



Q2 2022 Financial Performance Report

Port of Seattle

Key Highlights

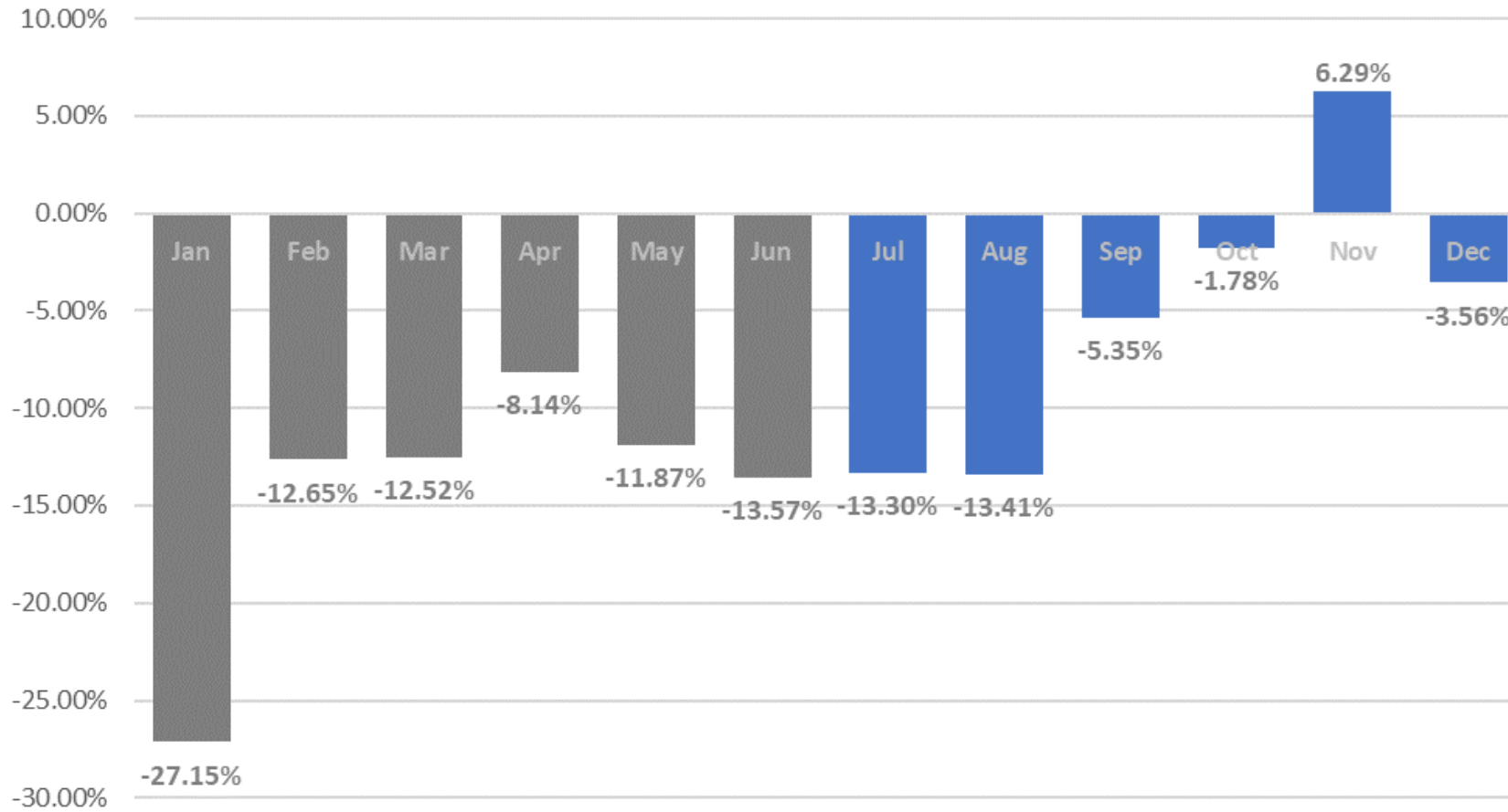
- Different lines of businesses are experiencing different rates of recovery from the disruption caused by the pandemic
- SEA passenger growth is rebounding; forecast 9.7% lower than 2019
- Federal Relief grants continue to improve SEA's bottom line
- Expect a record 293 sailing and 1.25 million passengers in the 2022 cruise season
- Project operating expenses to be \$10.3M favorable to the budget on a full-year basis
- Capital spending is expected to be \$443.7 million for 2022

Aviation Division

2022 Q2 Financial Performance Report

Passenger Growth Rebounding

by Month for 2022 vs 2019



| Passengers (millions) | |
|-----------------------|------|
| 2019 Actual | 51.7 |
| 2020 Actual | 20.1 |
| 2021 Actual | 36.1 |
| 2022 Budget | 48.5 |
| 2022 Forecast | 46.6 |

9.72%



compared
to 2019

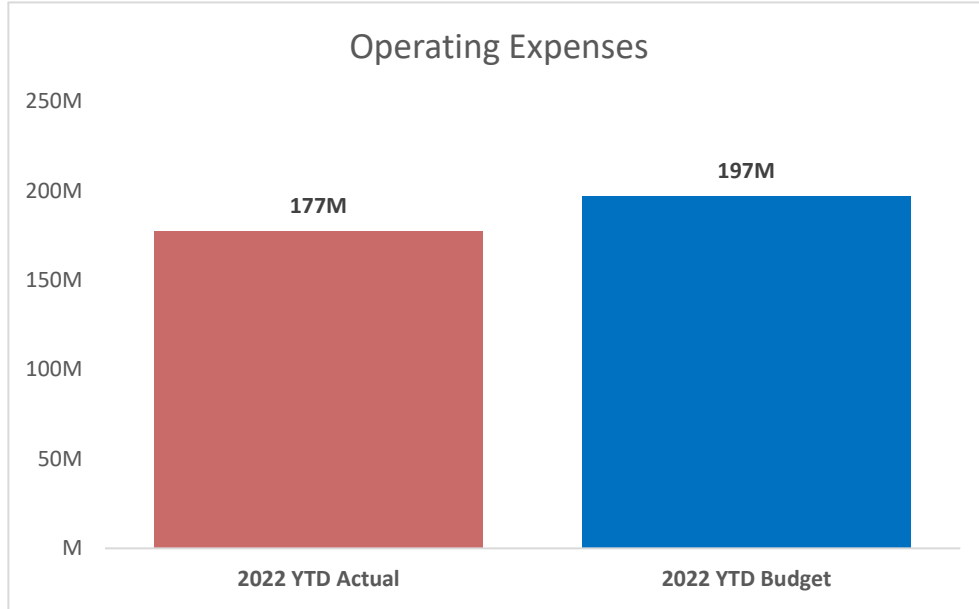
Federal Relief Grants Strengthen Financial Performance

Business Highlights

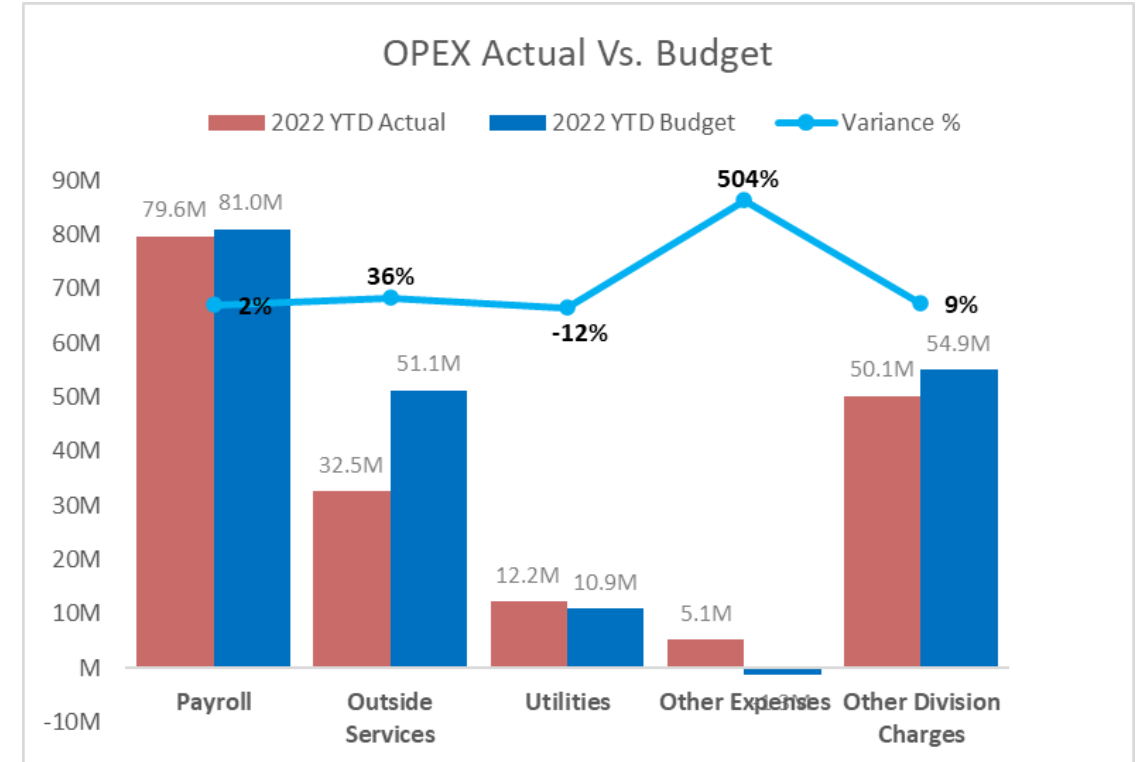
- Passenger levels forecast is 9.72% lower than 2019
- Anticipate applying \$132 million of federal relief grants and \$21M in ARPA concession relief grant in 2022
- Opened IAF
- SEA won Skytrax Best Airport in North America
- Received \$10M BIL competitive grant for restroom renovations

| <i>Figures in \$000s</i> | Forecast YE 2022 | Budget YE 2022 | Variance |
|--|-----------------------------|---------------------------|-----------------|
| Revenues | | | |
| Aeronautical | 391,896 | 394,963 | (3,066) |
| Non-Aeronautical | 249,239 | 240,820 | 8,419 |
| Total Revenues | 641,135 | 635,783 | 5,352 |
| O&M expense | 391,142 | 397,622 | 6,480 |
| NOI | 249,993 | 238,160 | 11,832 |
| Federal Relief | 131,735 | 98,000 | 33,735 |
| Concessions Relief | 21,419 | 21,419 | - |
| NOI (after Federal Relief Grants) | 403,146 | 357,579 | 45,567 |
| <u>Key Measures</u> | | | |
| Non-Aero NOI (in \$000s) | 122,602 | 114,047 | 8,555 |
| CPE (\$) | 15.28 | 14.82 | (0.46) |
| Debt Service Coverage | 2.73 | 2.03 | 0.70 |
| <u>Other Information</u> | | | |
| ADF Balance (in \$000s) | 486,373 | 464,000 | 22,373 |
| Capital Spending (in \$000s) | 406,980 | 527,917 | 120,937 |

Operating Expenses Summary (YTD)

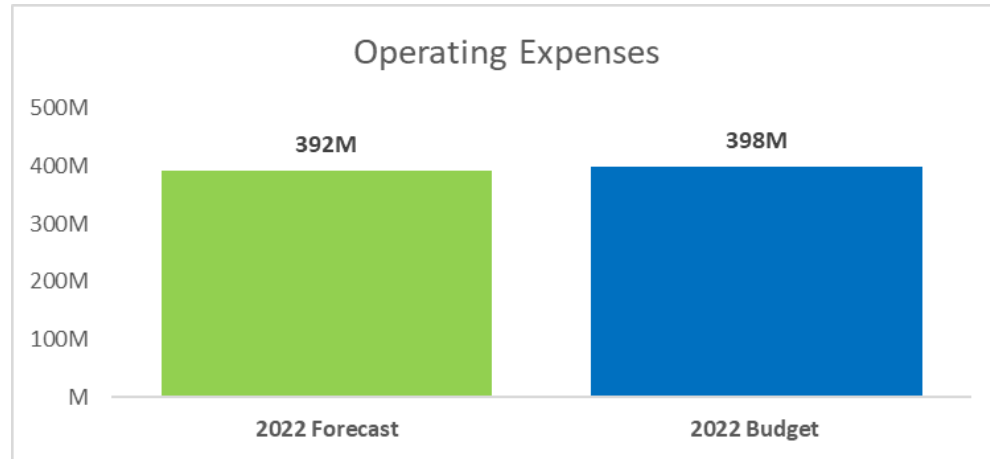


\$19.7M or 10% Favorable

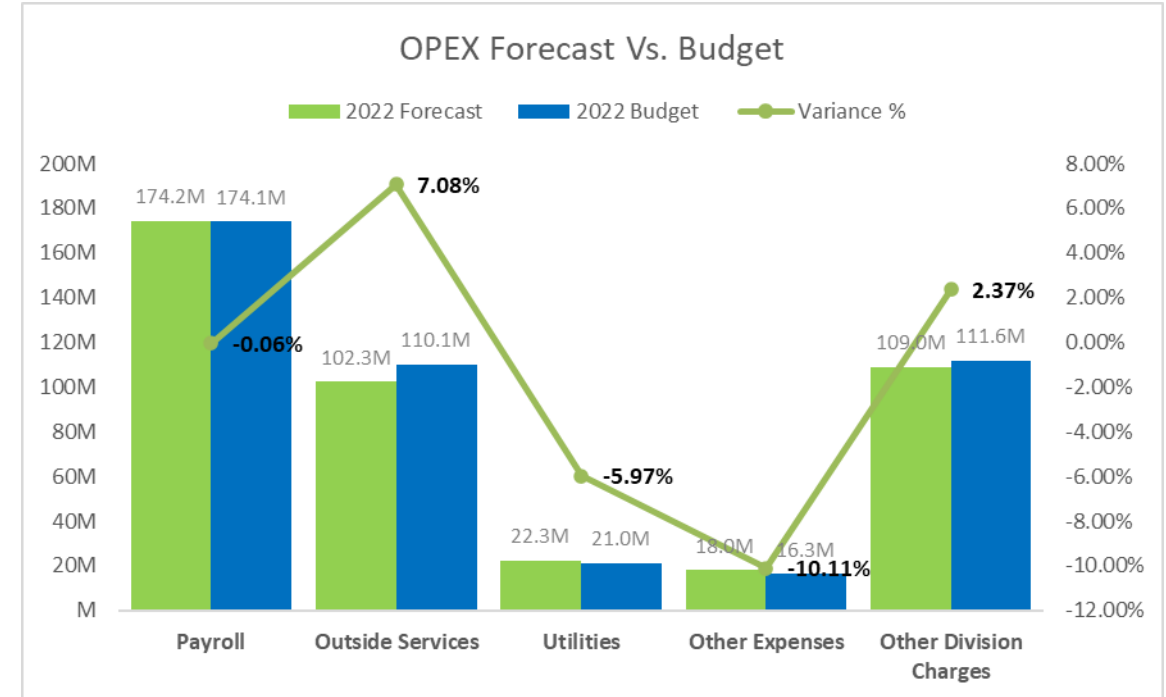


- **Underspend** primarily in Outside Services of **\$18.6M** and in Charges from Other Divisions of **\$4.8M**
- **Offset by over-runs** primarily in **(\$1.4M)** less Charges to Capital and more charges in Utilities **(\$1.3M)**

Operating Expenses Summary (Full Year Forecast)



\$5.9M or 1.5% Favorable



Major Drivers:

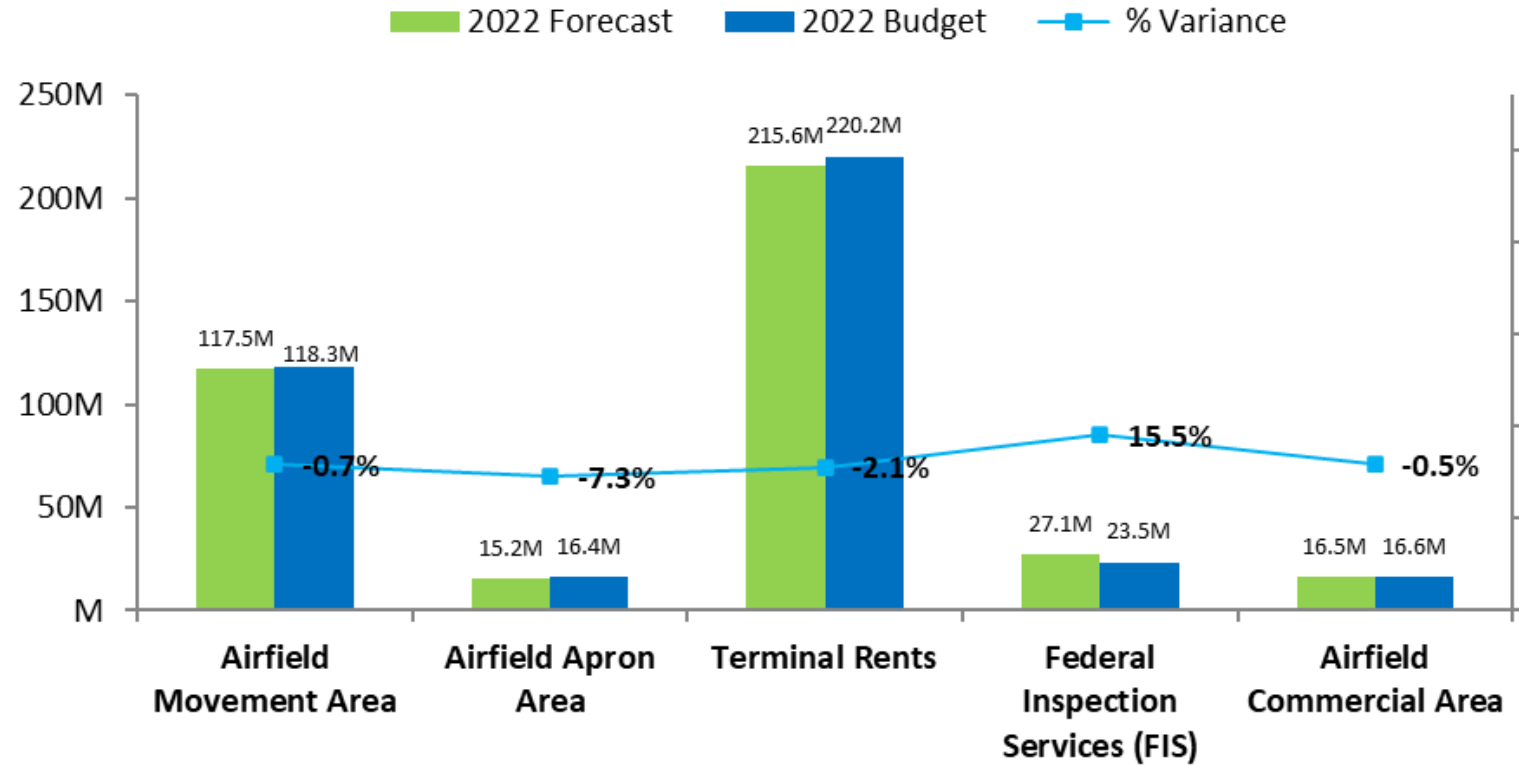
- Full Year Forecast is currently anticipated to be closely aligned to Budget
- Forecasted underspend is approx. \$11M primarily in Outside Services and Charges from Other Divisions, offset by some over-runs in less Charging to Capital and Utilities

Aeronautical Revenue

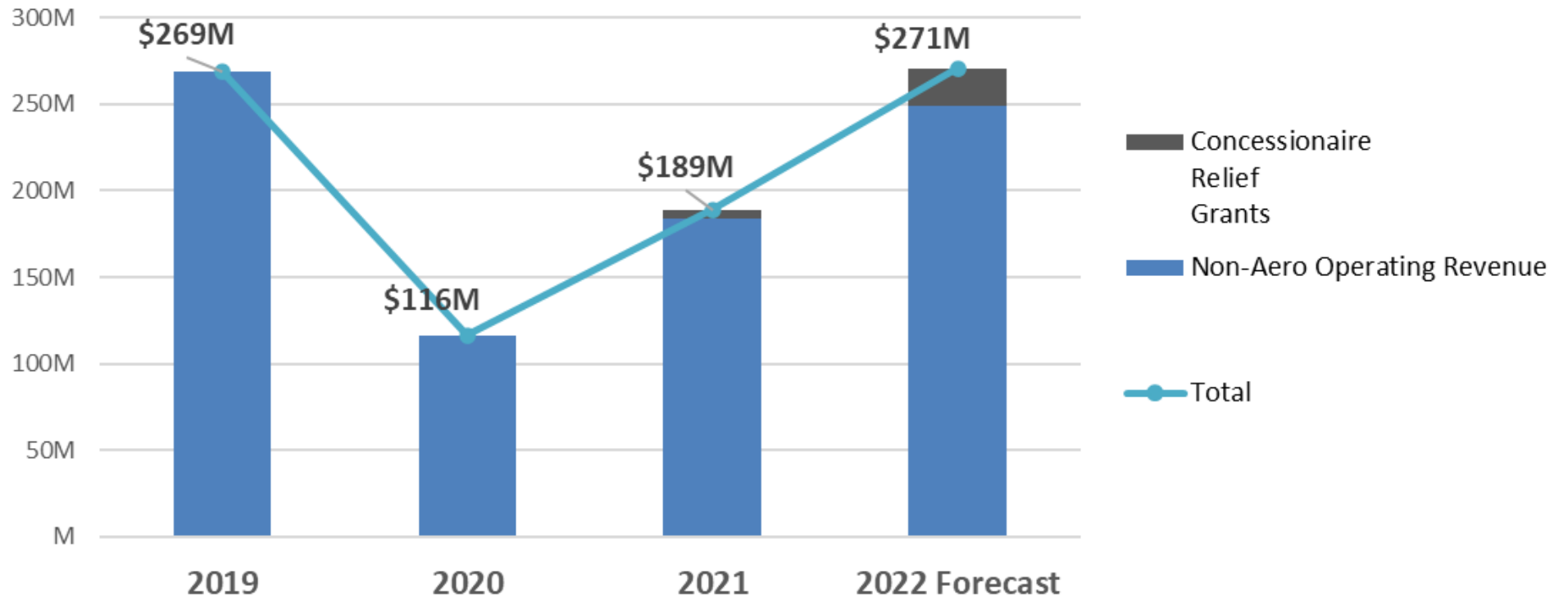
Budget
\$395M

↓ -0.8%

Forecast
\$392M



Non-Aero Revenue YoY with Concessions Grant Impact



Note: ARPA \$21.4M federal Concessionaire Relief grant funds expected in Q3 2022.

