

An aerial photograph of Seattle, Washington, showing the city's urban landscape, the waterfront, and the surrounding mountains. Mount Rainier is visible in the distance under a clear blue sky. The text is overlaid on the right side of the image.

# Port of Seattle Q2 2020 Financial Performance Report

Commission Briefing  
August 11, 2020



# Context for Q2 Financial Performance

- On May 31, the Governor signed the [Proclamation 20-25.4](#), which outlined the “Safe Start” to reopen the economy in phases.
- The COVID-19 pandemic continues to have a significant impact to the Port businesses.
- Airport passenger levels dipped 94% in April compared to the prior year but improved to 78% lower in June as limited non-essential travel resumed.
- 2020 cruise season has been cancelled due to the COVID-19 pandemic.
- The Port instituted Port wide cost reductions and identified over \$30M in operating expenses and \$40M in CIP deferrals.
- The Port is seeking reimbursement from FEMA for certain COVID-19 related costs.

# Aviation Division

## Q2 2020 Financial Performance Report

# Aviation Division

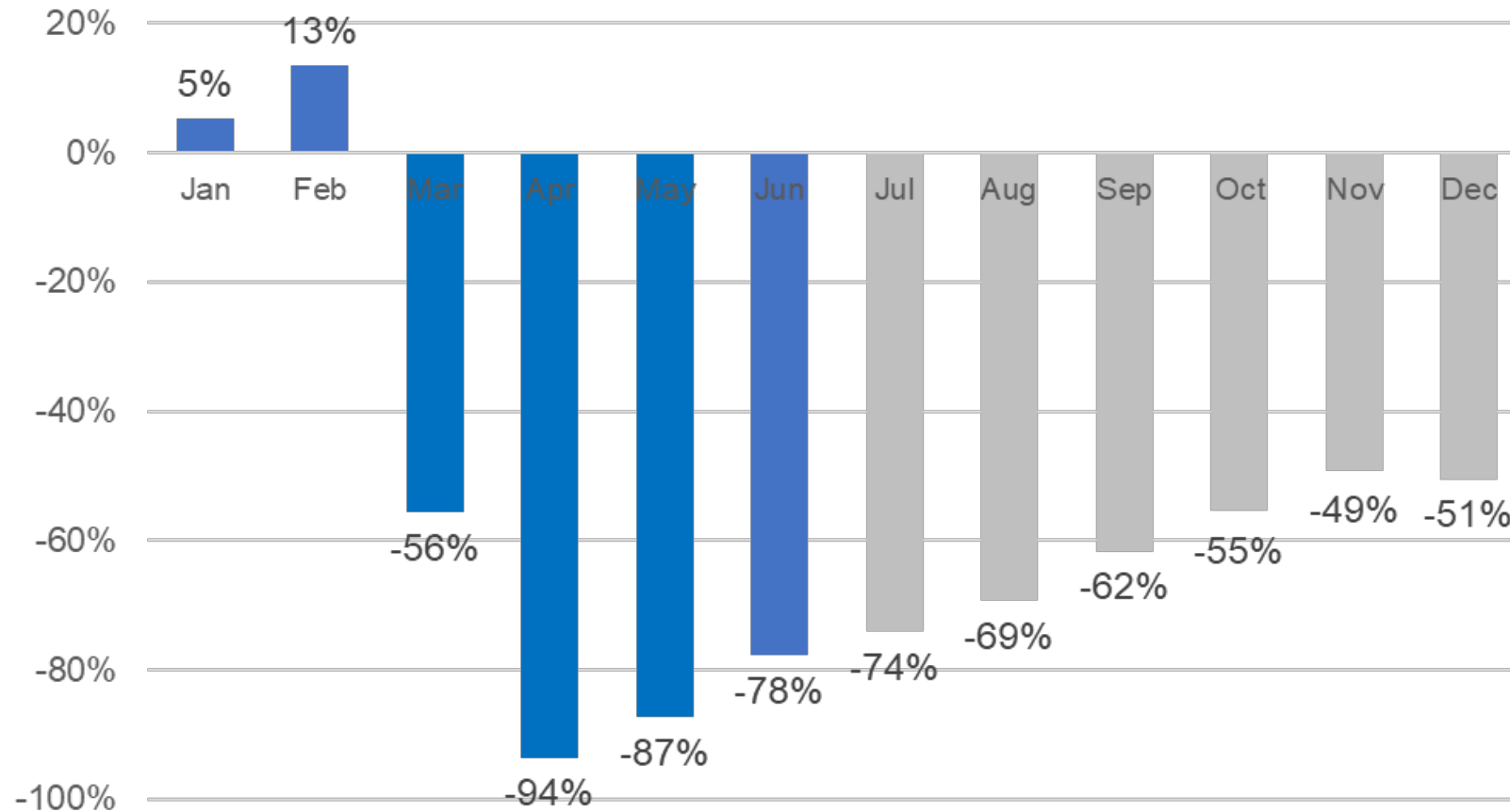
## Financial Summary

<i>Figures in \$000s</i>	<b>Forecast</b>	<b>Revised Budget</b>	<b>Approved Budget</b>	<b>Variance</b>
<b>Revenues</b>				
Aeronautical	297,373	401,342	401,342	(103,969)
Non-aeronautical	115,448	135,074	283,167	(19,625)
<b>Total</b>	<b>412,821</b>	<b>536,416</b>	<b>684,510</b>	<b>(123,595)</b>
<b>O&amp;M expense</b>	<b>342,646</b>	<b>348,826</b>	<b>377,306</b>	<b>6,180</b>
<b>NOI</b>	<b>70,175</b>	<b>187,589</b>	<b>307,203</b>	<b>(117,415)</b>
<b><u>Key Measures</u></b>				
Non-Aero NOI	4,097	21,443	154,660	(17,346)
CPE (\$)	26.21	13.93	13.93	(12.28)
Debt Service Coverage	1.36	1.80	1.80	-0.44
<b><u>Other Information</u></b>				
ADF Balance	290.2M	314.4M		-24.2M
Capital Spending	501,490	489,182		(12,308)

## Business Highlights

- Forecasting 61% drop in passengers in 2020 compared to 2019
- Received \$192 million in CARES Act grant
- Implementing FlyHealthy@SEA strategy to address Covid-19, restore confidence for travelers and workers
  - Will likely reduce current favorable O&M variance
- Financial relief packages provided to airline and non-airline customers
- Note: debt service coverage calculation currently under review for treatment of CARES Act grant

# Projected Passenger Change by Month

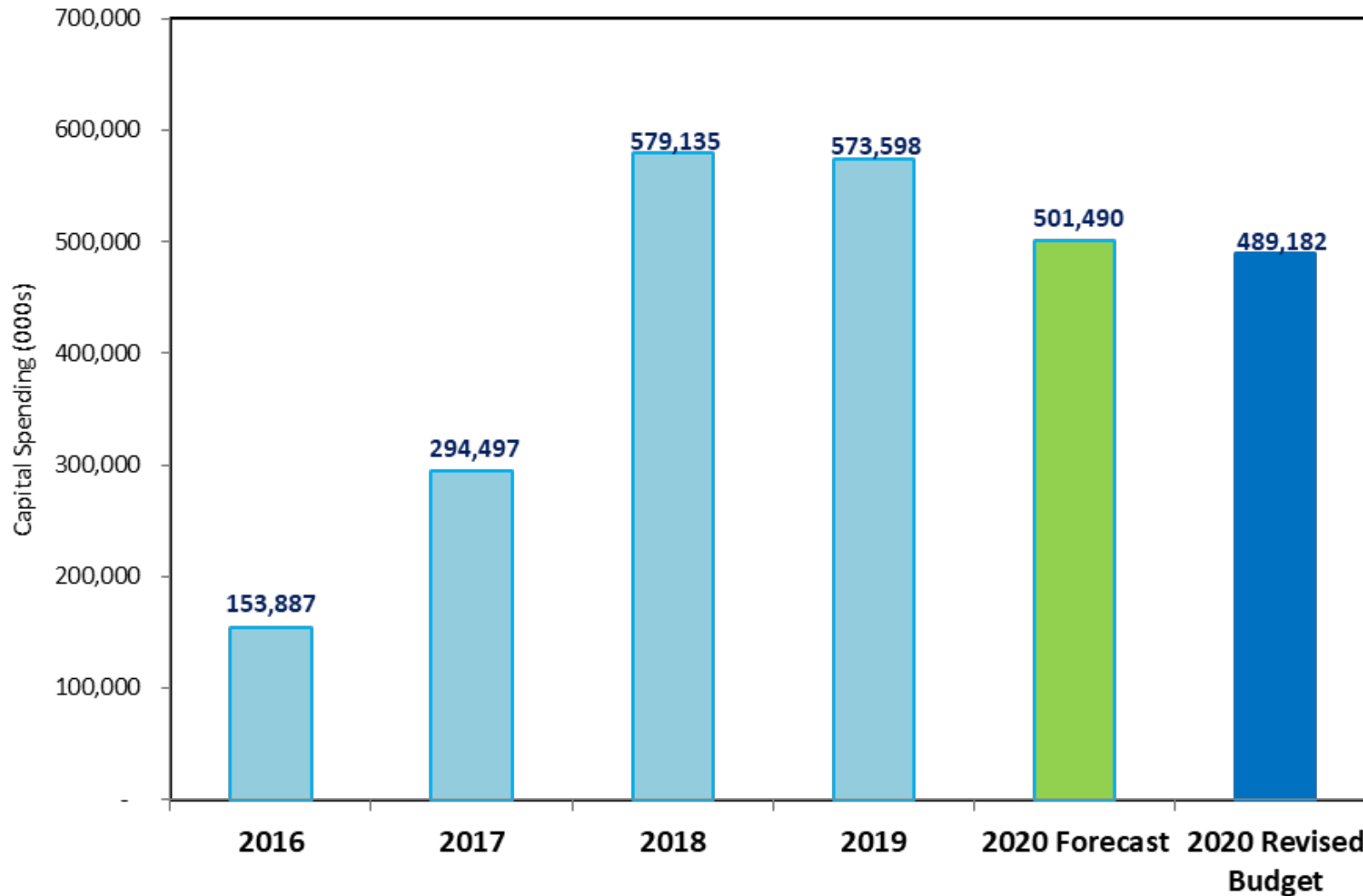


Full year 2020  
forecast: total  
passenger  
decline of  
61% compared  
to 2019

# Aviation Business Events

- **Health & Safety:** on track to achieve all objectives
- **Security:** Initiated mobile unpredictable screening for Airfield access points
- **Employee Engagement:** June pulse survey – all responses 77% positive (or greater)
- **Community:** Completed Condo noise insulation design
- **Innovation:** Completed 2 Shark Tanks YTD, RFI for Virtual Queuing
- **Social Responsibility:** ACDBE Sales percent = 32.5% vs goal of 22%
- **Customer Experience:** Completed near-term FlyHealthy@SEA actions by June, active implementation of SEA brand
- **Environment & Sustainability:** signed long-term contract for purchase of renewable natural gas
- **Financial Sustainability:** Launched public parking Pre-Booked program
- **Asset Management and Capital/Planning:** Completed phase 1 of Baggage Optimization

# Capital Spending



## 2020 Forecast:

- IAF = \$185M
- NSAT = \$156M
- Other = \$160M

## Major 2020 Variances:

- IAF = \$30M
- NSAT = (\$22M)
- Other = (\$20M)

2020 Includes CIP cash flow management reserve of -\$36M

2020 spending variances primarily due to delayed spending impacted by COVID19

# Non-Aviation Divisions

## Q2 2020 Financial Performance Report



# Non-Aviation YTD Performance Summary

	2020 YTD Actual	2020 YTD Revised Budget	2020 YTD Approved Budget	Fav (UnFav) Fest vs. Revised Budget Variance	
\$ in 000's				\$	%
<b>Revenues</b>					
Maritime	18,338	18,214	28,465	124	1%
Economic Development Division	5,359	6,450	7,930	(1,091)	-17%
Joint Venture	20,706	20,161	20,161	545	3%
<b>Total Revenue</b>	<b>44,403</b>	<b>44,825</b>	<b>56,557</b>	<b>(422)</b>	<b>-1%</b>
<b>Expenses</b>					
Maritime	22,311	26,441	27,347	4,130	16%
Economic Development Division	9,493	12,459	13,948	2,966	24%
Joint Venture	486	389	390	(97)	-25%
<b>Total Expense</b>	<b>32,290</b>	<b>39,289</b>	<b>41,685</b>	<b>6,999</b>	<b>18%</b>
<b>NOI Before Stormwater Utility</b>	<b>12,113</b>	<b>5,536</b>	<b>14,872</b>	<b>6,577</b>	<b>119%</b>
Stormwater Utility Revenues	3,171	3,135	3,135	36	1%
Stormwater Utility Expenses	2,068	2,669	2,718	601	23%
<b>Stormwater Utility NOI</b>	<b>1,103</b>	<b>466</b>	<b>417</b>	<b>637</b>	<b>137%</b>
<b>Total Non-Aviation Business NOI</b>	<b>13,216</b>	<b>6,002</b>	<b>15,289</b>	<b>7,214</b>	<b>120%</b>

## Revised Budget

- Revenue on target
- Expenses favorable due to variable costs and timing

## Approved Budget

- No Cruise sailings driving down revenue
- NOI excluding Stormwater down \$2.7M

# Maritime Division

## Q2 2020 Financial Performance Report

# Maritime Division

## Bottom Line Up Front

### Financial Summary

<i>Figure in \$000s</i>	<b>Forecast</b>	<b>Revised Budget</b>	<b>Approved Budget</b>	<b>Variance</b>
<b>Revenues</b>				
Fishing, Commercial, & Recreational Marinas	22,771	22,747	22,747	24
Cruise	4,261	5,909	26,261	(1,647)
Maritime Portfolio Mgmt.	9,622	10,428	10,428	(806)
Grain / Other	3,750	3,501	3,501	249
<b>Total</b>	<b>40,405</b>	<b>42,585</b>	<b>62,938</b>	<b>(2,180)</b>
<b>O&amp;M Expense</b>				
Direct	21,315	22,035	22,637	720
Support Services	15,251	15,051	16,110	(200)
Central Services and Other	14,580	15,106	15,650	526
<b>Total</b>	<b>51,145</b>	<b>52,191</b>	<b>54,396</b>	<b>1,046</b>
<b>NOI</b>	<b>(10,740)</b>	<b>(9,606)</b>	<b>8,541</b>	<b>(1,134)</b>
<b>Capital Spending</b>	<b>22,697</b>	<b>19,712</b>		<b>2,985</b>

### Business Highlights

#### COVID-19 Driven

- No return to the Cruise Business in 2020.
- Fishing, Commercial and Recreational Marinas seeing limited impact.
- Elimination of Port Valet and further cuts in Central Services.
- T117 restoration advancing faster than planned.

# Maritime Q2 2020 Financial Highlights

**Maritime YTD –Net Operating Income is \$4.3M favorable to revised budget and \$9M below 2019**

- Revenue in line with revised budget and \$9M below 2019, primarily from Cruise cancellation.
- Expenses \$4.1M (13%) favorable to budget driven by delayed maintenance and timing of spend. Expenses are flat Y/Y despite the addition of T46 lease payment to NWSA.
- YTD Q2 Capital spend was \$9.9M with forecasted spend at \$22.7M (115% of budget).

- Stormwater Utility revenue and expenses are each tracking favorable to budget.

	2018 YTD	2019 YTD	2020 YTD	2020 YTD	2020 YTD	Fav (UnFav) Fcst vs. Revised Budget Variance		Incr (Decr) Change from 2019	
\$ in 000's	Actual	Actual	Actual	Revised Budget	Approved Budget	\$	%	\$	%
Total Revenues	26,257	27,368	18,338	18,214	28,465	124	0%	(9,030)	-33%
Total Operating Expenses	21,716	22,310	22,311	26,441	27,347	4,130	15%	1	0%
Net Operating Income	4,541	5,058	(3,973)	(8,227)	1,119	4,254	380%	(9,031)	-179%
Depreciation	8,823	8,911	8,781	8,651	8,649	(130)	-2%	(130)	-1%
Net Income	(4,281)	(3,853)	(12,754)	(16,878)	(7,530)	4,124	55%	(8,901)	-231%

# Maritime Events & Achievements

- Cruise – Working with constituencies to develop guiding protocols for recommencing Cruise in 2021.
- Fishing:
  - COVID Testing of fishers at FT.
  - The F/V St. Jude conducted whole tuna sales at Fishermen's Terminal. The vessels held several days of sales which attracted over 1000 customers per day. Additionally, this encouraged purchases from other fishermen and Wild Salmon Seafood.
- Shilshole Bay Marina Customer Service Facilities and repaving project progresses with slight delays. All new buildings are scheduled to open early in Q3.
- **Maritime Environmental**
  - Managed 'stand-down' process for T46 Cruise EIS to get consultants to a logical stopping point.
  - Completed all permitting tasks for Terminal 117 Habitat Restoration and Public Shoreline Access project.
  - Signed an Order with EPA to perform an Engineering Evaluation / Cost analysis for investigation and cleanup at T108.
  - Awarded \$6.6M (75% match is \$5M) from DOE for NWSA T5 Stormwater.



# Stormwater Utility Q2 Financials

\$ in 000's	2018 YTD Actual	2019 YTD Actual	2020 YTD Actual	2020 YTD Revised Budget	2020 YTD Approved Budget	Fav (UnFav) Actual vs. Revised Budget Variance		Incr (Decr) Change from 2019	
						\$	%	\$	%
<b>Revenue</b>									
NWSA	2,097	519	656	472	472	183	39%	137	26%
Tenants Revenue	561	1,709	1,625	1,886	1,886	(261)	-14%	(83)	-5%
Non-tenants Revenue	49	670	890	777	777	114	15%	220	33%
<b>Total Revenues</b>	<b>2,707</b>	<b>2,897</b>	<b>3,171</b>	<b>3,135</b>	<b>3,135</b>	<b>36</b>	<b>1%</b>	<b>274</b>	<b>9%</b>
<b>Expenses</b>									
SWU Direct	394	336	609	619	619	10	2%	273	81%
Maintenance Expenses	1,670	1,527	945	1,545	1,576	599	39%	(582)	-38%
Seaport Project Management	103	180	22	40	43	17	43%	(157)	-88%
Environmental & Sustainability	11	19	7	23	24	16	69%	(12)	-63%
Other Central Services	345	406	330	443	456	113	25%	(76)	-19%
<b>Total Expenses</b>	<b>2,523</b>	<b>2,468</b>	<b>1,914</b>	<b>2,669</b>	<b>2,718</b>	<b>755</b>	<b>28%</b>	<b>(554)</b>	<b>-22%</b>
<b>NOI Before Depreciation</b>	<b>184</b>	<b>429</b>	<b>1,257</b>	<b>466</b>	<b>417</b>	<b>791</b>	<b>170%</b>	<b>828</b>	<b>193%</b>
Depreciation	548	599	618	599	598	(19)	-3%	19	3%
<b>NOI After Depreciation</b>	<b>(364)</b>	<b>(170)</b>	<b>639</b>	<b>(133)</b>	<b>(182)</b>	<b>772</b>	<b>-581%</b>	<b>809</b>	<b>-476%</b>

- Installed 3 tide gates and working with tenants on potential relief including deferrals

# Northwest Seaport Alliance Summary

NWSA Operating Income			Fav (UnFav)		Incr (Decr)	
Before GASB 87 Adjustment	2019 YTD	2020 Year-to-Date	Budget Variance		Change from 2019	
\$ in 000's	Actual	Actual      Budget	\$	%	\$	%
Operating Revenue	98,997	89,755      96,185	(6,430)	-7%	(9,242)	-9%
Operating Expense	51,212	47,354      56,934	9,580	17%	(3,858)	-8%
<b>Operating Income</b>	<b>47,785</b>	<b>42,401      39,251</b>	<b>3,150</b>	<b>8%</b>	<b>(5,384)</b>	<b>-11%</b>
Cargo TEUs	1,915,249	1,559,903			(355,346)	-19%
Cargo Volume (Metric Tons)	15,129,071	13,036,960			(2,092,111)	-14%

*Note: GASB 87 Accounting impact and Non-Operating Totals available on NWSA Site*

**Revenue** – Q2 YTD \$6.4M below budget from lower cargo volumes and lease terminations.

**Expenses** – Q2 YTD \$9.6M favorable to budget. Operations costs were below budget

- \$2.6M from timing of the crane removal at Husky Terminal.
- \$1.7M in reduced Maintenance spend
- \$3.7M in reduced Infrastructure, Commercial, and Administrative costs.

## NWSA TEU Data

YTD June 2020, there was a total of 55 void sailings due to a combination of the lingering trade dispute with China and the pandemic. Of the 55 canceled sailings, 33 were in Q1 as unprecedented disruptions from COVID-19 rippled across the global supply chain. Tariffs and COVID-19 show the risk of single-country sourcing. Many shippers are looking to diversify manufacturing and sourcing activities to SE Asia or other countries, which may have longer term implications for the gateway as these origins may be better served by east coast ports due to shorter transits. NWSA total international TEUs are down 20.9% YTD while total TEUs are down 18.3%.

## **Exports (YTD Apr 2020 vs. YTD Apr 2019):**

- Japan, Korea, China, Taiwan and Indonesia were our top trading partners.
- Exports to Japan, Korea, China, Taiwan and Indonesia declined 12.0%, 14.9%, 4.2%, 37.4%, and 0.6%, respectively.
- Exports to Thailand and Vietnam grew 6.6% and 13.9%, albeit off a smaller base.
- Exports are down 13.8% YTD Apr.

## **Imports (YTD Apr 2020 vs. YTD Apr 2019):**

- China, Vietnam, Japan, Taiwan and Korea were our top trading partners.
- Imports from China, Japan, Taiwan and Korea are down 30.0%, 15.1%, 15.0% and 18.1%, respectively.
- Vietnam moved to our #2 origin country. Imports from Vietnam are up 66.7%, 39,119 TEUs vs. 23,461 TEUs.
- Imports are down 16.8% YTD Apr.

\*Export and import data source PIERS, full international

# Joint Venture Q2 Financials

\$ in 000's	2020 YTD	2020 YTD	2020 YTD	Fav (UnFav) Fest vs. Revised Budget Variance		Total Year Budget
	Actual	Revised Budget	Approved Budget	\$	%	
<b>Revenue</b>						
Joint Venture Revenue	21,218	20,968	20,968	250	1%	41,935
Contra Joint Venture Revenue	(957)	(957)	(957)	(0)	0%	(1,913)
Other Service Revenue Tenant Reimbursement	217	150	150	66	44%	301
Revenue On Port Property	229	-	-	229	NA	-
<b>Total Revenues</b>	<b>20,706</b>	<b>20,161</b>	<b>20,161</b>	<b>545</b>	<b>3%</b>	<b>40,322</b>
<b>Expenses</b>						
Maintenance Expenses	304	325	325	(21)	-6%	707
JV Direct	121	14	14	107	758%	28
Other Central Services	42	35	36	8	22%	71
Environmental & Sustainability	6	1	1	5	740%	1
Seaport Project Management	11	14	14	(3)	-21%	29
EDD Expenses	1	-	-	1	NA	-
<b>Total Expenses</b>	<b>486</b>	<b>389</b>	<b>390</b>	<b>97</b>	<b>25%</b>	<b>837</b>
<b>NOI Before Depreciation</b>	<b>20,221</b>	<b>19,772</b>	<b>19,772</b>	<b>448</b>	<b>2%</b>	<b>39,486</b>
Depreciation	7,609	7,622	7,622	(13)	0%	15,227
<b>NOI After Depreciation</b>	<b>12,611</b>	<b>12,151</b>	<b>12,150</b>	<b>461</b>	<b>-4%</b>	<b>(24,258)</b>

## Home Port Activities

### Revenues:

- Joint Venture revenue above budget due to lower expenses at NWSA
- Other Service Revenue higher than budget due to tenant reimbursable Maintenance work
- Revenue on Port Property – from temporary moorage on the northwest face of T46

### Expenses

- Maintenance higher than budget due to late tenant reimbursements (Bad Debt)
- JV Direct - SWU Fees at T46 (Not in Budget)

# Economic Development Division

## Q2 2020 Financial Performance Report



# Economic Development Division

## Bottom Line Up Front

### Financial Summary

<i>Figure in \$000s</i>	<b>Forecast</b>	<b>Revised Budget</b>	<b>Approved Budget</b>	<b>Variance</b>
<b>Revenues</b>	10,517	15,658	19,110	(5,141)
<b>O&amp;M Expense</b>				
EDD & Maritime	7,467	12,207	14,805	(4,740)
Maintenance	3,476	3,476	3,819	0
Diversity in Contracting	151	151	197	0
Tourism	2,342	2,842	1,536	(500)
EDD Grants	810	1,110	1,110	(300)
Central Services and Other	6,982	7,437	7,901	(455)
<b>Total</b>	<b>21,227</b>	<b>27,222</b>	<b>29,368</b>	<b>(5,995)</b>
<b>NOI</b>	(10,711)	(11,564)	(10,258)	854
<b>Capital Spending</b>	8,436	10,699		(2,263)

### Business Highlights

#### COVID-19 Driven

- Additional BHICC cancellations resulting in additional forecast reductions of \$4.5M in revenue and expense.
- Expenses forecasted \$6M below budget from port-wide cost reductions, program spend timing, and variable expenses.
- Executed 47 rent relief requests with waterfront tenants.
- Bell Harbor Conference Center Modernization completion in Q3.



