

**PORT OF POULSBO  
MEETING AGENDA OF  
October 21, 2010**

**1. OPEN MEETING**

**2. OPEN MEETING TO PUBLIC COMMENTS (LIMIT 3 MINUTES)**

**3. COMMISSIONER COMMENTS**

**4. CONSENT AGENDA ITEMS**

(Next Res. 2010-06)

All matters listed within the Consent Agenda have been distributed to each member of the commission for reading and study, are considered to be routine and will be enacted by one motion of the commission with no separate discussion. If separate discussion is desired, that item may be removed from the Consent Agenda and placed on the Regular Agenda by a Commission member or by citizen request.

- A. Approve meeting minutes of October 7, 2010
- B. Approve workshop meeting minutes of October 19, 2010
- C. Warrants; #10480-10493, P10216-P10223, ACH 10/15/10, in the amount of \$68,405.48

**5. OLD BUSINESS ITEMS**

- A. Armory Discussion – Port Manager

**6. NEW BUSINESS ITEMS**

- A. Items for public comments/motions/discussions
- B. Jonathan Thomas, The Schooner Lavengro - Presentation
- C. Managers / Maintenance Report – Port Manager
- D. Board Action Request – Port Manager
- E. Executive Session

**7. OPEN TO PUBLIC COMMENTS: (LIMIT 3 MINUTES EACH)**

**8. COMMISSIONER COMMENTS**

**9. ADJOURN MEETING**

**PORT OF POULSBO**  
**MEETING MINUTES OF**  
**October 21, 2010**  
**7:00PM**

**Present: Commissioner Bockus, Commissioner Gilbert, Commissioner DeCarlo, Port Accountant Carol Tripp, Recording Secretary Kori Henry, and members of the general public.**

**1. Commissioner Chairman Bockus opened the meeting at 7:00pm**

**2. PUBLIC COMMENTS:**

Becky Erickson: I want to talk to the Board about the demolition of the Armory. The contractor has come in and has started applying for the permits to demolish the building. The shoreline master plans are moving along and the comment period is ending soon. The master plan will eliminate new air service in Liberty Bay and we need input from the Port. We are getting input from the State which mandates it but could cause the Port some problems.

Dale Rudolph: Get the colored version of the plan because it is easier to review.

Becky Erickson: I encourage you to take a close look at the plan. The Lions Club is trying to find a place for the pancake breakfast now that the Armory is being demolished.

Commissioner Bockus: I spoke with the Lions Club because they have some items that are being stored in the Armory. We will demolish the Armory and turn it into a paved parking lot. We told the Lions Club they could hold the pancake breakfast in the parking lot or try to find another venue.

Dale Rudolph: The City has looked at turning the museum lot into a parking lot but a new parking lot will have to be an actual parking lot that is paved and has a storm water collection system.

Becky Erickson: I was concerned and wanted to know what your plans are.

Commissioner Bockus: I have looked at the master plan as well as the other two Commissioners.

Becky Erickson: I will get you three copies of the colored shoreline plan. We are concerned about the limitation of no new air traffic in the Liberty Bay.

Dale Rudolph: We don't want you to get caught up in this new legislation. We need to get the plan right.

Commissioner DeCarlo: By creating this new parking lot if we expand the Port then we can use this parking to meet the expansion requirements.

Commissioner Bockus: This will be paved paid parking.

Commissioner DeCarlo: It can be used by the public and by Port tenants.

Becky Erickson: It will be interesting to see how this works and how marketable it is. We are working on the lease agreement with the Bainbridge municipal court system.

**3. COMMISSIONER COMMENTS:**

Commissioner DeCarlo: Glenn and I attended the All Ports meeting. The County shoreline master program committee was there and they discussed the various Port Districts. They had a larger map of Kitsap County that showed all the districts. We have a copy of the minutes that can be added to the consent agenda.

Commissioner Bockus: We are currently being audited. We will have an executive session this evening to discuss personnel issues and it is expected to last approx. 15 minutes.

Commissioner Gilbert: None

**4. CONSENT AGENDA**

- A. The Board of Commissioners unanimously approved the regular meeting minutes of October 7, 2010 with a change to page 3 second paragraph from "lost" to "lot".
- B. The Board of Commissioners unanimously approved the All Ports meeting minutes of July 19, 2010 as written.
- C. Warrants 10480-10493, P10216-P10223, ACH 10/15/10 in the amount of \$68,405.48 was unanimously approved by the Board.

**5. OLD BUSINESS ITEMS**

**A. Armory – Port Manager**

The contractor is working on the permit process for the demolition.

**6. NEW BUSINESS ITEMS**

**A. Items for public comments/motions/discussions**

None.

