

PORT OF KINGSTON
ACCOUNTANT'S COMPILATION REPORT
AND FINANCIAL STATEMENTS
JANUARY 31, 2018

PORT OF KINGSTON

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January 24, 2018

To the Board of Commissioners
Port of Kingston
Kingston, WA

Management is responsible for the accompanying financial statements of the Port of Kingston, which comprise the statement of assets, liabilities, and equity – cash basis as of January 31, 2018, and the related statement of revenues and expenses-cash basis for the months ended January 31, 2018 and 2017, and for determining that the cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The supplementary information contained in Schedules I, II, III and the budgeted amounts on pages 3 and 5 are presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation; however we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such supplementary information.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Port's assets, liabilities, equity, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

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PORT OF KINGSTON
STATEMENT OF ASSETS, LIABILITIES AND EQUITY - CASH BASIS
January 31, 2018
(See Accountant's Compilation Report)

ASSETS

Cash And Cash Equivalents		
Cash On Hand	\$	475.00
Cash - Operating Accounts		45,609.36
Cash - Marina Construction Account		0.00
Investments		
Marina Replacement/Remediation Reserve Fund		2,083,854.34
General Fund Investments		96,799.20
		96,799.20
TOTAL ASSETS	\$	2,226,737.90
		2,226,737.90

LIABILITIES AND EQUITY

Accrued Expenses		
Pension Payable	\$	3,241.60
Leasehold Taxes Payable		9,173.67
Sales/B&O Taxes Payable		1,896.23
PF Sales Proceeds Due FTA		232,500.00
FICA & Withholding Payable		3,987.61
		3,987.61
		250,799.11
Long-term Liabilities		
G.O. Bonds Payable		1,000,000.00
		1,000,000.00
Total Liabilities		1,250,799.11
EQUITY		
Contributed Capital & Unreserved Retained Earnings		1,119,128.23
Current Period Net Loss		(143,189.44)
		(143,189.44)
Total Equity		975,938.79
TOTAL LIABILITIES AND EQUITY	\$	2,226,737.90
		2,226,737.90

PORT OF KINGSTON
Statement of Revenues and Expenses - Cash Basis
For the One Month Ended January 31, 2018
(See Accountant's Compilation Report)

	ACTUAL	PERIOD TO DATE BUDGET	BUDGET VARIANCE
OPERATING REVENUES			
Marina User Charges	\$ 66,738.30	\$ 68,826.00	\$ (2,087.70)
Property Rentals - Facilities (Net)	41,758.64	40,976.00	782.64
Miscellaneous Income	112.50	478.00	(365.50)
Retail Sales (Net)	45.87	100.00	(54.13)
Fuel Sales (Net)	10,549.81	889.00	9,660.81
	<u>119,205.12</u>	<u>111,269.00</u>	<u>7,936.12</u>
OPERATING EXPENSES			
Accounting	1,810.00	1,300.00	510.00
Advertising & Promotion	399.98	2,500.00	(2,100.02)
Audit	4,014.75	0.00	4,014.75
Commissioners Compensation	1,026.00	1,825.00	(799.00)
Commissioners Travel/Training & Education	0.00	675.00	(675.00)
Computer Supplies/Expense	434.41	2,000.00	(1,565.59)
Consulting Fees	500.00	0.00	500.00
Dues & Subscriptions	3,332.10	3,850.00	(517.90)
Electricity	6,967.32	6,900.00	67.32
Employee Medical	24,140.17	14,760.00	9,380.17
Environmental Inspections	0.00	0.00	-
Equipment Rental	0.00	1,100.00	(1,100.00)
Excise Tax Expense	436.93	490.00	(53.07)
Insurance	0.00	0.00	-
Landscaping	690.23	500.00	190.23
Legal	13,162.45	7,080.00	6,082.45
Miscellaneous	840.61	900.00	(59.39)
Office Credit Card Fees	1,532.87	1,385.00	147.87
Office Supplies	2,481.83	900.00	1,581.83
Operating Supplies	1,563.77	1,590.00	(26.23)
(Over)/Short	(3.01)	0.00	(3.01)
Parking Expense	773.19	750.00	23.19
Payroll Taxes	9,521.90	6,520.00	3,001.90
Pension Expense	4,833.11	5,263.00	(429.89)
Purchase of Capital Assets	127,025.69	127,025.69 *	0.00
Repairs & Maintenance	5,164.48	5,000.00	164.48
Salaries & Wages	48,981.66	45,409.00	3,572.66
SoundRunner Ferry Expense	0.00	0.00	-
Storage Rent	107.00	107.00	0.00
Telephone	717.34	700.00	17.34
Temp Agency Labor	0.00	0.00	-
Training & Education	0.00	835.00	(835.00)
Travel	109.73	500.00	(390.27)
Water, Sewer & Garbage	3,021.09	4,300.00	(1,278.91)
	<u>263,585.60</u>	<u>244,164.69</u>	<u>19,420.91</u>
Total Operating Expenses			
Loss From Operations	<u>(144,380.48)</u>	<u>(132,895.69)</u>	<u>(11,484.79)</u>
NONOPERATING REVENUES	<u>1,191.04</u>	<u>4,331.00</u>	<u>(3,139.96)</u>
NET LOSS	<u>\$ (143,189.44)</u>	<u>\$ (128,564.69)</u>	<u>\$ (14,624.75)</u>