# Economic Development Financial Highlights

## 2020 Net Operating Income \$1.9M favorable to revised budget and \$1.8M lower than 2019

- Revenue unfavorable to revised budget by \$1.1M and \$5M lower than 2019 driven primarily by deeper COVID-19 cancellations and construction at the Conference and Event Centers.
- Expenses favorable to revised budget by \$3M driven by less conferences, favorable Maintenance and Central services cost. Expenses are lower by \$3.2M Y/Y due to variable cost associated with lower Conference & Event Center volumes.
- EDD spent 72% of revised Capital budget in Q1 with most attributed to the Bell Harbor Conference Center Modernization. The 2020 forecasted spend is \$8.4M (79% of revised budget).

	2018 YTD	2019 YTD	2020 YTD	2020 YTD	2020 YTD	Fav (UnFav) Fest vs. Revised Budget Variance		Incr (Decr) Change from 2019	
\$ in 000's	Actual	Actual	Actual	Revised Budget	Approved Budget	\$	%	\$	%
Total Revenues	9,765	10,384	5,359	6,450	7,930	(1,091)	-17%	(5,025)	-48%
Total Operating Expenses	12,557	12,684	9,493	12,459	13,948	2,966	24%	(3,191)	-25%
Net Operating Income	(2,791)	(2,300)	(4,134)	(6,009)	(6,018)	1,875	31%	(1,834)	-80%
Depreciation	1,980	1,833	1,774	1,705	1,704	(68)	-4%	(59)	-3%
Net Income	(4,771)	(4,133)	(5,908)	(7,715)	(7,722)	1,807	23%	(1,775)	-43%

# Q2 2020 EDD Program Advancements

- **Real Estate Development – Finalized Pier 86 agreement** with DFW. **Completed 30% design** on **Fishermen’s Terminal projects**. Finalized Des Moines Creek RFP. Real Estate Strategic Plan at 50%.
- **Pier 69: implemented coronavirus response measures:** Installed signage, floor markings, and barriers to encourage good hygiene and physical distancing.
- **Portfolio Management - Provided rent relief to landside tenants.** Executed first amendment to the lease with Mad Anthony’s and third amendment with Dukes at Shilshole Bay Marina.
- **The Maritime Blue innovation accelerator cohort finished its program.** Eleven entrepreneurs advanced through the four month program which concluded with an online showcase where each emerging business pitched its products or services to over 200 virtual attendees.
- **Tourism – Developed Cruise & Stay training videos and press releases** to keep Seattle and WA top of mind for British, Australian and German markets. The videos are being utilized by CLIA international offices and cruise tour operator specialists promoting 2021 Alaska season.
- **Diversity in Contracting:** As of Quarter 2, the **Port is currently exceeding its 2020 Port wide WMBE (Non-Construction) goal of 14.4%**, obtaining 15% WMBE utilization. Conversely, construction achieved 4.7% WMBE utilization.

# Central Services

## Q2 2020 Financial Performance Report

# Central Services

## Financial Summary

	2020	2020	2020	
	Forecast	Revised Budget	Approved Budget	Variance
<i>Figures in \$000s</i>				
<b>Revenues</b>	<b>1,665</b>	<b>40</b>	<b>40</b>	<b>1,625</b>
Core Central Support Ser	89,449	91,594	93,604	2,145
Police	30,012	31,312	31,444	1,300
Capital Development	8,888	8,611	12,513	(277)
Environment & Sustainab	10,398	10,399	12,866	1
<b>O&amp;M Expenses</b>	<b>138,747</b>	<b>141,916</b>	<b>150,427</b>	<b>3,170</b>
<b>Capital Spending</b>	<b>9,787</b>	<b>12,691</b>		<b>2,904</b>

## Business Highlights

- Operating revenues forecast to be \$1.6M favorable due to unbudgeted revenue from Police.
- O&M expenses is expected to be \$3.2M favorable due to hiring freeze, cutting discretionary spending, and spending delay.
- Capital spending is expected to be \$2.9M favorable to the revised budget.

# Central Services Business Events

- Developed and deployed the **Self-Check Health Survey**. This system allows any Port employee, volunteer, or non-construction contractor to affirm no known COVID-19 exposure or symptoms each day prior to visiting a Port facility
- POSPD provided **mutual aid** to the City of Seattle in response to the major civil unrest from May 31 to June 4.
- POSPD participated in the annual **Special Olympics Torch Run** on 6/6. This year the run was performed in virtual teams due to COVID-19 restrictions.
- The Office of Equity, Diversity and Inclusion developed a **three-year workforce development strategic plan** for 2021-2023 with community feedback.
- Completed the Port's **new budget planning system implementation** in June after more than two years of planning.
- **PeopleSoft Financials People Tools Upgrade**: This upgrade finished earlier than expected, in Q2, continuing support and providing new features to enhance operations and the user-experience.
- HR implemented a **new Applicant Management System, Taleo**.
- Conducted **Career Readiness Workshops** for ten Duwamish Valley youth for POS spring and summer virtual internship program.
- Held media availability on June 25 to introduce nonprofits working with the Port to **sponsor 220 Opportunity Initiative youth jobs** this summer.



# Central Services Financial Highlights

	2018 YTD	2019 YTD	2020 YTD	2020 YTD	2020 YTD	Fav (UnFav)		Incr (Decr)	
				Revised	Approved	Actual vs. Revised		Change from 2019	
	Actual	Actual	Actual	Budget	Budget	Budget Variance			
\$ in 000's						\$	%	\$	%
<b>Total Operating Revenues</b>	<b>81</b>	<b>331</b>	<b>1,640</b>	<b>20</b>	<b>20</b>	<b>1,620</b>	<b>8101.4%</b>	<b>1,309</b>	<b>395.7%</b>
Core Central Support Services	37,027	38,479	41,186	43,566	45,683	2,380	5.5%	2,707	7.0%
Police	13,188	13,997	14,819	15,697	15,784	878	5.6%	822	5.9%
Capital Development	4,453	5,164	4,773	5,457	6,171	684	12.5%	(391)	-7.6%
Environment & Sustainability	2,954	4,551	4,999	5,091	5,911	92	1.8%	448	9.9%
<b>Total Operating Expenses</b>	<b>57,621</b>	<b>62,191</b>	<b>65,777</b>	<b>69,812</b>	<b>73,549</b>	<b>4,035</b>	<b>5.8%</b>	<b>3,586</b>	<b>5.8%</b>

2020 YTD Expenses are \$4.0M favorable to the revised budget due to:

- Delay in contract spending, cutting/reducing discretionary spending, and implementing hiring freeze for all new and backfill vacant positions as part of the COVID-19 cost reduction measures.

2020 YTD Total Operating expenses are \$3.6M higher compared to 2019 due to:

- Higher payroll costs due to merit increases.
- Additional FTEs and funding to support Portwide goals and initiatives.
- Increase in Outside Services costs in 2020.

# Portwide

## Q2 2020 Financial Performance Report



# Portwide Financial Highlights

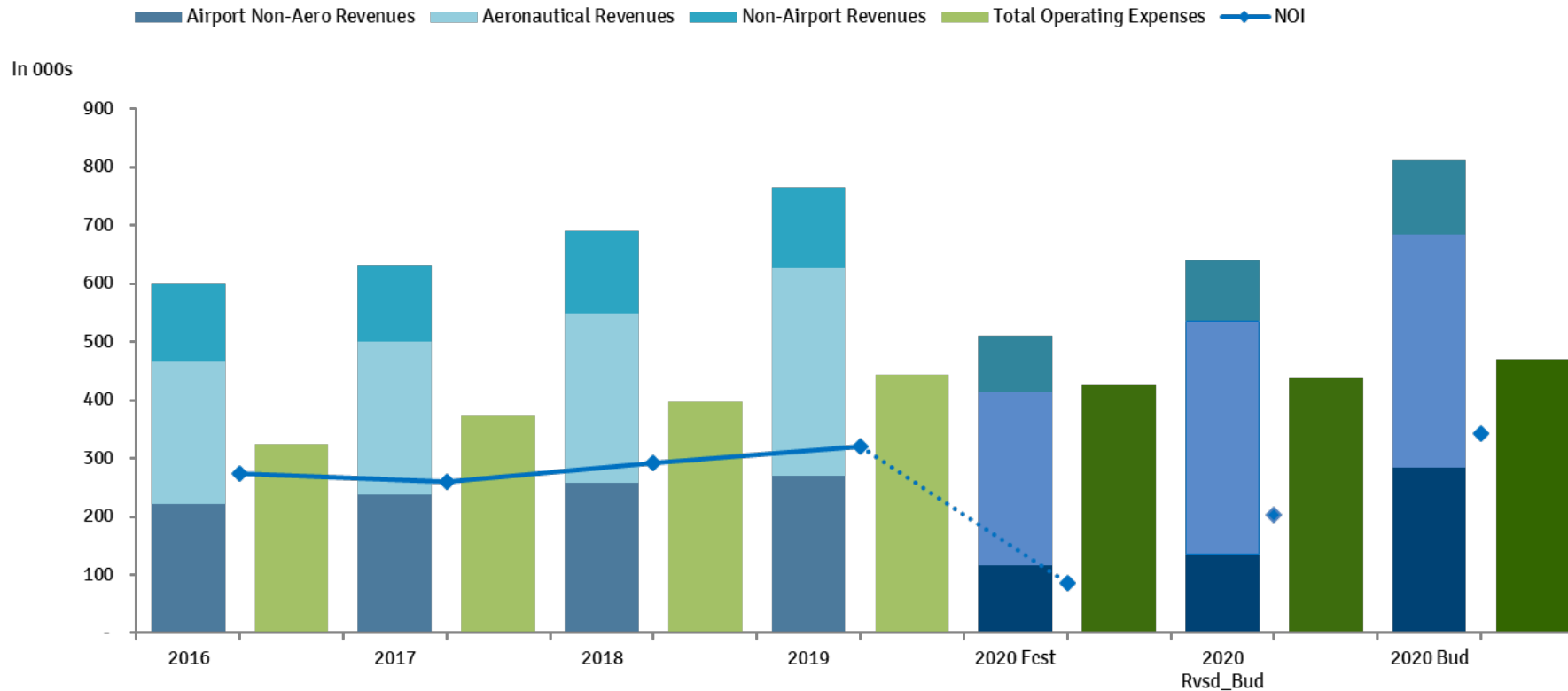
- **Q2 YTD Actual:**

- Operating Revenues \$26.6M unfavorable to the revised budget and \$91.9M lower than 2019.
- Operating Expenses \$17.2M below the revised budget and \$18.9M lower than 2019.
- Net Operating Income before Depreciation \$9.4M unfavorable to the revised budget and \$73.0M lower than 2019.
- Total capital spending YTD \$257.4M, 48.1% of the revised budget.

- **Year-End Forecast:**

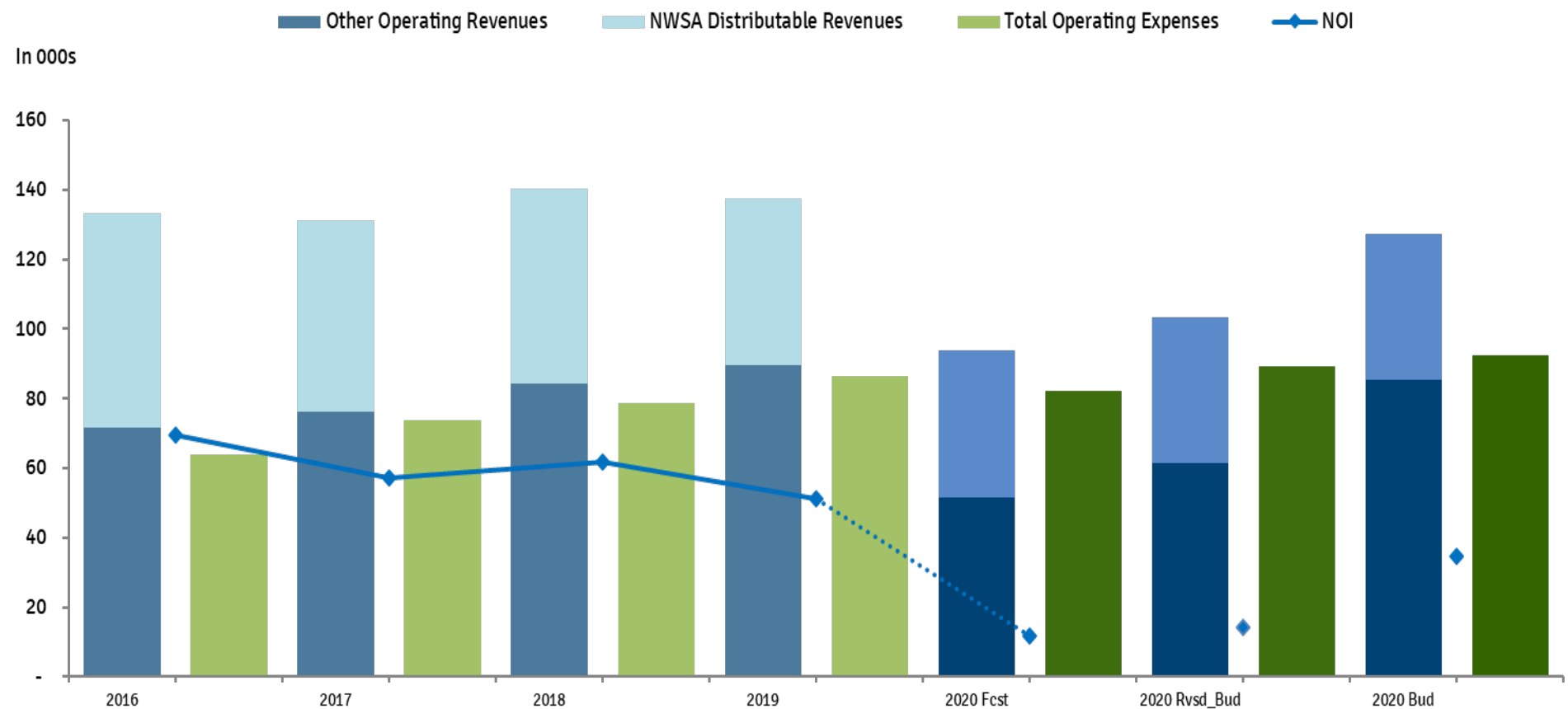
- Operating Revenues \$129.3M unfavorable to the revised budget and \$253.7M lower than 2019.
- Operating Expenses \$13.4M favorable to the revised budget and \$18.4M lower than 2019.
- NOI before depreciation \$115.9M unfavorable to the revised budget and \$235.3M lower than 2019.
- Total capital spending \$543.7M, \$8.1M above the revised budget.

# Portwide Net Operating Income Performance



- Operating Revenues are expected to be \$129.3M unfavorable to the revised budget due to reduced operations and lower airline activity.
- Total Operating expenses are expected to be \$13.4M below the revised budget due to COVID-19 cost reductions in:
  - Payroll due to hiring freeze
  - Outside Services
  - Travel and Other Employee Expenses
  - Promotional Hosting

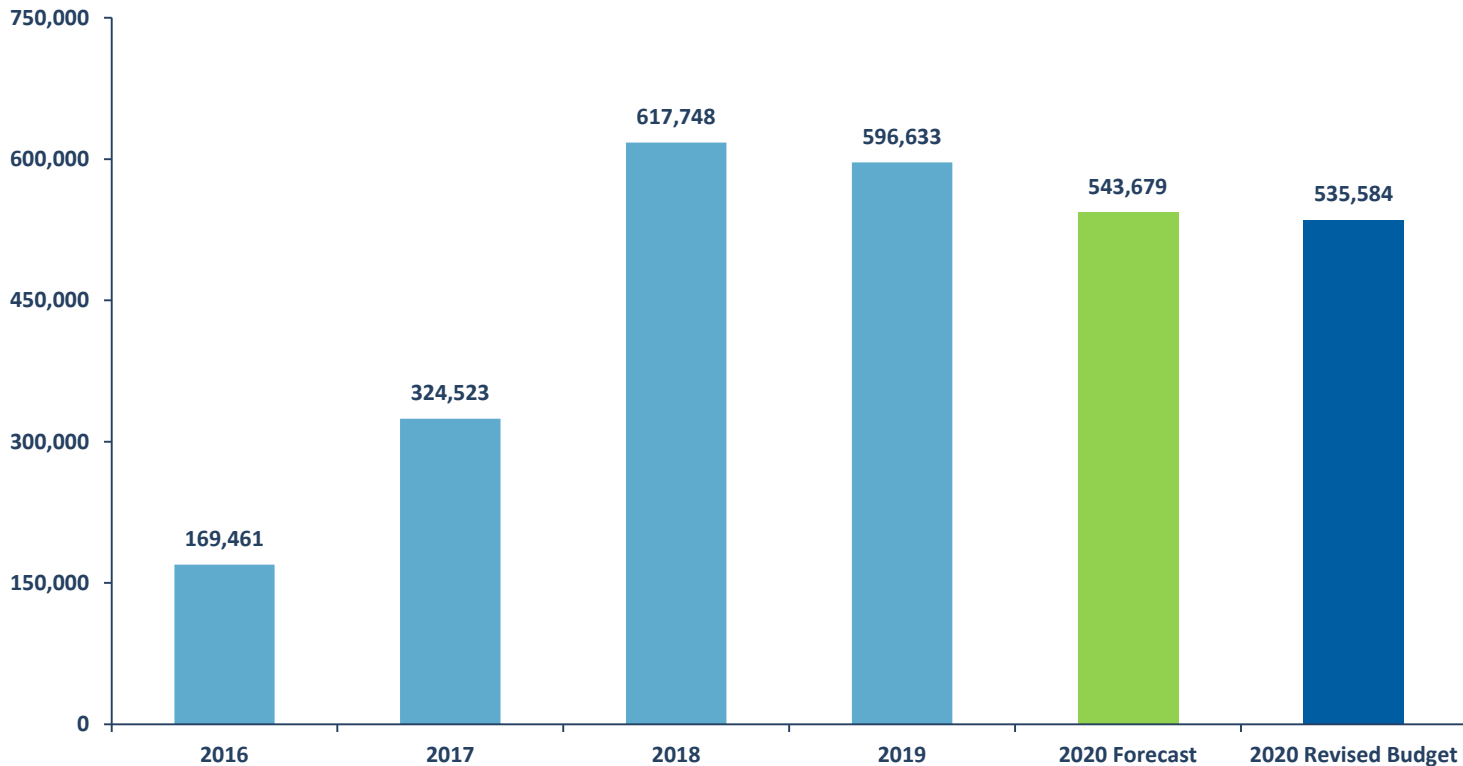
# Non-Airport Net Operating Income Performance



- Non-Airport Operating Revenues are \$5.7M unfavorable to the revised budget due to lower than anticipated revenues in Conference & Event Centers and Recreational Boating.
- Expenses are expected to be \$7.2M favorable to the revised budget due cost saving measures which include hiring freeze, cutting/delay in implementing initiatives, and cutting travel and other employee expenses.



# Portwide Capital Spending



- YTD capital spending \$257.4M, 48.1% of the Revised Budget.
- Total capital spending is expected to be \$543.7M for 2020.

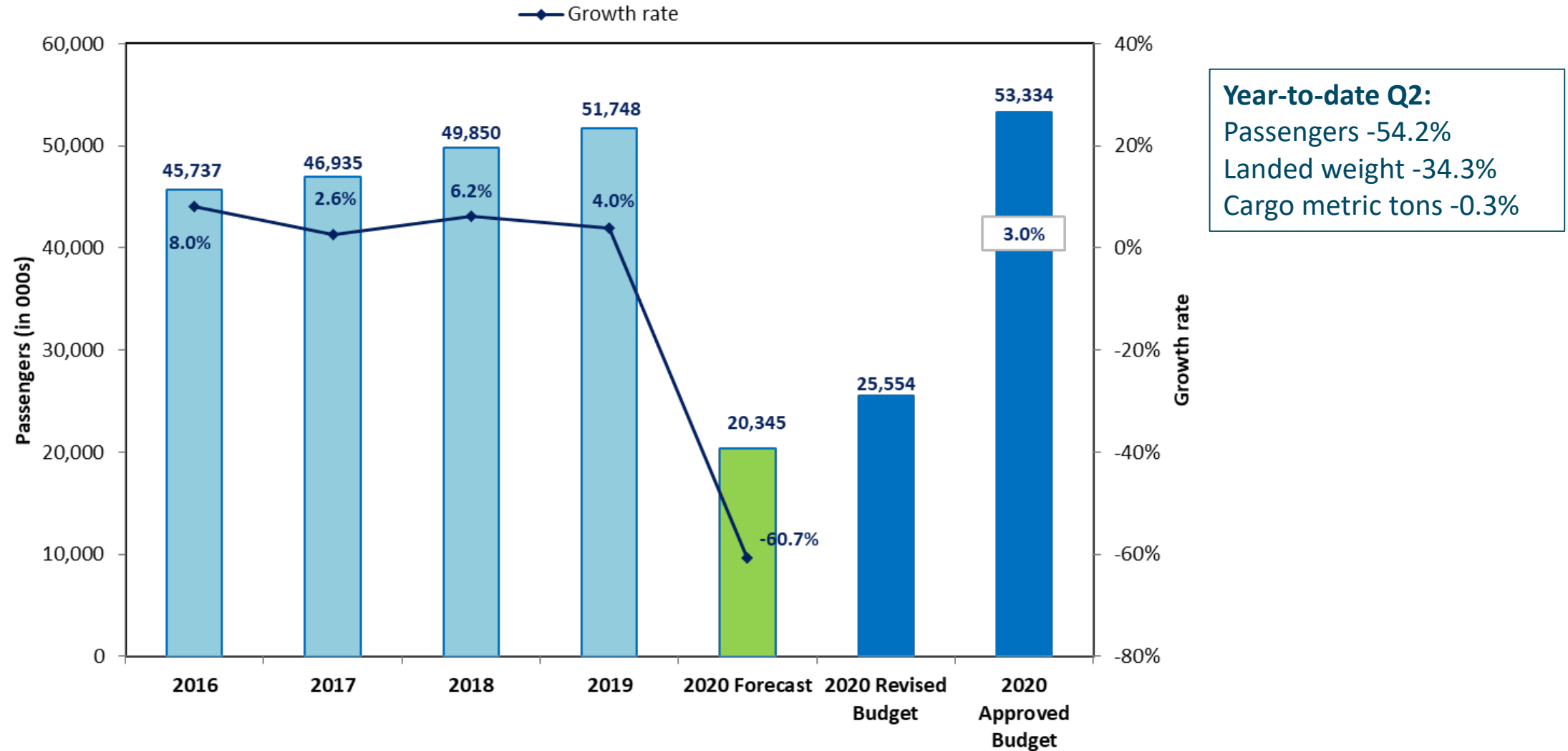
# Community Programs Summary

<b>Program (in \$000)</b>	<b>2019 Actuals</b>	<b>2020 Budget</b>	<b>2020 Additions/ Reductions</b>	<b>2020 Revised Budget</b>	<b>2020 YTD Spending</b>
1) Airport Community Ecology (ACE) Fund *	260	522	0	522	79
2) Duwamish Valley Community Equity Program	-	292		292	43
3) South King County Support Program *	-	1,500	0	1,500	-
4) EDD Partnership Grants	763	960	0	960	120
5) City of SeaTac Community Relief *	1,400	1,400	0	1,400	1,400
6) Airport Spotlight Ad Program	934	1,148	0	1,148	431
7) Energy & Sustainability Fund *	283	250	(100)	150	5
8) Maritime Innovation Center	-	150	0	150	-
9) Tourism Marketing Support Program	1,338	1,536	1,306	2,842	374
10) Workforce Development	1,771	3,119	1,284	4,403	805
11) Diversity in Contracting (formerly Small Business)	883	1,520	(188)	1,331	502
12) High School Internship Program	629	775	(26)	749	175
13) Equity, Diversity & Inclusion	565	1,346	(420)	925	467
14) Sustainable Aviation Fuels & Air Emissions Program	-	40	0	40	-
15) Low Carbon Fuel Standard Support	-	150	(45)	105	67
<b>TOTAL</b>	<b>8,826</b>	<b>14,708</b>	<b>1,810</b>	<b>16,519</b>	<b>4,465</b>