**B. Jonathan Thomas, The Schooner Lavengro- Presentation**

Thank you for allowing me to address the Board this evening. The Schooner was built in 1926 in Louisiana. It served in WWII and was used by the Coast Guard as a patrol boat, as well as a tour boat in Tahiti. I took over the vessel in 2006 and have been going yearly to the Brownsville Tall Ship Festival. We do a dockside school education program that teaches the students how to set sails, view underwater cameras, and to see what is below the hull. We offered 150 3<sup>rd</sup> to 5<sup>th</sup> graders a chance to take this course free of charge. We have a 14 year old volunteer from Fairview and he has truly blossomed as a sailor. We will get our certification of inspection by the end of November and will hold twenty two passengers as well as three crew members. We are a 501C3 non-profit organization. We were granted operation funds through the Birkenfield Foundation. We had to complete a stability test to complete the inspection. We are one of the first sailboats that had to do one of these types of inspections. The next process is the fire inspection by the Coast Guard. I am here tonight because we would like to come to Viking Fest. We attended five festivals this year. We would like to moor in slip F-1 because we only draft 5 feet. It is a perfect spot for us to come in and then take people out sailing.

Commissioner Bockus: I spoke with Kirk and during Viking Fest the float plane dock is closed due to boat traffic so we thought that would be an ideal location for you to moor.

That would be perfect for us. The second reason I am here is that we are 501C3 not for profit organization and we are applying for historical recognition. I am asking if on your next monthly moorage bill whether you could add a check off box that would allow tenants to donate to the Kitsap County Tall Ship Foundation. We are also applying for Kitsap County lodging tax funds but I need a letter of support from the Port of Poulsbo. The funds will help pay for a half page ad for advertising the ship. We will go to the County Commissioners and as for the funds as a tourist attraction. It would cost the Port a letter of collaboration that will help us score higher on the grant application.

Commissioner Bockus: I think this is a great program.

Commissioner Gilbert: How does this affect the other entities within the City that are also applying for these grant funds?

Becky Erickson: Each City has a pot of money from lodging tax as well as Kitsap County but the County has a much bigger pot. The lodging tax monies have a portion that is divided up to be used for grant funds that can be applied for.

Commissioner DeCarlo: If he applied to all of the cities and the counties could you get several various amounts of funds?

Yes, I will be applying to all of the cities and counties for use of the lodging tax funds because we are a tourist attraction and we have cannon welcoming.

Carol Tripp: The Port of Brownsville is going through their attorney to find out if the donation information on the monthly billing is legal. When you find out if it is legal can you share the information with us?

Yes, I would be glad to.

Becky Erickson: He could join the coalition on the joint advertising board for the Port of Poulosbo.

I will join the Poulosbo coalition. I only need a letter of support from the Port of Poulosbo for this grant application.

Commissioner Bockus: We support this effort and we will check with Brownsville on the donation part of the request.

I will be discussing a joint venture with the Marine Science Center. We provide our education program at no cost to the School Districts. We are involved with the Washington Youth Academy. It seeks out 16 to 20 year olds that have been kicked out of school and they have to agree to join the program and complete mandatory community service hours. We provided a majority of these hours through the program.

Commissioner Bockus: Thank you for the presentation.

**C. Managers/Maintenance Report – Port Manager**

We received our grant paperwork from the State Parks and we were approved for the two portable pump outs so we ordered them. The pump outs grant totaled \$14,450.00 and the cost for both of the pump outs is \$19,500.00 including shipping.

**D. Board Action Request – Port Manager**

None

**E. Executive Session**

There will be an executive session this evening to discuss personnel issues and is expected to last approx. 15 minutes.

## 7. PUBLIC COMMENTS

None

## 8. COMMISSIONER COMMENTS

Commissioner Gilbert: I ran into Herb Kia and he is glad that we are tearing down the Armory, but the Lions Club is not happy that we are tearing it down.

Commissioner Bockus: We have been working with them for a year now and the Armory is still setting empty.

Commissioner Gilbert: The retreat meeting was not taped but minutes will be typed. There were not decisions made we strictly discussed the updating of the six year comp plan. The secretary was not in attendance and the tape recorder malfunctioned. The workshop started at 10:00 am and ended at 12:30 pm.

Carol Tripp: I gathered the Economic Impact of boaters visiting the Port of Poulsbo Marina in 2009. Number of boat nights- 6311, Average travel party- 2.7, Expenditure per travel party per day-\$280, average daily guest moorage fees-\$35.38, average daily fuel purchase- \$69.17, total daily expenditure per boat night-\$384.55, 2009 direct economic impact to Poulsbo- \$2,426,895.05. The information was based off of the Washington Economic Development statistics from 2009 study conducted by Dean Runyan Associates, January 2010 page 13.

There will be an executive session this evening to discuss personnel issues and it is expected to last approx. 15 minutes.

