PORT OF SEATTLE

Q3 2026 FINANCIAL PERFORMANCE REPORT

AS OF SEPTEMBER 30, 2026

TABLE OF CONTENTS

		PAGE
I.	Portwide Performance Report	3-7
II.	Aviation Division Report	8-17
III.	Maritime Division Report	18-23
IV.	Economic Development Division Report	23
V.	Central Services Division Report	24-28

I. PORTWIDE

EXECUTIVE SUMMARY

For 2026 financial reporting, the Port created the 2026 revised budget ledger in compliance with the new Governmental Accounting Standards Board (GASB)103 which redefined operating and non-operating revenues and expenses. Using the revised budget and forecast will provide a more accurate, apples-to-apples comparison with the 2026 actuals. Implementing this standard resulted in a $23.2M decrease in Operating Revenues, a $27.3M increase in Operating Expenses, and a $50.5M reduction in NOI in the 2026 revised budget.

Airport passenger volume for the first three quarters of 2026 was 0.1% lower than the same period in 2025. Domestic passenger volume declined 0.7%, while international volume increased 3.9%. For the full year, passenger growth is projected to be 1.8% below budget but 0.8% above 2025 levels. Non-aeronautical revenues are expected to exceed the revised budget by $9.5 million, driven by stronger-than-expected performance in Public Parking, Rental Cars, Flight Kitchens, and Airport Dining & Retail. In addition, the delayed construction closure of the South Concourse Lounge provides three extra months of revenue compared to the budget.

Seaport operating revenues for the first three quarters of 2026 were $8.5M or 5.9% over the revised budget and are expected to be $7.6M or 4.4% above the revised budget due to higher revenues from Cruise, Grain, NWSA Distributable Income, and Conference & Event Centers.

Total operating revenues for the first three quarters were $12.9M or 1.5% above revised budget and $45.2M or 5.4% higher compared to the same period in 2025. Total operating expenses were $40.0M or 7.1% below the revised budget and $26.9M or 5.4% higher than 2025. Net operating income before depreciation was $52.9M or 16.9% above revised budget and $18.4M or 5.3% higher than 2025.

For the full year, total operating revenues are projected to be $16.1M above revised budget and $30.1M or 2.7% higher than 2025. Total operating expenses are expected to be $4.8M above revised budget and 91.0M or 13.5% over 2025. Excluding the $26.0M DRS pension credit and $21.8M in legal settlement credit recorded in 2025, total operating expenses are projected to be $43.2M or 6.0% higher than 2025. The net income before depreciation is expected to be $11.3M above revised budget.

PORTWIDE FINANCIAL SUMMARY

($ in thousands)

	2024 YTD Actual	2025 YTD Actual	2026 YTD Actual	2026 YTD Budget	2026 YTD Revised Budget	Actual vs Rev Bud Var ($)	Actual vs Rev Bud Var (%)	Inc/(Dec) from 25 Rev Bud ($)	Inc/(Dec) from 25 Rev Bud (%)
Aeronautical Revenues	385,956	425,776	468,953	467,825	468,415	538	0.1%	43,177	10.1%
Airport Non-Aero Revenues	219,787	275,885	266,917	282,116	263,018	3,899	1.5%	(8,968)	-3.3%
Seaport Revenues	123,746	141,863	152,882	144,327	144,401	8,481	5.9%	11,019	7.8%
Operating Revenues	**729,489**	**843,524**	**888,752**	**894,268**	**875,834**	**12,918**	**1.5%**	**45,229**	**5.4%**
GASB 87_96_103 Revenues	2,874	7,393	22,171	(431)	18,593	3,578	19.2%	14,777	199.9%
Total Operating Revenues GASB Comparable Basis	**732,363**	**850,917**	**910,923**	**893,837**	**894,427**	**16,496**	**1.8%**	**60,006**	**7.1%**
O&M Expenses	**425,505**	**495,821**	**522,671**	**547,828**	**562,633**	**39,962**	**7.1%**	**26,850**	**5.4%**
GASB 87_96_103 Expenses	2,434	(3,393)	6,762	21,195	6,388	(374)	-5.9%	10,154	299.3%
Total Operating Expenses GASB Comparable Basis	**427,939**	**492,429**	**529,433**	**569,023**	**569,021**	**39,588**	**7.0%**	**37,005**	**7.5%**
NOI before Depreciation	**303,984**	**347,703**	**366,081**	**346,440**	**313,201**	**52,880**	**16.9%**	**18,378**	**5.3%**
Depreciation	196,450	216,167	244,893	231,546	231,546	(13,347)	-5.8%	28,726	13.3%
NOI after Depreciation	**107,535**	**131,536**	**121,188**	**114,894**	**81,654**	**39,534**	**48.4%**	**(10,348)**	**-7.9%**