# Aviation Division Appendix

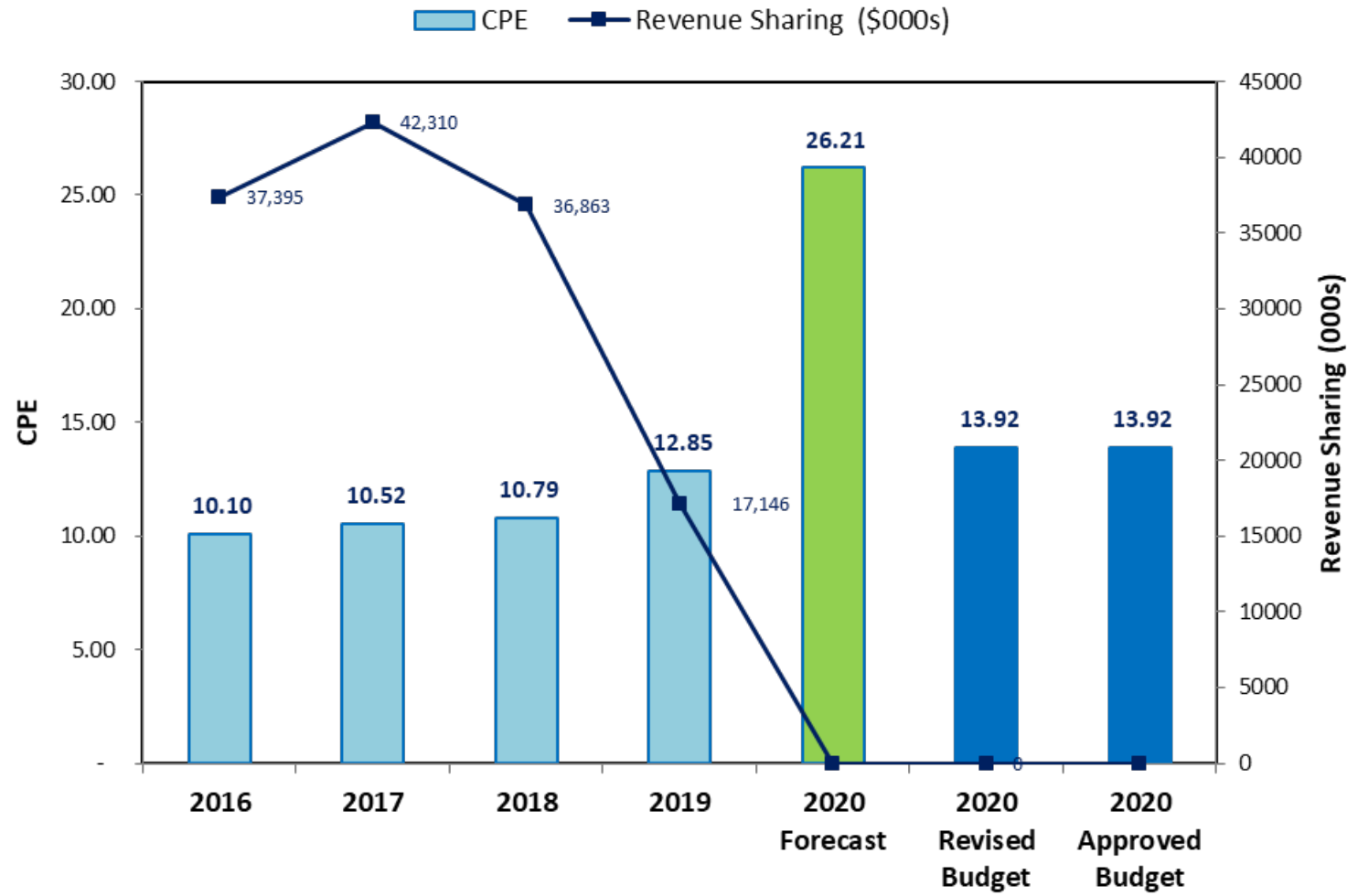
## Q2 2020 Financial Performance Report

# Airport Activity



Passengers are forecasted to be down by 61% due to COVID19 impact

# Airline Cost Management (CPE)



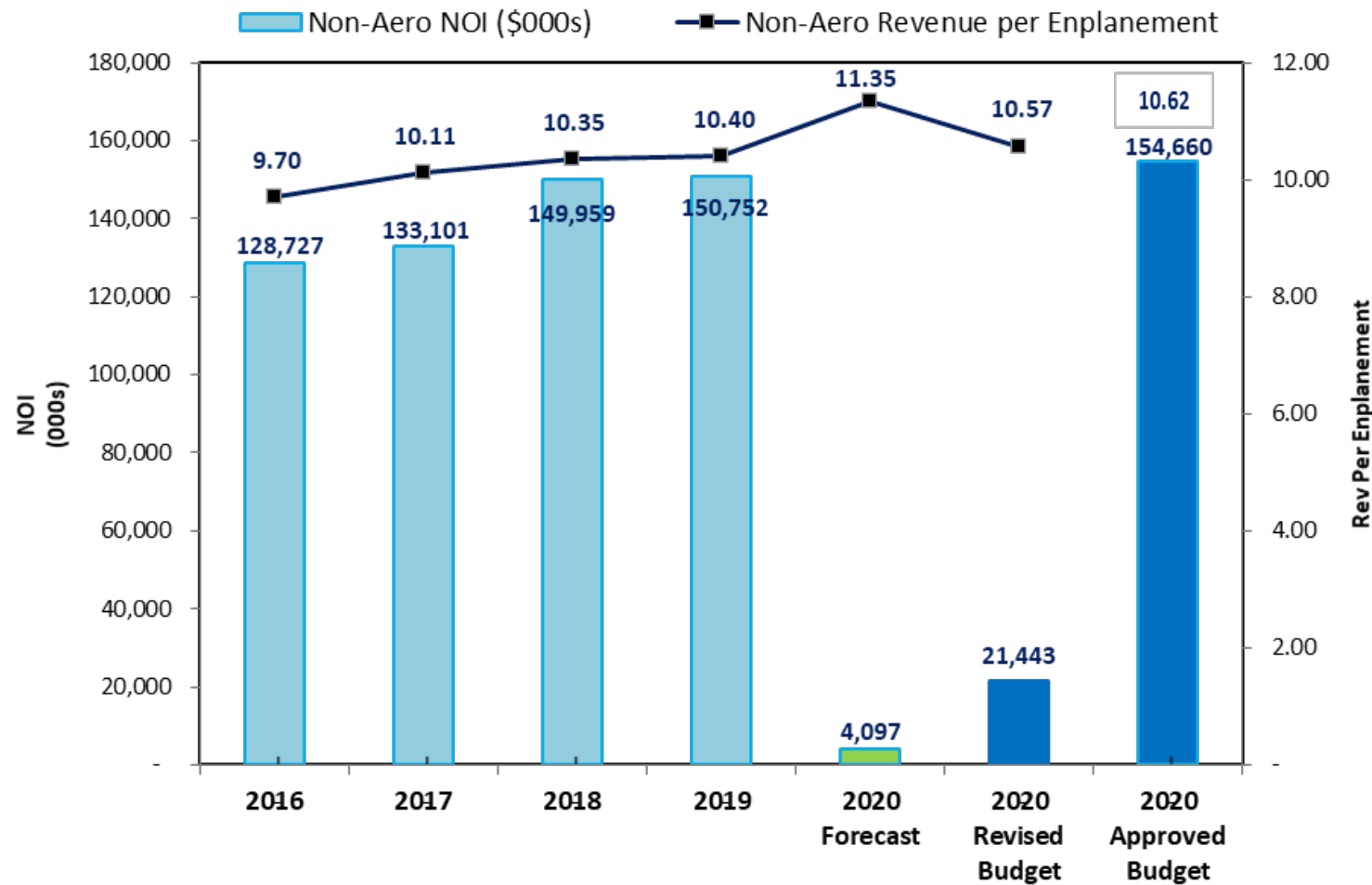
## 2020 Budget:

- Revenue Sharing ended in 2019 under terms of SLOA IV agreement

## 2020 CPE Forecast:

- Higher CPE based on reduction in Airline Activity assumptions due to COVID19 impact, and contractual end of revenue sharing under SLOA IV

# Non-Aeronautical Performance



Significant COVID-19 impacts to all Non-Aero lines of business became visible in starting in March:

## YTD 2020 vs. 2019:

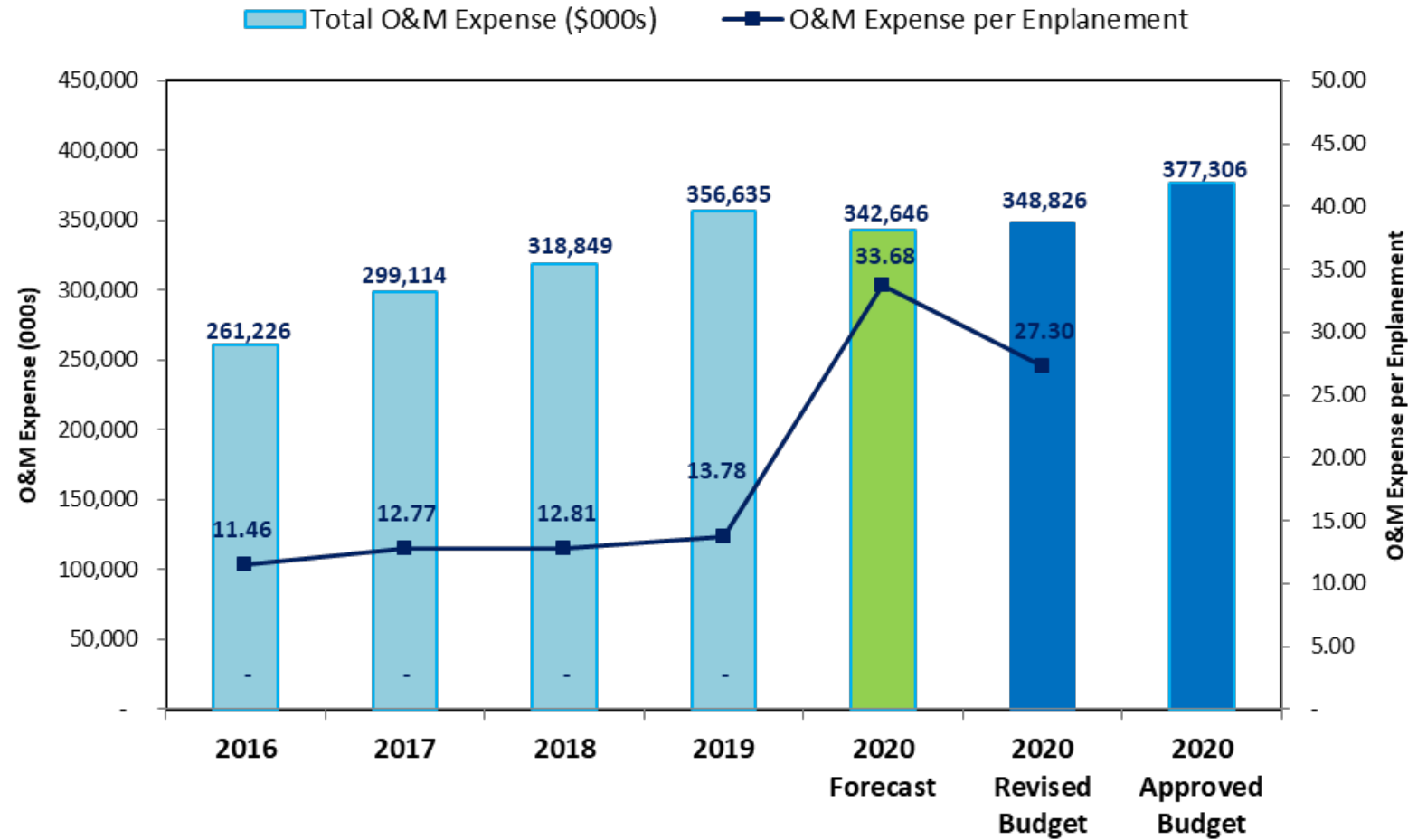
- Revenues 48.5% Unfavorable
- Expenses 3.9% Unfavorable
- NOI 86.4% Unfavorable

## 2020 Revenue Forecast vs. 2019:

- Reduction in Non-Aero Revenues of \$154M or 57% against 2019 Actuals based on the current 2020 enplanement forecast of -61% decline in passenger volumes compared to prior year. COVID-19 impacts are significant.

NOI forecasted at \$147M or 97% below 2019 Actual results

# Total Operating Expense Performance



## Q2 YTD vs Revised Budget:

- \$9M favorable, 5.2%

## 2020 Forecast vs Revised Budget:

- \$6.2M favorable, 2%

## 2020 Forecast favorable driven primarily by:

- Cost reductions in Outside Services, ERL, and Charges from Other Divisions in effort to reduce COVID-19 impact



# Airport Activity

	YTD 2018	YTD 2019	YTD 2020	% Change from 2019
<b>Total Passengers (000's)</b>				
Domestic	20,897	21,616	10,074	-53.4%
International	2,611	2,689	1,054	-60.8%
<b>Total</b>	<b>23,508</b>	<b>24,304</b>	<b>11,128</b>	<b>-54.2%</b>
<b>Operations</b>	<b>210,722</b>	<b>214,749</b>	<b>142,657</b>	<b>-33.6%</b>
<b>Landed Weight (In Millions of lbs.)</b>				
Cargo	1,147	1,165	1,254	7.6%
All other	13,328	13,738	8,537	-37.9%
<b>Total</b>	<b>14,476</b>	<b>14,903</b>	<b>9,791</b>	<b>-34.3%</b>
<b>Cargo - Metric Tons</b>				
Domestic freight	114,627	118,401	161,957	36.8%
International freight	64,749	63,388	47,466	-25.1%
Mail	28,326	28,314	-	-100.0%
<b>Total</b>	<b>207,702</b>	<b>210,103</b>	<b>209,423</b>	<b>-0.3%</b>

## Passenger Activity

Airline	Change 2019 v. 2020	2020 Market Share
Alaska	-50.0%	55.0%
Delta	-54.8%	23.9%
Southwest	-59.5%	4.9%
American	-57.7%	4.3%
United	-65.3%	4.2%

## Q2 2020:

### Passengers

- YTD passenger reduction of 54.2% is due to impact of COVID-19 on travel starting in March 2020

2020 YTD total passenger reduction of -54.2%

# Aviation Financial Summary

	2018	2019	2020	2020	2020	Fav (UnFav)		Incr (Decr)	
	Actual	Actual	Forecast	Revised Budget	Approved Budget	Budget	Variance	Change from 2019	
\$ in 000's						\$	%	\$	%
<b>Operating Revenues:</b>									
Aeronautical Revenues	291,268	357,598	297,373	401,342	401,342	(103,969)	-25.9%	(60,225)	-16.8%
Non-Aeronautical Revenues	257,707	269,037	115,448	135,074	283,167	(19,625)	-14.5%	(153,589)	-57.1%
<b>Total Operating Revenues</b>	<b>548,975</b>	<b>626,636</b>	<b>412,821</b>	<b>536,416</b>	<b>684,510</b>	<b>(123,595)</b>	<b>-23.0%</b>	<b>(213,815)</b>	<b>-34.1%</b>
Total Operating Expense	318,849	356,635	342,646	348,826	377,306	6,180	1.8%	(13,988)	-3.9%
<b>Net Operating Income</b>	<b>230,126</b>	<b>270,001</b>	<b>70,175</b>	<b>187,589</b>	<b>307,203</b>	<b>(117,415)</b>	<b>-62.6%</b>	<b>(199,826)</b>	<b>-74.0%</b>
<b>Capital Expenditures</b>	<b>579,135</b>	<b>573,598</b>	<b>501,490</b>	<b>489,182</b>	<b>513,131</b>	<b>(12,308)</b>	<b>-2.5%</b>	<b>(72,108)</b>	<b>-12.6%</b>

2020 Forecasted NOI \$117M or 63% Unfavorable to Revised Budget

# Key Performance Measures

	2018	2019	2020	2020	Fav (UnFav) Budget Vairance		Incr (Decr) Change from 2019	
	Actual	Actual	Forecast	Approved Budget	\$	%	\$	%
<b>Key Performance Metrics</b>								
Cost per Enplanement (CPE)	10.79	12.85	26.21	13.92	(12.28)	-88.2%	13.36	103.9%
Non-Aeronautical NOI (in 000's)	149,959	150,752	4,097	154,660	(162,050)	-97.5%	(146,655)	-97.3%
<b>Other Performance Metrics</b>								
O&M Cost per Enplanement	12.81	13.78	33.68	14.15	(20.60)	-157.5%	19.90	144.4%
Non-Aero Revenue per Enplanement	10.35	10.40	11.35	10.62	6.28	124.1%	0.95	9.1%
Debt per Enplanement (in \$)	133	133	322	122.95	(199)	-162.2%	189	142.3%
Debt Service Coverage	1.66	1.68	1.36	1.80	-0.43	-24.2%	(0.32)	-18.9%
Days cash on hand (10 months = 304 days)	235	314	309	332	-23	-6.8%	(5)	-1.7%
Aeronautical Revenue Sharing (\$ in 000's)	(36,863)	(17,146)	-	-	-	0.0%	17,146	100.0%
<b>Activity (in 000's)</b>								
Enplanements	24,894	25,874	10,172	26,667	(16,495)	-61.9%	(15,702)	-60.7%

## 2020 Forecast vs. 2020 Budget

### Key Performance Metrics

#### CPE:

- Increased by 88.2% driven by lower airline activity assumptions impacted by COVID-19, and the elimination of revenue sharing starting in 2020 per SLOA IV

#### Non-Aero NOI:

- Forecasted reduction in Non-Aero NOI of \$147M or 97.3% compared to prior year actuals is based on the current 2020 enplanement forecast of -61% decline in passenger volumes compared to 2019, which is impacting all Non-Aero business units

Negative: Non-Aero NOI below budget and CPE above budget due to COVID-19 impacts

# Aviation Expense YTD Summary

\$ in 000's	2018 YTD	2019 YTD	2020 YTD	2020 YTD	2020 YTD	Fav (UnFav)		Incr (Decr)	
	Actual	Actual	Actual	Revised Budget	Approved Budget	Budget Variance		Change from 2019	
						\$	%	\$	%
<b>Operating Expenses:</b>									
Payroll	67,619	72,996	77,615	76,753	77,918	(862)	-1.1%	4,620	6.3%
Outside Services	25,837	28,933	29,634	34,585	38,343	4,951	14.3%	700	2.4%
Utilities	9,628	9,328	8,757	10,748	10,927	1,991	18.5%	(571)	-6.1%
Other Airport Expenses	2,791	7,307	2,092	(893)	2,802	(2,985)	334.4%	(5,215)	-71.4%
<b>Total Airport Direct Charges</b>	<b>105,874</b>	<b>118,564</b>	<b>118,099</b>	<b>121,193</b>	<b>129,990</b>	<b>3,094</b>	<b>2.6%</b>	<b>(466)</b>	<b>-0.4%</b>
Environmental Remediation Liability	4,484	12,543	(2,776)	286	1,581	3,062	1070.8%	(15,319)	-122.1%
Capital to Expense	8	83	-	-	-	-	N/A	(83)	-100.0%
<b>Total Exceptions</b>	<b>4,492</b>	<b>12,627</b>	<b>(2,776)</b>	<b>286</b>	<b>1,581</b>	<b>3,062</b>	<b>1070.8%</b>	<b>(15,402)</b>	<b>-122.0%</b>
<b>Total Airport Expenses</b>	<b>110,366</b>	<b>131,191</b>	<b>115,323</b>	<b>121,479</b>	<b>131,571</b>	<b>6,156</b>	<b>5.1%</b>	<b>(15,868)</b>	<b>-12.1%</b>
Police Costs	10,659	11,117	12,162	13,096	13,169	933	7.1%	1,046	9.4%
Other Central Services	30,534	32,093	34,300	35,972	37,904	1,672	4.6%	2,207	6.9%
Maritime/Economic Development	1,877	1,834	1,595	1,844	2,123	250	13.5%	(240)	-13.1%
<b>Total Charges from Other Divisions</b>	<b>43,070</b>	<b>45,044</b>	<b>48,057</b>	<b>50,912</b>	<b>53,196</b>	<b>2,856</b>	<b>5.6%</b>	<b>3,012</b>	<b>6.7%</b>
<b>Total Operating Expense</b>	<b>153,436</b>	<b>176,235</b>	<b>163,380</b>	<b>172,391</b>	<b>184,767</b>	<b>9,012</b>	<b>5.2%</b>	<b>(12,855)</b>	<b>-7.3%</b>

## 2020 YTD Actuals to YTD 2019 Actuals

- Expenses - \$12.9M lower expenses compared to 2019 YTD, primarily driven by decreases in ERL expenses

## 2020 YTD Actuals to YTD 2020 Revised Budget

- Expenses - \$9M favorable due to underspending in Outside Services, ERL and charges from other divisions

# Aviation Expense YE Summary

\$ in 000's	2018	2019	2020	2020	2020	Fav (UnFav)		Incr (Decr)	
	Actual	Actual	Forecast	Revised Budget	Approved Budget	Budget Variance		Change from 2019	
						\$	%	\$	%
<b>Operating Expenses:</b>									
Payroll	133,999	147,076	156,050	156,826	160,340	776	0.5%	8,974	6.1%
Outside Services	65,475	68,801	71,255	70,401	79,889	(854)	-1.2%	2,454	3.6%
Utilities	18,306	18,180	15,787	20,642	21,180	4,856	23.5%	(2,394)	-13.2%
Other Airport Expenses	3,966	12,272	1,958	(1,682)	5,224	(3,640)	216.5%	(10,314)	-84.0%
<b>Total Airport Direct Charges</b>	<b>221,746</b>	<b>246,329</b>	<b>245,049</b>	<b>246,187</b>	<b>266,634</b>	<b>1,138</b>	<b>0.5%</b>	<b>(1,279)</b>	<b>-0.5%</b>
Environmental Remediation Liability	6,233	15,900	(1,967)	878	2,648	2,845	324.0%	(17,867)	-112.4%
Capital to Expense	6,891	2,089	-	-	-	-	0.0%	(2,089)	-100.0%
<b>Total Exceptions</b>	<b>13,124</b>	<b>17,989</b>	<b>(1,967)</b>	<b>878</b>	<b>2,648</b>	<b>2,845</b>	<b>324.0%</b>	<b>(19,956)</b>	<b>-110.9%</b>
<b>Total Airport Expenses</b>	<b>234,870</b>	<b>264,318</b>	<b>243,083</b>	<b>247,065</b>	<b>269,282</b>	<b>3,983</b>	<b>1.6%</b>	<b>(21,236)</b>	<b>-8.0%</b>
Police Costs	19,231	22,290	25,024	26,122	26,233	1,098	4.2%	2,734	12.3%
Other Central Services	60,659	65,671	70,546	71,646	77,460	1,100	1.5%	4,875	7.4%
Maritime/Economic Development	4,088	4,355	3,993	3,993	4,331	0	0.0%	(362)	-8.3%
<b>Total Charges from Other Divisions</b>	<b>83,979</b>	<b>92,316</b>	<b>99,564</b>	<b>101,761</b>	<b>108,025</b>	<b>2,198</b>	<b>2.2%</b>	<b>7,247</b>	<b>7.9%</b>
<b>Total Operating Expense</b>	<b>318,849</b>	<b>356,635</b>	<b>342,646</b>	<b>348,826</b>	<b>377,306</b>	<b>6,180</b>	<b>1.8%</b>	<b>(13,988)</b>	<b>-3.9%</b>

## 2020 Forecast to 2020 Revised Budget

- **Expenses - \$6.2M favorable** due to cost reductions in O&M, driven by COVID 19 impact

## 2020 Forecast to 2019

- **Expenses - \$14M higher** due to planned strategic spending for 2020, partially offset by 2020 cost reductions implemented in March to mitigate COVID 19 impact

