



# Q2 2023 Financial Results

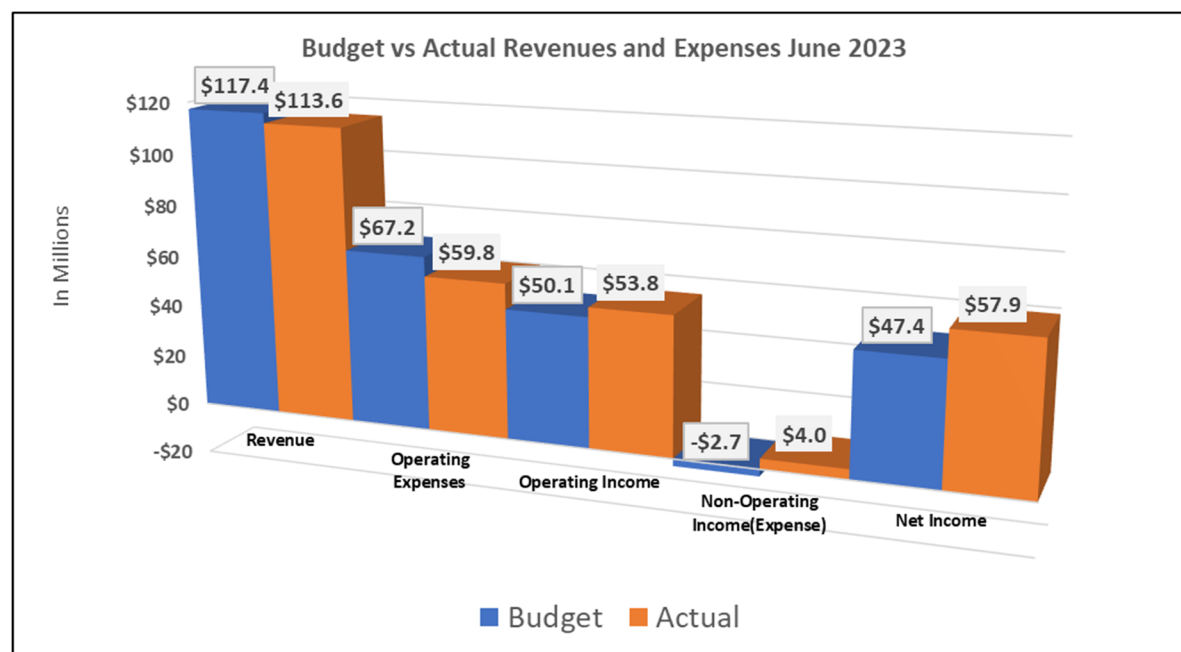
As of June 30, 2023

July 20, 2023

## June 2023 Financial Summary

### NWSA

#### June Operating Results



Revenue of \$113.6 million was \$3.8 million, or 3.0% below budget. Container revenue was below budget by \$4.7 million primarily due to lower intermodal lift revenue of \$5.4 million. Intermodal lift revenue by terminal was down \$2.3 million at NIM, \$1.5 million at T-5, \$1.4 million at SIM UP and \$0.4 million at SIM BNSF (volumes down 31%, 74%, 23%, and 26%, respectively). The lower year over year TEU volume of 23% also drove crane/strad revenue down \$3.4 million (hours down 27% and 16% respectively) this was offset by Husky crane minimum revenue of \$4.3 million. In addition, easement revenue was \$0.2 million below budget due to occupancy delays (SR 167 and East Marginal Way).

Non-container revenue of \$16.2 million was \$1.8 million above budget. Breakbulk revenue was above budget by \$1.4 million from eight military vessel operations (one budgeted); auto revenue was above budget by \$0.4 million primarily due to longer vessel discharge periods and heavier vehicles which offset lower unit volume of 7%.

Real Estate revenue was under budget by \$0.9 million due to timing on lease renewal with Pacific Coast Container.

Operating expense of \$59.8 million was \$7.4 million, or 11% less than budget. Maintenance was below budget by \$5.3 million due to the timing of maintenance project spending of \$4.8 million (see Operating income by LOB below for additional information).

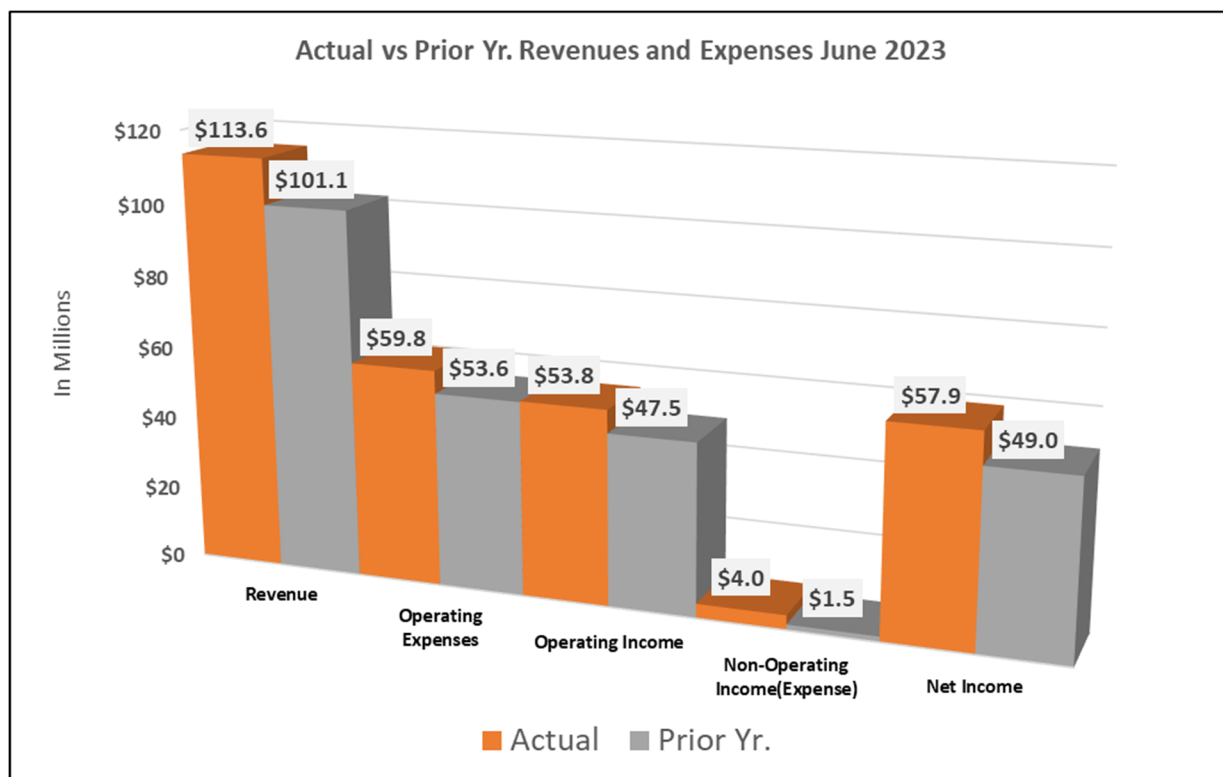
Administration expense was \$0.9 million below budget, primarily from lower IT, Finance and HR support services. Operations and security expenses were below budget by \$0.4 million as lower revenue related container and intermodal operating costs and lower auto drayage costs offset higher longshore operating costs to support the increase in military breakbulk operations. Environmental expense was below budget by \$0.7 million due to timing on air quality and stormwater project spending. And depreciation was below budget by \$0.2 million.

