



# **PORT OF SEATTLE**

## **Q1 2024 FINANCIAL PERFORMANCE REPORT**

**AS OF MARCH 31, 2024**

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**I. PORTWIDE**

**EXECUTIVE SUMMARY**

The financial performance results were strong in the first three months of the year. SEA passenger volume was 2.0% higher compared to same period last year and forecast to be 2.1% above the 2019 pre-pandemic volumes for the year. Non-Aeronautical revenues are anticipated to exceed budget by \$9.4M or 2.8% mainly due to higher revenues in Public Parking and Rental Cars.

The 2024 cruise season, representing the 25<sup>th</sup> year of cruises between Seattle and Alaska, will run from April 6 through October 28 with a projected 275 sailings and 1.7 million revenue passengers. Grain, Fishing, Commercial, and Recreational Marinas are expected to exceed revenue targets while Conference and Event Center revenues are estimated to be under budget due to lower volumes.

Operating revenues were \$6.4M or 2.9% above budget while operating expenses were \$5.5M or 3.8% lower than budget in the first quarter of 2024. Net operating income before depreciation is \$11.9M or 16.0% above budget.

For the full year, we are projecting operating revenues to be \$1,030.6M, \$7.6M above budget mainly due to higher-than-expected Airport Non-Aero Revenues, partially offset by lower Conference & Event Centers volumes. Operating expenses are expected to be \$622.3M, \$4.9M above budget due to higher Payroll, Outside Services, and a \$2.5M payment to Seattle Aquarium. The net operating income before depreciation is forecasted to be \$408.3M, \$2.6M above budget for the year.

**PORTWIDE FINANCIAL SUMMARY**

\$ in 000's	2022 YTD	2023 YTD	2024 YTD		Actual vs. Budget		Change from 2023	
	Actual	Actual	Actual	Budget	Variance		Incr (Decr)	
					\$	%	\$	%
Aeronautical Revenues	87,213	110,795	121,398	121,642	(245)	-0.2%	10,602	9.6%
Airport Non-Aero Revenues	50,944	64,850	74,014	67,492	6,522	9.7%	9,164	14.1%
Non-Airport Revenues	28,488	29,064	30,713	30,561	152	0.5%	1,649	5.7%
<b>Total Operating Revenues</b>	<b>166,645</b>	<b>204,710</b>	<b>226,125</b>	<b>219,695</b>	<b>6,430</b>	<b>2.9%</b>	<b>21,415</b>	<b>10.5%</b>
Total Operating Expenses	105,002	120,100	139,897	145,381	5,484	3.8%	19,797	16.5%
<b>NOI before Depreciation</b>	<b>61,643</b>	<b>84,610</b>	<b>86,228</b>	<b>74,314</b>	<b>11,913</b>	<b>16.0%</b>	<b>1,618</b>	<b>1.9%</b>
Depreciation	51,021	61,605	63,350	62,832	(518)	-0.8%	1,744	2.8%
<b>NOI after Depreciation</b>	<b>10,622</b>	<b>23,004</b>	<b>22,878</b>	<b>11,482</b>	<b>11,396</b>	<b>99.2%</b>	<b>(127)</b>	<b>-0.6%</b>

**2024 YTD Actuals vs. 2024 YTD Budget:**

- Airport Non-Aero Revenues were up \$6.5M compared to budget mainly due to higher revenues from Public Parking and Rental Cars.
- Non-Airport Revenues were \$152K above budget mainly due to higher NWSA Distributable Revenue and Central Harbor Management, partially offset by lower revenues from Conference & Event Centers.
- Total Operating Expenses are \$5.5M lower than budget due to spending delay in Outside Services.

**2024 YTD Actuals vs. 2023 YTD Actuals:**

- Total Operating Revenues were up \$21.4M compared to 2023 mainly due to higher revenues in all Non-Aeronautical lines of businesses (with exception of Employee Parking), Grain, Conference & Event Center, and NWSA Distributable Revenue.
- Total Operating Expenses was \$19.8M higher compared to 2023 due to higher Payroll, Outside Services, and a \$2.5M payment to Seattle Aquarium.

**NON-AIRPORT FINANCIAL SUMMARY**

	2022 YTD	2023 YTD	2024 YTD	2024 YTD	Actual vs. Budget		Change from 2023	
	Actual	Actual	Actual	Budget	Variance		Incr (Decr)	
\$ in 000's					\$	%	\$	%
NWSA Distributable Revenue	14,030	14,001	14,520	14,289	231	1.6%	519	3.7%
Maritime Revenues	10,511	9,927	10,608	10,540	69	0.7%	682	6.9%
EDD Revenues	2,580	3,599	4,408	4,518	(111)	-2.4%	809	22.5%
SWU & Other	1,367	1,537	1,177	1,214	(37)	-3.0%	(361)	-23.5%
<b>Total Operating Revenues</b>	<b>28,488</b>	<b>29,064</b>	<b>30,713</b>	<b>30,561</b>	<b>152</b>	<b>0.5%</b>	<b>1,649</b>	<b>5.7%</b>
Total Operating Expenses	19,736	21,837	27,291	28,605	1,313	4.6%	5,455	25.0%
<b>NOI before Depreciation</b>	<b>8,753</b>	<b>7,227</b>	<b>3,422</b>	<b>1,956</b>	<b>1,466</b>	<b>74.9%</b>	<b>(3,806)</b>	<b>-52.7%</b>
Depreciation	9,452	9,562	9,504	9,303	(201)	-2.2%	(58)	-0.6%
<b>NOI after Depreciation</b>	<b>(699)</b>	<b>(2,334)</b>	<b>(6,082)</b>	<b>(7,347)</b>	<b>1,265</b>	<b>-17.2%</b>	<b>(3,748)</b>	<b>160.5%</b>

**2024 YTD Actuals vs. 2024 YTD Budget**

- Non-Airport Operating Revenues were up \$152K compared to budget mainly due to higher NWSA Distributable revenue, Central Harbor Management, and Grain; partially offset by lower revenue from Conference & Event Centers.
- Non-Airport Operating Expenses were \$1.3M lower than budget because of project spending delays and timing of tenant improvements and maintenance.

**2024 YTD Actuals vs. 2023 YTD Actuals**

- Non-Airport Operating Revenues were \$1.6M higher compared to 2023 because of higher revenues from Grain, NWSA Distributable Revenue, and Conference & Event Centers.
- Non-Airport Operating Expenses were \$5.5M higher than 2023 due to higher Payroll and Outside Services.

**I. PORTWIDE FINANCIAL & PERFORMANCE REPORT 03/31/24**

**MAJOR OPERATING REVENUES SUMMARY**

	2022 YTD	2023 YTD	2024 YTD	2024 YTD	Actual vs. Budget		Change from 2023	
	Actual	Actual	Actual	Budget	Variance \$	%	Incr (Decr) \$	%
\$ in 000's								
Aeronautical Revenues	87,213	110,795	121,398	121,642	(245)	-0.2%	10,602	9.6%
Public Parking	18,872	24,451	28,638	24,617	4,021	16.3%	4,188	17.1%
Rental Cars - Operations	6,705	8,603	9,588	7,024	2,564	36.5%	985	11.5%
Rental Cars - Operating CFC	566	1,030	1,601	1,852	(251)	-13.6%	571	55.4%
ADR & Terminal Leased Space	11,374	13,632	16,256	16,000	256	1.6%	2,624	19.3%
Ground Transportation	3,551	5,127	5,283	5,026	258	5.1%	156	3.0%
Employee Parking	2,447	2,788	2,581	2,914	(333)	-11.4%	(207)	-7.4%
Airport Commercial Properties	3,807	4,240	4,519	4,447	72	1.6%	279	6.6%
Airport Utilities	1,801	2,172	2,146	2,522	(377)	-14.9%	(27)	-1.2%
Clubs and Lounges	1,057	2,374	2,946	2,579	367	14.2%	572	24.1%
Cruise	(66)	(302)	(299)	(355)	56	-15.8%	3	-0.9%
Recreational Boating	3,443	3,827	4,041	4,080	(39)	-1.0%	214	5.6%
Fishing & Operations	2,488	2,751	2,786	2,772	14	0.5%	35	1.3%
Grain	1,874	1,081	1,617	1,421	196	13.8%	536	49.5%
Maritime Portfolio Management	2,765	2,562	2,463	2,622	(158)	-6.0%	(98)	-3.8%
Central Harbor Management	1,962	2,210	2,574	2,346	228	9.7%	364	16.5%
Conference & Event Centers	618	1,380	1,825	2,167	(342)	-15.8%	445	32.2%
NWSA Distributable Revenue	14,030	14,001	14,520	14,289	231	1.6%	519	3.7%
Other	2,137	1,988	1,642	1,732	(90)	-5.2%	(345)	-17.4%
<b>Total Operating Revenues (w/o Aero)</b>	<b>79,432</b>	<b>93,914</b>	<b>104,727</b>	<b>98,053</b>	<b>6,674</b>	<b>6.8%</b>	<b>10,813</b>	<b>11.5%</b>
<b>TOTAL</b>	<b>166,645</b>	<b>204,710</b>	<b>226,125</b>	<b>219,695</b>	<b>6,430</b>	<b>2.9%</b>	<b>21,415</b>	<b>10.5%</b>

**MAJOR OPERATING EXPENSES SUMMARY**

	2022 YTD	2023 YTD	2024 YTD	2024 YTD	Actual vs. Budget		Change from 2023	
	Actual	Actual	Actual	Budget	Variance \$	%	Incr (Decr) \$	%
\$ in 000's								
Salaries & Benefits	37,033	44,280	52,676	50,175	(2,500)	-5.0%	8,396	19.0%
Wages & Benefits	32,529	39,470	43,311	41,966	(1,345)	-3.2%	3,841	9.7%
Payroll to Capital Projects	5,556	7,540	9,052	10,880	1,827	16.8%	1,512	20.1%
Outside Services	20,451	23,047	29,151	41,689	12,538	30.1%	6,104	26.5%
Utilities	8,149	7,306	8,210	7,679	(531)	-6.9%	905	12.4%
Equipment Expense	1,946	2,814	2,219	3,330	1,111	33.4%	(595)	-21.2%
Supplies & Stock	1,980	2,661	2,715	2,418	(297)	-12.3%	55	2.1%
Travel & Other Employee Expenses	672	879	800	2,058	1,258	61.1%	(80)	-9.1%
Third Party Mgmt Op Exp	1,466	2,523	2,892	3,329	438	13.1%	369	14.6%
B&O Taxes	974	1,211	1,429	1,421	(8)	-0.6%	218	18.0%
Other Expenses	5,711	2,745	5,955	4,341	(1,614)	-37.2%	3,210	117.0%
Charges to Capital Projects/Overhead Alloc	(11,466)	(14,375)	(18,512)	(23,904)	(5,392)	22.6%	(4,138)	28.8%
<b>TOTAL</b>	<b>105,002</b>	<b>120,100</b>	<b>139,897</b>	<b>145,381</b>	<b>5,484</b>	<b>3.8%</b>	<b>19,797</b>	<b>16.5%</b>