# Aeronautical Business YTD

\$ in 000's	2018 YTD	2019 YTD	2020 YTD	2020 YTD	2020 YTD	Fav (UnFav)		Incr (Decr)	
	Actual	Actual	Actual	Revised Budget	Approved Budget	Budget Variance		Change from 2019	
						\$	%	\$	%
<b>Revenues:</b>									
Movement Area	59,656	61,289	54,693	63,160	63,160	(8,466)	-13.4%	(6,596)	-10.8%
Apron Area	8,209	9,883	9,575	10,618	10,618	(1,043)	-9.8%	(308)	-3.1%
Terminal Rents	83,956	100,229	77,111	103,711	103,711	(26,601)	-25.6%	(23,118)	-23.1%
Federal Inspection Services (FIS)	6,641	7,271	14,621	8,946	8,946	5,676	63.4%	7,351	101.1%
<b>Total Rate Base Revenues</b>	<b>158,462</b>	<b>178,672</b>	<b>156,000</b>	<b>186,435</b>	<b>186,435</b>	<b>(30,434)</b>	<b>-16.3%</b>	<b>(22,672)</b>	<b>-12.7%</b>
Commercial Area	5,072	5,569	7,720	8,048	8,048	(328)	-4.1%	2,151	38.6%
<b>Subtotal before Revenue Sharing</b>	<b>163,534</b>	<b>184,241</b>	<b>163,720</b>	<b>194,483</b>	<b>194,483</b>	<b>(30,763)</b>	<b>-15.8%</b>	<b>(20,521)</b>	<b>-11.1%</b>
Revenue Sharing	(15,964)	(8,314)	1	-	-	1	0.0%	8,315	100.0%
<b>Total Aeronautical Revenues</b>	<b>147,570</b>	<b>175,927</b>	<b>163,722</b>	<b>194,483</b>	<b>194,483</b>	<b>(30,762)</b>	<b>-15.8%</b>	<b>(12,206)</b>	<b>-6.9%</b>
<b>Total Aeronautical Expenses</b>	<b>112,401</b>	<b>118,910</b>	<b>108,286</b>	<b>115,573</b>	<b>121,288</b>	<b>7,288</b>	<b>6.3%</b>	<b>(10,625)</b>	<b>-8.9%</b>
<b>Net Operating Income</b>	<b>35,169</b>	<b>57,017</b>	<b>55,436</b>	<b>78,910</b>	<b>73,195</b>	<b>(23,474)</b>	<b>-29.7%</b>	<b>(1,581)</b>	<b>-2.8%</b>

## 2020 YTD Actuals to YTD 2020 Revised Budget

- Aero Rate Base Revenues – (\$30M) lower, driven by lower airline activity due to COVID19 impact that started in March
- Aero Expenses – \$7.3M favorable to revised budget due to lower spending in Outside Services, ERL, and lower allocations from other divisions

YTD Aeronautical NOI continues lower due to COVID19 impact

# Aeronautical Business YE

	2018	2019	2020	2020	2020	Fav (UnFav)		Incr (Decr)	
\$ in 000's	Actual	Actual	Forecast	Revised Budget	Approved Budget	Budget Variance		Change from 2019	
						\$	%	\$	%
<b>Revenues:</b>									
Movement Area	116,703	123,436	84,217	132,128	132,128	(47,911)	-36.3%	(39,218)	-31.8%
Apron Area	15,627	22,016	9,837	22,011	22,011	(12,175)	-55.3%	(12,180)	-55.3%
Terminal Rents	169,318	205,283	161,140	212,943	212,943	(51,803)	-24.3%	(44,143)	-21.5%
Federal Inspection Services (FIS)	16,226	12,321	25,685	18,162	18,162	7,523	41.4%	13,364	108.5%
<b>Total Rate Base Revenues</b>	<b>317,874</b>	<b>363,057</b>	<b>280,879</b>	<b>385,245</b>	<b>385,245</b>	<b>(104,366)</b>	<b>-27.1%</b>	<b>(82,177)</b>	<b>-22.6%</b>
Commercial Area	10,257	11,687	16,493	16,097	16,097	396	2.5%	4,806	41.1%
<b>Subtotal before Revenue Sharing</b>	<b>328,131</b>	<b>374,744</b>	<b>297,373</b>	<b>401,342</b>	<b>401,342</b>	<b>(103,969)</b>	<b>-25.9%</b>	<b>(77,371)</b>	<b>-20.6%</b>
Revenue Sharing	(36,863)	(17,146)	-	-	-	-	0.0%	17,146	100.0%
Other Prior Year Revenues	-	-	-	-	-	-	-	-	-
<b>Total Aeronautical Revenues</b>	<b>291,268</b>	<b>357,598</b>	<b>297,373</b>	<b>401,342</b>	<b>401,342</b>	<b>(103,969)</b>	<b>-25.9%</b>	<b>(60,225)</b>	<b>-16.8%</b>
<b>Total Aeronautical Expenses</b>	<b>236,630</b>	<b>238,349</b>	<b>231,295</b>	<b>235,196</b>	<b>248,799</b>	<b>3,901</b>	<b>1.7%</b>	<b>(7,054)</b>	<b>-3.0%</b>
<b>Net Operating Income</b>	<b>54,638</b>	<b>119,249</b>	<b>66,078</b>	<b>166,147</b>	<b>152,544</b>	<b>(100,068)</b>	<b>-60.2%</b>	<b>(53,171)</b>	<b>-44.6%</b>
Debt Service <sup>(1)</sup>	(91,673)	(110,945)	(58,762)	(121,410)	(121,410)	62,647	51.6%	52,182	47.0%
<b>Net Cash Flow</b>	<b>(37,035)</b>	<b>8,305</b>	<b>7,316</b>	<b>44,737</b>	<b>31,134</b>	<b>(37,421)</b>	<b>83.6%</b>	<b>(989)</b>	<b>11.9%</b>

## 2020 Forecast to 2020 Revised Budget

### Revenue - \$88M unfavorable

- Rate based revenue lower—driven by lower forecasted revenue requirement based on the CARES grant reducing costs

### Expenses – \$215K favorable

- Driven by cost reductions in Outside Services and charges from other divisions (driven by COVID 19 impact), and ERL expense reductions



# Aero Cost Drivers

	2020	2020	2020
	Aero Revenue Requirements	Aero Revenue Requirements	Budget Vs Forecast
<b>\$ in 000's</b>	Budget	Forecast	
O&M	\$ 242,981	\$ 224,628	\$ 18,353
Debt Service Gross	\$ 174,455	\$ 169,890	\$ 4,565
Debt Service PFC Offset	\$ (62,998)	\$ (26,412)	\$ (36,587)
Debt Service Coverage			\$ -
CARES Grant Payroll		\$ (37,086)	\$ 37,086
CARES Grant Debt Service		\$ (77,992)	\$ 77,992
Amortization	\$ 32,326	\$ 32,493	\$ (167)
Space Vacancy	\$ (490)	\$ (914)	\$ 424
TSA Operating Grant and Other	\$ (1,028)	\$ (3,727)	\$ 2,699
<b>Rate Base Revenues</b>	<b>\$ 385,246</b>	<b>\$ 280,879</b>	<b>\$ 104,366</b>
Commercial area	\$ 16,097	\$ 16,493	\$ (396)
<b>Total Aero Revenues</b>	<b>\$ 401,343</b>	<b>\$ 297,373</b>	<b>\$ 103,970</b>

## 2020 Forecast to 2020 Budget

**O&M – \$18M lower** primarily driven by two main factors:

- COVID budget cost reductions
- Additional forecasted savings from additional contract savings and added vacancies

**Debt Service Gross \$5M lower** due to deferring 2008 VRBD principal payment

**PFC Offset \$36M lower** due to applied PFC's reduced in Terminal, Baggage & FIS - adding \$36M back to rate base

**TSA Grant Other - \$2.7M O&M Offset** for TSA Reimbursable Checkpoint Janitorial Increase

## CARES Grant Aero Portion:

- **Payroll Impact (O&M)** – Removing \$37.1M from Rate Base
- **Debt Service Impact** - Removing \$77.9M from Rate Base

# Non-Aeronautical Business YTD

	2019 YTD	2020 YTD	2020 YTD	2020 YTD	Fav (UnFav)		Incr (Decr)	
\$ in 000's	Actual	Actual	Revised Budget	Approved Budget	Budget Variance		Change from 2019	
					\$	%	\$	%
<b>Non-Aero Revenues</b>								
Rental Cars - Operations	15,560	7,591	7,376	15,593	216	2.9%	(7,969)	-51.2%
Rental Cars - Operating CFC	4,505	-	-	4,452	-	N/A	(4,505)	-100.0%
Public Parking	40,401	20,002	18,747	44,159	1,255	6.7%	(20,399)	-50.5%
Ground Transportation	9,979	4,374	4,576	10,751	(202)	-4.4%	(5,605)	-56.2%
Airport Dining & Retail	29,581	13,856	12,019	30,617	1,837	15.3%	(15,726)	-53.2%
Non-Airline Terminal Leased Space	3,108	3,063	2,729	2,791	334	12.2%	(45)	-1.5%
Commercial Properties	7,072	5,777	5,658	7,978	119	2.1%	(1,295)	-18.3%
Utilities	3,665	2,758	4,415	4,415	(1,657)	-37.5%	(907)	-24.7%
Employee Parking	5,193	4,678	3,348	5,049	1,330	39.7%	(515)	-9.9%
Clubs and Lounges	4,456	1,714	1,714	4,950	(0)	0.0%	(2,741)	-61.5%
Other	1,085	411	545	1,109	(134)	-24.5%	(674)	-62.1%
<b>Total Non-Aero Revenues</b>	<b>124,604</b>	<b>64,225</b>	<b>61,128</b>	<b>131,864</b>	<b>3,097</b>	<b>5.1%</b>	<b>(60,380)</b>	<b>-48.5%</b>
<b>Total Non-Aero Expenses</b>	<b>57,316</b>	<b>55,094</b>	<b>56,818</b>	<b>63,479</b>	<b>1,724</b>	<b>3.0%</b>	<b>(2,222)</b>	<b>-3.9%</b>
<b>Net Operating Income</b>	<b>67,288</b>	<b>9,131</b>	<b>4,310</b>	<b>68,385</b>	<b>4,821</b>	<b>111.9%</b>	<b>(58,158)</b>	<b>-86.4%</b>

## 2020 YTD Actuals to YTD Prior Year

### Non-Aero Revenue:

- Dramatic impact to Non-Aero Revenue from COVID-19 became evident beginning in March. A significant percentage of the tenants which temporarily closed operations in March & April, began to reopen in late Q2. In general, most Non-Aero lines of business are performing slightly better than the decline in passengers, with Non-Aero Revenue 48.5% lower than prior year when passenger volume is down 54.2%.

## 2020 YTD Actuals to YTD Revised Budget

### Non-Aero Revenue:

- YTD Non-Aero Revenue is 5.1% favorable to YTD Revised Budget despite lower actual enplanements than expected when the budget was revised in April.

YTD Revenues slightly improved compared to Revised Budget

# Non-Aeronautical Business YE

	2018	2019	2020	2020	2020	Fav (UnFav)		Incr (Decr)	
\$ in 000's	Actual	Actual	Forecast	Revised Budget	Approved Budget	Budget Variance		Change from 2019	
						\$	%	\$	%
<b>Non-Aero Revenues</b>									
Rental Cars - Operations	37,306	36,793	15,100	19,209	37,363	(4,109)	-21.4%	(21,693)	-59.0%
Rental Cars - Operating CFC	16,263	15,773	-	-	13,786	-	N/A	(15,773)	-100.0%
Public Parking	80,212	82,125	33,500	40,813	89,485	(7,313)	-17.9%	(48,625)	-59.2%
Ground Transportation	18,772	20,765	8,200	11,092	22,299	(2,892)	-26.1%	(12,565)	-60.5%
Airport Dining & Retail	59,021	61,615	24,600	27,753	66,145	(3,153)	-11.4%	(37,015)	-60.1%
Non-Airline Terminal Leased Space	5,302	6,398	5,600	5,152	5,700	448	8.7%	(798)	-12.5%
Commercial Properties	15,434	15,773	10,900	11,854	16,660	(954)	-8.1%	(4,873)	-30.9%
Utilities	7,206	7,431	5,663	8,831	8,831	(3,168)	-35.9%	(1,768)	-23.8%
Employee Parking	10,269	10,438	7,700	5,100	10,137	2,600	51.0%	(2,738)	-26.2%
Clubs and Lounges	6,802	10,274	3,400	4,441	10,536	(1,041)	-23.4%	(6,874)	-66.9%
Other	1,119	1,653	785	829	2,225	(44)	-5.3%	(868)	-52.5%
<b>Total Non-Aero Revenues</b>	<b>257,707</b>	<b>269,037</b>	<b>115,448</b>	<b>135,074</b>	<b>283,167</b>	<b>(19,625)</b>	<b>-14.5%</b>	<b>(153,589)</b>	<b>-57.1%</b>
<b>Total Non-Aero Expenses</b>	<b>82,219</b>	<b>118,286</b>	<b>111,352</b>	<b>113,631</b>	<b>128,508</b>	<b>2,279</b>	<b>2.0%</b>	<b>(6,934)</b>	<b>-5.9%</b>
<b>Net Operating Income</b>	<b>175,488</b>	<b>150,752</b>	<b>4,097</b>	<b>21,443</b>	<b>154,660</b>	<b>(17,346)</b>	<b>-80.9%</b>	<b>(146,655)</b>	<b>-97.3%</b>
Less: CFC (Surplus) / Deficit <sup>(1)</sup>	(7,724)	(6,834)	-	(4,128)	(4,128)	4,128	100.0%	6,834	100.0%
<b>Adjusted Non-Aero NOI</b>	<b>167,764</b>	<b>143,917</b>	<b>4,097</b>	<b>17,315</b>	<b>150,531</b>	<b>(13,218)</b>	<b>-76.3%</b>	<b>(139,821)</b>	<b>-97.2%</b>
Debt Service <sup>(1)</sup>	(44,545)	(49,299)	(30,824)	(50,064)	(30,824)	19,240	38.4%	18,475	37.5%
<b>Net Cash Flow</b>	<b>123,219</b>	<b>94,619</b>	<b>(26,727)</b>	<b>(32,749)</b>	<b>119,707</b>	<b>6,022</b>	<b>-18.4%</b>	<b>(121,346)</b>	<b>-128.2%</b>

## 2020 Forecast to 2019 Actuals

### Non-Aero Revenue:

- All Non-Aero lines of business impacted by COVID-19.
- Extraordinary circumstances language in many Non-Aero concession agreements (tied to reduction in passenger volume) provides contractual relief of minimum annual guaranteed rent.
- Revenue forecast is based on 61% decline in passenger volume scenario compared to prior year.

### Non-Aero Expenses:

- Lower planned spending reflects cost cutting measures in response to COVID-19.

Forecasted Non-Aero Revenue is based on 61% decline in passengers

# SAMP Overview

<b>YTD Summary</b>	<b>2018 YTD</b>	<b>2019 YTD</b>	<b>2020 Year-to-Date</b>		<b>Fav (Unfav)</b>		<b>Inc (Decr)</b>	
<b>\$ in 000's</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>2020 Budget Variance</b>		<b>Change from 2019</b>	
					<b>\$</b>	<b>%</b>	<b>\$</b>	<b>%</b>
SAMP Completion & Transition to Env Review	161	99	74	100	26	26.4%	(25)	-25.6%
Adv Planning IDIQ - Master Plan	1,296	1,895	1,844	1,150	(694)	-60.4%	(51)	-2.7%
Environmental Review - Master Plan	0	127	395	790	395	50.1%	267	209.7%
SAMP Utilities Master Plan	0	540	651	920	269	29.3%	111	20.5%
<b>Total SAMP-Related Spending</b>	<b>1,457</b>	<b>2,661</b>	<b>2,963</b>	<b>2,960</b>	<b>(3)</b>	<b>-0.1%</b>	<b>302</b>	<b>11.3%</b>

<b>YEAR END</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>		<b>Fav (Unfav)</b>		<b>Inc (Decr)</b>	
<b>\$ in 000's</b>	<b>Actual</b>	<b>Actual</b>	<b>Forecast</b>	<b>Budget</b>	<b>2020 Budget Variance</b>		<b>Change from 2019</b>	
					<b>\$</b>	<b>%</b>	<b>\$</b>	<b>%</b>
SAMP Completion & Transition to Env Review	462	148	100	150	50	33.3%	(48)	-32.4%
Adv Planning IDIQ - Master Plan	3,905	2,448	2,300	2,300	0	0.0%	(148)	-6.0%
Environmental Review - Master Plan	521	866	1,100	1,100	0	0.0%	234	27.0%
SAMP Utilities Master Plan	459	1,358	1,700	1,760	60	3.4%	342	25.2%
<b>Total SAMP-Related Spending</b>	<b>5,347</b>	<b>4,820</b>	<b>5,200</b>	<b>5,310</b>	<b>110</b>	<b>2.1%</b>	<b>380</b>	<b>7.9%</b>

# Public Parking YTD

Public Parking - Revenue Detail	2019 YTD	2020 YTD	2020 Year-to-Date		Fav (UnFav)		Incr (Decr)	
\$ in 000's	Actual	A Budget	Actual	R Budget	Budget Variance		Change from 2019	
					\$	%	\$	%
<b>Parking Garage Revenue to Port</b>								
General Parking/Terminal Direct	36,200	40,109	16,522	16,300	222	1.4%	(19,678)	-54.4%
Prebooking	-	-	823	-	823	N/A	823	N/A
<b>Revenue to Port - General Parking</b>	<b>36,200</b>	<b>40,109</b>	<b>17,345</b>	<b>16,300</b>	<b>1,045</b>	<b>6.4%</b>	<b>(18,855)</b>	<b>-52.1%</b>
<b>Other Garage Revenue</b>								
Premier Corporate Parking	697	667	363	684	(321)	-46.9%	(333)	-47.9%
Passport Parking Program	1,751	1,749	1,594	1,019	575	56.4%	(157)	-9.0%
<b>Revenue to Port - Parking Programs</b>	<b>2,448</b>	<b>2,416</b>	<b>1,957</b>	<b>1,703</b>	<b>254</b>	<b>14.9%</b>	<b>(491)</b>	<b>-20.1%</b>
<b>Total Parking Garage Revenue</b>	<b>38,648</b>	<b>42,525</b>	<b>19,302</b>	<b>18,003</b>	<b>1,299</b>	<b>7.2%</b>	<b>(19,346)</b>	<b>-50.1%</b>
<b>Other Parking Revenue</b>								
Concession Rent - Doug Fox off-site parking	1,723	1,608	679	734	(56)	-7.6%	(1,044)	-60.6%
All Other Parking Revenue	31	26	21	9	12	124.7%	(10)	-31.5%
<b>Total Parking Revenue</b>	<b>40,401</b>	<b>44,159</b>	<b>20,002</b>	<b>18,747</b>	<b>1,255</b>	<b>6.7%</b>	<b>(20,399)</b>	<b>-50.5%</b>
<b>Parking Transactions by duration</b>								
in 000's								
Total Enplanements	12,079	12,485	5,559	5,300	260	4.9%	(6,520)	-54.0%
O&D %	70.2%	71.0%	66.0%	71.0%	-5.0%	-7.0%	-4.2%	-6.0%
O&D Enplanements	8,480	8,864	3,669	3,763	(94)	-2.5%	(4,810)	-56.7%
<b>Revenue per O&amp;D Enplanement Metrics</b>								
Public Parking	\$ 4.27	\$ 4.52	\$ 4.73	\$ 4.33	\$ 0.40	9.1%	\$ 0.46	10.7%
Premier Corporate Parking	\$ 0.08	\$ 0.08	\$ 0.10	\$ 0.18	\$ (0.08)	-45.6%	\$ 0.02	20.5%
Passport Parking Program	\$ 0.21	\$ 0.20	\$ 0.43	\$ 0.27	\$ 0.16	60.4%	\$ 0.23	110.3%
<b>Total Garage Revenue per O&amp;D Enplanement</b>	<b>\$ 4.56</b>	<b>\$ 4.80</b>	<b>\$ 5.26</b>	<b>\$ 4.78</b>	<b>\$ 0.48</b>	<b>10.0%</b>	<b>\$ 0.70</b>	<b>15.4%</b>
Concession Rent - Doug Fox off-site parking	\$ 0.20	\$ 0.18	\$ 0.18	\$ 0.20	\$ (0.01)	-5.2%	\$ (0.02)	-9.0%
All Other Parking Revenue	\$ 0.00	\$ 0.00	\$ 0.01	\$ 0.00	\$ 0.00	130.4%	\$ 0.00	58.4%
<b>Total Parking per O&amp;D Enplanement</b>	<b>\$ 4.76</b>	<b>\$ 4.98</b>	<b>\$ 5.45</b>	<b>\$ 4.98</b>	<b>\$ 0.47</b>	<b>9.4%</b>	<b>\$ 0.69</b>	<b>14.4%</b>

## YTD 2020 Actuals vs. 2019 Actuals

**General Garage Parking** – Garage parking activity decline tracking marginally better than passenger volume decline.

**Prebooking** – Prebooking program utilization has increased with widget addition to website.

**Premier Corporate** – Negatively impacted by Employee Parking NEPL customers being allowed to park in the garage and have less need to pay a premium for Premier Corporate.

**Passport** – Majority of customers are airport tenants and billings at the beginning of the month. Passport expected to be less sensitive to passenger fluctuations.

**Doug Fox** – Customer preference for in-close parking, while off-site parking impacted more by passenger decline.

# Public Parking YE Forecast

Public Parking - Revenue Detail	2019	2020	2020	2020	Fav (UnFav)		Incr (Decr)	
\$ in 000's	Actual	A Budget	Forecast	R Budget	Budget Variance		Change from 2019	
					\$	%	\$	%
<b>Parking Garage Revenue to Port</b>								
General Parking/Terminal Direct	73,562	81,300	28,530	36,050	(7,520)	-20.9%	(43,943)	-60.6%
Prebooking	217	-	1,340	640	700	109.4%	1,340	N/A
<b>Revenue to Port - General Parking</b>	<b>73,779</b>	<b>81,300</b>	<b>29,870</b>	<b>36,690</b>	<b>(6,820)</b>	<b>-18.6%</b>	<b>(42,603)</b>	<b>-58.8%</b>
<b>Other Garage Revenue</b>								
Premier Corporate Parking	1,415	1,360	540	820	(280)	-34.1%	(685)	-55.9%
Passport Parking Program	3,582	3,570	1,810	1,720	90	5.2%	(1,409)	-43.8%
<b>Revenue to Port - Parking Programs</b>	<b>4,997</b>	<b>4,930</b>	<b>2,350</b>	<b>2,540</b>	<b>(190)</b>	<b>-7.5%</b>	<b>(2,094)</b>	<b>-47.1%</b>
<b>Total Parking Garage Revenue</b>	<b>78,776</b>	<b>86,230</b>	<b>32,220</b>	<b>39,230</b>	<b>(7,010)</b>	<b>-17.9%</b>	<b>(44,697)</b>	<b>-58.1%</b>
<b>Other Parking Revenue</b>								
Concession Rent - Doug Fox off-site parking	3,292	3,200	1,230	1,560	(330)	-21.2%	(2,008)	-62.0%
All Other Parking Revenue	56	55	18	23	(5)	-21.7%	(38)	-67.9%
<b>Total Parking Revenue</b>	<b>82,125</b>	<b>89,485</b>	<b>33,468</b>	<b>40,813</b>	<b>(7,345)</b>	<b>-18.0%</b>	<b>(46,744)</b>	<b>-58.3%</b>
<b>Parking Transactions by duration</b>								
in 000's								
Total Enplanements	25,875	26,667	10,172	12,777	(2,605)	-20.4%	(14,722)	-59.1%
O&D %	70.2%	71.0%	66.0%	71.0%	-5.0%	-7.0%	-5.2%	-7.3%
O&D Enplanements	18,164	18,933	6,714	9,072	(2,358)	-26.0%	(11,011)	-62.1%
<b>Revenue per O&amp;D Enplanement Metrics</b>								
Public Parking	\$ 4.06	\$ 4.29	\$ 4.45	\$ 4.04	\$ 0.40	10.0%	\$ 0.36	8.8%
Premier Corporate Parking	\$ 0.08	\$ 0.07	\$ 0.08	\$ 0.09	\$ (0.01)	-11.0%	\$ 0.01	16.3%
Passport Parking Program	\$ 0.20	\$ 0.19	\$ 0.27	\$ 0.19	\$ 0.08	42.2%	\$ 0.09	48.4%
<b>Total Garage Revenue per O&amp;D Enplanement</b>	<b>\$ 4.34</b>	<b>\$ 4.55</b>	<b>\$ 4.80</b>	<b>\$ 4.32</b>	<b>\$ 0.47</b>	<b>11.0%</b>	<b>\$ 0.46</b>	<b>10.6%</b>
Concession Rent - Doug Fox off-site parking	\$ 0.18	\$ 0.17	\$ 0.18	\$ 0.17	\$ 0.01	6.5%	\$ 0.00	0.3%
All Other Parking Revenue	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	5.7%	\$ (0.00)	-15.2%
<b>Total Parking per O&amp;D Enplanement</b>	<b>\$ 4.52</b>	<b>\$ 4.73</b>	<b>\$ 4.99</b>	<b>\$ 4.50</b>	<b>\$ 0.49</b>	<b>10.8%</b>	<b>\$ 0.46</b>	<b>10.2%</b>

## 2020 Forecast vs. 2019 Actuals

COVID-19 impacts to Parking Revenue expected to be severe through year-end.

