



COMMISSION MEETING

INFORMATION

Date: March 13, 2017

Staff Review: Port Attorney
Deputy Director
Finance Manager
Facilities Maintenance Manager

To: Port Commission

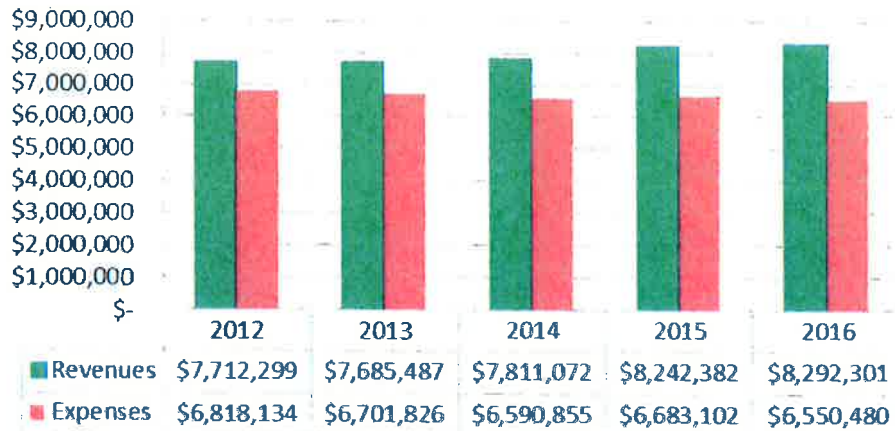
From: Tina Drennan
Finance Manager

Attachments: December Income Statement
December Marina Income Statement
December Rental Property Income Statement
Balance Sheet as of December 31, 2016
Capital Budget to Actual for 2016
Investment Report as of December 31, 2016

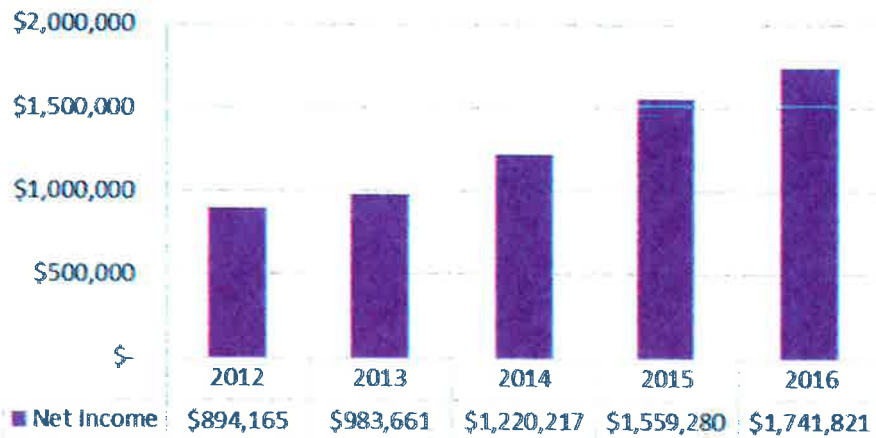
SUBJECT: PRELIMINARY 2016 YEAR END FINANCIAL STATEMENTS

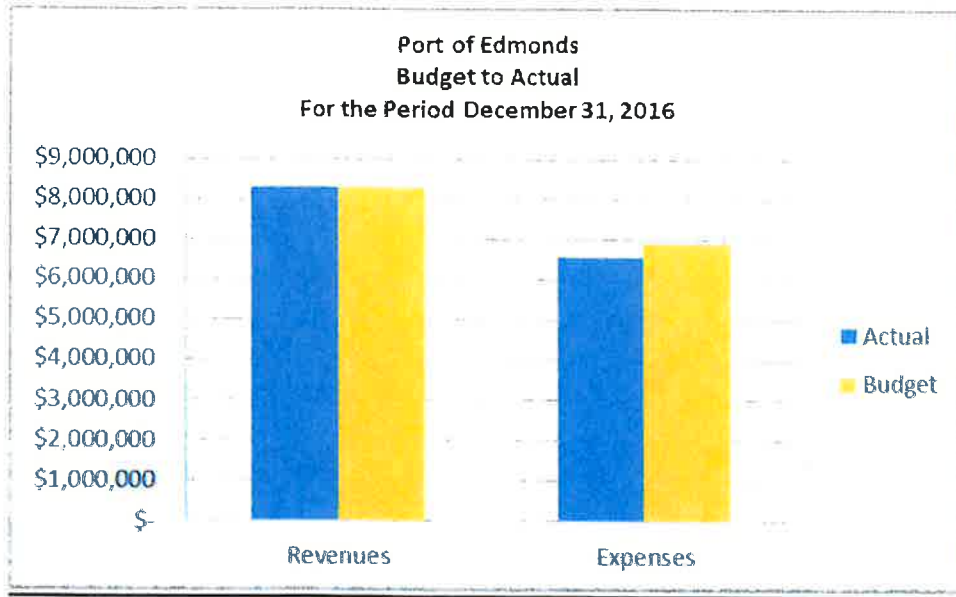
Please find attached the Preliminary 2016 Year End Financial Statements. All major transactions that staff is aware of have been recorded. Staff will be preparing the final 2016 Year End Financial Statements in the Budgeting, Accounting, and Reporting System (BARS) format in the next couple of months. Occasionally during this process staff finds other transactions that need to be recorded. Staff will notify the Commission of any changes when the 2016 Year End Financial Statements are presented.

