

**COMMISSION MEETING**  
**INFORMATION**

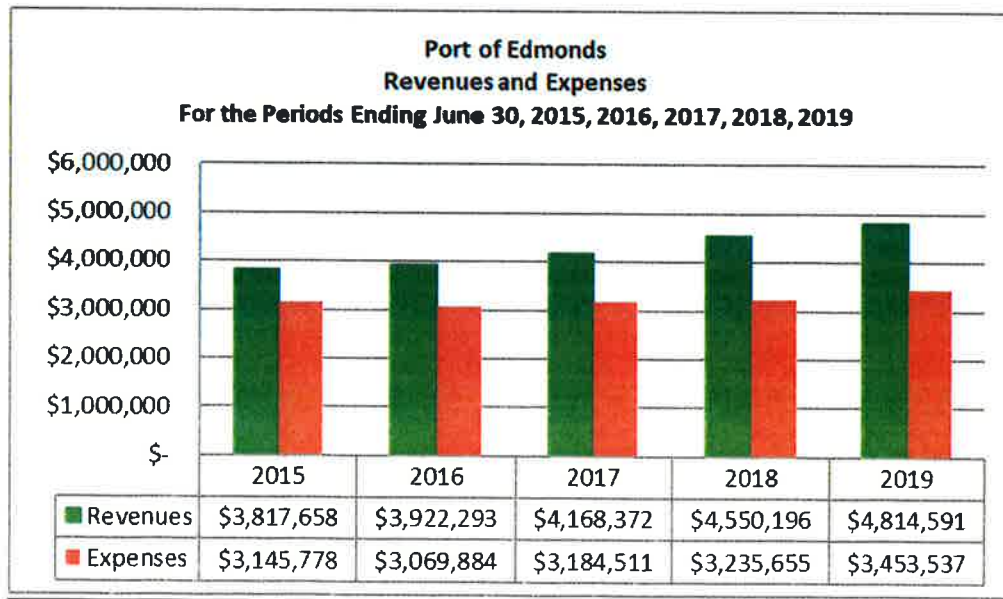
**Date:** August 12, 2019      **Staff Review:** Port Attorney        
    Deputy Director        
    Finance Manager        
    Facilities Maintenance Manager     

**To:** Port Commission

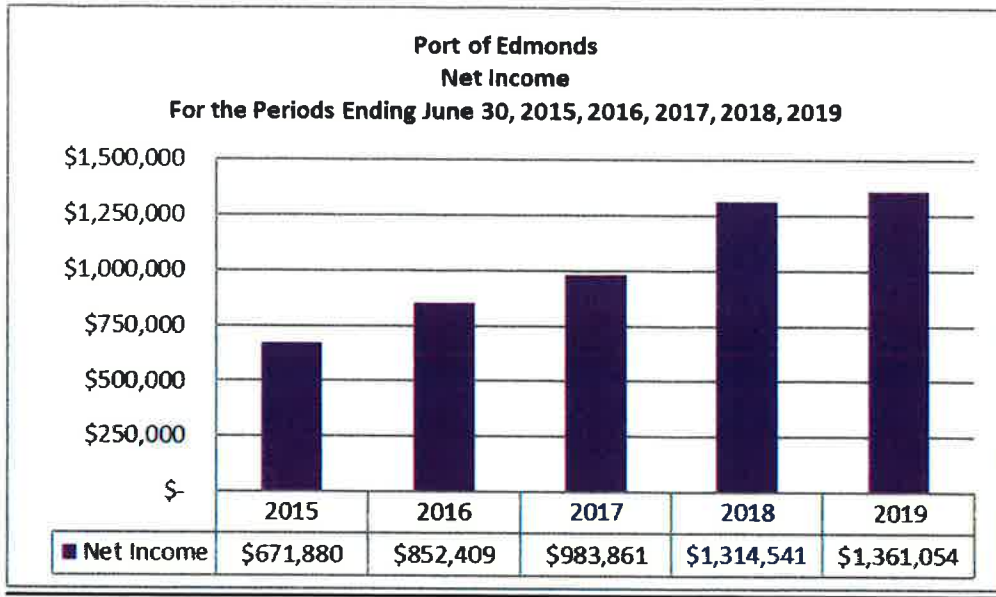
**From:** Tina Drennan      **Attachments:** June Income Statement  
    Finance Manager      June Marina Income Statement  
    June Rental Property Income Statement  
    Investment Report as of June 30, 2019

**SUBJECT: 2<sup>nd</sup> QUARTER 2019 FINANCIAL STATEMENTS**

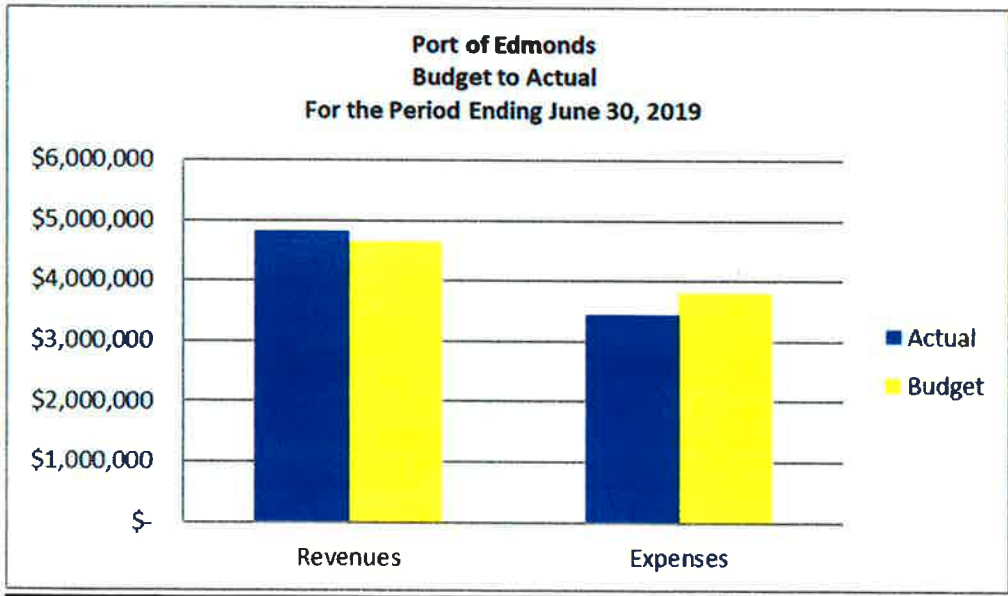
Please find attached the second quarter 2019 financial statements.