As a result of the above, operating income of \$53.8 million was \$3.7 million, or 7% above budget.

Net non-operating income of \$4.0 million was \$6.7 million above the budget, primarily due to timing on T5 public expenses of \$4.6 million, higher interest income and market value gain of \$1.1 million, timing on scrap bonus disbursements of \$0.4 million and \$0.7 million from earlier receipt of T5 stormwater grant income.

As a result of the above, net income was \$57.9 million was \$10.5 million, or 22% above budget and will be split 50/50 by the homeports.

### June Operating Results vs. Prior Year



Year to date revenue of \$113.6 million was \$12.5 million above the prior year. Container revenue of \$88.9 million increased \$8.7 million; Husky revenue increased \$4.4 million due to crane minimum guarantee, Terminal 46 revenue increased by \$1.8 million from the Coast Guard lease, and rent escalations at the other container terminals increased by \$1.2 million; overall intermodal revenue

increased by \$1.4 million which resulted from increases of \$2.5 million at SIM BNSF (new business) and HIM, offset by lower revenue of \$1.1 million at NIM, PIM, SIM UP and T5.

Non-container business revenue of \$16.2 million increased by \$3.1 million over the prior year, auto revenue increased by \$2.2 million (units increased 54%) and a \$0.9 million increase in breakbulk revenue due to eight military vessel operations compared to two in the prior year.

Real Estate revenue increased by \$0.6 million from new leases at Terminal 10 and rent escalations at various NH locations.

Operating expense of \$59.8 million was \$6.2 million above the prior year. Primary drivers of the increase were from higher maintenance costs of \$3.9 million for T46 crane rehabilitation and facility repairs, E. Sitcum and Husky crane maintenance, Pier 16/17 pier repairs, EB1 vault repairs and other infrastructure charges.

Support services from the Port of Seattle increased by \$1.2 million primarily from higher waterfront project management costs and increased by \$0.6 million from the Port of Tacoma for IT costs and filling of open positions. Line of business operations and security expenses (longshore labor and drayage and land rental) increased by \$1.5 million to support the higher auto and breakbulk revenue increase and was offset by a decrease in T5 gate repair costs of \$1.0 million in the prior year.

As a result of the above, operating income of \$53.8 million was \$6.3 million, or 13% above the prior year.

Net non-operating income was \$4.0 million compared to \$1.5 million in the prior year. In the current year, higher interest rates increased interest income to \$1.3 million and increased the non-cash market gain on investments was \$0.2 million, and grant income was \$2.6 million (T5 stormwater and shore power grant).

Prior year non-operating income was \$1.5 million and included settlement proceeds from the former West Sitcum terminal operator APM Terminals of \$1.7 million, offset by project expenses \$0.5 million. Grant income was \$1.6 million from T5 stormwater and shore power grants. Offsetting interest expense of \$1.3 million was due to the noncash loss in market value of \$1.5 million.

This resulted in net income of \$57.9 million was \$8.9 million, and 18% above the prior year.

**Balance Sheet and Cashflow:** Cash and investments totaled \$56.8 million at the end of June compared to \$63.8 million at the beginning of the year. Cash distributions to homeports were \$60.6 million (\$5.1 million will be paid in July) compared to \$64.0 million in the prior year, the decrease is due to the 2022 receipt of APM termination fees and higher grant revenue in the prior year. NWSA capital construction contributions from the homeports through the second quarter was \$28.4 million of which \$3.5 million will be received in July.

**NORTHWEST SEAPORT ALLIANCE**  
**Statement of Revenue and Expense**  
**June 30, 2023**

(Dollars in Thousands)	2023					2022						
	VARIANCE					VARIANCE						
	BUDGET	ACTUAL	FAV/(UNFAV)	%		ACTUAL	FAV/(UNFAV)	%				
Operating Revenue	\$	117,397	\$	113,633	\$	(3,764)	-3%	\$	101,123	\$	12,510	12%
Operating Expenses		56,583		49,327		7,256	13%		43,164		(6,163)	-14%
Depreciation		10,705		10,482		223	2%		10,413		(69)	-1%
Total Operating Expenses		67,288		59,809		7,479	11%		53,577		(6,232)	-12%
Operating Income		50,109		53,824		3,715	7%		47,546		6,278	13%
Non-Operating Income(Expense)												
Interest Income (expense)		468		1,548		1,080	231%		(1,333)		2,881	216%
Non-Operating Income(Expense)		(5,104)		(111)		4,993	98%		1,264		(1,375)	-109%
Grant income		1,927		2,637		710	0%		1,577		1,060	67%
Total Non-Operating Income(Expense)		(2,709)		4,074		6,783	250%		1,508		2,566	170%
Net Income	\$	47,400	\$	57,898	\$	10,498	22%	\$	49,054	\$	8,844	18%
NOTE: Operating revenue and non-operating expenses excludes G87 lease interest.												