**Port of Edmonds
Revenues and Expenses
For the Periods Ending December 31, 2012, 2013, 2014, 2015, 2016**



**Port of Edmonds
Net Income
For the Periods Ending December 31, 2012, 2013, 2014, 2015, 2016**





Gross profit for the twelve month period ending December 31, 2016, was \$7,122,437, which is \$159,437 or 2.3% greater than budget. Net income for the same period was \$1,741,820.

Marina Operations Revenue Actual to Budget:

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>	<u>Notes</u>
Fuel Sales, Net	181,578	120,000	61,578	51.32%	Low fuel prices
Launcher	73,356	105,000	(31,644)	-30.14%	
Miscellaneous	89,447	77,000	12,447	16.16%	
Guest Moorage, Net	149,205	138,500	10,705	7.73%	
Permanent Moorage	3,157,149	3,192,000	(34,851)	-1.09%	96% occupancy
Passenger Fees	11,796	0	11,796	N/A	
Dry Storage Revenue	624,903	680,000	(55,097)	-8.10%	84% occupancy
Parking	48,393	36,000	12,393	34.43%	
Travelift	117,343	94,000	23,343	24.83%	
Workyard	89,196	59,000	30,196	51.18%	
Late Fees	40,386	20,000	20,386	101.93%	Increase in late fee

Rental Properties Revenue Actual to Budget:

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>
Harbor Square Property	1,734,929	1,629,000	105,929	6.50%
Anthony's	272,426	286,000	(13,574)	-4.75%

Operating expenses without depreciation for the twelve month period were \$3,868,115, which is \$92,085 or 2.3% less than budget.

Operating Expenses Actual to Budget:

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>
Claims & Damages	20,427	6,000	(14,427)	-240.45%
Employee Benefits	588,121	626,000	37,879	6.05%
Master Business Plan	76,275	5,000	(71,275)	-1425.50%
Office	53,730	70,000	16,270	23.24%
Payroll Taxes	167,072	202,000	34,928	17.29%
Repair & Maintenance	206,297	238,000	31,703	13.32%
Salaries & Wages	1,654,521	1,640,500	(14,021)	-0.85%
Supplies	161,678	187,000	25,322	13.54%
Utilities	358,684	388,000	29,316	7.56%
Depreciation	1,665,146	1,760,000	94,854	5.39%

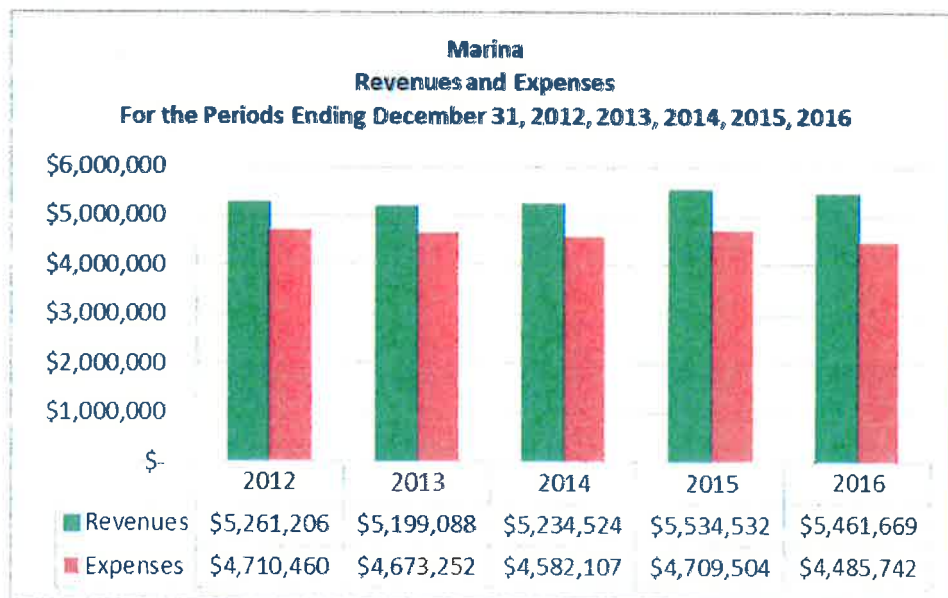
Non-Operating Items – Expenses (Revenues) Actual to Budget:

