



Commission Agenda Item

Meeting Date: 8/11/2025
Subject: Q2 2025 Financial Report
Cost: N/A
Attachments: N/A
From: Tsz Yan Brady, Director of Finance and Administration

A PowerPoint presentation will be given at the Commission Meeting to summarize and highlight the Q2 2025 Financial Report.

➤ Key Business Events

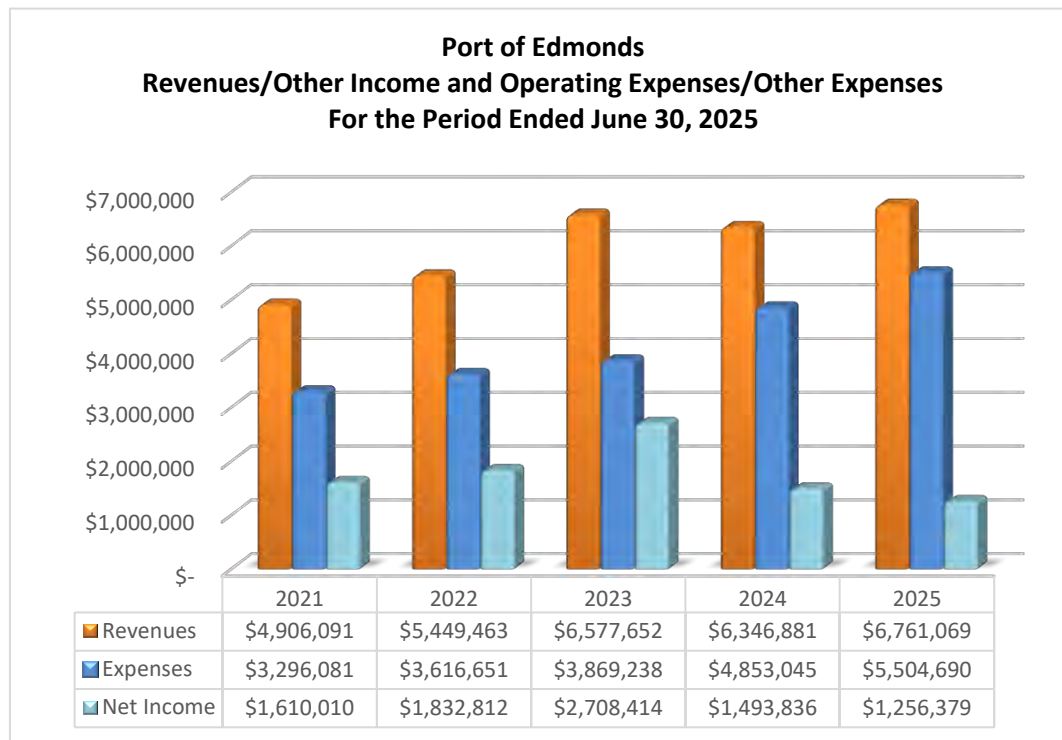
Grant Funding: In 2024, Rep. Larsen included \$1.25 million for Phase III in the House's FY2025 appropriations bill. Unfortunately, the passage of a full-year continuing resolution meant no earmark funding, including the FY2025 funding for the Portwalk. Despite this setback, the Port remains committed to securing state and federal grants and appropriations to support its projects. In 2025, Cantwell and Larsen each submitted a \$4.0 million earmark for the North Portwalk & Seawall Reconstruction Phase III. Rep. Larsen's request for the North Portwalk was included in the list of projects for the FY2026 House Appropriations bill for \$1.2 million. While this is a significant step forward, the legislation must still undergo several stages of approval.

Credit Card Fee: As noted in Q1 2025, our cost of sales exceeded budget projections due to increased credit card fees from one of our three vendors. Originally, the rate was 3.34% plus \$0.45 per transaction, but in March it rose sharply to 5.90% and \$1 per transaction. We initiated negotiations with the credit card company in April and received a response in May. As a result, we secured a significantly more favorable rate of 1% plus \$0.10 per transaction, effective starting in June and continuing forward. While the credit card company has discretion to adjust its rates, fees imposed by the issuing bank and card network (total of approximately 2%) remain fixed and cannot be negotiated.

Banking: In May 2025, our bond advisor, Time Value Investments, Inc. (TVI), informed us that U.S. Bank needs to transition our bond investment custodial account from Safekeeping Services to a new platform. TVI identified a suitable alternative within U.S. Bank called Investment Advisor Services (IAS). One key advantage of moving to IAS is that interest payments and bond maturities will no longer be automatically wired back to our WaFd Bank account—a process that previously incurred a \$15 fee per transaction and required us to wire the funds back in for reinvestment.

Under the IAS structure, interest payments will accumulate in a Money Market Demand Account (MMDA), allowing for fee-free cash movement and simplifying the reinvestment of matured bonds. This change enhances both cost efficiency and operational flexibility. For additional details, please refer to page 9 regarding the MMDA.

➤ **Port Financial Overview (2021-2025) – Operating and Non-Operating**



Revenue Trends:

- **2021–2025:** Port revenues showed a steady upward trajectory, except for a temporary decline in 2024. This dip was primarily due to the absence of a \$250K operating COVID grant that had been awarded in 2023 but not continued in 2024.

Expense Trends:

- **2021–2025:** Consistent upward trend in Port Expenses.

Net Income:

- **2021–2025:** Port net income rose steadily from 2021 to 2023, then declined in 2024 and 2025. Despite this, the Port's cash and investment balances remained higher in 2024 and 2025 compared to 2023, largely due to capital spending on Phase 1 of the New Administration Building—part of the North Portwalk & Seawall Reconstruction Project. Approximately \$7.0 million of the \$10.2 million budget for the building was expended in 2023. Please refer to page 9 of the Port's cash, cash equivalents and investments position.

➤ **Port Net Income for the period ended June 30, 2025**

	2024 YTD	2025 YTD	2025 YTD	ACT vs. BUD VAR		Δ FROM 2024 Incr (Decr)	
	ACTUAL	ACTUAL	BUDGET	\$	%	\$	%
Marina Revenue	4,040,526	4,232,615	4,127,660	104,955	3%	192,089	5%
Rental Property Revenue	1,443,844	1,449,304	1,450,500	(1,196)	0%	5,460	0%
Overhead Revenue	56,525	57,821	59,000	(1,179)	-2%	1,296	2%
Total Operating Revenue	5,540,894	5,739,739	5,637,160	102,579	2%	198,845	4%
Cost of Goods Sold	558,741	631,475	629,670	1,805	0%	72,733	13%
Total Operating Expenses	3,525,817	4,042,854	4,467,000	(424,147)	-9%	517,036	15%
NOI Before Depreciation/Others	1,456,336	1,065,411	540,490	524,922	97%	(390,925)	-27%
Depreciation	768,365	830,260	911,000	(80,740)	-9%	61,894	8%
GASB 68 Pension Adjustment	-	-	-	-	100%	-	0%
OPEB Expense Adjustment	-	-	-	-	100%	-	0%
Net Operating Income	687,971	235,152	(370,510)	605,662	-163%	(452,819)	-66%
Total Non-Operating Income	805,865	1,021,228	665,500	355,728	53%	215,363	27%
Net Income	1,493,836	1,256,379	294,990	961,389	326%	(237,456)	-16%

2025 YTD Actuals vs. 2025 YTD Budget

- Marina Revenue is \$105K or 3% higher than budget, indicating performance closely aligned with projections.
- Rental Property Revenue is \$1K lower than budget, indicating performance closely aligned with projections.
- Total operating expenses are \$424K or 9% lower than budget primarily due to unexecuted preventive maintenance placeholder projects and timing on initiatives scheduled for future quarters (\$155K). Additional savings were realized in supplies (\$101K), professional services (\$94K), office expenses (\$15K), travel (\$13K), and other expense categories. These savings were offset increase in economic development and tourism expenditure (\$50K) mainly due to the affiliated costs for the Landing assessments.
- Total Non-Operating Income is \$356K or 53% higher than budget primarily due to the change in fair value of investments (\$268K), an item that we do not budget for since it is driven by market conditions. Additionally, interest income surpassed expectations (\$80K), further contributing to the favorable variance.

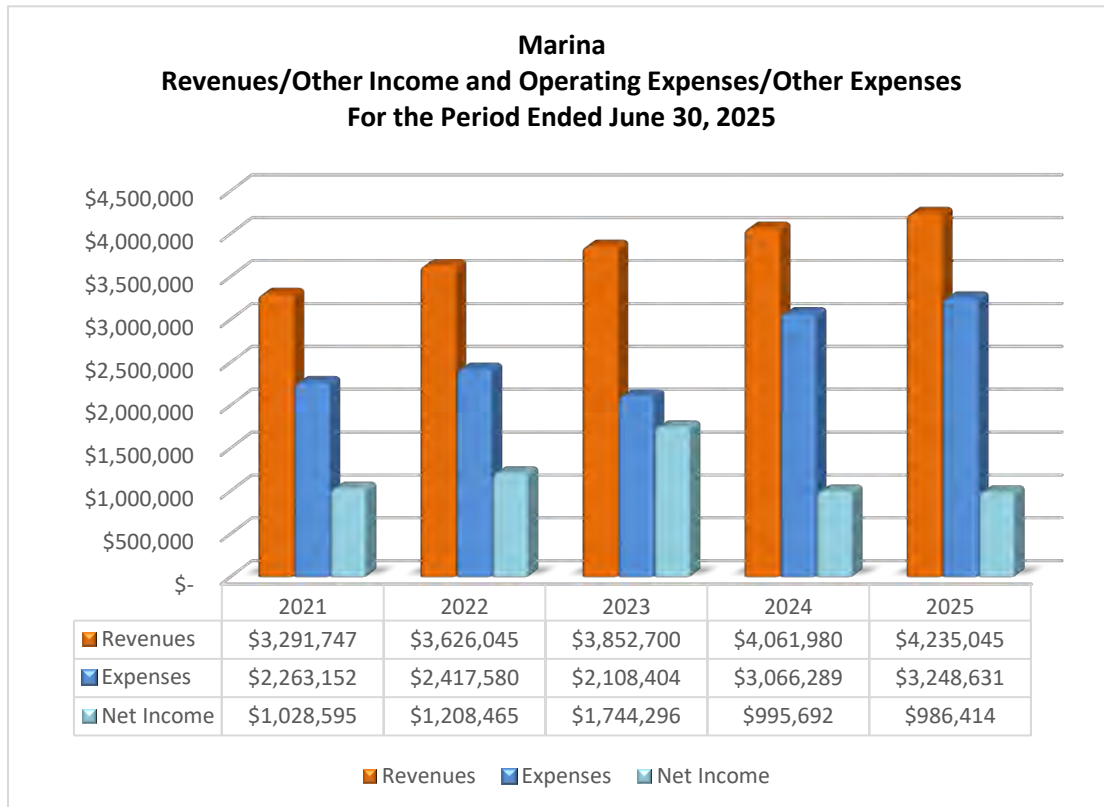
2025 YTD Actuals vs. 2024 YTD Actuals

- Marina Revenue is \$192K or 5% higher than in 2024 primarily due to annual rate adjustment of CPI + 1% (3.8 + 1% or 4.8%) in Permanent Moorage (\$133K), increase in fuel sales (\$80K), and offset by decrease of workyard sales (\$45K).
- Rental Property Revenue is \$5K higher than in 2024 primarily due to higher occupancy rate in Harbor Square Complex. The occupancy rate was 91.04% and 81.65% at the end of Q2 2025 and Q2 2024 respectively.
- Total Operating Expenses are \$517K or 15% higher than in 2024 primarily due to increase in salaries & wages from annual CPI increase of 3.8% + merit and new Leasing and Administrative Specialist position (\$248K), employee benefits (\$62K), payroll taxes (\$27K), economic

development and tourism (\$86K), and professional services (\$89K), repair & maintenance (\$87K), insurance (\$41K) and utilities (\$40K) offset by savings from other expense categories.

