20,000	20,000
80-ADM	Synergy IT support for Dynamics	25,000	20,000	20,000
81-BD	MTC Business Development	50,000	20,000	20,000
15-MTA	Legal expense	-	15,000	16,000
15-MTA	Cultural Site Investigation / Misc	-	12,000	15,000
21-LY	Legal and Consulting		20,000	15,000
21-LY	Boomground maintenance			15,000
43-JWM	Fuel System Maint / Pump septic tanks	15,000	15,000	15,000
80-ADM	General consulting - TBD	50,000	15,000	15,000
41-PABH	Waste oil and Pacific Breeze	9,500	9,500	14,550
11-MT	On call structural engineer	-	15,000	10,000
81-BD	Market analysis for maritime	-	10,000	10,000
33-ARP	Fire alarm monitoring	-	9,000	9,000
80-ADM	GASB 49 Environmental reporting	7,500	8,000	8,000
81-BD	Center for Incl. Entrep cash support	10,000	10,000	7,500
80-ADM	Acct software annual license	6,500	6,500	7,000
31-FIA	Terminal Janatorial Svcs	-	-	6,476
80-ADM	Rackspace (email and MS Office)	5,500	5,500	6,200
15-MTA	Washwater disposal fees	5,700	5,700	6,000
80-ADM	Centennial Celebration Fund	-	-	6,000
80-ADM	Olympic Laundry - floor mats	15,000	9,000	6,000
80-ADM	LOB followup / economic impact	5,000	5,000	5,000
81-BD	Web page development	-	30,000	5,000
81-BD	Misc TBD	10,000	5,000	5,000
81-BD	Sustainable Havest / Adv Wood Products	10,000	5,000	5,000
32-SEK	Agent Fee	3,600	3,600	3,780
31-FIA	Weather monitoring / runway inspections	3,000	3,000	3,300
91-MM	Olympic Laundry - Coveralls	9,600	4,500	2,700
11-MT	Olympic Laundry - floor mats	3,000	2,500	2,600
92-FM	Work order software service	2,200	2,200	2,386
33-ARP	Legal and misc	-	2,000	2,000
91-MM	Waste oil processing	500	4,200	2,000
92-FM	Olympic Laundry - Coveralls	8,000	6,000	2,000
61-RP	Legal and Misc	-	1,800	1,800
92-FM	Hearing tests	500	500	1,000
80-ADM	Copier maintenance	800	800	800
92-FM	CDL drug screening	100	100	500
11-MT	Hearing tests	250	250	400
31-FIA	Access control system maintenance	84	84	84
11-MT	Longshore Labor for Chip Barges	196,750	196,750	-
31-FIA	Airport Appreciation Day	10,000	5,000	-
11-MT	Terminal 1 Pile Assessment	200,000	-	-
11-MT	Terminal 7 Pier Assessment (1/2 of cost)	35,000	-	-
15-MTA	Boatyard Travel lift pier assessment	30,000	-	-
31-FIA	Air service business development	5,000	-	-
31-FIA	Aircraft tracking services	2,000	-	-
81-BD	SBDC cash support	23,000	-	-
	Total	1,471,784	1,253,524	1,066,929

2023 - Department Direct Cost		11	15	21	31	33	32	41	43	61	80	81	90	91	92	
Salary % Split	Home Dept.	MT	MTA	LY	FIA	ARP	SEK	PABH	JWM	RP	A&G	BD	NOP	MM	FM	
TOTAL	TOTAL															
Director of Engineering	A&G	15%	15%	5%		5%	5%	5%	5%		35%	5%	5%		5%	100%
Environmental Manager	A&G	10%	10%	10%	5%	5%		5%	5%		35%		10%		5%	100%
Director of Operations	A&G	20%	15%	10%	5%	5%		10%	10%		15%			5%	5%	100%
A/R Clerk	A&G	10%		10%	5%	5%			20%	5%	45%					100%
All Security (except JWM)	A&G	20%	5%	5%	10%	15%		15%		5%	15%			5%	5%	100%
Director of Projects	A&G										75%		25%			100%
Lease Administrator	ARP	10%	10%	5%	15%	40%		5%	5%	10%						100%
Airport Manager	FIA				35%				25%			10%				100%
Facilities Maintenance Supervisor	FM	10%	10%	5%	10%	10%		5%	5%	5%					40%	100%
Operations Supervisor	MT	65%	15%		5%			5%	5%	5%						100%

The above employee's salary and benefit costs are distributed between the departments depending on where they work. Each employee has a home department (shaded in blue) but their salary and benefit cost is spread among the different departments they perform work in. Most hourly employees are charged based on tracked time. All other non-hourly employees are charged 100% to their home department.