Revenues and expenses have been trending upwards.



Net income has been trending upwards.



Actual revenues are \$178,000 greater than budget. Actual expenses are \$351,000 less than budget.

Gross profit (revenues less cost of goods sold) for the six month period ending June 30, 2019, was \$4,048,000, which is \$114,000 greater than budget. Net income for the same period was \$1,361,000.

Marina Operations Revenue Actual to Budget:

|                     | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> | <u>%</u> |
|---------------------|---------------|---------------|-----------------|----------|
| Fuel Sales, Net     | 82,011        | 65,000        | 17,011          | 26.17%   |
| Miscellaneous       | 71,907        | 43,000        | 28,907          | 67.23%   |
| Permanent Moorage   | 1,805,744     | 1,813,000     | (7,256)         | -0.40%   |
| Dry Storage Revenue | 356,860       | 348,000       | 8,860           | 2.55%    |
| Travelift           | 73,141        | 55,000        | 18,141          | 32.98%   |
| Workyard            | 66,260        | 52,000        | 14,260          | 27.42%   |

Rental Properties Revenue Actual to Budget:

|                        | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> |
|------------------------|---------------|---------------|-----------------|
| Harbor Square Property | 1,061,499     | 1,053,250     | 8,249           |

Operating expenses before depreciation for the six month period were \$2,359,000, which is \$233,000 or 9% less than budget.

Operating Expenses Actual to Budget:

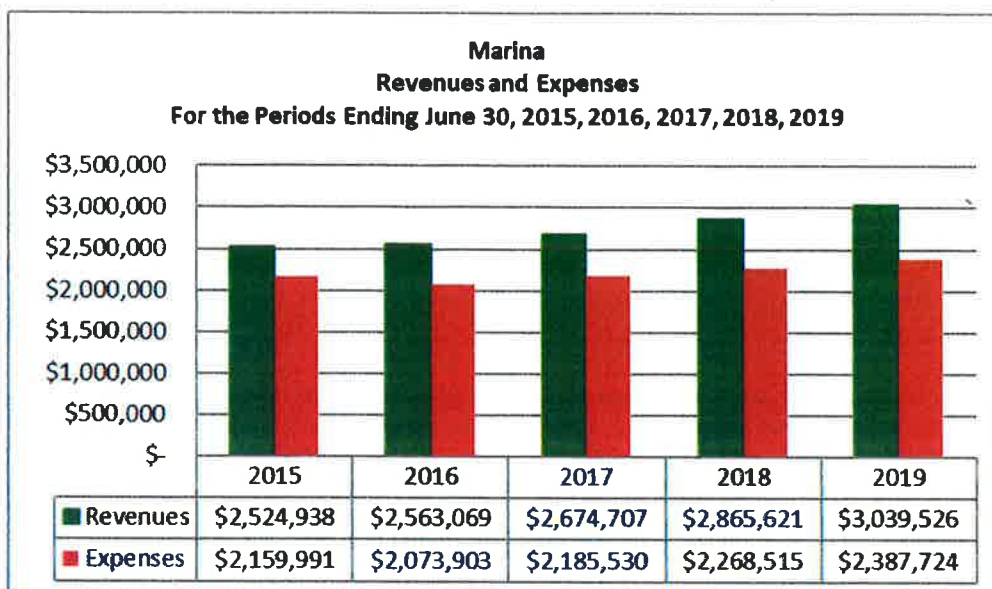
|                      | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> | <u>%</u> |
|----------------------|---------------|---------------|-----------------|----------|
| Professional Fees    | 51,895        | 136,500       | 84,605          | 61.98%   |
| Repair & Maintenance | 239,463       | 191,500       | (47,963)        | -25.05%  |
| Salaries & Wages     | 994,371       | 1,064,000     | 69,629          | 6.54%    |
| Supplies             | 148,276       | 226,000       | 77,724          | 34.39%   |
| Depreciation         | 688,392       | 804,500       | 116,108         | 14.43%   |

Non-Operating Items – Expenses (Revenues):

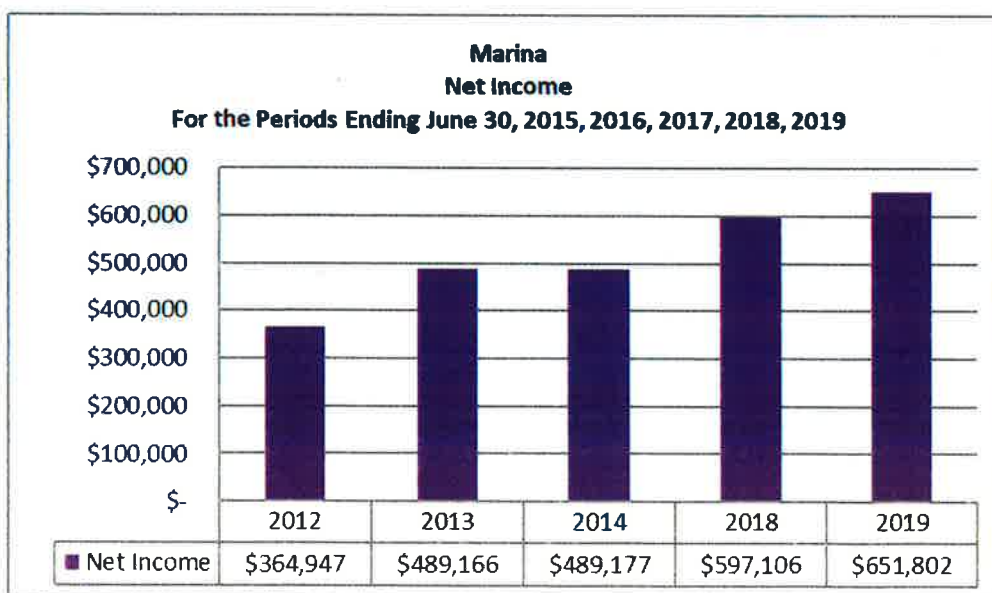
|                 | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> | <u>%</u> |
|-----------------|---------------|---------------|-----------------|----------|
| Interest Income | (171,602)     | (105,500)     | 66,102          | 62.66%   |

Net income for the six months ending June 30, 2019 was \$1,361,000, which is approximately \$529,000 greater than budget.

