

Finance & Audit Committee Meeting Agenda
Fort Worden Lifelong Learning Center Public Development Authority (FWPDA)
Wednesday, June 15, 2022 | 10 a.m.
Remote on Zoom

Public Meeting Access

Via internet:

<https://us06web.zoom.us/j/81346503854?pwd=YlZDdkpEUGJKaUlxYzZEQjkwakh2QT09>

Via phone:

+1 253 215 8782

Webinar ID: 813 4650 3854

Passcode: 391345

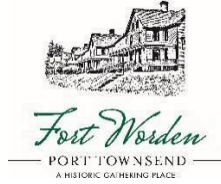
*9 to raise hand to speak

Meeting Agenda

- I. Call to order**
- II. Roll Call**
- III. Public Comment**
- IV. Consent Agenda**
 - a. Review and approve April 20, 2022 meeting minutes*
 - Proposed action:** Motion to approve the consent agenda.
- V. Finance Reports**
 - a. Profit & Loss Statement*
 - b. Cash Flow*
 - c. Balance Sheet*
- VI. Internal Controls**
- VII. Annual Report Certification**
- VIII. GAAP vs. Cash Basis Reporting**
- IX. Update on bank account transfers**

- X. Business card agreement w/ Kitsap Bank**
- XI. Review of Debt Restructuring Options**
 - a. Bond Summary
 - b. Refinancing Recommendations
- XII. 2022 Budget Update**
 - a. Copy of Budget 2022*
- XIII. Public Comment**
- XIV. Adjourn**

**Topic involves documents in agenda packet*



DRAFT Meeting Minutes

**Finance & Audit Committee Meeting Agenda
Fort Worden Lifelong Learning Center Public Development Authority (FWPDA)
Wednesday, April 20, 2022 | 10 a.m.
Via Zoom (Remote Meeting Per Governor Inslee's Proclamation 20-28.15)**

Public Meeting Access

Via computer:

<https://us06web.zoom.us/j/87192886910?pwd=bXU1QW5hY3B1UFFPbEJ4L3htNS83UT09>

Via phone:

+1 253 215 8782

Webinar ID: 871 9288 6910

Passcode: 117518

*9 to raise hand to speak

Meeting Agenda

I. Call to order

The meeting was called to order at 10:04 a.m.

II. Roll Call

PDA Board: John Begley, David King

PDA Staff: David Timmons, Carolyn Zipeto, Becky Wagner (joined at 10:06 a.m.), Meriden Vitale

III. Public Comment

No public comment at this time.

IV. Consent Agenda

- a. Review and approve March 16, 2022 meeting minutes*

Proposed action: Motion to approve the consent agenda.

David King made a motion to approve the consent agenda, John Begley seconded. **Unanimously approved.**

V. Finance Reports

- a. Profit & Loss Statement*
b. Cash Flow*
c. Balance Sheet*

d. Bond Summary*

Becky Wagner reviewed the first quarter of 2022 finance reports, which are hybrid and include hospitality through Feb. 13th. She covered a few specifics including PDA grants and design arch/eng categories.

Carolyn Zipeto said there has been a big increase in utility costs over the last two months, specifically oil and propane. She answered questions about credit card fees as well as a reconciliation process to separate hospitality finances from the PDA for January and February of 2022. Carolyn and Becky are working on setting up a cleaner set of PDA books going forward, just focused on the PDA budget.

Becky Wagner provided an overview of the bond balances and interest accruals for energy efficiency, glamping, restoration, and Makers Square.

VI. Internal Controls

John Begley said that the account at First Federal had not been updated and so still included old PDA Board members. Old members were removed from the account while simultaneously the PDA opened an account at Kitsap Bank, which will include David Timmons, John Begley, and David King as signatories.

VII. Signal Architecture Building 203 Workshop*

David Timmons provided an update on the workshop that took place on April 15, 2022 (agenda and concepts in packet). Attendees provided feedback and agreed that concept layout #3 was the best fit for Building 203, and accommodates multiple uses. The next phase will be coming up with budget numbers, in the next month or two.

VIII. Makers Square

David Timmons said a payment on the bond has been made by transferring \$600,000 from the capital account (that had been transferred from the LLC and some grants). There's a \$404,000 payment from the restoration bond that will be transferred over, totaling a little over a million dollars payment on Makers Square bond. He also gave an update on repairs, maintenance, and site work. Opening is planned for September 1st.

IX. Kitsap Bank Accounts

Once the accounts are set up, the \$378,000 county-funded debt reserve will be transferred (currently it is in the capital account with First Federal).

X. Hospitality Asset Transfer

Hospitality is working on an asset list which will be presented to the FWPDA board in a future resolution. All agreed to add a quarterly review of hospitality finances.

XI. 2022 Budget Update

a. Copy of Budget 2022*

David King mentioned bringing a copy of the budget to the board and partners and asked a few questions about specific line items.

Timmons and King discussed the glamping project specifically and the possibility of declaring an emergency to quickly finish the work for use by summer. Timmons said he will have something for the board in May.

XII. Audit, 2018—2020

Timmons said he and Becky and Carolyn are meeting weekly with the auditor. Tara Dunford, independent CPA, has been providing assistance with the audit as part of internal controls.

John Begley will not be in country for next month's (May) meeting. He made a motion to postpone meeting until June. David King seconded. **Unanimously approved.**

XIII. Public Comment

No public comment at this time.

XIV. Adjourn

The meeting was adjourned at 11:01 a.m.

**Topic involves documents in agenda packet.*

Fort Worden PDA
Monthly P&L Jan-May 2022
(preliminary - unaudited)