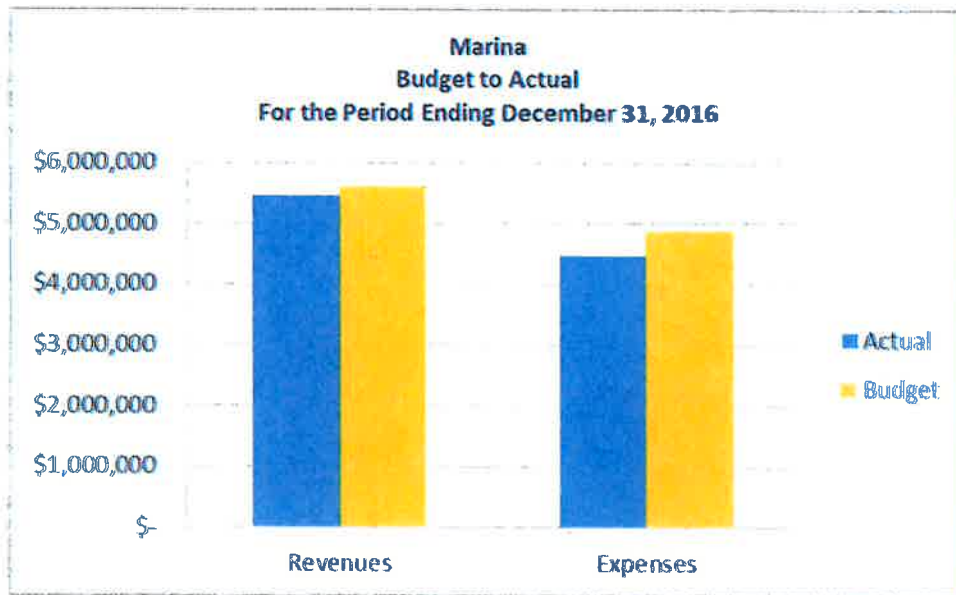
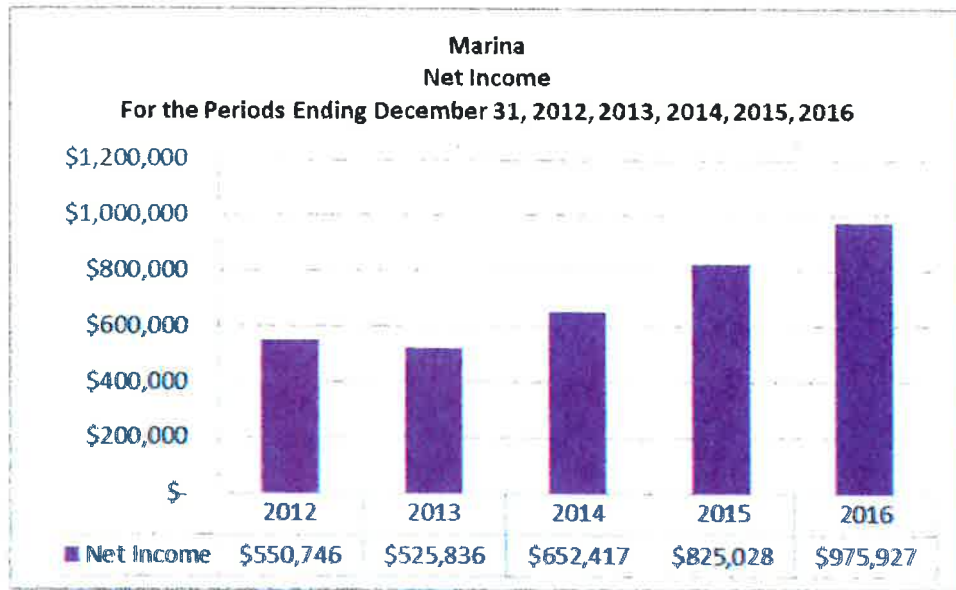
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>
Interest Expense	287,202	305,000	17,798	5.84%
Interest Income	(69,607)	(40,500)	29,107	71.87%
(Gain)/Loss on Investments	42,231	0	(42,231)	N/A

Net income for the twelve months ending December 31, 2016 was \$1,741,820, which is \$363,520 greater than budget. The primary reasons for this difference are as follows:

1. Marina gross profit (Marina revenues less cost of goods sold) exceeded budget by approximately \$64,000.
2. Rental property revenues exceeded budget by approximately \$96,000.
3. Operating expenses were approximately \$186,000 less than budget.
4. Net non-operating expenses and revenues were approximately \$17,000 greater than budget.

Marina Actual to Budget:



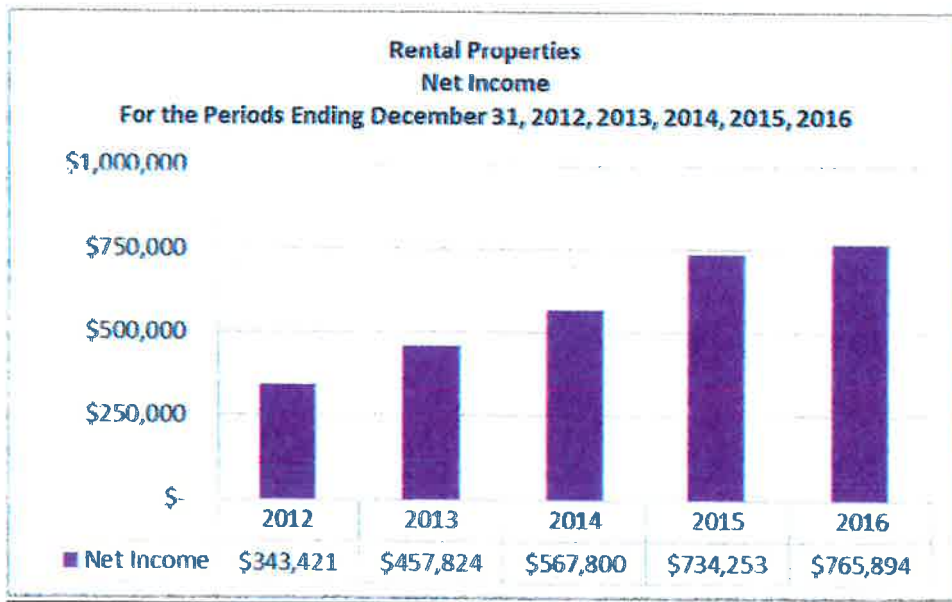
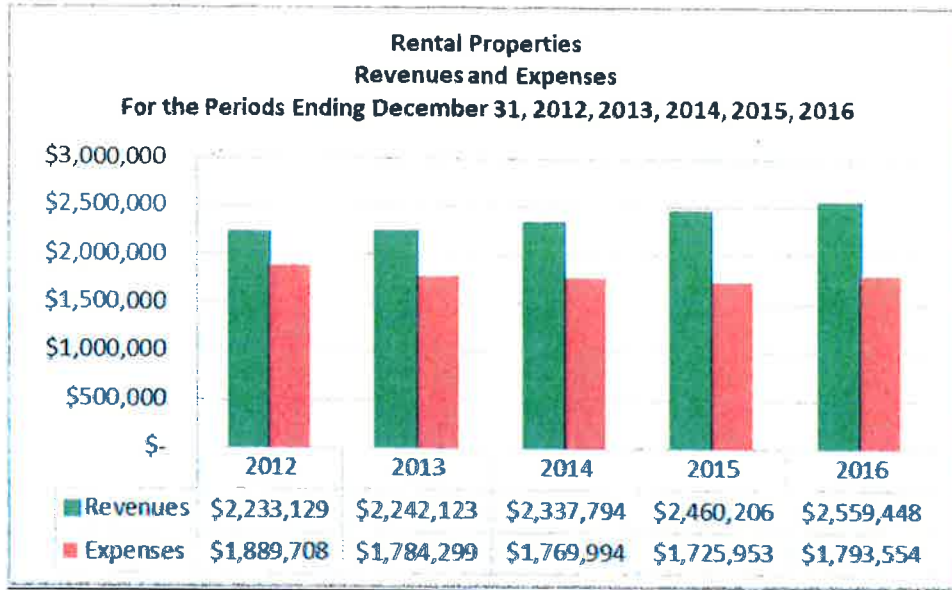