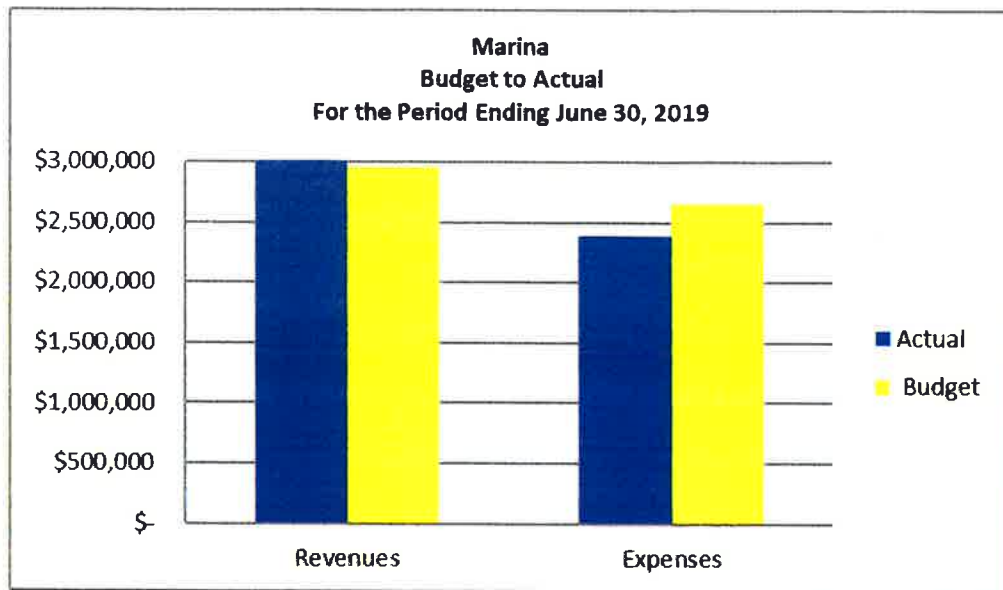
Marina Actual to Budget:



Revenues and expenses are trending upwards.

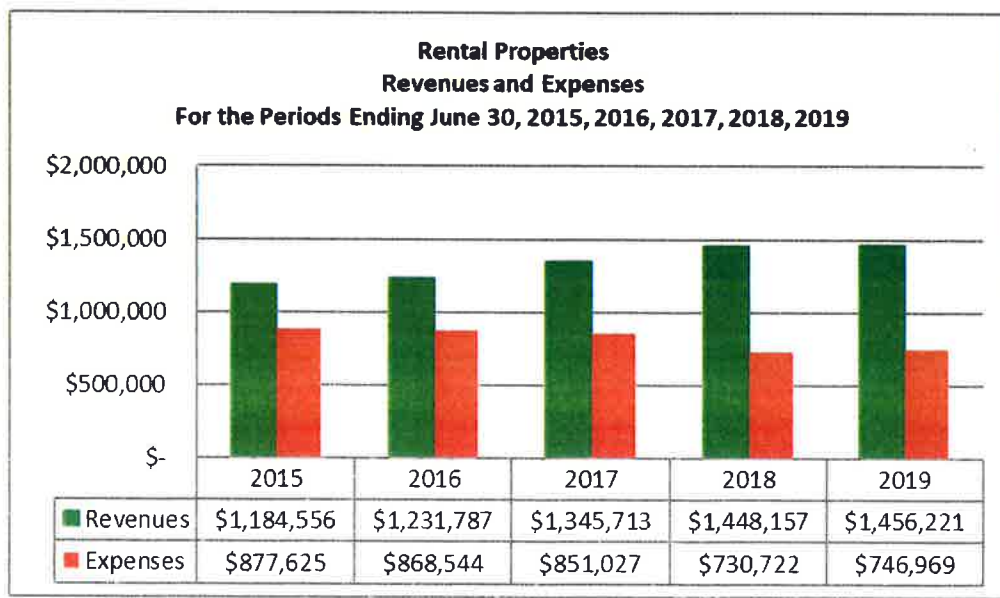


Net income is trending upwards.

