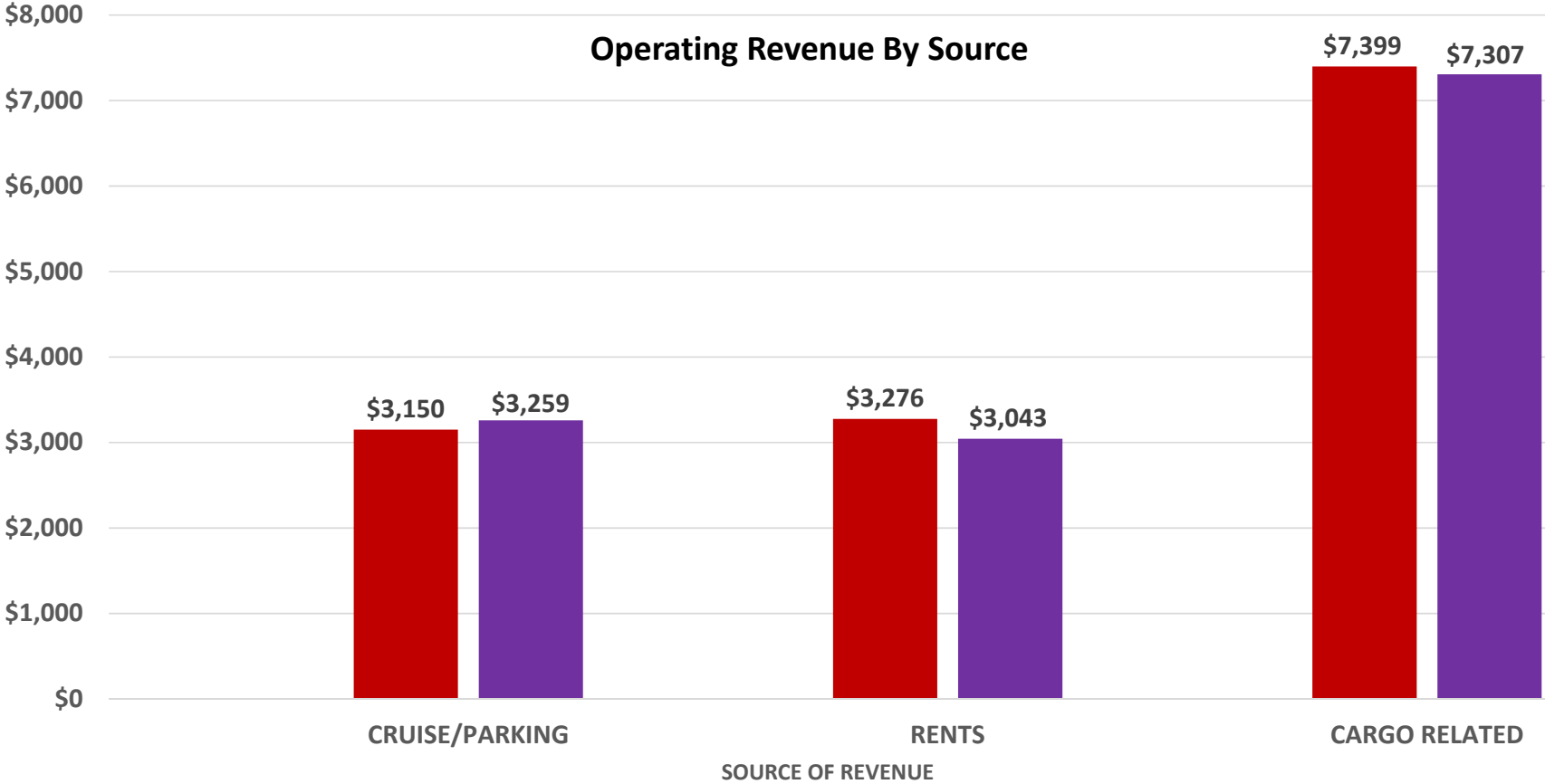


PORT OF PALM BEACH

Oct. 1 to Jun. 30, 2018

Operating Revenue By Source

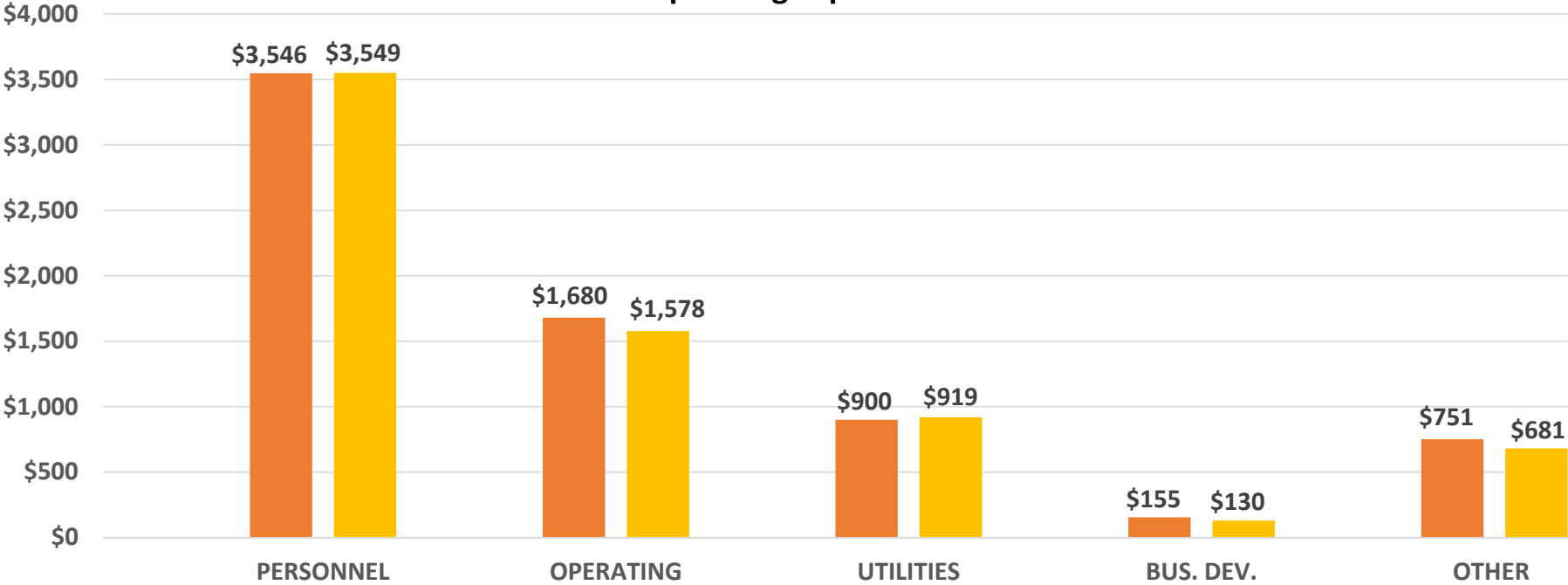


Actual - \$13,825 **Budget - \$13,609**

PORT OF PALM BEACH

Oct. 1 to Jun. 30, 2018

Operating Expenses

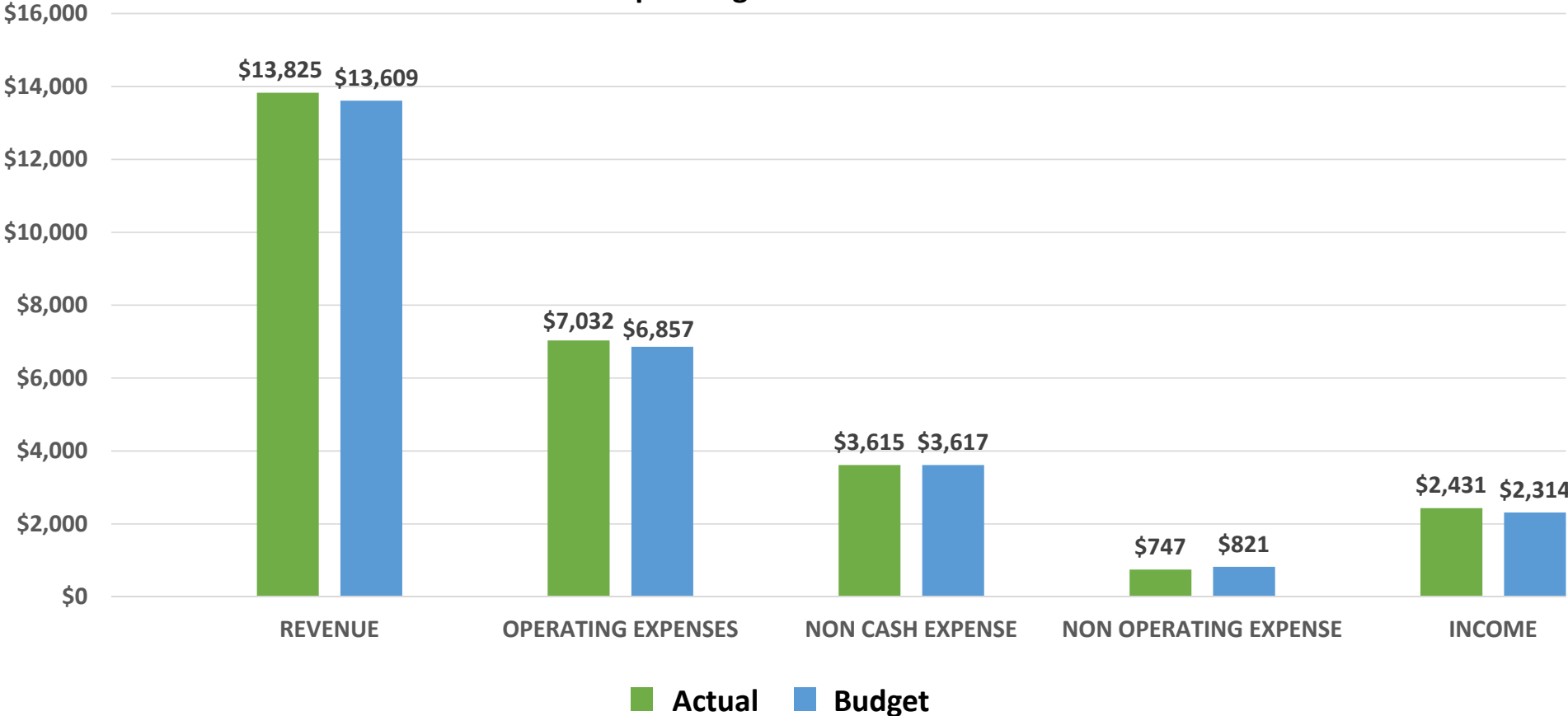


Actual - \$7,032 Budget - \$6,857

PORT OF PALM BEACH

Oct. 1 to Jun. 30, 2018

Operating Performance



**Port of Palm Beach District
Statement of Net Position
June 30, 2018
(Unaudited)**

ASSETS

Current Assets:

Cash and cash equivalents	\$ 20,874,574
Accounts receivable (net of allowance for uncollectables)	1,528,558
Grants receivable	324,159
Prepaid items	361,091
Restricted assets:	
Cash and cash equivalents	9,433,989
Total Current Assets	<u>32,522,371</u>

Noncurrent Assets:

Prepaid items - Master Plan	224,747
Total Other Noncurrent Assets	<u>224,747</u>

Capital Assets:

Land	28,119,220
Building and improvements	61,146,858
Slips and improvements	49,895,448
Other improvements	35,872,061
Wharf and loading ramps	7,798,154
Autos and trucks	502,716
Furniture and fixtures	371,700
Machinery and equipment	2,651,688
Computer equipment	1,455,663
Construction in progress	12,508,740
Less: Accumulated Depreciation	(78,255,634)
Total Capital Assets (net of accumulated depreciation)	<u>122,066,614</u>

Total Noncurrent Assets **122,291,361**

Total Assets **\$ 154,813,732**

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows of resources:

Pension related items	1,459,258
Deferred loss on bond refunding, net	547,684
Total Deferred Outflows of Resources	<u>\$ 2,006,942</u>

