



COMMISSION MEETING INFORMATION

Date: February 12, 2024

To: Port Commission

Staff Review: Executive Director

From: Tsz Yan Brady
Director of Finance and Administration

Attachments: Preliminary 2023 Financial Pkg

SUBJECT: PRELIMINARY 2023 ANNUAL REPORT

➤ Financial Highlights in 2023

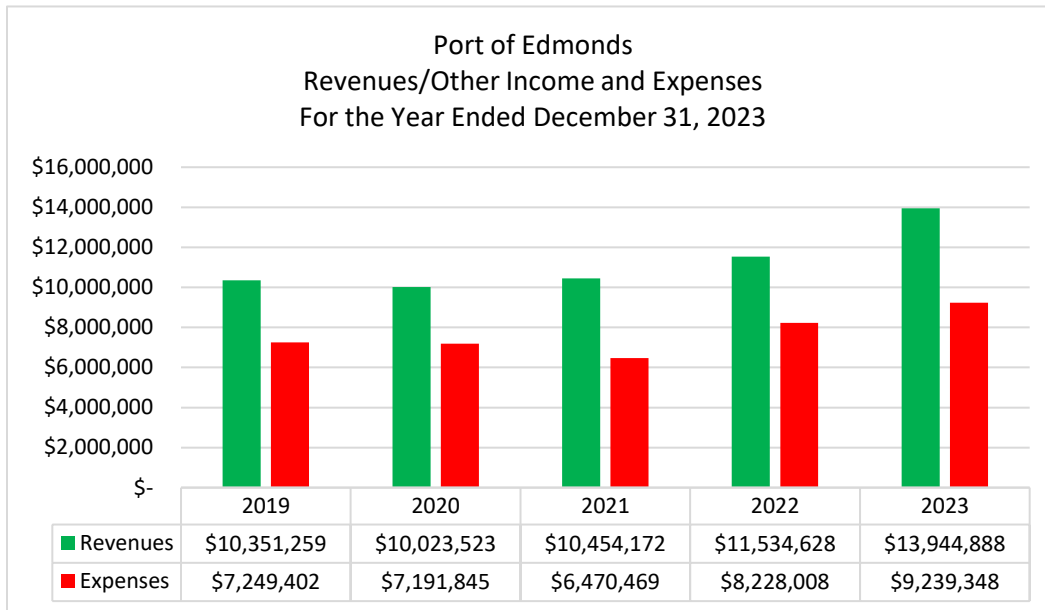
- Marina revenues/other income increased from 2022 by \$0.5 million or 6%. This is mainly due to the increase of permanent moorage by \$0.4 million or 11%. Consistent with tenants' rate adjustment in 2023 per CPI adjustment of 11.1% (10.10% CPI+1%). Additionally, launcher increased by \$19K or 16% and dry storage by \$39K or 4%.
- Rental Property revenues/other income increased from 2022 by \$0.2 million or 8% mainly due to increase in Harbor Square lease revenue. Most of the Harbor Square Leases had an annual adjustment based on CPI Seattle-Tacoma-Bellevue and the range was 4.4% to 8.0% for 2023.
- The combined Port gross revenue increased from 2022 by \$0.8 million or 7% and increased from 2023 budgeted amount by \$1.0 million or 9%. The fuel sales exceeded the budgeted amount by \$0.5 million or 36% and the Harbor Square lease revenue exceeded the budgeted amount by \$0.2 million or 9%.
- The combined Port gross margin (revenue less cost of goods sold) increased from 2022 by \$0.8 million or 9% and increased from 2023 budgeted amount by \$0.6 million or 6%.
- The combined Port operating expenses (before depreciation and amortization) increased from 2022 by \$1.1 million or 22% and decreased from 2023 budgeted amount by \$0.3 million or 4%.
- The Port has spent \$7.3 million on new capital projects in 2023 with Phase 1 the completion of the new administrative/maintenance building as the main focus as well as other various other capital maintenance projects.

➤ Key Takeaway

- The Port has a history of monitoring our financial position effectively based on 5 years trend analysis. However, we are facing a challenge due to the North Portwalk and Seawall Reconstruction Project since the capital expenditure will be significantly high for the scale of our Port size. We are applying for grants, and we will also be evaluating other revenue streams. Meanwhile, we are moving towards forward-thinking/visionary mindset so that we can anticipate future capital projects.

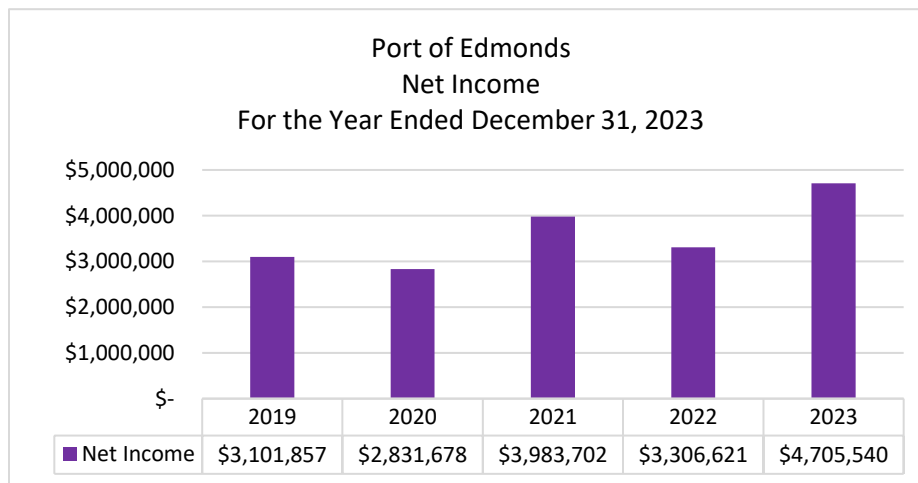
➤ **Combined Port Revenues/Other Income and Expenses for Years Ended 2019 – 2023**

Revenues/Other Income trended upwards from 2019 to 2023 per the 5 years trend analysis below which confirms expectation of the Port’s financial health with a net income of \$4.7M. This is mainly due to an increase in revenue from Marina Operations, Rental Property, and Interest Income from U.S. Government Securities investments and the State’s Local Government Investment Pool. See respective sections for further details.