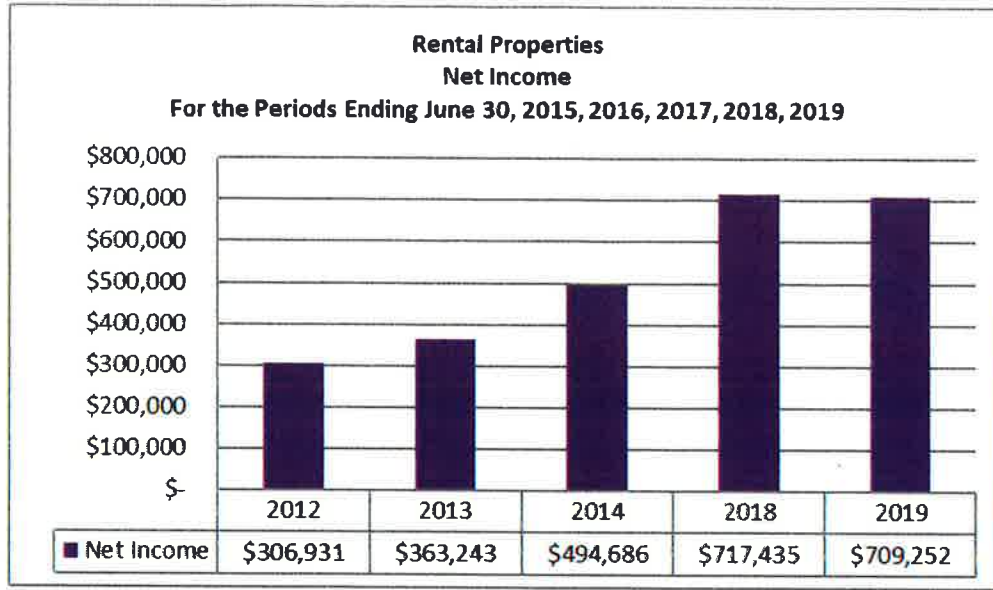


|                                     | Actual    | Budget    | Variance | %       |
|-------------------------------------|-----------|-----------|----------|---------|
| Operating Revenues                  | 3,014,000 | 2,932,000 | 82,000   | 2.80%   |
| Operating Expenses Before Depr, O/H | 1,319,000 | 1,369,000 | (50,000) | -3.65%  |
| Net Income                          | 652,000   | 298,000   | 354,000  | 118.79% |

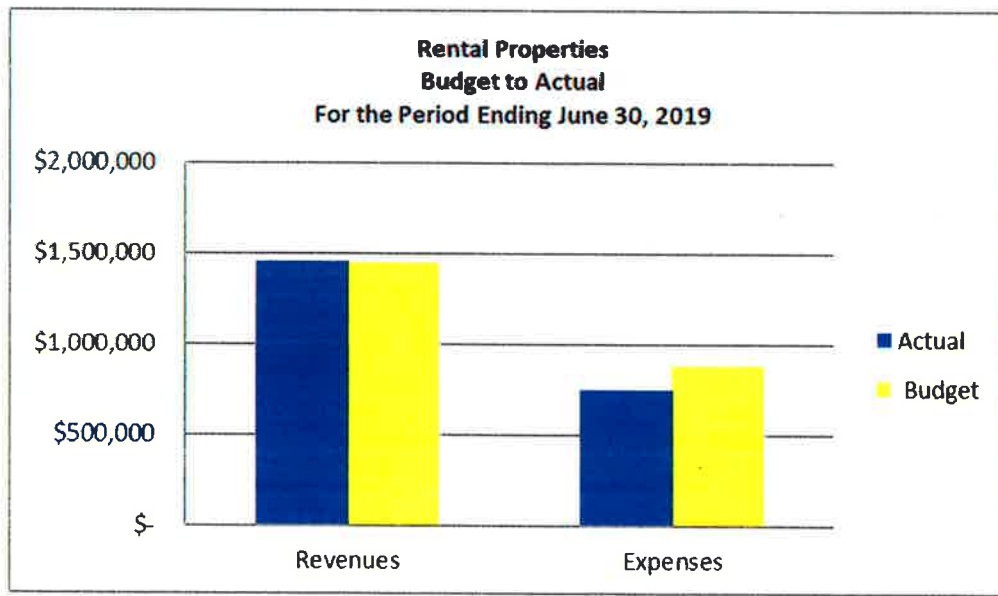
Rental Property Actual to Budget:



Revenues are generally trending upwards. Expenses don't appear to have a trend.



Net income is generally trending upwards.



|                                     | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> | <u>%</u> |
|-------------------------------------|---------------|---------------|-----------------|----------|
| Operating Revenues                  | 1,365,000     | 1,360,000     | 5,000           | 0.37%    |
| Operating Expenses Before Depr, O/H | 300,000       | 326,000       | (26,000)        | -7.98%   |
| Net Income                          | 709,000       | 568,000       | 141,000         | 24.82%   |

### Investing Summary:

- The Port has 18 long-term investments. The next bond matures in September 2019.
- A \$250,000 bond matured in June 2019. The Port held the bond for 56 months with a coupon of 1.30%. Interest on liquid funds rose from 0.09% in January 2015 to 2.54% in June 2019.
- On June 3, 2019, the Port purchased a \$513,000 non-callable 16 month bond in June at \$499,268. All interest is payable at maturity.
- On June 3, 2019, the Port purchased a \$500,000 non-callable 48 month bond with a coupon of 2.125%.
- On June 19, 2019, the Port purchased a \$500,000 callable 60 month bond with a coupon of 2.4%.
- The Port earned interest of \$171,602 in the first two quarters of 2019, which is 68% greater than same period in 2018.
- Market rates continue to drop.
- The Capital Replacement Reserve is currently \$11 million, with a part of the reserve in cash reserves, and part invested long term.
- The Port has \$803,000 remaining in outstanding debt. All of that is due within one year.