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Revenue & Expense by Line of Business (dollars in thousands)		2023				2022		
DESCRIPTION	BUDGET	ACTUAL	FAV/(UNFAV)		ACTUAL	FAV/(UNFAV)		
			\$	%		\$	%	
Container								
Operating Revenue	\$93,627	\$88,904	(\$4,723)	-5%	\$80,160	\$8,744	11%	
Operations	13,287	11,285	2,002	15%	12,521	1,236	10%	
Maintenance	9,712	6,631	3,081	32%	4,949	(1,682)	-34%	
Depreciation	9,892	9,691	201	2%	9,442	(249)	-3%	
Total Operating Expense	32,891	27,607	5,284	16%	26,912	(695)	-3%	
Operating Income - Container	60,736	61,297	561	1%	53,248	8,049	15%	
Non- Container								
Operating Revenue	14,382	16,200	1,818	13%	13,065	3,135	24%	
Operations	7,334	8,936	(1,602)	-22%	6,848	(2,088)	-30%	
Maintenance	1,343	1,496	(153)	-11%	753	(743)	-99%	
Depreciation	422	454	(32)	-8%	498	44	9%	
Total Operating Expense	9,099	10,886	(1,787)	-20%	8,099	(2,787)	-34%	
Operating Income - Non-Container	5,283	5,314	31	1%	4,966	348	7%	
Real Estate								
Operating Revenue	9,388	8,529	(859)	-9%	7,897	632	8%	
Operations	180	209	(29)	-16%	154	(55)	-36%	
Maintenance	735	706	29	4%	170	(536)	-315%	
Depreciation	50	50	0	0%	50	0	0%	
Total Operating Expense	965	965	0	0%	374	(591)	-158%	
Operating Income - Real Estate	8,423	7,564	(859)	-10%	7,523	41	1%	
Other Expenses								
Commercial Administration+	6,092	5,108	984	16%	5,758	650	11%	
Infrastructure and Administration Expense	18,241	15,243	2,998	16%	12,433	(2,810)	-23%	
Commercial Administration & Infrastructure	24,333	20,351	3,982	16%	18,191	(2,160)	-12%	
Total Operating Income	\$50,109	\$53,824	\$3,715	7%	\$47,546	\$6,278	13%	
* This table excludes lease interest.								

\* This table excludes lease interest.

# Operating Income by Line of Business

## Actual vs Budget

### Container Business (Container Terminals and Intermodal)

Operating revenues of \$88.9 million were below budget \$4.7 million.

- Intermodal revenue down \$5.4 million; lift revenue down \$2.3 million at NIM, \$1.5 million at T5, \$1.4 million at SIM UP and \$0.4 million at SIM BNSF (volumes down 31%, 74%, 23% and 26%, respectively). Crane minimum guarantee down \$0.1 million at PIM.
- Husky crane revenue up \$1.1M due to crane minimum guarantee (hours down 27%), strad revenue down \$0.2 million (hours down 16%).
- T30 revenue down \$0.2 million for easement.
- PCT non-leasehold rent down \$0.2 million for pending SR167 easement.

Operating expenses of \$27.6 million were \$5.3 million, or 16% below budget.

- Maintenance down \$3.1 million.
  - T46 down \$0.8 million for timing of crane maintenance project.
  - PCT down \$0.7 million for pavement repair and lower facility and equipment repairs.
  - W. Sitcum down \$0.5 million for timing of crane rail rehabilitation.
  - Husky down \$0.4 million for timing of container control system project and lower crane maintenance.
  - T30 down \$0.3 million for central substation temporary power.
  - SIM UP down \$0.2 million for Milwaukee Way crossing paving repairs.
  - WUT down \$0.2 million for paving repairs and lower facility maintenance.
  - T18 down \$0.1 million for electrical substation repairs.
  - NIM down \$0.1 million for building and facility repairs. E. Sitcum up \$0.5 million at for crane repairs.
- NIM longshore labor down \$0.8 million and strad rental expense down \$0.5 million due to lower volume.
- Pacific Rail Services down \$0.7 million at SIM UP and up \$0.1 million at SIM BNSF, due to volumes.

Operating Income of \$61.3 million was \$0.5 million, or 1% above budget.

### Non-Container Business (Autos and Breakbulk)

Operating revenues of \$16.2 million were above budget \$1.8 million.

- Breakbulk revenues of \$10.4 million were above budget by \$1.4 million, or 16% primarily due to 9 military vessel calls versus 2 calls budgeted. Cargo tonnage increased by 14%.
- Auto revenues of \$5.8 million were \$0.4 million above budget, the result of more vessel calls and longer discharge periods, volume was below budget by 7%.

Operating Expenses of \$10.9 million were above budget \$1.8 million.

- Breakbulk expenses of \$8.5 million were \$2.3 million above budget from higher longshore labor and security to support military vessel calls of \$1.6 million, unbudgeted rent for additional acreage of \$0.3 million and higher facility repairs of \$0.2 million.
- Auto expenses of \$2.3 million were below budget \$0.5 million mainly driven by lower drayage costs of \$1.0 million, as units were discharged off vessels and moved directly to retailers, as well as units down 7%, and lower utilities and maintenance of \$0.2 million. Offsetting variances were higher security of \$0.1 million and rent for Thorne Rd. and 1202 POT Rd. of \$0.3 million.

Operating Income of \$5.3 million was on budget.

### **Real Estate**

Operating revenues of \$8.5 million were \$0.9 million, or 9%, below budget.

- New leases contributed \$0.5 million, offset by \$0.4 million from terminated leases.
- Five budgeted leases are vacant causing a decrease of \$2.3 million, offset by 10 leases that were not budgeted causing an increase of \$0.4 million.
- Annual rent escalations increased actual rent by \$1.1 million over budget due to higher CPI rates.

Operating expenses of \$1.0 million were in line with the budget.

Operating income of \$7.6 million was \$0.9 million, or 10%, below budget.

### **Year to Date vs. Prior Year**

#### **Container Business (Container Terminals and Intermodal)**

Operating revenues of \$88.9 million increased \$8.7 million, or 11%, from the prior year.

- Husky revenue up \$4.3 million due to crane minimum revenue of \$4.3 million and higher rent revenue of \$0.3 million for lease escalations which was offset by strad revenue down \$0.2 million (hours down 17%) and crane revenue down \$0.1 million (hours down 12%).
- T46 rent up \$1.8 million due to new US Coast Guard lease.
- Rent revenue up \$0.6 million at T18, \$0.2 million at W. Sitcum, and up \$0.2 million at T30 for rent escalations.
- Intermodal revenue up \$1.4 million. SIM BNSF revenue up \$2.0 million from new lease (lift revenue up \$1.2 million and rent revenue up \$0.7 million). Lift revenue up \$0.6 million at HIM (volumes up 39%). Lift revenue down \$0.4 million at T5, \$0.3 million at SIM UP and \$0.3 million at NIM (volumes down 46%, 10% and 11%, respectively).
- E. Sitcum revenue down \$0.3 million for 2022 short-term leases.