	22-Jan	22-Feb	22-Mar	22-Apr	22-May	TOTAL
Ordinary Income/Expense						
Income						
4000 Accomodations	46,224	56,005				102,229
4400 Food Sales Revenue	16,022	35,892				51,914
4600 Other Revenues						
4010 Partner Leases	9,582	12,461	9,437	9,901	7,784	49,165
4015 Concession Fee			6,844	9,757		16,601
4103 Cleaning Services	4,105		2,650	1,440	1,715	9,910
4200 Fees	3,002	5,552	83		748	9,385
4300 Other	210	30			132	372
4425 Meeting Rooms	1,823	10,570	327			12,720
4450 Merchandise Sales	163	59				222
4600 Other Revenues - Other	-	-	1,133	28	28	1,189
Total 4600 Other Revenues	18,884	28,672	20,475	21,127	10,407	99,565
4900 PDA Grants/Donations	-	-	300,839	26,957	-	327,797
Total Income	81,130	120,569	321,314	48,084	10,407	581,504
Cost of Goods Sold	424	11,597	-	-	-	12,021
Gross Profit	80,706	108,972	321,314	48,084	10,407	569,483
Expense						
6010 Personnel Costs	83,885	149,894	68,318	38,699	23,669	364,464
7000 Repairs & Maintenance	9,107	2,470	1,911	3,396	14,792	31,675
7100 Utilities						
7101 Fuel Oil	25,016	14,016	31,294	6,240	14,202	90,767
7102 Electricity	27,567	24,951	26,337	23,746	22,721	125,321
7103 Water	12,384	10,565	9,063	9,510	10,185	51,707
7104 Propane	9,594	7,514	9,033	6,590	6,779	39,509
7105 Garbage/Trash	3,756	159	2,578	1,663	852	9,008
7107 Comm-Info-Tech						
7108 Tenant Partner Internet Ex	(1,415)	(1,315)	(3,200)	(1,325)	(1,225)	(8,480)
7107 Comm-Info-Tech - Other	7,778	7,464	8,086	8,088	328	31,744
Total 7107 Comm-Info-Tech	6,363	6,149	4,886	6,763	(897)	23,264
7199 Partner Reimbursement	(18,993)	(19,862)	(80,187)	(44,085)	(1,837)	(164,964)
Total 7100 Utilities	65,686	43,492	3,003	10,426	52,005	174,612
8000 Contracts						
8002 CompSoftware/Support Mai	250			3,901		4,151
8003 Alarm/Security/Fire Rescue				1,697	72	1,770
8005 Advertising/Marketing	3,000	3,000	3,000	3,000	3,000	15,000
8009 Design Arch/Eng	28,831	22,008	26,957			77,797
8010 Audit/Accounting	8,219	2,850	9,188	6,141	2,423	28,820
8012 Maintenance Contracts	-	684	3,123	525	-	4,332
Total 8000 Contracts	40,300	28,542	42,268	15,265	5,495	131,869

Fort Worden PDA
Monthly P&L Jan-May 2022
(preliminary - unaudited)

	22-Jan	22-Feb	22-Mar	22-Apr	22-May	TOTAL
8500 Operating Expense						
8501 Bank & Credit Card Fees	445	13,624	27	85	33	14,214
8507 Office Supplies	671	349		1,413		2,433
8508 Legal					3,648	3,648
8510 Insurance/Risk Management	7,212	7,212	7,212	7,212	7,212	36,060
8512 Dues & Subscriptions	33					33
8513 Housekeeping Supplies	3,126	1,765				4,891
8514 Vehicle Expense	534	210				744
8518 Travel & Meetings	570	109				678
8523 Misc Fees	96	453	475			1,024
8527 Permits & Licenses	724					724
8528 Business Taxes	794	310	505		7	1,617
8529 Professional Services		2,462	3,764	3,909		10,134
8531 Comp Hardware/Software/S	3,476	463	334	334	209	4,816
8532 Training-Education		35		140		175
8535 Smallwares/Housewares	18					18
8538 Linen Laundry Service	1,016	343				1,359
8560 Cash Over & Short	(125)	(75)				(200)
8562 Food Service Supplies	348	796			(968)	176
8563 Equipment Rental	281	281	281	281	281	1,405
8564 Sustainability Program	-	180	-	-	-	180
Total 8500 Operating Expense	<u>19,218</u>	<u>28,516</u>	<u>12,598</u>	<u>13,374</u>	<u>10,422</u>	<u>84,128</u>
Total Expense	218,195	252,914	128,097	81,159	106,383	786,748
Net Ordinary Income	(137,490)	(143,942)	193,217	(33,075)	(95,976)	(217,266)
Other Income/(Expense)						
Other Expense						
9200 Bond Interest Expense			55,125			55,125
9500 Capital Purchase net of depr.		22,057				22,057
9600 Leasehold Improvements	447	-	-	-	-	447
Total Other Expense	<u>447</u>	<u>22,057</u>	<u>55,125</u>	<u>-</u>	<u>-</u>	<u>77,629</u>
Net Other Income/(Expense)	(447)	(22,057)	(55,125)	-	-	(77,629)
Net Income	<u>(137,937)</u>	<u>(165,999)</u>	<u>138,092</u>	<u>(33,075)</u>	<u>(95,976)</u>	<u>(294,895)</u>
				April & May	(129,051)	

Fort Worden PDA
 Stmt of Cash Flows Apr-May 2022
 (preliminary - unaudited)

	Apr - May 22
OPERATING ACTIVITIES	
Net Income	(129,051)
Adjustments to reconcile Net Income to net cash provided by operations:	
1120 Partner Tenant	21,493
1140 Grants Receivable	50,839
1207 Due from FW Hospitality	(298)
2000 Operating:2001 Operating Payable Bank	46,150
2000 Operating:2001B Gusto EE Reimbursement	(4,259)
2003 Capital Fund A/P	124,399
2100 Current Liabilities:Payroll & Business Taxes	345
2120 Due To FWH	362,188
2200 Advance Deposits:2201 P-Tenant Deposit	500
Net cash provided by Operating Activities	472,306
INVESTING ACTIVITIES	
2407 Kitsap Makers Square Bond	(600,000)
1300 Fixed Assets	(137,500)
Net cash provided by Investing Activities	(737,500)
Net cash increase (decrease) for period	(265,194)
Cash at beginning of period	1,152,077
Cash at end of period	886,883

Fort Worden PDA
Balance Sheet
As of May 31, 2022
(preliminary - unaudited)

31-May-22

ASSETS

Current Assets

Checking/Savings

1000 Operating Accounts	
1001 Operating -6909	374,556
1002A First Federal F.S.	57,669
1005A Payroll Checking #2	23,200
1006 Cash Drawers & Petty Cash	1,081
Undeposited Funds	<u>2,766</u>
Total 1000 Operating Accounts	459,272
1020 Kitsap Operating 7811	17,754
1021 Kitsap Capital 7812	31,858
1022 Kitsap DR 7821	<u>377,999</u>
Total Checking/Savings	886,883

Accounts Receivable

1100 Hospitality Services AR	268,061
1120 Partner Tenant	<u>22,250</u>
Total Accounts Receivable	290,311

Other Current Assets

1200 Prepaid Expenses	37,934
1207 Due from FW Hospitality	145,395
1250 Due from MS Landlord LLC	<u>755,540</u>
Total Other Current Assets	<u>938,869</u>

Total Current Assets **2,116,062**

Fixed Assets

1300 Fixed Assets	<u>311,596</u>
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Total Fixed Assets **311,596**

TOTAL ASSETS **2,427,658**

Fort Worden PDA
Balance Sheet
As of May 31, 2022
(preliminary - unaudited)

31-May-22

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

2000 Operating 72,507

2003 Capital Fund A/P 142,023

Total Accounts Payable 214,530

Credit Cards 1,894

Other Current Liabilities

2101-A Gift Cards 2,692

2104 Payroll Liabilities 13,621

2110 Accrued Business/Sales Tax (22,033)

Total 2100 Current Liabilities (5,720)

2120 Due To FWH 565,817

2200 Advance Deposits 840,029

2400 Notes Payables

2407 Kitsap Makers Square Bond 900,000

Accrued Note Interest Payable 113,617

Total 2400 Notes Payables 1,013,617

2603 Advance Deposit Refund (11,952)

Total Other Current Liabilities 2,401,791

Total Current Liabilities 2,618,215

Long Term Liabilities

2700 Kitsap Bank Bonds 4,244,272

Total Liabilities 6,862,487

Equity

Opening Balance Equity 6,347

Unrestricted Net Assets (4,146,281)

Net Income (294,895)

Total Equity (4,434,829)

TOTAL LIABILITIES & EQUITY 2,427,658

Fort Worden Public Development Authority
(Official Name of Government)

3074

MCAG No.