**Port of Palm Beach District
Statement of Net Position
June 30, 2018
(Unaudited)**

LIABILITIES

Current Liabilities:

Accounts payable and accrued expenses	\$	1,401,906
Unearned revenue		614,622
Compensated absences payable - short-term		179,304
Payable from restricted assets:		
Security deposits		375,000
Accounts payable and accrued expenses		109,087
Contracts payable		798,559
Accrued revenue bonds interest payable		165,814
Current portion of revenue bond payable		3,430,325
Total Current Liabilities		7,074,617

Noncurrent Liabilities:

Compensated absences payable - long-term		179,304
Other post-employment benefits		207,334
Net pension liability		3,526,193
Restricted capital appreciation revenue bond interest payable		6,627,793
Revenue bonds payable (less unamortized bond discount and current portion)		20,442,505
Total Noncurrent Liabilities		30,983,129

Total Liabilities		38,057,746
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DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources:

Pension related items		203,455
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NET POSITION

Net Investment in capital assets		98,741,465
Restricted for debt service		664,161
Restricted for renewal and replacement		985,060
Restricted for business development		644,069
Designated - Capital improvement		4,242,618
Undesignated - Operations		13,282,100
Total Net Position	\$	118,559,473

Port of Palm Beach District
(Unaudited)
Schedule of Revenues and Expenses - Actual and Budget
For the Month and Nine Months Ending Saturday, June 30, 2018