*Other Income: mainly Interest Income (\$961K) and Property Taxes (\$622K) in 2023

➤ **Combined Port Net Income for Years Ended 2019 – 2023**

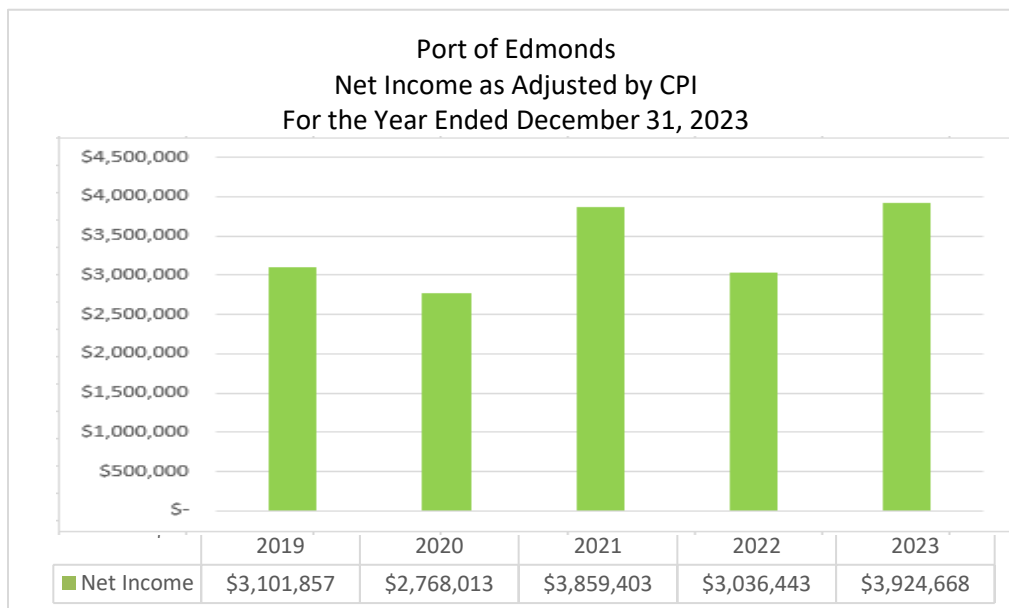
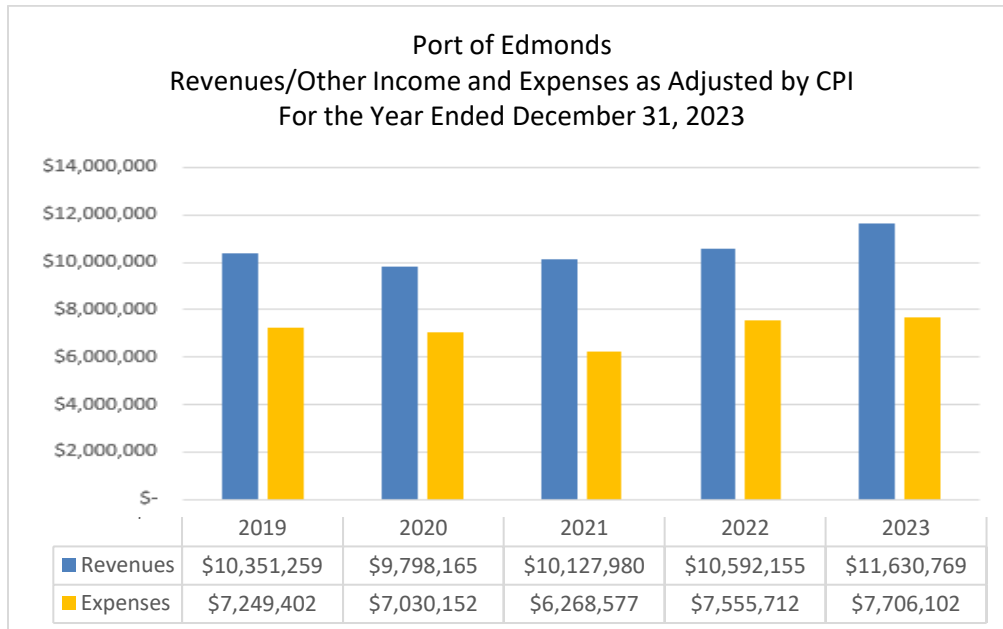


➤ **Combined Port Revenues/Other Income and Expenses and Net Income adjusted by CPI for Years Ended 2019 – 2023**

As inflation has increased since 2021, the graph below shows the Port’s revenues/other income and net income as adjusted by CPI using 2019 as the base period. From August 2019 to August 2023, the CPI is as follows:

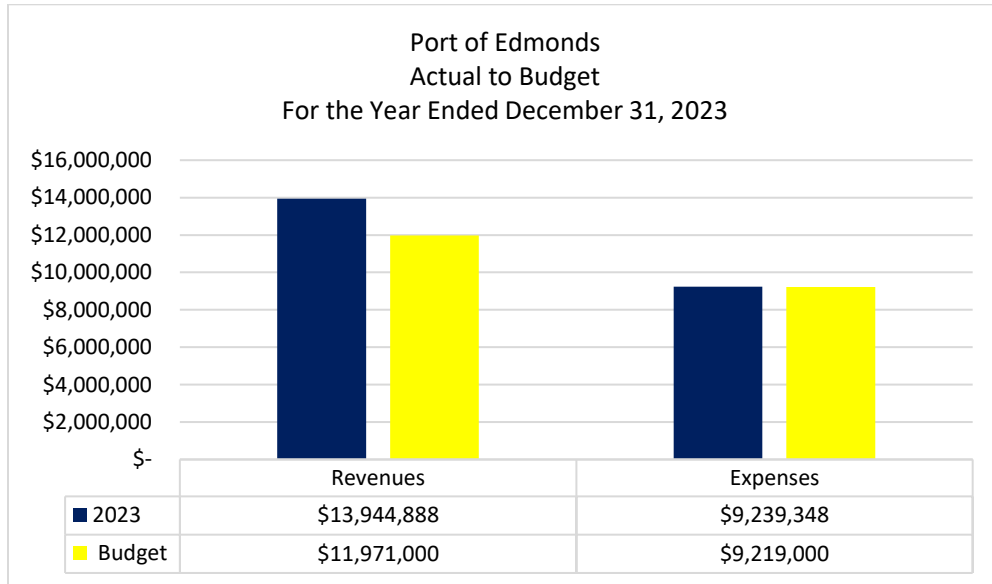
2019	2020	2021	2022	2023
2.30%	0.90%	5.50%	10.10%	4.60%

The following graph showing revenues/other income and expenses adjusted for CPI demonstrates the effective implementation of financial expenditure controls that the Port has exercised over the past five years as well as the ongoing growth of income during that same period.



