



**COMMISSION  
AGENDA MEMORANDUM**

Item No. 8b

**ACTION ITEM**

Date of Meeting June 8, 2021

**DATE:** June 2, 2021  
**TO:** Steve Metruck, Executive Director  
**FROM:** Duane Hill, AFR Senior Manager Disbursements  
**SUBJECT:** Claims and Obligations – May 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 May 1 through 31, 2021 as follows:

<b>Payment Type</b>	<b>Payment Reference Start Number</b>	<b>Payment Reference End Number</b>	<b>Amount</b>
Accounts Payable Checks	939642	939947	\$ 8,675,479.92
Accounts Payable ACH	035398	036047	\$ 54,261,813.80
Accounts Payable Wire Transfers	015603	015619	\$ 7,950,768.02
Payroll Checks	198632	198816	\$ 47,832.51
Payroll ACH	1024488	1028704	\$ 11,132,608.03
<b>Total Payments</b>			<b>\$ 82,068,502.28</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 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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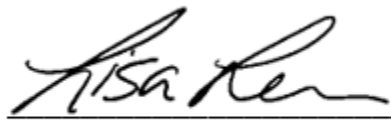
Effective internal controls over all Port procurement, contracting and disbursements are also in place to ensure proper central oversight, delegation of authority, separation of duties, payment approval and documentation, and signed perjury statement certifications for all payments. Port disbursements 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 May 2021, over \$70,888,061.74 in payments were made to nearly 578 vendors, comprised of 1,674 invoices and over 6,611 accounting expense transactions. About 91 percent of the accounts payable payments made in the month fall into the Construction, Employee Benefits, Payroll Taxes, Contracted Services, Janitorial Services and Utility Expenses categories. Net payroll expense for the month of May was \$11,180,440.54. The following chart summarizes the top expense categories by total spend.

<b>Top 15 Payment Category Summary:</b>	
<b>Category</b>	<b>Payment Amount</b>
Construction	43,296,840.36
Employee Benefits	8,879,999.69
Payroll Taxes	4,332,211.94
Contracted Services	3,614,431.20
Janitorial Services	2,180,759.61
Utility Expenses	2,174,449.06
Sales Taxes	950,832.22
Public Expense	833,218.52
Legal	779,508.60
Maintenance Inventory	605,680.20
Environmental Remediation	591,097.52
Software	475,481.52
Parking Taxes	322,230.63
Computers & Telephone	273,926.57
Furn & Equip Purchase	122,187.17
Other Categories Total :	1,455,206.93
Net Payroll	11,180,440.54
<b>Total Payments :</b>	<b>\$82,068,502.28</b>

Meeting Date: June 8, 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 June 8, 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:

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**Port Commission**