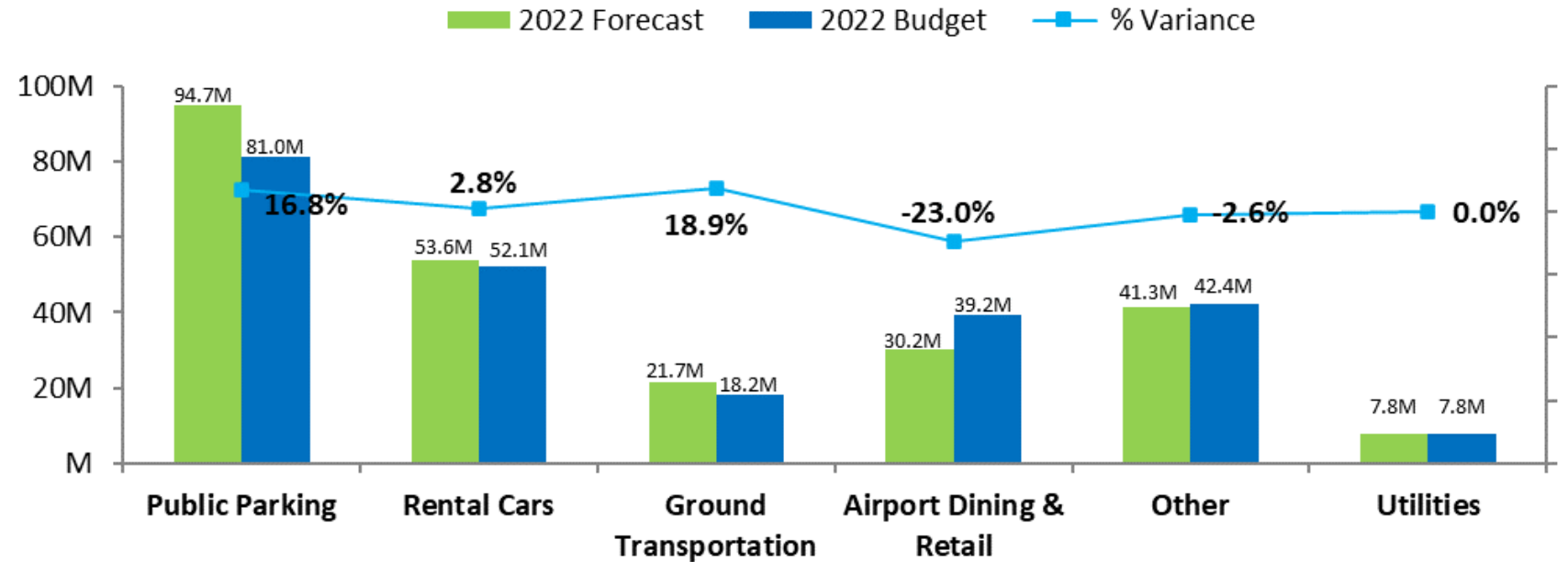
Non-Aeronautical Revenues

Most Non-Aero activity closely aligned with PAX volume recovery

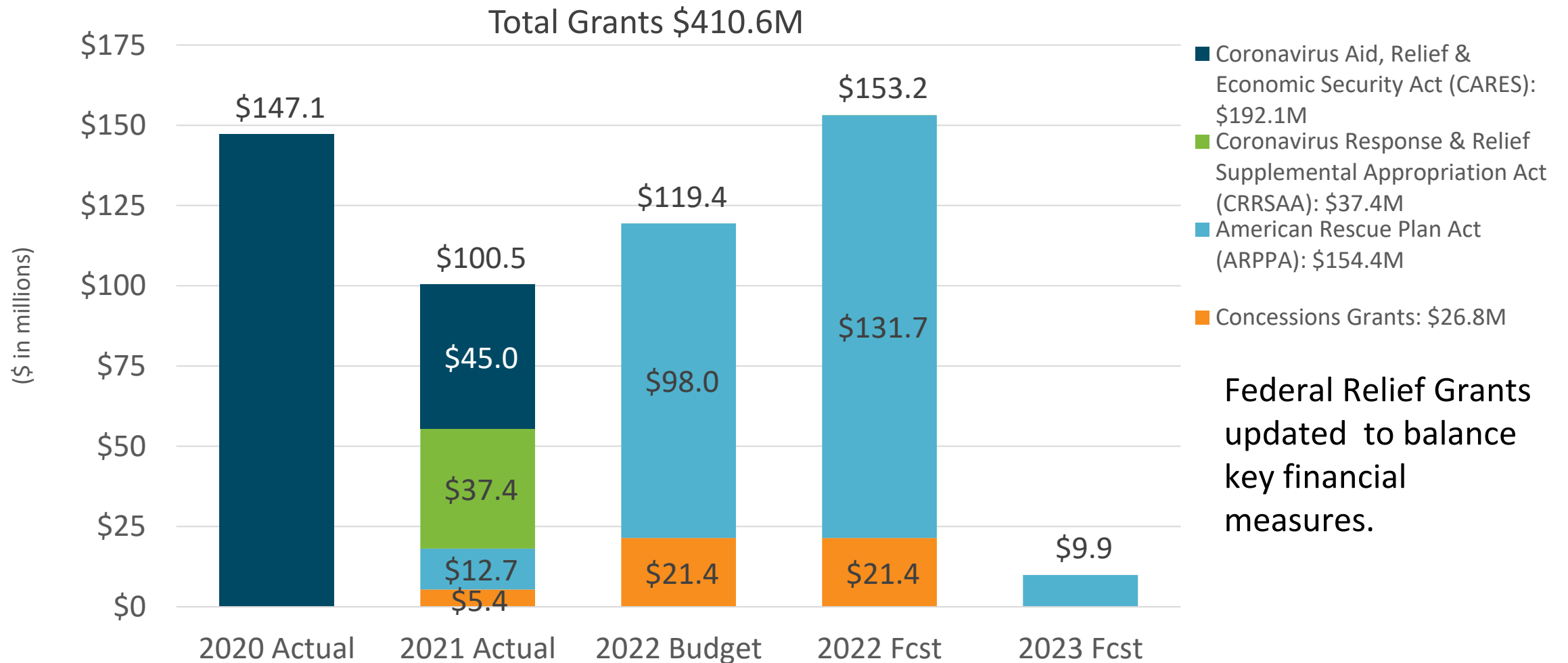
Forecast
\$249.2M

↑ 3.5%

Budget
\$240.8M



Federal Relief Grant Summary

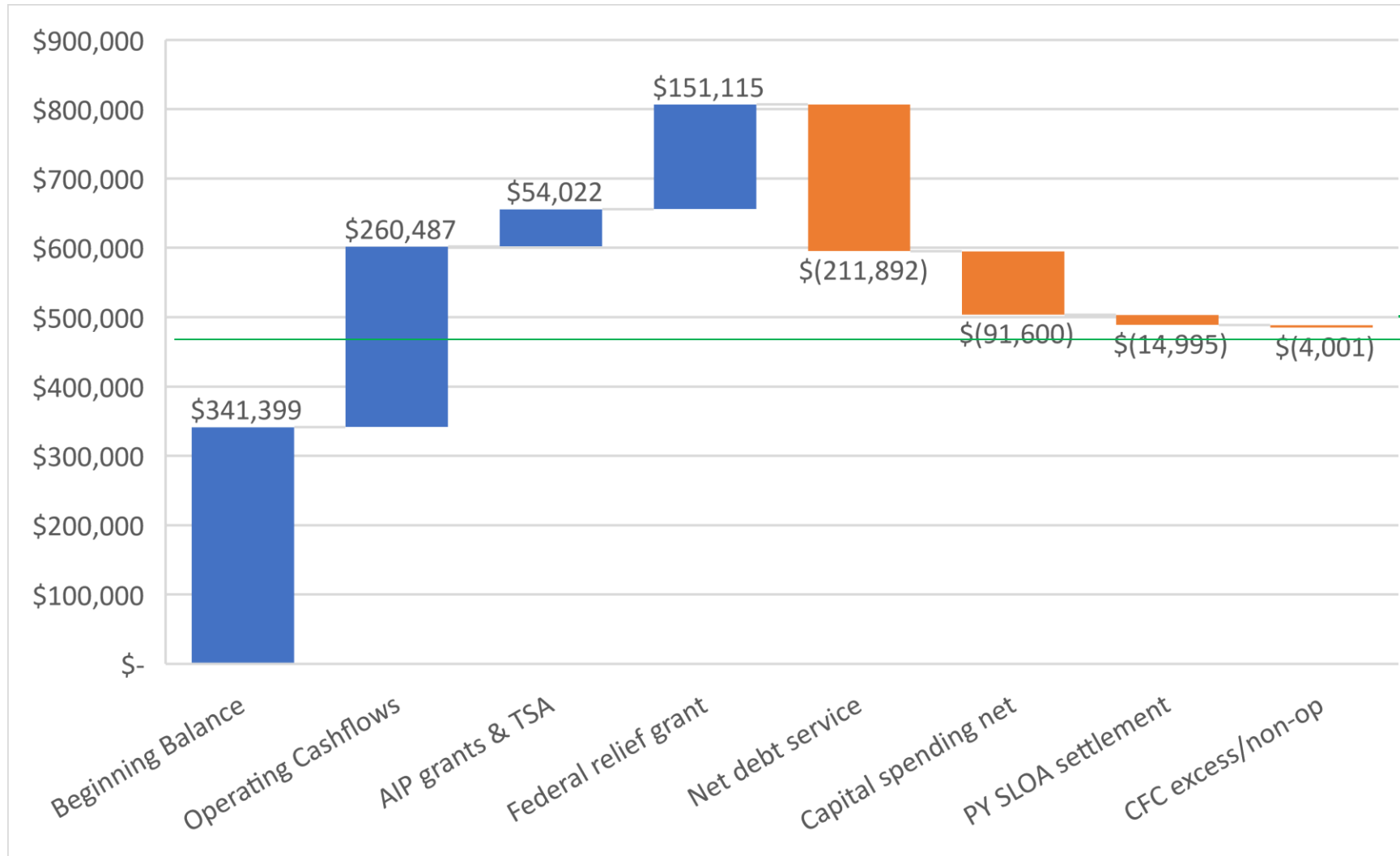


Strategic use of Federal Relief Grants to Achieve Debt Service Coverage Target

| | in \$000's | 2021 Actual | 2022 Budget | 2022 Forecast | Variance |
|-----------------------------------|------------|----------------|----------------|----------------|---------------|
| Revenues | | | | | |
| Aero | | 317,513 | 394,963 | 391,896 | (3,067) |
| Non-aero | | 183,819 | 240,820 | 249,239 | 8,419 |
| Total Revenues | | 501,332 | 635,783 | 641,135 | 5,352 |
| O&M | | 294,217 | 397,622 | 391,142 | 6,480 |
| NOI | | 207,114 | 238,160 | 249,993 | 11,833 |
| Federal Relief Grants Non-op | | 3,390 | 15,200 | 24,398 | 9,198 |
| Concession Rent Relief Grants | | 5,354 | 21,419 | 21,419 | - |
| CFC Excess | | (2,018) | (7,107) | (6,638) | 469.26 |
| Other net non-operating | | 2,925 | 2,601 | 3,643 | 1,042 |
| Available for debt service | | 216,766 | 270,273 | 292,815 | 22,542 |
| Debt Service | | | | | |
| Gross debt service (net of cap i) | | 288,361 | 316,930 | 315,552 | 1,378 |
| CFC offset | | (14,168) | (18,711) | (18,711) | 0 |
| PFC offset | | (54,076) | (82,264) | (82,143) | (121) |
| Federal Relief Grants DS offset | | (91,675) | (82,800) | (107,298) | 24,498 |
| Net Debt Service | | 128,442 | 133,155 | 107,400 | 25,755 |
| Debt Service Coverage | | 1.69 | 2.03 | 2.73 | 0.70 |

- **Aero revenues 2022 forecast is lower due to additional Federal Relief grants use from 2021 deferral.**
- **Non-aero revenues is net after the concession rent relief.**
- **Lower CFC offset due to the use of Federal Relief grants to offset RCF debt service.**
- **Higher use of Federal Relief Grants in 2022 due to carry forward from 2021.**

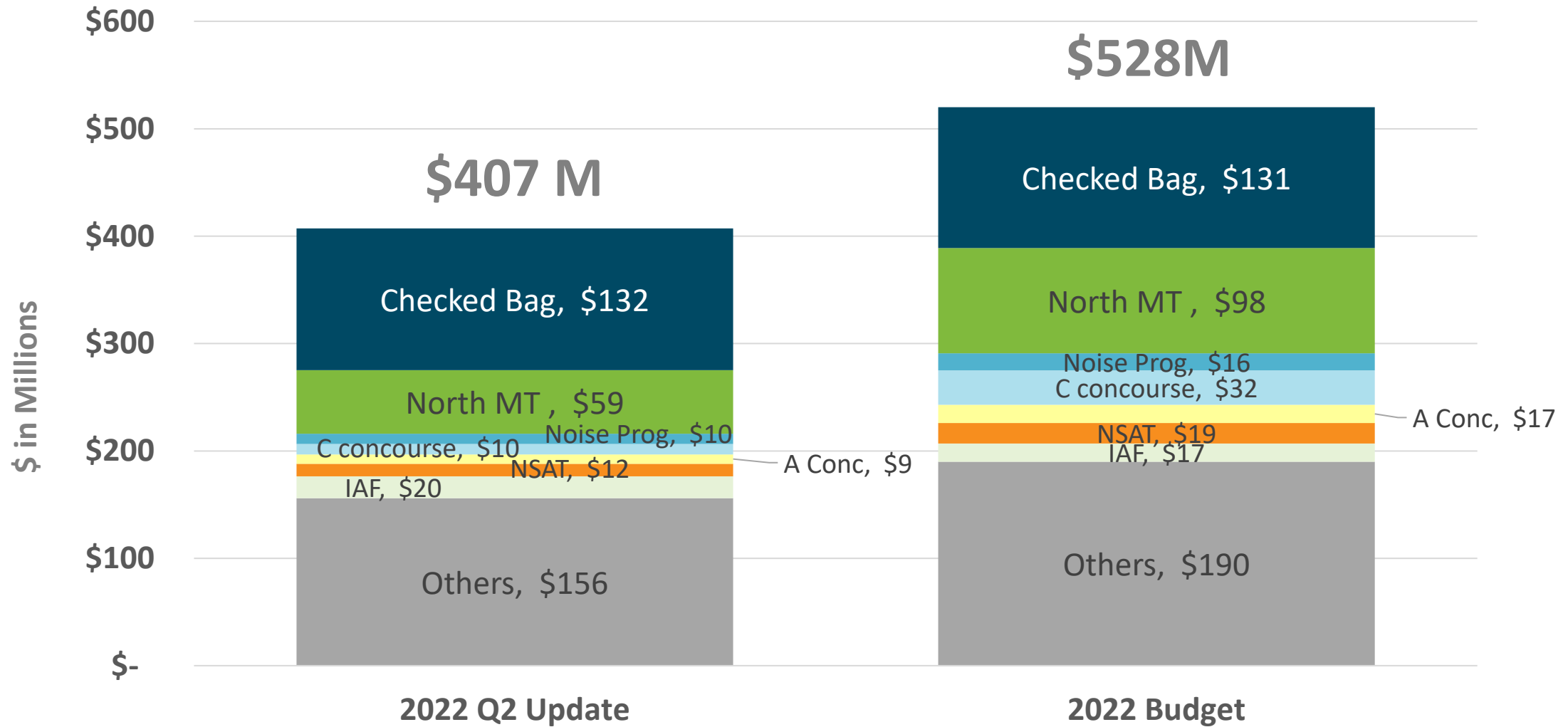
Airport Development Fund Balance



- Projected ending balance of \$486M
- Target of \$464M (14 months of O&M in 2022)

Target \$464M

2022 Capital Spending forecast: 77% of Budget



\$10M Infrastructure Bill Grant Awarded to SEA

NEW GRANTS 2022

- Restroom Renovations Phase V – \$10M BIL ATP
- Satellite Taxilanes Reconstruction – \$13M AIP Supplemental
- Cargo Apron 2 & Taxiway Joint Seal – \$2M AIP
- NB Airport Expressway Preservation – \$700K FHwy
- Hazmat Detection Equipment – \$50K WA State

ACTIVE GRANTS

- ARPA COVID Relief – \$140M remaining
- Restroom Renovations Phase IV – \$9 AIP
- Noise Mitigation AIP
 - Condos & Single-Family Homes - \$7M
 - Apartments - \$12M
 - Highline Schools - \$16M
- Baggage Optimization – \$85M TSA OTA
- Taxi/TNC Lot EV Chargers – \$1.6M WA State

PROSPECTIVE GRANTS

- South Concourse Evolution – \$45M BIL AIG
- Snow Removal Equipment - \$5M AIP
- Noise Mitigation AIP
 - Apartment Sound Insulation - \$9M
 - Part 150 Study - \$3M
 - Places of Worship - \$8M
- Widen Airport Arrivals – \$25M USDOT RAISE

Seaport

2022 Q2 Financial Performance Report



Seaport Performance Summary

| | 2021 YTD | 2022 YTD | 2022 YTD | Fav (UnFav) | | Incr (Decr) | | 2022 | 2022 | Fav (UnFav) | |
|--|---------------|---------------|---------------|-------------------|-------------|------------------|-------------|----------------|----------------|-----------------|------------|
| \$ in 000's | Actual | Actual | Budget | Actual vs. Budget | | Change from 2021 | | Forecast | Budget | Fcst vs. Budget | |
| | | | | Variance | % | | % | | | Variance | % |
| | | | | \$ | % | \$ | % | | | \$ | % |
| Revenues | | | | | | | | | | | |
| Maritime | 19,507 | 31,788 | 28,010 | 3,778 | 13% | 12,281 | 63% | 68,537 | 59,137 | 9,400 | 16% |
| Economic Development Division | 4,089 | 6,680 | 8,130 | (1,450) | -18% | 2,591 | 63% | 14,970 | 18,769 | (3,799) | -20% |
| Joint Venture | 21,548 | 24,358 | 23,950 | 408 | 2% | 2,810 | 13% | 47,899 | 47,899 | 0 | 0% |
| Total Revenue | 45,144 | 62,826 | 60,089 | 2,737 | 5% | 17,682 | 39% | 131,407 | 125,806 | 5,601 | 4% |
| Expenses | | | | | | | | | | | |
| Maritime | 22,581 | 28,050 | 28,455 | 406 | 1% | 5,469 | 24% | 58,111 | 57,865 | (246) | 0% |
| Economic Development Division | 8,493 | 10,872 | 12,819 | 1,947 | 15% | 2,380 | 28% | 25,320 | 28,301 | 2,981 | 11% |
| Joint Venture | 1,383 | 818 | 747 | (71) | -9% | (566) | -41% | 1,727 | 1,727 | 0 | 0% |
| Total Expense | 32,456 | 39,740 | 42,022 | 2,282 | 5% | 7,284 | 22% | 85,159 | 87,894 | 2,735 | 3% |
| NOI Before Stormwater Utility | 12,687 | 23,086 | 18,067 | 5,018 | 28% | 10,398 | 82% | 46,248 | 37,912 | 8,336 | 22% |
| Stormwater Utility Revenues | 3,093 | 3,407 | 3,384 | 23 | 1% | 314 | 10% | 6,768 | 6,768 | 0 | 0% |
| Stormwater Utility Expenses | 2,061 | 2,591 | 3,086 | 495 | 16% | 530 | 26% | 6,266 | 6,266 | 0 | 0% |
| Stormwater Utility NOI | 1,032 | 816 | 298 | 518 | 174% | (216) | -21% | 502 | 502 | 0 | 0% |
| Total Non-Aviation Business NOI | 13,719 | 23,902 | 18,365 | 5,537 | 30% | 10,182 | 74% | 46,751 | 38,415 | 8,336 | 22% |

Year-to-Date

- Better than expected occupancy at terminals, piers and marinas along with Cruise.
- Fishermen's Terminal - \$1.2M Capital to Expense in Q2.
- Gradual return of conference and events.
- Employee vacancies driving lower expenses.

Forecast

- Cruise expecting increased passengers and exceeding revenue by \$8.5M with <\$1M incremental cost.
- Conference & Event Centers @ 63% of budget.
- Joint Venture and Stormwater utility at budget.

Starting 2022 with favorable results.

Maritime Division

2022 Q2 Financial Performance Report

Maritime Division

Financial Summary

| <i>Figure in \$000s</i> | Forecast | Budget | Variance |
|---|-----------------|---------------|-----------------|
| Revenues | | | |
| Fishing, Commercial, & Recreational Marinas | 23,209 | 22,659 | 550 |
| Cruise | 29,074 | 20,574 | 8,500 |
| Maritime Portfolio Mgmt. | 10,186 | 9,986 | 200 |
| Grain / Other | 6,069 | 5,919 | 150 |
| Total | 68,537 | 59,137 | 9,400 |
| O&M Expense | | | |
| Direct | 23,737 | 22,087 | (1,650) |
| Support Services | 18,075 | 18,975 | 900 |
| Central Services and Other | 16,300 | 16,804 | 504 |
| Total | 58,111 | 57,865 | (246) |
| Net Operating Income | 10,426 | 1,272 | 9,154 |
| Capital Spending | 16,786 | 23,521 | 6,735 |

Business Highlights

- Fishing, Commercial and Recreational Marinas exceeding revenue targets.
- Cruise is tracking to the highest # of sailings in its history.
- Grain Volumes Flat.
- Maritime Portfolio Management is benefitting from new lease agreements.
- Staffing challenges impacting Support and Central Services.
- New MTCA (Model Toxic Control Act) Grants approved & signed for \$15.7M total at T91 and East Waterway.

Maritime Q2 2022 Financials

Net Operating Income is \$4.2M favorable to budget and \$6.8M above 2022

- Revenue is \$3.8M above budget and \$12.3M better than 2021 driven primarily by return of Cruise in addition to strong performances in grain volumes, early return of the fishing fleet and better occupancy rates.
- Expenses \$0.4M or 9% favorable to budget driven by payroll savings, tenant improvements timing, consulting costs, and maintenance, offset by \$1.2M of capital to expense at Fishermen's Terminal. Expenses up \$5.5M Y/Y due to moving off 2021 austerity measures.
- Capital spending was \$2.6M and forecasted at \$16.8M or 71% of \$23.5M budget.

| | 2020 YTD | 2021 YTD | 2022 YTD | 2022 YTD | Fav (UnFav) Actual vs. Budget Variance | | Incr (Decr) Change from 2021 | |
|--------------------------|----------|----------|----------|----------|--|------|---------------------------------|------|
| \$ in 000's | Actual | Actual | Actual | Budget | \$ | % | \$ | % |
| Total Revenues | 18,338 | 19,507 | 31,788 | 28,010 | 3,778 | 13% | 12,281 | 63% |
| Total Operating Expenses | 22,311 | 22,581 | 28,050 | 28,455 | 406 | 1% | 5,469 | 24% |
| Net Operating Income | (3,973) | (3,074) | 3,738 | (446) | 4,183 | 939% | 6,812 | 222% |
| Depreciation | 8,781 | 8,881 | 8,952 | 8,440 | (511) | -6% | 71 | 1% |
| Net Income | (12,754) | (11,955) | (5,214) | (8,886) | 3,672 | 41% | 6,741 | 56% |

Stormwater Utility Tracking to Budget

| | 2020 YTD | 2021 YTD | 2022 YTD | 2022 YTD | Fav (UnFav) Actual vs. Budget Variance | | Incr (Decr) Change from 2021 | |
|--------------------------------|--------------|--------------|--------------|--------------|--|--------------|---------------------------------|-------------|
| \$ in 000's | Actual | Actual | Actual | Budget | \$ | % | \$ | % |
| Revenue | | | | | | | | |
| NWSA | 656 | 859 | 389 | 696 | (307) | -44% | (471) | -55% |
| Tenants Revenue | 1,625 | 1,506 | 2,173 | 1,942 | 231 | 12% | 667 | 44% |
| Port Non-tenants Revenue | 890 | 727 | 845 | 746 | 99 | 13% | 118 | 16% |
| Total Revenues | 3,171 | 3,093 | 3,407 | 3,384 | 23 | 1% | 314 | 10% |
| Expenses | | | | | | | | |
| SWU Direct | 614 | 348 | 683 | 804 | 121 | 15% | 335 | 96% |
| Maintenance Expenses | 1,018 | 1,299 | 1,378 | 1,765 | 386 | 22% | 79 | 6% |
| Central Waterfront PM | 9 | 3 | 19 | 6 | (13) | -201% | 16 | 587% |
| Environmental & Sustainability | 26 | 26 | 10 | 23 | 13 | 56% | (16) | -61% |
| Environmental Finance | 12 | 9 | 6 | 6 | (1) | -9% | (3) | -29% |
| Other Central Services | 389 | 376 | 495 | 483 | (12) | -2% | 118 | 31% |
| Total Expenses | 2,068 | 2,061 | 2,591 | 3,086 | 495 | 16% | 530 | 26% |
| NOI Before Depreciation | 1,103 | 1,032 | 816 | 298 | 518 | 174% | (216) | -21% |
| Depreciation | 618 | 636 | 640 | 623 | (17) | -3% | 4 | 1% |
| NOI After Depreciation | 485 | 396 | 176 | (325) | 501 | -154% | (220) | -56% |

- Expenses are under due to open SWU maintenance team positions driving payroll savings and pushing out project work.

