



## COMMISSION MEETING

### INFORMATION

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**Date:** February 14, 2022

**Staff Review:** Port Attorney   
Director of Marina Operations   
Director of Facilities & Maintenance   
Manager of Finance & Accounting

**To:** Port Commission

**From:** Tina Drennan  
Manager of Finance  
& Accounting

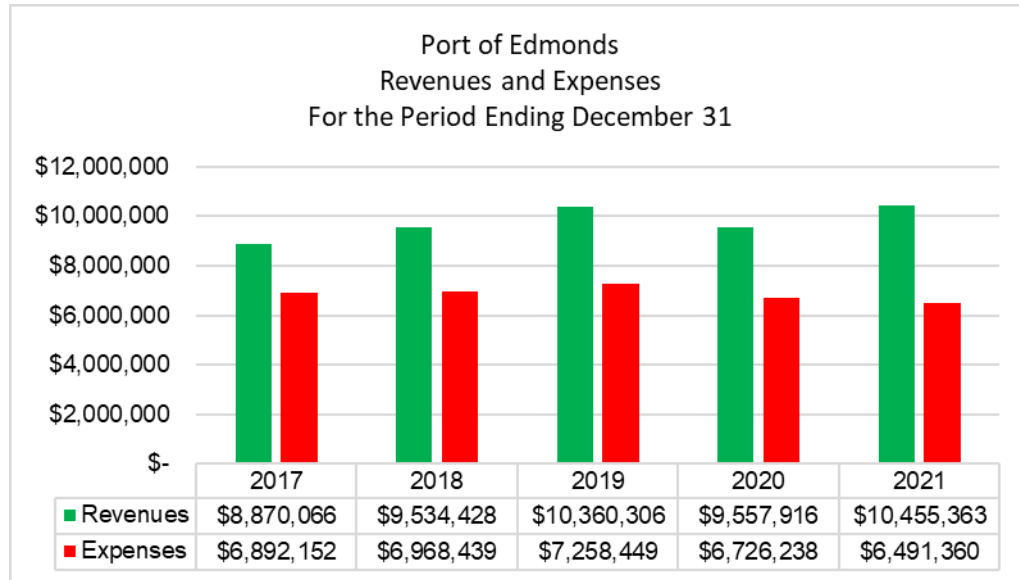
**Attachments:** December Income Statement  
December Marina Income Statement  
December Rental Property Income Statement  
Statement of Net Position as of December 31,  
2021  
Capital Budget to Actual for 2021  
Investment Report as of December 31, 2021  
Investing Transactions Report, 4th Quarter

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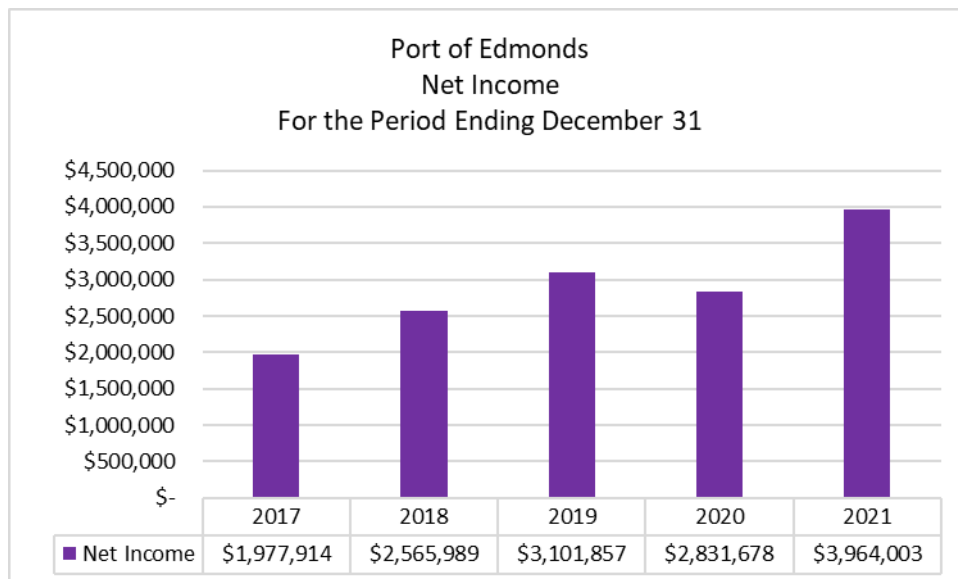
### SUBJECT: PRELIMINARY 2021 ANNUAL REPORT

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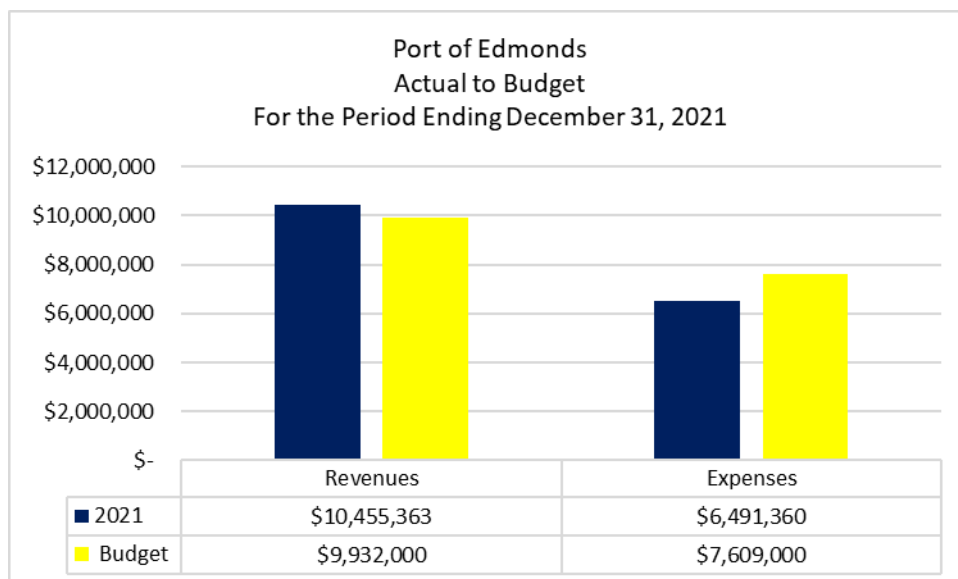
Please find attached the Preliminary 2021 Annual Report. All major transactions that staff is aware of have been recorded. Staff will be preparing the final 2021 annual report in the Budgeting, Accounting, and Reporting (BARS) format in the next couple of months. Occasionally during this process staff finds other transactions that need to be recorded. Staff will notify the Commission of any changes when the 2021 Annual Report is presented.