	<u>Actual June 2018</u>	<u>Current Actual FY 2018 YTD</u>	<u>Prior Actual FY 2017 YTD</u>	<u>\$ Variance Over (Under) to Prior Year</u>	<u>Approved Budget FY 2018 YTD</u>	<u>\$ Variance Over (Under) Current Actual to Budget YTD</u>
Operating Revenues:						
Wharfage	309,938	2,880,845	2,749,644	131,201	2,923,866	(43,021)
Dockage	159,835	1,730,555	1,699,752	30,803	1,770,297	(39,742)
Parking	183,092	939,143	1,106,257	(167,114)	1,049,928	(110,785)
Passengers - Multi-day	950,451	4,825,734	5,092,071	(266,337)	4,593,283	232,451
Storage	5,518	184,330	48,935	135,395	82,353	101,977
Water	8,629	76,339	70,838	5,501	67,848	8,491
Line Handling	12,444	90,168	100,000	(9,832)	103,739	(13,571)
Switching	59,416	523,784	480,201	43,583	497,415	26,369
Licenses and Permits	0	117,900	106,400	11,500	105,300	12,600
Vessel Bunkers	5,678	42,075	43,860	(1,785)	45,199	(3,124)
Cargo Terminal Fee	66,726	578,486	520,646	57,840	581,251	(2,765)
Security Fees - Cargo	52,325	467,505	431,816	35,689	480,142	(12,637)
Special Detail Security Fees	3,249	16,462	25,720	(9,258)	4,500	11,962
Identification Badging	2,662	20,377	21,735	(1,358)	23,025	(2,648)
Harbor Master Fee	17,380	159,422	139,938	19,484	147,103	12,319
Rent	366,322	3,276,096	3,180,502	95,594	3,042,801	233,295
Miscellaneous Income	37,287	614,436	295,070	319,366	580,155	34,281
Total Operating Revenues	<u>2,240,952</u>	<u>16,545,067</u>	<u>16,113,385</u>	<u>431,682</u>	<u>16,098,205</u>	<u>446,862</u>
Less: Direct Marketing Support	546,508	2,719,810	3,045,256	(325,446)	2,489,261	230,549
Net Operating Revenues	<u>1,694,444</u>	<u>13,825,257</u>	<u>13,068,129</u>	<u>757,128</u>	<u>13,608,944</u>	<u>216,313</u>
Operating Expenses:						
Administrative and HR	85,193	569,458	538,531	30,927	550,526	18,932
Office - Finance and IT	93,842	686,183	721,678	(35,495)	674,443	11,740
Engineering	17,578	44,740	22,211	22,529	25,000	19,740
Consultant	3,000	27,045	28,559	(1,514)	27,000	45
Legal	8,507	109,357	68,120	41,237	104,000	5,357
General Maintenance	175,219	1,197,737	1,196,150	1,587	1,198,479	(742)
Railroad	21,073	143,342	105,270	38,072	115,413	27,929
Operations	12,274	81,140	77,318	3,822	81,478	(338)
General Expense	139,886	1,279,604	1,330,991	(51,387)	1,295,955	(16,351)
Security	235,335	1,441,505	1,353,905	87,600	1,373,389	68,116
Business Development	69,235	507,868	497,521	10,347	478,823	29,045
Community Grants	0	6,995	7,606	(611)	6,995	0
Cruise Terminal	39,146	298,267	217,095	81,172	278,605	19,662
Maritime Office Complex	37,202	240,332	180,780	59,552	245,765	(5,433)
Southgate Complex	4,829	45,665	44,757	908	45,960	(295)
Renewal and Replacement	13,661	296,332	121,928	174,404	296,332	0
Maritime Office Building	4,721	56,301	45,026	11,275	59,110	(2,809)
Total Operating Expenses	<u>960,701</u>	<u>7,031,871</u>	<u>6,557,446</u>	<u>474,425</u>	<u>6,857,273</u>	<u>174,598</u>
Oper. Income Before Depr & Amort	<u>733,743</u>	<u>6,793,386</u>	<u>6,510,683</u>	<u>282,703</u>	<u>6,751,671</u>	<u>41,715</u>
Less: Depreciation Expense	395,374	3,578,129	3,566,713	11,416	3,580,000	(1,871)
Less: Amortization Expense	4,103	36,682	21,612	15,070	36,613	69
Operating Income (Loss)	<u>334,266</u>	<u>3,178,575</u>	<u>2,922,358</u>	<u>256,217</u>	<u>3,135,058</u>	<u>43,517</u>
Non-Oper. Revenues (Expenses):						
Interest Income	15,406	106,116	22,321	83,795	90,000	16,116
Insurance Recoveries	66,537	67,608	60,721	6,887	0	67,608
Grant Revenue	0	44,860	0	44,860	56,250	(11,390)
Gain or (Loss) on Disposal of Assets	0	1,050	2,500	(1,450)	0	1,050
Grant Expenses	0	0	0	0	0	0
Interest Expense	(107,475)	(967,279)	(975,065)	7,786	(967,279)	0
Total Non-Oper. Revenue (Expenses)	<u>(25,532)</u>	<u>(747,645)</u>	<u>(889,620)</u>	<u>141,975</u>	<u>(821,029)</u>	<u>73,384</u>
Income (Loss) before contributions	<u>308,734</u>	<u>2,430,930</u>	<u>2,032,738</u>	<u>398,192</u>	<u>2,314,029</u>	<u>116,901</u>
Capital Contributions	158,947	622,644	2,479,817	(1,857,173)		
Change in Net Position	<u>467,681</u>	<u>3,053,574</u>	<u>4,512,555</u>	<u>(1,458,981)</u>		

**Port of Palm Beach District
Analysis of Expenses - Summary Roll-Up
For the Month and Nine Months Ending Saturday, June 30, 2018**

	Current Actual FY 2018 YTD	Approved Budget FY 2018 YTD	YTD Variance	Remaining Approved Budget	Total Approved Budget	June Current Actual	June Approved Budget	Monthly Variance
<u>SALARIES & BENEFITS:</u>								
Salaries & Contract Labor	2,322,293	2,269,828	(52,465)	634,321	2,956,614	356,230	339,664	(16,566)
Overtime	124,441	153,847	29,406	75,559	200,000	22,374	23,078	704
F.I.C.A. Taxes	171,761	179,738	7,977	61,899	233,660	27,572	26,961	(611)
Unemployment	0	0	0	1,000	1,000	0	0	0
Health and Life Insurance	704,990	711,750	6,760	244,010	949,000	74,323	79,084	4,761
Florida Retirement Benefits	222,918	233,706	10,788	80,900	303,818	33,838	35,056	1,218
	3,546,403	3,548,869	2,466	1,097,689	4,644,092	514,337	503,843	(10,494)

SERVICES & SUPPLIES:

Commercial Property & Liability	278,831	280,500	1,669	105,169	384,000	31,464	31,167	(297)
Tenant Property Taxes Taxes	38	40	2	9,962	10,000	0	0	0
Legal Fees	109,357	104,000	(5,357)	50,643	160,000	8,507	20,000	11,493
Audit & Accounting Fees	81,500	81,505	5	7,500	89,000	2,175	2,175	0
Consultants	27,045	27,000	(45)	11,955	39,000	3,000	3,000	0
Engineering Fees	44,740	25,000	(19,740)	(16,740)	28,000	17,578	1,000	(16,578)
Trustee Fees For Bond Issues	2,523	2,525	2	4,977	7,500	0	0	0
Bad Debt Expense	0	0	0	10,000	10,000	0	0	0
Drug-Free Workplace	1,548	1,000	(548)	(548)	1,000	0	0	0
Uniforms	23,081	22,000	(1,081)	4,419	27,500	3,092	1,667	(1,425)

