



**COMMISSION
AGENDA MEMORANDUM**

Item No. 7c

BRIEFING ITEM

Date of Meeting October 25, 2016

DATE: September 28, 2016

TO: Ted Fick, Chief Executive Officer

FROM: Elizabeth Morrison, Director Corporate Finance

SUBJECT: Briefing on the Preliminary Tax Levy and the Draft Plan of Finance 2017-2021

EXECUTIVE SUMMARY

This briefing is intended to inform the Commission's decision on the amount of the tax levy for the 2017 budget year and to inform the Commission on the Port's ability to fund its capital program.

BACKGROUND

Ports in Washington State have authority to levy taxes on property within the port district within certain statutory limits; the Port may use this strategic resource for any allowable port purpose (other than the payment of revenue bonds). As part of the Port's budget process, the Commission establishes the amount of taxes to be levied within the Port district for the budget year. Staff will provide information on the forecasted uses of the tax levy and will seek Commission guidance on the establishment of the 2017 tax levy amount and modifications to forecasting assumptions.

On October 10, the operating divisions presented their operating budgets and their Capital Improvement Programs (CIPs), collectively the Port's CIP. As part of the annual budget process, staff provides a funding plan for the Port's CIP. This funding plan – The Draft Plan of Finance – is updated each year for the subsequent five-year CIP and provides information on the funding sources available to support the CIP. The Draft Plan of Finance is intended to illustrate the Port's capacity to fund projects based on the projected available resources and may result in a recommendation to adjust project spending and/or adjust the tax levy. Staff will seek Commission guidance on any recommended adjustments.

ATTACHMENTS TO THIS BRIEFING

- (1) Presentation slides – Preliminary Tax Levy and Draft Plan of Finance 2017-2021

Meeting Date: October 25, 2016

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

October 10, 2016 - 2017 Operating Division Budgets Briefing

September 27, 2016 – 2017 Corporate Budget Briefing

September 13, 2016 – 2017 Budget Overview Briefing

August 19, 2016 – Provided briefing document regarding key budget assumptions for 2017

July 26, 2016 – Long-Range Plan Update, Century Agenda Dashboard Overview, and Budget Considerations beyond the Long-Range Plan.

June 14, 2016 – Strategic Positioning for Growth Budgeting Initiative.