Revenues generally trended upwards to a high of \$10.5 million in 2021. Expenses trended upwards to \$7.3 million in 2018, and dropped to \$6.5 million in 2021. This is a bit misleading as in 2020, the Port recorded a negative pension expense of \$233,000 and recorded a negative pension expense of \$638,000 and a negative other post-employment benefits expense of \$309,000 in 2021. These negative expenses are book only transactions and don't really reflect the Port's revenues, expenses, or net income for 2021. The Port did not receive additional cash of \$947,000 in 2021 and had no effect on either of these transactions. Without the negative expenses in 2020 and 2021, expenses would be \$7 million and \$7.4 million, respectively.



Net income generally trended upwards to \$4 million in 2021. Without the negative expenses, the Port's net income for 2020 and 2021 would be \$2.6 million and \$3 million respectively.



Revenues were \$523,000 greater than budget. Expenses were \$1,118,000 less than budget. Without the negative expense, 2021 expenses were \$170,000 less than budget.

Gross profit (revenues less cost of goods sold) for the twelve month period ending December 31, 2021, was \$8.8 million, which was \$451,000 greater than budget. Net income for the same period was \$4 million. Without the negative expense, net income was \$3 million.

Marina Operations Revenue Actual to Budget:

	ACTUAL TO DATE	BUDGET TO DATE	VARIANCE	%
FUEL SALES, NET	326,121	208,000	118,121	57%
GUEST MOORAGE, NET	263,812	177,000	86,812	49%
PERMANENT MOORAGE	3,907,201	3,795,000	112,201	3%
PASSENGER FEES	49,545	15,000	34,545	230%
DRY STORAGE	804,107	755,000	49,107	7%
PARKING	127,307	99,000	28,307	29%
TRAVELIFT	146,724	127,000	19,724	16%
WORKYARD	156,345	105,000	51,345	49%

Financial Occupancy:

	2017	2018	2019	2020	2021	2021 Budgeted
Moorage	96%	98%	97%	98%	99%	96%
Dry Storage	86%	89%	92%	87%	94%	88%

Dry Storage revenue is down for 2020 as the Port charged Dry Storage tenants at the pay-per-move rate on their April statements, and the off-peak rate through May, due to limited hours because of COVID-19 procedure changes.

Rental Properties Revenue Actual to Budget:

	ACTUAL TO DATE	BUDGET TO DATE	VARIANCE	%
TOTAL RENTAL PROPERTY REVENUE	2,633,024	2,718,000	(84,976)	-3%

Operating expenses before depreciation for the twelve-month period were \$3.7 million, which is \$1.4 million or 27% less than budget. Without the negative expenses, operating expenses were \$4.7 million or \$413,000 or 8% less than budget.

Operating Expenses Actual to Budget:

	ACTUAL TO DATE	BUDGET TO DATE	VARIANCE	%
EMPLOYEE BENEFITS	682,634	754,000	71,366	9%
GASB 68 PENSION EXPENSE	(638,475)	-	638,475	N/A
OPEB EXPENSE	(308,912)	-	308,912	N/A
REPAIR & MAINTENANCE	298,141	379,000	80,859	21%
SALARIES & WAGES	2,157,269	2,223,000	65,731	3%
SUPPLIES	213,812	337,000	123,188	37%

Notes:

**GASB 68 Pension**

As a result of many state’s pension funds not being adequately funded and an apparent lack of visibility of this issue, the Governmental Accounting Standards Board (GASB) approved GASB Statement Number 68 to improve reporting by state and local governments for pensions. The Port was required to implement GASB Statement Number 68 in 2015. This is the sixth year of implementation. The Income Statement shows a negative Pension Expense. PERS Plan 2 is now fully funded. The Balance Sheet shows a Net Pension Asset, Deferred Pension Outflow, a Net Pension Liability, and a Deferred Pension Inflow. As per GASB:

This Statement requires the liability of employers and nonemployer contributing entities to employees for defined benefit pensions (net pension liability) to be measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees’ past periods of service (total pension liability), less the amount of the pension plan’s fiduciary net position.

## Other Post Employment Benefits (OPEB)

The Port implemented GASB Statement Number 75 in 2018. As per GASB:

The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.

The Income Statement shows a negative OPEB Expense, which occurred because of a large change in experienced data and assumptions. The balance sheet shows a Deferred OPEB Outflow and an OPEB Liability.

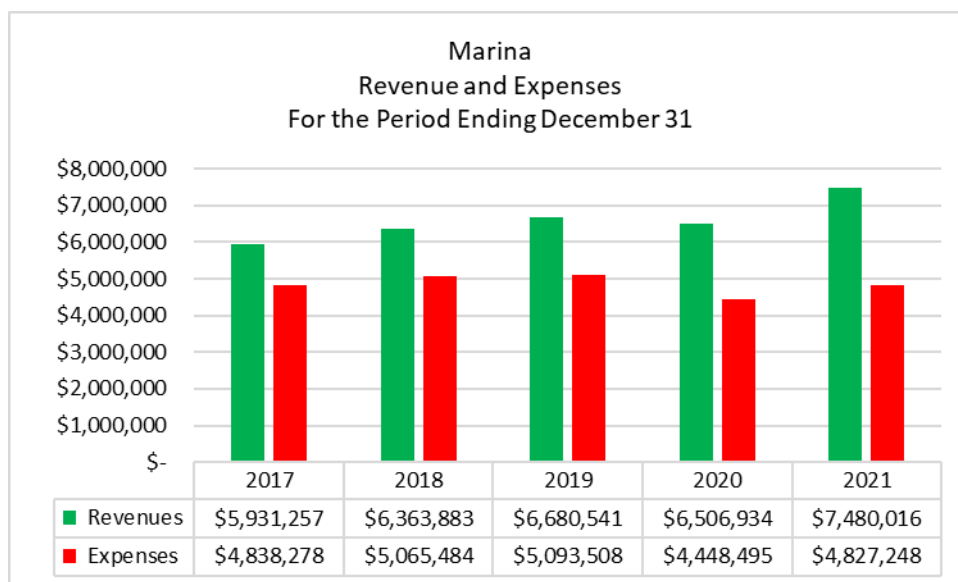
### Non-Operating Items – Expenses (Revenues):

