

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 image.

Port of Seattle Q2 2021 Financial Performance Report

Commission Meeting

Key Highlights

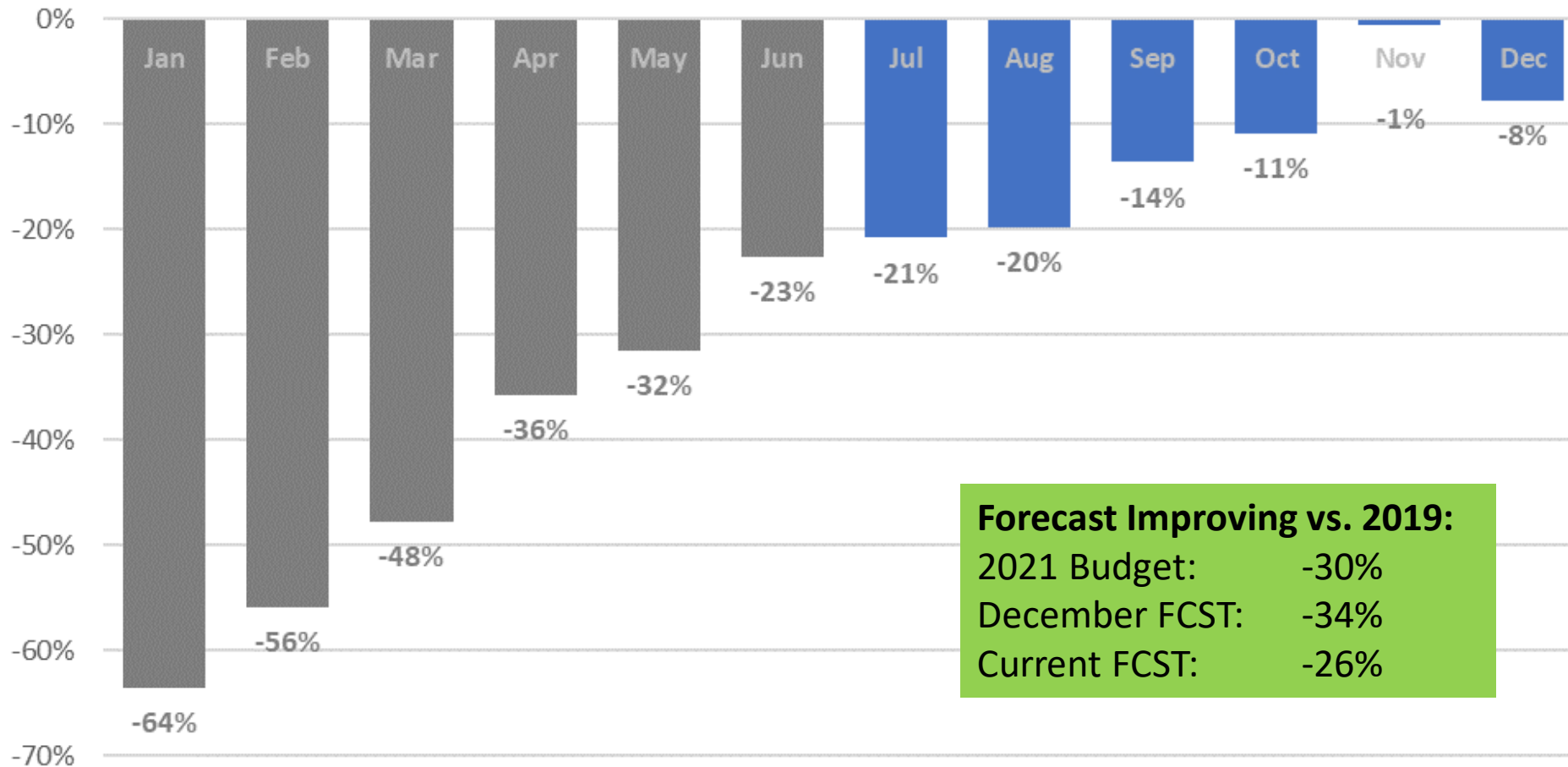
- Prudent budgeting and careful cost management has positioned the Port well for 2021 despite the major disruption caused by the pandemic
- Higher passenger projection than the budget and substantial federal relief funds have improved the financial outlook for the Aviation division
- The first revenue cruise departed at Smith Cove Cruise Terminal in mid-July. Expecting a total of the 83 cruise sailings this season
- Currently projecting operating expenses to be closely on track with budget on a full-year basis
- Still facing uncertainty due to COVID variants; staff continues to closely monitor very dynamic business conditions
- Continuing to support investments aimed at regional economic recovery

Aviation Division

2021 Q2 Financial Performance Report

Passenger Growth Rebounding

by Month for 2021 vs 2019



Forecast Improving vs. 2019:

2021 Budget: -30%
December FCST: -34%
Current FCST: -26%

Passengers (millions)	
2019 Actual	51.7
2020 Actual	20.1
2021 Budget	36.4
2021 Forecast	38.3

26%



compared
to 2019

90% growth
vs. 2020

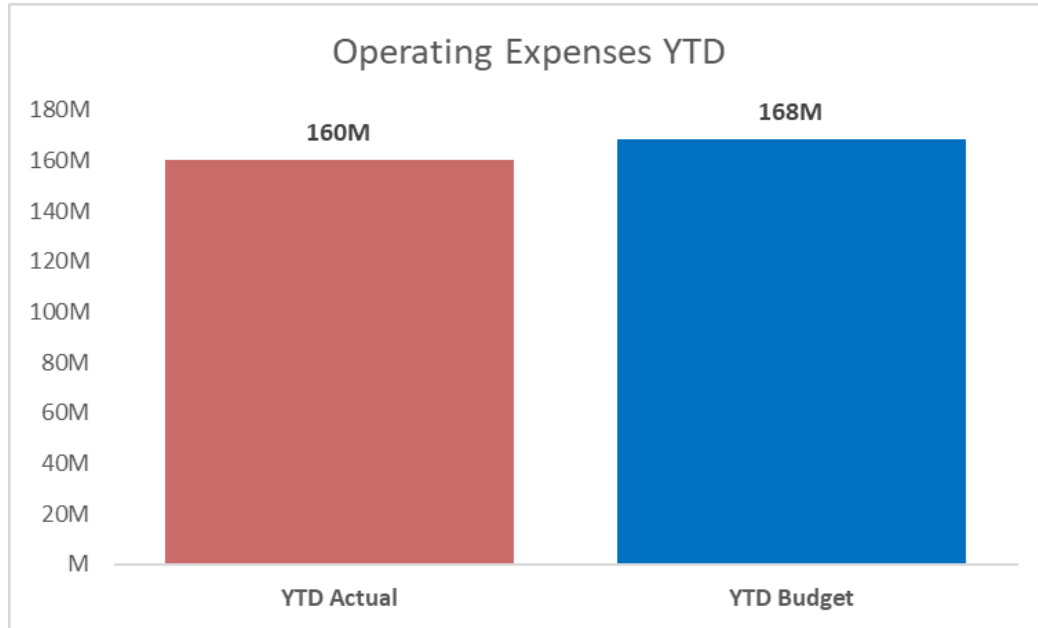
Keys to Financial Results: Increased Federal Relief

<i>Figures in \$000s</i>	Forecast YE 2021	Budget YE 2021	Variance
Revenues			
Aeronautical	300,332	386,668	(86,336)
Non-Aeronautical	166,133	189,548	(23,414)
Total Revenues	466,465	576,215	(109,750)
O&M expense	341,260	339,908	(1,353)
NOI	125,205	236,308	(111,103)
Federal Relief	161,601	37,899	123,702
Federal Relief (Concessions)	26,774		26,774
NOI (After Federal Relief)	313,579	274,207	39,373
<u>Key Measures</u>			
Non-Aero NOI (in \$000s)	86,046	82,742	3,304
CPE (\$)	13.97	19.62	5.65
Debt Service Coverage	2.70	1.36	1.34
<u>Other Information</u>			
ADF Balance	391M	340M	51M
Capital Spending (in \$000s)	456,620	491,202	34,582

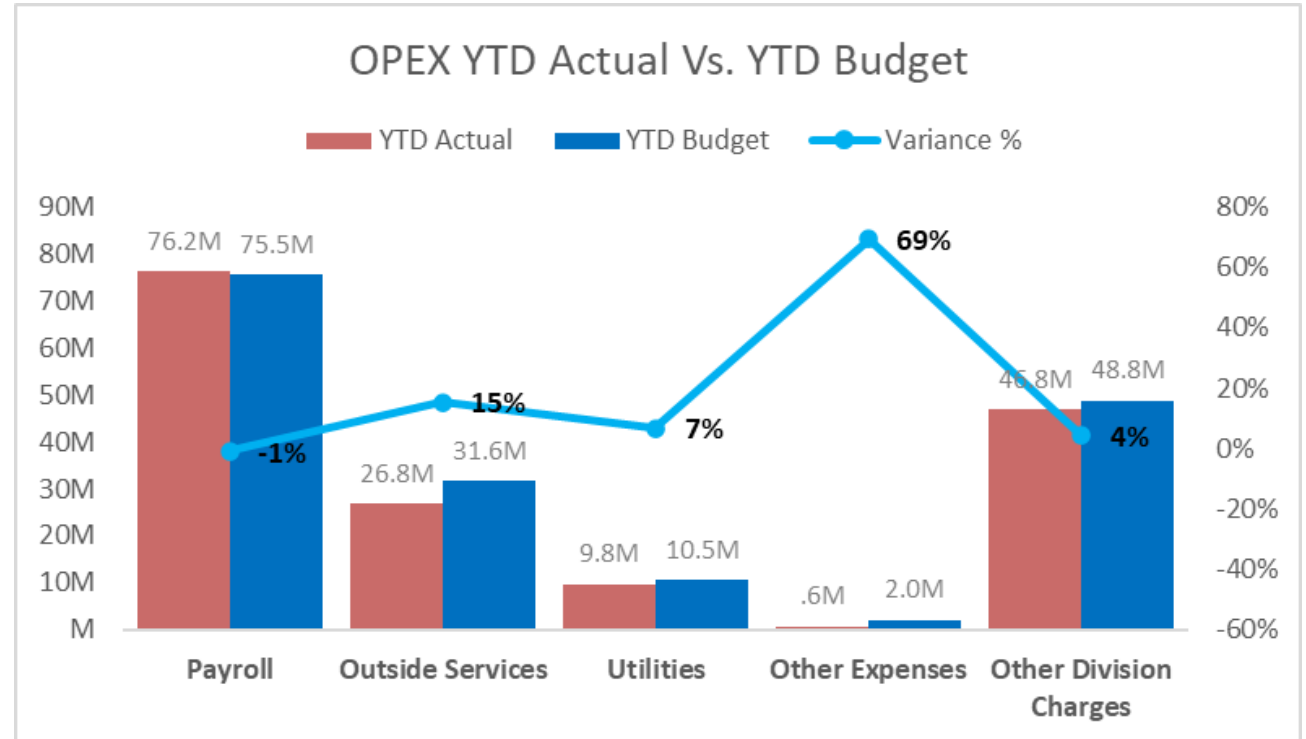
Business Highlights

- Higher than expected passenger levels, new forecast is 26% lower than 2019
- Increased federal relief improves bottom line, helps customers:
 - \$37 million for CRRSAA
 - \$154 million for ARPA
 - \$26.7 million for tenant concessions relief (CRRSAA and ARPA)
 - Current plan: reserve \$75 million for 2022
- Mid-year airline rate adjustment made effective July 1
- Implemented virtual queuing pilot program (“Spot Saver”) for security checkpoints

Operating Expenses Summary (YTD)

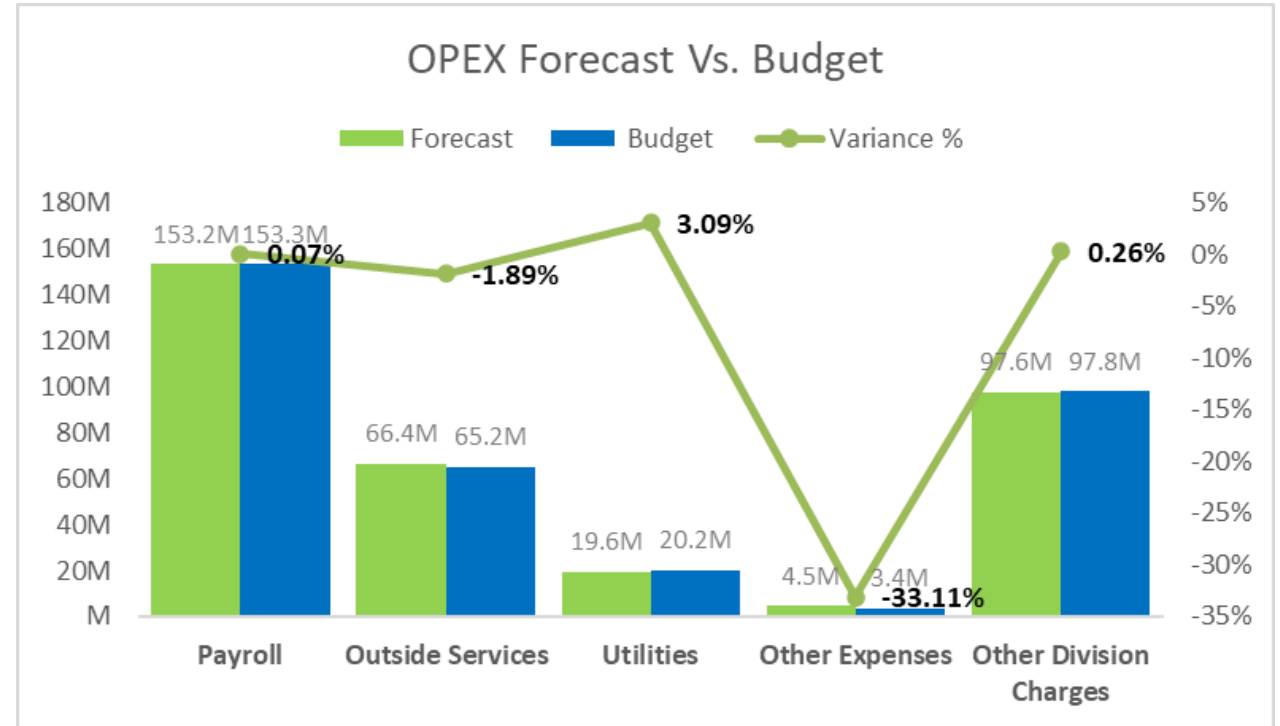
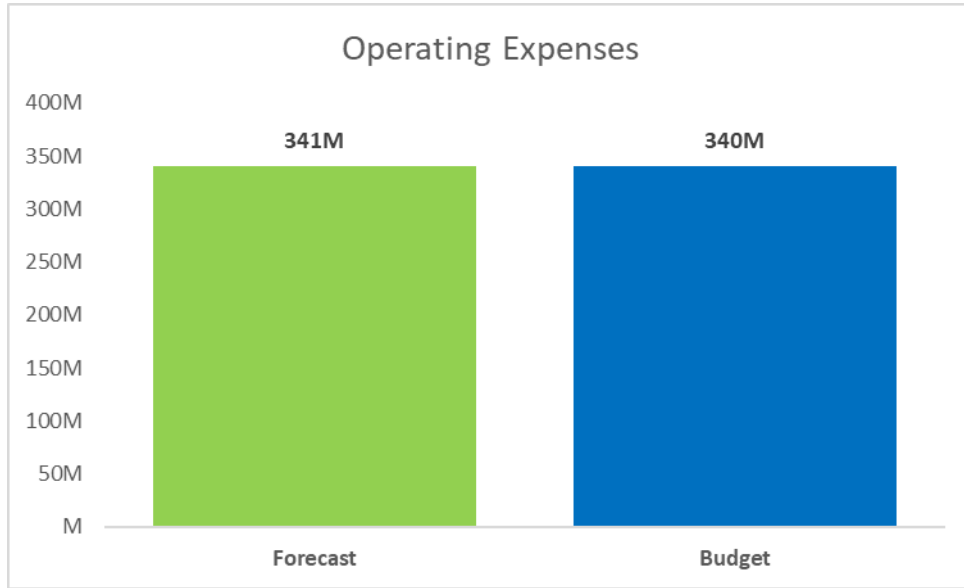


\$8.2M or 4.9% Favorable



- Underspend in Outside Services of **\$4.8M** across multiple business areas - Charges from Other Divisions **\$2M**, Other Expenses **\$900k**, and Utilities **\$700k**.

Operating Expenses Summary (YE Forecast)

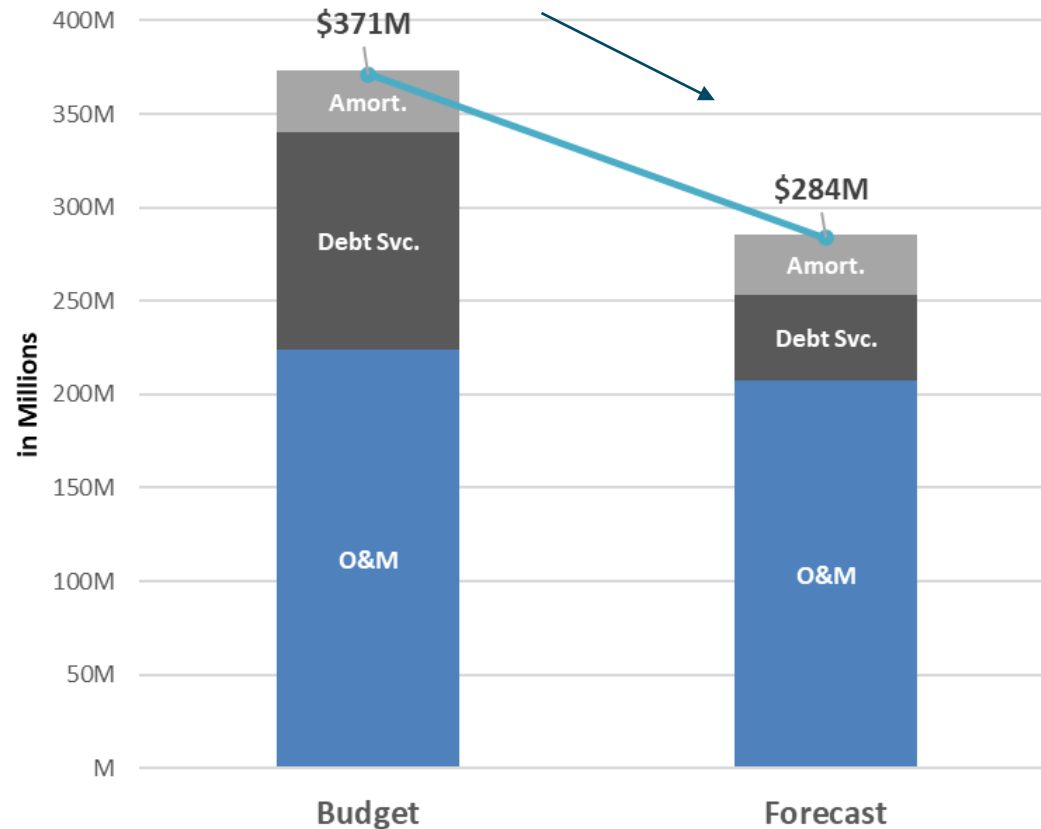


\$1.4M or <0.40% Unfavorable

Major Drivers:

- Net Increase in O&M is driven by primarily by the Snow Removal Costs in Q1 (\$2.2M)
- Increase above is partially offset by savings from Other Divisions of \$256K
- Forecast includes approx. \$5.8M in approved Contingency Requests
- Not in Forecast – Potential Additional Unfreezing of FTEs this year to start 10/1/2021

