

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA
ACTION ITEM

Item No. 6b
Date of Meeting November 24, 2015

DATE: November 11, 2015
TO: Ted Fick, Chief Executive Officer
FROM: Dan Thomas, Chief Financial Officer
Michael Tong, Assistant Finance Director - Budget
SUBJECT: Resolution No. 3713, as Amended, adopting the final budget of the Port of Seattle for the Year 2016; making, determining, and deciding the amount of taxes to be levied upon the current assessment roll; and directing the King County Council as to the specific sums to be levied on all of the assessed property of the Port of Seattle District in the Year 2016.

ACTION REQUESTED

Request Second Reading and Final Passage of Resolution No. 3713, as Amended: A resolution of the Port Commission of the Port of Seattle adopting the final budget of the Port of Seattle for the year 2016; making, determining, and deciding the amount of taxes to be levied upon the current assessment roll; providing payment of bond redemptions and interest, cost of future capital improvements and acquisitions, and for such general purposes allowed by law which the Port deems necessary; and directing the King County Council as to the specific sums to be levied on all of the assessed property of the Port of Seattle District in the Year 2016.

SYNOPSIS

The 2016 business and budget planning process began in April. In the past few months, staff provided 9 briefings to the Commission on the 2016 business plan and budget process, division business plans, key budget assumptions, preliminary operating and capital budget, tax levy and draft plan of finance. Based on the input and comments from the Commission in the briefings, staff incorporated the suggested changes into the preliminary numbers. The preliminary budget was prepared for the Commission on October 20, 2015, and made available to the public on October 22, 2015.

As directed by the Commission, staff made the following three changes that were not reflected in the presentation package for First Reading of the budget on November 10:

- 1) Reduced the 2016 proposed Tax Levy from \$73.0 million to \$72.0 million;
- 2) Updated the budget to reflect the 6-month extension of the Port Jobs contract for the Apprenticeship Opportunity Program (\$100 thousand); and
- 3) Revised funding of Workforce Development initiatives to the Tax Levy.

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Ted Fick, Chief Executive Officer

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Staff recommends the following final budget process:

- November 24, 2015 – Second Reading and Final Passage of Resolution No. 3713, as Amended.
- December 3, 2015 – Submittal of the 2016 Final Statutory Budget to the King County Council and Assessor's Office.
- December 11, 2015 – Release of the 2016 Final Budget and Draft Plan of Finance to the Public

BACKGROUND

The budget process includes planning, setting up and testing new budget modules in the budget system, budget user training, department and division strategic and business planning, publishing budget guidelines, establishing budget targets, entering budget data into the system, running budget allocations and budget reports, conducting department and division reviews, executive reviews, and Commission reviews, preparing and publishing the preliminary budget document, a public hearing, adoption of the final budget, filing the statutory budget with the King County Council and Assessor's Office, and the preparation and release of the final budget document.

Prior to the Second Reading and Public Hearing on November 24, 2014, staff have provided 9 briefings to the Commission. The 2016 preliminary budget was prepared for and provided to the Port Commission on October 20, 2015, and was made available to the general public on October 22, 2015. An announcement of the preliminary budget and public hearing was made in the Daily Journal of Commerce newspaper on October 26 and November 2, 2015.

After the public hearing and Commission adoption of a final plan, the statutory budget will be filed with the King County Council and King County Assessor as required by law. The 2016 Final Budget and Draft Plan of Finance will be released to the public on December 11, 2015.

ATTACHMENTS TO THIS REQUEST

- Resolution No. 3713, as Amended.
- PowerPoint: 2016 Preliminary Budget Second Reading and Final Passage.

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- November 10, 2015 – First Budget Reading and Public Hearing.
- October 27, 2015 – Briefing on the Preliminary Tax Levy and the Draft Plan of Finance 2016-2020.
- October 13, 2015 – 2016 Aviation, Maritime, and Economic Development Operating and Capital Budgets Briefing.
- September 22, 2015 – 2016 Corporate Budget Briefing.
- September 8, 2015 – 2016 Key Budget Assumptions Briefing.
- September 8, 2015 – 2016 Economic Development Business Plan Discussion.
- July 9, 2015 – 2016 Maritime Business Plan Discussion.
- May 26, 2015 – 2016 Aviation Business Plan Discussion.
- May 12, 2015 – 2016 Business Plan and Budget Process Briefing.