

Port of Bremerton 2018 Preliminary Budget

Operating and Capital Budgets

November 15, 2017



MISSION

**“Good Jobs for
Our Community”**

2018 Port CEO Directive

- Ü Responsible spending that looks after tax payer's interests through operating efficiencies.
- Ü Take good care of what we own (asset management).
- Ü Actively make ready to lease and then market the developed property we own.
- Ü Look for property and/or facilities improvements that will generate good jobs and positive ROI.
- Ü Look for opportunities to partner on quality of life enhancements that will benefit the community.

Best Budget Practice

Ü Fiscal Management Belief:

The Port can meet the public requirements through continual improvement of internal processes.

Best Budget Practice

Ü Budget Development Process:

Preparation of the budget should have all stakeholders involved. Each stakeholder has the opportunity and responsibility to contribute suggestions for projects and processes that would use the Port's resources more efficiently.

The stakeholders include the Port's Directors, Program Managers, Staff, Commissioners and Citizen Groups.

Best Budget Practice

Ü Budget Oversight/Monitoring:

Every month, Finance meets with Directors and Managers to review the spending activities to ensure staying within the budget limits.

Every quarter, Finance conducts a financial forecast. The purpose of this forecast is to determine whether the limited revenue streams cover operational and capital programs, and also to facilitate strategic planning that go beyond the budget year.

Budget Summary	2018 Preliminary Budget
Revenue	8,334,448
Use of Net Position (Reserves)	3,518,093
Total Sources	\$ 11,852,540
Operating Expense	6,120,789
Capital Expense	5,731,751
Total Uses	\$ 11,852,540

Revenues	2018 Preliminary Budget
Airport	464,757
Industrial Parks	1,039,960
Port Orchard Marina	1,626,107
Bremerton Marina	1,065,551
Non-Operating	4,138,073
Total Revenues	8,334,448

Operations and Maintenance	2018 Preliminary Budget
Airport	1,264,440
Industrial Parks	991,917
Port Orchard Marina	1,966,537
Bremerton Marina	1,360,739
Minor Marinas	87,367
General & Administrative	449,789
Sub-total O & M Expenses	6,120,789

Capital Projects	2018 Preliminary Budget
Airport	1,510,155
Industrial Parks	3,385,500
Port Orchard Marina	354,095
Bremerton Marina	119,100
Minor Marinas	5,800
General & Administrative	357,101
Sub-total Capital Expenses	5,731,751
Total Operating & Capital	11,852,540



Supplemental Financial Data

2018 Preliminary Capital Budget Summary

Number of Projects	Cost Center	2018 Project Budget	2019	2020	2021	2022	2023	6-Year Total
22	Bremerton National Airport	\$ 1,510,155	\$ 2,925,000	\$ 449,000	\$ 2,987,500	\$ 3,305,000	\$ 4,280,950	\$ 15,457,605
8	Olympic View Industrial Park	3,385,500	310,000	5,000	67,500	5,000	5,000	3,778,000
8	Port Orchard Marina	354,095	404,000	1,267,500	10,495,000	1,715,000	68,371	14,303,966
6	Bremerton Marina	119,100	2,361,000	57,500	45,000	9,000	45,000	2,636,600
1	Marinas - Other	5,800	6,000	6,000	6,000	6,000	6,000	35,800
3	General & Administrative	357,101	-	-	-	-	-	357,101
48	Total Dollars for All Projects	\$ 5,731,751	\$ 6,006,000	\$ 1,785,000	\$ 13,601,000	\$ 5,040,000	\$ 4,405,321	\$ 36,569,072