Split Methodology by Position

Director of Engineering	Budget based on planned capital projects and ops oversight with actual time tracked & recorded
Environmental Manager	Estimate based on environmental compliance needs in each area with actual time tracked & recorded
Director of Operations	Estimate based on planned public works, LY and MT activities with actual time tracked & recorded
A/R Clerk	Budget based on estimates with actual time tracked & recorded
All Security (except JWM)	Based on the standard operating plan for security presence in each area
Director of Projects	Based on estimated time to be spent in each area
Lease Administrator	Based on estimated time to be spent in each area
Airport Manager	Based on estimated time to be spent in each area
Facilities Maintenance Supervisor	Estimated based on the planned maintenance projects for the year with actual tracked and recorded
Operations Supervisor	Based on estimated time to be spent in each area plus supporting security

ALLOCATED EXPENSES

Line of Business	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2022 Projected	2023 Budget
Marine Terminal	452,464	1,024,544	491,415	524,595	398,653	441,528
Marine Trades Area	171,374	204,798	99,953	230,094	190,520	237,380
Log Yard	501,257	494,340	264,504	511,581	591,372	571,040
FIA	219,971	294,974	125,377	293,880	290,079	298,240
Airport Rental Properties	248,903	247,477	160,019	435,241	437,666	408,232
Sekiu Airport	10,549	14,562	5,850	14,883	20,837	15,415
Port Angeles Boat Haven	307,836	341,043	164,284	356,293	407,267	378,538
John Wayne Marina	294,751	316,867	169,782	393,105	362,473	388,464
Rental Property	39,125	61,545	25,617	46,694	60,448	50,942
Total	2,246,230	3,000,150	1,506,801	2,806,367	2,759,315	2,789,780

DEPRECIATION

Line of Business & Departments	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2022 Projected	2023 Budget
Marine Terminal	561,034	631,475	640,991	652,149	642,272	653,985
Marine Trades Area	88,464	152,672	159,967	162,082	163,343	166,322
Log Yard	359,343	359,475	348,215	354,774	318,453	324,261
FIA	554,609	601,754	626,069	639,029	628,702	640,169
Airport Rental Properties	461,672	442,696	446,215	452,870	443,042	451,122
Sekiu Airport	3,699	3,690	2,618	2,666	2,618	2,666
Port Angeles Boat Haven	334,318	334,059	346,736	351,745	380,343	387,280
John Wayne Marina	120,836	65,231	64,371	66,449	66,145	67,352
Rental Property	13,768	13,763	13,767	14,020	13,767	14,018
Mechanical Maintenance	15,171	15,658	16,005	16,299	16,005	16,297
Facilities Maintenance	35,374	22,599	23,856	24,293	26,664	27,150
Administration & General	43,524	38,097	40,235	40,240	40,216	40,949
Total	2,591,811	2,681,169	2,729,045	2,776,616	2,741,572	2,791,572

ALLOCATED DEPRECIATION

Line of Business & Departments	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2022 Projected	2023 Budget
Marine Terminal	18,204	26,200	26,151	15,931	12,836	14,008
Marine Trades Area	6,917	5,227	5,300	6,987	6,134	7,531
Log Yard	20,383	12,695	14,206	15,536	19,041	18,117
Fairchild International Airp	12,129	8,360	8,643	9,807	10,362	10,274
Airport Rental Properties	9,743	4,968	6,054	7,899	7,037	7,985
Sekiu Airport	582	413	403	497	744	531
Port Angeles Boat Haven	12,526	8,765	8,834	10,820	13,113	12,010
John Wayne Marina	11,993	8,143	9,129	11,938	11,671	12,324
Rental Property	1,592	1,582	1,377	1,418	1,946	1,616
Total	94,069	76,353	80,097	80,832	82,885	84,397

Port of Port Angeles - Support Function Cost Allocation - for 2023 Budget

Purpose: To distribute support function expenses to the lines of business they support

Method: The Port uses the Modified Total Direct Cost (MTDC) model as specified by the US Office of Mgmt and Budget

Note 1: Cost of Goods Sold expense is not an allowable expense for MTDC calculations.