**General Garage Parking** – revenue impact from COVID-19 expected to be aligned with decline in 2020 enplanements.

**Prebooking Program** – demand for Prebooking parking program expected to be similarly impacted.

**Premier Corporate & Passport parking programs** – recovery is limited by uncertainty in demand.

**Doug Fox** – Revenue performance expected to be slightly worse than decline in enplanements.

Broad and severe impact to Landside revenue from COVID-19



# Rental Cars YTD

Rental Car - Revenue Detail	2019 YTD	2020 YTD	2020 Year-to-Date		Fav / (UnFav)		Incr / (Decr)	
\$ in 000's	Actual	A Budget	Actual	R Budget	\$	%	\$	%
Total Enplanements	9,626	9,958	5,014	4,889	125	2.6%	(4,612)	-47.9%
O&D %	70.2%	71.0%	66.0%	71.0%	-5.0%	-7.0%	-4.2%	-6.0%
<b>O&amp;D Enplanements</b>	<b>6,757</b>	<b>7,070</b>	<b>3,309</b>	<b>3,471</b>	<b>(162)</b>	<b>-4.7%</b>	<b>(3,448)</b>	<b>-51.0%</b>
Gross Sales by Operators	97,921	98,997	50,040	49,506	534	1.1%	(47,881)	-48.9%
Total Transactions	507	505	244	238	6	2.4%	(262)	-51.8%
Average Ticket	\$193.27	\$196.03	\$204.84	\$207.58	(\$2.74)	-1.3%	\$11.57	6.0%
Average Length of Stay	4.16	4.24	4.47	4.24	0.23	5.5%	0.31	7.5%
Transactions/O&D Enplanements	7.50%	7.14%	7.38%	6.87%	0.51%	7.4%	-0.12%	-1.5%
<b>CFC Revenue Summary</b>								
Total Transaction Days	2,108	2,143	1,093	1,012	82	8.1%	(1,015)	-48.1%
CFC Rate per Transaction Day	\$6.00	\$6.00	\$6.00	\$6.00	\$0.00	0.0%	\$0.00	0.0%
CFC Revenue Earned	12,650	12,858	6,559	6,069	490	8.1%	(6,091)	-48.1%
Other CFC Collections	(442)	-	(174)	(4)	(170)	4250.8%	268	-60.6%
<b>Total CFC Revenue</b>	<b>12,208</b>	<b>12,858</b>	<b>6,385</b>	<b>6,065</b>	<b>320</b>	<b>5.3%</b>	<b>(5,823)</b>	<b>-47.7%</b>
<b>Debt Service Reserve Requirement</b>	<b>(9,741)</b>	<b>(9,965)</b>	<b>(6,385)</b>	<b>(6,065)</b>	<b>(320)</b>	<b>5.3%</b>	<b>3,356</b>	<b>-34.5%</b>
<b>Residual - CFC Operating Revenue</b>	<b>2,467</b>	<b>2,893</b>	<b>-</b>	<b>-</b>	<b>- N/A</b>		<b>(2,467)</b>	<b>-100.0%</b>
Rental Car - Revenue Summary								
\$ in 000's	2019 YTD Actual	2020 YTD A Budget	2020 Year-to-Date Actual R Budget		Fav / (UnFav) Budget Variance \$ %		Incr / (Decr) Change from 2019 \$ %	
<b>RCF Concession Revenue to Port</b>	<b>9,841</b>	<b>9,900</b>	<b>5,139</b>	<b>4,951</b>	<b>189</b>	<b>3.8%</b>	<b>(4,701)</b>	<b>-47.8%</b>
Residual - CFC Operating Revenue:	2,467	2,893	-	-	- N/A		(2,467)	-100.0%
Land Rent/Space Rent/Other	1,606	1,322	1,655	1,610	45	2.8%	49	3.0%
<b>Total Rental Cars Operating Revenue</b>	<b>13,914</b>	<b>14,115</b>	<b>6,794</b>	<b>6,560</b>	<b>234</b>	<b>3.6%</b>	<b>(7,120)</b>	<b>-51.2%</b>

## YTD 2020 Actuals vs. 2019 Actuals

**Concession Revenue –**  
Customer preference during COVID-19 precautions have been away from shared vehicle type transportation and towards self-parking or rental cars. Revenue metrics have skewed positively on a fraction of prior year passengers.

**CFC Operating Revenue –**  
YTD and projected CFC collections are below the 2020 Rental Car debt service requirement, therefore no CFC Operating Revenue will be recognized in 2020.



# Rental Cars YE Forecast

Rental Car - Revenue Detail	2019	2020	2020	2020	Fav / (UnFav)		Incr / (Decr)	
\$ in 000's	Actual	A Budget	Forecast	R Budget	Budget Variance		Change from 2019	
					\$	%	\$	%
Total Enplanements	25,874	26,667	10,172	12,777	(2,605)	-20.4%	(15,702)	-60.7%
O&D %	71.1%	71.0%	66.0%	71.0%	-5.0%	-7.0%	-5.1%	-7.2%
<b>O&amp;D Enplanements</b>	<b>18,396</b>	<b>18,933</b>	<b>6,714</b>	<b>9,072</b>	<b>(2,358)</b>	<b>-26.0%</b>	<b>(11,683)</b>	<b>-63.5%</b>
Gross Sales by Operators	328,156	335,405	112,800	153,455	(40,655)	-26.5%	(215,356)	-65.6%
Total Transactions	1,414	1,369	480	653	(173)	-26.5%	(934)	-66.1%
Average Ticket	\$232.06	\$ 245.00	\$ 235.00	\$ 235.00	\$0.00	0.0%	\$2.94	1.3%
Average Length of Stay	4.49	4.59	4.50	4.50	-	0.0%	0.01	0.1%
Transactions/O&D Enplanements	7.69%	7.23%	7.15%	7.20%	-0.05%	-0.7%	-0.54%	-7.0%
<b>CFC Revenue Summary</b>								
Total Transaction Days	6,356	6,284	2,160	2,939	(779)	-26.5%	(4,196)	-66.0%
CFC Rate per Transaction Day	\$6.00	\$6.00	\$6.00	\$6.00	\$0.00	0.0%	\$0.00	0.0%
CFC Revenue Earned	38,137	37,700	12,960	17,630	(4,670)	-26.5%	(25,177)	-66.0%
Other CFC Collections	(9)	0	-	-	-	N/A	9	-100.0%
<b>Total CFC Revenue</b>	<b>38,128</b>	<b>37,700</b>	<b>12,960</b>	<b>17,630</b>	<b>(4,670)</b>	<b>-26.5%</b>	<b>(25,168)</b>	<b>-66.0%</b>
Debt Service Reserve Requirement	(23,655)	(23,914)	(23,914)	(23,914)	-	0.0%	(258)	1.1%
Reserve Fund Release (bond maturation)	1,300	-	-	-	-	N/A	-	N/A
Net Debt Service	(22,355)	(23,914)	(23,914)	(23,914)	-	0.0%	(2,112)	9.7%
Residual - CFC Operating Revenue	15,773	13,786	-	-	-	N/A	(15,773)	-100.0%
<b>Rental Car - Revenue Summary</b>								
\$ in 000's	2019	2020	2020	2020	Fav / (UnFav)		Incr / (Decr)	
	Actual	A Budget	Forecast	R Budget	Budget Variance		Change from 2019	
					\$	%	\$	%
<b>RCF Concession Revenue to Port</b>	<b>32,870</b>	<b>33,500</b>	<b>11,280</b>	<b>15,346</b>	<b>(4,066)</b>	<b>-26.5%</b>	<b>(22,194)</b>	<b>-66.3%</b>
Residual - CFC Operating Revenue:	15,773	13,786	-	-	-	N/A	(16,263)	-100.0%
Land Rent/Space Rent/Other	3,924	3,863	3,863	3,863	-	0.0%	30	0.8%
<b>Total Rental Cars Operating Revenue</b>	<b>52,567</b>	<b>51,149</b>	<b>15,143</b>	<b>19,209</b>	<b>(4,066)</b>	<b>-21.2%</b>	<b>(38,426)</b>	<b>-71.7%</b>

## 2020 Forecast vs. 2019 Actuals

**Concession Revenue** – Overall COVID-19 impacts on Rental Cars follows enplanements, with some reductions in pricing power.

**CFC Operating Revenue** – projected CFC collections are below the 2020 Rental Car debt service requirement, therefore no CFC Operating Revenue will be recognized in 2020. CARES Act grant is anticipated to fill the gap in debt service as a non-operating inflow.

Broad and severe impact to Landside revenue from COVID-19

# Ground Transportation YTD

Revenue to Port	2019 YTD	2020 YTD	2020 Year-to-Date		Fav (UnFav) Budget Variance		Incr (Decr) Change from 2019	
\$ in 000's	Actual	A Budget	Actual	R Budget	\$	%	\$	%
<b>Ground Transportation Revenues</b>								
Transportation Network Companies	5,997	7,057	2,765	2,941	(176)	-6.0%	(3,232)	-53.9%
On Demand Taxis	1,856	1,614	632	657	(25)	-3.8%	(1,224)	-65.9%
On Demand Limos	403	382	259	238	22	9.1%	(144)	-35.7%
Belled In Taxis (Annual Permit)	27	23	12	12	-	0.0%	(15)	-55.3%
Pre-Arranged Limos (Annual Permit)	350	331	95	107	(11)	-10.5%	(254)	-72.7%
Courtesy Cars (cost recovery)	986	981	493	446	47	10.5%	(493)	-50.0%
<b>All other Operators (cost recovery)</b>	<b>208</b>	<b>214</b>	<b>46</b>	<b>78</b>	<b>(32)</b>	<b>-40.8%</b>	<b>(161)</b>	<b>-77.7%</b>
Other Misc Revenues	153	149	71	98	(27)	-27.1%	(82)	-53.6%
<b>Total GT Revenue</b>	<b>9,979</b>	<b>10,751</b>	<b>4,374</b>	<b>4,576</b>	<b>(202)</b>	<b>-4.4%</b>	<b>(5,605)</b>	<b>-56.2%</b>
<b>Trip Activity</b>								
in 000's	Actual	A Budget	Actual	R Budget	#	%	#	%
<b>Ground Transportation Trips</b>								
Transportation Network Companies	999	1,176	461	490	(29)	-6.0%	(539)	-53.9%
On Demand Taxis	309	269	106	110	(4)	-3.4%	(204)	-65.8%
On Demand Limos	34	18	12	12	0	0.3%	(23)	-65.9%
Belled In Taxis (Annual Permit)	8	7	1	1	(0)	-3.1%	(6)	-82.1%
Pre-Arranged Limos (Annual Permit)	34	166	63	64	(1)	-2.1%	28	82.3%
Courtesy Cars (cost recovery)	594	613	305	293	12	4.0%	(289)	-48.7%
<b>All other Operators (cost recovery)</b>	<b>55</b>	<b>37</b>	<b>10</b>	<b>10</b>	<b>(0)</b>	<b>-0.4%</b>	<b>(44)</b>	<b>-81.0%</b>
<b>Total GT Trip Activity</b>	<b>2,034</b>	<b>2,286</b>	<b>958</b>	<b>981</b>	<b>(23)</b>	<b>-2.3%</b>	<b>(1,076)</b>	<b>-52.9%</b>

## 2020 Forecast vs. 2019 Actuals

**Ground Transportation operators** are experiencing COVID-19 impacts unevenly. Operators that were growing were more resilient to falling passenger activity than operators that were already in decline.

**TNC** trips declined -54% YOY, tracking closely with -54% change in O&D enplanements.

**On Demand Taxis** trips have declined an additional -12% over O&D enplanements declines. The original 2020 budget assumed a -10% trend above enplanement changes.

# Ground Transportation YE Forecast

Ground Transportation - Revenue Detail	2019	2020	2020	2020	Fav (UnFav)		Incr (Decr)	
\$ in 000's	Actual	A Budget	Forecast	R Budget	Budget Variance		Change from 2019	
					\$	%	\$	%
<b>Ground Transportation Revenues</b>								
Transportation Network Companies	12,982	14,794	5,203	7,492	(2,289)	-30.6%	(7,780)	-59.9%
On Demand Taxis	3,578	3,321	1,228	1,504	(276)	-18.4%	(2,350)	-65.7%
On Demand Limos	837	837	370	411	(41)	-9.9%	(466)	-55.7%
Belled In Taxis (Annual Permit)	27	24	15	12	3	25.0%	(12)	-45.4%
Pre-Arranged Limos (Annual Permit)	611	581	206	278	(72)	-25.9%	(405)	-66.3%
Courtesy Cars (cost recovery)	2,019	1,984	915	951	(36)	-3.7%	(1,103)	-54.7%
<b>All other Operators (cost recovery)</b>	<b>418</b>	<b>466</b>	<b>149</b>	<b>250</b>	<b>(101)</b>	<b>-40.2%</b>	<b>(269)</b>	<b>-64.3%</b>
Other Misc Revenues	293	294	119	194	(75)	-38.9%	(175)	-59.6%
<b>Total GT Revenue</b>	<b>20,765</b>	<b>22,299</b>	<b>8,205</b>	<b>11,092</b>	<b>(2,887)</b>	<b>-26.0%</b>	<b>(12,560)</b>	<b>-60.5%</b>
<b>Trip Activity</b>					Fav / (UnFav)		Incr / (Decr)	
in 000's	Actual	A Budget	Forecast	R Budget	Budget Variance		Change from 2019	
					#	%	#	%
<b>Ground Transportation Trips</b>								
Transportation Network Companies	2,172	1,929	867	864	3	0.3%	(1,305)	-60.1%
On Demand Taxis	616	696	205	207	(2)	-1.0%	(411)	-66.8%
On Demand Limos	65	67	20	22	(2)	-9.9%	(46)	-70.0%
Belled In Taxis (Annual Permit)	13	18	4	3	1	25.0%	(9)	-70.5%
Pre-Arranged Limos (Annual Permit)	65	344	90	122	(31)	-25.9%	25	38.4%
Courtesy Cars (cost recovery)	1,236	1,160	537	558	(21)	-3.7%	(699)	-56.6%
<b>All other Operators (cost recovery)</b>	<b>74</b>	<b>57</b>	<b>13</b>	<b>22</b>	<b>(8)</b>	<b>-37.7%</b>	<b>(60)</b>	<b>-81.8%</b>
<b>Total GT Trip Activity</b>	<b>4,240</b>	<b>4,271</b>	<b>1,735</b>	<b>1,796</b>	<b>(61)</b>	<b>-3.4%</b>	<b>(2,505)</b>	<b>-59.1%</b>

## 2020 Forecast vs. 2019 Actuals

COVID-19 impacts to Ground Transportation Revenue expected to be severe through year-end.

**Ground Transportation operators** trip forecast is generally expected to align with the overall decline in passenger volume. Individual operator categories will be closely monitored in the coming months for diverging trends between GT operators and other modes of transportation.

**TNC** trips began the year better than enplanement performance and dipped below in COVID-19 affected months. Forecast reflects the recent trend of declines.

Broad and severe impact to Landside revenue from COVID-19

# Airport Dining & Retail YTD

YTD Airport Dining & Retail <i>Subclass Basis (in 000's)</i>	2019 YTD Actual	2020 YTD A Budget	2020 Year-to-Date		Fav / (Unfav) Budget Variance		Incr / (Decr) from Prior Year	
			Actual	R Budget	\$	%	\$	%
<b>ADR Revenue</b>								
Food & Beverage	12,266	13,132	5,047	4,511	535	11.9%	(7,219)	-58.9%
Retail	7,717	7,950	3,090	2,989	102	3.4%	(4,626)	-60.0%
Duty Free	3,263	3,198	1,263	996	268	26.9%	(1,999)	-61.3%
Personal Services	1,982	1,785	992	972	19	2.0%	(990)	-50.0%
Advertising	3,502	3,614	2,691	1,690	1,001	59.3%	(811)	-23.1%
Space Rental - Terminal	660	684	632	663	(31)	-4.7%	(28)	-4.2%
All other revenue	193	254	140	198	(58)	-29.2%	(53)	-27.4%
<b>Total ADR Revenue</b>	<b>29,581</b>	<b>30,617</b>	<b>13,856</b>	<b>12,019</b>	<b>1,837</b>	<b>15.3%</b>	<b>(15,726)</b>	<b>-53.2%</b>
<b>Sales per Enplanement</b>								
SPE - Food & Beverage	\$ 7.63	\$ 7.96	\$ 7.63	\$ 6.66	\$ 0.96	14.5%	\$ (0.00)	0.0%
SPE - Retail Sales	\$ 4.03	\$ 4.05	\$ 3.88	\$ 3.31	\$ 0.57	17.3%	\$ (0.15)	-3.7%
SPE - Duty Free	\$ 0.77	\$ 0.79	\$ 0.59	\$ 0.64	\$ (0.05)	-7.8%	\$ (0.18)	-22.9%
SPE - Personal Services	\$ 0.83	\$ 0.86	\$ 0.61	\$ 0.65	\$ (0.04)	-5.9%	\$ (0.22)	-26.5%
<b>SPE - Airport Dining &amp; Retail</b>	<b>\$ 13.26</b>	<b>\$ 13.67</b>	<b>\$ 12.71</b>	<b>\$ 11.26</b>	<b>\$ 1.45</b>	<b>12.8%</b>	<b>\$ (0.55)</b>	<b>-4.1%</b>

**YTD 2020 Actuals vs. 2019 Actuals**  
COVID-19 impacts to Airport Dining & Retail began being felt in early March, with severe impact through Q2.

**Tenant Sales Activity** – Unfavorable results are widespread in all categories due to the dramatic decline in passenger volumes related to COVID-19.

**Units Closed & Operations Curtailed** – ADR units began reopening in the latter part of Q2, currently 58 out of 72 F&B and Retail units are open, but many open units have reduced operating hours.

**Sales per Enplanement (SPE)**– The decline in SPE was not as deep as we anticipated with actual SPE exceeding the revised budget by \$1.45

# Airport Dining & Retail YE Forecast

2020 Airport Dining & Retail Subclass Basis (in 000's)	2019 Actual	2020 A Budget	2020 Forecast	2020 R Budget	Fav / (Unfav) Budget Variance		Incr / (Decr) from Prior Year	
					\$	%	\$	%
<b>ADR Revenue</b>								
Food & Beverage	26,436	28,077	8,708	10,371	(1,663)	-16.0%	(17,728)	-67.1%
Retail	16,313	17,398	5,853	8,496	(2,643)	-31.1%	(10,460)	-64.1%
Duty Free	6,189	6,709	1,917	2,173	(255)	-11.8%	(4,272)	-69.0%
Personal Services	3,847	3,966	1,519	1,900	(381)	-20.1%	(2,328)	-60.5%
Advertising	7,326	8,103	5,048	4,176	872	20.9%	(2,278)	-31.1%
Space Rental - Terminal	1,298	1,371	1,269	1,349	(80)	-5.9%	(29)	-2.2%
All other revenue	328	520	265	464	(200)	-43.0%	(63)	-19.3%
<b>Total ADR Revenue</b>	<b>59,022</b>	<b>66,145</b>	<b>24,580</b>	<b>27,753</b>	<b>(3,173)</b>	<b>-11.4%</b>	<b>(34,442)</b>	<b>-58.4%</b>
<b>Sales per Enplanement</b>								
SPE - Food & Beverage	\$ 7.56	\$ 7.97	\$ 7.09	\$ 6.58	\$ 0.51	7.8%	\$ (0.47)	-6.2%
SPE - Retail Sales	\$ 3.99	\$ 4.15	\$ 3.81	\$ 3.62	\$ 0.19	5.3%	\$ (0.18)	-4.6%
SPE - Duty Free	\$ 0.77	\$ 0.78	\$ 0.58	\$ 0.60	\$ (0.02)	-3.0%	\$ (0.19)	-24.9%
SPE - Personal Services	\$ 0.80	\$ 0.84	\$ 0.66	\$ 0.65	\$ 0.00	0.7%	\$ (0.14)	-17.6%
<b>SPE - Airport Dining &amp; Retail</b>	<b>\$ 13.12</b>	<b>\$ 13.73</b>	<b>\$ 12.14</b>	<b>\$ 11.45</b>	<b>\$ 0.69</b>	<b>6.0%</b>	<b>\$ (0.98)</b>	<b>-7.5%</b>

## 2020 Forecast vs. 2019 Actuals

COVID-19 impacts to ADR Revenue expected to be severe through year-end.

**Revenue Forecast** – reflects both a decline in passenger traffic and a decrease in sales per enplanement (SPE).

**Construction** on new units has been restarting but unit openings have been delayed into Q4 and 2021.

Broad and severe impact from COVID-19 on ADR revenue

# Commercial Properties YTD & YE Forecast

Commercial Properties (3630) <i>Subclass Basis (in 000's)</i>	2019 YTD Actual	2020 YTD A Budget	2020 Year to Date		Fav / (Unfav) Budget Variance		Incr / (Decr) from Prior Year	
			Actuals	R Budget	\$	%	\$	%
<b>Revenue</b>								
In-Flight Kitchen Revenue	4,408	4,653	2,323	2,190	133	6.1%	(2,085)	-47.3%
Land/Space Rents	2,408	3,047	3,177	3,191	(15)	-0.5%	769	31.9%
All Other Commercial Properties Revenue	256	277	277	277	0	0.0%	21	8.3%
<b>Non-Aero Commercial Properties Revenue:</b>	<b>7,072</b>	<b>7,978</b>	<b>5,777</b>	<b>5,658</b>	<b>119</b>	<b>2.1%</b>	<b>(1,295)</b>	<b>-18.3%</b>

Commercial Properties (3630) <i>Subclass Basis (in 000's)</i>	2019 Actual	2020 A Budget	2020		Fav / (Unfav) Bdgt Variance		Incr / (Decr) from 2018	
			FCST	R Budget	\$	%	\$	%
<b>Revenue</b>								
In-Flight Kitchen Revenue	10,053	9,974	4,123	5,106	(983)	-19.3%	(5,930)	-59.0%
Land/Space Rents	4,658	6,120	6,221	6,120	100	1.6%	1,562	33.5%
All Other Commercial Properties Revenue	1,061	566	576	628	(52)	-8.3%	(485)	-45.7%
<b>Non-Aero Commercial Properties Revenue:</b>	<b>15,773</b>	<b>16,660</b>	<b>10,920</b>	<b>11,854</b>	<b>(935)</b>	<b>-7.9%</b>	<b>(4,853)</b>	<b>-30.8%</b>

## 2020 Forecast vs. 2019 Actuals

COVID-19 impacts to Non-Aero Commercial Properties revenue is primarily limited to In-Flight Kitchen concession activity.

**In-Flight Meal Revenue** forecast is closely aligned with decline in passenger volumes, but the impact was delayed.

**Land/Space Rent revenues** are primarily fixed rates per sq.ft., and are therefore relatively unaffected by COVID-19 impacts



# 2020 Capital Expenditures

	2020 YTD Actual	2020 Year-End Forecast	2020 Revised Approved Budget	Fctst/Rvsl Budget	
\$ in 000's				\$	%
International Arrivals Facility <sup>(1)</sup>	99,340	185,340	215,000	29,660	13.8%
NS NSAT Renov NSTS Lobbies <sup>(2)</sup>	75,290	156,246	134,528	(21,718)	-16.1%
Checked Bag Recap/Optimization <sup>(3)</sup>	7,178	19,748	14,500	(5,248)	-36.2%
AFLD Pvmnt Program 2016-2020 <sup>(4)</sup>	5,123	17,781	13,133	(4,648)	-35.4%
Restroom Upgrades Conc B, C, D <sup>(5)</sup>	6,011	8,428	5,400	(3,028)	-56.1%
Remote Aircraft Deicing <sup>(6)</sup>	812	8,673	15,058	6,385	42.4%
SSAT HVAC Infrastructure Upgrade <sup>(7)</sup>	7,668	17,628	14,950	(2,678)	-17.9%
N. Terminals Utilities Upgrade <sup>(8)</sup>	2,043	8,538	10,600	2,062	19.5%
Service Tunnel Renewal/Replace <sup>(9)</sup>	3,011	4,270	5,529	1,258	22.8%
Checkpoint 1 Relocation <sup>(10)</sup>	289	989	1,884	895	47.5%
PLB Renew & Replace Phase 2 <sup>(11)</sup>	280	2,969	5,654	2,685	47.5%
Highline School Insulation <sup>(12)</sup>	-	14,900	13,734	(1,166)	-8.5%
Safedock Upgrade & Expansion <sup>(13)</sup>	302	615	6,209	5,594	90.1%
All Other	28,387	92,066	111,212	19,147	17.2%
Subtotal	235,734	538,189	567,391	29,201	5.1%
CIP Cashflow Mgmt Reserve <sup>(14)</sup>	-	(36,084)	(72,000)	(35,916)	49.9%
<b>Total Spending</b>	<b>235,734</b>	<b>501,490</b>	<b>489,182</b>	<b>(12,309)</b>	<b>-2.5%</b>

(1) Delays and complications related to the pedestrian walkway have pushed work to the right. Updated schedule slides the IAF substantial completion date 6 months to the right and the pedestrian walkway into Q1 2021

(2) Increase due to added construction costs associated with work pulled forward (Operation Silver Cloud) that would have been performed in 2021, plus processing a significant amount of construction change orders for work already executed.