Aero Rate Base Revenue Requirements



**Forecasting Relief of \$107.8M
(CARES, CRRSAA & ARPA)**

**Forecasted Relief
\$86.7M
to lower Debt
Service**

**Forecasted Relief
\$21.1M
to lower O&M**

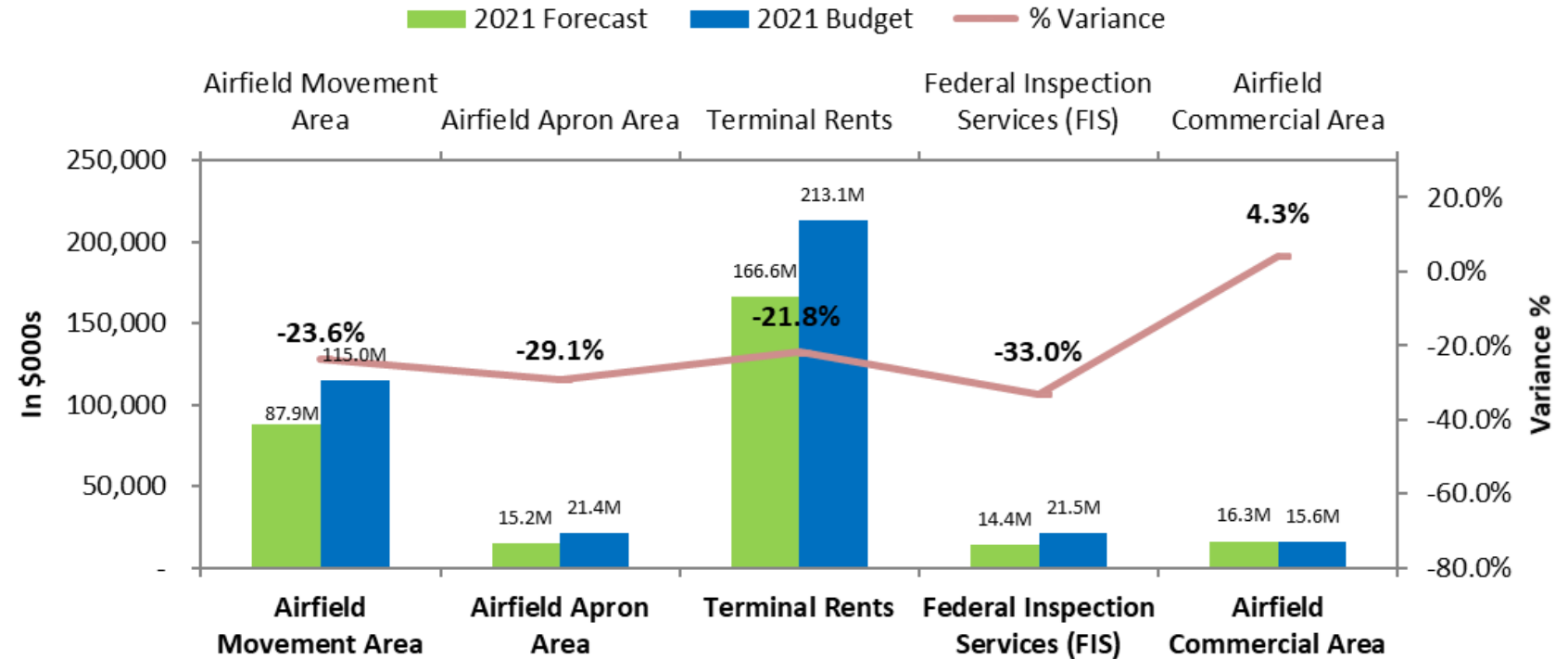
* Airfield Commercial is excluded from Aero Rate Base

Aeronautical Revenue

Budget
\$387M

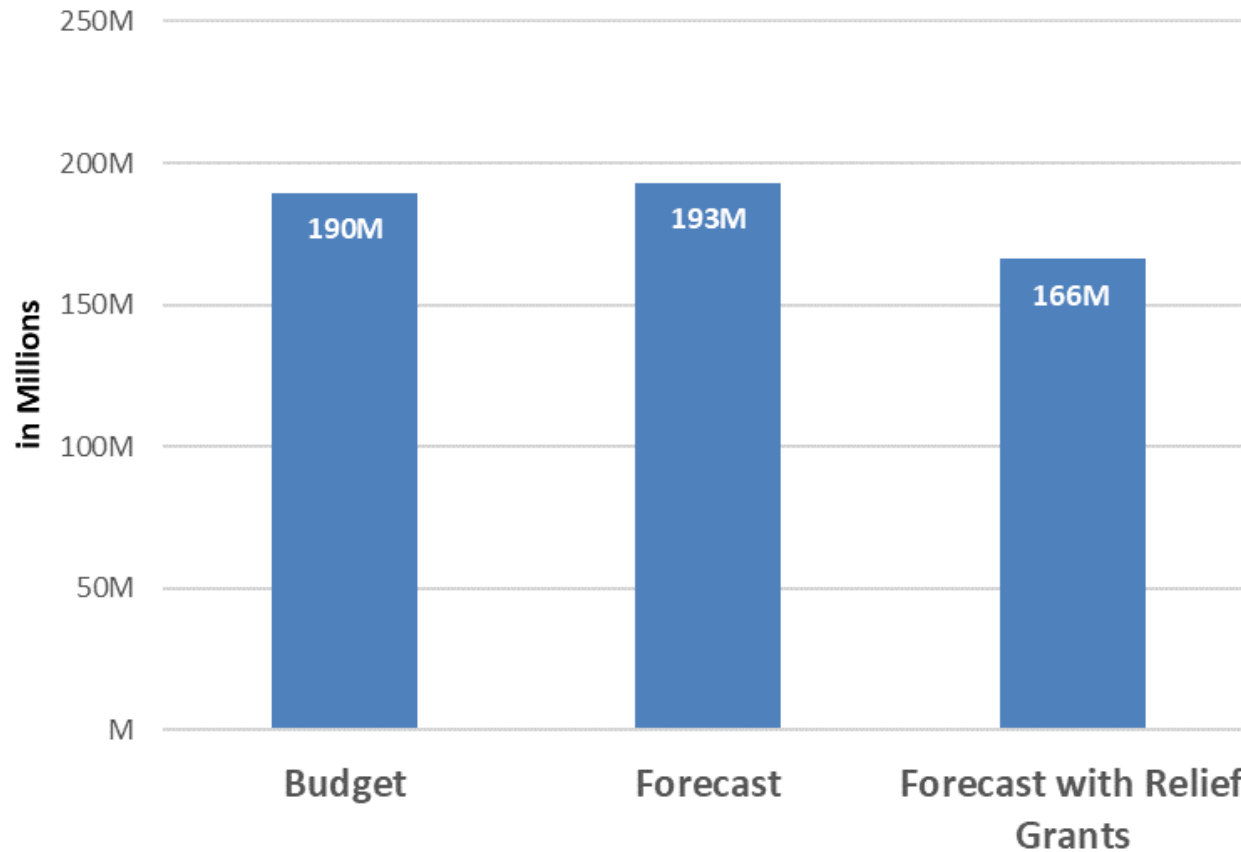
↓ 22%

Forecast
\$300M



Applied **\$107.8M** of **Federal Relief** grants to offset revenue requirements (aka costs to recover from Airlines)

Non-Aero Revenue Concessions Grant Impact



Forecasted
Concessionaire Relief
Grants of **\$26.8M**

- CRRSAA Relief = \$ 5.3M
- ARPA Relief = \$21.5M

Federal concessionaire relief grants will be recognized as Non-operating Revenue (means lower operating revenue, but cash neutral)

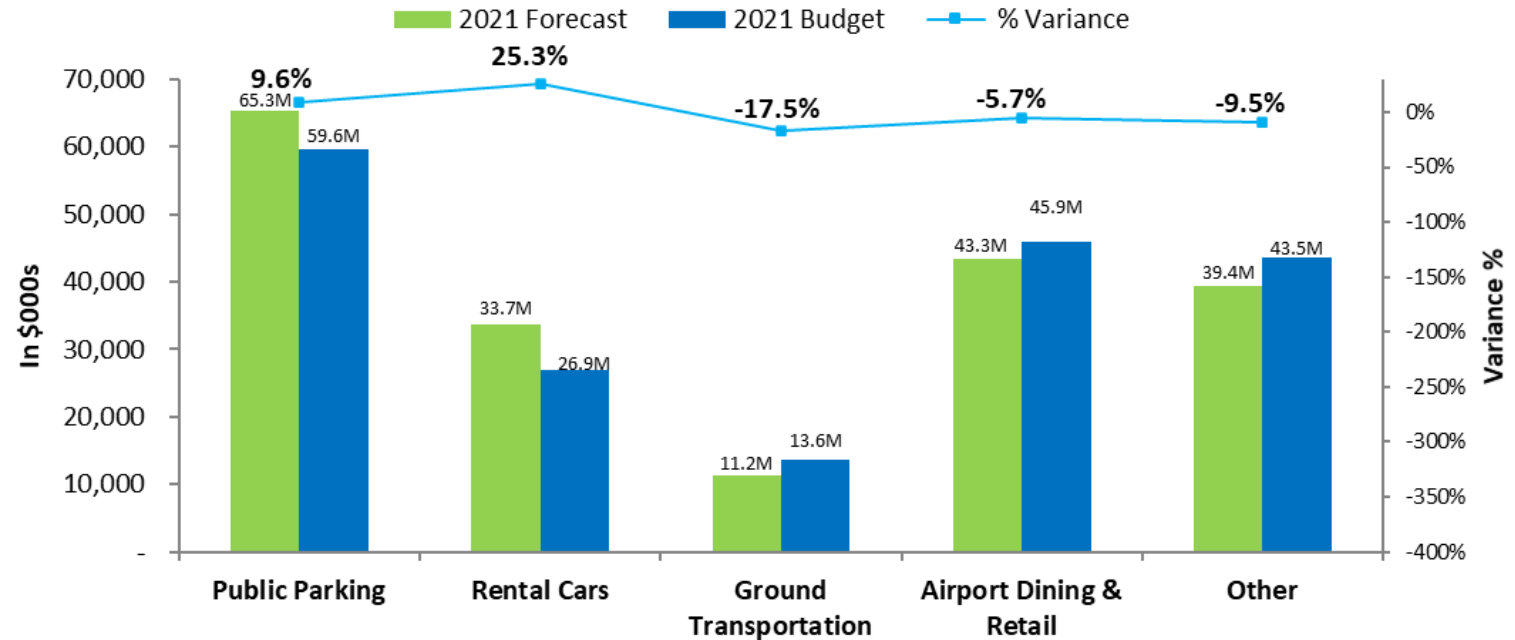
Non-Aeronautical Revenues (before Relief Grants)

Most Non-Aero activity closely aligned with PAX volume recovery

Forecast
\$193M

↑ 1.8%

Budget
\$189.5M



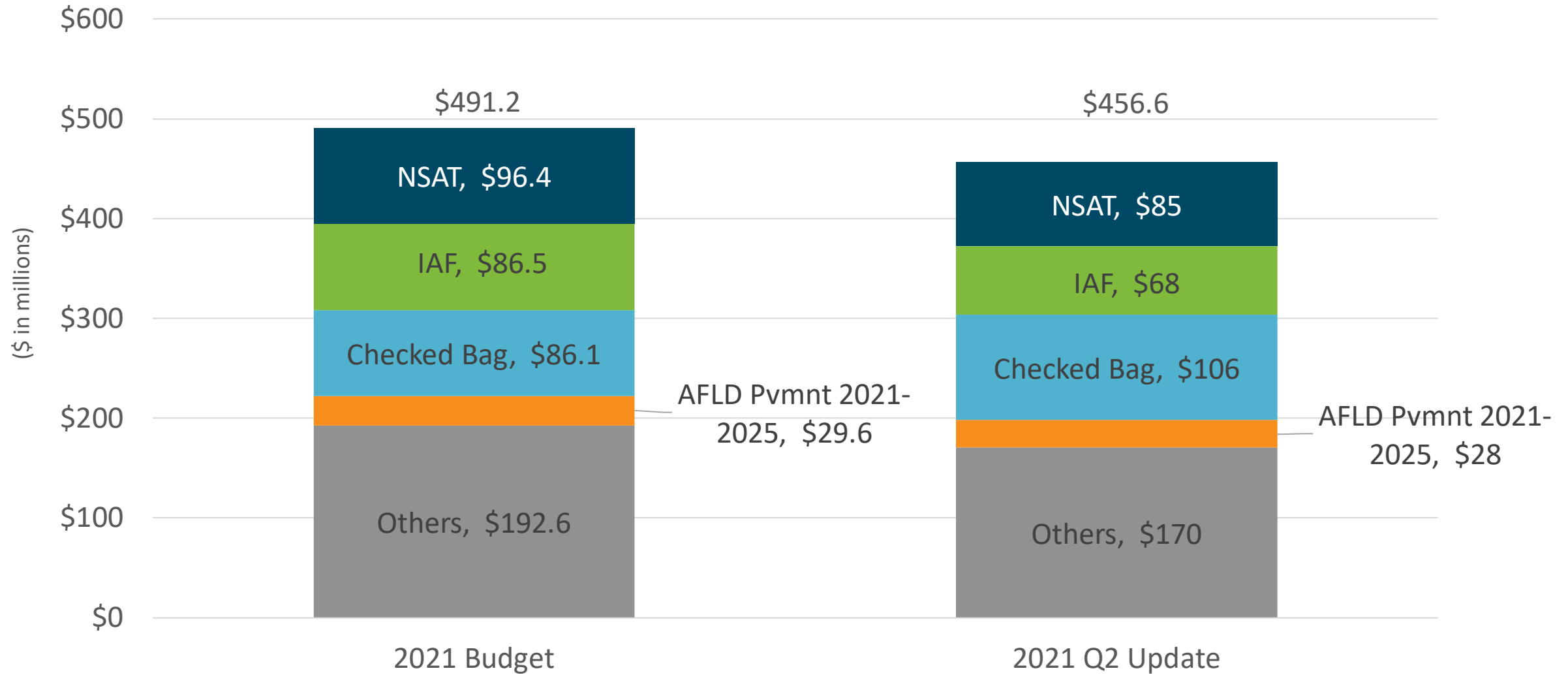
in 000's	Actuals 2019	Actuals 2020	Forecast 2021	Budget 2021	% change vs Budget
Enplanements	25,874	10,044	19,132	18,216	5.0%
O&D %	70.2%	64.0%	70.0%	68.0%	
O&D Enplanements	18,163	6,428	13,392	12,387	8.1%

Strategic use of Federal Relief Grants to Achieve Debt Service Coverage Target

in \$000's	2020 Actual	2021 Budget	2021 Forecast	Variance
Revenues				
Aero	297,909	386,668	300,011	(86,657)
Non-aero	116,473	189,548	166,152	(23,396)
Total Revenues	414,382	576,216	466,163	(110,053)
O&M	329,680	339,908	341,260	(1,352)
NOI	84,702	236,308	124,903	(111,405)
Federal Relief Grants Non-op	43,257	3,500	18,492	14,992
Concession Rent Relief Grants	-	-	26,774	26,774
Other net non-operating	5,604	2,542	2,543	1
Available for debt service	133,562	242,350	172,712	(69,638)
Debt Service				
Gross debt service (net of cap i)	249,555	279,880	266,463	13,417
CFC offset	(13,601)	(19,159)	(13,589)	(5,571)
PFC offset	(36,390)	(47,549)	(59,265)	11,716
Federal Relief Grants DS offset	(103,891)	(34,399)	(129,545)	95,145
Net Debt Service	95,673	178,772	64,064	(114,708)
Debt Service Coverage	1.40	1.36	2.70	1.34

- Aero revenues 2021 forecast is lower due to additional CRRSAA and ARPA grants not in the budget.
- Non-aero revenues is net after the concession rent relief.
- Gross debt service forecast lower due to refunding savings.
- Higher PFC offset available from the PFC backed bond refunding to revenue bonds.
- Lower CFC offset due to the use of Federal Relief grants to offset RCF debt service.

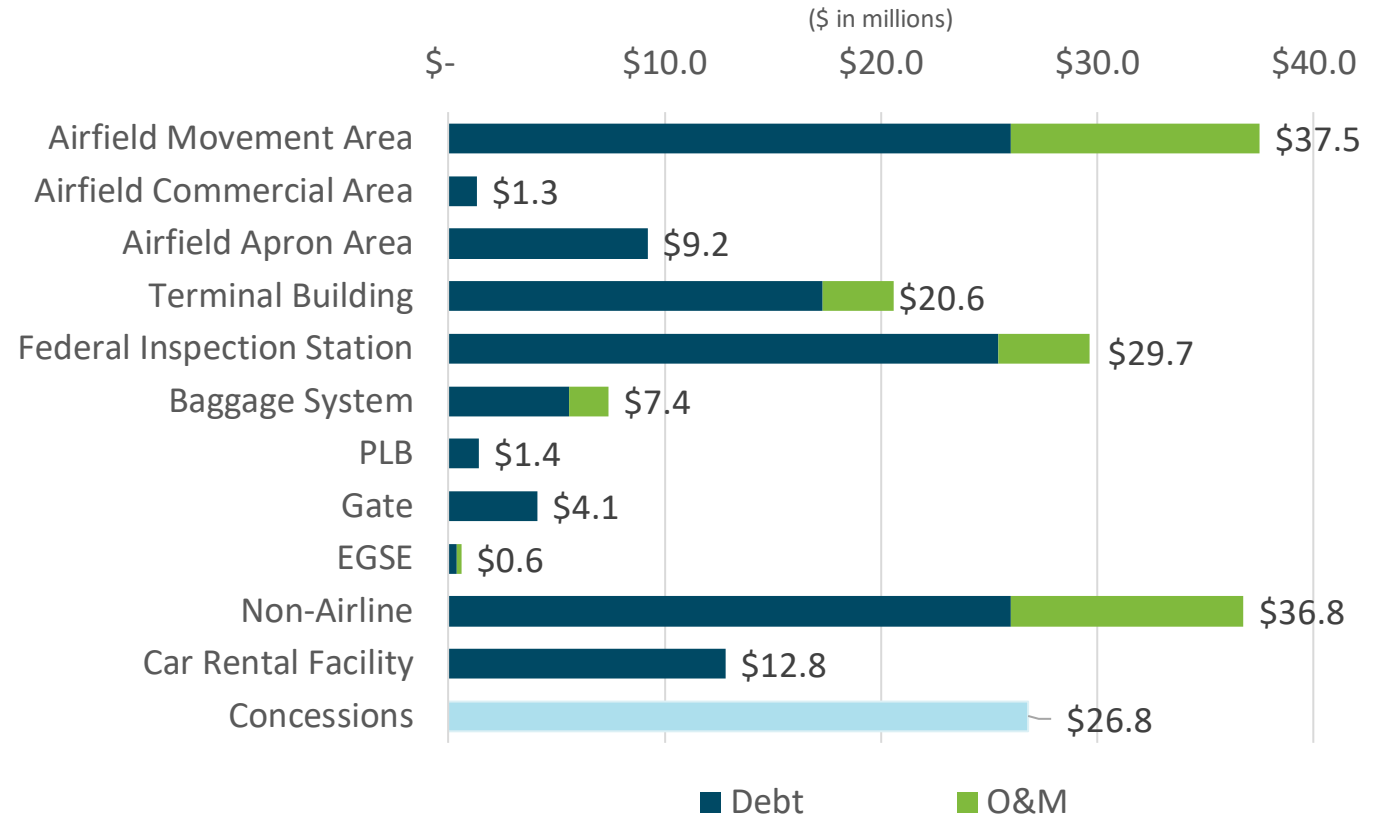
2021 Capital Spending: 93% of Budget



Federal Relief Bolstering Key Financial Metrics

\$ in millions	2020	2021	2022
CARES			
Debt Service	\$103.9	\$45.0	
O&M	43.3		
CRRSAA			
Debt Service		37.4	
Concessions		5.4	
ARPA			
Debt Service		47.5	75.0
O&M		31.9	
Concessions		21.4	
Total	\$147.2	\$188.5	\$75.0

2021 COVID Relief Grants by Cost Center



2021 Airport Development Fund Balance



- **ADF year end forecast fund balance includes \$20M Commercial Paper paydown and savings from bond refunding new debt service on 2021 bonds.**
- **Target of \$340M (12 months of O&M) in 2021.**

2021 Bond Issue

- **2021 Revenue & Refunding Bonds closed on June 30th**
- **Included new money for airport capital projects and refunding of existing Port debt**
 - **\$524.0M of new money (par)**
 - **\$270.5M of refunding (par)**
 - **Included refunding of 2010 PFC bonds and 2010B&C Intermediate Lien Bonds - airport related**
 - **Included refunding of 2011B First Lien bonds - non-airport related**
- **Refunding generated total net present value savings of \$71.8M**
 - **21.5% savings on total refunded par**
 - **\$65.2 million of savings related to Airport**
- **Strong investor demand and participation; Port credit remained resilient in the face of pandemic-induced challenges to core businesses**

Seaport

Q2 2021 Financial Performance Report



Seaport Performance Summary

	2020 YTD	2021 YTD	2021 YTD	Fav (UnFav) Actual vs. Budget Variance		Incr (Decr) Change from 2020		2021	2021	Fav (UnFav) Fcst vs. Budget Variance	
\$ in 000's	Actual	Actual	Budget	\$	%	\$	%	Forecast	Budget	\$	%
Revenues											
Maritime	18,338	19,507	22,875	(3,368)	-15%	1,169	6%	46,656	45,280	1,377	3%
Economic Development Division	5,359	4,089	5,371	(1,282)	-24%	(1,270)	-24%	12,048	13,348	(1,300)	-10%
Joint Venture	20,706	21,548	20,412	1,135	6%	841	4%	40,824	40,824	0	0%
Total Revenue	44,403	45,144	48,658	(3,515)	-7%	741	2%	99,528	99,452	77	0%
Expenses											
Maritime	22,311	22,581	25,714	3,134	12%	270	1%	49,023	50,243	1,220	2%
Economic Development Division	9,493	8,493	9,394	902	10%	(1,000)	-11%	20,605	21,413	808	4%
Joint Venture	486	1,383	682	(701)	-103%	897	185%	1,377	1,377	0	0%
Total Expense	32,290	32,456	35,791	3,335	9%	166	1%	71,005	73,033	2,028	3%
NOI Before Stormwater Utility	12,113	12,687	12,867	(180)	-1%	574	5%	28,523	26,419	2,105	8%
Stormwater Utility Revenues	3,171	3,093	3,232	(139)	-4%	(79)	-2%	6,464	6,464	0	0%
Stormwater Utility Expenses	2,068	2,061	2,922	862	29%	(8)	0%	5,958	5,958	0	0%
Stormwater Utility NOI	1,103	1,032	310	722	233%	(71)	-6%	506	506	0	0%
Total Non-Aviation Business NOI	13,216	13,719	13,177	542	4%	503	4%	29,029	26,925	2,105	8%

YTD Budget Variance

- Timing of Cruise Sailings and NCL Lease Revenue Recognition (\$4.4M), lower Conference Revenue (\$.9M), offset by Grain (\$.9M), and NWSA Payment .
- Lower Maintenance and Conference expenses.