Note 2: FAA requires that no general (Port-wide) business development costs can be allocated to the airport

All LOB Depts	(see note 1)		Total MTDC Expense	Total MTDC Ratios	Total MTDC Ratios used to split Support Function Expenses		
	Total LOB Expense	Less COGS Expense			Mech Maint	Facility Maint	Admin & General
Marine Terminal	995,498	(200,000)	795,498	17%	23,767	47,401	335,465
Marine Trades	427,687	-	427,687	9%	12,778	25,484	180,357
Log Yard	1,048,840	(20,000)	1,028,840	21%	30,738	61,305	433,866
FIA Airport	606,558	(23,108)	583,450	12%	17,432	34,766	246,043
Airport Rentals	465,471	(12,000)	453,471	9%	13,548	27,021	191,230
Sekiu Airport	30,156	-	30,156	1%	901	1,797	12,717
PA Boat Haven	785,350	(103,340)	682,010	14%	20,376	40,638	287,606
JW Marina	1,061,634	(361,740)	699,894	15%	20,911	41,704	295,148
Rental Property	92,582	(800)	91,782	2%	2,742	5,469	38,705
Total	5,513,775	(720,988)	4,792,787	100%	143,193	285,584	2,021,137

Excluding Airports	Total LOB Expense	Less COGS Expense	Non-Airport MTDC Expense	Non-Airport MTDC Ratios	Non-Airport MTDC Ratios used to split (see note 2)	
					General Bus Dev	Airport Bus Dev
Marine Terminal	995,498	(200,000)	795,498	21%	34,896	
Marine Trades	427,687	-	427,687	11%	18,761	
Log Yard	1,048,840	(20,000)	1,028,840	28%	45,131	
PA Boat Haven	785,350	(103,340)	682,010	18%	29,917	
JW Marina	1,061,634	(361,740)	699,894	19%	30,702	
Rental Property	92,582	(800)	91,782	2%	4,026	
Total	4,411,590	(685,880)	3,725,710	100%	163,433	

Airport Only	Total LOB Expense	Less COGS Expense	Airport Only MTDC Expense	Airport Only MTDC Ratios	100% Direct Allocation to Airport Area	
					Airport Bus Dev	General Bus Dev
Airport Rentals	465,471	(12,000)	453,471	100%	176,433	

Total Support Costs Allocated	Total Support Cost Allocation by Line of Business
Mech Maint 143,193	441,528 Marine Terminal
Facility Maint 285,584	237,380 Marine Trades
Admin & General 2,021,137	571,040 Log Yard
General Bus Dev 163,433	298,240 FIA Airport
Airport Bus Dev 176,433	408,232 Airport Rentals
Total 2,789,780	15,415 Sekiu Airport
	378,538 PA Boat Haven
	388,464 JW Marina
	50,942 Rental Property
	2,789,780 Total

Employee Wage Scale - Represented 2023 Budget

IT IS HEREBY AGREED between the PORT OF PORT ANGELES, and the ILWU Local 27 and Teamsters Local 589, PORT EMPLOYEES UNITS, that the following rate of pay matrix shall be effective January 1, 2023 (5.0%)

