

2027 Review of Draft Budget and Public Hearing

Draft budget, subject to change before adoption

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Nov. 9, 2026

PORT of OLYMPIA

Purpose of Tonight's Hearing

Public hearing on the draft 2027 budget and property tax levy

- The Port holds a public hearing on its preliminary budget before adoption, as required by RCW 53.35.020 and RCW 53.35.045
- Hearing notices were published in The Olympian on October 25 and November 1, 2026
- Copies of the preliminary budget are available to the public on the Port's website budget page
- Tonight: staff overview and public hearing

1

October 5–6, 2026

Commission budget retreat

2

October 26, 2026

Second review with the Commission

3

November 9, 2026: Tonight

Public hearing; resolutions introduced

4

November 23, 2026

Budget and tax levy adoption

Preliminary draft budget, subject to change

2027 Budget at a Glance

Port-wide headline figures, preliminary 2027 budget

$16.45M

Operating revenue

Down 4.3% from the 2026 adopted budget of $17.19M

$8.30M

Property tax levy revenue

Option 1 (1% plus new construction); 2026 adopted was $8.33M

$16.21M

Capital investment

$8.30M grant-funded and $7.91M Port-funded

$16.43M

Ending cash and investments

From $25.08M at the start of 2027; no new borrowing

After non-operating revenues and expenses, the 2027 budget shows a total net surplus of $7.27M. The four business units cover their direct costs and General and Administrative support with a $37,215 net margin before depreciation.

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Budget Assumptions

Built conservatively for an uncertain economy

Revenue

- Operating revenue held flat or reduced for global market uncertainty, tariffs and rising fuel costs
- Marine Terminal budgeted for fewer vessel calls
- Marina and Boatworks moorage up 6% (CPI of 4.5% plus 1.5%)
- Airport hangars, planeports and tie-downs up 5%
- Property tax levy at $8,301,749 (1% plus new construction)

Expenses and staffing

- Environmental costs rise as regulations become more stringent
- Insurance, health care and utility costs continue to rise
- Cost-of-living adjustment of [3.8%] for non-represented staff; ILWU rates set by contract
- Budgeting for 57 staff FTE plus 5 Commissioners
- No new borrowing; two bond issues retire in 2027

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MEASURING SUCCESS

Profit is one measure; public impact is the other

	A Private Business	The Port of Olympia
Why it exists	Return value to its owners	Economic development and public benefit for Thurston County
Where money comes from	Customers	Customers, plus property tax and grants
How success is measured	Profit	Business units that cover their operations, plus public outcomes: jobs, cleanup, access

$4.57M

business units' operating surplus before general and administrative (G&A) costs

$43K

net margin after G&A support

Property tax and grants pay for public work the business units are not expected to cover: legacy environmental cleanup, economic development, Government Services, maintaining public amenities, debt service.



Port-Wide Budget

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Port-Wide Income Statement

$ in thousands; 2026 projected is the year-end estimate

Port-wide	2026 Adopted	2026 Projected	2027 Proposed
Operating revenues	$17,194	$17,599	$16,448
Operating and maintenance expenses	($12,205)	($11,821)	($11,877)
General and Administrative allocated to operations	($4,210)	($4,049)	($4,533)
Net margin after G&A	$779	$1,729	**$37**
Depreciation (non-cash)	($3,444)	($3,469)	($3,576)
Operating income (loss)	($2,664)	($1,740)	($3,539)
Non-operating revenues	$16,745	$19,324	$19,844
Non-operating expenses	($8,551)	($7,701)	($9,036)
Total net income	$5,531	$9,883	**$7,269**

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2027 Operating Results by Business Unit

$ in thousands; 2027 proposed

2027 Proposed	Airport	Marina and Boatworks	Marine Terminal	Peninsula Properties	Total
Revenues	$3,784	$5,210	$6,409	$1,045	$16,448
Direct expenses	($2,510)	($3,792)	($4,911)	($664)	($11,877)
Operating surplus	$1,274	$1,418	$1,498	$381	$4,570
G&A support	($1,305)	($1,304)	($1,405)	($519)	($4,533)
Net margin	($30)	$114	$92	($138)	$37
Depreciation	($978)	($602)	($1,784)	($212)	($3,576)
Operating income (loss)	($1,008)	($489)	($1,692)	($351)	($3,539)

Airport includes the New Market Industrial Campus and Cleanwater Centre. Peninsula Properties is “Properties Non-Airport” in the Finance summary.