2018 Preliminary Capital Budget Details

Airport Project	2018 Project Budget	2019	2020	2021	2022	2023
Asphalt Contingency	20,000	20,000	20,000	20,000	20,000	20,000
Asset Management System	30,000	5,000	5,000	5,000	5,000	5,000
Replace HIRL Runway 02/20 & MITL Taxi A Signs	250,000	2,000,000		-	-	-
Hangar Building Envelope & Exterior Upgrades	100,000	30,000	25,000	25,000	70,000	25,000
Grass Runway Installation	30,000					
Airport-Industrial Way Industrial Lots Utility Extension	290,000	300,000	-	-	-	-
Airport - Industrial Way Industrial Pad Engineering	153,645	250,000	-	-	-	-
Airport Front Entry Landscaping / Improvements	54,010	15,000	15,000	15,000	15,000	15,000
MOB Equipment Parking Shelter	75,000	25,000	-	-	-	-
Second Floor Deck FBO Build Out	20,000	-	-	-	-	-
Install Compass Rose	8,000					
Upgrade Security Gates	50,000	50,000				
Improvements to Playground Area	30,000	30,000				
Corporate Hangar Pad Design/CN	330,000					
Demolition of Navy Butler Hut	45,000		-	-	-	-
Replace Pickup/Van (50% Split w/OVIP)	17,000					
Zero Turn Mower (50% Split w/OVIP)	7,500					
45' articulated lift (50% Split w/OVIP)	-			22,500		
Replace Waterline to Terminal Building		100,000				
Hangar Restroom Facility	-	-	80,000	-	-	-
Sewer Upgrades	-	45,000	15,000	-	-	-
Misc. Airport Building Upgrades	-	25,000	25,000	25,000	-	-
Aprons North & South-Rehab/Reconfigure	-	-	-	215,000	1,980,000	-
Rehab Taxilanes in Hangar area					1,000,000	
Convert Ramp Lighting to LED		30,000				
South Hangar Area Access Road	-	-	-	-	-	388,500
South Hangar Area Access Taxiway	-	-	-	-	-	181,650
South Hangar Area Stub Taxi Lanes (2)	-	-	-	-	-	265,800
South Hangar Area Site Prep Stormwater	-	-	-	-	-	140,000
T-Hangar (10 Unit)	-	-	-	-	-	610,000
SKIA Utility Planning	-	-	-	200,000	-	-
Planning - EA or EIS East Side Development	-	-	-	-	-	330,000
Airport/Ind Road Phase 2 Design	-	-	264,000	-	215,000	-
Airport/Ind Road Phase 2 Construction (2.2,2.3)	-	-	-	2,460,000	-	2,300,000
Totals	\$ 1,510,155	\$ 2,925,000	\$ 449,000	\$ 2,987,500	\$ 3,305,000	\$ 4,280,950

2018 Preliminary Capital Budget Details

Industrial Park Project	2018 Project Budget	2019	2020	2021	2022	2023
Asset Management System	30,000	5,000	5,000	5,000	5,000	5,000
Road Repairs	40,000	-	-	-	-	-
OVIP 4 Roof Repairs	56,000	-	-	-	-	-
OVIP 8 Tenant Improvements(3 Phase)	50,000	-	-	-	-	-
OVIP 8 SCT Potential Biomass Plant Site Plan	50,000	-	-	-	-	-
OVIP 5 Exterior Paint	50,000					
Replace Pickup/Van (50% Split w/APT)	17,000					
Zero Turn Mower (50% Split w/APT)	7,500					
45' articulated lift (50% Split w/APT)	-			22,500		
OVIP Sewer Lift Station Pump & Panel Upgrade	85,000					
OVIP 2 Roof Replacement	-	55,000	-	-	-	-
SR3 Frontage Development	-	250,000	-	-	-	-
RV Park / Dump Station	-	-	-	40,000	-	-
New Port Industrial Bldg	3,000,000	-	-		-	-
Totals	\$ 3,385,500	\$ 310,000	\$ 5,000	\$ 67,500	\$ 5,000	\$ 5,000

