



2024 Port of Benton Budget



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On behalf of the Port of Benton (Port), I want to express my excitement for the 2024 proposed budget. I am committed to ensuring this year's budget reflects our shared vision, priorities and dedication to the continued success of our Port District.

Throughout the past year, our team has worked diligently to develop a comprehensive budget that aligns with the strategic goals and mission of the Port. This budget represents our commitment to fiscal responsibility, operational excellence and the pursuit of economic development in our region.

In the past year, we have achieved noteworthy milestones, such as making significant improvements to the rail system, implementing new financial management and reporting systems, debt payoff, increasing revenues to support asset management and reducing taxes.

As we move forward, it is critical that the annual budget aligns with the Port's strategic goals to effectively support the initiatives necessary for our continued success as a partner in this region.

This financial plan is vital for us as it outlines our financial strategy and communicates our dedication to transparency and accountability. Port management has been diligently working with our entire team to develop a comprehensive budget that addresses the evolving needs of the Port District. Our budgeting process has been meticulous, involving extensive data analysis, trade-off discussions and prioritization of planned work for 2024.

This budget document encompasses four primary elements:

- **Executive Summary:** An overview of the budget, highlighting its main objectives and key financial measures.
- **Budget Highlights:** A discussion of major initiatives, projects and strategic priorities that the budget supports, emphasizing their alignment with our long-term vision.
- **Revenue Projections:** A detailed analysis of anticipated revenue streams, including harbor fees, leases, grants and any other income sources.
- **Expense Breakdown:** An itemized breakdown of planned expenditures, categorizing them into operational, maintenance, capital investment and debt service components.

I am confident that this budget provides a transparent and insightful overview of our financial plans for the upcoming fiscal year. My goal is to facilitate a meaningful and productive discussion to ensure that the budget is comprehensive and reflective of our collective vision for Port of Benton's future.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Jeff Lubeck', written over a light blue horizontal line.

Jeff Lubeck, CPA
Director of Finance

Executive Summary

Key financial highlights of the 2024 budget include the following:

- The 2024 budget is a balanced budget, with the Port expected to generate a Net Surplus of \$69,000.
- Operating revenues are increasing 35%, going from \$5.5 million to \$7.4 million.
- Property tax rate will be decreasing for the sixth straight year.
 - Property tax rate was reduced by 5% in 2023 and are expected to be reduced by another 6% in 2024. Since 2019, property tax rates have decreased by 16%.
- Operating expenses are increasing by only 12%, going from \$7.6 million to \$8.6 million.
 - The primary reason for this increase is critical rail repairs and maintenance, making up for years of neglect. Excluding rail, Operating Expenses are increasing by only 5.7%, consistent with recent increases in the Consumer Price Index.
 - Also contributing slightly to the increase is the implementation of strategic initiatives such as land planning and the Inland Port.
- Growth in Operating Revenues exceeds growth in Operating Expenses by over \$1 million.
- In 2022, the Port planned over \$11 million in capital projects, the biggest year in Port history. In 2024, we will build on that progress by increasing the capital plan to \$15.4 million, which is \$4.4 million, or 40%, higher than 2022. Grants are budgeted to fund \$11.5 million, or 76.3% of these projects, with the remainder funded by Property Tax revenues plus sales of other Port assets.
 - Rail projects totaling \$5.4 million are planned, representing 46% of the 2024 capital project activity.
 - Prosser Airport and Richland Airport improvements are budgeted at a total of \$3.9 million, representing 33% of the planned capital activity for 2024.

Important priorities within the 2024 budget are as follows:

- **Financial Responsibility:** The Port has taken the following steps to ensure it is presenting a fiscally responsible budget:
 - Developing a balanced budget through reasonable adjustment to lease revenues consistent with the market coupled with constrained spending to enable continued investment in the rail system and rail building infrastructure.
 - Monitoring closely and reporting of expenses, exploring cost-saving opportunities, and ensuring that revenue sources are diversified and sustainable.
 - Pursuing significant grant awards for accelerated rail repairs and improvements.
 - Creating a long-term financial plan, including cash flow forecasts.
 - Refinancing over \$6 million in older debt, including acquiring \$3.9 million in new money in June 2021, was secured at a near historic-low interest rate (2.57%). The transaction resulted in \$1.2 million net-present value savings (21%), substantially reducing debt service obligations to the taxpayer and delivering an asset that is already generating new revenues in the 2024 budget.

- **Strategic Investment:** The budget includes a strategic allocation of resources to support critical infrastructure projects, maintenance and improvements that will enhance the Port's efficiency and competitiveness. Highlights of the 2024 strategic investments include:
 - Rail system and related properties to return the rail to a good state of repair after many years of neglect.
 - Runway and taxi-lane improvements for both the Prosser Airport and Richland Airport.
 - Acquisitions of buildings to provide additional revenue streams to support the port's goal of achieving a net surplus (revenues exceeding expenses) from operations.

- **Community Engagement:** Initiatives to engage our local community, foster partnerships and promote sustainable practices aligned with our mission are planned to ensure the Port remains a responsible and valued member of our region. In 2024, the Port will:
 - Hire outside expertise to produce a waterfront and barge development plan to ensure this limited resource is managed to its fullest potential, consistent with the Port's goals and regional benefit.
 - Establish plans and partnerships to develop an Inland Port to provide multi-modal transportation services for the entire region.
 - Conduct land planning with community partners for future development.

- **Operational Excellence:** The Port will continue its focus on operational efficiency, productivity and safety, ensuring that our workforce remains at the forefront of industry best practices. This year, we will continue to:
 - Capitalize on investments made in prior years for tools and technologies to enable data-driven decision-making. For example, business systems are now in place that allow the budget to be developed and managed at the lowest cost accumulation level possible.
 - Implement the Work Order system. This will enable greater insights into building and facility management drivers and costs.
 - Plan Lean process analysis and continuous process improvements.
 - Develop a Port-wide technology roadmap to plan and guide future investments to achieve greater efficiencies and data-driven decision-making.

Changes to the Budgeting Process Implemented for 2024

Building off the tools implemented in prior years, the Port is now in a position to begin making continuous improvements in the budgeting, planning and financial management of the Port's finances. Several significant improvements were made for the 2024 budget development. These changes are summarized below.

Significant Changes Implemented in 2024 Budget

- Budgeting at the lowest cost tracking level possible - at the general ledger account level
 - This will allow direct budget vs actual analysis in 2024
- Incorporating prior year actuals to guide budget development
- Incorporating current year-to-date spending and forecast to guide budget development
- Tracking labor time allocation to better understand labor used by function/department
- Strong team collaboration - significant inputs, reviews and discussions with staff
- In prior years, Department 300 - Operations and Department 400 - Maintenance and Facilities were combined into a single budget group. Beginning in 2024, these departments are being budgeted separately. This will give greater transparency and insight into these numbers

Other Changes

- More data and commentary included in the budget document to provide greater context and transparency into the budget
- Additional charts along with tables to better communicate data visually and provide greater insight and clarity

Changes Planned for 2025

- Multi-year revenue and expense forecast
- Improved trend and ratio analysis
- Cash flow projections
- Multi-year capital plan
- Continued improvement to the budget document

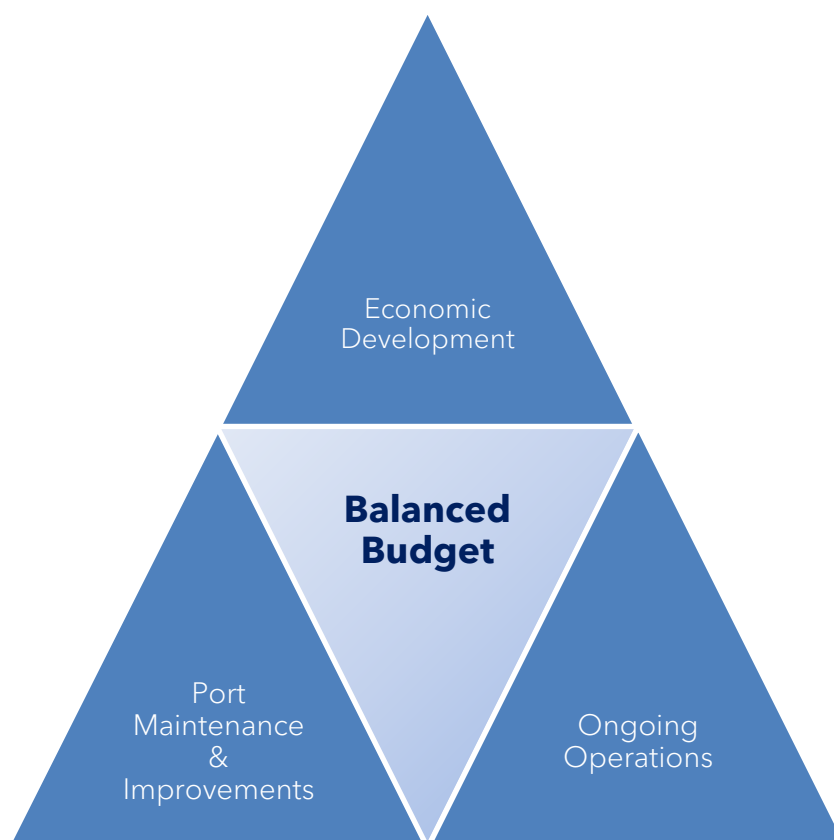
Budget Objectives

The Port does not develop a budget as a stand-alone document. Rather, the budget is a significant part of the Port's integrated management approach. The purpose of the budget is to develop a reasonable and responsible financial plan that supports the Port's Strategic Plan, Annual Work Plan and Comprehensive Plan, together in a way that decisions can be prioritized and executed in an efficient and fiscally viable manner.

First and foremost, the Port's primary mission is economic development. The budget must support and enable those projects and initiatives that have been identified in the Port's other plans.

Secondly, the Port has substantial land and facility assets. The Port will continue to identify and prioritize significant improvements to these assets to further enable and support economic development. These assets must be maintained to ensure the Port's portfolio of assets remains in an overall state of good repair.

Finally, the Port must be able to support ongoing operations, initiatives and day-to-day management and oversight. The following chart illustrates the Port's approach to budget development.



The goal of the annual budget is to develop a financial plan that supports these priorities and objectives. The result of the financial planning and budgeting process is the development of a budget and budget document that is clear, understandable, provides proper context, and is transparent.

Budget and Financial Reporting Format

As a Municipal Corporation, the Port is considered to be an agency of the State of Washington. The Port is also audited annually by the State Auditor's Office.

As such, the Port must track and report its financials in accordance with Governmental Accounting Standards Board (GASB) regulations and requirements as well as State of Washington requirements.

One of these requirements is that the Port's financial activities are separated into Operating and Non-Operating activities. This budget document is organized consistent with these requirements. The following chart illustrates the differences between Operating and Non-Operating inflows and outflows:

| Operating | Non-Operating |
|---|---|
| Support normal, ongoing operations. Day-to-day functioning of business. Related to the main lines of business of the Port. | One-time or unusual transactions. Not related to core business operations. Often related to single, large projects. |
| Revenues/Inflows <ul style="list-style-type: none">- Lease revenues- Park charges- Railcar charges (new in 2024) | Revenues/Inflows <ul style="list-style-type: none">- Grants- Loans/bonds- Tax receipts- Insurance recoveries- Sales of land/property |
| Expense/Outflow <ul style="list-style-type: none">- Salaries, wages and benefits- Office supplies- Repairs and maintenance- Ongoing projects and initiatives- General planning and marketing | Expense/Outflow <ul style="list-style-type: none">- Capital asset purchases- Major renovations and repairs- Loan/bond repayments- Interest payments |

2024 Budget Overview

The following table is a simplified, high-level version summarizing the key elements of the 2024 budget. These elements of the budget will be expanded and discussed throughout the remainder of this document.

| | Operating | Non-Operating | 2024 Budget Totals | 2023 Budget Totals | Change |
|--------------------------------|------------------|-------------------|--------------------------|--------------------------|------------------|
| Revenues/Inflows | | | | | |
| Lease Revenue | 6,726,855 | | 6,726,855 | 5,288,868 | 1,437,987 |
| Crow Butte | 250,000 | | 250,000 | 215,573 | 34,427 |
| Rail | 450,000 | | 450,000 | 0 | 450,000 |
| Property Taxes | | 2,977,723 | 2,977,723 | 2,881,561 | 96,162 |
| Operating Grants | | 100,000 | 100,000 | | 100,000 |
| Capital Grants | | 11,481,396 | 11,481,396 | 5,110,000 | 6,371,396 |
| Loan and Interest Received | | 548,838 | 548,838 | 257,325 | 291,513 |
| Sale of Port Assets | | 1,500,000 | 1,500,000 | 0 | 1,500,000 |
| All Else | 0 | 435,000 | 435,000 | 1,055,000 | (620,000) |
| Total Revenues/Inflow | 7,426,855 | 17,042,957 | 24,469,812 | 14,808,327 | 9,661,485 |
| Operating Expenses | 5,756,973 | | 5,756,973 | 4,940,158 | 816,815 |
| Administration/Marketing | 2,796,884 | | 2,796,884 | 2,681,462 | 115,422 |
| Capital Acquisition | | 15,149,560 | 15,149,560 | 8,329,000 | 8,329,000 |
| Loan and Interest Paid | | 747,496 | 747,496 | 779,152 | 779,152 |
| Total Expenses/Outflows | 8,553,858 | 15,897,056 | 24,450,914 | 16,729,772 | 7,030,852 |

Important budget takeaways:

- The 2024 budget is a balanced budget, generating a Net Surplus of \$69,000.
- Lease revenues are up 27% over the 2023 budget and are the primary source of Operating Revenues.
- The property tax rate is decreasing for the sixth year in a row.
- Grant revenues and capital projects are expected to be at the Port's highest levels ever. This is driven by significant investments in rail followed by improvements at both airport locations.

The following pages are the Port's detailed proposed budget for 2024, along with a comparison to 2023 with separate budget breakdowns, including the three operating units, which are Airports, Rail and Crow Butte.

Consolidated Proposed 2024 Budget

| | 2024 BUDGET | % OF 2024 TOTAL | 2023 BUDGET | % OF 2023 TOTAL | \$ YoY | % YoY |
|--|--------------------|--------------------|--------------------|--------------------|------------------|--------------|
| ESTIMATED BEGINNING CASH | 3,500,000 | | 3,500,000 | | | |
| LESS: RESERVE | 1,500,000 | | 1,500,000 | | | |
| UNRESERVED BEGINNING CASH | 2,000,000 | | 2,000,000 | | | |
| OPERATING REVENUES | | | | | | |
| Lease Revenue | | | | | | |
| Richland Business Park | 2,736,788 | 41% | 2,554,039 | 48% | 182,748 | 7% |
| Railroad | 891,968 | 13% | 299,027 | 6% | 592,941 | 198% |
| North Horn Rapids Industrial Park | 122,500 | 2% | 122,500 | 2% | - | 0% |
| Technology & Business Campus | 1,492,280 | 22% | 1,040,800 | 20% | 451,480 | 43% |
| Richland Airport | 605,507 | 9% | 362,776 | 7% | 242,732 | 67% |
| Richland Innovation Center | 204,074 | 3% | 201,028 | 4% | 3,046 | 2% |
| Technology Enterprise Center | - | 0% | 133,548 | 3% | (133,548) | -100% |
| Prosser Airport | 341,300 | 5% | 303,544 | 6% | 37,756 | 12% |
| Prosser Wine & Food Park | 162,876 | 2% | 156,286 | 3% | 6,590 | 4% |
| Vintner's Village | 85,367 | 1% | 82,564 | 2% | 2,803 | 3% |
| Walter Clore Center | 75,424 | 1% | 25,000 | 0% | 50,424 | 202% |
| Benton City | 8,771 | 0% | 7,756 | 0% | 1,015 | 13% |
| Total Lease Revenue | 6,726,855 | 91% | 5,288,868 | 96% | 1,437,987 | 27% |
| Rail Revenue | 450,000 | 6% | - | 0% | 450,000 | |
| Crow Butte Revenue | 250,000 | 3% | 215,573 | 4% | 34,427 | 16% |
| TOTAL OPERATING REVENUES | 7,426,855 | 100% | 5,504,440 | | 1,922,414 | 35% |
| OPERATING EXPENDITURES | | | | | | |
| Operations & Maintenance Expenses* | 2,099,147 | 25% | 3,284,034 | 43% | 208,422 | 6% |
| Facilities & Maintenance* | 1,393,309 | 16% | | | | |
| Railroad Expenses | 1,204,392 | 14% | 712,600 | 9% | 491,792 | 69% |
| Airports Operating Expense | 686,122 | 8% | 555,505 | 7% | 130,617 | 24% |
| Crow Butte Operating Expenses | 374,003 | 4% | 388,019 | 5% | (14,016) | -4% |
| General & Administrative | 2,795,884 | 33% | 2,680,462 | 35% | 115,422 | 4% |
| Promotional Hosting Expenditures** | 1,000 | 0% | 1,000 | 0% | - | 0% |
| TOTAL OPERATING EXPENDITURES | 8,553,858 | | 7,621,620 | 12.2% | 932,238 | 12% |
| NET OPERATIONS | (1,127,003) | | (2,117,180) | | 990,177 | 47% |
| NON-OPERATING INFLOWS | | | | | | |
| Property Tax Revenue | 2,977,723 | 17% | 2,881,527 | 31% | 96,196 | 3% |
| Operating Grant | 100,000 | | | | 100,000 | |
| Grant Revenue | 11,481,396 | 67% | 5,110,000 | 55% | 6,371,396 | 125% |
| Sale of Fixed Assets | 1,500,000 | | - | | 1,500,000 | |
| Other Tax Revenue | 185,000 | 1% | 155,000 | 2% | 30,000 | 19% |
| Insurance Recoveries | 150,000 | 1% | 150,000 | 2% | - | 0% |
| Collections on Notes Receivable | 257,868 | 2% | 127,775 | 1% | 130,093 | 102% |
| Interest Income | 290,970 | 2% | 129,550 | 1% | 161,420 | 125% |
| Debt Issuance | - | 0% | 750,000 | 8% | (750,000) | -100% |
| 2023 Carryover | 150,000 | | - | | 150,000 | |
| Project Fund (restricted) | - | | - | | - | |
| TOTAL NON-OPERATING INFLOWS | 17,092,956 | | 9,303,852 | | 7,789,104 | 84% |
| NON-OPERATING OUTFLOWS | | | | | | |
| Debt Service Payments | 515,973 | 3% | 543,300 | 6% | (27,327) | -5% |
| Interest Expense | 231,523 | 1% | 235,852 | 3% | (4,329) | -2% |
| Capital Projects - Grant Funded including Port Match | 11,481,396 | 72% | 6,795,000 | 75% | 4,686,396 | 69% |
| Capital Projects - Port Funded | 3,438,164 | 22% | 1,246,000 | 14% | 2,192,164 | 176% |
| Other Projects - Port Contribution on Partner Projects | - | 0% | 150,000 | 2% | (150,000) | -100% |
| Equipment Purchases | 230,000 | 1% | 138,000 | 2% | 92,000 | 67% |
| Increase Reserve | - | | - | | - | |
| TOTAL NON-OPERATING OUTFLOWS | 15,897,056 | | 9,108,152 | | 6,788,904 | 75% |
| NET NON-OPERATING | 1,195,900 | | 195,700 | | 1,000,200 | 511% |
| ESTIMATED ENDING CASH | 3,568,897 | | 1,578,520 | | 1,990,377 | 126% |
| LESS: RESERVE | 1,500,000 | | 1,500,000 | | - | 0% |
| UNRESERVED ENDING CASH | 2,068,897 | | 78,520 | | 1,016,600 | 1295% |

* - These departments were not separately budgeted in 2023. The YoY comparison combines the 2024 departments to enable a comparison to 2023

** - As required by Washington RCW's, this cost is separately budgeted

Proposed 2024 Operating & Capital Budget - Airports

| | General Airports | RICHLAND AIRPORT | PROSSER AIRPORT | 2024 BUDGET | % OF 2024 TOTAL | RICHLAND AIRPORT | PROSSER AIRPORT | 2023 BUDGET | % OF 2023 TOTAL | 2022 BUDGET | % OF 2022 TOTAL | \$ YoY | % YoY |
|-------------------------------------|---------------------|---------------------|--------------------|----------------|--------------------|---------------------|--------------------|----------------|--------------------|----------------|--------------------|-----------|-------|
| OPERATING REVENUES | | | | | | | | | | | | | |
| Lease Revenue | | | | | | | | | | | | | |
| Prosser Airport | | | 341,300 | 341,300 | 36% | | 303,544 | 303,544 | 32% | 299,761 | 52% | 37,756 | 12% |
| Richland Airport | | 605,507 | | 605,507 | 64% | 362,776 | | 362,776 | 38% | 274,646 | 48% | 242,731 | 67% |
| Total Lease Revenue | - | 605,507 | 341,300 | 946,807 | 100% | 362,776 | 303,544 | 666,320 | 70% | 574,407 | 100% | 280,487 | 42% |
| TOTAL OPERATING REVENUES | - | 605,507 | 341,300 | 946,807 | | 362,776 | 303,544 | 666,320 | | 574,407 | | 280,487 | 49% |
| OPERATING EXPENDITURES | | | | | | | | | | | | | |
| Airport Operating Expenses | 33,025 | 269,672 | 164,354 | 467,051 | 68% | 286,951 | 125,200 | 412,151 | 74% | 302,250 | 71% | 54,900 | 13% |
| Airport POB Salaries & Benefits | 69,198 | 90,916 | 58,957 | 219,071 | 32% | 71,676 | 71,678 | 143,354 | 26% | 123,950 | 29% | 75,717 | 53% |
| TOTAL OPERATING EXPENDITURES | 102,223 | 360,588 | 223,311 | 686,122 | | 358,627 | 196,878 | 555,505 | | 426,200 | | 130,617 | 24% |
| NET OPERATIONS | (102,223) | 244,919 | 117,989 | 260,686 | | 4,149 | 106,666 | 110,815 | | 148,207 | | 149,871 | 135% |
| NON-OPERATING INFLOWS | | | | | | | | | | | | | |
| Grant Revenue | - | 2,150,504 | 1,628,392 | 3,778,896 | 100% | 900,000 | 645,000 | 1,545,000 | 35% | 4,382,583 | 100% | 2,233,896 | 145% |
| Debt Issuance | - | - | - | - | 0% | - | - | - | 0% | - | 0% | - | |
| TOTAL NON-OPERATING INFLOWS | - | 2,150,504 | 1,628,392 | 3,778,896 | | 900,000 | 645,000 | 1,545,000 | | 4,382,583 | | 2,233,896 | 145% |
| NON-OPERATING OUTFLOWS | | | | | | | | | | | | | |
| Debt Service Payments | - | - | - | - | 0% | - | - | - | 0% | - | 0% | - | |
| Interest Expense | - | - | - | - | 0% | - | - | - | 0% | - | 0% | - | |
| Capital Projects - Grant Funded | - | 2,150,504 | 1,628,392 | 3,778,896 | 86% | 900,000 | 645,000 | 1,545,000 | 34% | 4,382,583 | 97% | 2,233,896 | 145% |
| Capital Projects - Port Funded | - | 358,611 | 258,202 | 616,813 | 14% | 30,000 | 35,000 | 65,000 | 1% | 116,000 | 3% | 551,813 | 849% |
| TOTAL NON-OPERATING OUTFLOWS | - | 2,509,116 | 1,886,594 | 4,395,709 | | 930,000 | 680,000 | 1,610,000 | | 4,498,583 | | 2,785,709 | 173% |
| NET NON-OPERATING | - | (358,612) | (258,202) | (616,814) | | (30,000) | (35,000) | (65,000) | | (116,000) | | (551,814) | 849% |
| NET ACTIVITY | (102,223) | (113,693) | (140,213) | (356,128) | | (25,851) | 71,666 | 45,815 | | 32,207 | | (401,943) | -877% |

Proposed 2024 Operating & Capital Budget – Rail

| | 2024 BUDGET | % OF 2024 TOTAL | 2023 BUDGET | % OF 2023 TOTAL | \$ YoY | % YoY |
|-------------------------------------|------------------|--------------------|--------------------|--------------------|------------------|--------------|
| OPERATING REVENUES | | | | | | |
| Revenue | | | | | | |
| Lease Revenue | 891,968 | 66% | 191,027 | 64% | 700,941 | 367% |
| Track Usage Revenue | 450,000 | 34% | 108,000 | 36% | 342,000 | 317% |
| Total Revenue | 1,341,968 | | 299,027 | | 1,042,941 | 349% |
| TOTAL OPERATING REVENUES | 1,341,968 | | 299,027 | | 1,042,941 | 349% |
| OPERATING EXPENDITURES | | | | | | |
| Railroad Facility & Track Expenses | 1,204,392 | | 712,600 | | 491,792 | 69% |
| TOTAL OPERATING EXPENDITURES | 1,204,392 | | 712,600 | | 491,792 | 69% |
| NET OPERATIONS | 137,575 | | (413,573) | | 551,148 | -133% |
| NON-OPERATING INFLOWS | | | | | | |
| Insurance Recoveries | 150,000 | | 150,000 | | - | 0% |
| Grant Revenue | 5,322,500 | | 2,865,000 | | 2,457,500 | 86% |
| TOTAL NON-OPERATING INFLOWS | 5,472,500 | | 3,015,000 | | 2,457,500 | 82% |
| NON-OPERATING OUTFLOWS | | | | | | |
| Debt Service Payments | 50,973 | -6% | 67,666 | -3% | (16,693) | -25% |
| Interest Expense | - | 0% | - | 0% | - | |
| Capital Projects - Grant Funded | 5,322,500 | 83% | 3,700,000 | 78% | 1,622,500 | 44% |
| Capital Projects - Port Funded | 1,034,351 | 16% | 950,000 | 20% | 84,351 | 9% |
| TOTAL NON-OPERATING OUTFLOWS | 6,407,824 | | 4,717,666 | | 1,690,158 | 36% |
| NET NON-OPERATING | (935,324) | | (1,702,666) | | 767,342 | 45% |
| NET ACTIVITY*** | (797,748) | | (2,116,239) | | 1,318,491 | 62% |

Proposed 2024 Operating & Capital Budget – Crow Butte

| | 2024 BUDGET | % OF 2023 TOTAL | 2023 BUDGET | % OF 2023 TOTAL | \$ YoY | % YoY |
|-------------------------------------|------------------|--------------------|------------------|--------------------|-----------------|-------------|
| OPERATING REVENUES | | | | | | |
| Revenue | | | | | | |
| Use Fee Revenue | 250,000 | 100% | 215,573 | 100% | 34,427 | 16% |
| Total Revenue | 250,000 | | 215,573 | | 34,427 | 16% |
| TOTAL OPERATING REVENUES | 250,000 | | 215,573 | | 34,427 | 16% |
| OPERATING EXPENDITURES | | | | | | |
| Crow Butte Operating Expenses | 223,831 | 60% | 266,000 | 69% | (42,169) | -16% |
| Crow Butte POB Salaries & Benefits | 150,172 | 40% | 122,019 | 31% | 28,153 | 23% |
| TOTAL OPERATING EXPENDITURES | 374,003 | | 388,019 | | (14,016) | -4% |
| NET OPERATIONS | (124,003) | | (172,446) | | 48,443 | 28% |
| NON-OPERATING INFLOWS | | | | | | |
| Grant Revenue | - | | - | | - | |
| TOTAL NON-OPERATING INFLOWS | - | | - | | - | |
| NON-OPERATING OUTFLOWS | | | | | | |
| Debt Service Payments | - | 0% | - | 0% | - | |
| Interest Expense | - | 0% | - | 0% | - | |
| Capital Projects - Grant Funded | - | 0% | - | 0% | - | |
| Capital Projects - Port Funded | 50,000 | 100% | 147,500 | 100% | (97,500) | -66% |
| TOTAL NON-OPERATING OUTFLOWS | 50,000 | | 147,500 | | (97,500) | -66% |
| NET NON-OPERATING | (50,000) | | (147,500) | | 97,500 | 66% |
| NET ACTIVITY*** | (174,003) | | (319,946) | | 145,943 | 46% |

Revenues/Inflows

The Port generates revenues/inflows through two primary sources – Operating and Non-Operating. The following table provides a detailed breakdown of the proposed budget for 2024 revenues and inflows.

| | 2024 Budget | 2023 Budget |
|---------------------------------------|-------------------|-------------------|
| Operating Revenues | | |
| Lease Revenues | 6,726,855 | 5,288,868 |
| Crow Butte Park | 250,000 | 215,573 |
| Rail Charges | 450,000 | 0 |
| Total Operating Revenues | 7,426,855 | 5,504,441 |
| Non-Operating Revenues | | |
| Property Tax | 2,977,723 | 2,881,561 |
| Grants | 11,581,396 | 5,110,000 |
| Loan Repayments to the Port | 257,868 | 127,775 |
| Interest Received | 290,970 | 129,550 |
| Loans Issued to the Port | 0 | 750,000 |
| Sale of Assets | 1,500,000 | 0 |
| Other | 435,000 | 305,000 |
| Subtotal Non-Operating Inflows | 17,042,957 | 9,303,886 |
| Total Revenues/Inflows | 24,469,812 | 14,808,327 |

Note – Lease revenues are up based on new tenant mixes and increased aggregate royalties due to market-based adjustments.

The following is a brief description of each key revenue source for the Port.