- Total Non-Operating Income is \$215K or 27% higher than in 2024 primarily due to the change in fair value of investments (\$128K) and interest income (\$89K) offset by loss in fixed assets disposal (\$7K).

➤ **Marina Financial Overview (2021-2025) – Operating and Non-Operating**



➤ **Marina Income Statement for the period ended June 30, 2025**

	2024 YTD	2025 YTD	2025 YTD	ACT vs. BUD VAR		Δ FROM 2024 Incr (Decr)	
	ACTUAL	ACTUAL	BUDGET	\$	%	\$	%
Electrical Fees	80,400	83,489	80,300	3,189	4%	3,089	4%
Environmental Fees	65,981	75,360	66,500	8,860	13%	9,380	14%
Environmental Fees - Workyard	16,348	17,151	15,000	2,151	14%	803	5%
Fuel Sales	563,559	643,070	612,250	30,820	5%	79,511	14%
Launcher	40,174	40,091	35,960	4,131	11%	(84)	0%
Miscellaneous	39,951	24,646	31,500	(6,854)	-22%	(15,305)	-38%
Guest Moorage	72,450	93,972	82,880	11,092	13%	21,522	30%
Permanent Moorage	2,441,663	2,574,885	2,498,500	76,385	3%	133,222	5%
Passenger Fees	20,560	22,626	18,500	4,126	22%	2,067	10%
Dry Storage	457,034	462,232	466,900	(4,668)	-1%	5,198	1%
Parking	22,961	28,093	21,780	6,313	29%	5,133	22%
Travellift	83,138	84,431	78,540	5,891	8%	1,293	2%
Workyard	115,652	70,368	102,050	(31,682)	-31%	(45,284)	-39%
Late Fees	20,656	12,200	17,000	(4,800)	-28%	(8,456)	-41%
Total Operating Revenue	4,040,526	4,232,615	4,127,660	104,955	3%	192,089	5%
Cost of Goods Sold	557,813	629,923	628,170	1,753	0%	72,111	13%
Total Operating Expenses	1,804,554	1,953,056	2,350,500	(397,444)	-17%	148,501	8%
NOI Before Depreciation/Others	1,678,159	1,649,636	1,148,990	500,646	44%	(28,523)	-2%
Depreciation	337,049	354,990	428,500	(73,511)	-17%	17,940	5%
Overhead Allocation	366,872	310,663	650,650	(339,987)	-52%	(56,209)	-15%
Net Operating Income	974,238	983,984	69,840	914,144	1309%	9,746	1%
Total Non-Operating Income	21,454	2,430	-	2,430	0%	(19,024)	-89%
Net Income	995,692	986,414	69,840	916,574	1312%	(9,278)	-1%

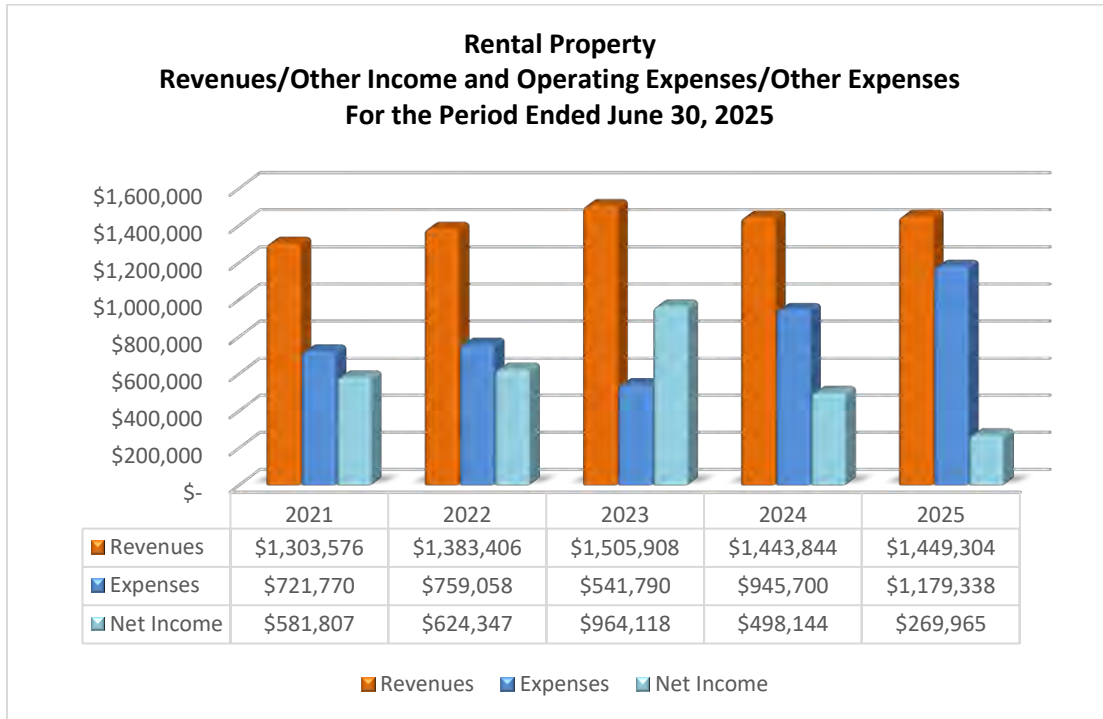
2025 YTD Actuals vs. 2025 YTD Budget

- Marina Revenue is \$105K or 3% higher than budget, indicating performance closely aligned with projections.
- Total operating expenses are \$397K or 17% lower than budget primarily due to unexecuted preventive maintenance placeholder projects and timing on initiatives scheduled for future quarters (\$146K). Additional savings were realized in supplies (\$84K), employee benefits (\$33K), professional services (\$32K) and other expense categories.

2025 YTD Actuals vs. 2024 YTD Actuals

- Marina Revenue is \$192K or 5% higher than in 2024 primarily due to annual rate adjustment of CPI + 1% (3.8 + 1% or 4.8%) in Permanent Moorage (\$133K), increase in fuel sales (\$80K), and offset by decrease of workyard sales (\$45K).
- Total Operating Expenses are \$149K or 8% higher than in 2024 primarily due to increase in salaries & wages from annual CPI increase of 3.8% + merit (\$105K), payroll taxes (\$16K), utilities (\$24K) and professional services (\$16K) offset by savings from other expense categories.

➤ Rental Property Financial Overview (2021-2025) – Operating and Non-Operating



➤ Rental Property Income Statement for the period ended June 30, 2025

	2024 YTD	2025 YTD	2025 YTD	ACT vs. BUD VAR		Δ FROM 2024 Incr (Decr)	
	ACTUAL	ACTUAL	BUDGET	\$	%	\$	%
Harbor Square Lease Revenue	870,092	854,272	897,000	(42,728)	-5%	(15,819)	-2%
Harbor Square CAMS	134,866	129,800	141,000	(11,200)	-8%	(5,066)	-4%
West Side Lease Revenue	157,839	156,666	186,500	(29,834)	-16%	(1,172)	-1%
HS Lease Interest Revenue	182,783	208,427	139,000	69,427	50%	25,644	14%
West Side Lease Interest Revenue	92,648	98,935	84,000	14,935	18%	6,287	7%
Miscellaneous Revenue	5,497	537	2,500	(1,963)	-79%	(4,959)	-90%
Late Fees	120	665	500	165	33%	546	457%
Total Operating Revenue	1,443,844	1,449,304	1,450,500	(1,196)	0%	5,460	0%
Cost of Goods Sold	29	297	500	(203)	-41%	268	937%
Total Operating Expenses	483,940	741,400	641,000	100,400	16%	257,460	53%
NOI Before Depreciation/Others	959,876	707,607	809,000	(101,393)	-13%	(252,268)	-26%
Depreciation	304,501	304,501	305,000	(499)	0%	0	0%
Overhead Allocation	157,231	133,141	278,850	(145,709)	-52%	(24,090)	-15%
Net Operating Income	498,144	269,965	225,150	44,815	20%	(228,179)	-46%
Total Non-Operating Income	-	-	-	-	0%	-	0%
Net Income	498,144	269,965	225,150	44,815	20%	(228,179)	-46%

2025 YTD Actuals vs. 2025 YTD Budget

- Rental Property Revenue is \$1K lower than budget, indicating performance closely aligned with projections.
- Total operating expenses are \$100K or 16% higher than budget primarily due to increase in repair & maintenance (\$63K), salaries & wages from new Leasing and Administrative Specialist position (\$37K), professional services (\$21K), and offset by savings from other expense categories.

2025 YTD Actuals vs. 2024 YTD Actuals

- Rental Property Revenue is \$5K higher than in 2024 primarily due to higher occupancy rate in Harbor Square Complex. The occupancy rate was 91.04% and 81.65% at the end of Q2 2025 and Q2 2024 respectively.
- Total Operating Expenses are \$257K or 53% higher than in 2024 primarily due to increase in repair & maintenance (\$146K), salaries & wages from new Leasing and Administrative Specialist position (\$61K), employee benefits (\$12K), insurance (\$15K), and professional services (\$13K).

➤ **Capital Plan for the period ended June 30, 2025**

Port of Edmonds Capital Budget						
Cost Center	Item	Estimated Useful Life	Actual 2025	Budget 2025	ACT vs. BUD VAR	
					\$	%
00	Furniture, Fixtures, and Shop Setup for New Building - 1st Floor	15		50,000	(50,000)	-100%
00	Vehicles - 2024 (2 New Vehicles) and 2025 (2 New Vehicles)	15	34,938	70,000	(35,063)	-50%
60	Harbor Square HVAC Units and Labor Cost	12		35,000	(35,000)	-100%
11	North Seawall & Portwalk Reconstruction Project (Phase II)	30	49,078	1,375,000	(1,325,922)	-96%
11	North Seawall & Portwalk Reconstruction Project (Phase III)	50	257,768	250,000	7,768	3%
00	Admin Building Monument Sign	20		35,000	(35,000)	-100%
22	Dry Storage Hydraulic Shed	15		20,000	(20,000)	-100%
11	Replace Permanent Moorage Scissor Lift	15	16,072	20,000	(3,928)	-20%
00	New Tractor with a Cab	10		50,000	(50,000)	-100%
18	Conex Box (Westside of Pressure Wash Building)	15	10,213	8,500	1,713	20%
18	Workyard Above Ground Treatment System	10		200,000	(200,000)	-100%
	SUB TOTALS		368,069	2,113,500		
	Capital Grant			1,000,000		
	NET TOTAL - FROM INTERNAL RESERVE		368,069	1,113,500		

The Admin Building Monument Sign and purchase of a new tractor with a cab are incorporated in the 20-Year Capital Improvement Plan and extended to 2026. The Dry Storage Hydraulic Shed has been repaired hence a replacement is no longer needed. As mentioned in Q1 2025 reporting, the Port achieves a significant cost saving of \$200K (Workyard Above Ground Treatment System) on the Capital plan as implementation of the approved filtration plan has been accepted by Department of Ecology.