Close public session and open executive session at 8:25pm

Close executive session and open public session at 8:40pm

**The Board of Commissioners has decided to allow Kirk Stickels 7 days of advanced leave hours for a total of 56 hours from next year's allotment**

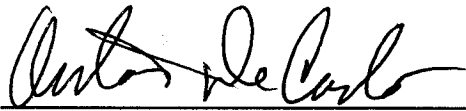
**The Board of Commissioners has decided to allow Carol Tripp to carry over an additional two weeks of leave hours beyond the allowable two weeks leave at the end of the year due to the past six months being so busy that the use of leave was not allowable. This is an allowable on a one time basis only.**

9. ADJOURN MEETING AT 8:45pm



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**Commissioner Bockus**



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**Commissioner DeCarlo**

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**Commissioner Gilbert**

**PORT OF KINGSTON  
SPECIAL MEETING MINUTES OF  
OCTOBER 28, 2010  
10:00AM**

**Present: Commissioner Bockus, Commissioner Gilbert, Commissioner DeCarlo, Port Accountant Carol Tripp, Port Attorney Greg Norbut, Mark Goldberg Chairman of M. S. Cavoat Co. Inc. , and members of the general public.**

**1. Discussion of Property Acquisition/Development**

Mark Goldberg: I have been in the real estate business for 38 years in Seattle and in Kitsap County real estate since 1979. The last 20 years we have been specializing in landmark waterfront properties. One of our projects was completed in Bremerton and includes the tunnel and towers along the waterfront. We also completed the epicenter in Fremont and other areas around Seattle. Craig Steilicht and I met recently and we discussed your possible property acquisition and the challenges with this particular piece of property. Anything within 200' of the high water mark is considered waterfront property. This piece of property is a special location and will be an opportunity to re-develop downtown Poulsbo. What is the Port's vision for this property?

Commissioner DeCarlo: We are interested in a hotel/motel with underground parking. There are height restrictions and the property is only .5 acres. We will own the property but would like to lease it to a developer. We have to complete the acquisition of the property first.

Commissioner Bockus: We have a contingency on the purchase of the property to complete an environmental review of the property and to acquire finance. We need to make sure this project is viable. We currently have two motels in Poulsbo, the Poulsbo Inn and the Holiday Express but they are located over one mile away and are only accessible by car from the waterfront.

Commissioner Gilbert: There is a 35' height restriction for the building. It is a small property for a hotel but it is the cornerstone to the downtown area. We also own a small parking area that also has some sidewalks. We are open to other propositions besides a hotel/motel.

Mark Goldberg: I have been in this situation in the past. It will take buy in from several partners to get this developed. It will be up to the City as well. This could be developed similar to Leavenworth or Whistler. We can create a master plan for this type of community. There will be a transformation. There are experts that we can bring in that will assist in this type of planning. Main Street can become a walk about community with underground parking. This cornerstone needs to become the town center or the hub of activity. The feasibility study is pretty simple and you will also need a cost analysis. I recommend that you complete a feasibility study. They do the study based on the traffic in town and what they anticipate it to be in the future. You need to get an expert from the feasibility study field. Due diligence on motels/hotels as well as urban planning and architectural studies are needed. Then a feasibility study can be created and will tell you how much it will cost to build it and how much it will cost to maintain it. How long is your feasibility timeframe for completion on the purchase agreement?

Carol Tripp: We have until December 31 to complete the study.

Commissioner Gilbert: The City is a tourist town. The residents are mainly old timers, and navy personnel. The parking is a stepping stone for the City. We are currently putting in a parking lot in place of the Armory Building to address the parking.

Mark Goldberg: Parking is part of the feasibility study and definitely needs to be looked at.

Commissioner Bockus: The City just built a new City Hall and they are talking about demolishing the old City Hall and putting in a parking garage that will hold approx. 135 vehicles per level.

Commissioner DeCarlo: I have been attending the parking committee meetings and they are actually now talking about placing the parking garage on the King Olav lot.

Mark Goldberg: We have a way to cut the cost of a parking garage be about one half to build it. We build one over by the Evergreen Park in Bremerton. It is called Speed Floor it goes up fast and efficiently. I can get you the costs and information but it is typically at least 30% cheaper than a normal parking garage to build. We have been successful in bringing people together such as yourselves and the City.

Commissioner Bockus: Is there a good possibility that this property would be a good site for a hotel/motel? Is there a developer that would be interested in taking this type of property and leasing it from the Port and running with it?

Mark Goldberg: In this economy leasing is probably not going to make the project financeable. We are a development company so we could develop the property for you. Part of the feasibility study is how to finance the project. The banks will do their own research on the feasibility study and the project before they will fund it as well. I think a land lease will make it more difficult.

Commissioner DeCarlo: We will have to bond the purchase of the property or finance it through a loan.

Mark Goldberg: It is an all cash deal because there will no lien on the property. You will have to make a decision on how comfortable you are in the feasibility study as to whether you want to proceed or not.

Commissioner DeCarlo: We have almost 400 moorage spaces available for boaters.