**I. PORTWIDE FINANCIAL & PERFORMANCE REPORT 03/31/24**

**PORTWIDE FINANCIAL YEAR-END FORECAST SUMMARY**

	2022	2023	2024	2024	Fest vs. Budget		Change from 2023	
	Actual	Actual	Forecast	Budget	Variance		Incr (Decr)	
\$ in 000's					\$	%	\$	%
Aeronautical Revenues	402,540	479,697	520,600	520,600	-	0.0%	40,903	8.5%
Airport Non-Aero Revenues	256,613	326,592	342,079	332,713	9,366	2.8%	15,486	4.7%
Non-Airport Revenues	150,977	162,991	167,959	169,758	(1,799)	-1.1%	4,968	3.0%
<b>Total Operating Revenues</b>	<b>810,130</b>	<b>969,281</b>	<b>1,030,637</b>	<b>1,023,071</b>	<b>7,566</b>	<b>0.7%</b>	<b>61,357</b>	<b>6.3%</b>
Total Operating Expenses	475,739	557,149	622,324	617,406	(4,918)	-0.8%	65,175	11.7%
<b>NOI before Depreciation</b>	<b>334,390</b>	<b>412,131</b>	<b>408,313</b>	<b>405,665</b>	<b>2,648</b>	<b>0.7%</b>	<b>(3,818)</b>	<b>-0.9%</b>
Depreciation	232,236	250,644	250,025	250,025	-	0.0%	(619)	-0.2%
<b>NOI after Depreciation</b>	<b>102,155</b>	<b>161,487</b>	<b>158,288</b>	<b>155,640</b>	<b>2,648</b>	<b>1.7%</b>	<b>(3,199)</b>	<b>-2.0%</b>

**Year-End Forecast**

- Total Operating Revenues are expected to be \$7.6M higher than budget and \$61.4M higher than 2023.
- Total Operating Expenses are expected to be \$4.9M unfavorable to budget and \$65.2M higher than 2023. It would have only been \$36.5M higher than 2023 after adjusting for \$28.7M state pension credit in 2023.
- NOI before depreciation forecast to be \$2.6M favorable to budget and \$3.8M lower than 2023.

**KEY PERFORMANCE METRICS**

	2023	2024	2023	2024	2024	Fav (UnFav)		Incr (Decr)	
	YTD	YTD	2023	2024	2024	Act vs. Budget	Variance	Change from 2023	
	Actual	Actual	Actual	Forecast	Budget	Chg.	%	Chg.	%
Total Passengers (in 000's)	10,473	10,685	50,885	52,914	52,914	-	0.0%	2,029	4.0%
Landed Weight (lbs. in millions)	7,105	7,091	32,064	32,726	32,726	-	0.0%	661	2.1%
Passenger CPE (in \$)	N/A	N/A	17.52	18.31	18.31	-	0.0%	0.79	4.5%
Cruise Passenger (in 000's)	-	-	1,778	1,661	1,661	-	0.0%	(117)	-6.6%
Shilshole Bay Marina Occupancy	97.1%	97.4%	98.1%	97.9%	97.0%	1.0%	1.0%	-0.1%	-0.1%

**KEY BUSINESS EVENTS**

The Port held its annual State of the Port Breakfast providing an update on Port operations. The Port shared with the stakeholders that international travel at Seattle-Tacoma International Airport (SEA) is up 101% compared to 2019 levels and SEA is one of the few airports in North America to add services since the pandemic. In addition, the Port will continue to invest in capital programs; foster opportunities for entrepreneurs, innovators, and small, women-owned, and disadvantaged businesses; support community programs and prioritize environmental sustainability projects.

One of the ways the Port is meeting its commitment to the community and environment is through the ongoing support for the Duwamish River community. The Port continues to promote the use of the community hub in South Park and continues to invest in the Superfund program. Although none of the Lower Duwamish Waterway's most contaminated areas are attributable to the Port or its tenants, the Port has made significant investments to improve conditions in the Duwamish River and the surrounding community. To date, the Port has invested more than \$80 million under the Superfund program for cleanup and restoration projects, including soil and in-water sediments cleanup at Duwamish River People's Park; Lower Duwamish Waterway and East Waterway sediments investigation and cleanup design; and cleanup and source control activities at adjacent upland facilities. Additionally, the Port established the Green Jobs Program that provides training on ecosystem restoration and green infrastructure.

The Port expanded its Port Allies Against Human Trafficking (PAAHT) pledge to include Crystal Cruises, Holland America Line, Seabourn, Princess Cruises, Carnival Cruise Line, Royal Caribbean Group, and The Center for Wooden Boats. Trafficking awareness signage and messaging at both SEA and maritime facilities now include a QR code, created by survivor-led Twentyfour-Seven Inc., that provides information to the public and helps victims of human trafficking to report their situation and understand their rights. Organizations that sign onto the pledge will have access to the first proprietary anti-human trafficking training developed by the Port in partnership with Businesses Ending Slavery and Trafficking (BEST). Aside from trainings, the Port also posted over 300 signs translated in 8 languages.

The Port revamped its Tourism Marketing Support Program doubling the grants to \$20,000. The program now allocates \$600,000 over a two-year period to allow organizations more time to complete projects. To date, the program has funded 178 projects statewide for a total of \$1,276,000 in Port grant funds and \$1,039,315 in match funds from participating organizations.

SEA launched its 75th Anniversary celebration unveiling a special anniversary logo and announcing a year-long partnership with the Museum of Flight to recognize the airport's place in regional aviation history. SEA is planning several in-terminal events like airport scavenger hunts for prizes and customer appreciation events in early July. Additionally, SEA welcomed the announcement of China Airlines' 5 new nonstop flights a week to Taipei starting this July. Likewise, STARLUX Airlines will have 3 outbound flights a week from SEA to Taipei (TPE) starting in August 2024. These flights will provide more options for passengers traveling across the Pacific.

Commission allocated \$5 million toward the repair and replacement of ineffective sound insulation packages provided to residents of communities near SEA. Additionally, the Port will invest an additional \$1.5 million for the assessment that will involve extensive outreach, collection of information from property owners, and analysis of that information. The assessment is expected to be completed at the end of 2024. In turn, the Port will apply for the newly approved federal funding under the Transportation Appropriations bill.

Commission passed a proclamation celebrating Black History Month 2024. The proclamation highlights the influence and innovation of local African Americans in all fields of art and recognizes that the arts continue to provide an avenue for expression and visibility for the voices of those who have historically been underrepresented and continue to be today.

**CAPITAL SPENDING SUMMARY**

\$ in 000's	2024	2024	2024	2024	Budget Variance	
	YTD Actual	Forecast	Budget	Plan of Finance	\$	%
Aviation	100,417	685,160	682,384	717,598	(2,776)	-0.4%
Maritime	22,589	82,780	72,976	84,825	(9,804)	-13.4%
Economic Development	865	6,636	5,137	20,501	(1,499)	-29.2%
Central Services & Other (note 1)	1,829	17,420	20,716	19,742	3,296	15.9%
<b>TOTAL</b>	<b>125,700</b>	<b>791,996</b>	<b>781,213</b>	<b>842,666</b>	<b>(10,783)</b>	<b>-1.4%</b>

Note:

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

Total capital spending is forecast to be \$792.0M for 2024, 101.4% of the budget due to timing changes in projects: SEA Gateway, MT Low Voltage Sys Upgrade, C Concourse Expansion, Checked Bag Recap/Optimization, 2021-25 AFLD Pavements, HIM Dock-E Improvements, and T91 New Cruise Gangway.

**PORTWIDE INVESTMENT PORTFOLIO**

During the first quarter of 2024, the investment portfolio earned 3.67% versus the benchmark's (the Bank of America Merrill Lynch 1-3 Year US Treasury & Agency Index) of 4.71%. Over the last twelve months, the portfolio and the benchmark have earned 3.5% and 4.79%, respectively. Since the Port became its own Treasurer in 2002, the life-to-date earnings of the Port's portfolio and the benchmark are 2.37% and 1.92%, respectively.



## II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 03/31/24

### II. AVIATION DIVISION

#### FINANCIAL SUMMARY

Financial Summary (\$ in 000's)	2022	2023	2024	2024	Forecast vs. Budget Variance		Incr/(Decr) Change from 2022	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
<b>Operating Revenue</b>								
Aeronautical Revenues	402,540	479,697	520,600	520,600	-	0.0%	40,903	8.5%
Non-Aeronautical Revenues (before Concessions Relief)	256,613	326,592	342,079	332,713	9,366	2.8%	15,486	4.7%
<b>Total Operating Revenues</b>	<b>659,153</b>	<b>806,289</b>	<b>862,679</b>	<b>853,313</b>	<b>9,366</b>	<b>1.1%</b>	<b>56,389</b>	<b>7.0%</b>
<b>Total Operating Expenses w/o Pension True-Up</b>	<b>394,990</b>	<b>471,946</b>	<b>501,282</b>	<b>495,724</b>	<b>(5,557)</b>	<b>-1.1%</b>	<b>29,336</b>	<b>6.2%</b>
<b>Net Operating Income (w/o Pension True-up)</b>	<b>264,163</b>	<b>334,344</b>	<b>361,397</b>	<b>357,589</b>	<b>3,808</b>	<b>1.1%</b>	<b>27,053</b>	<b>8.1%</b>
<b>CPE</b>	16.09	17.52	18.31	18.31	0.00	0.0%	0.79	4.5%
<b>Non-Aero NOI (\$ in 000s)</b>	135,483	188,669	188,326	179,075	9,251	5.2%	(344)	-0.2%
<b>Enplaned passengers (in 000s)</b>	22,966	25,371	26,457	26,457	-	0.0%	1,086	4.3%
<b>Capital Expenditures (in 000s)</b>	<b>311,631</b>	<b>444,072</b>	<b>685,160</b>	<b>682,384</b>	<b>(2,776)</b>	<b>-0.4%</b>	<b>241,088</b>	<b>54.3%</b>

#### 2024 Forecast vs. 2024 Budget

- Net Operating Income (NOI) without Pension True-up impact for 2024 is forecasted to be \$3.8M (1.1%) higher than the budget, driven primarily by:
  - Non-Aeronautical revenue forecasted at \$9.4M (1.1%) higher than budget. Landside revenue growth continues, especially in Parking and Rental Car. Port owned Clubs & Lounges are also performing above budget.
  - Total Operating Expenses are projected to exceed the budget by \$5.6M (1.1%), primarily due to higher charges from Other Divisions including increased Legal Outside Services costs in support of airport matters and higher Police costs for airport services.

#### 2024 Forecasts vs. 2023 Actuals

- Net Operating Income for 2024 is projected to be \$27.1M (8.1%) higher than prior year before the impact of the year-end Pension True-up.
  - Higher Operating Revenue of \$56.4M (7.0%) compared to prior year is due to higher revenue from both Aero and Non-Aero sources.
  - Higher forecasted Operating Expenses of \$29.3M (6.2%) compared to prior year is primarily driven by higher Payroll, Outside Services, and Charges from Other Divisions compared to 2023.

## II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 03/31/24

### A. BUSINESS EVENTS

Passenger levels are expected to exceed pre-pandemic volume for the first time since 2019.