Submitted pursuant to RCW 43.09.230 to the Washington State Auditor's Office

For the Fiscal Year Ended 12/31/2021

GOVERNMENT INFORMATION:

Official Mailing Address	200 Battery Way
	Port Townsend, WA 98368
Official Website Address	http://fortworden.org
Official E-mail Address	dtimmons@fortworden.org
Official Phone Number	

AUDIT CONTACT or PREPARER INFORMATION and CERTIFICATION:

Audit Contact or Preparer Name and Title	Becky Wagner Contract CPA
Contact Phone Number	
Contact E-mail Address	bwagner@fortworden.org

I certify 27th day of May, 2022, that annual report information is complete, accurate and in conformity with the Budgeting, Accounting and Reporting Systems Manual, to the best of my knowledge and belief, having reviewed this information and taken all appropriate steps in order to provide such certification. I acknowledge and understand our responsibility for the design and implementation of controls to ensure accurate financial reporting, comply with applicable laws and safeguard public resources, including controls to prevent and detect fraud. Finally, I acknowledge and understand our responsibility for immediately submitting corrected annual report information if any errors or an omission in such information is subsequently identified.

Signatures

Becky Wagner (bwagner@fortworden.org)

**Fort Worden Public Development Authority
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2021**

		<u>401 Operations</u>
Beginning Cash and Investments		
308	Beginning Cash and Investments	170,402
388 / 588	Net Adjustments	1,754,222
Revenues		
310	Taxes	-
320	Licenses and Permits	-
330	Intergovernmental Revenues	383,458
340	Charges for Goods and Services	2,735,027
350	Fines and Penalties	-
360	Miscellaneous Revenues	80,651
Total Revenues:		<u>3,199,136</u>
Expenditures		
520	Public Safety	-
530	Utilities	-
550	Natural/Economic Environment	-
560	Social Services	-
570	Culture and Recreation	3,764,838
Total Expenditures:		<u>3,764,838</u>
Excess (Deficiency) Revenues over Expenditures:		<u>(565,702)</u>
Other Increases in Fund Resources		
391-393, 596	Debt Proceeds	4,037,140
397	Transfers-In	-
385	Special or Extraordinary Items	-
381, 382, 389, 395, 398	Other Resources	319,767
Total Other Increases in Fund Resources:		<u>4,356,907</u>
Other Decreases in Fund Resources		
594-595	Capital Expenditures	114,595
591-593, 599	Debt Service	4,332,871
597	Transfers-Out	-
585	Special or Extraordinary Items	-
581, 582, 589	Other Uses	721,938
Total Other Decreases in Fund Resources:		<u>5,169,404</u>
Increase (Decrease) in Cash and Investments:		(1,378,199)
Ending Cash and Investments		
50821	Nonspendable	-
50831	Restricted	427,016
50841	Committed	-
50851	Assigned	119,409
50891	Unassigned	-
Total Ending Cash and Investments		<u>546,425</u>

Fort Worden Public Development Authority
Fiduciary Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2021

		Investment Trust
308	Beginning Cash and Investments	196,809
388 & 588	Net Adjustments	-
310-390	Additions	2,596,871
510-590	Deductions	2,644,946
	Net Increase (Decrease) in Cash and Investments:	(48,075)
508	Ending Cash and Investments	148,734

The accompanying notes are an integral part of this statement.

Fort Worden Public Development Authority
Notes to the Financial Statements
For the year ended December 31, 2021

Note 1 – Summary of Significant Accounting Policies

The Fort Worden Lifelong Learning Center Public Development Authority (PDA) was incorporated September 2011 and operates under the laws of the State of Washington applicable to a public corporation. The PDA is a special purpose district that manages, promotes, develops, and secures funding to enhance the Fort Worden State Park and Lifelong Learning Center.

The PDA reports financial activity in accordance with the *Cash Basis Budgeting, Accounting and Reporting System* (BARS) Manual prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW. This manual prescribes a financial reporting framework that differs from generally accepted accounting principles (GAAP) in the following manner:

- Financial transactions are recognized on a cash basis of accounting as described below.
- Component units are required to be disclosed but are not included in the financial statements.
- Government-wide statements, as defined in GAAP, are not presented.
- All funds are presented, rather than a focus on major funds.
- The *Schedule of Liabilities* is required to be presented with the financials as supplementary information.
- Supplementary information required by GAAP is not presented.
- Ending balances are not presented using the classifications defined in GAAP.

A. Fund Accounting

Financial transactions of the government are reported as a single fund. The fund uses a set of self-balancing accounts that comprises its cash and investments, revenues, and expenditures

Enterprise Fund: this fund is the operating fund of the PDA and is supported primarily by user charges.

Fiduciary Fund: this fund is used to account for the activities of the Fort Worden Foundation.

B. Basis of Accounting and Measurement Focus

Financial statements are prepared using the cash basis of accounting and measurement focus. Revenues are recognized when cash is received, and expenditures are recognized when paid.

C. Cash and Investments

See Note 5 – Deposits and Investments

D. Capital Assets

Capital assets are assets with an initial cost of more than \$5,000 and an estimated useful life in excess of five years. Capital assets and inventory are recorded as capital expenditures when purchased.

E. Compensated Absences

Vacation leave may be accumulated up to one year's accrual and is payable upon separation or retirement. Sick leave may be accumulated up to a maximum of 160 hours. Upon separation or retirement employees do not receive payment for unused sick leave. Payments are recognized as expenditures when paid.

F. Long Term Debt

See Note 3 – Long Term Debt

G. Restricted and Committed Portion of Ending Cash and Investments

Beginning and Ending Cash and Investments are reported as restricted and committed when it is subject to restrictions on use imposed by external parties or due to internal commitments established by the PDA Board of Directors. When expenditures that meet restrictions are incurred, the PDA intends to use the most restricted resources first.

Restrictions of Ending Cash and Investments consist of *philanthropic gifts*.

Note 2 – Component Unit & Related Party

The Fort Worden Foundation (FWF) a WA non-for-profit corporation was incorporated on April 15, 2016 to operate as an IRC Section 509(a)(3), Type I supporting organization. On June 3, 2021 the Fort Worden Foundation, a public charity under IRC Section 501(c)(3), amended its Articles of Incorporation to eliminate its status as a Type I supporting organization of the PDA. Its newly broadened purpose is to support Sections 501(c)(3) organizations which operate in, or are affiliated with Fort Worden State Park and further the purposes of lifelong learning. During 2021 the PDA continued to act as a fiscal agent for the FWF and the Makers Square LLC's. Beginning in 2022 FWF will no longer perform this function.