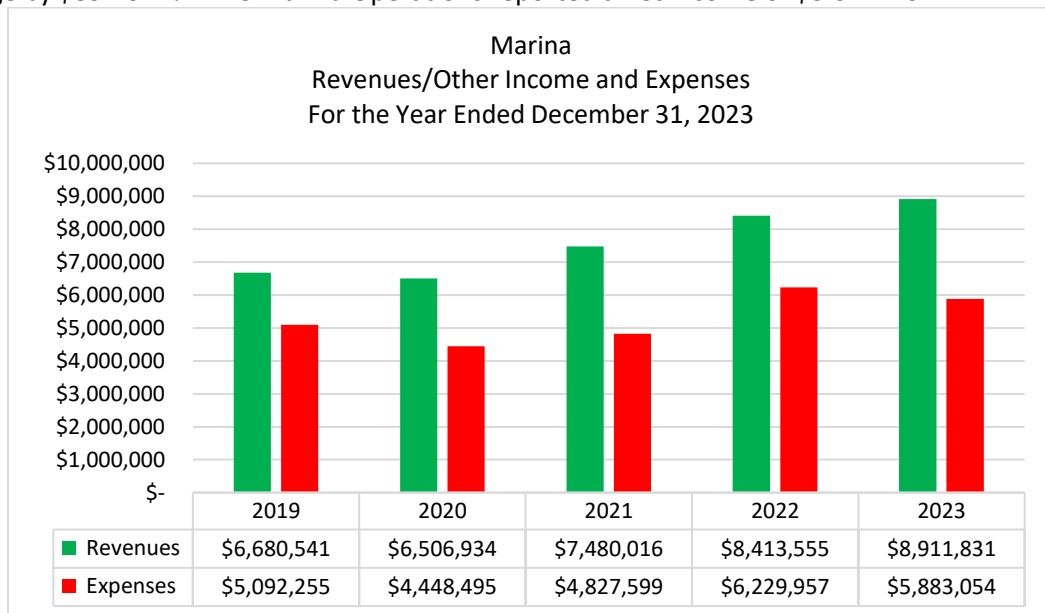
➤ **Combined Port Actual vs. Budget for Year Ended December 31, 2023**

Revenues/Other Income for 2023 exceeded the budgeted amount by \$2.0 million mainly due to \$0.7 million or 9% from Marina Operations, \$0.3 million or 9% from Rental Property and \$0.7 million from Interest Income. See respective budget sections for further details. The Expenses are consistent with the budgeted amount, which it is an indicator of effectiveness in monitoring the expenses.

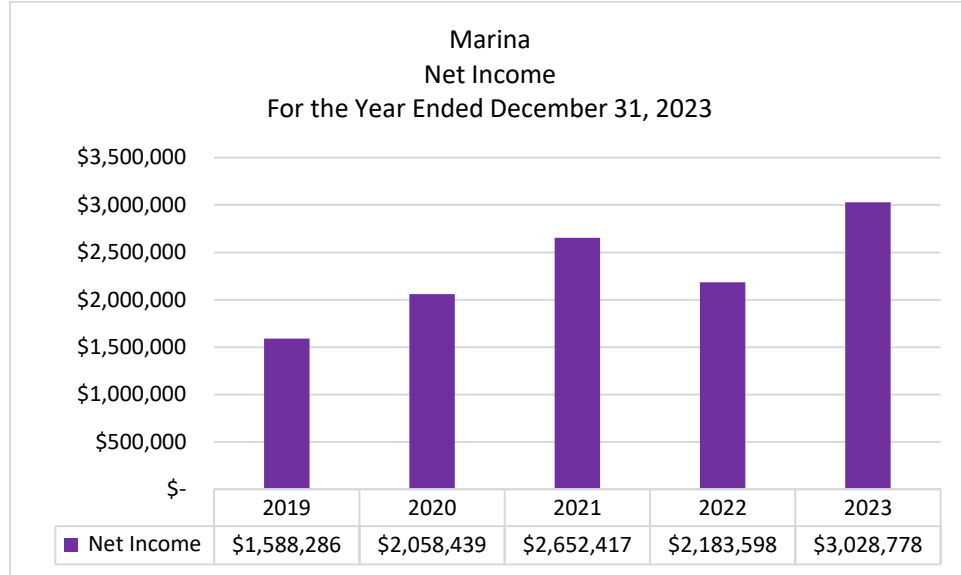


➤ **Marina Revenues/Other Income and Expenses for Years Ended 2019 – 2023**

The Port’s 2023 Marina revenues/other income were \$8.9M, an increase of \$0.5 million or 6% from the previous year. This is mainly due to the increase of permanent moorage by \$0.4 million or 11%. Consistent with tenants’ rate adjustment in 2023 per CPI adjustment of 11.1% (10.10% CPI+1%). Additionally, launcher increased by \$19K or 16% and dry storage by \$39K or 4%. The Marina Operations reported a net income of \$3.0 million.