Commissioner Gilbert: We also have acquired another 15 acres of water space that we could expand our marina with.

Commissioner Bockus: There is also a shoreline master plan that is being revised by the City and County that could affect this project.

Mark Goldberg: I have a survey map of the area and there are always solutions and trade-offs to get through the permit process. If we can get fisheries in our favor that it will make it a lot easier.

Commissioner DeCarlo: We need to have a third party ask the City about the possibility of a uses within the zoning code.

Greg Norbut: Is your company more interested in the acquisition of the property versus the lease or in the development of the property?

Mark Goldberg: No, we aren't interested in a ground lease. I am here as a developer and would be interested in developing the property for the Port. We have not discussed the possibility of acquisition. I would think the Port would want to retain ownership. You would want to own and maintain this property. Our job is to implement the Port's vision. We would bring in specialists that do these projects worldwide. Do you have a budget for due diligence?

Carol Tripp: I need direction from the Board.

Mark Goldberg: You will need to decide what information you need the most to make your decision such as is there a need for a hotel/motel and you 60 days to compile the basic information.

Commissioner DeCarlo: We will need to find a developer for the property and financing.

Mark Goldberg: If we do this type of destination then it needs to be big.

Commissioner Bockus: We need to proceed with the purchase of the property. The environmental study will be complete tomorrow. Thank you for coming today and providing us with this information.

Mark Goldberg: Tony can I get a copy of the parking committee's plans.

Commissioner DeCarlo: I can e-mail it to you.

Carol Tripp: We are meeting with Christine Rolfes and the Mayor on November 9<sup>th</sup>.

Mark Goldberg: Shul Pinkus will call you tomorrow and make a presentation to you.

## 2. **Comp Plan Discussion**

We need to revise the comp plan because we have completed most of the projects on the plan and we need to expand the vision to include the property acquisitions.

Commissioner Gilbert: I wrote the last comp plan with the assistance of the committee that consisted of tenants and local tax payers. We need a new plan in effect that includes the Armory and the development of this new property.

Commissioner DeCarlo: We can add property acquisitions then we can expand once we have the acquisitions complete.

Commissioner Gilbert: We also need to add the DNR property. It won't be complete until April because we need to hold the public meetings.

Commissioner DeCarlo: I think we need to look at our vision for this plan.

Commissioner Gilbert: I will be leaving for a month then will be back until January then gone again for another four months. I will be attending the meeting via video conference. We will have to get the plan updated for financing.

Carol Tripp: I don't think we need it right away but you will probably need it for the development financing. We need to include tax payers in the development portion of the plan because it will be funded through the tax payers. I recommend investing in it in the beginning and get a good solid plan.

Commissioner Gilbert: The acquisition of the properties will need to be included in the plan. The Commissioner compensation is running out and we have several meetings coming up regarding these properties. Some of these meetings will have to be attended voluntarily.

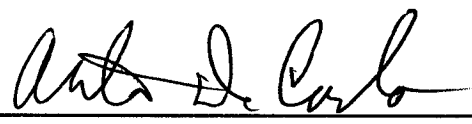
Commissioner Bockus: Our next regular meeting will be at 10:00am so we can meeting with Carrie Weaver and discuss the shoreline master plan.

**3. Adjourn the meeting at 12:00pm**

The meeting minutes are approved as written by:

  
\_\_\_\_\_  
Commissioner Bockus

\_\_\_\_\_  
Commissioner Gilbert

  
\_\_\_\_\_  
Commissioner DeCarlo

**PORT OF POULSBO  
WORKSHOP MEETING MINUTES OF  
OCTOBER 19, 2010  
10:00AM**

**Present: Commissioner Bockus, Commissioner Gilbert, Commissioner DeCarlo, Port Accountant Carol Tripp, and members of the general public.**

**1. Current Six-Year Comp Plan Discussion**


Reviewed the current comp plan projects and reviewed what has been completed and what still needs to be completed.

Need to add property acquisition and development to revised comp plan.


Will hold another meeting to discuss future projects that need to be added to the revised comp plan.

**2. Adjourn the meeting at 12:00pm**

**The meeting minutes are approved as written by:**

  
\_\_\_\_\_  
**Commissioner Bockus**

\_\_\_\_\_  
**Commissioner Gilbert**

  
\_\_\_\_\_  
**Commissioner DeCarlo**



PORT OF POULSBO

PAYMENT VOUCHER

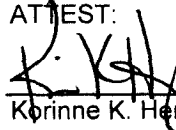
Post Office Box 732  
Poulsbo, WA 98370

Kitsap County, WA

November 5, 2010

We, the undersigned Board of Commissioners of the Port of Poulsbo, Kitsap County, Washington do hereby certify that the merchandise or services hereinafter specified have been received and that the vouchers listed below are approved for payment in the amount of \$22,630.39 and from the General Fund, this 5th day of November 2010.

