



**COMMISSION
AGENDA MEMORANDUM**

Item No. 6b

ACTION ITEM

Date of Meeting December 10, 2019

DATE: December 3, 2019
TO: Steve Metruck, Executive Director
FROM: Duane Hill, AFR Senior Manager Disbursements
SUBJECT: Claims and Obligations - November 2019

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 November 1 through November 30, 2019 as follows:

Payment Type	Payment Reference Start Number	Reference End Number	Amount
Accounts Payable Checks	932772	933135	\$ 4,609,200.02
Accounts Payable ACH	021763	022455	\$ 69,398,379.66
Accounts Payable Wire Transfers	015247	015261	\$ 11,407,480.34
Payroll Checks	194731	195108	\$ 457,433.24
Payroll ACH	938492	944904	\$ 17,638,254.57
Total Payments			\$ 103,510,747.83

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: December 10, 2019

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.



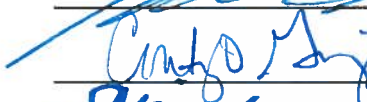
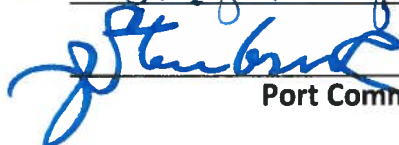
For the month of November 2019, over \$85,415,060.02 in payments were made to nearly 720 vendors, comprised of 2,197 invoices and over 14,965 accounting transactions. About 95 percent of the accounts payable payments made in the month fall into the Construction, Employee Benefits, Contracted Services, Public Expense, Payroll taxes, Environmental Remediation, Utility, Janitorial and Sales Taxes expense categories. Net payroll expense for the month of November was \$18,095,687.81. The following chart summarizes the top expense categories by total spend.

Top 15 Payment Categories Summary	
Category	Payment Amount
Construction	54,792,421.42
Employee Benefits	5,887,247.43
Contracted Services	5,372,901.35
Public Expense	4,246,264.22
Payroll Taxes	4,179,560.64
Environmental Remediation	1,773,763.16
Utility Expenses	1,504,708.76
Janitorial Services	1,443,392.00
Sales Taxes	1,304,787.71
Maintenance Inventory	698,177.86
Parking Taxes	563,350.40
Insurance	508,475.45
Employee Travel Expenses	350,450.45
Miscellaneous Expense	315,162.17
Room/Space/Land Rental	313,160.33
Other Categories Total :	2,161,236.67
Net Payroll	\$ 18,095,687.81
Total Payments :	\$ 103,510,747.83

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

At a meeting of the Port Commission held on December 10, 2019 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:

 **STEPHANIE BOWMAN**
 **FRED FELTMAN**
 **RYAN CALKINS**
 **COURTNEY GREGOIRE**
 **PETER STEINBRUECK**
Port Commission