*Budget represents actual capital expenditures year to date.

PORT OF KINGSTON
Statement of Revenues and Expenses - Cash Basis
For the Month of January 31, 2018 and 2017
(See Accountant's Compilation Report)

	<u>2018</u>	<u>2017</u>	<u>Change</u>
OPERATING REVENUES			
Marina User Charges	\$ 66,738.30	\$ 63,102.97	\$ 3,635.33
Property Rentals - Facilities (Net)	41,758.64	36,029.27	5,729.37
Miscellaneous Income	112.50	231.80	(119.30)
Retail Sales (Net)	45.87	37.94	7.93
Fuel Sales (Net)	10,549.81	(1,689.39)	12,239.20
	<hr/>	<hr/>	<hr/>
Total Operating Revenues	119,205.12	97,712.59	21,492.53
OPERATING EXPENSES			
Accounting	1,810.00	1,300.00	510.00
Advertising & Promotion	399.98	1,264.14	(864.16)
Audit	4,014.75	0.00	4,014.75
Commissioners Compensation	1,026.00	570.00	456.00
Computer Supplies/Expense	434.41	867.22	(432.81)
Consulting Fees	500.00	0.00	500.00
Dues & Subscriptions	3,332.10	3,707.76	(375.66)
Electricity	6,967.32	6,776.90	190.42
Employee Medical	24,140.17	15,744.56	8,395.61
Equipment Rental	0.00	1,103.67	(1,103.67)
Excise Tax Expense	436.93	474.90	(37.97)
Landscaping	690.23	1,640.50	(950.27)
Legal	13,162.45	17,905.25	(4,742.80)
Miscellaneous	840.61	819.18	21.43
Office Credit Card Fees	1,532.87	1,384.13	148.74
Office Supplies	2,481.83	882.59	1,599.24
Operating Supplies	1,563.77	2,864.47	(1,300.70)
(Over)/Short	(3.01)	(0.02)	(2.99)
Parking Expense	773.19	738.15	35.04
Payroll Taxes	9,521.90	8,355.12	1,166.78
Pension Expense	4,833.11	4,467.52	365.59
Purchase of Capital Assets	127,025.69	10,738.04	116,287.65
Repairs & Maintenance	5,164.48	2,744.88	2,419.60
Salaries & Wages	48,981.66	45,859.09	3,122.57
Storage Rent	107.00	100.00	7.00
Telephone	717.34	810.70	(93.36)
Temp Agency Labor	0.00	350.00	(350.00)
Training & Education	0.00	134.25	(134.25)
Travel	109.73	129.85	(20.12)
Water, Sewer & Garbage	3,021.09	4,253.58	(1,232.49)
	<hr/>	<hr/>	<hr/>
Total Operating Expenses	263,585.60	135,986.43	127,599.17
Loss From Operations	<u>(144,380.48)</u>	<u>(38,273.84)</u>	<u>(106,106.64)</u>
NONOPERATING REVENUES	<u>1,191.04</u>	<u>3,713.28</u>	<u>(2,522.24)</u>
NET LOSS	<u>\$ (143,189.44)</u>	<u>\$ (34,560.56)</u>	<u>\$ (108,628.88)</u>