  
Antonio DeCarlo, Commissioner

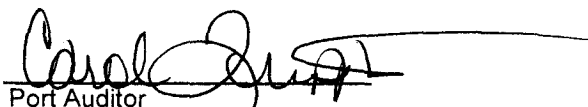
ATTEST:  
  
Korinne K. Henry, Recording Secretary

Glenn E. Gilbert, President & Commissioner

  
Arnold Bockus, Commissioner

Voucher #	Claimant	Amount
10494	Edward Jones	2,304.45
10495	City of Poulsbo	1,646.67
10496	Michael Sharp	40.00
10497	Gary Neumann	140.98
10498	Walter Pierce	234.42
10499	American Meter & Appliance Inc.	6,261.85
10500	VOID	
10501	Bainbridge Disposal	107.76
10502	Bank of America	350.79
10503	CHS, Inc/Cenex	75.00
10504	Coast to Coast Hardware	44.81
10505	DSC, Inc	249.82
10506	Ferguson Enterprises, Inc	25.79
10507	Home Depot	284.28
10508	Lab Safety Supply, Inc	28.45
10509	The Norbut Law Firm	403.00
10510	NOW Environmental	950.00
10511	Office Depot Credit Plan	151.66
10512	Staples Advantage	383.32
10513	Associated Petroleum	8,879.55
10514	AT & T	67.79
<b>TOTAL</b>		<b>\$22,630.39</b>

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, the labor performed, or the expense incurred as described herein and that the claim is a just, due and unpaid obligation against the Port of Poulsbo and that I am authorized to authenticate and certify to said claim.

  
Port Auditor

PORT OF POULSBO

PAYMENT VOUCHER

Post Office Box 732  
Poulsbo, WA 98370

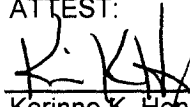
Kitsap County, WA

October 29, 2010

We, the undersigned Board of Commissioners of the Port of Poulsbo, Kitsap County, Washington do hereby certify that the merchandise or services hereinafter specified have been received and that the vouchers listed below are approved for payment in the amount of \$3,270.82 and from the General Fund, this 29th day of October 2010.

  
Antonio DeCarlo, Commissioner

ATTEST:

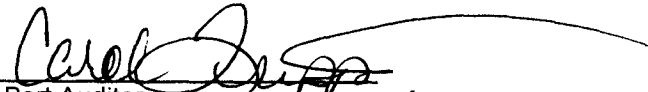
  
Korinne K. Henry, Recording Secretary

Glenn E. Gilbert, President & Commissioner

  
Arnold Bockus, Commissioner

Voucher #	Claimant	Amount
ACH 10/29/10	US Treasury/Financial Agent	\$3,270.82
	TOTAL	\$3,270.82

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, the labor performed, or the expense incurred as described herein and that the claim is a just, due and unpaid obligation against the Port of Poulsbo and that I am authorized to authenticate and certify to said claim.