	ACTUAL TO DATE	BUDGET TO DATE	VARIANCE	%
ELECTION EXPENSE	23,598	8,000	(15,598)	-195%
CHANGE IN FAIR VALUE OF INVESTMENTS	289,408	-	(289,408)	N/A

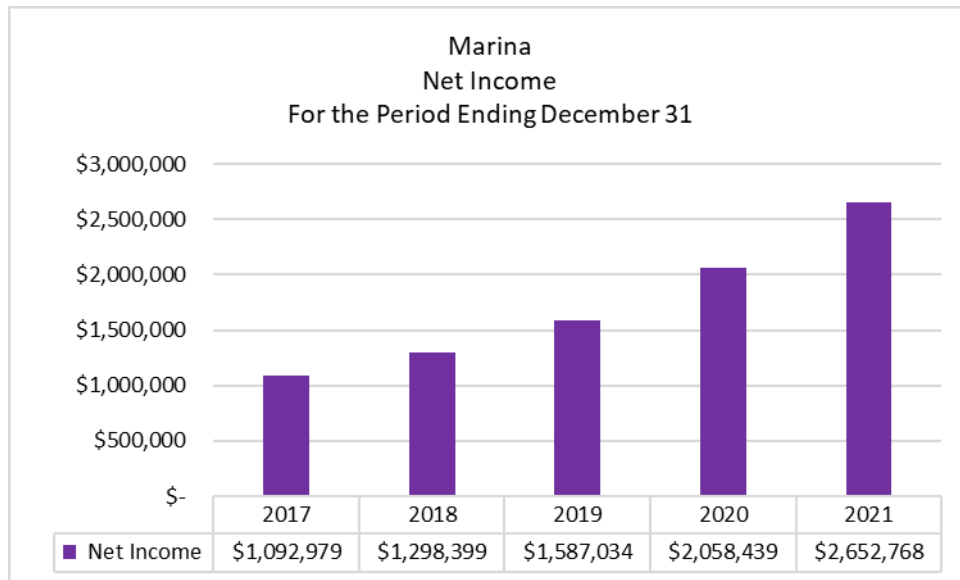
Net income for the twelve months ending December 31, 2021 was \$4 million, which is approximately \$1.6 million greater than budget. The primary reasons for this difference are as follows:

1. Gross profit (Revenues less cost of goods sold) was \$451,000 greater than budget.
2. Operating expenses were approximately \$1.5 million less than budget.
3. Net other expenses/(income) were approximately \$294,000 greater than budget.

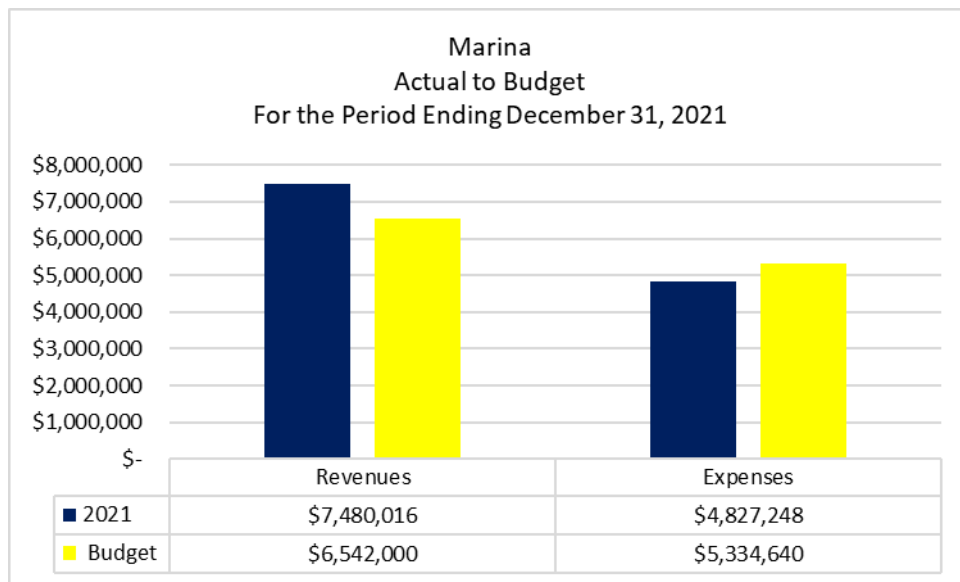
### Marina Actual to Budget:



Revenues generally trended upwards to \$7.5 million in 2021. Expenses trended upwards to \$5.1 million in 2019, and dropped to \$4.5 million in 2020. Without the negative expenses, 2020 and 2021 expenses were \$4.6 million and \$5.5 million, respectively.

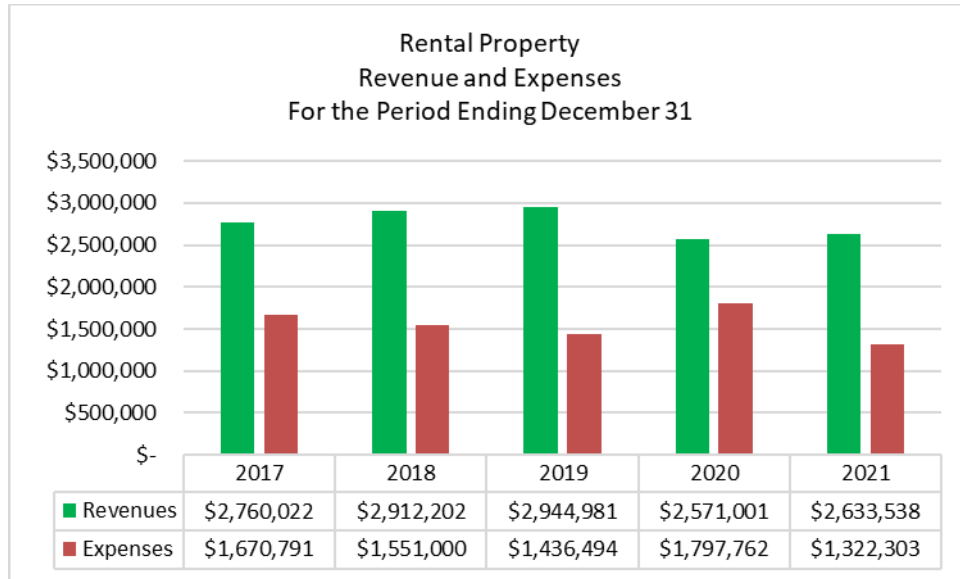


Net income trended upwards. Without the negative expenses, the Port’s marina net income for 2020 and 2021 would be \$1.9 million and \$2 million respectively.