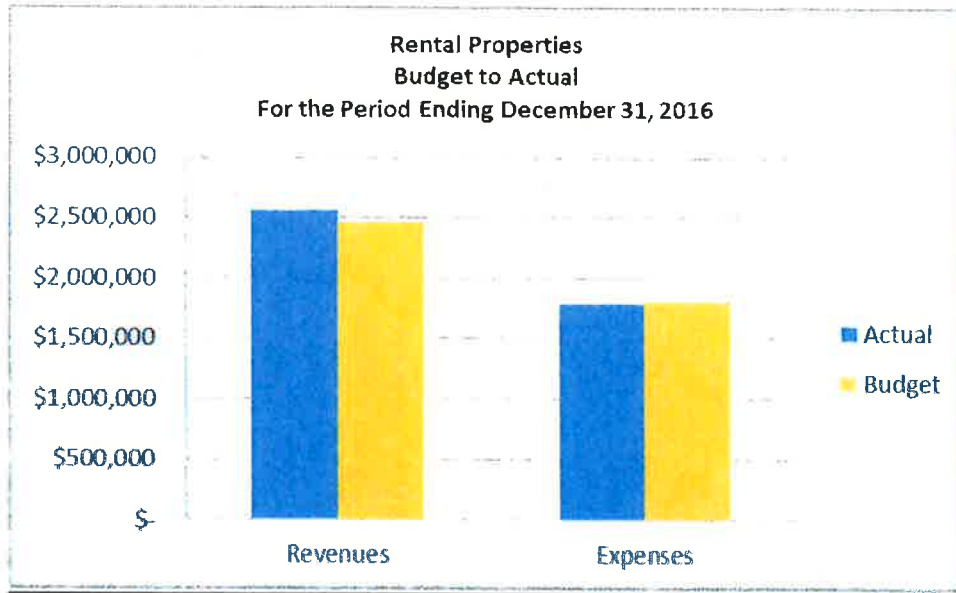
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>
Operating Revenues	5,408,373	5,563,000	(154,627)	-2.78%
Operating Expenses Before Depr, O/H	2,847,017	3,097,500	(250,483)	-8.09%
Net Income	975,926	723,000	252,926	34.98%

The primary reasons for the differences from budget are as follows:

1. Gross profit exceeded budgeted gross profit by approximately \$56,000.
2. Operating expenses before depreciation were approximately \$31,000 less than budget.
3. Depreciation was approximately \$73,000 less than budget.
4. Overhead allocation was approximately \$75,000 less than budget.

Rental Property Actual to Budget:





	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>
Operating Revenues	2,357,082	2,261,500	95,582	4.23%
Operating Expenses Before Depr, O/H	674,711	623,700	51,011	8.18%
Net Income	765,894	655,300	110,594	16.88%

The primary reasons for the differences from budget are as follows:

1. Revenues exceeded budgeted net revenues by approximately \$96,000.
2. Operating expenses before depreciation were approximately \$51,000 greater than budget.
3. Overhead allocation was approximately \$33,000 less than budget.

Balance Sheet

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 for 2015. This is the second year of implementation. The Balance Sheet shows a 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.

Capital Budget to Actual

The Port's 2016 Capital Budget was \$521,000. Actual purchases were \$215,893. The Fuel Dock Update – Sales Equipment was completed in the first quarter of 2017.

Investing Summary:

- In December 2013, the Port began investing funds for longer terms. The Port has 10 long-term investments, with the first maturing in November 2017.
- The Port earned interest of \$69,607, which is 72% greater than the 2016 budgeted interest income.
- The Capital Replacement Reserve is currently \$5,054,739, with a part of the reserve in Opus Bank and part invested long term.
- The Port has \$4,825,887 remaining in outstanding debt. \$2,125,190 of that is due within one year.