I. PORTWIDE FINANCIAL & PERFORMANCE REPORT 09/30/26

2026 YTD Actuals vs. 2026 YTD Revised Budget:

- Total Operating Revenues: $12.9M higher than revised budget due to higher revenues in Aeronautical Revenues, Public Parking, Rental Cars, Airport Utilities, Cruise, Grain, NWSA Distributable Revenues, and Conference & Event Centers.
- Total Operating Expenses: $40.0M below revised budget mainly due to delay in Outside Services spending, less Equipment purchases, Travel & Other Employee expenses, and B&O Taxes.
- NOI before Depreciation: $52.9M above revised budget.

2026 YTD Actuals vs. 2025 YTD Actuals:

- Total Operating Revenues were $45.2M higher compared to 2025 mainly due to higher revenues in most lines of businesses, offset by lower revenues in Rental Cars and NWSA Distributable Revenue.
- Total Operating Expenses were $26.9M higher compared to 2025 due to higher expenses in Payroll, Outside Services, and Other Expenses.

MAJOR OPERATING REVENUES SUMMARY

($ in thousands)

	2024 YTD Actual	2025 YTD Actual	2026 YTD Actual	2026 YTD Budget	2026 YTD Revised Budget	Actual vs Rev Bud Var ($)	Actual vs Rev Bud Var (%)	Inc/(Dec) from 25 Rev Bud ($)	Inc/(Dec) from 25 Rev Bud (%)
Aeronautical Revenues	385,956	425,776	468,953	467,825	468,415	538	0.1%	43,177	10.1%
Public Parking	88,126	88,120	89,704	85,770	85,770	3,935	4.6%	1,585	1.8%
Rental Cars - Operations	27,844	35,741	36,482	34,958	34,958	1,524	4.4%	741	2.1%
Rental Cars - Operating CFC	10,664	19,206	-	19,858	-	-	0.0%	(19,206)	-100.0%
ADR & Terminal Leased Space	44,712	59,790	64,684	64,953	65,341	(657)	-1.0%	4,894	8.2%
Ground Transportation	14,535	18,585	18,009	19,156	19,156	(1,148)	-6.0%	(576)	-3.1%
Employee Parking	7,067	9,430	9,895	10,439	10,439	(544)	-5.2%	465	4.9%
Airport Commercial Properties	10,103	14,661	13,916	15,008	15,008	(1,092)	-7.3%	(745)	-5.1%
Airport Utilities	5,393	8,042	8,545	7,834	7,834	710	9.1%	503	6.2%
International Place	-	7,195	8,878	8,713	8,713	165	1.9%	1,683	23.4%
Clubs and Lounges	10,136	14,579	13,998	13,961	13,961	36	0.3%	(581)	-4.0%
Cruise	36,581	41,392	52,526	51,904	51,904	621	1.2%	11,133	26.9%
Recreational Boating	12,333	13,701	14,154	14,378	14,378	(224)	-1.6%	453	3.3%
Fishing & Operations	6,756	8,660	8,167	8,099	8,099	67	0.8%	(493)	-5.7%
Grain	2,636	2,855	3,373	2,032	2,032	1,341	66.0%	517	18.1%
Maritime Lease Portfolio	11,217	12,373	13,720	13,845	13,845	(126)	-0.9%	1,347	10.9%
Conference & Event Centers	4,701	6,591	7,390	6,642	6,642	749	11.3%	800	12.1%
NWSA Distributable Revenue	45,864	52,289	47,008	43,801	43,801	3,207	7.3%	(5,281)	-10.1%
Other	4,867	4,538	9,352	5,091	5,537	3,815	68.9%	4,813	106.1%
Operating Revenues (w/o Aero)	**343,533**	**417,748**	**419,799**	**426,443**	**407,419**	**12,381**	**3.0%**	**2,051**	**0.5%**
Total Operating Revenues	**729,489**	**843,524**	**888,752**	**894,268**	**875,834**	**12,918**	**1.5%**	**45,229**	**5.4%**
GASB 87_96_103 Revenues	2,874	7,393	22,171	(431)	18,593	3,578	19.2%	14,777	199.9%
Total Operating Revenues GASB Comparable Basis	**732,363**	**850,917**	**910,923**	**893,837**	**894,427**	**16,496**	**1.8%**	**60,006**	**7.1%**