### B. KEY PERFORMANCE METRICS

	YTD 2022	YTD 2023	YTD 2024	% Change from 2023
<b>Total Passengers (000's)</b>				
Domestic	8,338	9,319	9,336	0.2%
International	677	1,154	1,348	16.8%
Total	9,015	10,473	10,685	2.0%
<b>Operations</b>	89,018	93,680	92,963	-0.8%
<b>Landed Weight (In Millions of lbs.)</b>				
Cargo	691	703	750	6.7%
All other	5,739	6,402	6,341	-1.0%
Total	6,430	7,105	7,091	-0.2%
<b>Cargo - Metric Tons</b>				
Domestic freight	82,797	70,526	86,784	23.1%
International & Mail freight	32,145	25,809	24,048	-6.8%
Total	114,942	96,335	110,832	15.0%

### Key Performance Measures

	2022	2023	2024	2024	Forecast vs. Budget Variance		Incr/(Decr) Change from 2023	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
<b>Key Performance Metrics</b>								
Cost per Enplanement (CPE)	16.09	17.52	18.31	18.31	-	0.0%	0.79	4.5%
Non-Aeronautical NOI (in 000's) <sup>1</sup>	135,483	188,669	188,326	179,075	9,251	5.2%	(344)	-0.2%
<b>Other Performance Metrics</b>								
O&M Cost per Enplanement	17.20	18.60	18.95	18.74	(0.21)	-1.1%	0.35	1.9%
Non-Aero Revenue per Enplanement	11.17	12.87	12.93	12.58	0.35	2.8%	0.06	0.4%
Debt per Enplanement (in \$)	193	166	136	136	-	0.0%	(31)	-18.4%
Debt Service Coverage	2.64	2.02	1.89	1.88	0.01	0.5%	(0.13)	-6.4%
Days cash on hand (10 months = 304 days)	457	507	518	517	1	0.2%	11	2.2%
<b>Activity (in 000's)</b>								
Enplanements	22,966	25,371	26,457	26,457	-	0.0%	1,086	4.3%
Total Passengers	45,964	50,885	52,914	52,914	-	0.0%	2,029	4.0%

### Key Performance Metrics - 2024 Forecast vs. 2024 Budget

- Non-Aero Revenue shows strong performance in Parking and Rental Car, as well as significant growth in Port-owned Clubs.
- All other key metrics tracking closely with the budget as of Q1 Reporting

## II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 03/31/24

### C. OPERATING RESULTS

#### Division Summary – YTD Actuals

Total Airport Expense Summary (\$ in 000's)	2022 YTD (Q1)	2023 YTD (Q1)	2024 YTD (Q1)	2024 YTD (Q1)	Actual vs. Budget Variance		Incr/(Decr) Change from 2023	
	Actual	Actual	Actual	Budget	\$	%	\$	%
<b>Operating Expenses</b>								
Payroll	38,499	45,966	50,522	50,218	(304)	-0.6%	4,556	9.9%
Outside Services	14,781	15,740	20,277	29,711	9,434	31.8%	4,537	28.8%
Utilities	5,529	5,110	6,325	5,412	(913)	-16.9%	1,215	23.8%
Other Expenses	2,502	3,277	1,576	(2,712)	(4,288)	158.1%	(1,700)	-51.9%
<b>Total Airport Direct Charges</b>	<b>61,310</b>	<b>70,092</b>	<b>78,700</b>	<b>82,629</b>	<b>3,929</b>	<b>4.8%</b>	<b>8,608</b>	<b>12.3%</b>
<b>Total Airport Expenses</b>	<b>61,310</b>	<b>70,092</b>	<b>78,700</b>	<b>82,629</b>	<b>3,929</b>	<b>4.8%</b>	<b>8,608</b>	<b>12.3%</b>
Corporate	17,627	20,562	23,852	24,297	444	1.8%	3,290	16.0%
Police	5,562	6,752	9,009	8,445	(564)	-6.7%	2,257	33.4%
Maritime/Economic Development/Other	767	857	1,044	1,405	361	25.7%	187	21.9%
<b>Total Charges from Other Divisions</b>	<b>23,957</b>	<b>28,171</b>	<b>33,905</b>	<b>34,147</b>	<b>242</b>	<b>0.7%</b>	<b>5,734</b>	<b>20.4%</b>
<b>Total Operating Expenses</b>	<b>85,267</b>	<b>98,263</b>	<b>112,606</b>	<b>116,776</b>	<b>4,170</b>	<b>3.6%</b>	<b>14,342</b>	<b>14.6%</b>

#### Expenses – 2024 YTD Actuals vs. 2024 YTD Budget

Operating Expenses were \$4.2M (3.6%) lower than budget YTD primarily due to slower spending in Outside Services in the beginning of the year. The delay in Outside Service spending includes \$5M for on-site consultants charged to capital programs which is offset by a corresponding reduction in charges to capital (neutral Operating Expense impact).

#### Division Summary – YE Forecast

Total Airport Expense Summary (\$ in 000's)	2022	2023	2024	2024	Forecast vs. Budget Variance		Incr/(Decr) Change from 2023	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
<b>Operating Expenses</b>								
Payroll	168,389	193,130	207,483	210,530	3,046	1.4%	14,353	7.4%
Outside Services	75,700	89,551	119,438	126,888	7,450	5.9%	29,888	33.4%
Utilities	22,880	23,285	23,457	23,938	480	2.0%	172	0.7%
Other Expenses	15,141	17,679	947	(9,402)	(10,349)	110.1%	(16,731)	-94.6%
<b>Total Airport Direct Charges</b>	<b>282,110</b>	<b>323,645</b>	<b>351,327</b>	<b>351,954</b>	<b>627</b>	<b>0.2%</b>	<b>27,682</b>	<b>8.6%</b>
<b>Total Airport Expenses</b>	<b>283,191</b>	<b>337,142</b>	<b>351,684</b>	<b>352,111</b>	<b>427</b>	<b>0.1%</b>	<b>14,542</b>	<b>4.3%</b>
Corporate	80,452	96,213	108,280	103,294	(4,986)	-4.8%	12,067	12.5%
Police	27,660	33,750	35,005	34,019	(987)	-2.9%	1,255	3.7%
Maritime/Economic Development/Other	3,687	4,840	6,313	6,301	(12)	-0.2%	1,472	30.4%
<b>Total Charges from Other Divisions</b>	<b>111,799</b>	<b>134,804</b>	<b>149,598</b>	<b>143,614</b>	<b>(5,984)</b>	<b>-4.2%</b>	<b>14,794</b>	<b>11.0%</b>
<b>Total Operating Expenses w/o Pension True-Up</b>	<b>394,990</b>	<b>471,946</b>	<b>501,282</b>	<b>495,724</b>	<b>(5,557)</b>	<b>-1.1%</b>	<b>29,336</b>	<b>6.2%</b>

## II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 03/31/24

### Operating Expenses – 2024 YE Forecast compared to 2024 YE Budget

Total Operating Expense is forecasted to be \$5.6M (1.1%) higher than Budget primarily due to increased spending for Legal Outside Services supporting airport matters and higher anticipated Police costs.

### Aeronautical Business Unit Summary – YTD Actuals

Aeronautical NOI (\$ in 000's)	2022 YTD	2023 YTD	2024 YTD		Actual vs. Budget Variance		Incr/(Decr) Change from 2023	
	Actual	Actual	Actual	Budget	\$	%	\$	%
<b>Revenues</b>								
Airfield Movement Area	23,669	27,401	35,694	35,128	566	1.6%	8,293	30.3%
Airfield Apron Area	4,119	7,057	6,335	7,445	(1,111)	-14.9%	(722)	-10.2%
Terminal Rents	50,680	64,978	65,420	65,666	(246)	-0.4%	443	0.7%
Federal Inspection Services (FIS)	4,662	7,100	9,007	9,006	1	0.0%	1,906	26.9%
<b>Total Rate Base Revenues</b>	<b>83,130</b>	<b>106,535</b>	<b>116,455</b>	<b>117,245</b>	<b>(790)</b>	<b>-0.7%</b>	<b>9,920</b>	<b>9.3%</b>
Airfield Commercial Area	4,084	4,260	4,943	4,397	546	12.4%	683	16.0%
<b>Total Aeronautical Revenues</b>	<b>87,213</b>	<b>110,795</b>	<b>121,398</b>	<b>121,642</b>	<b>(245)</b>	<b>-0.2%</b>	<b>10,602</b>	<b>9.6%</b>
<b>Total Aeronautical Expenses</b>	<b>58,283</b>	<b>69,634</b>	<b>79,345</b>	<b>81,314</b>	<b>1,969</b>	<b>2.4%</b>	<b>9,710</b>	<b>13.9%</b>
<b>Aeronautical NOI</b>	<b>28,930</b>	<b>41,161</b>	<b>42,053</b>	<b>40,328</b>	<b>1,725</b>	<b>4.3%</b>	<b>892</b>	<b>2.2%</b>

### Aeronautical – 2024 YTD Actuals vs. 2024 YTD Budget

Aeronautical Net Operating Income was \$1.7M (4.3%) higher than budget driven by lower operating expenses in Outside Services and Charges from Other Divisions.

### Aeronautical Business Unit Summary - YE Forecast

Aeronautical NOI (\$ in 000's)	2022	2023	2024		Forecast vs. Budget Variance		Incr/(Decr) Change from 2023	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
<b>Rate Base Revenues</b>								
Airfield Movement Area	88,061	142,797	153,782	153,782	-	0.0%	10,985	7.7%
Airfield Apron Area	17,146	26,118	31,816	31,816	-	0.0%	5,698	21.8%
Terminal Rents	184,625	251,892	274,654	274,654	-	0.0%	22,763	9.0%
Federal Inspection Services (FIS)	10,978	41,214	41,326	41,326	-	0.0%	112	0.3%
<b>Total Rate Base Revenues</b>	<b>300,810</b>	<b>462,020</b>	<b>501,578</b>	<b>501,578</b>	<b>-</b>	<b>0.0%</b>	<b>39,558</b>	<b>8.6%</b>
Airfield Commercial Area	17,343	17,677	19,022	19,022	-	0.0%	1,345	7.6%
<b>Total Aeronautical Revenues</b>	<b>318,154</b>	<b>479,697</b>	<b>520,600</b>	<b>520,600</b>	<b>-</b>	<b>0.0%</b>	<b>40,903</b>	<b>8.5%</b>
<b>Total Aeronautical Expenses</b>	<b>261,574</b>	<b>310,451</b>	<b>347,529</b>	<b>342,086</b>	<b>(5,443)</b>	<b>-1.6%</b>	<b>37,078</b>	<b>11.9%</b>
<b>Aeronautical NOI</b>	<b>56,580</b>	<b>169,246</b>	<b>173,071</b>	<b>178,514</b>	<b>(5,443)</b>	<b>-3.0%</b>	<b>3,825</b>	<b>2.3%</b>

### Aeronautical – 2024 Forecast vs. 2024 Budget

Aeronautical Net Operating Income is expected to be \$5.4M (3.0%) lower than budget driven by higher operating expenses in Charges from Other Divisions.