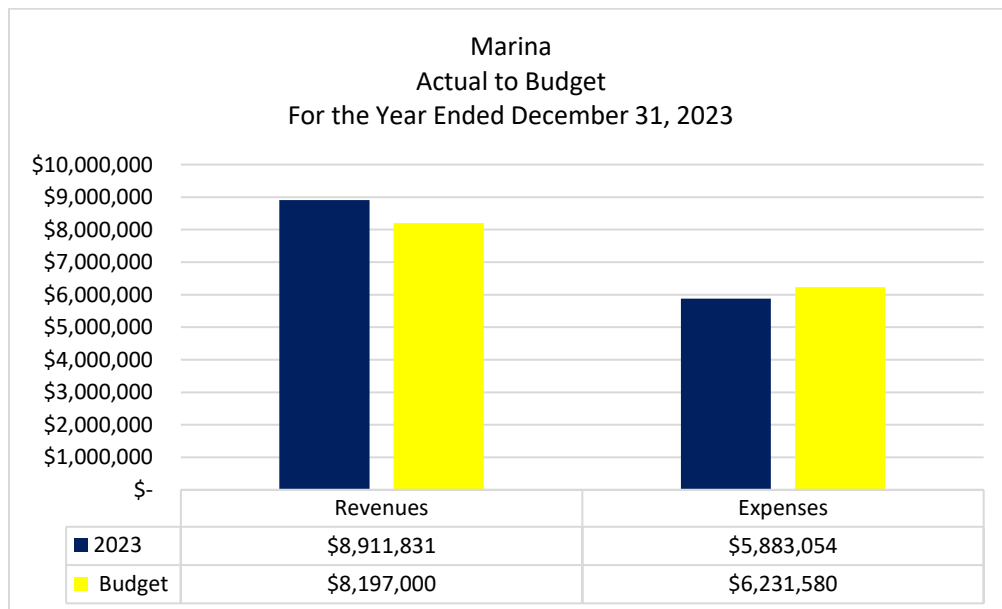


➤ **Marina Net Income for Years Ended 2019 – 2023**



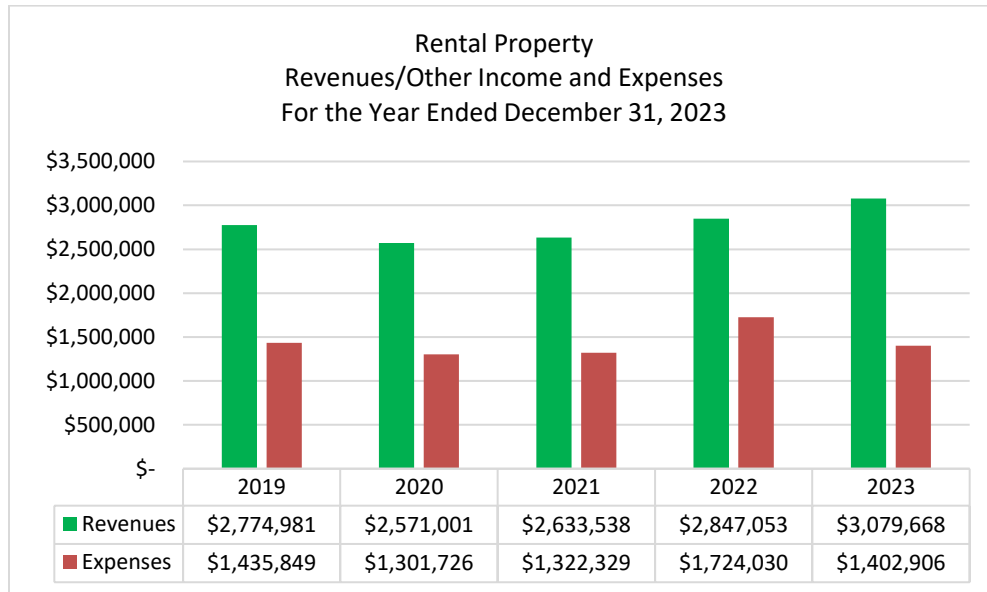
➤ **Marina Actual vs. Budget for Year Ended December 31, 2023**

Revenues/Other Income for 2023 exceeded the budgeted amount by \$0.7 million or 9% from Marina Operations mainly due to the increase of fuel sales of \$0.5 million or 36% (simultaneously the cost for fuel also increased by \$0.4M or 34%). The Expenses were less than the budgeted amount by \$0.3 million or 6% due to effective monitoring.

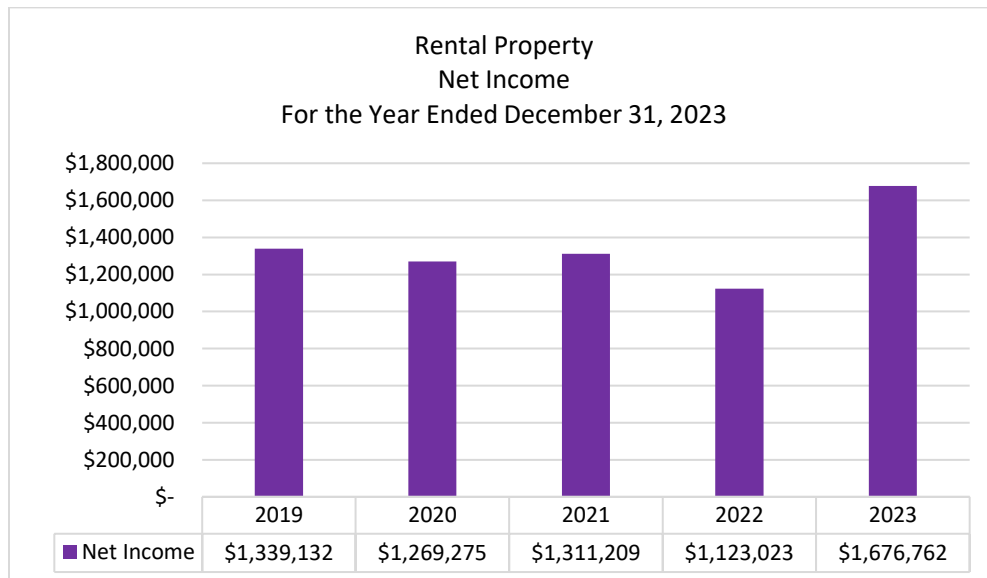


➤ **Rental Property Revenues/Other Income and Expenses for Years Ended 2019 – 2023**

The Port continues to obtain approximately 92% percent occupancy from Harbor Square. The Port’s 2023 Rental Property revenues/other income were \$3.1M, an increase of \$0.2 million or 8% from the previous year. Most of the Harbor Square Leases had an annual adjustment based on CPI Seattle-Tacoma-Bellevue and the range was 4.4% to 8.0% for 2023. The Rental Property revenues reported a net income of \$1.7 million.