Northwest Seaport Alliance Summary

| NWSA Operating Income <i>Before GASB 87 Adjustment</i> | 2021 | 2022 | | Fav (UnFav) Budget Variance | | Incr (Decr) Change from 2021 | |
|---|---------------|---------------|---------------|--------------------------------|------------|---------------------------------|------------|
| | Actual | Actual | Budget | \$ | % | \$ | % |
| \$ in 000's | | | | | | | |
| Operating Revenue | 90,756 | 101,123 | 100,392 | 731 | 1% | 10,367 | 11% |
| Operating Expense | 40,749 | 43,258 | 48,416 | 5,158 | 11% | 2,509 | 6% |
| Operating Income* | 50,007 | 57,865 | 51,976 | 5,889 | 11% | 7,858 | 16% |
| Depreciation | 7,295 | 10,319 | 11,635 | 1,316 | 11% | 3,024 | 41% |
| Net Operating Income | 42,712 | 47,546 | 40,341 | 7,205 | 18% | 4,834 | 11% |
| Cargo TEUs | 1,881,337 | 1,806,732 | | | | (74,605) | -4.0% |
| Cargo Volume (Metric Tons) | 19,932,454 | 18,558,442 | | | | (1,374,012) | -6.9% |
| <i>*Excludes Depreciation</i> | | | | | | | |

Revenue

- \$.7M above budget primarily due to higher breakbulk revenue and higher strad & crane rental revenue at Husky terminal.
- \$10.4M higher than 2021
 - Terminal 5 increased \$5.2M.
 - Pacific Crane Maintenance Lease \$1.3M.
 - Breakbulk revenues up \$4.1M.

Operating Expense

- \$5.2M favorable to budget due to timing of maintenance projects and lower administrative costs.
- \$2.5M higher than 2021 related to longshore labor & variable costs in the south harbor.

Joint Venture 2022 Financials

| | 2021 YTD | 2022 YTD | 2022 YTD | Fav (UnFav) | | Incr (Decr) | |
|---|---------------|---------------|---------------|-------------------|------------|------------------|-------------|
| | Actual | Actual | Budget | Actual vs. Budget | | Change from 2021 | |
| \$ in 000's | | | | Variance | | | |
| | | | | \$ | % | \$ | % |
| Revenue | | | | | | | |
| NWSA Distributable Revenue | 22,166 | 24,527 | 24,720 | (193) | -1% | 2,361 | 11% |
| Contra Joint Venture Revenue | (976) | (995) | (995) | (0) | 0% | (20) | 2% |
| Subtotal Distributable Revenue from NWSA | 21,191 | 23,532 | 23,725 | (193) | -1% | 2,341 | 11% |
| Other Service Revenue Tenant Reimbursements | 170 | 381 | 225 | 156 | 69% | 212 | 125% |
| Port Revenue from NWSA Facilities | 188 | 445 | | 445 | | 257 | 137% |
| Total Revenues | 21,548 | 24,358 | 23,950 | 408 | 2% | 2,810 | 13% |
| Expenses | | | | | | | |
| Maintenance Expenses | 288 | 277 | 182 | (95) | -52% | (11) | -4% |
| JV Direct | 833 | 239 | 95 | (145) | -153% | (594) | -71% |
| Security | 0 | 91 | 89 | (1) | -2% | 91 | |
| Environmental & Sustainability | 115 | 85 | 167 | 82 | 49% | (30) | -26% |
| Cost Recovery | 79 | 74 | 128 | 54 | 42% | (5) | -6% |
| Seaport Project Management | 16 | 17 | 24 | 7 | 28% | 1 | 6% |
| Central Services / Other | 52 | 34 | 62 | 28 | 45% | (18) | -34% |
| Total Expenses | 1,383 | 818 | 747 | (71) | -9% | (566) | -41% |
| NOI Before Depreciation | 20,165 | 23,540 | 23,203 | 337 | 1% | 3,376 | 17% |
| Legacy Depreciation for NWSA Facilities | 7,514 | 7,399 | 7,352 | (47) | -1% | (115) | -2% |
| NOI After Depreciation | 12,651 | 16,141 | 15,850 | 291 | 2% | 3,490 | 28% |

Home Port Activities

Revenues:

- NWSA Distributable Revenue tracking to budget
- Other Service Revenue above budget from increased tenant reimbursable Maintenance work.
- Port Revenue from NWSA Facilities-temporary usage on POS leased section of T46.

Expenses

- Higher tenant maintenance work requested.
- JV Direct – Unplanned Environmental Liability (\$60K)
- Lower allocations.

Increased income from 2021.

Economic Development Division

2022 Q2 Financial Performance Report



Economic Development Division

Financial Summary

| <i>Figure in \$000s</i> | Forecast | Budget | Variance |
|----------------------------|-----------------|---------------|-----------------|
| Revenues | 14,970 | 18,769 | (3,799) |
| O&M Expense | | | |
| EDD & Maritime | 13,118 | 15,518 | 2,400 |
| Maintenance | 4,101 | 4,201 | 100 |
| Diversity in Contracting | 168 | 168 | 0 |
| Tourism | 1,750 | 1,750 | 0 |
| EDD Grants | 1,200 | 1,500 | 300 |
| Central Services and Other | 4,984 | 5,165 | 181 |
| Total | 25,320 | 28,301 | 2,981 |
| NOI | (10,350) | (9,532) | (818) |
| Capital Spending | 10,448 | 10,483 | 35 |

Business Highlights

- Maintained 95% occupancy.
- Conference and Event Centers on track to generate a gross profit for the first time since the pandemic.
- Completed Tourism Recovery Initiative Program effort with Washington Tourism Alliance / State of Washington Tourism.

Economic Development Q2 Financial Highlights

2022 Net Operating Income \$497K favorable to budget and \$211K higher than 2021

- Revenue unfavorable to budget by \$1.5M and \$2.6M higher than 2021 as Conference and Event Centers are rebounding from COVID, but at a slower rate than other lines of businesses.
- Expenses favorable to budget by \$1.9M driven by less conferences than budgeted and lower maintenance spend. Expenses are up by \$2.4M Y/Y due to returning Conference & Event Center volumes and increased payroll related costs.

- Capital spending was \$3M through Q2 and forecasted at 100% of \$10.5M budget.

| | 2020 YTD | 2021 YTD | 2022 YTD | 2022 YTD | Fav (UnFav) Actual vs. Budget Variance | | Incr (Decr) Change from 2021 | |
|---------------------------------|----------------|----------------|----------------|----------------|--|-------------|---------------------------------|------------|
| \$ in 000's | Actual | Actual | Actual | Budget | \$ | % | \$ | % |
| Total Revenues | 5,359 | 4,089 | 6,680 | 8,130 | (1,450) | -18% | 2,591 | 63% |
| Total Operating Expenses | 9,493 | 8,493 | 10,872 | 12,819 | 1,947 | 15% | 2,380 | 28% |
| Net Operating Income | (4,134) | (4,403) | (4,192) | (4,690) | 497 | 11% | 211 | 5% |
| <i>Depreciation</i> | <i>1,774</i> | <i>1,919</i> | <i>1,906</i> | <i>1,782</i> | <i>(125)</i> | <i>-7%</i> | <i>(12)</i> | <i>-1%</i> |
| Net Income | (5,908) | (6,322) | (6,099) | (6,471) | 373 | 6% | 223 | 4% |

Central Services

2022 Q2 Financial Performance Report

Central Services

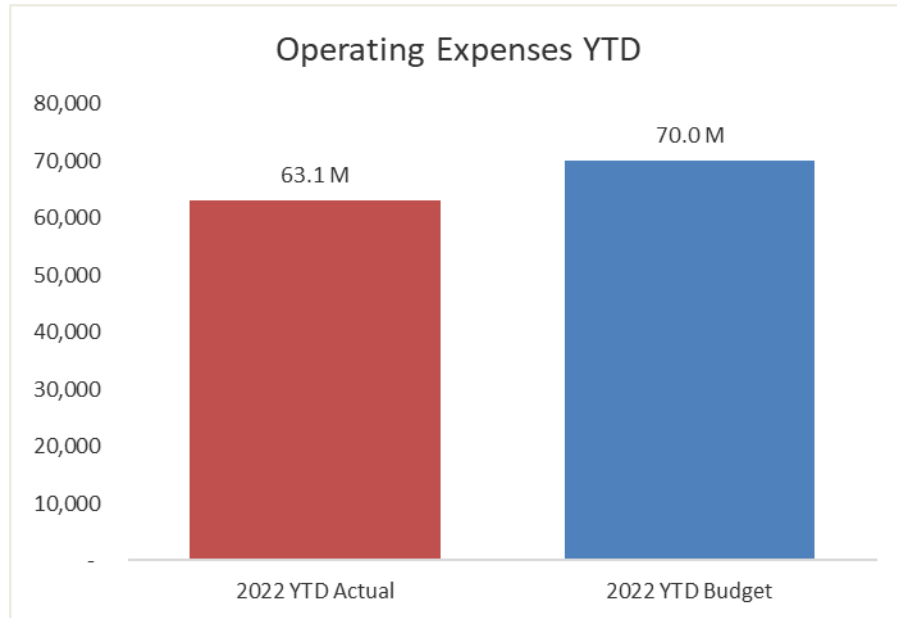
Financial Summary

| <i>Figures in \$000s</i> | Forecast | Budget | Variance |
|---------------------------|-----------------|----------------|-----------------|
| Revenues | 396 | 186 | 210 |
| Core Central Support Serv | 96,992 | 96,677 | (315) |
| Police | 29,800 | 32,746 | 2,945 |
| Engineering/PCS | 10,252 | 12,334 | 2,082 |
| O&M Expenses | 137,044 | 141,756 | 4,712 |
| Capital Spending | 8,309 | 10,889 | 2,580 |

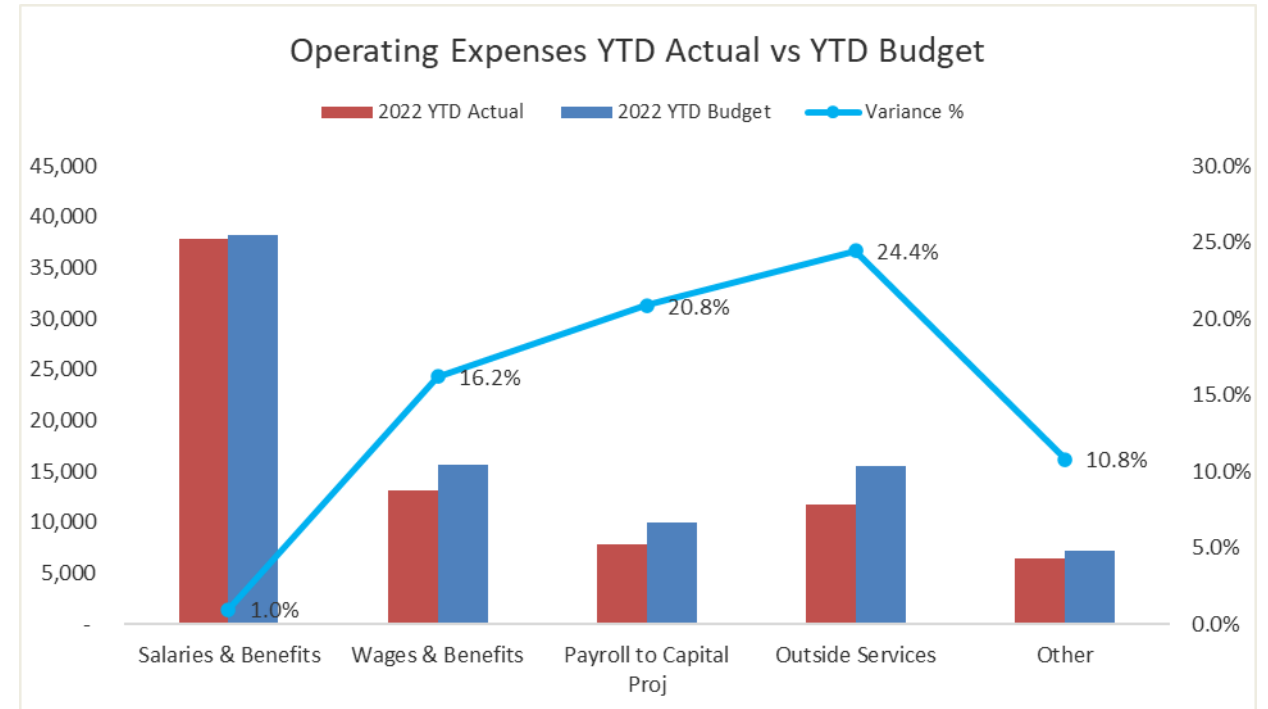
Business Highlights

- Hosted the **South King County Environmental Symposium**
- Partnered with the cruise lines, Visit Seattle, Seattle Southside Regional Tourism Authority, and Visit Bellevue to **kick off the 2022 cruise season**
- Conducted multiple stakeholder briefings and hosted the **Cruise Job Fair**
- Sponsored the annual **Seattle Maritime Industry Breakfast**
- Presented the **first Priority Hire & Apprenticeship Annual Report** to the Commission

Operating Expenses Summary (YTD)

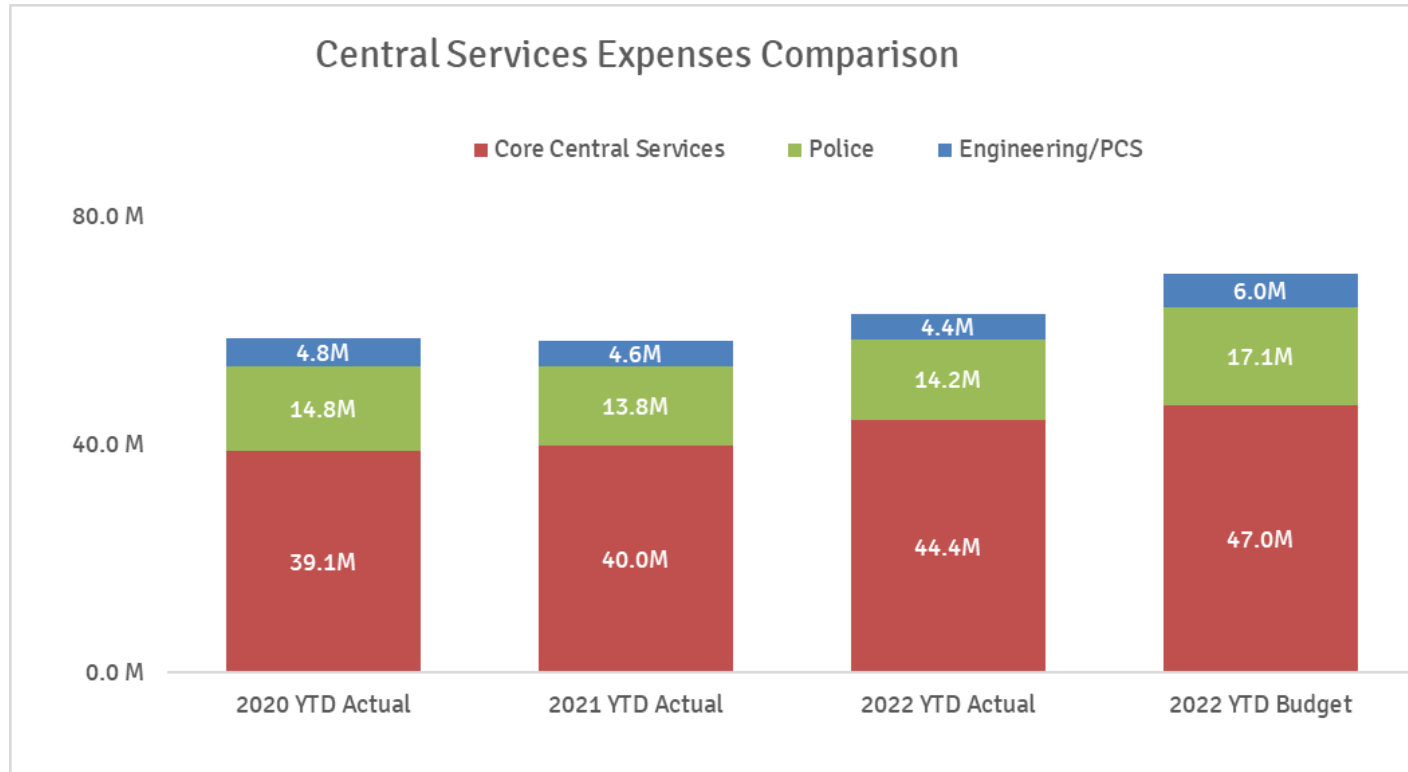


\$7.0M or 10.0% favorable



- Payroll **\$5.0M** lower due to vacancies
- Outside Services **\$3.8M** underspent
- Favorable variance partially offset by **\$2.6M** less Charges to Capital Projects

Central Services YTD Financial Highlights



2022 YTD Total Operating Expenses are **\$7.0M favorable** to the budget due to:

- Lower Payroll and Outside Services offset by lower charges to Capital Projects and unexpected General Expenses

2022 YTD Total Operating Expenses are **\$4.8M higher** compared to 2021 due to:

- Higher Payroll, General Expense, Equipment Expense, Outside Services, Travel, and lower charges to Capital Projects

Port Wide

2022 Q2 Financial Performance Report



Port Wide Financial Summary

| | 2020 YTD | 2021 YTD | 2022 YTD | 2022 YTD | Fav (UnFav) Actual vs. Budget Variance | | Incr (Decr) Change from 2021 | |
|---------------------------------|----------------|-----------------|----------------|----------------|--|---------------|---------------------------------|----------------|
| \$ in 000's | Actual | Actual | Actual | Budget | \$ | % | \$ | % |
| Aeronautical Revenues | 163,722 | 143,188 | 181,846 | 189,061 | (7,214) | -3.8% | 38,659 | 27.0% |
| Airport Non-Aero Revenues | 64,225 | 73,219 | 114,802 | 98,166 | 16,636 | 16.9% | 41,582 | 56.8% |
| Non-Airport Revenues | 48,298 | 49,475 | 65,638 | 62,722 | 2,916 | 4.6% | 16,162 | 32.7% |
| Total Operating Revenues | 276,244 | 265,883 | 362,286 | 349,948 | 12,338 | 3.5% | 96,403 | 36.3% |
| Total Operating Expenses | 197,820 | 195,776 | 220,822 | 245,788 | 24,966 | 10.2% | 25,046 | 12.8% |
| NOI before Depreciation | 78,424 | 70,107 | 141,464 | 104,160 | 37,304 | 35.8% | 71,357 | 101.8% |
| Depreciation | 87,855 | 91,246 | 104,114 | 92,614 | (11,500) | -12.4% | 12,868 | 14.1% |
| NOI after Depreciation | (9,431) | (21,139) | 37,350 | 11,546 | 25,803 | 223.5% | 58,489 | -276.7% |

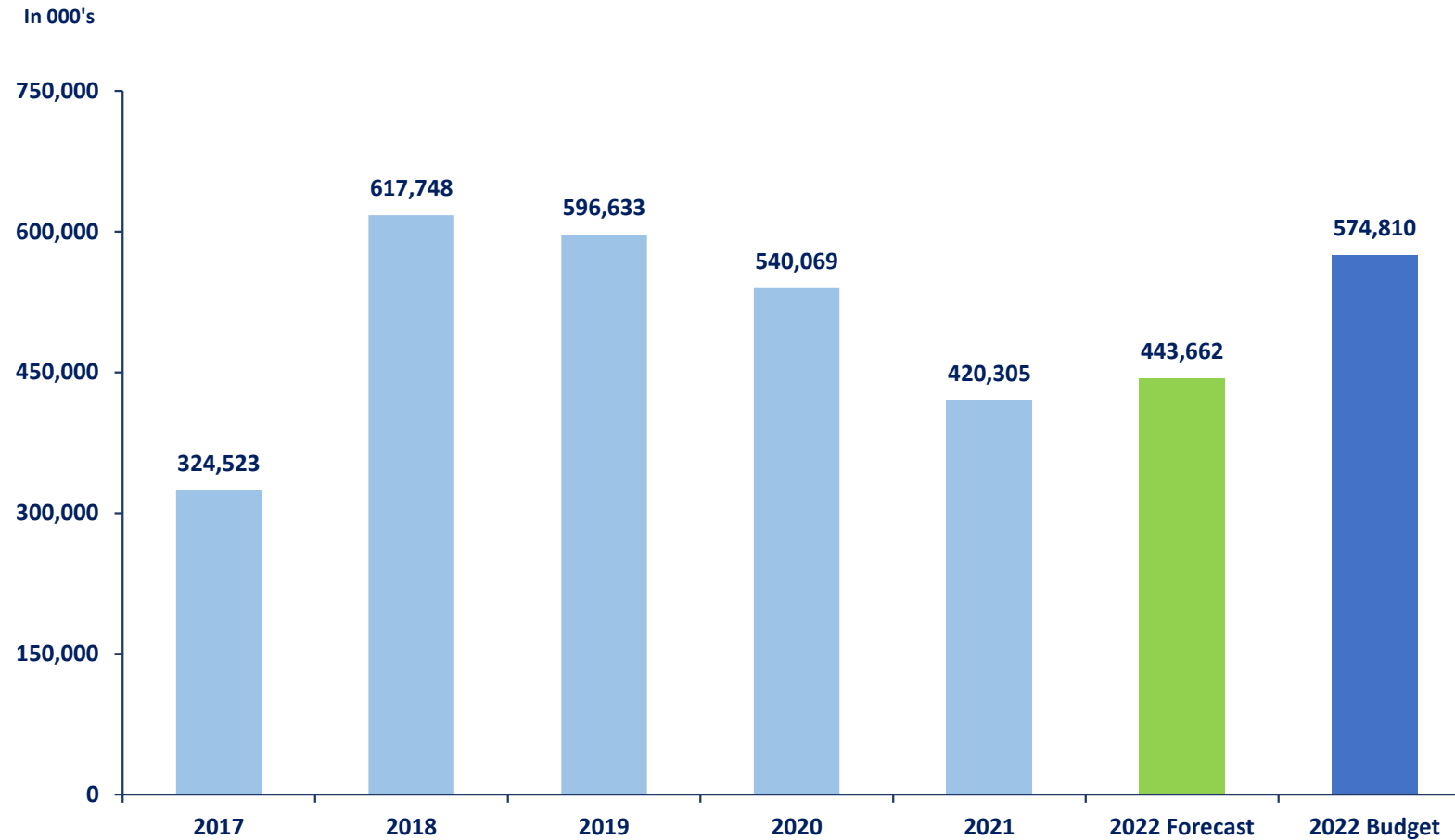
- Total Operating Revenues: **\$12.3M higher** than budgeted mainly due to timing of applying the \$21.4M Federal Operating Grant Revenue offset.
- Total Operating Expenses: **\$25.0M favorable** to the budget mainly due to delay in Outside Services spending, vacant positions, lower Equipment Expense, Third Party Management Expense, and Travel & Other Employee Expenses partially offset by less Charges to Capital Projects.
- NOI before Depreciation: **\$37.3M above budget.**

Port Wide Financial Summary (YE Forecast)

| | 2020 | 2021 | 2022 | 2022 | Fav (UnFav) Fcst vs. Budget Variance | | Incr (Decr) Change from 2021 | |
|---------------------------------|-----------------|----------------|----------------|----------------|--|--------------|---------------------------------|--------------|
| \$ in 000's | Actual | Actual | Forecast | Budget | \$ | % | \$ | % |
| Aeronautical Revenues | 297,909 | 317,513 | 391,896 | 394,963 | (3,066) | -0.8% | 74,384 | 23.4% |
| Airport Non-Aero Revenues | 116,473 | 183,819 | 249,239 | 240,820 | 8,419 | 3.5% | 65,420 | 35.6% |
| Non-Airport Revenues | 96,446 | 120,689 | 136,883 | 131,072 | 5,811 | 4.4% | 16,194 | 13.4% |
| Total Operating Revenues | 510,828 | 622,020 | 778,018 | 766,854 | 11,163 | 1.5% | 155,998 | 25.1% |
| Total Operating Expenses | 408,681 | 364,656 | 488,894 | 499,146 | 10,252 | 2.1% | 124,238 | 34.1% |
| NOI before Depreciation | 102,147 | 257,364 | 289,123 | 267,708 | 21,415 | 8.0% | 31,760 | 12.3% |
| Depreciation | 180,086 | 190,683 | 196,757 | 196,757 | - | 0.0% | 6,074 | 3.2% |
| NOI after Depreciation | (77,939) | 66,681 | 92,367 | 70,952 | 21,415 | 30.2% | 25,686 | 38.5% |

- Operating Revenues: **\$11.2M favorable** to the budget due to higher forecasted revenues in Cruise and Landside businesses driven by high demand from returning passengers.
- Total Operating Expenses: **\$10.3M below budget** mainly due to delay in hiring and project spending offset by higher Utilities and expenses related to the Gateway Building Project at FT.
- NOI before Depreciation: **\$21.4M above budget**.

