



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 6b

**ACTION ITEM**

**Date of Meeting** May 8, 2018

**DATE:** May 1, 2018  
**TO:** Steve Metruck, Executive Director  
**FROM:** Duane Hill, AFR Senior Manager Disbursements  
**SUBJECT:** Claims and Obligations April 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 April 1 through April 30, 2018 as follows:

<b>Payment Type</b>	<b>Payment Reference Start Number</b>	<b>Payment Reference End Number</b>	<b>Amount</b>
Accounts Payable Checks	923278	923759	\$ 4,950,698.92
Accounts Payable ACH	007209	007845	\$ 65,441,189.92
Accounts Payable Wire Transfers	014868	014889	\$ 10,674,589.31
Payroll Checks	189233	189452	\$ 291,387.52
Payroll ACH	852345	856341	\$ 9,885,135.44
<b>Total Payments</b>			<b>\$ 91,243,001.11</b>

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 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 on a monthly basis 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 April, \$81 million in accounts payable payments were made to 714 vendors/contractors, comprised of 2,093 vouchers and 9,068 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, NWSA Construction Costs, Utility Expenses and Janitorial Services categories. The following chart summarizes the top 15 expense categories by total spend.


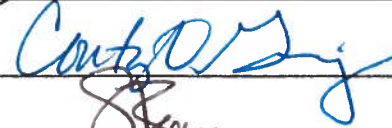
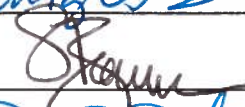

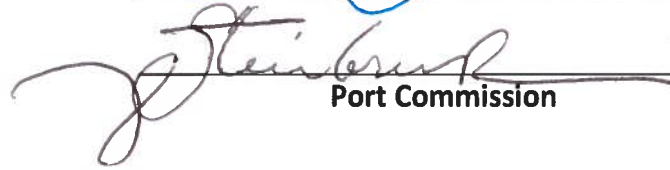
Category	Payment Amount
Construction	48,779,183.26
Employee Benefits	7,330,662.90
Contracted Services	4,574,239.38
Payroll Taxes	3,761,616.53
Leasehold Taxes	3,562,185.60
NWSA Construction Costs	2,607,313.21
Utility Expenses	2,234,277.89
Janitorial Services	1,397,859.00
Sales Taxes	951,554.95
Maintanance Inventory	867,218.60
Parking Taxes	578,510.81
Bond Fees	572,850.93
Software	509,942.70
A/R Related Payments	411,045.90
Environmental Remediation	333,158.16
Other Categories	2,594,858.33
Port Net Payroll	10,176,522.96
<b>Total Payments</b>	<b><u>91,243,001.11</u></b>

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

Meeting Date: May 8, 2018

At a meeting of the Port Commission held on May 8, 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