Operating expenses of \$27.6 million was \$0.7 million higher than the prior year.

- Operations expense down \$1.2 million.
  - T5 operations down \$0.3 million due to higher prior gate repair and opening expenses.

- Longshore labor down \$0.3 million at NIM due to volumes.
- Maintenance expense up \$01.7 million.
  - T46 up \$0.3 million for crane maintenance project.
  - Husky up \$0.2 million for a crane climate control system repairs and higher general crane repairs.
- Depreciation expense up \$156k for new asset additions.

Operating Income of \$61.3 million increased \$8.0 million, or 15%, from the prior year.

### **Non-Container Business (Autos and Breakbulk)**

Operating revenues of \$16.2 million were \$3.1 million above the prior year.

- Breakbulk revenues of \$10.4 million decreased by \$0.9 million, primarily due to eight military vessel calls this year compared three military vessels in the prior year; volumes increased by 14%.
- Auto revenues of \$5.7 million increased by \$2.2 million compared to the prior year, the result of an increase in auto units of 54%, heavier vehicles imported, longer discharge periods and higher storage revenue.

Operating expenses of \$10.9 million were \$2.8 million above the prior year.

- Breakbulk expenses increased by \$1.7 million compared to the prior year. Increases were from longshore labor and security to support military revenue of \$0.7 million, tribe property rent \$0.3 million, security and maintenance increased by a total of \$0.7 million for paving and vault repairs.
- Auto expenses were \$1.1 million above the prior year, primarily from higher drayage costs of \$0.5 million, Thorne Rd. and 1202 POT Rd. rent for additional acreage of \$0.6 million.

Operating Income of \$5.3 million was \$0.3 million above the prior year.

### **Real Estate**

Operating revenues of \$9.4 million increased \$0.6 million, or 8%, compared to the prior year.

- Revenue increased by \$2.2 million for 12 new leases in 2023.
  - This is driven by a US Coast Guard lease that commenced in July of 2022, \$1.5 million increase, and BNSF Railway lease that commenced in August of 2022, \$0.7 million.
- Revenue decreased by \$1.6 million for 29 leases that terminated since June 2022

Operating expenses of \$1.0 million increased \$0.6 million over the prior year due to higher maintenance costs.

Operating income was \$53.8 million and \$6.3 million above the prior year.



# NW Seaport Alliance Scorecard 2023 vs 2022



## CARGO VOLUME

	2023 YTD Total	2022 Total	2023 Budget
<u>Containers (TEUs)</u>			
International	1.0M	2.6M	3.113M
Domestic	354k	734k	756k
Break Bulk (Metric Tons)	215k	478K	455k
Autos (Units) <sup>NWSA/POT</sup>	161k	173k	213k



## JOB CREATION

	2023 YTD Actuals	2022 YTD Actuals	2023 Budget
ILWU Hours	2.0M	4.6M	4.5M



## MARKET SHARE

	2023 YTD Actuals (May 2023)*	2022 YTD Actuals (May 2022)*
Trans-Pacific Trade	6.0%	6.5%
West Coast Ports	11.3%	11.3%



## FINANCIAL RETURNS

<i>\$ in millions</i>	2023 YTD Actuals	2022 Total Actuals	2023 Total Budget
Distributable Cash	\$60.6	\$128.0	\$124.6
Return on Revenue	46%	46%	41%



## ENVIRONMENTAL STEWARDSHIP

	2023 YTD Actuals	2022 Results	2023 Target
Water Quality (Acres of Improve Source Control)	234.4 acres	162.3 acres	180 acres
Air Quality (Diesel Particulate Matter - reduced)	.138 Ton	0.6 Ton	0.6 Ton
Greenhouse Gas Emissions - (reduced)	105 Tons	260 Tons	700 Tons



## OPERATIONS

	2023 Q2 Actuals	2022 Q1 Actuals	2022 Results	2023 Target
Avg Crane Production Net moves per hour (mph)	27.4	26.2	28.3	28.5
Truck Turn Time Avg total experience in minutes	86.7	81.8	80.0	< 90 Minute Turn Time



NORTHWEST SEAPORT ALLIANCE  
Statement of Revenue and Expense  
North & South Harbor  
June 30, 2023

