



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8b

ACTION ITEM

Date of Meeting February 8, 2022

DATE: February 1, 2022
TO: Steve Metruck, Executive Director
FROM: Duane Hill, AFR Senior Manager Disbursements
SUBJECT: **Claims and Obligations – January 2022**

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 through 31, 2022 as follows:

Payment Type	Payment Reference Start Number	Payment Reference End Number	Amount
Accounts Payable Checks	942239	942581	\$ 4,231,700.22
Accounts Payable ACH	041760	042507	\$ 49,986,605.28
Accounts Payable Wire Transfers	015760	015774	\$ 12,846,215.01
Payroll Checks	202103	200789	\$ 84,554.96
Payroll ACH	1060502	1064591	\$ 12,109,502.70
Total Payments			\$ 79,258,578.17

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 December 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.

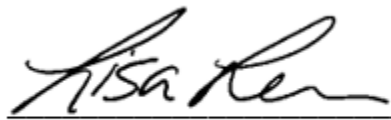
Meeting Date February 8, 2022

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 2022, over \$67,064,520.51 in payments were made to 726 vendors, comprised of 1,899 invoices and over 7,350 accounting expense transactions. About 89 percent of the accounts payable payments made in the month fall into the Construction, Employee Benefits, Contracted Services, Payroll Taxes, Leasehold Taxes, Utility Expenses, Public Expenses, Software and Janitorial Services. Payroll expense for the month of January was \$12,194,057.66.

Top 15 Payment Category Summary:	
Category	Payment Amount
Construction	27,180,981.30
Employee Benefits	9,841,233.37
Contracted Services	5,163,541.30
Payroll Taxes	4,878,735.96
Leasehold Taxes	3,603,702.87
Utility Expenses	2,668,738.71
Public Expense	2,232,642.27
Software	1,945,227.58
Janitorial Services	1,870,825.54
Sales Taxes	1,000,320.05
Bond Fees	778,272.43
Maintenance Inventory	702,319.26
Trade Business & Community	687,630.93
Miscellaneous Expense	685,319.20
Legal	652,477.67
Other Categories Total :	3,172,552.07
Net Payroll	12,194,057.66
Total Payments :	\$79,258,578.17

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

Port Commission