PORT OF EDMONDS
INCOME STATEMENT
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2016

	YEAR TO DATE		
	ACTUAL	CURRENT BUDGET	PRIOR YEAR
REVENUES:			
MARINA OPERATIONS:			
REVENUE:			
CONCESSIONS	\$48	0	126
ELECTRICAL FEES	133,076	130,000	128,059
ENVIRONMENTAL FEES	106,206	109,000	109,725
ENVIRONMENTAL FEE - WORKYARD	23,199	18,000	19,351
FUEL SALES	782,576	935,000	889,433
LAUNCHER	73,355	105,000	117,535
MISCELLANEOUS	89,448	77,000	74,551
GUEST MOORAGE	156,067	145,000	166,930
PERMANENT MOORAGE	3,157,149	3,192,000	3,114,625
PASSENGER FEES	11,797	0	6,732
DRY STORAGE REVENUE	624,903	680,000	664,399
PARKING	48,393	36,000	41,406
TRAVELIFT	117,343	94,000	102,832
WORKYARD	89,196	59,000	66,495
LATE FEES	40,386	20,000	14,514
	<u>5,453,142</u>	<u>5,600,000</u>	<u>5,516,713</u>
COST OF GOODS SOLD:			
COST OF SALES	17,591	16,000	13,989
ELECTRICAL PURCHASES	62,334	61,000	60,434
FUEL & OIL	600,998	815,000	713,627
LOAN-A-SLIP CREDITS	6,863	6,500	7,699
	<u>687,786</u>	<u>898,500</u>	<u>795,749</u>
TOTAL COST OF GOODS SOLD	<u>687,786</u>	<u>898,500</u>	<u>795,749</u>
GROSS PROFIT: MARINA OPER.	<u>4,765,356</u>	<u>4,701,500</u>	<u>4,720,964</u>
RENTAL PROPERTIES:			
HARBOR SQUARE PROPERTY	1,734,928	1,629,000	1,625,038
ANTHONY'S	272,426	286,000	286,441
BUD'S BAIT	7,879	4,000	7,495
EDMONDS YACHT SALES	3,502	3,500	3,444
HARBOR SQUARE ATHLETIC CLUB	123,658	124,000	121,631
POE 2 LLC	51,510	52,000	50,255
LANDING	108,928	109,000	108,927
YACHT CLUB	54,250	54,000	53,424
	<u>2,357,081</u>	<u>2,261,500</u>	<u>2,256,655</u>
TOTAL RENTAL PROPERTIES	<u>2,357,081</u>	<u>2,261,500</u>	<u>2,256,655</u>
GROSS PROFIT	<u>7,122,437</u>	<u>6,963,000</u>	<u>6,977,619</u>

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

PORT OF EDMONDS
INCOME STATEMENT
FOR THE TWELVEMONTHS ENDED DECEMBER 31, 2016

	YEAR TO DATE		
	ACTUAL	CURRENT BUDGET	PRIOR YEAR
OPERATING EXPENSES:			
AUDIT	\$24,638	23,000	0
ADVERTISING	10,574	7,500	4,818
ADVERTISING - MARKETING - MARI	8,360	7,500	7,609
AUTO AND EQUIPMENT FUEL	14,429	21,500	16,105
BAD DEBT EXPENSE	8,537	15,000	21,585
BANK CHARGES	2,859	3,000	2,045
BUSINESS TAXES	19,350	20,200	19,308
CLAIMS & DAMAGES	20,427	6,000	8,764
ECONOMIC DEVELOPMENT	17,659	20,000	15,907
EDUCATION & TRAINING	11,650	14,000	9,560
EMPLOYEE BENEFITS	588,121	626,000	624,116
HAZARDOUS WASTE DISPOSAL	17,023	18,000	14,681
INSURANCE	177,580	176,000	174,906
LICENSES & PERMITS	1,869	2,500	1,828
MARKETING	5,300	7,000	5,301
MASTER BUSINESS PLAN	76,275	5,000	11,033
MEALS	5,275	6,500	5,790
MEMBERSHIP DUES	15,043	17,000	16,457
MISCELLANEOUS	1,057	1,000	1,748
OFFICE	53,730	70,000	55,843
PAYROLL TAXES	167,073	202,000	176,938
PROMOTIONAL HOSTING	0	2,500	1,188
PROFESSIONAL FEES	194,782	195,000	181,068
RENT	12,652	13,000	12,284
REPAIR AND MAINTENANCE	206,297	238,000	191,907
SALARIES AND WAGES	1,654,520	1,640,500	1,604,718
SUPPLIES	161,678	187,000	177,896
TENANT IMPROVEMENTS	5,039	2,000	800
TRAVEL	19,159	16,500	15,970
UNIFORMS	8,476	9,000	8,227
UTILITIES	358,683	388,000	371,444
OPERATING EXPENSES BEFORE DEPR	3,868,115	3,960,200	3,759,844
DEPRECIATION	1,665,146	1,760,000	1,697,023
TOTAL OPERATING EXPENSES	5,533,261	5,720,200	5,456,867
INCOME FROM OPERATIONS	1,589,176	1,242,800	1,520,752
OTHER EXPENSE (INCOME):			
INTEREST EXPENSE	287,203	305,000	389,297
INTEREST INCOME	(69,608)	(40,500)	(53,141)
ELECTION EXPENSE	0	0	4,679
(GAIN)/LOSS ON FIXED ASSETS	(4,065)	0	36,510
CHANGE IN FAIR VALUE OF INVEST	42,232	0	(6,575)
OPERATING GRANTS	(1,553)	0	(2,678)
PROPERTY TAXES	(406,853)	(400,000)	(406,620)
OTHER EXPENSE (INCOME), NET	(152,644)	(135,500)	(38,528)
NET INCOME	\$1,741,820	1,378,300	1,559,280