PORT OF EDMONDS  
INCOME STATEMENT  
FOR THE SIX MONTHS ENDED JUNE 30, 2019

|                              | YEAR TO DATE     |                   |                  |
|------------------------------|------------------|-------------------|------------------|
|                              | ACTUAL           | CURRENT<br>BUDGET | PRIOR<br>YEAR    |
| REVENUES:                    |                  |                   |                  |
| MARINA OPERATIONS:           |                  |                   |                  |
| REVENUE:                     |                  |                   |                  |
| CONCESSIONS                  | \$25             | 0                 | 20               |
| ELECTRICAL FEES              | 79,708           | 84,000            | 81,949           |
| ENVIRONMENTAL FEES           | 53,788           | 54,000            | 53,163           |
| ENVIRONMENTAL FEE - WORKYARD | 13,800           | 11,000            | 15,318           |
| FUEL SALES                   | 402,409          | 375,000           | 393,814          |
| LAUNCHER                     | 34,287           | 29,000            | 27,792           |
| MISCELLANEOUS                | 71,907           | 43,000            | 50,576           |
| GUEST MOORAGE                | 51,242           | 48,000            | 48,791           |
| PERMANENT MOORAGE            | 1,805,744        | 1,813,000         | 1,721,154        |
| PASSENGER FEES               | 7,633            | 5,000             | 5,284            |
| DRY STORAGE REVENUE          | 356,860          | 348,000           | 322,799          |
| PARKING                      | 38,661           | 37,500            | 27,747           |
| TRAVELIFT                    | 73,141           | 55,000            | 66,546           |
| WORKYARD                     | 66,260           | 52,000            | 48,863           |
| MARINA LATE FEES             | 17,878           | 17,000            | 15,303           |
| GROSS REVENUE                | <u>3,073,343</u> | <u>2,971,500</u>  | <u>2,879,119</u> |
| COST OF GOODS SOLD:          |                  |                   |                  |
| COST OF SALES                | 26,782           | 35,500            | 22,043           |
| ELECTRICAL PURCHASES         | 41,970           | 45,000            | 43,272           |
| FUEL & OIL                   | 320,398          | 310,000           | 309,563          |
| LOAN-A-SLIP CREDITS          | 1,333            | 6,500             | 1,313            |
| TOTAL COST OF GOODS SOLD     | <u>390,483</u>   | <u>397,000</u>    | <u>376,191</u>   |
| GROSS PROFIT: MARINA OPER.   | <u>2,682,860</u> | <u>2,574,500</u>  | <u>2,502,928</u> |
| RENTAL PROPERTIES:           |                  |                   |                  |
| HARBOR SQUARE PROPERTY       | 1,061,499        | 1,053,250         | 1,062,045        |
| ANTHONY'S                    | 113,561          | 114,000           | 113,560          |
| EDMONDS YACHT SALES          | 1,885            | 2,000             | 1,825            |
| HARBOR SQUARE ATHLETIC CLUB  | 66,925           | 67,000            | 64,913           |
| POE 2 LLC                    | 27,482           | 27,500            | 26,750           |
| LANDING                      | 64,051           | 66,000            | 60,506           |
| YACHT CLUB                   | 29,276           | 29,500            | 28,280           |
| TOTAL RENTAL PROPERTIES      | <u>1,364,679</u> | <u>1,359,250</u>  | <u>1,357,879</u> |
| GROSS PROFIT                 | <u>4,047,539</u> | <u>3,933,750</u>  | <u>3,860,807</u> |

Note: The Marina Budget and the Rental Properties Budget will not equal the total budget because overhead is allocated by expense category and then allocated a second time to marina and rental property.



PORT OF EDMONDS  
INCOME STATEMENT  
FOR THE SIX MONTHS ENDED JUNE 30, 2019

|  | YEAR TO DATE       |                   |                  |
|--|--------------------|-------------------|------------------|
|  | ACTUAL             | CURRENT<br>BUDGET | PRIOR<br>YEAR    |
| <b>OPERATING EXPENSES:</b>                     |                    |                   |                  |
| ADVERTISING                                    | \$2,581            | 5,250             | 1,764            |
| ADVERTISING - MARKETING-OVERHE                 | 5,090              | 4,500             | 6,548            |
| AUTO AND EQUIPMENT FUEL                        | 9,633              | 10,750            | 9,307            |
| BANK CHARGES                                   | 2,637              | 2,750             | 3,028            |
| BUSINESS TAXES                                 | 10,501             | 11,750            | 10,058           |
| CLAIMS & DAMAGES                               | 6,871              | 8,000             | 3,530            |
| COMMUNICATIONS                                 | 0                  | 9,000             | 4,100            |
| ECONOMIC DEVELOPMENT & TOURISM                 | 8,204              | 15,000            | 15,571           |
| EDUCATION & TRAINING                           | 10,642             | 12,000            | 6,609            |
| EMPLOYEE BENEFITS                              | 358,254            | 363,500           | 319,473          |
| HAZARDOUS WASTE DISPOSAL                       | 5,009              | 4,000             | 7,550            |
| INSURANCE                                      | 99,256             | 104,000           | 89,382           |
| LICENSES & PERMITS                             | 1,835              | 1,500             | 1,674            |
| MARKETING                                      | 9,746              | 7,750             | 12,906           |
| MASTER BUSINESS PLAN                           | (5,363)            | 0                 | 2,957            |
| MEALS  | 1,919              | 3,000             | 1,435            |
| MEMBERSHIP DUES                                | 10,641             | 9,000             | 9,465            |
| MISCELLANEOUS                                  | 0                  | 250               | 69               |
| OFFICE   | 38,034             | 44,000            | 50,528           |
| PAYROLL TAXES                                  | 106,185            | 115,500           | 95,653           |
| PROMOTIONAL HOSTING                            | 497                | 1,500             | 222              |
| PROFESSIONAL FEES                              | 51,895             | 136,500           | 115,362          |
| RENT   | 6,844              | 7,000             | 7,752            |
| REPAIR AND MAINTENANCE                         | 239,463            | 191,500           | 65,746           |
| SALARIES AND WAGES                             | 994,371            | 1,064,000         | 904,468          |
| SUPPLIES                                       | 148,276            | 226,000           | 108,339          |
| TENANT IMPROVEMENTS                            | 0                  | 0                 | 228              |
| TRAVEL   | 11,692             | 11,500            | 9,363            |
| UNIFORMS                                       | 4,061              | 7,500             | 6,583            |
| UTILITIES                                      | 220,161            | 214,500           | 196,558          |
|  | <u>2,358,935</u>   | <u>2,591,500</u>  | <u>2,066,228</u> |
| OPERATING EXPENSES BEFORE DEPR<br>DEPRECIATION | 688,392            | 804,500           | 760,006          |
|  | <u>3,047,327</u>   | <u>3,396,000</u>  | <u>2,826,234</u> |
| TOTAL OPERATING EXPENSES                       |                    |                   |                  |
| INCOME FROM OPERATIONS                         | <u>1,000,212</u>   | <u>537,750</u>    | <u>1,034,573</u> |
| <b>OTHER EXPENSE (INCOME):</b>                 |                    |                   |                  |
| INTEREST EXPENSE                               | 15,727             | 11,500            | 33,230           |
| INTEREST INCOME                                | (171,602)          | (105,500)         | (101,954)        |
| (GAIN)/LOSS ON FIXED ASSETS                    | 0                  | 0                 | (3,681)          |
| CHANGE IN FAIR VALUE OF INVEST                 | (2,191)            | 0                 | (138)            |
| OPERATING GRANTS                               | 0                  | 0                 | (4,000)          |
| PROPERTY TAXES                                 | (202,776)          | (200,000)         | (203,425)        |
|  | <u>(360,842)</u>   | <u>(294,000)</u>  | <u>(279,968)</u> |
| OTHER EXPENSE (INCOME), NET                    |                    |                   |                  |
| NET INCOME                                     | <u>\$1,361,054</u> | <u>831,750</u>    | <u>1,314,541</u> |

Note: The Marina Budget and the Rental Properties Budget will not equal the total budget because overhead is allocated by expense category and then allocated a second time to marina and rental property.