(3) MII Rejection at the beginning of the year led to uncertainty whether the project would be rebid, so the spending was pushed out of the baseline. Now the contract has been executed and spending will be accelerated.

(4) Construction is expedited to take advantage of downturn in air traffic operation, and transfer of scope from 2025 Pavement Improvement program

(5) COVID impacts and change order cost in Phase 2 for unforeseen conditions increased the expenditures for 2020

(6) New estimate has significant reduction as a result of value engineering, and bid came in lower than engineering estimate

(7) Accelerated work due to more available space because of low volume of passengers

(8) Phase 2 delayed

(9) Project savings

(10) 2020 Plan based on a 'HOT' project, but then requested to be 'slowed', due to COVID-19

(11) Delayed work, moved 2 bridge installs until next year

(12) Commission directed acceleration of the sound insulation projects in Q1 2020. Highline insulation is funded by 67% AIP grants, 16% tax levy, and 17% airport funds.

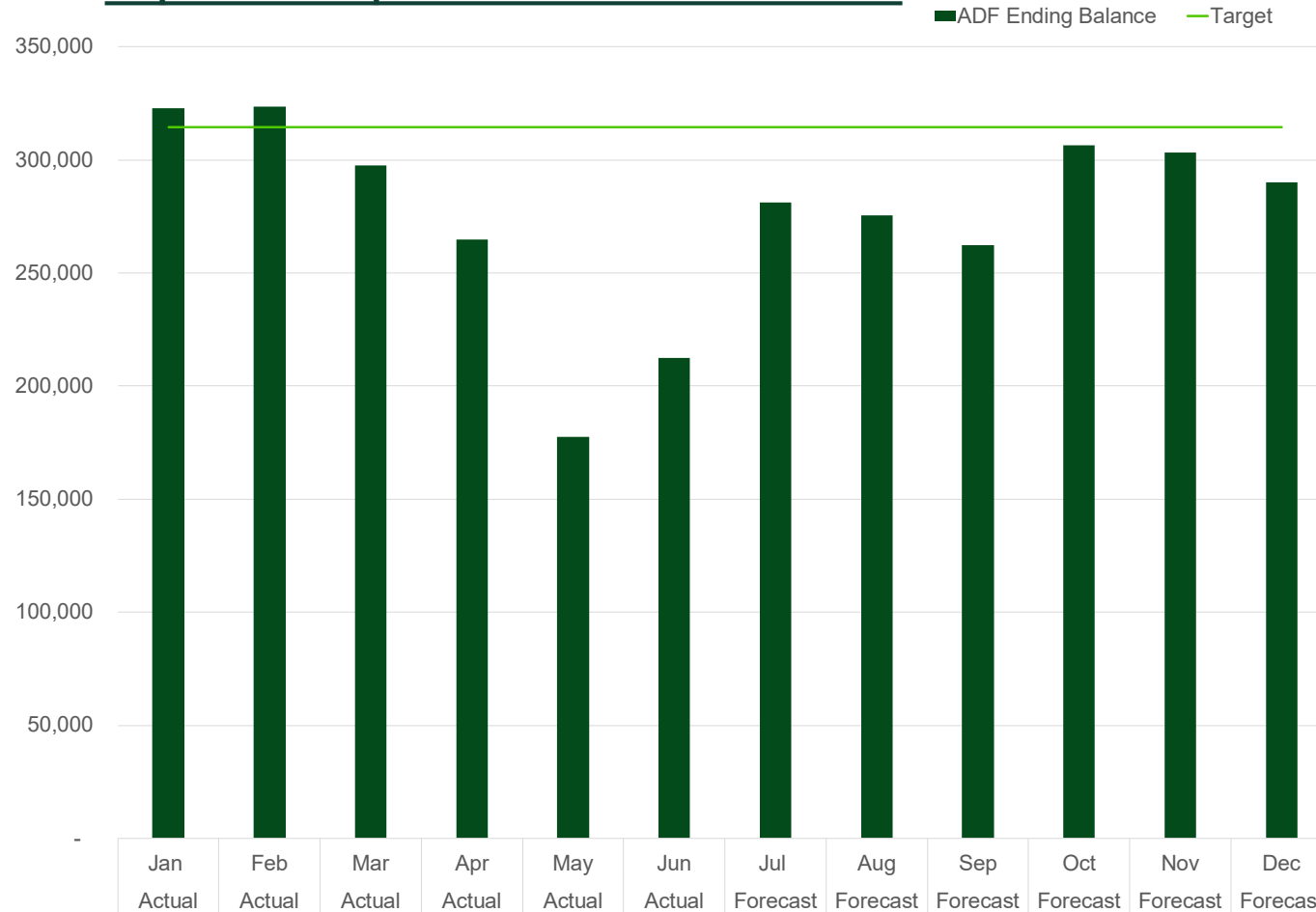
(13) Favorable bid

(14) Reduced the negative amount to \$36,084(original was \$72,000) as much of the underspending for the year was included in the cash flow updates as of Q2.

Forecast spending variances primarily due to COVID-19 impact

# Airport Development Fund Balance

## Airport Development Fund Balance in 000's



## NOTES:

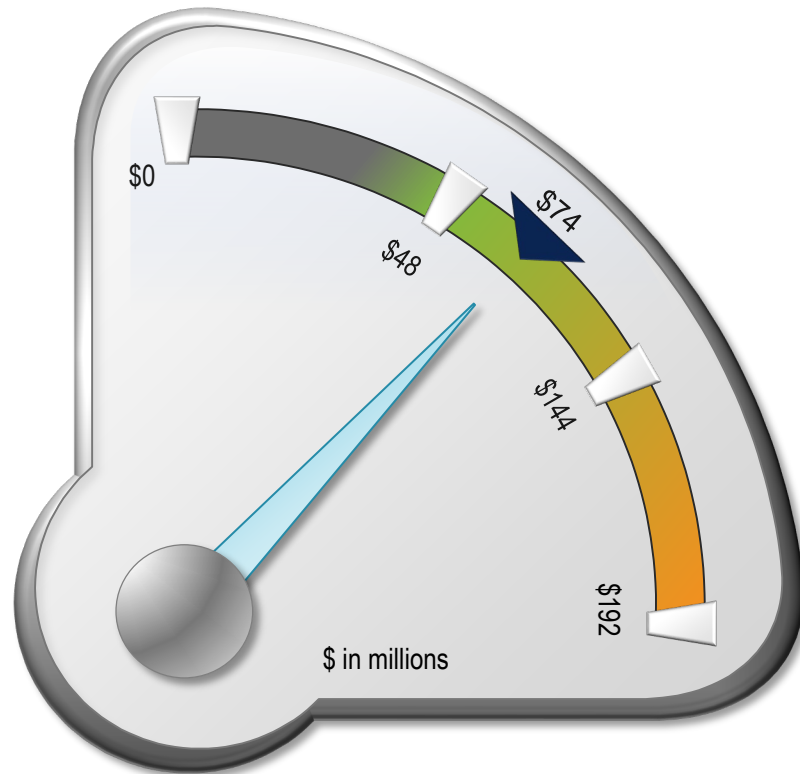
- ADF target is set as \$314.4M which is 10 months of O&M based on 2020 approved budget
- \$173.13M of CARES act grants assumed in the forecast
- ADF ending balance is forecasted to be \$290.2M. Higher than expected because of \$85.3M back funding and \$6.2M O&M savings



# CARES Act Grant

## Claiming to Date \$74.7M

First reimbursement received on 7/20 for Q2 Debt Service



## Employment Grant Condition

Airport must maintain 90% employment through Dec 31

	Full Time Equivalents (FTEs)		
	Baseline 3/27/2020	As of 06/30/2020	Change
Full-Time	1,069.8	1,069.0	(0.8)
Part-Time	36.8	38.4	1.6
Total	1,106.6	1,107.4	0.9
90% Test	995.9	996.7	
Variance	110.7	110.7	

# Maritime Division Appendix

## Q2 2020 Financial Performance Report

# Maritime 2020 Financial Forecast Summary

	2018	2019	2020	2020	2020	Fav (UnFav) Fest vs. Revised Budget Variance		Incr (Decr) Change from 2019	
\$ in 000's	Actual	Actual	Forecast	Revised Budget	Approved Budget	\$	%	\$	%
Ship Canal Fishing & Operations	3,502	3,929	4,324	4,264	4,264	61	1%	396	10%
Elliott Bay Fishing & Commercial Operations	6,755	6,095	5,483	5,123	5,123	360	7%	(613)	-10%
Recreational Boating	12,035	12,484	12,964	13,361	13,361	(397)	-3%	480	4%
Cruise	18,880	22,410	4,261	5,909	26,261	(1,647)	-28%	(18,148)	-81%
Grain	5,167	4,266	3,740	3,490	3,490	249	7%	(527)	-12%
Maritime Portfolio Management	11,305	10,108	9,622	10,428	10,428	(806)	-8%	(485)	-5%
Other	(69)	(3)	11	11	11	(0)	0%	14	-462%
<b>Total Revenue</b>	<b>57,575</b>	<b>59,289</b>	<b>40,405</b>	<b>42,585</b>	<b>62,938</b>	<b>(2,180)</b>	<b>-5%</b>	<b>(18,884)</b>	<b>-32%</b>
<b>Expenses</b>									
Maritime (Excl. Maint)	11,326	13,789	15,688	16,408	16,881	720	4%	1,900	14%
Economic Development	4,347	4,987	5,626	5,626	5,756	0	0%	639	13%
<b>Total Direct</b>	<b>15,673</b>	<b>18,776</b>	<b>21,315</b>	<b>22,035</b>	<b>22,637</b>	<b>720</b>	<b>3%</b>	<b>2,539</b>	<b>14%</b>
Maintenance Expenses	11,416	12,186	12,426	12,426	13,073	0	0%	240	2%
Envir Services & Planning	1,553	2,250	2,345	2,295	2,681	(50)	-2%	95	4%
Seaport Project Management	295	175	480	330	356	(150)	-45%	305	175%
<b>Total Support Services</b>	<b>13,265</b>	<b>14,611</b>	<b>15,251</b>	<b>15,051</b>	<b>16,110</b>	<b>(200)</b>	<b>-1%</b>	<b>640</b>	<b>4%</b>
IT	2,558	2,685	2,868	2,895	2,906	27	1%	182	7%
Police Expenses	4,041	4,086	3,226	3,368	3,382	142	4%	(860)	-21%
External Relations	1,379	1,564	1,118	1,501	1,635	383	26%	(446)	-29%
Other Central Services	6,117	6,645	7,000	6,974	7,481	(26)	0%	355	5%
Aviation Division / Other	220	278	368	368	245	0	0%	90	32%
<b>Total Central Services / Other</b>	<b>14,315</b>	<b>15,258</b>	<b>14,580</b>	<b>15,106</b>	<b>15,650</b>	<b>526</b>	<b>3%</b>	<b>(678)</b>	<b>-4%</b>
<b>Total Expense</b>	<b>43,252</b>	<b>48,644</b>	<b>51,145</b>	<b>52,191</b>	<b>54,396</b>	<b>1,046</b>	<b>2%</b>	<b>2,501</b>	<b>5%</b>
<b>NOI Before Depreciation</b>	<b>14,323</b>	<b>10,644</b>	<b>(10,740)</b>	<b>(9,606)</b>	<b>8,541</b>	<b>(1,134)</b>	<b>-12%</b>	<b>(21,385)</b>	<b>-201%</b>
Depreciation	18,022	17,627	17,249	17,249	17,244	0	0%	(378)	-2%
<b>NOI After Depreciation</b>	<b>(3,699)</b>	<b>(6,982)</b>	<b>(27,989)</b>	<b>(26,855)</b>	<b>(8,703)</b>	<b>(1,134)</b>	<b>-4%</b>	<b>(21,006)</b>	<b>-301%</b>

## Revenue Variance from Revised Budget

- Cruise cancelled full year vs. a few sailings later in the season.
- Maritime Portfolio Management – anticipating some additional COVID-19 related vacancies once payments resume.
- Other variances based on YTD results.

## Expense Variance from Revised Budget

- Direct – No Port Valet expenses Jul-Oct.
- Support services - Higher Expense/Capital ratio.
- Central services deeper reductions in External Relations and Police.

# Maritime 2020 YTD Financial Summary

	2018 YTD	2019 YTD	2020 YTD	2020 YTD	2020 YTD	Fav (UnFav) Fcst vs. Revised Budget Variance		Incr (Decr) Change from 2019	
\$ in 000's	Actual	Actual	Actual	Revised Budget	Approved Budget	\$	%	\$	%
Ship Canal Fishing & Operations	1,610	2,004	2,182	2,122	2,122	61	3%	178	9%
Elliott Bay Fishing & Commercial Operations	3,012	3,067	2,908	2,548	2,548	360	14%	(158)	-5%
Recreational Boating	6,068	6,228	6,211	6,607	6,607	(397)	-6%	(17)	0%
Cruise	6,806	8,473	133	49	10,300	84	173%	(8,340)	-98%
Grain	3,123	2,567	2,005	1,756	1,756	249	14%	(562)	-22%
Maritime Portfolio Management	5,628	5,019	4,884	5,127	5,127	(243)	-5%	(135)	-3%
Other	11	10	15	5	5	9	173%	5	45%
<b>Total Revenue</b>	<b>26,257</b>	<b>27,368</b>	<b>18,338</b>	<b>18,214</b>	<b>28,465</b>	<b>124</b>	<b>1%</b>	<b>(9,030)</b>	<b>-33%</b>
<b>Expenses</b>									
Maritime (Excl. Maint)	5,852	5,745	6,869	8,301	8,506	1,432	17%	1,124	20%
Economic Development	2,351	2,369	2,325	2,920	2,996	595	20%	(44)	-2%
<b>Total Direct</b>	<b>8,202</b>	<b>8,114</b>	<b>9,194</b>	<b>11,220</b>	<b>11,502</b>	<b>2,026</b>	<b>18%</b>	<b>1,080</b>	<b>13%</b>
Maintenance Expenses	5,576	5,521	4,879	6,438	6,635	1,559	24%	(642)	-12%
Envir Services & Planning	502	1,055	1,226	1,162	1,296	(65)	-6%	172	16%
Seaport Project Management	160	130	188	163	178	(26)	-16%	58	45%
<b>Total Support Services</b>	<b>6,238</b>	<b>6,705</b>	<b>6,294</b>	<b>7,762</b>	<b>8,109</b>	<b>1,469</b>	<b>19%</b>	<b>(412)</b>	<b>-6%</b>
IT	1,367	1,320	1,393	1,424	1,428	30	2%	74	6%
Police Expenses	2,169	1,988	1,569	1,689	1,698	119	7%	(418)	-21%
External Relations	628	751	615	748	812	134	18%	(136)	-18%
Other Central Services	3,007	3,298	3,109	3,441	3,680	332	10%	(189)	-6%
Aviation Division / Other	105	135	137	157	117	20	13%	2	2%
<b>Total Central Services / Other</b>	<b>7,276</b>	<b>7,491</b>	<b>6,823</b>	<b>7,458</b>	<b>7,735</b>	<b>635</b>	<b>9%</b>	<b>(667)</b>	<b>-9%</b>
<b>Total Expense</b>	<b>21,716</b>	<b>22,310</b>	<b>22,311</b>	<b>26,441</b>	<b>27,347</b>	<b>4,130</b>	<b>16%</b>	<b>1</b>	<b>0%</b>
<b>NOI Before Depreciation</b>	<b>4,541</b>	<b>5,058</b>	<b>(3,973)</b>	<b>(8,227)</b>	<b>1,119</b>	<b>4,254</b>	<b>52%</b>	<b>(9,031)</b>	<b>-179%</b>
Depreciation	8,823	8,911	8,781	8,651	8,649	(130)	-2%	(130)	-1%
<b>NOI After Depreciation</b>	<b>(4,281)</b>	<b>(3,853)</b>	<b>(12,754)</b>	<b>(16,878)</b>	<b>(7,530)</b>	<b>4,124</b>	<b>24%</b>	<b>(8,901)</b>	<b>-231%</b>

# Cruise Q2 Financials

	2019 YTD	2020 YTD	2020 YTD Revised	2020 YTD Approved	Fav (UnFav) Fest vs. Revised Budget Variance		Incr (Decr) Change from 2019	
\$ in 000's	Actual	Actual	Budget	Budget	\$	%	\$	%
T-91 & Bell St Cruise Operations (5455 & 5446)	8,455	118	34	10,286	84	243%	(8,337)	-99%
Bell Street Vessel Operations (5448)	18	15	14	14	1	4%	(4)	-20%
<b>Total Revenue</b>	<b>8,473</b>	<b>133</b>	<b>49</b>	<b>10,300</b>	<b>84</b>	<b>173%</b>	<b>(8,340)</b>	<b>-98%</b>
<b>Expenses</b>								
Maritime (Excl. Maint)	998	2,067	2,472	2,783	405	16%	1,069	107%
Economic Development	208	198	217	234	20	9%	(11)	-5%
<b>Total Direct</b>	<b>1,206</b>	<b>2,265</b>	<b>2,690</b>	<b>3,018</b>	<b>424</b>	<b>16%</b>	<b>1,059</b>	<b>88%</b>
Maintenance Expenses	1,584	1,156	1,399	1,470	243	17%	(428)	-27%
Envir Services & Planning	256	193	266	306	73	27%	(63)	-25%
Seaport Project Management	52	46	51	56	5	10%	(6)	-12%
<b>Total Support Services</b>	<b>1,892</b>	<b>1,395</b>	<b>1,717</b>	<b>1,833</b>	<b>321</b>	<b>19%</b>	<b>(496)</b>	<b>-26%</b>
IT	312	342	357	357	15	4%	31	10%
Police Expenses	588	483	519	522	37	7%	(105)	-18%
External Relations	222	190	278	298	88	32%	(32)	-14%
Other Central Services	991	961	1,038	1,112	76	7%	(30)	-3%
Aviation Division / Other	47	51	56	43	5	9%	4	9%
<b>Total Central Services / Other</b>	<b>2,159</b>	<b>2,027</b>	<b>2,248</b>	<b>2,332</b>	<b>221</b>	<b>10%</b>	<b>(132)</b>	<b>-6%</b>
<b>Total Expense</b>	<b>5,257</b>	<b>5,687</b>	<b>6,654</b>	<b>7,183</b>	<b>967</b>	<b>15%</b>	<b>431</b>	<b>8%</b>
<b>NOI Before Depreciation</b>	<b>3,216</b>	<b>(5,555)</b>	<b>(6,605)</b>	<b>3,117</b>	<b>1,051</b>	<b>-16%</b>	<b>(8,771)</b>	<b>273%</b>
Depreciation	3,211	3,056	2,950	2,950	(106)	-4%	(156)	-5%
<b>NOI After Depreciation</b>	<b>5</b>	<b>(8,610)</b>	<b>(9,555)</b>	<b>168</b>	<b>945</b>	<b>10%</b>	<b>(8,615)</b>	<b>178493%</b>

## Variance from Budget

- Revenue \$84K higher due to utility sales and misc. revenue at T91 and P66
- Promotional and marketing expenses ~\$175K less than revised budget in Q2

## Variance from 2019

- Revenue \$8.3M lower at T91 and P66 due to no cruise calls in 2020
- ~\$1M NWSA lease payment in 2020

## COVID-19 Impact to 2020

- Revenue significantly impacted due to no 2020 cruise season
- Reduction in travel expenses and Port Valet to mitigate revenue impacts

# Recreational Boating Q2 Financials

	2019	2020 Year-to-Date		Fav (UnFav) Revised Budget Variance		Inc (Dec) Change from 2019	
\$ in 000's	Actual	Actual	Revised Budget	\$	%	\$	%
Berthage and Moorage & Concession Services	5,684	5,700	6,068	(368)	-6%	16	0%
Utility Sales Revenue	264	285	266	18	7%	20	8%
Other Service Revenue	222	196	217	(21)	-10%	(25)	-11%
Other	58	30	56	(26)	-46%	(27)	-48%
<b>Total Revenue</b>	<b>6,228</b>	<b>6,211</b>	<b>6,607</b>	<b>(397)</b>	<b>-6%</b>	<b>(17)</b>	<b>0%</b>
<b>Expenses</b>							
Maritime (excl Maint)	2,027	2,166	2,472	306	12%	139	7%
Economic Development	113	116	149	33	22%	3	3%
<b>Total Direct</b>	<b>2,140</b>	<b>2,282</b>	<b>2,621</b>	<b>339</b>	<b>13%</b>	<b>142</b>	<b>7%</b>
Maintenance Expenses	1,064	1,028	1,158	129	11%	(35)	-3%
Envir Services & Planning	192	191	184	(7)	-4%	(0)	0%
Seaport Project Management	32	59	31	(27)	-87%	26	82%
<b>Total Support Service</b>	<b>1,288</b>	<b>1,278</b>	<b>1,374</b>	<b>95</b>	<b>7%</b>	<b>(9)</b>	<b>-1%</b>
IT	348	369	378	9	2%	21	6%
Police Expenses	455	346	372	26	7%	(109)	-24%
External Relations	172	135	150	15	10%	(37)	-21%
Other Central Services	751	678	759	81	11%	(72)	-10%
Aviation Division/Other	30	28	32	4	14%	(2)	-6%
<b>Total Central Services/Other</b>	<b>1,755</b>	<b>1,556</b>	<b>1,691</b>	<b>135</b>	<b>8%</b>	<b>(199)</b>	<b>-11%</b>
<b>Total Expense</b>	<b>5,183</b>	<b>5,117</b>	<b>5,686</b>	<b>569</b>	<b>10%</b>	<b>(66)</b>	<b>-1%</b>
<b>NOI Before Depreciation</b>	<b>1,045</b>	<b>1,094</b>	<b>922</b>	<b>(172)</b>	<b>-19%</b>	<b>49</b>	<b>5%</b>
Depreciation	1,378	1,375	1,461	87	6%	(3)	0%
<b>NOI After Depreciation</b>	<b>(333)</b>	<b>(281)</b>	<b>(540)</b>	<b>259</b>	<b>-48%</b>	<b>53</b>	<b>-16%</b>

- Includes Shilshole Bay Marina, Bell Harbor Marina, and Harbor Island Marina.