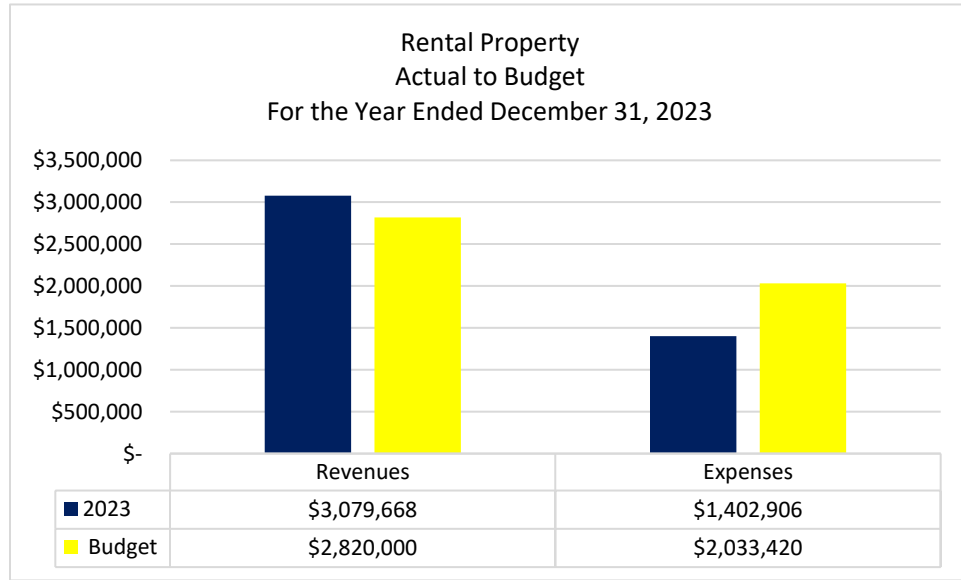


➤ **Rental Property Net Income for Years Ended 2019 – 2023**



➤ **Rental Property Actual vs. Budget for Year Ended December 31, 2023**

Revenues/Other Income for 2023 exceeded the budgeted amount by \$0.3 million or 9% from Rental Property due to Harbor Square lease revenue increase of \$0.2 million or 9%. The Expenses were less than the budgeted amount by \$0.6 million mainly due to the shift of Building 3 Atrium Windows project to 2024.



PORT OF EDMONDS
INCOME STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2023

	ACTUAL <u>Year End</u>	BUDGET <u>Year End</u>	2022 <u>Year End</u>
MARINA REVENUES			
ELECTRICAL FEES	144,943	152,000	145,301
ENVIRONMENTAL FEES	132,923	134,000	121,258
ENVIRONMENTAL FEE - WORKYARD	34,771	33,000	33,072
FUEL SALES	2,015,888	1,483,000	2,012,701
LAUNCHER	138,761	110,000	119,508
MISCELLANEOUS	130,415	115,000	123,518
GUEST MOORAGE	255,459	249,000	257,268
PERMANENT MOORAGE	4,646,117	4,548,000	4,193,383
PASSENGER FEES	64,193	62,000	60,950
DRY STORAGE	931,446	940,000	891,356
PARKING	174,864	139,000	165,111
TRAVELIFT	170,457	143,000	165,032
WORKYARD	144,117	135,000	171,278
LATE FEES	37,090	34,000	32,015
TOTAL MARINA REVENUE	<u>9,021,444</u>	<u>8,277,000</u>	<u>8,491,750</u>
RENTAL PROPERTY REVENUES			
HARBOR SQUARE LEASE REVENUE	1,865,435	1,708,000	1,670,601
HARBOR SQUARE CAMS	309,449	272,000	269,466
WEST SIDE LEASE REVENUE	351,657	318,000	307,754
HARBOR SQUARE LEASE INTEREST REVENUE	347,260	319,000	384,687
WEST SIDE LEASE INTEREST REVENUE	195,091	196,000	207,579
MISCELLANEOUS REVENUE	7,087	5,000	3,524
LATE FEES	3,498	1,000	2,509
TOTAL RENTAL PROPERTY REVENUE	<u>3,079,477</u>	<u>2,819,000</u>	<u>2,846,121</u>
COST OF GOODS SOLD			
COST OF SALES	126,814	116,000	110,415
ELECTRICAL PURCHASES	66,239	70,000	69,823
FUEL & OIL	1,645,930	1,230,000	1,709,989
LOAN-A-SLIP CREDITS	24,669	21,000	19,385
TOTAL COST OF GOODS SOLD	<u>1,863,652</u>	<u>1,437,000</u>	<u>1,909,612</u>
GROSS PROFIT	<u>10,237,268</u>	<u>9,659,000</u>	<u>9,428,260</u>

*Total Marina Revenue includes Overhead Revenue

PORT OF EDMONDS
INCOME STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2023

OPERATING EXPENSES			
ADVERTISING & NOTICES	7,234	11,000	6,854
AUDIT	-	-	34,336
AUTOMOBILE AND EQUIPMENT FUEL	25,455	33,000	31,199
BANK CHARGES	9,203	8,000	7,118
BUSINESS TAXES	22,831	33,000	31,187
CLAIMS & DAMAGES	1,702	10,000	27,448
COMMUNICATIONS	15,420	20,000	18,193
ECONOMIC DEVELOPMENT & TOURISM	12,059	17,000	14,523
EDUCATION	27,733	26,000	16,695
EMPLOYEE BENEFITS	813,942	821,000	739,641
GASB 68 PENSION EXPENSE	-	-	(275,718)
OPEB EXPENSE	-	-	(252,660)
HAZARDOUS WASTE DISPOSAL	13,075	15,000	16,981
INSURANCE	351,261	382,000	322,685
LICENSES & PERMITS	3,371	3,000	2,905
MARKETING	2,816	15,000	2,849
MASTER BUSINESS PLAN	-	-	-
MEALS	2,717	4,000	1,468
MEMBERSHIP DUES	21,442	18,000	16,234
MISCELLANEOUS	-	-	-
OFFICE	151,748	167,000	85,601
PAYROLL TAXES	309,945	330,000	298,257
PROFESSIONAL SERVICES	230,637	122,000	149,237
PROMOTIONAL HOSTING	231	3,000	427
RENT	15,600	16,000	16,392
REPAIR & MAINTENANCE	336,890	581,000	442,331
SALARIES & WAGES	2,819,311	2,731,000	2,436,362
STRATEGIC PLAN	-	-	-
SUPPLIES	303,059	383,000	261,850
TENANT IMPROVEMENTS	-	-	-
TRAVEL	26,974	25,000	21,391
UNIFORMS	3,726	14,000	12,678
UTILITIES	482,312	495,000	452,351
OPERATING EXPENSES BEFORE DEPR	<u>6,010,695</u>	<u>6,283,000</u>	<u>4,938,813</u>
DEPRECIATION AND AMORTIZATION	<u>1,364,579</u>	<u>1,474,000</u>	<u>1,379,088</u>
TOTAL OPERATING EXPENSES	<u>7,375,274</u>	<u>7,757,000</u>	<u>6,317,900</u>
INCOME FROM OPERATIONS	2,861,995	1,902,000	3,110,360
OTHER (INCOME)/EXPENSE			
ELECTION EXPENSE	-	25,000	-
(GAIN)/LOSS ON FIXED ASSETS	-	-	-
CHANGE IN FAIR VALUE OF INVESTMENTS	(10,486)	-	818,590
INTEREST INCOME	(961,376)	(259,000)	(380,748)
INTEREST EXPENSE	-	-	-
INTEREST EXPENSE ON LEASED ASSET LIABILITY	422	-	495
PROPERTY TAXES	(622,105)	(616,000)	(618,884)
OPERATING GRANTS	<u>(250,000)</u>	<u>-</u>	<u>(15,715)</u>
TOTAL OTHER (INCOME)/EXPENSE	<u>(1,843,545)</u>	<u>(850,000)</u>	<u>(196,261)</u>
NET INCOME	<u>4,705,540</u>	<u>2,752,000</u>	<u>3,306,621</u>