PORT OF EDMONDS  
MARINA INCOME STATEMENT  
FOR THE SIX MONTHS ENDED JUNE 30, 2019

|                                      | YEAR TO DATE     |                   |                  |
|--------------------------------------|------------------|-------------------|------------------|
|                                      | ACTUAL           | CURRENT<br>BUDGET | PRIOR<br>YEAR    |
| REVENUES:                            |                  |                   |                  |
| MARINA OPERATIONS:                   |                  |                   |                  |
| REVENUE:                             |                  |                   |                  |
| CONCESSIONS                          | \$25             | 0                 | 20               |
| ELECTRICAL FEES                      | 79,708           | 84,000            | 81,949           |
| ENVIRONMENTAL FEES                   | 53,788           | 54,000            | 53,163           |
| ENVIRONMENTAL FEE - WORKYARD         | 13,800           | 11,000            | 15,318           |
| FUEL SALES                           | 402,409          | 375,000           | 393,814          |
| LAUNCHER                             | 34,287           | 29,000            | 27,792           |
| MISCELLANEOUS                        | 37,120           | 23,000            | 26,330           |
| GUEST MOORAGE                        | 51,242           | 48,000            | 48,791           |
| PERMANENT MOORAGE                    | 1,805,745        | 1,813,000         | 1,721,154        |
| PASSENGER FEES                       | 7,632            | 5,000             | 5,284            |
| DRY STORAGE REVENUE                  | 356,860          | 348,000           | 322,799          |
| PARKING                              | 14,632           | 18,000            | 13,495           |
| TRAVELIFT                            | 73,141           | 55,000            | 66,546           |
| WORKYARD                             | 66,260           | 52,000            | 48,862           |
| LATE FEES                            | 17,877           | 17,000            | 15,304           |
| GROSS REVENUE                        | <u>3,014,526</u> | <u>2,932,000</u>  | <u>2,840,621</u> |
| COST OF GOODS SOLD:                  |                  |                   |                  |
| COST OF SALES - TARP & TAPE          | 26,459           | 0                 | 21,886           |
| ELECTRICAL PURCHASES                 | 41,971           | 45,000            | 43,272           |
| FUEL & OIL                           | 320,398          | 310,000           | 309,563          |
| LOAN-A-SLIP CREDITS                  | 1,333            | 6,500             | 1,313            |
| TOTAL COST OF GOODS SOLD             | <u>390,161</u>   | <u>361,500</u>    | <u>376,034</u>   |
| GROSS PROFIT: MARINA OPER.           | <u>2,624,365</u> | <u>2,570,500</u>  | <u>2,464,587</u> |
| OPERATING EXPENSES:                  |                  |                   |                  |
| ADVERTISING                          | 6,162            | 4,500             | 6,831            |
| AUTO AND EQUIPMENT FUEL              | 4,937            | 6,000             | 4,812            |
| BUSINESS TAXES                       | 10,444           | 11,500            | 9,950            |
| CLAIMS & DAMAGES                     | 6,871            | 8,000             | 3,530            |
| EDUCATION & TRAINING                 | 4,366            | 4,000             | 2,985            |
| EMPLOYEE BENEFITS                    | 204,519          | 211,500           | 186,071          |
| HAZARDOUS WASTE DISPOSAL             | 5,009            | 4,000             | 7,550            |
| INSURANCE                            | 72,195           | 74,500            | 65,291           |
| LICENSES & PERMITS                   | 1,449            | 1,000             | 1,400            |
| MARKETING                            | 6,439            | 7,000             | 7,766            |
| MISCELLANEOUS                        | 0                | 0                 | (22)             |
| OFFICE EXPENSE                       | 6,166            | 8,500             | 6,525            |
| PAYROLL TAXES                        | 67,712           | 72,000            | 60,166           |
| PROFESSIONAL FEES                    | 8,137            | 13,500            | 2,327            |
| RENT                                 | 6,844            | 7,000             | 7,752            |
| REPAIR AND MAINTENANCE               | 133,891          | 79,500            | 25,078           |
| SALARIES AND WAGES                   | 609,116          | 667,500           | 568,560          |
| SUPPLIES                             | 62,501           | 92,500            | 45,908           |
| UTILITIES                            | 102,664          | 96,500            | 83,230           |
| OPERATING EXPENSES BEFORE DEPR & O/H | <u>1,319,422</u> | <u>1,369,000</u>  | <u>1,095,710</u> |
| DEPRECIATION                         | 381,198          | 450,000           | 423,930          |
| OVERHEAD ALLOCATION - MARINA         | 296,943          | 478,500           | 372,684          |
| TOTAL OPERATING EXPENSES             | <u>1,997,563</u> | <u>2,297,500</u>  | <u>1,892,324</u> |
| INCOME FROM OPERATIONS               | <u>626,802</u>   | <u>273,000</u>    | <u>572,263</u>   |
| OTHER EXPENSE (INCOME):              |                  |                   |                  |
| PROPERTY TAX ALLOCATION - MARI       | (25,000)         | (25,000)          | (24,999)         |
| OTHER EXPENSE (INCOME), NET          | (25,000)         | (25,000)          | (24,999)         |
| NET INCOME                           | <u>\$651,802</u> | <u>298,000</u>    | <u>597,262</u>   |

Note: Marina Revenues on the Port Income Statement are greater than the Marina Revenues on the Marina Income Statement because the Port Income Statement Marina Revenues include Miscellaneous Revenues that are coded to overhead.