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

PORT OF EDMONDS
MARINA INCOME STATEMENT
FOR THE TWELVEMONTHS ENDED DECEMBER 31, 2016

	YEAR TO DATE		
	ACTUAL	CURRENT BUDGET	PRIOR YEAR
REVENUES:			
MARINA OPERATIONS:			
REVENUE:			
CONCESSIONS	\$48	0	126
ELECTRICAL FEES	133,076	130,000	128,059
ENVIRONMENTAL FEES	106,206	109,000	109,725
ENVIRONMENTAL FEE - WORKYARD	23,199	18,000	19,351
FUEL SALES	782,576	935,000	889,433
LAUNCHER	73,355	105,000	117,535
MISCELLANEOUS	44,679	40,000	39,691
GUEST MOORAGE	156,067	145,000	166,930
PERMANENT MOORAGE	3,157,149	3,192,000	3,114,625
PASSENGER FEES	11,797	0	6,732
DRY STORAGE REVENUE	624,903	680,000	664,399
PARKING	48,393	36,000	41,405
TRAVELIFT	117,343	94,000	102,833
WORKYARD	89,196	59,000	66,495
LATE FEES	40,386	20,000	14,514
GROSS REVENUE	<u>5,408,373</u>	<u>5,563,000</u>	<u>5,481,853</u>
COST OF GOODS SOLD:			
COST OF SALES	17,591	16,000	13,989
ELECTRICAL PURCHASES	62,334	61,000	60,434
FUEL & OIL	600,998	815,000	713,627
LOAN-A-SLIP CREDITS	6,863	6,500	7,699
TOTAL COST OF GOODS SOLD	<u>687,786</u>	<u>898,500</u>	<u>795,749</u>
GROSS PROFIT: MARINA OPER.	<u>4,720,587</u>	<u>4,664,500</u>	<u>4,686,104</u>
OPERATING EXPENSES:			
ADVERTISING	9,163	7,500	8,531
AUTO AND EQUIPMENT FUEL	6,890	13,000	9,010
BAD DEBT EXPENSE	8,537	15,000	21,586
BUSINESS TAXES	19,223	20,000	19,210
CLAIMS & DAMAGES	20,426	6,000	8,765
EDUCATION & TRAINING	3,730	3,500	3,003
EMPLOYEE BENEFITS	341,451	347,000	368,557
HAZARDOUS WASTE DISPOSAL	17,023	18,000	14,681
INSURANCE	132,996	132,000	131,622
LICENSES & PERMITS	1,696	1,500	1,197
MARKETING	5,300	7,000	5,235
MISCELLANEOUS	0	500	385
OFFICE EXPENSE	16,179	21,000	16,051
PAYROLL TAXES	109,734	128,000	117,734
PROFESSIONAL FEES	17,529	28,000	4,097
RENT	12,652	13,000	12,284
REPAIR AND MAINTENANCE	78,495	76,000	81,250
SALARIES AND WAGES	1,079,873	1,056,000	1,058,964
SUPPLIES	84,434	101,000	98,965
UTILITIES	193,900	205,000	194,807
OPERATING EXPENSES BEFORE DEPR & O/H	<u>2,159,231</u>	<u>2,199,000</u>	<u>2,175,934</u>
DEPRECIATION	964,602	1,038,000	988,164
OVERHEAD ALLOCATION - MARINA	623,119	698,500	614,382
TOTAL OPERATING EXPENSES	<u>3,746,952</u>	<u>3,935,500</u>	<u>3,778,480</u>
INCOME FROM OPERATIONS	<u>973,635</u>	<u>729,000</u>	<u>907,624</u>
OTHER EXPENSE (INCOME):			
INTEREST EXPENSE	51,004	56,000	107,910
OPERATING GRANTS: PERM	(1,553)	0	(2,678)
PROPERTY TAX ALLOCATION - MARI	(49,999)	(50,000)	(50,000)
MISCELLANEOUS, NET	(1,743)	0	27,365
OTHER EXPENSE (INCOME), NET	<u>(2,291)</u>	<u>6,000</u>	<u>82,597</u>
NET INCOME	<u>\$975,926</u>	<u>723,000</u>	<u>825,027</u>

