

**COMMISSION  
AGENDA MEMORANDUM**

Item No. 6b

**ACTION ITEM**

Date of Meeting July 10, 2018

**DATE:** July 2, 2018  
**TO:** Steve Metruck, Executive Director  
**FROM:** Duane Hill, AFR Senior Manager Disbursements  
**SUBJECT:** Claims and Obligations June 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 June 1 through June 30, 2018 as follows:

Payment Type	Payment Reference Start Number	Payment Reference End Number	Amount
Accounts Payable Checks	924343	924792	\$ 4,145,569.91
Accounts Payable ACH	008587	009585	\$ 55,684,782.46
AP Wires & Transfers	014907	014921	\$ 8,694,839.86
Payroll Checks	189685	190192	\$ 427,303.23
Payroll ACH	860479	866646	\$ 15,660,703.54
<b>Total Payments</b>			<b>\$ 84,613,199.00</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.

Meeting Date: July 10, 2018

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 June 2018, \$69 million in accounts payable payments were made to 730 vendors/contractors, comprised of 2,151 vouchers and 9,972 accounting expense transactions. About 87 percent of the accounts payable payments made in the month fall into the Construction, Employee Benefits, Payroll Taxes, Contracted Services, Janitorial Services, and Utility Expense categories. The following chart summarizes the top expense categories by total spend.





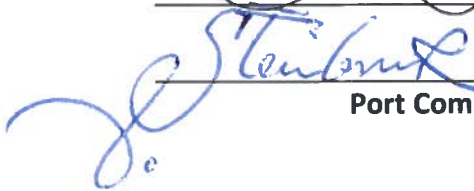
Category	Payment Amount
Construction	\$ 39,064,824.85
Employee Benefits	\$ 6,606,842.94
Payroll Taxes	\$ 5,921,330.11
Contracted Services	\$ 4,353,836.79
Janitorial Services	\$ 2,080,667.73
Utility Expenses	\$ 1,923,820.20
Public Expense	\$ 1,490,619.47
Sales Taxes	\$ 1,176,537.97
NWSA Construction Costs	\$ 856,071.17
Environmental Remediation	\$ 829,531.93
Maintenance Inventory	\$ 672,060.65
Parking Taxes	\$ 587,714.82
Computers & Telephone	\$ 288,708.01
Miscellaneous Expense	\$ 261,595.11
Other Categories Total	\$ 2,411,030.48
Net Payroll	\$ 16,088,006.77
<b>Total Payments</b>	<b>\$ 84,613,199.00</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



At a meeting of the Port Commission held on July 10, 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:

	<b>RYAN CALKINS</b>
	<b>COURTNEY GREGOIRE</b>
	<b>STEPHANIE BOWMAN</b>
	<b>FRED FELLEMAN</b>
	<b>PETER STEINBRUECK</b>

**Port Commission**