CURRENT MONTH					YEAR TO DATE				
BUDGET	ACTUAL	VARIANCE	%	DESCRIPTION	BUDGET	ACTUAL	VARIANCE	%	PRIOR YEAR
20,908,627	22,643,056	1,734,429	8.3%	Operating Revenues	117,397,315	113,632,916	(3,764,399)	-3.2%	101,122,503
<b>20,908,627</b>	<b>22,643,056</b>	<b>1,734,429</b>	<b>8.3%</b>	<b>Total Revenue</b>	<b>117,397,315</b>	<b>113,632,916</b>	<b>(3,764,399)</b>	<b>-3.2%</b>	<b>101,122,503</b>
4,122,874	3,972,385	150,489	3.7%	Operations	24,352,382	23,962,818	389,565	1.6%	23,500,686
5,864,205	2,171,435	3,692,770	63.0%	Maintenance	17,884,083	12,604,795	5,279,288	29.5%	8,088,320
2,245,440	1,629,794	615,645	27.4%	Administration	10,808,033	9,649,617	1,158,416	10.7%	8,843,714
335,930	373,912	(37,982)	-11.3%	Security	2,010,183	2,256,723	(246,540)	-12.3%	2,109,836
1,794,649	1,703,548	91,101	5.1%	Depreciation	10,705,173	10,325,173	380,000	3.5%	10,225,509
-	17,137	(17,137)	0.0%	Amortization of Lease Asset	-	157,061	(157,061)	0.0%	93,811
728,413	420,715	307,698	42.2%	Environmental	1,527,960	852,631	675,329	44.2%	715,539
<b>15,091,511</b>	<b>10,288,927</b>	<b>4,802,584</b>	<b>31.8%</b>	<b>Total Operating Expense</b>	<b>67,287,814</b>	<b>59,808,817</b>	<b>7,478,997</b>	<b>11.1%</b>	<b>53,577,414</b>
<b>5,817,115</b>	<b>12,354,130</b>	<b>6,537,014</b>	<b>112.4%</b>	<b>Operating Income</b>	<b>50,109,501</b>	<b>53,824,099</b>	<b>3,714,598</b>	<b>7.4%</b>	<b>47,545,089</b>
77,960	204,767	126,807	162.7%	Interest Income	467,760	1,306,882	839,122	179.4%	206,536
-	(54,377)	(54,377)	0.0%	Market Value Adjustment	-	272,221	272,221	0.0%	(1,504,134)
-	(5,068)	(5,068)	0.0%	Lease Interest Expense	-	(31,445)	(31,445)	0.0%	(34,874)
21,350	122,467	101,117	473.6%	Grant Income	1,926,817	2,637,298	710,481	36.9%	1,577,243
(220,000)	(30,997)	189,003	85.9%	Misc. Non Op Income(Expense)	(420,000)	2,482	422,482	100.6%	1,511,096
(2,480,798)	(5,664)	2,475,134	99.8%	Other Non Operating	(4,684,285)	(113,652)	4,570,633	97.6%	(247,196)
<b>(2,601,488)</b>	<b>231,128</b>	<b>2,832,616</b>	<b>108.9%</b>	<b>Non-Operating Revenue(Expense)</b>	<b>(2,709,708)</b>	<b>4,073,786</b>	<b>6,783,494</b>	<b>250.3%</b>	<b>1,508,671</b>
<b>3,215,628</b>	<b>12,585,257</b>	<b>9,369,629</b>	<b>291.4%</b>	<b>Income Before Levy &amp; Expense</b>	<b>47,399,793</b>	<b>57,897,886</b>	<b>10,498,092</b>	<b>22.1%</b>	<b>49,053,759</b>
<b>3,215,628</b>	<b>12,585,257</b>	<b>9,369,629</b>	<b>291.4%</b>	<b>Net Income/(Loss)</b>	<b>47,399,793</b>	<b>57,897,886</b>	<b>10,498,092</b>	<b>22.1%</b>	<b>49,053,759</b>

**NORTHWEST SEAPORT ALLIANCE**  
**North & South Harbor**  
**Trended Statement of Revenue and Expense**  
**June 30, 2023**  
**(Dollars in Thousands)**

	<u>Jun-22</u>	<u>Jul-22</u>	<u>Aug-22</u>	<u>Sep-22</u>	<u>Oct-22</u>	<u>Nov-22</u>	<u>Dec-22</u>	<u>Jan-23</u>	<u>Feb-23</u>	<u>Mar-23</u>	<u>Apr-23</u>	<u>May-23</u>	<u>Jun-23</u>
Operating Revenue	16,285	15,816	19,284	18,458	18,065	17,965	17,597	19,511	17,369	17,871	16,998	19,240	22,643
<b>Total Operating Revenue</b>	<b>16,285</b>	<b>15,816</b>	<b>19,284</b>	<b>18,458</b>	<b>18,065</b>	<b>17,965</b>	<b>17,597</b>	<b>19,511</b>	<b>17,369</b>	<b>17,871</b>	<b>16,998</b>	<b>19,240</b>	<b>22,643</b>
Operations	4,240	3,645	3,888	4,083	4,440	3,704	4,099	3,036	3,460	4,437	3,982	5,059	3,972
Maintenance	1,379	1,716	3,585	1,240	2,085	1,818	1,595	1,808	1,549	2,275	2,423	2,493	2,171
Administration	1,589	1,546	1,500	1,687	1,564	1,558	867	1,466	1,506	1,646	1,573	1,732	1,630
Security	371	351	352	377	360	358	375	417	288	383	346	450	374
Depreciation	1,716	1,716	1,732	1,725	1,729	1,723	1,783	1,711	1,649	1,791	1,704	1,767	1,704
Amortization of Lease Asset	16	16	127	30	31	30	31	31	30	31	31	17	17
Environmental	110	141	146	174	224	183	134	124	(42)	182	183	(15)	421
<b>Total Operating Expense</b>	<b>9,421</b>	<b>9,131</b>	<b>11,330</b>	<b>9,317</b>	<b>10,430</b>	<b>9,374</b>	<b>8,884</b>	<b>8,592</b>	<b>8,439</b>	<b>10,743</b>	<b>10,241</b>	<b>11,504</b>	<b>10,289</b>
<b>Operating Income</b>	<b>6,864</b>	<b>6,685</b>	<b>7,954</b>	<b>9,141</b>	<b>7,635</b>	<b>8,591</b>	<b>8,713</b>	<b>10,919</b>	<b>8,930</b>	<b>7,128</b>	<b>6,757</b>	<b>7,736</b>	<b>12,354</b>
Interest Income	54	80	107	114	123	156	190	220	240	214	217	210	205
Market Value Adjustment	(221)	263	(440)	(462)	(124)	371	(40)	306	(303)	378	47	(102)	(54)
Lease Interest Expense	(6)	(6)	(9)	(6)	(6)	(6)	(6)	(5)	(5)	(5)	(5)	(5)	(5)
Grant Income	-	1,587	3	582	1,328	5	860	(202)	196	-	2,502	19	122
Misc. Non Op Income/(Expense)	23	(21)	(169)	2,606	15	(43)	5,878	28	(4)	(32)	17	(83)	(37)
<b>Non-Operating Revenue (Expense)</b>	<b>(150)</b>	<b>1,904</b>	<b>(507)</b>	<b>2,834</b>	<b>1,336</b>	<b>483</b>	<b>6,882</b>	<b>346</b>	<b>123</b>	<b>555</b>	<b>2,778</b>	<b>39</b>	<b>231</b>
<b>Net Income/(Loss)</b>	<b><u>6,714</u></b>	<b><u>8,589</u></b>	<b><u>7,447</u></b>	<b><u>11,975</u></b>	<b><u>8,971</u></b>	<b><u>9,074</u></b>	<b><u>15,595</u></b>	<b><u>11,266</u></b>	<b><u>9,053</u></b>	<b><u>7,683</u></b>	<b><u>9,535</u></b>	<b><u>7,775</u></b>	<b><u>12,585</u></b>

NORTHWEST SEAPORT ALLIANCE  
North & South Harbor  
Commercial Team  
Statement of Revenue - Operating Income  
Year to Date June 30, 2023 Actual to Budget  
(Dollars in Thousands)

