



---

**Board of Directors Meeting**  
**Monday, AUG 26, 2024**  
**Kitsap Public Facilities District Office**  
**Meeting Location: City of Bainbridge Council Chambers**  
**& via Zoom Webinar – <https://us02web.zoom.us/j/85122317656>**

### **MEETING AGENDA**

- 1. Call to Order / Comments from Board Chairwoman Leedham**
- 2. Welcome New Board Member Shawn Cucciardi – City of Port Orchard**
- 3. Public Comment** –If you wish to ask a question of the panelists, you will have a maximum of 3 minutes. Use the “Raise Hand” option within Zoom to speak, or put a message in the Chat Box, and the host will ask the question on your behalf.
- 4. Approval of Consent Agenda**  
*Note: If a Board Member wishes to discuss any item, it may be pulled from the Consent Agenda for further dialogue and individual board vote for approval*

---

#### **CONSENT AGENDA**

- A. JUN 24, 2024 KPFD BOD Meeting Minutes
  - B. JUL 22, 2024 KPFD Special BOD Meeting Minutes
  - C. Blanket Voucher #10-JUL 2024 96968 Operating Expenses
  - D. Blanket Voucher #11-AUG 2024 96968 Operating Expenses
  - E. JUN & JUL 2024 Sales Tax Rebate Summary Reports
  - F. JUN & JUL 2024 KPFD Financial Reports
  - G. JUL 2024 KPFD Project Tracking Report
  - H. JUL & AUG 2024 Executive Director Report
  - I. JUN & JUL 2024 KCC Financial Report
- 

- 5. Project Presentation Update** – Port of Bremerton, Circuit of the Northwest Project
- 6. General Business/Good of the Order**
  - Update on City of Bainbridge Representative for the KPFD Board of Directors
  - KPFD Board of Directors Handbook Update
  - KPFD Executive Director & Employees Handbook Update & Budget Increase Request
  - WA Finance Officers Association Conference
- 7. Meeting Adjournment**

**Next Meeting:** Monday, October 28, 2024 @ 5:30 PM  
**Location:** Norm Dicks Government Center  
**Topics:** Kitsap County Port Gamble Forest Heritage Park Project, General Business

**Building Communities, Enriching Lives**

---



**KITSAP PUBLIC FACILITIES DISTRICT  
CONSENT AGENDA  
AUGUST 26, 2024**

---

- A. JUN 24, 2024 Board of Directors Meeting Minutes
  - B. JUL 22, 2024 Special Board of Directors Meeting Minutes
  - C. Blanket Voucher #01-JUL 2024 96968 Operating Expenses
  - D. Blanket Voucher #11-AUG 2024 96968 Operating Expense
  - E. JUN & JUL 2024 Sales Tax Rebate Summary Report
  - F. JUN & JUL 2024 Financial Reports
  - G. JUL 2024 KPFD Project Tracking Report
  - H. JUL & AUG 2024 Executive Director Report
  - I. JUN & JUL 2024 KCC Financial Report
- 

Building Communities, Enriching Lives



# Kitsap Public Facilities District

---

## Minutes of the Board of Directors Meeting (Including optional "remote" element)

Monday, June 24, 2024

### **Attendance:**

**Board Members Present:** Chairman Patrick Hatchel, Vice Chairman Erin Leedham (Remote), Treasurer Walt Draper (Remote), Director Phil Havers, Director John Morrissey, Director Tom Bullock

**Board Members Absent:** Director Jagodzinske

**Staff Present:** Executive Director Russ Shiplet, Legal Counsel Brian Lawler (Remote)

1. **Call to Order:** KPFD Chairman Hatchel called the meeting to order at 5:30 PM.
2. **Public Comment:** Public comment included an introduction of incoming KPFD Board Member Bob Russell, who will represent the City of Bainbridge Island from July 1, 2024, to June 30, 2028.
3. **Approval of Consent Agenda:** Director Morrissey motioned to approve the Consent Agenda as presented. Vice-Chair Leedham seconded the motion. There was no discussion, and the Board of Directors passed the motion unanimously.
4. **Project Update:** City of Port Orchard Mayor Rob Putaansuu provided an update on the Port Orchard Community Event Center (POCEC) project. The City plans to do the necessary road and drainage improvements on Bay Street in the spring of 2025. After the work on Bay Street, Kitsap Bank will begin the construction of its new headquarters. The Marina Lift Station construction is currently underway.
5. **General Business:**
  - Executive Director (ED) Shiplet gave an update on the City of Poulsbo PERC project ILA, which the KPFD Board approved at their April 22, 2024 meeting. On June 17, 2024, the Poulsbo City Council approved the ILA. The ILA is now in effect.
  - ED Shiplet spoke to the KPFD Board of Directors appointments for the 2024-2028 term. Chairman Hatchel will remain as the District 1 representative; Director Havers will remain as the District 3 representative; new board member Shawn Cucciardi will represent the City of Port Orchard (replacing current representative John Morrissey); and Bob Russell will represent the City of Bainbridge Island (replacing Tom Bullock).



- On July 27, 2024, the KPF Board of Directors will hold a special meeting via Zoom to elect the 2024-2026 Executive Committee positions of chair, Vice-Chair, and Treasurer. The public can attend the in-person meeting at the KPF Office in Poulsbo.
- ED Shiplet reported on the progress of the Department of Commerce's (DOC) financial feasibility review of the PERC ILA. The first draft has been created, with KPF comments back to DOC for the second draft, which is anticipated for a second review and comment on June 26, 2024.
- The initial draft of the KPF Board of Directors Handbook is complete. ED Shiplet will share the draft with the Policy Committee and KPF legal counsel for review and comment. The Policy Committee is meeting in late July 2024 to discuss its content and revisions as necessary before presenting the proposed policies to the whole board for approval.
- ED Shiplet and Board Chair Hatchel recognized Directors Morrissey and Bullock for their commitment and service to the board. Director Morrissey served on the KPF board from 07/01/2020 to 06/30/2024, and Director Bullock served from 12/08/2014 to 06/30/2024.

**6. Meeting Adjournment:**

- The Board of Directors meeting adjourned at 5:58 PM.

**Next Meetings of the Board:**

- **Monday, August 26, 2024 – Bainbridge Island City Hall**



# Kitsap Public Facilities District

---

## Minutes of the Board of Directors Special Meeting (Remote Only)

Monday, July 22, 2024

### **Attendance:**

**Board Members Present:** Chairman Patrick Hatchel, Vice Chairman Erin Leedham, Treasurer Walt Draper, Director Phil Havers

**Board Members Absent:** Director Jagodzinske, Director Cucciardi

**Staff Present:** Executive Director Russ Shippet, Legal Counsel Brian Lawler

1. **Call to Order:** KPFD Chairman Hatchel called the meeting to order at 5:30 PM.
2. **Public Comment:** Public comment included reference to the upcoming board meeting on August 26, 2024, and an update from the Port of Bremerton on the Circuit of the Northwest project.
3. **Nomination & Election of the KPFD Chair, Vice-Chair, & Treasurer for the 2024-2026 Term:**
  - A. Director Leedham nominated **Director Draper for the Treasurer** position. No additional nominations were brought forward. The vote was unanimous in favor of Director Draper's appointment as the 2024-2026 KPFD Treasurer.
  - B. Director Leedham nominated **Director Hatchel for the Vice-Chair** position. No additional nominations were brought forward. The vote was unanimous in favor of Director Hatchel's appointment as the 2024-2026 KPF Vice-Chair.
  - C. Director Hatchel nominated **Director Leedham for the Chair** position. No additional nominations were brought forward. The vote was unanimous in favor of Director Leedham's appointment as the 2024-2026 KPF Chair.
4. **Meeting Adjournment:**
  - The Board of Directors meeting adjourned at 5:40 PM.

### **Next Meetings of the Board:**

- **Monday, August 26, 2024 – Bainbridge Island City Hall**

VENDOR	INVOICE #	AMOUNT
<b>INVOICES:</b>		
Kitsap Bank Visa (MAY 2024)	MAY 2024	\$ 2,937.86
Moxie Solutions Invoice (MAY 2024)	1054	\$ 2,325.00
BKAT BOD Meeting Recording (JUN 2024)	012024-09	\$ 436.00
PERS2 WA State Retirement (JUL 2024)	JULY 2024	\$ 1,736.08
NW Municipal Advisors Invoice – PERC Project (JUL 2024)	1433	\$ 4,290.00
JPC Legal Counsel (JUN 2024)	170982	\$ 935.00
Barker Creek Consulting Inc (JUN 2024)	1492	\$ 437.50
Parker Moorers & Cena CPAs (JUN 2024)	46323	\$ 2,040.00
WA State Labor & Industry Quarterly (Q2 2024)	Q22024L&I	\$ 127.87
WA State ESD (Q2 2024)	Q22024ESD	\$ 360.76
<b>PAGE TOTAL</b>		<b>\$ 15,626.07</b>



VENDOR		AMOUNT
Kitsap Bank Visa (MAY 2024)		\$ 2,937.86
-Comcast for Business (JUN 2024 Internet Service)		(\$229.40)
-Comcast for Business (JUN 2024 Phone Service)		(\$67.77)
-Office Rent (JUN 2024)		(\$893.28)
-Help Desk Cavalry Monthly IT Support (JUN 2024)		(\$288.44)
-Help Desk Cavalry Email Support (JUN 2024)		(\$267.48)
-Glacier West Storage (JUN 2024)		(\$133.00)
-Zoom Webinar (JUN 2024)		(\$87.44)
-Adobe Cloud Storage (JUN 2024)		(\$65.51)
-KPFD Dropbox Sharing License(2024)		(\$905.54)
	PAGE TOTAL	\$ 2,937.86