The FWF provides a vehicle to support efforts to secure historic tax credits as a funding mechanism for the re-development of historic buildings in the PDA's lease area. Three LLCs (two in December 2017 and one in October 2019) were formed by the Foundation to take advantage of tax credits for the PDA's Makers Square Project. Tax credits of \$2,578,636 were earned in 2021.

Foundation activity (including LLC's) is included in the financial statements on the Fiduciary Fund Resources and Uses Arising from Cash Transactions.

Note 3 – Long-Term Debt

In September 2021 the PDA issued \$1,698,277 of 2021A refunding bonds to retire \$1,600,000 of existing 2018 revenue bonds and \$2,107,863 of 2021B refunding bonds to retire \$1,950,000 of existing 2019 revenue bonds at 4% interest. This refunding was undertaken to capitalize accrued interest, delay initial repayments for 2 years and extend total debt service payments over the next 25 years.

In November 2021 the PDA issued \$231,000 of taxable revenue bonds, 2021C at 4% interest – for the purpose of providing operating revenue to the PDA. Future draws up to a maximum of \$1,934,000 will be provided for operating revenue and to restore capital funds which were utilized for operating expenses.

The accompanying Schedule of Liabilities provides more details of the outstanding debt and liabilities of the PDA and summarizes the PDA's debt transactions for the year ended December 31, 2021.

The debt service requirements for revenue bonds are as follows:

	Rev Bond, 2019A	Rev Bond, 2021A	Rev Bond, 2021B	Rev Bond 2021C	Interest	Total
2022	1,500,000	0	0	0	128,604	1,628,604
2023	-	100	100	0	338,747	338,947
2024	-	46,157	57,287	6,278	178,181	287,903
2025	-	48,024	59,602	6,531	155,984	270,141
2026	-	49,961	62,009	6,795	151,376	270,141
2027- 2031	-	281,762	349,712	38,322	680,911	1,350,707
2032- 2036	-	343,466	426,296	46,714	534,231	1,350,707
2037- 2041	-	418,683	519,652	56,945	355,428	1,350,707
2042- 2046	-	510,124	633,205	69,415	136,335	1,349,079

A \$350,000 short term loan the Foundation provided to the PDA on October 30, 2020 was repaid in full with 4% interest on January 6, 2021.

A \$214,000 draw was taken on Revenue Anticipation note, 2021A on December 24, 2020. Principle was repaid with funds provided by the FWF on January 11, 2021.

Note 4 – Financial Condition

Lack of timely financial reporting for 2018 and 2019, followed by the catastrophic financial impact to the PDA of the COVID shutdown in 2020 caused a substantial doubt about the PDA's ability to continue as a going concern.

Major initiatives to remedy the situation included key staff transitions, working with lenders to extend terms and obtain bridge financing to close project payables and qualify for grant reimbursements, timely financial reporting to management and Bankers, completing past due State Auditor submissions, maintaining minimal staff levels and expenditures and working with the City and the Foundation to explore code revisions and various Makers Square operating structures. Ongoing dialog with Bankers on restructuring Bond debt and advances of Historic Tax Credits gave time for the foregoing initiatives to bear fruit and gain the trust needed to provide critical financial relief for the advancement of the recovery. Continued adherence to strict financial controls and the reorganization (see subsequent event) are ongoing.

In 2021 Jefferson County provided a \$378,000 grant using Federal funds from the American Rescue Plan Act (ARPA) designated to provide relief from economic impacts due to Covid-19. The grant is to be used

to meet specified financing needs. This grant and these planned actions are expected to enable the government to continue operating and meeting its obligations as they come due.

Note 5 – Deposits and Investments

Investments are reported at original cost. Deposits and investments by type at December 31, 2021 are as follows:

PDA's Own Bank Deposits \$546,425

FWF's Own Bank Deposits \$148,478

FWF Brokerage Account \$ 256

Custodial credit risk is the risk that, in the event of a failure of a depository financial institution, the PDA would not be able to recover deposits or would not be able to recover collateral securities that are in possession of an outside party. The PDA and FWF's bank deposits are mostly covered by federal depository insurance (FDIC). All investments are insured, registered or held by the PDA or its agent in the government's name.

Note 6 – Subsequent Events

Subsequent event – Reorganization

The PDA established Fort Worden Hospitality Services (an LLC not-for-profit) effective February 14, 2022. Staff, resources and assigned facilities will be transferred to the new LLC under a 25-year franchise to operate all campus hospitality services. Two PDA board members provide oversight to the new organization. The LLC will provide an initial management support fee to the PDA, followed by a Franchise Fee after year two. All liabilities held by the PDA for Hospitality Services will be transferred to the new LLC.

Note 7 – Other Disclosures

COVID-19

In February 2020, the Governor of the state of Washington declared a state of emergency in response to the spread of a deadly new virus. In the weeks following the declaration, precautionary measures to slow the spread of the virus were ordered. These measures included restricting or halting the operation of certain businesses and limiting public and private gatherings. Subsequent phased re-opening measures extended into 2021, along with uncertainty brought about by new COVID-19 variants.

The FWPDA's operating revenue is generated primarily through hospitality services – events, lodging and restaurants. TAPS, the popular park pub was not able to reopen due to staff shortages. Housekeeping staff shortages also limited the number of houses available for rent in 2021. The PDA manages 72 buildings and the costs of utilities and general maintenance are ongoing.

The Makers Square construction project due for completion in 2020 was delayed due to Covid-19. Construction activity was complete September 30, 2021, with unplanned costs incurred for interest and work stoppages.

Note 8 – Risk Management

Fort Worden Public Development Auth is a member of the Enduris Washington (Pool). Chapter 48.62 RCW provides the exclusive source of local government entity authority to individually or jointly self-insure risks, jointly purchase insurance or reinsurance, and to contract for risk management, claims, and administrative services. The Pool was formed July 10, 1987 pursuant to the provisions of Chapter 48.62 RCW, Chapter 200-100 WAC, and Chapter 39.34 RCW when two counties and two cities in the State of Washington joined together by signing an interlocal governmental agreement to fund their self-insured losses and jointly purchase insurance and administrative services. For the Pool’s fiscal year ending August 31, 2021, there were 539 Enduris members representing a broad array of special purpose districts throughout the state.

The Enduris’ program provides for various forms of joint self-insurance and reinsurance coverage for its members: Liability coverage, which includes: General Liability, Automobile Liability, Public Officials’ Errors and Omissions liability, Terrorism liability and Employment Practices liability; Property coverage, which includes: Building and Contents, Mobile Equipment, Boiler and Machinery, and Business Interruption/Extra Expense; Automobile Physical Damage coverage; Cyber coverage; Crime blanket coverage; Named Position coverage; and an Identity Fraud reimbursement program. Pollution coverage is provided on a “claims made” coverage form. All other coverage is provided on an “occurrence” coverage form.

