



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8b

ACTION ITEM

Date of Meeting November 9, 2021

DATE: November 1, 2021
TO: Steve Metruck, Executive Director
FROM: Duane Hill, AFR Senior Manager Disbursements
SUBJECT: **Claims and Obligations – October 2021**

ACTION REQUESTED

Request Port Commission approval of the Port Auditor’s payment of the salaries and claims of the Port pursuant to RCW 42.24.180 for payments issued during the period October 1 through 31, 2021 as follows:

Payment Type	Payment Reference Start Number	Payment Reference End Number	Amount
Accounts Payable Checks	941268	941596	\$ 3,160,009.23
Accounts Payable ACH	039135	039860	\$ 51,684,893.39
Accounts Payable Wire Transfers	015700	015717	\$ 11,260,683.02
Payroll Checks	199844	200134	\$ 82,039.86
Payroll ACH	1045824	1052137	\$ 17,777,193.09
Total Payments			\$ 83,964,818.59

Pursuant to RCW 42.24.180, “the Port’s legislative body” (the Commission) is required to approve in a public meeting, all payments of claims within one month of issuance.

OVERSIGHT

All these payments have been previously authorized either through direct Commission action or delegation of authority to the Executive Director and through his or her staff. Detailed information on Port expenditures is provided to the Commission through comprehensive budget presentations as well as the publicly released Budget Document, which provides an even greater level of detail. The Port’s operating and capital budget is approved by resolution in November for the coming fiscal year, and the Commission also approves the Salary and Benefit Resolution around the same time to authorize pay and benefit programs. Notwithstanding the Port’s budget approval, individual capital projects and contracts exceeding certain dollar thresholds are also subsequently brought before the Commission for specific authorization prior to commencement of the project or contract—if they are below the thresholds the Executive Director is delegated authority to approve them. Expenditures are monitored against budgets monthly by management and reported comprehensively to the Commission quarterly.

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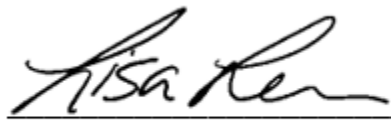
Effective internal controls over all Port procurement, contracting and disbursements are also in place to ensure proper central oversight, delegation of authority, separation of duties, payment approval and documentation, and signed perjury statement certifications for all payments. Port disbursements are also regularly monitored against spending authorizations. All payment transactions and internal controls are subject to periodic Port internal audits and annual external audits conducted by both the State Auditor’s Office and the Port’s independent auditors.

For the month of October 2021, over \$66,105,585.64 in payments were made to nearly 669 vendors, comprised of 1,785 invoices and over 6,278 accounting expense transactions. About 92 percent of the accounts payable payments made in the month fall into the Construction, Employee Benefits, Contracted Services, Payroll Taxes, Leasehold Taxes, Janitorial Services, Utility Expenses, Sales Tax and Insurance expense categories. Net payroll expense for the month of October was \$17,859,232.95.

Top 15 Payment Category Summary:	
Category	Payment Amount
Construction	34,034,178.86
Employee Benefits	6,893,749.08
Contracted Services	4,646,333.74
Payroll Taxes	4,460,796.75
Leasehold Taxes	3,989,083.05
Janitorial Services	2,384,031.26
Utility Expenses	2,124,195.34
Sales Taxes	1,355,793.28
Insurance	1,059,228.49
Maintenance Inventory	810,912.26
Bond Fees	523,517.06
Software	485,037.53
Parking Taxes	425,985.45
Public Expense	413,459.08
Room/Space/Land Rental	401,357.51
Other Categories Total :	2,097,926.90
Net Payroll	17,859,232.95
Total Payments :	\$83,964,818.59

Meeting Date: November 9, 2021

Appropriate and effective internal controls are in place to ensure that the above obligations were processed in accordance with Port of Seattle procurement/payment policies and delegation of authority.



Lisa Lam/Port Auditor

At a meeting of the Port Commission held on November 9, 2021, it is hereby moved that, pursuant to RCW 42.24.180, the Port Commission approves the Port Auditor’s payment of the above salaries and claims of the Port:

Port Commission