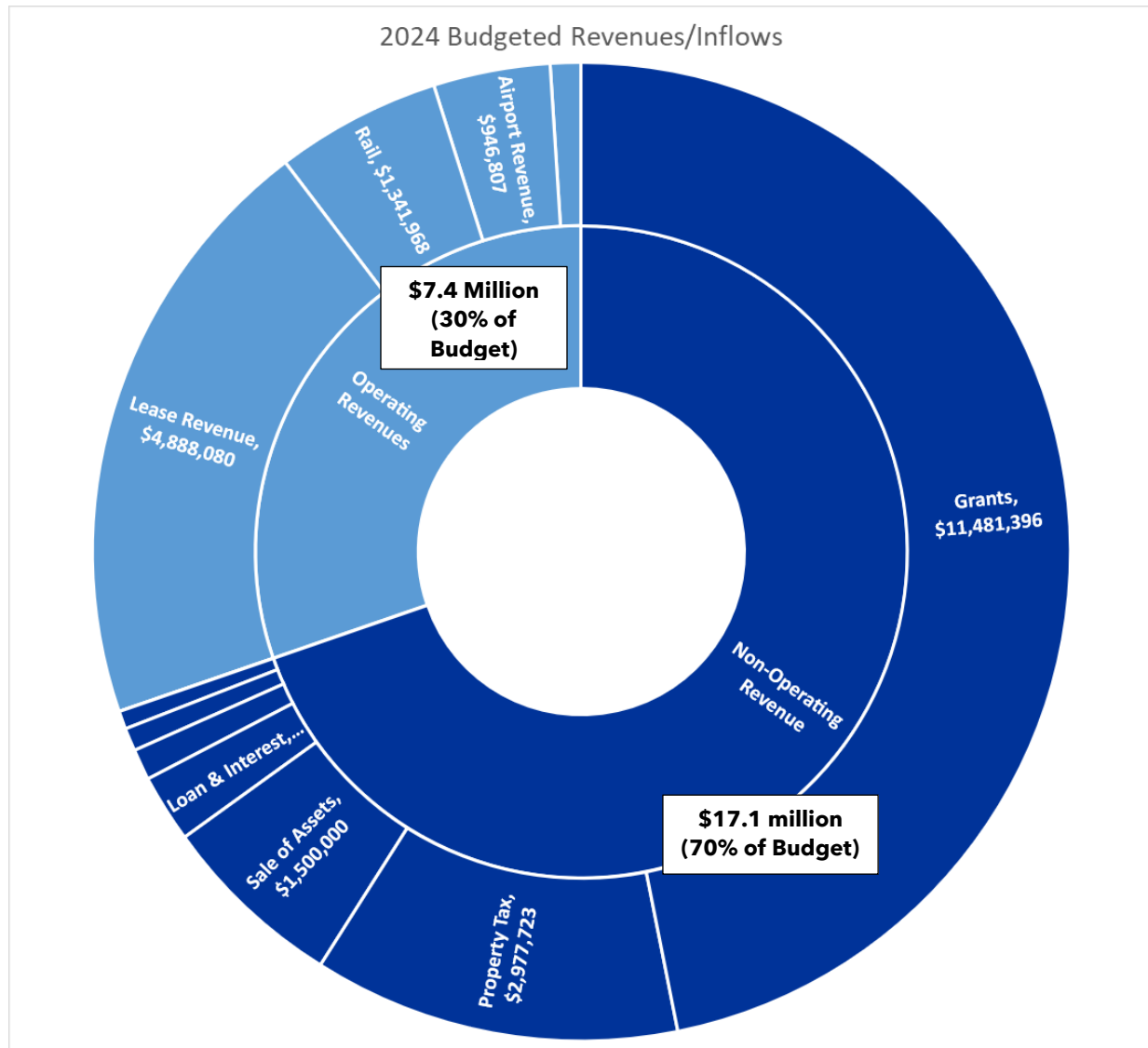
Operating/Earned Revenues. Typically, earned revenues are those generated from the Port's various lines of business, much like business operating units of a corporation. The Port's current main lines of business are:

- **Lease Revenues.** The Port leases land and facilities to other entities, including governmental entities, nonprofits and commercial organizations.
- **Crow Butte.** The Port manages Crow Butte Park and earns revenue from camping and park use fees.
- **Rail Charges.** Beginning in 2024, the Port anticipates earning a new source of revenue from the users of the Port's track facilities. At the time of the development of the 2024 budget, the structure and rates of this revenue stream have not yet been established.

Non-Operating Revenues/Inflows. Unearned Revenues/Inflows include those sources of cash that are not directly attributable to the Port's normal lines of business. The most common sources of these Non-Operating Revenues for the Port are:

- **Property Tax.** Port Districts in Washington have the ability to levy property taxes for property within the Port District. The maximum tax rate is \$0.45 per \$1,000 of assessed property value, which would equal a tax of \$225 on a \$500,000 home. Traditionally, the Port's tax rate is substantially lower.
- **Payment in Lieu of Tax.** Payments in Lieu of Taxes (PILT) are Federal payments to local governments like the Port to help offset property tax losses due to nontaxable Federal lands within the Port's boundaries.
- **Grants.** The Port receives grants primarily from Federal and State agencies to commonly invest in infrastructure or other similar assets intended to benefit the Port District over a long period.
- **Loan Payments Received.** Periodically, the Port determines that it is in the Port's best interest to sell land and/or buildings to other established organizations to enable them to maximize their operations and support local economic development. Sometimes, these sales are full cash and other times, the Port sells property under a real estate contract where the Port will receive principal and interest payments over time. These payments are considered Non-Operating Inflows when received, not at the time of sale.
- **Sales of Assets.** Like the above, when the Port sells an asset for cash, this is considered a Non-Operating Revenue.
- **Debt Issued to the Port.** For certain large projects or capital acquisitions, the Port may obtain a loan or may issue bonds. This typically results in a large cash inflow in the year of issuances, along with large cash outflows for the project or acquisition. This source of funds will be repaid through principal and interest payments over time. The structure of these debt agreements can vary greatly.
- **Interest Earned.** Interest earned on investments and loans made by the Port is considered Non-Operating Revenues.
- **Other.** Other is a general miscellaneous category that includes smaller receipts and Non-Operating in nature.

The following chart is a visual presentation of revenue by source and type. The Non-Operating amounts can vary significantly each year based on grant activity and sales of Port assets.



Note - Sections with no descriptions or no dollar figures are immaterial.

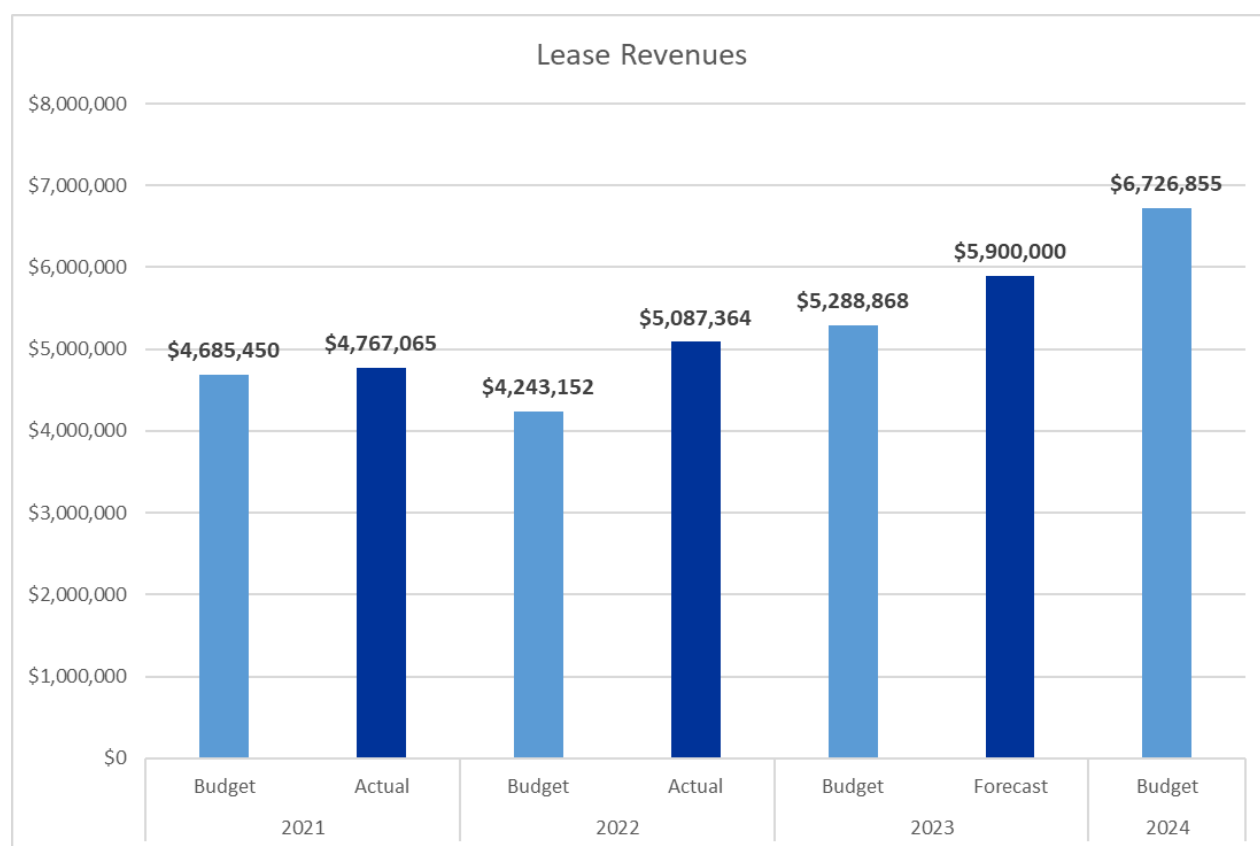
Lease Revenues

The Port leases both land and facilities with lease terms ranging from month-to-month arrangements to leases for property of up to 30 years.

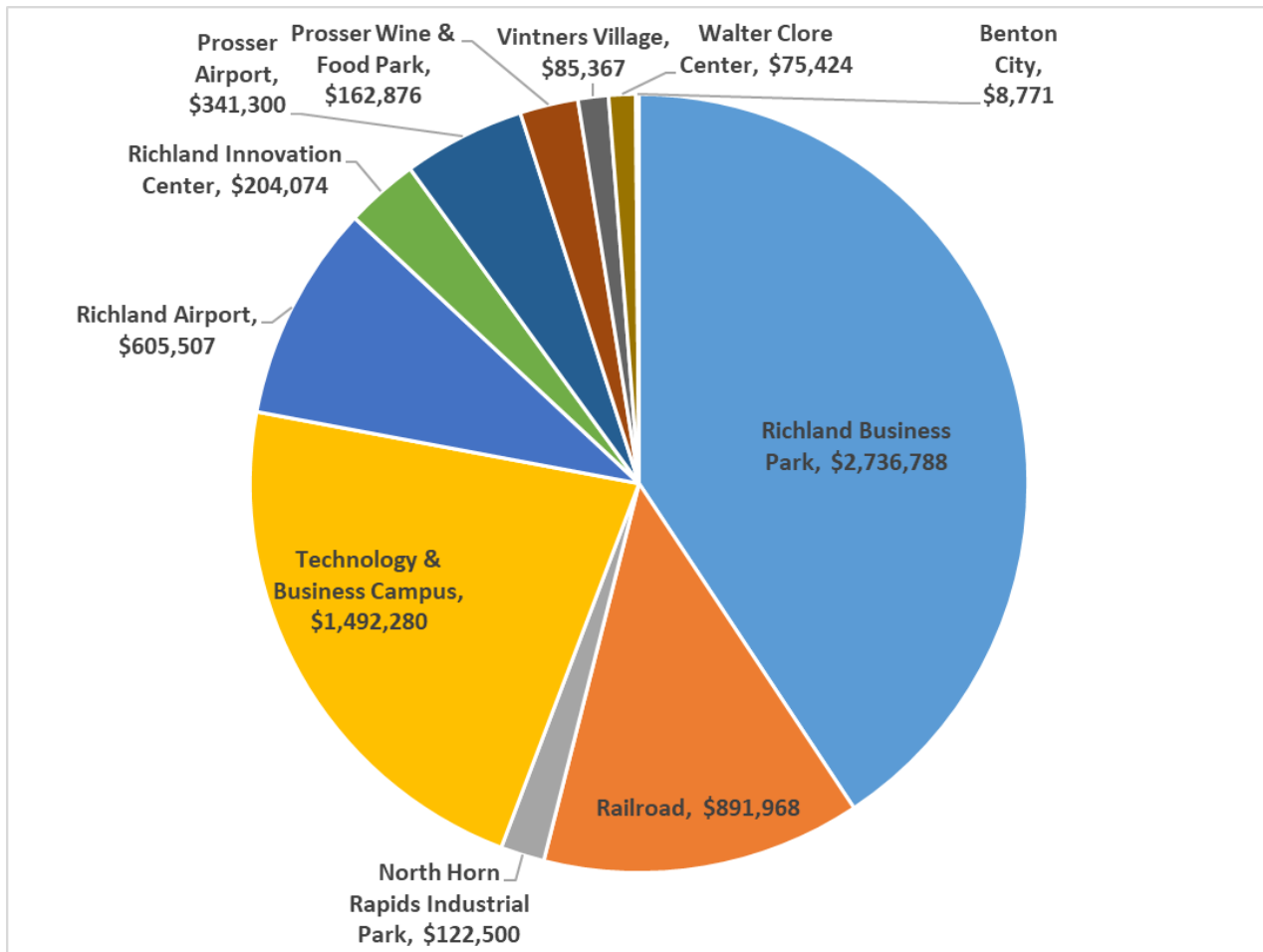
When the Port sets lease rates for its various properties, it endeavors to find the balance between supporting economic development and growth while generating sufficient returns consistent with the market rates to support ongoing operations and enable future growth and development.

To establish lease rates, the Port has been obtaining independent third-party rate assessments and conducting market reviews to ensure leases are entered into at fair and reasonable rates for all parties. This has resulted in increased lease rates and revenues over the past several years.

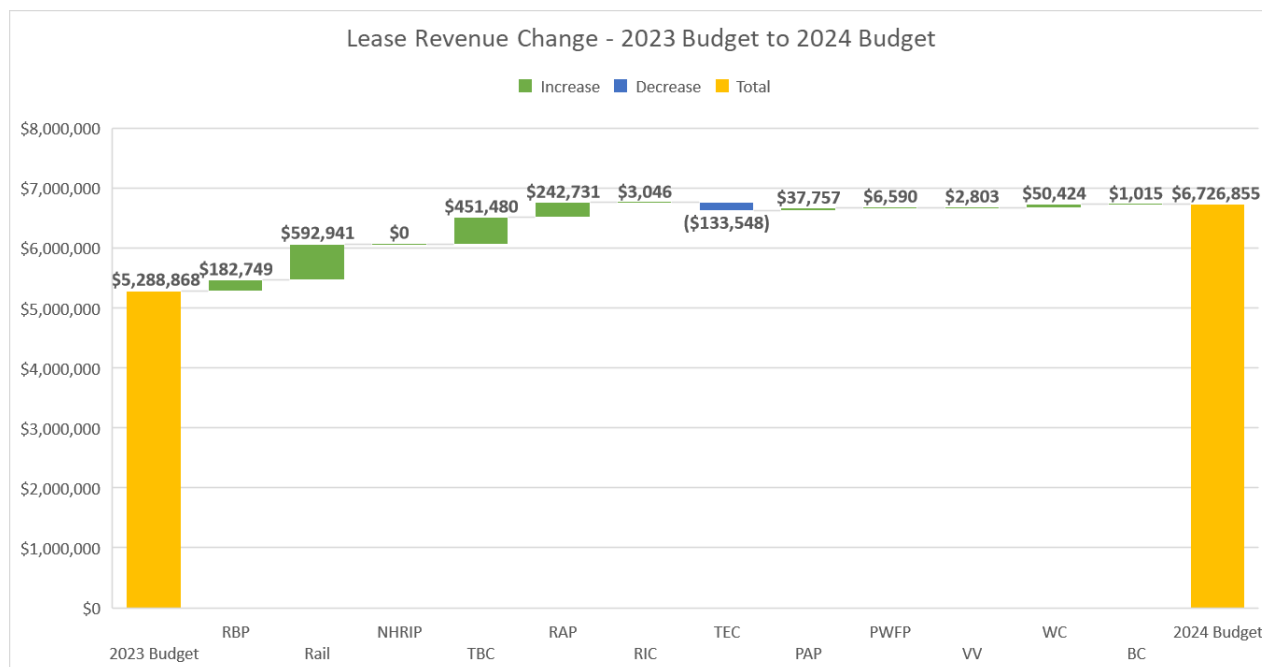
The following chart illustrates the lease revenue trends since 2021.



The chart below illustrates the 2024 budgeted lease revenues by property area.



The following chart illustrates the changes in lease revenues from the 2023 budget to the 2024 budget, which is a \$1.4 million, or 2% increase. It should be noted that the decrease for the Technology Enterprise Center (TEC) is due to the property being sold in 2023 and no longer generating lease revenue for the Port.



RBP - Richland Business Park

TBC - Technology & Business Campus

RIC - Richland Innovation Center

RAP - Richland Airport

VV - Vintners Village

BC - Benton City

NHRIP - North Horn Rapids Industrial Park

RAP - Richland Airport

TEC - Technology Enterprise Center

PWFP - Prosser Wine & Food Park

WC - Walter Clore Center

Each of these property areas will be discussed in greater detail in the following pages. The table below shows the primary drivers for the lease revenue increase budgeted for 2024. These six items represent 90% of the proposed growth over 2023.

| Property Description | Increase Amount |
|---|--------------------|
| Rock aggregate royalty | \$ 153,000 |
| Acquisition of existing facility | \$ 220,000 |
| TBC new tenants | \$ 157,000 |
| Walter Clore Center - New partner arrangements | \$ 50,000 |
| 2579 Stevens Rail - Rail Operator, new tenants & tenant expansion | \$ 591,000 |
| Richland Airport - building acquisition | \$ 110,000 |
| | \$1,281,000 |

Richland Business Park

The 640-acre Richland Business Park (RBC) is located along Stevens Drive. The park is home to nearly 20 businesses in a variety of industries. The Port owns several buildings with land development opportunities. The park is zoned light and heavy industrial with easy access to interstate, barge and airport transportation.

2024 Budgeted Revenues

| Richland Business Park | | | | |
|--|------------|--------------------|-------------|------------------|
| Tenant | Lease Type | 2024 Budget | 2023 Budget | |
| American Tower (Verizon) | Land | \$ 17,990 | \$ | 18,099 |
| Ben Franklin Transit | Land | \$ 2,000 | \$ | 2,000 |
| Atkins (2345 Stevens) | Facility | \$ 63,264 | \$ | 253,057 |
| New Tenant (2345 Stevens) | Facility | \$ 189,793 | | |
| City of Richland | Land | \$ 1,100 | \$ | 1,100 |
| CRH Interstate Concrete (i.e. American Rock/Eucon Corp) | Land | \$ 224,160 | \$ | 224,160 |
| CRH Interstate Concrete - Aggregate (i.e. American Rock/Eucon Corp) | Land | \$ 400,000 | \$ | 247,200 |
| Hill, Cannon (Cast) | Land | \$ 15,717 | \$ | 14,342 |
| HMIS (formerly Mission Support Alliance) | Facility | \$ 1,215,307 | \$ | 1,215,307 |
| HMIS M404 (formerly Mission Support Alliance) | Facility | \$ 118,400 | \$ | 118,400 |
| Kaiser Aluminum | Facility | \$ 90,290 | \$ | 90,290 |
| ProTrain [Bismark Five Co LLC] | Facility | \$ 16,490 | \$ | 15,872 |
| R.H. Smith Fuel Station (Conoco) | Land | \$ 18,000 | \$ | 12,809 |
| SMI Group XVIII, LLC | Land | \$ 96,648 | \$ | 80,371 |
| U.S. COC (U.S. Cellular Tower) | Land | \$ 12,600 | \$ | 12,600 |
| Veolia Nuclear Solutions / Kurion, Inc. | Facility | \$ 223,382 | \$ | 223,382 |
| Vertical Bridge Holdings (NTCH- WA, Inc.) | Land | \$ 6,240 | \$ | 6,240 |
| HSI (Vivid Learning Systems) | Facility | \$ 25,406 | \$ | 18,810 |
| Richland Business Park Total | | \$2,736,788 | \$ | 2,554,039 |

2024 is budgeted to be \$183,000, or 7% higher than 2023. This is primarily due to expected increases in aggregate royalty payments from American Rock's mining operations.

Richland Innovation Center

The Richland Innovation Center (RIC) is in north Richland within the Tri-Cities Research District. Ten businesses lease space at the center. The 72-acre site is zoned industrial, commercial and office. Interstate, barge and airport access are all within a mile of the center.

2024 Budgeted Revenues

| Richland Innovation Center | | | | |
|--|---------------|----|-------------|-------------|
| Tenant | | | 2024 Budget | 2023 Budget |
| Columbia Energy & Environmental | Facility | \$ | 19,478 | \$ 19,096 |
| Henning Richland LLC | Land | \$ | 6,410 | \$ 6,410 |
| Energy Solutions / Hittman Transportation | Facility/Land | \$ | 24,419 | \$ 21,647 |
| Moravek Biochemicals | Facility | \$ | 82,995 | \$ 63,525 |
| Extended Legacy, LLC / SmartPark PH1, LLC | Land | \$ | 17,641 | \$ 17,641 |
| Gregory Dow | Land | \$ | 5,930 | \$ 1,595 |
| T-Mobile USA (CC TM PA LLC / Crown Castle) | Land | \$ | 8,640 | \$ 8,640 |
| Total Site Services (2780 Salk Ave) | Land | \$ | 15,688 | \$ 39,601 |
| WSU Tri-Cities (BIO Chemcat - 2765 Einstein) | Facility | \$ | 21,180 | \$ 21,180 |
| XL Sci-Tech | Land | \$ | 1,693 | \$ 1,693 |
| Richland Innovation Center Total | | | \$ 204,074 | \$ 201,028 |

Revenue changes associated with the RIC are minor, only \$3,000, or a 2% increase. It should be noted that once Total Site Services moves out as planned, the Port will then utilize this space to expand its maintenance operations.

Technology & Business Campus

The 250-acre Technology & Business Campus (TBC) encompasses nearly 30 companies and agencies from diverse industries. The campus is in north Richland within the Tri-Cities Research District – a state-designated Innovation Partnership Zone. The Port manages the campus, a zoned business research park and waterfront.

| Technology & Business Campus | | | | |
|---|---------------|-------------|--------------------|---------------------|
| Tenant | | 2024 Budget | | 2023 Budget |
| Battelle Memorial Institute | Facility | \$ | 205,927 | \$ 205,927 |
| City of Richland Water Easement | | \$ | 1,100 | \$ 1,100 |
| Conf. Tribes of the Umatilla Indian Reservation | Facility | \$ | 8,343 | \$ 8,100 |
| Copperwood Irrigation | Land | \$ | 1,925 | \$ 1,925 |
| Edgewater Technical Assoc., LLC (3250 Suite B) | Facility | \$ | 19,838 | \$ 19,838 |
| Efficiency Solutions | Facility | \$ | 4,174 | \$ 4,052 |
| Lampson International, LLC (Laydown Yard) | Land | \$ | 4,500 | \$ 4,500 |
| Lampson International, LLC (Low dock) | Tonnage | \$ | 40,000 | \$ 40,000 |
| Lampson International, LLC (High dock) | Land | \$ | - | \$ - |
| Molecule Works, Inc. | Facility | \$ | 26,426 | \$ 26,426 |
| IFMA LLC./Ivey | Land | \$ | 19,848 | \$ 17,358 |
| Our Dreams Continued, LLC | Land | \$ | 33,667 | \$ 33,170 |
| New Building Acquisition | Facility | \$ | 220,000 | \$ - |
| Richland Corporate Partners | Land | \$ | 104,734 | \$ 88,483 |
| SMI Group V, L.L.C. | Land | \$ | 8,682 | \$ 9,107 |
| SMI Group V, LLC, - Irrigation | Land | \$ | 1,000 | \$ 1,000 |
| SMI Group XII, L.L.C. | Land | \$ | 19,463 | \$ 19,463 |
| SMI GROUP XVIII, LLC - Irrigation | Land | \$ | 1,000 | \$ 1,000 |
| Stapp, Darby (NW Anthropology) | Facility | \$ | 12,444 | \$ 10,510 |
| U. S. House of Representatives | Facility | \$ | 1,484 | \$ 1,484 |
| Westinghouse Electric Company | Facility/Land | \$ | 356,979 | \$ 347,426 |
| Willow Pointe HOA Irrigation | Land | \$ | 705 | \$ 705 |
| WSU - Hanford History Project (White Bluffs Building) | Facility | \$ | 153,340 | \$ 135,000 |
| WSU Gear Up One Vision Partnership - 3100 Suite 100/112 | Facility | \$ | 44,150 | \$ 20,397 |
| WSU Gear Up Harvest of Hope - 3100 Suite 106 & 108 | Facility | \$ | 44,314 | \$ 42,629 |
| Rebecca Lynn Photography | Facility | \$ | 15,790 | \$ - |
| Tri-City Testing | Facility | \$ | 17,020 | \$ - |
| VACANT - 3100 G'Way, Suite 143 | Facility | \$ | 5,000 | \$ - |
| Orano, Inc. | Facility | \$ | 120,427 | \$ - |
| Prior Year Tenants | | | | \$ 1,200 |
| Technology & Business Campus Total | | | \$1,492,280 | \$ 1,040,800 |

The TBC is expected to increase by \$451,000, or a 43% increase. \$220,000 of this increase is attributed to the Port's planned acquisition of a new facility, while the rest of the increase is from new tenants that have taken space in 2023.

North Horn Rapids Industrial Park

The North Horn Rapids site in Richland is a master planned employment center for the region, ideal for collocating industrial, manufacturing and advanced technology companies. The Tri-Cities area provides low-cost, clean energy and access to a highly capable, skilled workforce experienced in all levels of project management, trade and operations. The Port and City of Richland acquired this property from the U.S. Department of Energy and have master planned the sites for large industrial user s.

2024 Budgeted Revenues

| North Horn Rapids Industrial Park | | | |
|---|--|-------------|-------------|
| Tenant | | 2024 Budget | 2023 Budget |
| Solar/Land Lease | | \$ 122,500 | \$ 122,500 |
| North Horn Rapids Industrial Center Total | | \$ 122,500 | \$ 122,500 |

The Port is also in active discussions to sell Atlas Agro 150 acres in this Park. Atlas Agro continues to work through its feasibility analysis, which is expected to be completed in the first half of 2024. Should their project proceed, the Port would close the \$9 million sale in 2024 or early 2025. Because this is still in the feasibility stage, nothing from this sale has been included in the proposed 2024 budget.

The \$1 billion zero-carbon fertilizer plant is expected to create up to 235 full-time jobs, plus hundreds more during construction and more than 1,000 indirect and induced jobs.

Benton City Development Building

The Port has made substantial investments in Benton City development buildings, selling two to private industry, significantly revitalizing the downtown core. The Port also supports community events that strengthen the area's economy.

| Benton City | | | | |
|-------------------|----------|----|-------------|-------------|
| Tenant | | | 2024 Budget | 2023 Budget |
| Subway - 515 9th | Facility | \$ | 8,771 | \$ 7,756 |
| Benton City Total | | \$ | 8,771 | \$ 7,756 |

A minimal market-based adjustment of \$1,000, or a 13% increase, is planned for this facility.

Prosser Wine & Food Park

The 122-acre Prosser Wine & Food Park is home to regional wineries, winery-related businesses and national fruit and juice companies. The park is zoned industrial and has rail and interstate access. The Port has a rich history of working with the agricultural industry via its development building and nearby Vintners Village.

| Prosser Wine & Food Park | | | | |
|--|----------|----|-------------|-------------|
| Tenant | | | 2024 Budget | 2023 Budget |
| Alexandria Nicole Cellars - Suite C-E | Facility | \$ | 64,200 | \$ 60,600 |
| Tirridis LLC - Suite A | Facility | \$ | 17,468 | \$ 16,200 |
| Northwest Wine Collaborative LLC - Suite B | Facility | \$ | 17,922 | \$ 16,200 |
| Chukar Cherries - Suite F | Facility | \$ | 18,000 | \$ 18,000 |
| Lineage Logistics (formerly Kenyon) | Land | \$ | 25,286 | \$ 25,286 |
| M & M Orchard Management | Land | \$ | 20,000 | \$ 20,000 |
| Prosser Wine & Food Park Total | | \$ | 162,876 | \$ 156,286 |

A modest 4% increase of \$6,600 is planned in total for the Wine & Food Park.

Vintners Village

Vintners Village in Prosser is in the heart of Washington's wine country. This popular destination helps increase Prosser wine tourism, offering visitors wine tasting, craft beers, baked goods and boutique wares. The Port continues to expand the 32-acre site to meet demand and has shovel-ready parcels available for private investment.

| Vintners Village | | | | |
|--|----------|-------------|---------------|------------------|
| Tenant | | 2024 Budget | | 2023 Budget |
| Domanico Cellars LLC | Facility | \$ | 24,212 | \$ 24,212 |
| Wautoma Wines, LLC | Facility | \$ | 22,645 | \$ 22,645 |
| Sister to Sister | Facility | \$ | 24,230 | \$ 21,807 |
| Prosser Economic Development Association | Facility | \$ | 9,280 | \$ 9,280 |
| 120 Wamba Road Rock Bottom | Land | \$ | 5,000 | \$ 4,620 |
| Vintners Village Total | | \$ | 85,367 | \$ 82,564 |

A modest 3%, or \$2,800 increase, is expected for Vintners Village.