Members are responsible for a coverage deductible or co-pay on each covered loss. Each policy year members receive a Memorandum of Coverage (MOC) outlining the specific coverage, limits, and deductibles/co-pays that are applicable to them. In certain cases the Pool may allow members to elect to participate in the programs at limits, coverage, deductibles, and co-pays that are specific to their needs. Enduris is responsible for payment of all covered losses above the member retention, up to the Pool self-insured retention (SIR). Enduris acquires excess/reinsurance from unrelated insurance companies to cover losses above the Pool’s SIR up to the coverage maximum limit of liability. The tables below reflect the Pool’s SIR, reinsurance limits and member deductibles/co-pays by coverage type.

Coverage	Coverage Type	Pool Self-Insured Retention	Excess/ Reinsurance Limits	Member Deductibles/ Co-Pays ⁽¹⁾
Liability:				
Comprehensive General Liability	Per Occurrence	\$1 million	\$20 million	\$1,000 - \$100,000
Automobile Liability	Per Occurrence	\$1 million	\$20 million	\$1,000 - \$100,000
Public Officials Errors and Omissions Liability	Each Wrongful Act Member Aggregate	\$1 million	\$20 million \$20 million	\$1,000 - \$100,000
Terrorism Liability ⁽²⁾	Per Occurrence Pool Aggregate	\$500,000 \$1 million	\$0 Fully funded by Pool	\$1,000 - \$100,000
Employment Practices Liability	Per Occurrence Member Aggregate	\$1 million	\$20 million \$20 million	20% Copay ⁽³⁾

Coverage	Coverage Type	Pool Self-Insured Retention	Excess/ Reinsurance Limits	Member Deductibles/ Co-Pays ⁽¹⁾
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- (1) Members may request or be required to pay a higher deductible than the minimum for certain coverage and certain types of losses require a specific co-pay or deductible
- (2) Terrorism liability is fully funded by the Pool i.e. no excess/reinsurance is procured.
- (3) Members pay a 20% co-pay of costs up to a maximum of \$100,000. By meeting established guidelines, the co-pay may be waived.

Property ⁽²⁾:

Buildings and Contents	Per Occurrence	\$250,000	\$800 million	\$1,000 - \$250,000
Mobile Equipment	Per Occurrence	\$250,000	\$800 million	\$1,000 - \$250,000
Boiler and Machinery ⁽³⁾	Per Occurrence	Varies	\$100 million	Varies
Business Interruption (BI)/ Extra Expense (EE) ⁽⁴⁾	Per Occurrence	\$250,000	\$100 million (BI)/ \$50 million (EE)	\$1,000 - \$250,000
Sublimit ⁽⁵⁾:				
Flood	Per Occurrence	\$250,000	\$50 million (shared by Pool members)	\$1,000 - \$250,000
Earthquake	Per Occurrence	5%; \$500,000 maximum	\$10 million (shared by Pool members)	\$1,000 - \$250,000
Terrorism Primary	Per Occurrence Pool Aggregate	\$250,000	\$100 million/ Pool member \$200 million	\$1,000 - \$250,000
Terrorism Excess	Per Occurrence APIP Per Occurrence APIP Aggregate	\$500,000	\$600 million/Pool member \$1.2 billion/APIP \$1.4 billion/APIP	\$0
Automobile Physical Damage ⁽⁶⁾	Per Occurrence	\$25,000; \$100,000 for Emergency Vehicles	\$800 million	\$250 - \$1,000
Crime Blanket ⁽⁷⁾	Per Occurrence	\$50,000	\$1 million	\$1,000
Named Position ⁽⁸⁾	Per Occurrence	\$50,000	\$1 million	\$1,000
Cyber ⁽⁹⁾	Each Claim APIP Aggregate	\$100,000	\$2 million \$25 million	20% Copay
Identity Fraud Expense Reimbursement ⁽¹⁰⁾	Member Aggregate	\$0	\$25,000	\$0

- (1) Members may request or be required to pay a higher deductible than the minimum for certain coverage and certain types of losses require a specific co-pay or deductible.
- (2) Property coverage for each member is based on detailed property schedule. Scheduled items are covered to the extent of the cost of repair or replacement pursuant to the excess/reinsurance policy terms. Under the Alliant Property Insurance Program (APIP) Reinsurance carriers cover insured losses over \$250,000 to the limit of \$800 million except for certain types of sub-limited property losses such as flood, earthquake, and terrorism.
- (3) Boiler and Machinery self-insured retention for the Pool varies depending on motor horsepower.
- (4) Business Interruption/ Extra expense coverage is based on scheduled revenue generating locations/operations. A limited number of members schedule and the rest are limited to \$500,000 of coverage with a \$2.5 million Pool maximum for undeclared exposure. The waiting period (deductible) is typically 24 hours but there are exceptions specific to the type of exposure covered.
- (5) This sublimit list is simplified and is not all-inclusive. In addition, sub-limits are often shared or aggregated by all pool members and, in a few cases, are shared by all APIP members. Deductibles often vary by coverage sub-limit.
- (6) Auto Physical Damage coverage includes comprehensive, named perils and collision. Coverage for each member is based on a detail vehicle schedule.

Coverage	Coverage Type	Pool Self-Insured Retention	Excess/ Reinsurance Limits	Member Deductibles/ Co-Pays ⁽¹⁾
(7)	Crime Blanket coverage (also referred to as "Employee Dishonesty Coverage with Faithful Performance" of \$2,500 is provided to each member. Member's may elect to "buy-up" the level of coverage from \$5,000 to \$1 million.			
(8)	Named Position coverage is optional. Members may elect to schedule various employees, directors, and commissioners, with individual limits of between \$5,000 and \$1 million.			
(9)	Cyber coverage is included under the Pool's Property program. Members are subject to a 20% co-pay per loss and the Pool's SIR is tiered between \$50,000 and \$100,000 depending on the insured/members property TIV with an 8 hour waiting period. By meeting established guidelines, the co-pay may be waived. The reinsurance maximum limit of liability is \$2 million, with various declared sub-limits.			
(10)	Identity Fraud Expense Reimbursement coverage is purchased by Enduris. Member claims do not have a deductible. There is a \$25,000 limit per member.			

Members make an annual contribution to fund the Pool. Since Enduris is a cooperative program, there is joint liability among the participating members. There were no claim settlements in excess of the insurance coverage in any of the last three policy years.

Upon joining the Pool, members are contractually obligated to remain in the Pool for a minimum of one year and must give notice 60 days before renewal in order to terminate participation. The Interlocal Governmental Agreement (formerly known as the Master Agreement) is automatically renewed each year unless provisions for withdrawal or termination are applied. Even after termination, a member is still responsible for contribution to Enduris for any unresolved, unreported and in process claims for the period they were a signatory to the Interlocal Governmental Agreement.