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Sources and Uses of Funds

2027 statutory cash budget, prepared under RCW 53.35.010

$25.08M Beginning cash and investments

$16.43M Projected ending cash and investments

Sources	2027
Funds provided by operations	$0.04M
Property tax revenue	$8.30M
Grant revenue: capital projects	$8.30M
Grant revenue: Budd Inlet	$2.00M
Non-operating revenue	$1.24M
Total sources	**$19.88M**

Uses	2027
Capital investments	$16.21M
Environmental remediation	$5.54M
Debt service	$4.16M
Government Services	$2.18M
Other non-operating expenses	$0.43M
Total uses	**$28.53M**

Uses exceed sources by $8.65M, drawn from cash and investments. No new borrowing is projected.

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Business Units and G&A

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Airport

Olympia Regional Airport, New Market Industrial Campus and Cleanwater Centre; $ in thousands

Airport	2026 Adopted	2026 Projected	2027 Proposed
Operating revenue	$3,496	$3,514	$3,784
Operating and maintenance	($2,317)	($2,093)	($2,510)
Operating surplus	$1,179	$1,421	$1,274
G&A allocation	($1,212)	($1,165)	($1,305)
Net margin	($33)	$256	**($30)**
Depreciation	($954)	($968)	($978)
Net operating income (loss)	($987)	($712)	($1,008)

2027 Highlights

- Revenue up $270K from the 2026 projection
- 87% of revenue comes from signed leases
- Hangars, planeports and tie-downs + 5%; fuel flowage + 14%; landing fees + 33%
- Operating and maintenance costs up $417K and G&A up $140K
- Capital plan: $2.26M, about 84% grant-funded

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Marina and Boatworks

Marina, Boatworks and Fuel Dock; $ in thousands

Marina and Boatworks	2026 Adopted	2026 Projected	2027 Proposed
Operating revenue	$5,259	$5,019	$5,210
Operating and maintenance	($4,019)	($3,858)	($3,792)
Operating surplus	$1,240	$1,161	$1,418
G&A allocation	($1,211)	($1,164)	($1,304)
Net margin	$29	($4)	$114
Depreciation	($553)	($550)	($602)
Net operating income (loss)	($525)	($554)	($489)

2027 Highlights

- Moorage rates + 6% (CPI 4.5% plus 1.5%)
- 2026 rates track the 25th percentile of Puget Sound marinas
- New Boatworks fee structure; an off-season rate replaces winter storage
- Operating and maintenance costs $66K below the 2026 projection
- Capital plan: $802K, including $750K for the Boatworks expansion

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Boatworks

What Changes in 2027

Effective January 1, 2027

Haul-out rates drop 1–5% for nearly every vessel size

Pressure wash now includes the environmental fee: $5.50/ft vs. $6.50/ft combined in 2026

Laytime becomes seasonal: $1.75 summer / $1.25 winter (was $2.00 year-round)

Winter long-term storage program is discontinued

Mast storage falls to $12/day or $75/week (was $20/day)

Labor, work dock moorage, towing and most other fees are unchanged

Haul-Out & Launch Rates

Per foot, per haul – 2026 adopted vs. 2027 draft

Vessel Length	Roundtrip Haul & Launch			One-Way Haul to Truck			One-Way Haul to Survey/Trailer		
	2026	2027	Change	2026	2027	Change	2026	2027	Change
Up to 32 ft	$11.75	**$11.25**	–4.3%	$8.32	**$7.88**	–5.3%	$10.03	**$9.56**	–4.7%
33 – 39 ft	$12.88	**$12.50**	–3.0%	$9.08	**$8.75**	–3.6%	$10.98	**$10.63**	–3.2%
40 – 49 ft	$14.14	**$14.00**	–1.0%	$10.29	**$9.80**	–4.8%	$12.21	**$11.90**	–2.5%
50 – 59 ft	$16.60	**$16.25**	–2.1%	$11.47	**$11.38**	–0.8%	$14.04	**$13.81**	–1.6%
Over 60 ft	$18.48	**$18.00**	–2.6%	$12.54	**$12.60**	+0.5%	$15.51	**$15.30**	–1.4%

Roundtrip includes hauling, blocking, ground tarp, electricity and launching; no laytime on haul-out day. One-way hauls include ½ hour of sling time, $150 minimum; extra sling time stays at $250/hr.
Only increase: one-way haul to truck for vessels over 60 ft (+$0.06/ft).