**BLANKET VOUCHER APPROVAL**

**FUND: 96968.00968**

**BV# 11-AUG 2024**

We, thus undersigned of Kitsap Public Facilities District, Kitsap County, Washington, certify that the merchandise or services hereinafter specified have been received and that the following vouchers are approved for payment of **\$15,892.50** on this 19<sup>th</sup> day of AUG 2024

*Patrick Hatchel*

Pat Hatchel, Chair

*Erin Leedham*

Erin Leedham, Vice-Chair

*Walter S Draper IV*

Walter Draper IV, Treasurer

*Daron Jagodzinske*

Daron Jagodzinske, Director

*Phil Havers*

Phil Havers, Director

*Shawn Cucciardi*

Shawn Cucciardi, Director

VENDOR	INVOICE #	AMOUNT
<b>INVOICES:</b>		
Kitsap Bank Visa (JUN-JUL 2024) – see attached.	JUL 2024	\$ 2,070.69
PERS2 WA State Retirement (AUG 2024)	4296P	\$ 1,681.45
JPC Legal Counsel (JUL 2024)	172353	\$ 715.00
Barker Creek Consulting Inc (JUL 2024)	1502	\$ 525.00
Enduris WA Liability Insurance Annual Renewal (2024-2025)	R25-393-1	\$ 6,166.00
Moxie Solutions (JUL 2024)	1058	\$ 2,475.00
Parker Mooers & Cena LLC (JUL 2024)	46478	\$ 855.00
Q2 2024 Board of Director Meeting Stipends & Mileage		
-Director Hatchel	Q2 2024	\$ 294.89
-Director Morrissey	Q2 2024	\$ 238.46
-Director Draper IV	Q2 2024	\$ 278.01
-Director Leedham	Q2 2024	\$ 220.10
-Director Havers	Q2 2024	\$ 133.23
-Director Jagodzinske	Q2 2024	\$ 128.01
-Director Bullock	Q2 2024	\$ 111.66
<b>PAGE TOTAL</b>		<b>\$ 15,892.50</b>



VENDOR		AMOUNT
Kitsap Bank Visa (JUN-JUL 2024)		\$ 2,070.69
-Comcast for Business (JUL 2024 Internet Service)		(\$229.40)
-Comcast for Business (JUL 2024 Phone Service)		(\$67.77)
-Office Rent (JUL 2024)		(\$893.28)
-Help Desk Cavalry Monthly IT Support (JUL 2024)		(\$288.44)
-Help Desk Cavalry Email Support (JUL 2024)		(\$267.48)
-Glacier West Storage (JUL 2024)		(\$133.00)
-Zoom Webinar (JUL 2024)		(\$87.44)
-Adobe Cloud Storage (JUL 2024)		(\$65.51)
-Kitsap Sun Subscription (JUN & JUL 2024)		(\$29.98)
-Walmart – Office Supplies (JUN 2024)		(\$8.39)
	PAGE TOTAL	\$ 2,070.69



# Kitsap Public Facilities District Sales Tax Rebate Revenue Summary

	A	AA	AB	AC	AD	AE	AF	AG	AH	AI	AJ	AK	AL	AM	AN	AO	AP	AQ	AR	AS
1		FY 2016	%	FY 2017	%	FY 2018	%	FY 2019	%	FY 2020	%	FY 2021	%	FY 2022	%	FY 2023	%	FY 2024	%	POS/NEG
2	JAN	\$ 105,695.31	10.5%	\$ 113,891.57	7.8%	\$ 123,476.10	8.4%	\$ 144,263.78	16.8%	\$ 150,304.56	4.2%	\$ 158,789.57	5.6%	\$ 178,674.01	12.5%	\$ 187,086.78	4.7%	\$ 185,558.93	-0.8%	↓
3	FEB	\$ 140,524.01	11.5%	\$ 147,253.14	4.8%	\$ 159,064.82	8.0%	\$ 165,509.56	4.1%	\$ 173,706.66	5.0%	\$ 192,717.28	10.9%	\$ 197,557.85	2.5%	\$ 209,039.13	5.8%	\$ 213,924.96	2.3%	↑
4	MAR	\$ 96,088.48	6.2%	\$ 105,943.80	10.3%	\$ 123,918.31	17.0%	\$ 125,924.98	1.6%	\$ 132,155.73	4.9%	\$ 144,739.20	9.5%	\$ 162,359.33	12.2%	\$ 167,293.61	3.0%	\$ 174,240.58	4.2%	↑
5	APR	\$ 100,040.83	10.9%	\$ 104,854.91	4.8%	\$ 118,939.87	13.4%	\$ 116,815.21	-1.8%	\$ 115,731.99	-0.9%	\$ 141,495.24	22.3%	\$ 167,540.61	18.4%	\$ 167,784.23	0.1%	\$ 170,727.31	1.8%	↑
6	MAY	\$ 119,621.40	11.7%	\$ 126,859.08	6.1%	\$ 144,926.19	14.2%	\$ 150,430.71	3.8%	\$ 126,061.95	-16.2%	\$ 188,771.05	49.7%	\$ 201,423.66	6.7%	\$ 197,898.50	-1.8%	\$ 197,130.98	-0.4%	↓
7	JUN	\$ 114,550.72	11.1%	\$ 113,282.72	-1.1%	\$ 133,121.83	17.5%	\$ 145,401.79	9.2%	\$ 126,133.58	-13.3%	\$ 177,293.20	40.6%	\$ 190,292.70	7.3%	\$ 186,576.31	-2.0%	\$ 193,884.02	3.9%	↑
8	JUL	\$ 114,395.94	5.2%	\$ 126,579.00	10.6%	\$ 146,892.10	16.0%	\$ 150,399.47	2.4%	\$ 165,292.17	9.9%	\$ 192,556.37	16.5%	\$ 193,483.26	0.5%	\$ 203,055.00	4.9%	\$ 204,152.01	0.5%	↑
9	AUG	\$ 128,801.45	5.6%	\$ 142,050.14	10.3%	\$ 158,152.03	11.3%	\$ 166,341.19	5.2%	\$ 170,988.07	2.8%	\$ 204,719.00	19.7%	\$ 207,417.76	1.3%	\$ 213,155.55	2.8%			
10	SEP	\$ 124,100.96	4.8%	\$ 129,254.90	4.2%	\$ 149,561.17	15.7%	\$ 157,155.89	5.1%	\$ 167,577.17	6.6%	\$ 186,898.42	11.5%	\$ 200,317.82	7.2%	\$ 202,596.57	1.1%			
11	OCT	\$ 126,066.16	12.9%	\$ 132,996.09	5.5%	\$ 151,329.82	13.8%	\$ 158,503.52	4.7%	\$ 163,033.80	2.9%	\$ 182,058.47	11.7%	\$ 204,071.35	12.1%	\$ 198,061.74	-2.9%			
12	NOV	\$ 132,038.42	9.0%	\$ 139,824.46	5.9%	\$ 149,568.79	7.0%	\$ 161,955.86	8.3%	\$ 184,238.07	13.8%	\$ 197,714.69	7.3%	\$ 208,743.30	5.6%	\$ 213,410.30	2.2%			
13	DEC	\$ 117,143.86	6.5%	\$ 124,461.85	6.2%	\$ 148,700.48	19.5%	\$ 148,546.73	-0.1%	\$ 164,199.11	10.5%	\$ 177,670.52	8.2%	\$ 192,632.39	8.4%	\$ 191,416.42	-0.6%			
14																				
15	TOTAL	\$ 1,419,067.54	8.8%	\$ 1,507,251.66	6.2%	\$ 1,707,651.51	13.3%	\$ 1,791,248.69	4.9%	\$ 1,839,422.86	2.7%	\$ 2,145,423.01	16.6%	\$ 2,304,514.04	7.4%	\$ 2,337,374.14	1.4%	\$ 1,339,618.79	1.6%	↑
16	AVERAGE	\$ 118,255.63	8.8%	\$ 125,604.31	6.2%	\$ 142,304.29	13.3%	\$ 149,270.72	4.9%	\$ 153,285.24	2.7%	\$ 178,785.25	16.6%	\$ 192,042.84	7.4%	\$ 194,781.18	1.4%	\$ 191,241.49	1.6%	↑
17																				
18	NOTE: These sales tax rebate numbers show for the month money is received from the State Treasurer's Office. County receives rebate two months after tax paid, i.e. Cnty/PFD March receipt reflects January sales tax revenue						JUL 2024	FUNDS		COMMENT										
19							Sales Tax Rebate (977)	\$204,521.01		0.5% MORE than JUL 2023										
20							Debt Service (286)	(\$71,295)												
21							Net Income	\$133,226												