Forecast Budget Variance

- Lower Conference & Parking Revenue, Higher Grain and Cruise Revenue.
- Lower Conference, Payroll, and Utility expenses.

Maritime Division

Q2 2021 Financial Performance Report

Maritime Division

Financial Summary

<i>Figure in \$000s</i>	Forecast	Budget	Variance
Revenues			
Fishing, Commercial, & Recreational Marinas	21,843	21,559	284
Cruise	9,000	8,558	442
Maritime Portfolio Mgmt.	10,034	10,259	(225)
Grain / Other	5,779	4,903	876
Total	46,656	45,280	1,377
O&M Expense			
Direct	20,554	20,904	350
Support Services	14,428	15,028	600
Central Services and Other	14,041	14,311	270
Total	49,023	50,243	1,220
NOI	(2,367)	(4,963)	2,597
Capital Spending	21,701	26,195	4,494

Business Highlights

- Fishing, Commercial and Recreational Marinas remain stable. Potential upside with Recreational Boating demand.
- Commencement of the Cruise season with 83 calls scheduled.
- Grain Volumes up 55% Y/Y.
- Completed:
 - SEPA (State Environmental Policy Act) review process for P66 Shore Power.
 - T46 Stormwater Treatment and Dock Rehab.
 - Construction for the T30 Bulkhead Stabilization.
 - T117 plantings irrigation, observation platform, and crib wall.

Cruise

	2019 Actual Calls	2021 Scheduled Calls
April	1	-
May	31	-
June	47	-
July	46	10
Aug	45	33
Sept	36	29
Oct	5	11
Total Passengers	211	83

	2019 Actual Passengers	2021 Estimated Passengers
April	2,779	-
May	178,249	-
June	286,346	-
July	262,182	20,000
Aug	280,163	87,500
Sept	186,278	81,000
Oct	14,725	38,500
Total Passengers	1,210,722	227,000

Assumptions

- 2021 call numbers and estimated passengers based on 6/16 cruise schedule, which is subject to change.
- 2021 passenger estimate assumes 50% occupancy on all calls. Actual occupancy still uncertain.
- 2019 average occupancy on debark/embark homeport calls is ~101%.

Maritime Q2 Financials

Performing Better Than Expected

Maritime YTD –Net Operating Income is \$235K unfavorable to budget and \$899K above 2020

- Revenue is \$3.4M below budget driven by timing of Cruise NCL Revenue Recognition and phasing of sailings. Revenue increase from 2020 driven by \$1.5M annual increase at the Grain Terminal.
- Expenses \$3.1M (16%) favorable to budget driven by payroll savings, tenant improvements timing, utilities, and maintenance. Expenses up \$270K Y/Y.

- YTD Q2 Capital spending was \$5.1M with forecasted spending at \$21.7M (83% of budget).

	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav (UnFav) Actual vs. Budget Variance		Incr (Decr) Change from 2020	
\$ in 000's	Actual	Actual	Actual	Budget	\$	%	\$	%
Total Revenues	27,368	18,338	19,507	22,875	(3,368)	-15%	1,169	6%
Total Operating Expenses	22,310	22,311	22,581	25,714	3,134	12%	270	1%
Net Operating Income	5,058	(3,973)	(3,074)	(2,839)	(235)	-8%	899	23%
Depreciation	8,911	8,781	8,881	8,088	(793)	-10%	100	1%
Net Income	(3,853)	(12,754)	(11,955)	(10,928)	(1,027)	-9%	799	6%

Stormwater Utility Tracking to Budget

	2019 YTD	2020 YTD	2021 YTD	2021 YTD Approved Budget	Fav (UnFav) Actual vs. Revised Budget Variance		Incr (Decr) Change from 2020 YTD	
					\$	%	\$	%
\$ in 000's	Actual	Actual	Actual					
Revenue								
NWSA	519	656	859	851	8	1%	204	31%
Tenants Revenue	1,709	1,625	1,506	1,655	(148)	-9%	(119)	-7%
Port Non-tenants Revenue	670	890	727	726	1	0%	(164)	-18%
Total Revenues	2,897	3,171	3,093	3,232	(139)	-4%	(79)	-2%
Expenses								
SWU Direct	336	611	348	671	324	48%	(263)	-43%
Maintenance Expenses	1,527	1,029	1,305	1,783	478	27%	276	27%
Seaport Project Management	19	9	3	9	6	68%	(6)	-68%
Environmental & Sustainability	180	26	26	28	2	8%	0	0%
Other Central Services	406	394	380	432	52	12%	(15)	-4%
Total Expenses	2,468	2,068	2,061	2,922	862	29%	(8)	0%
NOI Before Depreciation	429	1,103	1,032	310	722	233%	(71)	-6%
Depreciation	294	309	317	297	(20)	-7%	8	3%
NOI After Depreciation	135	794	715	13	702	5551%	(80)	-10%

- Revenue under due to changes in tenant footprints.
- Expenses are under due to changes in maintenance allocation and COVID-19 impacts.

Northwest Seaport Alliance Summary

NWSA Operating Income				Fav (UnFav)		Incr (Decr)	
<i>Before GASB 87 Adjustment</i>	2020 YTD	2021 Year-to-Date		Budget Variance		Change from 2020	
\$ in 000's	Actual	Actual	Budget	\$	%	\$	%
Operating Revenue	89,755	90,756	91,963	(1,207)	-1%	1,001	1%
Operating Expense*	40,502	40,749	46,376	5,627	12%	247	1%
Operating Income*	49,253	50,007	45,587	4,420	10%	754	2%
Cargo TEUs	1,564,263	1,860,174				295,911	19%
Cargo Volume (Metric Tons)	13,036,960	14,135,522				1,098,562	8%
*Excludes Depreciation							

Revenue – Q2 YTD \$1.2M below budget and lower than 2020 due to restructuring of the APL agreement, offset higher TEU volumes and increased intermodal revenue.

Operating Expenses – Q2 YTD \$5.6M favorable to budget from favorable maintenance costs and timing of spend in the North Harbor.

Joint Venture Q2 Financials

	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav (UnFav)		Incr (Decr)		Total Year
\$ in 000's	Actual	Actual	Actual	Budget	Actual vs. Revised		Change from 2020		Budget
					\$	%	\$	%	
Revenue									
Joint Venture Revenue	24,941	21,218	22,284	21,137	1,147	5%	1,066	5%	42,273
Contra Joint Venture Revenue	-	(957)	(976)	(976)	(0)	0%	(19)	2%	(1,952)
Subtotal Distributable Revenue from NWSA	24,941	20,261	21,308	20,161	1,147	6%			40,321
Other Service Revenue Tenant Reimbursements	2,396	217	172	251	(80)	-32%	(45)	-21%	503
Port Revenue from NWSA Facilities	-	229	68	-	68	NA	(161)	-70%	-
Total Revenues	27,337	20,706	21,548	20,412	1,135	6%	841	4%	40,824
Expenses									
JV Direct	2,188	166	833	90	(743)	-827%	667	403%	180
Maintenance Expenses	331	246	288	287	(1)	0%	42	17%	587
Seaport Project Management	30	11	14	5	(9)	-168%	2	20%	10
Environmental & Sustainability	30	20	115	167	52	31%	95	485%	333
Other Central Services	71	43	134	134	0	0%	90	209%	267
					-				
Total Expenses	2,652	486	1,383	682	(701)	-103%	897	185%	1,377
NOI Before Depreciation	24,685	20,220	20,165	19,730	435	2%	(56)	0%	39,447
Legacy Depreciation for NWSA Facilities	8,255	7,609	7,514	7,433	(81)	-1%	(96)	-1%	15,162
NOI After Depreciation	16,430	12,611	12,651	12,297	354	-3%	40	0%	(24,284)

Home Port Activities

Revenues:

- Joint Venture favorable to budget due to lower expenses at NWSA.
- Other Service Revenue below budget due to timing of tenant reimbursable Maintenance work.
- Port Revenue from NWSA Facilities– temporary moorage on the northwest face of T46.

Expenses

- JV Direct – \$620K Environmental reserve booked for June tied to contamination discovered during the crane rail work.

Economic Development Division

Q2 2021 Financial Performance Report



Economic Development Division

Financial Summary

<i>Figure in \$000s</i>	Forecast	Budget	Variance
Revenues	12,048	13,348	(1,300)
O&M Expense			
EDD & Maritime	9,806	10,591	785
Maintenance	3,037	2,537	(500)
Diversity in Contracting	122	142	20
Tourism	2,181	2,481	300
EDD Grants	1,060	1,060	0
Central Services and Other	4,400	4,603	203
Total	20,605	21,413	808
NOI	(8,557)	(8,065)	(492)
Capital Spending	4,000	5,647	1,647

Business Highlights

- First concession revenue at Bell St Garage since pandemic began.
- Executed ground lease at T-106.
- Rent Deferrals:
 - 51 Applications
 - 37 Executed agreements
 - 24 Paid Off as of 6/30/21
 - 13 Currently in program
- Increased grew proportion of total spend by 10% in Q1 2021 over Q4 2020 for both Small Businesses and WMBEs.

Economic Development Financial Highlights

2021 Q2 YTD Net Operating Income \$380K unfavorable to budget and \$269K lower than 2020

- Revenue unfavorable to budget by \$1.3M and \$1.3M lower than 2020 driven primarily by COVID-19 cancellations at the Conference and Event Centers in Q1 and no variable concession revenue at Bell St Garage until June.
- Expenses favorable to budget by \$902K driven by less conferences and Tourism Programs, offset by impact of Maintenance allocation change. Expenses are lower by \$1M Y/Y due to variable cost associated with lower Conference & Event Center volumes and reduced Central Service allocation expenses, offset by higher Maintenance costs.

- EDD spent 17% of Capital budget through Q2. The 2021 forecasted spending is \$4.0M (71% of budget).

	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav (UnFav) Actual vs. Budget Variance		Incr (Decr) Change from 2020	
\$ in 000's	Actual	Actual	Actual	Budget	\$	%	\$	%
Total Revenues	10,384	5,359	4,089	5,371	(1,282)	-24%	(1,270)	-24%
Total Operating Expenses	12,684	9,493	8,493	9,394	902	10%	(1,000)	-11%
Net Operating Income	(2,300)	(4,134)	(4,403)	(4,023)	(380)	9%	(269)	-7%
Depreciation	1,833	1,774	1,919	1,517	(402)	-26%	145	8%
Net Income	(4,133)	(5,908)	(6,322)	(5,540)	(782)	14%	(414)	-7%

Central Services

Q2 2021 Financial Performance Report

Central Services

Financial Summary

<i>Figures in \$000s</i>	Forecast	Budget	Variance
Revenues	2,117	181	1,936
Core Central Support Serv	87,093	85,678	(1,415)
Police	27,793	28,317	524
Engineering/PCS	9,519	9,199	(321)
O&M Expenses	124,405	123,194	(1,211)
Capital Spending	8,649	9,658	1,009

Business Highlights

- The Port Commission approved another **\$2.0M to the Opportunity Youth Initiative**.
- Port leaders joined Washington State leaders in the **Climate Bill Signing** which includes the **Clean Fuel Standard**.
- The Port participated in the **construction trades outreach event** to encourage increased participation of women and people of color in construction pre-apprenticeship programs.

Central Services Financial Highlights

	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav (UnFav) Actual vs. Budget Variance		Incr (Decr) Change from 2020	
\$ in 000's	Actual	Actual	Actual	Budget	\$	%	\$	%
Total Operating Revenues	331	1,629	1,982	90	1,892	2091.5%	353	21.7%
Core Central Support Services	36,723	39,102	39,964	41,863	1,899	4.5%	863	2.2%
Police	13,997	14,819	13,769	14,959	1,190	8.0%	(1,050)	-7.1%
Engineering/PCS	5,164	4,773	4,575	4,551	(24)	-0.5%	(198)	-4.2%
Total Operating Expenses	55,884	58,694	58,309	61,373	3,064	5.0%	(385)	-0.7%

2021 YTD Total Operating Expenses are \$3.1M favorable to the budget due to:

- Delay in contract spending and delays in hiring vacant positions, offset by some unbudgeted outside legal services and lower charges to Capital Projects.

2021 YTD Total Operating expenses are \$385K lower compared to 2020 due to:

- Lower payroll costs due to delay hiring.
- Lower Outside Services costs YTD due to project delays in 2021.
- Lower Equipment spending due to slow start to PC Refresh.
- Lower Travel and Other Employee Expenses.
- Lower 2021 YTD spending is partially offset by higher Insurance Expense and less charges to Capital Projects.

Port Wide

Q2 2021 Financial Performance Report



Port Wide Financial Summary

	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav (UnFav) Actual vs. Budget Variance		Incr (Decr) Change from 2020	
\$ in 000's	Actual	Actual	Actual	Budget	\$	%	\$	%
Aeronautical Revenues	175,927	163,722	143,188	178,518	(35,330)	-19.8%	(20,534)	-12.5%
Airport Non-Aero Revenues	124,604	64,225	73,219	82,351	(9,131)	-11.1%	8,995	14.0%
Non-Airport Revenues	67,632	48,298	49,475	51,255	(1,779)	-3.5%	1,178	2.4%
Total Operating Revenues	368,164	276,244	265,883	312,124	(46,241)	-14.8%	(10,361)	-3.8%
Total Operating Expenses	215,765	197,820	195,776	209,132	13,356	6.4%	(2,044)	-1.0%
NOI before Depreciation	152,399	78,424	70,107	102,992	(32,885)	-31.9%	(8,317)	-10.6%
Depreciation	82,447	87,855	91,246	82,470	(8,776)	-10.6%	3,391	3.9%
NOI after Depreciation	69,952	(9,431)	(21,139)	20,523	(41,662)	-203.0%	(11,708)	124.1%

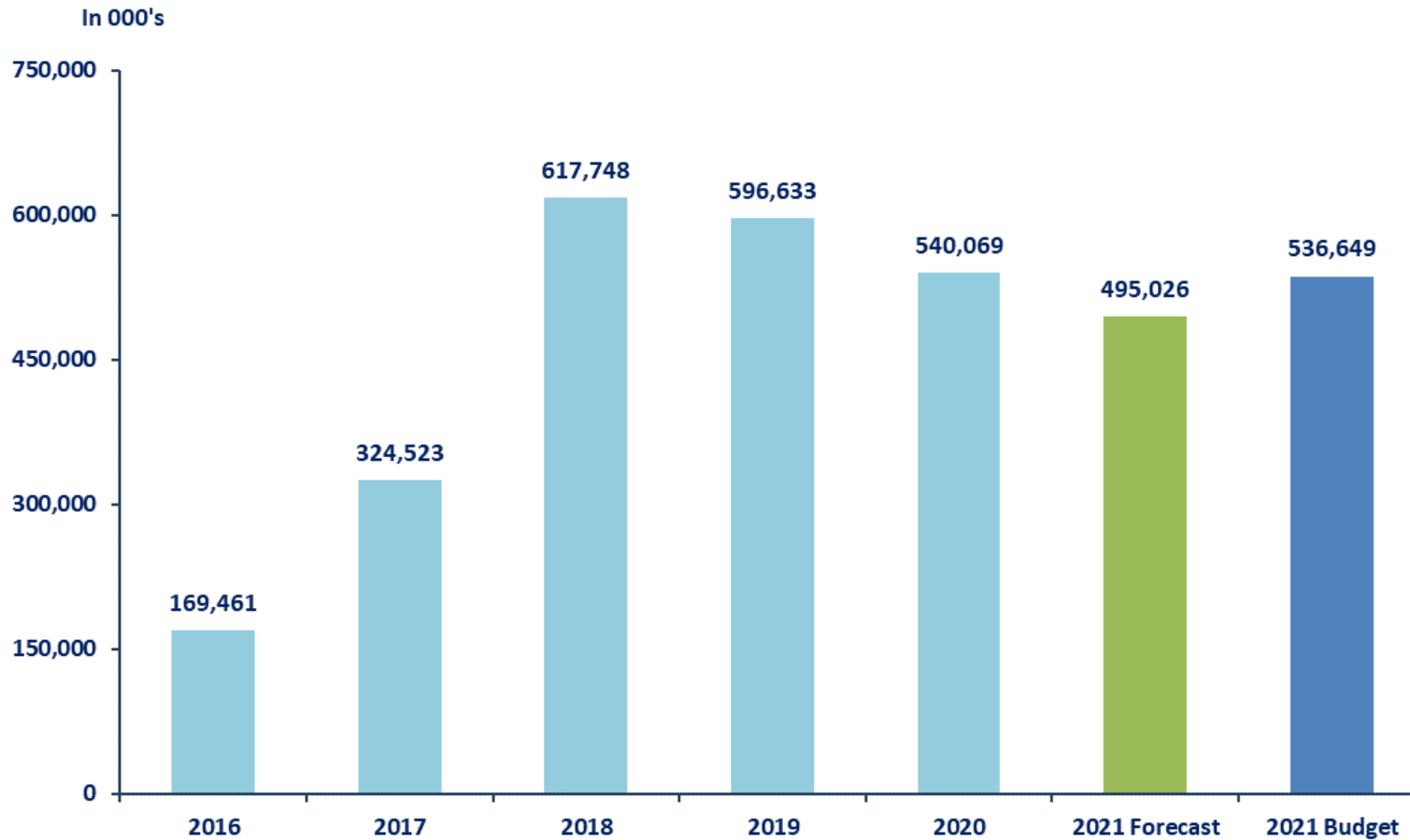
- Total Operating Revenues: \$46.2M unfavorable to the budget and \$10.4M lower than 2020.
- Total Operating Expenses: \$13.4M favorable to the budget and \$2.0M lower than 2020.
- NOI before Depreciation: \$32.9M unfavorable to the budget and \$8.3M lower than 2020.

Port Wide Financial Summary

	2019	2020	2021	2021	Fav (UnFav) Fcst vs. Budget Variance		Incr (Decr) Change from 2020	
\$ in 000's	Actual	Actual	Forecast	Budget	\$	%	\$	%
Aeronautical Revenues	357,598	297,909	300,332	386,668	(86,336)	-22.3%	2,423	0.8%
Airport Non-Aero Revenues	269,037	116,473	166,133	189,548	(23,414)	-12.4%	49,660	42.6%
Non-Airport Revenues	137,538	96,446	106,658	104,645	2,013	1.9%	10,212	10.6%
Total Operating Revenues	764,174	510,828	573,123	680,861	(107,737)	-15.8%	62,296	12.2%
Total Operating Expenses	441,700	408,681	425,322	423,412	(1,910)	-0.5%	16,641	4.1%
NOI before Depreciation	322,474	102,147	147,801	257,448	(109,647)	-42.6%	45,655	44.7%
Depreciation	174,903	180,086	176,509	176,509	-	0.0%	(3,577)	-2.0%
NOI after Depreciation	147,571	(77,939)	(28,708)	80,939	(109,647)	-135.5%	49,231	-63.2%

- Operating Revenues: \$107.7M unfavorable to the budget but \$62.3M higher than 2020. It's important to note that the federal relief helps offset \$107.8M of the Aeronautical revenues for 2021.
- Operating Expenses: \$1.9M unfavorable to the budget and \$16.6M higher than 2020 (It would have been \$559K lower than 2020 after adjusting a \$17.2M state pension credit in 2020).
- NOI before Depreciation: \$109.7M unfavorable to the budget but \$49.2M higher than 2020.

Port Wide Capital Spending



- Total Q2 YTD capital spending was \$212M.
- For the full year, total capital spending is expected to be \$495M, 92.2% of the budget.

Aviation Division Appendix

Q2 2021 Financial Performance Report

Airport Activity

	YTD 2019	YTD 2020	YTD 2021	% YTD Change from 2020
Total Passengers (000's)				
Domestic	21,616	10,074	13,770	36.7%
International	2,689	1,054	528	-49.9%
Total	24,304	11,128	14,298	28.5%
Operations	214,749	142,657	171,873	20.5%
Landed Weight (In Millions of lbs.)				
Cargo	1,165	1,254	1,409	12.4%
All other	13,738	8,537	10,584	24.0%
Total	14,903	9,791	11,993	22.5%
Cargo - Metric Tons				
Domestic freight	145,262	161,957	174,449	7.7%
International & Mail freight	64,841	47,466	60,738	28.0%
Total	210,103	209,423	235,187	12.3%

2021 YTD Passenger volume:

- YTD passenger volume is 41% lower than Q2 2019 pre-pandemic levels, and 28.5% higher than Q2 2020. Enplanement recovering is building, and volumes are expected to be 26% lower than 2019 for full year 2020.