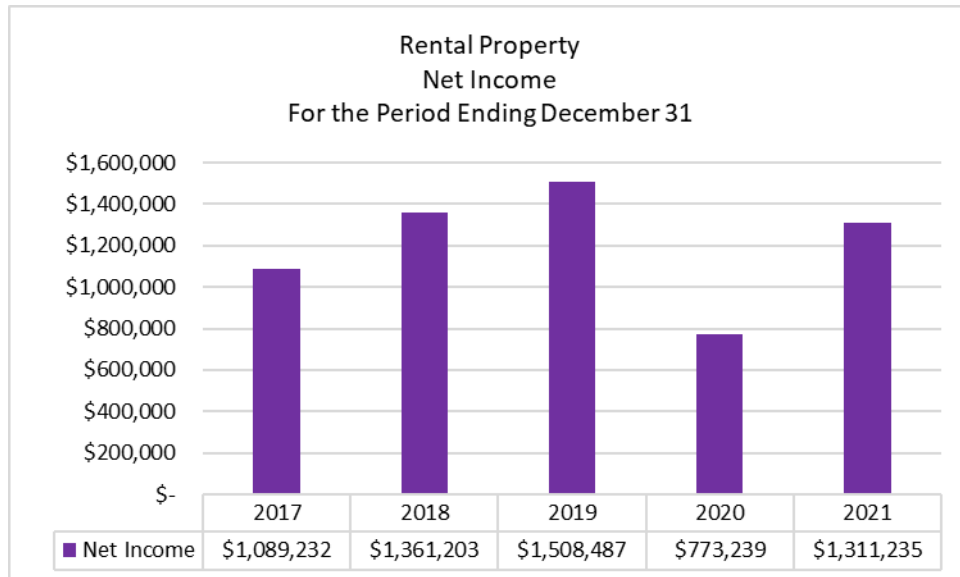


	Actual	Budget	Variance	%
Operating Revenues	\$ 7,432,000	\$ 6,542,000	\$ 890,000	14%
Operating Expenses Before Depr, O/H	\$ 2,615,000	\$ 2,857,000	\$ (242,000)	-8%
Net Income	\$ 2,653,000	\$ 1,207,000	\$ 1,446,000	120%

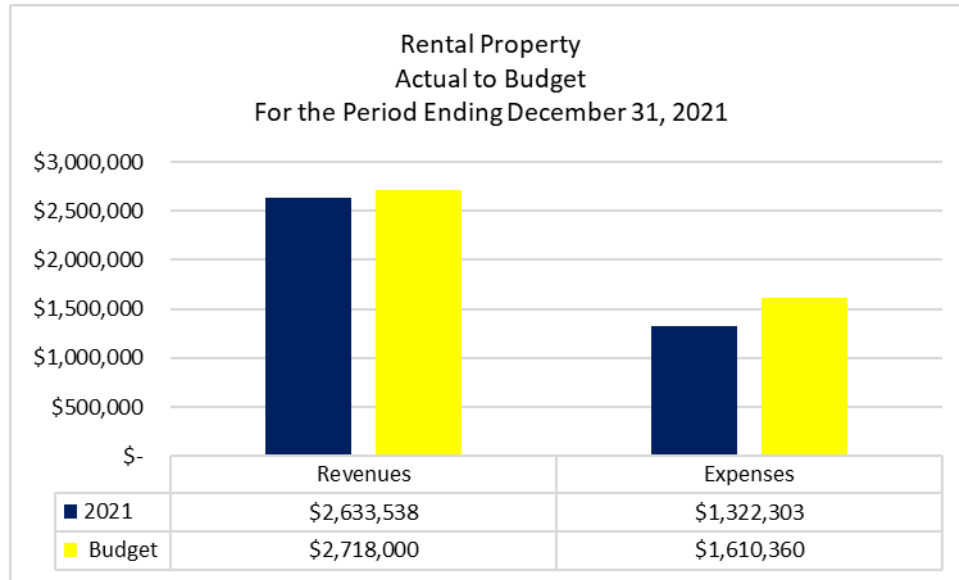
Rental Property Actual to Budget:



Rental Property revenues trended upwards to 2019, to a high of \$2.9 million, dropping to \$2.5 million in 2020 and \$2.6 million in 2021. Expenses don't appear to have a trend.



Net income trended upwards to \$1.5 million in 2019, dropping to \$773,000 in 2020 and increasing to \$1.3 million in 2021. The primary causes of the decrease in 2020 were lower rental property income combined with a loss on fixed assets during the capitalization of Building 3 and associated write off of replaced fixed assets. Without the negative expenses, the Port's rental property net income for 2020 and 2021 would be \$694,000 and \$1 million respectively.



	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>
Operating Revenues	\$ 2,633,024	\$ 2,718,000	\$ (84,976)	-3%
Operating Expenses Before Depr, O/H	\$ 649,054	\$ 639,000	\$ (10,054)	-2%
Net Income	\$ 1,311,235	\$ 1,107,640	\$ 203,595	18%

#### Statement of Net Position (Balance Sheet)

#### **GASB Statement No. 87, Leases**

The Port of Edmonds implemented GASB Statement No. 87 in 2020. GASB 83 requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources (revenues) or outflows of resources (expenses) based on the payment provisions of the contract. Under this Statement, the lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The Statement of Net Position shows Lease Receivable – Current for lease payments due within 1 year, Lease Receivable – Non-Current for lease payments due more than 1 year from the date of the financial statement, and a Deferred Lease Inflow, which is revenue that will be recognized in a future period.

#### Capital Budget to Actual

The Port’s 2021 Capital Budget was \$987,000. Actual purchases were \$1,058,000. Details are on the attached spreadsheet.

#### Investing Summary:

- As of December 31, 2021, the Port had 22 long-term investments.
- The Port is moving from \$500,000 ladder “rungs” to \$1 million “rungs” in the laddered investment portfolio.



