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COMMISSION

AGENDA MEMORANDUM Item No. 8b

ACTION ITEM Date of Meeting June 28, 2022

DATE: June 2, 2022

TO: Steve Metruck, Executive Director

FROM: Lisa Lam, Assistant Director, Accounting & Financial Reporting

SUBJECT: Claims and Obligations – May 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 May 1 through 31, 2022 as follows:

Payment Type	Payment Reference	Payment Reference	Amount
Start Number	End Number		
Accounts Payable Checks	943731 944099	\$ 4,733,790.80	
Accounts Payable ACH	044739 045502	\$ 47,222,341.72	
Accounts Payable Wire Transfers	015834 015851	\$ 9,421,215.21	
Payroll Checks	201575 201978	\$ 156,494.07	
Payroll ACH	1079088 1083240	\$ 12,043,012.70	
Total Payments		\$ 73,576,854.50	

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.

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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 2022, over \$61,377,347.73 in payments were made to nearly 610 vendors, comprised of 1,838 invoices and over 7,867 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, Janitorial Services, Sales Tax, Utility Expenses, Software, Environmental Remediation and Maintenance Inventory. Payroll expense for the month of May was \$12,199,506.77.

Top 15 Payment Category Summary:

Category	Payment Amount
Construction	28,504,396.87
Employee Benefits	10,193,552.45
Payroll Taxes	5,155,837.41
Contracted Services	4,097,402.66
Janitorial Services	3,286,523.05
Sales Taxes	1,416,056.61
Utility Expenses	1,405,801.01
Software	1,353,856.94
Environmental Remediation	966,388.60
Maintenance Inventory	711,572.28
Public Expense	697,593.48

Parking Taxes 485,078.80  
Legal 413,028.15  
Computers & Telephone 303,076.72  
Equipment Rental 251,362.45  
Other Categories Total : 2,135,820.25  
Net Payroll 12,199,506.77  
Total Payments : \$73,576,854.50

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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.

At a meeting of the Port Commission held on June 28, 2022, 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:

Port Commission