- The following tables show the Port's cash, cash equivalents and investments as of June 30, 2025:

	Cash and Investments Position					
	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024	6/30/2025
Cash and Cash Equivalents	\$ 4,762,343	\$ 10,374,417	\$ 12,553,800	\$ 9,485,414	\$13,239,704	\$ 15,983,853
Investments	16,333,223	14,011,185	13,506,398	15,109,730	14,992,815	14,782,210
Total	\$ 21,095,566	\$ 24,385,602	\$ 26,060,198	\$ 24,595,144	\$28,232,519	\$ 30,766,063

Port of Edmonds
Cash and Investments Summary
For the period ended June 30, 2025

Long-Term Investments (More than 1 year):

Bond	Cusip	Coupon Rate	Yield Rate	Par Value	Premium (Discount)	Prepaid Interest	Principal Cost Purchase Price	Settlement Amount	Market Value	Percent of Portfolio	Callable	Settlement Date Acquired	Maturity Date	Semi-Annual Pmt Months
Farmer Mac	31422BJ27	0.5000%	0.4200%	1,000,000.00	3,950.00	41.67	1,003,950.00	1,003,991.67	998,620.00	3.2%		7/17/2020	7/14/2025	1 / 7
Federal Home Loan Mtg Corp	3137EAXE3	0.3750%	0.4200%	1,000,000.00	(2,188.00)	291.67	997,812.00	998,103.67	990,890.00	3.2%		10/23/2020	9/23/2025	3 / 9
Federal Farm Credit Bank	3133EMDZ2	0.5200%	0.5200%	1,000,000.00	-	621.11	1,000,000.00	1,000,621.11	988,600.00	3.2%	Yes	12/4/2020	10/21/2025	4 / 10
US Treasury Notes	9182CBQ3	0.5000%	2.0900%	1,000,000.00	(60,000.00)	244.57	940,000.00	940,244.57	976,020.00	3.2%		3/18/2022	2/28/2026	2 / 8
US Treasury Notes	912828R36	1.6250%	3.0500%	1,000,000.00	(51,348.00)	2,516.98	948,652.00	951,168.98	979,240.00	3.2%		7/11/2022	5/15/2026	5 / 11
Federal Farm Credit Bank	3133END80	3.0000%	3.3001%	1,000,000.00	(10,935.00)	2,750.00	989,065.00	991,815.00	989,340.00	3.2%		9/6/2022	8/3/2026	2 / 8
Federal Home Ln Mtg Corp	3134GW4C7	0.8000%	4.1012%	1,000,000.00	(117,370.00)	933.33	882,630.00	883,563.33	960,110.00	3.1%	Yes	12/9/2022	10/27/2026	4 / 10
Federal Agric Mtg Corp	31422XSV5	1.5000%	4.6600%	1,000,000.00	(92,888.00)	4,541.67	907,112.00	911,653.67	964,340.00	3.1%		11/8/2023	1/19/2027	1 / 7
Federal Home Loan Banks	3130ARM40	3.2000%	4.0300%	1,000,000.00	(32,222.00)	7,733.33	967,778.00	975,511.33	987,090.00	3.2%	Yes	1/18/2023	4/21/2027	4 / 10
Federal Farm Credit Bank	3133EL4D3	0.9000%	3.8600%	1,000,000.00	(117,640.00)	1,300.00	882,360.00	883,660.00	936,960.00	3.0%	Yes	4/11/2023	8/19/2027	2 / 8
Federal Home Loan Banks	3130AD7C0	2.7500%	4.3000%	1,000,000.00	(52,902.00)	7,486.11	947,098.00	954,584.11	975,530.00	3.2%		3/18/2024	12/10/2027	6 / 12
US Treasury Notes	91282CGT2	3.6250%	4.3800%	1,000,000.00	(25,856.00)	9,310.11	974,144.00	983,454.11	998,280.00	3.2%		7/3/2024	3/31/2028	3 / 9
US Treasury Notes	91282CHK0	4.0000%	3.9500%	1,000,000.00	1,624.00	17,826.09	1,001,624.00	1,019,450.09	1,008,590.00	3.3%		12/11/2024	6/30/2028	6 / 12
US Treasury Notes	91282CJA0	4.6250%	3.8003%	1,000,000.00	26,790.00	-	1,026,790.00	1,026,790.00	1,027,700.00	3.3%		3/31/2025	9/30/2028	3 / 9
US Treasury Notes	91282CJR3	3.7500%	3.8996%	1,000,000.00	(5,000.00)	15,227.90	995,000.00	1,010,227.90	1,000,900.00	3.3%		5/27/2025	12/31/2028	6 / 12
								14,464,015.00	14,534,839.54	14,782,210.00	48.0%			

Short-Term Investments (Less than 1 year):

Entity	Type	Interest Rate	As of 6/30/2025	Percent of Portfolio
Port of Edmonds	Petty Cash	0.0000%	\$ 1,600	0.0%
WaFd	Excess Account	3.0300%	1,936,447	6.3%
WaFd	Revolving Checking Account	0.0000%	3,000	0.0%
Snohomish County	Tax Collections	0.0000%	5,874	0.0%
LGIP	Short-Term Investments	4.3838%	13,984,104	45.5%
US Bank	Money Market Demand Account	4.1100%	52,828	0.2%
			15,983,853	52.0%
Total Cash and Investments			\$ 30,766,063	100.0%

➤ **Investment Summary**

As of June 30, 2025, the Port has 15 long-term investments. Investments consist of U.S. Government Securities and participation in the State of Washington Local Government Investment Pool (LGIP). As of June 30, 2025, the Port's cash and investment portfolio totaled \$30.1 million at book value. Approximately fifty-two percent (52.0%) 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 below, there was one bond that matured during Q2 2025, and the Port purchased another \$1.0 million US Treasury Note with a coupon rate of 3.7500% and yield rate of 3.8996%. There will be two bond maturities in Q3 2025, and we will be reinvesting in U.S. Government Securities or the State's LGIP. The State's LGIP is highly liquid and the net earnings rate was 4.3994% as of March 31, 2025 and 4.3838% as of June 30, 2025.

**Port of Edmonds
Investment Transactions Report
April 1, 2025 to June 30, 2025**

Matured in Q2 2025:

Bond	Cusip	Coupon Rate	Yield Rate	Par Value	Premium (Discount)	Prepaid Interest	Principal Cost Purchase Price	Settlement Amount	Market Value	Callable	Settlement Date Acquired	Maturity Date
Federal Home Loan Mtg Corp	3134GVYP7	0.5000%	0.5400%	1,000,000.00	(1,955.00)	208.33	998,045.00	998,253.33	997,185.27	Yes	6/12/2020	5/27/2025

Purchases:

Bond	Cusip	Coupon Rate	Yield Rate	Par Value	Premium (Discount)	Prepaid Interest	Principal Cost Purchase Price	Settlement Amount	Market Value	Callable	Settlement Date Acquired	Maturity Date
US Treasury Notes	91282CJR3	3.7500%	3.8996%	1,000,000.00	(5,000.00)	15,227.90	995,000.00	1,010,227.90	1,000,900.00		5/27/2025	12/31/2028

Upcoming Maturity in Q3 2025:

Bond	Cusip	Coupon Rate	Yield Rate	Par Value	Premium (Discount)	Prepaid Interest	Principal Cost Purchase Price	Settlement Amount	Market Value	Callable	Settlement Date Acquired	Maturity Date
Farmer Mac	31422BJ27	0.5000%	0.4200%	1,000,000.00	3,950.00	41.67	1,003,950.00	1,003,991.67	998,620.00		7/17/2020	7/14/2025
Federal Home Loan Mtg Corp	3137EAEX3	0.3750%	0.4200%	1,000,000.00	(2,188.00)	291.67	997,812.00	998,103.67	990,890.00		10/23/2020	9/23/2025