SUPPLEMENTARY INFORMATION
(See Accountant's Compilation Report)

PORT OF KINGSTON
SCHEDULE I - REVENUES
For the One Month Ended January 31, 2018
(See Accountant's Compilation Report)

	ACTUAL	PERIOD TO DATE BUDGET *	BUDGET VARIANCE
MARINA USER CHARGES			
Moorage - Base Rate	\$ 57,820.90	\$ 58,411.00	\$ (590.10)
Kayak	646.75	450.00	196.75
Moorage - Transient	2,494.94	7,000.00	(4,505.06)
Winter Moorage	4,075.52	1,420.00	2,655.52
Electricity - Permanent	848.19	420.00	428.19
Laundry Income	282.00	175.00	107.00
Reservation Fees	560.00	900.00	(340.00)
Deposits - Forfeited	10.00	50.00	(40.00)
Total Marina User charges	<u>\$ 66,738.30</u>	<u>\$ 68,826.00</u>	<u>\$ (2,087.70)</u>
PROPERTY RENTALS - FACILITIES			
Parking	\$ 19,820.49	\$ 19,384.00	\$ 436.49
Parking Tickets	137.62	500.00	(362.38)
Diamond Parking	885.46	963.00	(77.54)
Yacht Club	1,273.16	1,270.00	3.16
Aviator Coffees & Teas, LLC Land Rent	349.81	304.00	45.81
Farmers Market	57.14	0.00	57.14
Reader Board	675.00	0.00	675.00
Hill House Rental	1,754.36	1,750.00	4.36
Department of Transportation Lease	<u>16,805.60</u>	<u>16,805.00</u>	<u>0.60</u>
Total Property Rentals - Facilities (Net)	<u>\$ 41,758.64</u>	<u>\$ 40,976.00</u>	<u>\$ 782.64</u>
RETAIL SALES			
Retail Sales	\$ 45.87	\$ 100.00	\$ (54.13)
Cost of Retail Sales	<u>0.00</u>	<u>0.00</u>	<u>-</u>
Total Retail Sales (Net)	<u>\$ 45.87</u>	<u>\$ 100.00</u>	<u>\$ (54.13)</u>
FUEL SALES			
Gasoline & Diesel Sales	\$ 10,744.78	\$ 6,400.00	\$ 4,344.78
Cost of Fuel	<u>(194.97)</u>	<u>(5,511.00)</u>	<u>5,316.03</u>
Total Gasoline & Diesel Sales (Net)	<u>\$ 10,549.81</u>	<u>\$ 889.00</u>	<u>\$ 9,660.81</u>
NONOPERATING REVENUES (EXPENSES)			
Interest Income	\$ 2,480.50	\$ 1,700.00	\$ 780.50
Interest Expense	0.00	0.00	0.00
Pumpout Park Grant	241.45	0.00	241.45
Property Tax Receipts	673.10	700.00	(26.90)
Service Charge Revenue	1,398.79	1,931.00	(532.21)
Election Expense	(2,850.63)	0.00	(2,850.63)
Tenant Deposits/Adv Pmts On AR/Disposed Assets	<u>(752.17)</u>	<u>0.00</u>	<u>(752.17)</u>
Total Nonoperating Revenues (Expenses)	<u>\$ 1,191.04</u>	<u>\$ 4,331.00</u>	<u>\$ (3,139.96)</u>

