



**COMMISSION
AGENDA MEMORANDUM**

Item No. 6b

ACTION ITEM

Date of Meeting April 10, 2018

DATE: April 2, 2018
TO: Steve Metruck, Executive Director
FROM: Duane Hill, AFR Senior Manager Disbursements
SUBJECT: Claims and Obligations March 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 March 1 through March 31, 2018 as follows:

Payment Type	Payment Reference Start Number	Payment Reference End Number	Amount
Accounts Payable Checks	922684	923277	\$ 7,361,528.04
Accounts Payable ACH	006483	007208	\$ 68,655,673.75
Accounts Payable Wire Transfers	014849	014867	\$ 7,113,965.99
Payroll Checks	188999	189232	\$ 321,816.44
Payroll ACH	848319	852344	\$ 9,860,441.87
Total Payments			\$ 93,313,426.09

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.

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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 March, \$83 million in accounts payable payments were made to 751 vendors/contractors, comprised of 2,506 vouchers and 9,069 accounting expense transactions. About 86 percent of the accounts payable payments made in the month fall into the Construction, Employee Benefits, Contracted Services, Janitorial Services, Payroll Taxes and NWSA Construction Costs categories. The following chart summarizes the top 15 expense categories by total spend.

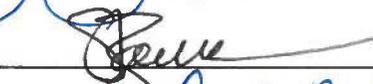
Category	Payment Amount
Construction	44,816,103.35
Employee Benefits	7,701,958.51
Contracted Services	7,434,527.28
Janitorial Services	4,687,572.50
Payroll Taxes	3,765,990.11
NWSA Construction Costs	3,012,104.90
Utility Expenses	2,143,827.27
Public Expense	1,453,372.09
Software	1,124,149.37
Sales Taxes	932,874.50
Maintanance Inventory	907,372.01
Environmental Remediation	671,613.35
Miscellaneous Expense	662,149.71
Parking Taxes	475,130.67
Computers & Telephone	352,361.00
Other Categories	2,990,061.16
Port Net Payroll	10,182,258.31
Total Payments	93,313,426.09

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

Meeting Date: April 10, 2018

At a meeting of the Port Commission held on April 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:

	FRED FELLEMAN
	STEPHANIE BOWMAN
	COURTNEY GREGOIRE
	FRED FELLEMAN
	PETER STEINBRUECK
Port Commission	