# Kitsap Public Facilities District

## Statement of Financial Position

As of June 30, 2024

	968	977	TOTAL
<b>ASSETS</b>			
Current Assets			
Bank Accounts			
KPFD Operations Fund			\$0.00
968 Cash	39,993.17		\$39,993.17
<b>Total KPFD Operations Fund</b>	<b>39,993.17</b>		<b>\$39,993.17</b>
KPFD Reg. Ctr. Capital			\$0.00
977 Cash		1,394,672.14	\$1,394,672.14
Investment Beginning		2,454,720.07	\$2,454,720.07
Investments Purchased		43,384.45	\$43,384.45
<b>Total KPFD Reg. Ctr. Capital</b>		<b>3,892,776.66</b>	<b>\$3,892,776.66</b>
<b>Total Bank Accounts</b>	<b>\$39,993.17</b>	<b>\$3,892,776.66</b>	<b>\$3,932,769.83</b>
<b>Total Current Assets</b>	<b>\$39,993.17</b>	<b>\$3,892,776.66</b>	<b>\$3,932,769.83</b>
Other Assets			
Receivable- Advances (from 286)		250,000.00	\$250,000.00
<b>Total Other Assets</b>	<b>\$0.00</b>	<b>\$250,000.00</b>	<b>\$250,000.00</b>
<b>TOTAL ASSETS</b>	<b>\$39,993.17</b>	<b>\$4,142,776.66</b>	<b>\$4,182,769.83</b>
<b>LIABILITIES AND EQUITY</b>			
Liabilities			
Current Liabilities			
Accounts Payable			
Accounts Payable (A/P)	0.00		\$0.00
<b>Total Accounts Payable</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
Other Current Liabilities			
Employee Benefits Payable	2,286.90		\$2,286.90
Payroll Related Payable	1,027.23		\$1,027.23
Salaries Payable	-0.01		\$ -0.01
USE Tax Payable	29.50		\$29.50
Vouchers Payable	0.00		\$0.00
<b>Total Other Current Liabilities</b>	<b>\$3,343.62</b>	<b>\$0.00</b>	<b>\$3,343.62</b>
<b>Total Current Liabilities</b>	<b>\$3,343.62</b>	<b>\$0.00</b>	<b>\$3,343.62</b>
Long-Term Liabilities			
2636 Regional Ctr Notes Payable			\$0.00
Notes Payable (to 286)		2,289,270.00	\$2,289,270.00
<b>Total 2636 Regional Ctr Notes Payable</b>		<b>2,289,270.00</b>	<b>\$2,289,270.00</b>
<b>Total Long-Term Liabilities</b>	<b>\$0.00</b>	<b>\$2,289,270.00</b>	<b>\$2,289,270.00</b>
<b>Total Liabilities</b>	<b>\$3,343.62</b>	<b>\$2,289,270.00</b>	<b>\$2,292,613.62</b>
Equity	\$36,649.55	\$1,853,506.66	\$1,890,156.21
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$39,993.17</b>	<b>\$4,142,776.66</b>	<b>\$4,182,769.83</b>

# Kitsap Public Facilities District

## Statement of Activity by Class

June 2024

	968	977	TOTAL
<b>Revenue</b>			
Interest Earnings		7,586.65	\$7,586.65
Regional Centers Sales & Use		193,884.02	\$193,884.02
<b>Total Revenue</b>	<b>\$0.00</b>	<b>\$201,470.67</b>	<b>\$201,470.67</b>
<b>GROSS PROFIT</b>	<b>\$0.00</b>	<b>\$201,470.67</b>	<b>\$201,470.67</b>
<b>Expenditures</b>			
<b>COMMUNICATIONS</b>			<b>\$0.00</b>
IT Services	288.44		\$288.44
Technology Email	267.48		\$267.48
Technology- Zoom	87.44		\$87.44
Telephone/ Internet	297.30		\$297.30
<b>Total COMMUNICATIONS</b>	<b>940.66</b>		<b>\$940.66</b>
<b>CONSULTING</b>			<b>\$0.00</b>
Accounting	600.00		\$600.00
Advisory Services	2,550.00		\$2,550.00
Construction Consulting	1,137.50		\$1,137.50
Legal Services	687.50		\$687.50
<b>Total CONSULTING</b>	<b>4,975.00</b>		<b>\$4,975.00</b>
LTGO Bond Payment		71,294.67	\$71,294.67
<b>OFFICE</b>			<b>\$0.00</b>
Rental-Office Space	893.28		\$893.28
Software & Subscriptions	882.45		\$882.45
Storage	133.00		\$133.00
Supplies	303.81		\$303.81
<b>Total OFFICE</b>	<b>2,212.54</b>		<b>\$2,212.54</b>
<b>PAYROLL</b>			<b>\$0.00</b>
Payroll Wages	10,925.51		\$10,925.51
Social Security/ Medicare	164.95		\$164.95
Stipend- Health	450.00		\$450.00
Stipend- Retirement	1,041.21		\$1,041.21
WA- ESD/PMFLA/Cares	398.08		\$398.08
WA- L&I	23.73		\$23.73
<b>Total PAYROLL</b>	<b>13,003.48</b>		<b>\$13,003.48</b>
<b>Total Expenditures</b>	<b>\$21,131.68</b>	<b>\$71,294.67</b>	<b>\$92,426.35</b>
<b>NET OPERATING REVENUE</b>	<b>\$ -21,131.68</b>	<b>\$130,176.00</b>	<b>\$109,044.32</b>
<b>NET REVENUE</b>	<b>\$ -21,131.68</b>	<b>\$130,176.00</b>	<b>\$109,044.32</b>

**Kitsap Public Facilities Distict**  
**Budget vs. Actuals Operating Fund**  
January - June, 2024

	Apr 2024				May 2024				Jun-24				YTD-Total			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
Expenditures																
COMMUNICATIONS	940.83	1,085.51	-144.68	86.67%	1,571.97	1,085.51	486.46	144.81%	940.66	1,085.51	-144.85	86.66%	6,623.95	6,513.06	110.89	101.70%
CONSULTING	530.00	8,708.35	-8,178.35	6.09%	7,238.00	8,708.35	-1,470.35	83.12%	4,975.00	8,708.35	-3,733.35	57.13%	32,942.00	52,250.10	-19,308.10	63.05%
MEMBERSHIP DUES		539.58	-539.58	0.00%		539.58	-539.58	0.00%		539.58	-539.58	0.00%	6,105.00	3,237.48	2,867.52	188.57%
OFFICE	2,211.29	2,345.84	-134.55	94.26%	1,572.97	2,345.84	-772.87	67.05%	2,212.54	2,345.84	-133.30	94.32%	11,580.65	14,075.04	-2,494.39	82.28%
Other	185.10		185.10				0.00				0.00		401.95	0.00	401.95	
PAYROLL	14,341.47	14,189.83	151.64	101.07%	15,939.30	14,189.83	1,749.47	112.33%	13,003.48	14,189.83	-1,186.35	91.64%	82,974.73	85,138.98	-2,164.25	97.46%
PROMOTIONAL HOSTING/ MARKETING		1,250.00	-1,250.00	0.00%		1,250.00	-1,250.00	0.00%		1,250.00	-1,250.00	0.00%	0.00	7,500.00	-7,500.00	0.00%
TRAVEL		175.00	-175.00	0.00%		175.00	-175.00	0.00%		175.00	-175.00	0.00%	433.53	1,050.00	-616.47	41.29%
Total Expenditures	\$ 18,208.69	\$ 28,294.11	-\$ 10,085.42	64.36%	\$ 26,322.24	\$ 28,294.11	-\$ 1,971.87	93.03%	\$ 21,131.68	\$ 28,294.11	-\$ 7,162.43	74.69%	\$ 141,061.81	\$ 169,764.66	-\$ 28,702.85	83.09%

Cash Basis

# Kitsap Public Facilities District

## Statement of Financial Position

As of July 31, 2024

	968	977	TOTAL
<b>ASSETS</b>			
Current Assets			
Bank Accounts			\$0.00
KPFD Operations Fund			\$14,026.12
968 Cash	14,026.12		\$14,026.12
<b>Total KPFD Operations Fund</b>	<b>14,026.12</b>		<b>\$14,026.12</b>
KPFD Reg. Ctr. Capital			\$0.00
977 Cash		1,527,529.48	\$1,527,529.48
Investment Beginning		2,454,720.07	\$2,454,720.07
Investments Purchased		51,593.33	\$51,593.33
<b>Total KPFD Reg. Ctr. Capital</b>		<b>4,033,842.88</b>	<b>\$4,033,842.88</b>
<b>Total Bank Accounts</b>	<b>\$14,026.12</b>	<b>\$4,033,842.88</b>	<b>\$4,047,869.00</b>
<b>Total Current Assets</b>	<b>\$14,026.12</b>	<b>\$4,033,842.88</b>	<b>\$4,047,869.00</b>
Other Assets			
Receivable- Advances (from 286)		250,000.00	\$250,000.00
<b>Total Other Assets</b>	<b>\$0.00</b>	<b>\$250,000.00</b>	<b>\$250,000.00</b>
<b>TOTAL ASSETS</b>	<b>\$14,026.12</b>	<b>\$4,283,842.88</b>	<b>\$4,297,869.00</b>
<b>LIABILITIES AND EQUITY</b>			
Liabilities			
Current Liabilities			
Other Current Liabilities			\$2,286.90
Employee Benefits Payable	2,286.90		\$2,286.90
Payroll Related Payable	1,067.27		\$1,067.27
Salaries Payable	-0.02		\$ -0.02
USE Tax Payable	29.50		\$29.50
Vouchers Payable	0.00		\$0.00
<b>Total Other Current Liabilities</b>	<b>\$3,383.65</b>	<b>\$0.00</b>	<b>\$3,383.65</b>
<b>Total Current Liabilities</b>	<b>\$3,383.65</b>	<b>\$0.00</b>	<b>\$3,383.65</b>
Long-Term Liabilities			
2636 Regional Ctr Notes Payable		2,289,270.00	\$2,289,270.00
<b>Total Long-Term Liabilities</b>	<b>\$0.00</b>	<b>\$2,289,270.00</b>	<b>\$2,289,270.00</b>
<b>Total Liabilities</b>	<b>\$3,383.65</b>	<b>\$2,289,270.00</b>	<b>\$2,292,653.65</b>
Equity			
KPFD Capital Fund Balance		606,511.15	\$606,511.15
KPFD Ops Fund Balance	0.00		\$0.00
LTGO Fund Balance Unassigned	0.00		\$0.00
Transfer in/ out from Capital Fund	150,000.00	-150,000.00	\$0.00
xx	27,711.36	809,877.25	\$837,588.61
Net Revenue	-167,068.56	728,184.48	\$561,115.92
<b>Total Equity</b>	<b>\$10,642.80</b>	<b>\$1,994,572.88</b>	<b>\$2,005,215.68</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$14,026.45</b>	<b>\$4,283,842.88</b>	<b>\$4,297,869.33</b>