Income Statements For The Period Ended June 30, 2025

**PORT OF EDMONDS
INCOME STATEMENT
FOR THE PERIOD ENDED JUNE 30, 2025**

	2024 YTD ACTUAL	2025 YTD ACTUAL	2025 YTD BUDGET	ACT vs. BUD VAR \$ %		Δ FROM 2024 Incr (Decr) \$ %	
MARINA REVENUES							
ELECTRICAL FEES	80,400	83,489	80,300	3,189	4%	3,089	4%
ENVIRONMENTAL FEES	65,981	75,360	66,500	8,860	13%	9,380	14%
ENVIRONMENTAL FEE - WORKYARD	16,348	17,151	15,000	2,151	14%	803	5%
FUEL SALES	563,559	643,070	612,250	30,820	5%	79,511	14%
LAUNCHER	40,174	40,091	35,960	4,131	11%	(84)	0%
MISCELLANEOUS	67,665	53,935	61,500	(7,565)	-12%	(13,731)	-20%
GUEST MOORAGE	72,450	93,972	82,880	11,092	13%	21,522	30%
PERMANENT MOORAGE	2,441,663	2,574,885	2,498,500	76,385	3%	133,222	5%
PASSENGER FEES	20,560	22,660	18,500	4,126	22%	2,067	10%
DRY STORAGE	457,034	462,232	466,900	(4,668)	-1%	5,198	1%
PARKING	51,771	56,625	50,780	5,845	12%	4,854	9%
TRAVELIFT	83,138	84,431	78,540	5,891	8%	1,293	2%
WORKYARD	115,652	70,368	102,050	(31,682)	-31%	(45,284)	-39%
LATE FEES	20,656	12,200	17,000	(4,800)	-28%	(8,456)	-41%
TOTAL MARINA REVENUE (INCLUDING OVERHEAD REVENUE)	4,097,051	4,290,436	4,186,660	103,776	2%	193,385	5%
RENTAL PROPERTY REVENUES							
HARBOR SQUARE LEASE REVENUE	870,092	854,272	897,000	(42,728)	-5%	(15,819)	-2%
HARBOR SQUARE CAMS	134,866	129,800	141,000	(11,200)	-8%	(5,066)	-4%
WEST SIDE LEASE REVENUE	157,839	156,666	186,500	(29,834)	-16%	(1,172)	-1%
HARBOR SQUARE LEASE INTEREST REVENUE	182,783	208,427	139,000	69,427	50%	25,644	14%
WEST SIDE LEASE INTEREST REVENUE	92,648	98,935	84,000	14,935	18%	6,287	7%
MISCELLANEOUS REVENUE	5,497	537	2,500	(1,963)	-79%	(4,959)	-90%
LATE FEES	120	665	500	165	33%	546	457%
TOTAL RENTAL PROPERTY REVENUE	1,443,844	1,449,304	1,450,500	(1,196)	0%	5,460	0%
COST OF GOODS SOLD							
COST OF SALES	59,837	88,086	66,430	21,656	33%	28,249	47%
ELECTRICAL PURCHASES	41,861	42,889	41,480	1,409	3%	1,029	2%
FUEL & OIL	453,902	498,882	518,080	(19,198)	-4%	44,980	10%
LOAN-A-SLIP CREDITS	3,141	1,617	3,680	(2,063)	-56%	(1,524)	-49%
TOTAL COST OF GOODS SOLD	558,741	631,475	629,670	1,805	0%	72,733	13%
GROSS PROFIT	4,982,153	5,108,265	5,007,490	100,775	2%	126,112	3%
OPERATING EXPENSES							
ADVERTISING & NOTICES	3,419	3,133	6,000	(2,867)	-48%	(287)	-8%
AUDIT	-	8,201	-	8,201	0%	8,201	100%
AUTOMOBILE AND EQUIPMENT FUEL	10,854	11,607	14,000	(2,393)	-17%	753	7%
BANK CHARGES	5,134	4,510	5,500	(990)	-18%	(624)	-12%
BUSINESS TAXES	12,585	13,397	20,000	(6,603)	-33%	811	6%
CLAIMS & DAMAGES	4,231	3,762	12,500	(8,738)	-70%	(469)	-11%
COMMUNICATIONS	-	-	10,000	(10,000)	-100%	-	0%
ECONOMIC DEVELOPMENT & TOURISM	2,529	88,172	38,500	49,672	129%	85,643	3387%
EDUCATION	21,628	22,456	25,500	(3,044)	-12%	828	4%
EMPLOYEE BENEFITS	449,313	510,840	530,000	(19,160)	-4%	61,527	14%
HAZARDOUS WASTE DISPOSAL	20,041	8,394	8,500	(106)	-1%	(11,647)	-58%
INSURANCE	199,528	240,440	256,000	(15,560)	-6%	40,912	21%
LEASE EXPENSES	-	-	-	-	0%	-	0%
LICENSES & PERMITS	2,387	1,769	1,500	269	18%	(618)	-26%
MARKETING	77,695	1,388	5,000	(3,612)	-72%	(76,308)	-98%
MASTER BUSINESS PLAN	-	-	-	-	0%	-	0%
MEALS	4,387	773	2,500	(1,727)	-69%	(3,615)	-82%
MEMBERSHIP DUES	28,564	19,395	21,500	(2,105)	-10%	(9,169)	-32%
MISCELLANEOUS	-	-	-	-	0%	-	0%
OFFICE	88,447	87,079	102,000	(14,921)	-15%	(1,368)	-2%
PAYROLL TAXES	152,537	179,160	181,000	(1,840)	-1%	26,623	17%
PROFESSIONAL SERVICES	199,024	288,309	382,000	(93,691)	-25%	89,285	45%
PROMOTIONAL HOSTING	294	-	1,500	(1,500)	-100%	(294)	-100%
RENT	6,612	8,173	8,500	(327)	-4%	1,560	24%
REPAIR & MAINTENANCE	309,150	396,037	551,000	(154,963)	-28%	86,887	28%
SALARIES & WAGES	1,440,591	1,688,514	1,714,000	(25,486)	-1%	247,923	17%
STRATEGIC PLAN	32,488	-	-	-	0%	(32,488)	100%
SUPPLIES	147,877	129,831	231,000	(101,169)	-44%	(18,046)	-12%
TENANT IMPROVEMENTS	-	-	-	-	0%	-	0%
TRAVEL	28,979	17,571	31,000	(13,429)	-43%	(11,408)	-39%
UNIFORMS	14,206	6,965	7,500	(535)	-7%	(7,242)	-51%
UTILITIES	263,315	302,981	300,500	2,481	1%	39,665	15%
TOTAL OPERATING EXPENSES	3,525,817	4,042,854	4,467,000	(424,147)	-9%	517,036	15%
NET OPERATING INCOME (EXPENSES) BEFORE DEPR AND PENSION/OPEB	1,456,336	1,065,411	540,490	524,922	97%	(390,925)	-27%
DEPRECIATION	768,365	830,260	911,000	(80,740)	-9%	61,894	8%
GASB 68 PENSION ADJUSTMENT	-	-	-	-	100%	-	0%
OPEB ADJUSTMENT	-	-	-	-	100%	-	0%
NET OPERATING INCOME (LOSS)	687,971	235,152	(370,510)	605,662	-163%	(452,819)	-66%
NON-OPERATING ITEMS							
ELECTION EXPENSE	-	-	-	-	0%	-	0%
GAIN/(LOSS) ON FIXED ASSETS	8,954	2,430	-	2,430	100%	(6,524)	-73%
CHANGE IN FAIR VALUE OF INVESTMENTS	139,407	267,605	-	267,605	100%	128,197	92%
INTEREST INCOME	340,101	429,026	350,000	79,026	23%	88,925	26%
INTEREST EXPENSE	-	-	-	-	0%	-	0%
INTEREST EXPENSE ON LEASED ASSET LIABILITY	(121)	(102)	-	(102)	0%	19	-16%
PROPERTY TAXES	317,523	322,269	315,500	6,769	2%	4,746	1%
OPERATING GRANTS	-	-	-	-	0%	-	0%
TOTAL NON-OPERATING INCOME (LOSS)	805,865	1,021,228	665,500	355,728	53%	215,363	27%
NET INCOME (LOSS)	1,493,836	1,256,379	294,990	961,389	326%	(237,456)	-16%

*Unaudited Financial Statements for Internal Use Only

**PORT OF EDMONDS
MARINA INCOME STATEMENT
FOR THE PERIOD ENDED JUNE 30, 2025**

	2024 YTD ACTUAL	2025 YTD ACTUAL	2025 YTD BUDGET	ACT vs. BUD VAR		Δ FROM 2024 Incr (Decr)	
				\$	%	\$	%
REVENUES							
ELECTRICAL FEES	80,400	83,489	80,300	3,189	4%	3,089	4%
ENVIRONMENTAL FEES	65,981	75,360	66,500	8,860	13%	9,380	14%
ENVIRONMENTAL FEE - WORKYARD	16,348	17,151	15,000	2,151	14%	803	5%
FUEL SALES	563,559	643,070	612,250	30,820	5%	79,511	14%
LAUNCHER	40,174	40,091	35,960	4,131	11%	(84)	0%
MISCELLANEOUS	39,951	24,646	31,500	(6,854)	-22%	(15,305)	-38%
GUEST MOORAGE	72,450	93,972	82,880	11,092	13%	21,522	30%
PERMANENT MOORAGE	2,441,663	2,574,885	2,498,500	76,385	3%	133,222	5%
PASSENGER FEES	20,560	22,626	18,500	4,126	22%	2,067	10%
DRY STORAGE	457,034	462,232	466,900	(4,668)	-1%	5,198	1%
PARKING	22,961	28,093	21,780	6,313	29%	5,133	22%
TRAVELIFT	83,138	84,431	78,540	5,891	8%	1,293	2%
WORKYARD	115,652	70,368	102,050	(31,682)	-31%	(45,284)	-39%
LATE FEES	20,656	12,200	17,000	(4,800)	-28%	(8,456)	-41%
TOTAL MARINA REVENUE	4,040,526	4,232,615	4,127,660	104,955	3%	192,089	5%
COST OF GOODS SOLD							
COST OF SALES	58,909	86,535	64,930	21,605	33%	27,626	47%
ELECTRICAL PURCHASES	41,861	42,889	41,480	1,409	3%	1,029	2%
FUEL & OIL	453,902	498,882	518,080	(19,198)	-4%	44,980	10%
LOAN-A-SLIP CREDITS	3,141	1,617	3,680	(2,063)	-56%	(1,524)	-49%
TOTAL COST OF GOODS SOLD	557,813	629,923	628,170	1,753	0%	72,111	13%
GROSS PROFIT	3,482,714	3,602,692	3,499,490	103,202	3%	119,978	3%
OPERATING EXPENSES							
ADVERTISING	50	29	1,000	(971)	-97%	(21)	-41%
AUTO AND EQUIPMENT FUEL	4,966	5,297	7,000	(1,703)	-24%	330	7%
BUSINESS TAXES	12,478	13,373	20,000	(6,627)	-33%	895	7%
CLAIMS AND DAMAGES	4,231	3,762	12,500	(8,738)	-70%	(469)	-11%
EDUCATION AND TRAINING	6,670	10,720	7,000	3,720	53%	4,049	61%
EMPLOYEE BENEFITS	239,488	253,198	286,500	(33,302)	-12%	13,710	6%
HAZARDOUS WASTE DISPOSAL	20,041	8,394	8,500	(106)	-1%	(11,647)	-58%
INSURANCE	146,854	159,746	171,500	(11,754)	-7%	12,892	9%
LICENSES & PERMITS	1,488	1,719	1,500	219	15%	230	15%
MARKETING	-	572	-	572	0%	572	0%
MISCELLANEOUS	-	-	-	-	0%	-	0%
OFFICE	8,867	8,027	10,500	(2,473)	-24%	(839)	-9%
PAYROLL TAXES	93,333	109,598	113,000	(3,402)	-3%	16,265	17%
PROFESSIONAL SERVICES	80,370	96,301	128,500	(32,199)	-25%	15,932	20%
RENT	6,612	8,173	8,500	(327)	-4%	1,560	24%
REPAIR & MAINTENANCE	127,596	89,879	236,000	(146,121)	-62%	(37,716)	-30%
SALARIES & WAGES	884,319	989,275	1,068,000	(78,725)	-7%	104,956	12%
SUPPLIES	62,697	66,147	150,000	(83,853)	-56%	3,450	6%
UTILITIES	104,495	128,846	120,500	8,346	7%	24,350	23%
TOTAL OPERATING EXPENSES	1,804,554	1,953,056	2,350,500	(397,444)	-17%	148,501	8%
NET OPERATING INCOME (EXPENSES) BEFORE DEPR & OH ALLOC	1,678,159	1,649,636	1,148,990	500,646	44%	(28,523)	-2%
DEPRECIATION	337,049	354,990	428,500	(73,511)	-17%	17,940	5%
OVERHEAD ALLOCATION	366,872	310,663	650,650	(339,987)	-52%	(56,209)	-15%
NET OPERATING INCOME (LOSS)	974,238	983,984	69,840	914,144	1309%	9,746	1%
NON-OPERATING ITEMS							
GAIN/LOSS ON FIXED ASSETS	8,954	2,430	-	2,430	0%	(6,524)	-73%
PROPERTY TAX ALLOCATION - LAUNCHER	12,500	-	-	-	0%	(12,500)	-100%
OPERATING GRANTS	-	-	-	-	0%	-	0%
TOTAL NON-OPERATING INCOME (LOSS)	21,454	2,430	-	2,430	0%	(19,024)	-89%
NET INCOME (LOSS)	995,692	986,414	69,840	916,574	1312%	(9,278)	-1%

