

Liz Hoenig

Mon, Oct 22, 9:35
PM

to Bill, Steve, Pete, Jim, Greg, Charley, abigail

Dear Commissioners,

This evening, we spent several hours reviewing the 3rd draft of the 2019 budget in preparation for the Wednesday public hearing. We received this document today attached to an email from the Port of Port Townsend. We're really glad you've cut expenses, it's a great start, but you're missing an opportunity for accuracy and transparency with the current document. We have some serious concerns about the format of the budget and the public review process.

1. Operating budget: This budget shows non-operating income but omits non-operating expenses for capital projects on your budget summary.
2. Capital budget: What is presented is a wish list of projects, some with dollars, some with ranges and some with no dollars attached. It does not include any projects explicitly related to stormwater permit compliance at Boat Haven. There is no summary budget document with costs shown to add up the proposed capital expenditures as per the requirements under RCW 53.20.010. The Washington Supreme Court has interpreted the statute and held that the legislative purpose of RCW 53.20.010 is to inform the taxpayers of the manner and purposes for which their money will be spent.
3. There is no way for the public or Commissioners to see how the final budget was created for either expenses or revenue. Detailed Excel budget worksheets we received from staff do not roll up into totals shown on the budget documents. An example of this problem is that the revenue projections for permanent moorage (one of the largest categories of revenue) show a 7.5% increase in revenues when CPI increase equals 3.3% and has a mysterious \$46,000 of additional revenue above the CPI increase, assuming all slips are filled because of a waiting list.
4. Another example of the lack of budget detail regarding expenses is the draft Repair and Maintenance Plan, discussed in the October 11 meeting minutes. Does this relate to the over \$700,000 line item called Facilities and Operations in the budget summary? There needs to be a detailed expense description of how this money is proposed to be spent in 2019, and the draft list discussed at the October 11 meeting needs to be made available to the public.

We ask that you delay the adoption of this budget, so these items can be addressed. We look forward to working with you and your staff on this.