# Kitsap Public Facilities District

## Statement of Activity by Class

July 2024

	968	977	TOTAL
Revenue			
Interest Earnings		8,208.88	\$8,208.88
Regional Centers Sales & Use		204,152.01	\$204,152.01
<b>Total Revenue</b>	<b>\$0.00</b>	<b>\$212,360.89</b>	<b>\$212,360.89</b>
GROSS PROFIT	<b>\$0.00</b>	<b>\$212,360.89</b>	<b>\$212,360.89</b>
Expenditures			
COMMUNICATIONS			\$0.00
IT Services	288.44		\$288.44
Technology Email	267.48		\$267.48
Technology- Zoom	87.44		\$87.44
Telephone/ Internet	297.17		\$297.17
<b>Total COMMUNICATIONS</b>	<b>940.53</b>		<b>\$940.53</b>
CONSULTING			\$0.00
Accounting	2,040.00		\$2,040.00
Bonding/Financing Consult	4,290.00		\$4,290.00
Construction Consulting	437.50		\$437.50
Legal Services	935.00		\$935.00
Other Professional Services	2,325.00		\$2,325.00
Recording	436.00		\$436.00
<b>Total CONSULTING</b>	<b>10,463.50</b>		<b>\$10,463.50</b>
LTGO Bond Payment		71,294.67	\$71,294.67
OFFICE			\$0.00
Rental-Office Space	893.28		\$893.28
Software & Subscriptions	971.05		\$971.05
Storage	133.00		\$133.00
<b>Total OFFICE</b>	<b>1,997.33</b>		<b>\$1,997.33</b>
PAYROLL			\$0.00
Payroll Wages	10,925.50		\$10,925.50
Social Security/ Medicare	164.95		\$164.95
Stipend- Health	450.00		\$450.00
Stipend- Retirement	1,041.21		\$1,041.21
WA- ESD/PMFLA/Cares	360.76		\$360.76
WA- L&I	162.88		\$162.88
<b>Total PAYROLL</b>	<b>13,105.30</b>		<b>\$13,105.30</b>
<b>Total Expenditures</b>	<b>\$26,506.66</b>	<b>\$71,294.67</b>	<b>\$97,801.33</b>
<b>NET OPERATING REVENUE</b>	<b>\$ -26,506.66</b>	<b>\$141,066.22</b>	<b>\$114,559.56</b>
<b>NET REVENUE</b>	<b>\$ -26,506.66</b>	<b>\$141,066.22</b>	<b>\$114,559.56</b>

**Kitsap Public Facilities District**  
**Budget vs. Actuals Operating Fund**  
January - July, 2024

	May 2024				Jun-24				Jul-24				YTD-Total			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
Expenditures																
COMMUNICATIONS	1,571.97	1,085.51	486.46	144.81%	940.66	1,085.51	-144.85	86.66%	940.53	1,085.51	-144.98	86.64%	7,564.48	7,598.57	-34.09	99.55%
CONSULTING	7,238.00	8,708.35	-1,470.35	83.12%	4,975.00	8,708.35	-3,733.35	57.13%	10,463.50	8,708.35	1,755.15	120.15%	43,405.50	60,958.45	-17,552.95	71.21%
MEMBERSHIP DUES		539.58	-539.58	0.00%		539.58	-539.58	0.00%		539.58	-539.58	0.00%	6,105.00	3,777.06	2,327.94	161.63%
OFFICE	1,572.97	2,345.84	-772.87	67.05%	2,212.54	2,345.84	-133.30	94.32%	1,997.33	2,345.84	-348.51	85.14%	13,577.97	16,420.88	-2,842.91	82.69%
Other			0.00				0.00				0.00		401.95	0.00	401.95	
PAYROLL	12,605.40	14,189.83	-1,584.43	88.83%	13,003.48	14,189.83	-1,186.35	91.64%	12,605.39	14,189.83	-1,584.44	88.83%	95,580.12	99,328.81	-3,748.69	96.23%
PROMOTIONAL HOSTING/ MARKETING		1,250.00	-1,250.00	0.00%		1,250.00	-1,250.00	0.00%		1,250.00	-1,250.00	0.00%	0.00	8,750.00	-8,750.00	0.00%
TRAVEL		175.00	-175.00	0.00%		175.00	-175.00	0.00%		175.00	-175.00	0.00%	433.53	1,225.00	-791.47	35.39%
Total Expenditures	\$ 22,988.34	\$ 28,294.11	-\$ 5,305.77	81.25%	\$ 21,131.68	\$ 28,294.11	-\$ 7,162.43	74.69%	\$ 26,006.75	\$ 28,294.11	-\$ 2,287.36	91.92%	\$ 167,068.55	\$ 198,058.77	-\$ 30,990.22	84.35%

Cash Basis



**Kitsap PFD  
Project Funding Record  
JUL 2024**

Year	Month	Port Orchard Community Events Center (POCEC)					Poulsbo Events & Recreation Center (PERC)					Port Gamble Forest Heritage Park (PGFHP)					Port of Bremerton (POB)						
2018					ILA					ILA #2					ILA				ILA	Total Commitment			
					\$ 12,000,000				\$ 10,278,288					\$ 2,047,556			Phase 1		\$ 1,439,000	\$ 25,764,844.00			
	Invoices	Board Approved	Date Paid	Amount Paid	ILA Task #	Invoices	Board Approved	Date Paid	Amount Paid	Invoices	Board Approved	Date Paid	Amount Paid		Invoice	Reviewed	Invoice Amount	Amount Paid					
2018 Totals				\$ -					\$ -				\$ -		Ph1 Bal		\$ (60,000.00)	\$ (60,000.00)	\$	(60,000.00)	2018 Totals		
2019		Invoices	Board Approved	Date Paid	Amount Paid	ILA Task #	Invoices	Board Approved	Date Paid	Amount Paid	Invoices	Board Approved	Date Paid	Amount Paid		Invoice	Reviewed	Invoice Amount	Amount Paid				
2019 Totals				\$ -					\$ -				\$ -		Ph2 Bal		\$ (258,411.00)	\$ (258,411.00)	\$	(258,411.00)	2019 Totals		
2020		Invoices	Board Approved	Date Paid	Amount Paid	ILA Task #	Invoices	Board Approved	Date Paid	Amount Paid	Invoices	Board Approved	Date Paid	Amount Paid		Invoice	Reviewed	Invoice Amount	Amount Paid				
2020 Totals				\$ (60,095.60)					\$ (27,136.25)				\$ -		Ph2 Bal		\$ (243,889.00)	\$ (243,889.00)	\$	(331,120.85)	2020 Totals		
2021		Invoices	Board Approved	Date Paid	Amount Paid	ILA Task #	Invoices	Board Approved	Date Paid	Amount Paid	Invoices	Board Approved	Date Paid	Amount Paid	ILA Stage	Invoice	Reviewed	Invoice Amount	Amount Paid				
2021 Totals				\$ (1,326,290.00)					\$ (120,993.98)				\$ (172,181.54)		sub-total		\$ (438,257.65)	\$ -	\$	(1,619,465.52)	2021 Totals		
2022		Invoices	Board Approved	Date Paid	Amount Paid	ILA Task #	Invoices	Board Approved	Date Paid	Amount Paid	Invoices	Board Approved	Date Paid	Amount Paid		Invoice	Reviewed	Invoice Amount	Amount Paid				
2022 Totals				\$ (521,109.38)					\$ (36,888.69)				\$ (632,512.03)				\$ (1,000,689.12)	\$ (143,900.00)	\$	(1,334,410.10)	2022 Totals		
2023 Totals				\$ (287,652.18)					\$ (12,153.50)				\$ (25,299.60)					\$ (143,900.00)	\$	(469,005.28)	2023 Totals		
2024	January	Invoices	Board Approved	Date Paid	Amount Paid	ILA Task #	Invoices	Board Approved	Date Paid	Amount Paid	Invoices	Board Approved	Date Paid	Amount Paid		Invoice	Board Approved	Date Paid	Amount Paid				
	February	1727	2/26/2024	2/27/2024	\$ (1,090.00)	Task 5										2024	2/26/2024	2/27/2024	\$ (143,900.00)				
	March																						
	April																						
	May																						
	June																						
	July																						
	August																						
	September																						
	October																						
	November																						
	December																						
Total Paid to Date					\$ (2,195,147.16)				\$ (197,172.42)				\$ (829,993.17)					\$ (431,700.00)	\$	(3,654,012.75)	Total PTD		
Remaining Balance					\$ 9,804,852.84				\$10,278,288.00				\$ 1,217,563					\$ 1,007,300.00	\$	22,110,831.25	Remaining Balances		



**AUG 26, 2024**

**EXECUTIVE DIRECTOR REPORT  
JULY & AUGUST 2024**

- Two new KPFD board members were onboarded in July. The meeting provided information on the board's makeup, previous and current project updates, discussion of ILAs in place, and financial projections through 2041. Subsequently, the team of support partners that assists the PFD with legal counsel, financial advice, accounting, and construction consultation was introduced.
- The KPFD board held a special meeting on July 22, 2024, to elect the Chair, Vice-Chair, and Treasurer for the 2024-2026 term. Board member Erin Leedham was elected Chairwoman, board member Patrick Hatchel was elected Vice-Chairman, and board member Walt Draper was elected Treasurer.
- The initial draft of the KPFD Board of Directors Handbook is complete. The Policy Committee will gather in November 2024 to review the content and proposed policies for adoption.
- The draft of the KPFD Executive Director & Employees Handbook is underway. It will be completed by the end of 2024, and the initial first draft will be ready for review.
- The recently appointed City of Bainbridge representative, Bob Russell, resigned from the KPFD board, citing personal reasons. The City of Bainbridge is now in the process of selecting a new representative. Their choice will still need to be approved by the County Commissioners. As it currently stands, the KPFD board is made up of six members.
- Kitsap County will present an update on the Port Gamble Forest Heritage Park project during the October 28, 2024, KPFD Board of Directors meeting.