I. PORTWIDE FINANCIAL & PERFORMANCE REPORT 09/30/26

MAJOR OPERATING EXPENSES SUMMARY

($ in thousands)

	2024 YTD Actual	2025 YTD Actual	2026 YTD Actual	2026 YTD Budget	2026 YTD Revised Budget	Actual vs Rev Bud Var ($)	Actual vs Rev Bud Var (%)	Inc/(Dec) from 25 Rev Bud ($)	Inc/(Dec) from 25 Rev Bud (%)
Salaries & Benefits	153,190	180,642	185,975	184,325	184,325	(1,650)	-0.9%	5,333	3.0%
Wages & Benefits	131,994	151,848	159,291	154,466	154,466	(4,825)	-3.1%	7,442	4.9%
Payroll to Capital Projects	26,803	28,947	31,916	38,997	38,997	7,082	18.2%	2,968	10.3%
Outside Services	99,444	104,490	128,053	147,988	146,335	18,282	12.5%	23,563	22.6%
Utilities	21,151	27,074	26,292	27,353	27,353	1,061	3.9%	(781)	-2.9%
Equipment Expense	7,014	7,871	8,576	11,114	11,114	2,537	22.8%	705	9.0%
Supplies & Stock	7,812	9,900	9,733	8,325	8,325	(1,407)	-16.9%	(168)	-1.7%
Travel & Other Employee Expenses	4,115	4,602	4,153	7,527	7,527	3,374	44.8%	(449)	-9.8%
Third Party Mgmt Op Exp	8,365	15,882	17,709	17,438	17,438	(271)	-1.6%	1,827	11.5%
B&O Taxes	4,823	5,392	7,372	9,160	9,170	1,798	19.6%	1,981	36.7%
Other Expenses	17,855	19,967	11,343	18,256	34,705	23,362	67.3%	(8,624)	-43.2%
Charges to Capital Projects/Overhead Alloc	(57,060)	(60,794)	(67,742)	(77,122)	(77,122)	(9,380)	-12.2%	(6,947)	-11.4%
O&M Expenses	**425,505**	**495,821**	**522,671**	**547,828**	**562,633**	**39,962**	**7.1%**	**26,850**	**5.4%**
GASB 87_96_103 Expenses	2,434	(3,393)	6,762	21,195	6,388	(374)	-5.9%	10,154	299.3%
Total Operating Expenses GASB Comparable Basis	**427,939**	**492,429**	**529,433**	**569,023**	**569,021**	**39,588**	**7.0%**	**37,005**	**7.5%**

PORTWIDE FINANCIAL YEAR-END FORECAST SUMMARY

($ in thousands)

	2024 Actual	2025 Actual	2026 Forecast	2026 Budget	2026 Revsd_Bud	Fcst vs. Revsd_Bud Variance $	Fcst vs. Revsd_Bud Variance %	Change from 2025 Incr (Decr) $	Change from 2025 Incr (Decr) %
Aeronautical Revenues	520,942	545,307	617,587	617,786	618,565	(978)	-0.2%	72,280	13.3%
Airport Non-Aero Revenues	340,360	363,215	353,561	367,381	344,087	9,473	2.8%	(9,655)	-2.7%
Seaport Revenues	160,537	213,924	181,448	173,728	173,827	7,621	4.4%	(32,476)	-15.2%
Operating Revenues	**1,021,838**	**1,122,446**	**1,152,595**	**1,158,895**	**1,136,479**	**16,116**	**1.4%**	**30,149**	**2.7%**
GASB 87_96_103 Revenues	29,671	12,567	28,573	1,596	24,791	3,782	15.3%	16,005	127.4%
Total Operating Revenues GASB Comparable Basis	**1,051,509**	**1,135,013**	**1,181,168**	**1,160,491**	**1,161,270**	**19,898**	**1.7%**	**46,154**	**4.1%**
O&M Expenses	**652,642**	**672,311**	**763,326**	**731,141**	**758,484**	**(4,842)**	**-0.6%**	**91,014**	**13.5%**
GASB 87_96_103 Expenses	6,731	4,698	8,713	35,864	8,521	(192)	-2.2%	4,015	85.5%
Total Operating Expenses GASB Comparable Basis	**659,373**	**677,009**	**772,038**	**767,005**	**767,004**	**(5,034)**	**-0.7%**	**95,029**	**14.0%**
NOI before Depreciation	**369,196**	**450,135**	**389,270**	**427,754**	**377,995**	**11,274**	**3.0%**	**(60,865)**	**-13.5%**
Depreciation	277,917	298,355	308,165	308,165	308,165	-	0.0%	9,811	3.3%
NOI after Depreciation	**91,279**	**151,780**	**81,104**	**119,588**	**69,830**	**11,274**	**16.1%**	**(70,676)**	**-46.6%**