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

PORT OF EDMONDS
RENTAL PROPERTY INCOME STATEMENT
FOR THE TWELVEMONTHS ENDED DECEMBER 31, 2016

	YEAR TO DATE		
	ACTUAL	CURRENT BUDGET	PRIOR YEAR
REVENUES:			
RENTAL PROPERTIES:			
MISCELLANEOUS - HS	\$4,098	0	432
HARBOR SQUARE PROPERTY	1,576,314	1,490,000	1,484,252
HARBOR SQUARE CAMS	154,690	131,000	136,516
HARB SQ OTHER REIMB EXPENSES	1,038	0	145
HARB SQ CONFERENCE ROOM REV	2,845	3,000	2,312
HS RENT ABATEMENT	(9,041)	0	(2,659)
LATE FEES - HARBOR SQUARE PROP	5,364	5,500	4,225
HARB SQ MEETING ROOM COSTS	(380)	(500)	(185)
ANTHONY'S	272,426	286,000	286,441
BUD'S BAIT	7,880	4,000	7,495
EDMONDS YACHT SALES	3,501	3,500	3,444
HARBOR SQUARE ATHLETIC CLUB	123,658	124,000	121,631
POE 2 LLC	51,511	52,000	50,254
LANDING	108,928	109,000	108,928
YACHT CLUB	54,250	54,000	53,424
TOTAL RENTAL PROPERTIES	2,357,082	2,261,500	2,256,655
GROSS PROFIT	2,357,082	2,261,500	2,256,655
OPERATING EXPENSES:			
ADVERTISING	45	2,000	225
AUTO & EQUIPMENT FUEL	279	500	273
BANK CHARGES	318	500	0
BUSINESS TAXES	126	200	97
EMPLOYEE BENEFITS	36,685	37,000	35,158
INSURANCE	38,871	39,000	38,253
LEASE EXPENSES	16,289	0	0
MASTER BUSINESS PLAN	76,275	5,000	11,033
MISCELLANEOUS	1,043	500	1,363
PAYROLL TAXES	11,952	13,000	10,903
PROFESSIONAL FEES	110,928	103,000	99,734
REPAIR AND MAINTENANCE	110,225	141,000	93,484
SALARIES AND WAGES	116,164	111,000	100,468
SUPPLIES	14,868	16,000	12,178
TENANT IMPROVEMENTS	5,039	2,000	800
UTILITIES	135,604	153,000	148,076
OPERATING EXPENSES BEFORE DEPR & O/H	674,711	623,700	552,045
DEPRECIATION	615,594	634,000	621,990
OVERHEAD ALLOCATION - RENTAL P	267,051	300,000	263,307
TOTAL OPERATING EXPENSES	1,557,356	1,557,700	1,437,342
INCOME FROM OPERATIONS	799,726	703,800	819,313
OTHER EXPENSE (INCOME):			
INTEREST EXPENSE	236,198	249,000	281,386
INTEREST INCOME	(2,366)	(500)	(707)
GAIN (LOSS) ON FIXED ASSETS -	0	0	4,381
PROPERTY TAX ALLOCATION - RENT	(200,000)	(200,000)	(200,000)
OTHER EXPENSE (INCOME), NET	33,832	48,500	85,060
NET INCOME	\$765,894	655,300	734,253

PORT OF EDMONDS
BALANCE SHEET
DECEMBER 31, 2016

ASSETS

CURRENT ASSETS:		
CASH AND CASH EQUIVALENTS	\$7,979,299	
ACCOUNTS RECEIVABLE, NET	44,267	
TAXES RECEIVABLE	9,703	
ACCRUED INTEREST RECEIVABLE	9,811	
INVENTORIES	65,238	
PREPAID EXPENSES	138,089	
	<hr/>	
TOTAL CURRENT ASSETS		8,246,407
RESTRICTED ASSETS:		
	<hr/>	
TOTAL RESTRICTED ASSETS		0
CAPITAL ASSETS:		
PROPERTY, PLANT & EQUIPMENT	59,134,219	
CONSTRUCTION IN PROGRESS	8,863	
LESS ACCUMULATED DEPRECIATION	(28,976,994)	
	<hr/>	
NET CAPITAL ASSETS		30,166,088
OTHER ASSETS:		
INVESTMENTS	4,194,890	
DEFERRED AMOUNT ON 2005 REFUND	4,030	
DEFERRED PENSION OUTFLOW	273,791	
	<hr/>	
NET OTHER ASSETS		4,472,711
		<hr/>
TOTAL ASSETS		42,885,206
		<hr/> <hr/>

PORT OF EDMONDS
BALANCE SHEET
DECEMBER 31, 2016

LIABILITIES

CURRENT LIABILITIES:		
ACCOUNTS PAYABLE	\$153,688	
ACCRUED EXPENSES	363,716	
ACCRUED INTEREST PAYABLE	2,613	
DEPOSITS	551,142	
UNEARNED REVENUE	92,435	
CURRENT PORTION OF L.T. DEBT	973,129	
	<hr/>	
TOTAL CURRENT LIABILITES		2,136,723
LONG-TERM LIABILITIES:		
2011 SPECIAL REVENUE BOND	3,852,758	
NET PENSION LIABILITY	1,564,086	
OTHER POST EMPLOYMENT BENEFITS	628,154	
ENVIRONMENTAL LIABILITY	612,500	
DEFERRED PENSION INFLOWS	45,285	
	<hr/>	
TOTAL LONG-TERM DEBT		6,702,783
EQUITY:		
NET ASSETS	34,045,700	
	<hr/>	
TOTAL EQUITY		34,045,700
		<hr/>
TOTAL LIABILITIES & EQUITY		\$42,885,206
		<hr/> <hr/>

Port of Edmonds
 Budget to Actual
 Capital Budget
 January 1, 2016 through December 31, 2016
 As of March 7, 2017