*The GASB 68 Pension Expense/OPEB Expense and GASB 72 Fair Value Investments are being evaluated

*The Commission Costs are comprised of Benefits, Education, Election Costs, Payroll Taxes, Salaries & Wages, and Travel. The budgeted amount is \$187K with year to date spend of \$160K.

PORT OF EDMONDS
MARINA INCOME STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2023

	ACTUAL	BUDGET	2022
	<u>Year End</u>	<u>Year End</u>	<u>Year End</u>
REVENUES			
ELECTRICAL FEES	144,943	152,000	145,301
ENVIRONMENTAL FEES	132,923	134,000	121,258
ENVIRONMENTAL FEE - WORKYARD	34,771	33,000	33,072
FUEL SALES	2,015,888	1,483,000	2,012,701
LAUNCHER	138,761	110,000	119,508
MISCELLANEOUS	48,472	57,000	64,386
GUEST MOORAGE	255,459	249,000	257,268
PERMANENT MOORAGE	4,646,117	4,548,000	4,193,383
PASSENGER FEES	64,193	62,000	60,950
DRY STORAGE	931,446	940,000	891,356
PARKING	122,195	92,000	117,290
TRAVELIFT	170,457	143,000	165,032
WORKYARD	144,117	135,000	171,278
LATE FEES	37,090	34,000	32,015
GROSS REVENUE	<u>8,886,831</u>	<u>8,172,000</u>	<u>8,384,798</u>
COST OF GOODS SOLD			
COST OF SALES	124,638	114,000	108,428
ELECTRICAL PURCHASES	66,239	70,000	69,823
FUEL & OIL	1,645,930	1,230,000	1,709,989
LOAN-A-SLIP CREDITS	24,669	21,000	19,385
TOTAL COST OF GOODS SOLD	<u>1,861,477</u>	<u>1,435,000</u>	<u>1,907,625</u>
GROSS PROFIT	<u>7,025,355</u>	<u>6,737,000</u>	<u>6,477,173</u>
OPERATING EXPENSES			
ADVERTISING	874	4,000	2,489
AUTO AND EQUIPMENT FUEL	11,414	17,000	16,354
BUSINESS TAXES	22,664	33,000	30,991
CLAIMS AND DAMAGES	1,702	10,000	27,448
EDUCATION AND TRAINING	5,755	5,000	3,114
EMPLOYEE BENEFITS	439,545	434,000	407,050
HAZARDOUS WASTE DISPOSAL	13,075	15,000	16,981
INSURANCE	256,560	274,000	237,560
LICENSES & PERMITS	2,926	3,000	2,825
MARKETING	-	8,000	532
MISCELLANEOUS	-	-	-
OFFICE	18,567	19,000	16,256
PAYROLL TAXES	199,872	220,000	202,367
PROFESSIONAL SERVICES	120,535	12,000	54,422
RENT	15,600	16,000	16,392
REPAIR & MAINTENANCE	110,686	167,000	184,783
SALARIES & WAGES	1,736,490	1,708,000	1,532,488
SUPPLIES	171,649	236,000	145,135
UTILITIES	185,452	198,000	177,696
OPERATING EXPENSES BEFORE DEPR & OH	3,313,366	3,379,000	3,074,881
DEPRECIATION AND AMORTIZATION	686,231	683,000	699,868
OVERHEAD ALLOCATION	21,980	734,580	547,583
TOTAL OPERATING EXPENSES	<u>4,021,577</u>	<u>4,796,580</u>	<u>4,322,332</u>
INCOME FROM OPERATIONS	<u>3,003,778</u>	<u>1,940,420</u>	<u>2,154,840</u>
OTHER (INCOME)/EXPENSES			
(GAIN)/LOSS ON FIXED ASSETS	-	-	-
PROPERTY TAX ALLOCATION - LAUNCHER	(25,000)	(25,000)	(25,000)
OPERATING GRANTS	-	-	(3,758)
TOTAL OTHER (INCOME)/EXPENSES	<u>(25,000)</u>	<u>(25,000)</u>	<u>(28,758)</u>
NET INCOME	<u>3,028,778</u>	<u>1,965,420</u>	<u>2,183,598</u>