**PORT OF EDMONDS
RENTAL PROPERTY
FOR THE PERIOD ENDED JUNE 30, 2025**

	2024 YTD ACTUAL	2025 YTD ACTUAL	2025 YTD BUDGET	ACT vs. BUD VAR		Δ FROM 2024 Incr (Decr)	
				\$	%	\$	%
REVENUES							
HARBOR SQUARE LEASE REVENUE	870,092	854,272	897,000	(42,728)	-5%	(15,819)	-2%
HARBOR SQUARE CAMS	134,866	129,800	141,000	(11,200)	-8%	(5,066)	-4%
WEST SIDE LEASE REVENUE	157,839	156,666	186,500	(29,834)	-16%	(1,172)	-1%
HARBOR SQUARE LEASE INTEREST REVENUE	182,783	208,427	139,000	69,427	50%	25,644	14%
WEST SIDE LEASE INTEREST REVENUE	92,648	98,935	84,000	14,935	18%	6,287	7%
MISCELLANEOUS REVENUE	5,497	537	2,500	(1,963)	-79%	(4,959)	-90%
LATE FEES	120	665	500	165	33%	546	457%
TOTAL RENTAL PROPERTY REVENUE	1,443,844	1,449,304	1,450,500	(1,196)	0%	5,460	0%
COST OF GOODS SOLD	29	297	500	(203)	-41%	268	937%
GROSS PROFIT	1,443,815	1,449,007	1,450,000	(993)	0%	5,192	0%
OPERATING EXPENSES							
ADVERTISING	32	163	-	163	0%	130	403%
AUTO AND EQUIPMENT FUEL	-	70	-	70	0%	70	0%
BUSINESS TAXES	71	25	-	25	0%	(46)	-65%
EMPLOYEE BENEFITS	31,592	43,976	38,000	5,976	16%	12,385	39%
INSURANCE	45,108	60,332	64,000	(3,668)	-6%	15,224	34%
LEASE EXPENSES	-	-	-	-	0%	-	0%
LICENSES & PERMITS - HS	-	-	-	-	0%	-	0%
MASTER BUSINESS PLAN - HS	-	-	-	-	0%	-	0%
MISCELLANEOUS	-	-	-	-	0%	-	0%
OFFICE	270	226	500	(274)	-55%	(43)	-16%
PAYROLL TAXES	8,976	10,381	10,500	(119)	-1%	1,405	16%
PROFESSIONAL SERVICES	38,559	51,148	30,000	21,148	70%	12,589	33%
REPAIR & MAINTENANCE	136,694	282,282	219,500	62,782	29%	145,588	107%
SALARIES & WAGES	116,485	177,633	141,000	36,633	26%	61,147	52%
SUPPLIES	16,649	17,293	28,500	(11,207)	-39%	644	4%
TENANT IMPROVEMENTS	-	-	-	-	0%	-	0%
UTILITIES	89,503	97,870	109,000	(11,130)	-10%	8,367	9%
TOTAL OPERATING EXPENSES	483,940	741,400	641,000	100,400	16%	257,460	53%
NET OPERATING INCOME (EXPENSES) BEFORE DEPR & OH ALLOC	959,876	707,607	809,000	(101,393)	-13%	(252,268)	-26%
DEPRECIATION	304,501	304,501	305,000	(499)	0%	0	0%
OVERHEAD ALLOCATION	157,231	133,141	278,850	(145,709)	-52%	(24,090)	-15%
NET OPERATING INCOME (LOSS)	498,144	269,965	225,150	44,815	20%	(228,179)	-46%
NON-OPERATING ITEMS							
HS LOAN INTEREST	-	-	-	-	0%	-	0%
INTEREST INCOME	-	-	-	-	0%	-	0%
PROPERTY TAXES	-	-	-	-	0%	-	0%
GAIN/(LOSS) ON FIXED ASSETS	-	-	-	-	0%	-	0%
TOTAL NON-OPERATING INCOME (LOSS)	-	-	-	-	0%	-	0%
NET INCOME (LOSS)	498,144	269,965	225,150	44,815	20%	(228,179)	-46%

Q2 2025 Financial Report

Tsz Yan Brady, Director of Finance and Administration



Key Business Events

- **Grant Funding:** In 2024, Rep. Larsen included \$1.25 million for Phase III in the House's FY2025 appropriations bill. Unfortunately, the passage of a full-year continuing resolution meant no earmark funding, including the FY2025 funding for the Portwalk. Despite this setback, the Port remains committed to securing state and federal grants and appropriations to support its projects. In 2025, Cantwell and Larsen each submitted a \$4.0 million earmark for the North Portwalk & Seawall Reconstruction Phase III. Rep. Larsen's request for the North Portwalk was included in the list of projects for the FY2026 House Appropriations bill for \$1.2 million. While this is a significant step forward, the legislation must still undergo several stages of approval.
- **Credit Card Fee:** As noted in Q1 2025, our cost of sales exceeded budget projections due to increased credit card fees from one of our three vendors. Originally, the rate was 3.34% plus \$0.45 per transaction, but in March it rose sharply to 5.90% and \$1 per transaction. We initiated negotiations with the credit card company in April and received a response in May. As a result, we secured a significantly more favorable rate of 1% plus \$0.10 per transaction, effective starting in June and continuing forward. While the credit card company has discretion to adjust its rates, fees imposed by the issuing bank and card network (total of approximately 2%) remain fixed and cannot be negotiated.
- **Banking:** In May 2025, our bond advisor, Time Value Investments, Inc. (TVI), informed us that U.S. Bank needs to transition our bond investment custodial account from Safekeeping Services to a new platform. TVI identified a suitable alternative within U.S. Bank called Investment Advisor Services (IAS). One key advantage of moving to IAS is that interest payments and bond maturities will no longer be automatically wired back to our WaFd Bank account—a process that previously incurred a \$15 fee per transaction and required us to wire the funds back in for reinvestment.

Q2 2025 Cash, Cash Equivalents and Investments

	Cash and Investments Position					
	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024	6/30/2025
Cash and Cash Equivalents	\$ 4,762,343	\$ 10,374,417	\$ 12,553,800	\$ 9,485,414	\$13,239,704	\$ 15,983,853
Investments	16,333,223	14,011,185	13,506,398	15,109,730	14,992,815	14,782,210
Total	\$ 21,095,566	\$ 24,385,602	\$ 26,060,198	\$ 24,595,144	\$28,232,519	\$ 30,766,063

Port of Edmonds
Cash and Investments Summary
For the period ended June 30, 2025

Long-Term Investments (More than 1 year):

Bond	Cusip	Coupon Rate	Yield Rate	Par Value	Premium (Discount)	Prepaid Interest	Principal Cost Purchase Price	Settlement Amount	Market Value	Percent of Portfolio	Callable	Settlement Date Acquired	Maturity Date	Semi-Annual Pmt Months
Farmer Mac	31422BJ27	0.5000%	0.4200%	1,000,000.00	3,950.00	41.67	1,003,950.00	1,003,991.67	998,620.00	3.2%		7/17/2020	7/14/2025	1 / 7
Federal Home Loan Mtg Corp	3137EAXE3	0.3750%	0.4200%	1,000,000.00	(2,188.00)	291.67	997,812.00	998,103.67	990,890.00	3.2%		10/23/2020	9/23/2025	3 / 9
Federal Farm Credit Bank	3133EMDZ2	0.5200%	0.5200%	1,000,000.00	-	621.11	1,000,000.00	1,000,621.11	988,600.00	3.2%	Yes	12/4/2020	10/21/2025	4 / 10
US Treasury Notes	9182CBQ3	0.5000%	2.0900%	1,000,000.00	(60,000.00)	244.57	940,000.00	940,244.57	976,020.00	3.2%		3/18/2022	2/28/2026	2 / 8
US Treasury Notes	912828R36	1.6250%	3.0500%	1,000,000.00	(51,348.00)	2,516.98	948,652.00	951,168.98	979,240.00	3.2%		7/11/2022	5/15/2026	5 / 11
Federal Farm Credit Bank	3133END80	3.0000%	3.3001%	1,000,000.00	(10,935.00)	2,750.00	989,065.00	991,815.00	989,340.00	3.2%		9/6/2022	8/3/2026	2 / 8
Federal Home Ln Mtg Corp	3134GW4C7	0.8000%	4.1012%	1,000,000.00	(117,370.00)	933.33	882,630.00	883,563.33	960,110.00	3.1%	Yes	12/9/2022	10/27/2026	4 / 10
Federal Agric Mtg Corp	31422XSV5	1.5000%	4.6600%	1,000,000.00	(92,888.00)	4,541.67	907,112.00	911,653.67	964,340.00	3.1%		11/8/2023	1/19/2027	1 / 7
Federal Home Loan Banks	3130ARM40	3.2000%	4.0300%	1,000,000.00	(32,222.00)	7,733.33	967,778.00	975,511.33	987,090.00	3.2%	Yes	1/18/2023	4/21/2027	4 / 10
Federal Farm Credit Bank	3133EL4D3	0.9000%	3.8600%	1,000,000.00	(117,640.00)	1,300.00	882,360.00	883,660.00	936,960.00	3.0%	Yes	4/11/2023	8/19/2027	2 / 8
Federal Home Loan Banks	3130AD7C0	2.7500%	4.3000%	1,000,000.00	(52,902.00)	7,486.11	947,098.00	954,584.11	975,530.00	3.2%		3/18/2024	12/10/2027	6 / 12
US Treasury Notes	91282CGT2	3.6250%	4.3800%	1,000,000.00	(25,856.00)	9,310.11	974,144.00	983,454.11	998,280.00	3.2%		7/3/2024	3/31/2028	3 / 9
US Treasury Notes	91282CHK0	4.0000%	3.9500%	1,000,000.00	1,624.00	17,826.09	1,001,624.00	1,019,450.09	1,008,590.00	3.3%		12/11/2024	6/30/2028	6 / 12
US Treasury Notes	91282CJA0	4.6250%	3.8003%	1,000,000.00	26,790.00	-	1,026,790.00	1,026,790.00	1,027,700.00	3.3%		3/31/2025	9/30/2028	3 / 9
US Treasury Notes	91282CJR3	3.7500%	3.8996%	1,000,000.00	(5,000.00)	15,227.90	995,000.00	1,010,227.90	1,000,900.00	3.3%		5/27/2025	12/31/2028	6 / 12
								14,464,015.00	14,534,839.54	14,782,210.00	48.0%			

Short-Term Investments (Less than 1 year):

Entity	Type	Interest Rate	As of 6/30/2025	Percent of Portfolio
Port of Edmonds	Petty Cash	0.0000%	\$ 1,600	0.0%
WaFd	Excess Account	3.0300%	1,936,447	6.3%
WaFd	Revolving Checking Account	0.0000%	3,000	0.0%
Snohomish County	Tax Collections	0.0000%	5,874	0.0%
LGIP	Short-Term Investments	4.3838%	13,984,104	45.5%
US Bank	Money Market Demand Account	4.1100%	52,828	0.2%
			15,983,853	52.0%
Total Cash and Investments			\$ 30,766,063	100.0%

Q2 2025 Capital Plan

Port of Edmonds Capital Budget						
<u>Cost Center</u>	<u>Item</u>	<u>Estimated Useful Life</u>	<u>Actual 2025</u>	<u>Budget 2025</u>	<u>ACT vs. BUD VAR</u>	
					<u>\$</u>	<u>%</u>
00	Furniture, Fixtures, and Shop Setup for New Building - 1st Floor	15		50,000	(50,000)	-100%
00	Vehicles - 2024 (2 New Vehicles) and 2025 (2 New Vehicles)	15	34,938	70,000	(35,063)	-50%
60	Harbor Square HVAC Units and Labor Cost	12		35,000	(35,000)	-100%
11	North Seawall & Portwalk Reconstruction Project (Phase II)	30	49,078	1,375,000	(1,325,922)	-96%
11	North Seawall & Portwalk Reconstruction Project (Phase III)	50	257,768	250,000	7,768	3%
00	Admin Building Monument Sign	20		35,000	(35,000)	-100%
22	Dry Storage Hydraulic Shed	15		20,000	(20,000)	-100%
11	Replace Permanent Moorage Scissor Lift	15	16,072	20,000	(3,928)	-20%
00	New Tractor with a Cab	10		50,000	(50,000)	-100%
18	Conex Box (Westside of Pressure Wash Building)	15	10,213	8,500	1,713	20%
18	Workyard Above Ground Treatment System	10		200,000	(200,000)	-100%
	SUB TOTALS		368,069	2,113,500		
	Capital Grant			1,000,000		
	NET TOTAL - FROM INTERNAL RESERVE		368,069	1,113,500		

Update to 2026
No longer applicable
Update to 2026
No longer applicable

- The Admin Building Monument Sign and purchase of a new tractor with a cab are incorporated in the 20-Year Capital Improvement Plan and extended to 2026. The Dry Storage Hydraulic Shed has been repaired hence a replacement is no longer needed. As mentioned in Q1 2025 reporting, the Port achieves a significant cost saving of \$200K (Workyard Above Ground Treatment System) on the Capital plan as implementation of the approved filtration plan has been accepted by Department of Ecology.