Description	Containers			Non-Containers			Real Estate	Other Admin	Total
	Container Terminals	Intermodal	Total Containers	Autos	Breakbulk	Total Non-Containers			Commercial Team
ACTUAL									
Operating Revenues	\$69,524	\$19,381	\$88,905	\$5,836	\$10,364	\$16,200	\$8,529	-	\$113,633
Operating Expenses	4,630	6,710	11,341	1,690	7,273	8,964	209	-	20,513
Maintenance	6,285	346	6,631	297	1,200	1,496	706	-	8,834
Depreciation	9,350	285	9,634	359	67	426	50	-	10,111
Environmental	-	-	-	-	-	-	-	-	-
Total Expenses	20,265	7,340	27,606	2,346	8,540	10,886	965	-	39,457
Contribution Margin	49,259	12,040	61,299	3,490	1,823	5,313	7,563	-	74,175
Commercial Administration	1,126	322	1,448	-	1,422	1,422	560	1,678	5,108
Commercial Operating Income	48,133	11,718	59,851	3,490	401	3,891	7,003	(1,678)	69,068
Infrastructure and Other Administration	-	-	-	-	-	-	-	15,243	15,243
Operating Income	48,133	11,718	59,851	3,490	401	3,891	7,003	(16,921)	53,824
BUDGET									
Operating Revenues	\$68,843	\$24,784	\$93,628	\$5,481	\$8,901	\$14,382	\$9,388	-	\$117,397
Operating Expenses	4,448	8,839	13,286	2,168	5,165	7,334	180	-	20,800
Maintenance	8,881	831	9,712	316	1,026	1,343	735	-	11,790
Depreciation	9,520	373	9,892	359	63	422	50	-	10,365
Environmental	-	-	-	-	-	-	-	-	-
Total Expenses	22,848	10,042	32,890	2,844	6,255	9,099	965	-	42,954
Contribution Margin	45,995	14,742	60,737	2,637	2,646	5,283	8,423	-	74,443
Commercial Administration	1,082	522	1,604	-	1,664	1,664	688	2,136	6,092
Commercial Operating Income	44,913	14,220	59,133	2,637	982	3,619	7,735	(2,136)	68,351
Infrastructure and Other Administration	-	-	-	-	-	-	-	18,241	18,241
Operating Income	44,913	14,220	59,133	2,637	982	3,619	7,735	(20,378)	50,110
VARIANCE									
Operating Revenues	\$681	(\$5,404)	(\$4,723)	\$355	\$1,463	\$1,818	(\$859)	-	(\$3,764)
Operating Expenses	(183)	2,128	1,946	478	(2,108)	(1,630)	(29)	-	287
Maintenance	2,595	485	3,081	20	(173)	(154)	29	-	2,956
Depreciation	170	88	258	-	(4)	(4)	-	-	254
Environmental	-	-	-	-	-	-	-	-	-
Total Expenses	2,583	2,702	5,285	498	(2,285)	(1,788)	0	-	3,497
Contribution Margin	3,263	(2,702)	562	853	(823)	30	(860)	-	(268)
Commercial Administration	(44)	200	156	-	242	242	128	458	985
Commercial Operating Income	3,219	(2,502)	718	853	(581)	272	(731)	458	717
Infrastructure and Other Administration	-	-	-	-	-	-	-	2,998	2,998
Operating Income	3,219	(2,502)	718	853	(581)	272	(731)	3,456	3,715

NORTHWEST SEAPORT ALLIANCE  
North & South Harbor  
Commercial Team  
Statement of Revenue - Operating Income  
Year to Date June 30, 2023 Actual to Prior Year  
(Dollars in Thousands)

Description	Containers			Non-Containers			Real Estate	Other Admin	Total
	Container Terminals	Intermodal	Total Containers	Autos	Breakbulk	Total Non-Containers			Commercial Team
ACTUAL									
Operating Revenues	\$69,524	\$19,381	\$88,905	\$5,836	\$10,364	\$16,200	\$8,529	-	\$113,633
Operating Expenses	4,630	6,710	11,341	1,690	7,273	8,964	209	-	20,513
Maintenance	6,285	346	6,631	297	1,200	1,496	706	-	8,834
Depreciation	9,350	285	9,634	359	67	426	50	-	10,111
Environmental	-	-	-	-	-	-	-	-	-
Total Expenses	20,265	7,340	27,606	2,346	8,540	10,886	965	-	39,457
Contribution Margin	49,259	12,040	61,299	3,490	1,823	5,313	7,563	-	74,175
Commercial Administration	1,126	322	1,448	-	1,422	1,422	560	1,678	5,108
Commercial Operating Income	48,133	11,718	59,851	3,490	401	3,891	7,003	(1,678)	69,068
Infrastructure and Other Administration	-	-	-	-	-	-	-	15,243	15,243
Operating Income	48,133	11,718	59,851	3,490	401	3,891	7,003	(16,921)	53,824
PRIOR YEAR									
Operating Revenues	\$62,209	\$17,951	\$80,160	\$3,577	\$9,488	\$13,065	\$7,897	-	\$101,123
Operating Expenses	5,378	7,142	12,521	643	6,231	6,874	154	-	19,549
Maintenance	4,476	473	4,949	285	468	753	170	-	5,873
Depreciation	9,214	228	9,442	360	112	472	50	-	9,964
Environmental	-	-	-	-	-	-	-	-	-
Total Expenses	19,068	7,844	26,912	1,288	6,811	8,099	375	-	35,386
Contribution Margin	43,141	10,107	53,248	2,290	2,677	4,966	7,522	-	65,737
Commercial Administration	1,864	456	2,320	-	1,397	1,397	542	1,500	5,759
Commercial Operating Income	41,276	9,651	50,928	2,290	1,280	3,569	6,980	(1,500)	59,978
Infrastructure and Other Administration	-	-	-	-	-	-	-	12,433	12,433
Operating Income	41,276	9,651	50,928	2,290	1,280	3,569	6,980	(13,932)	47,545
VARIANCE									
Operating Revenues	\$7,315	\$1,430	\$8,744	\$2,259	\$875	\$3,134	\$632	-	\$12,510
Operating Expenses	748	432	1,180	(1,048)	(1,042)	(2,090)	(55)	-	(964)
Maintenance	(1,809)	128	(1,681)	(12)	(731)	(744)	(536)	-	(2,961)
Depreciation	(136)	(56)	(192)	1	44	46	-	-	(147)
Environmental	-	-	-	-	-	-	-	-	-
Total Expenses	(1,197)	504	(693)	(1,058)	(1,729)	(2,788)	(591)	-	(4,072)
Contribution Margin	6,118	1,933	8,051	1,201	(854)	347	41	-	8,439
Commercial Administration	739	133	872	-	(25)	(25)	(18)	(178)	651
Commercial Operating Income	6,856	2,067	8,923	1,201	(879)	322	23	(178)	9,090
Infrastructure and Other Administration	-	-	-	-	-	-	-	(2,811)	(2,811)
Operating Income	6,856	2,067	8,923	1,201	(879)	322	23	(2,989)	6,279