Cost Center	Item	2016				Remaining/ Left Over	Notes
		Budgeted	Spent	In Progress	Postponed		
00	Administration Office Remodel	\$ 50,000				\$ 50,000	
00	Capital Maintenance	\$ 50,000				\$ 50,000	
00	Marina Operations Bathrooms	\$ -	\$ 194			\$ (194)	
00	Marina Operations Office Remodel - Phase II	\$ 35,000				\$ 35,000	
00	New Restrooms & Showers	\$ -	\$ 39,439			\$ (39,439)	2015 over budget by \$12,859.
00	Promenade Bench Floor Replacement	\$ 12,000				\$ 12,000	
00	Server Software and Hardware	\$ 10,000	\$ 9,111			\$ 889	
00	Tractor Implements	\$ 6,500				\$ 6,500	
00	Vehicle Replacement - 1 ton with utility box (Maint)	\$ 34,000	\$ 36,010			\$ (2,010)	
05	Fuel Dock Remodel	\$ -	\$ 21,221			\$ (21,221)	
05	Fuel Dock Update	\$ 166,000	\$ 3,861	\$ 60,148		\$ 101,991	Sales equipment
11	I Dock Electrical	\$ -	\$ 66,368			\$ (66,368)	\$90,690 remaining from 2015 budget.
11	Replace Gutters on Docks	\$ 35,000				\$ 35,000	
18	Pressure Wash Building Air Compressor	\$ -	\$ 2,990			\$ (2,990)	
18	Travelift Engine Replacement	\$ 5,500				\$ 5,500	
22	A Dock Improvements	\$ 25,000				\$ 25,000	
22	Dry Storage Pump Upgrades	\$ 12,000				\$ 12,000	
22	Dry Storage Launcher Improvements	\$ -	\$ 16,567			\$ (16,567)	
60	Harbor Square Capital Maintenance	\$ 25,000				\$ 25,000	
60	Harbor Square Dayton/104 Corner Landscaping	\$ 25,000	\$ 722			\$ 24,278	
60	Harbor Square Replace HVAC Units (2-3/yr)	\$ 15,000	\$ 16,213			\$ (1,213)	
60	Harbor Square Tenant Improvements	\$ 15,000	\$ 3,196			\$ 11,804	
	TOTALS	\$ 521,000	\$ 215,893	\$ 60,148	\$ -	\$ 244,959	

Port of Edmonds
Investment Report
As of December 31, 2016

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

Security	Remaining		Final	Coupon	Par	Amortized	Market	Percent of
	Life	Purchased	Maturity		Value	Book	Value at	
							12/31/2016	Portfolio
FICO	0.92	9/24/2015	11/30/2017	0.000%	\$ 508,000	\$ 502,890	\$ 502,890	4.13%
Federal Natl Mortgage Assn	1.08	12/10/2013	1/30/2018	1.000%	\$ 500,000	\$ 498,260	\$ 498,260	4.09%
Federal Farm Credit Bank	1.83	10/23/2014	11/6/2018	1.100%	\$ 250,000	\$ 248,486	\$ 248,486	2.04%
Federal Farm Credit Bank	2.21	3/10/2016	2/22/2019	1.120%	\$ 500,000	\$ 497,185	\$ 497,185	4.08%
Federal Natl Mortgage Assn	2.46	10/23/2014	6/13/2019	1.300%	\$ 250,000	\$ 247,405	\$ 247,405	2.03%
Federal Natl Mortgage Assn	3.25	10/12/2016	3/20/2020	1.300%	\$ 500,000	\$ 492,566	\$ 492,566	4.05%
Federal Home Loan Bank	2.83	10/23/2014	11/8/2019	1.450%	\$ 250,000	\$ 247,666	\$ 247,666	2.03%
Resolution Funding Corporation	3.54	9/27/2016	7/15/2020	0.000%	\$ 525,000	\$ 490,940	\$ 490,940	4.03%
Federal Farm Credit Bank	4.42	6/2/2016	6/2/2021	1.690%	\$ 500,000	\$ 488,519	\$ 488,519	4.01%
Federal Farm Credit Bank	4.63	8/15/2016	8/16/2021	1.440%	\$ 500,000	\$ 480,975	\$ 480,975	3.95%
					<u>\$ 4,283,000</u>	<u>\$ 4,194,890</u>	<u>\$ 4,194,890</u>	

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

Entity	Type	Interest Rate	Amount	
Port of Edmonds	Cash and change funds	0.00%	\$ 1,200	0.01%
Washington Federal	Business checking account	0.60%	\$ 572,638	4.70%
Bank of Washington	Revolving checking account	0.00%	\$ 3,000	0.02%
Bank of Washington	Business checking account	0.43%	\$ 1,555,066	12.77%
Washington Federal	Debt service account	0.60%	\$ 456,350	3.75%
Opus Bank	HS checking account	0.50%	\$ 1,080,874	8.88%
Snohomish County	Tax collections	0.00%	\$ 3,522	0.03%
Washington LGIP	Short-term investments	0.51%	\$ 38,110	0.31%
Opus Bank	Money market	0.55%	\$ 4,268,539	35.06%
			<u>\$ 7,979,300</u>	

Total Cash and Investments \$ 12,174,189 100.00%

Opus Bank Money Market consists of:

Environmental Reserve	\$ 610,367	Harbor Square Loan Balance	\$ 4,060,887
Capital Replacement Reserve	\$ 1,804,739		
Operating Reserve	\$ 1,853,433	Balance Required in Opus Bank per Loan Agreement	\$ 2,436,532
	<u>\$ 4,268,539</u>		

Capital Replacement Reserve consists of:

Opus Bank Money Market	\$ 1,804,739
Federal Natl Mortgage 1 01/30/18	\$ 500,000
Federal Farm Credit Bank 1.1 11/6/18	\$ 250,000
Federal Natl Mortgage 1.3 6/13/19	\$ 250,000
Federal Home Loan Bank 1.45 11/8/19	\$ 250,000
Federal Farm Credit Bank 1.12 2/22/19	\$ 500,000
Federal Farm Credit Bank 1.69 6/2/21	\$ 500,000
Federal Farm Credit Bank 1.44 8/16/21	\$ 500,000
Federal Natl Mortgage Assn 1.3 3/30/20	\$ 500,000
	<u>\$ 5,054,739</u>

Outstanding Debt

2005 LTGO & Refunding Bond	\$ 765,000
2011 Revenue Bond - Opus Bank	\$ 4,060,887
	<u>\$ 4,825,887</u>

Due Within 1 Year \$ 2,125,190