## II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 03/31/24

### Airline Rate Base Cost Drivers

\$ in 000's	2024 Budget	2024 Forecast	Impact on Aero Revenues Budget vs Forecast	
			\$	%
O&M <sup>(1)</sup>	331,860	331,860	-	0%
Debt Service Before Offsets	225,815	225,815	-	0%
Debt Service PFC Offset	(91,493)	(91,493)	-	0%
Net Debt Service	134,322	134,322	-	0%
Amortization	36,873	36,873	-	0%
Space Vacancy	(719)	(719)	-	0%
TSA Operating Grant and Other	(758)	(758)	-	0%
<b>Rate Base Revenues</b>	<b>501,578</b>	<b>501,578</b>	-	<b>0%</b>
Commercial area	19,022	19,022	-	0%
<b>Total Aero Revenues</b>	<b>520,600</b>	<b>520,600</b>	-	<b>0%</b>

*(1) O&M, Debt Service Gross, and Amortization do not include commercial area costs or the international incentive expenses*

### 2024 Forecast to 2024 Budget

Aeronautical Revenue forecast currently aligns with the 2024 Budget. Aero Revenue will be updated for Q2

## II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 03/31/24

### Non-Aero Business Unit Summary – YTD Actuals

Non-Aeronautical NOI (\$ in 000's)	2022 YTD	2023 YTD	2024 YTD	2024 YTD	Actual vs. Budget Variance		Incr/(Decr) Change from 2023	
	Actual	Actual	Actual	Budget	\$	%	\$	%
<b>Non-Aeronautical Revenues</b>								
Public Parking	18,872	24,451	28,638	24,617	4,021	16.3%	4,188	17.1%
Rental Cars	7,272	9,633	11,189	8,876	2,313	26.1%	1,556	16.1%
Ground Transportation	3,551	5,127	5,283	5,026	258	5.1%	156	3.0%
Airport Dining & Retail	9,794	11,891	14,488	14,445	42	0.3%	2,597	21.8%
Other	11,455	13,748	14,416	14,528	(112)	-0.8%	667	4.9%
<b>Total Non-Aeronautical Revenues</b>	<b>50,944</b>	<b>64,850</b>	<b>74,014</b>	<b>67,492</b>	<b>6,522</b>	<b>9.7%</b>	<b>9,164</b>	<b>14.1%</b>
<b>Total Non-Aeronautical Expenses</b>	<b>16,700</b>	<b>28,629</b>	<b>33,261</b>	<b>35,462</b>	<b>2,201</b>	<b>6.2%</b>	<b>4,632</b>	<b>16.2%</b>
<b>Non-Aeronautical NOI</b>	<b>34,244</b>	<b>36,221</b>	<b>40,753</b>	<b>32,030</b>	<b>8,723</b>	<b>27.2%</b>	<b>4,532</b>	<b>12.5%</b>

### Non-Aeronautical Revenue – 2024 YTD Actuals vs. 2024 YTD Budget

- Non-Aero Revenue was \$6.5M (9.7%) favorable to budget YTD driven by continued strong performance in Parking and Rental Car, as well as significant growth in Port-owned Clubs.

### Non-Aero Business Unit Summary - YE Forecast

Non-Aeronautical NOI (\$ in 000's)	2022	2023	2024	2024	Forecast vs. Budget Variance		Incr/(Decr) Change from 2023	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
<b>Non-Aeronautical Revenues</b>								
Public Parking	88,899	110,990	117,548	111,036	6,512	5.9%	6,558	5.9%
Rental Cars	56,473	63,460	63,778	61,599	2,179	3.5%	317	0.5%
Ground Transportation	20,804	24,878	25,349	25,333	16	0.1%	470	1.9%
Airport Dining & Retail	36,581	65,952	71,116	71,332	(216)	-0.3%	5,164	7.8%
Other	53,856	61,312	64,288	63,413	875	1.4%	2,976	4.9%
<b>Total Non-Aeronautical Revenues</b>	<b>256,613</b>	<b>326,592</b>	<b>342,079</b>	<b>332,713</b>	<b>9,366</b>	<b>2.8%</b>	<b>15,486</b>	<b>4.7%</b>
<b>Total Non-Aeronautical Expenses</b>	<b>121,130</b>	<b>137,923</b>	<b>153,753</b>	<b>153,639</b>	<b>(114)</b>	<b>-0.1%</b>	<b>15,830</b>	<b>11.5%</b>
<b>Non-Aeronautical NOI<sup>1</sup></b>	<b>135,483</b>	<b>188,669</b>	<b>188,326</b>	<b>179,075</b>	<b>9,251</b>	<b>5.2%</b>	<b>(344)</b>	<b>-0.2%</b>
Less: CFC Surplus	(6,834)	-	-	-	-		-	
<b>Adjusted Non-Aeronautical NOI</b>	<b>128,649</b>	<b>188,669</b>	<b>188,326</b>	<b>179,075</b>	<b>9,251</b>	<b>5.2%</b>	<b>(344)</b>	<b>-0.2%</b>
Debt Service	(33,065)	(27,096)	(39,997)	(34,094)	(5,903)	17.3%	(12,901)	47.6%
<b>Net Cash Flow</b>	<b>95,584</b>	<b>161,573</b>	<b>148,328</b>	<b>144,981</b>	<b>3,348</b>	<b>2.3%</b>	<b>(13,245)</b>	<b>-8.2%</b>

(1) Includes Federal Relief for Concessions

### Non-Aeronautical Revenue – 2024 Forecast vs. 2024 Budget

- Non-Aero Revenue is forecasted to be \$9.4M (2.8%) favorable to budget YTD by continued strong performance in Parking and Rental Car, as well as significant growth in Port-owned Clubs.

## II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 03/31/24

### D. CAPITAL RESULTS

#### Capital Variance

\$ in 000's	2024	2024	2024	2024	Bud vs. Fcst	
	YTD Actual	Year-End Forecast	Budget	POF	\$	%
Checked Bag Recap/Optimization <sup>(1)</sup>	10,254	56,742	69,654	111,869	12,912	18.5%
SEA Gateway <sup>(2)</sup>	27,884	148,098	136,612	106,366	(11,486)	-8.4%
MT Low Voltage Sys Upgrade <sup>(3)</sup>	7,346	31,241	25,860	26,000	(5,381)	-20.8%
C Concourse Expansion <sup>(4)</sup>	4,495	89,007	85,192	109,662	(3,815)	-4.5%
2021-25 AFLD Pvmnts <sup>(5)</sup>	2,463	46,309	42,724	47,494	(3,585)	-8.4%
S Concourse Expansion <sup>(6)</sup>	854	24,601	21,968	29,419	(2,633)	-12.0%
Parking Garage Elevators <sup>(7)</sup>	426	4,560	6,596	4,775	2,036	30.9%
SEA Garage Security Improv <sup>(8)</sup>	-	-	2,000	4,581	2,000	100.0%
Art Pool <sup>(9)</sup>	189	5,814	7,500	5,850	1,686	22.5%
Wi-Fi Enhancement Project <sup>(10)</sup>	711	4,125	3,209	4,141	(916)	-28.5%
All Other	45,795	274,663	281,070	409,362	6,407	2.3%
Subtotal	100,417	685,160	682,384	859,518	(2,776)	-0.4%
CIP Cashflow Mgmt Reserve	-	-	-	(141,920)	0	
<b>Total Spending</b>	<b>100,417</b>	<b>685,160</b>	<b>682,384</b>	<b>717,598</b>	<b>(2,776)</b>	<b>-0.4%</b>

- \$12.5M Savings to Construction Contract Contingency that wasn't assumed in baseline.
- Q1 actuals slightly higher (5%) than projected. Phase A costs adjusted as majority of scope to finish in 2024. Phase B lag will decrease after TRA4 signed. Those adjustments increase the overall projection.
- Conservatively projected \$2M/mo for Mortenson (Contractor estimate \$3M/mo); actuals for 1st quarter were higher.
- Overspending projection is due to spillover costs from Q4 2023, that were realized in Q1 2024. The remainder of 2025 is expected to proceed as planned.
- Construction of AUI 2025 and AIP 2025 are combined into one contract, will go to Commission in Q4 2024 for the authorization. CAMP project scope is increased with addition of rapid set panels, and Channel Drain & Fire Hydrant replacement through DCD.
- 4 new facilitating projects that are being added (Cargo 3, 6, 7, Gate D6). Expect to get Commission approval in May then design starts immediately.
- Project is progressing slower than expected, working to accelerate and rearrange the work. Next quarter will have a clearer perspective if the work and cashflow will catchup to projections.
- Project will be cancelled.
- Delays in contract execution with artists.
- Project is progressing faster than expected, spending curve is sooner as a result.

### III. MARITIME DIVISION FINANCIAL & PERFORMANCE REPORT 03/31/23

#### III. MARITIME DIVISION

##### FINANCIAL SUMMARY (Excludes Pension Adjustments)

	2022	2023	2024	2024	Actual vs. Budget		Change from 2023	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
\$ in 000's								
<b>Total Revenues</b>	<b>71,365</b>	<b>82,499</b>	<b>86,377</b>	<b>86,132</b>	<b>245</b>	<b>0%</b>	<b>3,877</b>	<b>5%</b>
<b>Total Operating Expenses</b>	<b>59,556</b>	<b>70,395</b>	<b>73,257</b>	<b>72,589</b>	<b>(668)</b>	<b>-1%</b>	<b>2,862</b>	<b>4%</b>
<b>Net Operating Income</b>	<b>11,808</b>	<b>12,105</b>	<b>13,120</b>	<b>13,543</b>	<b>(423)</b>	<b>3%</b>	<b>1,015</b>	<b>-8%</b>
<i>NOI Including Pension Adj</i>	<i>14,375</i>	<i>15,664</i>	<i>13,120</i>	<i>13,543</i>	<i>(1,091)</i>	<i>8%</i>	<i>(2,544)</i>	<i>-16%</i>
<b>Capital Expenditures</b>	<b>21,949</b>	<b>21,935</b>	<b>82,780</b>	<b>72,976</b>	<b>(9,804)</b>	<b>-13%</b>	<b>60,845</b>	<b>277%</b>

##### 2024 Forecast vs. 2024 Budget

- Operating Revenues are forecasted \$245K higher than budget primarily from an improved outlook for Grain volumes.
- Operating Expenses forecasted \$668K higher than budget from unplanned legal expenses.
- Net Operating Income Planned \$423K below budget.
- Capital Spending forecasted at 113% of \$73M budget.

##### 2024 Forecast vs. 2023 Actuals

- Operating Revenues expected \$3.9M higher than 2023 with from higher grain volumes and first full year impact of T106 ground lease.
- Operating Expenses forecasted \$2.9M higher than 2023 actual driven primarily by increased represented and non-represented wage rates.
- Net Operating Income forecasted \$1.0M higher than 2023 actual.