**Port of Palm Beach District
Analysis of Expenses - Summary Roll-Up
For the Month and Nine Months Ending Saturday, June 30, 2018**

	<u>Current Actual FY 2018 YTD</u>	<u>Approved Budget FY 2018 YTD</u>	<u>YTD Variance</u>	<u>Remaining Approved Budget</u>	<u>Total Approved Budget</u>	<u>June Current Actual</u>	<u>June Approved Budget</u>	<u>Monthly Variance</u>
Equipment Costs & Fuel	59,346	56,890	(2,456)	30,654	90,000	3,755	3,142	(613)
Buildings & Grounds Expenses	466,477	418,065	(48,412)	69,023	535,500	58,219	40,013	(18,206)
Trash Removal	35,988	33,300	(2,688)	8,412	44,400	4,899	3,700	(1,199)
Railroad Expense	21,858	15,710	(6,148)	(1,858)	20,000	110	110	0
Locomotive Expense	51,092	45,690	(5,402)	23,908	75,000	6,358	3,722	(2,636)
Employee Development & Training	7,506	7,515	9	17,494	25,000	708	710	2
Office Expenses	49,211	41,625	(7,586)	6,289	55,500	11,434	4,625	(6,809)
Information Technology	84,743	72,120	(12,623)	27,842	112,585	5,326	6,063	737
Contract Security	689,853	659,000	(30,853)	257,467	947,320	119,093	99,667	(19,426)
Other Security Expense	32,047	29,100	(2,947)	12,953	45,000	5,226	4,012	(1,214)
TWIC & ID Badging	5,553	3,750	(1,803)	(553)	5,000	328	417	89
Tenant Operating Costs	12,958	12,955	(3)	7,042	20,000	2,080	2,080	0
	2,085,295	1,939,290	(146,005)	646,010	2,731,305	283,352	227,270	(56,082)

BUSINESS DEVELOPMENT:

Registration & Training Fees	4,392	4,390	(2)	20,608	25,000	1,402	1,400	(2)
Community Affairs	13,601	13,600	(1)	14,399	28,000	319	320	1
Travel Expenses - Employees	11,071	11,075	4	8,929	20,000	338	340	2
Travel Expenses - Board	2,629	2,629	0	27,371	30,000	2,629	2,629	0
Trade Development	34,314	26,280	(8,034)	39,186	73,500	1,183	583	(600)

**Port of Palm Beach District
Analysis of Expenses - Summary Roll-Up
For the Month and Nine Months Ending Saturday, June 30, 2018**

	Current Actual FY 2018 YTD	Approved Budget FY 2018 YTD	YTD Variance	Remaining Approved Budget	Total Approved Budget	June Current Actual	June Approved Budget	Monthly Variance
Dues & Subscriptions	47,926	48,420	494	18,174	66,100	4,589	5,560	971
Marketing	34,757	20,215	(14,542)	6,143	40,900	3,590	0	(3,590)
Website & Other	6,530	3,375	(3,155)	(2,030)	4,500	635	375	(260)
	155,220	129,984	(25,236)	132,780	288,000	14,685	11,207	(3,478)

UTILITY SERVICES:

Water & Sewer	487,040	488,814	1,774	189,977	677,017	78,113	75,979	(2,134)
Electricity	315,457	328,875	13,418	123,043	438,500	39,685	36,542	(3,143)
Telephone Expense	97,424	101,625	4,201	38,076	135,500	11,218	11,292	74
	899,921	919,314	19,393	351,096	1,251,017	129,016	123,813	(5,203)

RENEWAL & REPLACEMENT:

Renewal & Replacement Exp.	296,332	296,332	0	203,668	500,000	13,661	13,661	0
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OTHER EXPENSES:

Miscellaneous Expenses	48,698	23,485	(25,213)	(2,698)	46,000	5,657	2,722	(2,935)
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TOTAL EXPENSES	7,031,869	6,857,274	(174,595)	2,428,545	9,460,414	960,708	882,516	(78,192)
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**Port of Palm Beach District
Analysis of Expenses - By Department
For the Month and Nine Months Ending Saturday, June 30, 2018**

	Current Actual FY 2018 YTD	Approved Budget FY 2018 YTD	YTD Variance	Remaining Approved Budget	Total Approved Budget	June Current Actual	June Approved Budget	Monthly Variance
<u>FINANCE & I.T.</u>								
Salaries	457,567	460,685	3,118	141,323	598,890	65,449	69,103	3,654
F.I.C.A. Expense	32,551	34,333	1,782	12,082	44,633	4,833	5,150	317
Telephone	58,621	60,000	1,379	21,379	80,000	6,546	6,667	121
Computer Training/Consulting	27,906	27,920	14	21,544	49,450	2,375	2,375	0
Computer Maintenance	36,704	36,700	(4)	16,431	53,135	2,856	2,855	(1)
Postage	3,733	2,250	(1,483)	(733)	3,000	2,137	250	(1,887)
Office Maintenance	7,170	7,500	330	2,830	10,000	863	833	(30)
Records Storage	2,101	2,250	149	899	3,000	233	250	17
Computer Software & Supplies	20,133	7,500	(12,633)	(10,133)	10,000	95	833	738
Printing	6,923	4,500	(2,423)	(923)	6,000	2,722	500	(2,222)
Public Notice Publication	6,106	3,750	(2,356)	(1,106)	5,000	530	417	(113)
Miscellaneous - Office	12,048	12,055	7	2,952	15,000	1,968	1,970	2
Office Supplies	14,621	15,000	379	5,379	20,000	3,236	1,667	(1,569)
Total	686,184	674,443	(11,741)	211,924	898,108	93,843	92,870	(973)

**Port of Palm Beach District
Analysis of Expenses - By Department
For the Month and Nine Months Ending Saturday, June 30, 2018**