- The details of the Port's bond maturity and bonds purchased are attached. One bond matured in November 2021.
- The Capital Replacement Reserve is currently \$15,849,000, with a part of the reserve in cash and part invested long term.
- The Environmental Reserve is currently \$1,063,000, with a part of the reserve in cash and a part invested long term.
- As bonds were called or matured in 2021, the Port retained the funds as cash to pay for a new Administration/Maintenance Building. That goal has now been reached so the Port will continue the investment ladder program, whereby a portion of the Port's investments mature quarterly.
- As the Port constructs the new Administration/Maintenance Building, the Port will draw down the Capital Replacement Reserve.

PORT OF EDMONDS  
INCOME STATEMENT  
FOR THE PERIOD ENDING DECEMBER 31, 2021

	<u>ACTUAL TO DATE</u>	<u>BUDGET TO DATE</u>	<u>2020 TO DATE</u>
<b>MARINA REVENUES</b>			
ELECTRICAL FEES	152,485	147,000	140,895
ENVIRONMENTAL FEES	111,914	110,000	110,277
ENVIRONMENTAL FEE - WORKYARD	32,706	24,000	25,254
FUEL SALES	1,499,170	1,063,000	947,559
LAUNCHER	111,911	97,000	110,717
MISCELLANEOUS	107,213	99,000	92,689
GUEST MOORAGE	289,561	193,000	223,527
PERMANENT MOORAGE	3,903,980	3,770,000	3,778,167
PASSENGER FEES	49,545	15,000	9,029
DRY STORAGE	803,249	755,000	734,528
PARKING	127,307	99,000	92,364
TRAVELIFT	146,724	127,000	130,264
WORKYARD	154,999	105,000	117,920
LATE FEES	33,879	35,000	26,509
TOTAL MARINA REVENUE	<u>7,524,643</u>	<u>6,639,000</u>	<u>6,539,700</u>
<b>RENTAL PROPERTY REVENUES</b>			
HARBOR SQUARE LEASE REVENUE	1,508,242	1,639,000	1,486,601
HARBOR SQUARE CAMS	223,971	225,000	180,886
WEST SIDE LEASE REVENUE	267,203	260,000	248,050
HARBOR SQUARE LEASE INTEREST REVENUE	407,236	362,000	418,697
WEST SIDE LEASE INTEREST REVENUE	219,412	219,000	230,624
MISCELLANEOUS REVENUE	6,090	5,000	4,110
LATE FEES	871	8,000	2,032
TOTAL RENTAL PROPERTY REVENUE	<u>2,633,024</u>	<u>2,718,000</u>	<u>2,571,001</u>
<b>COST OF GOODS SOLD</b>			
COST OF SALES	100,046	76,000	71,976
ELECTRICAL PURCHASES	67,775	70,000	67,152
FUEL & OIL	1,173,049	855,000	724,378
LOAN-A-SLIP CREDITS	25,749	16,000	16,199
TOTAL COST OF GOODS SOLD	<u>1,366,619</u>	<u>1,017,000</u>	<u>879,706</u>
<b>GROSS PROFIT</b>	<u>8,791,048</u>	<u>8,340,000</u>	<u>8,230,995</u>

PORT OF EDMONDS  
INCOME STATEMENT  
FOR THE PERIOD ENDING DECEMBER 31, 2021

	<u>ACTUAL</u> <u>TO DATE</u>	<u>BUDGET</u> <u>TO DATE</u>	<u>2020</u> <u>TO DATE</u>
OPERATING EXPENSES			
ADVERTISING & NOTICES	6,320	13,000	6,926
AUDIT	-	-	32,972
AUTOMOBILE AND EQUIPMENT FUEL	19,032	21,000	12,395
BANK CHARGES	6,482	5,000	6,135
BUSINESS TAXES	28,117	24,000	22,159
CLAIMS & DAMAGES	8,603	12,000	2,723
COMMUNICATIONS	17,855	20,000	8,127
ECONOMIC DEVELOPMENT & TOURISM	13,666	28,000	9,720
EDUCATION	6,647	24,000	6,695
EMPLOYEE BENEFITS	682,634	754,000	723,602
GASB 68 PENSION EXPENSE	(638,475)	-	(232,499)
OPEB EXPENSE	(308,912)	-	285,874
HAZARDOUS WASTE DISPOSAL	7,956	8,000	9,731
INSURANCE	274,206	270,000	234,972
LICENSES & PERMITS	3,484	3,000	2,841
MARKETING	3,807	11,000	11,280
MEALS	2,347	4,000	1,453
MEMBERSHIP DUES	16,630	19,000	18,137
OFFICE	83,887	99,000	89,477
PAYROLL TAXES	276,321	253,000	238,364
PROFESSIONAL SERVICES	96,084	95,000	74,399
PROMOTIONAL HOSTING	110	3,000	72
RENT	14,668	15,000	14,240
REPAIR & MAINTENANCE	298,141	379,000	246,991
SALARIES & WAGES	2,157,269	2,223,000	2,197,894
SUPPLIES	213,812	337,000	169,083
TENANT IMPROVEMENTS	-	-	(506)
TRAVEL	8,676	22,000	4,863
UNIFORMS	11,357	13,000	9,233
UTILITIES	423,424	440,000	402,248
OPERATING EXPENSES BEFORE DEPR	<u>3,734,149</u>	<u>5,095,000</u>	<u>4,609,601</u>
DEPRECIATION AND AMORTIZATION	1,365,550	1,497,000	1,236,932
TOTAL OPERATING EXPENSES	<u>5,099,699</u>	<u>6,592,000</u>	<u>5,846,532</u>
INCOME FROM OPERATIONS	3,691,349	1,748,000	2,384,462
OTHER (INCOME)/EXPENSE			
ELECTION EXPENSE	23,598	8,000	-
(GAIN)/LOSS ON FIXED ASSETS	1,191	-	465,607
CHANGE IN FAIR VALUE OF INVESTMENTS	289,408	-	(267,090)
INTEREST INCOME	(182,687)	(175,000)	(241,132)
INTEREST EXPENSE	-	-	-
INTEREST EXPENSE ON LEASED ASSET LIABILITY	253	-	-
PROPERTY TAXES	(403,559)	(400,000)	(403,731)
OPERATING GRANTS	(858)	-	(869)
TOTAL OTHER (INCOME)/EXPENSE	<u>(272,654)</u>	<u>(567,000)</u>	<u>(447,215)</u>
NET INCOME	<u>3,964,003</u>	<u>2,315,000</u>	<u>2,831,678</u>