Job Title	Range Number	Step Number									
		1	2	3	4	5	6	7	8	9	10
	1										
	2							14.90	15.27	15.64	16.03
	3	13.51	13.92	14.34	14.77	15.21	15.67	16.14	16.62	17.12	17.63
	4	14.19	14.54	14.90	15.27	15.64	16.03	16.42	16.83	17.24	17.68
	5	14.90	15.27	15.64	16.03	16.42	16.83	17.24	17.68	18.11	18.56
	6	15.64	16.03	16.42	16.83	17.24	17.68	18.11	18.56	19.01	19.49
	7	16.42	16.83	17.24	17.68	18.11	18.56	19.01	19.49	19.96	20.46
	8	17.24	17.68	18.11	18.56	19.01	19.49	19.96	20.46	20.96	21.48
	9	18.11	18.56	19.01	19.49	19.96	20.46	20.96	21.48	22.01	22.56
	10	19.01	19.49	19.96	20.46	20.96	21.48	22.01	22.56	23.11	23.69
Facilities Maintenance Janitorial (PT)	11	19.96	20.46	20.96	21.48	22.01	22.56	23.11	23.69	24.26	24.87
	12	20.96	21.48	22.01	22.56	23.11	23.69	24.26	24.87	25.48	26.12
Utility Person	13	22.01	22.56	23.11	23.69	24.26	24.87	25.48	26.12	26.75	27.42
	14	23.11	23.69	24.26	24.87	25.48	26.12	26.75	27.42	28.09	28.79
Accounting Clerk I	15	24.26	24.87	25.48	26.12	26.75	27.42	28.09	28.79	29.49	30.23
Accounting Clerk II, Assistant Harbormaster	16	25.48	26.12	26.75	27.42	28.09	28.79	29.49	30.23	30.97	31.74
Accounting Lead	17	26.75	27.42	28.09	28.79	29.49	30.23	30.97	31.74	32.52	33.33
Machine Operator	18	28.09	28.79	29.49	30.23	30.97	31.74	32.52	33.33	34.14	35.00
	19	29.49	30.23	30.97	31.74	32.52	33.33	34.14	35.00	35.85	36.75
	20	30.97	31.74	32.52	33.33	34.14	35.00	35.85	36.75	37.64	38.58
Facilities Maintenance, Mechanic	21	32.52	33.33	34.14	35.00	35.85	36.75	37.64	38.58	39.52	40.51
Facilities Maintenance Lead, Mechanic Lead, Log Yard Lead, Harbormaster	22	34.14	35.00	35.85	36.75	37.64	38.58	39.52	40.51	41.50	42.54
	23	35.85	36.75	37.64	38.58	39.52	40.51	41.50	42.54	43.58	44.67
	24	37.64	38.58	39.52	40.51	41.50	42.54	43.58	44.67	45.76	46.90
	25	39.52	40.51	41.50	42.54	43.58	44.67	45.76	46.90	48.04	49.24
	26	41.50	42.54	43.58	44.67	45.76	46.90	48.04	49.24	50.44	51.71

***Continue on to next page*

Employee Wage Scale – Non-Represented 2023 Budget

Port of Port Angeles
2023 Budget
Non-Represented Salary Scale

Job Title	Grade	85%	100%	115%
		2023 Range Minimum	2023 Range Midpoint	2023 Range Maximum
Executive Director	19	\$156,026	\$183,560	\$211,094
Port Counsel	18	\$139,309	\$163,893	\$188,476
Deputy Executive Director	17	\$124,345	\$146,289	\$168,232
Director II*	16	\$111,068	\$130,668	\$150,268
Director I*	15	\$99,161	\$116,659	\$134,158
Manager III*	14	\$91,761	\$104,138	\$119,758
Manager II*	13	\$79,033	\$92,980	\$106,927
Manager I*	12	\$71,868	\$84,551	\$97,232
Admin/Supervisor II*	11	\$65,334	\$76,863	\$88,393
Admin/Supervisor I*	10	\$59,380	\$69,859	\$80,338
	9	\$54,006	\$63,536	\$73,067
	8	\$49,106	\$57,772	\$66,438
	7	\$44,627	\$52,502	\$60,378
Security Full Time	6	\$40,570	\$47,730	\$54,889
	5	\$36,882	\$43,391	\$49,899
Security Part Time	4	\$33,562	\$39,486	\$45,408
JWM Summer Help	3	\$30,796	\$35,891	\$41,274
N/A due to minimum wage	2			
N/A due to minimum wage	1			

* Level position depends on breadth & depth of knowledge, decision complexity, impact, and interpersonal contacts.