To: Mayor Wheeler

CC: Mike Riley  
John Oppenheimer  
Brian Flaherty

From: Tiffany Schenk

Date: July 19, 2024

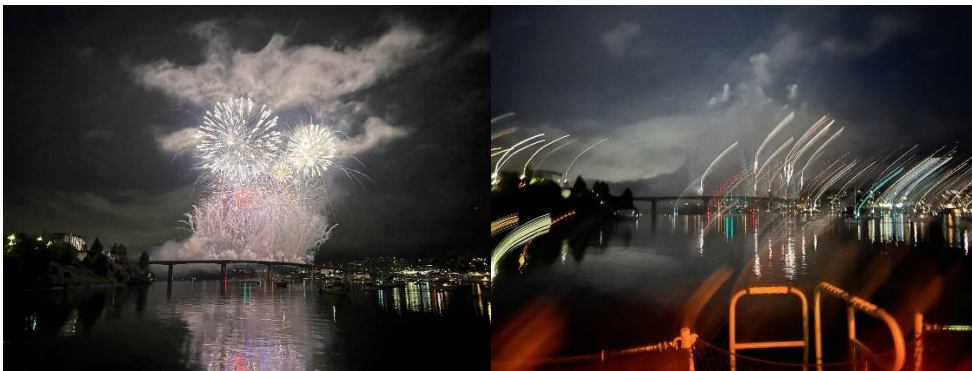
## June 2024 Month End Recap

### Overview

June was a soft month for us here at KCC. Total revenue for the month was \$79k, short of budgeted expectations by \$34k. YTD, however, we are on pace to meet the budget and are pacing ahead of expected YTD revenues by \$29k.

### Event Highlights

We hosted 16 total events in June. Bridge Blast was a great success despite the rainstorm that surprisingly joined the evening festivities. Sunny Jack Events chose KCC once again as the caterer; and guests raved about the food quality as well as the service. Other event highlights included a new client, Cascade Elite Gymnastics, who hosted their awards banquet for 300 with us, and scored us 100% on guest satisfaction. The Greater Kitsap Chamber, Olympic High School Prom, NAACP and St. Michael's Medical Center were amongst the other events hosted here in June.

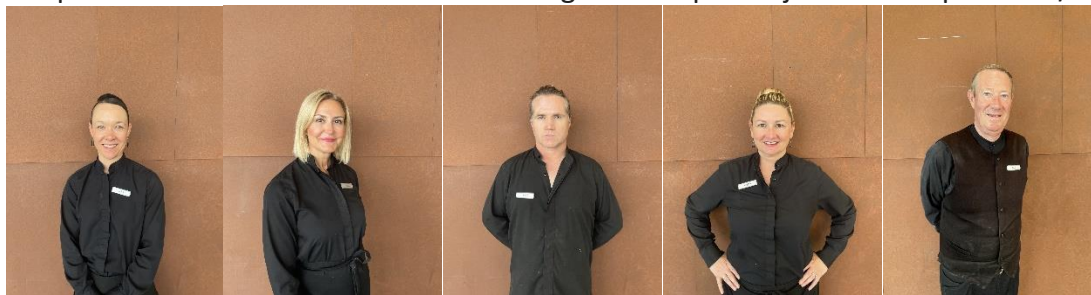


## Operations

We are starting the organization efforts internally for the Kitsap Wine Festival. We will inventory equipment needed for this wonderful event and start the communication effort with our local community for things such as tents, volunteers and other items needed to ensure the festival goes off without a hitch. We were also able to exchange carpet tiles purchased in December of 2023, for the pattern that we use the most for small replacements when tiles are damaged. We now have enough carpet tiles to carry us through several years when the need to replace a stained or damaged tile arises.

## Team Member

As the conference center is traditionally slower in summer months, our team members who seek hours, have had plenty of wonderful opportunities to work at other Columbia Hospitality venues such as our sister property Gold Mountain, McCormick Woods, University of Puget Sound and more. Prior to 2017, KCC spent over \$10k annually on temporary employees through agencies such as Washington WorSource. The growth Columbia has had in our region provides stable opportunities for our team as well as offers trained professional team members to staff each venue in need. We are building a "Captains" wall to showcase our event captains to the team and posting their own personal bio next to the photo so team members know who to go to for specific job related questions/concerns.



## Sales

Our Sales Team had a very busy month contracting future events. \$101k was booked in the month of June, with \$16k of this amount contracting in June for June. Two upcoming events we are excited about are the Governor's Employer Award Luncheon for employees with special needs, and the YWCA's Women of Distinction Awards. We are thrilled they chose us appreciate their business. 10 site tours were given in June, including the USS Nimitz for their annual holiday party.

## Marketing/Communications

Marketing campaigns solely focused on the 2024 Kitsap Wine Festival to be held on Saturday, August 10<sup>th</sup>, 2024. We currently have 22 wineries, one brewery and six restaurants attending and have sold over 220 tickets. Green Rubino, our Press Release company, has posted campaigns in digital subscriptions all over the greater Seattle area. These magazines include, 1889, All Events, Kent Reporter, Federal Way Mirror, Seattle Dining, Sip Magazine, Seattle Weekly, Do206 and EverOut, and help us accomplish our goal of bringing tourism to Bremerton through the Kitsap Wine Festival.

## Looking Ahead

Overall, we are \$29k ahead of revenue YTD, and shy \$5 as compared to YOY. Q-3 is expected to pace behind budget for the quarter, however Q-4 is expected to be strong and we are pacing to end the year ahead of budget.

## Financial Results

**Columbia Hospitality Inc**  
**Columbia Hospitality : Conference Centers : Kitsap Conference Center**  
**KCC Income Statement**  
**Jun 2024**

Financial Row	Current Month				Year to Date			
	Actual	%	Budget	%	YTD Actual	%	YTD Budget	%
RECEPTION SOCIAL COVERS	0.00	0.00%	1,043.00	0.92%	0.00	0.00%	5,210.00	0.96%
<b>REVENUE</b>								
Conference Services Revenue	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Audio Visual Revenue	2,820.00	3.59%	3,724.76	3.30%	20,695.00	3.61%	17,979.90	3.30%
Food Revenue	37,033.29	47.17%	51,243.67	45.40%	264,410.41	46.09%	247,359.75	45.40%
Beverage Revenue	4,527.91	5.77%	6,320.80	5.60%	33,811.25	5.89%	30,511.33	5.60%
Other Revenue	33,156.34	42.23%	50,453.57	44.70%	251,034.66	43.76%	243,545.84	44.70%
Miscellaneous Income	978.00	1.25%	1,128.72	1.00%	3,776.00	0.66%	5,448.47	1.00%
<b>TOTAL REVENUE</b>	<b>78,515.54</b>	<b>100.00%</b>	<b>112,871.52</b>	<b>100.00%</b>	<b>573,727.32</b>	<b>100.00%</b>	<b>544,845.29</b>	<b>100.00%</b>
<b>COST OF SALES</b>								
Conference Services Cost	935.00	1.19%	2,201.00	1.95%	5,688.00	0.99%	10,686.35	1.96%
Audio Visual Cost	0.00	0.00%	0.00	0.00%	450.00	0.08%	0.00	0.00%
Food Cost	8,241.65	10.50%	12,810.92	11.35%	51,767.38	9.02%	61,839.93	11.35%
Beverage Cost	892.55	1.14%	1,244.01	1.10%	7,302.83	1.27%	6,005.00	1.10%
<b>TOTAL COST OF SALES</b>	<b>10,069.20</b>	<b>12.82%</b>	<b>16,255.93</b>	<b>14.40%</b>	<b>65,208.21</b>	<b>11.37%</b>	<b>78,531.28</b>	<b>14.41%</b>
<b>GROSS MARGIN</b>	<b>68,446.34</b>	<b>87.18%</b>	<b>96,615.59</b>	<b>85.60%</b>	<b>508,519.11</b>	<b>88.63%</b>	<b>466,314.01</b>	<b>85.59%</b>
<b>DIRECT EXPENSES</b>								
Conference Services Payroll-Related	16,088.58	20.49%	13,867.72	12.29%	105,295.24	18.35%	79,739.60	14.64%
Conference Services Other Expense	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Food & Beverage Payroll-Related	27,490.50	35.01%	35,499.72	31.45%	146,861.81	25.60%	187,059.65	34.33%
Food & Beverage Other Expense	2,345.78	2.99%	3,980.72	3.53%	21,750.60	3.79%	28,953.20	5.31%
<b>TOTAL DIRECT EXPENSES</b>	<b>45,924.86</b>	<b>58.49%</b>	<b>53,348.16</b>	<b>47.26%</b>	<b>273,907.65</b>	<b>47.74%</b>	<b>295,752.45</b>	<b>54.28%</b>
<b>DEPARTMENT PROFIT</b>	<b>22,521.48</b>	<b>28.68%</b>	<b>43,267.43</b>	<b>38.33%</b>	<b>234,611.46</b>	<b>40.89%</b>	<b>170,561.56</b>	<b>31.30%</b>
<b>UNDISTRIBUTED OPERATING EXPENSES</b>								
Administrative and General	23,155.61	29.49%	23,817.94	21.10%	144,609.16	25.21%	152,640.72	28.02%
Sales and Marketing	17,359.28	22.11%	22,012.88	19.50%	96,198.08	16.77%	111,397.50	20.45%
Repairs and Maintenance	1,135.18	1.45%	955.00	0.85%	3,981.81	0.69%	5,575.00	1.02%
Utilities	4,118.27	5.25%	4,323.67	3.83%	35,681.62	6.22%	25,942.02	4.76%
<b>TOTAL UNDISTRIBUTED OPERATING EXPENSES</b>	<b>45,768.34</b>	<b>58.29%</b>	<b>51,109.49</b>	<b>45.28%</b>	<b>280,470.67</b>	<b>48.89%</b>	<b>295,555.24</b>	<b>54.25%</b>
<b>INCOME BEFORE FIXED CHARGES</b>	<b>(23,246.86)</b>	<b>(29.61%)</b>	<b>(7,842.06)</b>	<b>(6.95%)</b>	<b>(45,859.21)</b>	<b>(7.99%)</b>	<b>-124,993.68</b>	<b>-22.94%</b>
<b>FIXED CHARGES</b>								
890110 - Lease - Office Equipment	537.57	0.68%	536.00	0.47%	3,245.14	0.57%	3,216.00	0.59%
890205 - Business and Occupation Taxes	325.24	0.41%	677.23	0.60%	2,073.32	0.36%	3,269.07	0.60%
890310 - Property Insurance	589.43	0.75%	375.00	0.33%	3,536.58	0.62%	2,516.00	0.46%
890705 - Management Fee	7,500.00	9.55%	7,500.00	6.64%	45,000.00	7.84%	45,000.00	8.26%
890710 - Incentive Management Fee	1,177.73	1.50%	1,693.07	1.50%	8,605.91	1.50%	8,172.68	1.50%
890905 - Replacement Reserve Accrual	2,355.47	3.00%	3,386.15	3.00%	17,211.82	3.00%	16,345.37	3.00%
Total - FIXED CHARGES	12,485.44	15.90%	14,167.45	12.55%	79,672.77	13.89%	78,519.12	14.41%
<b>NET OPERATING INCOME (LOSS)</b>	<b>(35,732.30)</b>	<b>(45.51%)</b>	<b>(22,009.51)</b>	<b>(19.50%)</b>	<b>(125,531.98)</b>	<b>(21.88%)</b>	<b>-203,512.80</b>	<b>-37.35%</b>