2018 Preliminary Capital Budget Details

Port Orchard Marina Project	2018 Project Budget	2019	2020	2021	2022	2023
Dock Box Replacement (10 Boxes), BBQ, Heaters	\$ 5,700	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Pile Coatings Splash Zone Repairs (20 piles/Year)	40,000	40,000	40,000	40,000	40,000	40,000
Dock/Chain Upgrades & Repair	-	10,000	10,000	10,000	10,000	10,000
Electrical Upgrades to Docks 30 & 50 amp	-	-	-	-	60,000	-
Resurface & Upgrades A-Dock/Misc Interior/Floatation	30,000	-	-	-	250,000	-
North Breakwater (Crack seal/floatation)	140,000	100,000	600,000	5,970,000		
East Breakwater (crack repair/floatation)	70,000	50,000	600,000	4,470,000	1,250,000	-
F Dock (Crack Repair/Floatation)		25,000				
Reserve Sign Replacement		4,000				
Fuel Dock Dispenser Replacement	44,895					
Play Area Turf		20,000				
Children's Park Pavilion (Main Support Replacement X 4)	1,000					
Marina Park Lift Station Upgrade		150,000				
Vehicle Replacement (1/2 Ton Pickup) (50% share w/BREM)	12,500	-	12,500	-	-	-
Pump Out Work Boat Kicker Motor	-	-	-	-	-	13,371
Activity Float Structure Replacement	10,000	-	-	-	-	-
Mobile Activity Float & Tent	-	-	-	-	100,000	-
Totals	\$ 354,095	\$ 404,000	\$ 1,267,500	\$ 10,495,000	\$ 1,715,000	\$ 68,371

2018 Preliminary Capital Budget Details

Bremerton Marina Project	2018 Project Budget	2019	2020	2021	2022	2023
Dock Box Replacement (10 ea)	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Pile Coatings Splash Zone Repairs (40 piles/Year)	\$ 100,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 4,000	\$ 40,000
Washington Ave Parking Lot		\$ 2,200,000				
Reserve Sign Replacement		\$ 6,000				
Mannette Yacht Club Roof Replacement	\$ 1,600					
Vehicle Replacement (1/2 Ton Pickup) 50% Share w/PO	\$ 12,500		\$ 12,500			
Security Upgrades/ Art Glass Barrier	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -
Breakwater Guest Pavilion		\$ 60,000	\$ -	\$ -	\$ -	\$ -
Totals	\$ 119,100	\$ 2,361,000	\$ 57,500	\$ 45,000	\$ 9,000	\$ 45,000

2018 Preliminary Capital Budget Details

Minor Marinas Project	2018 Project Budget	2019	2020	2021	2022	2023
Piling Anodes @ Harper & Water Street	\$ 5,800	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
Totals	\$ 5,800	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000

2018 Preliminary Capital Budget Details

General and Administrative Project	2018 Project Budget	2019	2020	2021	2022	2023
Admin Space Upgrade	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -
Software Upgrade & System Expansion	\$ 150,000					
Site, Utility, Building Improvements	127,101	-	-	-	-	-
Business Development Opportunities	75,000	-	-	-	-	-
Totals	\$ 357,101	\$ -	\$ -	\$ -	\$ -	\$ -

2018 Preliminary Operating and Non-operating Budget (NON CAPITAL)

	Airport	Industrial Park	Port Orchard Marina	Bremerton Marina	Minor Marinas	General & Administrative	Non-Operating	Totals
OPERATING REVENUES								
Hangars & Tie Downs	\$ 240,893	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 240,893
Ground & Space Leases	207,597	1,039,960	-	-	-	-	-	1,247,557
Moorage	-	-	946,512	809,967	-	-	-	1,756,479
Fuel	-	-	573,637	-	-	-	-	573,637
Other	16,267	-	105,957	255,584	-	-	-	377,808
TOTAL OPERATING REVENUES	464,757	1,039,960	1,626,107	1,065,551	-	-	-	4,196,375
OPERATING EXPENSES								
Salaries & Benefits	398,962	398,962	621,160	621,159	-	976,945	-	3,017,188
General & Administrative	539,878	379,453	602,786	553,072	5,458	(527,156)	-	1,553,490
Fuel	-	-	516,439	-	-	-	-	516,439
Facilities & Operations	325,601	213,502	226,153	186,508	81,909	-	-	1,033,673
TOTAL OPERATING EXPENSES	1,264,440	991,917	1,966,537	1,360,739	87,367	449,789	-	6,120,789
NON-OPERATING REVENUES								
Taxes	-	-	-	-	-	-	3,688,411	3,688,411
Grants, Bonds, Projects	-	-	-	-	-	-	354,314	354,314
Interests (from Investments)	-	-	-	-	-	-	95,348	95,348
TOTAL NON-OPERATING	-	-	-	-	-	-	4,138,073	4,138,073
NET INCOME (LOSS)	\$ (799,683)	\$ 48,043	\$ (340,431)	\$ (295,188)	\$ (87,367)	\$ (449,789)	\$ 4,138,073	\$ 2,213,658