NORTHWEST SEAPORT ALLIANCE  
Statement of Net Position  
North & South Harbor  
June 30, 2023  
(Dollars in Thousands)

	Current Year	6/30/2022
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$6,264	\$5,471
Investments, at fair value	50,584	48,521
Net Trade A/R	14,464	5,730
Grants Receivable	186	0
Prepayments and other current assets	2,573	1,496
Related Party Receivable - JV	376	0
<b>Total Current Assets</b>	<b>74,447</b>	<b>61,218</b>
<b>NON-CURRENT ASSETS</b>		
Capital Assets	478,443	469,204
Construction in Process	155,477	108,705
<b>Total cost</b>	<b>633,921</b>	<b>577,909</b>
Less: Accumulated Depreciation	79,015	57,860
<b>Capital Assets, Net</b>	<b>554,905</b>	<b>520,049</b>
Other Deferred Assets	82	92
Lease Receivable - GASB 87	1,465,763	1,474,436
Pension Asset	838	4,978
<b>Total Non-Current Assets</b>	<b>1,466,683</b>	<b>1,479,506</b>
<b>Total Assets</b>	<b>\$2,096,035</b>	<b>\$2,060,773</b>
<b>Deferred Outflows of Resources</b>		
Pension Deferred Outflow	2,207	1,085
<b>Total Assets and Deferred Outflows</b>	<b>\$2,098,243</b>	<b>\$2,061,858</b>
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable and accrued liabilities	\$10,959	\$10,186
Related Party Payable - JV	3,300	2,935
Payroll and Benefits Liabilities	1,747	1,883
<b>Total Current Liabilities</b>	<b>16,006</b>	<b>15,004</b>
<b>NON-CURRENT LIABILITIES</b>		
Rent Deposits	8,245	4,977
Other Noncurrent Liabilities	4,264	5,809
<b>Total Non-Current Liabilities</b>	<b>12,509</b>	<b>10,786</b>
<b>Total Liabilities</b>	<b>28,514</b>	<b>25,790</b>
<b>Deferred Inflows of Resources</b>		
Lease Deferred Inflows - GASB 87	1,465,763	1,474,436
Pension Deferred Inflow	2,047	5,755
<b>Total Equity</b>	<b>601,919</b>	<b>555,876</b>
<b>Total Liabilities, Deferred Inflows &amp; Equity</b>	<b>\$2,098,243</b>	<b>\$2,061,858</b>

**NORTHWEST SEAPORT ALLIANCE**  
**Summary of Cash Activities**  
**June 30, 2023**  
**(Dollars in Thousands)**

	2023	2022
Operating Income	\$ 53,824	\$ 47,545
Less: Non-cash income/expense items		
Depreciation	10,482	10,319
Cash earned in the current year	<u>64,306</u>	<u>57,864</u>
Adjustments		
Increases/decreases in payables and receivables	(6,401)	1,106
<b>Net cash provided by operating activities</b>	<b><u>57,905</u></b>	<b><u>58,970</u></b>
Current year distributable cash	(60,554)	(63,950)
Timing on current year distributions	5,128	9,896
Prior Year distributable cash paid in current year	(16,020)	(5,876)
<b>Net cash provided by non-capital &amp; related financing activities</b>	<b><u>(71,446)</u></b>	<b><u>(59,930)</u></b>
Cash received from Homeports for Capital Construction Fund	28,367	28,931
Cash received from federal grants	2,748	4,924
Acquisition and construction of capital assets (net)	(26,107)	(31,334)
<b>Net cash provided/(used) from Capital &amp; Financing Activities</b>	<b><u>5,008</u></b>	<b><u>2,520</u></b>
Cash from/(to) investments	8,861	(3,229)
<b>Net cash from/(to) investments</b>	<b><u>8,861</u></b>	<b><u>(3,229)</u></b>
<b>Total Increase(Decrease) in Cash</b>	<b>327</b>	<b>(1,670)</b>
Plus: Beginning Cash Balance	5,937	7,140
<b>Ending Cash</b>	<b><u><u>\$ 6,264</u></u></b>	<b><u><u>\$ 5,471</u></u></b>

**The Northwest Seaport Alliance**  
**Statement of Managing Members' Equity**  
**June 30, 2023**  
**(Dollars in Thousands)**

<b>Description</b>	<b>12/31/2022</b>	<b>2023 Changes</b>	<b>Ending Balance 6/30/23</b>
Working capital contributions	\$ 62,000		\$ 62,000
Capital construction contributions	568,046	20,699	588,745
Non-cash capital work-in-process	16,792		16,792
HMT Contributions	11,052		11,052
Affirmation Payment	22,000		22,000
<b>Total Contributions</b>	<u>\$ 679,890</u>	<u>\$ 20,699</u>	<u>\$ 700,589</u>
 Affirmation Distribution	 \$ (11,000)		 \$ (11,000)
GASB 87 Adjustment	(110)		(110)
Net income from JV	741,224	57,898	799,122
Cash distributions	(831,258)	(55,426)	(886,684)
<b>End Balance</b>	<u><u>\$ 578,747</u></u>	<u><u>\$ 23,172</u></u>	<u><u>\$ 601,919</u></u>





**Northwest Seaport Alliance**  
**Managing Members Cash Distribution Report**  
June 30, 2023

The cash distributions per Article IV of the Charter are shared 50/50 by each homeport. Homeports will receive 50% of the \$5,128,000 or \$2,564,000 each.

<b>Distribution Date*</b>	<b>Fiscal Month/Yr.</b>	<b>Amount</b>	<b>YTD Distributions</b>
<u>7/28/23</u>	<u>June 2023</u>	<u>\$5,128,000</u>	<u>\$60,554,000</u>

\*Distribution date is approximate, actual cash transfer date is determined by NWSA Treasurer and is typically one week prior to month-end.