Enduris is fully funded by its member participants. Claims are filed by members with the Pool who determines coverage and administers the claims.

The Pool is governed by a Board of Directors which is comprised of seven board members. The Pool's members elect the Board, and the positions are filled on a rotating basis. The Board meets quarterly and is responsible for overseeing the business affairs of Enduris and providing policy direction to the Pool's Executive Director.

The PDA is exposed to various risks of loss related to theft of, damage to, and destruction of assets; torts; errors and omissions; injuries to employees; and natural disasters.

The PDA purchases commercial insurance for such risks of loss through Enduris. Coverage includes general, auto, public officials' errors and omissions, and employment liability with a limit of \$20 million per occurrence and a \$1,000 deductible. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Fort Worden Public Development Authority

Schedule 01

For the year ended December 31, 2021

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
3074	401	Operations	3083100	Restricted Cash and Investments - Beginning	\$52,494
3074	401	Operations	3085100	Assigned Cash and Investments - Beginning	\$117,908
3074	401	Operations	3473000	Activity Fees	\$2,735,027
3074	401	Operations	3670000	Contributions and Donations from Nongovernmental Sources	\$80,651
3074	401	Operations	3370000	Local Grants, Entitlements and Other Payments	\$383,458
3074	601	Foundation	3083100	Restricted Cash and Investments - Beginning	\$196,809
3074	401	Operations	5755010	Multipurpose and Community Centers	\$1,358,057
3074	401	Operations	5755020	Multipurpose and Community Centers	\$287,835
3074	401	Operations	5755030	Multipurpose and Community Centers	\$157,554
3074	401	Operations	5755040	Multipurpose and Community Centers	\$1,961,392
3074	401	Operations	5083100	Restricted Cash and Investments - Ending	\$427,016
3074	401	Operations	5085100	Assigned Cash and Investments - Ending	\$119,409
3074	601	Foundation	5083100	Restricted Cash and Investments - Ending	\$148,734
3074	401	Operations	3952000	Compensation for Loss/Impairment of Capital Assets (Cash Basis Only)	\$25,407
3074	401	Operations	3829000	Immaterial Fiduciary Collections	\$6,510
3074	401	Operations	3829000	Immaterial Fiduciary Collections	\$287,850
3074	401	Operations	3912000	Revenue Bonds Issued	\$231,000
3074	401	Operations	3930000	Refunding Long-Term Debt Issued	\$3,806,140
3074	401	Operations	3881000	Prior Period Adjustment (s)	\$1,754,222
3074	601	Foundation	3893000	Custodial Type Collections	\$2,596,871
3074	401	Operations	5917570	Debt Repayment - Cultural and Recreational Facilities	\$564,000
3074	401	Operations	5997570	Payments for Refunded Debt - Cultural and Recreational Facilities	\$3,550,000
3074	401	Operations	5927580	Interest and Other Debt Service Cost - Cultural and Recreational Facilities	\$218,871
3074	401	Operations	5822000	Refund of Retainage Deposits	\$428,880

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
3074	401	Operations	5829000	Immaterial Fiduciary Remittance	\$6,270
3074	401	Operations	5829000	Immaterial Fiduciary Remittance	\$283,285
3074	401	Operations	5829000	Immaterial Fiduciary Remittance	\$3,503
3074	401	Operations	5947560	Capital Expenditures/Expenses - Cultural and Recreational Facilities	\$114,595
3074	601	Foundation	5893000	Custodial Type Remittances	\$2,644,946

Fort Worden Public Development Authority
Schedule of Liabilities
For the Year Ended December 31, 2021

ID. No.	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
Revenue and Other (non G.O.) Debt/Liabilities						
252.11	Revenue Bond, 2018	4/1/2040	1,600,000	-	1,600,000	-
252.11	Revenue Bond, 2019	6/28/2028	1,950,000	-	1,950,000	-
263.92	Fort Worden Foundation Loan	1/15/2021	350,000	-	350,000	-
252.11	Grant Anticipation Note	1/31/2022	214,000	-	214,000	-
252.11	Refunding Bond 2021A	9/10/2046	-	1,698,277	-	1,698,277
252.11	Refunding Bond 2021B	9/10/2046	-	2,107,863	-	2,107,863
252.11	Revenue Bond 2021C	11/17/2046	-	231,000	-	231,000
252.11	Revenue Bond 2019A	6/28/2021	1,500,000	-	-	1,500,000
259.12	Compensated Absences	12/31/2022	64,610	-	24,934	39,676
Total Revenue and Other (non G.O.) Debt/Liabilities:			5,678,610	4,037,140	4,138,934	5,576,816
Total Liabilities:			5,678,610	4,037,140	4,138,934	5,576,816

Fort Worden Public Development Authority
SCHEDULE OF STATE FINANCIAL ASSISTANCE (unaudited)
For Fiscal Year ended December 31, 2021

Grantor	Program Title	Identificaton Number	Amount
State Grant from Department of Commerce			
	Local Community Projects	21-96633-048	543,200
Sub-total:			543,200
State Grant from Other State Agencies			
	Heritage Capital Projects	19-11	347,077
Sub-total:			347,077
Grand total:			890,277

Labor Relations Consultant(s)
For the Year Ended December 31, 20__

Has your government engaged labor relations consultants? ___ Yes X No

If yes, please provide the following information for each consultant:

Name of firm:
Name of consultant:
Business address:
Amount paid to consultant during fiscal year:
Terms and conditions, as applicable, including: Rates (e.g., hourly, etc.): Maximum compensation allowed: Duration of services: Services provided:

LOCAL GOVERNMENT RISK-ASSUMPTION
For the Year Ended December 31, 20__

1. no Does the entity self-insure for any class of risk, including liability, property, health and welfare, unemployment compensation, workers' compensation? (yes/no)

If NO, STOP, you do not need to complete the rest of this Schedule.

If YES, continue below.

- a. Which class of risk does the entity self-insure? Check all that apply.
- i. Liability
 - ii. Property
 - iii. Health and Welfare (medical, vision, dental, prescription)
 - iv. Unemployment Compensation
 - v. Workers' Compensation
 - vi. Other - please describe: _____
- b. Does the entity self-insure as an individual program? (yes/no)
- i. If answered YES, does the entity allow another separate legal entity into its self-insurance program(s)? (yes/no) For example, employees of a different organization participate in a health and welfare program of a city.