##### Net Operating Income before Depreciation by Business

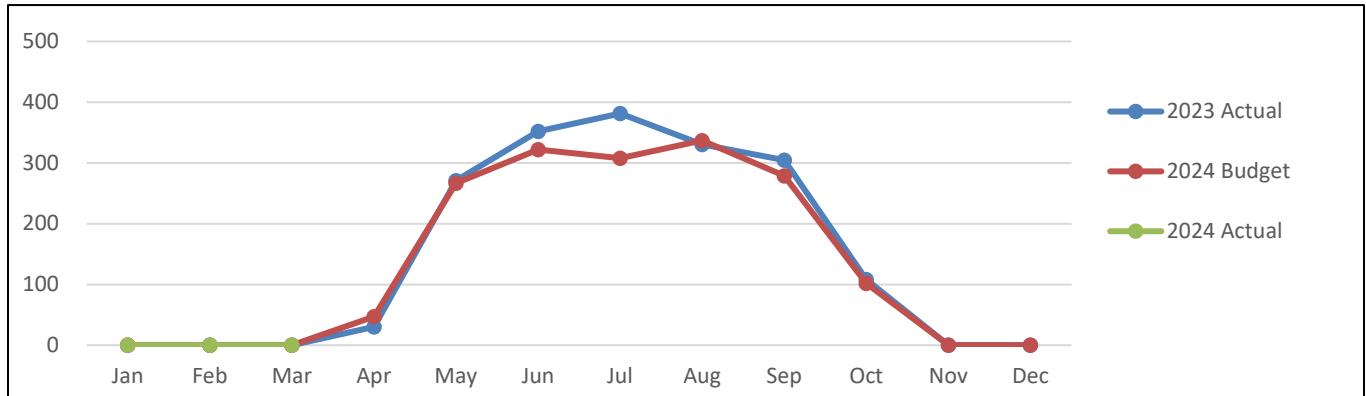
	2023 YTD	2024 YTD	2024 YTD	Actual vs. Budget		Change from 2023	
	Actual	Actual	Budget	\$	%	\$	%
\$ in 000's							
Ship Canal Fishing & Operations	(623)	(580)	(1,079)	500	46%	43	7%
Elliott Bay Fishing & Commercial Operations	(178)	(47)	(314)	267	85%	131	NA
Recreational Boating	188	188	132	56	42%	0	0%
Cruise	(3,487)	(4,868)	(5,488)	620	11%	(1,381)	-40%
Grain	697	1,122	960	163	17%	426	61%
Maritime Portfolio	(807)	(962)	(1,317)	354	27%	(155)	-19%
All Other	(181)	(215)	70	(285)	-409%	(34)	19%
<b>Total Maritime</b>	<b>(4,392)</b>	<b>(5,361)</b>	<b>(7,036)</b>	<b>1,675</b>	<b>24%</b>	<b>(970)</b>	<b>-22%</b>



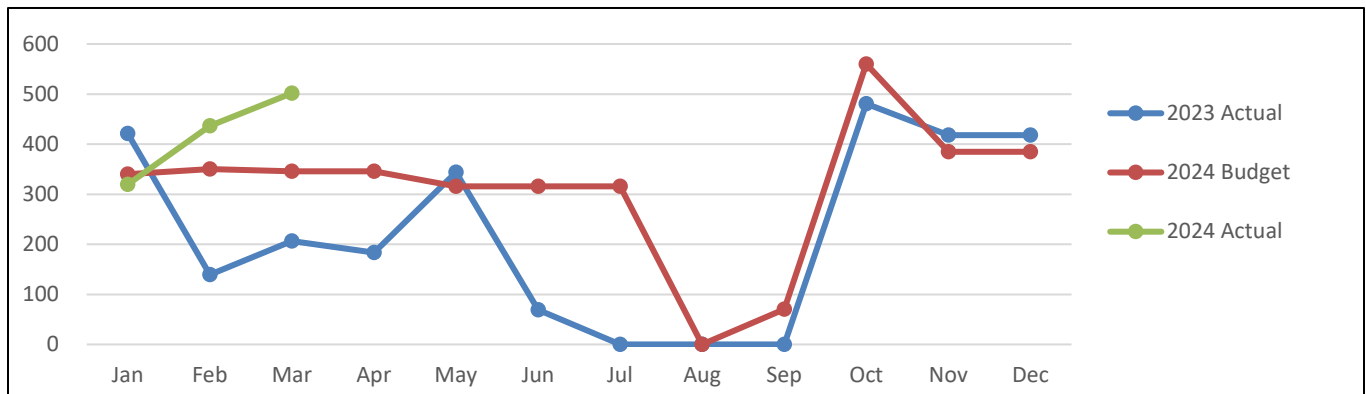
**III. MARITIME DIVISION FINANCIAL & PERFORMANCE REPORT 03/31/23**

**A. KEY PERFORMANCE METRICS**

**Cruise Passengers in 000's**



**Grain Volumes in 000's**



### III. MARITIME DIVISION FINANCIAL & PERFORMANCE REPORT 03/31/23

#### B. OPERATING RESULTS

	2022 YTD	2023 YTD	2024 YTD	2024 YTD	Actual vs. Budget		Change from 2023	
	Actual	Actual	Actual	Budget	\$	%	\$	%
\$ in 000's								
Ship Canal Fishing & Operations	1,180	1,250	1,324	1,253	71	6%	74	6%
Elliott Bay Fishing & Commercial Operation	1,308	1,501	1,462	1,519	(57)	-4%	(39)	-3%
Recreational Boating	3,443	3,827	4,041	4,080	(39)	-1%	214	6%
Cruise	(66)	(302)	(299)	(355)	56	16%	3	-1%
Grain	1,874	1,081	1,617	1,421	196	14%	536	50%
Maritime Portfolio Management	2,765	2,562	2,463	2,622	(158)	-6%	(98)	-4%
Other	6	8	0	1	(1)		(7)	-96%
<b>Total Revenue</b>	<b>10,511</b>	<b>9,927</b>	<b>10,608</b>	<b>10,540</b>	<b>69</b>	<b>1%</b>	<b>682</b>	<b>7%</b>
<b>Expenses</b>								
Maritime (Excl. Maint)	3,957	3,975	4,312	4,598	286	6%	337	8%
Economic Development	1,589	1,428	1,270	1,705	435	26%	(158)	-11%
<b>Total Direct</b>	<b>5,546</b>	<b>5,404</b>	<b>5,582</b>	<b>6,303</b>	<b>721</b>	<b>11%</b>	<b>178</b>	<b>3%</b>
Maintenance Expenses	2,720	3,337	3,833	3,934	101	3%	496	15%
Envir Services & Planning	140	504	704	866	161	19%	200	40%
Seaport Finance & Cost Recovery	210	316	327	401	74	19%	11	3%
Seaport Project Management	171	263	328	765	437	57%	65	25%
<b>Total Support Services</b>	<b>3,241</b>	<b>4,419</b>	<b>5,191</b>	<b>5,965</b>	<b>774</b>	<b>13%</b>	<b>772</b>	<b>17%</b>
IT	751	899	1,036	1,009	(27)	-3%	137	15%
Police Expenses	752	1,105	1,316	1,226	(90)	-7%	211	19%
External Relations	365	413	454	526	72	14%	40	10%
Other Central Services	1,987	2,004	2,297	2,422	125	5%	293	15%
Aviation Division / Other	88	74	93	124	31	25%	19	26%
<b>Total Central Services / Other</b>	<b>3,943</b>	<b>4,495</b>	<b>5,196</b>	<b>5,308</b>	<b>112</b>	<b>2%</b>	<b>701</b>	<b>16%</b>
<b>Total Expense</b>	<b>12,729</b>	<b>14,318</b>	<b>15,970</b>	<b>17,576</b>	<b>1,606</b>	<b>9%</b>	<b>1,651</b>	<b>12%</b>
<b>NOI Before Depreciation</b>	<b>(2,218)</b>	<b>(4,392)</b>	<b>(5,361)</b>	<b>(7,036)</b>	<b>1,675</b>	<b>24%</b>	<b>(970)</b>	<b>-22%</b>
Depreciation	4,464	4,550	4,497	4,413	(84)	-2%	(54)	-1%
<b>NOI After Depreciation</b>	<b>(6,682)</b>	<b>(8,942)</b>	<b>(9,858)</b>	<b>(11,449)</b>	<b>1,591</b>	<b>14%</b>	<b>(916)</b>	<b>-10%</b>

#### 2024 YTD Actuals vs. 2024 YTD Budget

- Operating Revenues were \$69K higher than budget driven by:
  - Ship Canal over \$71K from higher occupancy and Utility Sales.
  - Elliott Bay Fishing under by \$57K due to unbilled Q1 revenue to hit in Q2.
  - Recreational Boating \$39K lower from construction at Harbor Island Marina.
  - Cruise \$56K higher from accrual adjustment. Sailings begin in April.
  - Grain \$196K higher.
  - Maritime Portfolio Management \$158K lower as revenue entry miscoded to EDD. Corrected in Q2.
- Operating Expenses were \$1,606 lower than budget:
  - Direct Expenses were \$721K lower than budget
    - Elliot Bay Fishing and Commercial \$174K lower from bad debt recovery and lower utility accrual.
    - Recreational Boating is over budget \$79K from an injury claim in late 2023 applied in 2024.
    - Cruise \$107K under from lower CTA allowance, project management, and environmental spend.
    - Maritime Security is \$25K lower than budget as no security was needed at T102.
    - Maritime Marketing \$233K below budget due to timing of marketing and advertising spend.
    - Maritime Portfolio Management \$436K below budget from lower utilities, outside services, and TI/Broker Fees.
    - Division Administration is under budget by \$122K from open FTEs and timing of travel.
    - Divisional contingency open headcount vacancy factor created a \$282K unfavorable variance.
    - All other Direct Expenses net to \$15K over budget.
  - Total Support Services were \$774K lower than budget due primarily to timing of small works expense projects.

### III. MARITIME DIVISION FINANCIAL & PERFORMANCE REPORT 03/31/23

- Total Central Services / Other were \$112K favorable to budget.
- Net Operating Income was \$1.7M favorable to budget.

#### 2024 YTD Actuals vs. 2023 YTD Actuals

- Operating Revenues were \$682K higher than 2023 due to increase in Grain volumes & and moorage rate increase.
- Operating Expenses were \$1.7M higher than 2023 actual driven primarily by payroll increases.
- Net Operating Income was \$970K lower than 2023 actual.

	2022	2023	2024	2024	Actual vs. Budget		Change from 2023	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
\$ in 000's								
Ship Canal Fishing & Operations	4,592	5,076	5,054	4,984	70	1%	(22)	0%
Elliott Bay Fishing & Commercial Operation	5,975	6,564	5,731	5,731	0	0%	(832)	-13%
Recreational Boating	13,978	15,505	16,468	16,468	0	0%	963	6%
Cruise	30,469	41,726	41,057	41,057	0	0%	(669)	-2%
Grain	5,792	3,356	5,366	5,191	175	3%	2,010	60%
Maritime Portfolio Management	10,550	10,263	12,697	12,697	0	0%	2,434	24%
Other	10	9	4	4	0	NA	(6)	-60%
<i>Pension Revenue Adjustment</i>	<i>170</i>	<i>(90)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>NA</i>	<i>90</i>	<i>NA</i>
<b>Total Revenue</b>	<b>71,534</b>	<b>82,410</b>	<b>86,377</b>	<b>86,132</b>	<b>245</b>	<b>0%</b>	<b>3,967</b>	<b>5%</b>
<b>Expenses</b>								
Maritime (Excl. Maint)	17,706	21,675	19,787	19,787	0	0%	(1,888)	-9%
Economic Development	5,710	4,973	6,326	6,326	0	0%	1,353	27%
<b>Total Direct</b>	<b>23,416</b>	<b>26,648</b>	<b>26,113</b>	<b>26,113</b>	<b>0</b>	<b>0%</b>	<b>(535)</b>	<b>-2%</b>
Maintenance Expenses	13,213	15,839	14,983	14,983	0	0%	(856)	-5%
Envir Services & Planning	3,120	3,814	4,802	4,802	0	0%	989	26%
Seaport Finance & Cost Recovery	1,087	1,291	1,578	1,653	75	5%	287	22%
Seaport Project Management	1,007	1,819	3,017	3,117	100	3%	1,198	66%
<b>Total Support Services</b>	<b>18,426</b>	<b>22,762</b>	<b>24,380</b>	<b>24,555</b>	<b>175</b>	<b>1%</b>	<b>1,618</b>	<b>7%</b>
IT	3,223	3,706	4,128	4,128	0	0%	422	11%
Police Expenses	3,662	5,333	5,072	4,929	(143)	-3%	(260)	-5%
External Relations	1,552	1,736	2,101	2,158	57	3%	365	21%
Other Central Services	8,908	9,882	11,108	10,351	(757)	-7%	1,227	12%
Aviation Division / Other	368	328	354	354	0	0%	26	8%
<b>Total Central Services / Other</b>	<b>17,714</b>	<b>20,985</b>	<b>22,764</b>	<b>21,921</b>	<b>(843)</b>	<b>-4%</b>	<b>1,779</b>	<b>8%</b>
<b>Total Expense before Pension Adjustment</b>	<b>59,556</b>	<b>70,395</b>	<b>73,257</b>	<b>72,589</b>	<b>(668)</b>	<b>-1%</b>	<b>2,862</b>	<b>4%</b>
<i>Pension Expense Adjustment</i>	<i>(2,396)</i>	<i>(3,649)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>NA</i>	<i>3,649</i>	<i>-100%</i>
<b>Total Expense</b>	<b>57,160</b>	<b>66,745</b>	<b>73,257</b>	<b>72,589</b>	<b>(668)</b>	<b>-1%</b>	<b>6,512</b>	<b>10%</b>
<i>NOI excluding Pension Adjustments</i>	<i>11,808</i>	<i>12,105</i>	<i>13,120</i>	<i>13,543</i>	<i>(423)</i>	<i>-3%</i>	<i>1,015</i>	<i>8%</i>
<b>NOI Before Depreciation</b>	<b>14,375</b>	<b>15,664</b>	<b>13,120</b>	<b>13,543</b>	<b>(423)</b>	<b>-3%</b>	<b>(2,544)</b>	<b>-16%</b>
Depreciation	17,980	18,193	17,531	17,531	0	0%	(662)	-4%
<b>NOI After Depreciation</b>	<b>(3,606)</b>	<b>(2,529)</b>	<b>(4,411)</b>	<b>(3,988)</b>	<b>(423)</b>	<b>-11%</b>	<b>(1,883)</b>	<b>-74%</b>