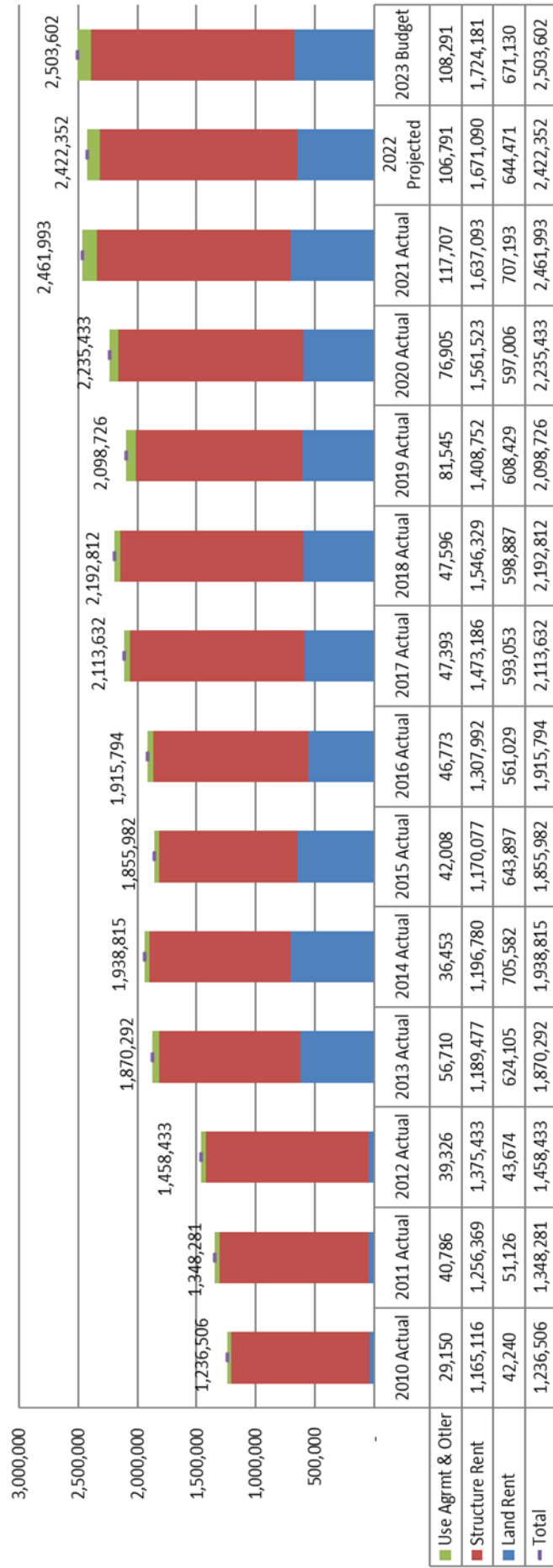
Managers & Professional Staff:

Public Works & Facilities Manager
Environmental Manager
Airport & Marina Manager
Manager of Finance & Accounting
Operations Supervisor
Lease Administrator
Human Resources/Clerk of the Board

Senior Management:

Executive Director
Director of Finance and Administration
Director of Engineering
Director of Economic Development
Director of Projects
Director of Operations

Lease Revenues - All Lines of Business



List of Abbreviations

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

Port of Port Angeles

Port Angeles, Washington

22-1270

Commissioner's Resolution No.

A RESOLUTION ADOPTING FINAL BUDGET FOR 2023

WHEREAS, the preliminary budget of the Port of Port Angeles was prepared and filed on the 25nd day of October 2022; and

WHEREAS, in accordance with R.C.W. 53.35.045 a public hearing was held on October 25th, 2022; and

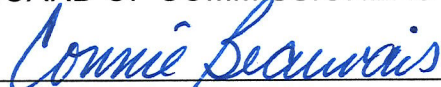
WHEREAS, the preliminary budget was adopted as the final budget on the 16th day of November 2022.

NOW, THEREFORE BE IT RESOLVED, that the budget herein is the Final Budget of the Port of Port Angeles for the calendar year 2023.

	<u>2023</u> <u>BUDGET</u>
Cash Balance Jan 1, 2022	\$ 16,804,907
Sources of Cash	
Revenues - Operating	10,153,818
Revenues - Non-Operating	649,500
Property Tax Levy	1,670,000
Grants for Capital Projects	7,515,950
Loan Proceeds	-
Total Sources	19,989,268
Uses of Cash	
Expenses - Operating	8,303,553
Expenses - Non-Operating	658,000
Debt Service (Principal & Interest)	126,175
Capital Projects	9,136,600
Total Uses	18,224,328
Cash Balance Dec 31, 2022	\$ 18,569,847
Increase (Decrease) in Cash during year	\$ 1,764,940
RCW 53.36.120 & 53.36.130 Specific Budget Items	
Promotional Hosting	\$ 9,500

ADOPTED by the Port Commission of the Port of Port Angeles, at a Commission meeting thereof held this 16th day of November 2022.


PORT OF PORT ANGELES
BOARD OF COMMISSIONERS



Connie L. Beauvais, President



Colleen M. McAleer, Vice-President



Steven D. Burke, Secretary

*END OF 2023 BUDGET
PORT OF PORT ANGELES*