Walter Clore Wine & Culinary Center

The Culinary Center in Prosser is a gathering place for industry and consumers to discover Washington wine and agriculture through engaging events and innovative programs. The Port owns the grounds and facilities that are managed by Washington State University Tri-Cities.

| Walter Clore Center | | | | |
|----------------------------------|---------------|-------------|---------------|------------------|
| Tenant | | 2024 Budget | | 2023 Budget |
| WSU Tri-Cities | Facility | \$ | 25,000 | \$ 25,000 |
| Pavilion (2140 B) | Facility/Land | \$ | 50,424 | |
| Private Partner Operator | Facility/Land | \$ | 0 | |
| Walter Clore Center Total | | \$ | 75,424 | \$ 25,000 |

The Port is in active negotiations with new partners for the Center along with Washington State University Tri-Cities. Additional revenues are anticipated and estimated conservatively for budget purposes.

Railroad Property Leases

Port of Benton's Southern Connection is a 16-mile short-line rail network that runs between Center Parkway in Kennewick and Horn Rapids Road in north Richland. This dual-served Class 1 rail line moves goods from around the region to markets across the U.S. This rail operation is the second largest in the State of Washington in terms of tonnage moved per year. The Port leases land and facilities within the designated rail area to various entities.

| Railroad | | | | |
|-------------------------------------|---------------|-------------|---------|-------------|
| Tenant | | 2024 Budget | | 2023 Budget |
| Columbia Rail | Facility/Rail | \$ | 162,000 | \$ - |
| Barnhart Crane - 5.80 acre laydown | Land | \$ | 151,589 | \$ - |
| Northwest Yamaha | Facility | \$ | 40,896 | \$ - |
| Barnhart Crane - Site 12 laydown | Land | \$ | 47,803 | \$ 13,824 |
| Aulick Industries | Facility/Land | \$ | 68,574 | \$ 42,000 |
| Barnhart Crane - Warehouse & Office | Facility | \$ | 160,142 | \$ 120,000 |
| BioGrow | Facility/Land | \$ | 152,964 | \$ 15,203 |
| Top Rail Solutions, Inc. | U/K | \$ | 108,000 | \$ 108,000 |
| Railroad Total | | \$ | 891,968 | \$ 299,027 |

Agreements with the new rail operator along with new tenants coupled with expansions by prior tenants are budgeted to increase lease revenues in the rail property by \$593,000, or 198%.

Richland Airport

The Richland Airport serves business aviation customers who value quick access to the Tri-Cities, Hanford Site and surrounding communities. The airport has two paved runways, both 4,000 feet long. The airport hosts a fixed-base operator, fuel, and other amenities, with nearby highways and interstates.

The following two pages provide a detailed breakdown of lease revenues associated with all Port properties in the Richland Airport area.

| Richland Airport | | | | |
|--|---------------|-------------|-------------|--|
| Tenant | | 2024 Budget | 2023 Budget | |
| 2019 Butler Loop - WSU | Facility | \$ 14,088 | \$ 28,175 | |
| JR Imaging (1865 Bronco Lane) | Facility/Land | \$ 73,080 | \$ 36,000 | |
| Verizon Wireless | Land | \$ 29,717 | \$ 20,400 | |
| Ann's Best / Ann's Cajun Creole | Facility | \$ 22,440 | \$ 4,944 | |
| Arntzen, Glenn & Juanita (2520 - 2524 Aileron Ave) | Land | \$ 2,570 | \$ 2,125 | |
| Arntzen, Glenn & Juanita (2561 Aileron Avenue) | Land | \$ 2,602 | \$ 2,602 | |
| Auction Enterprises, Inc. | Land | \$ 5,070 | \$ 4,420 | |
| Barinaga, Charles | Land | \$ 5,646 | \$ 1,446 | |
| Berlin, Greg | Land | \$ 635 | \$ 605 | |
| Barnes, Don | Land | \$ 707 | \$ 707 | |
| Berkey, Clifton | Land | \$ 1,439 | \$ 1,216 | |
| Brayton, Herb & Jennifer (2060 Butler Loop) | Land | \$ 775 | \$ 656 | |
| Brayton, Herb & Jennifer (2120 Butler Loop) | Land | \$ 1,216 | \$ 1,216 | |
| Brayton, Herb & Jennifer (2082 Butler Loop) | Land | \$ 6,455 | \$ 775 | |
| Bronco Girl Investments (1828 Terminal Drive) | Land | \$ 2,833 | \$ 2,751 | |
| Bronco Girl Investments (1851 Bronco Lane) | Land | \$ 994 | \$ 965 | |
| Buckskin Golf Club | Land | \$ 7,113 | \$ 5,805 | |
| Butler Loop Mini Storage - Aaron Dewitt | Land | \$ 11,885 | \$ 11,885 | |
| BYOC Properties LLC | Land | \$ 2,609 | \$ 2,609 | |
| C & H Aviation, LLC | Land | \$ 900 | \$ 776 | |
| Civil Air Patrol | Facility | \$ 10 | \$ 10 | |
| Cleared for Arrival LLC (2054 Butler Loop) | Land | \$ 1,307 | \$ 620 | |
| Cole, Douglas | Land | \$ 1,108 | \$ 1,197 | |
| Collins Enterprises (2020 Butler Loop) | Land | \$ 4,480 | \$ 4,480 | |
| Collins Enterprises (2030 Butler Loop) | Land | \$ 2,958 | \$ 1,842 | |
| Columbia Dive Rescue | Land | \$ 10 | \$ 10 | |
| Connell Oil, Inc. - Fuel Flowage (1980 Terminal Drive) | Land | \$ 18,000 | \$ 18,000 | |
| Cook, Ivan (.931 acres) | Land | \$ 2,444 | \$ 2,235 | |
| Cook, Ivan (Vitro Bldg) | Land | \$ 11,529 | \$ 11,529 | |
| C&S Hangar / Cannon Hill (2002 Butler Loop) | Land | \$ 1,471 | \$ 1,471 | |
| C&S Hanger / Cannon Hill (2004 Butler Loop) | Land | \$ 1,471 | \$ 1,332 | |
| DBM / Crigler, Rich | Land | \$ 27,477 | \$ - | |
| Dehaan, Gary L. | Land | \$ 10,454 | \$ 4,901 | |
| Dillon, Dr. Thomas | Land | \$ 1,160 | \$ 1,018 | |
| Fogelson, Robert (V & R Fogelson) | Land | \$ 2,035 | \$ 1,068 | |
| Galloway (Welch), Teri-Lin | Land | \$ 6,410 | \$ 7,233 | |
| Garza, Polo | Land | \$ 2,107 | \$ 1,088 | |
| Gehlen, Mark | Land | \$ 1,092 | \$ 1,092 | |
| Hailey, Jeremy & Vanessa (2221 Airport Way) | Land | \$ 1,856 | \$ 1,000 | |
| Harrison, Tom | land | \$ 1,251 | \$ 1,050 | |
| Henningsen Cold Storage | Land | \$ 1,189 | \$ 1,189 | |
| Hi-Line Leasing LLC | Land | \$ 10,434 | \$ 10,434 | |
| Hi-Line Leasing LLC | Land | \$ 3,590 | \$ 3,013 | |

| Richland Airport - Continued | | | | |
|--|---------------|----|-------------------|-------------------|
| Tenant | | | 2024 Budget | 2023 Budget |
| Hill, Cannon (1901-1909 Terminal Drive) - LifeFlight | Land | \$ | 2,123 | \$ 2,123 |
| Hollis, Dennis | Land | \$ | 2,780 | \$ 2,397 |
| New land leases for 8 hangers (2 in 2024) | Land | \$ | 5,500 | |
| J&D Trevino Family Investments, LLC | land | \$ | 1,108 | \$ 1,108 |
| Keck Services, Inc. | Land | \$ | 4,057 | \$ 4,057 |
| Kennewick Aircraft Sevices / Sundance Aviation | Facility/Land | \$ | 9,820 | \$ 8,233 |
| KTM Enterprises, LLC | Land | \$ | 1,297 | \$ 1,297 |
| Lucas Holdings / Liberty Lawn & Saw Shop LLC | Land | \$ | 3,428 | \$ 3,328 |
| LPJ Properties, LLC | Land | \$ | 3,114 | \$ 3,023 |
| Manawadu, Bing | Land | \$ | 1,076 | \$ 1,045 |
| Mead, Jeromie - Hanger | Land | \$ | 584 | \$ 584 |
| Mead, Jeromie - Red Line | Land | \$ | 7,044 | \$ 7,474 |
| Merz, Nathan | Land | \$ | 3,081 | \$ 2,606 |
| Mission Investments, LLC | Land | \$ | 4,844 | \$ 4,844 |
| My Pro-Contractor, LLC | Land | \$ | 1,132 | \$ 1,068 |
| PRBBQ LLC (Porters BBQ) | Land | \$ | 2,177 | \$ 2,114 |
| QB Aviation | Land | \$ | 2,309 | \$ 1,952 |
| Richland Aero Shelters, LLC | Land | \$ | 1,109 | \$ 1,077 |
| Richland Airport Associates | Land | \$ | 13,939 | \$ 8,110 |
| Richland Airport Mini Storage | Land | \$ | 11,890 | \$ 11,890 |
| Richland Hangar Association | Land | \$ | 5,606 | \$ 2,109 |
| Riversedge Investments | Land | \$ | 5,557 | \$ 4,879 |
| RSSS, LLC | Land | \$ | 4,061 | \$ 3,831 |
| Sailplane Haven | Land | \$ | 681 | \$ 564 |
| Shadow Mountain Industrial Properties | Land | \$ | - | \$ 1,112 |
| Shaw, Greg | Land | \$ | 1,100 | \$ 1,068 |
| Showalter, Mark | Land | \$ | 1,086 | \$ 1,055 |
| Sky Hangar Associates | Land | \$ | 5,619 | \$ 3,371 |
| Sky Park Office Suites | Land | \$ | 114,505 | \$ 4,320 |
| Steelman, Clifton | Land | \$ | 2,986 | \$ 2,575 |
| Talent Aviation Services | Land | \$ | 6,455 | \$ 1,757 |
| The Axe, LLC. | Land | \$ | 907 | \$ 760 |
| TK Machine Company | Land | \$ | 2,111 | \$ 2,111 |
| Tri-Cities Steel Band Association | Land | \$ | 1,578 | \$ 500 |
| TYM2FLY LLC / Sundance Aviation (2200 Airport Way) | Land | \$ | 1,872 | \$ 1,055 |
| Urban, Scott | Land | \$ | 1,371 | \$ 1,232 |
| Weide, Scott dba NW Restoration | Land | \$ | 5,974 | \$ 6,741 |
| West Enterprises / Steve West | Land | \$ | 7,542 | \$ 2,593 |
| White, Michael Trust [Bronco MW Trust] | Land | \$ | 1,383 | \$ 1,383 |
| Woods, Stuart & Sheena | Land | \$ | 2,037 | \$ 1,692 |
| Vector Disease Control | Land | \$ | 1,809 | \$ 1,669 |
| Verdon LLC (Azurdata Bldg) (1840 Terminal Drive) | Land | \$ | 10,917 | \$ 10,917 |
| Verdon LLC (Trade Center) (1816 Terminal Drive) | Land | \$ | 29,345 | \$ 29,345 |
| Zero Gravity Builders Studio | Land | \$ | 1,975 | \$ 1,917 |
| Richland Airport Total | | | \$ 605,507 | \$ 362,776 |

The Richland Airport is seeing an increase of \$243,000, or 67% overall increase, with the majority coming through the planned acquisition of the 1845 Terminal Drive building.

Prosser Airport

The regional Prosser Airport is ideal for agriculture and business aviation flyers who desire transportation options close to their operations. The airport has a 60-foot wide, 3,450-foot paved runway, a fixed-base operator, fuel and other amenities on site. The airport is conveniently located with easy access to Interstate 82.

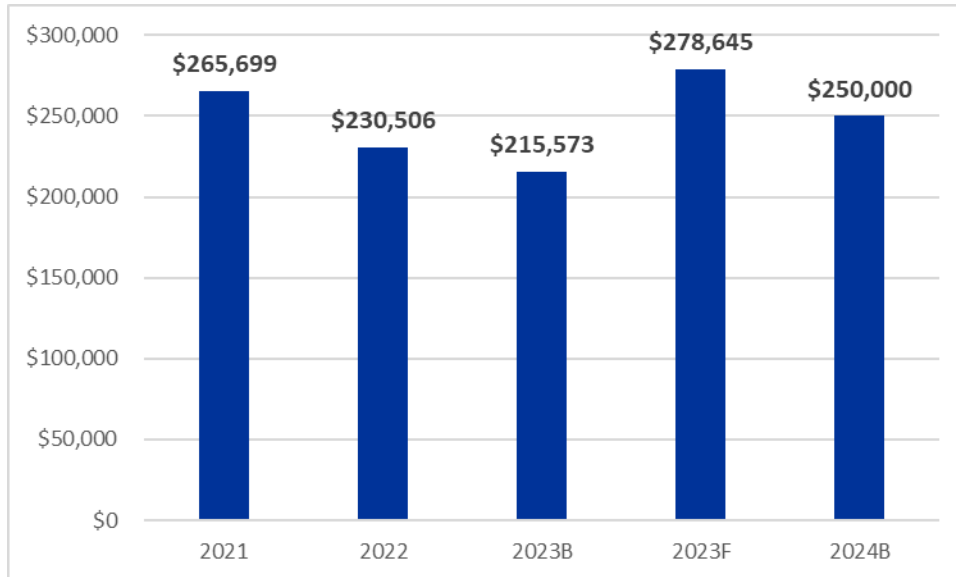
| Prosser Airport | | | | |
|--|---------------|-------------|----------------|-------------------|
| Tenant | | 2024 Budget | | 2023 Budget |
| City of Prosser - 205A Hagarty Lane | Facility | \$ | 83,780 | \$ 78,000 |
| Bouten Construction - 205B Hagarty Lane | Facility | \$ | 25,522 | \$ - |
| Chukar Cherry 320 A - Office | Facility | \$ | 54,487 | \$ 54,487 |
| Chukar Cherry 320 C - Warehouse/Shipping | Facility | \$ | 27,650 | \$ 27,650 |
| Chukar Cherry 320 B - New Warehouse | Facility | \$ | 115,624 | \$ 112,592 |
| Blahut, Robert (Westwind Aviation) | Facility/Land | \$ | 6,600 | \$ 6,000 |
| Christiansen, Brent | Hangar | \$ | 2,480 | \$ 2,340 |
| Conmy, Scott | Hangar | \$ | 1,101 | \$ 1,063 |
| Connell Oil (Fuel Flowage) | Land | \$ | 400 | \$ 400 |
| Denchel, Tom | Land | \$ | 816 | \$ 792 |
| Duehn, Bryce | Land | \$ | 501 | \$ 487 |
| Early, Jim | Land | \$ | 968 | \$ 968 |
| Flores, John | Land | \$ | - | \$ - |
| Hangar Flyers, Inc | Land | \$ | 986 | \$ 800 |
| Maljaars, Jack | Hangar | \$ | 3,252 | \$ 3,000 |
| May, John | Hangar | \$ | 1,583 | \$ 1,117 |
| Northwest Skydiving Instruction, LLC | Hangar | \$ | 13,049 | \$ 12,000 |
| Ohler, Michael | Land | \$ | 706 | \$ 324 |
| Rasch, Bernard | Land | \$ | 100 | \$ 100 |
| Strausz, Waltz & Anderson | Land | \$ | 524 | \$ 524 |
| Thompson, Cormac Jr. & III | Land | \$ | 185 | \$ 185 |
| Williams, Scott Dr. | Land | \$ | 986 | \$ 715 |
| Prosser Airport Total | | \$ | 341,300 | \$ 303,544 |

Prosser Airport revenues are expected to be \$38,000, or 12% higher, with the majority coming from a short-term lease to Bouten Construction in support of the construction of the new Prosser hospital.

Crow Butte Park

Crow Butte Park is on an island in the Columbia River, 14 miles west of Paterson. Beginning in 2024, the 275-acre Park will be open from April 1 to September 30. The boat launch is open year-round. Crow Butte features recreational activities, including camping, boating, fishing, hiking, swimming and more.

The following chart shows the park revenues by year.



Revenues for 2024 are budgeted at \$250,000, based upon 2022 actual and 2023 forecasted revenues for conservative budget planning. Revenues from the Park are generated from overnight stays, day use of the park and boat launch fees.

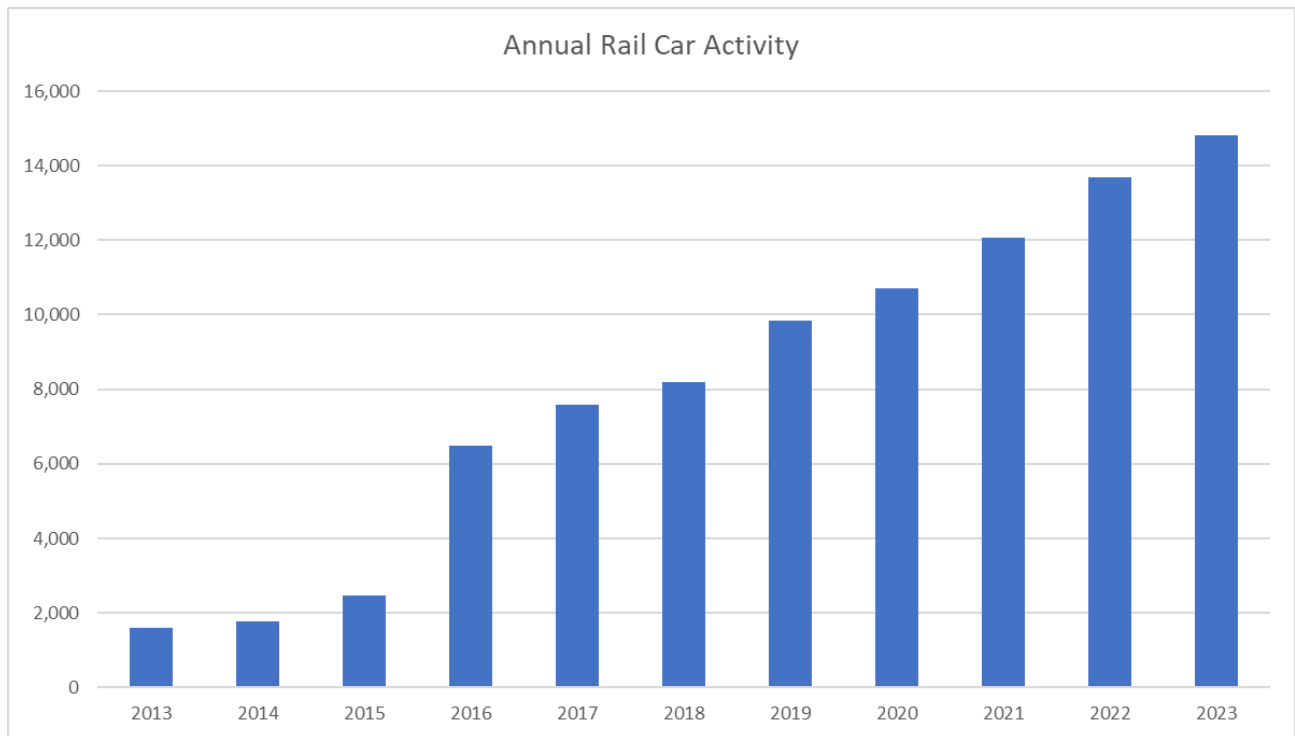
Railroad Operations

New in the proposed budget for 2024 is a revenue stream related to railroad car activity. This revenue stream is critical to ensure that the track and rail equipment are properly maintained. The rate structure has not yet been determined, and the Port will be guided by external professionals in the development of the rate structure so the rate is consistent with similar operations. For budgeting purposes, it is assumed that this charge will begin effective July 1, 2024.

The revenues associated with rail activity are estimated to total \$450,000 in 2024.

The chart below shows the annual growth averaging more than 13% per year over the past five years in the number of rail cars. This trend is expected to continue, especially as the Port develops the Inland Port as planned. This underscores the importance of implementing a rail charge to ensure that the Port can return the rail to a state of good repair and support the necessary ongoing annual maintenance.

The Port's rail transports 1.3 million tons, the second-highest tonnage in the state.



Property Tax Revenue

Under Washington State statute, ports are special purpose districts tasked with economic development. While ports are a taxing authority, they are run and funded quite differently than a general-purpose government (like a city or county) that is funded almost entirely by tax revenue.

The Benton County Treasurer (BCT) acts as an agent to collect property taxes levied in the county for all taxing authorities. Taxes are levied annually on January 1 on property value listed as of the prior May 31. Taxes are due to Benton County on April 30 and October 31. The Port submits a certified tax levy for the subsequent year to Benton County.

The BCT compiles property valuation information and sends out multiple preliminary versions of the property value to be assessed within the Port's District. At the time of preparing this draft version of the budget, the BCT has just issued their first preliminary property valuation assessment. This draft version of the budget incorporates this preliminary information. The Port's final budget will be adjusted to reflect the BCT's final property valuation assessment.

Following are the calculations utilized to determine the estimated Property Tax revenues based on the preliminary property values provided by the BCT.

| | Levy Amount | Levy Rate |
|---|--------------------|------------------|
| 2021 GO Bonds (Principal & Interest) | 696,523 | 0.07304881829 |
| Regular Levy | 2,280,084 | 0.23912694164 |
| Admin Refund | 1,116 | 0.00011708086 |
| Maximum Budgeted Tax Levy for 2023 ⁽²⁾ | 2,977,723 | 0.31229284079 |

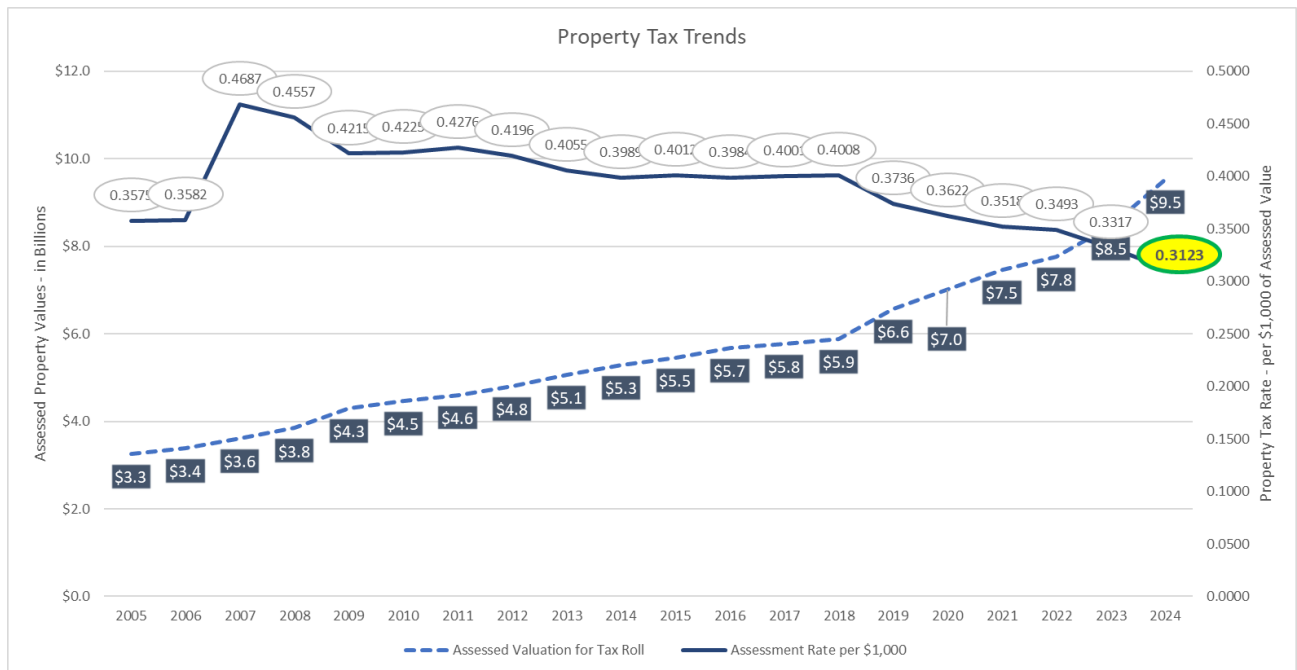
| | | |
|--|------------------|-----------|
| Assessed Valuation - Preliminary Total Taxable Value | 9,535,034,465 | |
| Highest Levy - 2023 | | |
| Regular Levy | 2,112,834 | 2,018,118 |
| GO Levy | 695,696 | 94,716 |
| Levy | 2,808,530 | 2,876,361 |
| 1% Increase Adjustment | 28,085 | 28,764 |
| 2023 New Construction for 2024 tax | 180,874,650 | |
| 2023 Levy Rate | 0.331679076100 | |
| Estimated levy on new construction | 59,992 | |
| Admin Refund | 1,116 | |
| Contingency to prevent limitation of levy to budget | 80,000 | |
| Calculated preliminary estimated maximum levy for 2024 ⁽¹⁾ | 2,977,723 | |

⁽¹⁾ Assumes approval of additional 1% levy increase.

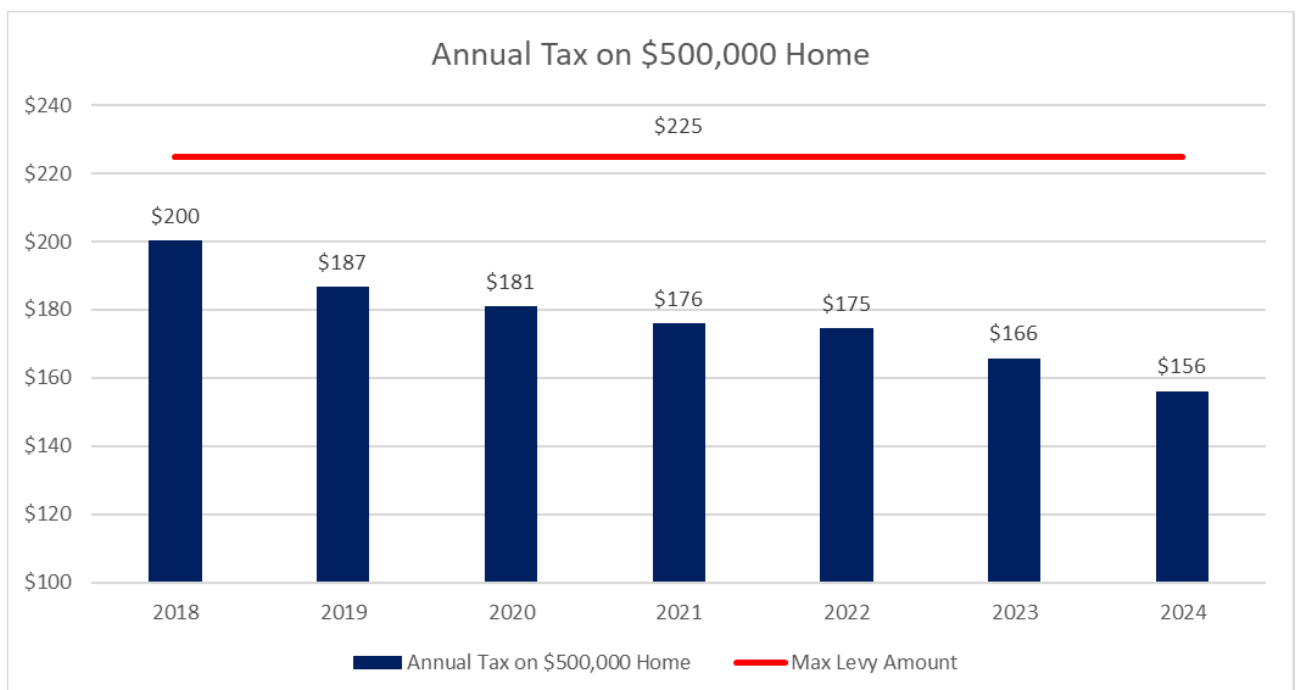
⁽²⁾ NOT FINAL, to be determined by County Assessor.

The Port's tax levy rate has decreased annually since 2015. The following chart shows the annual growth of the assessed property value within the Port's District and the annual tax rate per \$1,000 of assessed value. The increases in the tax base can be attributed to two primary drivers. First, the amount of new development resulting from regional economic growth has increased the amount of property within the Port District. Secondly, general increases in property valuations have also increased the assessed tax base.

