



**COMMISSION  
AGENDA MEMORANDUM**

Item No. 8b

**ACTION ITEM**

Date of Meeting July 13, 2021

**DATE:** July 1, 2021  
**TO:** Steve Metruck, Executive Director  
**FROM:** Duane Hill, AFR Senior Manager Disbursements  
**SUBJECT:** **Claims and Obligations – June 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 June 1 through 30, 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	939948	940233	\$ 5,043,370.29
Accounts Payable ACH	036048	036721	\$ 49,851,576.73
Accounts Payable Wire Transfers	015620	015643	\$ 10,698,463.83
Payroll Checks	198817	199023	\$ 56,512.91
Payroll ACH	1028705	1032935	\$ 11,662,990.13
<b>Total Payments</b>			<b>\$ 77,312,913.89</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.

Meeting Date: July 13, 2021

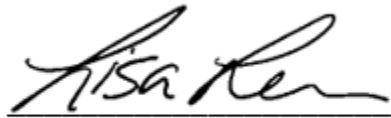
Effective internal controls over all Port procurement, contracting and disbursements are also in place to ensure proper central oversight, delegation of authority, separation of duties, payment approval and documentation, and signed perjury statement certifications for all payments. Port disbursements 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 2021, over \$65,593,410.85 in payments were made to nearly 606 vendors, comprised of 1,820 invoices and over 6,279 accounting expense transactions. About 93 percent of the accounts payable payments made in the month fall into the Construction, Employee Benefits, Payroll Taxes, Contracted Services, Utility Expenses, Janitorial Services, Environmental Remediation and Sales Tax, expense categories. Net payroll expense for the month of June was \$11,719,503.04

<b>Top 15 Payment Category Summary:</b>	
<b>Category</b>	<b>Payment Amount</b>
Construction	37,060,676.71
Employee Benefits	8,448,796.81
Payroll Taxes	6,706,020.97
Contracted Services	3,775,996.26
Utility Expenses	1,672,088.58
Janitorial Services	1,439,874.19
Environmental Remediation	1,270,009.03
Sales Taxes	877,307.82
Maintenance Inventory	678,714.02
Software	648,081.51
Bond Fees	637,102.04
Other Liabilities	388,679.00
Parking Taxes	375,638.78
Legal	313,462.51
Computers & Telephone	161,147.54
<b>Other Categories Total :</b>	<b>1,139,815.08</b>
<b>Net Payroll</b>	<b>11,719,503.04</b>
<b>Total Payments :</b>	<b>\$77,312,913.89</b>

Meeting Date: July 13, 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 July 13, 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**