PORT OF KINGSTON
SCHEDULE II - REVENUES
For the Month of January 31, 2018 and 2017
(See Accountant's Compilation Report)

	<u>2018</u>	<u>2017</u>	<u>Change</u>
MARINA USER CHARGES			
Moorage - Permanent	\$ 57,820.90	\$ 56,697.78	\$ 1,123.12
Kayak	646.75	672.89	(26.14)
Moorage - Transient	2,494.94	2,886.50	(391.56)
Winter Moorage	4,075.52	1,255.08	2,820.44
Electricity - Permanent	848.19	905.72	(57.53)
Laundry Income	282.00	115.00	167.00
Reservation Fees	560.00	550.00	10.00
Deposits - Forfeited	10.00	20.00	(10.00)
Total Marina User charges	<u>\$ 66,738.30</u>	<u>\$ 63,102.97</u>	<u>\$ 3,635.33</u>
PROPERTY RENTALS - FACILITIES			
Parking	\$ 19,820.49	\$ 17,528.16	\$ 2,292.33
Parking Tickets	137.62	345.60	(207.98)
Parking Diamond	885.46	1,261.40	(375.94)
Yacht Club	1,273.16	0.00	1,273.16
Aviator Coffees & Teas, LLC Land Rent	349.81	304.18	45.63
Farmer's Market	57.14	0.00	57.14
Reader Board	675.00	0.00	675.00
Hill House Rental	1,754.36	0.00	1,754.36
Department of Transportation Lease	16,805.60	16,589.93	215.67
Total Property Rentals - Facilities (Net)	<u>\$ 41,758.64</u>	<u>\$ 36,029.27</u>	<u>\$ 5,729.37</u>
RETAIL SALES			
Retail Sales	\$ 45.87	\$ 37.94	\$ 7.93
Cost of Retail Sales	0.00	0.00	0.00
Total Retail Sales (Net)	<u>\$ 45.87</u>	<u>\$ 37.94</u>	<u>\$ 7.93</u>
FUEL SALES			
Gasoline & Diesel Sales	\$ 10,744.78	\$ 7,663.50	\$ 3,081.28
Cost of Fuel	(194.97)	(9,352.89)	9,157.92
Total Gasoline & Diesel Sales (Net)	<u>\$ 10,549.81</u>	<u>\$ (1,689.39)</u>	<u>\$ 12,239.20</u>
NONOPERATING REVENUES (EXPENSES)			
Interest Income	\$ 2,480.50	\$ 1,668.64	\$ 811.86
Interest Expense	0.00	0.00	0.00
Pumpout Park Grant	241.45	0.00	241.45
Property Tax Receipts	673.10	614.44	58.66
Service Charge Revenue	1,398.79	981.52	417.27
Election Expense	(2,850.63)	0.00	(2,850.63)
Tenant Deposits/Adv Pmts On AR/Disposed Assets	(752.17)	448.78	(1,200.95)
Total Nonoperating Revenues (Expenses)	<u>\$ 1,191.04</u>	<u>\$ 3,713.38</u>	<u>\$ (2,522.34)</u>

PORT OF KINGSTON
SCHEDULE III - Cash And Investments Roll Forward
Month of January 2018
(See Accountant's Compilation Report)

Beginning Cash And Investments 12/31/17	\$ 2,154,737.10
Less: Liabilities 12/31/17	(1,035,608.87)
Plus: Liabilities 1/31/18	1,250,799.11
Plus: Net Loss for January	(143,189.44)
Ending Cash And Investments 1/31/18	<u>\$ 2,226,737.90</u>