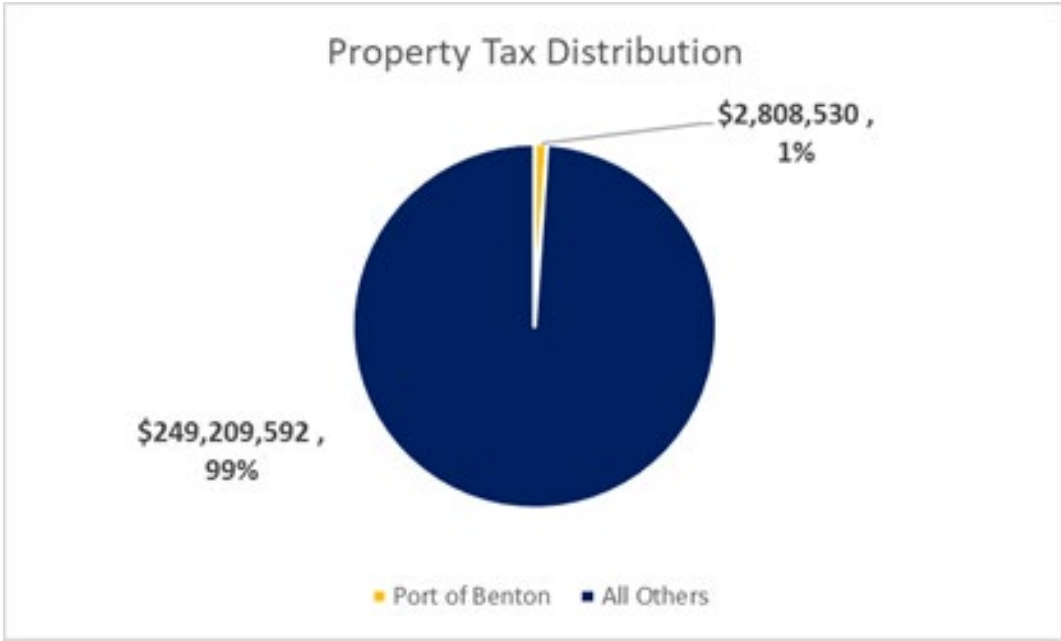
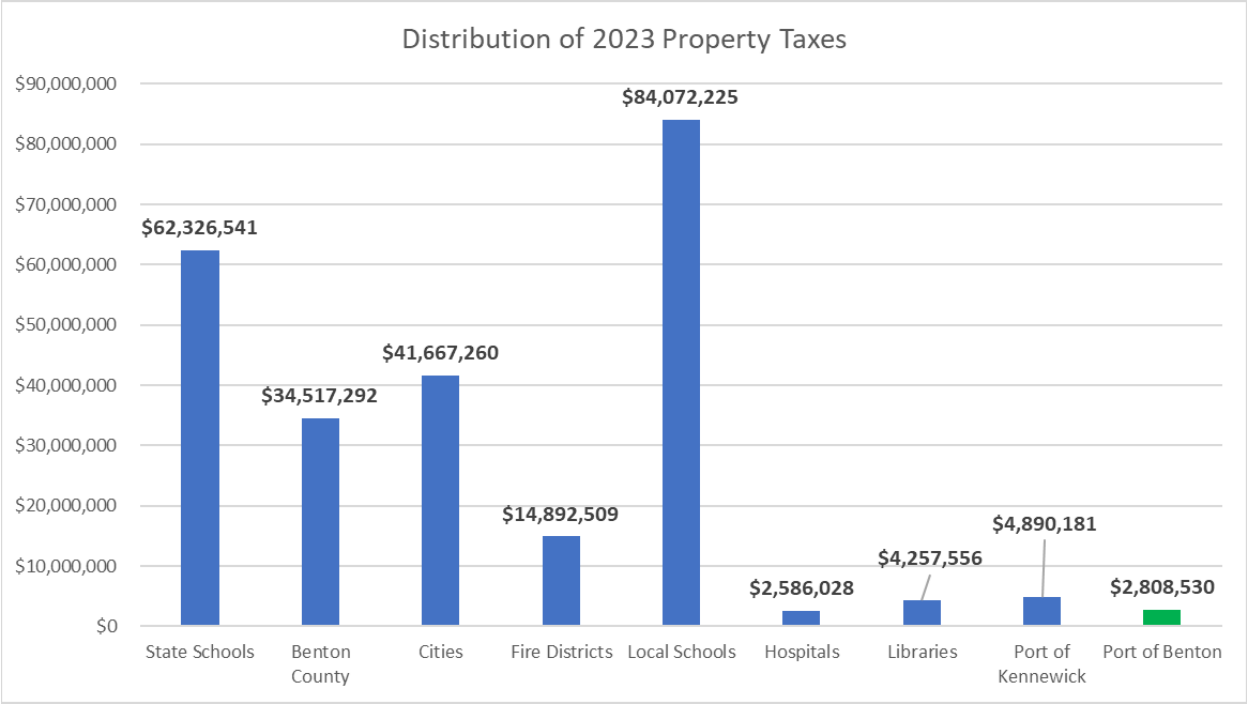
The following chart shows the increasing annual property value within the Port District along with the decreasing levy rates. Strong regional economic growth has resulted in an average annual growth rate of 7.5% over the past five years.



The table below illustrates the trend since 2019 for property tax that would be assessed on a \$500,000 home. Over the past five prior years, the tax has decreased by 16.4%.



Finally, to put the Property Tax into perspective, the Port receives only 1.1% of the property taxes collected by the BCT. The following chart illustrates the distribution of the 2023 taxes to be collected by the BCT.

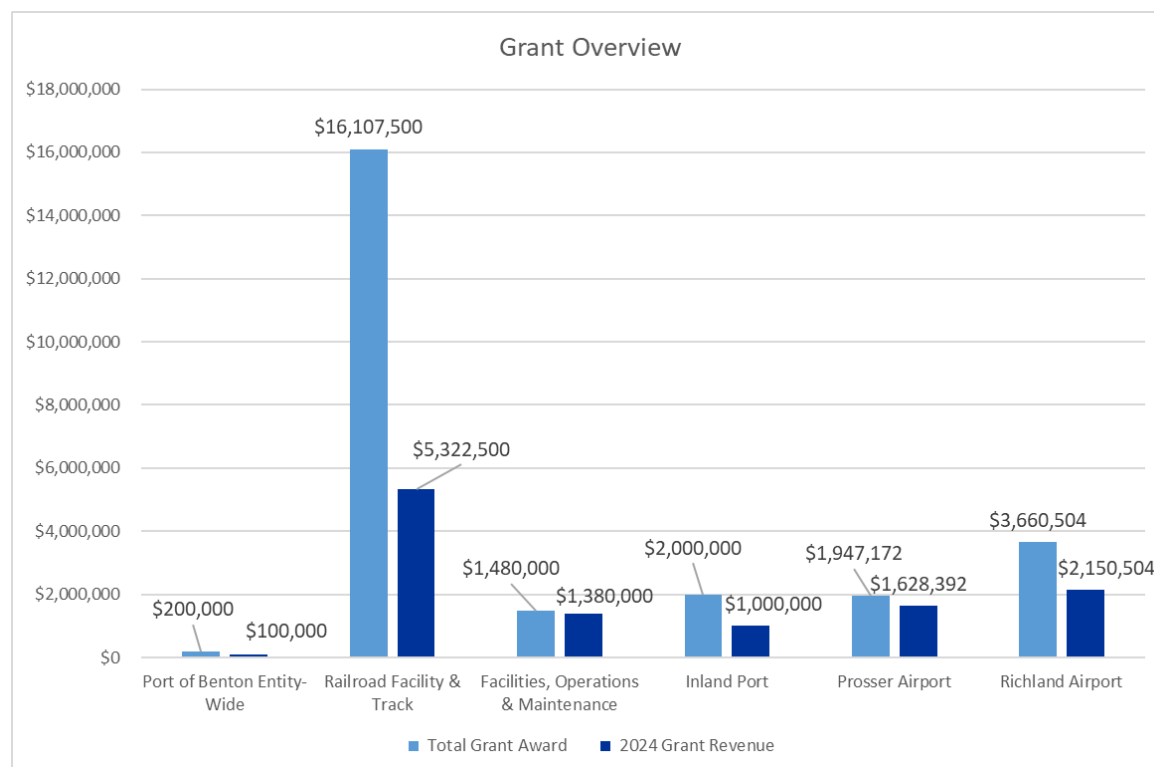


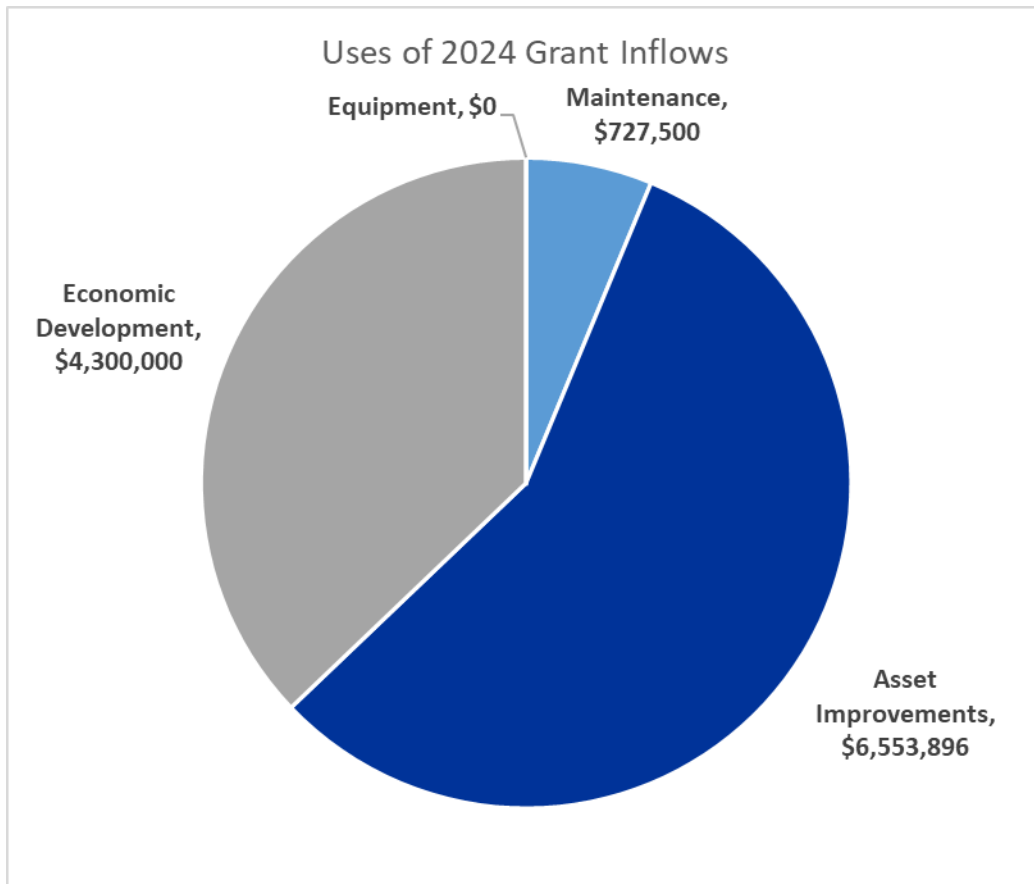
Grant Revenue/Inflow

The Port continuously and actively seeks grant opportunities to support economic development and capital projects. Grant opportunities are evaluated and pursued when they are in alignment with the Port's strategy and objectives.

Grants can come from Federal, State or Local agencies. The tables below summarize the proposed/estimated grant activity for 2024. See Appendix B for a complete listing and breakdown of the proposed/estimated grant activity for 2024.

The following chart shows the total amount of planned grants associated with each property along with the anticipated revenue earned in 2024.





Economic Development - Grants that support the Port's economic development and growth.

Asset Improvements - Grants that substantially improve the Port's existing assets. These types of grants indirectly contribute to economic development and growth.

Maintenance - Grants that are used to maintain existing assets in a state of good repair.

Sales of Fixed Assets

As part of the Port's ongoing mission to support and drive economic growth and development, the Port will sometimes sell land and/or facilities to accomplish this goal. At the time of development of this budget, the Port is in discussions with various parties regarding multiple properties.

The Port anticipates these discussions will lead to \$1,500,000 in sales proceeds in 2024. It is possible that multiple transactions could occur in 2024, which would result in proceeds exceeding \$1,500,000.

Other Taxes

Other Taxes are comprised of Payment in Lieu of Taxes (PILT) plus State of Washington Leasehold Taxes. PILT are Federal payments to local governments like the Port to help offset losses in property taxes due to the existence of nontaxable Federal lands within the Port's boundaries. This represents Department of Energy property within the Port District.

The table below shows the budgeted amount for 2024. The budgeted amount was determined based on prior year actuals plus the forecast for the current year.

| Other Taxes | 2022 Budget | 2022 Actual | 2023 Budget | 2023 Forecast | 2024 Budget |
|---|------------------|------------------|------------------|------------------|------------------|
| State of WA Leasehold Tax | \$30,000 | \$73,854 | \$30,000 | \$50,280 | \$50,000 |
| PILT (Payment in Lieu of Taxes) - DOE/Hanford | \$125,000 | \$120,386 | \$125,000 | \$137,000 | \$135,000 |
| TOTAL | \$155,000 | \$194,240 | \$155,000 | \$187,280 | \$185,000 |

Insurance Recoveries

The Port is expecting insurance reimbursements of \$150,000 relating to claims and expenses associated with a derailment claim that occurred in 2020. The Port has paid expenses relating to this derailment and is expecting the claim to be paid in 2024. This was included in the 2023 budget but, at this time, is not expected to be received in 2023.

Interest Income

The Port is budgeting \$290,970 in interest income for 2024.

| Interest Income | 2022 Actuals | 2023 Budget | 2023 Forecast | 2024 Budget |
|---|-------------------|-------------------|-------------------|-------------------|
| Interest Income (Benton County Treasurer) | \$ 110,984 | \$ 45,000 | \$ 173,375 | \$ 125,000 |
| Interest Income (Notes Receivable) | \$ 92,624 | \$ 92,741 | \$ 116,409 | \$165,970 |
| Total Interest Income | \$ 203,608 | \$ 137,741 | \$ 289,784 | \$ 290,970 |

The Port earns interest from two primary sources. First, through the Benton County Treasurer. Benton County acts as the Port's Treasurer and invests the Port's excess cash into the Local Government's Investment Pool (LGIP).

The LGIP is a voluntary investment vehicle operated by the State Treasurer. Over 530 local governments participate in the pool, providing a safe, liquid, and competitive investment option for local government pursuant to RCW 43.250.

The LGIP lets local governments use the State Treasurer's resources to safely invest their funds while enjoying the economies of scale available from a \$15 billion to \$26 billion pooled fund investment portfolio.

LGIP's investment objectives are, in priority order: 1) safety of principal, 2) maintaining adequate liquidity to meet cash flows, and 3) providing a competitive interest rate relative to other comparable investment alternatives. LGIP offers 100% liquidity to its participants.

The LGIP portfolio is managed in a manner generally consistent with SEC-regulated Rule 2a-7 money market funds. LGIP investment guidelines are spelled out in the LGIP Investment Policy.

The Port is budgeting a higher amount in 2024 compared to prior years due to maintaining a higher cash balance than in prior years coupled with increased interest rates that are expected to remain relatively consistent in 2024.

Secondly, the Port earns interest from properties sold under real estate contracts. These contracts require the purchaser to make principal and interest payments. Interest earned and received under these arrangements are recorded as lease revenues.

Collections on Notes Receivable

As previously mentioned, the Port will, from time to time, sell property under real estate contracts. When this happens, receipt of payment is deferred into future years. The tables below provide the details for the budgeted 2024 inflows for principal payments. Forecasted receipts for the next five years are also included.

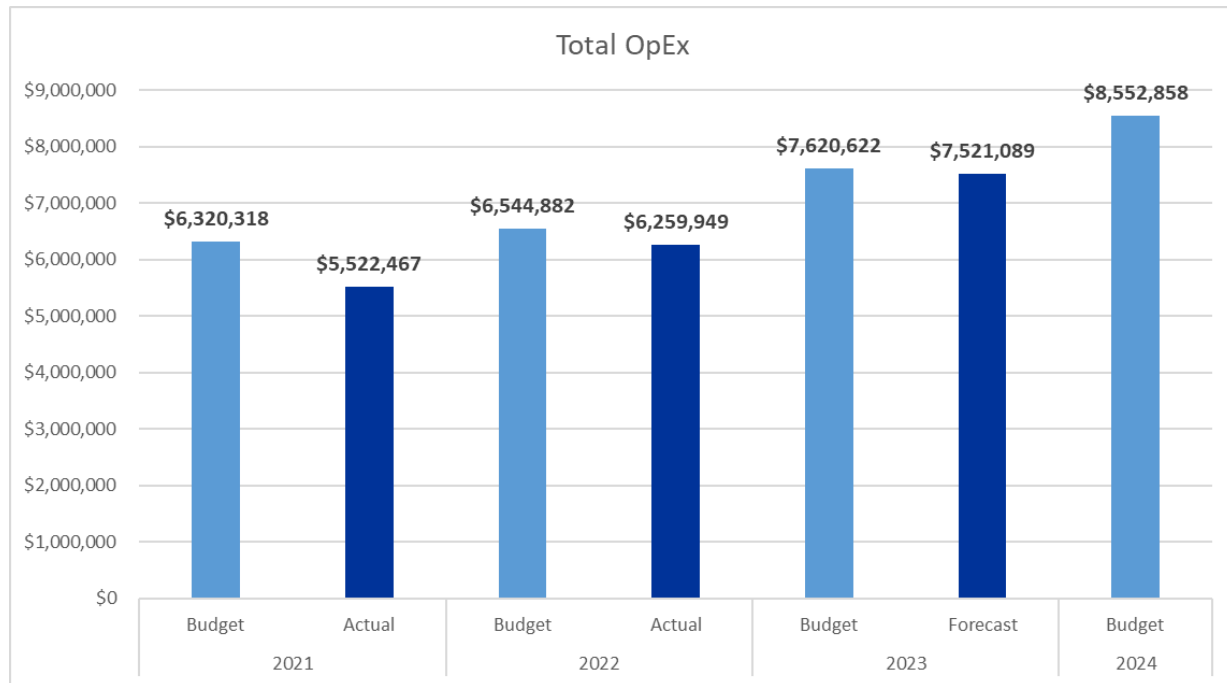
| Overview of Payment Terms | Interest Rate | Term | End Date |
|---|---------------|----------|-----------|
| Jeromie Mead / Redline Automotive | 6% | 25 Years | 8/31/2039 |
| Debbie Augustavo | 6% | 15 Years | 11/1/2034 |
| Columbia Basin Real Estate / Weston Mtn | 6% | 10 Years | 9/1/2031 |
| Hopp Family Holdings, LLC. | 6% | 10 Years | 7/1/2033 |

| Total Payments Received | 2024 Budget | 2025 Forecast | 2026 Forecast | 2027 Forecast | 2028 Forecast | 2029 Forecast |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| Jeromie Mead / Redline Automotive | \$10,369 | \$10,051 | \$9,734 | \$9,417 | \$9,099 | \$8,782 |
| Debbie Augustavo | \$10,375 | \$10,000 | \$9,624 | \$9,249 | \$8,874 | \$8,499 |
| Columbia Basin Real Estate / Weston Mtn | \$190,889 | \$190,889 | \$190,889 | \$190,889 | \$190,889 | \$190,889 |
| Hopp Family Holdings, LLC. | \$212,205 | \$212,205 | \$212,205 | \$212,205 | \$212,205 | \$212,205 |
| | <u>\$423,838</u> | <u>\$423,145</u> | <u>\$422,452</u> | <u>\$421,760</u> | <u>\$421,067</u> | <u>\$420,374</u> |

| Loan Balance Outstanding | 2024 Budget | 2025 Forecast | 2026 Forecast | 2027 Forecast | 2028 Forecast | 2029 Forecast |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Jeromie Mead / Redline Automotive | \$79,354 | \$74,063 | \$68,773 | \$63,483 | \$58,193 | \$52,902 |
| Debbie Augustavo | \$62,427 | \$56,173 | \$49,919 | \$43,665 | \$37,411.00 | \$31,157 |
| Columbia Basin Real Estate / Weston Mtn | \$1,057,365 | \$926,354 | \$787,263 | \$639,593 | \$482,814 | \$316,366 |
| Hopp Family Holdings, LLC. | \$1,420,826 | \$1,290,320 | \$1,151,765 | \$1,004,665 | \$848,492 | \$682,686 |
| | <u>\$2,619,972</u> | <u>\$2,346,911</u> | <u>\$2,057,720</u> | <u>\$1,751,405</u> | <u>\$1,426,910</u> | <u>\$1,083,111</u> |

Operating Expenses – By Type of Cost

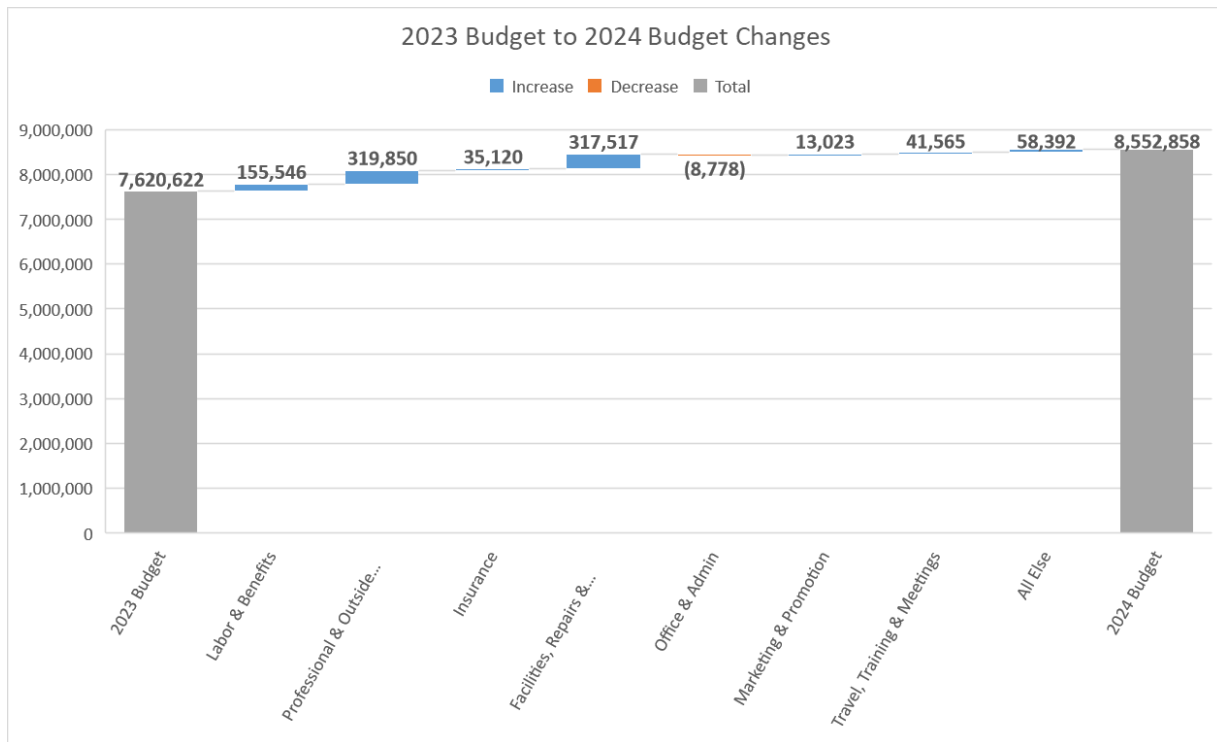
Overall, Operating Expenses (OpEx) are budgeted to be \$8,552,858, a 12% increase over the prior year. The chart below compares the proposed budget to previous year budgets and actual OpEx. This section of the budget document will discuss OpEx by type of cost. The next section will look at this data from a departmental perspective.



The table below provides a detailed breakdown of the major elements of the budget. One important item to note about the 2024 budget is that Facilities, Maintenance and Operations were previously budgeted together and are now separated from Repairs & Maintenance for budgeting purposes. By breaking these out, we now have greater insight and transparency into these cost elements.

| Total Port of Benton Expenses | | | | | | | | | | |
|-------------------------------|-----------|------------|-----------|------------|-----------|------------|-----------|------------|-----------|------------|
| Total | 2021A | % of Total | 2022A | % of Total | 2023B | % of Total | 2023F | % of Total | 2024B | % of Total |
| Salaries & Wages | 1,889,324 | 34% | 1,829,614 | 29% | 2,257,181 | 30% | 1,866,583 | 25% | 2,360,685 | 28% |
| Employee Benefits | 631,795 | 11% | 613,300 | 10% | 735,175 | 10% | 659,630 | 9% | 776,885 | 9% |
| Payroll Taxes | 170,877 | 3% | 167,472 | 3% | 198,877 | 3% | 185,582 | 2% | 209,209 | 2% |
| Professional Services | 535,191 | 10% | 789,599 | 13% | 1,372,500 | 18% | 1,194,036 | 16% | 1,639,350 | 19% |
| Outside Labor | 114,713 | 2% | 110,692 | 2% | 65,000 | 1% | 94,837 | 1% | 118,000 | 1% |
| Insurance | 372,865 | 7% | 457,040 | 7% | 520,500 | 7% | 526,494 | 7% | 555,620 | 6% |
| Facilities, Maintenance & Ops | 428,763 | 8% | 540,915 | 9% | 807,700 | 11% | 747,053 | 10% | 649,129 | 8% |
| Repairs & Maintenance | 266,579 | 5% | 395,738 | 6% | 90,000 | 1% | 690,272 | 9% | 565,248 | 7% |
| Utilities | 499,354 | 9% | 577,186 | 9% | 657,000 | 9% | 654,054 | 9% | 661,063 | 8% |
| Expendible Equipment | 0 | 0% | 21,357 | 0% | 0 | 0% | 55,107 | 1% | 27,988 | 0% |
| Fuel & Vehicles | 104,148 | 2% | 105,675 | 2% | 129,250 | 2% | 93,605 | 1% | 99,142 | 1% |
| Office & Administration | 141,610 | 3% | 137,818 | 2% | 280,170 | 4% | 170,947 | 2% | 251,523 | 3% |
| IT | 133,039 | 2% | 197,574 | 3% | 208,580 | 3% | 205,054 | 3% | 223,080 | 3% |
| Travel, Training & Meetings | 67,882 | 1% | 104,430 | 2% | 85,000 | 1% | 127,121 | 2% | 126,565 | 1% |
| Marketing & Promotion | 70,304 | 1% | 90,770 | 1% | 161,650 | 2% | 123,897 | 2% | 174,673 | 2% |
| Appraisals & Lease | 26,020 | 0% | 57,385 | 1% | 46,000 | 1% | 58,890 | 1% | 44,898 | 1% |
| Taxes, Licenses & Fees | 13,918 | 0% | 23,041 | 0% | 14,900 | 0% | 25,916 | 0% | 20,270 | 0% |
| Other | 46,949 | 1% | 29,537 | 0% | (8,861) | 0% | 23,116 | 0% | 37,847 | 0% |
| Interest & Financing | 9,137 | 0% | 10,808 | 0% | 0 | 0% | 18,895 | 0% | 11,684 | 0% |
| Total Operating Expenses | 5,522,467 | 100% | 6,259,949 | 100% | 7,620,622 | 100% | 7,521,089 | 100% | 8,552,858 | 100% |

The chart below shows the changes by cost element from the 2023 budget to the 2024 budget.



This chart helps illustrate that the three biggest drivers of change from 2023 to 2024 are:

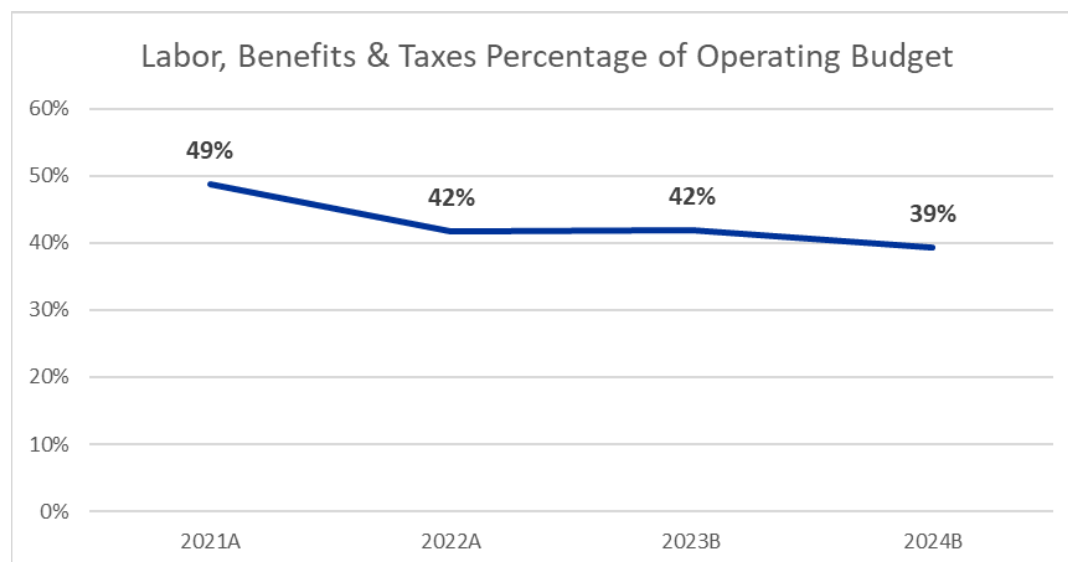
- Facilities, Repairs, Maintenance and Operations (although these groupings are budgeted separately beginning in 2024, they are combined here to provide a clearer picture of the change from 2023).
- Professional Services needed due to significant rail-related activities and other land planning initiatives.
- Labor, Benefits and Taxes are increasingly only by the merit and cost-of-living adjustments.

These cost elements and other significant costs are described in greater detail in the following section.

Labor, Benefits and Taxes

Labor, benefits and taxes are estimated to increase \$156,000, or 4.9%, going from \$3,191,000, in 2023 to \$3,347,000 for 2024. Cost-of-Living Adjustment (COLA) and merit increases have been budgeted at a combined rate of 5%.

The following chart highlights the Port's emphasis on cost management and operating efficiencies. It should be noted that the percentage of Labor, Benefits and Taxes as a percentage of total Operating Expense has been decreasing the past several years and is expected to decrease again in 2024. This is partly due to new software and tools that enable greater efficiency and investing in staff so that they are able to execute an increased volume of activity without adding additional staff.