Port Wide Capital Spending



- Total Q2 YTD capital spending was \$142.0M
- For the full year, total capital spending is expected to be \$443.7M, 77.2% of the budget

Aviation Division Appendix

2022 Q2 Financial Performance Report

Airport Activity

| | YTD 2020 | YTD 2021 | YTD 2022 |
|--|----------|----------|----------|
| Total Passengers (000's) | | | |
| Domestic | 10,074 | 13,770 | 19,075 |
| International | 1,054 | 528 | 1,814 |
| Total | 11,128 | 14,298 | 20,889 |
| Operations | 142,657 | 171,873 | 154,951 |
| Landed Weight (In Millions of lbs.) | | | |
| Cargo | 1,254 | 1,409 | 1,357 |
| All other | 8,537 | 10,584 | 12,260 |
| Total | 9,791 | 11,993 | 13,617 |
| Cargo - Metric Tons | | | |
| Domestic freight | 161,957 | 174,449 | 165,169 |
| International & Mail freight | 47,466 | 60,738 | 61,487 |
| Total | 209,423 | 235,187 | 226,656 |

2022 YTD Passenger volume:

- YTD through June passenger volume is 46% higher than YTD in 2021.
- Enplanement recovery is building, but volumes are expected to be 9.72% lower for full year 2022 than pre-pandemic volumes in 2019.

Month summary (Jun 2022 vs. Jun 2021)

| Airline | Code | Current pax | Market share | Previous pax | Pax % diff |
|--------------------------|------|-------------|--------------|--------------|------------|
| Alaska Airlines (rollup) | AS | 2,217,213 | 52.5% | 2,140,395 | 3.6% |
| Delta Air Lines (rollup) | DL | 1,022,567 | 24.2% | 931,585 | 9.8% |
| Southwest Airlines (r.. | WN | 240,221 | 5.7% | 214,347 | 12.1% |
| United Airlines (rollup) | UA | 214,086 | 5.1% | 152,702 | 40.2% |
| American Airlines | AA | 163,114 | 3.9% | 193,431 | -15.7% |

Aviation Financial Summary

| Financial Summary (\$ in 000's) | 2020 | 2021 | 2022 | 2022 | Fav(UnFav) Actual vs. Budget Variance | | Incr/(Decr) Change from 2021 | |
|---------------------------------------|----------------|----------------|----------------|----------------|---|--------------|---------------------------------|--------------|
| | Actual | Actual | Forecast | Budget | \$ | % | \$ | % |
| Operating Revenue | | | | | | | | |
| Aeronautical Revenues | 297,909 | 317,513 | 391,896 | 394,963 | (3,066) | -0.8% | 74,384 | 23.4% |
| Non-Aeronautical Revenues | 116,473 | 183,819 | 249,239 | 240,820 | 8,419 | 3.5% | 65,420 | 35.6% |
| Total Operating Revenues | 414,382 | 501,332 | 641,135 | 635,783 | 5,352 | 0.8% | 139,804 | 27.9% |
| Operating Expenses | | | | | | | | |
| Airport Direct Charges | 235,854 | 218,644 | 282,402 | 285,197 | 2,795 | 1.0% | 63,758 | 29.2% |
| Environmental Remediation Liability | (2,361) | 1,583 | 791 | 985 | 194 | 19.7% | (792) | -50.0% |
| Capital to Expense | 2,588 | 1,254 | - | - | - | | (1,254) | -100.0% |
| Charges from Other Divisions | 93,599 | 72,736 | 107,949 | 111,440 | 3,491 | 3.1% | 35,213 | 48.4% |
| Total Operating Expenses | 329,680 | 294,217 | 391,142 | 397,622 | 6,480 | 1.6% | 96,925 | 32.9% |
| Net Operating Income | 84,702 | 207,114 | 249,993 | 238,160 | 11,832 | 5.0% | 42,878 | 20.7% |
| CPE | 26.50 | 15.93 | 15.28 | 14.82 | (0.46) | -3.1% | (0.65) | -4.1% |
| Non-Aero NOI (\$ in 000s) | 93,175 | 53,914 | 122,602 | 114,047 | 8,555 | 7.5% | 68,688 | 127.4% |
| Enplaned passengers (in 000s) | 10,044 | 18,073 | 23,361 | 24,259 | (898) | -3.7% | 5,288 | 29.3% |
| Capital Expenditures (in 000s) | 573,598 | 389,051 | 406,980 | 527,917 | 120,937 | 22.9% | 17,929 | 4.6% |

Key Performance Measures

| | 2020 | 2021 | 2022 | 2022 | Fav(UnFav) Actual vs. Budget Variance | | Incr/(Decr) Change from 2021 | |
|--|--------|--------|----------|--------------------|---|-------|---------------------------------|--------|
| | Actual | Actual | Forecast | Approved Budget | \$ | % | \$ | % |
| Key Performance Metrics | | | | | | | | |
| Cost per Enplanement (CPE) | 26.50 | 15.93 | 15.28 | 14.82 | (0.46) | -3.1% | (0.65) | -4.1% |
| Non-Aeronautical NOI (in 000's) ¹ | 6,671 | 93,175 | 122,602 | 114,047 | 8,555 | 7.5% | 29,427 | 31.6% |
| Other Performance Metrics | | | | | | | | |
| O&M Cost per Enplanement | 32.82 | 16.28 | 16.74 | 16.39 | (0.35) | -2.2% | 0.46 | 2.9% |
| Non-Aero Revenue per Enplanement | 11.60 | 10.17 | 10.67 | 9.93 | 0.74 | 7.5% | 0.50 | 4.9% |
| Debt per Enplanement (in \$) | 326 | 198 | 146 | 140 | (5) | -3.8% | (53) | -26.5% |
| Debt Service Coverage | 1.40 | 1.69 | 2.73 | 2.03 | 0.70 | 34.5% | 1.04 | 61.5% |
| Days cash on hand (10 months = 304 days) | 327 | 423 | 454 | 426 | 28 | 6.6% | 31 | 7.3% |
| Aeronautical Revenue Sharing (\$ in 000's) | 1 | - | - | - | - | 0.0% | - | 0.0% |
| Activity (in 000's) | | | | | | | | |
| Enplanements | 10,044 | 18,073 | 23,361 | 24,259 | (898) | -3.7% | 5,288 | 29.3% |
| Total Passengers | 20,087 | 36,146 | 46,721 | 48,517 | (1,796) | -3.7% | 10,575 | 29.3% |

Aviation Expense YTD Summary

| Total Airport Expense Summary (\$ in 000's) | 2020 YTD | 2021 YTD | 2022 YTD | 2022 YTD | Fav(UnFav) Actual vs. Budget Variance | | Incr/(Decr) Change from 2021 | |
|--|----------------|----------------|----------------|----------------|---|---------------|---------------------------------|----------------|
| | Actual | Actual | Actual | Budget | \$ | % | \$ | % |
| Operating Expenses | | | | | | | | |
| Payroll | 77,615 | 76,202 | 79,627 | 80,991 | 1,365 | 1.7% | 3,425 | 4.5% |
| Outside Services | 29,634 | 26,770 | 32,518 | 51,099 | 18,581 | 36.4% | 5,748 | 21.5% |
| Utilities | 8,757 | 9,750 | 12,207 | 10,927 | (1,280) | -11.7% | 2,456 | 25.2% |
| Other Expenses | 2,092 | (461) | 5,128 | (1,360) | (6,488) | 477.1% | 5,589 | -1212.5% |
| Total Airport Direct Charges | 118,099 | 112,261 | 129,480 | 141,658 | 12,178 | 8.6% | 17,218 | 15.3% |
| Environmental Remediation Liability | (2,776) | 801 | (2,312) | 420 | 2,732 | 650.5% | (3,113) | -388.6% |
| Capital to Expense | - | 288 | 26 | - | (26) | | (263) | -91.0% |
| Total Exceptions | (2,776) | 1,090 | (2,286) | 420 | 2,706 | 644.3% | (3,376) | -309.8% |
| Total Airport Expenses | 115,323 | 113,351 | 127,193 | 142,078 | 14,884 | 10.5% | 13,843 | 12.2% |
| Corporate | 34,298 | 34,011 | 36,831 | 38,176 | 1,344 | 3.5% | 2,820 | 8.3% |
| Police | 12,162 | 11,336 | 11,677 | 14,451 | 2,775 | 19.2% | 341 | 3.0% |
| Maritime/Economic Development/Other | 1,596 | 1,420 | 1,613 | 2,313 | 701 | 30.3% | 193 | 13.6% |
| Total Charges from Other Divisions | 48,057 | 46,767 | 50,121 | 54,940 | 4,819 | 8.8% | 3,354 | 7.2% |
| Total Operating Expenses | 163,380 | 160,118 | 177,314 | 197,018 | 19,704 | 10.0% | 17,196 | 10.7% |

Aviation Expense YE Summary

| Total Airport Expense Summary (\$ in 000's) | 2020 | 2021 | 2022 | 2022 | Fav(UnFav) Actual vs. Budget Variance | | Incr/(Decr) Change from 2021 | |
|--|----------------|----------------|----------------|----------------|---|--------------|---------------------------------|---------------|
| | Actual | Actual | Forecast | Budget | \$ | % | \$ | % |
| Operating Expenses | | | | | | | | |
| Payroll | 152,895 | 134,567 | 167,283 | 167,505 | 222 | 0.1% | 32,715 | 24.3% |
| Outside Services | 63,922 | 62,382 | 94,609 | 101,757 | 7,148 | 7.0% | 32,227 | 51.7% |
| Utilities | 15,695 | 20,175 | 22,263 | 21,008 | (1,255) | -6.0% | 2,088 | 10.3% |
| Other Expenses | 3,341 | 1,519 | (1,753) | (5,074) | (3,321) | 65.4% | (3,272) | -215.4% |
| Total Airport Direct Charges | 235,854 | 218,644 | 282,402 | 285,197 | 2,795 | 1.0% | 63,758 | 29.2% |
| Environmental Remediation Liability | (2,361) | 1,583 | 791 | 985 | 194 | 19.7% | (792) | -50.0% |
| Capital to Expense | 2,588 | 1,254 | - | - | - | | (1,254) | -100.0% |
| Total Exceptions | 227 | 2,837 | 791 | 985 | 194 | 19.7% | (2,046) | -72.1% |
| Total Airport Expenses | 236,081 | 221,481 | 283,193 | 286,182 | 2,989 | 1.0% | 61,712 | 27.9% |
| Corporate | 68,316 | 56,711 | 77,939 | 78,940 | 1,001 | 1.3% | 21,228 | 37.4% |
| Police | 22,150 | 13,916 | 25,152 | 27,658 | 2,506 | 9.1% | 11,236 | 80.7% |
| Maritime/Economic Development/Other | 3,134 | 2,110 | 4,858 | 4,842 | (16) | -0.3% | 2,749 | 130.3% |
| Total Charges from Other Divisions | 93,599 | 72,736 | 107,949 | 111,440 | 3,491 | 3.1% | 35,213 | 48.4% |
| Total Operating Expenses | 329,680 | 294,217 | 391,142 | 397,622 | 6,480 | 1.6% | 96,925 | 32.9% |

Aeronautical Business YTD

| Aeronautical NOI (\$ in 000's) | 2020 YTD | 2021 YTD | 2022 YTD | 2022 YTD | Fav(UnFav) Actual vs. Budget Variance | | Incr/(Decr) Change from 2021 | |
|--|----------------|----------------|----------------|----------------|---|--------------|---------------------------------|--------------|
| | Actual | Actual | Actual | Budget | \$ | % | \$ | % |
| Rate Base Revenues | | | | | | | | |
| Airfield Movement Area | 54,693 | 37,192 | 47,737 | 54,642 | (6,905) | -12.6% | 10,545 | 28.4% |
| Airfield Apron Area | 9,575 | 10,932 | 8,290 | 7,760 | 530 | 6.8% | (2,642) | -24.2% |
| Terminal Rents | 77,111 | 83,321 | 105,972 | 107,572 | (1,600) | -1.5% | 22,651 | 27.2% |
| Federal Inspection Services (FIS) | 14,621 | 3,560 | 11,527 | 10,792 | 735 | 6.8% | 7,967 | 223.8% |
| Total Rate Base Revenues | 156,000 | 135,005 | 173,527 | 180,765 | (7,239) | -4.0% | 38,521 | 28.5% |
| Airfield Commercial Area | 7,720 | 8,177 | 8,320 | 8,295 | 25 | 0.3% | 143 | 1.8% |
| Subtotal before Revenue Sharing | 163,720 | 143,182 | 181,846 | 189,061 | (7,214) | -3.8% | 38,665 | 27.0% |
| Revenue Sharing | 1 | - | - | - | - | | - | |
| Total Aeronautical Revenues | 163,722 | 143,182 | 181,846 | 189,061 | (7,214) | -3.8% | 38,665 | 27.0% |
| Total Aeronautical Expenses | 108,286 | 111,036 | 120,393 | 133,974 | 13,581 | 10.1% | 9,357 | 8.4% |
| Aeronautical NOI | 55,436 | 32,146 | 61,453 | 55,087 | 6,367 | 11.6% | 29,308 | 91.2% |

Aeronautical Business YE

| Aeronautical NOI (\$ in 000's) | 2020 | 2021 | 2022 | 2022 | Fav(UnFav) Actual vs. Budget Variance | | Incr/(Decr) Change from 2021 | |
|--|----------------|----------------|----------------|----------------|---|--------------|---------------------------------|--------------|
| | Actual | Actual | Forecast | Budget | \$ | % | \$ | % |
| Rate Base Revenues | | | | | | | | |
| Airfield Movement Area | 84,906 | 88,061 | 117,486 | 118,291 | (805) | -0.7% | 29,425 | 33.4% |
| Airfield Apron Area | 22,016 | 17,146 | 15,231 | 16,439 | (1,208) | -7.3% | (1,916) | -11.2% |
| Terminal Rents | 205,283 | 184,625 | 215,572 | 220,174 | (4,602) | -2.1% | 30,947 | 16.8% |
| Federal Inspection Services (FIS) | 8,616 | 10,978 | 27,100 | 23,468 | 3,632 | 15.5% | 16,121 | 146.8% |
| Total Rate Base Revenues | 320,821 | 300,810 | 375,388 | 378,373 | (2,984) | -0.8% | 74,578 | 24.8% |
| Airfield Commercial Area | 17,633 | 16,702 | 16,508 | 16,590 | (82) | -0.5% | (194) | -1.2% |
| Subtotal before Revenue Sharing | 338,454 | 317,513 | 391,896 | 394,963 | (3,066) | -0.8% | 74,384 | 23.4% |
| Revenue Sharing | 1 | - | - | - | - | | - | |
| Total Aeronautical Revenues | 338,455 | 317,513 | 391,896 | 394,963 | (3,066) | -0.8% | 74,384 | 23.4% |
| Total Aeronautical Expenses | 219,878 | 203,573 | 264,506 | 270,850 | 6,344 | 2.3% | 60,933 | 29.9% |
| Aeronautical NOI | 118,577 | 113,940 | 127,391 | 124,113 | 3,277 | 2.6% | 13,451 | 11.8% |
| Debt Service | (62,607) | (80,554) | (87,946) | (99,789) | 11,843 | -11.9% | (7,392) | 9.2% |
| Net Cash Flow | 55,970 | 33,385 | 39,445 | 24,324 | 15,121 | 62.2% | 6,059 | 18.1% |

Aero Cost Drivers

| \$ in 000's | 2021 Actual | 2022 Budget | 2022 Forecast | Impact on Aero Revenues Budget vs Forecast | |
|------------------------------------|----------------|----------------|------------------|--|------------|
| | | | | \$ | % |
| O&M ⁽¹⁾ | 198,065 | 263,372 | 257,397 | (5,975) | -2.3% |
| Federal Relief Grants O&M | (2,571) | (12,700) | - | 12,700 | -100.0% |
| Net O&M | 195,494 | 250,672 | 257,397 | 6,725 | 2.7% |
| Debt Service Before Offsets | 187,134 | 235,151 | 234,493 | (658) | -0.3% |
| Debt Service PFC Offset | (54,076) | (79,803) | (79,855) | (52) | 0.1% |
| Federal Relief Grants Debt Service | (58,878) | (58,975) | (68,491) | (9,516) | 16.1% |
| Net Debt Service | 74,180 | 96,373 | 86,147 | (10,226) | -10.6% |
| Amortization | 32,511 | 33,699 | 33,681 | (18) | -0.1% |
| Space Vacancy | (1,102) | (1,613) | (1,078) | 535 | -33.1% |
| TSA Operating Grant and Other | (687) | (758) | (758) | 0 | 0.0% |
| Rate Base Revenues | 300,397 | 378,373 | 375,388 | (2,984) | -1% |
| Commercial area | 16,702 | 16,590 | 16,508 | (82) | 0% |
| Total Aero Revenues | 317,099 | 394,963 | 391,896 | (3,066) | -1% |

2022 Forecast to 2022 Budget

O&M – \$6M lower most savings from delay in Airline Realignment timing and IAF, partially offset by small increases in other areas (primarily AMA and TermB)

Federal Relief Grants Aero Portion:

- **Debt Service Impact** - Reducing \$68M from Rate Base

Non-Aeronautical Business YTD

YTD Passenger Volume are up 45.8% compared to prior year
YTD O&D Passenger Volume up 48.4% compared to prior year

| Non-Aeronautical NOI (\$ in 000's) | 2020 YTD | 2021 YTD | 2022 YTD | 2022 YTD | Fav(UnFav) Actual vs. Budget Variance | | Incr/(Decr) Change from 2021 | |
|--|---------------|---------------|----------------|---------------|---|--------------|---------------------------------|---------------|
| | Actual | Actual | Actual | Budget | \$ | % | \$ | % |
| Non-Aeronautical Revenues | | | | | | | | |
| Public Parking | 20,002 | 25,537 | 41,842 | 38,143 | 3,699 | 9.7% | 16,304 | 63.8% |
| Rental Cars | 7,591 | 11,497 | 16,803 | 23,139 | (6,336) | -27.4% | 5,306 | 46.1% |
| Ground Transportation | 4,374 | 4,208 | 9,226 | 8,129 | 1,097 | 13.5% | 5,018 | 119.2% |
| Airport Dining & Retail | 14,138 | 15,119 | 23,428 | 5,148 | 18,280 | 355.1% | 8,309 | 55.0% |
| Other | 18,119 | 16,858 | 23,503 | 23,607 | (104) | -0.4% | 6,645 | 39.4% |
| Total Non-Aeronautical Revenues | 64,225 | 73,219 | 114,802 | 98,166 | 16,636 | 16.9% | 41,582 | 56.8% |
| Total Non-Aeronautical Expenses | 34,278 | 49,082 | 56,921 | 63,044 | 6,123 | 9.7% | 7,839 | 16.0% |
| Non-Aeronautical NOI | 29,947 | 24,138 | 57,881 | 35,122 | 22,759 | 64.8% | 33,743 | 139.8% |
| Less: CFC Surplus | - | - | - | - | - | | - | |
| Adjusted Non-Aeronautical NOI | 29,947 | 24,138 | 57,881 | 35,122 | 22,759 | 64.8% | 33,743 | 139.8% |
| | | | | | | | | |

2022 YTD Actuals to 2021 YTD Actuals

Non-Aero Revenue:

- All Non-Aero lines of business were impacted by COVID-19 and Non-Aero businesses are experiencing different rates of recovery in the pandemic environment.
- Parking revenue performance reflects strong demand despite a recent parking tariff rate increase.
- Rental Car strong revenue reflects shortage of fleet size, and corresponding increase in rental rates.
- GT revenue recovery reflects increased demand for shared ride options, especially TNCs and taxis.
- ADR revenue reflects increase passenger demand, partially offset by continued shortage of labor, limiting concessionaire in meeting growing passenger volume.

Non-Aeronautical Business YE

(Includes Federal Concessionaire Relief grants)

Passenger Volume forecasted to be up 29.5% compared to prior year
O&D Passenger Volume forecasted to be up 31.8% compared to prior year

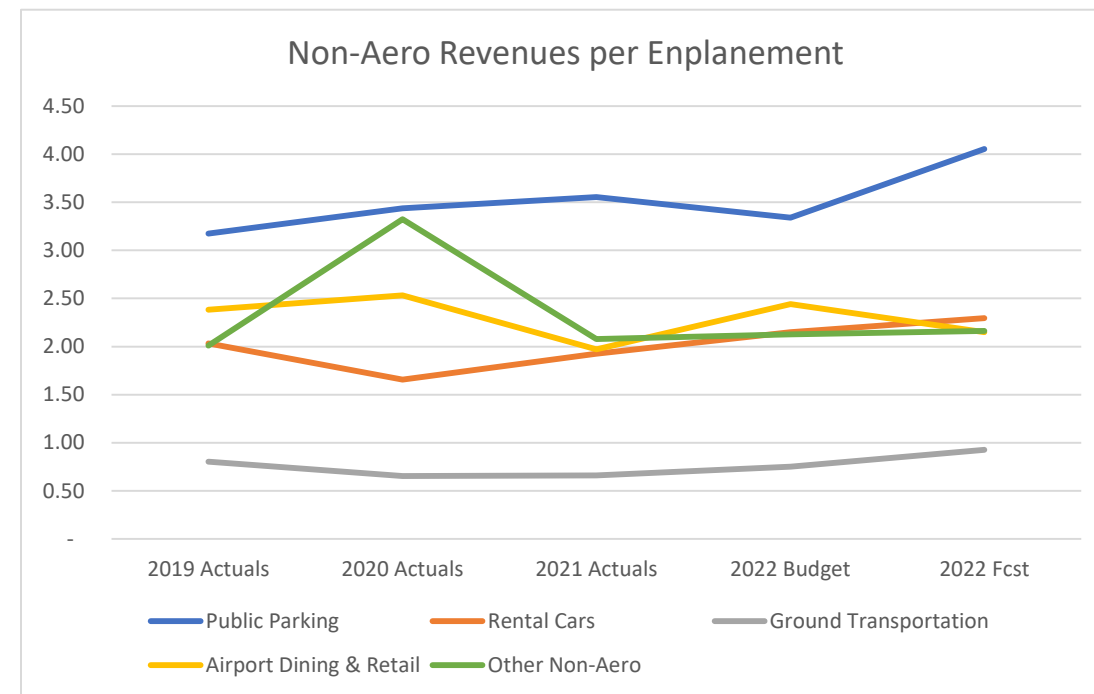
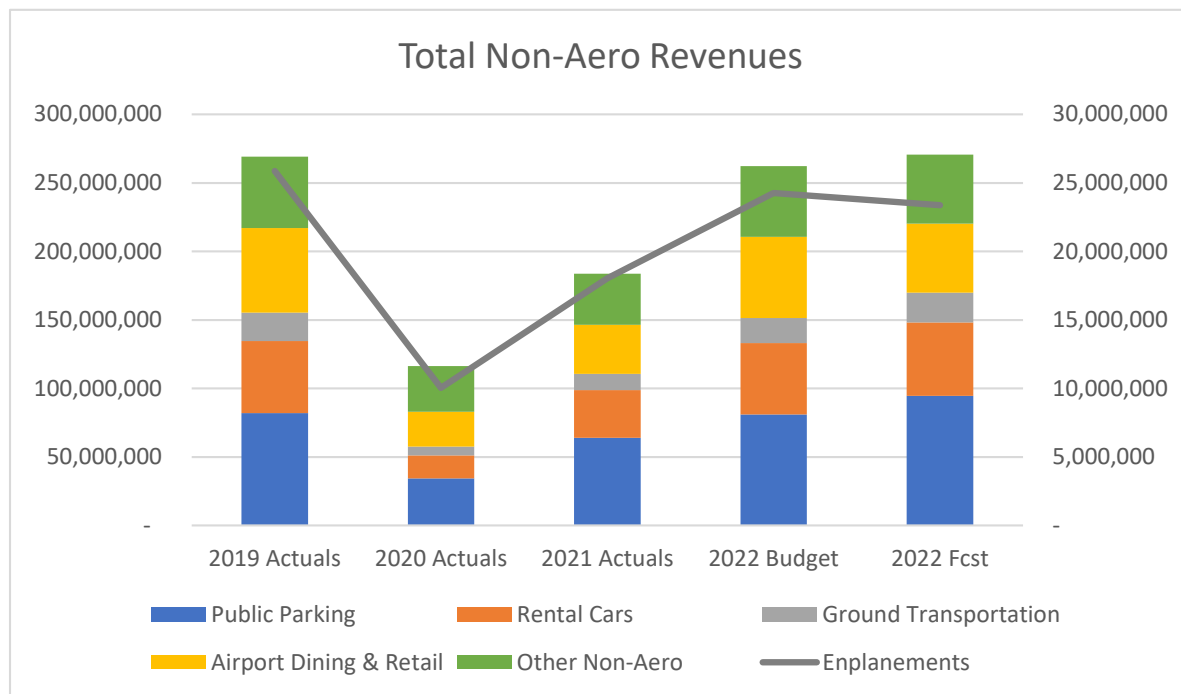
| Non-Aeronautical NOI (\$ in 000's) | 2020 | 2021 | 2022 | 2022 | Fav(UnFav) Actual vs. Budget Variance | | Incr/(Decr) Change from 2021 | |
|---|-----------------|----------------|----------------|----------------|---|--------------|---------------------------------|--------------|
| | Actual | Actual | Forecast | Budget | \$ | % | \$ | % |
| Non-Aeronautical Revenues | | | | | | | | |
| Public Parking | 34,502 | 64,104 | 94,678 | 81,028 | 13,650 | 16.8% | 30,573 | 47.7% |
| Rental Cars | 16,637 | 34,740 | 53,618 | 52,138 | 1,480 | 2.8% | 18,878 | 54.3% |
| Ground Transportation | 6,557 | 11,947 | 21,686 | 18,242 | 3,444 | 18.9% | 9,739 | 81.5% |
| Airport Dining & Retail | 25,703 | 36,510 | 30,212 | 39,244 | (9,032) | -23.0% | (6,297) | -17.2% |
| Other | 33,074 | 36,518 | 49,045 | 50,167 | (1,123) | -2.2% | 12,527 | 34.3% |
| Total Non-Aeronautical Revenues | 116,473 | 183,819 | 249,239 | 240,820 | 8,419 | 3.5% | 65,420 | 35.6% |
| Total Non-Aeronautical Expenses | 109,802 | 90,644 | 126,636 | 126,773 | 136 | 0.1% | 35,993 | 39.7% |
| Non-Aeronautical NOI¹ | 6,671 | 93,175 | 122,602 | 114,047 | 8,555 | 7.5% | 29,427 | 31.6% |
| Less: CFC Surplus | (6,834) | - | - | - | - | | - | |
| Adjusted Non-Aeronautical NOI | (163) | 93,175 | 122,602 | 114,047 | 8,555 | 7.5% | 29,427 | 31.6% |
| Debt Service | (33,065) | (27,096) | (19,413) | (33,372) | 13,958 | -41.8% | 7,683 | -28.4% |
| Net Cash Flow | (33,229) | 66,079 | 103,189 | 80,676 | 22,513 | 27.9% | 37,110 | 56.2% |

2022 Forecast to 2021 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.
- Landside revenue continues to recover strongly, especially in Parking, Rental Car, and GT due to high demand from returning passengers.
- ADR revenue reflects reduction in operating revenue due to Federal concessionaire relief grants, which are offset by non-operating grant revenue (cashflow neutral), along with the delay of opening the new Salty's Restaurant.
- Other revenue reflects the delay of the AMEX Lounge opening and lower lounge visits so far this year, partially offset by strong performances in In-Flight Kitchens and AIClear concession revenue.