2025 YTD Actuals vs. 2025 YTD Budget



2025 YTD Actuals vs. 2025 YTD Budget - Port

	2024 YTD	2025 YTD	2025 YTD	ACT vs. BUD VAR		Δ FROM 2024 Incr (Decr)	
	ACTUAL	ACTUAL	BUDGET	\$	%	\$	%
Marina Revenue	4,040,526	4,232,615	4,127,660	104,955	3%	192,089	5%
Rental Property Revenue	1,443,844	1,449,304	1,450,500	(1,196)	0%	5,460	0%
Overhead Revenue	56,525	57,821	59,000	(1,179)	-2%	1,296	2%
Total Operating Revenue	5,540,894	5,739,739	5,637,160	102,579	2%	198,845	4%
Cost of Goods Sold	558,741	631,475	629,670	1,805	0%	72,733	13%
Total Operating Expenses	3,525,817	4,042,854	4,467,000	(424,147)	-9%	517,036	15%
NOI Before Depreciation/Others	1,456,336	1,065,411	540,490	524,922	97%	(390,925)	-27%
Depreciation	768,365	830,260	911,000	(80,740)	-9%	61,894	8%
GASB 68 Pension Adjustment	-	-	-	-	100%	-	0%
OPEB Expense Adjustment	-	-	-	-	100%	-	0%
Net Operating Income	687,971	235,152	(370,510)	605,662	-163%	(452,819)	-66%
Total Non-Operating Income	805,865	1,021,228	665,500	355,728	53%	215,363	27%
Net Income	1,493,836	1,256,379	294,990	961,389	326%	(237,456)	-16%

- Revenues will be discussed in respective business unit.
- Total operating expenses are \$424K or 9% lower than budget primarily due to unexecuted preventive maintenance placeholder projects and timing on initiatives scheduled for future quarters (\$155K). Additional savings were realized in supplies (\$101K), professional services (\$94K), office expenses (\$15K), travel (\$13K), and other expense categories. These savings were offset by increase in economic development and tourism expenditure (\$50K) mainly due to the affiliated costs for the Landing assessments. **See next slide.**
- Total Non-Operating Income is \$356K or 53% higher than budget primarily due to the change in fair value of investments (\$268K), an item that we do not budget for since it is driven by market conditions. Additionally, interest income surpassed expectations (\$80K), further contributing to the favorable variance.

2025 YTD Actuals vs. 2025 YTD Budget - Port

Variances fluctuates greater than +/- \$10K and 10% change...

OPERATING EXPENSES

ADVERTISING & NOTICES
AUDIT
AUTOMOBILE AND EQUIPMENT FUEL
BANK CHARGES
BUSINESS TAXES
CLAIMS & DAMAGES
COMMUNICATIONS
ECONOMIC DEVELOPMENT & TOURISM
EDUCATION
EMPLOYEE BENEFITS
HAZARDOUS WASTE DISPOSAL
INSURANCE
LEASE EXPENSES
LICENSES & PERMITS
MARKETING
MASTER BUSINESS PLAN
MEALS
MEMBERSHIP DUES
MISCELLANEOUS
OFFICE
PAYROLL TAXES
PROFESSIONAL SERVICES
PROMOTIONAL HOSTING
RENT
REPAIR & MAINTENANCE
SALARIES & WAGES
STRATEGIC PLAN
SUPPLIES
TENANT IMPROVEMENTS
TRAVEL
UNIFORMS
UTILITIES
TOTAL OPERATING EXPENSES

2024 YTD ACTUAL	2025 YTD ACTUAL	2025 YTD BUDGET	ACT vs. BUD VAR	
			\$	%
3,419	3,133	6,000	(2,867)	-48%
-	8,201	-	8,201	0%
10,854	11,607	14,000	(2,393)	-17%
5,134	4,510	5,500	(990)	-18%
12,585	13,397	20,000	(6,603)	-33%
4,231	3,762	12,500	(8,738)	-70%
-	-	10,000	(10,000)	-100%
2,529	88,172	38,500	49,672	129%
21,628	22,456	25,500	(3,044)	-12%
449,313	510,840	530,000	(19,160)	-4%
20,041	8,394	8,500	(106)	-1%
199,528	240,440	256,000	(15,560)	-6%
-	-	-	-	0%
2,387	1,769	1,500	269	18%
77,695	1,388	5,000	(3,612)	-72%
-	-	-	-	0%
4,387	773	2,500	(1,727)	-69%
28,564	19,395	21,500	(2,105)	-10%
-	-	-	-	0%
88,447	87,079	102,000	(14,921)	-15%
152,537	179,160	181,000	(1,840)	-1%
199,024	288,309	382,000	(93,691)	-25%
294	-	1,500	(1,500)	-100%
6,612	8,173	8,500	(327)	-4%
309,150	396,037	551,000	(154,963)	-28%
1,440,591	1,688,514	1,714,000	(25,486)	-1%
32,488	-	-	-	0%
147,877	129,831	231,000	(101,169)	-44%
-	-	-	-	0%
28,979	17,571	31,000	(13,429)	-43%
14,206	6,965	7,500	(535)	-7%
263,315	302,981	300,500	2,481	1%
3,525,817	4,042,854	4,467,000	(424,147)	-9%

Total operating expenses are \$424K or 9% lower than budget primarily due to:

- Unexecuted preventive maintenance placeholder projects and timing on initiatives scheduled for future quarters (\$155K)
- Additional savings were realized in supplies (\$101K)
- Professional services (\$94K):
 - ☐ Engineering Services - \$25K in savings YTD
 - ☐ Environmental Engineer - \$10K in savings YTD
 - ☐ Finance Consultant - \$32K in savings YTD
 - ☐ Design and Specs for Marina Operations Remodel - \$25K in savings YTD; expected to take place in Q3 2025
- Office expenses (\$15K)
- Travel (\$13K):
 - ☐ No AAPA conference - \$5K in savings YTD
- These savings were offset increase in economic development and tourism expenditure (\$50K) mainly due to the affiliated costs for the Landing assessments.

2025 YTD Actuals vs. 2025 YTD Budget – Marina

	2024 YTD ACTUAL	2025 YTD ACTUAL	2025 YTD BUDGET	ACT vs. BUD VAR		Δ FROM 2024 Incr (Decr)	
				\$	%	\$	%
Electrical Fees	80,400	83,489	80,300	3,189	4%	3,089	4%
Environmental Fees	65,981	75,360	66,500	8,860	13%	9,380	14%
Environmental Fees - Workyard	16,348	17,151	15,000	2,151	14%	803	5%
Fuel Sales	563,559	643,070	612,250	30,820	5%	79,511	14%
Launcher	40,174	40,091	35,960	4,131	11%	(84)	0%
Miscellaneous	39,951	24,646	31,500	(6,854)	-22%	(15,305)	-38%
Guest Moorage	72,450	93,972	82,880	11,092	13%	21,522	30%
Permanent Moorage	2,441,663	2,574,885	2,498,500	76,385	3%	133,222	5%
Passenger Fees	20,560	22,626	18,500	4,126	22%	2,067	10%
Dry Storage	457,034	462,232	466,900	(4,668)	-1%	5,198	1%
Parking	22,961	28,093	21,780	6,313	29%	5,133	22%
Travelift	83,138	84,431	78,540	5,891	8%	1,293	2%
Workyard	115,652	70,368	102,050	(31,682)	-31%	(45,284)	-39%
Late Fees	20,656	12,200	17,000	(4,800)	-28%	(8,456)	-41%
Total Operating Revenue	4,040,526	4,232,615	4,127,660	104,955	3%	192,089	5%
Cost of Goods Sold	557,813	629,923	628,170	1,753	0%	72,111	13%
Total Operating Expenses	1,804,554	1,953,056	2,350,500	(397,444)	-17%	148,501	8%
NOI Before Depreciation/Others	1,678,159	1,649,636	1,148,990	500,646	44%	(28,523)	-2%
Depreciation	337,049	354,990	428,500	(73,511)	-17%	17,940	5%
Overhead Allocation	366,872	310,663	650,650	(339,987)	-52%	(56,209)	-15%
Net Operating Income	974,238	983,984	69,840	914,144	1309%	9,746	1%
Total Non-Operating Income	21,454	2,430	-	2,430	0%	(19,024)	-89%
Net Income	995,692	986,414	69,840	916,574	1312%	(9,278)	-1%

- Marina Revenue is \$105K or 3% higher than budget, indicating performance closely aligned with projections.
 - ❑ The total number of guest boats and the total number of nights increased in Q2 2025 vs budgeted
 - ❑ Workyard stall usage decreased
- Total operating expenses are \$397K or 17% lower than budget primarily due to unexecuted preventive maintenance placeholder projects and timing on initiatives scheduled for future quarters (\$146K). Additional savings were realized in supplies (\$84K), employee benefits (\$33K), professional services (\$32K) and other expense categories. **See next slide.**

2025 YTD Actuals vs. 2025 YTD Budget – Marina

Variances fluctuates greater than +/- \$10K and 10% change...