Labor cost is based on a total staffing level of 22 FTE employees. This headcount remains unchanged from prior years. The following table shows the breakdown of FTEs by operating function. It should be noted that beginning in 2024, labor is being allocated and budgeted based on estimates of where individuals will be spending their actual time and not simply based on home department assignments.

| Department | 2024 # of FTE | 2023 # of FTE |
|--|------------------|------------------|
| Operations* | 2.3 | 11.0 |
| Maintenance & Facilities* | 7.6 | n/a |
| Airports | 1.4 | 1.0 |
| Rail | 0.6 | - |
| Crow Butte | 1.1 | 1.0 |
| Subtotal | 12.9 | 13.0 |
| G&A | 9.1 | 9.0 |
| Commissioners | 3.0 | 3.0 |
| Subtotal | 12.1 | 12.0 |
| Total Port Employees | 22.0 | 22.0 |
| Total Employees + Commissioners | 25.0 | 25.0 |

* = These departments were combined for budgeting purposes in 2023.

There are no planned changes to the Port's standard benefits plan. Health insurance is the largest benefits cost followed by retirement benefits. Both of these are plans for State of Washington employees, which includes Port employees. The State has indicated that neither plan is expected to have rate increases for the coming year.

| Total Port of Benton Expenses | | | | | | | | | | |
|-------------------------------|-----------|------------|-----------|------------|-----------|------------|-----------|------------|-----------|------------|
| Total | 2021A | % of Total | 2022A | % of Total | 2023B | % of Total | 2023F | % of Total | 2024B | % of Total |
| Salaries & Wages | 1,889,324 | 34% | 1,829,614 | 29% | 2,257,181 | 30% | 1,866,583 | 25% | 2,360,685 | 28% |
| Employee Benefits | 631,795 | 11% | 613,300 | 10% | 735,175 | 10% | 659,630 | 9% | 776,885 | 9% |
| Payroll Taxes | 170,877 | 3% | 167,472 | 3% | 198,877 | 3% | 185,582 | 2% | 209,209 | 2% |

Professional Services

Professional Services include costs for outside services such as legal and accounting services, engineering and planning, surveying, railroad operations management, and other similar services.

Professional Services is budgeted to be \$1,694,930 in 2024 compared to \$1,372,500 in 2023. The biggest driver for this increase is the contract for the rail operations beginning year two of that contract. Barge and land development planning is another initiative that is slated to occur in 2024.

The table below is a summary of professional expenses by functional department. Appendix C provides the full breakdown of the budgeted Professional Services.

| Department | 2024 Budget | 2023 Budget |
|---------------|---------------------|---------------------|
| Prosser | \$ 30,750 | \$ 19,750 |
| Richland | \$ 37,250 | \$ 54,750 |
| Crow Butte | \$ 10,000 | \$ 67,000 |
| Operations | \$ 540,000 | \$ 355,000 |
| Rail | \$ 653,850 | \$ 473,000 |
| G & A | \$ 383,080 | \$ 403,000 |
| Marketing | \$ 40,000 | \$ - |
| Totals | \$ 1,694,930 | \$ 1,372,500 |

Throughout 2024, a new Work Order system will continue to be developed and implemented, allowing the Port to have greater visibility into asset management to ensure that preventative maintenance is scheduled and performed.

Insurance

Consistent with general trends in the insurance industry, insurance expense is up \$35,120, or 7% over 2023. The Port intends to issue an RFP for insurance services in the coming year to ensure that the Port is receiving competitive pricing while maintaining adequate coverage.

Conferences

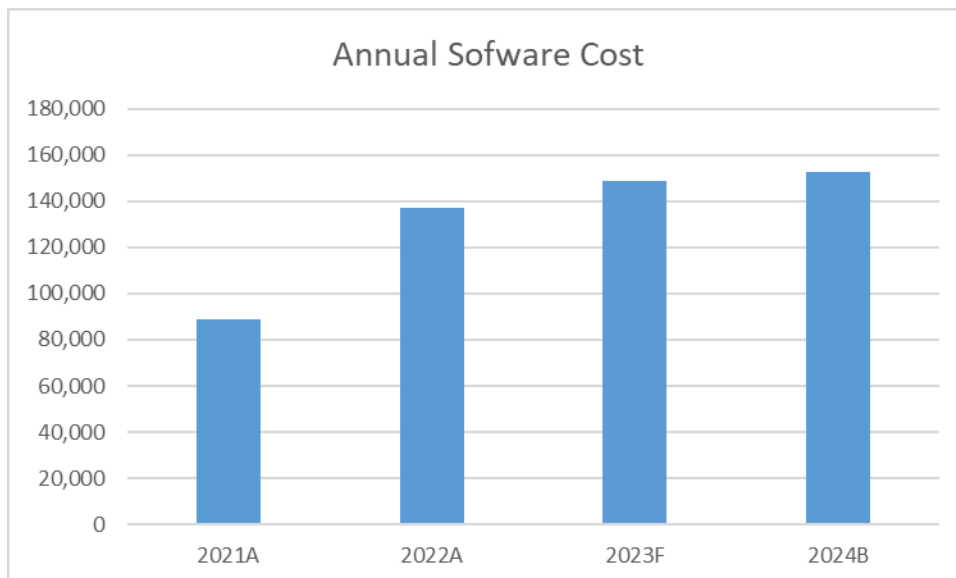
Although not a major cost item, the Port carefully plans and manages conference attendance to ensure Port staff are learning and staying abreast of current relevant matters while providing responsible oversight of this cost. A complete list of budgeted Conferences and Meetings can be found in Appendix E.

Software

In order to comply with State and Federal accounting requirements (i.e., GASB 87), the Port has made significant investments in software tools and applications over the past several years. In 2024, these costs are anticipated to level off as the Port has fully implemented a majority of these tools. The Port is already seeing operational efficiencies with these tools, demonstrated by the lower labor cost relative to the operating budget as well as easier access to deeper levels of information to support data driven decision-making and increased transparency. A few specific examples include:

- Yardi Lease Management which facilitates compliance with GASB 87, Accounting for Leases.
- Tracking of budgeted and actual expenses at the lowest general ledger account number. This provides better visibility and understanding of spending to guide future decisions and budget development.
- Continued implementation of the Work Order system which is giving management greater insight into service needs and repair items. This will also allow the Port to develop a comprehensive preventative asset management plan for all assets under management.

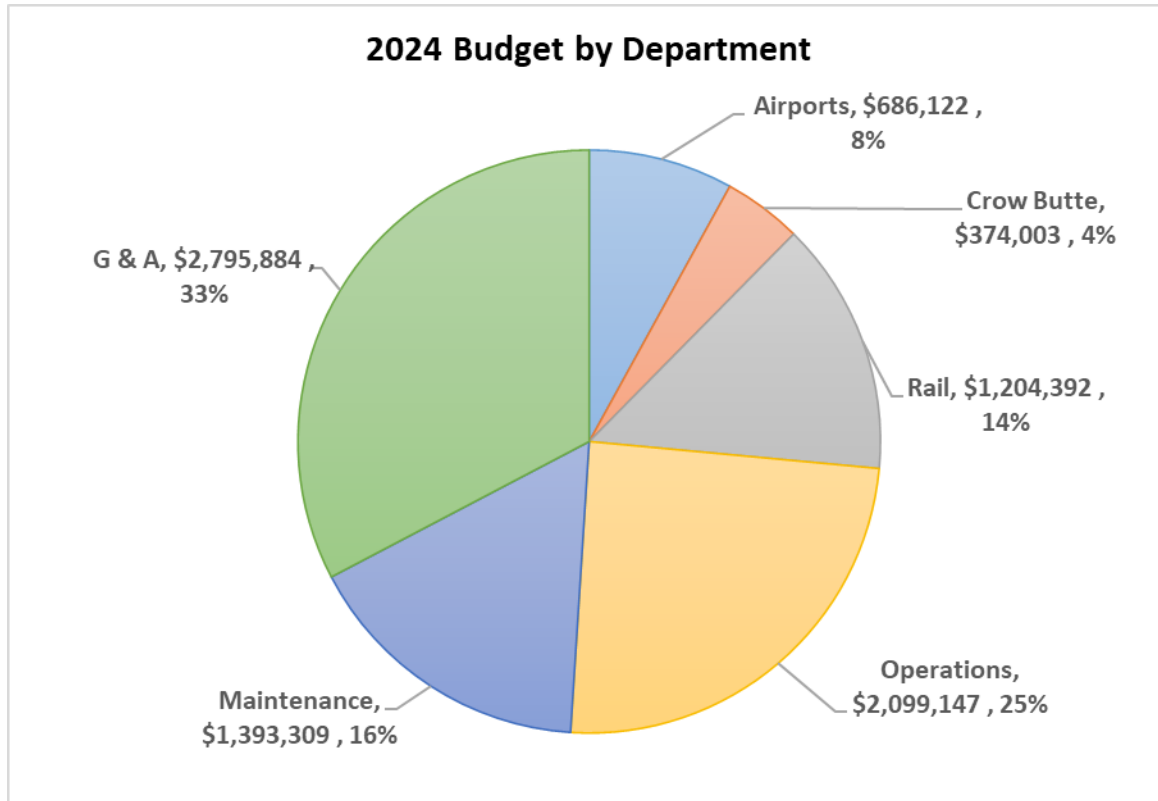
The following table illustrates the increases in software cost from 2021 to 2022, with costs leveling off in 2023 and 2024 as these new systems and tools are being implemented and used.



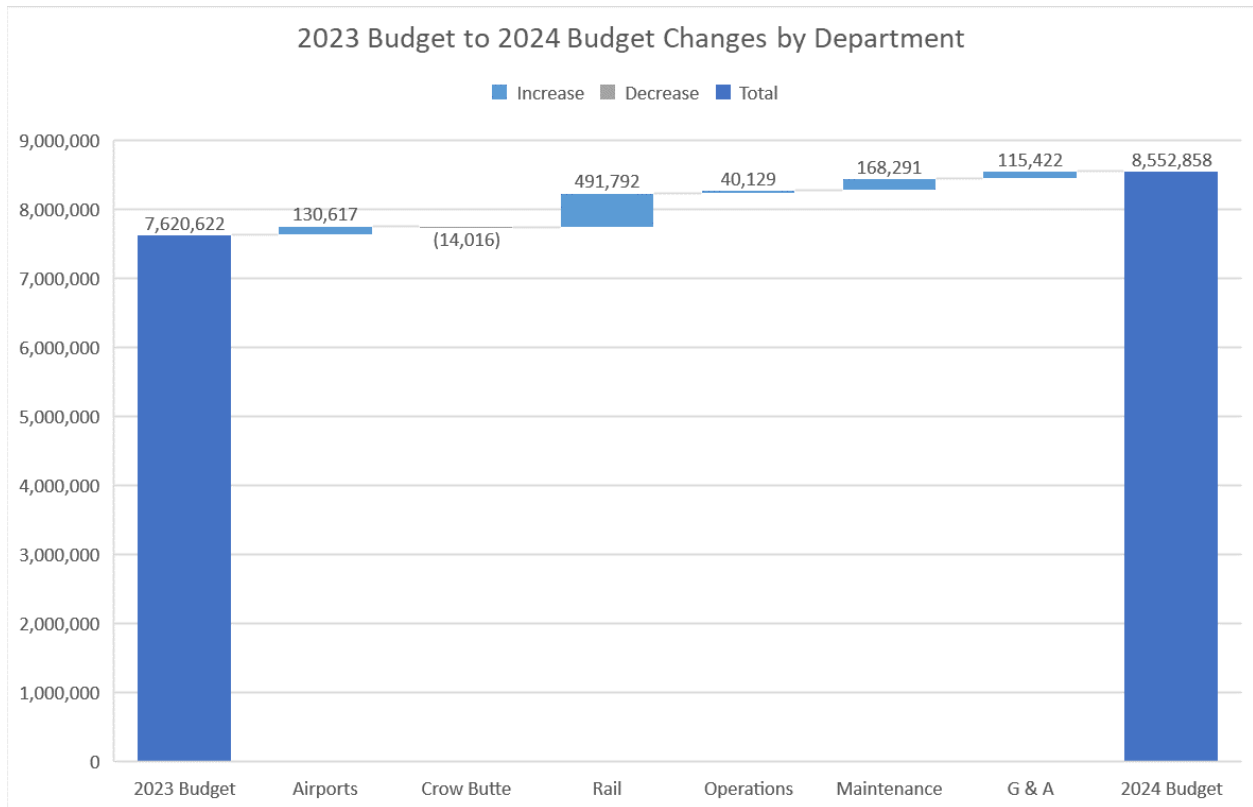
See Appendix F for a complete breakdown of the budgeted software cost for 2024.

Operating Expenses – By Functional Area

The preceding information presented the budgeted OpEx by type of expense. The following section breaks down the same OpEx by type the Port's various operating departments. The following chart provides a visual overview of the total OpEx by department.



The following chart shows each operating department's changes from the 2023 budget to the 2024 budget.



As expected, the single biggest change is in the Rail operations. Significant effort is needed to return the Rail to a state of good repair, and the 2024 budget reflects this priority.

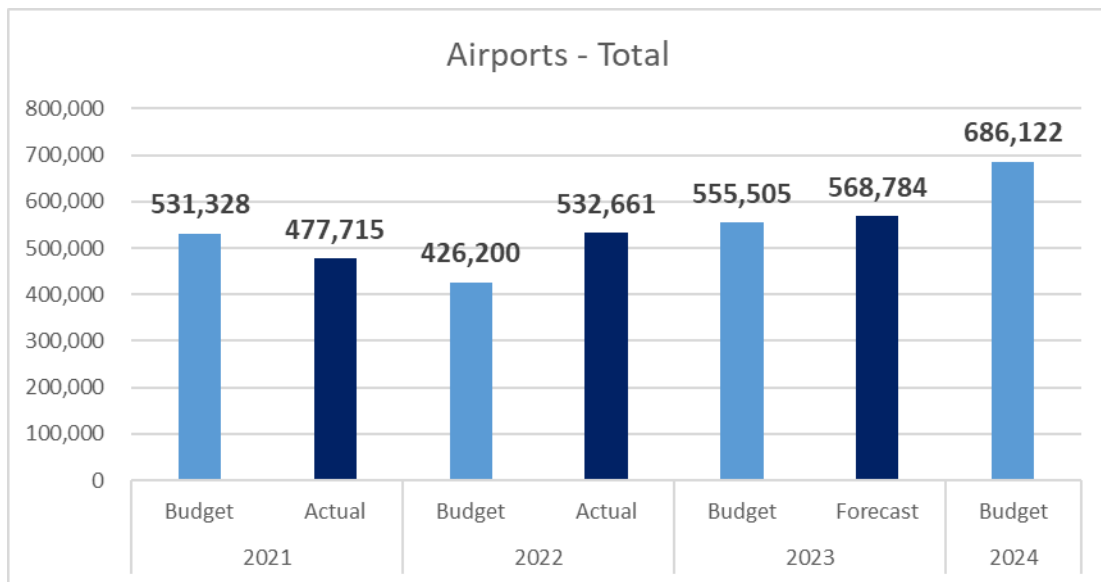
The Airport budget is increasing slightly. This is primarily due to better tracking and allocation of existing labor expenses. In prior years, no labor from other departments, such as repairs, maintenance or facilities was budgeted to airports even though this type of labor was being expended to support Airport operations.

Maintenance expenses are also up slightly. However, this is due to a reallocation of labor previously classified within the Operations Department. Going forward, there will be greater clarity, tracking and reporting by breaking Operations and Facilities Maintenance out separately.

Airports (D100, D110 & D120)

The budget for Airports is comprised of three separate budgets. Costs budgeted, tracked and reported separately for the Prosser Airport and the Richland Airport. This gives a greater level of data and insight to make informed data driven decisions for each airport. Additionally, a general Airport budget is utilized to plan, track and monitor expenses associated with general airport management that is not specifically identified with each airport.

The following chart provides an overview of the combined Airport budgets for 2024 compared to prior years. As previously mentioned, the primary reason for the increase in the 2024 budget is better time tracking and allocation of labor costs previously captured in the general Facilities & Maintenance budget.



The following table provides a complete breakdown of the major cost elements. It should be noted that this budget includes not only the costs to operate the two general aviation airports but also the costs associated with managing buildings and operations located within the airport boundaries, but not necessarily associated with aviation operations.

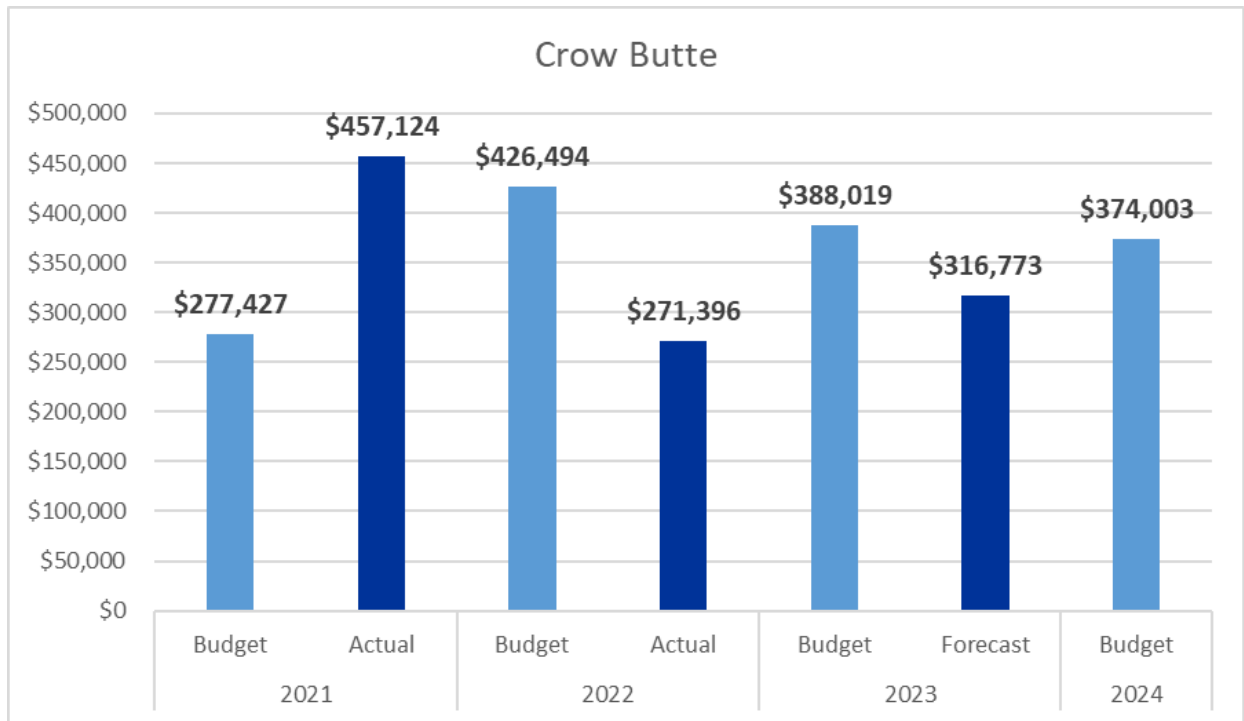
| Airport Expenses | | | | | | | | | | |
|-------------------------------|----------------|-------------|----------------|-------------|----------------|-------------|----------------|-------------|----------------|-------------|
| Total | 2021A | % of Total | 2022A | % of Total | 2023B | % of Total | 2023F | % of Total | 2024B | % of Total |
| Salaries & Wages | 132,613 | 28% | 113,014 | 21% | 101,333 | 18% | 162,244 | 29% | 155,541 | 23% |
| Employee Benefits | 39,714 | 8% | 33,364 | 6% | 31,382 | 6% | 58,040 | 10% | 50,119 | 7% |
| Payroll Taxes | 11,852 | 2% | 10,920 | 2% | 10,640 | 2% | 15,598 | 3% | 13,411 | 2% |
| Professional Services | 47,590 | 10% | 44,274 | 8% | 74,500 | 13% | 18,902 | 3% | 68,000 | 10% |
| Outside Labor | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Insurance | 22,424 | 5% | 52,218 | 10% | 60,000 | 11% | 59,541 | 10% | 80,568 | 12% |
| Facilities, Maintenance & Ops | 68,854 | 14% | 84,128 | 16% | 176,700 | 32% | 73,628 | 13% | 82,244 | 12% |
| Repairs & Maintenance | 56,265 | 12% | 60,048 | 11% | 0 | 0% | 71,168 | 13% | 117,494 | 17% |
| Utilities | 74,401 | 16% | 79,759 | 15% | 82,000 | 15% | 80,804 | 14% | 78,355 | 11% |
| Expendible Equipment | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Fuel & Vehicles | 12,551 | 3% | 7,572 | 1% | 16,250 | 3% | 4,791 | 1% | 9,598 | 1% |
| Office & Administration | 6,854 | 1% | 8,874 | 2% | 1,000 | 0% | 7,089 | 1% | 9,158 | 1% |
| IT | 2,394 | 1% | 587 | 0% | 0 | 0% | 6,594 | 1% | 3,714 | 1% |
| Travel, Training & Meetings | 657 | 0% | 1,570 | 0% | 0 | 0% | 3,756 | 1% | 13,177 | 2% |
| Marketing & Promotion | 768 | 0% | 4,457 | 1% | 0 | 0% | 78 | 0% | 1,757 | 0% |
| Appraisals & Lease | 686 | 0% | 30,912 | 6% | 0 | 0% | 6,167 | 1% | 2,588 | 0% |
| Taxes, Licenses & Fees | 105 | 0% | 840 | 0% | 1,700 | 0% | 244 | 0% | 396 | 0% |
| Other | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Interest & Financing | (12) | 0% | 124 | 0% | 0 | 0% | 142 | 0% | 0 | 0% |
| Total Airport Expenses | 477,715 | 100% | 532,661 | 100% | 555,505 | 100% | 568,784 | 100% | 686,122 | 100% |

The chart below shows the total breakdown of the Airport budgets for each of the separate Airport budget departments. It should be noted that in prior years, the General Airport budget department (D100) was not budgeted separately even though costs were accumulated at that level. Beginning in 2024, the General Airport department will be budgeted and tracked separately.



Crow Butte (D200)

Over the past several years, significant time, attention and resources have been invested at Crow Butte Park. As a result of this work, the park is in great condition. As such, the budget for the park can be reduced since significant repairs and maintenance needed in prior years are no longer required at those levels.



| D200 - Crow Butte | 2021A | % of Total | 2022A | % of Total | 2023B | % of Total | 2023F | % of Total | 2024B | % of Total |
|--------------------------------------|----------------|-------------|----------------|-------------|----------------|-------------|----------------|-------------|----------------|-------------|
| Salaries & Wages | 158,910 | 35% | 42,455 | 16% | 84,230 | 22% | 86,590 | 27% | 104,512 | 28% |
| Employee Benefits | 35,754 | 8% | 13,778 | 5% | 29,272 | 8% | 40,733 | 13% | 34,761 | 9% |
| Payroll Taxes | 14,701 | 3% | 4,407 | 2% | 8,517 | 2% | 13,418 | 4% | 10,899 | 3% |
| Professional Services | 4,731 | 1% | 4,584 | 2% | 67,000 | 17% | 260 | 0% | 10,000 | 3% |
| Outside Labor | 92,450 | 20% | 77,005 | 28% | 65,000 | 17% | 62,550 | 20% | 63,000 | 17% |
| Insurance | 1,472 | 0% | 6,070 | 2% | 5,500 | 1% | 6,836 | 2% | 14,217 | 4% |
| Facilities, Maintenance & Operations | 37,787 | 8% | 25,135 | 9% | 74,000 | 19% | 26,605 | 8% | 29,842 | 8% |
| Repairs & Maintenance | 24,941 | 5% | 20,025 | 7% | 0 | 0% | 13,201 | 4% | 24,389 | 7% |
| Utilities | 31,029 | 7% | 31,295 | 12% | 30,000 | 8% | 19,880 | 6% | 31,162 | 8% |
| Expendible Equipment | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Fuel & Vehicles | 23,434 | 5% | 21,840 | 8% | 21,000 | 5% | 19,030 | 6% | 21,435 | 6% |
| Office & Administration | 11,052 | 2% | 8,460 | 3% | 3,500 | 1% | 8,647 | 3% | 9,386 | 3% |
| IT | 3,296 | 1% | 2,368 | 1% | 0 | 0% | 643 | 0% | 3,759 | 1% |
| Travel, Training & Meetings | 2,957 | 1% | 2,227 | 1% | 0 | 0% | 1,314 | 0% | 2,166 | 1% |
| Marketing & Promotion | 5,226 | 1% | 502 | 0% | 0 | 0% | 3,778 | 1% | 3,169 | 1% |
| Appraisals & Lease | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Taxes, Licenses & Fees | 812 | 0% | 1,408 | 1% | 0 | 0% | 0 | 0% | 740 | 0% |
| Other | 0 | 0% | 0 | 0% | 0 | 0% | 116 | 0% | 39 | 0% |
| Interest & Financing | 8,573 | 2% | 9,836 | 4% | 0 | 0% | 13,172 | 4% | 10,527 | 3% |
| Total Crow Butte Expenses | 457,124 | 100% | 271,396 | 100% | 388,019 | 100% | 316,773 | 100% | 374,003 | 100% |

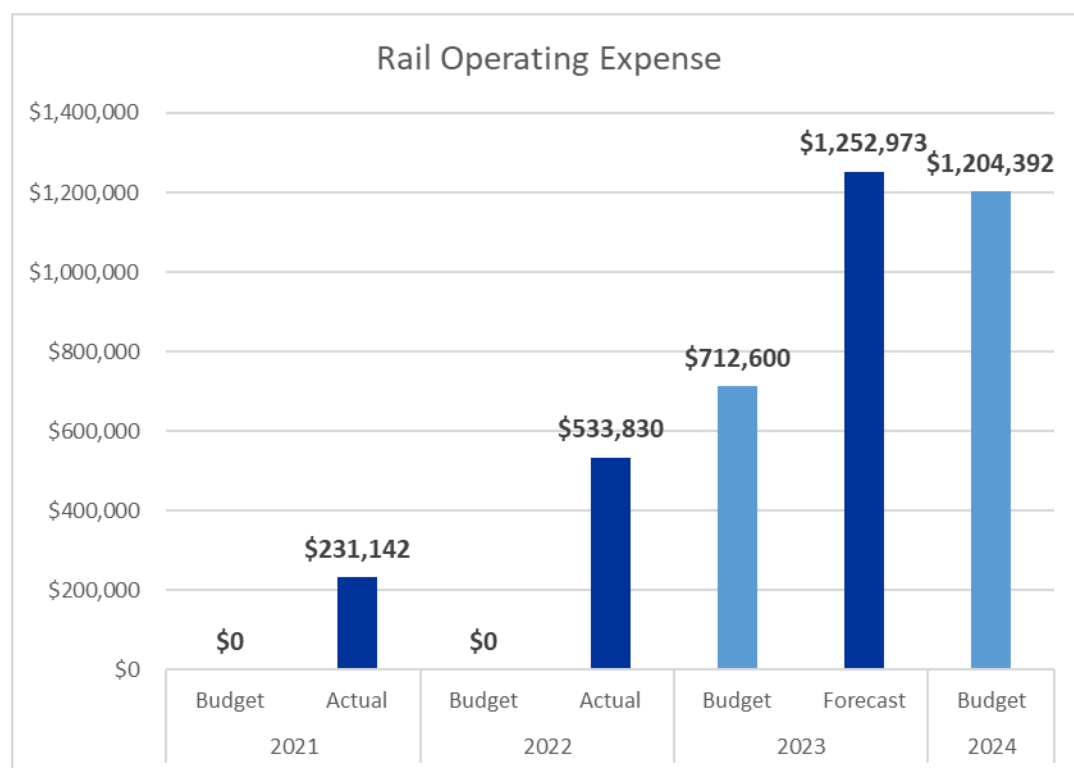
Rail (D310)

After a lengthy litigation process, the Port took back management responsibility in late 2021. Since it was returned so late in 2021, nothing was included in the 2022 budget. Throughout 2022, the Port was working on making a full and complete assessment of the state of the entire rail and building infrastructure. The budget for 2023 was developed without a full and complete assessment available at that time.

The chart below shows that the forecasted expenses for 2023 are significantly higher than the original budget. This is because the rail track was in a much worst state than anticipated. Work on the rail in 2023 was focused on stabilization and critical repairs.

Although the 2024 budget for Rail has increased by \$490,000 over the 2023 budget, the 2024 budget is \$50,000 lower than the forecast for 2023 actuals.

The chart below shows the budget vs actuals for the Rail OpEx since taking back control in late 2021.



The proposed 2024 OpEx budget for Rail is shown below along with a comparison by cost element to prior years.