Non-Aero Revenue Recovery by Business Unit BEFORE rent credits from Federal Concession Relief Grants



- **2022 Non-Aero revenue forecast shows strong recovery from concession fees and transaction volume.** Parking, Rental Car and Ground Transportation business performance shows the strongest recovery. Airport Dining & Retail revenue recovery is slower due to tenant staffing challenges and construction delays on the new Salty's restaurant location. Other Non-Aero lines of business reflect the unequal business recovery being experienced by Non-Aeronautical businesses during the extended pandemic recovery cycle.
- **Space Rent revenue from real estate leases was relatively unaffected** by changes in passenger volumes over the past several years.

Public Parking – YTD Revenue

YTD O&D Passenger Volume up 48.4% compared to prior year

| Revenue Summary (in \$000s) <i>Org(s): 3420-Public Parking, Class: Top Level</i> | 2020 YTD | 2021 YTD | 2022 YTD | 2022 YTD | Fav/(UnFav) Budget Variance | | Inc/(Dec) from Prior Year Actuals | |
|---|---------------|---------------|---------------|---------------|-----------------------------|-------------|-----------------------------------|--------------|
| | Actual | Actual | Actual | Budget | \$ Var | % Var | \$ Change | % Change |
| Parking Garage Revenue | | | | | | | | |
| General Parking/Terminal Direct | 16,522 | 17,955 | 33,431 | 28,680 | 4,751 | 16.6% | 15,476 | 86.2% |
| Pre-Booked Parking | 823 | 5,415 | 5,334 | 6,600 | (1,266) | -19.2% | (80) | -1.5% |
| Premier Corporate Parking | 363 | 0 | 0 | 0 | 0 | 0.0% | 0 | 0.0% |
| Kontrol Kards/AVI Tags/Permits | 8 | 5 | 5 | 0 | 5 | 0.0% | (0) | -3.4% |
| Other Garage Revenue | | | | | | | | |
| Passport Parking Program | 1,594 | 1,193 | 2,019 | 1,365 | 654 | 47.9% | 826 | 69.2% |
| Total Parking Revenue | 19,310 | 24,568 | 40,790 | 36,645 | 4,145 | 11.3% | 16,221 | 66.0% |
| Badge Fees | 3 | 0 | 0 | 0 | 0 | 0.0% | 0 | 0.0% |
| Concession Rent - Doug Fox | 688 | 969 | 1,052 | 1,498 | (446) | -29.8% | 83 | 8.6% |
| Total Operating Revenues | 20,001 | 25,537 | 41,842 | 38,143 | 3,699 | 9.7% | 16,304 | 63.8% |
| | | | | | | | | |
| O&D Enplanements | 3,662 | 4,758 | 7,036 | 7,920 | (884) | -11.2% | 2,278 | 47.9% |

2022 YTD Actuals vs. 2022 Budget

Increased parking rates in effect 4/1.

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. Pre-Booked parking has faced limited quotas as garage capacity issues have continued.

Passport program – this monthly parking program is seeing higher than budgeted revenue mostly due to the increased monthly rate.

Public Parking – YTD Revenue Metrics

| Revenue Summary (in \$000s) <i>O&D Enplanements,</i> | 2020 YTD | 2021 YTD | 2022 YTD | 2022 YTD | Fav/(UnFav) Budget Variance | | Inc/(Dec) from Prior Year Actuals | |
|---|----------------|----------------|----------------|----------------|-----------------------------|--------------|-----------------------------------|--------------|
| | Actual | Actual | Actual | Budget | \$ Var | % Var | \$ Change | % Change |
| Total Enplanements | 5,557 | 7,122 | 10,347 | 11,156 | (808) | -7.2% | 3,225 | 45.3% |
| O&D % | 65.9% | 66.8% | 68.0% | 71.0% | -3% | -4.2% | 1.20% | 1.8% |
| O&D Enplanements | 3,662 | 4,758 | 7,036 | 7,920 | (884) | -11.2% | 2,278 | 47.9% |
| Revenue per O&D Enplanement | | | | | | | | |
| General Parking/Terminal Direct | \$ 4.51 | \$ 3.77 | \$ 4.75 | \$ 3.62 | \$ 1.13 | 31.2% | \$ 0.98 | 25.9% |
| Pre-Booked Parking | \$ 0.22 | \$ 1.14 | \$ 0.76 | \$ 0.83 | \$ (0.08) | -9.0% | \$ (0.38) | -33.4% |
| Passport Parking Program | \$ 0.44 | \$ 0.25 | \$ 0.29 | \$ 0.17 | \$ 0.11 | 66.5% | \$ 0.04 | 14.4% |
| Garage Revenue per O&D Enplanement | \$ 5.27 | \$ 5.16 | \$ 5.80 | \$ 4.63 | \$ 1.17 | 25.3% | \$ 0.63 | 12.3% |
| Concession Rent - Doug Fox | \$ 0.19 | \$ 0.20 | \$ 0.15 | \$ 0.19 | \$ (0.04) | -21.0% | \$ (0.05) | -26.6% |
| Total Parking per O&D Enplanement | \$ 5.46 | \$ 5.37 | \$ 5.95 | \$ 4.82 | \$ 1.13 | 23.5% | \$ 0.58 | 10.8% |

Public Parking Key Metrics – 2022 YTD Actuals vs. 2022 Budget:

- **General Garage Parking (includes pre-booking)** – revenue per enplanement has remained strong, and continues to outperform budget, which indicates passenger preference for close in self-parking
- **Passport parking programs** – metric increase compared to 2022 budget reflects continued demand from airport tenant employees who continue to utilize due to preference for close in self-parking

Public Parking – YE Revenue

Passenger Volume forecasted to be up 29.5% compared to prior year

O&D Passenger Volume forecasted to be up 31.8% compared to prior year

| Revenue Summary (in \$000s) <i>Org(s): 3420-Public Parking, Class: Top Level</i> | 2020 | 2021 | 2022 | 2022 | Fav/(UnFav) Budget Variance | | Inc/(Dec) from Prior Year Actuals | |
|---|---------------|---------------|---------------|---------------|-----------------------------|--------------|-----------------------------------|--------------|
| | Actual | Actual | Forecast | Budget | \$ Var | % Var | \$ Change | % Change |
| Parking Garage Revenue | | | | | | | | |
| General Parking/Terminal Direct | 27,157 | 47,994 | 76,598 | 61,759 | 14,839 | 24.0% | 28,604 | 59.6% |
| Pre-Booked Parking | 2,935 | 11,268 | 11,239 | 13,200 | (1,961) | -14.9% | (29) | -0.3% |
| Premier Corporate Parking | 449 | 0 | 0 | 0 | 0 | 0.0% | 0 | 0.0% |
| Kontrol Kards/AVI Tags/Permits | 16 | 9 | 5 | 0 | 5 | 0.0% | (4) | -41.2% |
| Other Garage Revenue | | | | | | | | |
| Passport Parking Program | 2,738 | 2,758 | 4,104 | 2,910 | 1,194 | 41.0% | 1,346 | 48.8% |
| Total Parking Revenue | 33,294 | 62,029 | 91,945 | 77,869 | 14,076 | 18.1% | 29,917 | 48.2% |
| Badge Fees | 3 | 0 | 0 | 0 | 0 | 0.0% | 0 | 0.0% |
| Concession Rent - Doug Fox | 1,204 | 2,612 | 2,732 | 3,159 | (427) | -13.5% | 120 | 4.6% |
| Other Service Revenues | 1 | 1 | 0 | 0 | 0 | 0.0% | (0) | -56.0% |
| Total Operating Revenues | 34,502 | 64,642 | 94,678 | 81,028 | 13,650 | 16.8% | 30,036 | 46.5% |

2022 Forecast vs. 2021 Actuals

General/Terminal Direct Parking – Forecast \$14.84M, or 24.0% favorable

Strong customer preference towards parking and increased rate (effective 4/1) driving revenue.

Pre-Booked Parking – Forecast (\$1.96M), or -14.9% unfavorable

Limited stall quotas as garage capacity issues have continued (garage fire, NEPL overflow, etc.)

Passport Parking – Forecast \$1.19M, or 41.0% favorable

Continued utilization by tenants, rate increase driving revenue increase.

Public Parking – YE Revenue Metrics

| Revenue Summary (in \$000s) | 2020 YTD | 2021 YTD | 2022 YTD | 2022 YTD | Fav/(UnFav) Budget Variance | | Inc/(Dec) from Prior Year Actuals | |
|---|----------------|----------------|----------------|----------------|-----------------------------|--------------|-----------------------------------|--------------|
| | Actual | Actual | Actual | Budget | \$ Var | % Var | \$ Change | % Change |
| Total Enplanements | 10,037 | 18,039 | 23,324 | 24,259 | 0 | 0.0% | 0 | 0.0% |
| O&D % | 65.9% | 66.8% | 68.0% | 71.0% | -3.0% | -4.2% | 1.2% | 1.8% |
| O&D Enplanements | 6,614 | 12,988 | 15,861 | 17,224 | (1,363) | -7.9% | 2,873 | 22.1% |
| Revenue per O&D Enplanement | | | | | | | | |
| General Parking/Terminal Direct | \$ 4.11 | \$ 3.70 | \$ 4.83 | \$ 3.59 | \$ 1.24 | 34.7% | \$ 1.13 | 30.7% |
| Pre-Booked Parking | \$ 0.44 | \$ 0.87 | \$ 0.71 | \$ 0.77 | \$ (0.06) | -7.5% | \$ (0.16) | -18.3% |
| Total Garage Revenue | \$ 4.62 | \$ 4.56 | \$ 5.54 | \$ 4.35 | \$ 1.19 | 27.3% | \$ 0.97 | 21.4% |
| Passport Parking Program | \$ 0.41 | \$ 0.21 | \$ 0.26 | \$ 0.17 | \$ 0.09 | 53.1% | \$ 0.05 | 21.8% |
| Garage Revenue per O&D Enplanement | | | | | | | | |
| Concession Rent - Doug Fox | \$ 0.18 | \$ 0.20 | \$ 0.17 | \$ 0.18 | \$ (0.01) | -6.1% | \$ (0.03) | -14.4% |
| Total Parking per O&D Enplanement | \$ 5.22 | \$ 4.98 | \$ 5.97 | \$ 4.70 | \$ 1.26 | 26.9% | \$ 0.99 | 19.9% |

Public Parking Key Metrics – 2022 Forecast vs. 2021 Actuals:

- Same messages as prior slide apply
 - 4/1 rate increase in effect (Terminal Direct, General, Passport Parking)
 - Continued customer preference toward parking

Rental Cars – YTD Revenue

| Revenue Summary (in \$000s) <i>Org(s): 3430-Rental Cars, Class: Top Level</i> | 2020 YTD | 2021 YTD | 2022 YTD | 2022 YTD | Fav/(UnFav) Budget Variance | | Inc/(Dec) from Prior Year Actuals | |
|--|--------------|---------------|---------------|---------------|-----------------------------|---------------|-----------------------------------|--------------|
| | Actual | Actual | Actual | Budget | \$ Var | % Var | \$ Change | % Change |
| Total Enplanements | 5,557 | 7,122 | 10,347 | 11,156 | (808) | -7.2% | 3,225 | 45.3% |
| O&D % | 65.9% | 66.8% | 68.0% | 71.0% | -3.00% | -4.2% | 1.20% | 1.8% |
| O&D Enplanements | 3,662 | 4,758 | 7,036 | 7,920 | (884) | -11.2% | 2,278 | 47.9% |
| Gross Sales by Operators | 56,462 | 100,110 | 154,225 | 146,890 | 7,336 | 5.0% | 54,116 | 54.1% |
| Total Transactions | 272 | 312 | 457 | 554 | (97) | -17.6% | 145 | 46.4% |
| Transactions/O&D Enplanement | 7.42% | 6.56% | 6.49% | 7.00% | -0.50% | -7.2% | -0.07% | -1.0% |
| Average Ticket | \$ 207.76 | \$ 320.74 | \$ 337.53 | \$ 265.00 | 73 | 27.4% | 17 | 5.2% |
| Average Length of Stay | 4.55 | 4.87 | 4.63 | 4.80 | (0.17) | -3.5% | (0.24) | -5.0% |
| <u>CFC Revenue Summary</u> | | | | | | | | |
| Transaction Days | 1,237 | 1,521 | 2,115 | 2,661 | (545) | -20.5% | 595 | 39.1% |
| CFC Rate/Transaction Day | 6.00 | 6.50 | 7.00 | 7.00 | 0 | 0.0% | 0.50 | 7.7% |
| CFC Revenue Earned | 7,424 | 9,884 | 14,807 | 18,624 | (3,816) | -20.5% | 4,923 | 49.8% |
| Debt Service Reserve Requirement | (12,009) | (12,137) | (12,205) | (12,205) | 0 | 0.0% | (69) | 0.6% |
| Residual - Calculated CFC Operating Revenue | 0 | 0 | 2,602 | 6,418 | (3,816) | -59.5% | 2,602 | 0.0% |
| Operating Revenue | | | | | | | | |
| Land Rental | 1,936 | 1,983 | 2,017 | 1,985 | 32 | 1.6% | 34 | 1.7% |
| Space Rental | 6 | 3 | 3 | 3 | 0 | 0.2% | 0 | 0.0% |
| RCF Concession Revenue | 5,606 | 9,468 | 14,740 | 14,689 | 51 | 0.3% | 5,272 | 55.7% |
| Other Service Revenues | 43 | 43 | 43 | 43 | (0) | -0.5% | 0 | 0.0% |
| CFC Operating Revenue | 0 | 0 | 0 | 6,418 | (6,418) | -100.0% | 0 | 0.0% |
| Total Operating Revenues | 7,591 | 11,497 | 16,803 | 23,139 | (6,336) | -27.4% | 5,306 | 46.1% |

2022 YTD vs. 2022 Budget

Rental Car Concession Revenue

Strong passenger demand for rental cars has driven up the rental rate, while the level of transactions remains low. Ultimately, higher ticket prices are leading to higher than budgeted RCF Concession Revenues

CFC Operating Revenue - CFC collections are lower than expected in the budget due to lower than budgeted transaction days. CFC Operating Revenue is a residual (only after covering current year debt service) and is expected to increase as the year progresses.

Rental Cars – YE Revenue

| Revenue Summary (in \$000s) | 2020 | 2021 | 2022 | 2022 | Fav/(UnFav) Budget Variance | | Inc/(Dec) from Prior Year Actuals | |
|---|---------------|---------------|-----------------|---------------|-----------------------------|--------------|-----------------------------------|-----------------|
| <i>Org(s): 3430-Rental Cars, Class: Top Level</i> | Actual | Actual | Forecast | Budget | \$ Var | % Var | \$ Change | % Change |
| Total Enplanements | 10,037 | 18,039 | 23,324 | 24,259 | (934) | -3.9% | 5,286 | 29.3% |
| O&D % | 65.9% | 66.8% | 68.0% | 71.0% | -3.0% | -4.2% | 1.2% | 1.8% |
| O&D Enplanements | 6,614 | 12,988 | 15,861 | 17,224 | (1,363) | -7.9% | 2,873 | 22.1% |
| Gross Sales by Operators | 122,372 | 303,133 | 382,647 | 319,590 | 63,057 | 19.7% | 79,514 | 26.2% |
| Total Transactions | 519 | 826 | 1,051 | 1,206 | (155) | -12.9% | 225 | 27.2% |
| Transactions/O&D Enplanement | 7.85% | 6.36% | 6.63% | 7.00% | -0.38% | -5.4% | 0.26% | 4.2% |
| Average Ticket | \$ 235.57 | \$ 366.87 | \$ 364.11 | \$ 265.00 | \$ 99.11 | 37.4% | \$ (2.77) | -0.8% |
| Transaction Days | 2,560 | 4,050 | 4,935 | 5,789 | (854) | -14.8% | 885 | 21.8% |
| Average Length of Stay | 4.93 | 4.90 | 4.70 | 4.80 | (0.10) | -2.2% | (0.21) | -4.2% |
| CFC Rate/Transaction Day | \$ 6.00 | \$ 6.50 | \$ 7.00 | \$ 7.00 | \$ - | 0.0% | \$ 0.50 | 7.7% |
| Land Rental | 3,996 | 4,006 | 4,033 | 3,975 | 58 | 1.5% | 27 | 0.7% |
| Space Rental | 23 | 8 | 7 | 7 | 0 | 0.4% | (1) | -15.1% |
| RCF Concession Revenue | 12,531 | 28,623 | 37,942 | 31,958 | 5,984 | 18.7% | 9,320 | 32.6% |
| Other Service Revenues | 86 | 86 | 86 | 86 | (0) | -0.5% | 0 | 0.0% |
| CFC Operating Revenue | 0 | 2,018 | 11,550 | 16,112 | (4,562) | -28.3% | 9,532 | 472.4% |
| Total Operating Revenues | 16,637 | 34,740 | 53,618 | 52,138 | 1,480 | 2.8% | 18,878 | 54.3% |

2022 Forecast vs. 2021 Actuals

RCF Concession Revenue – Forecast \$5.98M, or 18.7% favorable

High rental rates persist as operators continue to deal with fleet variability. Although transactions remain low, RCF Concession Revenue will be driven by high ticket prices.

CFC Operating Revenue – Forecast (\$4.56M), or -28.3% unfavorable

Similar messages to previous slide apply. Shorter average length of stay bringing CFC operating revenue down.

Ground Transportation – YTD Revenue

YTD Passenger Volume are up 45.8% compared to prior year

YTD O&D Passenger Volume up 48.4% compared to prior year

| Revenue Summary (in \$000s) | 2020 YTD | 2021 YTD | 2022 YTD | 2022 YTD | Fav/(UnFav) Budget Variance | | Inc/(Dec) from Prior Year Actuals | |
|--|--------------|--------------|--------------|--------------|-----------------------------|--------------|-----------------------------------|---------------|
| Org(s): 3450-Ground Transportation, Class: Top Level | Actual | Actual | Actual | Budget | \$ Var | % Var | \$ Change | % Change |
| Operating Revenue | | | | | | | | |
| Space Rental | 21 | 2 | 2 | 2 | (0) | 0.0% | (1) | -30.9% |
| On Demand Taxis | 632 | 476 | 1,225 | 951 | 274 | 28.9% | 749 | 157.1% |
| Charter Buses | 21 | 13 | 79 | 158 | (80) | -50.2% | 66 | 520.2% |
| Prearranged Limos/For Hire Veh | 95 | 142 | 142 | 152 | (10) | -6.4% | 0 | 0.1% |
| TNC For Hire Vehicles | 2,765 | 2,707 | 6,789 | 5,747 | 1,042 | 18.1% | 4,082 | 150.8% |
| Airporters | 13 | 23 | 19 | 22 | (3) | -13.2% | (3) | -15.0% |
| Courtesy Cars | 493 | 802 | 900 | 989 | (89) | -9.0% | 98 | 12.2% |
| Shared Ride Vans | 8 | 0 | 10 | 26 | (15) | -59.5% | 10 | 0.0% |
| Belled-In Taxis | 12 | 9 | 9 | 7 | 2 | 24.6% | (0) | -4.2% |
| On Demand Limos | 259 | 0 | 0 | 0 | 0 | 0.0% | 0 | 0.0% |
| Parcel Carriers (Landside) | 4 | 2 | 24 | 25 | (1) | -5.6% | 22 | 1114.3% |
| Airport Transportation Fees | 4,303 | 4,174 | 9,198 | 8,078 | 1,120 | 13.9% | 5,023 | 120.3% |
| Other Service Revenues | 50 | 32 | 27 | 50 | (23) | -46.8% | (5) | -16.1% |
| Total Operating Revenues | 4,374 | 4,208 | 9,226 | 8,129 | 1,097 | 13.5% | 5,018 | 119.2% |

2022 YTD vs. 2022 Budget

TNC & Taxi driving revenue as pandemic recovery continues.

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

All other GT operators impacted by the pandemic to varying degrees.