#### 2024 Forecast vs. 2024 Budget

- Operating Revenues are forecasted \$245K higher than budget:
  - Ship Canal Fishing above \$70K from higher date unplanned revenue.
  - Grain \$175K up from volumes.
- Operating Expenses forecasted \$843K above budget from payroll and unplanned legal expenses.
- Net Operating Income Planned \$423K unfavorable to budget.

### III. MARITIME DIVISION FINANCIAL & PERFORMANCE REPORT 03/31/23

#### 2024 Forecast vs. 2023 Actuals (Excludes Pension Adjustment)

- Operating Revenues expected \$4M higher than 2023 with higher grain volumes and the full year impact of the T106 ground lease with Trammel Crowe.
- Operating Expenses forecasted \$2.8M higher than 2023 actual driven primarily by increased represented and non-represented wage rates.
- Net Operating Income absent pension costs is forecasted \$1M higher than 2023 actual.

#### C. CAPITAL RESULTS

	2024 YTD Actual	2024 YE Forecast	2024 Budget	2024 POF	Budget vs Forecast	
					\$	%
\$ in 000's						
P66 Shore Power	15,204	25,258	25,085	27,752	173	1%
T91 Berth 6 & 8 Redev	101	21,913	21,931	19,223	(18)	0%
FT Maritime Innovation Center	284	7,499	7,384	14,789	115	2%
P66 Fender Replacement	1,794	3,094	2,800	2,382	294	11%
MIC Electrical Replacements	781	2,152	2,203	411	(51)	-2%
T91 New Cruise Gangway	20	3,570	2,090	3,040	1,480	71%
Sustainable Eval Framework Res	0	0	2,000	2,000	(2,000)	-100%
HIM Dock-E Improvements	1,526	2,606	1,920	2,350	686	36%
MD Small Projects	199	2,170	2,340	2,234	(170)	-7%
MD Fleet	1,140	4,295	4,038	4,503	257	6%
All Other Projects	1,540	15,566	15,449	30,341	117	1%
Subtotal	22,589	88,123	87,240	109,025	883	1%
CIP Cashflow Mgt - MD	0	(5,343)	(14,264)	(24,200)	8,921	-62.5%
<b>Total Maritime</b>	<b>22,589</b>	<b>82,780</b>	<b>72,976</b>	<b>84,825</b>	<b>9,804</b>	<b>13%</b>
<b>% of Capital Budget</b>	<b>31%</b>	<b>113%</b>	<b>100%</b>			

Note: POF (Plan of Finance) is the total estimated during the budget process.

#### **Comments on Key Projects with Significant Variances**

- **T91 New Cruise Gangway** – Recently selected vendor requiring payments earlier in the delivery schedule. No overall increase to project.
- **HIM Dock-E Improvements** – Project is in construction. Updated forecast reflects latest schedule for contractor billings.

**IV. ECONOMIC DEVELOPMENT DIVISION FINANCIAL & PERFORMANCE REPORT 03/31/24**

**IV. ECONOMIC DEVELOPMENT DIVISION**

**FINANCIAL SUMMARY**

	2022	2023	2024	2024	Fav (UnFav) Actual vs. Budget Variance		Incr (Decr) Change from 2023	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
\$ in 000's								
<b>Total Revenues</b>	17,799	17,215	19,042	21,542	(2,500)	-12%	1,827	11%
<b>Total Operating Expenses</b>	24,213	26,661	30,061	30,669	608	2%	3,400	13%
<b>Net Operating Income</b>	(6,414)	(9,446)	(11,019)	(9,127)	(1,892)	-21%	(1,572)	17%
<i>NOI Including Pension Adj</i>	(5,784)	(8,279)	(11,019)	(9,127)	(1,284)	-14%	(2,740)	33%
<b>Capital Expenditures</b>	4,311	6,136	6,636	5,137	(1,499)	-29%	500	8%

**2024 Forecast vs. 2024 Budget**

- Operating Revenues forecasted to \$2.5M unfavorable to budget due to lower volumes at the Conference & Event Center.
- Operating Expenses \$608K below budget due to variable cost impact of lower Conference Center volumes.
- Net Operating Income forecasted at \$1.9M below budget.
- Capital Spending forecasted at 129% of \$5.1M budget.

**2024 Forecast vs. 2023 Actuals**

- Operating Revenues forecasted \$1.8M higher than 2023 with increases in Conference & Event Center along with increased concession revenue at the Bell Street garage.
- Operating Expenses \$3.4M higher than 2023 due to payroll increases and Conference & Event Center volumes and change in the EDD Grants from 1yr to 2yr cycle.
- Net Operating Income forecasted \$1.6M lower than 2023 actual.

**Net Operating Income before Depreciation by Business**

	2023 YTD	2024 YTD	2024 YTD	Actual vs. Budget Variance		Change from 2023	
	Actual	Actual	Budget	\$	%	\$	%
\$ in 000's							
Portfolio Management	(413)	(641)	(1,008)	366	36%	(228)	-55%
Conference & Event Centers	(1,066)	(849)	(983)	134	14%	217	20%
Tourism	(249)	(225)	(372)	148	40%	25	10%
EDD Grants	(83)	(36)	(139)	103	74%	47	-57%
Env Grants/Remed Liab/ERC	95	(2)	96	(98)	-102%	(97)	-102%
<b>Total Econ Dev</b>	<b>(1,717)</b>	<b>(1,753)</b>	<b>(2,406)</b>	<b>653</b>	<b>27%</b>	<b>(36)</b>	<b>-2%</b>

**IV. ECONOMIC DEVELOPMENT DIVISION FINANCIAL & PERFORMANCE REPORT 03/31/24**

**A. OPERATING RESULTS**

	2022 YTD	2023 YTD	2024 YTD	2024 YTD	Actual vs. Budget		Change from 2023	
	Actual	Actual	Actual	Budget	\$	%	\$	%
\$ in 000's								
Revenue	1,962	2,219	2,583	2,352	231	10%	364	16%
Conf & Event Centers	618	1,380	1,825	2,167	(342)	-16%	445	32%
<b>Total Revenue</b>	<b>2,580</b>	<b>3,599</b>	<b>4,408</b>	<b>4,518</b>	<b>(111)</b>	<b>-2%</b>	<b>809</b>	<b>22%</b>
<b>Expenses</b>								
Portfolio Management	1,011	700	897	952	55	6%	197	28%
Conf & Event Centers	888	1,617	1,786	2,171	385	18%	169	10%
P69 Facilities Expenses	51	51	54	66	12	19%	3	7%
RE Dev & Planning	75	69	66	60	(6)	-10%	(3)	-4%
EconDev Expenses Other	249	198	436	160	(276)	-172%	239	121%
Maintenance Expenses	809	749	812	1,046	234	22%	64	9%
Maritime Expenses (Excl Maint)	229	302	296	445	149	33%	(6)	-2%
<b>Total EDD &amp; Maritime Expenses</b>	<b>3,313</b>	<b>3,685</b>	<b>4,348</b>	<b>4,900</b>	<b>552</b>	<b>11%</b>	<b>663</b>	<b>18%</b>
Diversity in Contracting	26	39	38	61	23	38%	(1)	-1%
Tourism	496	243	218	365	147	40%	(25)	-10%
EDD Grants	(26)	83	36	139	103	74%	(47)	-57%
<b>Total EDD Initiatives</b>	<b>497</b>	<b>365</b>	<b>292</b>	<b>565</b>	<b>273</b>	<b>48%</b>	<b>(73)</b>	<b>-20%</b>
Environmental & Sustainability	5	8	18	21	3	13%	10	113%
Police Expenses	49	59	77	72	(5)	-7%	18	31%
Other Central Services	1,142	1,169	1,392	1,330	(61)	-5%	223	19%
Aviation Division	43	31	35	37	2	5%	3	11%
<b>Total Central Services &amp; Aviation</b>	<b>1,240</b>	<b>1,267</b>	<b>1,521</b>	<b>1,459</b>	<b>(62)</b>	<b>-4%</b>	<b>254</b>	<b>20%</b>
Envir Remed Liability	0	0	0	0	0	NA	0	NA
<b>Total Expense</b>	<b>5,049</b>	<b>5,316</b>	<b>6,161</b>	<b>6,924</b>	<b>764</b>	<b>11%</b>	<b>844</b>	<b>16%</b>
<b>NOI Before Depreciation</b>	<b>(2,469)</b>	<b>(1,717)</b>	<b>(1,753)</b>	<b>(2,406)</b>	<b>653</b>	<b>27%</b>	<b>(35)</b>	<b>-2%</b>
Depreciation	938	1,025	1,050	1,015	(35)	-3%	25	2%
<b>NOI After Depreciation</b>	<b>(3,407)</b>	<b>(2,742)</b>	<b>(2,803)</b>	<b>(3,421)</b>	<b>618</b>	<b>18%</b>	<b>(60)</b>	<b>-2%</b>

**2024 YTD Actuals vs. 2024 YTD Budget**

- Operating Revenues were \$111K unfavorable to budget primarily due to lower volumes than budgeted at Conference & Event Center.
- Operating Expenses were \$764K below budget:
  - Portfolio Management \$55K lower from bad debt recovery.
  - Conference and Event Center \$385K lower from lower activity.
  - Economic Dev. Other over budget \$276K primarily due to \$250K Greater Seattle Partners invoice being budgeted for Q3 but paid in Q1.
  - Marine Maintenance \$234K lower primarily due to timing of Maintenance Materials and Outside Services (Other Contracted Services) spending.
  - Maritime Expenses (Excl Maintenance) \$149K lower due to timing of project spend primarily Small Works Construction Services and Contract Watchmen/Dispatchers.
  - EDD Initiatives \$273K below budget due to State of Washington Tourism invoice still being in process, as well as timing of EDD Grant spending.
  - All other expenses net to \$55K under budget.
- Net Operating Income was \$653K favorable to budget.