Month summary (Jun 2021 vs. Jun 2020)

Airline	Code	Current pax	Market share	Previous pax	Pax % diff
Alaska Airlines (rollup)	AS	2,140,395	56.2%	684,753	212.6%
Delta Air Lines (rollup)	DL	931,585	24.5%	202,265	360.6%
Southwest Airlines (r..	WN	214,347	5.6%	79,229	170.5%
American Airlines	AA	193,431	5.1%	59,774	223.6%
United Airlines (rollup)	UA	152,702	4.0%	21,277	617.7%

Aviation Financial Summary

Financial Summary (\$ in 000's)	2019	2020	2021	2021	Fav(UnFav) Fest. vs. Budget Variance		Incr/(Decr) Change from 2020	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
Operating Revenue								
Aeronautical Revenues	357,598	297,909	300,332	386,668	(86,336)	-22.3%	2,423	0.8%
Non-Aeronautical Revenues	269,037	116,473	166,133	189,548	(23,414)	-12.4%	49,660	42.6%
Total Operating Revenues	626,636	414,382	466,465	576,215	(109,750)	-19.0%	52,083	12.6%
Total Operating Expenses	355,245	329,680	341,260	339,908	(1,353)	-0.4%	11,581	3.5%
Net Operating Income	271,390	84,702	125,205	236,308	(111,103)	-47.0%	40,503	47.8%
Federal Relief		147,148	161,601	37,899	123,702	326.4%	14,453	9.8%
Federal Relief (Concessions)			26,774		26,774		26,774	
NOI (After Federal Relief)	271,390	231,850	313,579	274,207	39,373	14.4%	81,729	35.3%
CPE	12.86	26.50	13.97	19.62	5.65	0.29	(12.53)	-47.3%
Non-Aero NOI (\$ in 000s)	6,671	9,750	86,046	82,742	3,304	4.0%	76,296	782.5%
Enplaned passengers (in 000s)	25,874	10,044	19,132	18,216	916	5.0%	9,088	90.5%
Capital Expenditures (in 000s)	573,598	573,598	456,620	491,202	34,582	7.0%	(116,978)	-20.4%

Key Performance Measures

	2019	2020	2021	2021	Fav(UnFav) Fcst. vs. Budget Variance		Incr/(Decr) Change from 2020	
	Actual	Actual	Forecast	Approved Budget	\$	%	\$	%
Key Performance Metrics								
Cost per Enplanement (CPE)	12.86	26.50	13.97	19.62	5.65	28.8%	(12.53)	-47.3%
Non-Aeronautical NOI (in 000's) ¹	143,917	6,671	86,046	82,742	3,304	4.0%	79,375	1189.9%
Other Performance Metrics								
O&M Cost per Enplanement	13.73	32.82	17.84	18.66	0.82	4.4%	(14.99)	-45.7%
Non-Aero Revenue per Enplanement	10.40	11.60	10.08	10.41	(0.32)	-3.1%	(1.51)	-13.1%
Debt per Enplanement (in \$)	133	326	187	171	(17)	-9.7%	(139)	-42.7%
Debt Service Coverage	1.68	1.40	2.70	1.36	1.34	99.2%	1.30	92.9%
Days cash on hand (10 months = 304 days)	314	327	418	369	49	13.4%	92	28.1%
Aeronautical Revenue Sharing (\$ in 000's)	(17,146)	1	-	-	-	0.0%	(1)	100.0%
Activity (in 000's)								
Enplanements	25,874	10,044	19,132	18,216	916	5.0%	9,088	90.5%
Total Passengers	51,748	20,087	38,264	36,432	1,832	5.0%	18,177	90.5%

Aviation Expense YTD Summary

Total Airport Expense Summary (\$ in 000's)	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav(UnFav) Actual vs. Budget Variance		Incr/(Decr) Change from 2020	
	Actual	Actual	Actual	Budget	\$	%	\$	%
Operating Expenses								
Payroll	71,218	77,615	76,202	75,468	(734)	-1.0%	(1,414)	-1.8%
Outside Services	28,619	29,634	26,770	31,583	4,813	15.2%	(2,863)	-9.7%
Utilities	9,328	8,757	9,750	10,458	708	6.8%	993	11.3%
Other Expenses	8,487	2,092	(461)	476	937	196.8%	(2,553)	-122.0%
Total Airport Direct Charges	117,652	118,099	112,261	117,985	5,723	4.9%	(5,837)	-4.9%
Environmental Remediation Liability	12,543	(2,776)	801	1,569	768	48.9%	3,577	-128.9%
Capital to Expense	83	-	288	-	(288)		288	
Total Exceptions	12,627	(2,776)	1,090	1,569	479	30.6%	3,865	-139.3%
Total Airport Expenses	130,279	115,323	113,351	119,554	6,203	5.2%	(1,972)	-1.7%
Corporate	32,175	34,298	34,011	34,199	188	0.6%	(287)	-0.8%
Police	11,117	12,162	11,336	12,662	1,326	10.5%	(827)	-6.8%
Maritime/Economic Development/Other	1,672	1,596	1,420	1,943	523	26.9%	(176)	-11.0%
Total Charges from Other Divisions	44,964	48,057	46,767	48,804	2,037	4.2%	(1,290)	-2.7%
Total Operating Expenses	175,243	163,380	160,118	168,358	8,240	4.9%	(3,262)	-2.0%

Aviation Expense YE Summary

Total Airport Expense Summary (\$ in 000's)	2019	2020	2021	2021	Fav(UnFav) Fcst. vs. Budget Variance		Incr/(Decr) Change from 2020	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
Operating Expenses								
Payroll	144,051	152,895	153,183	153,293	111	0.1%	287	0.2%
Outside Services	68,162	63,922	66,406	65,174	(1,232)	-1.9%	2,483	3.9%
Utilities	18,180	15,695	19,619	20,244	625	3.1%	3,924	25.0%
Other Expenses	14,721	3,341	2,059	1,359	(700)	-51.5%	(1,282)	-38.4%
Total Airport Direct Charges	245,114	235,854	241,267	240,071	(1,196)	-0.5%	5,413	2.3%
Environmental Remediation Liability	15,900	(2,361)	2,196	2,001	(195)	-9.8%	4,557	-193.0%
Capital to Expense	2,089	2,588	218	-	(218)		(2,370)	-91.6%
Total Exceptions	17,989	227	2,414	2,001	(413)	-20.6%	2,187	964.4%
Total Airport Expenses	263,104	236,081	243,680	242,072	(1,609)	-0.7%	7,600	3.2%
Corporate	65,729	68,316	70,076	69,767	(308)	-0.4%	1,760	2.6%
Police	22,290	22,150	23,513	23,964	450	1.9%	1,364	6.2%
Maritime/Economic Development/Other	4,123	3,134	3,991	4,105	114	2.8%	857	27.4%
Total Charges from Other Divisions	92,141	93,599	97,580	97,836	256	0.3%	3,981	4.3%
Total Operating Expenses	355,245	329,680	341,260	339,908	(1,353)	-0.4%	11,581	3.5%

Aeronautical Business YTD

Aeronautical NOI (\$ in 000's)	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav(UnFav) Actual vs. Budget Variance		Incr/(Decr) Change from 2020	
	Actual	Actual	Actual	Budget	\$	%	\$	%
Rate Base Revenues								
Airfield Movement Area	61,289	54,693	37,192	49,789	(12,597)	-25.3%	(17,502)	-32.0%
Airfield Apron Area	9,883	9,575	10,932	9,557	1,375	14.4%	1,357	14.2%
Terminal Rents	100,229	77,111	83,321	102,193	(18,872)	-18.5%	6,210	8.1%
Federal Inspection Services (FIS)	7,271	14,621	3,560	9,225	(5,665)	-61.4%	(11,061)	-75.6%
Total Rate Base Revenues	178,672	156,000	135,005	170,763	(35,758)	-20.9%	(20,995)	-13.5%
Airfield Commercial Area	5,569	7,720	8,177	7,755	422	5.4%	456	5.9%
Subtotal before Revenue Sharing	184,241	163,720	143,182	178,518	(35,336)	-19.8%	(20,538)	-12.5%
Revenue Sharing	(8,314)	1	-	-	-		(1)	-100.0%
Total Aeronautical Revenues	175,927	163,722	143,182	178,518	(35,336)	-19.8%	(20,540)	-12.5%
Total Aeronautical Expenses	117,918	108,286	111,036	115,710	4,673	4.0%	2,751	2.5%
Aeronautical NOI	58,009	55,436	32,146	62,809	(30,663)	-48.8%	(23,290)	-42.0%

Aeronautical Business YE

Aeronautical NOI (\$ in 000's)	2019	2020	2021	2021	Fav(UnFav) Fest. vs. Budget Variance		Incr/(Decr) Change from 2020	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
Rate Base Revenues								
Airfield Movement Area	123,436	84,906	87,899	115,037	(27,138)	-23.6%	2,993	3.5%
Airfield Apron Area	22,016	15,146	15,184	21,418	(6,234)	-29.1%	38	0.2%
Terminal Rents	205,283	171,607	166,593	213,147	(46,554)	-21.8%	(5,014)	-2.9%
Federal Inspection Services (FIS)	12,321	8,616	14,373	21,454	(7,081)	-33.0%	5,757	66.8%
Total Rate Base Revenues	363,057	280,275	284,048	371,056	(87,007)	-23.4%	3,773	1.3%
Airfield Commercial Area	11,687	17,633	16,284	15,612	672	4.3%	(1,349)	-7.7%
Subtotal before Revenue Sharing	374,744	297,908	300,332	386,668	(86,336)	-22.3%	2,424	0.8%
Revenue Sharing	(17,146)	1	-	-	-		(1)	-100.0%
Total Aeronautical Revenues	357,598	297,909	300,332	386,668	(86,336)	-22.3%	2,423	0.8%
Total Aeronautical Expenses	236,959	219,878	234,400	233,102	(1,298)	-0.6%	14,522	6.6%
Aeronautical NOI	120,639	78,031	65,932	153,566	(87,634)	-57.1%	(12,099)	-15.5%
Debt Service	(110,945)	(62,607)	(48,130)	(125,747)	77,617	-61.7%	14,477	-23.1%
Net Cash Flow	9,694	15,424	17,802	27,819	(10,016)	-36.0%	2,378	15.4%

Aero Cost Drivers

\$ in 000's	2020 Actual	2021 Budget	2021 Forecast	Impact on Aero Revenues Budget vs Forecast	
				\$	%
O&M ⁽¹⁾	213,775	227,420	228,844	1,424	0.6%
Federal Relief Grants O&M	(22,507)	(3,500)	(21,100)	(17,600)	502.9%
Net O&M	191,268	223,920	207,744	(16,176)	-7.2%
Debt Service Before Offsets	166,848	193,302	190,120	(3,183)	-1.6%
Debt Service PFC Offset	(36,390)	(47,549)	(57,839)	(10,290)	21.6%
Federal Relief Grants Debt Service	(71,763)	(29,399)	(86,778)	(57,378)	195.2%
Net Debt Service	58,694	116,354	45,503	(70,851)	-60.9%
Amortization	32,359	32,681	32,624	(58)	-0.2%
Space Vacancy	(1,083)	(1,141)	(1,063)	78	-6.9%
TSA Operating Grant and Other	(960)	(758)	(759)	(1)	0.1%
Rate Base Revenues	280,279	371,056	284,048	(87,007)	-23%
Commercial area	17,633	15,612	16,284	672	4%
Total Aero Revenues	297,912	386,668	300,332	(86,336)	-22%

2021 Forecast to 2021 Budget

O&M – \$1.4M higher mostly in Apron and FIS:

- Apron – Large Snow Expenses
- FIS – Increased Interpretation Services, Increased VIP Hospitality, Furniture Capital to Expense, Contingencies [IAF Oversize Baggage Relocate, IAF Wall Protections]

Debt Service before Offsets: 3rd runway PFC debt was refunded with revenue bond which increased debt service and offset with refunding savings.

PFC Offset \$10.3M higher due to refunding of PFC debt with revenue bond which allows more capacity to use PFC collections for debt service offset.

Federal Relief Grants Aero Portion:

- **Payroll Impact (O&M)** – Reducing \$21.1M from Rate Base
- **Debt Service Impact** - Reducing \$86.8M from Rate Base

Non-Aeronautical Business YTD

YTD Passenger Volume are up 28.2% compared to prior year
YTD O&D Passenger Volume up 40.2% compared to prior year

Non-Aeronautical NOI (\$ in 000's)	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav(UnFav) Actual vs. Budget Variance		Incr/(Decr) Change from 2020	
	Actual	Actual	Actual	Budget	\$	%	\$	%
Non-Aeronautical Revenues								
Public Parking	40,401	20,002	25,537	25,729	(192)	-0.7%	5,536	27.7%
Rental Cars	20,064	7,591	11,497	10,740	757	7.0%	3,906	51.5%
Ground Transportation	9,979	4,374	4,208	5,961	(1,753)	-29.4%	(166)	-3.8%
Airport Dining & Retail	29,581	13,856	14,871	19,470	(4,599)	-23.6%	1,015	7.3%
Other	24,578	18,402	17,106	20,451	(3,345)	-16.4%	(1,296)	-7.0%
Total Non-Aeronautical Revenues	124,604	64,225	73,219	82,351	(9,131)	-11.1%	8,995	14.0%
Total Non-Aeronautical Expenses	38,294	55,094	49,082	52,648	3,567	6.8%	(6,012)	-10.9%
Non-Aeronautical NOI	86,310	9,131	24,138	29,703	(5,565)	-18.7%	15,007	164.4%
Less: CFC Surplus	-	-	-	-	-		-	
Adjusted Non-Aeronautical NOI	86,310	9,131	24,138	29,703	(5,565)	-18.7%	15,007	164.4%

2021 YTD Actuals to 2020 YTD Actuals

Non-Aero Revenue:

- All Non-Aero lines of business were impacted by COVID-19. As shown in Q2 2021 results, Non-Aero businesses are experiencing different rates of recovery in the pandemic environment.
- Parking revenue recovery is more closely aligned with change in passenger volumes.
- Rental Car strong revenue reflects shortage of fleet size, and corresponding increase in rental rates.
- GT – slower recovery reflects delay in passenger returning to shared ride options.
- ADR revenue recover reflects shortage of labor, limiting concessionaire in meeting growing passenger volume.

Non-Aeronautical Business YE

(Before Federal Concessionaire Relief)

Passenger Volume forecasted to be up 90.5% compared to prior year
O&D Passenger Volume forecasted to be up 108.3% compared to prior year

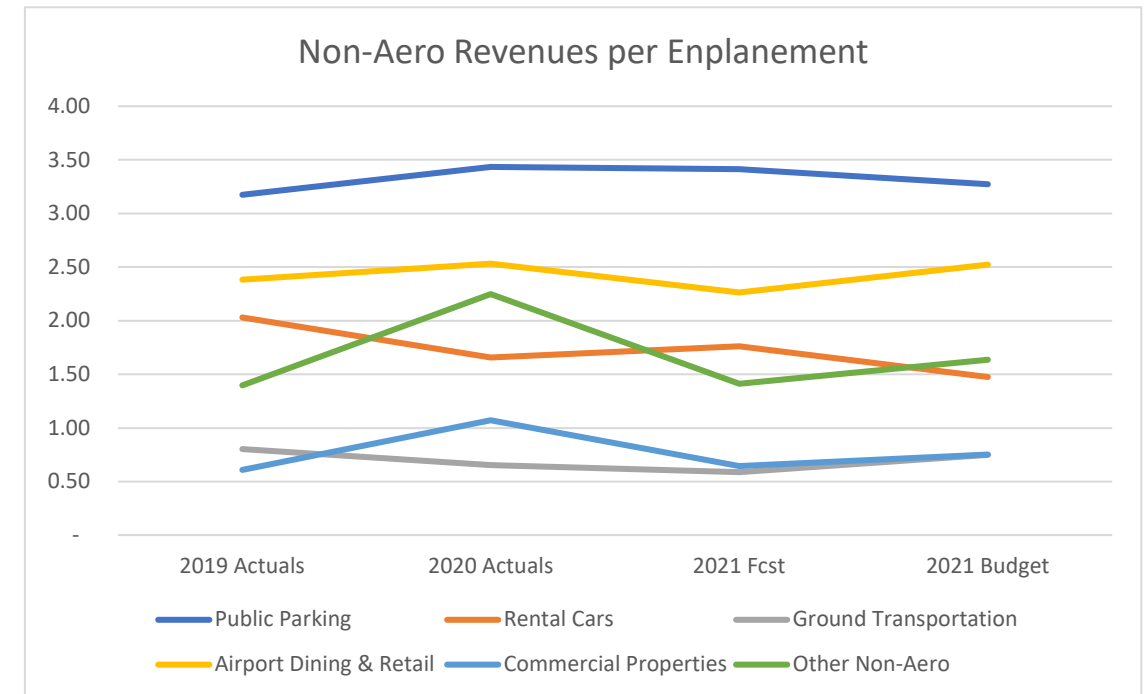
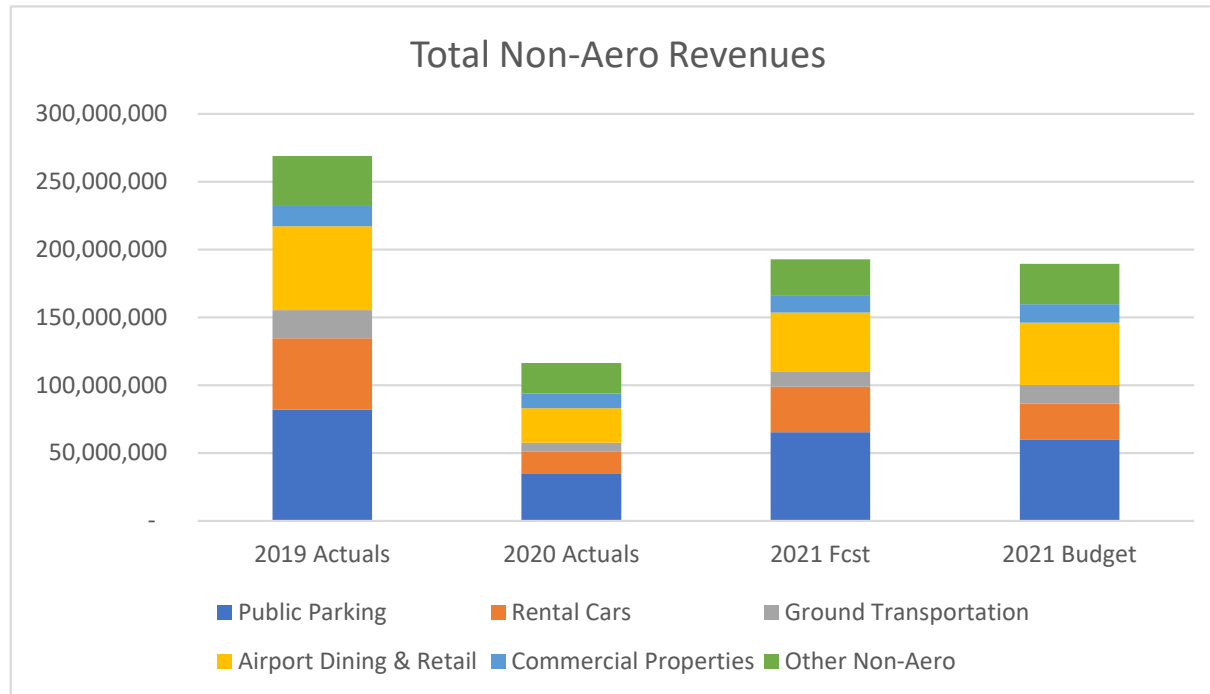
Non-Aeronautical NOI (\$ in 000's)	2019	2020	2021	2021	Fav(UnFav) Fest. vs. Budget Variance		Incr/(Decr) Change from 2020	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
Non-Aeronautical Revenues								
Public Parking	82,125	34,502	65,301	59,597	5,704	9.6%	30,799	89.3%
Rental Cars	52,567	16,637	33,690	26,880	6,810	25.3%	17,053	102.5%
Ground Transportation	20,765	6,557	11,238	13,628	(2,391)	-17.5%	4,680	71.4%
Airport Dining & Retail	61,615	25,418	43,317	45,936	(2,619)	-5.7%	17,899	70.4%
Other	51,966	33,359	39,361	43,506	(4,145)	-9.5%	6,003	18.0%
Total Non-Aeronautical Revenues	269,037	116,473	192,907	189,548	3,359	1.8%	76,434	65.6%
Total Non-Aeronautical Expenses	118,286	109,802	106,861	106,806	(55)	-0.1%	(2,941)	-2.7%
Non-Aeronautical NOI¹	150,752	6,671	86,046	82,742	3,304	4.0%	79,375	1189.9%
Less: CFC Surplus	(6,834)	-	-	-	-		-	
Adjusted Non-Aeronautical NOI	143,917	6,671	86,046	82,742	3,304	4.0%	79,375	1189.9%

2021 Forecast to 2020 Actuals

Non-Aero Revenue:

- All Non-Aero lines of business were impacted by COVID-19, with Non-Aero businesses experiencing different rates of recovery in the pandemic environment.
- Parking revenue recovery is more closely aligned with change in passenger volumes.
- Rental Car revenue recovery expected to more closely reflects passenger volume recovery once fleet size stabilized.
- GT – slower recovery reflects delay in passenger returning to shared ride options.
- ADR revenue recover reflects shortage of labor, limiting concessionaire in meeting growing passenger volume.