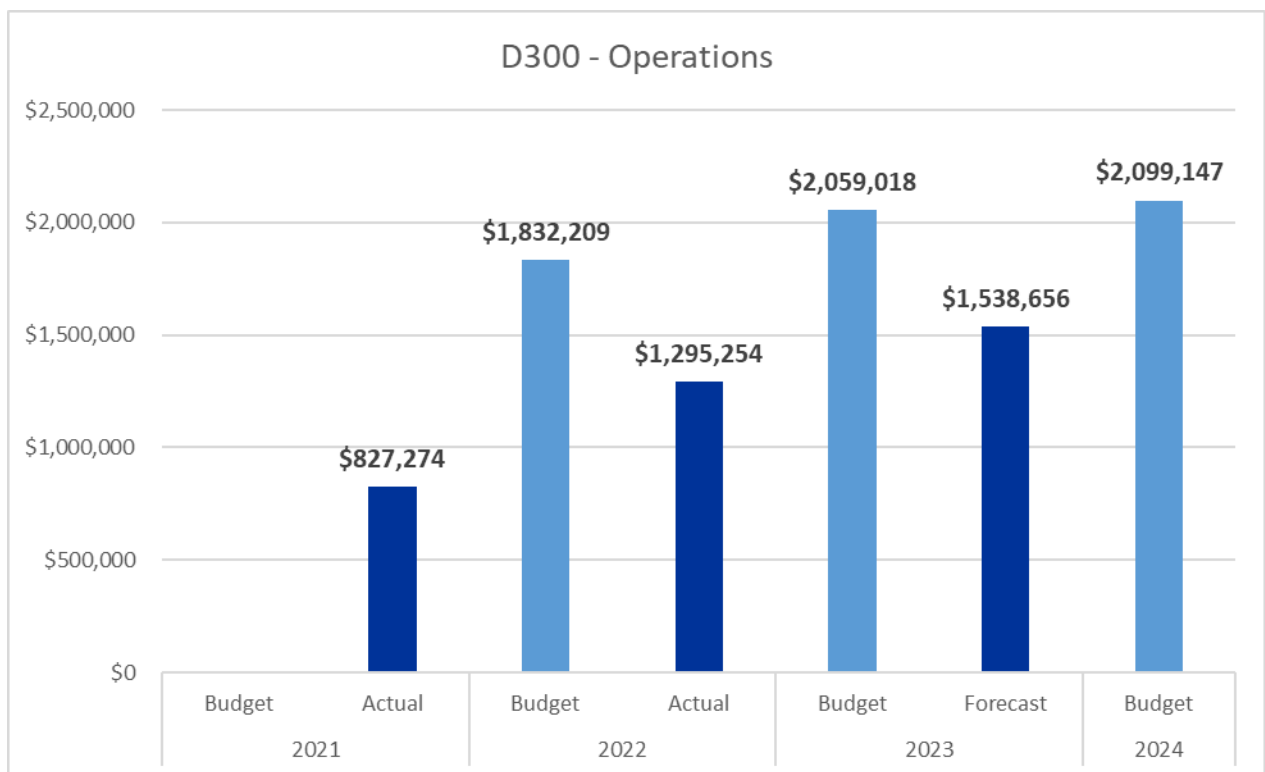
| D310 - Rail | 2021A | % of Total | 2022A | % of Total | 2023B | % of Total | 2023F | % of Total | 2024B | % of Total |
|-------------------------------|----------------|-----------------------|----------------|-----------------------|----------------|-----------------------|------------------|-----------------------|------------------|-----------------------|
| Salaries & Wages | 1,225 | 1% | 36,033 | 7% | 0 | 0% | 36,177 | 3% | 61,366 | 5% |
| Employee Benefits | 350 | 0% | 10,713 | 2% | 0 | 0% | 10,140 | 1% | 18,895 | 2% |
| Payroll Taxes | 121 | 0% | 3,074 | 1% | 0 | 0% | 3,710 | 0% | 5,113 | 0% |
| Professional Services | 178,046 | 77% | 244,105 | 46% | 473,000 | 66% | 530,258 | 42% | 653,850 | 54% |
| Outside Labor | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 5,000 | 0% |
| Insurance | 47,075 | 20% | 66,581 | 12% | 75,000 | 11% | 71,072 | 6% | 84,267 | 7% |
| Facilities, Maintenance & Ops | 2,921 | 1% | 40,619 | 8% | 12,000 | 2% | 112,073 | 9% | 53,471 | 4% |
| Repairs & Maintenance | 0 | 0% | 82,908 | 16% | 90,000 | 13% | 342,222 | 27% | 183,645 | 15% |
| Utilities | 1,325 | 1% | 40,542 | 8% | 60,000 | 8% | 129,989 | 10% | 129,989 | 11% |
| Expendible Equipment | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Fuel & Vehicles | 0 | 0% | 3,546 | 1% | 0 | 0% | 7,837 | 1% | 500 | 0% |
| Office & Administration | 58 | 0% | 939 | 0% | 2,400 | 0% | 6,044 | 0% | 5,616 | 0% |
| IT | 22 | 0% | 119 | 0% | 0 | 0% | 1,349 | 0% | 500 | 0% |
| Travel, Training & Meetings | 0 | 0% | 2,031 | 0% | 0 | 0% | 0 | 0% | 930 | 0% |
| Marketing & Promotion | 0 | 0% | 316 | 0% | 0 | 0% | 707 | 0% | 707 | 0% |
| Appraisals & Lease | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Taxes, Licenses & Fees | 0 | 0% | 2,065 | 0% | 200 | 0% | 0 | 0% | 0 | 0% |
| Other | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Interest & Financing | 0 | 0% | 238 | 0% | 0 | 0% | 1,396 | 0% | 544 | 0% |
| Total Airport Expenses | 231,142 | 100% | 533,830 | 100% | 712,600 | 100% | 1,252,973 | 100% | 1,204,392 | 100% |

The growth in rail activity previously discussed, coupled with the planned development of an Inland Port, clearly underscores the need to continue to invest in the Port's rail and rail facilities assets to return and maintain these assets in a state of good repair.

Operations (D300)

The Operations Department has the overall responsibility for property and lease management activities. This includes activities and costs associated with marketing properties, lease document development and negotiations, tenant relations, land development planning, land surveys and other similar costs.

The following chart compares the 2024 budget to prior years. However, it should be noted that a direct comparison to prior years cannot be made since the Operations Department (D300) and the Facilities and Maintenance Department (D400) were combined for budgeting purposes, and actual expenses were not always consistently classified between these departments. Beginning in 2024, these departments are budgeted separately and will be managed separately.



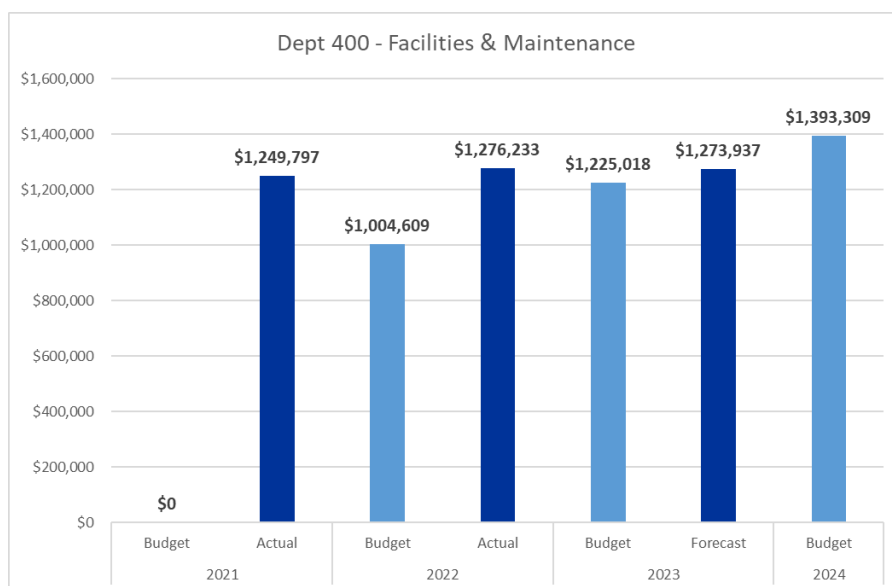
The proposed 2024 OpEx budget for Operations is shown below, along with a comparison by cost element to prior years.

| D300 - Operations | 2021A | % of Total | 2022A | % of Total | 2023B | % of Total | 2023F | % of Total | 2024B | % of Total |
|----------------------------------|----------------|-----------------------|------------------|-----------------------|------------------|-----------------------|------------------|-----------------------|------------------|-----------------------|
| Salaries & Wages | 45,542 | 6% | 53,308 | 4% | 454,720 | 22% | 65,534 | 4% | 245,379 | 12% |
| Employee Benefits | 13,892 | 2% | 14,452 | 1% | 157,612 | 8% | 18,477 | 1% | 74,135 | 4% |
| Payroll Taxes | 4,485 | 1% | 4,577 | 0% | 44,186 | 2% | 8,063 | 1% | 21,609 | 1% |
| Professional Services | 19,498 | 2% | 103,666 | 8% | 355,000 | 17% | 114,212 | 7% | 525,000 | 25% |
| Outside Labor | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Insurance | 102,486 | 12% | 327,785 | 25% | 187,500 | 9% | 383,598 | 25% | 368,569 | 18% |
| Facilities, Maintenance & Ops | 124,702 | 15% | 242,944 | 19% | 272,500 | 13% | 356,536 | 23% | 295,611 | 14% |
| Repairs & Maintenance | 31,038 | 4% | 33,570 | 3% | 0 | 0% | 15,410 | 1% | 26,673 | 1% |
| Utilities | 391,040 | 47% | 403,525 | 31% | 470,000 | 23% | 387,655 | 25% | 394,073 | 19% |
| Expendible Equipment | 0 | 0% | 12,160 | 1% | 0 | 0% | 52,564 | 3% | 21,575 | 1% |
| Fuel & Vehicles | 0 | 0% | 0 | 0% | 46,000 | 2% | 3,160 | 0% | 1,053 | 0% |
| Office & Administration | 17,729 | 2% | 14,945 | 1% | 12,500 | 1% | 17,159 | 1% | 20,954 | 1% |
| IT | 12,171 | 1% | 11,992 | 1% | 0 | 0% | 9,835 | 1% | 17,132 | 1% |
| Travel, Training & Meetings | 3,592 | 0% | 2,564 | 0% | 0 | 0% | 3,006 | 0% | 3,054 | 0% |
| Marketing & Promotion | 0 | 0% | 1,663 | 0% | 0 | 0% | 1,579 | 0% | 1,081 | 0% |
| Appraisals & Lease | 25,333 | 3% | 26,473 | 2% | 46,000 | 2% | 52,722 | 3% | 42,310 | 2% |
| Taxes, Licenses & Fees | 12,765 | 2% | 18,538 | 1% | 13,000 | 1% | 22,519 | 1% | 17,941 | 1% |
| Other | 23,000 | 3% | 23,000 | 2% | 0 | 0% | 23,000 | 1% | 23,000 | 1% |
| Interest & Financing | 0 | 0% | 91 | 0% | 0 | 0% | 3,627 | 0% | 0 | 0% |
| Total Operations Expenses | 827,274 | 100% | 1,295,254 | 100% | 2,059,018 | 100% | 1,538,656 | 100% | 2,099,147 | 100% |

Facilities & Maintenance (D400)

Facilities, Maintenance & Operations includes expenses necessary to support the ongoing, daily operations of the Port. It includes costs and activities such as janitorial, landscaping, snow removal, security, repairs and maintenance and other similar expenses.

The following chart compares the 2024 budget to prior years. It should be noted, however, that a direct comparison to prior years cannot be made since the Operations Department (D300) and the Facilities and Maintenance Department (D400) were combined for budgeting purposes and actual expenses were not always consistently classified between these departments. Beginning in 2024 these departments are budgeted separately and will be managed separately.



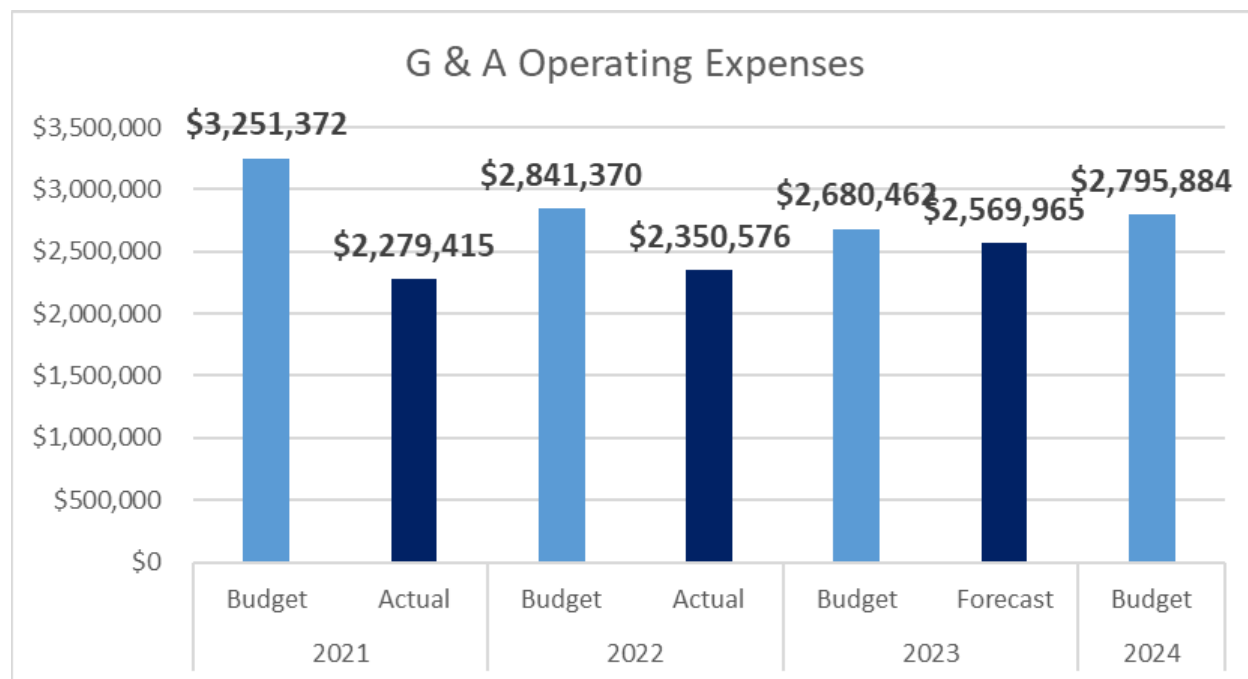
The proposed 2024 OpEx budget for Facilities and Maintenance is shown below along with a comparison by cost element to prior years.

| D400 - Maintenance | 2021A | % of Total | 2022A | % of Total | 2023B | % of Total | 2023F | % of Total | 2024B | % of Total |
|-----------------------------------|------------------|-------------------|------------------|-------------------|------------------|-------------------|------------------|-------------------|------------------|-------------------|
| Salaries & Wages | 563,032 | 45% | 554,772 | 43% | 504,720 | 41% | 548,042 | 43% | 598,257 | 43% |
| Employee Benefits | 194,270 | 16% | 197,186 | 15% | 157,612 | 13% | 194,401 | 15% | 215,729 | 15% |
| Payroll Taxes | 60,083 | 5% | 61,975 | 5% | 44,186 | 4% | 62,846 | 5% | 68,704 | 5% |
| Professional Services | 9,969 | 1% | 3,544 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Outside Labor | 22,263 | 2% | 33,687 | 3% | 0 | 0% | 32,287 | 3% | 50,000 | 4% |
| Insurance | 0 | 0% | 2,000 | 0% | 187,500 | 15% | 0 | 0% | 2,999 | 0% |
| Facilities, Maintenance & Ops | 163,541 | 13% | 129,098 | 10% | 272,500 | 22% | 123,082 | 10% | 138,574 | 10% |
| Repairs & Maintenance | 154,336 | 12% | 199,129 | 16% | 0 | 0% | 246,348 | 19% | 212,387 | 15% |
| Utilities | 1,466 | 0% | 3,454 | 0% | 0 | 0% | 3,974 | 0% | 2,965 | 0% |
| Expendible Equipment | 0 | 0% | 9,197 | 1% | 0 | 0% | 0 | 0% | 3,066 | 0% |
| Fuel & Vehicles | 66,874 | 5% | 70,764 | 6% | 46,000 | 4% | 56,007 | 4% | 64,548 | 5% |
| Office & Administration | 7,426 | 1% | 7,128 | 1% | 12,500 | 1% | 6,047 | 0% | 6,692 | 0% |
| IT | 6,635 | 1% | 3,795 | 0% | 0 | 0% | 819 | 0% | 26,733 | 2% |
| Travel, Training & Meetings | 261 | 0% | 167 | 0% | 0 | 0% | 0 | 0% | 2,573 | 0% |
| Marketing & Promotion | 44 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 15 | 0% |
| Appraisals & Lease | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Taxes, Licenses & Fees | 22 | 0% | 0 | 0% | 0 | 0% | 182 | 0% | 68 | 0% |
| Other | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Interest & Financing | (423) | 0% | 337 | 0% | 0 | 0% | (99) | 0% | 0 | 0% |
| Total Maintenance Expenses | 1,249,797 | 100% | 1,276,233 | 100% | 1,225,018 | 100% | 1,273,937 | 100% | 1,393,309 | 100% |

General & Administrative (D500) and Marketing (D510)

The General & Administrative and Marketing (G & A) departments are responsible for the overall administration and management of the Port and economic development activities. Specific functions and responsibilities include legal, finance, contracts, human resources, training, community relations and overall management.

The following chart provides an overview of the G & A budget for 2024 compared to prior years.



| G & A and Marketing Expenses | 2021A | % of Total | 2022A | % of Total | 2023B | % of Total | 2023F | % of Total | 2024B | % of Total |
|---|------------------|-------------|------------------|-------------|------------------|-------------|------------------|-------------|------------------|-------------|
| Salaries & Wages | 988,002 | 43% | 1,030,031 | 44% | 1,112,178 | 41% | 967,995 | 38% | 1,195,630 | 43% |
| Employee Benefits | 347,816 | 15% | 343,807 | 15% | 359,297 | 13% | 337,840 | 13% | 383,246 | 14% |
| Payroll Taxes | 79,636 | 3% | 82,520 | 4% | 91,348 | 3% | 81,945 | 3% | 89,473 | 3% |
| Professional Services | 275,358 | 12% | 389,424 | 17% | 403,000 | 15% | 530,405 | 21% | 382,500 | 14% |
| Outside Labor | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Insurance | 199,407 | 9% | 2,386 | 0% | 5,000 | 0% | 5,447 | 0% | 5,000 | 0% |
| Facilities, Maintenance & Ops | 30,958 | 1% | 18,990 | 1% | 0 | 0% | 55,130 | 2% | 49,387 | 2% |
| Repairs & Maintenance | 0 | 0% | 57 | 0% | 0 | 0% | 1,924 | 0% | 660 | 0% |
| Utilities | 92 | 0% | 18,610 | 1% | 15,000 | 1% | 31,752 | 1% | 24,519 | 1% |
| Expendible Equipment | 0 | 0% | 0 | 0% | 0 | 0% | 2,543 | 0% | 3,348 | 0% |
| Fuel & Vehicles | 1,290 | 0% | 1,953 | 0% | 0 | 0% | 2,779 | 0% | 2,007 | 0% |
| Office & Administration | 98,491 | 4% | 97,473 | 4% | 248,270 | 9% | 125,961 | 5% | 199,716 | 7% |
| IT | 108,522 | 5% | 178,713 | 8% | 208,580 | 8% | 185,814 | 7% | 171,242 | 6% |
| Travel, Training & Meetings | 60,415 | 3% | 95,871 | 4% | 85,000 | 3% | 119,045 | 5% | 104,665 | 4% |
| Marketing & Promotion | 64,267 | 3% | 83,832 | 4% | 161,650 | 6% | 117,755 | 5% | 167,945 | 6% |
| Appraisals & Lease | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Taxes, Licenses & Fees | 215 | 0% | 190 | 0% | 0 | 0% | 2,972 | 0% | 1,126 | 0% |
| Other | 23,949 | 1% | 6,537 | 0% | (8,861) | 0% | 0 | 0% | 14,808 | 1% |
| Interest & Financing | 999 | 0% | 183 | 0% | 0 | 0% | 657 | 0% | 613 | 0% |
| Total G & A and Marketing Expenses | 2,279,415 | 100% | 2,350,576 | 100% | 2,680,462 | 100% | 2,569,965 | 100% | 2,795,884 | 100% |

Promotional Hosting Expense

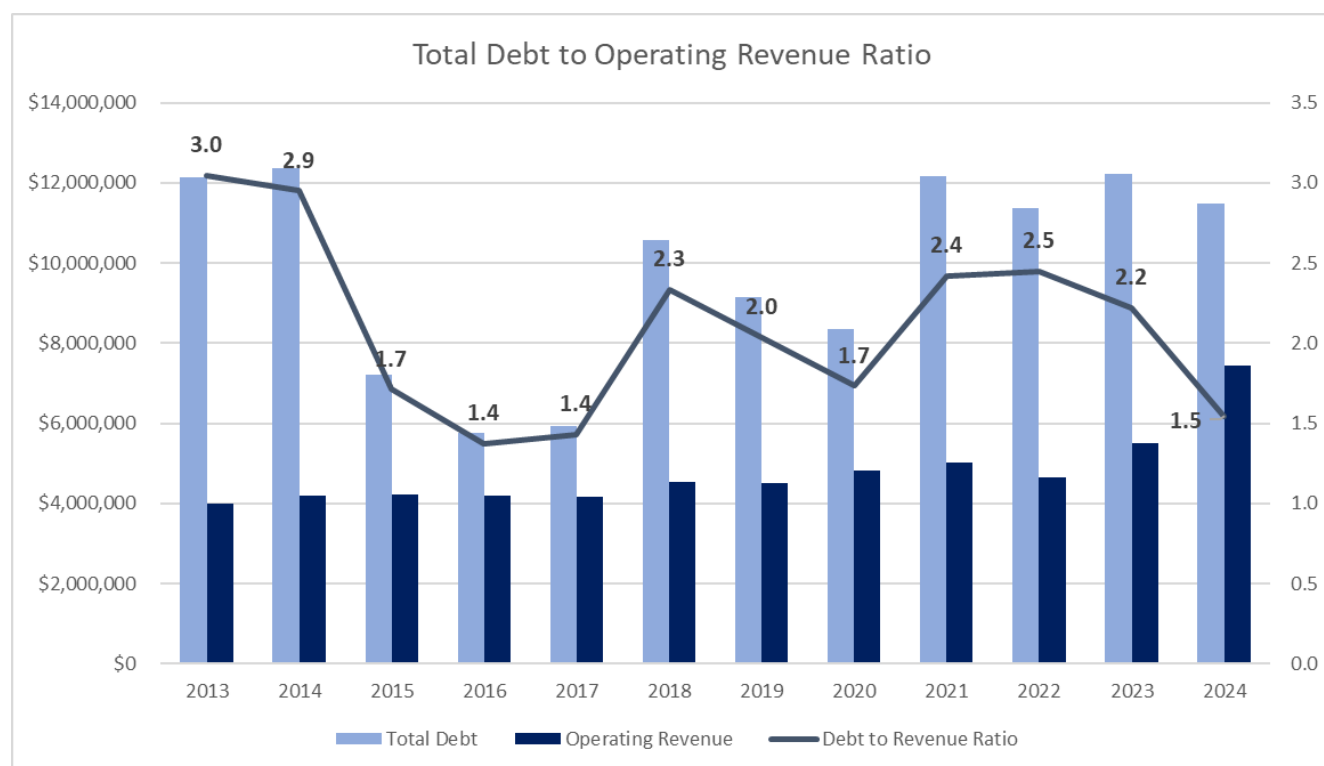
The non-Operating expense, Promotional Hosting, has been budgeted in the amount of \$1,000. This item is budgeted separately as required by the State of Washington RCWs. Appendix A contains more information regarding this expense.

Non-Operating Expenses/Outflows/Capital

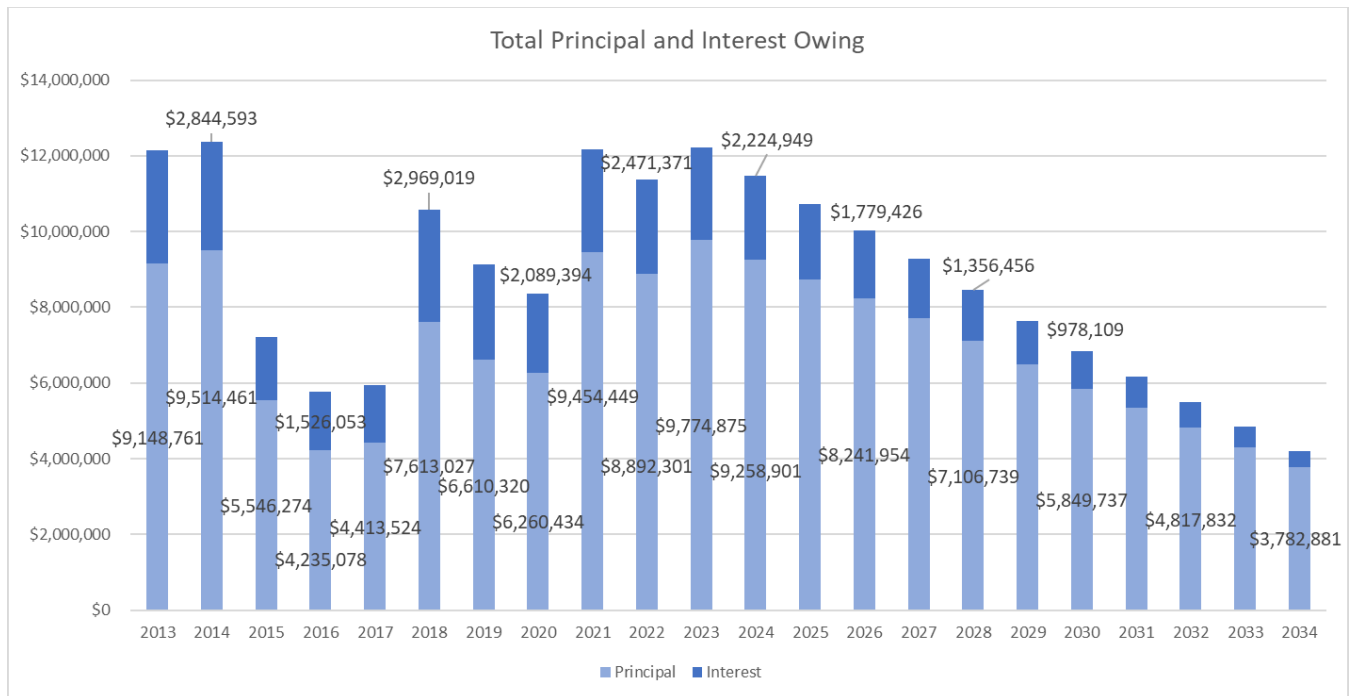
Debt History

Debt can be an effective tool to finance Port activity when used appropriately. The following charts provide a greater context on the use of debt for the prior 10 years and through the 2024 budget cycle.

The chart below shows the total debt (principal plus interest owing) along with the Operating Revenues and then computes the Total Debt to Operating Ratio. For this ratio, the lower the number the better since it indicates that the debt is lower relative to the amount of operating revenues. The average ratio from 2013 through 2022 has been 2.1. The budgeted ratio for 2024 is 32% better than 2023 and is 29% better than the prior year.



The Port's bond counsel has also indicated that the Port has additional debt/bond capacity of approximately \$12M, more than doubling the current debt level of \$9.3M.



Interest Expense

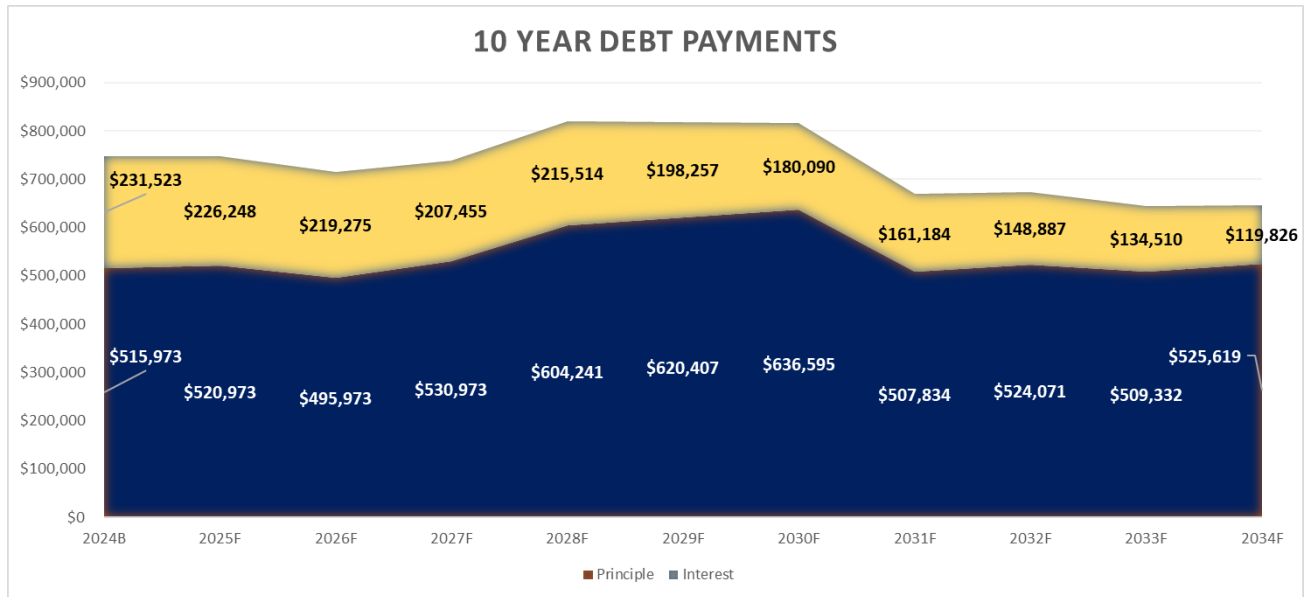
In June 2021, over \$6 million in older debt was refinanced, along with \$3.9 million acquired in new money at a near historic-low interest rate (2.57%). This transaction resulted in \$1.2 million net-present value savings (21%) over the remaining 13 years, substantially reducing debt service obligations to the taxpayer and delivering an asset that is already generating new revenues in the 2024 budget.