**2024 YTD Actuals vs. 2023 YTD Actuals**

- Operating Revenues were \$809K higher than 2023 actual from fewer Conference & Event Centers event cancellations, parking revenues, and leases.
- Operating Expenses were \$844K higher than 2023 actual:
  - Portfolio management \$197K higher due to higher Outside Services and bad debt recovery in 2023.

#### IV. ECONOMIC DEVELOPMENT DIVISION FINANCIAL & PERFORMANCE REPORT 03/31/24

- Conference and Event Centers \$169K higher than 2023 due to variable costs associated with higher Conference and Event Center volumes.
- Econ Division other up \$239K due to \$250K Greater Seattle Partners invoice being budgeted for Q3 but paid in Q1.
- Central services up \$223K from increased payroll
- All other Expenses net to \$16K higher than 2023.
- Net Operating Income was \$35K lower than 2023 actual.

	2022	2023	2024	2024	Actual vs. Budget Variance		Change from 2023	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
\$ in 000's								
Revenue	8,886	10,477	10,386	10,386	0	0%	(91)	-1%
Conf & Event Centers	8,914	6,738	8,656	11,156	(2,500)	-22%	1,918	28%
<b>Total Revenue</b>	<b>17,799</b>	<b>17,215</b>	<b>19,042</b>	<b>21,542</b>	<b>(2,500)</b>	<b>-12%</b>	<b>1,827</b>	<b>11%</b>
<b>Expenses</b>								
Portfolio Management	3,653	3,713	3,917	3,917	0	0%	205	6%
Conf & Event Centers	6,563	6,632	8,702	9,602	900	9%	2,070	31%
P69 Facilities Expenses	230	254	225	225	0	0%	(29)	-11%
RE Dev & Planning	299	340	249	249	0	0%	(91)	-27%
EconDev Expenses Other	1,058	1,736	1,058	1,058	0	0%	(678)	-39%
Maintenance Expenses	3,836	3,498	4,024	4,024	0	0%	526	15%
Maritime Expenses (Excl Maint)	1,223	1,501	1,894	1,894	0	0%	393	26%
<b>Total EDD &amp; Maritime Expenses</b>	<b>16,862</b>	<b>17,674</b>	<b>20,071</b>	<b>20,971</b>	<b>900</b>	<b>4%</b>	<b>2,397</b>	<b>14%</b>
Diversity in Contracting	186	268	250	250	0	0%	(18)	-7%
Tourism	1,737	1,540	1,875	1,875	0	0%	335	22%
EDD Grants	105	1,491	1,505	1,505	0	0%	14	1%
<b>Total EDD Initiatives</b>	<b>2,028</b>	<b>3,300</b>	<b>3,630</b>	<b>3,630</b>	<b>0</b>	<b>0%</b>	<b>331</b>	<b>10%</b>
Environmental & Sustainability	30	53	105	108	3	3%	52	97%
Police Expenses	240	288	297	289	(8)	-3%	9	3%
Other Central Services	4,906	5,206	5,826	5,539	(287)	-5%	620	12%
Aviation Division	147	141	132	132	0	0%	(9)	-7%
<b>Total Central Services &amp; Aviation</b>	<b>5,323</b>	<b>5,688</b>	<b>6,360</b>	<b>6,068</b>	<b>(292)</b>	<b>-5%</b>	<b>672</b>	<b>12%</b>
<b>Total Expense before Pension Adjustment</b>	<b>24,213</b>	<b>26,661</b>	<b>30,061</b>	<b>30,669</b>	<b>608</b>	<b>2%</b>	<b>3,400</b>	<b>13%</b>
Pension Expense Adjustment	(629)	(1,168)	0	0	0	NA	1,168	100%
<b>Total Expense</b>	<b>23,584</b>	<b>25,494</b>	<b>30,061</b>	<b>30,669</b>	<b>608</b>	<b>2%</b>	<b>4,567</b>	<b>18%</b>
<b>NOI Before Depreciation</b>	<b>(5,784)</b>	<b>(8,279)</b>	<b>(11,019)</b>	<b>(9,127)</b>	<b>(1,892)</b>	<b>-21%</b>	<b>(2,740)</b>	<b>-33%</b>
Depreciation	3,954	4,132	4,028	4,028	0	0%	(105)	-3%
<b>NOI After Depreciation</b>	<b>(9,738)</b>	<b>(12,411)</b>	<b>(15,046)</b>	<b>(13,154)</b>	<b>(1,892)</b>	<b>-14%</b>	<b>(2,635)</b>	<b>-21%</b>

#### 2024 Forecast vs. 2024 Budget

- Operating Revenues forecasted to \$2.5M unfavorable to budget due to lower volumes at the Conference & Event Center.
- Operating Expenses \$608K below budget due to variable cost impact of lower Conference Center volumes.
- Net Operating Income forecasted at \$1.9M below budget.

#### 2024 Forecast vs. 2023 Actuals (Excludes Pension Adjustments)

- Operating Revenues forecasted \$1.8M higher than 2023 with increases in Conference & Event Center along with increased concession revenue at the Bell Street garage.
- Operating Expenses \$3.4M higher than 2023 due to payroll increases, Conference & Event Center volumes and change in the EDD Grants from 1yr to 2yr cycle.
- Net Operating Income forecasted \$1.6M lower than 2023 actual excluding pension adjustments.

**IV. ECONOMIC DEVELOPMENT DIVISION FINANCIAL & PERFORMANCE REPORT 03/31/24**

**B. CAPITAL RESULTS**

	2024 YTD Actual	2024 YE Forecast	2024 Budget	2024 POF	Budget vs Forecast	
					\$	%
\$ in 000's						
T91 Uplands Dev Phase I	303	2,677	2,650	18,409	27	1%
P69 Underdock Utility Rplc	235	985	1,050	600	(65)	-6%
P69 Public Video Wall	19	575	575	725	0	0%
WTCW Roof Replacement	51	461	461	83	0	0%
P69 Computer Room CRAC Repl	21	386	386	529	0	0%
T91 Ped Path and Bike Bridge	73	294	346	1,350	(52)	-15%
EDD Tenant Improvements	0	199	300	300	(101)	-34%
EDD Technology Projects	0	250	250	250	0	0%
CW Bridge Elev Modernizations	111	171	220	0	(49)	-22%
P69 3rd Floor Terrace Repair	0	130	130	775	0	0%
All Other Projects	52	1,283	579	6,004	704	122%
Subtotal	865	7,411	6,947	29,025	464	7%
CIP Cashflow Mgmt Reserve	0	(775)	(1,810)	(8,724)	1,035	-57%
<b>Total Economic Development</b>	<b>865</b>	<b>6,636</b>	<b>5,137</b>	<b>20,301</b>	<b>1,499</b>	<b>29%</b>
<b>% of Capital Budget</b>	<b>17%</b>	<b>129%</b>	<b>100%</b>			

Note: POF (Plan of Finance) is the total estimated during the budget process.

**Comments on Key Projects**

- **All other projects (P69 HVAC Components Replace)** – Previous estimate based on recently completed comparable project. New estimate reflects the actual scope of project, including additional fees for consulting fees to complete the SEF and SDA analysis. Total 2024 increase of \$690k.



**V. CENTRAL SERVICES DIVISION FINANCIAL & PERFORMANCE REPORT 03/31/24**

**V. CENTRAL SERVICES DIVISION**

**FINANCIAL SUMMARY**

\$ in 000's	2022 YTD	2023 YTD	2024 YTD		Actual vs. Budget		Change from 2023	
	Actual	Actual	Actual	Budget	\$	%	\$	%
<b>Total Operating Revenues</b>	<b>165</b>	<b>107</b>	<b>66</b>	<b>8</b>	<b>59</b>	<b>781.4%</b>	<b>(40)</b>	<b>-38.0%</b>
Core Central Support Services	21,471	24,011	30,535	28,154	(2,382)	-8.5%	6,525	27.2%
Police	6,756	8,301	10,762	10,074	(688)	-6.8%	2,461	29.7%
Engineering/PCS	1,923	2,876	3,135	4,644	1,509	32.5%	259	9.0%
<b>Total Operating Expenses</b>	<b>30,150</b>	<b>35,187</b>	<b>44,433</b>	<b>42,872</b>	<b>(1,561)</b>	<b>-3.6%</b>	<b>9,245</b>	<b>26.3%</b>

**2024 YTD Actuals vs. 2024 YTD Budget**

- Operating Revenues favorable by \$59K due primarily to Police forfeiture.
- Operating Expenses \$1.6M unfavorable to budget mainly due to Higher Payroll, Promotional Expenses, and General Expenses; partially offset by lower Outside Services, Equipment, Other Employee Expenses, and more Charges to Capital Projects.

**2024 YTD Actuals vs. 2023 YTD Actuals**

- Operating Revenues \$40K below 2023 mainly due to lower Police forfeiture.
- Operating Expenses \$9.2M higher than 2023 mainly due to higher Payroll, Promotional Expenses, Outside Services, and General Expenses in 2024; partially offset by lower Equipment and more Charges to Capital Projects.

**A. BUSINESS EVENTS**

- Hosted annual State of the Port Breakfast in Bellevue with about 350 government, business, and community stakeholders.
- Hosted the Cruise Lines International Association Pacific Northwest Symposium, which brought together cruise industry leaders, partners, and suppliers to meet and discuss topics related to the cruise industry.
- Hosted FAA Administrator Michael Whitaker for a tour of SEA Airport.
- Steve Metruck and Lance Lyttle attended the 2024 Airports Council International – NA/AAAE Washington Legislative Conference in Washington DC from 3/11 to 3/15.
- Steve Metruck attended meetings with Seattle Mayor Harrell and six new Seattle City Council members, along with John Wolfe of the NW Seaport Alliance on Monday March 25th.
- Hired 100 positions in the first quarter.
- Convened a meeting with the Suquamish Indian Tribal Council, including a review of the draft MOA.
- Conducted regular membership meetings for StART, Highline Forum, T91 Neighbors Advisory Committee and Duwamish Valley Port Community Action Team.
- Held SEA 75th Anniversary Kick-Off and Business of Travel Event at SEA.
- Held Community Land Stewardship/Tree Protection community work event.
- Signed MOU with the Highline Heritage Museum in Burien, supporting updates to Port exhibit and SEA 75th Anniversary events.
- Sponsored multiple business and community events including Bellevue Downtown Association 50th Anniversary, State of the City Addresses in Woodinville, Bothell, Federal Way, Mercer Island Coffee and Conversations, SnoValley and Woodinville Chamber Galas, Downtown Seattle Association State of Downtown, One Eastside Economic Outlook, Visit Seattle Annual Meeting, and Seattle Southside Chamber Mixer.
- Hosted a series of job fairs and career awareness events including Cruise Job Fair, Aviation Fire and Emergency Management Career field trip, Maritime High School field trip to Marine Maintenance, Aviation Challenge with Aeronautical Science Pathways, and WABS Aviation Career tour.