Year-End Forecast

- Total Operating Revenues are expected to be $16.1M above revised budget due to higher Airport Non-Aero Revenues and Seaport Revenues Portfolio Management.
- Total Operating expenses are expected to be $4.8M above revised budget mainly due to higher Payroll, Litigated Injuries & Damages, and less Charges to Capital.
- Net Operating Income before Depreciation is forecasted to be $11.3M above revised budget.

I. PORTWIDE FINANCIAL & PERFORMANCE REPORT 09/30/26

KEY BUSINESS EVENTS

The Port of Seattle and regional partners, supported by a $1 million federal appropriation championed by U.S. Representative Pramila Jayapal, are launching the Seattle Waterfront Sea Level Rise Vulnerability Assessment. This study will evaluate how climate hazards such as rising seas, storms, changing groundwater, earthquakes, and combined disasters could affect shoreline infrastructure and connected transportation and utility networks. Seattle's marine shoreline is essential to the region's economy, infrastructure, and ecosystems, but it is highly vulnerable due to low lying, man-made industrial land already experiencing sea level rise and flooding. The goal is to create a coordinated resilience plan and guide future infrastructure investments, with funding expected to be awarded by NOAA next year.

The Port partnered with local schools and youth organizations to host four summer career-connected learning events after identifying a need for greater youth exposure to Port-related careers through the Duwamish Valley Community Equity Program planning process. More than 100 students participated in hands-on activities and learned about career pathways. The Port plans to expand these partnerships in future years.

Centennial Park has reopened along Seattle's waterfront with haʔɬali ("The Good Place"), a new pavilion honoring Coast Salish people, as part of the privately funded Elliott Bay Connections project. The revitalization links downtown to Interbay/Magnolia neighborhood and reconnects more than 50 acres of green space across Centennial and Myrtle Edwards parks. The pavilion reflects Coast Salish longhouse traditions through mass timber, cedar materials, and culturally guided collaboration with regional Tribes.

The Port Commission approved initial funding for the S Concourse Evolution project at SEA, with construction scheduled to begin in 2027. The modernization will add approximately 150,000 square feet of space, enhanced passenger amenities, and sustainability improvements while maintaining the current number of gates and repurposing former customs facilities. Construction will be phased through 2034, with a temporary S Annex helping keep most gates operational during the work. The Commission authorized $1.1 billion in funding through 2029, with future funding requests to be reviewed later. The project will be financed through the Airport Development Fund and future revenue bonds, with no use of taxpayer dollars.

The Port hosted a two-day forum on low carbon maritime fuels, involving nonprofits, government, and industry stakeholders. The focal was to discuss climate actions that make an impact now, not just long-term goals. One near-term solution is to accelerate the use of "drop-in" fuels derived from renewable sources, such as renewable natural gas and renewable diesel. These drop-in substitutes can be mixed with fossil fuels without requiring any ship modifications, and they can be introduced into the market incrementally, as incentives make their price and availability increasingly competitive. The forum also emphasized the importance of developing supportive policies and infrastructure, strengthening cross-sector coordination, and expanding public outreach to increase visibility and understanding of sustainable fuel options.

SEA welcomed Alaska Airlines' announcement of new nonstop flights to Paris and its first-ever service to Athens starting May 2027, expanding SEA's international network to 66 destinations. Alaska will operate both routes with 787-9 aircraft as part of its continued global growth from Seattle. Additionally, SEA also welcomed Delta's announcement of its new daily nonstop service to Tokyo Narita starting March 2027, adding to its existing Haneda route and giving travelers more options.