Sources: 2026 Adopted Operating Budget & CIP (Nov. 24, 2025), Schedule of User Charges – Boatworks, pp. 114–115; 2027 Draft Operating Budget & CIP (Nov. 9, 2026), pp. 33–34.

Yard Fees, Laytime & Storage

Where the 2027 schedule changes structure, not just price

Fee	2026 Adopted	2027 Draft	Change
Environmental fee	$2.25/ft (washed and/or blocked)	**$2.00/ft (without wash)**	–$0.25/ft
Pressure wash bottom	$4.25/ft + $2.25/ft enviro fee = $6.50/ft	**$5.50/ft (enviro fee included)**	–$1.00/ft combined
Laytime – summer (Apr 1 – Sep 30)	$2.00/ft/day	**$1.75/ft/day**	–12.5%
Laytime – winter (Oct 1 – Mar 31)	$2.00/ft/day	**$1.25/ft/day**	–37.5%
Winter long-term storage (Oct 1 – Mar 31)	$24.00/ft/month, 3-month min., + $40/month utility fee	**Discontinued – winter laytime applies**	**Program removed**
Mast storage	$20.00/day	**$12.00/day or $75.00/week**	–40% daily
Waitlist fee	$50.00	**Not listed**	**Removed**
Reservation fee	$10.00	**$10.00 (renamed Scheduling Fee)**	No change

Sources: 2026 Adopted Operating Budget & CIP (Nov. 24, 2025), Schedule of User Charges – Boatworks, pp. 114–115; 2027 Draft Operating Budget & CIP (Nov. 9, 2026), pp. 33–34.

What It Means for a 36-ft Boat

Illustrative customer cost using each year's published rates

Summer haul-out

Roundtrip haul, pressure wash, 14 days laytime

–10%

2026: $1,705.68
2027: $1,530.00

Winter haul-out

Roundtrip haul, pressure wash, 14 days laytime

–25%

2026: $1,705.68
2027: $1,278.00

3-month winter stay

Oct–Dec on the hard (storage/laytime only)

+49%

2026: $2,712.00
2027: $4,050.00

Winter stay compares 2026 long-term storage ($24/ft/month + $40/month utility, leasehold excise tax included) with 2027 winter laytime ($1.25/ft/day × 90 days). 2027 figure excludes the 12.84% leasehold excise tax that applies to stays of 30+ days.

Sources: 2026 Adopted Operating Budget & CIP (Nov. 24, 2025), Schedule of User Charges – Boatworks, pp. 114–115; 2027 Draft Operating Budget & CIP (Nov. 9, 2026), pp. 33–34.

Rates Held Flat for 2027

Same as the 2026 adopted schedule

Labor & Equipment

- General labor – $90/hr
- Forklift with operator – $120/hr (½ hr min.)
- Specialized labor (crane, TraveLift) – $250/hr (½ hr min.)
- Delinquency, sale & impound – $250 + costs
- Hazardous haulout +$4/ft; laytime +$1/ft/day

Moorage, Utilities & Storage

- Daily work dock – $1.60/ft/day ($40 min.)
- Monthly work dock – $10.66 to $13.49/ft/month
- Nightly electric – $6 (30 amp) / $12 (50 amp)
- Boat-on-trailer storage – $1.50/ft/day
- Dumpster & landfill – pass-through + labor

Towing, Contractors & Misc.

- Towing – $195/hr scheduled, $250/hr unscheduled
- Contractor license – $315/yr or $105/project
- Stand move $65 · Late fee $100 · No-show $200
- Environmental violation – $500 / $1,000 / termination

Sources: 2026 Adopted Operating Budget & CIP (Nov. 24, 2025), Schedule of User Charges – Boatworks, pp. 114–115; 2027 Draft Operating Budget & CIP (Nov. 9, 2026), pp. 33–34.