Ground Transportation – YTD Trips

YTD Passenger Volume are up 45.8% compared to prior year
YTD O&D Passenger Volume up 48.4% compared to prior year

| GT Trip Activity & Metrics in 000's | 2020 YTD | 2021 YTD | 2022 YTD | 2022 YTD | Fav/(UnFav) Budget Variance | | Inc/(Dec) from Prior Year Actuals | |
|--|--------------|--------------|--------------|--------------|-----------------------------|---------------|-----------------------------------|---------------|
| | Actual | Actual | Actual | Budget | Var | % Var | Change | % Change |
| Ground Transportation Trips | | | | | | | | |
| TNC Drop-offs | - | 378 | 833 | 706 | 127 | 18.0% | 455 | 120.3% |
| TNC Pick-ups | - | 328 | 736 | 571 | 165 | 28.8% | 408 | 124.6% |
| TNC Total | 461 | 706 | 1,569 | 1,278 | 291 | 22.8% | 863 | 122.3% |
| On Demand Taxis | 110 | 82 | 209 | 133 | 76 | 57.0% | 128 | 156.4% |
| On Demand Limos | 12 | - | - | - | - | 0.0% | - | 0.0% |
| Belled In Taxis (Annual Permit) | 1 | 1 | 2 | 2 | (0) | -24.4% | 0.3 | 23.1% |
| Pre-Arranged Limos (Annual Permit) | 63 | 39 | 94 | 63 | 32 | 50.7% | 56 | 143.9% |
| Courtesy Cars (cost recovery) | 296 | 318 | 453 | 373 | 80 | 21.4% | 134 | 42.2% |
| All other Operators (cost recovery) | 33 | 22 | 35 | 119 | (83) | -70.2% | 13 | 59.2% |
| Total GT Trip Activity | 976 | 1,168 | 2,362 | 1,967 | 395 | 20.1% | 1,194 | 102.3% |
| Total Enplanements | 5,557 | 7,122 | 10,347 | 11,156 | (808) | -7.2% | 3225 | 45.3% |
| O&D % | 66% | 66.8% | 68% | 71% | -3.0% | -4.2% | 1.2% | 1.8% |
| O&D Enplanements | 3,662 | 4,758 | 7,036 | 7,920 | (884) | -11.2% | 2278 | 47.9% |
| Trips per O&D Enplanement | | | | | | | | |
| TNC Drop-offs | 0.0% | 7.9% | 11.8% | 8.9% | 2.9% | 32.8% | 3.9% | 49.0% |
| TNC Pick-ups | 0.0% | 6.9% | 10.5% | 7.2% | 3.2% | 45.0% | 3.6% | 51.9% |
| TNC Total | 12.6% | 14.8% | 22.3% | 16.1% | 6.2% | 38.3% | 7.5% | 50.3% |
| Taxi | 3.0% | 1.7% | 3.0% | 1.7% | 1.3% | 76.8% | 1.3% | 73.3% |
| All other | 11.0% | 8.0% | 8.3% | 7.0% | 1.3% | 18.1% | 0.3% | 3.8% |
| Total Trips per O&D Enplanement | 26.6% | 24.5% | 33.6% | 24.8% | 8.7% | 35.2% | 9.0% | 36.8% |

2022 YTD vs. 2022 Budget

TNC & Taxi driving revenue as pandemic recovery continues.

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

All other GT operators impacted by the pandemic to varying degrees.

Ground Transportation – YE Revenue

Passenger Volume forecasted to be up 29.5% compared to prior year
O&D Passenger Volume forecasted to be up 31.8% compared to prior year

| Revenue Summary (in \$000s) | 2020 | 2021 | 2022 | 2022 | Fav/(UnFav) Budget Variance | | Inc/(Dec) from Prior Year Actuals | |
|---|--------------|---------------|---------------|---------------|-----------------------------|--------------|-----------------------------------|--------------|
| <i>Org(s): 3450-Ground Transportation, Class: Top Level</i> | | | | | | | | |
| | Actual | Actual | Forecast | Budget | \$ Var | % Var | \$ Change | % Change |
| Operating Revenue | | | | | | | | |
| Space Rental | 37 | (11) | 3 | 3 | (0) | 0.0% | 14 | -130.3% |
| On Demand Taxis | 857 | 1,588 | 2,764 | 2,067 | 697 | 33.7% | 1,176 | 74.0% |
| Charter Buses | 27 | 49 | 101 | 317 | (215) | -68.1% | 52 | 107.2% |
| Prearranged Limos/For Hire Veh | 209 | 301 | 290 | 304 | (14) | -4.6% | (11) | -3.6% |
| TNC For Hire Vehicles | 4,032 | 7,986 | 16,318 | 13,312 | 3,005 | 22.6% | 8,332 | 104.3% |
| Airporters | 22 | 36 | 41 | 44 | (3) | -7.3% | 5 | 13.8% |
| Courtesy Cars | 877 | 1,879 | 1,988 | 1,979 | 9 | 0.5% | 110 | 5.8% |
| Shared Ride Vans | 8 | 17 | 34 | 51 | (17) | -33.3% | 18 | 105.7% |
| Belled-In Taxis | 12 | 10 | 17 | 15 | 2 | 17.0% | 7 | 75.6% |
| On Demand Limos | 371 | 0 | 0 | 0 | 0 | 0.0% | 0 | 0.0% |
| Parcel Carriers (Landside) | 29 | 25 | 53 | 50 | 3 | 5.6% | 28 | 114.3% |
| Airport Transportation Fees | 6,445 | 11,889 | 21,606 | 18,139 | 3,467 | 19.1% | 9,717 | 81.7% |
| Other Service Revenues | 76 | 68 | 77 | 100 | (23) | -22.8% | 9 | 12.8% |
| Total Operating Revenues | 6,557 | 11,947 | 21,686 | 18,242 | 3,444 | 18.9% | 9,739 | 81.5% |

2022 Forecast vs. 2021 Actuals

Total Ground Transportation:
Forecast \$3.44M, or 18.9% favorable

Major Revenue Drivers

TNC's - Forecast \$3.01M, or 22.6% favorable

On Demand Taxis – Forecast \$687k, or 33.7% favorable

Ground Transportation – YE Trips

| GT Trip Activity & Metrics in 000's | 2020 YE | 2021 YE | 2022 YE | 2022 YE | Fav/(UnFav) Budget Variance | | Inc/(Dec) from Prior Year Actuals | |
|--|--------------|---------------|---------------|---------------|--------------------------------|---------------|--------------------------------------|---------------|
| | Actual | Actual | Forecast | Budget | Var | % Var | Change | % Change |
| Ground Transportation Trips | | | | | | | | |
| TNC Drop-offs | - | 957 | 1,743 | 1,656 | 87 | 5.2% | 786 | 82.2% |
| TNC Pick-ups | - | 1,154 | 1,644 | 1,357 | 287 | 21.1% | 489 | 42.4% |
| TNC Total | 672 | 2,111 | 3,387 | 3,014 | 373 | 12.4% | 1,276 | 60.4% |
| On Demand Taxis | 150 | 272 | 431 | 344 | 86 | 25.0% | 158 | 58.2% |
| On Demand Limos | 12 | - | - | - | - | 0.0% | - | 0.0% |
| Belled In Taxis (Annual Permit) | 2.0 | 3 | 4 | 4 | - | 0.0% | 0.9 | 30.1% |
| Pre-Arranged Limos (Annual Permit) | 87 | 118 | 180 | 125 | 55 | 44.0% | 62 | 53.0% |
| Courtesy Cars (cost recovery) | 524 | 315 | 947 | 847 | 100 | 11.8% | 632 | 200.5% |
| All other Operators (cost recovery) | 51 | 484 | 85 | 284 | (199) | -70.2% | (399) | -82.5% |
| Total GT Trip Activity | 1,497 | 3,302 | 5,033 | 4,618 | 415 | 9.0% | 1,730 | 52.4% |
| Total Enplanements | 10,037 | 18,039 | 23,324 | 24,259 | (934) | -3.9% | 5286 | 29.3% |
| O&D % | 65.9% | 66.8% | 68% | 71% | -3.0% | -4.2% | 1.2% | 1.8% |
| O&D Enplanements | 6,614 | 12,050 | 15,861 | 17,224 | (1,363) | -7.9% | 3811 | 31.6% |
| Trips per O&D Enplanement | | | | | | | | |
| TNC Drop-offs | 0.0% | 7.9% | 11.0% | 9.6% | 1.4% | 14.3% | 3.1% | 38.4% |
| TNC Pick-ups | 0.0% | 9.6% | 10.4% | 7.9% | 2.5% | 31.5% | 0.8% | 8.2% |
| TNC Total | 10.2% | 17.5% | 21.4% | 17.5% | 3.9% | 22.0% | 3.8% | 21.9% |
| Taxi | 2.3% | 2.3% | 2.7% | 2.0% | 0.7% | 35.7% | 0.5% | 20.2% |
| All other | 10.2% | 7.6% | 7.7% | 7.3% | 0.3% | 4.8% | 0.0% | 0.4% |
| Total Trips per O&D Enplanement | 22.6% | 27.4% | 31.7% | 26.8% | 4.9% | 18.4% | 4.3% | 15.8% |

2022 Forecast vs. 2021 Actuals

GT Trip Activity

Similar messages from prior slides apply.

TNC's/On Demand Taxi – High trip numbers as customers return to TNC's and taxis as a preferred method of transportation.

2022 Capital Expenditures

| \$ in 000's | 2022 YTD Actual | 2022 Year-End Forecast | 2022 Budget | 2022 POF | Bud vs. Fcst | |
|--|-----------------------|------------------------------|----------------|----------------|----------------|--------------|
| | | | | | \$ | % |
| North MT Redevelopment ⁽¹⁾ | 13,729 | 59,089 | 97,849 | 38,575 | 38,760 | 39.6% |
| C Concourse Expansion ⁽²⁾ | 5,321 | 9,815 | 31,576 | 50,155 | 21,760 | 68.9% |
| Checkpoint 1 Relocation ⁽³⁾ | 442 | 2,398 | 14,122 | 20,388 | 11,724 | 83.0% |
| Concourse A Expansion ⁽⁴⁾ | 2,371 | 8,635 | 17,138 | 13,986 | 8,503 | 49.6% |
| Upgrades STS Train Control ⁽⁵⁾ | 669 | 9,027 | 17,278 | 15,117 | 8,251 | 47.8% |
| NS NSAT Renov NSTS Lobbies ⁽⁶⁾ | 4,051 | 11,662 | 19,270 | 27,347 | 7,608 | 39.5% |
| SSAT Infrastructure HVAC ⁽⁷⁾ | 602 | 1,246 | 7,719 | 6,077 | 6,473 | 83.9% |
| Apartment Sound Insulation ⁽⁸⁾ | 96 | 2,036 | 6,270 | 4,656 | 4,234 | 67.5% |
| Conc HVAC renewal & replace ⁽⁹⁾ | - | 131 | 4,326 | 2,537 | 4,196 | 97.0% |
| International Arrivals Fac-IAF ⁽¹⁰⁾ | 7,719 | 20,452 | 16,700 | 20,509 | (3,752) | -22.5% |
| GSE Electrical Chrg Stations ⁽¹¹⁾ | 3,095 | 5,724 | 9,209 | 9,411 | 3,485 | 37.8% |
| All Other | 95,330 | 316,078 | 353,884 | 401,864 | 37,805 | 10.7% |
| Subtotal | 133,425 | 446,294 | 595,341 | 610,622 | 149,047 | 25.0% |
| CIP Cashflow Mgmt Reserve | - | (39,314) | (67,424) | (95,810) | (28,110) | 41.7% |
| Total Spending | 133,425 | 406,980 | 527,917 | 514,812 | 120,937 | 22.9% |

(1) Start of Phase A construction has been delayed approximately 6 months pending design evaluations and final decisions for revising key elements of the Program scope requested by Alaska Airlines that deviates from the original PDD

(2) Underspending because the baseline was overloaded due to the incorrect cost loading of the schedule

(3) Construction start delayed, due to longer than anticipated design development to address progress set comments, supply chain issues with prototypes, and design team member turnover.

(4) 2022 Plan based off of estimate of receiving/payment of TRA submittals. Construction start delays with Delta.

(5) 6 month delay in negotiating Goods-Services Contract w/STS Manufacturer

(6) Q2 2022 actuals came around \$1M less than forecasted due to Hensel Phelps "credit" for Asbestos Abatement invoices after the final audit, and underruns in Port Staff and Jacobs level of effort (LOE)

(7) Design delays have caused underspending

(8) Design was pushed out by 4 months. And, received firm projection on cost for rest of year and it was less than projected previously.

(9) Continued delay in getting PM onboard delaying project initiation

(10) Flood costs and pending claim action infuse significant volatility into cash flow forecasts

(11) Contract for Phase 2B came under Engineer's estimate

Maritime Division Appendix

2022 Q2 Financial Performance Report

Maritime 2022 Q2 Financial Summary

| | 2020 YTD | 2021 YTD | 2022 YTD | 2022 YTD | Fav (UnFav) Actual vs. Budget Variance | | Incr (Decr) Change from 2021 | |
|---|-----------------|-----------------|----------------|----------------|--|-------------|---------------------------------|-------------|
| \$ in 000's | Actual | Actual | Actual | Budget | \$ | % | \$ | % |
| Ship Canal Fishing & Operations | 2,182 | 2,134 | 2,328 | 2,198 | 131 | 6% | 195 | 9% |
| Elliott Bay Fishing & Commercial Operations | 2,908 | 2,635 | 2,638 | 2,304 | 335 | 15% | 4 | 0% |
| Recreational Boating | 6,211 | 6,330 | 6,914 | 6,811 | 103 | 2% | 584 | 9% |
| Cruise | 133 | 61 | 11,258 | 8,391 | 2,867 | 34% | 11,197 | 18467% |
| Grain | 2,005 | 3,433 | 3,405 | 3,271 | 134 | 4% | (28) | -1% |
| Maritime Portfolio Management | 4,884 | 4,914 | 5,237 | 5,027 | 211 | 4% | 324 | 7% |
| Other | 15 | 1 | 7 | 10 | (2) | NA | 6 | 460% |
| Total Revenue | 18,338 | 19,507 | 31,788 | 28,010 | 3,778 | 13% | 12,281 | 63% |
| Expenses | | | | | | | | |
| Maritime (Excl. Maint) | 6,869 | 7,031 | 9,019 | 8,043 | (976) | -12% | 1,987 | 28% |
| Economic Development | 2,325 | 2,135 | 2,864 | 3,146 | 282 | 9% | 729 | 34% |
| Total Direct | 9,194 | 9,166 | 11,882 | 11,188 | (694) | -6% | 2,716 | 30% |
| Maintenance Expenses | 4,879 | 5,093 | 6,387 | 6,773 | 385 | 6% | 1,294 | 25% |
| Envir Services & Planning | 1,226 | 785 | 757 | 1,269 | 512 | 40% | (28) | -4% |
| Seaport Finance & Cost Recovery | 457 | 513 | 473 | 539 | 66 | 12% | (39) | -8% |
| Seaport Project Management | 188 | 193 | 445 | 343 | (102) | -30% | 252 | 131% |
| Total Support Services | 6,751 | 6,584 | 8,062 | 8,924 | 861 | 10% | 1,478 | 22% |
| IT | 1,393 | 1,335 | 1,526 | 1,642 | 116 | 7% | 192 | 14% |
| Police Expenses | 1,569 | 1,477 | 1,577 | 1,836 | 259 | 14% | 99 | 7% |
| External Relations | 615 | 571 | 743 | 831 | 88 | 11% | 172 | 30% |
| Other Central Services | 2,652 | 3,277 | 4,080 | 3,893 | (188) | -5% | 803 | 24% |
| Aviation Division / Other | 137 | 170 | 179 | 142 | (37) | -26% | 9 | 5% |
| Total Central Services / Other | 6,367 | 6,830 | 8,105 | 8,343 | 238 | 3% | 1,275 | 19% |
| Total Expense | 22,311 | 22,581 | 28,050 | 28,455 | 406 | 1% | 5,469 | 24% |
| NOI Before Depreciation | (3,973) | (3,074) | 3,738 | (446) | 4,183 | 939% | 6,812 | 222% |
| Depreciation | 8,781 | 8,881 | 8,952 | 8,440 | (511) | -6% | 71 | 1% |
| NOI After Depreciation | (12,754) | (11,955) | (5,214) | (8,886) | 3,672 | 41% | 6,741 | 56% |

Variance from Budget

- Revenue \$3.8M favorable:
 - Ship Canal – Increase occupancy.
 - Elliott Bay Fishing & Commercial – higher volumes, early return of fishing fleet
 - Recreational Boating – Higher occupancy and increased utilities.
 - Cruise – More sailings.
 - Grain – Higher volumes.
- Operating exp. \$.4M favorable:
 - Direct – Payroll savings offset by Capital to Expense at Fishermen's Terminal.
 - Support Services – Open FTEs & project delays.

Maritime 2022 Financial Forecast

| | 2020 | 2021 | 2022 | 2022 | Fav (UnFav) | | Incr (Decr) | |
|--|-----------------|-----------------|----------------|-----------------|-------------------|-------------|------------------|-------------|
| | Actual | Actual | Forecast | Budget | Actual vs. Budget | | Change from 2021 | |
| \$ in 000's | | | | | \$ | % | \$ | % |
| Ship Canal Fishing & Operations | 4,704 | 4,240 | 4,361 | 4,211 | 150 | 4% | 121 | 3% |
| Elliott Bay Fishing & Commercial Operations | 5,752 | 5,618 | 5,017 | 4,717 | 300 | 6% | (601) | -11% |
| Recreational Boating | 12,611 | 12,851 | 13,831 | 13,731 | 100 | 1% | 980 | 8% |
| Cruise | 3,824 | 9,517 | 29,074 | 20,574 | 8,500 | 41% | 19,557 | 205% |
| Grain | 5,142 | 6,112 | 6,050 | 5,900 | 150 | 3% | (62) | -1% |
| Maritime Portfolio Management | 10,074 | 10,392 | 10,186 | 9,986 | 200 | 2% | (207) | -2% |
| Other | 4 | 7 | 19 | 19 | 0 | NA | 12 | 164% |
| <i>Pension Revenue Adjustment</i> | <i>0</i> | <i>(408)</i> | <i>0</i> | <i>0</i> | <i>0</i> | <i>NA</i> | <i>408</i> | <i>NA</i> |
| Total Revenue | 42,111 | 48,331 | 68,537 | 59,137 | 9,400 | 16% | 20,207 | 42% |
| Expenses | | | | | | | | |
| Maritime (Excl. Maint) | 16,676 | 13,951 | 17,872 | 16,022 | (1,850) | -12% | 3,921 | 28% |
| Economic Development | 4,549 | 4,559 | 5,865 | 6,065 | 200 | 3% | 1,306 | 29% |
| Total Direct | 21,225 | 18,510 | 23,737 | 22,087 | (1,650) | -7% | 5,227 | 28% |
| Maintenance Expenses | 12,353 | 11,326 | 14,224 | 14,624 | 400 | 3% | 2,898 | 26% |
| Envir Services & Planning | 2,947 | 2,018 | 2,042 | 2,542 | 500 | 20% | 25 | 1% |
| Seaport Finance & Cost Recovery | 1,072 | 1,163 | 1,096 | 1,096 | 0 | 0% | (67) | -6% |
| Seaport Project Management | 1,144 | 342 | 712 | 712 | 0 | 0% | 370 | 108% |
| Total Support Services | 17,518 | 14,849 | 18,075 | 18,975 | 900 | 5% | 3,226 | 22% |
| IT | 2,888 | 2,695 | 3,310 | 3,349 | 39 | 1% | 616 | 23% |
| Police Expenses | 3,131 | 3,064 | 3,176 | 3,495 | 319 | 9% | 112 | 4% |
| External Relations | 1,242 | 1,222 | 1,302 | 1,654 | 352 | 21% | 80 | 7% |
| Other Central Services | 6,035 | 7,109 | 8,227 | 8,021 | (206) | -3% | 1,118 | 16% |
| Aviation Division / Other | 318 | 336 | 285 | 285 | 0 | 0% | (51) | -15% |
| Total Central Services / Other | 13,614 | 14,426 | 16,300 | 16,804 | 504 | 3% | 1,874 | 13% |
| Total Expense before Pension Adjustment | 52,357 | 47,784 | 58,111 | 57,865 | (246) | 0% | 10,327 | 22% |
| <i>Pension Expense Adjustment</i> | <i>(2,129)</i> | <i>(7,070)</i> | <i>0</i> | <i>0</i> | <i>0</i> | <i>NA</i> | <i>7,070</i> | <i>100%</i> |
| Total Expense | 50,228 | 40,714 | 58,111 | 57,865 | (246) | 0% | 17,397 | 43% |
| <i>NOI excluding Pension Adjustments</i> | <i>(10,246)</i> | <i>954</i> | <i>10,426</i> | <i>1,272</i> | <i>9,154</i> | <i>720%</i> | <i>9,472</i> | <i>993%</i> |
| NOI Before Depreciation | (8,117) | 7,616 | 10,426 | 1,272 | 9,154 | 720% | 2,810 | 37% |
| Depreciation | 17,624 | 17,718 | 17,510 | 17,510 | 0 | 0% | (208) | -1% |
| NOI After Depreciation | (25,741) | (10,101) | (7,084) | (16,238) | 9,154 | 56% | 3,018 | 30% |

Variance from Budget

- Revenue \$9.4M favorable:
 - Ship Canal Fishing / Elliott Bay Fishing & Commercial / Recreational Boating – increases based on YTD actual and anticipated strong occupancy rates.
 - Cruise – higher sailings than budgeted.
 - Grain – Higher Volumes.
 - Maritime Portfolio Management – Favorable lease agreements recently signed.
- Operating Expense \$1M unfavorable:
 - Direct – Capital to Expense \$1.2M for Fishermen's Terminal Gateway building and cruise volume related expenses.
 - Support Services – Open FTEs.

Cruise 2022 Financials

| | 2021 YTD | 2022 YTD | 2022 YTD | Fav (UnFav) | | Incr (Decr) | |
|----------------------------------|----------------|---------------|----------------|--------------|-------------|------------------|---------------|
| \$ in 000's | Actual | Actual | Budget | Budget | Variance | Change from 2021 | |
| | | | | \$ | % | \$ | % |
| T-91 & Bell St Cruise Operations | 20 | 11,116 | 8,360 | 2,757 | 33% | 11,097 | 56274% |
| Bell Street Vessel Operations | 41 | 142 | 31 | 111 | 357% | 101 | 246% |
| Total Revenue | 61 | 11,258 | 8,391 | 2,867 | 34% | 11,197 | 18467% |
| Expenses | | | | | | | |
| Maritime (Excl. Maint) | 2,001 | 2,287 | 2,913 | 626 | 21% | 286 | 14% |
| Economic Development | 138 | 211 | 174 | (38) | -22% | 73 | 53% |
| Total Direct | 2,139 | 2,499 | 3,087 | 588 | 19% | 359 | 17% |
| Maintenance Expenses | 1,095 | 1,111 | 1,245 | 135 | 11% | 16 | 1% |
| Envir Services & Planning | 123 | 196 | 224 | 28 | 13% | 73 | 59% |
| Seaport Finance & Cost Recovery | 120 | 112 | 126 | 14 | 11% | (7) | -6% |
| Seaport Project Management | 55 | 77 | 78 | 0 | 1% | 22 | 41% |
| Total Central Services / Other | 1,719 | 1,952 | 2,041 | 90 | 4% | 233 | 14% |
| Total Expense | 5,251 | 5,946 | 6,801 | 855 | 13% | 696 | 13% |
| NOI Before Depreciation | (5,190) | 5,312 | 1,589 | 3,722 | 234% | 10,502 | 202% |
| Depreciation | 2,994 | 2,992 | 2,898 | (94) | -3% | (2) | 0% |
| NOI After Depreciation | (8,184) | 2,320 | (1,309) | 3,629 | 277% | 10,503 | 128% |

Variance from Budget

- Revenue \$2.9M higher than budget due to more sailings than budgeted + unbudgeted lay-up berth dockage
- Direct expenses \$588K less than budget due to timing of Port Valet billing and Cruise Director vacancy in early 2022

Variance from 2021

- \$11.2M more in revenue because 2021 cruise season had less sailings and lower occupancies

Recreational Boating 2022 Financials

| | 2021 YTD | 2022 YTD | 2022 YTD | Fav (UnFav) | | Incr (Decr) | |
|--|----------------|----------------|----------------|-------------------|-------------|------------------|-------------|
| | | | | Actual vs. Budget | | Change from 2021 | |
| \$ in 000's | Actual | Actual | Budget | \$ | % | \$ | % |
| Berthage and Moorage & Concession Services | 5,787 | 6,340 | 6,235 | 106 | 2% | 553 | 10% |
| Utility Sales Revenue | 279 | 294 | 271 | 23 | 9% | 15 | 5% |
| Other Service Revenue | 218 | 229 | 256 | (26) | -10% | 11 | 5% |
| Other | 45 | 50 | 50 | 1 | 1% | 5 | 12% |
| Total Revenue | 6,330 | 6,914 | 6,811 | 103 | 2% | 584 | 9% |
| Expenses | | | | | | | |
| Maritime (excl Maint) | 2,449 | 2,296 | 2,584 | 288 | 11% | (153) | -6% |
| Economic Development | 162 | 141 | 157 | 16 | 10% | (21) | -13% |
| Total Direct | 2,611 | 2,437 | 2,741 | 304 | 11% | (173) | -7% |
| Maintenance Expenses | 1,102 | 1,903 | 1,589 | (314) | -20% | 801 | 73% |
| Envir Services & Planning | 185 | 118 | 188 | 70 | 37% | (68) | -36% |
| Seaport Finance & Cost Recovery | 117 | 110 | 124 | 14 | 11% | (7) | -6% |
| Seaport Project Management | 69 | 133 | 88 | (44) | -50% | 64 | 93% |
| Total Support Service | 1,473 | 2,263 | 1,989 | (274) | -14% | 790 | 54% |
| IT | 361 | 439 | 478 | 39 | 8% | 79 | 22% |
| Police Expenses | 364 | 388 | 452 | 64 | 14% | 24 | 7% |
| External Relations | 140 | 183 | 203 | 20 | 10% | 42 | 30% |
| Other Central Services | 786 | 997 | 954 | (43) | -5% | 211 | 27% |
| Aviation Division/Other | 38 | 41 | 32 | (9) | -27% | 3 | 8% |
| Total Central Services/Other | 1,688 | 2,048 | 2,118 | 70 | 3% | 360 | 21% |
| Total Expense | 5,772 | 6,748 | 6,849 | 100 | 1% | 976 | 17% |
| NOI Before Depreciation | 558 | 166 | (38) | (203) | 539% | (392) | -70% |
| Depreciation | 1,622 | 1,646 | 1,533 | (114) | -7% | 25 | 2% |
| NOI After Depreciation | (1,064) | (1,481) | (1,570) | 90 | -6% | (417) | 39% |

Variance from Budget

- Revenue \$103K favorable due to higher monthly moorage occupancy than expected at SBM
- Operation expenses ~\$100K favorable to budget related to \$304K favorable in direct charges and \$70K in Other central services through Corp allocation, these was partial offset by (\$274K) unfavorable in support services through Corp allocation.