  
Port Auditor

~~~ ACH ~~~

PORT OF POULSBO

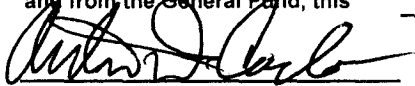
PAYMENT VOUCHER

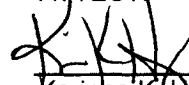
Post Office Box 732  
Poulsbo, WA 98370

Kitsap County, WA

October 29, 2010

We, the undersigned Board of Commissioners of the Port of Poulsbo, Kitsap County, Washington do hereby certify that the merchandise or services hereinafter specified have been received and that the vouchers listed below are approved for payment in the amount of \$10,736.23 and from the General Fund, this 29th day of October 2010.

  
Antonio DeCarlo, Commissioner

ATTEST:  
  
Korinne K. Henry, Recording Secretary

  
Glenn E. Gilbert, President & Commissioner

  
Arnold Bockus, Commissioner

| Voucher # | Claimant         | Amount             |
|-----------|------------------|--------------------|
| P10224    | Kirk Stickels    | \$1,494.20         |
| P10225    | Richard Stice    | 1,420.64           |
| P10226    | Brady Miller     | 1,072.07           |
| P10227    | Jannese Petersen | 1,001.94           |
| P10228    | Carol Tripp      | 1,598.99           |
| P10229    | Melanie Winnett  | 893.04             |
| P10230    | Charles Schmidt  | 498.80             |
| P10231    | Jonathan Davis   | 430.19             |
| P10232    | Antonio DeCarlo  | 707.65             |
| P10233    | Glenn Gilbert    | 659.29             |
| P10234    | Korinne Henry    | 384.18             |
| P10235    | Arnold Bockus    | 575.24             |
| TOTAL     |                  | <b>\$10,736.23</b> |

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, the labor performed, or the expense incurred as described herein and that the claim is a just, due and unpaid obligation against the Port of Poulsbo and that I am authorized to authenticate and certify to said claim.

  
Port Auditor

---DIRECT DEPOSIT ADVICES---

**Port of Poulsbo  
Summary of Financial Statements  
For the Eight Months Ending August 31, 2010**

**ASSETS, LIABILITIES, EQUITY**

|                          |  |                        |
|--------------------------|--|------------------------|
| Cost of Capital Assets   |  | \$ 2,220,161.06        |
| Current Assets           |  | <u>2,194,514.56</u>    |
| <b>TOTAL ASSETS</b>      |  | <b>\$ 4,414,675.62</b> |
|                          |  |                        |
| Current Liabilities      |  | <u>\$ 47,346.90</u>    |
| <b>TOTAL LIABILITIES</b> |  | <b>\$ 47,346.90</b>    |
|                          |  |                        |
| <b>TOTAL EQUITY</b>      |  | <b>\$ 4,367,328.72</b> |

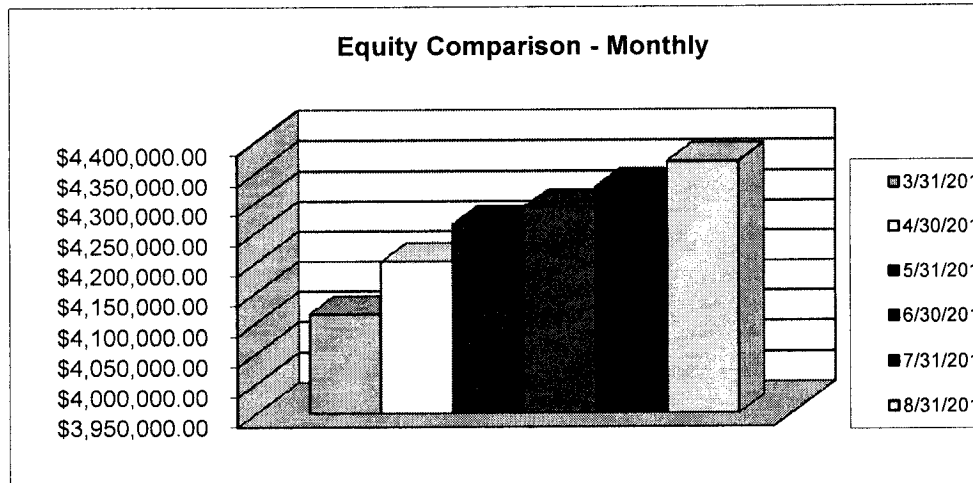
|                              | Aug                 | Year To Date         |
|------------------------------|---------------------|----------------------|
| <b>INCOME &amp; EXPENSES</b> |                     |                      |
| Moorage & Other Receipts     | \$85,921.40         | \$ 684,948.55        |
| Net Fuel Sales               | <u>8,471.53</u>     | <u>49,437.25</u>     |
| <b>TOTAL RECEIPTS</b>        | <b>\$ 94,392.93</b> | <b>\$ 734,385.80</b> |
|                              |                     |                      |
| Operating Expenses           | <u>52,883.45</u>    | <u>426,590.57</u>    |
| <b>NET GAIN/LOSS</b>         | <b>\$ 41,509.48</b> | <b>\$ 307,795.23</b> |

**CAPITAL IMPROVEMENTS**

\$ 8,331.79

Balances of Assets Accts  
*August 31, 2010*

|                                                     |                        |  |
|-----------------------------------------------------|------------------------|--|
| General Fund                                        | \$ 71,520.21           |  |
| General Investment Fund                             | 1,974,495.28           |  |
| Liberty Park Fund                                   | 21,297.09              |  |
| Park Investment Fund                                | 92,154.86              |  |
| Remaining Fund Balances<br>and other current assets | <u>35,047.12</u>       |  |
|                                                     | <b>\$ 2,194,514.56</b> |  |



**CAPITAL ASSETS ARE BASED ON HISTORICAL COSTS AND DO NOT REPRESENT THE CURRENT FAIR MARKET VALUE OR REPLACEMENT COST.**

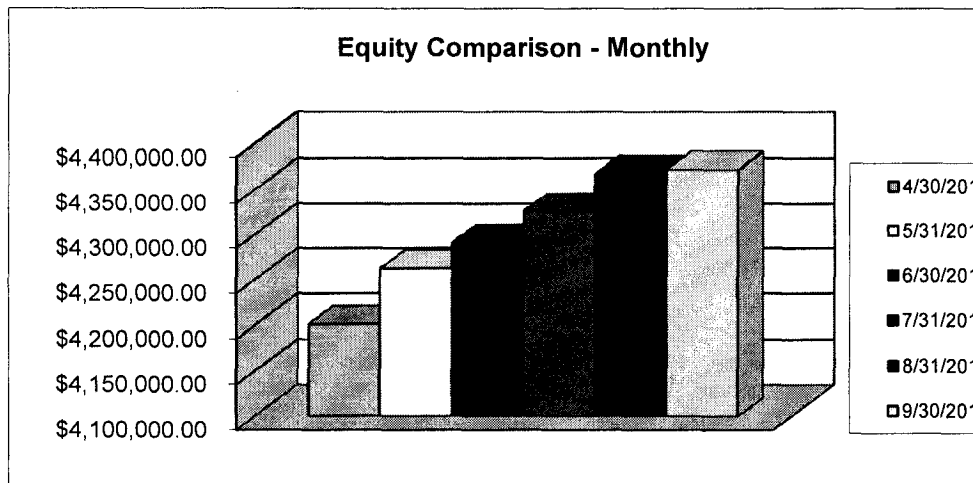
**Port of Poulsbo  
Summary of Financial Statements  
For the Nine Months Ending September 30, 2010**

**ASSETS, LIABILITIES, EQUITY**

|                          |                               |
|--------------------------|-------------------------------|
| Cost of Capital Assets   | \$ 2,220,161.06               |
| Current Assets           | <u>2,207,576.49</u>           |
| <b>TOTAL ASSETS</b>      | <b><u>\$ 4,427,737.55</u></b> |
|                          |                               |
| Current Liabilities      | <u>\$ 55,860.00</u>           |
| <b>TOTAL LIABILITIES</b> | <b><u>\$ 55,860.00</u></b>    |
|                          |                               |