To: Mayor Wheeler

CC: Mike Riley  
John Oppenheimer  
Brian Flaherty

From: Tiffany Schenk

Date: August 20<sup>th</sup>, 2024

## July 2024 Month End Recap

### Overview

July was a moderate month for KCC. Total revenue for the month was \$29k, falling short of monthly budgeted revenues by \$65k. As we were hopeful of booking more weddings for this month, year over year, we continue to see a decline in July weddings which impacts gross revenues. August is pacing right on track to budget; YTD we are pacing ahead of budget and up YOY.

### Event Highlights

We hosted 6 total events in July. Events included PSNS Technology Showcase, PSNS New Employee Orientation as well as a wedding reception. The technology showcase had 70 companies in attendance, showing their products to the shipyard management. Their feedback to us was that this was the best show in the U.S. thanks to our support. Although we used very little staff in the month of July, reviews were still wonderful, and our clients scored us a solid 100% average on our guest surveys.

### Operations

With few events in July, the team really collaborated on all efforts in being as efficient as possible with the salaried team. Our executive chef worked at a very high-end property in Montana for the entire month of July. This opportunity allowed her the opportunity to collaborate with other culinary experts within Columbia Hospitality, while allowing the conference center relief from her salary during the slow month. The 2024 wine festival and 2025 budget was a large focus for the management team as well as booking new business for the remainder of the year.



## Team Member

As mentioned previously, we used very little hourly labor in the month of July. We are proud of the KCC team for their willingness to help other Columbia Hospitality properties in time of need. These “task force” efforts not only grow our team members and allow them to learn new skillsets, while sharing their own expertise; they also lighten the financial load of the conference center during these lighter revenue months. Hourly team members of the conference center continued to help our sister property, Gold Mountain Golf Club as well as McCormick Woods Golf Club and the Smith Tower in downtown Seattle. It’s months like this, that being a part of CH has wonderful benefits to both our team members as well as our stakeholders.

## Sales

Our Sales Team had another fantastic month, booking future revenues for both fall/winter 2024 as well as 2025. \$148k in revenues were contracted in July, with another \$46k in tentative revenue just waiting to contract. A large contract, (\$47k), booked in July was for the FBI’s Justice Investigative Services. This event will run for three days in October and has the potential of turning into an annual event. The contract for the USS Nimitz holiday party is verbally agreed upon and in the hands of their legal team. A huge win for us in December. Four site tours were given. These tours included three possible weddings and the FBI event. Our General Manager as well as the Director of Sales continues to partner with the new Marina Square Hotel on future efforts, needs and conventions. It’s wonderful to have another hotel option for our clients, however the small amount of hotel rooms available to us in the direct area is still lacking.

## Marketing/Communications

Marketing campaigns continued to focus on the 2024 Kitsap Wine Festival to be held on Saturday, August 10<sup>th</sup>. Ticket sales are expected to hit 400-500 guests and over 21 wineries, one brewery and five restaurants have committed. The CH marketing team also provided support and information for the 2025 KCC budget process.



## Looking Ahead

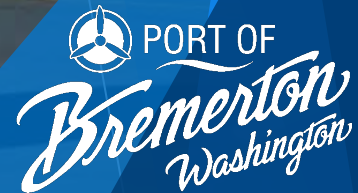
Overall, we are 3% ahead of revenue on the books over the same time last year. We are forecasting to exceed total budgeted revenues for 2024 and will continue to watch direct expenses as we head into the third and fourth quarters. We are still making great strides in the path to growth and recovery.

## Financial Results

Columbia Hospitality Inc								
Columbia Hospitality : Conference Centers : Kitsap Conference Center								
KCC Income Statement								
Jul 2024								
	Current Month				Year to Date			
Financial Row	Actual	%	Budget	%	YTD Actual	%	YTD Budget	%
RECEPTION SOCIAL COVERS	0.00	0.00%	906.00	0.97%	0.00	0.00%	6,116.00	0.96%
<b>REVENUE</b>								
Conference Services Revenue	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Audio Visual Revenue	840.00	2.94%	3,096.51	3.30%	21,535.00	3.58%	21,076.41	3.30%
Food Revenue	32.97	0.12%	0.00	0.00%	601.19	0.10%	0.00	0.00%
Beverage Revenue	429.49	1.50%	5,254.68	5.60%	34,240.74	5.68%	35,766.01	5.60%
Other Revenue	27,227.71	95.19%	84,544.21	90.10%	542,104.56	90.00%	575,449.80	90.10%
Miscellaneous Income	72.00	0.25%	938.34	1.00%	3,848.00	0.64%	6,386.81	1.00%
<b>TOTAL REVENUE</b>	<b>28,602.17</b>	<b>100.00%</b>	<b>93,833.74</b>	<b>100.00%</b>	<b>602,329.49</b>	<b>100.00%</b>	<b>638,679.03</b>	<b>100.00%</b>
<b>COST OF SALES</b>								
Conference Services Cost	955.00	3.34%	1,829.75	1.95%	6,643.00	1.10%	12,516.10	1.96%
Audio Visual Cost	0.00	0.00%	0.00	0.00%	450.00	0.07%	0.00	0.00%
Food Cost	1,679.46	5.87%	10,650.13	11.35%	53,446.84	8.87%	72,490.06	11.35%
Beverage Cost	223.83	0.78%	1,034.19	1.10%	7,526.66	1.25%	7,039.19	1.10%
<b>TOTAL COST OF SALES</b>	<b>2,858.29</b>	<b>9.99%</b>	<b>13,514.07</b>	<b>14.40%</b>	<b>68,066.50</b>	<b>11.30%</b>	<b>92,045.35</b>	<b>14.41%</b>
<b>GROSS MARGIN</b>	<b>25,743.88</b>	<b>90.01%</b>	<b>80,319.67</b>	<b>85.60%</b>	<b>534,262.99</b>	<b>88.70%</b>	<b>546,633.68</b>	<b>85.59%</b>
<b>DIRECT EXPENSES</b>								
Conference Services Payroll-Related	13,980.45	48.88%	13,369.19	14.25%	119,275.69	19.80%	93,108.79	14.58%
Conference Services Other Expense	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Food & Beverage Payroll-Related	11,590.91	40.52%	31,325.55	33.38%	158,452.72	26.31%	218,385.20	34.19%
Food & Beverage Other Expense	1,662.17	5.81%	4,014.24	4.28%	23,412.77	3.89%	32,967.44	5.16%
<b>TOTAL DIRECT EXPENSES</b>	<b>27,233.53</b>	<b>95.21%</b>	<b>48,708.98</b>	<b>51.91%</b>	<b>301,141.18</b>	<b>50.00%</b>	<b>344,461.43</b>	<b>53.93%</b>
<b>DEPARTMENT PROFIT</b>	<b>(1,489.65)</b>	<b>(5.21%)</b>	<b>31,610.69</b>	<b>33.69%</b>	<b>233,121.81</b>	<b>38.70%</b>	<b>202,172.25</b>	<b>31.65%</b>
<b>UNDISTRIBUTED OPERATING EXPENSES</b>								
Administrative and General	22,184.34	77.56%	23,437.18	24.98%	166,793.50	27.69%	176,077.90	27.57%
Sales and Marketing	15,327.07	53.59%	15,475.88	16.49%	111,525.15	18.52%	126,873.38	19.86%
Repairs and Maintenance	722.06	2.52%	955.00	1.02%	4,703.87	0.78%	6,530.00	1.02%
Utilities	3,829.65	13.39%	4,323.67	4.61%	39,511.27	6.56%	30,265.69	4.74%
<b>TOTAL UNDISTRIBUTED OPERATING EXPENSES</b>	<b>42,063.12</b>	<b>147.06%</b>	<b>44,191.73</b>	<b>47.10%</b>	<b>322,533.79</b>	<b>53.55%</b>	<b>339,746.97</b>	<b>53.20%</b>
<b>INCOME BEFORE FIXED CHARGES</b>	<b>(43,552.77)</b>	<b>(152.27%)</b>	<b>(12,581.04)</b>	<b>(13.41%)</b>	<b>(89,411.98)</b>	<b>(14.84%)</b>	<b>-137,574.72</b>	<b>-21.54%</b>
<b>FIXED CHARGES</b>								
890110 - Lease - Office Equipment	1,075.14	3.76%	536.00	0.57%	4,320.28	0.72%	3,752.00	0.59%
890205 - Business and Occupation Taxes	160.86	0.56%	563.00	0.60%	2,234.18	0.37%	3,832.07	0.60%
890310 - Property Insurance	589.43	2.06%	375.00	0.40%	4,126.01	0.69%	2,891.00	0.45%
890705 - Management Fee	7,500.00	26.22%	7,500.00	7.99%	52,500.00	8.72%	52,500.00	8.22%
890710 - Incentive Management Fee	429.03	1.50%	1,407.51	1.50%	9,034.94	1.50%	9,580.19	1.50%
890905 - Replacement Reserve Accrual	858.07	3.00%	2,815.01	3.00%	18,069.89	3.00%	19,160.38	3.00%
Total - FIXED CHARGES	10,612.53	37.10%	13,196.52	14.06%	90,285.30	14.99%	91,715.64	14.36%
<b>NET OPERATING INCOME (LOSS)</b>	<b>(54,165.30)</b>	<b>(189.37%)</b>	<b>(25,777.56)</b>	<b>(27.47%)</b>	<b>(179,697.28)</b>	<b>(29.83%)</b>	<b>-229,290.36</b>	<b>-35.90%</b>