If so, list the entity or entities: _____
- c. Does the entity self-insure as a joint program? (yes/no)
- If answered YES, list the other member(s): _____

2. _____ Does the entity administer its own claims? (yes/no)
3. _____ Does the entity contract with a third party administrator for claims administration? (yes/no)
4. _____ Did the entity receive a claims audit in the last three years, regardless of who administered the claims? (yes/no)
5. _____ Were the program's revenues sufficient to cover the program's expenses? (yes/no)
6. _____ Did the program use an actuary to determine its liabilities? (yes/no)

EXAMPLE

Description of Risk Type	Number of claims received during the period	Number of claims paid during the period	Total amount of claims paid during the period
Liability (automobile)	354	279	\$104,366

Description of Risk Type	Number of claims received during the period	Number of claims paid during the period	Total amount of claims paid during the period

GAAP Versus Cash Basis Reporting

4.1 Reporting Principles and Requirements

4.1.7 GAAP Versus Cash Basis Reporting

4.1.7.10 Approximately 20 percent of local governments – the largest and most complex in the state – report financial information in accordance with generally accepted accounting principles (GAAP). All other local governments report on a cash basis as prescribed in the *Budgeting, Accounting, and Reporting System* (BARS) Manuals.

4.1.7.20 Under authority of RCW [43.09.200](#), the Washington State Auditor’s Office allows local governments the option to report on either a GAAP or cash basis. However, while the State Auditor’s Office does not require reporting on a GAAP basis, it may be a requirement of federal grants, bonds, contracts, or other oversight agencies.

4.1.7.30 As discussed in the BARS Manuals, the design of a government’s accounting system and controls for financial reporting is a management decision – including the selection of the basis of reporting. Adequate accountability, oversight and control can be achieved whether reporting on a cash or GAAP basis.

4.1.7.40 The most appropriate basis of reporting for a particular government is a matter of judgment based on the needs, activity and resources of that government. Each method has advantages and disadvantages. We recommend that governments carefully consider the costs versus benefits. To assist governments in this decision, a summary of common benefits and drawbacks of different reporting options is provided below.

4.1.7.50 GAAP basis reporting

Advantages	Disadvantages
<ul style="list-style-type: none">• Financial reports that are more comprehensive, sophisticated and potentially informative• Improved ability to evaluate government's financial position and changes in its net position• Consistent with nationally recognized financial reporting standards• More familiar to external users• May be required by grantors or oversight agencies	<ul style="list-style-type: none">• May be more difficult to understand and use for managers or governing bodies who are unfamiliar with accrual concepts and terminology• Requires more qualified staff, a more complex accounting system, and more time devoted to preparation and controls over financial reporting• More costly financial reporting• May need to reconcile between multiple basis of accounting for financial reporting and operational purposes

4.1.7.60 Cash basis reporting

Advantages	Disadvantages
<ul style="list-style-type: none">• Financial reports that are more simple and easier to understand and use• Clear presentation of cash flows and available cash• Financial reporting that is aligned with budgets• Financial reporting may be less costly• Less training required for staff	<ul style="list-style-type: none">• Statements are focused on short-term rather than long-term financial position• Less information on non-cash assets, including infrastructure, and changes in these assets• Less information on liabilities and changes in liabilities• May not be as familiar to external user

4.1.7.70 Governments should evaluate these general benefits and costs in relation to their specific situation, including their personnel, software systems, organizational structure and activities. Other factors that may be specifically considered include:

- Accounting and reporting basis used by the government's fiscal agent or by entities for which the government acts as the fiscal agent;
- Accounting and reporting basis used by other entities with which the government engages in joint ventures or service contracts;
- Familiarity of management and the governing body with a particular basis of reporting;
- Importance and amount of the government's non-cash assets;
- Importance and amount of the government's liabilities not reported on Schedule 09;
- Whether there is uncertainty about future reporting needs, as it is easier to convert from GAAP to cash basis than the other way;
- Needs and expectations of external users of the government's financial statements.



Fort Worden Public Development Authority

FWPDA

Checking Accounts:

Operating Account	2703367811
Capital Account	2703367812
Restricted Account	2703367813

Savings Accounts:

Makers Square Lease	2703367820
Energy User Fees Receivables	2703367821
Glamping Receivables	2703367822
Payment Reserves	2703367823

From: [David Timmons](#)
To: [Meriden Vitale](#)
Subject: FW: Proposed revisions
Date: Monday, June 13, 2022 2:54:51 PM
Attachments: [image001.png](#)
[Proposed 2022 Bond.pdf](#)

From: Alan Crain <ACrain@kitsapbank.com>
Sent: Thursday, June 9, 2022 1:18 PM
To: David Timmons <dtimmons@fortworden.org>
Cc: Becky Wagner <bwagner@fortworden.org>; KB-Finance <KB-Finance@kitsapbank.com>
Subject: Proposed revisions

This message was sent securely using Zix[®]

Hi David,

This will be easier to talk through, but attached is what I've come up with based on your revenue projections. Hopefully my summary at the top of page 1 makes sense, but I'm proposing we use remaining proceeds to pay interest current on the outstanding bonds, disburse remaining proceeds available under the 2021C bond to the PDA and then bundle and reissue as one new bond with revised shortened debt service (page 2). The first payment on 12/1/2023 is slightly larger than the 2023 projected revenue, hence the need to pay down the interest now rather than collecting the outstand \$137,339.68 (as of 6/30/2022) on the 12/1/2023 payment date.

My only other question is if we should run debt service this close to total revenue as I would expect the PDA would need some funds for operations and maintenance. I can revise this schedule but let me know if I'm in the ballpark of what you were thinking.

I ran numbers assuming we issue the new bond and payoff the existing ones by June 30. Once we have concurrence on debt service we can disburse the excess to the PDA, but since I'm about to leave on vacation until July 5th I'm not going to be able to review proposed resolutions in time to meet that schedule, so a July closing is more realistic.

Give me a call when you have a chance, preferably today. I start heading for Mount Rainier tomorrow and become generally unavailable. I have a small window of availability on the 14th if we can't connect today.

Thanks!



Alan Crain
EVP, Chief Financial Officer

p 360.876.7887 **f** 360.876.7801
619 Bay Street

Kitsap Bank continues to monitor the rapidly evolving COVID-19 situation. Please be assured that we are committed to supporting you, our employees and our community through this situation. For up-to-date information, please refer to <https://www.kitsapbank.com/about-us/covid-19-update/> and follow us on social media.

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To send me documents please visit our Secure File Transfer Site at: <https://www.kitsapbank.com/ftp>

	Principal					Maker's	Pay interest	Remaining	Fully Disbursed
	Balance 5/31	Rate	Acc'd Int 5/31	June Interest	Per Diem	Square Payoff	Current	Disbursement to FWPDA	Balances
2021A	\$ 1,698,277.30	4.00%	\$ 49,250.04	\$ 5,660.92	\$ 188.70				1,698,277.30
2021B	2,107,862.71	4.00%	61,128.02	7,026.21	234.21				2,107,862.71
2021C	755,000.00	4.00%	7,173.33	2,516.67	83.89	615,858.46	132,755.19	430,386.35	1,934,000.00
Maker's Square	611,273.97	3.75%	2,700.49	1,884.00	62.80	(615,858.46)			-
Total	\$ 5,172,413.98		\$ 120,251.88	\$ 17,087.80	\$ 569.59				\$ 5,740,140.01