Non-Aero Revenue By Business Unit



Non-Aero Revenue overview:

- **2021 Non-Aero revenue forecast from concession fees or transaction volume** (Parking, Rental Car, GT, ADR, Clubs & Lounges, In-flight Kitchens) reflects the unequal business recovery being experienced by Non-Aeronautical businesses during pandemic recovery cycle.
- Commercial Properties and other Non-Aero line of business with revenue from **space rent for real estate leases** were relatively unaffected by the COVID-19 decline in enplanements

YTD Public Parking

YTD Passenger Volume are up 28.2% compared to prior year
YTD O&D Passenger Volume up 40.2% compared to prior year

Public Parking - Revenue Detail					Fav (UnFav)		Incr (Decr)	
\$ in 000's	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Budget Variance		Change from 2020	
	Actual	Actual	Actuals	Budget	\$	%	\$	%
<u>Parking Garage Revenue to Port</u>								
General Parking/Terminal Direct	36,200	16,522	17,955	20,830	(2,875)	-13.8%	1,433	8.7%
Prebooking	-	823	5,415	2,401	3,014	125.5%	4,592	557.9%
Premier Corporate Parking	697	363	-	365	(365)	-100.0%	(363)	-100.0%
Revenue to Port - General Parking	36,897	17,708	23,370	23,596	(226)	-1.0%	5,662	32.0%
<u>Other Garage Revenue</u>								
Passport Parking Program	1,751	1,594	1,193	1,203	(10)	-0.8%	(401)	-25.1%
Total Parking Garage Revenue	38,648	19,302	24,563	24,799	(236)	-1.0%	5,261	27.3%
<u>Other Parking Revenue</u>								
Concession Rent - Doug Fox off-site parking	1,723	679	960	921	39	4.2%	281	41.4%
All Other Parking Revenue	31	21	15	9	6	61.5%	(6)	-30.6%
Total Parking Revenue	40,401	20,001	25,537	25,729	(192)	-0.7%	5,536	27.7%
O&D Enplanements	12,079	5,557	7,122	7,833	(477)	-21.9%	(1,249)	-42.4%

2021 YTD Actuals vs. 2020 YTD Actuals

General Garage Parking (includes pre-booking program) – Garage parking closely aligned with change in passenger volume, with continued passenger preference for close in self-parking.

Passport program – this monthly parking program is not as closely aligned with the change in passenger volume.

Doug Fox – revenue recovery shows increased demand for close in parking.

YTD Public Parking metrics reflect preference for close in self-parking

Public Parking - Revenue Metrics								
in 000's		2019 YTD Actual	2020 YTD Actual	2021 YTD Actual	2021 YTD Budget	Fav / (UnFav) Budget Variance		Incr / (Decr) Change from 2020
						#	%	#
								%
Total Enplanements		12,079	5,557	7,122	7,833	(711)	-9.1%	1,565
O&D %		70.2%	64.0%	70.0%	68.0%	2.0%	2.9%	6.0%
O&D Enplanements		8,480	3,557	4,985	5,326	(341)	-6.4%	1,429
Revenue per O&D Enplanement Metrics								
General Parking/Pre-Book/Premier Corporate		\$ 4.35	\$ 4.98	\$ 4.69	\$ 4.43	\$ 0.26	5.8%	\$ (0.29)
Passport Parking Program		\$ 0.21	\$ 0.45	\$ 0.24	\$ 0.23	\$ 0.01	6.0%	\$ (0.21)
Total Garage Revenue per O&D Enplanement		\$ 4.56	\$ 5.43	\$ 4.93	\$ 4.66	\$ 0.27	5.8%	\$ (0.50)
Concession Rent - Doug Fox off-site parking		\$ 0.20	\$ 0.19	\$ 0.19	\$ 0.17	\$ 0.02	11.3%	\$ 0.00
All Other Parking Revenue		\$ 0.00	\$ 0.01	\$ 0.00	\$ 0.00	\$ 0.00	72.5%	\$ (0.00)
Total Parking per O&D Enplanement		\$ 4.76	\$ 5.62	\$ 5.12	\$ 4.83	\$ 0.29	6.0%	\$ (0.50)

Public Parking Key Metrics – 2021 YTD Actuals vs. 2020 YTD Actuals:

- **General Garage Parking (includes pre-booking)** – revenue per enplanement retained much of increase during pandemic O&D passenger decline, which indicates passenger preference for close in self-parking
- **Passport parking programs** – metric increase compared to 2021 budget and compared to pre-pandemic 2019 activity reflects continued demand from airport tenant employees who continued to utilize during COVID impacts due to preference for close in self-parking
- **Doug Fox off-site parking** – YTD metric holding relatively steady, will continue to monitor.

Public Parking forecast recovers with O&D passenger increase

Passenger Volume forecasted to be up 90.5% compared to prior year

O&D Passenger Volume forecasted to be up 108.3% compared to prior year

Public Parking - Revenue Detail	2019	2020	2021	2021	Fav (UnFav)		Incr (Decr)	
\$ in 000's	Actual	Actual	Forecast	Budget	Fcst to \$	Bud Var %	Change from 2020 \$	%
<u>Parking Garage Revenue to Port</u>								
General Parking/Terminal Direct	73,562	27,157	48,221	48,332	(111)	-0.2%	21,064	77.6%
Prebooking	217	2,935	12,015	5,570	6,445	115.7%	9,080	309.4%
Premier Corporate Parking	1,415	449	-	850	(850)	-100.0%	(449)	-100.0%
Revenue to Port - General Parking	75,194	30,540	60,236	54,752	5,484	10.0%	29,695	97.2%
<u>Other Garage Revenue</u>								
Passport Parking Program	3,582	2,738	2,483	2,790	(307)	-11.0%	(255)	-9.3%
Total Parking Garage Revenue	78,776	33,278	62,719	57,542	5,177	9.0%	29,441	88.5%
<u>Other Parking Revenue</u>								
Concession Rent - Doug Fox off-site parking	3,292	1,186	2,559	2,037	522	25.6%	1,373	115.8%
All Other Parking Revenue	56	37	23	18	5	29.9%	(14)	-37.0%
Total Parking Revenue	82,125	34,501	65,301	59,597	5,704	9.6%	30,800	89.3%
O&D Enplanements	18,163	6,428	13,392	12,387	529	4.3%	6,488	100.9%

2021 Forecast vs. 2020 Actuals

General Garage Parking (includes pre-booking program) – Garage parking activity is closely aligned with the return of O&D passenger volume.

Passport program – demand is relatively stable, not closely aligned with passenger volumes. Significant portion of usage is from airport tenant employees.

Doug Fox – revenue recovering stronger than O&D passenger volume, possibly due steeper declines in prior year due to customer preference away from parking with shared ride shuttles.

YE Public Parking metrics expected to reflect continued preference for close in self-parking

Parking Revenue Metrics					Fav / (UnFav)		Incr / (Decr)	
in 000's	2019	2020	2021	2021	Fest to	Bud Var	Change from 2020	
	Actual	Actual	Forecast	Budget	#	%	#	%
Total Enplanements	25,874	10,044	19,132	18,216	916	5.0%	9,088	90.5%
O&D %	70.2%	64.0%	70.0%	68.0%	2.0%	2.9%	6.0%	9.4%
O&D Enplanements	18,163	6,428	13,392	12,387	1,006	8.1%	6,964	108.3%
Revenue per O&D Enplanement Metrics								
General Parking/Pre-Book/Premier Corporate	\$ 4.14	\$ 4.75	\$ 4.50	\$ 4.42	\$ 0.08	1.8%	\$ (0.25)	-5.3%
Passport Parking Program	\$ 0.20	\$ 0.43	\$ 0.19	\$ 0.23	\$ (0.04)	-17.7%	\$ (0.24)	-56.5%
Total Garage Revenue per O&D Enplanement	\$ 4.34	\$ 5.18	\$ 4.68	\$ 4.65	\$ 0.04	0.8%	\$ (0.49)	-9.5%
Concession Rent - Doug Fox off-site parking	\$ 0.18	\$ 0.18	\$ 0.19	\$ 0.16	\$ 0.03	16.2%	\$ 0.01	3.6%
All Other Parking Revenue	\$ 0.00	\$ 0.01	\$ 0.00	\$ 0.00	\$ 0.00	20.1%	\$ (0.00)	-69.7%
Total Parking per O&D Enplanement	\$ 4.52	\$ 5.37	\$ 4.88	\$ 4.81	\$ 0.06	1.3%	\$ (0.49)	-9.2%

Public Parking Key Metrics – 2021 Forecast vs. 2020 Actuals:

- **General Garage Parking (includes pre-booking)** – revenue per enplanement retained much of increase experienced during pandemic O&D passenger decline, based on continued passenger preference for close in self-parking.
- **Passport parking programs** – metric tracking closer to pre-pandemic levels. Significant portion of usage is from airport tenant employees.
- **Doug Fox off-site parking** – metric forecasted slightly higher than pre-pandemic levels, due to increasing demand for close in parking.

Rental Cars YTD

Rental Car - Revenue Detail	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav / (UnFav)		Incr / (Decr)	
\$ in 000's	Actual	Actual	Actual	Budget	Budget Variance		Change from 2020	
					\$	%	\$	%
Total Enplanements	12,079	5,557	7,122	7,833	(711)	-9.1%	1,565	28.2%
O&D %	70.2%	64.0%	70.0%	68.0%	2.0%	2.9%	6.0%	9.4%
O&D Enplanements	8,480	3,557	4,985	5,326	(341)	-6.4%	1,429	40.2%
Gross Sales by Operators	134,334	56,462	100,110	88,090	12,020	13.6%	43,648	77.3%
Total Transactions	647	272	312	383	(71)	-18.5%	40	14.8%
Average Ticket	\$207.53	\$207.76	\$320.74	\$230.00	\$90.74	39.5%	\$112.98	54.4%
Average Length of Stay	4.27	4.55	4.87	4.60	0.27	5.9%	0.32	7.0%
Transactions/O&D Enplanements	7.63%	7.64%	6.26%	7.19%	-0.93%	-12.9%	-1.38%	-18.1%
<u>CFC Revenue Summary</u>								
Total Transaction Days	2,761	1,237	1,521	1,762	(241)	-13.7%	N/A	22.9%
CFC Rate per Transaction Day	\$6.00	\$6.00	\$6.50	\$6.50	\$0.00	0.0%	\$0.50	8.3%
CFC Revenue Earned	16,567	7,424	9,884	11,452	(1,568)	-13.7%	N/A	33.1%
Other CFC Collections	(373)	(174)	-	-	-	N/A	N/A	-100.0%
Total CFC Revenue	16,194	7,250	9,884	11,452	(1,568)	-13.7%	2,634	36.3%
Debt Service Reserve Requirement	(11,689)	(12,009)	(12,137)	(6,038)	(6,099)	101.0%	(128)	1.1%
Residual - CFC Operating Revenue	4,505	-	-	-	-	N/A	-	N/A
<u>Rental Car - Revenue Summary</u>								
\$ in 000's	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav / (UnFav)		Incr / (Decr)	
	Actual	Actual	Actual	Budget	Budget Variance		Change from 2020	
					\$	%	\$	%
RCF Concession Revenue to Port	13,632	5,606	9,468	8,809	659	7.5%	3,862	68.9%
Residual - CFC Operating Revenue:	4,505	-	-	-	-	N/A	-	N/A
Land Rent/Space Rent/Other	1,927	1,986	2,029	1,931	98	5.1%	44	2.2%
Total Rental Cars Operating Revenue	20,064	7,591	11,497	10,740	757	7.0%	3,906	51.5%

2021 Actuals vs. 2020 Actuals

Rental Car Concession Revenue

Strong recovery reflects shortage of vehicles in rental car fleets, due to vehicle divestitures during the pandemic. Strong passenger demand for rental cars has driven up the rental rate, while the level of transactions remains low.

CFC Operating Revenue - CFC collections are lower than expected in the budget due to the shortage of rental car vehicles, despite recovering passenger volumes. CFC Operating Revenue is a residual (only after covering current year debt service), so YTD 2021 CFC operating revenue is still zero.

Rental Cars YE

Rental Car - Revenue Detail	2019	2020	2021	2021	Fav / (UnFav)		Incr / (Decr)	
\$ in 000's	Actual	Actual	Forecast	Budget	Fest vs Bud	Var	Change from 2020	
					\$	%	\$	%
Total Enplanements	25,874	10,044	19,132	18,216	916	5.0%	9,088	90.5%
O&D %	70.2%	64.0%	70.0%	68.0%	2.0%	2.9%	6.0%	9.4%
O&D Enplanements	18,396	6,428	13,392	12,387	1,006	8.1%	6,964	108.3%
Gross Sales by Operators	328,156	122,372	274,705	122,372	152,333	124.5%	152,333	124.5%
Total Transactions	1,414	519	836	892	(56)	-6.3%	317	61.0%
Average Ticket	\$232.06	\$235.57	\$ 328.55	\$ 230.00	\$98.55	42.8%	\$92.98	39.5%
Average Length of Stay	4.49	4.93	4.86	4.60	0.26	5.8%	(0.06)	-1.3%
Transactions/O&D Enplanements	7.69%	8.08%	6.24%	7.20%	-0.96%	-13.3%	-1.84%	-22.7%
CFC Revenue Summary								
Total Transaction Days	6,356	2,560	4,068	4,103	(35)	-0.9%	1,507	58.9%
CFC Rate per Transaction Day	\$6.00	\$6.00	\$6.50	\$6.50	\$0.00	0.0%	\$0.50	8.3%
CFC Revenue Earned	38,137	15,362	26,439	26,670	(231)	-0.9%	11,077	72.1%
Other CFC Collections	(9)	-	-	-	-	N/A	-	N/A
Total CFC Revenue	38,128	15,362	26,439	26,670	(231)	-0.9%	11,077	72.1%
Debt Service Reserve Requirement	(23,655)	(24,019)	(24,274)	(24,153)	(121)	0.5%	(255)	1.1%
Reserve Fund Release (bond maturation)	1,300	-	-	-	-	N/A	-	N/A
Net Debt Service	(22,355)	(23,914)	(24,274)	(24,153)	(121)	0.5%	(360)	1.5%
Residual - CFC Operating Revenue	15,773	-	2,165	2,501	(336)	-13.4%	2,165	N/A
Rental Car - Revenue Summary								
\$ in 000's	Actual	Actual	Forecast	Budget	Fest vs Bud	Var	Change from 2020	
					\$	%	\$	%
RCF Concession Revenue to Port	32,870	12,531	27,470	20,516	6,954	33.9%	14,940	119.2%
Residual - CFC Operating Revenue:	15,773	-	2,165	2,501	(336)	-13.4%	2,165	N/A
Land Rent/Space Rent/Other	3,924	4,106	4,056	3,863	193	5.0%	(50)	-1.2%
Total Rental Cars Operating Revenue	52,567	16,637	33,691	26,880	6,811	25.3%	17,054	102.5%

2021 Forecast vs. 2020 Actuals

Rental Car Concession

Revenue Strong recovery reflects shortage of vehicles in rental car fleets, due to vehicle divestitures during the pandemic. Strong passenger demand for rental cars has driven up the rental rate, while the level of transactions remains low.

CFC Operating Revenue - CFC collections are expected to exceed the debt service requirement by year-end, but are expected to be lower than the 2021 Budget due to the shortage of rentable vehicles this year which results in lower transaction activity.

Ground Transportation – Revenue YTD

YTD Passenger Volume are up 28.2% compared to prior year

YTD O&D Passenger Volume up 40.2% compared to prior year

Ground Transportation - Revenue to Port	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav (UnFav)		Incr (Decr)	
\$ in 000's	Actual	Actual	Actual	Budget	Budget Variance		Change from 2020	
					\$	%	\$	%
Ground Transportation Revenues								
TNC Drop-offs	-	-	747	-	747	N/A	747	N/A
TNC Pick-ups	5,997	2,765	1,960	3,741	(1,781)	-47.6%	(805)	-29.1%
TNC Total	5,997	2,765	2,707	3,741	(1,034)	-27.6%	(58)	-2.1%
On Demand Taxis	1,856	632	476	796	(320)	-40.2%	(156)	-24.7%
On Demand Limos	403	259	-	-	-	N/A	(259)	-100.0%
Belled In Taxis (Annual Permit)	27	12	9	19	(10)	-51.3%	(3)	-22.0%
Pre-Arranged Limos (Annual Permit)	350	95	142	295	(153)	-51.9%	47	48.9%
Courtesy Cars (cost recovery)	986	493	802	929	(127)	-13.6%	310	62.9%
All other Operators (cost recovery)	208	46	37	84	(47)	-55.6%	(9)	-19.5%
Other Misc Revenues	153	71	34	97	(63)	-64.9%	(37)	-52.4%
Total GT Revenue	9,979	4,374	4,208	5,961	(1,753)	-29.4%	(166)	-3.8%
O&D Enplanements	12,079	5,557	7,122	7,833	(711)	-9.1%	1,565	28.2%

2021 Actuals vs. 2020 Actuals

Ground Transportation revenues and GT operators severely impacted by compounding pandemic factors:

- COVID-19 declines in O&D passenger volumes
- Customer preference away from shared ride transportation options during this pandemic.

TNC & Taxi recovery slower than recovery in O&D passengers, reflects slower return of passengers to shared ride transportation options.

On-demand Limos (STILA) made the decision to cease operations at SEA.

All other GT operators impacted to varying degrees.

Ground Transportation – Trips YTD

YTD Passenger Volume are up 28.2% compared to prior year
YTD O&D Passenger Volume up 40.2% compared to prior year

Ground Transportation - Trip Activity in 000's	2019 YTD Actual	2020 YTD Actual	2021 YTD Actual	2021 YTD Budget	Fav / (UnFav) Budget Variance		Incr / (Decr) Change from 2020	
					#	%	#	%
Ground Transportation Trips								
TNC Drop-offs	1,266	532	382	-	382	N/A	(150)	-28.2%
TNC Pick-ups	977	428	328	624	(296)	-47.5%	(101)	-23.5%
TNC Total	2,243	960	710	624	86	13.8%	(251)	-26.1%
On Demand Taxis	309	106	82	133	(51)	-38.6%	(24)	-23.0%
On Demand Limos	34	12	-	-	-	N/A	(12)	-100.0%
Belled In Taxis (Annual Permit)	8	1	1	2	(1)	-46.1%	(0)	-8.6%
Pre-Arranged Limos (Annual Permit)	34	63	39	83	(44)	-53.3%	(24)	-38.4%
Courtesy Cars (cost recovery)	594	305	342	387	(45)	-11.6%	37	12.2%
All other Operators (cost recovery)	55	10	11	8	2	29.6%	0	4.2%
Total GT Trip Activity	3,278	1,458	1,184	1,237	(53)	-4.3%	(273)	-18.8%
Total Enplanements	12,079	5,557	7,122	7,833	(711)	-9.1%	1,565	28.2%
O&D %	70.2%	64.0%	70.0%	68.0%	2.0%	2.9%	6.0%	9.4%
O&D Enplanements	8,480	3,557	4,985	5,326	(341)	-6.4%	1,429	40.2%
Revenue per O&D Enplanement Metrics								
TNC Dropoffs	14.9%	15.0%	7.7%	0.0%	7.7%	N/A	-7.3%	-48.8%
TNC Pickups	11.5%	12.0%	6.6%	11.7%	N/A	-43.9%	-5.5%	-45.4%
TNC Total	26.5%	27.0%	14.2%	11.7%	N/A	21.6%	-12.8%	-47.3%
Taxi	3.8%	3.0%	1.6%	2.5%	-0.9%	-34.4%	-1.3%	-45.0%
All other	24.3%	41.0%	23.8%	23.2%	0.5%	2.3%	-17.2%	-42.0%
Total GT Trips per O&D Enplanement	38.7%	41.0%	23.8%	23.2%	0.5%	2.3%	-17.2%	-42.0%

2021 Actuals vs. 2020 Actuals

Ground Transportation revenues and GT operators severely impacted by compounding pandemic factors:

- COVID-19 declines in O&D passenger volumes
- Customer preference away from shared ride transportation options during this pandemic.

TNC & Taxi recovery slower than recovery in O&D passengers, reflects slower return of passengers to shared ride transportation options.

On-demand Limos (STILA) made the decision to cease operations at SEA.

All other GT operators impacted to varying degrees.

Ground Transportation – Revenue YE

Passenger Volume forecasted to be up 90.5% compared to prior year
O&D Passenger Volume forecasted to be up 108.3% compared to prior year

Revenue Detail	2019	2020	2021	2021	Fav (UnFav) Fest vs Bud Var		Incr (Decr) Change from 2020	
\$ in 000's	Actual	Actual	Forecast	Budget	\$	%	\$	%
Ground Transportation Revenues								
TNC Drop-offs	-	-	2,089	-	2,089	N/A	2,089	N/A
TNC Pick-ups	12,982	4,032	5,417	8,700	(3,283)	-37.7%	1,384	34.3%
TNC Total	12,982	4,032	7,506	8,700	(1,194)	-13.7%	3,473	86.1%
On Demand Taxis	3,578	857	1,336	1,851	(515)	-27.8%	478	55.8%
On Demand Limos	837	371	-	-	-	N/A	(371)	-100.0%
Belled In Taxis (Annual Permit)	27	12	9	19	(10)	-51.3%	(3)	-22.0%
Pre-Arranged Limos (Annual Permit)	611	209	402	516	(114)	-22.1%	193	92.8%
Courtesy Cars (cost recovery)	2,019	877	1,811	2,160	(349)	-16.2%	934	106.5%
All other Operators (cost recovery)	418	86	86	188	(102)	-54.3%	-	0.0%
Other Misc Revenues	293	113	64	194	(130)	-67.2%	(49)	-43.4%
Total GT Revenue	20,765	6,557	11,245	13,628	(2,383)	-17.5%	4,688	71.5%
O&D Enplanements	18,422	6,428	13,392	12,387	1,006	8.1%	6,964	108.3%

2021 Forecast vs. 2020 Actuals

GT Revenue

Ground Transportation recovery remains slower than the recovery in O&D enplanements as customer preference away from shared ride transportation options continues during this pandemic recovery period.