Additionally, the loans with the Washington State Department of Transportation (WSDOT) are interest-free. As mentioned previously, interest associated with the CARB loan is deferred for the first three years.

| Interest Payments Owning | 2024 Budget | 2025 Forecast | 2026 Forecast | 2027 Forecast | 2028 Forecast | 2029 Forecast |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| Bond Payable - 2021A Go Bond Taxable | \$158,523 | \$155,448 | \$150,675 | \$147,455 | \$144,393 | \$140,901 |
| Bond Payable - 2021B GO Bond Tax-Exempt | \$73,000 | \$70,800 | \$68,600 | \$60,000 | \$47,800 | \$35,200 |
| Note Payable - WSDOT Loan 2023 RRB 1228 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Note Payable - WSDOT Loan RRB 1287 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| CARB Loan - 1845 Terminal Building | \$0 | \$0 | \$0 | \$0 | \$23,321 | \$22,156 |
| | <u>\$231,523</u> | <u>\$226,248</u> | <u>\$219,275</u> | <u>\$207,455</u> | <u>\$215,514</u> | <u>\$198,257</u> |

Debt Payments

The following table provides an overview of debt and interest payments currently owing over the next 10 years.



The Port has both bond repayments scheduled as well as loans with the State of Washington. The table below shows the budgeted principal payments for 2024 and the forecasted principal payments for the following five years.

The Community Aviation Revitalization Board (CARB) loan for the 1845 Terminal Drive property is expected to close in December 2023 and all principal and interest payments are deferred for the first three years of the loan.

| Debt Payments Owing | 2024 Budget | 2025 Forecast | 2026 Forecast | 2027 Forecast | 2028 Forecast | 2029 Forecast |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| Bond Payable - 2021A Go Bond Taxable | \$568,523 | \$570,448 | \$380,675 | \$322,455 | \$324,393 | \$325,901 |
| Bond Payable - 2021B GO Bond Tax-Exempt | \$128,000 | \$125,800 | \$283,600 | \$365,000 | \$362,800 | \$360,200 |
| Note Payable - WSDOT Loan 2023 RRB 1228 | \$24,973 | \$24,973 | \$24,973 | \$24,973 | \$24,973 | \$24,973 |
| Note Payable - WSDOT Loan RRB 1287 | \$26,000 | \$26,000 | \$26,000 | \$26,000 | \$26,000 | \$26,000 |
| CARB Loan - 1845 Terminal Building | \$0 | \$0 | \$0 | \$0 | \$81,589 | \$81,589 |
| | <u>\$747,496</u> | <u>\$747,221</u> | <u>\$715,248</u> | <u>\$738,428</u> | <u>\$819,756</u> | <u>\$818,664</u> |

The table below shows the loan balances owing at the end of the fiscal year end for 2024 as well as a forecast for the following five years.

| Loan Balance Outstanding | Beg. Bal. 1/1/2024 | 2024 Budget | 2025 Forecast | 2026 Forecast | 2027 Forecast | 2028 Forecast | 2029 Forecast |
|---|-----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Bond Payable - 2021A Go Bond Taxable | \$6,375,000 | \$5,965,000 | \$5,550,000 | \$5,320,000 | \$5,145,000 | \$4,965,000 | \$4,780,000 |
| Bond Payable - 2021B GO Bond Tax-Exempt | \$1,825,000 | \$1,770,000 | \$1,715,000 | \$1,500,000 | \$1,195,000 | \$880,000 | \$555,000 |
| Note Payable - WSDOT Loan RRB 1228 | \$174,814 | \$149,841 | \$124,867 | \$99,894 | \$74,920 | \$49,947 | \$24,973 |
| Note Payable - WSDOT Loan RRB 1287 | \$234,000 | \$208,000 | \$182,000 | \$156,000 | \$130,000 | \$104,000 | \$78,000 |
| CARB Loan - 1845 Terminal Building | \$1,166,060 | \$1,166,060 | \$1,166,060 | \$1,166,060 | \$1,166,060 | \$1,107,792 | \$1,048,359 |
| | <u>\$9,774,875</u> | <u>\$9,258,901</u> | <u>\$8,737,928</u> | <u>\$8,241,954</u> | <u>\$7,710,981</u> | <u>\$7,106,739</u> | <u>\$6,486,333</u> |

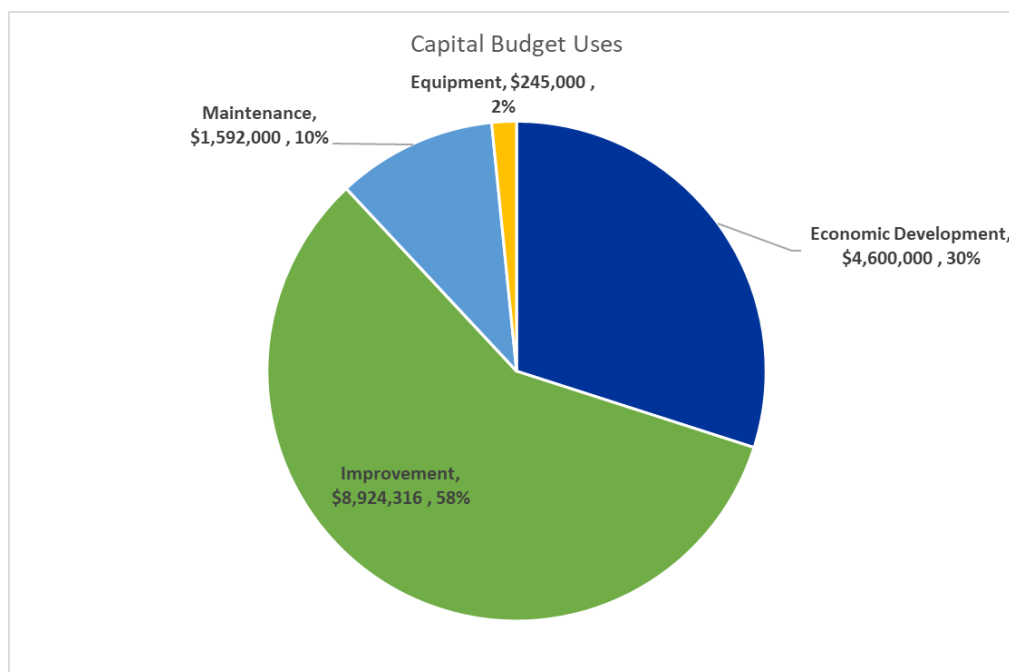
The bond repayments are funded by a portion of the Property Tax Revenue collected.

Capital

The Port expects a record number of projects in 2024, with \$15.4 million of project activity planned in 2024. For comparison purposes, the Port planned \$9.9 million in projects in 2022, \$4.1 million in 2021 and \$4.1 million in 2020.

| Project Location | Total Capital Projects | Less: Grant & Loan Funding | Total Port Funded Capital Projects | Port Capital Budget by Type | | | |
|-----------------------------------|---------------------------|----------------------------|------------------------------------|-----------------------------|--------------------|--------------------|------------------|
| | | | | Economic Development | Improvement | Maintenance | Equipment |
| Port of Benton Entity-Wide | \$645,000 | \$0 | \$645,000 | \$0 | \$0 | \$645,000 | \$0 |
| North Horn Rapids Industrial Park | \$50,000 | \$0 | \$50,000 | \$50,000 | \$0 | \$0 | \$0 |
| Richland Business Park | \$242,000 | \$15,000 | \$227,000 | \$0 | \$0 | \$227,000 | \$0 |
| Richland Innovation Center | \$380,000 | \$380,000 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Technology & Business Campus | \$1,760,000 | \$1,050,000 | \$710,000 | \$250,000 | \$230,000 | \$230,000 | \$0 |
| Inland Port | \$1,000,000 | \$1,000,000 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Prosser Wine & Food Park | \$10,000 | \$0 | \$10,000 | \$0 | \$0 | \$10,000 | \$0 |
| Railroad Facility & Track | \$6,421,851 | \$5,387,500 | \$1,034,351 | \$0 | \$784,351 | \$250,000 | \$0 |
| Richland Airport | \$2,595,869 | \$2,237,257 | \$358,611 | \$50,000 | \$298,611 | \$10,000 | \$0 |
| Prosser Airport | \$1,916,597 | \$1,658,395 | \$258,202 | \$0 | \$183,202 | \$75,000 | \$0 |
| Vintner's Village | \$20,000 | \$0 | \$20,000 | \$0 | \$0 | \$20,000 | \$0 |
| Walter Clore Center | \$25,000 | \$0 | \$25,000 | \$0 | \$25,000 | \$0 | \$0 |
| Crow Butte | \$65,000 | \$0 | \$65,000 | \$0 | \$10,000 | \$25,000 | \$15,000 |
| Maintenance Equipment | \$230,000 | \$0 | \$230,000 | \$0 | \$0 | \$0 | \$230,000 |
| Total Dollar Amount | \$15,361,316 | \$11,728,153 | \$3,618,164 | \$350,000 | \$1,531,164 | \$1,492,000 | \$245,000 |
| | Funding Allocation | 76.3% | 23.6% | | | | |

The chart below illustrates the planned use for the Total Capital Projects in 2024.



See Appendix H for a complete schedule of Capital Assets projects and purchases budgeted for 2024. Appendix E also contains an initial five-year capital improvement forecast, which is being included in the budget document as an informational item for the first time.

Appendix A

Promotional Hosting

RCW 53.36.120: Under the authority of Article VIII, section 8, of the state Constitution, port district expenditures for industrial development, trade promotion or promotional hosting shall be pursuant to specific budget items as approved by the port commission at the annual public hearings on the port district budget.

RCW 53.36.130: Promotional Hosting - Source and Amount of Funds- Only from Gross Operating revenues and shall not exceed one percent thereof upon the first \$2,500,000 of such gross operating revenues, one-half of one percent upon the next \$2,500,000 of such operating gross revenues, and 1/4 of one percent on the excess over \$5,000,000 of such operating revenues: PROVIDED, HOWEVER, That in no case shall these limitations restrict a port district to less than twenty-five hundred dollars per year from any funds available to the port.

RCW 53.36.140: Port commissions shall adopt, in writing, rules and regulations governing promotional hosting expenditures by port employees or agents. Such rules shall identify officials and agents authorized to make such expenditures and the approved objectives of such spending, which are part of Resolution 23-25. Port commissioners shall not personally make such expenditures, or seek reimbursement therefore, except where specific authorization of such expenditures has been approved by the port commission. All payments and reimbursements shall be identified and supported appropriately.

Appendix B

Schedule of Grant Revenue/Inflow

The following table shows the anticipated grant awards by Port asset area. It is important to note that the grant process can be competitive and future anticipated grant awards are not certain. However, that is offset by the fact that new grant opportunities often become available that were not planned on at the time of the development of our 2024 budget.

| Award Use | Grant Purpose | Awarding Agency | Funding Source | Status | Description | Total Awarded Amount | PoB Matching Requirement | 2024 | 2025 | 2026 | 2027 | 2028 |
|--|----------------------|-----------------------------------|----------------|-----------------|---|----------------------|--------------------------|--------------------|--------------------|--------------------|------------|------------|
| Port of Benton Entity-Wide | | | | | | | | | | | | |
| Operating | Economic Development | WA DOC | State | Pre-RFP | Washington Dept of Commerce, next evolution of POB, IPZ. Goal to support creation of clean energy industry lead alliance. | \$200,000 | | \$100,000 | 100,000 | | | |
| Capital | Economic Development | WTIA | Federal | Pre-Application | Cascadia Advanced Manufacturing Hub-accelerating emerging technologies with advanced manufacturing | tbd | | | | | | |
| Total Entity-Wide | | | | | | \$200,000 | \$0 | \$100,000 | \$100,000 | \$0 | \$0 | \$0 |
| North Horn Rapids Industrial Park | | | | | | | | | | | | |
| Total North Horn Rapids Industrial Park | | | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Railroad Facility & Track | | | | | | | | | | | | |
| Capital | Improvement | CRISI | Federal | Applied | Replace Wye rail, ties & ballast Replace crossties Replace 90 lb rail through elevated curves | \$8,000,000 | \$2,389,610 | \$500,000 | \$2,922,078 | \$2,922,078 | \$0 | \$0 |
| Capital | Improvement | WSDOT (Nat'l Hwy Freight Program) | State | Awarded | SR 240 rail signal and reconstruction | \$865,000 | \$135,000 | \$865,000 | | | | |
| Capital | Improvement | Freight Rail Assistance | State | Pending Award | Rail crossings at Airport Way, Saint St., and Kingsgate Way signal | \$1,030,000 | \$250,000 | \$1,030,000 | | | | |
| Capital | Maintenance | State Appropriation | State | Awarded | "White Bluffs Rail" crosstie replacements (supports CRISI Award) | \$1,212,500 | | \$727,500 | \$485,000 | | | |
| Capital | Economic Development | EDA | Federal | Applying | 2579 Stevens Building Renovation | \$5,000,000 | \$1,250,000 | \$2,200,000 | \$2,800,000 | | | |
| Total Rail Facility & Track | | | | | | \$16,107,500 | \$4,024,610 | \$5,322,500 | \$6,207,078 | \$2,922,078 | \$0 | \$0 |

| Award Use | Grant Purpose | Awarding Agency | Funding Source | Status | Description | Total Awarded Amount | PoB Matching Requirement | 2024 | 2025 | 2026 | 2027 | 2028 |
|--|----------------------|---------------------------|--|----------|---|----------------------|--------------------------|---------------------|--------------------|--------------------|------------|------------------|
| Buildings, Facilities, Operations & Maintenance | | | | | | | | | | | | |
| Capital | Improvement | Rural County Capital Fund | Local | Applied | Streetlight replacement - Richland Innovation Center | \$380,000 | | \$380,000 | | | | |
| Capital | Improvement | DOE | Federal | | EV charging stations a - Richland Business Park | \$100,000 | \$15,000 | | | | | |
| Capital | Economic Development | Benton County | Local | Applied | Acquisition of 3110 Port of Benton Blvd | \$1,000,000 | \$0 | \$1,000,000 | | | | |
| | | | | | | | | | | | | |
| Total Facilities, Operations & Maintenance | | | | | | \$1,480,000 | \$15,000 | \$1,380,000 | \$0 | \$0 | \$0 | \$0 |
| Inland Port | | | | | | | | | | | | |
| Capital | Economic Development | WSDOT | State | Applying | Development of Inland Port | 2,000,000 | - | \$1,000,000 | 1,000,000 | | | |
| Total Inland Port | | | | | | \$2,000,000 | \$0 | \$1,000,000 | \$1,000,000 | \$0 | \$0 | \$0 |
| Prosser Airport | | | | | | | | | | | | |
| Capital | Improvement | FAA | Federal | Awarded | Prosser Pavement Rehabilitation & Electrical Replacement - Design | 258,839 | 13,623 | \$95,059 | | | | |
| Capital | Improvement | FAA | Federal | Approved | Prosser Pavement Rehabilitation & Electrical Replacement - Construction | 1,533,333 | 80,702 | \$1,533,333 | | | | |
| Capital | Improvement | FAA | Federal | Approved | Construct Heliport/Helipad with Service Road - Design | 155,000 | 17,222 | - | - | | | 155,000 |
| Total Prosser Airport | | | | | | 1,947,172 | 111,547 | 1,628,392 | - | - | - | 155,000 |
| Richland Airport | | | | | | | | | | | | |
| Capital | Improvement | FAA - BIL Funds | Federal | Approved | Hanger Taxilane Project - Design | \$180,000 | \$20,000 | \$94,500 | | | | |
| Capital | Improvement | FAA - BIL Funds | Federal | Approved | Hanger Taxilane Project - Construction | \$900,000 | \$100,000 | \$900,000 | | | | |
| Capital | Improvement | FAA | Federal - \$177,777 State - \$9,727 | Awarded | Richland Pavement Rehabilitation - Design | \$187,504 | \$19,753 | \$66,004 | \$121,500 | | | |
| Capital | Improvement | FAA | Federal - \$290,000 State - \$800,000 | Approved | Richland Pavement Rehabilitation - Construction | \$1,090,000 | \$121,111 | \$1,090,000 | | | | |
| Capital | Improvement | FAA | Federal | Approved | Wildlife fencing around entire airport | \$205,000 | \$22,778 | | | | | \$205,000 |
| Capital | Improvement | FAA - BIL Funds | Federal | Approved | Main Apron Reconfiguration - Design | \$180,000 | \$20,000 | | \$180,000 | | | |
| Capital | Improvement | FAA - BIL Funds | Federal | Approved | Main Apron Reconfiguration - Construction | \$918,000 | \$102,000 | | | \$918,000 | | |
| Total Richland Airport | | | | | | \$3,660,504 | \$405,642 | \$2,150,504 | \$301,500 | \$918,000 | \$0 | \$205,000 |
| Port Totals | | | | | | \$25,395,176 | \$4,556,799 | \$11,581,396 | \$7,608,578 | \$3,840,078 | \$0 | \$360,000 |

Appendix C

Professional Services

| Consultant/Item | Department | 2024 Budgeted Amount | |
|--|------------------|----------------------|------------------|
| Engineering - Miscellaneous Prosser Airport | Prosser Airport | \$ | 10,000 |
| Aviation Support and Maintenance Services | Prosser Airport | \$ | 5,750 |
| Geotechnical Engineering | Richland Airport | \$ | 15,000 |
| Engineering - Miscellaneous Richland Airport | Richland Airport | \$ | 30,000 |
| Aviation Support and Maintenance Services | Richland Airport | \$ | 5,750 |
| Building Demo Inspections & Planning | Richland Airport | \$ | 1,500 |
| Engineering - Miscellaneous Crow Butte | Crow Butte | \$ | 10,000 |
| Technology Business Campus Planning (Waterfront) | Operations | \$ | 150,000 |
| Barge Planning | Operations | \$ | 50,000 |
| Surveying | Operations | \$ | 30,000 |
| Planning & Platting | Operations | \$ | 30,000 |
| Appraisals | Operations | \$ | 15,000 |
| Engineering - Pavement Maintenance | Operations | \$ | 10,000 |
| Miscellaneous Architect | Operations | \$ | 15,000 |
| Engineering Consulting | Operations | \$ | 240,000 |
| Building Demo Inspections & Planning | Rail | \$ | 2,850 |
| Track Operations (Columbia Rail) | Rail | \$ | 336,000 |
| General Rail Management | Rail | \$ | 75,000 |
| Annual Bridge Inspection | Rail | \$ | 20,000 |
| Engineering - Miscellaneous Rail | Rail | \$ | 40,000 |
| GREX Inspection | Rail | \$ | 20,000 |
| Holland Inspection | Rail | \$ | 20,000 |
| 2579 Facility Renovation Engineering | Rail | \$ | 75,000 |
| Grant Writing - Rail | Rail | \$ | 25,000 |
| Rail Car Charge Study | Rail | \$ | 40,000 |
| McCormick Consulting -ICAP | G&A | \$ | 22,500 |
| Onpoint-ICAP | G&A | \$ | 22,500 |
| Communications (Vertical)-ICAP | G&A | \$ | 45,000 |
| Economic Impact Study | G & A | \$ | 25,000 |
| Community Engagement | G & A | \$ | 25,000 |
| Legal | G&A | \$ | 100,000 |
| Audits (Financial, Federal, Accountability) | G&A | \$ | 35,000 |
| Financial Statements Compilation | G&A | \$ | 20,000 |
| IT Hosted Server & Support | G&A | \$ | 40,580 |
| Land Planning | Operations | \$ | 12,500 |
| Leadership Training | G&A | \$ | 10,000 |
| Prosser EDA - Grant Writer | G&A | \$ | 25,000 |
| Outside Marketing | Marketing | \$ | 40,000 |
| SUBTOTAL | | \$ | 1,694,930 |

Appendix D

Dues & Memberships

Below is a complete list of Dues and Memberships in the 2024 budget.

| Organization | Type | Meeting Frequency | 2024 Yearly Dues |
|--|---|-------------------|------------------|
| American Association of Port Authorities (AAPA) | Assessment Membership | Periodic | \$13,850 |
| American Association of Airport Executives (AAAE) | Assessment Membership | Periodic | \$1,650 |
| American Short Line and Regional Rail Association | Assessment Membership | Periodic | \$2,025 |
| Benton City Chamber of Commerce | Assessment Membership | Yearly | \$330 |
| Benton-Franklin Council of Govt's (BFCOG) | Assessment Membership | Periodic | \$10,500 |
| Energy Communities Alliance (ECA) | Assessment Membership | Monthly | \$950 |
| Benton-Franklin-Walla Walla Counties Good Roads & Transportation Association | Assessment Membership | Monthly | \$250 |
| Hispanic Chamber of Commerce | Assessment Membership | Annual | \$600 |
| Leadership Tri-Cities | Assessment Membership | Annual | \$1,000 |
| Pacific Northwest Waterways Association (PNWA) | Assessment Membership | Annual | \$11,500 |
| Prosser Chamber of Commerce | Assessment Membership | Weekly | \$315 |
| Washington Small Business Development Center (SBDC) Advisory Council | Assessment Membership | | \$10,000 |
| Tri-City Regional Chamber of Commerce | Assessment Membership | Monthly | \$375 |
| Tri-City Regional Chamber of Commerce - Ex-Officio | Assessment Membership | Monthly | |
| Tri-Cities Regional Business and Visitors Center (TRI PORTS - Visit Tri-Cities Small Conference) | Assessment Membership | Annual | \$3,750 |
| TRI PORTS - Tri-Cities Port | Assessment Membership | Quarterly | |
| Visit Tri-Cities | Assessment Membership | Monthly | \$5,000 |
| Inland Ports and Navigation Group | Assessment Membership | Annual | \$9,000 |
| Washington Airport Managers Association (WAMA) | Assessment Membership | Annual | \$1,300 |
| Washington Public Ports Association (WPPA) | Assessment Membership | Periodic | \$11,000 |
| Benton County Investment Board | Governmental Local/County/State | Periodic | |
| Governmental Conference OEDP (COG) | Governmental Local/County/State | Annual | |
| Hanford Communities (COR) | Governmental Local/County/State | Periodic | \$5,000 |
| Richland City Council Public Hearings | Governmental Local/County/State | Occasional | |
| DOE Community Information Meeting | DOE/Hanford Related | Periodic | |
| DOE Land Use Planning | DOE/Hanford Related | Occasional | |
| Environmental Management Advisory Board | DOE/Hanford Related | Monthly | |
| Hanford Nuclear Related Public Hearings | DOE/Hanford Related | Occasional | |
| American Institute of Certified Public Accountants (AICPA) | Employee Membership | Annual | \$550 |
| Washington Society of Certified Public Accountants (WSCPA) | Employee Membership | Annual | \$330 |
| Washington Finance Officers Association (WFOA) | Employee Membership | Annual | \$150 |
| Government Finance Officers Association (GFOA) | Employee Membership | Annual | \$320 |
| Institute of Management Accountants (IMA) | Employee Membership | Annual | \$260 |
| Washington State Bar Association (WSBA) | Employee Membership | Periodic | \$500 |
| Society for Human Resources Management (SHRM) | Employee Membership | Annual | \$750 |
| International Facility Management Association (IFMA) | Employee Membership | Annual | \$2,000 |
| Building Owners and Managers Association (BOMA) | Employee Membership | Annual | \$2,500 |
| Commercial Real Estate | Employee Membership | Annual | \$60 |
| Benton & Franklin County Bar Association | Employee Membership | Annual | \$300 |
| Public Relations Society of America (Mid-Columbia Chapter) | Employee Membership | Bi-Weekly | \$435 |
| Municipal Research and Services Center (MRSC) | Employee Membership | | \$150 |
| Washington Winegrowers Association | Annual Event | Annual | \$225 |
| Association of Washington Business | Economic Development Contract Affiliations | Periodic | \$750 |
| Inland Northwest Partners | Economic Development Contract Affiliations | Yearly | \$150 |
| Tri-Cities Research District | Economic Development Contract Affiliations | Monthly | |
| TRIDEC | Economic Development Contract Affiliations | Monthly | \$25,000 |
| Washington Economic Development Association (WEDA) | Economic Development Contract Affiliations | Periodic | \$400 |
| Washington Policy Center (WPC) | Economic Development Contract Affiliations | Periodic | |
| Columbia Basin College Foundation | Nonprofits & Other Economic Development Organizations | Monthly | |
| EWU President's Advisory Council | Nonprofits & Other Economic Development Organizations | Periodic | |
| International Economic Development Council (IEDC) | Nonprofits & Other Economic Development Organizations | Annual | \$500 |
| Vertical - CESA, WTIA, Tech Alliance, USNIC | Nonprofits & Other Economic Development Organizations | | |
| Richland - Sunrise Rotary | Nonprofits & Other Economic Development Organizations | Monthly | \$1,000 |
| Richland Chamber of Commerce | Nonprofits & Other Economic Development Organizations | Monthly | \$750 |
| Prosser EDA - Economic Development Services | Nonprofits & Other Economic Development Organizations | Monthly | \$30,000 |
| Pacific NW Assoc Rail Shippers - Rail | Nonprofits & Other Economic Development Organizations | Bi-Annual | \$0 |
| TOTAL | | | \$155,475 |

Appendix E

Conferences

| Organization | Type | Meeting Frequency | 2024 Amount |
|---|------------|-------------------|-----------------|
| Advanced Manufacturing (TBD) | Conference | Annual | \$1,000 |
| Advanced Reactors Summit | Conference | Periodic | \$1,500 |
| American Assoc. of Port Authorities (AAPA) - Annual Mtg | Conference | Annual | \$6,400 |
| American Assoc. of Port Authorities (AAPA) - Fin;Eng | Conference | Annual | \$1,300 |
| American Assoc. of Port Authorities (AAPA) - Leadership | Conference | Annual | \$4,500 |
| American Association of Airport Executives (AAAE) | Conference | Annual | \$3,000 |
| Association of Washington Business (AWB) | Conference | Varies | \$2,500 |
| Commerce Events - 4 TBD | Conference | TBD | \$2,000 |
| Federal Aviation Association (FAA) Conference | Conference | Periodic | \$2,000 |
| I-90 Aerospace Corridor Advanced Manufacturing | Conference | Annual | \$390 |
| National Cleanup Workshop | Conference | Annual | \$1,950 |
| Pacific Northwest Waterways Association (PNWA) | Conference | Annual | \$7,175 |
| PNW Assoc. of Rail Shippers | Conference | Annual | \$930 |
| TC Regional Chamber of Commerce Women in Business | Conference | Annual | \$750 |
| WA Public Ports - Commissioners Seminar | Conference | Annual | \$1,215 |
| WA Public Ports - Finance & Admin Committee | Conference | Annual | \$2,300 |
| WA Public Ports -Annual Meeting | Conference | Annual | \$3,850 |
| Washington Airport Managers Association (WAMA) | Conference | Annual | \$800 |
| Washington Economic Development Association (WEDA) | Conference | Annual | \$855 |
| Washington Finance Officers Association (WFOA) | Conference | Annual | \$1,390 |
| Washington Winegrowers Conference | Conference | Annual | \$1,200 |
| WPPA - Small Ports Annual Meeting | Conference | Annual | \$250 |
| Forklift Certification | Training | Annual | \$2,500 |
| TOTAL | | | \$49,755 |

Appendix F

Software

| Software Description | Department | 2024 Budgeted Amount |
|--|------------|----------------------|
| Sage Intacct ERP | G & A | \$ 26,000 |
| Sage Intacct Wipfli Positive Pay | G & A | \$ 1,200 |
| DSD Support (Basic) - Sage Intacct | G & A | \$ 5,000 |
| Criterion HR & Payroll | G & A | \$ 3,000 |
| Sage Intacct Planning & Budgeting | G & A | \$ 6,000 |
| DSD Support (Basic) - Criterion | G & A | \$ 3,000 |
| Asset Keeper | G & A | \$ 500 |
| MS Office 365 | All | \$ 5,000 |
| Adobe | All | \$ 2,400 |
| Adobe - Creative Suite | Marketing | \$ 3,060 |
| FileVine | G & A | \$ 2,000 |
| Smash, INC (phone text/website/social media backup) | G & A | \$ 9,500 |
| Voyager - Work Order Expansion | Facilities | \$ 15,000 |
| Voyager - Property Management, Facility Manager | All | \$ 51,000 |
| Facility Manager | Facilities | \$ 500 |
| LogikCull (record request, redaction, litigation hold) | G & A | \$ 525 |
| OutLaw Contract software (End date, 8/25/25) | G & A | \$ 3,560 |
| Barracuda (Email archiving) | All | \$ 1,000 |
| DocuSign | G & A | \$ 500 |
| Crow Butte Management | Crow Butte | \$ 2,400 |
| Other Misc Software | All | \$ 11,755 |
| Total Software | | \$ 152,900 |