Original Planned Amortization

	2021A	2021B	2021C	Total
6/30/2022				
12/01/23	(151,246.68)	(187,699.78)		(338,946.46)
06/01/24	(56,813.18)	(70,515.21)	(222,427.35)	(349,755.74)
12/01/24	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
06/01/25	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
12/01/25	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
06/01/26	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
12/01/26	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
06/01/27	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
12/01/27	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
06/01/28	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
12/01/28	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
06/01/29	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
12/01/29	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
06/01/30	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
12/01/30	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
06/01/31	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
12/01/31	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
06/01/32	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
12/01/32	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
06/01/33	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
12/01/33	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
06/01/34	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
12/01/34	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
06/01/35	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
12/01/35	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
06/01/36	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
12/01/36	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
06/01/37	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
12/01/37	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
06/01/38	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
12/01/38	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
06/01/39	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
12/01/39	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
06/01/40	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
12/01/40	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
06/01/41	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
12/01/41	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
06/01/42	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
12/01/42	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
06/01/43	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
12/01/43	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
06/01/44	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
12/01/44	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
06/01/45	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
12/01/45	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
06/01/46	(56,813.18)	(70,515.21)	(64,698.91)	(192,027.29)
09/10/46	(56,065.42)	(69,646.55)	(64,600.24)	(190,312.20)
				(9,328,215.21)

Kitsap Bank
Fort Worden Public Development Authority
Bond Amortization

2022 Bond

Settle 6/30/2022
Bond Proceeds 5,740,140
Interest Rate **4.00%**
Amortization Term (years) **23.00**
Payments per Year **2**
Debt Service (192,027.29)
Annual Debt Service (384,054.58)

Payment Period	Beginning	Principal	Interest	Ending	Cash flow	Annual DS
06/30/22				5,740,140.01	5,740,140.01	
12/01/23	5,740,140.01	(100.00)	(325,912.39)	5,740,040.01	(326,012.39)	(326,012)
06/01/24	5,740,040.01	(49,000.00)	(114,800.80)	5,691,040.01	(163,800.80)	
12/01/24	5,691,040.01	(49,000.00)	(113,820.80)	5,642,040.01	(162,820.80)	(326,622)
06/01/25	5,642,040.01	(55,000.00)	(112,840.80)	5,587,040.01	(167,840.80)	
12/01/25	5,587,040.01	(56,000.00)	(111,740.80)	5,531,040.01	(167,740.80)	(335,582)
06/01/26	5,531,040.01	(62,000.00)	(110,620.80)	5,469,040.01	(172,620.80)	
12/01/26	5,469,040.01	(62,000.00)	(109,380.80)	5,407,040.01	(171,380.80)	(344,002)
06/01/27	5,407,040.01	(68,000.00)	(108,140.80)	5,339,040.01	(176,140.80)	
12/01/27	5,339,040.01	(70,000.00)	(106,780.80)	5,269,040.01	(176,780.80)	(352,922)
06/01/28	5,269,040.01	(76,000.00)	(105,380.80)	5,193,040.01	(181,380.80)	
12/01/28	5,193,040.01	(77,000.00)	(103,860.80)	5,116,040.01	(180,860.80)	(362,242)
06/01/29	5,116,040.01	(82,000.00)	(102,320.80)	5,034,040.01	(184,320.80)	
12/01/29	5,034,040.01	(87,000.00)	(100,680.80)	4,947,040.01	(187,680.80)	(372,002)
06/01/30	4,947,040.01	(93,000.00)	(98,940.80)	4,854,040.01	(191,940.80)	
12/01/30	4,854,040.01	(96,000.00)	(97,080.80)	4,758,040.01	(193,080.80)	(385,022)
06/01/31	4,758,040.01	(107,000.00)	(95,160.80)	4,651,040.01	(202,160.80)	
12/01/31	4,651,040.01	(116,000.00)	(93,020.80)	4,535,040.01	(209,020.80)	(411,182)
06/01/32	4,535,040.01	(120,000.00)	(90,700.80)	4,415,040.01	(210,700.80)	
12/01/32	4,415,040.01	(123,000.00)	(88,300.80)	4,292,040.01	(211,300.80)	(422,002)
06/01/33	4,292,040.01	(131,000.00)	(85,840.80)	4,161,040.01	(216,840.80)	
12/01/33	4,161,040.01	(133,000.00)	(83,220.80)	4,028,040.01	(216,220.80)	(433,062)
06/01/34	4,028,040.01	(141,000.00)	(80,560.80)	3,887,040.01	(221,560.80)	
12/01/34	3,887,040.01	(145,000.00)	(77,740.80)	3,742,040.01	(222,740.80)	(444,302)
06/01/35	3,742,040.01	(152,000.00)	(74,840.80)	3,590,040.01	(226,840.80)	
12/01/35	3,590,040.01	(157,000.00)	(71,800.80)	3,433,040.01	(228,800.80)	(455,642)
06/01/36	3,433,040.01	(165,000.00)	(68,660.80)	3,268,040.01	(233,660.80)	
12/01/36	3,268,040.01	(169,000.00)	(65,360.80)	3,099,040.01	(234,360.80)	(468,022)
06/01/37	3,099,040.01	(179,000.00)	(61,980.80)	2,920,040.01	(240,980.80)	
12/01/37	2,920,040.01	(182,000.00)	(58,400.80)	2,738,040.01	(240,400.80)	(481,382)
06/01/38	2,738,040.01	(187,000.00)	(54,760.80)	2,551,040.01	(241,760.80)	
12/01/38	2,551,040.01	(192,000.00)	(51,020.80)	2,359,040.01	(243,020.80)	(484,782)
06/01/39	2,359,040.01	(206,000.00)	(47,180.80)	2,153,040.01	(253,180.80)	
12/01/39	2,153,040.01	(210,000.00)	(43,060.80)	1,943,040.01	(253,060.80)	(506,242)
06/01/40	1,943,040.01	(220,000.00)	(38,860.80)	1,723,040.01	(258,860.80)	
12/01/40	1,723,040.01	(226,000.00)	(34,460.80)	1,497,040.01	(260,460.80)	(519,322)
06/01/41	1,497,040.01	(236,000.00)	(29,940.80)	1,261,040.01	(265,940.80)	
12/01/41	1,261,040.01	(241,000.00)	(25,220.80)	1,020,040.01	(266,220.80)	(532,162)
06/01/42	1,020,040.01	(252,000.00)	(20,400.80)	768,040.01	(272,400.80)	
12/01/42	768,040.01	(258,000.00)	(15,360.80)	510,040.01	(273,360.80)	(545,762)
06/01/43	510,040.01	(258,000.00)	(10,200.80)	252,040.01	(268,200.80)	
12/01/43	252,040.01	(252,040.01)	(5,040.80)	(0.00)	(257,080.81)	(525,282)
06/01/44	-	-	-	-		
12/01/44	-	-	-	-		
06/01/45	-	-	-	-		
12/01/45	-	-	-	-		
06/01/46	-	-	-	-		
09/10/46	-	-	-	-		