TNC revenue – continues to recover at a slower rate than the recovery in O&D enplanements.

On-demand Taxi trip recovery is much slower than recovery in O&D enplanements.

On-demand Limos (STILA) made the decision to cease operations at SEA in late-2020.

Other GT operators impacted to varying degrees.

Ground Transportation – Trips YE

Trip Activity in 000's	2019	2020	2021	2021	Fav / (UnFav)		Incr / (Decr)	
	Actual	Actual	Forecast	Budget	Fest vs Bud Var #	%	Change from 2020 #	%
Ground Transportation Trips								
TNC Drop-offs	2,704	787	1,067	-	1,067	N/A	280	35.5%
TNC Pick-ups	2,103	640	898	1,450	(552)	-38.0%	258	40.3%
TNC Total	4,808	1,427	1,965	1,450	515	35.5%	537	37.7%
On Demand Taxis	616	150	213	309	(96)	-31.0%	63	42.0%
On Demand Limos	65	12	-	-	-	N/A	(12)	-100.0%
Belled In Taxis (Annual Permit)	13	2	2	5	(3)	-51.3%	0	21.6%
Pre-Arranged Limos (Annual Permit)	65	87	150	192	(42)	-22.1%	63	72.6%
Courtesy Cars (cost recovery)	1,236	557	769	900	(131)	-14.5%	212	38.1%
All other Operators (cost recovery)	74	16	16	27	(10)	-38.9%	0	3.0%
Total GT Trip Activity	6,876	2,251	3,115	2,882	233	8.1%	864	38.4%
Total Enplanements	25,874	10,044	19,132	18,216	916	5.0%	9,088	90.5%
O&D %	70.2%	64.0%	70.0%	68.0%	2.0%	2.9%	6.0%	9.4%
O&D Enplanements	18,422	6,428	13,392	12,387	1,006	8.1%	6,964	108.3%
Trips per O&D Enplanement								
TNC Drop-offs	14.7%	12.2%	8.0%	N/A	0.0%	N/A	-4.3%	-35.0%
TNC Pick-ups	11.4%	10.0%	6.7%	11.7%	-5.0%	-42.7%	-3.3%	-32.7%
TNC Total	26.1%	22.2%	14.7%	11.7%	3.0%	25.3%	-7.5%	-33.9%
Taxi	3.3%	2.3%	1.6%	2.5%	-0.9%	-36.2%	-0.7%	-31.8%
All other	7.9%	10.5%	7.0%	9.1%	-2.1%	-22.8%	-3.5%	-33.2%
Total Trips per O&D Enplanement	37.3%	35.0%	23.3%	23.3%	0.0%	0.0%	-11.8%	-33.6%

2021 Forecast vs. 2020 Actuals

GT Trip Activity

Ground Transportation revenues and GT operators severely impacted by compounding pandemic factors:

- COVID-19 declines in O&D passenger volumes
- Customer preference away from shared ride transportation options during this pandemic.

TNC trip volume includes drop-off trips starting in 2021. Overall TNC trip activity continues to recover at a slower rate than the recovery in O&D enplanements.

On-demand Taxi trip recovery is much slower than recovery in O&D enplanements.

On-demand Limos (STILA) made the decision to cease operations at SEA in late-2020.

Other GT operators impacted to varying degrees.

Airport Dining & Retail YTD Results

Revenue Summary (in \$000s) <i>Org(s): 3650-Airport Dining and Retail, Class: Top Level</i>	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav/(UnFav) Budget Variance		Inc/(Dec) from Prior Year Actuals	
	Actual	Actual	Actual	Budget	\$ Var	% Var	\$ Change	% Change
Operating Revenue								
Duty Free	3,263	1,263	1,072	1,287	(215)	-16.7%	(191)	-15.1%
Food & Beverage	12,266	5,047	6,402	7,926	(1,524)	-19.2%	1,355	26.9%
Retail	7,717	3,090	4,498	5,745	(1,247)	-21.7%	1,408	45.6%
Services	1,982	992	1,138	1,563	(425)	-27.2%	146	14.8%
Advertising	3,502	2,691	1,166	2,216	(1,050)	-47.4%	(1,525)	-56.7%
All Other	853	772	594	733	(139)	-19.0%	(178)	-23.1%
Total ADR Revenue	29,581	13,856	14,871	19,470	(4,599)	-23.6%	1,015	7.3%
Enplanements	12,079	5,557	7,833	7,122	711	10.0%	2,276	40.9%

2021 YTD Actuals vs. 2020 YTD Actuals

- Duty Free: Reflects the slower recovery in international enplanements and lower MAG/percentage rent structure of the new lease.
- Food & Beverage: Driven by the impact of higher SPE, and partially offset by slightly lower take rates.
- Retail: Driven by a higher SPE, partially offset by slightly lower percentage rent in 2021.
- Services: Driven by higher percentage rent, partially offset by a slightly lower SPE.
- Advertising: This line is less reactive to changing passenger volumes and has seen a decline in demand.

Airport Dining & Retail YE Forecast

Revenue Summary (in \$000s) <i>Org(s): 3650-Airport Dining and Retail, Class: Top Level</i>	2019	2020	2021	2021	Fav/(UnFav) Budget Variance		Inc/(Dec) from Prior Year Actuals	
	Actual	Actual	Forecast	Budget	\$ Var	% Var	\$ Change	% Change
Operating Revenue								
Duty Free	6,189	1,842	996	3,599	(2,604)	-72.3%	(846)	-45.9%
Food & Beverage	26,314	9,709	21,467	18,456	3,011	16.3%	11,758	121.1%
Retail	16,313	6,328	13,268	13,360	(92)	-0.7%	6,941	109.7%
Services	3,847	1,728	2,918	3,900	(982)	-25.2%	1,190	68.9%
Advertising	7,326	4,285	3,310	5,153	(1,843)	-35.8%	(975)	-22.7%
All Other	1,625	1,527	1,357	1,466	(110)	-7.5%	(170)	-11.1%
Total ADR Revenue	61,614	25,418	43,317	45,936	(2,619)	-5.7%	17,899	70.4%
Enplanements	25,874	10,044	19,132	18,216	916	5.0%	9,088	90.5%

Sales per Enplanements Summary <i>Org(s): 3650-Airport Dining and Retail, Class: Top Level</i>	2019	2020	2021	2021	Fav/(UnFav) Budget Variance		Inc/(Dec) from Prior Year Actuals	
	Actual	Actual	Forecast	Budget	\$ Var	% Var	\$ Change	% Change
Duty Free	0.77	0.47	0.32	0.65	(0.33)	-51.2%	(0.15)	-32.5%
Food & Beverage	7.56	7.83	9.05	8.18	0.86	10.6%	1.21	15.5%
Retail	3.99	4.14	4.65	4.79	(0.14)	-2.9%	0.51	12.2%
Services	0.80	0.49	0.32	0.56	(0.24)	-43.4%	(0.17)	-35.4%
SPE - Total ADR	13.12	12.94	14.33	14.18	0.15	1.0%	1.39	10.8%

Revenue per Enplanements Summary <i>Org(s): 3650-Airport Dining and Retail, Class: Top Level</i>	2019	2020	2021	2021	Fav/(UnFav) Budget Variance		Inc/(Dec) from Prior Year Actuals	
	Actual	Actual	Forecast	Budget	\$ Var	% Var	\$ Change	% Change
Duty Free	0.24	0.18	0.05	0.20	(0.15)	-73.7%	(0.13)	-71.6%
Food & Beverage	1.02	0.97	1.12	1.01	0.11	10.7%	0.16	16.1%
Retail	0.63	0.63	0.69	0.73	(0.04)	-5.4%	0.06	10.1%
Services	0.15	0.17	0.15	0.21	(0.06)	-28.8%	(0.02)	-11.3%
RPE - Total ADR	2.04	1.95	2.02	2.16	(0.14)	-6.4%	0.07	3.5%

2021 Forecast vs. 2020 Actuals

COVID-19 impacts to ADR revenue has been severe, and compounded by passenger volume decline, significant unit closures during 2020, restrictions on in-unit dining, and a prohibition on alcohol sales near the end of 2020.

Sales per Enplanement (SPE) on Food & Beverage and Retail are improving as enplanements are returning and demand is increasing.

Revenue per Enplanement (RPE) is increasing as tiered rent reach higher tiers in 2021.

Duty Free lease has been renegotiated with a lower MAG / Percentage Rent Structure.

Non-Aero Commercial Properties

Land Rent stable, but In-Flight Kitchen revenue negatively impacted by COVID-19

Revenue Summary (in \$000s) <i>Org(s): 3630-Non-Aero Commercial Properties, Class: Top Level</i>	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav/(UnFav) Budget Variance		Inc/(Dec) from Prior Year Actuals	
	Actual	Actual	Actual	Budget	\$ Var	% Var	\$ Change	% Change
Operating Revenue								
Land Rental	2,195	2,641	2,629	2,602	27	1.0%	(12)	-0.4%
Space Rental	213	536	366	422	(55)	-13.2%	(170)	-31.6%
In-Flight Kitchen Revenue	4,408	2,323	2,245	3,043	(798)	-26.2%	(78)	-3.4%
Other Service Revenues	256	277	300	300	(0)	0.0%	23	8.3%
Total Operating Revenues	7,072	5,777	5,541	6,367	(827)	-13.0%	(236)	-4.1%
Enplanements	12,079	5,557	7,833	7,122	711	10.0%	2,276	40.9%

Revenue Summary (in \$000s) <i>Org(s): 3630-Non-Aero Commercial Properties, Class: Top Level</i>	2019	2020	2021	2021	Fav/(UnFav) Budget Variance		Inc/(Dec) from Prior Year Actuals	
	Actual	Actual	Forecast	Budget	\$ Var	% Var	\$ Change	% Change
Operating Revenue								
Land Rental	4,658	5,267	5,285	5,222	63	1.2%	18	0.3%
Space Rental	464	942	751	800	(49)	-6.2%	(192)	-20.3%
In-Flight Kitchen Revenue	10,053	3,990	5,675	7,078	(1,403)	-19.8%	1,685	42.2%
Other Service Revenues	548	566	613	613	0	0.0%	47	8.3%
Operating Grant Revenues	49	0	0	0	0	0.0%	0	0.0%
Total Operating Revenues	15,773	10,765	12,324	13,713	(1,389)	-10.1%	1,558	14.5%
Enplanements	25,874	10,044	19,132	18,216	916	5.0%	9,088	90.5%

2021 Forecast vs. 2020 Actuals

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

Despite domestic enplanements returning, **In-Flight Kitchen revenue** continues to lag. We now believe this revenue is more closely aligned to international flying than previously understood.

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

Clubs & Lounges

Impacted by lounge closures and passenger volume decline

Revenue Summary (in \$000s) <i>Org(s): 3690-Club International Lounge, Class: Top Level</i>	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav/(UnFav) Budget Variance		Inc/(Dec) from Prior Year Actuals	
	Actual	Actual	Actual	Budget	\$ Var	% Var	\$ Change	% Change
Operating Revenue Space Rental	4,456	1,714	709	2,453	(1,744)	-71.1%	(1,005)	-58.6%
Total Operating Revenues	4,456	1,714	709	2,453	(1,744)	-71.1%	(1,005)	-58.6%
Enplanements	12,079	5,557	7,833	7,122	711	10.0%	2,276	40.9%

Revenue Summary (in \$000s) <i>Org(s): 3690-Club International Lounge, Class: Top Level</i>	2019	2020	2021	2021	Fav/(UnFav) Budget Variance		Inc/(Dec) from Prior Year Actuals	
	Actual	Actual	Forecast	Budget	\$ Var	% Var	\$ Change	% Change
Operating Revenue Space Rental	10,274	2,043	3,952	6,221	(2,269)	-36.5%	1,909	93.4%
Total Operating Revenues	10,274	2,043	3,952	6,221	(2,269)	-36.5%	1,909	93.4%
Enplanements	25,874	10,044	19,132	18,216	916	5.0%	9,088	90.5%

2021 Forecast vs. 2020 Actuals

COVID-19 impacts to Port-owned common use Clubs & Lounges reflects overall decline in passenger volume. As a result, both the South Satellite lounge and the Concourse A lounges were closed in mid-March 2020 due to the decline in passengers and in response to social distancing requirements.

South Satellite Lounge was able to reopen on July 1st, 2020 with new safety protocols and is experiencing a steady increase in passenger activity.

A Concourse Lounge unfortunately remained closed through year-end 2020 and reopened in early June 2021 due to low passenger volumes.

2021 Capital Expenditures

\$ in 000's	2021 YTD Actual	2021 Year-End Forecast	2021 Budget	Budget Variance	
				\$	%
Checked Baggage ⁽¹⁾	42,510	105,610	86,100	(19,510)	-22.7%
International Arrivals Facility ⁽²⁾	40,439	68,439	86,500	18,061	20.9%
NSAT Renovation ⁽³⁾	55,058	84,602	96,408	11,806	12.2%
Concourse A Duty Free ⁽⁴⁾	2	34	2,461	2,427	98.6%
Concourse A Expansion ⁽⁵⁾	69	7,639	5,215	(2,424)	-46.5%
SAMP Near Term Planning ⁽⁶⁾	322	2,692	5,025	2,333	46.4%
Terminal Security Enhancements ⁽⁷⁾	175	1,276	3,479	2,203	63.3%
RCF Security Improvements ⁽⁸⁾	196	2,802	4,934	2,131	43.2%
2021-25 AFLD Pvmnt ⁽⁹⁾	6,990	27,542	29,560	2,017	6.8%
Concourse C New Power Center ⁽¹⁰⁾	3,668	4,919	2,961	(1,958)	-66.1%
Air Cargo Rd Safety ⁽¹¹⁾	448	2,080	3,972	1,892	47.6%
SSAT HVAC ⁽¹²⁾	4,830	9,725	11,505	1,780	15.5%
All Other	45,431	165,437	195,060	29,624	15.2%
Subtotal	200,138	482,797	533,180	50,383	9.4%
CIP Cashflow Mgmt Reserve	-	(26,177)	(41,978)	(15,801)	37.6%
Total Spending	200,138	456,620	491,202	34,582	7.0%

(1) Accelerated schedule for Temp Maint Shop

(2) The ped walkway continues to slide to the right and is likely going to complete late 2021, possibly 2022. Additionally, in the IAF building, issues with systems, smoke control and commissioning have caused delays to the IAF building

(3) Variance due to \$4.0M less Construction (Contract/OFCI/Sales Tax); \$1M less Permit costs (delayed); and \$1M slipped payment for seating

(4) 2021 baseline was set prior to IC increase from \$25,180,000 to \$33,366,000

(5) 2021 baseline was set previous to Notebook approval (03/05/21), whereas the project budget went from \$60M to 71.4M

(6) Continued scoping and analysis extended to gain better information deferring spending

(7) Cash flow based upon previous procurement that was cancelled, revised cash flow per anticipated DB schedule

(8) Construction bid came lower than estimates

(9) Bid result for 2021 Pavement project came lower than Engineer's Estimate

(10) Construction accelerated by 6 months

(11) Cash flow reflects returned bid savings and extended construction schedule

(12) Returned \$5M savings in Q1 and design delays have caused underspending

Maritime Division Appendix

Q2 2021 Financial Performance Report

Q2 2021 Maritime Achievements

- **Cruise** – Completed terminal upgrades inclusive of touchless restroom facilities, COVID signage, health barriers, water bottle filling stations, and air filtration improvements.
- **Recreational Boating**– Bell Harbor Marina hosted the return of Classic Weekend, an annual public event sponsored by the Classic Yacht Association with a full marina buyout. In addition, agreements were completed with Parasail Seattle and Seattle's Tall Ship tour operations at the marina.
- **Elliott Bay Fishing and Commercial Operations** - Maximized pier utilization while helping coordinate the transition of the cruise berths to CTA for cruise ship lay berth use.
- **Stormwater Utility** – Terminal 25 oil/water separator was installed in the truck parking area.

Maritime Environmental & Sustainability Achievements

- Completed 2020 emissions inventory.
- Captured over \$2.9M in grant funding to support P66 shore power.
- Began data collection on maritime energy use as part of the Waterfront Clean Energy Strategy.
- LDWG signed the LDW Order Amendment 5 for the design on the middle section and consultant procurement has begun (City is the lead for consultant procurement).

Maritime 2021 Financial Forecast Summary

	2019	2020	2021	2021	Fav (UnFav) Fest vs. Budget Variance		Incr (Decr) Change from 2020	
\$ in 000's	Actual	Actual	Forecast	Budget	\$	%	\$	%
Ship Canal Fishing & Operations	3,929	4,704	4,123	4,135	(12)	0%	(581)	-12%
Elliott Bay Fishing & Commercial Operations	6,095	5,752	4,882	4,509	373	8%	(870)	-15%
Recreational Boating	12,484	12,611	12,838	12,915	(77)	-1%	227	2%
Cruise	22,410	3,824	9,000	8,558	442	5%	5,176	135%
Grain	4,266	5,142	5,779	4,903	876	18%	637	12%
Maritime Portfolio Management	10,108	10,074	10,034	10,259	(225)	-2%	(40)	0%
Other	(3)	4	0	0	0	NA	(4)	-100%
Total Revenue	59,289	42,111	46,656	45,280	1,377	3%	4,545	11%
Expenses								
Maritime (Excl. Maint)	13,789	16,256	15,439	15,539	100	1%	(817)	-5%
Economic Development	4,987	4,511	5,115	5,365	250	5%	604	13%
Total Direct	18,776	20,767	20,554	20,904	350	2%	(213)	-1%
Maintenance Expenses	12,186	12,029	11,095	11,595	500	4%	(934)	-8%
Envir Services & Planning	2,250	2,739	1,940	2,140	200	9%	(798)	-29%
Seaport Finance & Cost Recovery	835	937	977	977	0	0%	40	4%
Seaport Project Management	175	1,061	416	316	(100)	-32%	(644)	-61%
Total Support Services	15,446	16,765	14,428	15,028	600	4%	(2,337)	-14%
IT	2,685	2,719	2,838	2,853	15	1%	120	4%
Police Expenses	4,086	2,865	3,059	3,118	59	2%	193	7%
External Relations	1,564	1,200	1,013	1,347	334	25%	(187)	-16%
Other Central Services	5,810	5,596	6,887	6,749	(138)	-2%	1,291	23%
Aviation Division / Other	278	315	243	243	0	0%	(72)	-23%
Total Central Services / Other	14,423	12,695	14,041	14,311	270	2%	1,345	11%
Total Expense	48,644	50,228	49,023	50,243	1,220	2%	(1,205)	-2%
NOI Before Depreciation	10,644	(8,117)	(2,367)	(4,963)	2,597	52%	5,750	71%
Depreciation	17,627	17,624	16,899	16,899	0	0%	(725)	-4%
NOI After Depreciation	(6,982)	(25,741)	(19,266)	(21,862)	2,597	12%	6,475	25%

Revenue Variance from Budget

- Grain terminal experiencing higher volumes than expected.
- Maritime Portfolio Management vacancies at Maritime Industrial Center and Fishermen's Terminal.

Expense Variance from Budget

- Direct – Open FTEs and lower tenant improvements.
- Support services - Change is Maintenance allocation methodology and open Environmental FTEs partially offset by expedited Project Management hires.
- Central services - deeper reductions in External Relations, partially offset by increased legal fees.