Marine Terminal

Budgeted conservatively for fewer vessel calls; $ in thousands

Marine Terminal	2026 Adopted	2026 Projected	2027 Proposed
Operating revenue	$7,417	$7,936	$6,409
Operating and maintenance	($5,295)	($5,283)	($4,911)
Operating surplus	$2,122	$2,653	$1,498
G&A allocation	($1,305)	($1,255)	($1,405)
Net margin	$816	$1,398	**$92**
Depreciation	($1,747)	($1,757)	($1,784)
Net operating income (loss)	($931)	($359)	($1,692)

2027 Highlights

- Revenue down $1.53M from the 2026 projection on fewer vessel calls
- Handling down $794K; loading and unloading down $432K
- Operating and maintenance costs $372K below the 2026 projection
- Covers O&M and G&A with $92K before $1.78M of non-cash depreciation
- Capital plan: $11.25M, $6.40M grant-funded

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Peninsula Properties

Market District, NorthPoint and East Bay; $ in thousands

Peninsula Properties	2026 Adopted	2026 Projected	2027 Proposed
Operating revenue	$1,023	$1,131	$1,045
Operating and maintenance	($573)	($586)	($664)
Operating surplus	$450	$545	$381
G&A allocation	($482)	($464)	($519)
Net margin	($33)	$82	**($138)**
Depreciation	($189)	($194)	($212)
Net operating income (loss)	($222)	($112)	($351)

2027 Highlights

- Scheduled rent step-ups at Market Centre and the Market Place Building
- Farmers Market percentage rent held at prior-year levels
- Land rents down $93K from the 2026 projection
- Maintenance labor up $54K and G&A up $56K
- No capital projects planned for 2027

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General and Administrative (G&A)

Port-wide support costs, recovered through allocation; $ in thousands

Expense type	2026 Adopted	2027 Proposed	Change
Salaries and benefits	$2,479	$2,915	+ $436
Outside professional services	$809	$766	–$43
Operating overhead- direct	$470	$504	+ $35
Utilities	$304	$283	–$21
Facility rental	$283	$172	–$111
Supplies	$139	$138	–$2
Other	$40	$50	+ $10
Total G&A expenses	$4,524	$4,829	+ $304

Where $5.04M is allocated

Includes $212K of G&A depreciation

- Marine Terminal: $1.41M (28%)
- Airport: $1.30M (26%)
- Marina and Boatworks: $1.30M (26%)
- Peninsula Properties: $0.52M (10%)
- Environmental: $0.51M (10%)

Drivers: added CFO and Port General Counsel positions, COLA and benefit costs, and IT licensing; the new headquarters cuts facility rent by $111K.

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Non-Operating Budget

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Non-Operating Revenues and Expenses

Property tax, grants and public-agency costs; 2027 proposed, $ in thousands

Revenues	2027
Property tax levy	$8,302
Grants: capital projects	$8,303
Grants: Budd Inlet cleanup	$2,000
Interest income	$800
Gain on investments	$200
Other (tax sharing, asset sales, misc.)	$240
Total revenues	$19,844

Expenses	2027
Environmental	($5,724)
Government Services	($2,182)
Bond interest	($700)
Election expense	($250)
Other (banking fees, misc.)	($180)
Total expenses	($9,036)

$10,808 Net non-operating income

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2027 Property Tax Levy

The Commission sets the levy by resolution

$8.30M

Levy revenue in the October 27 draft budget: Option 1

- 2026 adopted levy: $8.33M
- 2025 rate: $0.1262 per $1,000, down 43% since 1998
- Legal maximum for ports: $0.45 per $1,000
- Under Policy 1201, the levy pays for debt service, environmental cleanup and Government Services

Levy option	2027 levy	Est. rate per $1,000
1. 1% plus new construction	**$8.301M**	**$0.1250**
2. 1% only	$8.211M	$0.1237
3. New construction only	$8.220M	$0.1238
4. No increase	$8.130M	$0.1224

Option 1 is the maximum allowed without a vote. The October 27 draft budget carries Option 1.

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Bond Debt Service

What our bonds paid for, and when they retire

Bond	What it funded	Paid off
2013B LTGO	Mobile harbor crane, East Bay dredging, taxiway and hangars	2027
2015 Refunding	East Bay, berth dredge, marina docks, Cascade Pole capping	2027
2016A LTGO and Refunding	East Bay, berth dredge, marina docks, Cascade Pole capping	2028
2018A LTGO and Refunding	Marina fuel dock, stormwater facility, Cascade Pole	2042
2018B LTGO and Refunding	Marine Terminal equipment	2042

$4.16M

2027 payments: $3.46M principal and $0.70M interest

$0.83M

Annual payments from 2029, once three bonds are retired

No new borrowing is planned in 2027.