OPERATING EXPENSES

ADVERTISING
 AUTO AND EQUIPMENT FUEL
 BUSINESS TAXES
 CLAIMS AND DAMAGES
 EDUCATION AND TRAINING
 EMPLOYEE BENEFITS
 HAZARDOUS WASTE DISPOSAL
 INSURANCE
 LICENSES & PERMITS
 MARKETING
 MISCELLANEOUS
 OFFICE
 PAYROLL TAXES
 PROFESSIONAL SERVICES
 RENT
 REPAIR & MAINTENANCE
 SALARIES & WAGES
 SUPPLIES
 UTILITIES
 TOTAL OPERATING EXPENSES

2024 YTD ACTUAL	2025 YTD ACTUAL	2025 YTD BUDGET	ACT vs. BUD VAR	
			\$	%
50	29	1,000	(971)	-97%
4,966	5,297	7,000	(1,703)	-24%
12,478	13,373	20,000	(6,627)	-33%
4,231	3,762	12,500	(8,738)	-70%
6,670	10,720	7,000	3,720	53%
239,488	253,198	286,500	(33,302)	-12%
20,041	8,394	8,500	(106)	-1%
146,854	159,746	171,500	(11,754)	-7%
1,488	1,719	1,500	219	15%
-	572	-	572	0%
-	-	-	-	0%
8,867	8,027	10,500	(2,473)	-24%
93,333	109,598	113,000	(3,402)	-3%
80,370	96,301	128,500	(32,199)	-25%
6,612	8,173	8,500	(327)	-4%
127,596	89,879	236,000	(146,121)	-62%
884,319	989,275	1,068,000	(78,725)	-7%
62,697	66,147	150,000	(83,853)	-56%
104,495	128,846	120,500	8,346	7%
1,804,554	1,953,056	2,350,500	(397,444)	-17%

Total operating expenses are \$397K or 17% lower than budget primarily due to:

- Unexecuted preventive maintenance placeholder projects and timing on initiatives scheduled for future quarters (\$146K)
- Additional savings were realized in supplies (\$84K)
- Employee benefits (\$33K)
 - ☐ The Security Department experienced turnover, and the employee backfilling the role is not eligible for PERS
- Professional services (\$32K)
 - ☐ Engineering Services - \$25K in savings YTD
 - ☐ Environmental Engineer - \$10K in savings YTD
 - ☐ Offset by increase of Lobbyist/Grant Writer - \$3K YTD

2025 YTD Actuals vs. 2025 YTD Budget – Rental Property

	2024 YTD	2025 YTD	2025 YTD	ACT vs. BUD VAR		Δ FROM 2024 Incr (Decr)	
	ACTUAL	ACTUAL	BUDGET	\$	%	\$	%
Harbor Square Lease Revenue	870,092	854,272	897,000	(42,728)	-5%	(15,819)	-2%
Harbor Square CAMS	134,866	129,800	141,000	(11,200)	-8%	(5,066)	-4%
West Side Lease Revenue	157,839	156,666	186,500	(29,834)	-16%	(1,172)	-1%
HS Lease Interest Revenue	182,783	208,427	139,000	69,427	50%	25,644	14%
West Side Lease Interest Revenue	92,648	98,935	84,000	14,935	18%	6,287	7%
Miscellaneous Revenue	5,497	537	2,500	(1,963)	-79%	(4,959)	-90%
Late Fees	120	665	500	165	33%	546	457%
Total Operating Revenue	1,443,844	1,449,304	1,450,500	(1,196)	0%	5,460	0%
Cost of Goods Sold	29	297	500	(203)	-41%	268	937%
Total Operating Expenses	483,940	741,400	641,000	100,400	16%	257,460	53%
NOI Before Depreciation/Others	959,876	707,607	809,000	(101,393)	-13%	(252,268)	-26%
Depreciation	304,501	304,501	305,000	(499)	0%	0	0%
Overhead Allocation	157,231	133,141	278,850	(145,709)	-52%	(24,090)	-15%
Net Operating Income	498,144	269,965	225,150	44,815	20%	(228,179)	-46%
Total Non-Operating Income	-	-	-	-	0%	-	0%
Net Income	498,144	269,965	225,150	44,815	20%	(228,179)	-46%

- Rental Property Revenue is \$1K lower than budget, indicating performance closely aligned with projections.
 - Harbor Square: -\$43K lease + \$69K interest = \$26K favorable variance vs. budget
 - Westside: -29K lease + 15K interest = \$14K unfavorable variance vs. budget
 - straight-line budgeting and majority of the CPI increases are not realized until H2 2025
 - Straight-line budgeting and Anthony's % of revenue rent payment is not realized until Q3 2025
- Total operating expenses are \$100K or 16% higher than budget primarily due to increase in repair & maintenance (\$63K), salaries & wages from new Leasing and Administrative Specialist position (\$37K), professional services (\$21K), and offset by savings from other expense categories. *See next slide.*

2025 YTD Actuals vs. 2025 YTD Budget – Rental Property

Variances fluctuates greater than +/- \$10K and 10% change...

Total operating expenses are \$100K or 16% higher than budget primarily due to:

- Repair & maintenance (\$63K)
 - ❑ During the budget cycle, labor costs were originally projected to be incurred primarily in July. However, actual expenditures occurred in June, resulting in a year-to-date variance as of June 2025
- Salaries & wages from new Leasing and Administrative Specialist position (\$37K)
 - ❑ During the budget cycle, utilized salaries & wages actuals as of July 2024 to calculate the allocation. As this position is new in 2025, it results in a year-to-date variance as of June 2025 in the HS P&L but no significant flux in the Port P&L
- Professional services (\$21K)
 - ❑ During the budget cycle, \$60K in professional services (comprising \$10K for Engineering Fees related to the Atrium Window Project and \$50K for the HS Conditional Survey) was allocated evenly across the fiscal year. However, these costs have been fully expended year-to-date, resulting in a variance as of June 2025
- Offset by savings from other expense categories

OPERATING EXPENSES
ADVERTISING
AUTO AND EQUIPMENT FUEL
BUSINESS TAXES
EMPLOYEE BENEFITS
INSURANCE
LEASE EXPENSES
LICENSES & PERMITS - HS
MASTER BUSINESS PLAN - HS
MISCELLANEOUS
OFFICE
PAYROLL TAXES
PROFESSIONAL SERVICES
REPAIR & MAINTENANCE
SALARIES & WAGES
SUPPLIES
TENANT IMPROVEMENTS
UTILITIES
TOTAL OPERATING EXPENSES

2024 YTD	2025 YTD	2025 YTD	ACT vs. BUD VAR	
ACTUAL	ACTUAL	BUDGET	\$	%
32	163	-	163	0%
-	70	-	70	0%
71	25	-	25	0%
31,592	43,976	38,000	5,976	16%
45,108	60,332	64,000	(3,668)	-6%
-	-	-	-	0%
-	-	-	-	0%
-	-	-	-	0%
-	-	-	-	0%
270	226	500	(274)	-55%
8,976	10,381	10,500	(119)	-1%
38,559	51,148	30,000	21,148	70%
136,694	282,282	219,500	62,782	29%
116,485	177,633	141,000	36,633	26%
16,649	17,293	28,500	(11,207)	-39%
-	-	-	-	0%
89,503	97,870	109,000	(11,130)	-10%
483,940	741,400	641,000	100,400	16%

2025 YTD Actuals vs. 2024 YTD Actuals

2025 YTD Actuals vs. 2024 YTD Actuals - Port

	2024 YTD ACTUAL	2025 YTD ACTUAL	2025 YTD BUDGET	ACT vs. BUD VAR		Δ FROM 2024 Incr (Decr)	
				\$	%	\$	%
Marina Revenue	4,040,526	4,232,615	4,127,660	104,955	3%	192,089	5%
Rental Property Revenue	1,443,844	1,449,304	1,450,500	(1,196)	0%	5,460	0%
Overhead Revenue	56,525	57,821	59,000	(1,179)	-2%	1,296	2%
Total Operating Revenue	5,540,894	5,739,739	5,637,160	102,579	2%	198,845	4%
Cost of Goods Sold	558,741	631,475	629,670	1,805	0%	72,733	13%
Total Operating Expenses	3,525,817	4,042,854	4,467,000	(424,147)	-9%	517,036	15%
NOI Before Depreciation/Others	1,456,336	1,065,411	540,490	524,922	97%	(390,925)	-27%
Depreciation	768,365	830,260	911,000	(80,740)	-9%	61,894	8%
GASB 68 Pension Adjustment	-	-	-	-	100%	-	0%
OPEB Expense Adjustment	-	-	-	-	100%	-	0%
Net Operating Income	687,971	235,152	(370,510)	605,662	-163%	(452,819)	-66%
Total Non-Operating Income	805,865	1,021,228	665,500	355,728	53%	215,363	27%
Net Income	1,493,836	1,256,379	294,990	961,389	326%	(237,456)	-16%

- Revenues will be discussed in respective business unit.
- Total Operating Expenses are \$517K or 15% higher than in 2024 primarily due to increase in salaries & wages from annual CPI increase of 3.8% + merit and new Leasing and Administrative Specialist position (\$248K), employee benefits (\$62K), payroll taxes (\$27K), economic development and tourism (\$86K), and professional services (\$89K), repair & maintenance (\$87K), insurance (\$41K) and utilities (\$40K) offset by savings from other expense categories. **See next slide.**
- Total Non-Operating Income is \$215K or 27% higher than in 2024 primarily due to the change in fair value of investments (\$128K) and interest income (\$89K) offset by loss in fixed assets disposal (\$7K).

2025 YTD Actuals vs. 2024 YTD Actuals - Port

Variances fluctuates greater than +/- \$10K and 10% change...

OPERATING EXPENSES

	2024 YTD ACTUAL	2025 YTD ACTUAL	2025 YTD BUDGET	Δ FROM 2024 Incr (Decr)	
				\$	%
ADVERTISING & NOTICES	3,419	3,133	6,000	(287)	-8%
AUDIT	-	8,201	-	8,201	100%
AUTOMOBILE AND EQUIPMENT FUEL	10,854	11,607	14,000	753	7%
BANK CHARGES	5,134	4,510	5,500	(624)	-12%
BUSINESS TAXES	12,585	13,397	20,000	811	6%
CLAIMS & DAMAGES	4,231	3,762	12,500	(469)	-11%
COMMUNICATIONS	-	-	10,000	-	0%
ECONOMIC DEVELOPMENT & TOURISM	2,529	88,172	38,500	85,643	3387%
EDUCATION	21,628	22,456	25,500	828	4%
EMPLOYEE BENEFITS	449,313	510,840	530,000	61,527	14%
HAZARDOUS WASTE DISPOSAL	20,041	8,394	8,500	(11,647)	-58%
INSURANCE	199,528	240,440	256,000	40,912	21%
LEASE EXPENSES	-	-	-	-	0%
LICENSES & PERMITS	2,387	1,769	1,500	(618)	-26%
MARKETING	77,695	1,388	5,000	(76,308)	-98%
MASTER BUSINESS PLAN	-	-	-	-	0%
MEALS	4,387	773	2,500	(3,615)	-82%
MEMBERSHIP DUES	28,564	19,395	21,500	(9,169)	-32%
MISCELLANEOUS	-	-	-	-	0%
OFFICE	88,447	87,079	102,000	(1,368)	-2%
PAYROLL TAXES	152,537	179,160	181,000	26,623	17%
PROFESSIONAL SERVICES	199,024	288,309	382,000	89,285	45%
PROMOTIONAL HOSTING	294	-	1,500	(294)	-100%
RENT	6,612	8,173	8,500	1,560	24%
REPAIR & MAINTENANCE	309,150	396,037	551,000	86,887	28%
SALARIES & WAGES	1,440,591	1,688,514	1,714,000	247,923	17%
STRATEGIC PLAN	32,488	-	-	(32,488)	100%
SUPPLIES	147,877	129,831	231,000	(18,046)	-12%
TENANT IMPROVEMENTS	-	-	-	-	0%
TRAVEL	28,979	17,571	31,000	(11,408)	-39%
UNIFORMS	14,206	6,965	7,500	(7,242)	-51%
UTILITIES	263,315	302,981	300,500	39,665	15%
TOTAL OPERATING EXPENSES	3,525,817	4,042,854	4,467,000	517,036	15%