# Port of Bremerton Presentation to

Kitsap Public Facilities District  
August 26, 2024



# Board of Commissioners

**Gary Anderson**  
*President*



**Term:** Jan. 1, 2020 - Dec. 31, 2025

**District 2:** Downtown Port Orchard, portions of Eastern South Kitsap

**Axel Strakeljahn**  
*Secretary*



**Term:** Jan. 1, 2024 - Dec. 31, 2029

**District 3:** Portions of South Kitsap, Southwest Bremerton, Seabeck/Holly/Crosby

**Cary Bozeman**  
*Vice President*



**Term:** Jan. 1, 2022 - Dec. 31, 2027

**District 1:** West Bremerton, portions of East Bremerton, Kitsap Lake and Chico

# Overview

- Formed in 1913
- Has created approximately 2,436 jobs in Kitsap County
- Has 75 business tenants
- Has 82 hangars and 793 slips





# Facilities

## Bremerton National Airport

- Longest runway on Kitsap Peninsula - 6200 feet
- Fueling facility



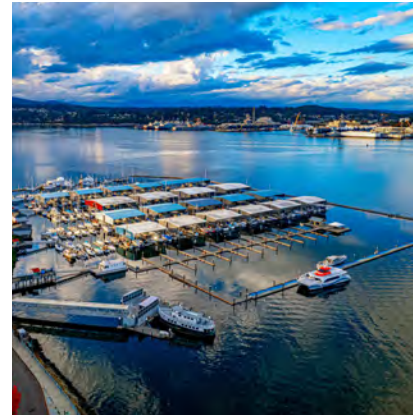
## Olympic View Industrial Park

- 3,700 acres



## Bremerton Marina

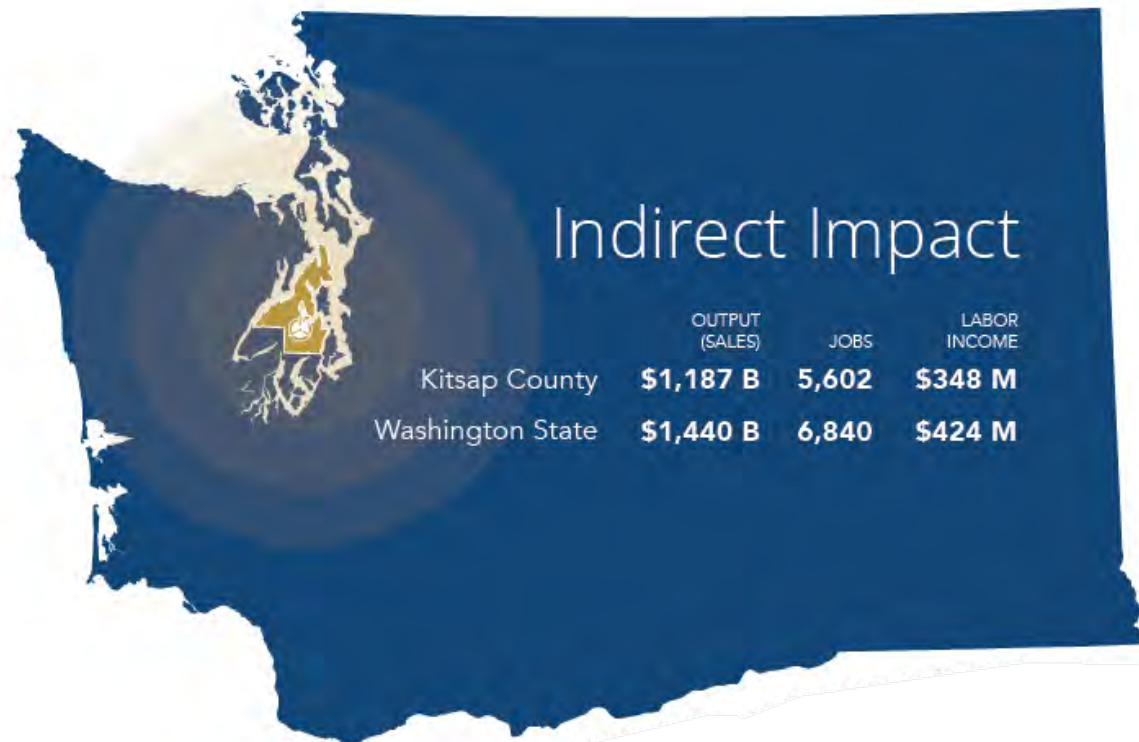
- Located directly next to the WA State Ferry terminal
- Partnership with nonprofit USS Turner Joy



## Port Orchard Marina

- Covered slips available
- Fuel dock

# Total Port Impact



# WPPA Job Creator of the Year

	2016	2022
Port tenants	37	72
# of tenant employees	982	2633



## Our Commitment to CNW

- The Port of Bremerton has entered into a long-term lease of the property to CNW, to September 30, 2066
- In July, the Port affirmed its lease commitment by extending the funding requirement for an additional year
- The Port entered into an agreement in 2023 to provide \$11,679,520 of funds to CNW to cover a portion of the infrastructure costs of the project
- In September, 2023 the Port provided a support letter to CNW to support all efforts to obtain the necessary permits for the project



# Project Summary Update

- Selected Mortenson as General Contractor
  - Constructed Climate Pledge Arena, Top National contractor for entertainment and sports
  - Secured equity contribution
- Event Manager selection process nearly complete
  - Two finalists, each have pledge to contribute equity
- International sanctioning body commitment to hold events at the facility for 5 years

# Why Are We Here?

- The Port of Bremerton is committed to the successful capitalization and construction of the Multi-purpose entertainment facility to be constructed across the road from the Bremerton National Airport by Mortenson Construction for Circuit of the Northwest (“CNW”)
- We are here today to request an additional funding commitment through an ILA between the Port and the KPFD in the amount of \$6.9 million
- This presentation highlights our commitment to the success of our tenant, updates the status of the project and provides details of our request

# Public Event Center – Port Owned



# Request for Funding Public Events Centers

<b><i>Public Entertainment Event Facilities</i></b>	
<b><i>Total Estimated Cost</i></b>	<b><i>\$20,501,380</i></b>
<i>Amount Requested from KPFD (50%)</i>	<b><i>\$10,250,690</i></b>
<i>Amount Previously Funded by KPFD</i>	<b><i>\$2,062,000</i></b>
<i>Balance</i>	<b><i>\$8,188,690</i></b>
<i>Amount Requested Today</i>	<b><i>\$6,900,000</i></b>
<i>Reserved for future request</i>	<b><i>\$1,288,690</i></b>

# Project Timing

- Targeting 4<sup>th</sup> Quarter 2024 for Senior Debt Sale
- Need all capital commitments by September 30<sup>th</sup>

# POB/CNW Project - Based on Market Feasibility Report

**979 NEW JOBS**

**\$3.5 Billion in New Spending**

**\$1.5 Billion in New Earnings**

**\$56.5 Million in New Sales Taxes**

Source: Feasibility Study Table 7-4, total over 30-year period



# Appendix





# ECONOMIC IMPACT TO THE LOCAL ECONOMY

## New Spending

- Construction Spending
- Event Spending

## New Earnings

- Employees
- Construction Workers

## New Full-Time Equivalent Jobs (FTE's)

## New Businesses

## New Taxes

- Sales Taxes
- Property Taxes
- Leasehold Excise Tax

# SUMMARY OF ECONOMIC IMPACT

Thirty (30) Year Impacts - Circuit of the Northwest as presented by the feasibility report

<u>Net New Spending</u>	<u>Over 30 Years</u>	<u>Average Per Year</u>
Direct Spending	\$2,201,000,000	\$73,366,667
Indirect Spending	\$867,000,000	\$28,900,000
Induced Spending	\$469,000,000	\$15,633,333
<b>TOTAL New Spending</b>	<b>\$3,537,000,000</b>	<b>\$117,900,000</b>

<u>Net New Earnings</u>	<u>Over 30 Years</u>	<u>Average Per Year</u>
From Direct	\$1,025,000,000	\$34,166,667
From Indirect	\$287,000,000	\$9,566,667
From Induced	\$186,000,000	\$6,200,000
<b>TOTAL New Earnings</b>	<b>\$1,498,000,000</b>	<b>\$49,933,333</b>