Variance from 2021

- Revenue \$584K higher related to increasing occupancy rate at SBM, HIM, and BHM. Seattle Boat Show returned in 2022
- Operation expenses ~\$976K increase in 2022 due to \$801K increase in Maintenance expenses, \$211K increase in Central Services through Corp allocation; the increases was offset by \$173K decrease in Maritime (excluding Maintenance) expenses.

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

Ship Canal Fishing & Ops 2022 Financials

| | 2021 YTD | 2022 YTD | 2022 YTD | Fav (UnFav) | | Incr (Decr) | |
|--|----------------|----------------|----------------|-------------------|------------|------------------|------------|
| | | | | Actual vs. Budget | | Change from 2021 | |
| \$ in 000's | Actual | Actual | Budget | \$ | % | \$ | % |
| Berthage and Moorage & Concession Services | 1,840 | 2,053 | 1,985 | 68 | 3% | 213 | 12% |
| Space Rental | 104 | 79 | 86 | (6) | -8% | (25) | -24% |
| Utility Sales Revenue | 107 | 118 | 52 | 66 | 126% | 11 | 10% |
| Other | 83 | 78 | 75 | 3 | 4% | (4) | -5% |
| Total Revenue | 2,134 | 2,328 | 2,198 | 131 | 6% | 195 | 9% |
| Expenses | | | | | | | |
| Maritime (excl Maint) | 1,218 | 1,348 | 1,384 | 36 | 3% | 130 | 11% |
| Economic Development | 25 | 27 | 35 | 8 | 23% | 1 | 5% |
| Total Direct | 1,244 | 1,375 | 1,419 | 44 | 3% | 131 | 11% |
| Maintenance Expenses | 878 | 1,143 | 1,117 | (26) | -2% | 265 | 30% |
| Envir Services & Planning | 97 | 96 | 124 | 28 | 22% | (1) | -1% |
| Seaport Finance & Cost Recovery | 52 | 49 | 56 | 6 | 11% | (3) | -6% |
| Seaport Project Management | 23 | 81 | 50 | (31) | -61% | 58 | 250% |
| Total Support Service | 1,050 | 1,369 | 1,347 | (22) | -2% | 319 | 30% |
| IT | 184 | 199 | 225 | 25 | 11% | 15 | 8% |
| Police Expenses | 163 | 171 | 199 | 28 | 14% | 9 | 5% |
| External Relations | 62 | 81 | 90 | 9 | 10% | 19 | 30% |
| Other Central Services | 361 | 520 | 430 | (91) | -21% | 159 | 44% |
| Aviation Division/Other | 15 | 16 | 11 | (5) | -43% | 2 | 11% |
| Total Central Services/Other | 785 | 989 | 955 | (33) | -3% | 204 | 26% |
| Total Expense | 3,079 | 3,733 | 3,722 | (11) | 0% | 654 | 21% |
| NOI Before Depreciation | (945) | (1,405) | (1,524) | 119 | -8% | (460) | 49% |
| Depreciation | 1,182 | 1,182 | 1,138 | (44) | -4% | (0) | 0% |
| NOI After Depreciation | (2,127) | (2,587) | (2,662) | 75 | -3% | (459) | 22% |

Variance from Budget

- Revenue \$131K favorable to the budget mainly related to \$68K favorable in Moorage and \$66K favorable in Utility Sales;
- Operation expenses ~(\$11K) unfavorable to the budgeted YTD contributed by (\$33K) unfavorable in Central Services through Corp allocation, (\$22K) unfavorable in Support Service Maintenance; Offset by \$44K favorable in director charges partially due to 2 vacant positions at FT .

Variance from 2021

- Revenue \$195K higher contributed to \$213K increase in Moorage & Concession Services primarily due to higher occupancy;
- Operation expenses ~\$654K increase in 2022 related to \$319K increase in Support Service, \$204K increase in Central Services allocation through Corp allocation, and \$131K increase in direct charges.

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

Elliott Bay Fishing & Commercial Ops 2022 Financials

| | 2021 YTD | 2022 YTD | 2022 YTD | Fav (UnFav) | | Incr (Decr) | |
|-------------------------------------|----------------|----------------|----------------|-------------------|-------------|------------------|-------------|
| | Actual | Actual | Budget | Actual vs. Budget | | Change from 2021 | |
| \$ in 000's | | | | \$ | % | \$ | % |
| Berthage and Moorage & Dockage | 1,512 | 1,411 | 1,166 | 245 | 21% | (101) | -7% |
| Space Rental | 741 | 742 | 763 | (20) | -3% | 1 | 0% |
| Utility Sales Revenue | 281 | 304 | 270 | 33 | 12% | 23 | 8% |
| Other | 101 | 181 | 104 | 77 | 74% | 81 | 80% |
| Total Revenue | 2,635 | 2,638 | 2,304 | 335 | 15% | 4 | 0% |
| Expenses | | | | | | | |
| Maritime (excl Maint) | 1,088 | 1,499 | 1,504 | 5 | 0% | 410 | 38% |
| Economic Development | 167 | 50 | 73 | 22 | 31% | (117) | -70% |
| Total Direct | 1,256 | 1,549 | 1,576 | 27 | 2% | 293 | 23% |
| Maintenance Expenses | 628 | 620 | 765 | 146 | 19% | (8) | -1% |
| Envir Services & Planning | 87 | 59 | 114 | 55 | 49% | (29) | -33% |
| Seaport Finance & Cost Recovery | 71 | 66 | 75 | 9 | 12% | (5) | -7% |
| Seaport Project Management | 13 | 40 | 42 | 2 | 4% | 28 | 217% |
| Total Support Service | 799 | 785 | 996 | 211 | 21% | (14) | -2% |
| IT | 174 | 188 | 201 | 13 | 6% | 14 | 8% |
| Police Expenses | 179 | 195 | 227 | 32 | 14% | 16 | 9% |
| External Relations | 70 | 90 | 100 | 10 | 10% | 20 | 29% |
| Other Central Services | 399 | 488 | 475 | (12) | -3% | 89 | 22% |
| Aviation Division/Other | 15 | 16 | 13 | (4) | -29% | 2 | 11% |
| Total Central Services/Other | 837 | 977 | 1,016 | 39 | 4% | 141 | 17% |
| Total Expense | 2,891 | 3,311 | 3,589 | 278 | 8% | 420 | 15% |
| NOI Before Depreciation | (257) | (673) | (1,285) | 612 | -48% | (416) | 162% |
| Depreciation | 1,649 | 1,733 | 1,551 | (183) | -12% | 84 | 5% |
| NOI After Depreciation | (1,906) | (2,406) | (2,836) | 430 | -15% | (500) | 26% |

Variance from Budget

- Revenue \$355K favorable to the budget mainly related to \$245K favorable in Moorage, \$40K favorable in Equipment rental, and \$33K favorable Utility Sales;
- Operation expenses ~\$278K favorable to the budgeted YTD contributed by \$146K in Maintenance expenses;

Variance from 2021

- Revenue \$4K higher contributed to \$49K increase in Equipment Rental at T91 primarily contributed by heavy lift truck rental, \$25K increase in Other revenue primarily related to reimbursable Marine maintenance work; this was offset by (\$63K) decrease in Moorage & Dockage Fees from 2021 related to NOAA research vessels stayed 2mo in 2021 for project work
- Operation expenses ~\$420K increase in 2022 related to \$293K increase in direct charges, and \$141K increase in Central Services allocation

- 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 2022 Financials

| | 2021 YTD | 2022 YTD | 2022 YTD | Fav(UnFav) | | Incr/(Decr) | |
|-------------------------------------|----------------|----------------|----------------|-------------------|-------------|------------------|---------------|
| | | | | Actual vs. Budget | | Change from 2021 | |
| | | | | Variance | | | |
| \$ in 000's | Actual | Actual | Budget | \$ | % | \$ | % |
| Marina Office & Retail | 1,615 | 1,699 | 1,645 | 54 | 3% | 84 | 5% |
| Maritime Industrial | 2,122 | 2,235 | 2,108 | 127 | 6% | 113 | 5% |
| Utilities | 1,177 | 1,303 | 1,274 | 29 | 2% | 126 | 11% |
| Total Revenue | 4,914 | 5,237 | 5,027 | 211 | 4% | 324 | 7% |
| Expenses | | | | | | | |
| PM Direct | 1,386 | 3,168 | 2,329 | (839) | -36% | 1,782 | 129% |
| EDD PM Direct | 151 | 151 | 187 | 36 | 19% | (0) | 0% |
| EDD Other | 83 | 267 | 168 | (99) | -59% | 184 | 220% |
| MD Direct | 210 | 276 | 208 | (68) | -32% | 66 | 31% |
| Total Direct | 1,831 | 3,862 | 2,892 | (970) | -34% | 2,031 | 111% |
| Maintenance Expenses | 1,214 | 1,484 | 1,884 | 400 | 21% | 270 | 22% |
| Environmental & Sustainability | 110 | 111 | 161 | 50 | 31% | 1 | 1% |
| Seaport Finance & Cost Recovery | 127 | 112 | 132 | 20 | 15% | (14) | -11% |
| Seaport Project Management | 25 | 97 | 66 | (31) | -48% | 72 | 295% |
| Total Support Services | 1,475 | 1,804 | 2,243 | 439 | 20% | 329 | 22% |
| Total Central Services/Other | 1,484 | 1,764 | 1,829 | 65 | 4% | 280 | 19% |
| Total Expense | 4,791 | 7,430 | 6,964 | (466) | -7% | 2,640 | 55% |
| NOI Before Depreciation | 123 | (2,193) | (1,937) | (256) | -13% | (2,316) | -1880% |
| Depreciation | 1,260 | 1,240 | 1,177 | (63) | -5% | (20) | -2% |
| NOI After Depreciation | (1,137) | (3,433) | (3,114) | (319) | -10% | (2,296) | -202% |

Variance from Budget

- Revenue \$211K favorable; Space Rental at T91 and FT, and Utilities.
- Expenses (\$466K) unfavorable due to \$1.2M write-off to expense related to FT Gateway Building; Personal Services (\$737K) coupled with Dept Expense Charged from Capital Project (\$275K), Water (\$71K), and Electricity (\$49K). This is partially offset by favorable Maintenance Expenses \$400K and Other Contracted Services \$295K.

Variance from 2021

- Revenue up \$324K; Utilities and Space Rental at MIC and T91.
- Expense up \$2,640K; higher than prior year Personal Services \$901K coupled with Dept Expense Charged from Capital Project \$275K, Utilities \$543K, and Maintenance Expense \$270K.

- 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 2022 Financials

| | 2021 YTD | 2022 YTD | 2022 YTD | Fav (UnFav) Actual vs. Budget Variance | | Incr (Decr) Change from 2020 | |
|---------------------------------------|--------------|--------------|--------------|--|------------|---------------------------------|-------------|
| \$ in 000's | Actual | Actual | Budget | \$ | % | \$ | % |
| Lease Revenue | 3,433 | 3,405 | 3,271 | 134 | 4% | (28) | -1% |
| Total Revenue | 3,433 | 3,405 | 3,271 | 134 | 4% | (28) | -1% |
| Expenses | | | | | | | |
| Maritime (Excl. Maint) | 99 | 111 | 117 | 5 | 5% | 12 | 12% |
| Economic Development | 21 | 20 | 23 | 3 | 15% | (1) | -6% |
| Total Direct | 121 | 131 | 140 | 9 | 6% | 11 | 9% |
| Maintenance Expenses | 140 | 105 | 161 | 56 | 35% | (34) | -25% |
| Envir Services & Planning | 27 | 21 | 38 | 17 | 44% | (5) | -20% |
| Seaport Finance & Cost Recovery | 27 | 23 | 26 | 3 | 11% | (3) | -12% |
| Seaport Project Management | 5 | 17 | 11 | (6) | -54% | 12 | 257% |
| Total Support Services | 198 | 167 | 236 | 69 | 29% | (30) | -15% |
| IT | 43 | 47 | 45 | (2) | -4% | 4 | 9% |
| Police Expenses | 77 | 81 | 95 | 13 | 14% | 5 | 6% |
| External Relations | 29 | 38 | 42 | 4 | 10% | 9 | 31% |
| Other Central Services | 163 | 203 | 196 | (8) | -4% | 40 | 25% |
| Aviation Division / Other | 5 | 5 | 5 | 0 | 0% | 1 | 15% |
| Total Central Services / Other | 316 | 375 | 383 | 8 | 2% | 59 | 19% |
| Total Expense | 635 | 674 | 760 | 86 | 11% | 39 | 6% |
| NOI Before Depreciation | 2,798 | 2,731 | 2,511 | 220 | 9% | (67) | -2% |
| Depreciation | 167 | 150 | 136 | (14) | -10% | (17) | -10% |
| NOI After Depreciation | 2,631 | 2,581 | 2,375 | 206 | 9% | (50) | -2% |

Variance from Budget

- Grain volumes 4% higher than budget.
- Expenses tracking lower than budget due to timing of maintenance spend and open headcount.

Variance from 2021

- Revenue and volumes flat to 2021.

Environmental & Sustainability Highlights

Maritime Environment & Sustainability

- i. New MTCA Grants Approved \$15.693M signed for T91 \$2.254M and EWW 13.439M
- ii. Executed Agreed Order for cleanup of T25 South and initiated NRD habitat project design
- iii. Opened Duwamish River People's Park & Shoreline Area
- iv. Completed in-situ dredge monitoring, S'Baq'wah Park shoreline restoration, and finalizing Underwater Noise Management Plan per requirements of CBD settlement agreement

Marine Stormwater Utility

- i. Completed repairs/replacements, including slip-line work, at T46, T115, and T5 gatehouse roof
- ii. Conducted cruise season training for ship agents and vendors that support cruise vessels, updated cruise materials, and installed treatment best management practices at P66 Cruise facility
- iii. Staffed education table and presented on stormwater program to students and community members at the Infrastructure Career Fair in the Duwamish River Coalition space (5/18)
- iv. Created public website page highlighting the Port's Stormwater Utility program (live on 6/28)
- v. Recognized Sustainable Century Award winners at awards luncheon ceremony (6/30)

Maritime Capital 2022

| | 2022 YTD Actual | 2022 Year- End Forecast | 2022 Budget | 2022 POF | Budget vs Forecast | |
|-------------------------------|--------------------|-------------------------------|----------------|---------------|--------------------|--------------|
| \$ in 000's | | | | | \$ | % |
| P66 Shore Power | 204 | 4,167 | 7,582 | 7,500 | 3,415 | 45% |
| T117 Restoration | 1,474 | 4,416 | 5,346 | 2,502 | 930 | 17% |
| MD Video Camera Pro | 0 | 1,400 | 1,400 | 1,400 | 0 | 0% |
| T91 Berth 6&8 Redev | 168 | 937 | 1,235 | 1,334 | 298 | 24% |
| FT Maritime Innovation Center | 379 | 1,349 | 1,222 | 1,317 | (127) | -10% |
| FT ADA Compliance | 125 | 1,172 | 1,138 | 1,385 | (34) | -3% |
| SBM Dock X Pier Replacement | 97 | 202 | 1,000 | 833 | 798 | 80% |
| P90E Timber Pile Caps | 27 | 56 | 909 | 837 | 853 | 94% |
| MD Fleet | 397 | 2,667 | 2,670 | 2,085 | 3 | 0% |
| MD Small Projects | 199 | 2,179 | 2,445 | 2,246 | 266 | 11% |
| All Other Project | (481) | 2,969 | 7,371 | 11,744 | 4,402 | 60% |
| Subtotal | 2,589 | 21,514 | 32,318 | 33,183 | 10,804 | 33% |
| CIP Cashflow Mgmt Reserve | 0 | (4,728) | (8,797) | (9,775) | (4,069) | 46.3% |
| Total Maritime | 2,589 | 16,786 | 23,521 | 23,408 | 6,735 | 28.6% |

Projects with Significant Variances

P66 Shore Power– Significant project schedule and budget reset to account for permitting concerns, continuing supply chain delays, and construction cost escalations.

P90E Timber Pile Caps– Construction delayed for one year due to Construction Management resource constraint.

SBM Dock X Pier Replacement- Construction delayed due to SDCl permitting

FT Gateway (All other projects)- Actuals to date expensed (\$1.6M)

Economic Development Division

Appendix

2022 Q2 Financial Performance Report



EDD YTD 2022 Financials

| | 2020 YTD | 2021 YTD | 2022 YTD | 2022 YTD | Fav (UnFav) Actual vs. Budget Variance | | Incr (Decr) Change from 2021 | |
|--|----------------|----------------|----------------|----------------|--|-------------|---------------------------------|-------------|
| \$ in 000's | Actual | Actual | Actual | Budget | \$ | % | \$ | % |
| Revenue | 4,119 | 3,669 | 4,142 | 4,091 | 51 | 1% | 473 | 13% |
| Conf & Event Centers | 1,240 | 420 | 2,538 | 4,039 | (1,501) | -37% | 2,118 | 504% |
| Total Revenue | 5,359 | 4,089 | 6,680 | 8,130 | (1,450) | -18% | 2,591 | 63% |
| Expenses | | | | | | | | |
| Portfolio Management | 1,583 | 1,643 | 1,898 | 1,923 | 25 | 1% | 255 | 16% |
| Conf & Event Centers | 2,378 | 1,271 | 2,333 | 3,942 | 1,609 | 41% | 1,061 | 83% |
| P69 Facilities Expenses | 119 | 90 | 98 | 123 | 25 | 21% | 8 | 8% |
| RE Dev & Planning | 91 | 94 | 132 | 100 | (31) | -31% | 38 | 40% |
| EconDev Expenses Other | 488 | 298 | 492 | 347 | (145) | -42% | 193 | 65% |
| Maintenance Expenses | 1,170 | 1,792 | 1,718 | 1,965 | 247 | 13% | (73) | -4% |
| Maritime Expenses (Excl Maint) | 229 | 490 | 535 | 632 | 97 | 15% | 45 | 9% |
| Total EDD & Maritime Expenses | 6,058 | 5,678 | 7,205 | 9,032 | 1,827 | 20% | 1,527 | 27% |
| Diversity in Contracting | 50 | 48 | 57 | 85 | 28 | 33% | 9 | 19% |
| Tourism | 374 | 380 | 1,099 | 1,010 | (90) | -9% | 720 | 189% |
| EDD Grants | (27) | 87 | (1) | 150 | 151 | 101% | (89) | -101% |
| Total EDD Initiatives | 397 | 515 | 1,155 | 1,245 | 89 | 7% | 640 | 124% |
| Environmental & Sustainability | 101 | 13 | 10 | 21 | 11 | 54% | (3) | -24% |
| Police Expenses | 108 | 99 | 103 | 120 | 17 | 14% | 4 | 4% |
| Other Central Services | 2,760 | 2,093 | 2,319 | 2,334 | 14 | 1% | 227 | 11% |
| Aviation Division | 69 | 95 | 80 | 68 | (12) | -18% | (15) | -16% |
| Total Central Services & Aviation | 3,037 | 2,300 | 2,513 | 2,543 | 30 | 1% | 213 | 9% |
| Envir Remed Liability | 0 | 0 | 0 | 0 | 0 | NA | 0 | NA |
| Total Expense | 9,493 | 8,493 | 10,872 | 12,819 | 1,947 | 15% | 2,380 | 28% |
| NOI Before Depreciation | (4,134) | (4,403) | (4,192) | (4,690) | 497 | 11% | 211 | 5% |
| Depreciation | 1,774 | 1,919 | 1,906 | 1,782 | (125) | -7% | (12) | -1% |
| NOI After Depreciation | (5,908) | (6,322) | (6,099) | (6,471) | 373 | 6% | 223 | 4% |

Revenue Variance from Budget

- Lower Conference Center events.

Expense Variance Budget

- Conference and Event center volumes driving reduced variable expenses.
- Open Maintenance Positions.
- Maritime Blue – booked in Econ Dev Other but budgeted in EDD Grants.
- Expedited Timing/Completions of Washington Tourism Alliance costs.

EDD 2022 Forecast

| | 2020 | 2021 | 2022 | 2022 | Fav (UnFav) Actual vs. Budget Variance | | Incr (Decr) Change from 2021 | |
|--|-----------------|-----------------|-----------------|-----------------|--|-------------|---------------------------------|-------------|
| \$ in 000's | Actual | Actual | Forecast | Budget | \$ | % | \$ | % |
| Revenue | 7,808 | 7,384 | 8,470 | 8,470 | 0 | 0% | 1,086 | 15% |
| Conf & Event Centers | 1,662 | 1,910 | 6,500 | 10,299 | (3,799) | -37% | 4,590 | 240% |
| Total Revenue | 9,470 | 9,294 | 14,970 | 18,769 | (3,799) | -20% | 5,676 | 61% |
| Expenses | | | | | | | | |
| Portfolio Management | 3,143 | 3,737 | 3,905 | 3,905 | 0 | 0% | 168 | 5% |
| Conf & Event Centers | 4,440 | 3,124 | 6,318 | 9,018 | 2,700 | 30% | 3,194 | 102% |
| P69 Facilities Expenses | 268 | 268 | 228 | 228 | 0 | 0% | (39) | -15% |
| RE Dev & Planning | 230 | 231 | 246 | 246 | 0 | 0% | 15 | 7% |
| EconDev Expenses Other | 974 | 736 | 1,142 | 842 | (300) | -36% | 406 | 55% |
| Maintenance Expenses | 3,055 | 3,769 | 4,101 | 4,201 | 100 | 2% | 332 | 9% |
| Maritime Expenses (Excl Maint) | 1,117 | 862 | 1,279 | 1,279 | 0 | 0% | 417 | 48% |
| Total EDD & Maritime Expenses | 13,227 | 12,727 | 17,219 | 19,719 | 2,500 | 13% | 4,493 | 35% |
| Diversity in Contracting | 162 | 253 | 168 | 168 | 0 | 0% | (85) | -34% |
| Tourism | 991 | 1,877 | 1,750 | 1,750 | 0 | 0% | (127) | -7% |
| EDD Grants | 778 | 889 | 1,200 | 1,500 | 300 | 20% | 311 | 35% |
| Total EDD Initiatives | 1,931 | 3,019 | 3,118 | 3,418 | 300 | 9% | 99 | 3% |
| Environmental & Sustainability | 33 | 24 | 71 | 59 | (12) | -20% | 47 | 194% |
| Police Expenses | 215 | 205 | 250 | 229 | (21) | -9% | 45 | 22% |
| Other Central Services | 5,815 | 4,408 | 4,535 | 4,749 | 214 | 5% | 127 | 3% |
| Aviation Division | 161 | 177 | 128 | 128 | 0 | 0% | (49) | -28% |
| Total Central Services & Aviation | 6,225 | 4,814 | 4,984 | 5,165 | 181 | 4% | 169 | 4% |
| Total Expense before Pension Adjustment | 21,382 | 20,560 | 25,320 | 28,301 | 2,981 | 11% | 4,761 | 23% |
| Pension Expense Adjustment | (771) | (2,396) | 0 | 0 | 0 | NA | 2,396 | -100% |
| Total Expense | 20,611 | 18,164 | 25,320 | 28,301 | 2,981 | 11% | 7,156 | 39% |
| NOI Before Depreciation | (11,141) | (8,870) | (10,350) | (9,532) | (818) | -9% | (1,480) | -17% |
| Depreciation | 3,611 | 3,841 | 3,741 | 3,741 | 0 | 0% | (100) | -3% |
| NOI After Depreciation | (14,752) | (12,711) | (14,091) | (13,273) | (818) | -6% | (1,380) | -11% |

Revenue Variance from Budget

- Lower Conference Center events

Expense Variance Budget

- Conference and Event center volumes driving reduced variable expenses.
- Lower Maintenance and Central Services based on open positions.