PORT OF EDMONDS  
 RENTAL PROPERTY INCOME STATEMENT  
 FOR THE SIX MONTHS ENDED JUNE 30, 2019

|   | YEAR TO DATE     |                   |                  |
|---|------------------|-------------------|------------------|
|   | ACTUAL           | CURRENT<br>BUDGET | PRIOR<br>YEAR    |
| REVENUES:                                       |                  |                   |                  |
| RENTAL PROPERTIES:                              |                  |                   |                  |
| HARBOR SQUARE PROPERTY                          | \$938,935        | 934,500           | 899,747          |
| HARBOR SQUARE CAMS                              | 117,654          | 113,500           | 155,163          |
| MISCELLANEOUS - HS                              | 1,675            | 0                 | 2,038            |
| LATE FEES - HARBOR SQUARE PROP                  | 3,093            | 5,000             | 4,626            |
| HARB SQ CONFERENCE ROOM REV                     | 300              | 500               | 532              |
| ANTHONY'S                                       | 113,560          | 114,000           | 113,560          |
| EDMONDS YACHT SALES                             | 1,885            | 2,000             | 1,825            |
| HARBOR SQUARE ATHLETIC CLUB                     | 66,925           | 67,000            | 64,913           |
| POE 2 LLC                                       | 27,481           | 27,500            | 26,750           |
| LANDING   | 64,052           | 66,000            | 60,506           |
| YACHT CLUB                                      | 29,276           | 29,500            | 28,280           |
| <b>TOTAL RENTAL PROPERTIES</b>                  | <b>1,364,836</b> | <b>1,359,500</b>  | <b>1,357,940</b> |
| <b>GROSS PROFIT</b>                             | <b>1,364,836</b> | <b>1,359,500</b>  | <b>1,357,940</b> |
| OPERATING EXPENSES:                             |                  |                   |                  |
| HARBOR SQUARE COST OF SALES                     | 157              | 0                 | 56               |
| ADVERTISING                                     | 0                | 2,750             | 0                |
| AUTO & EQUIPMENT FUEL                           | 319              | 250               | 142              |
| BANK CHARGES                                    | 0                | 250               | 362              |
| BUSINESS TAXES                                  | 55               | 250               | 107              |
| EMPLOYEE BENEFITS                               | 22,292           | 28,500            | 24,610           |
| INSURANCE                                       | 23,561           | 24,500            | 20,834           |
| MASTER BUSINESS PLAN                            | (5,363)          | 0                 | 2,958            |
| MISCELLANEOUS                                   | 0                | 250               | 90               |
| OFFICE  | 886              | 1,000             | 909              |
| PAYROLL TAXES                                   | 6,394            | 10,000            | 8,101            |
| PROFESSIONAL FEES                               | 908              | 2,500             | 0                |
| REPAIR AND MAINTENANCE                          | 94,264           | 52,000            | 30,968           |
| SALARIES AND WAGES                              | 69,645           | 93,000            | 77,517           |
| SUPPLIES  | 12,713           | 35,000            | 6,055            |
| TENANT IMPROVEMENTS                             | 0                | 0                 | 227              |
| UTILITIES                                       | 74,307           | 75,500            | 69,491           |
| <b>OPERATING EXPENSES BEFORE DEPR &amp; O/H</b> | <b>300,138</b>   | <b>325,750</b>    | <b>242,427</b>   |
| DEPRECIATION                                    | 278,134          | 298,500           | 295,336          |
| OVERHEAD ALLOCATION - RENTAL P                  | 152,971          | 246,500           | 159,722          |
| <b>TOTAL OPERATING EXPENSES</b>                 | <b>731,243</b>   | <b>870,750</b>    | <b>697,485</b>   |
| <b>INCOME FROM OPERATIONS</b>                   | <b>633,593</b>   | <b>488,750</b>    | <b>660,455</b>   |
| OTHER EXPENSE (INCOME):                         |                  |                   |                  |
| INTEREST EXPENSE                                | 15,726           | 11,500            | 33,231           |
| INTEREST INCOME                                 | (6,385)          | (5,500)           | (5,217)          |
| PROPERTY TAX ALLOCATION - RENT                  | (85,000)         | (85,000)          | (85,000)         |
| <b>OTHER EXPENSE (INCOME), NET</b>              | <b>(75,659)</b>  | <b>(79,000)</b>   | <b>(56,986)</b>  |
| <b>NET INCOME</b>                               | <b>\$709,252</b> | <b>567,750</b>    | <b>717,441</b>   |