<b>Total New Spending and New Earnings</b>	<b>\$5,035,000,000</b>	<b>\$167,833,333</b>
--	------------------------	----------------------

## Net New FTE Jobs

	<u>Actual Created</u>
From Direct	601
From Indirect	244
From Induced	134
<b>TOTAL Net New FTE Jobs</b>	<b>979</b>

## Construction Impacts

Development Cost	
Labor	\$137,000,000
Materials	\$91,000,000
<b>Total</b>	<b>\$228,000,000</b>

% Labor in County	15%
% Materials in County	25%

**Sales Taxes Generated during construction** **\$21,660,000**

# Project Funding Update

	Amount	
Senior Debt	\$160,000,000	Hilltop Securities Best Efforts Senior Debt Placement
Subordinate Debt	\$50,000,000	in discussion - verbal commitment
Equity (Preferred/Common)	\$10,000,000	in discussion - verbal commitment
Membership Sales During Construction	\$20,000,000	of a total of approximately \$100 million
Port of Bremerton Infrastructure Contribution	\$11,679,520	letter of intent
Membership Sales Pre-Construction	\$4,080,000	completed; documents signed & deposits collected
CNW Shareholder Equity	\$2,500,000	ongoing, total contributed to date by ownership
New ILA POB/KPFD	\$6,900,000	requested today
Pre-Development Equity - KPFD	\$2,062,000	completed, paid for pre-development costs including design
	<u>\$267,221,520</u>	
Senior Debt	\$160,000,000	59.88% (target 60%)
Subordinate Debt/Equity	<u>\$107,221,520</u>	40.12%
	\$267,221,520	100.00%

# CNW Leased Project Site



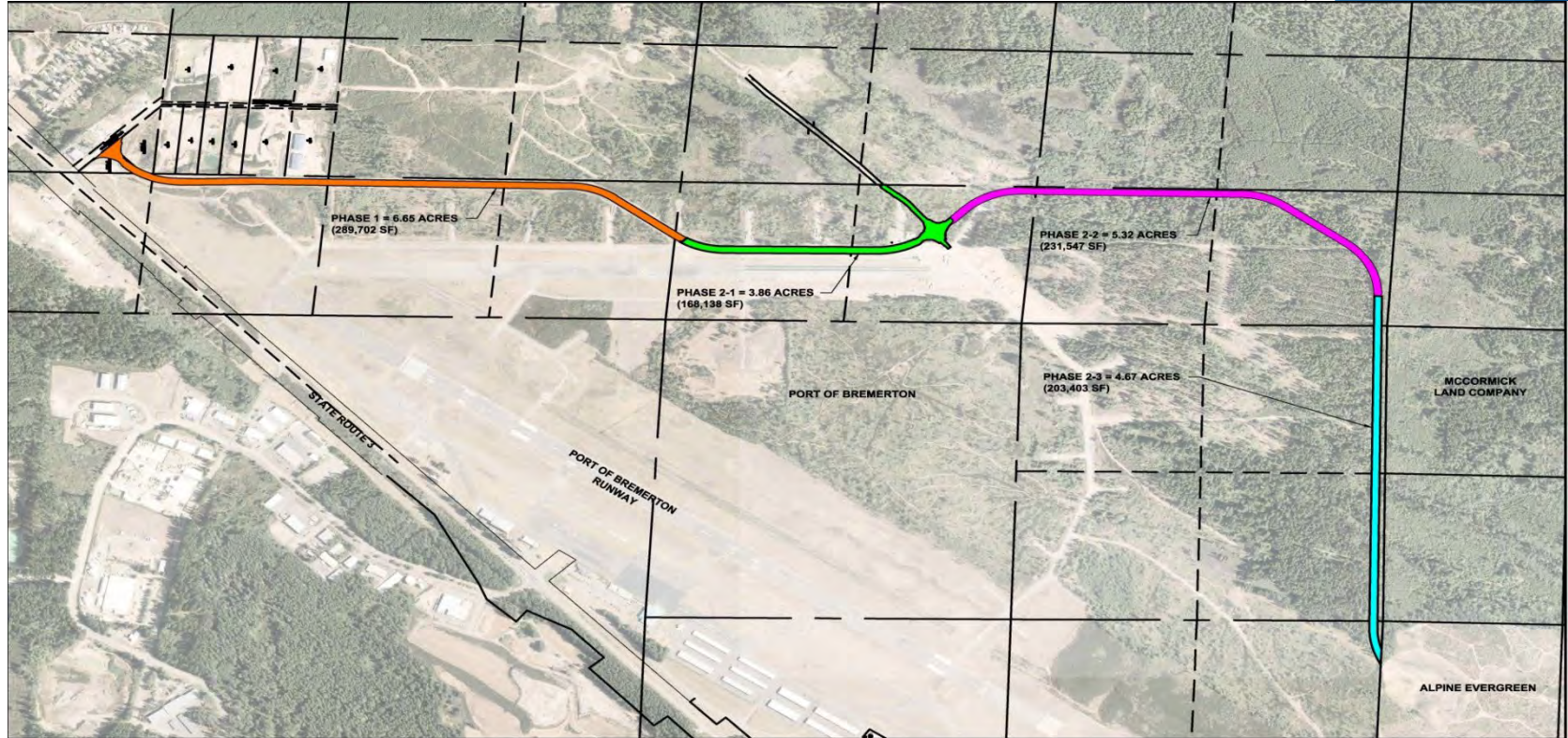


# South Hangar Project



8/14/2024

# Airport Industrial Way Extension



Parametrix DATE: August 21, 2018 FILE: SKIA\_ROWS

8/14/2024  
SCALE IN FEET  
750'

SKIA ROW AREAS  
SKIA CONNECTOR



# Sky Park





# Amelia's Hangar



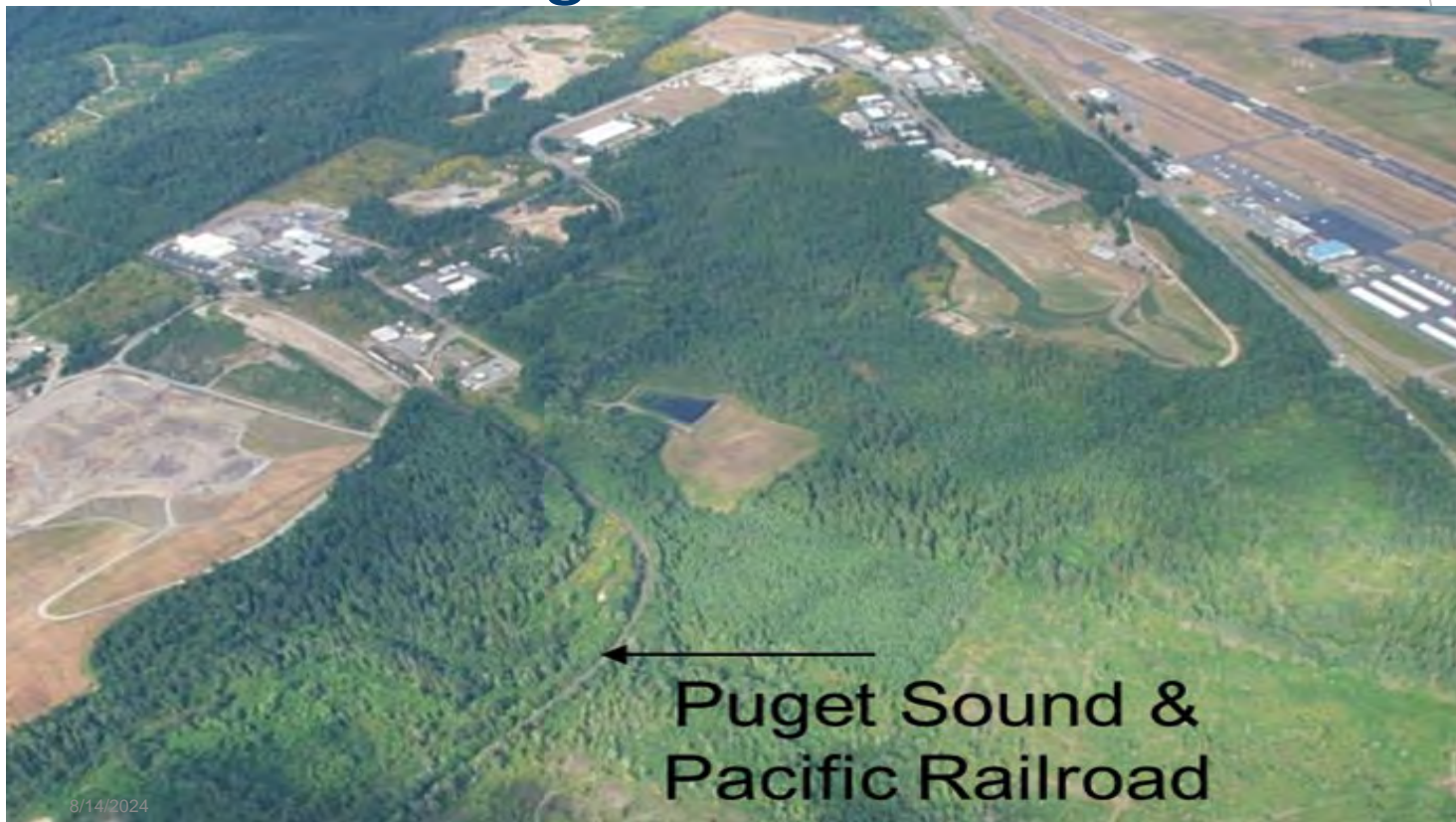
# Puget Sound Industrial Center



8/14/2024



# Pad Ready Sites, Rail Access, Foreign Trade Zone



# SR Hwy 3 Frontage Development



8/14/2024



# NE Campus – Startup



8/14/2024