Portfolio Management 2022 Financials

| | 2021 YTD | 2022 YTD | 2022 YTD | Fav(UnFav) | | Incr/(Decr) | |
|-------------------------------------|----------------|----------------|----------------|-------------------|-------------|------------------|------------|
| | | | | Actual vs. Budget | | Change from 2021 | |
| \$ in 000's | Actual | Actual | Budget | \$ | % | \$ | % |
| Central Harbor | 2,970 | 3,493 | 3,479 | 14 | 0% | 522 | 18% |
| T-91 Uplands | 684 | 638 | 592 | 46 | 8% | (45) | -7% |
| Conference & Events Centers | 420 | 2,538 | 4,039 | (1,501) | -37% | 2,118 | 504% |
| Foreign Trade Zone | 15 | 10 | 15 | (5) | -33% | (5) | -33% |
| Total Revenue | 4,089 | 6,679 | 8,125 | (1,446) | -18% | 2,590 | 63% |
| Expenses | | | | | | | |
| PM Outside Services | 304 | 238 | 459 | 221 | 48% | (66) | -22% |
| PM Direct | 2,609 | 3,993 | 5,406 | 1,413 | 26% | 1,384 | 53% |
| EDD Other | 530 | 777 | 806 | 29 | 4% | 247 | 47% |
| MD Direct | 147 | 156 | 150 | (5) | -4% | 9 | 6% |
| Total Direct | 3,589 | 5,164 | 6,822 | 1,658 | 24% | 1,574 | 44% |
| Maintenance Expenses | 1,792 | 1,704 | 1,965 | 261 | 13% | (87) | -5% |
| Environmental & Sustainability | 74 | 73 | 131 | 57 | 44% | (1) | -1% |
| Seaport Finance & Cost Recovery | 214 | 225 | 262 | 38 | 14% | 11 | 5% |
| Seaport Project Management | 55 | 81 | 89 | 8 | 9% | 26 | 48% |
| Total Support Services | 2,134 | 2,083 | 2,447 | 363 | 15% | (51) | -2% |
| Total Central Services/Other | 2,300 | 2,502 | 2,527 | 26 | 1% | 202 | 9% |
| Total Expense | 8,024 | 9,749 | 11,795 | 2,047 | 17% | 1,725 | 22% |
| NOI Before Depreciation | (3,934) | (3,070) | (3,670) | 601 | 16% | 864 | 22% |
| Depreciation | 1,917 | 1,901 | 1,782 | (119) | -7% | (16) | -1% |
| NOI After Depreciation | (5,851) | (4,971) | (5,452) | 481 | 9% | 880 | 15% |

Variance from Budget

- Revenue unfavorable to budget due to slow recovery in Conference & Events Centers. Lower Parking Revenues at Bell Street Garage
- Expenses lower than budget due to lower Conference & Events Centers volumes.

Variance from 2021

- Uptick in business activity at Conference & Events Centers and Bell Street Parking Garage after the restrictions lifted. This is partially offset by lower occupancy at T-91 Uplands as a result of decreased demand for car storage amid the COVID-19 pandemic.
- Expenses up from higher Conference & Events Centers volumes.

COVID-19 Impact to 2022

- Loss of revenues from BHICC due to COVID-19 variants threatened the business travel/group meeting plans for many firms.

- 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 2022

| | 2022 YTD Actual | 2022 Year- End Forecast | 2022 Budget | 2022 POF | Budget vs Forecast | |
|-----------------------------------|--------------------|-------------------------------|----------------|---------------|--------------------|-----------|
| \$ in 000's | | | | | \$ | % |
| P69 Underdock Utility Rpl | 97 | 2,573 | 2,678 | 2,600 | 105 | 4% |
| CW Bridge Elev Modernization | 864 | 2,595 | 2,352 | 2,000 | (243) | -10% |
| P66 Roof Upgrades | 444 | 1,108 | 1,559 | 752 | 451 | 29% |
| T91 Uplands Dev Phase 1 | 86 | 1,197 | 1,404 | 1,484 | 207 | 15% |
| WTCW Roof Replacement | 93 | 1,189 | 1,099 | 1,570 | (90) | -8% |
| WTC HVAC Replacement | 1,234 | 1,489 | 1,020 | 2,739 | (469) | -46% |
| Tenant Improvements -Capital | 0 | 116 | 501 | 300 | 385 | 77% |
| BHICC Interior Modernization | 151 | 157 | 310 | 4 | 153 | 49% |
| EDD Technology Projects | 0 | 250 | 250 | 250 | 0 | 0% |
| EDD Small Projects | 41 | 300 | 669 | 620 | 369 | 55% |
| All Other Projects | 22 | 1,026 | 1,046 | 1,750 | 20 | 2% |
| Subtotal | 3,032 | 12,000 | 12,888 | 14,069 | 888 | 7% |
| CIP Cashflow Mgmt Reserve | 0 | (1,552) | (2,405) | (3,554) | (853) | 35% |
| Total Economic Development | 3,032 | 10,448 | 10,483 | 10,515 | 35 | 0% |

P66 Roof Upgrades- project delayed due to weather and construction constraints.

WTC HVAC Replacement- project acceleration completed

Central Services Appendix

2022 Q2 Financial Performance Report

Central Services Business Events

- Hosted the **South King County Environmental Symposium**.
- Participated in the outreach event, **Women in Trades Fair**, to provide information on learning and employment opportunities in the construction trades
- Partnered with the cruise lines, Visit Seattle, Seattle Southside Regional Tourism Authority, and Visit Bellevue to **kick off the 2022 cruise season**
- Conducted multiple stakeholder briefings and hosted the **Cruise Job Fair** at Duwamish River Community Hub
- Sponsored the annual **Seattle Maritime Industry Breakfast** with presentations from Commissioner Hasegawa and Executive Director Metruck, who was honored with the Public Official of the Year award
- Hosted the **annual Raisbeck Aviation High School Environmental Challenge**
- Presented the first **Priority Hire & Apprenticeship Annual Report** to the Commission
- Hired over **305 positions year to date** (92 internal hires and 213 external hires)
- Information and Communications Technology and Police collaborated to **replace the Evidence Management System**
- Issued **rent credits to 45 tenants** from grants received under the **Coronavirus Response & Relief Supplemental Appropriation (CRRSA) Act**
- Executed a weeklong **virtual Disruption Summit** engaging with 410 employees
- Presented the **2021 Annual Police Report** to the Commission and Executive Staff

Central Services YTD Financial Highlights

| | 2020 YTD | 2021 YTD | 2022 YTD | 2022 YTD | Fav (UnFav) Actual vs. Budget Variance | | Incr (Decr) Change from 2021 | |
|---------------------------------|---------------|---------------|---------------|---------------|--|---------------|---------------------------------|---------------|
| \$ in 000's | Actual | Actual | Actual | Budget | \$ | % | \$ | % |
| Total Operating Revenues | 1,629 | 1,982 | 271 | 93 | 177 | 190.4% | (1,712) | -86.3% |
| Core Central Support Services | 39,102 | 39,964 | 44,434 | 46,969 | 2,535 | 5.4% | 4,470 | 11.2% |
| Police | 14,819 | 13,769 | 14,211 | 17,121 | 2,910 | 17.0% | 442 | 3.2% |
| Engineering/PCS | 4,773 | 4,575 | 4,418 | 5,951 | 1,533 | 25.8% | (157) | -3.4% |
| Total Operating Expenses | 58,694 | 58,309 | 63,064 | 70,041 | 6,977 | 10.0% | 4,755 | 8.2% |

2022 YTD Total Operating Expenses are \$7.0M favorable to the budget due to:

- Delay in contract spending and delays in hiring vacant positions and lower charges to Capital Projects

2022 YTD Total Operating expenses are \$4.8M higher compared to 2021 due to:

- Higher Outside Services costs YTD due to project delays in 2021
- Higher Equipment Expense in 2022 due to backlog of computer refresh
- Higher Insurance and other General Expenses in 2022

Central Services YTD Expense by Category

| | 2020 YTD | 2021 YTD | 2022 YTD | 2022 YTD | Fav (UnFav) Actual vs. Budget Variance | | Incr (Decr) Change from 2021 | |
|--|---------------|---------------|---------------|---------------|--|--------------|---------------------------------|-------------|
| \$ in 000's | Actual | Actual | Actual | Budget | \$ | % | \$ | % |
| Salaries & Benefits | 34,375 | 35,205 | 37,854 | 38,222 | 368 | 1.0% | 2,649 | 7.5% |
| Wages & Benefits | 14,371 | 13,695 | 13,103 | 15,634 | 2,531 | 16.2% | (592) | -4.3% |
| Payroll to Capital Projects | 8,715 | 8,222 | 7,857 | 9,926 | 2,069 | 20.8% | (365) | -4.4% |
| Equipment Expense | 965 | 571 | 1,155 | 1,812 | 657 | 36.3% | 583 | 102.1% |
| Supplies & Stock | 407 | 229 | 312 | 619 | 307 | 49.6% | 82 | 36.0% |
| Outside Services | 12,983 | 11,601 | 11,708 | 15,493 | 3,785 | 24.4% | 106 | 0.9% |
| Travel & Other Employee Expenses | 766 | 417 | 726 | 1,507 | 781 | 51.8% | 309 | 74.2% |
| Insurance Expense | 1,085 | 1,507 | 1,950 | 1,804 | (146) | -8.1% | 444 | 29.5% |
| Litigated Injuries & Damages | - | - | 808 | - | (808) | 0.0% | 808 | 0.0% |
| Other Expenses | 1,311 | 1,050 | 1,523 | 1,515 | (8) | -0.5% | 472 | 45.0% |
| Charges to Capital Projects/Overhead Alloc | (16,284) | (14,188) | (13,930) | (16,490) | (2,560) | 15.5% | 258 | -1.8% |
| TOTAL | 58,694 | 58,309 | 63,064 | 70,041 | 6,977 | 10.0% | 4,755 | 8.2% |

- Payroll savings due to staff vacancies
- Outside Services favorable to budget due to spending delays
- Unplanned Litigated Injuries & Damages and higher Insurance Expense
- Charges to Capital unfavorable to budget due to delay of some capital projects

Central Service Financial Summary (YE Forecast)

| | 2020 | 2021 | 2022 | 2022 | Fav (UnFav) Fcst vs. Budget Variance | | Incr (Decr) Change from 2021 | |
|---------------------------------|----------------|---------------|----------------|----------------|--|---------------|---------------------------------|----------------|
| \$ in 000's | Actual | Actual | Forecast | Budget | \$ | % | \$ | % |
| Total Operating Revenues | 2,512 | (233) | 396 | 186 | 210 | 112.6% | 630 | -269.8% |
| Core Central Support Services | 80,841 | 73,612 | 96,992 | 96,677 | (315) | -0.3% | 23,380 | 31.8% |
| Police | 27,538 | 17,194 | 29,800 | 32,746 | 2,945 | 9.0% | 12,607 | 73.3% |
| Engineering/PCS | 9,096 | 4,948 | 10,252 | 12,334 | 2,082 | 16.9% | 5,304 | 107.2% |
| Total Operating Expenses | 117,476 | 95,753 | 137,044 | 141,756 | 4,712 | 3.3% | 41,291 | 43.1% |

Central Services Capital Spending

| \$ in 000's | 2022 YTD Actual | 2022 Year-End Forecast | 2022 Budget | 2022 Plan of Finance | Budget Variance | |
|-------------------------------|-----------------------|------------------------------|----------------|----------------------------|-----------------|--------------|
| | | | | | \$ | % |
| Engineering Fleet Replacement | 485 | 1,380 | 2,065 | 1,465 | 685 | 33.2% |
| Services Tech - Small Cap | 770 | 1,978 | 1,500 | 1,500 | (478) | -31.9% |
| Infrastructure - Small Cap | 96 | 1,495 | 1,500 | 1,500 | 5 | 0.3% |
| Phone System Upgrade | 199 | 1,294 | 1,414 | 1,000 | 120 | 8.5% |
| Radio Microwave Redund. Loop | 0 | 540 | 1,040 | 1,040 | 500 | 48.1% |
| Office Wi-Fi Refresh | 293 | 393 | 1,039 | 1,300 | 646 | 62.2% |
| Corporate Fleet Replacement | 313 | 611 | 901 | 645 | 290 | 32.2% |
| Other (note 1) | 581 | 3,318 | 5,830 | 4,844 | 2,512 | 43.1% |
| Subtotal | 2,737 | 11,009 | 15,289 | 13,294 | 4,280 | 28.0% |
| CIP Cashflow Adjustment | 0 | (2,700) | (4,400) | (3,900) | (1,700) | 38.6% |
| TOTAL | 2,737 | 8,309 | 10,889 | 9,394 | 2,580 | 23.7% |

Note:

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

Portwide Appendix

2022 Q2 Financial Performance Report

Non-Airport YTD Financial Summary

| | 2020 YTD | 2021 YTD | 2022 YTD | 2022 YTD | Fav (UnFav) Actual vs. Budget Variance | | Incr (Decr) Change from 2021 | |
|---------------------------------|----------------|----------------|---------------|----------------|--|----------------|---------------------------------|----------------|
| \$ in 000's | Actual | Actual | Actual | Budget | \$ | % | \$ | % |
| NWSA Distributable Revenue | 21,218 | 22,166 | 24,527 | 24,720 | (193) | -0.8% | 2,361 | 10.6% |
| Maritime Revenues | 18,338 | 19,507 | 31,788 | 28,010 | 3,778 | 13.5% | 12,281 | 63.0% |
| EDD Revenues | 5,359 | 4,089 | 6,680 | 8,130 | (1,450) | -17.8% | 2,591 | 63.4% |
| SWU & Other | 3,383 | 3,713 | 2,643 | 1,863 | 780 | 41.9% | (1,070) | -28.8% |
| Total Operating Revenues | 48,298 | 49,475 | 65,638 | 62,722 | 2,916 | 4.6% | 16,162 | 32.7% |
| Total Operating Expenses | 34,441 | 35,658 | 43,508 | 48,770 | 5,262 | 10.8% | 7,850 | 22.0% |
| NOI before Depreciation | 13,857 | 13,817 | 22,129 | 13,952 | 8,178 | 58.6% | 8,312 | 60.2% |
| Depreciation | 18,794 | 18,949 | 18,918 | 18,198 | (721) | -4.0% | (31) | -0.2% |
| NOI after Depreciation | (4,936) | (5,132) | 3,211 | (4,246) | 7,457 | -175.6% | 8,343 | -162.6% |

- Non-Airport Operating Revenue is \$2.9M favorable due to higher revenues from Cruise, Fishing & Operations, and Maritime Portfolio Mgmt partially offset by lower revenues from Conference & Event Center and NWSA Distributable Revenue.
- Expenses are \$5.3M lower than budget due delays in hiring and implementing program initiatives, lower Third Party Mgmt Op Exp and travel offset by higher Utilities.

Port Wide YTD Operating Revenues Summary

| | 2020 YTD | 2021 YTD | 2022 YTD | 2022 YTD | Fav (UnFav) Actual vs. Budget Variance | | Incr (Decr) Change from 2021 | |
|--|----------------|----------------|----------------|----------------|--|--------------|---------------------------------|--------------|
| \$ in 000's | Actual | Actual | Actual | Budget | \$ | % | \$ | % |
| Aeronautical Revenues | 163,722 | 143,188 | 181,846 | 189,061 | (7,214) | -3.8% | 38,659 | 27.0% |
| Public Parking | 20,002 | 25,537 | 41,842 | 38,143 | 3,699 | 9.7% | 16,304 | 63.8% |
| Rental Cars - Operations | 7,591 | 11,497 | 16,803 | 16,721 | 82 | 0.5% | 5,306 | 46.1% |
| Rental Cars - Operating CFC | - | - | - | 6,418 | (6,418) | -100.0% | - | 0.0% |
| ADR & Terminal Leased Space | 16,918 | 17,764 | 26,131 | 7,794 | 18,337 | 235.3% | 8,367 | 47.1% |
| Ground Transportation | 4,374 | 4,208 | 9,226 | 8,129 | 1,097 | 13.5% | 5,018 | 119.2% |
| Employee Parking | 4,678 | 4,457 | 5,062 | 5,234 | (172) | -3.3% | 604 | 13.6% |
| Airport Commercial Properties | 5,777 | 5,541 | 7,520 | 7,230 | 290 | 4.0% | 1,979 | 35.7% |
| Airport Utilities | 2,758 | 3,010 | 3,845 | 3,883 | (37) | -1.0% | 835 | 27.7% |
| Clubs and Lounges | 1,714 | 709 | 3,048 | 3,862 | (814) | -21.1% | 2,339 | 329.8% |
| Cruise | 133 | 61 | 11,258 | 8,391 | 2,867 | 34.2% | 11,197 | 18467.2% |
| Recreational Boating | 6,211 | 6,330 | 6,914 | 6,811 | 103 | 1.5% | 584 | 9.2% |
| Fishing & Operations | 5,091 | 4,768 | 4,967 | 4,501 | 466 | 10.3% | 198 | 4.2% |
| Grain | 2,005 | 3,433 | 3,405 | 3,271 | 134 | 4.1% | (28) | -0.8% |
| Maritime Portfolio Management | 4,884 | 4,914 | 5,237 | 5,027 | 211 | 4.2% | 324 | 6.6% |
| Central Harbor Management | 4,104 | 3,654 | 4,131 | 4,071 | 59 | 1.5% | 477 | 13.1% |
| Conference & Event Centers | 1,240 | 420 | 2,538 | 4,039 | (1,501) | -37.2% | 2,118 | 503.7% |
| NWSA Distributable Revenue | 21,218 | 22,166 | 24,527 | 24,720 | (193) | -0.8% | 2,361 | 10.6% |
| Other | 3,824 | 4,225 | 3,986 | 2,644 | 1,342 | 50.8% | (238) | -5.6% |
| Total Operating Revenues (w/o Aero) | 112,523 | 122,695 | 180,440 | 160,888 | 19,552 | 12.2% | 57,745 | 47.1% |
| TOTAL | 276,244 | 265,883 | 362,286 | 349,948 | 12,338 | 3.5% | 96,403 | 36.3% |

Port Wide YTD Operating Expense Summary

| | 2020 YTD | 2021 YTD | 2022 YTD | 2022 YTD | Fav (UnFav) Actual vs. Budget Variance | | Incr (Decr) Change from 2021 | |
|--|----------------|----------------|----------------|----------------|--|--------------|---------------------------------|--------------|
| \$ in 000's | Actual | Actual | Actual | Budget | \$ | % | \$ | % |
| Salaries & Benefits | 71,427 | 71,476 | 76,063 | 77,526 | 1,463 | 1.9% | 4,587 | 6.4% |
| Wages & Benefits | 67,147 | 64,484 | 67,884 | 70,908 | 3,024 | 4.3% | 3,400 | 5.3% |
| Payroll to Capital Projects | 14,460 | 14,733 | 12,936 | 18,445 | 5,509 | 29.9% | (1,797) | -12.2% |
| Outside Services | 45,545 | 40,724 | 48,370 | 72,078 | 23,707 | 32.9% | 7,646 | 18.8% |
| Utilities | 12,104 | 12,860 | 16,626 | 15,196 | (1,430) | -9.4% | 3,766 | 29.3% |
| Equipment Expense | 4,211 | 2,960 | 4,532 | 6,043 | 1,511 | 25.0% | 1,572 | 53.1% |
| Supplies & Stock | 4,653 | 4,030 | 4,227 | 4,652 | 424 | 9.1% | 197 | 4.9% |
| Travel & Other Employee Expenses | 1,603 | 864 | 1,675 | 3,434 | 1,759 | 51.2% | 811 | 94.0% |
| Third Party Mgmt Op Exp | 3,228 | 2,010 | 3,498 | 5,495 | 1,997 | 36.3% | 1,488 | 74.0% |
| B&O Taxes | 1,716 | 1,682 | 2,246 | 2,483 | 237 | 9.5% | 564 | 33.5% |
| Other Expenses | 2,188 | 6,392 | 7,578 | 8,072 | 493 | 6.1% | 1,186 | 18.6% |
| Charges to Capital Projects/Overhead Alloc | (30,462) | (26,440) | (24,814) | (38,543) | (13,729) | 35.6% | 1,626 | -6.2% |
| TOTAL | 197,820 | 195,776 | 220,822 | 245,788 | 24,966 | 10.2% | 25,046 | 12.8% |

- Payroll expenses were \$10.0M below budget primarily due to vacant positions.
- Outside Services were \$23.7M favorable to budget due to project delays.
- Travel & Other Employee Expenses were \$1.8M lower than budget due to less training and travel than anticipated.
- Charges to Capital Projects were lower by (\$13.7M) due to delays in Capital Projects

Port Wide Financial Summary (YE Forecast)

| | 2020 | 2021 | 2022 | 2022 | Fav (UnFav) Fcst vs. Budget Variance | | Incr (Decr) Change from 2021 | |
|---------------------------------|-----------------|----------------|----------------|----------------|--|--------------|---------------------------------|--------------|
| \$ in 000's | Actual | Actual | Forecast | Budget | \$ | % | \$ | % |
| Aeronautical Revenues | 297,909 | 317,513 | 391,896 | 394,963 | (3,066) | -0.8% | 74,384 | 23.4% |
| Airport Non-Aero Revenues | 116,473 | 183,819 | 249,239 | 240,820 | 8,419 | 3.5% | 65,420 | 35.6% |
| Non-Airport Revenues | 96,446 | 120,689 | 136,883 | 131,072 | 5,811 | 4.4% | 16,194 | 13.4% |
| Total Operating Revenues | 510,828 | 622,020 | 778,018 | 766,854 | 11,163 | 1.5% | 155,998 | 25.1% |
| Total Operating Expenses | 408,681 | 364,656 | 488,894 | 499,146 | 10,252 | 2.1% | 124,238 | 34.1% |
| NOI before Depreciation | 102,147 | 257,364 | 289,123 | 267,708 | 21,415 | 8.0% | 31,760 | 12.3% |
| Depreciation | 180,086 | 190,683 | 196,757 | 196,757 | - | 0.0% | 6,074 | 3.2% |
| NOI after Depreciation | (77,939) | 66,681 | 92,367 | 70,952 | 21,415 | 30.2% | 25,686 | 38.5% |

- Operating Revenues are expected to be \$11.2M favorable to the budget due to higher forecasted revenues in Cruise and Landside businesses driven by high demand from returning passengers.
- Total Operating expenses are expected to be \$10.3M below budget mainly due to delay in hiring and project spending; offset by higher Utilities and expenses related to the Gateway Building Project at FT.
- Net Operating Income before Depreciation is expected to be \$21.4M above budget.

Port Wide Capital Spending Summary

| \$ in 000's | 2022 | 2022 | 2022 | 2022 | Budget Variance | |
|-----------------------------------|----------------|----------------|----------------|----------------|-----------------|--------------|
| | YTD Actual | Forecast | Budget | POF | \$ | % |
| Aviation | 133,425 | 406,980 | 527,917 | 514,812 | 120,937 | 22.9% |
| Maritime | 2,589 | 16,786 | 23,521 | 23,408 | 6,735 | 28.6% |
| Economic Development | 3,032 | 10,448 | 10,483 | 10,515 | 35 | 0.3% |
| Central Services & Other (note 1) | 2,999 | 9,448 | 12,889 | 11,013 | 3,441 | 26.7% |
| TOTAL | 142,045 | 443,662 | 574,810 | 559,748 | 131,148 | 22.8% |

Note:

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