Port of Edmonds  
Investment Report  
As of June 30, 2019

**Long-Term Investments (1 year or more until maturity when purchased)**

| Security                       | Remaining<br>Life | Purchased  | Final<br>Maturity | Coupon | Callable/<br>Non-Callable | Par<br>Value        | Amortized           |                     | Market<br>Value at<br>6/30/2019 | Percent of<br>Portfolio |
|--------------------------------|-------------------|------------|-------------------|--------|---------------------------|---------------------|---------------------|---------------------|---------------------------------|-------------------------|
|                                |                   |            |                   |        |                           |                     | Book<br>Value       | Value               |                                 |                         |
| FICO STRIP CPN                 | 0.25              | 1/31/2018  | 9/26/2019         | 0.000% | Non-Callable              | \$ 517,000          | \$ 511,853          | \$ 514,208          | 2.92%                           |                         |
| Federal Home Loan Bank         | 0.33              | 10/23/2014 | 11/8/2019         | 1.450% | Callable 10/28/14         | \$ 250,000          | \$ 247,452          | \$ 249,416          | 1.41%                           |                         |
| Opus CD - restricted           | 0.54              | 1/17/2017  | 1/17/2020         | 0.900% | Non-Callable              | \$ 709,440          | N/A                 | \$ 709,440          | 4.02%                           |                         |
| Federal Natl Mortgage Assn     | 0.75              | 10/12/2016 | 3/20/2020         | 1.300% | Callable 3/30/17          | \$ 500,000          | \$ 492,409          | \$ 497,068          | 2.82%                           |                         |
| Resolution Funding Corporation | 1.04              | 9/27/2016  | 7/15/2020         | 0.000% | Non-Callable              | \$ 525,000          | \$ 506,681          | \$ 513,890          | 2.91%                           |                         |
| RFCSP STRIP Principal          | 1.29              | 6/3/2019   | 10/15/2020        | 0.000% | Non-Callable              | \$ 513,000          | \$ 500,076          | \$ 499,853          | 2.84%                           |                         |
| RFCSP STRIP Principal          | 1.54              | 12/13/2018 | 1/15/2021         | 0.000% | Non-Callable              | \$ 530,000          | \$ 508,822          | \$ 513,934          | 2.92%                           |                         |
| Federal Farm Credit Bank       | 1.92              | 6/2/2016   | 6/2/2021          | 1.690% | Callable 6/2/17           | \$ 500,000          | \$ 489,164          | \$ 498,767          | 2.83%                           |                         |
| Federal Farm Credit Bank       | 2.13              | 8/15/2016  | 8/16/2021         | 1.440% | Callable 8/16/17          | \$ 500,000          | \$ 483,945          | \$ 492,753          | 2.79%                           |                         |
| Federal Home Loan Mfg Corp     | 2.46              | 6/20/2017  | 11/24/2021        | 2.020% | Callable 5/24/18          | \$ 500,000          | \$ 489,855          | \$ 499,531          | 2.83%                           |                         |
| Federal Home Loan Bank         | 2.58              | 12/1/2017  | 1/27/2022         | 2.070% | Callable 4/27/18          | \$ 500,000          | \$ 491,914          | \$ 500,085          | 2.84%                           |                         |
| Federal Farm Credit Bank       | 2.96              | 5/25/2017  | 5/23/2022         | 2.070% | Callable 5/23/18          | \$ 500,000          | \$ 488,453          | \$ 500,014          | 2.84%                           |                         |
| Federal Farm Credit Bank       | 3.08              | 8/3/2018   | 8/8/2022          | 2.050% | Callable 8/13/18          | \$ 500,000          | \$ 488,415          | \$ 500,013          | 2.84%                           |                         |
| Federal Farm Credit Bank       | 3.38              | 11/16/2017 | 11/15/2022        | 2.230% | Callable 11/15/18         | \$ 500,000          | \$ 491,656          | \$ 500,016          | 2.84%                           |                         |
| Federal Natl Mortgage Assn     | 3.54              | 12/14/2018 | 1/19/2023         | 2.375% | Non-Callable              | \$ 500,000          | \$ 495,993          | \$ 509,478          | 2.89%                           |                         |
| Federal Home Loan Bank         | 3.92              | 6/3/2019   | 6/9/2023          | 2.125% | Non-Callable              | \$ 500,000          | \$ 503,362          | \$ 505,768          | 2.87%                           |                         |
| Federal Farm Credit Bank       | 4.17              | 11/2/2018  | 8/28/2023         | 3.170% | Callable 8/28/19          | \$ 500,000          | \$ 501,755          | \$ 500,728          | 2.84%                           |                         |
| Federal Home Loan Bank         | 4.63              | 2/21/2019  | 2/13/2024         | 2.500% | Non-Callable              | \$ 500,000          | \$ 500,000          | \$ 515,162          | 2.92%                           |                         |
| Federal Home Loan Bank         | 4.96              | 6/19/2019  | 6/12/2024         | 2.400% | Callable 6/12/20          | \$ 500,000          | \$ 501,282          | \$ 498,019          | 2.82%                           |                         |
|                                |                   |            |                   |        |                           | <u>\$ 9,544,440</u> | <u>\$ 8,693,083</u> | <u>\$ 9,518,138</u> | <u>53.99%</u>                   |                         |

**Short-Term Investments (less than 1 year to maturity when purchased)**

| <u>Entity</u>      | <u>Type</u>                | <u>Interest Rate</u> | <u>Amount</u>        |         |
|--------------------|----------------------------|----------------------|----------------------|---------|
| Port of Edmonds    | Cash and change funds      | 0.00%                | \$ 1,200             | 0.01%   |
| Washington Federal | Business checking account  | 2.27%                | \$ 5,738,562         | 32.55%  |
| Washington Federal | Revolving checking account | 0.00%                | \$ 5,248             | 0.03%   |
| Opus Bank          | HS checking account        | 2.54%                | \$ 647,955           | 3.68%   |
| Snohomish County   | Tax collections            | 0.00%                | \$ 2,969             | 0.02%   |
| Washington LGIP    | Short-term investments     | 2.51%                | \$ 39,709            | 0.23%   |
| Opus Bank          | Money market               | 2.54%                | \$ 1,676,638         | 9.51%   |
|                    |                            |                      | <u>\$ 8,112,281</u>  |         |
|                    |                            |                      | <u>\$ 17,630,419</u> | 100.00% |

**Total Cash and Investments**

|  |                                       |
|--|---------------------------------------|
| <b>Opus Bank Money Market consists of:</b> | <b>Outstanding Debt</b>               |
| Environmental Reserve                      | 2017 Revenue Bond - Opus Bank         |
| Capital Replacement Reserve                | Due Within 1 Year                     |
|  | <b>Opus Bank Debt Service Reserve</b> |
| \$ 1,031,054                               | \$ 802,779                            |
| \$ 645,583                                 | \$ 802,779                            |
| <u>\$ 1,676,638</u>                        | \$ 709,440                            |

**Capital Replacement Reserve consists of:**

|                                       |                      |
|---------------------------------------|----------------------|
| Cash Reserves - Opus Bank Investments | \$ 645,583           |
| Cash Reserves - Washington Federal    | \$ 9,544,440         |
|                                       | \$ 836,606           |
|                                       | <u>\$ 11,026,629</u> |