



**COMMISSION
AGENDA MEMORANDUM**

Item No. 6b

ACTION ITEM

Date of Meeting February 27, 2018

DATE: February 14, 2018
TO: Steve Metruck, Executive Director
FROM: Duane Hill, AFR Senior Manager Disbursements
SUBJECT: Claims and Obligations **January 2018**

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 **January 1, 2018** through **January 31, 2018** as follows:

Payment Type	Payment Reference Start Number	Payment Reference End Number	Amount
Accounts Payable Checks	921673	922215	\$ 6,863,005.83
Accounts Payable ACH	005119	005833	\$ 54,295,371.62
Accounts Payable Wire Transfers	014808	014831	\$ 12,833,766.23
Payroll Checks	188585	188791	\$ 242,426.49
Payroll ACH	840383	844345	\$ 9,618,465.67
Total Payments			\$ 83,853,035.84

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 of these payments have been previously authorized either through direct Commission action or delegation of authority to the Executive Director (ED) 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 ED is delegated authority to

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approve them. Expenditures are monitored against budgets on a monthly basis by management and reported comprehensively to the Commission quarterly.

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.

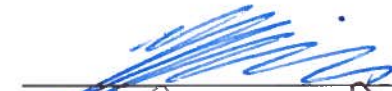
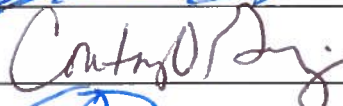


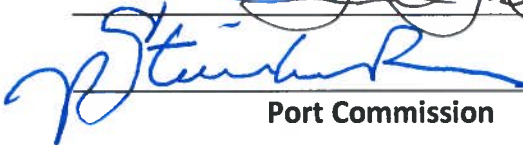
For the month of **January**, \$74 million in accounts payable payments were made to 759 vendors/contractors, comprised of 2,933 vouchers and 13,669 accounting expense transactions. About 84 percent of the accounts payable payments made in the month fall into the Construction, Contracted Services, Employee Benefits, Payroll Taxes, NWSA Construction, Janitorial Services and Environmental Remediation expense categories. The following chart summarizes the top 15 expense categories by total spend.

Category	Payment Amount
Construction	\$ 31,289,661.04
Employee Benefits	\$ 10,081,464.43
Contracted Services	\$ 6,745,357.28
NWSA Construction Costs	\$ 4,154,932.29
Leasehold Taxes	\$ 4,140,466.68
Payroll Taxes	\$ 3,923,113.56
Utility Expenses	\$ 2,005,035.00
Janitorial Services	\$ 1,254,359.19
Sales Taxes	\$ 1,244,426.49
Software	\$ 1,095,716.43
Bond Fees	\$ 773,741.14
Maintenance Inventory	\$ 761,309.23
Environmental Remediation	\$ 703,993.50
Membership Dues	\$ 627,691.41
Parking Taxes	\$ 627,586.95
Other Categories total	\$ 4,563,289.06
Port Net Payroll	\$ 9,860,892.16
Total Payments	\$ 83,853,035.84

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.


 Debbi Browning/Port Auditor

At a meeting of the Port Commission held on February 27, 2018, 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:

	RYAN CALKINS
	COURTNEY GREGOIRE
	STEPHANIE BOWMAN
	FRED FELLEMAN
	PETER STEINBRUECK

Port Commission