Total Operating Expenses are \$517K or 15% higher than in 2024 primarily due to:

- Increase in salaries & wages from annual CPI increase of 3.8% + merit and new Leasing and Administrative Specialist position (\$248K)
 - Employee benefits (\$62K)
 - Payroll taxes (\$27K)
 - Economic development and tourism (\$86K)
 - the Landing assessment
 - Professional services (\$89K)
 - Finance Consultant – onboarded in May 2024, with full-year budget allocation secured for 2025.
 - Repair & maintenance (\$87K)
 - Insurance (\$41K)
 - Utilities (\$40K)
- Offset by savings from other expense categories:
- Hazardous waste disposal (\$12K)
 - Marketing (\$77K) - Port Rebranding occurred in 2024, not applicable in 2025
 - Strategic Plan (\$32K) – Strategic workshop occurred in 2024, not applicable in 2025
 - Travel (\$11K) – No AAPA meeting

2025 YTD Actuals vs. 2024 YTD Actuals – Marina

	2024 YTD	2025 YTD	2025 YTD	ACT vs. BUD VAR		Δ FROM 2024 Incr (Decr)	
	ACTUAL	ACTUAL	BUDGET	\$	%	\$	%
Electrical Fees	80,400	83,489	80,300	3,189	4%	3,089	4%
Environmental Fees	65,981	75,360	66,500	8,860	13%	9,380	14%
Environmental Fees - Workyard	16,348	17,151	15,000	2,151	14%	803	5%
Fuel Sales	563,559	643,070	612,250	30,820	5%	79,511	14%
Launcher	40,174	40,091	35,960	4,131	11%	(84)	0%
Miscellaneous	39,951	24,646	31,500	(6,854)	-22%	(15,305)	-38%
Guest Moorage	72,450	93,972	82,880	11,092	13%	21,522	30%
Permanent Moorage	2,441,663	2,574,885	2,498,500	76,385	3%	133,222	5%
Passenger Fees	20,560	22,626	18,500	4,126	22%	2,067	10%
Dry Storage	457,034	462,232	466,900	(4,668)	-1%	5,198	1%
Parking	22,961	28,093	21,780	6,313	29%	5,133	22%
Travelift	83,138	84,431	78,540	5,891	8%	1,293	2%
Workyard	115,652	70,368	102,050	(31,682)	-31%	(45,284)	-39%
Late Fees	20,656	12,200	17,000	(4,800)	-28%	(8,456)	-41%
Total Operating Revenue	4,040,526	4,232,615	4,127,660	104,955	3%	192,089	5%
Cost of Goods Sold	557,813	629,923	628,170	1,753	0%	72,111	13%
Total Operating Expenses	1,804,554	1,953,056	2,350,500	(397,444)	-17%	148,501	8%
NOI Before Depreciation/Others	1,678,159	1,649,636	1,148,990	500,646	44%	(28,523)	-2%
Depreciation	337,049	354,990	428,500	(73,511)	-17%	17,940	5%
Overhead Allocation	366,872	310,663	650,650	(339,987)	-52%	(56,209)	-15%
Net Operating Income	974,238	983,984	69,840	914,144	1309%	9,746	1%
Total Non-Operating Income	21,454	2,430	-	2,430	0%	(19,024)	-89%
Net Income	995,692	986,414	69,840	916,574	1312%	(9,278)	-1%

Marina Revenue is \$192K or 5% higher than in 2024 primarily due to:

- Annual rate adjustment of CPI + 1% (3.8 + 1% or 4.8%) in Permanent Moorage (\$133K)
- Increase in Fuel Sales (\$80K)
 - ❑ The total number of gallons sold increased in Q2 2025 vs Q2 2024
- Increase in Guest Moorage (\$22K)
 - ❑ The total number of guest boats and the total number of nights increased in Q2 2025 vs Q2 2024
- Offset by decrease of Workyard sales (\$45K)
 - ❑ Workyard stall usage decreased
- Total Operating Expenses are \$149K or 8% higher than in 2024 primarily due to increase in salaries & wages from annual CPI increase of 3.8% + merit (\$105K), payroll taxes (\$16K), utilities (\$24K) and professional services (\$16K) offset by savings from other expense categories. **See next slide.**

2025 YTD Actuals vs. 2024 YTD Actuals – Marina

Variances fluctuates greater than +/- \$10K and 10% change...

OPERATING EXPENSES

ADVERTISING
 AUTO AND EQUIPMENT FUEL
 BUSINESS TAXES
 CLAIMS AND DAMAGES
 EDUCATION AND TRAINING
 EMPLOYEE BENEFITS
 HAZARDOUS WASTE DISPOSAL
 INSURANCE
 LICENSES & PERMITS
 MARKETING
 MISCELLANEOUS
 OFFICE
 PAYROLL TAXES
 PROFESSIONAL SERVICES
 RENT
 REPAIR & MAINTENANCE
 SALARIES & WAGES
 SUPPLIES
 UTILITIES
 TOTAL OPERATING EXPENSES

2024 YTD ACTUAL	2025 YTD ACTUAL	2025 YTD BUDGET	Δ FROM 2024 Incr (Decr)	
			\$	%
50	29	1,000	(21)	-41%
4,966	5,297	7,000	330	7%
12,478	13,373	20,000	895	7%
4,231	3,762	12,500	(469)	-11%
6,670	10,720	7,000	4,049	61%
239,488	253,198	286,500	13,710	6%
20,041	8,394	8,500	(11,647)	-58%
146,854	159,746	171,500	12,892	9%
1,488	1,719	1,500	230	15%
-	572	-	572	0%
-	-	-	-	0%
8,867	8,027	10,500	(839)	-9%
93,333	109,598	113,000	16,265	17%
80,370	96,301	128,500	15,932	20%
6,612	8,173	8,500	1,560	24%
127,596	89,879	236,000	(37,716)	-30%
884,319	989,275	1,068,000	104,956	12%
62,697	66,147	150,000	3,450	6%
104,495	128,846	120,500	24,350	23%
1,804,554	1,953,056	2,350,500	148,501	8%

Total Operating Expenses are \$149K or 8% higher than in 2024 primarily due to:

- Increase in salaries & wages from annual CPI increase of 3.8% + merit (\$105K)
- Payroll taxes (\$16K)
- Utilities (\$24K)
- Professional services (\$16K)
 - Increase in Lobbyist/Grant Writer spend
- Offset by savings from other expense categories

2025 YTD Actuals vs. 2024 YTD Actuals – Rental Property

	2024 YTD	2025 YTD	2025 YTD	ACT vs. BUD VAR		Δ FROM 2024 Incr (Decr)	
	ACTUAL	ACTUAL	BUDGET	\$	%	\$	%
Harbor Square Lease Revenue	870,092	854,272	897,000	(42,728)	-5%	(15,819)	-2%
Harbor Square CAMS	134,866	129,800	141,000	(11,200)	-8%	(5,066)	-4%
West Side Lease Revenue	157,839	156,666	186,500	(29,834)	-16%	(1,172)	-1%
HS Lease Interest Revenue	182,783	208,427	139,000	69,427	50%	25,644	14%
West Side Lease Interest Revenue	92,648	98,935	84,000	14,935	18%	6,287	7%
Miscellaneous Revenue	5,497	537	2,500	(1,963)	-79%	(4,959)	-90%
Late Fees	120	665	500	165	33%	546	457%
Total Operating Revenue	1,443,844	1,449,304	1,450,500	(1,196)	0%	5,460	0%
Cost of Goods Sold	29	297	500	(203)	-41%	268	937%
Total Operating Expenses	483,940	741,400	641,000	100,400	16%	257,460	53%
NOI Before Depreciation/Others	959,876	707,607	809,000	(101,393)	-13%	(252,268)	-26%
Depreciation	304,501	304,501	305,000	(499)	0%	0	0%
Overhead Allocation	157,231	133,141	278,850	(145,709)	-52%	(24,090)	-15%
Net Operating Income	498,144	269,965	225,150	44,815	20%	(228,179)	-46%
Total Non-Operating Income	-	-	-	-	0%	-	0%
Net Income	498,144	269,965	225,150	44,815	20%	(228,179)	-46%

- Rental Property Revenue is \$5K higher than in 2024 primarily due to higher occupancy rate in Harbor Square Complex. The occupancy rate was 91.04% and 81.65% at the end of Q2 2025 and Q2 2024 respectively.

❑ Please note the average monthly occupancy rate for Jan - Jun 2024 (6 months) is 87.47% vs. Jan - Jun 2025 (6 months) 87.85%.

- Total Operating Expenses are \$257K or 53% higher than in 2024 primarily due to increase in repair & maintenance (\$146K), salaries & wages from new Leasing and Administrative Specialist position (\$61K), employee benefits (\$12K), insurance (\$15K), and professional services (\$13K). **See next slide.**

2025 YTD Actuals vs. 2024 YTD Actuals – Rental Property

Variances fluctuates greater than +/- \$10K and 10% change...

	2024 YTD ACTUAL	2025 YTD ACTUAL	2025 YTD BUDGET	Δ FROM 2024 Incr (Decr)	
				\$	%
OPERATING EXPENSES					
ADVERTISING	32	163	-	130	403%
AUTO AND EQUIPMENT FUEL	-	70	-	70	0%
BUSINESS TAXES	71	25	-	(46)	-65%
EMPLOYEE BENEFITS	31,592	43,976	38,000	12,385	39%
INSURANCE	45,108	60,332	64,000	15,224	34%
LEASE EXPENSES	-	-	-	-	0%
LICENSES & PERMITS - HS	-	-	-	-	0%
MASTER BUSINESS PLAN - HS	-	-	-	-	0%
MISCELLANEOUS	-	-	-	-	0%
OFFICE	270	226	500	(43)	-16%
PAYROLL TAXES	8,976	10,381	10,500	1,405	16%
PROFESSIONAL SERVICES	38,559	51,148	30,000	12,589	33%
REPAIR & MAINTENANCE	136,694	282,282	219,500	145,588	107%
SALARIES & WAGES	116,485	177,633	141,000	61,147	52%
SUPPLIES	16,649	17,293	28,500	644	4%
TENANT IMPROVEMENTS	-	-	-	-	0%
UTILITIES	89,503	97,870	109,000	8,367	9%
TOTAL OPERATING EXPENSES	483,940	741,400	641,000	257,460	53%

Total Operating Expenses are \$257K or 53% higher than in 2024 primarily due to:

- Repair & maintenance (\$146K)
- Salaries & wages from new Leasing and Administrative Specialist position (\$61K)
- Employee benefits (\$12K)
- Insurance (\$15K)
- Professional services (\$13K)

❑ HS Conditional Survey occurred in 2025, not applicable in 2024



Questions?



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