	<u>Current Actual FY 2018 YTD</u>	<u>Approved Budget FY 2018 YTD</u>	<u>YTD Variance</u>	<u>Remaining Approved Budget</u>	<u>Total Approved Budget</u>	<u>June Current Actual</u>	<u>June Approved Budget</u>	<u>Monthly Variance</u>
<u>GENERAL MAINTENANCE</u>								
Salaries	363,837	362,662	(1,175)	107,623	471,460	55,203	54,399	(804)
Overtime	22,822	38,462	15,640	27,178	50,000	5,513	5,769	256
Overtime - Line Handling	21,551	23,077	1,526	8,449	30,000	4,650	3,462	(1,188)
F.I.C.A. Expense	29,930	34,275	4,345	14,628	44,558	4,836	5,141	305
Telephone	7,001	6,375	(626)	1,499	8,500	851	708	(143)
Water	434,358	435,000	642	170,907	605,265	72,296	70,000	(2,296)
Water - Maintenance Office	1,227	1,314	87	525	1,752	99	146	47
Stormwater Assessment	51,455	52,500	1,045	18,545	70,000	5,717	5,833	116
Electricity	96,737	101,250	4,513	38,263	135,000	10,993	11,250	257
Equipment Rental	1,492	1,495	3	13,508	15,000	0	0	0
Generator Supplies	14,052	10,000	(4,052)	(4,052)	10,000	840	0	(840)
Building & Grounds	69,753	50,000	(19,753)	(19,753)	50,000	5,310	0	(5,310)
Trash Removal	7,695	4,800	(2,895)	(1,295)	6,400	401	533	132
Uniforms	9,370	15,000	5,630	10,630	20,000	2,998	1,667	(1,331)
Gas & Oil	24,655	26,250	1,595	10,345	35,000	2,692	2,917	225
Janitorial Services & Supplies	5,613	5,625	12	1,887	7,500	577	625	48
Supplies	17,040	11,250	(5,790)	(2,040)	15,000	2,020	1,250	(770)
Equipment Repair	19,147	19,145	(2)	10,853	30,000	223	225	2
Total	<u>1,197,735</u>	<u>1,198,480</u>	<u>745</u>	<u>407,700</u>	<u>1,605,435</u>	<u>175,219</u>	<u>163,925</u>	<u>(11,294)</u>

**Port of Palm Beach District
Analysis of Expenses - By Department
For the Month and Nine Months Ending Saturday, June 30, 2018**

	Current Actual FY 2018 YTD	Approved Budget FY 2018 YTD	YTD Variance	Remaining Approved Budget	Total Approved Budget	June Current Actual	June Approved Budget	Monthly Variance
<u>SECURITY</u>								
Salaries	573,209	546,225	(26,984)	136,884	710,093	95,133	81,934	(13,199)
Overtime	45,220	69,231	24,011	44,780	90,000	3,995	10,385	6,390
F.I.C.A. Expense	44,874	47,083	2,209	16,334	61,208	7,214	7,062	(152)
Security Equipment Repairs	14,096	14,100	4	10,904	25,000	2,344	2,345	1
Telephone	8,362	8,250	(112)	2,638	11,000	1,006	917	(89)
Uniforms	13,711	7,000	(6,711)	(6,711)	7,000	94	0	(94)
Identification Badging	5,553	3,750	(1,803)	(553)	5,000	328	417	89
Riviera Beach Police Presence	54,804	50,000	(4,804)	25,196	80,000	11,769	10,000	(1,769)
Contract Security - Cargo & TWIC	71,126	78,000	6,874	32,874	104,000	7,658	8,667	1,009
Miscellaneous - Security	28,676	3,750	(24,926)	(23,676)	5,000	3,247	417	(2,830)
Contract Security - Cruise	520,804	493,000	(27,804)	186,516	707,320	90,258	75,000	(15,258)
Contract Security - Parking	43,119	38,000	(5,119)	12,881	56,000	9,408	6,000	(3,408)
Radio Maintenance	17,951	15,000	(2,951)	2,049	20,000	2,882	1,667	(1,215)
Total	1,441,505	1,373,389	(68,116)	440,116	1,881,621	235,336	204,811	(30,525)

**Port of Palm Beach District
Analysis of Expenses - By Department
For the Month and Nine Months Ending Saturday, June 30, 2018**

	Current Actual FY 2018 YTD	Approved Budget FY 2018 YTD	YTD Variance	Remaining Approved Budget	Total Approved Budget	June Current Actual	June Approved Budget	Monthly Variance
<u>RAILROAD</u>								
Salaries	27,094	23,846	(3,248)	3,906	31,000	5,263	3,577	(1,686)
Overtime	34,848	23,077	(11,771)	(4,848)	30,000	8,216	3,462	(4,754)
F.I.C.A. Expense	4,661	3,590	(1,071)	6	4,667	1,020	539	(481)
Locomotive Rental	0	0	0	2,500	2,500	0	0	0
Train Derailment	6,869	6,870	1	3,131	10,000	0	0	0
Locomotive Fuel & Oil	26,033	20,625	(5,408)	1,467	27,500	4,929	2,292	(2,637)
Track R&M Exp.	21,148	15,000	(6,148)	(6,148)	15,000	0	0	0
Locomotive R&M Exp.	18,190	18,195	5	16,810	35,000	1,429	1,430	1
Railroad Equipment	710	710	0	4,290	5,000	110	110	0
Miscellaneous	3,791	3,500	(291)	(291)	3,500	107	0	(107)
Total	143,344	115,413	(27,931)	20,823	164,167	21,074	11,410	(9,664)

**Port of Palm Beach District
Analysis of Expenses - By Department
For the Month and Nine Months Ending Saturday, June 30, 2018**

	<u>Current Actual FY 2018 YTD</u>	<u>Approved Budget FY 2018 YTD</u>	<u>YTD Variance</u>	<u>Remaining Approved Budget</u>	<u>Total Approved Budget</u>	<u>June Current Actual</u>	<u>June Approved Budget</u>	<u>Monthly Variance</u>
<u>BUSINESS DEVELOPMENT</u>								
Salaries	303,261	298,179	(5,082)	84,372	387,633	46,126	44,727	(1,399)
Florida Retirement System	30,900	31,046	146	9,460	40,360	4,720	4,657	(63)
F.I.C.A. Expense	20,615	20,624	9	6,196	26,811	3,434	3,094	(340)
Miscellaneous	3,699	3,705	6	1,301	5,000	335	335	0
Website	6,511	2,625	(3,886)	(3,011)	3,500	635	292	(343)
Telephone Expense	3,011	4,125	1,114	2,489	5,500	320	458	138
Promotion	3,948	3,950	2	13,452	17,400	0	0	0
Trade Development	16,031	16,030	(1)	25,469	41,500	0	0	0
Trade Development - Dining	12,633	5,250	(7,383)	(5,633)	7,000	1,183	583	(600)
Trade Missions	0	0	0	20,000	20,000	0	0	0
Travel Expenses	11,071	11,075	4	8,929	20,000	338	340	2
Travel Expenses - McArthur	0	0	0	6,000	6,000	0	0	0
Travel Expenses - Ciklin	0	0	0	6,000	6,000	0	0	0
Travel Expenses - Richards	2,629	2,629	0	3,371	6,000	2,629	2,629	0
Travel Expenses - Waldron	0	0	0	6,000	6,000	0	0	0
Travel Expenses - Enright	0	0	0	6,000	6,000	0	0	0
Community Relations	6,606	6,605	(1)	11,394	18,000	319	320	1
Postage & Shipping	19	750	731	981	1,000	0	83	83
Trade Development - Sponsorships	5,650	5,000	(650)	(650)	5,000	0	0	0

**Port of Palm Beach District
Analysis of Expenses - By Department
For the Month and Nine Months Ending Saturday, June 30, 2018**