Appendix G

Marketing Work Plan

| PROJECT | JAN | FEB | MAR | APR | MAY | JUN | JULY | AUG | SEP | OCT | NOV | DEC | 2023 TOTAL |
|--|-----------|-----------|-----------|-----------|-----------|-----------|----------|----------|-----------|----------|-----------|----------|------------|
| Marketing | | | | | | | | | | | | | |
| Marketing Plan Update | X | | | X | | | | X | | | X | | |
| Schedule/Budget Update | X | | | | | | | | | | X | | |
| Comprehensive Plan | X | | | | | | | | | | X | | |
| Port History updated 2021 | | | X | | | | | | | | | | |
| Literature | \$ - | \$ 2,350 | \$ - | \$ 1,300 | \$ - | \$ - | \$ - | \$ - | \$ 1,300 | \$ 800 | \$ 350 | \$ - | \$ 6,100 |
| Entrepreneurial Awards Banquet | | 1,000 | | | | | | | | | | | \$ 1,000 |
| Newsletter Printing / 1,000 X 2 | | | | 1,000 | | | | | 1,000 | | | | \$ 2,000 |
| Newsletter Distribution / 200 X 2 | | | | 300 | | | | | 300 | | | | \$ 600 |
| POB Business Cards | | 350 | | | | | | | | | 350 | | \$ 700 |
| POB Brochure Printing | | 350 | | | | | X | | | | | | \$ 350 |
| USS TRITON Brochure Printing | | 350 | | | | | X | | | | | | \$ 350 |
| POB Trade Show PROMO Cards | | 300 | | | | | X | | | | | | \$ 300 |
| New Year Card Printing (400) | | | | | | | | | | 400 | | | \$ 400 |
| New Year Card/Dist. & Postage | | | | | | | | | | 400 | | | \$ 400 |
| Signs | | | | | | | | | | | | | |
| Misc. Signs - Building, rail, decals, diebond, transparent | | | | | | | | | | | | | \$ 2,000 |
| Advertising - Printed & Digital | \$ 5,500 | \$ 2,000 | \$ - | \$ 1,000 | \$ 5,100 | \$ 11,850 | \$ - | \$ - | \$ 5,000 | \$ - | \$ 1,900 | \$ - | \$ 32,350 |
| Progress Edition Article & AD (TCH) | 2,000 | | | | | | | | | | | | \$ 2,000 |
| JOB FOCUS MAG - FOCUS AG | | | | | 1,500 | | | | | | | | \$ 1,500 |
| Tri-Cities Chamber of Commerce | | | | | 2,000 | | | | | | | | \$ 2,000 |
| Tasting Room Mag AD | X | | | 1,000 | 1,000 | 1,000 | | | | | | | \$ 3,000 |
| Washington Wine Growers | X | 2,000 | | | | | | | | | | | \$ 2,000 |
| Washington State Wine Mag AD | X | | | | | 1,500 | | | | | | | \$ 1,500 |
| Fly Washington Passport AD | | | | | | 1,000 | | | | | | | \$ 1,000 |
| VCB Guide AD - Crow Butte/Triton Sail Park | | | | | | | | | | X | 1,900 | | \$ 1,900 |
| Site Selector Magazine | | | | | | 2,750 | | | | | | | \$ 2,750 |
| Port of Seattle Advertising | | | | | | 600 | | | | | | | \$ 600 |
| WA State Visitors Guide | 3,500 | | | | | | | | | | | | \$ 3,500 |
| Puget Sound Journal of Business | | | | | | 5,000 | | | 5,000 | | | | \$ 10,000 |
| Civil Air Patrol AD | | | | | 600 | | | | | | | | \$ 600 |
| Sponsorships | \$ 3,000 | \$ 21,500 | \$ 10,000 | \$ - | \$ - | \$ - | \$ - | \$ 2,500 | \$ - | \$ - | \$ 2,500 | \$ - | \$ 39,500 |
| RiverFest | | 6,000 | | | | | | | | | | | \$ 6,000 |
| Benton-Franklin Trends | 1,000 | | | | | | | | | | | | \$ 1,000 |
| Bottles, Brews, BBQ (Prosser Memorial Health) | | 2,500 | | | | | | | | | | | \$ 2,500 |
| Hispanic Chamber/EWU (Workforce) | | 2,000 | | | | | | | | | | | \$ 2,000 |
| Hispanic Chamber/SBDC | | 5,000 | | | | | | | | | | | \$ 5,000 |
| Association of WA Business (AWB) | | 3,000 | | | | | | | | | | | \$ 3,000 |
| Prosser Chamber (Artwalk Glasses) | | 2,000 | | | | | | | | | | | \$ 2,000 |
| Great Prosser Balloon Rally | | | | | | | | 2,500 | | | | | \$ 2,500 |
| United Way Festival of Trees | | | | | | | | | | | 1,500 | | \$ 1,500 |
| Benton City Daze | | 1,000 | | | | | | | | | | | \$ 1,000 |
| Entrepreneurial Awards Banquet | | | | | | | | | | | 1,000 | | \$ 1,000 |
| WSU Workforce Development Training | | | 10,000 | | | | | | | | | | \$ 10,000 |
| TRIDEC Luncheon - Placeholder | 2,000 | | | | | | | | | | | | \$ 2,000 |
| Internal Port Branding | | | | | | | | | | | | | \$ 6,000 |
| Shirts - Hats - Misc | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | \$ 6,000 |
| Web-Media | | | | | | | | | | | | | \$ 12,300 |
| LoopNet Real Estate Page | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | \$ 8,400 |
| Website Hosting - Underground | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | \$ 1,500 |
| Website Updates - Underground | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | \$ 2,400 |
| Trade Shows | \$ 3,000 | \$ - | \$ 1,000 | \$ - | \$ - | \$ 600 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 500 | \$ 10,100 |
| AG EXPO (Tri-Ports) Jan 9-10 Pasco | | | | | | 600 | | | | | | | \$ 600 |
| Powergen Expo - Orlando Fl - Dec 8-10 | | | | | | | | | | | | 500 | \$ 500 |
| WAWGG Show - VV - March 2-5 | | | 1,000 | | | | | | | | | | \$ 1,000 |
| Building Business Partnerships (Regional) ? | 1,000 | | | | | | | | | | | | \$ 1,000 |
| Trade Shows - TBD | | | | | | | | | | | | | \$ 5,000 |
| Energy Communities Allience (ECA) - New Nuclear | 2,000 | | | | | | | | | | | | \$ 2,000 |
| Public Relations | | | | | | | | | | | | | \$ 4,600 |
| Update Videos-State of the Ports | | | | | | | | | 4,600 | | | | \$ 4,600 |
| Events/Tenant Appreciation/Ribbon Cutting | | | | | | | | | | | | | \$ 15,000 |
| Tenant Ribbon Cuttings | | | | | | | | | 1,000 | | | | \$ 1,000 |
| Event Support - baskets, etc. | | | | | | | | | | | | | \$ 1,000 |
| Events TBD - Tributes, ceremonies, etc. | | | | | | | | | | | | | \$ 3,000 |
| BBQ Tenant Appreciation(Richland/Prosser Alternating) | | | | | | 10,000 | | | | | | | \$ 10,000 |
| Miscellaneous | | | | | | | | | | | | | \$ 13,200 |
| Portraits Commission & Group / Site Photos | | | | 3,000 | | | | | | 3,000 | | | \$ 6,000 |
| Plane & Pilot for Aerials | | | | 2,000 | | | | | | | | | \$ 2,000 |
| Marketing Computer and Audio/Visual Equipment | 5,200 | | | | | | | | | | | | \$ 5,200 |
| | | | | | | | | | | | | | \$ - |
| Grand Total | \$ 29,725 | \$ 53,225 | \$ 23,525 | \$ 11,125 | \$ 11,725 | \$ 36,425 | \$ 1,525 | \$ 6,525 | \$ 19,725 | \$ 6,125 | \$ 11,025 | \$ 2,525 | \$ 141,150 |

Appendix H

Capital Plan

The following two pages provide the details for each capital project planned for 2024.

| Location/Project Description | Type of Project (1) | Total Project Cost (2) | 2024 Project Cost (3) | Offsetting Grants (4) | Offsetting Loans (5) | 2024 Port Budget New/Increased (6) |
|---|----------------------|------------------------|-----------------------|-----------------------|----------------------|------------------------------------|
| Port of Benton Entity-Wide | | | | | | |
| Port of Benton Blvd Repair | Maintenance | \$90,000 | \$90,000 | | | \$90,000 |
| Slurry Repairs - Various | Maintenance | \$105,000 | \$105,000 | | | \$105,000 |
| Various HVAC replacements | Maintenance | \$200,000 | \$200,000 | | | \$200,000 |
| Roofing | Maintenance | \$250,000 | \$250,000 | | | \$250,000 |
| Entity-Wide Total | | \$645,000 | \$645,000 | \$0 | \$0 | \$645,000 |
| North Horn Rapids Industrial Park | | | | | | |
| Well removal | Economic Developm | \$50,000 | \$50,000 | | | \$50,000 |
| Sewer Development | Economic Development | \$400,000 | \$0 | | | \$0 |
| North Horn Rapids Industrial Park Total | | \$450,000 | \$50,000 | \$0 | \$0 | \$50,000 |
| Richland Business Park | | | | | | |
| 2345 Stevens - NE Main Entrance Entryway Flooring | Maintenance | | \$15,000 | | | |
| 2345 Bathroom Stalls Renovation | Maintenance | \$40,000 | \$40,000 | | | \$40,000 |
| 2345 North Entrance Refresh | Maintenance | \$25,000 | \$25,000 | | | \$25,000 |
| 2345 Stevens Fire Alarm Upgrade | Maintenance | \$62,000 | \$62,000 | | | \$62,000 |
| 2345 Stevens - Phased - Exterior Painting | Maintenance | \$100,000 | \$100,000 | | | \$100,000 |
| Richland Business Park Total | | \$227,000 | \$242,000 | \$0 | \$0 | \$227,000 |
| Richland Innovation Center | | | | | | |
| Sidewalk and Streetlights | Improvement | \$380,000 | \$380,000 | \$380,000 | \$0 | \$0 |
| 2650 Salk Work Area Modifications | Improvement | | \$0 | | | \$0 |
| Richland Innovation Center Total | | \$380,000 | \$380,000 | \$380,000 | \$0 | \$0 |
| Technology & Business Campus | | | | | | |
| 3100 George Washington Way Refresh | Improvement | \$100,000 | \$100,000 | | | \$100,000 |
| Pathway & Fountain Improvements | Improvement | \$30,000 | \$30,000 | | | \$30,000 |
| 3100 George Washington Way Parking Lot Drainage | Maintenance | \$45,000 | \$45,000 | | | \$45,000 |
| 3190 George Washington Way Fire Alarm Upgrade | Maintenance | \$25,000 | \$25,000 | | | \$25,000 |
| 3100 George Washington Way Turnover | Maintenance | | \$50,000 | | | |
| Acquisition of existing building | Economic Development | \$1,250,000 | \$1,250,000 | \$1,000,000 | | \$250,000 |
| 3250 Port of Benton (North side) - LED Interior Lighting | Improvement | \$100,000 | \$100,000 | | | \$100,000 |
| 2939 Richardson Pavement Maintenance - Westinghouse Parking Lot | Maintenance | \$160,000 | \$160,000 | | | \$160,000 |
| Technology & Business Campus Total | | \$1,710,000 | \$1,760,000 | \$1,000,000 | \$0 | \$710,000 |
| Inland Port | | | | | | |
| Inland Port Land Transfers - cash or loan agreement | Economic Developm | \$2,000,000 | \$1,000,000 | \$1,000,000 | | \$0 |
| | | | | | | \$0 |
| Inland Port Total | | \$2,000,000 | \$1,000,000 | \$1,000,000 | \$0 | \$0 |
| Prosser Wine & Food Park | | | | | | |
| Irrigation Filter System | Maintenance | \$10,000 | \$10,000 | | | \$10,000 |
| Prosser Wine & Food Park Total | | \$10,000 | \$10,000 | \$0 | \$0 | \$10,000 |

| Location/Project Description | Type of Project (1) | Total Project Cost (2) | 2024 Project Cost (3) | Offsetting Grants (4) | Offsetting Loans (5) | 2024 Port Budget | Prior Budget |
|---|---------------------|------------------------|-----------------------|-----------------------|----------------------|-------------------|----------------|
| | | | | | | New/Increased (6) | Carryovers (7) |
| Railroad Facility & Track | | | | | | | |
| City of Richland - Steptoe | Improvement | \$100,000 | \$65,000 | | | \$0 | \$65,000 |
| 2579 Stevens Facility Stabilization | Maintenance | \$250,000 | \$250,000 | | | \$250,000 | |
| 2579 Stevens Facility Remodel | Economic Developr | \$9,250,000 | \$2,200,000 | \$2,200,000 | | \$0 | |
| Tie Replacement (approx. 4,000 ties to achieve Class 2 condition) | Improvement | \$1,212,500 | \$727,500 | \$727,500 | | \$0 | |
| Wye Track rail, ties & ballast (a) | Improvement | \$2,597,403 | \$259,740 | \$200,000 | | \$59,740 | |
| Replace 90 lb rail through elevated curves (a) | Improvement | \$1,948,052 | \$194,805 | \$150,000 | | \$44,805 | |
| Crosstie replacement and maintenance (a) | Improvement | \$1,948,052 | \$194,805 | \$150,000 | | \$44,805 | |
| SR 240 Crossing | Improvement | \$1,300,000 | \$1,250,000 | \$865,000 | | \$385,000 | |
| Airport/Saint/Kingsgate Entrance Crossing | Improvement | \$1,280,000 | \$1,280,000 | \$1,030,000 | | \$250,000 | |
| Ongoing Crosstie & ballast replacement and maintenance | Maintenance | \$400,000 | \$0 | \$0 | | \$0 | |
| Jadwin Signal Crossing | Improvement | \$100,000 | \$0 | | | \$0 | |
| Railroad Facility & Track Total | | \$20,386,006 | \$6,421,851 | \$5,322,500 | \$0 | \$1,034,351 | \$65,000 |
| Richland Airport | | | | | | | |
| 1861 Terminal Drive Automatic Gate (Maintenance shop) | Improvement | \$27,500 | \$27,500 | | | \$27,500 | |
| Control Tower Floor Improvement | Maintenance | \$10,000 | \$10,000 | | | \$10,000 | |
| Taxi Lane Project - Design | Improvement | \$200,000 | \$105,000 | \$94,500 | | \$0 | \$10,500 |
| Taxi Lane Project - Construction | Improvement | \$1,000,000 | \$1,000,000 | \$900,000 | | \$100,000 | |
| 1845 Terminal Drive Building Improvements | Economic Developr | \$100,000 | \$100,000 | | \$50,000 | \$50,000 | |
| Hanger Utility Extensions | Improvement | \$50,000 | \$50,000 | | | \$50,000 | |
| Runway and Apron Crack and Fog Seal - Design | Improvement | \$207,257 | \$72,257 | \$66,004 | | | \$6,253 |
| Runway and Apron Crack and Fog Seal - Construction | Improvement | \$1,211,112 | \$1,211,112 | \$1,090,000 | | \$121,111 | |
| Wildlife fencing around entire airport | Improvement | \$227,778 | \$0 | \$0 | \$0 | \$0 | |
| Main Apron Reconfiguration - Design | Improvement | \$200,000 | \$0 | | | \$0 | |
| Main Apron Reconfiguration - Construction | Improvement | \$1,020,000 | \$0 | | | \$0 | |
| Quonset Hut Repairs | Maintenance | \$20,000 | \$20,000 | | | | \$20,000 |
| Richland Airport Total | | \$4,273,647 | \$2,595,869 | \$2,150,504 | \$50,000 | \$358,611 | \$36,753 |
| Prosser Airport | | | | | | | |
| Roofing (5 buildings) | Maintenance | \$75,000 | \$75,000 | | | \$75,000 | |
| Automatic Gate | Improvement | \$47,500 | \$47,500 | | | \$47,500 | |
| Prosser Pavement Rehabilitation & Electrical Replacement - Design | Improvement | \$272,462 | \$100,062 | \$95,059 | | \$0 | \$5,003 |
| Prosser Pavement Rehabilitation & Electrical Replacement - Construction | Improvement | \$1,614,035 | \$1,614,035 | \$1,533,333 | | \$80,702 | |
| Fencing | Improvement | \$60,000 | | | | \$0 | |
| Gravel for Service Road | Improvement | \$20,000 | \$20,000 | | | \$20,000 | |
| Construct Heliport/Helipad with Service Road - Design | Improvement | \$172,222 | \$0 | | | \$0 | |
| Stormwater 12 Hangar Sites | Improvement | \$50,000 | \$50,000 | | | \$25,000 | \$25,000 |
| Maintenance Hanger Improvement | Improvement | \$10,000 | \$10,000 | | | \$10,000 | |
| Prosser Airport Total | | \$2,321,219 | \$1,916,597 | \$1,628,392 | \$0 | \$258,202 | \$30,003 |
| Vintner's Village | | | | | | | |
| Irrigation Pumps | Maintenance | \$20,000 | \$20,000 | | | \$20,000 | |
| Vintner's Village Total | | \$20,000 | \$20,000 | \$0 | \$0 | \$20,000 | \$0 |
| Walter Clore Center | | | | | | | |
| Irrigation Ponds and Pump | Maintenance | | \$0 | | | \$0 | |
| A/V and Electronics | Improvement | \$25,000 | \$25,000 | | | \$25,000 | |
| Walter Clore Center Total | | \$25,000 | \$25,000 | \$0 | \$0 | \$25,000 | \$0 |
| Crow Butte | | | | | | | |
| Sewer Lagoon Liner | Maintenance | \$20,000 | \$20,000 | | | \$5,000 | \$15,000 |
| Irrigation Pump Bypass/Regulator | Maintenance | \$10,000 | | | | \$0 | |
| Rewire Irrigation Control Valves | Maintenance | \$20,000 | \$20,000 | | | \$20,000 | |
| Electric Cart | Equipment | \$15,000 | \$15,000 | | | \$15,000 | |
| Rebuild Fish Cleaning Station | Improvement | \$10,000 | \$10,000 | | | \$10,000 | |
| Crow Butte Total | | \$75,000 | \$65,000 | \$0 | \$0 | \$50,000 | \$15,000 |
| Maintenance Equipment | | | | | | | |
| Two Service Vehicles (heavy duty, snow plows, etc.) | Equipment | \$180,000 | \$180,000 | | | \$180,000 | |
| Side by Side | Equipment | \$20,000 | \$20,000 | | | \$20,000 | |
| Small Garbage Truck | Equipment | \$0 | \$0 | | | \$0 | |
| Street Sweeper | Equipment | \$0 | \$0 | | | \$0 | |
| Hydraulic drop down trailer | Equipment | \$30,000 | \$30,000 | | | \$30,000 | |
| Stand on Aerator | Equipment | \$12,000 | | | | \$0 | |
| Maintenance Equipment Total | | \$242,000 | \$230,000 | \$0 | \$0 | \$230,000 | \$0 |
| Grand Total | | \$32,764,872 | \$15,361,316 | \$11,481,396 | \$50,000 | \$3,618,164 | \$211,756 |

The following two pages are the Port's initial five-year capital investment forecast. This information will continue to be developed throughout 2024.

| Location/Project Description | Type of Project (1) | Total Project Cost (2) | Estimated Future Year Total Project Cost (8) | | | | | 5 Year Forecast |
|---|---------------------|------------------------|--|-----------|-----------|-----------|-----------|-----------------|
| | | | 2025 | 2026 | 2027 | 2028 | 2029 | |
| Port of Benton Entity-Wide | | | | | | | | |
| Port of Benton Blvd Repair | Maintenance | \$90,000 | \$90,000 | \$90,000 | \$500,000 | \$90,000 | \$90,000 | \$860,000 |
| Slurry Repairs - Various | Maintenance | \$105,000 | | | | | | \$0 |
| Various HVAC replacements | Maintenance | \$200,000 | \$200,000 | \$200,000 | \$200,000 | \$200,000 | \$200,000 | \$1,000,000 |
| Roofing | Maintenance | \$250,000 | \$200,000 | \$200,000 | \$200,000 | \$200,000 | \$200,000 | \$1,000,000 |
| Entity-Wide Total | | \$645,000 | \$490,000 | \$490,000 | \$900,000 | \$490,000 | \$490,000 | \$2,860,000 |
| North Horn Rapids Industrial Park | | | | | | | | |
| Well removal | Economic Developr | \$50,000 | \$50,000 | | | | | \$50,000 |
| Sewer Development | Economic Developr | \$400,000 | | \$400,000 | | | | \$400,000 |
| North Horn Rapids Industrial Park Total | | \$450,000 | \$50,000 | \$400,000 | \$0 | \$0 | \$0 | \$450,000 |
| Richland Business Park | | | | | | | | |
| 2345 Stevens - NE Main Entrance Entryway Flooring | Maintenance | | | | | | | \$0 |
| 2345 Bathroom Stalls Renovation | Maintenance | \$40,000 | \$40,000 | \$40,000 | \$40,000 | | | \$120,000 |
| 2345 North Entrance Refresh | Maintenance | \$25,000 | | | | | | \$0 |
| 2345 Stevens Fire Alarm Upgrade | Maintenance | \$62,000 | | | | | | \$0 |
| 2345 Stevens - Phased - Exterior Painting | Maintenance | \$100,000 | \$100,000 | \$100,000 | | | | \$200,000 |
| Richland Business Park Total | | \$227,000 | \$140,000 | \$140,000 | \$40,000 | \$0 | \$0 | \$320,000 |
| Richland Innovation Center | | | | | | | | |
| Sidewalk and Streetlights | Improvement | \$380,000 | | | | | | \$0 |
| 2650 Salk Work Area Modifications | Improvement | | \$50,000 | | | | | \$50,000 |
| Richland Innovation Center Total | | \$380,000 | \$50,000 | \$0 | \$0 | \$0 | \$0 | \$50,000 |
| Technology & Business Campus | | | | | | | | |
| 3100 George Washington Way Refresh | Improvement | \$100,000 | | | | | | \$0 |
| Pathway & Fountain Improvements | Improvement | \$30,000 | | | | | | |
| 3100 George Washington Way Parking Lot Drainage | Maintenance | \$45,000 | | | | | | \$0 |
| 3190 George Washington Way Fire Alarm Upgrade | Maintenance | \$25,000 | | | | | | \$0 |
| 3100 George Washington Way Turnover | Maintenance | | | | | | | \$0 |
| 3110 Port of Benton Blvd Building Acquisition | Economic Developr | \$1,250,000 | \$250,000 | \$250,000 | \$25,000 | | | |
| 3250 Port of Benton (North side) - LED Interior Lighting | Improvement | \$100,000 | | | | | | \$0 |
| 2939 Richardson Pavement Maintenance - Westinghouse Parking Lot | Maintenance | \$160,000 | | | | | | \$0 |
| Technology & Business Campus Total | | \$1,710,000 | \$250,000 | \$250,000 | \$25,000 | \$0 | \$0 | \$0 |
| Inland Port | | | | | | | | |
| Inland Port Land Transfers - cash or loan agreement | Economic Developr | \$2,000,000 | \$1,000,000 | | | | | \$1,000,000 |
| Inland Port Total | | \$2,000,000 | \$1,000,000 | \$0 | \$0 | \$0 | \$0 | \$1,000,000 |
| Prosser Wine & Food Park | | | | | | | | |
| Irrigation Filter System | Maintenance | \$10,000 | | | | | | \$0 |
| Prosser Wine & Food Park Total | | \$10,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

| Location/Project Description | Type of Project (1) | Total Project Cost (2) | Estimated Future Year Total Project Cost (8) | | | | | 5 Year Forecast |
|---|---------------------|------------------------|--|-------------|-------------|-------------|-----------|-----------------|
| | | | 2025 | 2026 | 2027 | 2028 | 2029 | |
| Railroad Facility & Track | | | | | | | | |
| City of Richland - Steptoe | Improvement | \$100,000 | | | | | | \$0 |
| 2579 Stevens Facility Stabilization | Maintenance | \$250,000 | | | | | | \$0 |
| 2579 Stevens Facility Remodel | Economic Developr | \$9,250,000 | \$5,000,000 | \$2,050,000 | | | | \$7,050,000 |
| Tie Replacement (approx. 4,000 ties to achieve Class 2 condition) | Improvement | \$1,212,500 | \$485,000 | | | | | \$485,000 |
| Wye Track rail, ties & ballast (a) | Improvement | \$2,597,403 | \$1,168,831 | \$1,168,831 | | | | \$2,337,662 |
| Replace 90 lb rail through elevated curves (a) | Improvement | \$1,948,052 | \$876,623 | \$876,623 | | | | \$1,753,247 |
| Crosstie replacement and maintenance (a) | Improvement | \$1,948,052 | \$876,623 | \$876,623 | | | | \$1,753,247 |
| SR 240 Crossing | Improvement | \$1,300,000 | | | | | | \$0 |
| Airport/Saint/Kingsgate Entrance Crossing | Improvement | \$1,280,000 | | | | | | \$0 |
| Ongoing Crosstie & ballast replacement and maintenance | Maintenance | \$400,000 | | | | \$200,000 | \$200,000 | \$400,000 |
| Jadwin Signal Crossing | Improvement | \$100,000 | \$100,000 | | | | | \$100,000 |
| Railroad Facility & Track Total | | \$20,386,006 | \$8,507,078 | \$4,972,078 | \$0 | \$200,000 | \$200,000 | \$13,879,156 |
| Richland Airport | | | | | | | | |
| 1861 Terminal Drive Automatic Gate (Maintenance shop) | Improvement | \$27,500 | | | | | | |
| Control Tower Floor Improvement | Maintenance | \$10,000 | | | | | | |
| Taxi Lane Project - Design | Improvement | \$200,000 | | | | | | |
| Taxi Lane Project - Construction | Improvement | \$1,000,000 | | | | | | |
| 1845 Terminal Drive Building Improvements | Economic Developr | \$100,000 | | | | | | |
| Hanger Utility Extensions | Improvement | \$50,000 | | | | | | |
| Runway and Apron Crack and Fog Seal - Design | Improvement | \$207,257 | | | | | | |
| Runway and Apron Crack and Fog Seal - Construction | Improvement | \$1,211,112 | | | | | | |
| Wildlife fencing around entire airport | Improvement | \$227,778 | | | | \$227,778 | | |
| Main Apron Reconfiguration - Design | Improvement | \$200,000 | \$200,000 | | | | | |
| Main Apron Reconfiguration - Construction | Improvement | \$1,020,000 | | \$1,020,000 | | | | |
| Quonset Hut Repairs | Maintenance | \$20,000 | | | | | | |
| Richland Airport Total | | \$4,273,647 | \$200,000 | \$1,020,000 | \$0 | \$227,778 | \$0 | \$0 |
| Prosser Airport | | | | | | | | |
| Roofing (5 buildings) | Maintenance | \$75,000 | | | | | | \$0 |
| Automatic Gate | Improvement | \$47,500 | | | | | | \$0 |
| Prosser Pavement Rehabilitation & Electrical Replacement - Design | Improvement | \$272,462 | | | | | | |
| Prosser Pavement Rehabilitation & Electrical Replacement - Construction | Improvement | \$1,614,035 | | | | | | |
| Fencing | Improvement | \$60,000 | \$60,000 | | | | | |
| Gravel for Service Road | Improvement | \$20,000 | | | | | | |
| Construct Heliport/Helipad with Service Road - Design | Improvement | \$172,222 | | | | \$172,222 | | |
| Stormwater 12 Hangar Sites | Improvement | \$50,000 | | | | | | \$0 |
| Maintenance Hanger Improvement | Improvement | \$10,000 | | | | | | |
| Prosser Airport Total | | \$2,321,219 | \$60,000 | \$0 | \$0 | \$172,222 | \$0 | \$0 |
| Vintner's Village | | | | | | | | |
| Irrigation Pumps | Maintenance | \$20,000 | | | | | | |
| Vintner's Village Total | | \$20,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Walter Clore Center | | | | | | | | |
| Irrigation Ponds and Pump | Maintenance | | \$60,000 | | | | | |
| A/V and Electronics | Improvement | \$25,000 | | | | | | |
| Walter Clore Center Total | | \$25,000 | \$60,000 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Crow Butte | | | | | | | | |
| Sewer Lagoon Liner | Maintenance | \$20,000 | | | | | | \$0 |
| Irrigation Pump Bypass/Regulator | Maintenance | \$10,000 | \$10,000 | | | | | \$10,000 |
| Rewire Irrigation Control Valves | Maintenance | \$20,000 | | | | | | \$0 |
| Electric Cart | Equipment | \$15,000 | | | | | | \$0 |
| Rebuild Fish Cleaning Station | Improvement | \$10,000 | | | | | | \$0 |
| Crow Butte Total | | \$75,000 | \$10,000 | \$0 | \$0 | \$0 | \$0 | \$10,000 |
| Maintenance Equipment | | | | | | | | |
| Two Service Vehicles (heavy duty, snow plows, etc.) | Equipment | \$180,000 | \$90,000 | \$93,000 | \$96,000 | \$99,000 | \$102,000 | \$480,000 |
| Side by Side | Equipment | \$20,000 | | | | | | \$0 |
| Small Garbage Truck | Equipment | \$0 | \$125,000 | | | | | \$125,000 |
| Street Sweeper | Equipment | \$0 | \$125,000 | | | | | \$125,000 |
| Hydraulic drop down trailer | Equipment | \$30,000 | | | | | | \$0 |
| Stand on Aerator | Equipment | \$12,000 | \$12,000 | | | | | \$12,000 |
| Maintenance Equipment Total | | \$242,000 | \$352,000 | \$93,000 | \$96,000 | \$99,000 | \$102,000 | \$742,000 |
| Grand Total | | \$32,764,872 | \$11,169,078 | \$7,365,078 | \$1,061,000 | \$1,189,000 | \$792,000 | \$19,311,156 |



Port of Benton
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PortofBenton.com