| <b>TOTAL EQUITY</b>      | <b><u>\$ 4,371,877.55</u></b> |

|                              | Sept                       | Year To<br>Date             |
|------------------------------|----------------------------|-----------------------------|
| <b>INCOME &amp; EXPENSES</b> |                            |                             |
| Moorage & Other Receipts     | \$75,617.66                | \$ 760,566.21               |
| Net Fuel Sales               | <u>5,729.36</u>            | <u>55,166.61</u>            |
| <b>TOTAL RECEIPTS</b>        | <b><u>\$ 81,347.02</u></b> | <b><u>\$ 815,732.82</u></b> |
|                              |                            |                             |
| Operating Expenses           | <u>76,798.19</u>           | <u>503,388.76</u>           |
| <b>NET GAIN/LOSS</b>         | <b><u>\$ 4,548.83</u></b>  | <b><u>\$ 312,344.06</u></b> |
|                              |                            |                             |
| <b>CAPITAL IMPROVEMENTS</b>  |                            | <b>\$ 8,331.79</b>          |

|                           |                        |
|---------------------------|------------------------|
| Balances of Assets Accts  |                        |
| <i>September 30, 2010</i> |                        |
| General Fund              | \$ 48,795.39           |
| General Investment Fund   | 1,976,561.38           |
| Liberty Park Fund         | 51,142.20              |
| Park Investment Fund      | 92,251.29              |
| Remaining Fund Balances   | 38,826.23              |
| and other current assets  |                        |
|                           | <u>\$ 2,207,576.49</u> |



**CAPITAL ASSETS ARE BASED ON HISTORICAL COSTS AND DO NOT REPRESENT THE CURRENT FAIR MARKET VALUE OR REPLACEMENT COST.**

**Port of Poulsbo  
Revenue & Expenditure Report  
For the Nine Months Ending September 30, 2010**

| Description               | YTD<br>Rev/Exp    |                   | Appropriated<br>(Budgeted) |                   |
|---------------------------|-------------------|-------------------|----------------------------|-------------------|
|                           | General           | Liberty Park      | General                    | Liberty Park      |
| <b>REVENUES</b>           |                   |                   |                            |                   |
| General Fund Taxes        | 138,938.36        |                   | 258,155.00                 |                   |
| Permanet Moorage          | 313,020.59        |                   | 427,988.00                 |                   |
| Winter Moorage            |                   | 15,065.66         |                            | 36,735.00         |
| Transient Moorage         | 9,541.04          |                   | 11,500.00                  |                   |
| Guest Moorage             |                   | 184,464.34        |                            | 208,569.00        |
| Leasehold Tax             | 620.51            |                   |                            |                   |
| Finance Charges           | 4,993.21          |                   | 3,000.00                   |                   |
| Miscellaneous Inc         | 2,317.37          | 6,557.75          | 4,000.00                   | 8,000.00          |
| Liveaboard Fee            | 5,869.62          |                   | 7,250.00                   |                   |
| Net Fuel Revenue          | 55,166.61         |                   | 60,000.00                  |                   |
| Electricity Inc           | 28,753.19         | 11,089.05         | 30,000.00                  | 15,000.00         |
| Reservation Fees          |                   | 4,545.00          |                            | 6,500.00          |
| Utility Fees              | 13,875.04         |                   | 18,000.00                  |                   |
| Investment Interest       | 19,306.75         | 1,608.73          | 35,000.00                  | 1,000.00          |
| <b>GROSS PROFIT</b>       | <b>592,402.29</b> | <b>223,330.53</b> | <b>854,893.00</b>          | <b>275,804.00</b> |
| <b>EXPENSES</b>           |                   |                   |                            |                   |
| Commissioner Compensation | 15,750.00         | 5,250.00          | 31,500.00                  | 10,500.00         |
| Salaries & Payroll        | 141,994.22        | 48,282.61         | 225,000.00                 | 75,000.00         |
| Payroll Taxes             | 22,601.07         | 4,044.52          | 34,500.00                  | 11,500.00         |
| Employee Benefit Programs | 3,169.74          | 1,056.58          | 5,250.00                   | 1,750.00          |
| Insurance - Health        | 46,199.13         | 15,399.71         | 72,255.00                  | 24,085.00         |