**Note:**

-This report is per Article IV cash distributions, reserves and member bond obligations, section 4.1(a)  
-The PDA through the CEO will make distributions of all Distributable Cash to the Managing Members as soon as practicable after each Calculation Period. Prior to executing any distribution, the CEO shall provide a report of planned distributions to Managing Members."

**NORTHWEST SEAPORT ALLIANCE**  
**Capital Investment Plan Actual vs Original Budget by LOB**  
Year-to-Date Spending through June, 2023

LOB	Actual YTD	Original Budget 2023	Variance (over)/under
Automobiles	\$276	\$1,036,000	\$1,035,724
Container Business	\$23,873,467	\$142,335,400	\$118,461,933
Industrial-Commercial Real Estate		\$70,000	\$70,000
Intermodal	\$91,994	\$1,775,000	\$1,683,006
Port-Operated Facilities	\$91,558	\$4,629,000	\$4,537,442
Port-Wide Infrastructure		\$3,000,000	\$3,000,000
<b>Grand Total</b>	<b>\$24,057,295</b>	<b>\$152,845,400</b>	<b>\$128,788,105</b>

Project Breakdown by LOB - Material Projects (Projects \$300k and up)

LOB	Actual YTD		
Automobiles →			
Other Automobiles	276		
<b>Total</b>	<b><u>\$276</u></b>		
Container Business →			
U00100 T5 Berth Construction - Phase 2 (1,450' south)	10,844,187		
U00572/U00654 T5 Stormwater Treatment System	6,916,352		
201100.01 Terminal 3/4 Shorepower	1,592,733		
U00568 T5 Marine Building South	841,084		
U00690 T106 CBP Office & Facility Renovation (NWSA 87%, POS 13%)	646,303		
U00673 T5 Gate Complex (SSA will do work)	633,823		
U00649 T5 Reefer High Voltage Distribution (SSA will do work)	633,502		
Other Container Business	1,765,482		
<b>Total</b>	<b><u>\$23,873,467</u></b>		
Industrial-Commercial Real Estate →			
Other Industrial-Commercial Real Estate			
<b>Total</b>			
Intermodal →			
Other Container Business	91,994		
<b>Total</b>	<b><u>\$91,994</u></b>		
Port-Operated Facilities →			
Other Port-Operated Facilities	91,558		
<b>Total</b>	<b><u>\$91,558</u></b>		
Port-Wide Infrastructure →			
Other Port-Wide Infrastructure			
<b>Total</b>			
<b>Grand Total</b>	<b>\$24,057,295</b>		



## The Northwest Seaport Alliance 5-Year Cargo Volume History:

CONTAINERIZED VOLUME (TEUs)										
	2018	2019	2020	2021	2022	YTD Q1 2021	YTD Q2 2022	YTD Q2 2023	2023 vs. 2021	2023 vs. 2022
Int'l Import full TEUs	1,452,623	1,369,251	1,253,818	1,464,662	1,258,631	750,105	698,296	495,693	-33.9%	-29.0%
Int'l Export full TEUs	953,495	913,332	790,620	691,446	555,556	371,851	282,578	270,733	-27.2%	-4.2%
Int'l Empty TEUs	705,114	775,763	591,197	836,012	835,355	392,829	455,507	274,263	-30.2%	-39.8%
<b>Total International TEUs</b>	<b>3,111,232</b>	<b>3,058,346</b>	<b>2,635,635</b>	<b>2,992,120</b>	<b>2,649,542</b>	<b>1,514,785</b>	<b>1,436,381</b>	<b>1,040,689</b>	<b>-31.3%</b>	<b>-27.5%</b>
Total Domestic TEUs	686,394	716,957	684,744	744,086	734,477	366,553	370,351	353,658	-3.5%	-4.5%
<b>Grand Total TEUs</b>	<b>3,797,626</b>	<b>3,775,303</b>	<b>3,320,379</b>	<b>3,736,206</b>	<b>3,384,018</b>	<b>1,881,337</b>	<b>1,806,732</b>	<b>1,394,347</b>	<b>-25.9%</b>	<b>-22.8%</b>
CARGO VOLUME (METRIC TONS)										
Container Cargo	28,868,125	28,671,813	25,508,550	26,177,940	23,043,966	13,550,456	12,274,483	9,986,668	-26.3%	-18.6%
Breakbulk	249,055	246,412	291,623	366,184	478,455	177,009	229,384	215,154	21.6%	-6.2%
Autos	228,295	305,816	244,612	262,289	288,365	148,578	116,337	262,703	76.8%	125.8%
Grain	9,000,753	6,460,563	9,197,211	10,106,512	8,971,124	5,808,136	5,634,244	2,110,820	-63.7%	-62.5%
Gypsum	221,054	251,342	153,858	220,172	201,421	116,130	77,371	54,753	-52.9%	-29.2%
Logs	116,790	75,757	0	0	0	0	0	0	0.0%	0.0%
Petroleum	665,670	636,150	677,469	524,332	708,619	265,390	324,431	373,344	40.7%	15.1%
Molasses	45,686	46,661	42,400	32,729	31,769	15,333	18,529	18,796	22.6%	1.4%
<b>Grand Total (Metric Tons)</b>	<b>39,395,428</b>	<b>36,694,513</b>	<b>36,115,724</b>	<b>37,690,159</b>	<b>33,723,718</b>	<b>20,081,032</b>	<b>#####</b>	<b>13,022,238</b>	<b>-35.2%</b>	<b>-30.3%</b>
<b>Autos (Units)</b>	<b>141,143</b>	<b>155,930</b>	<b>156,205</b>	<b>162,484</b>	<b>172,979</b>	<b>91,590</b>	<b>70,041</b>	<b>160,569</b>	<b>75.3%</b>	<b>129.3%</b>
<b>YTD Market Share May (most recent data available for competing ports)*</b>	<b>13.4%</b>	<b>13.6%</b>	<b>12.0%</b>	<b>12.0%</b>	<b>11.5%</b>	<b>11.5%</b>	<b>11.3%</b>	<b>11.3%</b>	<b>-1.9%</b>	<b>0.0%</b>

\*Los Angeles, Long Beach, Oakland, Vancouver, Prince Rupert, NWSA, Portland

Auto unit count includes units handled at Port of  
Includes volume from a privately-operated domestic container facility