	Current Actual FY 2018 YTD	Approved Budget FY 2018 YTD	YTD Variance	Remaining Approved Budget	Total Approved Budget	June Current Actual	June Approved Budget	Monthly Variance
Registration Fees	2,940	2,940	0	17,060	20,000	0	0	0
Membership Dues	39,080	44,700	5,620	20,520	59,600	3,540	4,967	1,427
Training	1,452	1,450	(2)	3,548	5,000	1,402	1,400	(2)
Subscriptions	7,001	1,875	(5,126)	(4,501)	2,500	664	208	(456)
Advertising	28,046	13,500	(14,546)	(14,546)	13,500	3,590	0	(3,590)
Publications	2,763	2,765	2	7,237	10,000	0	0	0
Total	507,866	478,823	(29,043)	231,438	739,304	69,235	64,093	(5,142)

**Port of Palm Beach District
Analysis of Expenses - By Department
For the Month and Nine Months Ending Saturday, June 30, 2018**

	<u>Current Actual FY 2018 YTD</u>	<u>Approved Budget FY 2018 YTD</u>	<u>YTD Variance</u>	<u>Remaining Approved Budget</u>	<u>Total Approved Budget</u>	<u>June Current Actual</u>	<u>June Approved Budget</u>	<u>Monthly Variance</u>
<u>ADMIN. & H.R.</u>								
Salaries - Commissioners	35,625	35,625	0	11,875	47,500	3,958	3,958	0
Salaries - Exec. Director & Staff	474,675	460,368	(14,307)	123,803	598,478	71,527	69,055	(2,472)
Contract Admin. Services	24,596	19,500	(5,096)	5,404	30,000	4,162	3,500	(662)
FICA Expense	34,561	35,034	473	10,983	45,544	5,546	5,255	(291)
Total	<u>569,457</u>	<u>550,527</u>	<u>(18,930)</u>	<u>152,065</u>	<u>721,522</u>	<u>85,193</u>	<u>81,768</u>	<u>(3,425)</u>

**Port of Palm Beach District
 Analysis of Expenses - By Department
 For the Month and Nine Months Ending Saturday, June 30, 2018**

	<u>Current Actual FY 2018 YTD</u>	<u>Approved Budget FY 2018 YTD</u>	<u>YTD Variance</u>	<u>Remaining Approved Budget</u>	<u>Total Approved Budget</u>	<u>June Current Actual</u>	<u>June Approved Budget</u>	<u>Monthly Variance</u>
<u>LEGAL</u>								
Fees and Expenses	109,357	104,000	(5,357)	50,643	160,000	8,507	20,000	11,493
Total	109,357	104,000	(5,357)	50,643	160,000	8,507	20,000	11,493

**Port of Palm Beach District
 Analysis of Expenses - By Department
 For the Month and Nine Months Ending Saturday, June 30, 2018**

	<u>Current Actual FY 2018 YTD</u>	<u>Approved Budget FY 2018 YTD</u>	<u>YTD Variance</u>	<u>Remaining Approved Budget</u>	<u>Total Approved Budget</u>	<u>June Current Actual</u>	<u>June Approved Budget</u>	<u>Monthly Variance</u>
<u>ENGINEERING</u>								
Retainer - CH2MHILL	9,000	9,000	0	3,000	12,000	1,000	1,000	0
Fees and Expenses	35,740	16,000	(19,740)	(19,740)	16,000	16,578	0	(16,578)
Total	44,740	25,000	(19,740)	(16,740)	28,000	17,578	1,000	(16,578)

**Port of Palm Beach District
 Analysis of Expenses - By Department
 For the Month and Nine Months Ending Saturday, June 30, 2018**

	<u>Current Actual FY 2018 YTD</u>	<u>Approved Budget FY 2018 YTD</u>	<u>YTD Variance</u>	<u>Remaining Approved Budget</u>	<u>Total Approved Budget</u>	<u>June Current Actual</u>	<u>June Approved Budget</u>	<u>Monthly Variance</u>
<u>CONSULTING</u>								
Consultants - Governmental	27,045	27,000	(45)	11,955	39,000	3,000	3,000	0
Total	27,045	27,000	(45)	11,955	39,000	3,000	3,000	0

**Port of Palm Beach District
Analysis of Expenses - By Department
For the Month and Nine Months Ending Saturday, June 30, 2018**

	<u>Current Actual FY 2018 YTD</u>	<u>Approved Budget FY 2018 YTD</u>	<u>YTD Variance</u>	<u>Remaining Approved Budget</u>	<u>Total Approved Budget</u>	<u>June Current Actual</u>	<u>June Approved Budget</u>	<u>Monthly Variance</u>
<u>SOUTHGATE COMPLEX</u>								
Buildings & Grounds	9,621	9,620	(1)	10,379	20,000	951	950	(1)
Janitorial Services & Supplies	2,524	1,500	(1,024)	(524)	2,000	49	167	118
Miscellaneous	0	0	0	2,500	2,500	0	0	0
Electric	24,939	26,250	1,311	10,061	35,000	2,754	2,917	163
Telephone	4,755	5,250	495	2,245	7,000	561	583	22
Trash Removal	2,731	2,250	(481)	269	3,000	514	250	(264)
HVAC Repairs & Maint.	1,094	1,090	(4)	8,906	10,000	0	0	0
Total	<u>45,664</u>	<u>45,960</u>	<u>296</u>	<u>33,836</u>	<u>79,500</u>	<u>4,829</u>	<u>4,867</u>	<u>38</u>

**Port of Palm Beach District
Analysis of Expenses - By Department
For the Month and Nine Months Ending Saturday, June 30, 2018**

	<u>Current Actual FY 2018 YTD</u>	<u>Approved Budget FY 2018 YTD</u>	<u>YTD Variance</u>	<u>Remaining Approved Budget</u>	<u>Total Approved Budget</u>	<u>June Current Actual</u>	<u>June Approved Budget</u>	<u>Monthly Variance</u>
<u>GENERAL EXPENSE</u>								
Audit & Accounting Services	81,500	81,505	5	7,500	89,000	2,175	2,175	0
Transcription Services for Board Meetings	8,557	6,375	(2,182)	(57)	8,500	1,713	708	(1,005)
Bad Debt Expense	0	0	0	10,000	10,000	0	0	0
Unemployment Compensation	0	0	0	1,000	1,000	0	0	0
General Commercial Prop & Liab Insurance	278,831	280,500	1,669	95,169	374,000	31,464	31,167	(297)
Group Health / Dental / Vision	681,300	687,750	6,450	235,700	917,000	71,651	76,417	4,766
Employee Basic Life Insurance	11,468	11,250	(218)	3,532	15,000	1,259	1,250	(9)
Employee S/Term Disability Ins.	12,222	12,750	528	4,778	17,000	1,413	1,417	4
Florida Retirement System	192,018	202,660	10,642	71,440	263,458	29,118	30,399	1,281
Trustee Fees For Bonds	2,523	2,525	2	4,977	7,500	0	0	0
Drug-Free Workplace	1,548	1,000	(548)	(548)	1,000	0	0	0
Insurance Contingency	0	0	0	10,000	10,000	0	0	0
Membership Dues	1,845	1,845	0	2,155	4,000	385	385	0
Training	7,506	7,515	9	17,494	25,000	708	710	2
Ad Valorem Taxes	38	40	2	9,962	10,000	0	0	0
Miscellaneous	249	240	(9)	4,751	5,000	0	0	0
Total	<u>1,279,605</u>	<u>1,295,955</u>	<u>16,350</u>	<u>477,853</u>	<u>1,757,458</u>	<u>139,886</u>	<u>144,628</u>	<u>4,742</u>