PORT OF EDMONDS  
MARINA INCOME STATEMENT  
FOR THE PERIOD ENDING DECEMBER 31, 2021

	ACTUAL <u>TO DATE</u>	BUDGET <u>TO DATE</u>	2020 <u>TO DATE</u>
REVENUES			
ELECTRICAL FEES	152,485	147,000	140,895
ENVIRONMENTAL FEES	111,914	110,000	110,277
ENVIRONMENTAL FEE - WORKYARD	32,706	24,000	25,254
FUEL SALES	1,499,170	1,063,000	947,559
LAUNCHER	111,911	97,000	110,717
MISCELLANEOUS	56,042	53,000	44,490
GUEST MOORAGE	289,561	193,000	223,527
PERMANENT MOORAGE	3,903,980	3,770,000	3,778,167
PASSENGER FEES	49,545	15,000	9,029
DRY STORAGE	803,249	755,000	734,528
PARKING	85,673	48,000	45,631
TRAVELIFT	146,724	127,000	130,264
WORKYARD	154,999	105,000	117,920
LATE FEES	33,879	35,000	26,509
GROSS REVENUE	<u>7,431,838</u>	<u>6,542,000</u>	<u>6,444,767</u>
COST OF GOODS SOLD			
COST OF SALES	98,673	74,000	70,962
ELECTRICAL PURCHASES	67,775	70,000	67,152
FUEL & OIL	1,173,049	855,000	724,378
LOAN-A-SLIP CREDITS	25,749	16,000	16,199
TOTAL COST OF GOODS SOLD	<u>1,365,245</u>	<u>1,015,000</u>	<u>878,692</u>
GROSS PROFIT	<u>6,066,592</u>	<u>5,527,000</u>	<u>5,566,076</u>
OPERATING EXPENSES			
ADVERTISING	1,729	5,000	2,978
AUTO AND EQUIPMENT FUEL	9,519	12,000	5,228
BUSINESS TAXES	28,062	24,000	22,117
CLAIMS AND DAMAGES	8,603	12,000	2,723
EDUCATION AND TRAINING	1,199	8,000	2,926
EMPLOYEE BENEFITS	371,509	429,000	418,046
HAZARDOUS WASTE DISPOSAL	7,956	8,000	9,731
INSURANCE	200,042	196,000	173,349
LICENSES & PERMITS	3,059	2,000	2,302
MARKETING	2,804	4,000	6,842
OFFICE	13,189	16,000	14,708
PAYROLL TAXES	196,897	169,000	161,016
PROFESSIONAL SERVICES	14,784	18,000	19,366
RENT	14,668	15,000	14,240
REPAIR & MAINTENANCE	85,938	138,000	120,181
SALARIES & WAGES	1,359,711	1,404,000	1,380,520
SUPPLIES	119,705	200,000	85,670
UTILITIES	175,913	197,000	168,268
OPERATING EXPENSES BEFORE DEPR & OH	<u>2,615,285</u>	<u>2,857,000</u>	<u>2,610,211</u>
DEPRECIATION AND AMORTIZATION	704,023	800,000	596,908
OVERHEAD ALLOCATION	142,695	662,640	362,683
TOTAL OPERATING EXPENSES	<u>3,462,003</u>	<u>4,319,640</u>	<u>3,569,803</u>
INCOME FROM OPERATIONS	<u>2,604,589</u>	<u>1,207,360</u>	<u>1,996,273</u>
OTHER (INCOME)/EXPENSES			
(GAIN)/LOSS ON FIXED ASSETS	2,679	-	(11,297)
PROPERTY TAX ALLOCATION - LAUNCHER	(50,000)	-	(50,000)
OPERATING GRANTS	(858)	-	(869)
TOTAL OTHER (INCOME)/EXPENSES	<u>(48,179)</u>	<u>-</u>	<u>(62,166)</u>
NET INCOME	<u>2,652,768</u>	<u>1,207,360</u>	<u>2,058,439</u>

PORT OF EDMONDS  
RENTAL PROPERTY  
FOR THE PERIOD ENDING DECEMBER 31, 2021

	<u>ACTUAL</u> <u>TO DATE</u>	<u>BUDGET</u> <u>TO DATE</u>	<u>2020</u> <u>TO DATE</u>
REVENUES			
HARBOR SQUARE LEASE REVENUE	1,508,242	1,639,000	1,486,601
HARBOR SQUARE CAMS	223,971	225,000	180,886
WEST SIDE LEASE REVENUE	267,203	260,000	248,050
HARBOR SQUARE LEASE INTEREST REVENUE	407,236	362,000	418,697
WEST SIDE LEASE INTEREST REVENUE	219,412	219,000	230,624
MISCELLANEOUS REVENUE	6,090	5,000	4,110
LATE FEES	871	8,000	2,032
TOTAL REVENUE	<u>2,633,024</u>	<u>2,718,000</u>	<u>2,571,001</u>
 COST OF GOODS SOLD	 <u>634</u>	 <u>1,000</u>	 <u>504</u>
 GROSS PROFIT	 <u>2,632,390</u>	 <u>2,717,000</u>	 <u>2,570,496</u>
 OPERATING EXPENSES			
ADVERTISING	-	1,000	-
AUTO AND EQUIPMENT FUEL	271	1,000	444
BUSINESS TAXES	52	-	46
EMPLOYEE BENEFITS	49,016	51,000	51,090
INSURANCE	64,086	64,000	55,519
OFFICE	1,669	2,000	1,501
PAYROLL TAXES	16,232	13,000	11,171
PROFESSIONAL SERVICES	2,316	5,000	1,750
REPAIR & MAINTENANCE	164,782	136,000	74,854
SALARIES & WAGES	180,286	172,000	172,867
SUPPLIES	17,620	38,000	21,219
TENANT IMPROVEMENTS	-	-	(506)
UTILITIES	152,725	156,000	146,109
OPERATING EXPENSES BEFORE DEPR & OH	<u>649,054</u>	<u>639,000</u>	<u>536,064</u>
DEPRECIATION	599,105	629,000	578,321
OVERHEAD ALLOCATION	73,510	341,360	186,837
TOTAL OPERATING EXPENSES	<u>1,321,669</u>	<u>1,609,360</u>	<u>1,301,222</u>
 INCOME FROM OPERATIONS	 <u>1,310,721</u>	 <u>1,107,640</u>	 <u>1,269,275</u>
 OTHER (INCOME)/EXPENSES			
INTEREST INCOME	(514)	-	-
(GAIN)/LOSS ON FIXED ASSETS	-	-	496,036
TOTAL OTHER (INCOME)/EXPENSE	<u>(514)</u>	<u>-</u>	<u>496,036</u>
 NET INCOME	 <u><u>1,311,235</u></u>	 <u><u>1,107,640</u></u>	 <u><u>773,239</u></u>