PORT OF EDMONDS
RENTAL PROPERTY
FOR THE YEAR ENDED DECEMBER 31, 2023

	ACTUAL	BUDGET	2022
	<u>Year End</u>	<u>Year End</u>	<u>Year End</u>
REVENUES			
HARBOR SQUARE LEASE REVENUE	1,865,435	1,708,000	1,670,601
HARBOR SQUARE CAMS	309,449	272,000	269,466
WEST SIDE LEASE REVENUE	351,657	318,000	307,754
HARBOR SQUARE LEASE INTEREST REVENUE	347,260	319,000	384,687
WEST SIDE LEASE INTEREST REVENUE	195,091	196,000	207,579
MISCELLANEOUS REVENUE	7,087	5,000	3,524
LATE FEES	3,498	1,000	2,509
TOTAL REVENUE	<u>3,079,477</u>	<u>2,819,000</u>	<u>2,846,121</u>
COST OF GOODS SOLD	<u>326</u>	<u>1,000</u>	<u>536</u>
GROSS PROFIT	<u>3,079,152</u>	<u>2,818,000</u>	<u>2,845,586</u>
OPERATING EXPENSES			
ADVERTISING	53	1,000	316
AUTO AND EQUIPMENT FUEL	116	1,000	185
BUSINESS TAXES	167	-	196
EMPLOYEE BENEFITS	54,683	67,000	59,139
INSURANCE	81,221	87,000	73,372
LEASE EXPENSES	-	-	-
LICENSES & PERMITS - HS	-	-	-
MASTER BUSINESS PLAN - HS	-	-	-
MISCELLANEOUS	-	-	-
OFFICE	742	5,000	970
PAYROLL TAXES	18,919	24,000	20,790
PROFESSIONAL SERVICES	3,447	5,000	34,166
REPAIR & MAINTENANCE	199,259	351,000	235,095
SALARIES & WAGES	213,614	263,000	220,323
SUPPLIES	30,103	37,000	18,965
TENANT IMPROVEMENTS	-	-	-
UTILITIES	179,931	184,000	169,080
OPERATING EXPENSES BEFORE DEPR & OH	<u>782,255</u>	<u>1,025,000</u>	<u>832,596</u>
DEPRECIATION	609,002	629,000	608,810
OVERHEAD ALLOCATION	11,323	378,420	282,088
TOTAL OPERATING EXPENSES	<u>1,402,580</u>	<u>2,032,420</u>	<u>1,723,495</u>
INCOME FROM OPERATIONS	<u>1,676,572</u>	<u>785,580</u>	<u>1,122,091</u>
OTHER (INCOME)/EXPENSES			
HS LOAN INTEREST	-	-	-
INTEREST INCOME	(191)	(1,000)	(931)
PROPERTY TAXES	-	-	-
(GAIN)/LOSS ON FIXED ASSETS	-	-	-
TOTAL OTHER (INCOME)/EXPENSE	<u>(191)</u>	<u>(1,000)</u>	<u>(931)</u>
NET INCOME	<u>1,676,762</u>	<u>786,580</u>	<u>1,123,023</u>

PORT OF EDMONDS
STATEMENT OF NET POSITION
DECEMBER 31, 2023

ASSETS

Current Assets

Cash and cash equivalents	\$ 9,475,402
Accounts receivable (net of allowance for uncollectibles)	280,748
Lease receivable - current	1,166,977
Taxes receivable	8,080
Interest receivable	44,950
Inventory	55,567
Prepaid expenses	314,325
Total Current Assets	<u>11,346,049</u>

Noncurrent Assets

Investments	15,040,803
Lease receivable - non-current	10,376,328
Net pension asset	626,265

Capital Assets

Capital Assets Not Being Depreciated

Land	4,323,675
Construction in progress	10,929,270

Capital Assets Being Depreciated

Buildings	17,166,874
Marina and other improvements	33,102,721
Machinery and equipment	1,795,255
Intangible right to use leased assets	25,129
Less: Accumulated depreciation and amortization	<u>(33,969,739)</u>

Total Net Capital Assets 33,373,185

Total Noncurrent Assets 59,416,580

TOTAL ASSETS \$ 70,762,629

DEFERRED OUTFLOWS OF RESOURCES

Deferred pension outflow	649,539
Deferred other post employment benefits outflow	6,913
Deferred underground storage tank retirement outflow	<u>108,153</u>

TOTAL DEFERRED OUTFLOWS OF RESOURCES \$ 764,605

TOTAL ASSETS PLUS DEFERRED OUTFLOWS 71,527,234

PORT OF EDMONDS
STATEMENT OF NET POSITION
DECEMBER 31, 2023

LIABILITIES

Current Liabilities

Accounts payable	\$ 223,909
Accrued expenses	377,212
Unearned revenue	248,583
Employee leave benefits	104,965
Customer deposits	761,685
Current portion of leased assets liability	6
Current portion of other post-employment benefits	<u>13,826</u>
Total Current Liabilities	<u>1,730,185</u>

Noncurrent Liabilities

Leased assets liability	13,593
Other postemployment benefits	830,506
Net pension liability	360,297
Environmental remediation liability	612,500
Underground storage tank retirement obligation	<u>289,025</u>
Total Noncurrent Liabilities	<u>2,105,921</u>

TOTAL LIABILITIES

3,836,106

DEFERRED INFLOWS OF RESOURCES

Deferred pension inflows	638,393
Deferred lease inflow	<u>11,543,305</u>
Total Deferred Inflows of Resources	<u>12,181,698</u>

NET POSITION

Net investment in capital assets	33,373,185
Restricted for net pension asset	626,265
Unrestricted	<u>21,509,981</u>
TOTAL NET POSITION	<u>\$ 55,509,430</u>

TOTAL LIABILITIES, DEFERRED INFLOWS, NET POSITION

71,527,234

The following tables show the Company's cash, cash equivalents and investments as of December 31, 2023:

Port of Edmonds
Investment Quarterly Summary Report
As of December 31, 2023

Long-Term Investments (1 year or more until maturity when purchased) 12/31/2023

Security	Remaining Life	Purchased	Final Maturity	Coupon	Callable/Non-Callable	Par Value	Amortized Book Value	Market Value at 12/31/2023	Percent of Portfolio
Federal Natl Mortgage Assn	1.02	1/30/2020	1/7/2025	1.63%	Non-Callable	\$ 500,000	\$ 472,230	\$ 484,053	1.93%
Federal Home Loan Mtg Corp	1.41	6/12/2020	5/27/2025	0.50%	Callable 11/27/20	\$ 1,000,000	\$ 905,922	\$ 942,626	3.69%
Farmer Mac	1.54	7/17/2020	7/14/2025	0.50%	Non-Callable	\$ 1,000,000	\$ 908,954	\$ 938,589	3.71%
Federal Farm Credit Bank	0.46	9/17/2020	6/17/2024	0.39%	Callable 12/27/20	\$ 1,000,000	\$ 938,067	\$ 976,943	3.82%
Federal Home Loan Mtg Corp	1.73	10/23/2020	9/23/2025	0.38%	Non-Callable	\$ 1,000,000	\$ 902,057	\$ 932,864	3.68%
Federal Farm Credit Bank	1.81	12/4/2020	10/21/2025	0.52%	Callable 10/21/21	\$ 1,000,000	\$ 896,266	\$ 930,053	3.65%
Federal Farm Credit Bank	0.94	12/9/2020	12/9/2024	0.44%	Callable 12/9/21	\$ 1,000,000	\$ 921,529	\$ 958,011	3.76%
Federal Agric Mtg Corp	3.05	11/9/2023	1/19/2027	1.50%	Non-Callable	\$ 1,000,000	\$ 907,112	\$ 924,274	3.70%
Federal Home Loan Mtg Corp	1.24	6/14/2023	3/28/2025	0.48%	Non-Callable	\$ 1,000,000	\$ 1,000,000	\$ 947,627	4.08%
Federal Home Loan Bank	0.12	2/21/2019	2/13/2024	2.50%	Non-Callable	\$ 500,000	\$ 487,948	\$ 498,101	1.99%
Federal Farm Credit Bank	0.72	10/2/2019	9/17/2024	1.60%	Non-Callable	\$ 500,000	\$ 476,372	\$ 487,955	1.94%
Federal Farm Credit Bank	0.19	12/11/2019	3/11/2024	1.55%	Non-Callable	\$ 500,000	\$ 482,542	\$ 496,116	1.97%
US Treasury Notes	2.16	3/18/2022	2/28/2026	0.50%	Non-Callable	\$ 1,000,000	\$ 907,780	\$ 923,203	3.70%
US Treasury Notes	2.37	7/8/2022	5/15/2026	1.63%	Non-Callable	\$ 1,000,000	\$ 934,762	\$ 942,813	3.81%
Federal Farm Credit Bank	2.59	9/6/2022	8/3/2026	3.00%	Non-Callable	\$ 1,000,000	\$ 961,997	\$ 970,220	3.92%
Federal Home Ln Mtg Corp	2.82	12/9/2022	10/27/2026	0.80%	Callable 1/27/23	\$ 1,000,000	\$ 937,265	\$ 909,673	3.82%
Federal Home Loan Banks	3.31	1/17/2023	4/21/2027	3.20%	Callable 4/21/23	\$ 1,000,000	\$ 1,000,000	\$ 962,452	4.08%
Federal Farm Credit Bank	3.64	4/10/2023	8/19/2027	0.9%	Non-Callable	\$ 1,000,000	\$ 1,000,000	\$ 884,157	4.08%
						<u>\$ 16,000,000</u>	<u>\$ 15,040,803</u>	<u>\$ 15,109,730</u>	<u>61.33%</u>

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

Entity	Type	Interest Rate	As of 12/31/2023	Percent of Portfolio
Port of Edmonds	Cash and change funds	0.00%	\$ 1,000	0.00%
Washington Federal	Business checking account	2.94%	\$ 2,150,767	8.77%
Washington Federal	Revolving checking account	0.00%	\$ 1,804	0.01%
Snohomish County	Tax collections	0.00%	\$ 8,080	0.03%
Washington LGIP	Short-term investments	5.43%	\$ 7,323,801	29.86%
			<u>\$ 9,485,453</u>	
Total Cash and Investments			<u>\$ 24,526,256</u>	100%

Port of Edmonds
Investing Transactions Report
October 1, 2023 to December 31, 2023

Matured or Called/Upcoming Maturity						
Security	Remaining Life	Purchased	Final Maturity	Coupon	Callable/Non-Callable	Par Value
Federal Farm Credit Bank	-	11/7/2019	11/1/2023	1.60%	Non-Callable	\$ 500,000
Federal Home Loan Bank	0.12	2/21/2019	2/13/2024	2.50%	Non-Callable	\$ 500,000

Purchases							
Security	Remaining Life	Purchased	Final Maturity	Coupon	Callable/Non-Callable	Par Value	Purchased Value
Federal Agric Mtg Corp	3.05	11/9/2023	1/19/2027	1.50%	Non-Callable	\$1,000,000	\$ 907,112

➤ **Investment Summary**

As of December 31, 2023, the Port has 18 long-term investments. Investments consist of U.S. Government Securities and participation in the State of Washington Local Government Investment Pool (LGIP). As of December 31, 2023, the Port's cash and investment portfolio totaled \$25.0 million at book value. Approximately sixty-one percent (61%) of the invested cash is invested in U.S. Government Securities. The remainder is invested in short-term savings and the State's LGIP.

As noted above, there was a \$500K bond maturity during the three months ended December 31, 2023 and the Port purchased another \$500 treasury bill with a coupon rate of 1.5% and yield rate of 4.66%. There will be another maturity in mid-February of 2024 and we will be reevaluating if we should reinvest in U.S. Government Securities or State's LGIP since it is highly liquid and the gross net earnings rate was 5.4293% as of December 31, 2023.

Port of Edmonds
Capital Budget

<u>Cost Center</u>	<u>Item</u>	<u>2023 Budget</u>	<u>2023 Actual</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
00	CAT Forklift Replacement	100,000	81,000					
00	New Admin/Maintenance Building	5,000,000	6,914,000					
00	Furniture, Fixtures, and Shop Setup for New Building 1st Floor	125,000	25,000					
00	Furniture, Fixtures, and Equipment for New Building - Admin	125,000	23,000					
00	North Seawall & Portwalk Rebuild	300,000	112,000	100,000	7,500,000	22,500,000		
00	Planter Boxes - Materials and Plants, South Portwalk		14,000	102,000				
00	Vehicles - 2024: 1 Security + add 1 vehicle, gas powered. Electric are approx 75% more.		35,000	105,000	50,000	53,000	56,000	59,000
04	Workyard Above Ground Treatment System	150,000	-	200,000				
22	Marine Forklift Replacement - less deposit made in 2023		143,000	407,000				
60	Harbor Square HVAC Units			25,000	25,000	25,000	248,000	261,000
00	Marina Ops Remodel (placeholder, move to 2025 operating budget)				175,000			
00	Demolish Admin Building and Move Utilities (placeholder - move to 2025 oper budget)				500,000			
00	Storage Shed by Pressure Wash Building				100,000			
11	Mid-Marina Breakwater Major Repair				750,000			
60	Harbor Square Atrium Windows (placeholder move to 2025 operating budget)				350,000			
05	Fuel Dock Point-of-Sales Systems					50,000		
11	C Dock West Wall Steel and Roof Repair					2,000,000		
22	Dry Storage Concrete Pad Replacement					250,000		
11	Waler Replacement						1,500,000	1,700,000
	TOTALS	5,800,000	7,347,000	939,000	9,450,000	24,878,000	1,804,000	2,020,000

Note: These are projections based on best judgment and history and may be completed in this timeframe +/- 2-3 years.