**Port of Palm Beach District
 Analysis of Expenses - By Department
 For the Month and Nine Months Ending Saturday, June 30, 2018**

	<u>Current Actual FY 2018 YTD</u>	<u>Approved Budget FY 2018 YTD</u>	<u>YTD Variance</u>	<u>Remaining Approved Budget</u>	<u>Total Approved Budget</u>	<u>June Current Actual</u>	<u>June Approved Budget</u>	<u>Monthly Variance</u>
<u>COMMUNITY OUTREACH</u>								
Community Grants - Waldron	1,800	1,800	0	200	2,000	0	0	0
Community Grants - Ciklin	1,300	1,300	0	700	2,000	0	0	0
Community Grants - Richards	2,000	2,000	0	0	2,000	0	0	0
Community Grants - McArthur	345	345	0	1,655	2,000	0	0	0
Community Grants -Enright	1,550	1,550	0	450	2,000	0	0	0
Total	<u>6,995</u>	<u>6,995</u>	<u>0</u>	<u>3,005</u>	<u>10,000</u>	<u>0</u>	<u>0</u>	<u>0</u>

**Port of Palm Beach District
Analysis of Expenses - By Department
For the Month and Nine Months Ending Saturday, June 30, 2018**

	<u>Current Actual FY 2018 YTD</u>	<u>Approved Budget FY 2018 YTD</u>	<u>YTD Variance</u>	<u>Remaining Approved Budget</u>	<u>Total Approved Budget</u>	<u>June Current Actual</u>	<u>June Approved Budget</u>	<u>Monthly Variance</u>
<u>MARITIME OFFICE BUILDING</u>								
Buildings & Grounds	2,726	2,735	9	7,274	10,000	276	275	(1)
Telephone - Elevator	1,312	1,350	38	488	1,800	181	150	(31)
Telephone - Fire Alarm Lines	2,352	2,400	48	848	3,200	302	267	(35)
Electricity	41,894	50,625	8,731	25,606	67,500	3,858	5,625	1,767
HVAC Repairs & Maint.	8,016	2,000	(6,016)	(6,016)	2,000	105	0	(105)
Total	<u>56,300</u>	<u>59,110</u>	<u>2,810</u>	<u>28,200</u>	<u>84,500</u>	<u>4,722</u>	<u>6,317</u>	<u>1,595</u>

**Port of Palm Beach District
Analysis of Expenses - By Department
For the Month and Nine Months Ending Saturday, June 30, 2018**

	<u>Current Actual FY 2018 YTD</u>	<u>Approved Budget FY 2018 YTD</u>	<u>YTD Variance</u>	<u>Remaining Approved Budget</u>	<u>Total Approved Budget</u>	<u>June Current Actual</u>	<u>June Approved Budget</u>	<u>Monthly Variance</u>
<u>CRUISE TERMINAL</u>								
Building & Grounds	85,769	75,000	(10,769)	(10,769)	75,000	9,991	0	(9,991)
Electric	41,946	37,500	(4,446)	8,054	50,000	6,311	4,167	(2,144)
Electric - Chiller Plant	19,916	24,750	4,834	13,084	33,000	2,914	2,750	(164)
Telephone	3,528	3,750	222	1,472	5,000	452	417	(35)
Telephone - Elevator	2,352	2,250	(102)	648	3,000	302	250	(52)
HVAC Repairs & Maintenance	26,603	26,605	2	23,397	50,000	3,773	3,775	2
Janitorial Services & Supplies	118,153	108,750	(9,403)	26,847	145,000	15,404	12,083	(3,321)
Window Cleaning	0	0	0	2,000	2,000	0	0	0
Total	<u>298,267</u>	<u>278,605</u>	<u>(19,662)</u>	<u>64,733</u>	<u>363,000</u>	<u>39,147</u>	<u>23,442</u>	<u>(15,705)</u>

**Port of Palm Beach District
Analysis of Expenses - By Department
For the Month and Nine Months Ending Saturday, June 30, 2018**

	Current Actual FY 2018 YTD	Approved Budget FY 2018 YTD	YTD Variance	Remaining Approved Budget	Total Approved Budget	June Current Actual	June Approved Budget	Monthly Variance
<u>MARITIME OFFICE COMPLEX</u>								
Building & Grounds	63,243	63,240	(3)	6,757	70,000	11,331	11,330	(1)
Trash Removal	25,562	26,250	688	9,438	35,000	3,984	2,917	(1,067)
Electricity	60,151	56,250	(3,901)	14,849	75,000	8,484	6,250	(2,234)
Electric - Chiller Plant	29,874	32,250	2,376	13,126	43,000	4,371	3,583	(788)
Telephone	2,829	4,500	1,671	3,171	6,000	299	500	201
Telephone - Elevator	2,352	2,625	273	1,148	3,500	302	292	(10)
HVAC Repairs & Maintenance	41,903	41,900	(3)	8,097	50,000	7,476	7,475	(1)
Janitorial Services & Supplies	14,418	18,750	4,332	10,582	25,000	956	2,083	1,127
Window Cleaning	0	0	0	2,000	2,000	0	0	0
Total	240,332	245,765	5,433	69,168	309,500	37,203	34,430	(2,773)

**Port of Palm Beach District
Analysis of Expenses - By Department
For the Month and Nine Months Ending Saturday, June 30, 2018**

	<u>Current Actual FY 2018 YTD</u>	<u>Approved Budget FY 2018 YTD</u>	<u>YTD Variance</u>	<u>Remaining Approved Budget</u>	<u>Total Approved Budget</u>	<u>June Current Actual</u>	<u>June Approved Budget</u>	<u>Monthly Variance</u>
<u>RENEWAL AND REPLACEMENT</u>								
Non-Capital Expenses:	0	296,332	296,332	500,000	500,000	0	13,661	13,661
Communication Equipment Expense	10,592	0	(10,592)	(10,592)	0	0	0	0
Security Equipment	16,316	0	(16,316)	(16,316)	0	1,502	0	(1,502)
Office Furniture/Equip. Replacement - Expenses	4,919	0	(4,919)	(4,919)	0	0	0	0
Computer Systems - non-capital	10,014	0	(10,014)	(10,014)	0	629	0	(629)
Condition/Boundary Survey	1,486	0	(1,486)	(1,486)	0	0	0	0
Maintenance Tools	512	0	(512)	(512)	0	0	0	0
Buildings and Grounds - Port-Wide	9,300	0	(9,300)	(9,300)	0	0	0	0
Cruise Terminal - Buildings & Grounds	133,440	0	(133,440)	(133,440)	0	80	0	(80)
MOC - Buildings and Grounds	30,238	0	(30,238)	(30,238)	0	11,450	0	(11,450)
Maintenance Dredging	900	0	(900)	(900)	0	0	0	0
Hurricane Irma Storm Repairs	57,765	0	(57,765)	(57,765)	0	0	0	0
Passenger Loading Bridge	20,850	0	(20,850)	(20,850)	0	0	0	0
Total	296,332	296,332	0	203,668	500,000	13,661	13,661	0