PORT OF EDMONDS  
STATEMENT OF NET POSITION  
AS OF DECEMBER 31, 2021

ASSETS	
CURRENT ASSETS	
CASH AND CASH EQUIVALENTS	\$ 10,374,417
ACCOUNTS RECEIVABLE, NET	502,963
LEASE RECEIVABLE - CURRENT	1,541,787
TAXES RECEIVABLE	4,955
INTEREST RECEIVABLE	48,099
INVENTORIES	77,509
PREPAID EXPENSES	210,460
TOTAL CURRENT ASSETS	<u>12,760,191</u>
CAPITAL ASSETS	
LAND	4,323,675
BUILDINGS - PORT	1,330,395
BUILDINGS - RENTAL	15,801,814
EQUIPMENT - MARINA OPERATIONS	1,502,308
EQUIPMENT - OFFICE	87,459
MARINA IMPROVEMENTS	30,203,959
OTHER IMPROVEMENTS	2,882,530
INTANGIBLE RIGHT TO USE LEASED ASSETS	20,244
CONSTRUCTION IN PROGRESS	798,326
LESS: ACCUMULATED DEPRECIATION AND AMORTIZATION	<u>(31,235,906)</u>
NET CAPITAL ASSETS	<u>25,714,804</u>
OTHER ASSETS	
INVESTMENTS	14,011,185
LEASE RECEIVABLE - NON-CURRENT	12,366,823
NET PENSION ASSET	1,709,213
NET OTHER ASSETS	<u>28,087,221</u>
TOTAL ASSETS	<u>\$ 66,562,215</u>
DEFERRED OUTFLOWS OF RESOURCES	
DEFERRED PENSION OUTFLOW	220,504
DEFERRED OPEB OUTFLOW	11,277
DEFERRED UST RETIREMENT OUTFLOW	94,122
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>325,903</u>
TOTAL ASSETS PLUS DEFERRED OUTFLOWS	<u>\$ 66,888,118</u>

PORT OF EDMONDS  
STATEMENT OF NET POSITION  
AS OF DECEMBER 31, 2021

LIABILITIES	
CURRENT LIABILITIES	
ACCOUNTS PAYABLE	\$ 129,427
ACCRUED EXPENSES	353,521
EMPLOYEE LEAVE BENEFITS	196,170
SECURITY DEPOSITS	719,682
UNEARNED REVENUE	13,544
CURRENT PORTION OF LEASED ASSET LIABILITY	3,889
TOTAL CURRENT LIABILITIES	<u>1,416,233</u>
NONCURRENT LIABILITIES	
LEASED ASSET LIABILITY	14,090
UNDERGROUND STORAGE TANK RETIREMENT OBLIGATION	265,161
NET PENSION LIABILITY	163,071
OTHER POST EMPLOYMENT BENEFITS	1,101,356
ENVIRONMENTAL LIABILITY	612,500
TOTAL NONCURRENT LIABILITIES	<u>2,156,178</u>
TOTAL LIABILITIES	<u>3,572,411</u>
DEFERRED INFLOWS OF RESOURCES	
DEFERRED PENSION INFLOWS	1,765,250
DEFERRED LEASE INFLOW	14,077,027
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>15,842,277</u>
NET POSITION	
NET INVESTMENT IN CAPITAL ASSETS	25,714,804
UNRESTRICTED	21,758,627
TOTAL NET POSITION	<u>47,473,430</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, NET POSITION	<u>\$ 66,888,118</u>

Port of Edmonds  
Capital Budget

<u>Cost Center</u>	<u>Item</u>	<u>Budget</u>	<u>Actual</u>	<u>Notes</u>
00	Administration Office - Commission Room Remodel	75,000		Removed
00	AP Automation Software, Document Management Software, and MS SQL	25,000	28,000	Continuing into 2022
00	CAT Forklift Replacement	60,000		Moved to 2022
00	Garbage and Recycling	50,000	19,000	
00	Ground Scrubber Machine	15,000	16,000	
00	Interpretive Signage	25,000		Moved to 2024
00	New Administration/Maintenance Building	-	329,628	Continuing into 2022
00	North Seawall & Portwalk Rebuild	100,000	440,698	Continuing into 2022
00	Planter Boxes - Materials and Plants, South Portwalk	102,000		Moved to 2024
00	Plaza Remodel	50,000		Moved to 2025
00	Replace 2016 Server	11,000	10,778	
00	Storage Shed by Pressure Wash Building	50,000		Moved to 2023
00	Trailer	9,000		Moved to 2023
00	Trellis Roof on Anthony's Building	-	34,715	
00	Vehicle Replacement	30,000		Removed
00	Workboat Motor Replacement	-	8,184	
03	Electrical - Replace Feeders between Esplanade and Docks (Main Service Cab	100,000		Moved to Operating Budget
22	Dry Storage Concrete Pad Replacement	125,000		Moved to 2025
22	Dry Storage Electronic Gate	15,000		Removed
60	Harbor Square HVAC Units	120,000	170,707	
60	Harbor Square Tenant Improvements	25,000		Removed
	TOTALS	<u>987,000</u>	<u>1,057,710</u>	