Maritime 2021 YTD Financial Summary

	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav (UnFav)		Incr (Decr)	
					Actual vs. Budget		Change from 2020	
\$ in 000's	Actual	Actual	Actual	Budget	\$	%	\$	%
Ship Canal Fishing & Operations	2,004	2,182	2,134	2,146	(12)	-1%	(49)	-2%
Elliott Bay Fishing & Commercial Operations	3,067	2,908	2,635	2,262	373	16%	(274)	-9%
Recreational Boating	6,228	6,211	6,330	6,406	(77)	-1%	119	2%
Cruise	8,473	133	61	4,466	(4,405)	-99%	(72)	-54%
Grain	2,567	2,005	3,433	2,556	876	34%	1,427	71%
Maritime Portfolio Management	5,019	4,884	4,914	5,039	(125)	-2%	30	1%
Other	10	15	1	0	1	NA	(13)	-91%
Total Revenue	27,368	18,338	19,507	22,875	(3,368)	-15%	1,169	6%
Expenses								
Maritime (Excl. Maint)	5,745	6,869	7,031	7,801	770	10%	162	2%
Economic Development	2,369	2,325	2,135	3,015	880	29%	(190)	-8%
Total Direct	8,114	9,194	9,166	10,816	1,649	15%	(28)	0%
Maintenance Expenses	5,521	4,879	5,093	6,006	913	15%	215	4%
Envir Services & Planning	1,055	1,226	785	1,070	285	27%	(442)	-36%
Seaport Finance & Cost Recovery	509	457	513	490	(23)	-5%	56	12%
Seaport Project Management	130	188	193	160	(33)	-21%	5	2%
Total Support Services	7,214	6,751	6,584	7,725	1,141	15%	(167)	-2%
IT	1,320	1,393	1,335	1,410	75	5%	(58)	-4%
Police Expenses	1,988	1,569	1,477	1,647	170	10%	(92)	-6%
External Relations	751	615	571	683	113	16%	(44)	-7%
Other Central Services	2,789	2,652	3,277	3,311	34	1%	625	24%
Aviation Division / Other	135	137	170	121	(49)	-40%	33	24%
Total Central Services / Other	6,982	6,367	6,830	7,173	343	5%	464	7%
Total Expense	22,310	22,311	22,581	25,714	3,134	12%	270	1%
NOI Before Depreciation	5,058	(3,973)	(3,074)	(2,839)	(235)	-8%	899	23%
Depreciation	8,911	8,781	8,881	8,088	(793)	-10%	100	1%
NOI After Depreciation	(3,853)	(12,754)	(11,955)	(10,928)	(1,027)	-9%	799	6%

Variance from Budget

- Revenue \$3.4M favorable:
 - Ship Canal – Ballard Lock closure
 - Cruise – Timing of NCL revenue recognition and phasing of calls.
 - Grain – 55% increase in volume
 - Portfolio Management – Vacancy at MIC
- Operating exp. \$3.1M favorable:
 - Direct – Payroll, Utilities, Tenant Improvements
 - Support Services – Open FTEs, Maintenance Allocation change
 - Central Services – Timing of Police, Lower External Relations, Legal

Cruise Q2 Financials

	2020 YTD	2021 YTD	2021 YTD	Fav (UnFav)		Incr (Decr)	
\$ in 000's	Actual	Actual	Budget	Budget	Variance	Change from 2020	
				\$	%	\$	%
T-91 & Bell St Cruise Operations	118	20	4,447	(4,427)	-100%	(98)	-83%
Bell Street Vessel Operations	15	41	19	22	115%	26	179%
Total Revenue	133	61	4,466	(4,405)	-99%	(72)	-54%
Expenses							
Maritime (Excl. Maint)	2,082	2,001	2,673	672	25%	(81)	-4%
Economic Development	198	138	193	55	28%	(59)	-30%
Total Direct	2,280	2,139	2,867	727	25%	(141)	-6%
Maintenance Expenses	1,156	1,095	1,035	(60)	-6%	(61)	-5%
Envir Services & Planning	178	123	168	45	27%	(55)	-31%
Seaport Finance & Cost Recovery	135	120	116	(4)	-3%	(15)	-11%
Seaport Project Management	46	55	47	(8)	-16%	9	19%
Total Support Services	1,515	1,392	1,366	(26)	-2%	(123)	-8%
IT	342	300	316	16	5%	(42)	-12%
Police Expenses	483	369	411	43	10%	(114)	-24%
External Relations	190	143	178	35	20%	(47)	-25%
Other Central Services	826	845	821	(24)	-3%	18	2%
Aviation Division / Other	51	62	43	(19)	-45%	11	23%
Total Central Services / Other	1,892	1,719	1,770	51	3%	(173)	-9%
Total Expense	5,687	5,251	6,002	752	13%	(437)	-8%
NOI Before Depreciation	(5,555)	(5,190)	(1,536)	(3,654)	-238%	365	7%
Depreciation	3,056	2,994	2,857	(137)	-5%	(62)	-2%
NOI After Depreciation	(8,610)	(8,184)	(4,394)	(3,790)	-86%	427	5%

Variance from Budget

- Revenue less due to 2021 NCL lease payment timing & no cruises in May or June
- Outside services, promotional hosting, equipment, utilities, and allocation expenses less than budget in Q2

Variance from 2020

- Revenue lower due to no T91 events in 2021
- Less outside services and allocations in 2021 Q2

COVID-19 Impact to 2021

- Revenue to be impacted due to partial cruise season. On track with budget by end of year.
- Reduction in travel expenses and Port Valet to mitigate revenue impacts

Recreational Boating Q2 Financials

\$ in 000's	2020	2021 Year-to-Date		Fav (UnFav) Budget Variance		Inc (Dec) Change from 2020	
	Actual	Actual	Budget	\$	%	\$	%
Berthage and Moorage & Concession Services	5,700	5,787	5,864	(77)	-1%	88	2%
Utility Sales Revenue	285	279	257	23	9%	(5)	-2%
Other Service Revenue	196	218	221	(3)	-1%	22	11%
Other	30	45	64	(19)	-30%	15	49%
Total Revenue	6,211	6,330	6,406	(76)	-1%	119	2%
Expenses							
Maritime (excl Maint)	2,176	2,449	2,334	(115)	-5%	273	13%
Economic Development	116	162	146	(15)	-10%	45	39%
Total Direct	2,293	2,611	2,481	(130)	-5%	318	14%
Maintenance Expenses	1,028	1,102	1,528	426	28%	74	7%
Envir Services & Planning	191	185	155	(30)	-19%	(6)	-3%
Seaport Finance & Cost Recovery	96	117	114	(3)	-3%	21	22%
Seaport Project Management	59	69	34	(35)	-102%	10	17%
Total Support Service	1,375	1,473	1,831	358	20%	98	7%
IT	369	361	380	19	5%	(8)	-2%
Police Expenses	346	364	406	42	10%	18	5%
External Relations	135	140	166	26	16%	5	4%
Other Central Services	572	786	821	35	4%	214	37%
Aviation Division/Other	28	38	27	(10)	-38%	10	35%
Total Central Services/Other	1,449	1,688	1,799	111	6%	239	16%
Total Expense	5,117	5,772	6,111	339	6%	655	13%
NOI Before Depreciation	1,094	558	295	(263)	-89%	(536)	-49%
Depreciation	1,375	1,622	1,240	(382)	-31%	247	18%
NOI After Depreciation	(281)	(1,064)	(945)	(119)	13%	(783)	279%

Variance from Budget

- Revenue \$76K lower due to lower monthly moorage occupancy as we expected at SBM and BHM partially related to COVID-19 business disruptions
- Operation expenses ~\$339K favorable to budget YTD from \$426K favorable in Maintenance expenses and \$111K favorable in Central Services allocations, offset by (\$115K) unfavorable in Maritime direct charges which relate to salaries & benefits and supplies.

Variance from 2020

- Revenue \$119K higher relate to increasing boating interest at SBM
- Operation expenses ~\$655K increase in 2021 due to \$273K increase in Maritime (excluding Maintenance) expenses, \$239K increase in Central Services; and \$98K increase in support services

Ship Canal Fishing & Ops Q2 Financials

\$ in 000's	2020	2021 Year-to-Date		Fav (UnFav) Budget Variance		Inc (Dec) Change from 2020	
	Actual	Actual	Budget	\$	%	\$	%
Berthage and Moorage & Concession Services	1,935	1,840	1,932	(92)	-5%	(95)	-5%
Space Rental	120	104	97	7	7%	(16)	-13%
Utility Sales Revenue	56	107	46	62	135%	51	91%
Other	72	83	71	12	17%	11	15%
Total Revenue	2,182	2,134	2,146	(12)	-1%	(49)	-2%
Expenses							
Maritime (excl Maint)	1,111	1,218	1,279	61	5%	107	10%
Economic Development	27	25	35	10	27%	(2)	-6%
Total Direct	1,139	1,244	1,315	71	5%	105	9%
Maintenance Expenses	812	878	921	44	5%	66	8%
Envir Services & Planning	98	97	111	13	12%	(1)	-1%
Seaport Finance & Cost Recovery	38	52	51	(1)	-3%	14	37%
Seaport Project Management	23	23	17	(6)	-37%	1	3%
Total Support Service	970	1,050	1,100	50	5%	80	8%
IT	169	184	207	23	11%	15	9%
Police Expenses	135	163	181	19	10%	27	20%
External Relations	53	62	74	11	15%	9	18%
Other Central Services	220	361	364	3	1%	141	64%
Aviation Division/Other	9	15	10	(5)	-52%	6	59%
Total Central Services/Other	587	785	836	51	6%	198	34%
Total Expense	2,696	3,079	3,250	171	5%	383	14%
NOI Before Depreciation	(513)	(945)	(1,105)	160	-14%	(432)	84%
Depreciation	1,154	1,182	1,132	(50)	-4%	29	2%
NOI After Depreciation	(1,667)	(2,127)	(2,236)	109	-5%	(460)	28%

Variance from Budget

- Revenue (\$12K) unfavorable to the budget mainly related to shorter Ballard lock closures period in 2021 by the US Army Corps Engineers
- Operation expenses ~\$171K favorable to the budgeted YTD contributed by \$61K favorable in Maritime direct charges, \$44K favorable in Maintenance, \$51K favorable in Central Services due to lower allocation

Variance from 2020

- Revenue \$49K or 2% lower contributed to shorter Ballard Lock closures period in 2021 compared it to 2020
- Operation expenses ~\$383K increase in 2021 related to \$107K increase in Maritime direct charges related to payroll expenses, \$198K increase in Central Services allocation, \$80K increase in Support Service

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

Elliott Bay Fishing & Commercial Ops Q2 Financials

\$ in 000's	2020	2021 Year-to-Date		Fav (UnFav) Budget Variance		Inc (Dec) Change from 2020	
	Actual	Actual	Budget	\$	%	\$	%
Berthage and Moorage & Dockage	1,651	1,512	1,164	348	30%	(138)	-8%
Space Rental	792	741	761	(21)	-3%	(51)	-6%
Utility Sales Revenue	277	281	261	20	8%	4	1%
Other	188	101	75	25	34%	(88)	-47%
Total Revenue	2,908	2,635	2,262	373	16%	(274)	-9%
Expenses							
Maritime (excl Maint)	1,233	1,088	1,400	312	22%	(145)	-12%
Economic Development	74	167	156	(11)	-7%	93	126%
Total Direct	1,308	1,256	1,557	301	19%	(52)	-4%
Maintenance Expenses	599	628	600	(27)	-5%	29	5%
Envir Services & Planning	414	87	98	10	10%	(327)	-79%
Seaport Finance & Cost Recovery	60	71	67	(4)	-6%	11	19%
Seaport Project Management	24	13	20	7	36%	(11)	-46%
Total Support Service	1,097	799	785	(14)	-2%	(298)	-27%
IT	182	174	188	13	7%	(8)	-4%
Police Expenses	190	179	199	21	10%	(12)	-6%
External Relations	74	70	83	13	15%	(4)	-5%
Other Central Services	312	399	407	8	2%	87	28%
Aviation Division/Other	13	15	11	(4)	-40%	2	16%
Total Central Services/Other	770	837	887	51	6%	66	9%
Total Expense	3,175	2,891	3,229	337	10%	(283)	-9%
NOI Before Depreciation	(266)	(257)	(967)	710	-73%	10	-4%
Depreciation	1,666	1,649	1,552	(97)	-6%	(17)	-1%
NOI After Depreciation	(1,932)	(1,906)	(2,519)	614	-24%	26	-1%

Variance from Budget

- Revenue \$373K favorable related to Ballard Lock closure
- Operation expenses ~\$337K favorable to the budgeted YTD. Utility expenses contributed \$307K of the favorable

Variance from 2020

- Revenue (\$274K) or 9% lower primarily due to shorter Ballard Lock closure in 2021
- Operation expenses ~\$298K decrease in 2021 contributed by \$145K decrease in Maritime direct charges related to \$135K decrease in Utilities and \$15K decrease in Bad Debt expenses and \$66K lower expenses in Support service

- 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	2020 YTD	2021 Year-to-Date		Fav(UnFav) Budget		Incr/(Decr)	
	Actual	Actual	Budget	Variance		Change from 2020	
				\$	%	\$	%
Maritime Portfolio Management							
Marina Office & Retail	1,838	1,615	1,992	(377)	-19%	(223)	-12%
Maritime Industrial	2,055	2,122	2,038	84	4%	67	3%
Utilities	991	1,177	1,008	168	17%	186	19%
Total Revenue	4,884	4,914	5,039	(125)	-2%	30	1%
PM Direct	1,541	1,386	2,222	836	60%	(154)	-10%
EDD PM Direct	152	151	151	(0)	0%	(1)	0%
EDD Other	190	83	87	4	5%	(107)	-56%
MD Direct	245	210	169	(42)	-20%	(35)	-14%
Total Direct	2,128	1,831	2,629	798	44%	(296)	-14%
Maintenance Expenses	1,094	1,214	1,528	314	26%	119	11%
Environmental & Sustainability	122	110	127	17	15%	(11)	-9%
Seaport Finance & Cost Recovery	103	127	119	(8)	-6%	24	23%
Seaport Project Management	29	25	32	8	31%	(5)	-17%
Total Support Services	1,348	1,475	1,806	331	22%	127	9%
Police Expenses	324	327	364	38	12%	2	1%
Other Corp Expenses	1,018	1,158	1,185	28	2%	140	14%
Total Central Services/Other	1,342	1,484	1,550	65	4%	143	11%
Total Expense	4,817	4,791	5,984	1,194	25%	(27)	-1%
NOI Before Depreciation	66	123	(945)	1,068	113%	57	85%
Depreciation	1,258	1,260	1,155	(105)	-8%	2	0%
NOI After Depreciation	(1,191)	(1,137)	(2,100)	964	46%	54	5%

Variance from Budget

- Revenue \$125K unfavorable to budget due to lower than anticipated space rental revenue from MIC mainly Bristol Wave.
- Expenses \$1,194K lower than budget due to favorable utilities and maintenance expenses contributed by a 3-year average to estimate the overhead costs for 2021 actual.

Variance from 2020

- Revenue relatively flat.
- Expenses down \$27K due to lower than prior year utilities.

COVID-19 Impact to 2021

- 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

	2020 YTD	2021 YTD	2021 YTD	Fav (UnFav) Actual vs. Budget Variance		Incr (Decr) Change from 2020	
\$ in 000's	Actual	Actual	Budget	\$	%	\$	%
Lease Revenue	2,005	3,433	2,556	876	34%	1,427	71%
Total Revenue	2,005	3,433	2,556	876	34%	1,427	71%
Expenses							
Maritime (Excl. Maint)	87	99	89	(10)	-11%	12	14%
Economic Development	27	21	23	2	8%	(5)	-20%
Total Direct	114	121	112	(8)	-7%	7	6%
Maintenance Expenses	150	140	371	231	62%	(10)	-7%
Envir Services & Planning	33	27	29	2	8%	(6)	-18%
Seaport Finance & Cost Recovery	25	27	24	(3)	-11%	1	6%
Seaport Project Management	6	5	5	0	7%	(1)	-16%
Total Support Services	214	198	429	232	54%	(16)	-7%
IT	50	43	40	(3)	-8%	(7)	-14%
Police Expenses	91	77	86	9	10%	(14)	-16%
External Relations	35	29	35	5	15%	(6)	-17%
Other Central Services	149	163	168	5	3%	14	10%
Aviation Division / Other	6	5	4	(0)	-6%	(1)	-20%
Total Central Services / Other	330	316	331	15	5%	(14)	-4%
Total Expense	657	635	873	239	27%	(23)	-3%
NOI Before Depreciation	1,348	2,798	1,683	1,115	66%	1,450	108%
Depreciation	266	167	145	(22)	-16%	(99)	-37%
NOI After Depreciation	1,082	2,631	1,538	1,092	71%	1,549	143%

Variance from Budget

- Revenue on tracking ahead of budget with large corn volumes.
- Expenses tracking lower than budget due to change in maintenance allocation policy.

Variance from 2020

- Revenue and volumes up from 2020 YTD with a 55% increase in metric tons.

Maritime Capital 2021

\$ in 000's	2021 YTD	2021	2021	Budget Variance	
	Actual	Forecast	Budget	\$	%
T117 Restoration	2,050	8,180	8,809	629	7%
T91 Northwest Fender	384	6,160	7,761	1,601	21%
MD Small Projects	415	1,711	3,383	1,672	49%
MD Fleet	199	3,342	3,201	(141)	-4%
FT Maritime Innovation Center	135	604	1,475	871	59%
T91 Berth 6&8 Redev	361	1,134	1,025	(109)	-11%
P91 Pass Term Upgrade COV	7	230	1,000	770	77%
P66 Shore Power	149	443	765	322	42%
SBM Restrms/Service Bldgs Rep	316	367	665	298	45%
FT Gateway Building	176	438	600	162	27%
All Other Projects	867	(908)	(2,489)	(1,581)	64%
Total Maritime	5,059	21,701	26,195	4,494	17%

T91 Northwest Fender – Construction bid well under Engineer's Estimate. Have reduced forecast accordingly.

FT Maritime Innovation Center – Budget increase due to unexpected increased Design costs, and new scope (risk mitigation measures), but also due to the escalation adjustment triggered by wage inflation projected for 2022 and expected skilled labor shortages announced in late March 2021. Design progress towards 90% delayed due to need for Commission authorization to amend NTE amount on Service Agreement and additional funding to complete design and permitting phase.

MD Small Projects– Several projects deferred to 2022 per the sponsor's Request.

Economic Development Division

Appendix

Q2 2021 Financial Performance Report



Q2 2021 EDD Program Advancements

- **Portfolio Management** maintained 95% occupancy across real estate portfolio despite ongoing COVID-19 pandemic challenges.
- **Real Estate Development** – Executed ground lease at T-106.
- **Diversity in Contracting** - Selected twelve new participants for new PortGen accelerator program. Partnered with Sound Transit and WSDOT to provide disadvantaged business enterprises with technical training.
- **Tourism** – Earned media resulting from international office activities YTD: \$525K. Created webinars in collaboration with U.S. Commercial Service, Visit USA Committees, CLIA, tour operators and travel trade publications to broadcast Washington tourism opportunities.
- **Economic Development and Innovation** Staff is administering 25 Economic Development Partnership grants with participating cities. Supporting second Maritime Blue Innovation Accelerator.

EDD 2021 Yr.-End Financial Forecast

	2019	2020	2021	2021	Fav (UnFav) Fcst vs. Budget Variance		Incr (Decr) Change from 2020	
\$ in 000's	Actual	Actual	Forecast	Budget	\$	%	\$	%
Revenue	8,912	7,808	7,913	8,313	(400)	-5%	105	1%
Conf & Event Centers	12,239	1,662	4,135	5,035	(900)	-18%	2,473	149%
Total Revenue	21,151	9,470	12,048	13,348	(1,300)	-10%	2,578	27%
Expenses								
Portfolio Management	3,732	3,073	3,301	3,401	100	3%	227	7%
Conf & Event Centers	10,218	4,440	4,420	4,920	500	10%	(19)	0%
P69 Facilities Expenses	215	232	177	222	45	20%	(56)	-24%
RE Dev & Planning	136	209	154	154	0	0%	(55)	-26%
EconDev Expenses Other	930	938	695	835	140	17%	(243)	-26%
Maintenance Expenses	3,145	3,042	3,037	2,537	(500)	-20%	(5)	0%
Maritime Expenses (Excl Maint)	1,070	1,035	1,060	1,060	0	0%	24	2%
Total EDD & Maritime Expenses	19,448	12,969	12,843	13,128	285	2%	(127)	-1%
Diversity in Contracting	152	103	122	142	20	14%	19	19%
Tourism	1,337	954	2,181	2,481	300	12%	1,227	129%
EDD Grants	785	778	1,060	1,060	0	0%	282	36%
Total EDD Initiatives	2,274	1,834	3,363	3,683	320	9%	1,528	83%
Environmental & Sustainability	24	44	23	31	8	26%	(21)	-48%
Police Expenses	61	64	205	209	4	2%	142	223%
Other Central Services	5,234	5,539	4,051	4,242	191	5%	(1,488)	-27%
Aviation Division	114	161	120	120	0	0%	(41)	-25%
Total Central Services & Aviation	5,433	5,808	4,400	4,603	203	4%	(1,408)	-24%
Envir Remed Liability	0	0	0	0	0	NA	0	NA
Total Expense	27,155	20,611	20,605	21,413	808	4%	(6)	0%
NOI Before Depreciation	(6,004)	(11,141)	(8,557)	(8,065)	(492)	-6%	2,584	23%
Depreciation	3,647	3,611	3,216	3,216	0	0%	(395)	-11%
NOI After Depreciation	(9,651)	(14,753)	(11,773)	(11,281)	(492)	-4%	2,980	20%

Revenue Variance from Budget

- Lower Parking Revenues at Bell Street Garage
- Updated Conference and Event volumes, lower than originally expected.

Expense Variance Budget

- Reduction in Conference and Event center volumes driving reduced variable expenses.
- Change in the Maintenance allocation methodology.
- Moving \$300K of Washington Tourism Alliance costs to 2022.
- Lower External Relations expenses.