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Government Services

Costs the Port carries as a public agency, not charged to business lines; $ in thousands

Expense type	2026 Adopted	2027 Proposed	Change
Outside professional services	$750	$888	+ $138
Commission, staff and amenity maintenance	$539	$764	+ $225
Operating overhead- direct	$418	$395	–$23
Public amenities	$137	$102	–$35
Facility rent, supplies and utilities	$31	$33	+ $2
Total Government Services	$1,875	$2,182	+ $307

What it pays for

- Five Commissioners, public meetings and legal counsel
- Peninsula Master Plan ($450K), economic benefit and ferry demand studies
- New $50K South County investment line
- Memberships and partnerships ($175K)
- Public roads, plaza, trail and street lights

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Environmental

Budd Inlet, Cascade Pole and environmental programs; $ in thousands

Environmental	2026 Adopted	2027 Proposed	Change
Direct program costs	$5,581	$5,033	–$548
G&A allocation	$471	$508	+$37
Depreciation (non-cash)	$188	$184	–$4
Total Environmental	$6,240	$5,724	–$516
Cash requirement (excl. depreciation)	$6,052	$5,540	–$512

A $2.0M grant offsets part of the Budd Inlet cleanup cost in 2027.

Major programs

- Budd Inlet cleanup: $3.0M, down $1.0M; engineering design and PLP work
- Cascade Pole: $1.19M, up $364K for sediment and groundwater monitoring
- Habitat Conservation Plan: $123K, up $103K
- Sea Level Rise Collaborative: $50K

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Capital Investment Plan

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2027 Capital Investment Plan

Proposed capital funding by business unit; $ in thousands

Business unit	2027 Funding	Port Funds	Grant Funds
Airport	$2,257	$356	$1,902
Marina and Boatworks	$802	$802	None
Marine Terminal	$11,250	$4,849	$6,401
Real Estate	None	None	None
Non-Ops / Admin, incl. $200K contingency	$1,905	$1,905	None
Total	$16,214	$7,912	$8,303

Looking ahead

- Approved multi-year projects need about $3.0M in 2028, $11.5M in 2029 and $6.0M in 2030
- Many subject to grant awards: storage facility ($6.16M) and aircraft charging ($1.04M)
- Grant-contingent projects proceed only if the grant is awarded

Projects focus on revenue generation, maintaining current assets and projects that maximize grant opportunities and that promote environmental stewardship.

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Major 2027 Capital Projects

Largest projects in the 2027 plan; $ in thousands

Project	Status	2027 Funding	Port	Grant
Marine Terminal storage facility (grant-contingent)	Planned	$10,000	$3,841	$6,159
Port headquarters tenant improvements (carryover)	Planned	$1,500	$1,500	None
Airport electric aircraft charging (grant-contingent)	Projected	$1,300	$260	$1,040
Airport Taxiway " W" crack seal, fog seal and striping	Planned	$957	$96	$862
Boatworks expansion (carryover)	Planned	$750	$750	None
Marine Terminal dewatering facility	Projected	$500	$500	None
MARAD design: Berth 1, maintenance facility, paving	Projected	$600	$450	$150
Other projects and $200K contingency	Various	$607	$516	$92
Total		$16,214	$7,912	$8,303

Planned: ready to proceed and likely to progress this year. Projected: need identified; scope, cost or permits not yet fully developed. Columns may not add due to rounding.

Next Steps

From tonight's hearing to adoption

1

November 9, 2026

Public hearing and comment; budget and tax levy resolutions introduced

2

November 23, 2026

Adoption of the 2027 budget and tax levy resolutions

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Questions and Comments

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Port-Wide Results for Other Puget Sound Ports