## Variance from Revised Budget

- Revenue \$397K lower due to lower occupancy as we expected at SBM and BHM partially related to COVID-19 business disruptions as well as processing delays
- Operation expenses ~\$569K favorable to the revised budgeted in YTD contributed by \$339K favorable in Maritime direct charges, \$135K favorable in Central Services due to lower allocation, and \$95K favorable in Support Service

## Variance from 2019

- Revenue \$17K lower due to 11% lower occupancy from 2019
- Operation expenses ~\$66K decrease in 2020 due to \$199K decrease in Central Services, and offset by \$139K increase in Maritime (excluding Maintenance) expenses

## COVID-19 Impact to 2020

- Revenue will be reduced due to event cancellations and potentially reduced demand for slips

# Ship Canal Fishing & Ops Q2 Financials

	2019	2020 Year-to-Date		Fav (UnFav) Revised Budget Variance		Inc (Dec) Change from 2019	
\$ in 000's	Actual	Actual	Revised Budget	\$	%	\$	%
Berthage and Moorage & Concession Services	1,750	1,935	1,837	97	5%	185	11%
Space Rental	119	120	147	(28)	-19%	0	0%
Utility Sales Revenue	50	56	51	5	10%	6	12%
Other	85	72	86	(14)	-16%	(13)	-15%
<b>Total Revenue</b>	<b>2,004</b>	<b>2,182</b>	<b>2,122</b>	<b>61</b>	<b>3%</b>	<b>178</b>	<b>9%</b>
<b>Expenses</b>							
Maritime (excl Maint)	1,227	1,107	1,612	505	31%	(120)	-10%
Economic Development	20	27	33	6	18%	8	39%
<b>Total Direct</b>	<b>1,246</b>	<b>1,134</b>	<b>1,646</b>	<b>511</b>	<b>31%</b>	<b>(112)</b>	<b>-9%</b>
Maintenance Expenses	679	812	1,029	217	21%	132	19%
Envir Services & Planning	100	98	110	13	11%	(3)	-3%
Seaport Project Management	10	23	24	1	6%	13	127%
<b>Total Support Service</b>	<b>789</b>	<b>932</b>	<b>1,163</b>	<b>231</b>	<b>20%</b>	<b>143</b>	<b>18%</b>
IT	165	169	174	5	3%	5	3%
Police Expenses	195	135	146	10	7%	(60)	-31%
External Relations	74	53	59	6	10%	(20)	-28%
Other Central Services	325	263	310	48	15%	(63)	-19%
Aviation Division/Other	10	9	11	2	14%	(1)	-11%
<b>Total Central Services/Other</b>	<b>769</b>	<b>630</b>	<b>699</b>	<b>70</b>	<b>10%</b>	<b>(139)</b>	<b>-18%</b>
<b>Total Expense</b>	<b>2,805</b>	<b>2,696</b>	<b>3,508</b>	<b>812</b>	<b>23%</b>	<b>(109)</b>	<b>-4%</b>
<b>NOI Before Depreciation</b>	<b>(800)</b>	<b>(513)</b>	<b>(1,386)</b>	<b>873</b>	<b>-63%</b>	<b>287</b>	<b>-36%</b>
Depreciation	1,089	1,154	1,071	(83)	-8%	65	6%
<b>NOI After Depreciation</b>	<b>(1,889)</b>	<b>(1,667)</b>	<b>(2,457)</b>	<b>790</b>	<b>-32%</b>	<b>222</b>	<b>-12%</b>

## Variance from Budget

- Revenue \$61K higher than the revised budget primarily due to Ballard Lock closures by the US Army Corps Engineers (February - April)
- Operation expenses ~\$812K favorable to the revised budgeted YTD contributed by \$511K favorable in Maritime direct charges, \$231K favorable in Support Services, and \$90K favorable in Central Services due to lower allocation

## Variance from 2019

- Revenue \$178K or 9% higher due to 5% rate increase in 2020 and a better performance in moorage related to Ballard Lock closures from Feb to April
- Operation expenses ~\$109K decrease in 2020 related to \$139K decrease in Central Services allocation, \$120K decrease in Maritime direct charges. Offset by \$132K increase in Maintenance expenses

## COVID-19 Impact to 2020

- Expense projects either delayed or cancelled

- Includes Fishermen's Terminal, Maritime Industrial Center, and Salmon Bay Marina.

# Elliott Bay Fishing & Commercial Ops Q2 Financials

	2019	2020 Year-to-Date		Fav (UnFav) Revised Budget Variance		Inc (Dec) Change from 2019	
\$ in 000's	Actual	Actual	Revised Budget	\$	%	\$	%
Berthage and Moorage & Dockage	1,771	1,651	1,252	398	32%	(121)	-7%
Space Rental	856	792	886	(94)	-11%	(64)	-8%
Utility Sales Revenue	242	277	254	24	9%	36	15%
Other	197	188	156	32	20%	(9)	-5%
<b>Total Revenue</b>	<b>3,067</b>	<b>2,908</b>	<b>2,548</b>	<b>360</b>	<b>14%</b>	<b>(158)</b>	<b>-5%</b>
<b>Expenses</b>							
Maritime (excl Maint)	1,202	1,228	1,427	199	14%	26	2%
Economic Development	49	74	86	12	13%	25	51%
<b>Total Direct</b>	<b>1,251</b>	<b>1,302</b>	<b>1,513</b>	<b>211</b>	<b>14%</b>	<b>51</b>	<b>4%</b>
Maintenance Expenses	516	599	784	185	24%	83	16%
Envir Services & Planning	79	414	115	(299)	-260%	336	427%
Seaport Project Management	8	24	17	(6)	-36%	16	208%
<b>Total Support Service</b>	<b>603</b>	<b>1,037</b>	<b>917</b>	<b>(120)</b>	<b>-13%</b>	<b>434</b>	<b>72%</b>
IT	133	182	185	3	2%	49	37%
Police Expenses	180	190	205	14	7%	10	6%
External Relations	68	74	82	8	10%	6	8%
Other Central Services	307	377	430	52	12%	70	23%
Aviation Division/Other	9	13	15	2	15%	3	35%
<b>Total Central Services/Other</b>	<b>698</b>	<b>836</b>	<b>916</b>	<b>80</b>	<b>9%</b>	<b>138</b>	<b>20%</b>
<b>Total Expense</b>	<b>2,552</b>	<b>3,175</b>	<b>3,345</b>	<b>171</b>	<b>5%</b>	<b>623</b>	<b>24%</b>
<b>NOI Before Depreciation</b>	<b>515</b>	<b>(266)</b>	<b>(797)</b>	<b>531</b>	<b>-67%</b>	<b>(781)</b>	<b>-152%</b>
Depreciation	1,671	1,666	1,653	(13)	-1%	(6)	0%
<b>NOI After Depreciation</b>	<b>(1,157)</b>	<b>(1,932)</b>	<b>(2,450)</b>	<b>518</b>	<b>-21%</b>	<b>(775)</b>	<b>67%</b>

## Variance from Budget

- Revenue \$360K or 14% higher due to new agreement with Golden Alaska Seafood and increase in moorage demand at T91 related to Ballard Locks closure
- Operation expenses ~\$171K favorable to the budgeted YTD

## Variance from 2019

- Revenue \$158K or 5% lower primarily due to 680' Ocean phoenix left in Q3 2019 and replaced by new lease agreement with 305' Golden Alaska in 2020, as well as 2019 had project related moorage, like EBM floats and Pacific Legacy.
- Operation expenses ~\$623K increase in 2020 contributed by mis-coded Derelict Vessels project expense from Ship Canal to Elliott Bay Fishing as well as higher allocation expenses from Central Services.

## COVID-19 Impact to 2020

- Terminal 91 getting more dockage requests than normal
- Expense projects either delayed or cancelled

- Includes Terminal 91 (waterside non-Cruise), Terminal 46 Docks, Kellogg Island, Terminal 25, Terminal 18 Dolphins, Pier 69 Vessels, Pier 28 Docks, Pier 34 Dolphins, Pier 2 Docks, and Terminal 108 Moorage.



# Maritime Portfolio Management Q2 Financials

\$ in 000's	2019 YTD	2020 Year-to-Date		Fav (UnFav) Revised		Incr/(Decr)	
	Actual	Actual	Budget	Budget	Variance	Change from 2019	
				\$	%	\$	%
Marina Office & Retail	1,814	1,838	1,950	(112)	-6%	25	1%
Maritime Industrial	2,019	2,055	1,942	113	6%	36	2%
Utilities	1,187	991	1,235	(244)	-20%	(196)	-16%
<b>Total Revenue</b>	<b>5,019</b>	<b>4,884</b>	<b>5,127</b>	<b>(243)</b>	<b>-5%</b>	<b>(135)</b>	<b>-3%</b>
PM Direct	1,704	1,540	2,088	548	36%	(164)	-10%
EDD PM Direct	158	152	172	20	13%	(6)	-4%
EDD Other	98	189	148	(41)	-22%	91	92%
MD Direct	208	245	222	(23)	-9%	36	17%
Total Direct	2,169	2,126	2,630	504	24%	(43)	-2%
Maintenance Expenses	1,451	1,094	1,733	638	58%	(357)	-25%
Environmental & Sustainability	166	122	153	32	26%	(45)	-27%
Seaport Project Management	19	29	29	(1)	-3%	11	58%
Total Support Services	1,636	1,245	1,915	669	54%	(391)	-24%
Police Expenses	431	324	349	25	8%	(106)	-25%
Other Corp Expenses	1,213	1,118	1,182	64	6%	(95)	-8%
Total Central Services/Other	1,643	1,442	1,530	88	6%	(201)	-12%
<b>Total Expense</b>	<b>5,449</b>	<b>4,813</b>	<b>6,075</b>	<b>1,262</b>	<b>26%</b>	<b>(636)</b>	<b>-12%</b>
<b>NOI Before Depreciation</b>	<b>(430)</b>	<b>71</b>	<b>(948)</b>	<b>1,019</b>	<b>107%</b>	<b>501</b>	<b>116%</b>
Depreciation	1,279	1,258	1,245	(13)	-1%	(21)	-2%
<b>NOI After Depreciation</b>	<b>(1,709)</b>	<b>(1,187)</b>	<b>(2,193)</b>	<b>1,006</b>	<b>46%</b>	<b>522</b>	<b>31%</b>

## Variance from Revised Budget

- Revenue \$243K unfavorable to revised budget due to lower than anticipated utility sales and concession rents partially offset by higher than anticipated space rental revenue mainly from Lineage
- Expenses \$1,262K lower than revised budget due to favorable utilities and maintenance expenses.

## Variance from 2019

- Overall revenue relatively flat.
- Expenses down \$636K or 12% due to lower than prior year utilities and maintenance expense.

## COVID-19 Impact to 2020

- Expense projects either delayed or cancelled.

- Includes uplands of Shilshole Bay Marina, Terminal 91 (Industrial), Fishermen's Terminal, Maritime Industrial Center, Salmon Bay Marina, T-115, T-108, and T-106.

# Grain Terminal Q2 Financials

	2019 YTD	2020 YTD	2020 YTD	2020 YTD	Fav (UnFav) Fcst vs. Revised Budget Variance		Incr (Decr) Change from 2019	
\$ in 000's	Actual	Actual	Revised Budget	Approved Budget	\$	%	\$	%
Lease Revenue	2,567	2,005	1,756	1,756	249	14%	(562)	-22%
<b>Total Revenue</b>	<b>2,567</b>	<b>2,005</b>	<b>1,756</b>	<b>1,756</b>	<b>249</b>	<b>14%</b>	<b>(562)</b>	<b>-22%</b>
<b>Expenses</b>								
Maritime (Excl. Maint)	86	87	95	97	8	9%	1	2%
Economic Development	18	27	27	28	0	1%	9	48%
<b>Total Direct</b>	<b>104</b>	<b>114</b>	<b>122</b>	<b>126</b>	<b>8</b>	<b>7%</b>	<b>10</b>	<b>10%</b>
Maintenance Expenses	193	150	321	321	171	53%	(43)	-22%
Envir Services & Planning	48	33	44	51	11	26%	(16)	-32%
Seaport Project Management	6	6	5	6	(1)	-24%	0	2%
<b>Total Support Services</b>	<b>247</b>	<b>188</b>	<b>369</b>	<b>378</b>	<b>181</b>	<b>49%</b>	<b>(59)</b>	<b>-24%</b>
IT	56	50	51	50	1	2%	(6)	-11%
Police Expenses	139	91	98	98	7	7%	(49)	-35%
External Relations	53	35	39	43	4	10%	(17)	-33%
Other Central Services	224	174	200	214	26	13%	(50)	-23%
Aviation Division / Other	7	6	7	5	1	19%	(1)	-19%
<b>Total Central Services / Other</b>	<b>479</b>	<b>355</b>	<b>394</b>	<b>410</b>	<b>39</b>	<b>10%</b>	<b>(124)</b>	<b>-26%</b>
<b>Total Expense</b>	<b>830</b>	<b>657</b>	<b>886</b>	<b>913</b>	<b>228</b>	<b>26%</b>	<b>(173)</b>	<b>-21%</b>
<b>NOI Before Depreciation</b>	<b>1,737</b>	<b>1,348</b>	<b>870</b>	<b>843</b>	<b>478</b>	<b>55%</b>	<b>(389)</b>	<b>-22%</b>
Depreciation	275	266	264	264	(2)	-1%	(9)	-3%
<b>NOI After Depreciation</b>	<b>1,462</b>	<b>1,082</b>	<b>606</b>	<b>579</b>	<b>476</b>	<b>78%</b>	<b>(380)</b>	<b>-26%</b>

## Variance from Budget

- Revenue on track with budget
- Expenses tracking lower than budget due to organizational cost cutting initiatives

## Variance from 2019

- Revenue and volumes lower due to continued tariff issues with Asia

## COVID-19 Impact to 2020

- No known direct issues on impact

# Maritime Environmental Highlights Slide 1 of 2

## Energy & Air

- Completed the second round of stakeholder engagement toward development of the 2020 Northwest Ports Clean Air Strategy
- Commission approval to execute two IDIQ contracts to advance energy, air and sustainability initiatives
- Maintained compliance with Seattle Municipal Code by completing Building Tune-Ups and Energy Benchmarking
- Completed the annual 2019 Maritime emissions inventory for scope 1, 2, and 3 GHG sources from port lines of business
- Hiring freeze exemption approved and initiated hiring for a Seattle Waterfront Clean Energy Strategic Plan project manager

## Permitting , Habitat, Compliance

- Managed 'stand-down' process for T46 Cruise EIS to get consultants to a logical stopping point
- Initiated Sustainable Evaluation Framework review for Tier 3 projects at FT and T91
- Completed all permitting tasks for Terminal 117 Habitat Restoration and Public Shoreline Access project
- Worked with planning team partners to develop draft recommendations for Quiet Sound underwater noise reduction program
- Initiated migration of SharePoint data to new SharePoint Online platform
- Executed Interlocal Agreement with UW to support bio-barge research project
- Received Commission authorization to enter into ILAs with DNR and Ecology to support Smith Cove Blue Carbon Study

## Remediation

- Signed an Order with EPA to perform an Engineering Evaluation / Cost analysis for investigation and cleanup at T108 which was a former Chiyoda and Chevron site and a City of Seattle wastewater treatment plant site.
- Signed an Order with Ecology to implement a remedial investigation/feasibility study for T115 Plant 1
- Executed a contract with a consultant to perform a remedial investigation for T91 sediments under an order with Ecology

# Maritime Environmental Highlights Slide 2 of 2

## Stormwater Utility

- Finalized over 20 Stormwater Utility Policy documents
- Reviewed and submitted comments on City of Seattle stormwater codes and manuals, and on the Federal multi-sector general permit revisions
- Presented on the Port's stormwater utility for the virtual Infrastructure Week 2020 Summit
- Initiated planning meetings for the Marine Stormwater Utility Strategic Plan development
- Presented SWU 2021 Capital plan for division review and approval
- Initiated ICT process to move inspection process to mobile platform

## Cost Recovery

- Awarded \$7.98M (50% match is \$3.99M) from Department of Ecology for Lower Duwamish Superfund Site.
- Recovered a total of \$1,473,205 from Department of Ecology for cleanup sites.
- Submitted 3 grant requests totaling \$5.6M from DERA, VW and TransAlta for P66 shore power. As of Q2 end, awarded \$323,000 from DERA, acceptance pending negotiation.
- Potential \$300,000 estimated cost recovery from WA Dept. of Natural Resources to cover the disposal of Fire Boat Alki
- Recovered over \$15,000 in utility rebates for LED lighting replacements and energy efficiency improvements
- Awarded \$6.6M (75% match is \$5M) from DOE for NWSA T5 Stormwater.

# Maritime Capital 2020

\$ in 000's	2020 YTD Actual	2020 Year-End Forecast	2020 Revised Budget	Fcst/Rvsd Budget	
				\$	%
New Cruise Terminal	1,194	1,569	1,259	(310)	-24.6%
FT Gateway Building	278	678	700	22	3.1%
T91 Berth 6 & 8 Redev	34	183	460	277	60.2%
P66 Shore Power	64	201	470	269	57.2%
FT Maritime Innovation Center	125	425	700	275	39.3%
T117 Restoration	958	8,342	5,000	(3,342)	-66.8%
SBM Restrms/Service Bldgs Rep	5,258	8,657	9,400	743	7.9%
T91 New Cruise Gangway	-	20	30	10	33.3%
T91 Northwest Fender	52	97	785	688	87.6%
T102 HIM E Dock	7	75	110	35	31.8%
SBM Paving	416	1,664	1,810	146	8.1%
FT Docks 3,4,5 Fixed Pier Imp	527	528	510	(18)	-3.5%
All Other	965	7,758	5,978	(1,780)	-29.8%
Subtotal	9,878	30,197	27,212	(2,985)	-11.0%
CIP Cashflow Mgmt Reserve	-	(7,500)	(7,500)	0	0.0%
<b>Total Spending</b>	<b>9,878</b>	<b>22,697</b>	<b>19,712</b>	<b>(2,985)</b>	<b>-15.1%</b>

**New Cruise Terminal** – project placed on hold. Will be evaluating post-COVID-19 effects on cruise.

**T117 Restoration**– costs moved forward with expedited schedule from contactor.

**SBM Paving/Restrooms** – Foundation work completed, reducing amount of project contingency.

**T91 Northwest Fender** – construction spending delayed to Q1 2021.

# Economic Development Division

## Appendix

### Q2 2020 Financial Performance Report

# EDD 2020 Yr.-End Financial Forecast

	2018	2019	2020	2020	2020	Fav (UnFav) Fest vs. Revised Budget Variance		Incr (Decr) Change from 2019	
\$ in 000's	Actual	Actual	Forecast	Revised Budget	Approved Budget	\$	%	\$	%
Revenue	9,002	8,912	8,020	8,824	9,124	(804)	-9%	(892)	-10%
Conf & Event Centers	11,703	12,239	2,496	6,833	9,985	(4,337)	-63%	(9,742)	-80%
<b>Total Revenue</b>	<b>20,705</b>	<b>21,151</b>	<b>10,517</b>	<b>15,658</b>	<b>19,110</b>	<b>(5,141)</b>	<b>-33%</b>	<b>(10,634)</b>	<b>-50%</b>
<b>Expenses</b>									
Portfolio Management	3,571	3,732	3,853	3,988	4,008	135	3%	122	3%
Conf & Event Centers	9,889	10,218	2,098	6,703	8,902	4,605	69%	(8,120)	-79%
P69 Facilities Expenses	235	215	226	226	230	0	0%	11	5%
RE Dev & Planning	149	136	145	145	208	0	0%	9	6%
EconDev Expenses Other	785	930	632	632	932	0	0%	(298)	-32%
Maintenance Expenses	3,914	3,145	3,476	3,476	3,819	0	0%	330	10%
Maritime Expenses (Excl Maint)	281	253	512	512	524	0	0%	259	103%
<b>Total EDD &amp; Maritime Expenses</b>	<b>18,824</b>	<b>18,630</b>	<b>10,943</b>	<b>15,682</b>	<b>18,624</b>	<b>4,740</b>	<b>30%</b>	<b>(7,687)</b>	<b>-41%</b>
Diversity in Contracting	132	152	151	151	197	0	0%	(1)	-1%
Tourism	1,408	1,337	2,342	2,842	1,536	500	18%	1,005	75%
EDD Grants	838	785	810	1,110	1,110	300	27%	25	3%
<b>Total EDD Initiatives</b>	<b>2,378</b>	<b>2,274</b>	<b>3,303</b>	<b>4,103</b>	<b>2,843</b>	<b>800</b>	<b>19%</b>	<b>1,029</b>	<b>45%</b>
Environmental & Sustainability	281	344	265	260	323	(5)	-2%	(79)	-23%
Police Expenses	(76)	61	222	232	233	10	4%	161	266%
Other Central Services	5,466	5,732	6,302	6,752	7,223	450	7%	570	10%
Aviation Division	155	114	193	193	123	0	0%	78	69%
<b>Total Central Services &amp; Aviation</b>	<b>5,825</b>	<b>6,251</b>	<b>6,982</b>	<b>7,437</b>	<b>7,901</b>	<b>455</b>	<b>6%</b>	<b>730</b>	<b>12%</b>
Envir Remed Liability	0	0	0	0	0	0	NA	0	NA
<b>Total Expense</b>	<b>27,028</b>	<b>27,156</b>	<b>21,227</b>	<b>27,222</b>	<b>29,368</b>	<b>5,995</b>	<b>22%</b>	<b>(5,928)</b>	<b>-22%</b>
<b>NOI Before Depreciation</b>	<b>(6,323)</b>	<b>(6,005)</b>	<b>(10,711)</b>	<b>(11,564)</b>	<b>(10,258)</b>	<b>854</b>	<b>7%</b>	<b>(4,706)</b>	<b>-78%</b>
Depreciation	3,948	3,647	3,389	3,392	3,389	2	0%	(258)	-7%
<b>NOI After Depreciation</b>	<b>(10,271)</b>	<b>(9,651)</b>	<b>(14,100)</b>	<b>(14,956)</b>	<b>(13,647)</b>	<b>856</b>	<b>6%</b>	<b>(4,448)</b>	<b>-46%</b>

## Revenue Variance from Revised Budget

- Lower Parking Revenues at Bell Street Garage
- Anticipated potential COVID related vacancies.
- Updated Conference and Event volumes, lower than originally expected.

## Expense Variance from Revised Budget

- Reduction in Conference and Event center variable expenses.

# EDD 2020 YTD Financial Detail

	2018 YTD	2019 YTD	2020 YTD	2020 YTD	2020 YTD	Fav (UnFav) Fest vs. Revised Budget Variance		Incr (Decr) Change from 2019	
\$ in 000's	Actual	Actual	Actual	Revised Budget	Approved Budget	\$	%	\$	%
Revenue	4,577	4,421	4,119	4,295	4,475	(176)	-4%	(302)	-7%
Conf & Event Centers	5,188	5,963	1,240	2,155	3,455	(915)	-42%	(4,723)	-79%
<b>Total Revenue</b>	<b>9,765</b>	<b>10,384</b>	<b>5,359</b>	<b>6,450</b>	<b>7,930</b>	<b>(1,091)</b>	<b>-17%</b>	<b>(5,025)</b>	<b>-48%</b>
<b>Expenses</b>									
Portfolio Management	1,952	1,922	1,583	2,125	2,138	542	26%	(339)	-18%
Conf & Event Centers	4,306	4,833	2,378	2,714	3,621	336	12%	(2,455)	-51%
P69 Facilities Expenses	114	92	119	117	119	(2)	-2%	27	30%
RE Dev & Planning	74	48	91	63	103	(28)	-45%	43	89%
EconDev Expenses Other	473	352	488	337	487	(152)	-45%	136	39%
Maintenance Expenses	1,995	1,563	1,170	1,814	1,912	644	35%	(393)	-25%
Maritime Expenses (Excl Maint)	117	106	229	257	264	28	11%	123	115%
<b>Total EDD &amp; Maritime Expenses</b>	<b>9,033</b>	<b>8,916</b>	<b>6,058</b>	<b>7,426</b>	<b>8,644</b>	<b>1,368</b>	<b>18%</b>	<b>(2,857)</b>	<b>-32%</b>
Diversity in Contracting	37	99	50	85	100	35	41%	(48)	-49%
Tourism	620	526	374	638	747	264	41%	(152)	-29%
EDD Grants	28	(4)	(27)	555	555	582	105%	(24)	679%
<b>Total EDD Initiatives</b>	<b>685</b>	<b>621</b>	<b>397</b>	<b>1,278</b>	<b>1,402</b>	<b>881</b>	<b>69%</b>	<b>(224)</b>	<b>-36%</b>
Environmental & Sustainability	121	173	101	127	153	26	20%	(72)	-41%
Police Expenses	81	101	108	116	117	8	7%	7	6%
Other Central Services	2,558	2,819	2,760	3,430	3,574	671	20%	(59)	-2%
Aviation Division	79	53	69	81	58	13	15%	15	29%
<b>Total Central Services &amp; Aviation</b>	<b>2,839</b>	<b>3,147</b>	<b>3,037</b>	<b>3,755</b>	<b>3,902</b>	<b>718</b>	<b>19%</b>	<b>(109)</b>	<b>-3%</b>
Envir Remed Liability	0	0	0	0	0	0	NA	0	NA
<b>Total Expense</b>	<b>12,557</b>	<b>12,684</b>	<b>9,493</b>	<b>12,459</b>	<b>13,948</b>	<b>2,966</b>	<b>24%</b>	<b>(3,191)</b>	<b>-25%</b>
<b>NOI Before Depreciation</b>	<b>(2,791)</b>	<b>(2,300)</b>	<b>(4,134)</b>	<b>(6,009)</b>	<b>(6,018)</b>	<b>1,875</b>	<b>31%</b>	<b>(1,834)</b>	<b>-80%</b>
Depreciation	1,980	1,833	1,774	1,705	1,704	(68)	-4%	(59)	-3%
<b>NOI After Depreciation</b>	<b>(4,771)</b>	<b>(4,133)</b>	<b>(5,908)</b>	<b>(7,715)</b>	<b>(7,722)</b>	<b>1,807</b>	<b>23%</b>	<b>(1,775)</b>	<b>-43%</b>



# Portfolio Management Q2 Financials

	2019 YTD	2020 Year-to-Date		Fav (UnFav) Revised		Incr (Decr)	
		Revised		Budget Variance		Change from 2019	
\$ in 000's	Actual	Actual	Budget	\$	%	\$	%
Central Harbor	3,701	3,264	3,503	(238)	-7%	(437)	-12%
T-91 Uplands	705	840	776	63	8%	135	19%
Conference & Events Centers	5,963	1,240	2,155	(915)	-42%	(4,723)	-79%
Foreign Trade Zone	15	15	15	0	0%	0	NA
<b>Total Revenue</b>	<b>10,384</b>	<b>5,359</b>	<b>6,449</b>	<b>(1,090)</b>	<b>-17%</b>	<b>(5,025)</b>	<b>-48%</b>
PM Outside Services	232	193	498	305	61%	(40)	-17%
PM Direct	6,522	3,768	4,342	573	13%	(2,754)	-42%
EDD Other	591	749	675	(73)	-11%	158	27%
MD Direct	72	171	224	53	24%	99	138%
Total Direct	7,417	4,881	5,738	858	15%	(2,537)	-34%
Maintenance Expenses	1,561	1,170	1,813	643	35%	(391)	-25%
Enviromental & Sustainability	158	85	117	31	27%	(73)	-46%
Seaport Project Management	34	58	33	(25)	-75%	24	68%
Total Support Services	1,754	1,314	1,962	649	33%	(440)	-25%
Police Expenses	101	108	116	8	7%	7	6%
Other Corp Expenses	2,555	2,534	2,756	222	8%	(21)	-1%
Total Central Services/Other	2,656	2,642	2,872	230	8%	(14)	-1%
<b>Total Expense</b>	<b>11,827</b>	<b>8,836</b>	<b>10,573</b>	<b>1,737</b>	<b>16%</b>	<b>(2,991)</b>	<b>-25%</b>
<b>NOI Before Depreciation</b>	<b>(1,443)</b>	<b>(3,477)</b>	<b>(4,124)</b>	<b>647</b>	<b>16%</b>	<b>(2,034)</b>	<b>-141%</b>
Depreciation	1,831	1,772	1,704	(68)	-4%	(59)	-3%
<b>NOI After Depreciation</b>	<b>(3,273)</b>	<b>(5,249)</b>	<b>(5,827)</b>	<b>579</b>	<b>10%</b>	<b>(1,975)</b>	<b>-60%</b>

## Variance from Revised Budget

- Revenue unfavorable to revised budget due to Conference & Events Centers' revenue decline as a result of government mandates caused by COVID-19 pandemic.
- Expenses lower than revised budget due to favorable maintenance expenses and lower BHICC volumes.