**Port of Palm Beach District
Analysis of Expenses - By Department
For the Month and Nine Months Ending Saturday, June 30, 2018**

	<u>Current Actual FY 2018 YTD</u>	<u>Approved Budget FY 2018 YTD</u>	<u>YTD Variance</u>	<u>Remaining Approved Budget</u>	<u>Total Approved Budget</u>	<u>June Current Actual</u>	<u>June Approved Budget</u>	<u>Monthly Variance</u>
<u>OPERATIONS</u>								
Salaries - Operations	62,429	62,738	309	19,131	81,560	9,409	9,411	2
FICA Expense	4,569	4,799	230	1,670	6,239	689	720	31
Tenant Operations	12,958	12,955	(3)	7,042	20,000	2,080	2,080	0
Miscellaneous	235	235	0	9,765	10,000	0	0	0
Uniforms	0	0	0	500	500	0	0	0
Telephone	949	750	(199)	51	1,000	96	83	(13)
Total	81,140	81,477	337	38,159	119,299	12,274	12,294	20
Total Expenses	7,031,868	6,857,274	(174,594)	2,428,546	9,460,414	960,707	882,516	(78,191)

PORT OF PALM BEACH DISTRICT
Management's Discussion and Analysis FY 2018 – YTD June 2018

OPERATING REVENUES

Total Net Operating Revenue for the month of June 2018 is \$1,694,444 and Current Actual FY 2018 is \$13,825,257 which is favorable to the FY 2018 YTD Budget by \$216,313 primarily from additional re-bar storage charges and additional rental space assignments for land and new tenant agreements.

Wharfage revenue is unfavorable to the FY 2018 YTD Budget by (\$43,021) primarily due to decreases in sugar tonnage exports (down 14%) which offset increases in container, breakbulk, asphalt, diesel, and recyclable steel tonnage and TEU's.

Dockage revenue is unfavorable with the FY 2018 YTD Budget by (\$39,742), primarily due to reduced sugar shipments.

Rent is favorable to the FY 2018 YTD Budget by \$233,295 primarily due additional space assignments for land to several tenants that was not budgeted.

There were no **“Passengers-Multiday net revenue charges”** from the Grand Celebration multi-day passenger cruise ship from October through most of December 2017 as a result of FEMA chartering the ship for relief housing in St. Thomas, U.S. V.I., due to Hurricane Irma in September 2017. Grand Celebration cruise sailings resumed on December 23, 2017 and the Port's second multiday cruise ship “Grand Classica” began sailing on April 13, 2018. FY 2018 YTD net revenues were \$2,105,924 from 294,915 passengers which resulted in a FY 2018 YTD net favorable budget variance of only \$1,902 due to the budget reforecast. The Grand Celebration and Classica combined passenger counts over the past two (2) full months of sailing have provided the Port with approximately a 32% increase in passengers over the same time frame as the prior year's with only one cruise ship.

Parking revenue is unfavorable to the FY 2018 YTD Budget by (\$110,785). This is primarily as a result of the issues caused by Hurricane Irma and the subsequent chartering of the cruise vessel mentioned in the above paragraph. The budget short fall for passenger charges and parking were partially offset by relief fees of \$315,000, recorded in miscellaneous income, for the three-month loss of the cruise ship provided by Paradise Cruise Line. The addition of the second cruise ship and the budget reforecast should help in reducing the unfavorable budget variance over the remaining three months of the fiscal year.

Total Operating Expenses before depreciation and amortization for June 2018 is \$960,701 and Current Actual FY 2018 YTD is \$7,031,871 which is unfavorable to the FY 2018 YTD Budget by \$174,598, primarily from additional contracted security costs and cruise terminal maintenance costs as a result of the second cruise ship; additional port-wide repairs and maintenance for docks, plumbing, electrical and storm drains; and subscription services for mass notification mobile communications tool and real-time live monitoring search engine tool for social media intelligence hat was approved by the board and covered under the Port Security grant 75/25 matching. Hurricane Irma related costs will impact the Port during all of FY 2018. Hurricane related costs will increase as repairs are completed on buildings, high and low mast lighting and other damages. The Port has incurred non-capital Hurricane Irma expenses of \$57,765 for FY 2018 YTD. The Port is expected to

receive reimbursements through FEMA in the future. The Port has also incurred significant R&R major repair expenditures of \$152,148 for the cruise terminal escalator and one of the MOC elevators. The Port's reforecast budget has been increased to \$500,000 for R&R non-capital expenses and total actual expenses of \$296,332 have been incurred year to date through FY 2018 YTD; or nine months. Therefore, with the remaining anticipated hurricane expenses and other major repairs that may arise due to the Port's age and the second multi-day cruise ship, the R&R expenses are not expected to exceed the budget.

Depreciation Expense is favorable to the FY 2018 YTD Budget by only \$1,871. However, additional capital asset purchases and the completion of construction in progress projects during FY 2018 will increase depreciation expense, however it is not expected to be over budget.

The Port's FY 2018 YTD **Income before contributions** is \$2,430,930 which is favorable to the FY 2018 YTD Budget by \$116,901. This is a result of operating and non-operating revenue increases exceeding increases in operating expenses.

Current Ratio – 5.0 times Debt to Net Position – 32.1% Operating Profit Margin – 23.0%

Cash coverage is sound with over 600 days of cash on hand; conservative low leverage debt; operating efficiency is good with profit margins over 20%, the higher the rate, the more effectively capital is being utilized to generate operating revenue.

FY 2018 Budget Reforecast:

Port management prepared a budget reforecast for the remainder of FY 2018 that was approved by the board at the June 2018 meeting. The new FY 2018 budget reforecast has been incorporated in the June 2018 financial statements. The Port is moving forward with demolishing the MOB and converting three acres of land into a cargo terminal per the current Tropical Shipping and FDOT grant agreements. Therefore, the write-off for the loss on disposition of the MOB, as a non-operating item, which was included in the budget reforecast will be recorded in August 2018 at approximately \$900,000. The Port received and recorded insurance proceeds of \$66,537 in June 2018 for the loss of fenders in last year's hurricane which is an unbudgeted item.

Prepared by: Daniel Kirchman, CPA, CGMA®, CPE™ - Port Controller