| Uniforms                  | 547.25            | 0.00              | 1,000.00                   | 1,000.00          |
| Accounting                | 578.00            |                   | 1,000.00                   |                   |
| Legal                     | 4,005.50          |                   | 5,000.00                   | 2,500.00          |
| Office Expenses           | 5,584.37          | 312.74            | 8,000.00                   | 4,000.00          |
| Janitorial Supplies       | 0.00              | 1,045.96          | 1,000.00                   | 2,000.00          |
| Supplies                  | 444.49            | 1,053.22          | 2,000.00                   | 2,000.00          |
| Storage Rent              | 60.86             |                   | 1,000.00                   |                   |
| Visa Fees                 | 10,470.00         | 2,580.58          | 11,000.00                  | 3,000.00          |
| Insurance - General       | 20,699.65         | 10,195.35         | 22,500.00                  | 7,500.00          |
| Advertising               | 1,491.81          | 961.50            | 4,000.00                   | 4,000.00          |
| Dues                      | 1,834.00          |                   | 3,500.00                   |                   |
| Electricity               | 22,549.33         | 21,714.57         | 36,000.00                  | 35,000.00         |
| Garbage, Sewer & Water    | 9,019.52          | 8,633.56          | 18,000.00                  | 16,000.00         |
| Telephone                 | 3,137.78          | 1,045.93          | 4,500.00                   | 4,500.00          |
| Short & Over              | -27.91            |                   | 300.00                     |                   |
| Refunds (Deposits)        | 293.27            | 0.00              | 1,000.00                   |                   |
| Bad Debt Expense          | 0.00              |                   | 1,000.00                   |                   |
| Maintenance               | 19,829.25         | 6,942.91          | 45,000.00                  | 10,000.00         |
| Outside Services          | 3,590.75          | 0.00              | 2,500.00                   | 2,500.00          |
| Training (inc travel)     | 427.40            | 0.00              | 6,000.00                   |                   |
| Consultants/Audit Fees    | 3,800.34          | 0.00              | 25,000.00                  | 5,000.00          |

|                                   |                    |                    |                   |                   |
|-----------------------------------|--------------------|--------------------|-------------------|-------------------|
| Lease - DNR                       | 3,610.83           | 0.00               | 6,000.00          |                   |
| Miscellaneous                     | 1,278.83           |                    | 1,000.00          |                   |
| Taxes - Excise                    | 28,926.45          | 3,003.09           | 60,000.00         | 6,000.00          |
| Election Expense                  | 0.00               |                    | 4,500.00          |                   |
| Contingency Reserve               | 0.00               |                    | 15,000.00         | 5,000.00          |
| Matching Funds to City of Poulsbo |                    |                    |                   | 10,000.00         |
| <b>EXPENSES</b>                   | <u>371,865.93</u>  | <u>131,522.83</u>  | <u>654,305.00</u> | <u>242,835.00</u> |
| <b>NET INCOME/LOSS</b>            | <u>220,536.36</u>  | <u>91,807.70</u>   |                   |                   |
| <b>CAPTIAL IMPROVEMENTS</b>       | 8,331.79           |                    | 180,500.00        |                   |
| Revenues Budgeted                 | 854,893.00         | 275,804.00         |                   |                   |
| Revenues Actual                   | 592,402.29         | 223,330.53         |                   |                   |
| Short/Over Revenues               | <u>-262,490.71</u> | <u>-52,473.47</u>  |                   |                   |
| Expenditures Budgeted             | 654,305.00         | 242,835.00         |                   |                   |
| Expenditures Actual               | 371,865.93         | 131,522.83         |                   |                   |
| Short/Over Revenues               | <u>-282,439.07</u> | <u>-111,312.17</u> |                   |                   |
| Capital Improvements Budgeted     | 180,500.00         | 0.00               |                   |                   |
| Capital Improvements Actual       | 8,331.79           | 0.00               |                   |                   |
| Short/Over Capital Improvements   | <u>-172,168.21</u> | <u>0.00</u>        |                   |                   |