**V. CENTRAL SERVICES DIVISION FINANCIAL & PERFORMANCE REPORT 03/31/24**

**B. KEY PERFORMANCE METRICS**

Century Agenda Strategic Objectives	YTD 2022	YTD 2023	YTD 2024
<b>Responsibly Invest in the Economic Growth of the Region and all its Communities</b>			
A. Job seekers placed in jobs at SEA Airport through the Employment Center	300	503	230
B. Number of SEA Airport tenants supported in finding employees	77	84	88
C. Employment Center training completions	87	267	220
D. K-12 Career Connected Learning: WFD engagement with teachers/faculty	0	0	0
E. Community members entering employment in construction, maritime and environmental sustainability	10	0	TBD
F. Number of Job Openings Posted	100	95	64
G. Job applications received	2,722	5,713	3,567
H. Number of job interviews conducted	487	654	374
I. Number of new employees hired	122	141	100
J. Number of interns	1	4	4
K. Number of Veteran Fellows	0	0	1
L. Number of employees participating in Tuition Reimbursement	36	45	18
<b>Become a Model for Equity, Diversity and Inclusion</b>			
A. Employee participation in OEDI programming (Caucuses, Book Clubs, Town Halls, etc.)	548	850	247
<b>Be a Highly Effective Public Agency</b>			
A. Central Services costs as a % of Total Operating Expenses	28.1%	28.6%	31.1%
B. Investment portfolio earnings versus the benchmark (the Bank of America Merrill Lynch 1-3 Year US Treasury & Agency Index)	0.81%/2.22%	2.94%/4.17%	3.67%/4.71%
C. Comply with Public Disclosure Act and respond in a timely manner	227	272	348
D. Percent of annual audit work plan completed each year	100%	100%	100%
E. Employee Development Class Attendees/Structured Learning	573	738	814
F. Total Recordable Incident Rate (previous Occupational Injury Rate)	2.33	4.37	2.79
G. Lost Work Day Rate (previously Days Away Severity Rate)	19.18	51.81	10.62

**V. CENTRAL SERVICES DIVISION FINANCIAL & PERFORMANCE REPORT 03/31/24**

**C. OPERATING RESULTS**

**Financial Summary (Year-End Forecast)**

	2022	2023	2024	2024	Fcst vs. Budget		Change from 2023	
	Actual	Actual	Forecast	Budget	Variance \$	%	Incr (Decr) \$	%
\$ in 000's								
<b>Total Revenues</b>	<b>2,538</b>	<b>(216)</b>	<b>225</b>	<b>163</b>	<b>61</b>	<b>37.6%</b>	<b>441</b>	<b>-204.0%</b>
Executive	2,029	3,147	5,185	3,632	(1,553)	-42.8%	2,039	64.8%
Commission	2,206	2,448	3,456	3,485	29	0.8%	1,008	41.2%
Legal	8,213	10,528	10,986	6,018	(4,968)	-82.5%	458	4.3%
External Relations	8,651	10,154	12,576	12,839	263	2.0%	2,422	23.9%
Equity Diversity and Inclusion	4,283	5,475	6,640	7,142	502	7.0%	1,165	21.3%
Human Resources	11,087	13,877	16,793	17,303	510	2.9%	2,916	21.0%
Labor Relations	1,085	1,292	1,637	1,621	(16)	-1.0%	345	26.7%
Internal Audit	2,406	1,944	2,174	2,224	50	2.2%	230	11.9%
Accounting & Financial Reporting Services	7,914	9,076	11,529	11,646	118	1.0%	2,453	27.0%
Information & Communication Technology	25,693	28,505	32,024	32,024	()	0.0%	3,519	12.3%
Information Security	1,571	2,159	2,824	2,886	62	2.1%	666	30.8%
Finance & Budget	2,279	2,602	3,422	3,336	(86)	-2.6%	820	31.5%
Business Intelligence	1,395	1,642	2,085	2,178	93	4.3%	443	27.0%
Risk Services	5,078	5,802	6,857	6,877	21	0.3%	1,055	18.2%
Office of Strategic Initiatives	893	1,291	1,392	1,508	116	7.7%	101	7.8%
Central Procurement Office	5,816	6,797	8,566	9,019	453	5.0%	1,768	26.0%
Contingency	(268)	(251)	(3,214)	(4,990)	(1,777)	35.6%	(2,963)	1180.6%
<b>Core Central Support Services</b>	<b>90,330</b>	<b>106,487</b>	<b>124,932</b>	<b>118,749</b>	<b>(6,183)</b>	<b>-5.2%</b>	<b>18,445</b>	<b>17.3%</b>
Police	35,064	36,562	41,696	40,538	(1,157)	-2.9%	5,134	14.0%
<b>Total Before Cap Dev &amp; Environment</b>	<b>125,395</b>	<b>143,049</b>	<b>166,628</b>	<b>159,287</b>	<b>(7,341)</b>	<b>-4.6%</b>	<b>23,578</b>	<b>16.5%</b>
Capital Development								
Engineering	5,053	6,263	11,585	11,739	153	1.3%	5,323	85.0%
Port Construction Services	3,651	5,644	7,037	7,749	712	9.2%	1,393	24.7%
Sub-Total	8,704	11,907	18,622	19,488	865	4.4%	6,716	56.4%
Environment & Sustainability								
Environment & Sustainability	763	1,137	2,137	2,192	55	2.5%	1,000	87.9%
Sub-Total	763	1,137	2,137	2,192	55	2.5%	1,000	87.9%
Industrial Development Corporation	-	1	-	-	-	0.0%	(1)	-100.0%
Capital to Expense	56	-	-	-	-	0.0%	-	0.0%
<b>Total Expenses</b>	<b>134,917</b>	<b>156,094</b>	<b>187,387</b>	<b>180,967</b>	<b>(6,420)</b>	<b>-3.5%</b>	<b>31,293</b>	<b>20.0%</b>

**2024 Forecast vs. 2024 Budget**

Operating Expenses for 2024 are forecasted to be \$6.4M over Budget due primarily to:

- **Executive** – unfavorable variance of (\$1.6M) primarily due to higher Promotional Expenses (\$1.5M).
- **Commission** – favorable variance of \$29K primarily due to lower Payroll of \$58K; offset by higher General Expenses of (\$39K).
- **Legal** – unfavorable variance of (\$5M) due to higher Outside Services (\$4.9M), Payroll (\$112K), and less charges to Capital Projects (\$38K).
- **External Relations** – favorable variance of \$263K primarily due to lower Outside Services of \$221K and General Expenses \$48K; offset by higher Payroll (\$32K).
- **Equity, Diversity, and Inclusion** – favorable variance of \$502K primarily due to lower Outside Services of \$408K and Payroll of \$85K.
- **Human Resources** – favorable variance of \$510K primarily due to lower Payroll of \$415K and General Expenses \$67K and Travel \$19K.
- **Labor Relations** – unfavorable variance of (\$16K) primarily due to higher Payroll (\$33K); offset by lower Travel \$17K.
- **Internal Audit** – favorable variance of \$50K primarily due to lower Payroll of \$48K.
- **Accounting and Financial Reporting Services** – favorable variance of \$118K primarily due to lower Payroll of \$86K, Outside Services \$21K, and Travel \$10K.
- **Information & Communication Technology** – expects to be on target.
- **Information Security** – favorable variance of \$62K primarily due to lower Outside Services of \$107K; offset by higher Payroll (\$20K), General Expenses (\$15K), and Travel of (\$8K).
- **Corporate Finance & Budget** – unfavorable variance of (\$86K) primarily due to higher Payroll of (\$104K); offset by lower Travel \$9K and Outside Services \$6K.
- **Business Intelligence** – favorable variance of \$93K primarily due to lower Outside Services of \$99K and Travel \$10K; offset by higher Promotional Expenses (\$7K) and General Expenses (\$5K).
- **Risk Services** – favorable variance of \$21K due to lower Outside Services \$57K; partially offset by higher General Expense (\$37K).
- **Office of Strategic Initiative** – favorable variance of \$116K primarily due to lower Payroll of \$116K.
- **Central Procurement Office** – favorable variance of \$453K primarily due to lower Payroll of \$427K, General Expenses of \$16K, Supplies \$7K, and Outside services \$6K.
- **Police** – unfavorable variance of (\$1.2M) primarily due to higher Payroll (\$1.1M), General Expenses (\$271K), and Supplies (\$45K); partially offset by lower Outside Services \$214K and Travel \$48K.
- **Engineering** – favorable variance of \$153K primarily due to higher charges to Capital Projects of \$881K and Property Rentals \$68K; offset by higher Outside Services (\$664K), General Expenses (\$110K), and Payroll (\$35K).
- **PCS** – favorable variance of \$712K primarily due to lower Payroll of \$343K and higher charges to Capital Projects \$315K.
- **Environment & Sustainability Admin** – favorable variance of \$55K primarily due to lower Outside Services of \$50K.
- **Contingency** – unfavorable variance of (\$1.8M) due to vacancy factor actuals in departments.

## V. CENTRAL SERVICES DIVISION FINANCIAL & PERFORMANCE REPORT 03/31/24

### 2024 Forecast vs. 2023 Actuals

- Operating Expenses for 2024 are forecasted to be \$17.4M higher than 2023, after adjusting for \$14.5M state pension credit in 2023 actuals, mainly due to:
  - **Core Central Support Services** – \$12.4M higher than 2023 primarily due to: higher payroll for current employees and new positions as well as full year salaries for mid-year 2023 positions; contractual increases; addition of new initiatives to support growing needs of the organization.
  - **Police** – \$542K above 2023 due to: increase in salary and benefits for represented groups based on new contracts, new positions, vacant positions in 2023, and addition of new initiatives to enhance the safety and security of the public.
  - **Capital Development** – \$4.5M higher than 2023 primarily due to higher payroll and addition of new positions as well as contractual increases to support the capital program.

### D. CAPITAL RESULTS

\$ in 000's	2024	2024	2024	2024	Budget Variance	
	YTD Actual	Year-End Forecast	Budget	Plan of Finance	\$	%
Engineering Fleet Replacement	70	3,786	3,716	1,890	(70)	-1.9%
Corporate Fleet Replacement	154	1,243	1,189	920	(54)	-4.5%
Services Tech - Small Cap	253	2,063	1,623	1,500	(440)	-27.1%
Infrastructure - Small Cap	219	1,024	1,500	1,500	476	31.7%
Enterprise Network Refresh	28	2,028	2,600	2,600	572	22.0%
ID Badge System Upgrade	11	2,551	2,551	2,550	0	0.0%
Radio Microwave Redundancy Loop	5	715	2,272	1,973	1,557	68.5%
Public Safety Dispatch & Police RMS	91	1,226	950	1,720	(276)	-29.1%
Enterprise Firewall Refresh	0	510	1,550	1,460	1,040	67.1%
Physical Access Control System Refresh	3	1,003	1,250	1,100	247	19.8%
Office Wi-Fi Refresh	551	851	1,565	1,000	714	45.6%
Other (note 1)	212	4,349	5,052	5,916	703	13.9%
Subtotal	1,597	21,349	25,818	24,129	4,469	17.3%
CIP Cashflow Adjustment	-	(5,800)	(6,800)	(6,200)	(1,000)	14.7%
<b>TOTAL</b>	<b>1,597</b>	<b>15,549</b>	<b>19,018</b>	<b>17,929</b>	<b>3,469</b>	<b>18.2%</b>

Note:

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