Port of Edmonds  
Investment Report  
As of December 31, 2021

Long-Term Investments (1 year or more until maturity when purchased) 12/31/2021

<u>Security</u>	<u>Remaining Life</u>	<u>Purchased</u>	<u>Final Maturity</u>	<u>Coupon</u>	<u>Callable/ Non-Callable</u>	<u>Par Value</u>	<u>Amortized Book Value</u>	<u>Market Value at 12/31/2021</u>	<u>Percent of Portfolio</u>
Federal National Mortgage Association	0.01	11/21/2019	1/5/2022	2.00%	Non-Callable	\$ 500,000	\$ 500,108	\$ 500,108	2.05%
Federal Home Loan Bank	0.19	12/5/2019	3/11/2022	2.50%	Non-Callable	\$ 500,000	\$ 502,335	\$ 502,335	2.05%
US Treasury STRIP	0.37	12/10/2019	5/15/2022	0.00%	Non-Callable	\$ 520,000	\$ 519,746	\$ 519,746	2.13%
US Treasury Note	0.54	12/10/2019	7/15/2022	1.75%	Non-Callable	\$ 500,000	\$ 504,141	\$ 504,141	2.05%
Federal National Mortgage Association	0.68	12/5/2019	9/6/2022	1.38%	Non-Callable	\$ 500,000	\$ 503,830	\$ 503,830	2.05%
US Treasury Note	0.79	12/17/2019	10/15/2022	1.38%	Non-Callable	\$ 500,000	\$ 504,199	\$ 504,199	2.05%
Federal Home Loan Bank	0.94	11/15/2019	12/9/2022	1.88%	Non-Callable	\$ 500,000	\$ 506,897	\$ 506,897	2.05%
Federal Natl Mortgage Assn	1.05	12/14/2018	1/19/2023	2.38%	Non-Callable	\$ 500,000	\$ 510,287	\$ 510,287	2.05%
US Treasury Note	1.25	12/5/2019	3/31/2023	1.50%	Non-Callable	\$ 500,000	\$ 506,133	\$ 506,133	2.05%
Federal Home Loan Bank	1.44	6/3/2019	6/9/2023	2.13%	Non-Callable	\$ 500,000	\$ 510,995	\$ 510,995	2.05%
Federal Farm Credit Bank	1.62	8/27/2019	8/14/2023	1.60%	Non-Callable	\$ 500,000	\$ 509,767	\$ 509,767	2.05%
Federal Farm Credit Bank	1.84	11/7/2019	11/1/2023	1.60%	Non-Callable	\$ 500,000	\$ 510,350	\$ 510,350	2.05%
Federal Home Loan Bank	2.12	2/21/2019	2/13/2024	2.50%	Non-Callable	\$ 500,000	\$ 517,974	\$ 517,974	2.05%
Federal Farm Credit Bank	2.19	12/11/2019	3/11/2024	1.55%	Non-Callable	\$ 500,000	\$ 510,531	\$ 510,531	2.05%
Federal Farm Credit Bank	2.46	9/17/2020	6/17/2024	0.39%	Callable 12/27/20	\$ 1,000,000	\$ 988,546	\$ 988,546	4.10%
Federal Farm Credit Bank	2.72	10/2/2019	9/17/2024	1.60%	Non-Callable	\$ 500,000	\$ 508,580	\$ 508,580	2.05%
Federal Farm Credit Bank	2.94	12/9/2020	12/9/2024	0.44%	Callable 12/9/21	\$ 1,000,000	\$ 983,956	\$ 983,956	4.10%
Federal Natl Mortgage Assn	3.02	1/30/2020	1/7/2025	1.63%	Non-Callable	\$ 500,000	\$ 508,961	\$ 508,961	2.05%
Federal Home Loan Mtg Corp	3.41	6/12/2020	5/27/2025	0.50%	Callable 11/27/20	\$ 1,000,000	\$ 979,963	\$ 979,963	4.10%
Farmer Mac	3.54	7/17/2020	7/14/2025	0.50%	Non-Callable	\$ 1,000,000	\$ 978,452	\$ 978,452	4.10%
Federal Home Loan Mtg Corp	3.73	10/23/2020	9/23/2025	0.38%	Non-Callable	\$ 1,000,000	\$ 972,608	\$ 972,608	4.10%
Federal Farm Credit Bank	3.81	12/4/2020	10/21/2025	0.52%	Callable 10/21/21	\$ 1,000,000	\$ 972,830	\$ 972,830	4.10%
						<b>\$ 14,020,000</b>	<b>\$ 14,011,185</b>	<b>\$ 14,011,185</b>	<b>57.47%</b>

**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	0.00%
Washington Federal	Business checking account	0.15%	\$ 10,326,726	42.33%
Washington Federal	Revolving checking account	0.00%	\$ 3,000	0.01%
Snohomish County	Tax collections	0.00%	\$ 3,061	0.01%
Washington LGIP	Short-term investments	0.09%	\$ 40,430	0.16%
			<u>\$ 10,374,417</u>	
<b>Total Cash and Investments</b>			<u>\$ 24,394,417</u>	100%

**Capital Replacement Reserve consists of:**

Investments	\$ 13,020,000
Cash	\$ 2,829,188
	<u>\$ 15,849,188</u>

**Environmental Reserve consists of:**

Investments	\$ 1,000,000
Cash	\$ 63,300
	<u>\$ 1,063,300</u>

**Public Amenities Reserve consists of:**

Cash	<u>\$ 65,996</u>
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**Operating Reserve consists of:**

Cash	<u>\$ 6,696,252</u>
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**Tenant Security Deposits consists of:**

Cash	<u>\$ 719,682</u>
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**Public Amenities Reserve Summary**

Beginning Balance 1/1/21	\$ 135,968
Interest Earned	\$ 946
Property Taxes Allocated	\$ 170,000
Project Costs - Trellis and 40% of North Seawall and Portwalk	<u>\$ (240,913)</u>
Ending Balance 12/31/21	<u>\$ 66,001</u>

Port of Edmonds  
Investing Transactions  
October 1, 2021 to December 31, 2021

**Matured or Called**

<u>Security</u>	<u>Called or Matured</u>	<u>Remaining Life</u>	<u>Purchased</u>	<u>Final Maturity</u>	<u>Coupon</u>	<u>Callable/ Non-Callable</u>	<u>Par Value</u>	<u>Range of Liquid Funds During Ownership</u>	
Federal Farm Credit Bank	Matured	-	11/22/2019	11/8/2021	1.57%	Non-Callable	\$ 500,000	0.10%	1.55%

**Purchases**

<u>Security</u>	<u>Remaining Life</u>	<u>Purchased</u>	<u>Final Maturity</u>	<u>Coupon</u>	<u>Callable/ Non-Callable</u>	<u>Par Value</u>	<u>Purchased Value</u>
						\$ -	\$ -