## Variance from 2019

- Bell Harbor International Conference Center (BHICC) revenue significantly declined due to COVID-19 social distancing requirements between March 13 and May 31. Closing ala carte lunch service and event space at WTC Seattle.
- Expenses down from BHICC volumes.

## COVID-19 Impact to 2020

- BHICC events cancelled or postponed to the second half of 2020.
- Expense projects either delayed or cancelled.

- Includes non-alliance & upland real-estate at Tsubota, T-91 (General), T-86, P-69, Bell Street Garage, Smith Cove Conference Center, Bell Harbor International Conference Center, World Trade Center, Foreign Trade Zone, Pier 2, T-34, and T-102.

# EDD Capital 2020

\$ in 000's	2020 YTD Actual	2020 Year-End Forecast	2020 Revised Budget	Fest/Rvsd Budget	
				\$	%
T91 Uplands Development	96	396	1,000	604	60.4%
P66 BHICC Interior Modernize	6,784	8,084	8,358	274	3.3%
WTC HVAC Replacement	156	231	260	29	11.2%
P66 HVAC Systems Upgrade	298	466	912	446	48.9%
P66 Roof Upgrades	-	60	50	(10)	-20.0%
CW Bridge Elev Modernizations	29	104	350	246	70.3%
All Other	318	1,595	1,769	174	9.8%
Subtotal	7,681	10,936	12,699	1,763	13.9%
CIP Cashflow Mgmt Reserve	-	(2,500)	(2,000)	500	-25.0%
<b>Total Spending</b>	<b>7,681</b>	<b>8,436</b>	<b>10,699</b>	<b>2,263</b>	<b>21.2%</b>

**T-91 Upland Industrial –**  
Unanticipated delays in the finalization of the design contract.

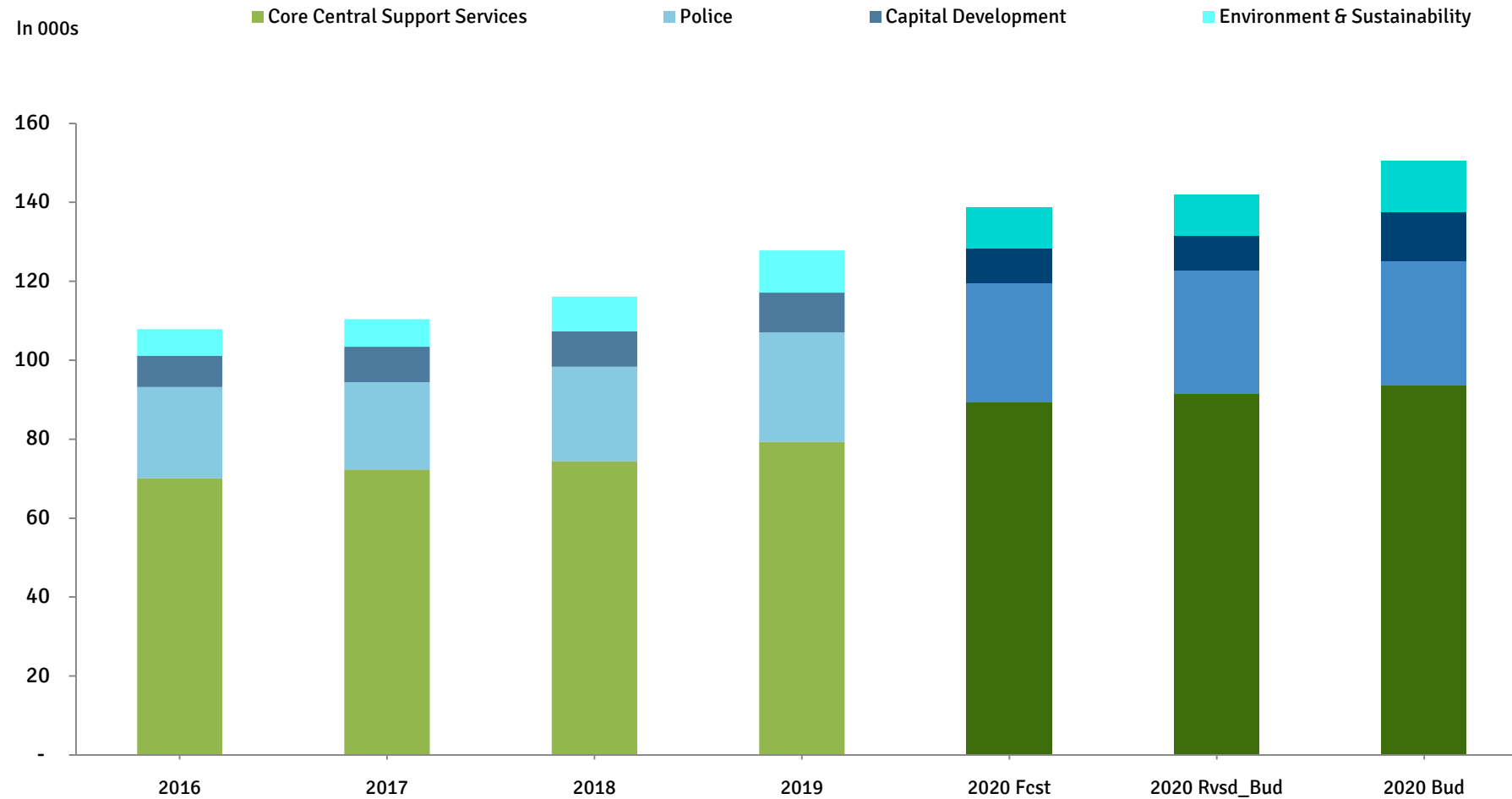
**BHICC Modernization –** Project expected to close out in Q3.

**P66 HVAC–** Costs shifted to future due to delay in projected hand over from MM to PMG.

# Central Services Appendix

## Q2 2020 Financial Performance Report

# Central Services Financial Highlights



# Central Services Expense by Category

	2018 YTD	2019 YTD	2020 YTD	2020 YTD	2020 YTD	Fav (UnFav)		Incr (Decr)	
				Revised	Approved	Actual vs. Revise		Change from 2019	
\$ in 000's	Actual	Actual	Actual	Budget	Budget	Budget	Variance	\$	%
						\$	%	\$	%
Salaries & Benefits	35,384	36,992	39,026	40,389	41,370	1,363	3.4%	2,034	5.5%
Wages & Benefits	12,345	13,320	14,376	15,134	15,134	757	5.0%	1,056	7.9%
Payroll to Capital Projects	8,332	8,541	9,262	10,150	10,700	888	8.7%	721	8.4%
Equipment Expense	1,039	978	987	1,133	1,391	146	12.9%	9	0.9%
Supplies & Stock	544	477	437	640	723	203	31.7%	(39)	-8.3%
Outside Services	9,498	11,914	15,580	16,521	17,844	941	5.7%	3,666	30.8%
Travel & Other Employee Expenses	1,140	1,133	834	1,051	1,892	216	20.6%	(298)	-26.3%
Insurance Expense	1,079	1,117	1,085	1,154	1,154	69	6.0%	(32)	-2.9%
Litigated Injuries & Damages	(82)	-	-	-	-	-	0.0%	-	0.0%
Other Expenses	1,079	1,836	1,433	1,718	2,013	285	16.6%	(404)	-22.0%
Charges to Capital Projects/Overhead Alloc	(12,736)	(14,117)	(17,244)	(18,078)	(18,670)	(834)	4.6%	(3,127)	22.1%
<b>TOTAL</b>	<b>57,621</b>	<b>62,191</b>	<b>65,777</b>	<b>69,812</b>	<b>73,549</b>	<b>4,035</b>	<b>5.8%</b>	<b>3,586</b>	<b>5.8%</b>

- Payroll savings due to Staff vacancies/hiring freeze.
- Wages favorable due to lower Overtime for Police due to cancellation of cruise season and vacancies.
- Outside Services favorable to budget due to spending delays and cost reduction measures.
- Charge to Capital unfavorable to budget due to delay of some capital projects.

# Central Service YE Financial Forecast

	2018	2019	2020	2020	2020	Fav (UnFav) Fest vs. Revised Budget Variance		Incr (Decr) Change from 2019	
\$ in 000's	Actual	Actual	Forecast	Revised Budget	Approved Budget	\$	%	\$	%
<b>Total Operating Revenues</b>	<b>(500)</b>	<b>1,282</b>	<b>1,665</b>	<b>40</b>	<b>40</b>	<b>1,625</b>	<b>4063.2%</b>	<b>383</b>	<b>29.9%</b>
Core Central Support Services	74,419	79,276	89,449	91,594	93,604	2,145	2.3%	10,173	12.8%
Police	23,908	27,793	30,012	31,312	31,444	1,300	4.2%	2,219	8.0%
Capital Development	8,999	10,038	8,888	8,611	12,513	(277)	-3.2%	(1,150)	-11.5%
Environment & Sustainability	8,770	10,748	10,398	10,399	12,866	1	0.0%	(350)	-3.3%
<b>Total Operating Expenses</b>	<b>116,097</b>	<b>127,855</b>	<b>138,747</b>	<b>141,916</b>	<b>150,427</b>	<b>3,170</b>	<b>2.2%</b>	<b>10,892</b>	<b>8.5%</b>

# Central Services Capital Spending

	2020 YTD	2020	2020	Fav (UnFav)	
\$ in 000's	Actual	Year-End Forecast	Revised Budget	YE Fcst vs. \$	Revised %
Infrastructure - Small Cap	984	2,100	2,100	0	0.0%
Services Tech - Small Cap	979	1,350	1,350	0	0.0%
Radio System Upgrade	328	3,079	3,687	608	16.5%
New Budget System	151	317	583	266	45.6%
Regional Workforce Tracking	-	-	500	500	100.0%
Learning Management System	-	150	400	250	62.5%
Maximo Upgrade	279	394	462	68	14.7%
Phone System Upgrade	34	900	900	0	0.0%
Customer Relationship Mgmt	482	1,185	1,400	215	15.4%
CDD Fleet Replacement	210	1,111	1,644	533	32.4%
Corporate Fleet Replacement	225	245	1,065	820	77.0%
CIP Cashflow Adjustment	-	(2,000)	(3,000)	(1,000)	33.3%
Other (note 1)	353	956	1,600	644	40.3%
<b>TOTAL</b>	<b>4,025</b>	<b>9,787</b>	<b>12,691</b>	<b>2,904</b>	<b>22.9%</b>

Note:

(1) "Other" includes remaining ICT projects and small capital projects/acquisitions.

# Portwide Appendix

## Q2 2020 Financial Performance Report



# Portwide Financial Summary

	2018 YTD	2019 YTD	2020 YTD	2020 YTD	2020 YTD	Fav (UnFav) Actual vs. Revised Budget Variance		Incr (Decr) Change from 2019	
\$ in 000's	Actual	Actual	Actual	Revised Budget	Approved Budget	\$	%	\$	%
Aeronautical Revenues	147,570	175,927	163,722	194,483	194,483	(30,762)	-15.8%	(12,206)	-6.9%
Airport Non-Aero Revenues	118,864	124,604	64,225	61,128	131,864	3,097	5.1%	(60,380)	-48.5%
Non-Airport Revenues	64,054	67,632	48,298	47,193	58,925	1,105	2.3%	(19,334)	-28.6%
<b>Total Operating Revenues</b>	<b>330,489</b>	<b>368,164</b>	<b>276,244</b>	<b>302,804</b>	<b>385,271</b>	<b>(26,560)</b>	<b>-8.8%</b>	<b>(91,920)</b>	<b>-25.0%</b>
Total Operating Expenses	191,577	216,758	197,820	214,991	230,151	17,171	8.0%	(18,937)	-8.7%
<b>NOI before Depreciation</b>	<b>138,912</b>	<b>151,407</b>	<b>78,424</b>	<b>87,813</b>	<b>155,121</b>	<b>(9,389)</b>	<b>-10.7%</b>	<b>(72,983)</b>	<b>-48.2%</b>
Depreciation	81,949	82,481	87,855	89,958	89,958	2,103	2.3%	5,374	6.5%
<b>NOI after Depreciation</b>	<b>56,963</b>	<b>68,926</b>	<b>(9,431)</b>	<b>(2,145)</b>	<b>65,163</b>	<b>(7,286)</b>	<b>339.7%</b>	<b>(78,357)</b>	<b>-113.7%</b>

# Portwide Financial Summary –YE Forecast

	2018	2019	2020	2020	2020	Fav (UnFav) Fcst vs. Revised Budget Variance		Incr (Decr) Change from 2019	
\$ in 000's	Actual	Actual	Forecast	Revised Budget	Approved Budget	\$	%	\$	%
Aeronautical Revenues	291,268	357,598	297,373	401,342	401,342	(103,969)	-25.9%	(60,225)	-16.8%
Airport Non-Aero Revenues	257,707	269,037	115,448	135,074	283,167	(19,625)	-14.5%	(153,589)	-57.1%
Non-Airport Revenues	140,415	137,538	97,606	103,302	127,106	(5,696)	-5.5%	(39,933)	-29.0%
<b>Total Operating Revenues</b>	<b>689,390</b>	<b>764,174</b>	<b>510,427</b>	<b>639,717</b>	<b>811,616</b>	<b>(129,291)</b>	<b>-20.2%</b>	<b>(253,747)</b>	<b>-33.2%</b>
Total Operating Expenses	397,638	443,089	424,679	438,081	469,769	13,402	3.1%	(18,411)	-4.2%
<b>NOI before Depreciation</b>	<b>291,752</b>	<b>321,085</b>	<b>85,748</b>	<b>201,637</b>	<b>341,847</b>	<b>(115,889)</b>	<b>-57.5%</b>	<b>(235,336)</b>	<b>-73.3%</b>
Depreciation	164,362	174,971	179,056	179,056	179,056	-	0.0%	4,085	2.3%
<b>NOI after Depreciation</b>	<b>127,390</b>	<b>146,114</b>	<b>(93,308)</b>	<b>22,581</b>	<b>162,791</b>	<b>(115,889)</b>	<b>-513.2%</b>	<b>(239,422)</b>	<b>-163.9%</b>

# Non-Airport Financial Summary

	2018 YTD	2019 YTD	2020 YTD	2020 YTD	2020 YTD	Fav (UnFav) Actual vs. Revised Budget Variance		Incr (Decr) Change from 2019	
\$ in 000's	Actual	Actual	Actual	Revised Budget	Approved Budget	\$	%	\$	%
NWSA Distributable Revenue	25,844	24,941	21,218	20,968	20,968	250	1.2%	(3,723)	-14.9%
Maritime Revenues	26,257	27,368	18,338	18,214	28,465	124	0.7%	(9,030)	-33.0%
EDD Revenues	9,765	10,384	5,359	6,450	7,930	(1,091)	-16.9%	(5,025)	-48.4%
SWU & Other	2,187	4,939	3,383	1,562	1,562	1,822	116.7%	(1,556)	-31.5%
<b>Total Operating Revenues</b>	<b>64,054</b>	<b>67,632</b>	<b>48,298</b>	<b>47,193</b>	<b>58,925</b>	<b>1,105</b>	<b>2.3%</b>	<b>(19,334)</b>	<b>-28.6%</b>
Total Operating Expenses	38,141	40,522	34,441	42,600	45,384	8,159	19.2%	(6,082)	-15.0%
<b>NOI before Depreciation</b>	<b>25,913</b>	<b>27,110</b>	<b>13,857</b>	<b>4,593</b>	<b>13,541</b>	<b>9,264</b>	<b>201.7%</b>	<b>(13,252)</b>	<b>-48.9%</b>
Depreciation	19,988	19,623	18,794	18,577	18,594	(217)	-1.2%	(829)	-4.2%
<b>NOI after Depreciation</b>	<b>5,925</b>	<b>7,487</b>	<b>(4,936)</b>	<b>(13,984)</b>	<b>(5,053)</b>	<b>9,047</b>	<b>-64.7%</b>	<b>(12,423)</b>	<b>-165.9%</b>

- Non-Airport Operating Revenue exceeded budget by \$1.1M due to NWSA Distributable Revenues, higher Grain and Fishing & Operations revenues, and unbudgeted Police Revenues.
- Expenses are \$8.2M lower than budget due cost savings measures which include hiring freeze, delay in implementing program initiatives, and cutting travel and other employee expenses.

# Portwide Operating Expense Summary

	2018 YTD	2019 YTD	2020 YTD	2020 YTD	2020 YTD	Fav (UnFav) Actual vs. Revised Budget Variance		Incr (Decr) Change from 2019	
\$ in 000's	Actual	Actual	Actual	Revised Budget	Approved Budget	\$	%	\$	%
Salaries & Benefits	62,507	66,098	71,427	72,681	74,470	1,254	1.7%	5,328	8.1%
Wages & Benefits	60,073	64,034	67,147	66,281	66,028	(866)	-1.3%	3,113	4.9%
Payroll to Capital Projects	13,602	13,523	14,460	17,565	18,372	3,105	17.7%	937	6.9%
Outside Services	38,271	43,951	45,545	54,566	60,166	9,022	16.5%	1,594	3.6%
Utilities	13,453	13,103	12,104	14,975	15,159	2,871	19.2%	(999)	-7.6%
Equipment Expense	3,866	4,481	4,211	4,217	5,021	7	0.2%	(271)	-6.0%
Supplies & Stock	4,633	5,290	4,653	4,878	4,616	225	4.6%	(637)	-12.0%
Travel & Other Employee Expenses	2,299	2,486	1,603	2,278	3,873	675	29.6%	(883)	-35.5%
Third Party Mgmt Op Exp	5,273	6,494	3,228	3,507	5,542	278	7.9%	(3,266)	-50.3%
B&O Taxes	2,181	2,226	1,716	1,874	2,380	158	8.4%	(510)	-22.9%
Other Expenses	9,546	19,978	2,188	5,790	8,872	3,603	62.2%	(17,791)	-89.0%
Charges to Capital Projects/Overhead Alloc	(24,126)	(24,908)	(30,462)	(33,622)	(34,349)	(3,160)	9.4%	(5,554)	22.3%
<b>TOTAL</b>	<b>191,577</b>	<b>216,758</b>	<b>197,820</b>	<b>214,991</b>	<b>230,151</b>	<b>17,171</b>	<b>8.0%</b>	<b>(18,937)</b>	<b>-8.7%</b>

- Payroll expenses were \$3.5M below budget primarily due to hiring freeze offset by higher Maintenance wages and new Police contracts paying out Holiday pay in January instead of December.
- Outside Services were \$9.0M favorable to budget due to project delays related to COVID-19 cost-reduction measures.
- Travel & Other Employee Expenses were \$675K lower than budget due to cutting/eliminating non-essential business travel and training.
- Other Expenses were \$3.6M lower than budget mainly due Environmental Remediation Liability adjustment, lower Promotional Expenses and Room/Space/Land Rental expenses because of cancellation of planned events, lower spending in Telecommunications, and Miscellaneous expense as part of the cost-reduction measures.

# Portwide Operating Revenues Summary

	2018 YTD	2019 YTD	2020 YTD	2020 YTD Revised	2020 YTD Approved	Fav (UnFav) Actual vs. Revised Budget Variance		Incr (Decr) Change from 2019	
\$ in 000's	Actual	Actual	Actual	Budget	Budget	\$	%	\$	%
Aeronautical Revenues	147,570	175,927	163,722	194,483	194,483	(30,762)	-15.8%	(12,206)	-6.9%
Public Parking	39,402	40,401	20,002	18,747	44,159	1,255	6.7%	(20,399)	-50.5%
Rental Cars - Operations	14,922	15,560	7,591	7,376	15,593	216	2.9%	(7,969)	-51.2%
Rental Cars - Operating CFC	5,497	4,505	-	-	4,452	-	0.0%	(4,505)	-100.0%
ADR & Terminal Leased Space	30,179	32,689	16,918	14,748	33,409	2,170	14.7%	(15,771)	-48.2%
Ground Transportation	8,885	9,979	4,374	4,576	10,751	(202)	-4.4%	(5,605)	-56.2%
Employee Parking	5,191	5,193	4,678	3,348	5,049	1,330	39.7%	(515)	-9.9%
Airport Commercial Properties	7,593	7,072	5,777	5,658	7,978	119	2.1%	(1,295)	-18.3%
Airport Utilities	3,438	3,665	2,758	4,415	4,415	(1,657)	-37.5%	(907)	-24.7%
Clubs and Lounges	2,773	4,456	1,714	1,714	4,950	()	0.0%	(2,741)	-61.5%
Cruise	6,806	8,473	133	49	10,300	84	173.2%	(8,340)	-98.4%
Recreational Boating	6,068	6,228	6,211	6,607	6,607	(397)	-6.0%	(17)	-0.3%
Fishing & Operations	4,622	5,071	5,091	4,670	4,670	421	9.0%	20	0.4%
Grain	3,123	2,567	2,005	1,756	1,756	249	14.2%	(562)	-21.9%
Maritime Portfolio Management	5,628	5,019	4,884	5,127	5,127	(243)	-4.7%	(135)	-2.7%
Central Harbor Management	4,557	4,406	4,104	4,279	4,459	(175)	-4.1%	(302)	-6.9%
Conference & Event Centers	5,188	5,963	1,240	2,155	3,455	(915)	-42.5%	(4,723)	-79.2%
NWSA Distributable Revenue	25,844	24,941	21,218	20,968	20,968	250	1.2%	(3,723)	-14.9%
Other	3,201	6,049	3,824	2,128	2,692	1,696	79.7%	(2,225)	-36.8%
<b>Total Operating Revenues (w/o Aero)</b>	<b>182,918</b>	<b>192,237</b>	<b>112,523</b>	<b>108,321</b>	<b>190,788</b>	<b>4,202</b>	<b>3.9%</b>	<b>(79,714)</b>	<b>-41.5%</b>
<b>TOTAL</b>	<b>330,489</b>	<b>368,164</b>	<b>276,244</b>	<b>302,804</b>	<b>385,271</b>	<b>(26,560)</b>	<b>-8.8%</b>	<b>(91,920)</b>	<b>-25.0%</b>