Port-Wide Operating Results, FY2025

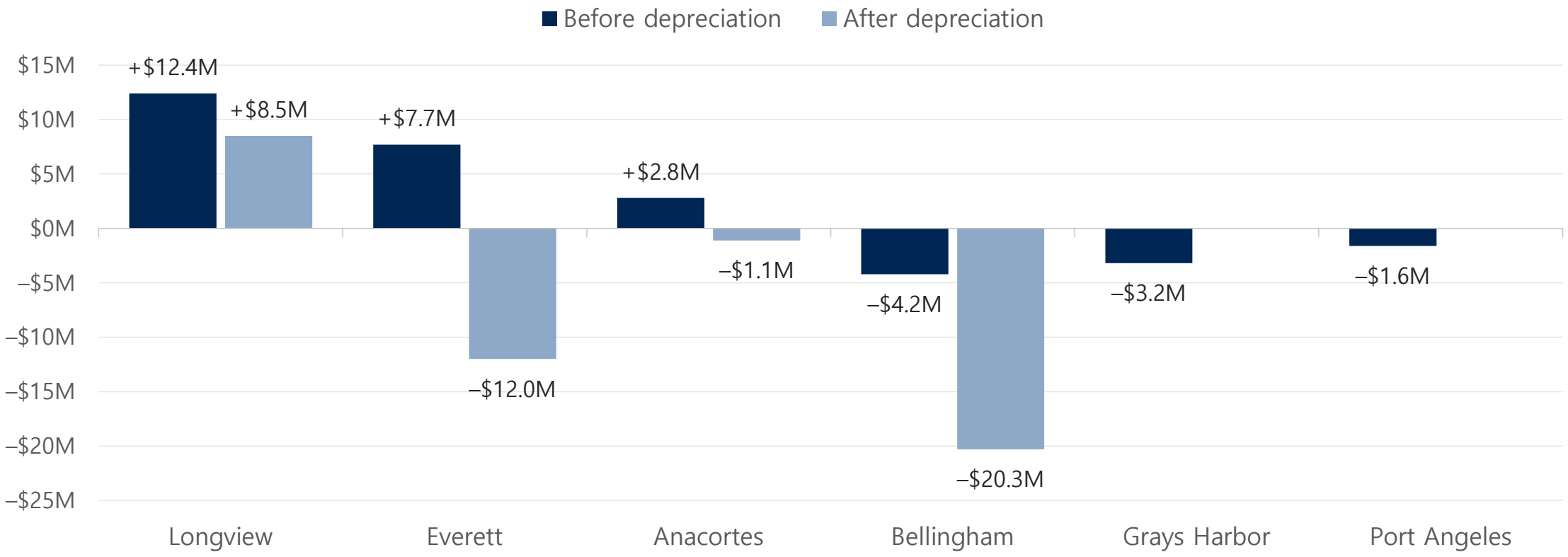
Operating revenue vs. operating expenses (including G&A)

Port	Operating revenue	Operating expenses	Before depreciation	After depreciation
Longview	$56.3M	$44.0M	**+$12.4M**	**+$8.5M**
Everett	$46.0M	$38.3M	**+$7.7M**	**–$12.0M**
Anacortes	$20.3M	$17.6M	**+$2.8M**	**–$1.1M**
Bellingham	$27.2M	$31.4M	**–$4.2M**	**–$20.3M**
Grays Harbor	$50.1M	$53.4M	**–$3.2M**	**Negative**
Port Angeles	$11.0M	$12.5M	**–$1.6M**	**Negative**

Source: Washington State Auditor's Office, Financial Intelligence Tool (FIT), FY2025 filings. Grays Harbor and Port Angeles report on a cash basis, so FIT has no depreciation figure for them.

Before and After Depreciation

Operating income before and after depreciation, FY2025 ($ millions)



Grays Harbor and Port Angeles have no depreciation figure in FIT (cash basis); both are negative after depreciation.



Marine Terminal Results

Marine Terminal Results

Terminal operations only, FY2025 unless noted

Marine terminal	Revenue	Before depreciation	After depreciation	G&A charged to terminal?
Longview (≈)	$53.4M	**+$9.9M**	**+$6.1M**	Yes, all of it (approximation)
Everett	$23.6M	**+$4.2M**	**–$6.2M**	No
Port Angeles (unaudited)	$2.3M	**+$0.8M**	Not reported	No
Bellingham	$3.0M	**+$0.01M**	**–$2.8M**	Only $42K
Grays Harbor (2024)	$31.4M	**–$0.5M**	**–$3.2M**	Yes, fully
Anacortes	$5.1M	Not reported	Not reported	n/a

(≈) Longview approximation charges all port operating costs, G&A and depreciation to the terminal. Port Angeles figures are unaudited; Grays Harbor figures are for 2024.