EDD 2021 YTD Financial Detail

	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav(UnFav) Actual vs. Budget Variance		Incr (Decr) Change from 2020	
\$ in 000's	Actual	Actual	Actual	Budget	\$	%	\$	%
Revenue	4,421	4,119	3,669	4,042	(373)	-9%	(450)	-11%
Conf & Event Centers	5,963	1,240	420	1,329	(909)	-68%	(819)	-66%
Total Revenue	10,384	5,359	4,089	5,371	(1,282)	-24%	(1,270)	-24%
Expenses								
Portfolio Management	1,922	1,583	1,643	1,687	44	3%	60	4%
Conf & Event Centers	4,833	2,378	1,271	1,890	618	33%	(1,107)	-47%
P69 Facilities Expenses	92	119	90	114	24	21%	(29)	-24%
RE Dev & Planning	48	91	94	76	(17)	-23%	3	3%
EconDev Expenses Other	352	488	298	398	100	25%	(190)	-39%
Maintenance Expenses	1,563	1,170	1,792	1,282	(509)	-40%	621	53%
Maritime Expenses (Excl Maint)	106	229	490	528	38	7%	261	114%
Total EDD & Maritime Expenses	8,916	6,058	5,678	5,976	298	5%	(381)	-6%
Diversity in Contracting	99	50	48	70	23	32%	(2)	-5%
Tourism	526	374	380	982	602	61%	6	1%
EDD Grants	(4)	(27)	87	75	(12)	-17%	115	-420%
Total EDD Initiatives	621	397	515	1,127	612	54%	118	30%
Environmental & Sustainability	173	101	13	15	3	17%	(88)	-87%
Police Expenses	101	108	99	111	12	10%	(9)	-8%
Other Central Services	2,819	2,760	2,093	2,100	8	0%	(667)	-24%
Aviation Division	53	69	95	64	(31)	-48%	26	38%
Total Central Services & Aviation	3,147	3,037	2,300	2,291	(9)	0%	(738)	-24%
Envir Remed Liability	0	0	0	0	0	NA	0	NA
Total Expense	12,684	9,493	8,493	9,394	902	10%	(1,000)	-11%
NOI Before Depreciation	(2,300)	(4,134)	(4,403)	(4,023)	(380)	-9%	(269)	-7%
Depreciation	1,833	1,774	1,919	1,517	(402)	-26%	145	8%
NOI After Depreciation	(4,133)	(5,908)	(6,322)	(5,540)	(782)	-14%	(414)	-7%

Portfolio Management Q2 Financials

	2020 YTD	2021 Year-to-Date		Fav(UnFav) Budget		Incr/(Decr)	
\$ in 000's	Actual	Actual	Budget	Variance		Change from 2020	
				\$	%	\$	%
Portfolio Management							
Central Harbor	3,264	2,970	3,272	(302)	-9%	(294)	-10%
T-91 Uplands	840	684	755	(71)	-9%	(156)	-23%
Conference & Events Centers	1,240	420	1,329	(909)	-68%	(819)	-195%
Foreign Trade Zone	15	15	15	0	0%	0	0%
Total Revenue	5,359	4,089	5,371	(1,282)	-24%	(1,270)	-31%
PM Outside Services	193	304	281	(22)	-8%	111	36%
PM Direct	3,769	2,609	3,296	686	21%	(1,160)	-44%
EDD Other	750	530	703	173	25%	(221)	-42%
MD Direct	171	147	153	6	4%	(24)	-16%
Total Direct	4,883	3,589	4,433	843	19%	(1,294)	-36%
Maintenance Expenses	1,170	1,792	1,281	(511)	-40%	621	35%
Enviromental & Sustainability	85	74	133	59	44%	(11)	-15%
Seaport Finance & Cost Recovery	230	214	208	(6)	-3%	(16)	-7%
Seaport Project Management	58	55	33	(21)	-64%	(3)	-6%
Total Support Services	1,543	2,134	1,656	(479)	-29%	591	28%
Police Expenses	108	99	111	12	10%	(9)	-9%
Other Corp Expenses	2,309	2,201	2,167	(34)	-2%	(108)	-5%
Total Central Services/Other	2,417	2,300	2,277	(23)	-1%	(117)	-5%
Total Expense	8,843	8,024	8,366	342	4%	(820)	-10%
NOI Before Depreciation	(3,484)	(3,934)	(2,995)	(939)	-31%	(450)	-11%
Depreciation	1,772	1,917	1,517	(400)	-26%	145	8%
NOI After Depreciation	(5,256)	(5,851)	(4,512)	(1,339)	-30%	(595)	-10%

Variance from Budget

- Revenue unfavorable to budget due to Conference & Events Centers' revenue decline as a result of the on-going COVID-19 restrictions on meetings and events.
- Expenses lower than budget due to lower BHICC volumes.

Variance from 2020

- Conference & Events Centers (BHICC & WTCS) revenue significantly declined due to the on-going COVID-19 restrictions on meetings and events. Washington State re-opening process has been slow moving due to waves of COVID-19.
- Expenses down from BHICC volumes.

COVID-19 Impact to 2021

- Loss of revenues from BHICC & WTCS due to the on-going COVID-19 restrictions on meetings and events.
- 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 2021

	2021 YTD Actual	2021 Forecast	2021 Budget	Budget Variance	
\$ in 000's				\$	%
BHICC Interior Modernization	276	854	1,990	1,136	57%
P69 Underdock Utility Rpl	105	153	1,028	875	85%
CW Bridge Elev Modernization	48	893	943	50	5%
WTC HVAC Replacement	59	984	848	(136)	-16%
T91 Uplands Dev Phase 1	311	493	800	307	38%
P66 Roof Upgrades	90	544	544	0	0%
EDD Small Projects	34	390	522	132	25%
Tenant Improvements -Capital	0	58	289	231	80%
EDD Technology Projects	0	250	250	0	0%
P66 HVAC Systems Upgrade	0	0	185	185	100%
All Other Projects	50	(619)	(1,752)	(1,133)	65%
Total Economic Development	973	4,000	5,647	1,647	29%

BHICC Modernization – Approved annual 2021 budget is erroneously showing expense portion and is showing it twice.

P69 Under Dock Utility Replacement – City of Seattle permitting approval process is taking a lot longer and the Corps permit is expected to take longer.

T-91 Upland Development – Decrease in projected spending for 2021 due to the need to procure new Service Agreement for Professional Design Services, after terminating contract with former design consultant . Design can resume after the new contract is executed, in Q4 2021.

Central Services Appendix

Q2 2021 Financial Performance Report

Central Services Business Events

- The Port conducted **economic recovery listening sessions** to gather feedback on how the Port can contribute to an equitable recovery.
- Port leaders joined Governor Jay Inslee and other Washington State leaders for the **Climate Bill Signing** which includes the **Clean Fuel Standard**.
- The Port's vaccine clinic at SEA concluded in May and administered over **7,800 doses of the COVID vaccine** during its operations.
- The Port held a **community engagement** on the redevelopment of Fishermen's Terminal and several Terminal 5 **outreach presentations**.
- The Port hosted a webinar to inform hospitality/tourism partners on 2021 operations, **health and safety** protocols, and **environmental stewardship**.
- Police Department, with Seattle Police Department and other stakeholders, responded to a protest at Terminal 18 to prevent a ship from unloading its cargo.

Central Services Expense by Category

	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav (UnFav)		Incr (Decr)	
\$ in 000's	Actual	Actual	Actual	Budget	Act/Rvsd	Bud Var	Change from 2020	
					\$	%	\$	%
Salaries & Benefits	32,291	34,375	35,205	35,297	92	0.3%	830	2.4%
Wages & Benefits	13,316	14,371	13,695	14,061	366	2.6%	(676)	-4.7%
Payroll to Capital Projects	8,094	8,715	8,222	9,509	1,287	13.5%	(493)	-5.7%
Equipment Expense	949	965	571	974	402	41.3%	(394)	-40.8%
Supplies & Stock	451	407	229	523	294	56.2%	(178)	-43.7%
Outside Services	10,541	12,983	11,601	13,513	1,912	14.1%	(1,382)	-10.6%
Travel & Other Employee Expenses	1,069	766	417	745	328	44.1%	(349)	-45.6%
Insurance Expense	1,117	1,085	1,507	1,511	4	0.3%	422	38.9%
Litigated Injuries & Damages	-	-	-	-	-	0.0%	-	0.0%
Other Expenses	1,726	1,311	1,050	1,515	464	30.7%	(261)	-19.9%
Charges to Capital Projects/Overhead Alloc	(13,669)	(16,284)	(14,188)	(16,275)	(2,087)	12.8%	2,096	-12.9%
TOTAL	55,884	58,694	58,309	61,373	3,064	5.0%	(385)	-0.7%

- Payroll savings due to staff vacancies.
- Wages favorable due to lower overtime for Police due to delay of cruise season and Police vacancies.
- Outside Services favorable to budget due to spending delays.
- Charges to Capital unfavorable to budget due to delay of some capital projects.

Central Service Year End Financial Forecast

	2019	2020	2021	2021	Fav (UnFav) Actual vs. Budget Variance		Incr (Decr) Change from 2020	
\$ in 000's	Actual	Actual	Forecast	Budget	\$	%	\$	%
Total Operating Revenues	1,282	2,512	2,117	181	1,936	1070.3%	(395)	-15.7%
Core Central Support Services	76,059	80,841	87,093	85,678	(1,415)	-1.7%	6,252	7.7%
Police	27,793	27,538	27,793	28,317	524	1.9%	255	0.9%
Engineering/PCS	10,038	9,096	9,519	9,199	(321)	-3.5%	423	4.7%
Total Operating Expenses	113,891	117,476	124,405	123,194	(1,211)	-1.0%	6,929	5.9%

Central Services Capital Spending

\$ in 000's	2021 YTD Actual	2021 Year-End Forecast	2021 Budget	Budget Variance	
				\$	%
Infrastructure - Small Cap	413	1,866	1,911	45	2.4%
Services Tech - Small Cap	543	1,226	1,226	0	0.0%
Radio System Upgrade	2,062	2,455	2,955	500	16.9%
Office Wi-Fi Refresh	4	1,351	1,350	(1)	-0.1%
Phone System Upgrade	112	840	840	0	0.0%
Environmental MIS projects	2	599	600	1	0.2%
CDD Fleet Replacement	170	803	1,123	320	28.5%
Corporate Fleet Replacement	0	685	685	0	0.0%
Other (note 1)	235	1,824	1,968	144	7.3%
Subtotal	3,541	11,649	12,658	1,009	8.0%
CIP Cashflow Adjustment	0	(3,000)	(3,000)	0	0.0%
TOTAL	3,541	8,649	9,658	1,009	10.4%

Note:

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

Portwide Appendix

Q2 2021 Financial Performance Report



Non-Airport Financial Summary

	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav (UnFav) Actual vs. Budget Variance		Incr (Decr) Change from 2020	
\$ in 000's	Actual	Actual	Actual	Budget	\$	%	\$	%
NWSA Distributable Revenue	24,941	21,218	22,166	21,137	1,030	4.9%	949	4.5%
Maritime Revenues	27,368	18,338	19,507	22,875	(3,368)	-14.7%	1,169	6.4%
EDD Revenues	10,384	5,359	4,089	5,371	(1,282)	-23.9%	(1,270)	-23.7%
SWU & Other	4,939	3,383	3,713	1,872	1,841	98.4%	330	9.8%
Total Operating Revenues	67,632	48,298	49,475	51,255	(1,779)	-3.5%	1,178	2.4%
Total Operating Expenses	40,522	34,441	35,658	40,774	5,116	12.5%	1,218	3.5%
NOI before Depreciation	27,110	13,857	13,817	10,481	3,337	31.8%	(40)	-0.3%
Depreciation	19,623	18,794	18,949	17,632	(1,317)	-7.5%	155	0.8%
NOI after Depreciation	7,487	(4,936)	(5,132)	(7,152)	2,020	-28.2%	(195)	4.0%

- Non-Airport Operating Revenue is \$1.8M unfavorable due to lower revenues from Cruise and Conference & Event Center; partially offset by higher revenues from Grain, NWSA Distributable Revenues, and unbudgeted Police Revenues.
- Expenses are \$5.1M lower than budget due cost savings measures which include hiring freeze, delay in implementing program initiatives, and travel and other employee expenses.

Port Wide Operating Revenues Summary

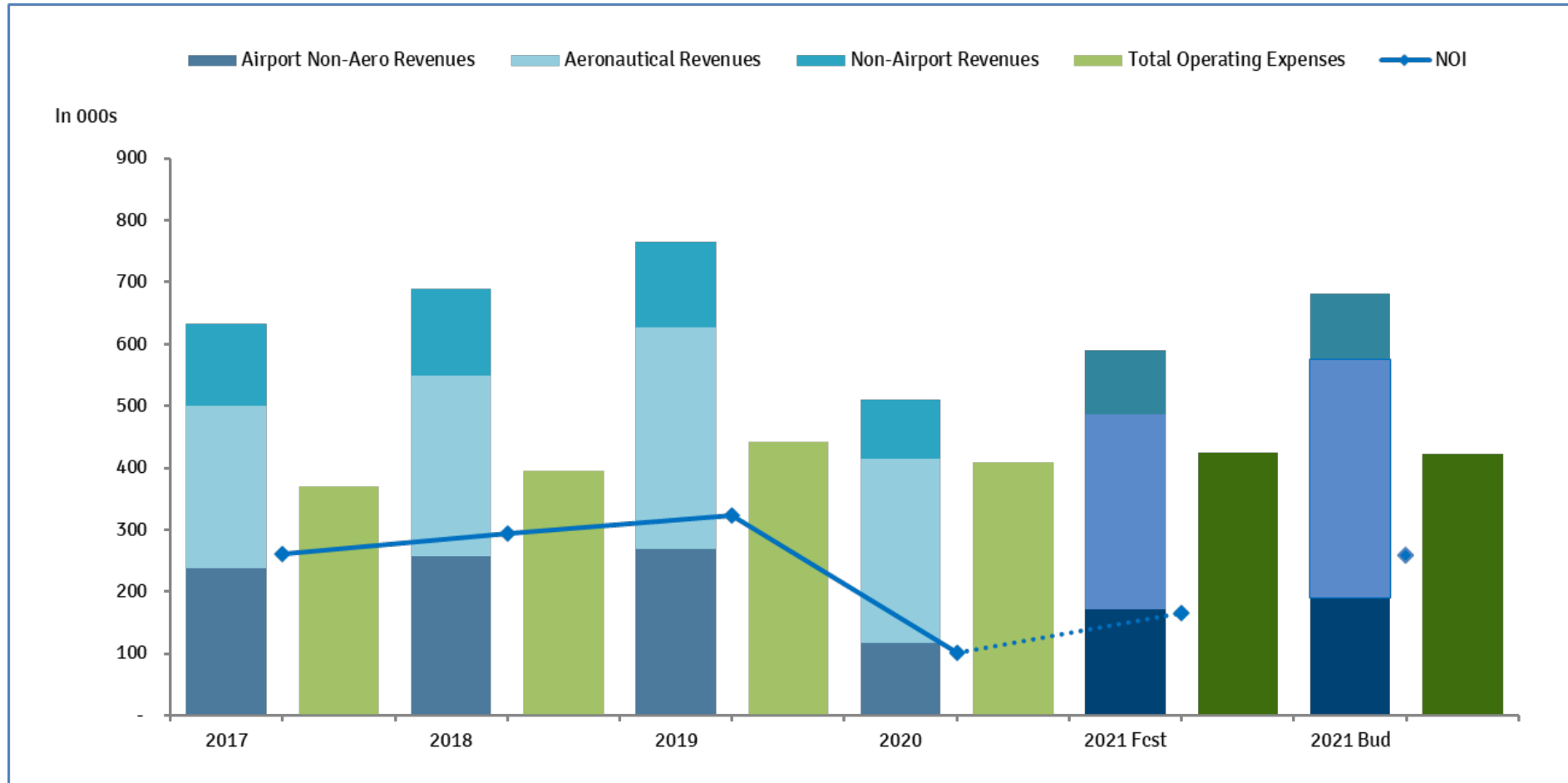
\$ in 000's	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav (UnFav)		Incr (Decr)	
	Actual	Actual	Actual	Budget	Act/Rvsd	Bud Var	Change from 2020	
					\$	%	\$	%
Aeronautical Revenues	175,927	163,722	143,188	178,518	(35,330)	-19.8%	(20,534)	-12.5%
Public Parking	40,401	20,002	25,537	25,729	(192)	-0.7%	5,536	27.7%
Rental Cars - Operations	15,560	7,591	11,497	10,740	757	7.0%	3,906	51.5%
Rental Cars - Operating CFC	4,505	-	-	-	-	0.0%	-	0.0%
ADR & Terminal Leased Space	32,689	16,918	17,764	22,012	(4,248)	-19.3%	845	5.0%
Ground Transportation	9,979	4,374	4,208	5,961	(1,753)	-29.4%	(166)	-3.8%
Employee Parking	5,193	4,678	4,457	4,844	(386)	-8.0%	(221)	-4.7%
Airport Commercial Properties	7,072	5,777	5,541	6,367	(827)	-13.0%	(236)	-4.1%
Airport Utilities	3,665	2,758	3,010	3,784	(774)	-20.4%	252	9.1%
Clubs and Lounges	4,456	1,714	709	2,453	(1,744)	-71.1%	(1,005)	-58.6%
Cruise	8,473	133	61	4,466	(4,405)	-98.6%	(72)	-54.3%
Recreational Boating	6,228	6,211	6,330	6,406	(77)	-1.2%	119	1.9%
Fishing & Operations	5,071	5,091	4,768	4,407	361	8.2%	(322)	-6.3%
Grain	2,567	2,005	3,433	2,556	876	34.3%	1,427	71.2%
Maritime Portfolio Management	5,019	4,884	4,914	5,039	(125)	-2.5%	30	0.6%
Central Harbor Management	4,406	4,104	3,654	4,027	(373)	-9.3%	(450)	-11.0%
Conference & Event Centers	5,963	1,240	420	1,329	(909)	-68.4%	(819)	-66.1%
NWSA Distributable Revenue	24,941	21,218	22,166	21,137	1,030	4.9%	949	4.5%
Other	6,049	3,824	4,225	2,347	1,877	80.0%	400	10.5%
Total Operating Revenues (w/o Aero)	192,237	112,523	122,695	133,606	(10,911)	-8.2%	10,172	9.0%
TOTAL	368,164	276,244	265,883	312,124	(46,241)	-14.8%	(10,361)	-3.8%

Port Wide Operating Expense Summary

\$ in 000's	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav (UnFav)		Incr (Decr)	
	Actual	Actual	Actual	Budget	Act/Rvsd	Bud	Change from 2020	
					\$	%	\$	%
Salaries & Benefits	65,172	71,427	71,476	72,315	839	1.2%	50	0.1%
Wages & Benefits	64,028	67,147	64,484	65,276	792	1.2%	(2,663)	-4.0%
Payroll to Capital Projects	12,648	14,460	14,733	16,280	1,547	9.5%	273	1.9%
Outside Services	43,613	45,545	40,724	49,861	9,136	18.3%	(4,821)	-10.6%
Utilities	13,103	12,104	12,860	14,620	1,760	12.0%	756	6.2%
Equipment Expense	4,478	4,211	2,960	3,426	466	13.6%	(1,250)	-29.7%
Supplies & Stock	5,286	4,653	4,030	4,519	489	10.8%	(623)	-13.4%
Travel & Other Employee Expenses	2,476	1,603	864	1,375	511	37.2%	(740)	-46.1%
Third Party Mgmt Op Exp	6,494	3,228	2,010	3,141	1,131	36.0%	(1,218)	-37.7%
B&O Taxes	2,226	1,716	1,682	1,983	301	15.2%	(34)	-2.0%
Other Expenses	20,272	2,188	6,392	7,031	639	9.1%	4,204	192.2%
Charges to Capital Projects/Overhead Alloc	(24,033)	(30,462)	(26,440)	(30,694)	(4,254)	13.9%	4,022	-13.2%
TOTAL	215,765	197,820	195,776	209,132	13,356	6.4%	(2,044)	-1.0%

- Payroll expenses were \$3.2M below budget primarily due to vacant positions.
- Outside Services were \$9.1M favorable to budget due to project delays.
- Travel & Other Employee Expenses were \$511K lower than budget due to cutting/eliminating non-essential business travel and training.
- Charges to Capital Projects were lower by (\$4.3M) due to delays in Capital Projects

Port Wide Net Operating Income Performance



- Operating Revenues are expected to be \$107.7M unfavorable to the budget due to reduced operations and lower airline activity.
- Total Operating expenses are expected to be \$1.9M above budget mainly due to lower charges to Capital Projects.
- Net Operating Income is forecasted to be \$109.7M below.

Port Wide Capital Spending Summary

\$ in 000's	2021	2021	2021	Budget Variance	
	YTD Actual	Forecast	Budget	\$	%
Aviation	200,138	456,620	491,202	34,582	7.0%
Maritime	5,059	21,701	26,195	4,494	17.2%
Economic Development	973	4,001	5,647	1,646	29.1%
Central Services & Other (note 1)	5,804	12,704	13,605	901	6.6%
TOTAL	211,974	495,026	536,649	41,623	7.8%

Note:

(1) "Other" includes 100% Port legacy projects in the North Harbor and Storm Water Utility Small Capital projects.