The Port has selected 11 concessionaires to introduce new coffee, specialty retail, and convenience retail concepts across 17 locations at SEA starting next year, with construction beginning in phases starting in 2027. Concessionaires were chosen through a rigorous evaluation process that assessed experience, financial capability, concept quality, design, financial proposals, operations, and workforce development.

I. PORTWIDE FINANCIAL & PERFORMANCE REPORT 09/30/26

KEY PERFORMANCE METRICS

	2025 YTD Actual	2026 YTD Actual	2025 Actual	2026 Forecast	2026 Budget	Fav (UnFav) Forecast vs. Budget Chg.	Fav (UnFav) Forecast vs. Budget %	Change from 2025 Incr(Decr) #	Change from 2025 Incr(Decr) %
Total Passengers (in thousands)	40,457	40,411	52,641	53,122	53,474	(352)	-0.7%	481	0.9%
Landed Weight (lbs. in millions)	25,250	25,608	32,806	33,138	32,916	222	0.7%	332	1.0%
Passenger CPE (in $)	N/A	N/A	18.14	19.85	19.43	0.4	2.2%	1.7	9.4%
Grain Volume (metric tons in thousands)	3,622	3,901	5,157	5,401	3,210	2,191	68.3%	244	4.7%
Cruise Passenger (in thousands)	1,826	1,968	1,898	1,994	2,027	(33)	-1.6%	96	5.1%
Shilshole Bay Marina Occupancy	98.2%	97.5%	98.1%	97.7%	97.9%	-0.2%	-0.2%	-0.4%	-0.4%

CAPITAL SPENDING SUMMARY

	2026 YTD Actual	2026 Forecast	2026 Budget	2026 Plan of Finance	Budget Variance $	Budget Variance %
Aviation	487,896	646,793	658,954	835,887	12,161	1.8%
Maritime	67,302	90,163	93,384	80,958	3,221	3.4%
Central Services & Other (note 1)	8,035	12,408	19,817	16,088	7,409	37.4%
TOTAL	**563,233**	**749,364**	**772,155**	**932,933**	**22,791**	**3.0%**

Table Note:

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

Total capital spending is projected to be $749.4M, spending in line or slightly below budget.

PORTWIDE INVESTMENT PORTFOLIO

During the third quarter of 2026, the investment portfolio earned 3.55% versus the benchmark's (the Bank of America Merrill Lynch 1-3 Year US Treasury & Agency Index) of 4.84%. Over the last twelve months, the portfolio and the benchmark have earned 3.48% and 4.08%, respectively. Since the Port became its own Treasurer in 2002, the life-to-date earnings of the Port's portfolio and the benchmark are 2.50% and 2.14%, respectively.

II. AVIATION DIVISION

A. FINANCIAL SUMMARY

($ in thousands)

Description	2024 Actual	2025 Actual	2026 Forecast	2026 Budget	2026 Rvsd_Bud	Fcst vs. Rvsd_Bud Variance ($)	Fcst vs. Rvsd_Bud Variance (%)	Incr(Decr) Change from 2025 ($)	Incr(Decr) Change from 2025 (%)
Operating Revenue									
Aeronautical Revenues	520,942	545,307	617,587	617,786	618,565	(978)	0%	72,280	13%
Non-Aeronautical Revenues	340,360	363,215	353,561	367,381	344,087	9,473	3%	(9,655)	-3%
Total Operating Revenue	**861,301**	**908,522**	**971,147**	**985,167**	**962,652**	**8,495**	**1%**	**62,625**	**7%**
GASB 87_96_103 Revenues	15,948	(7,646)	13,653	(13,422)	9,872	3,782	38%	21,300	279%
Total Operating Revenues GASB Comparable Basis	**877,249**	**900,876**	**984,801**	**971,745**	**972,524**	**12,277**	**1%**	**83,925**	**9%**
Total Operating Expenses[1]	**529,828**	**537,028**	**592,016**	**588,135**	**589,858**	**(2,159)**	**0%**	**54,988**	**10%**
GASB 87_96_103 Expenses	2,033	5,167	8,101	9,800	8,101	-	0%	2,933	57%
Total Operating Expenses GASB Comparable Basis	**531,861**	**542,195**	**600,117**	**597,935**	**597,958**	**(2,159)**	**0%**	**57,922**	**11%**
Net Operating Income w/o GASB Comparable Basis	**331,473**	**371,495**	**379,131**	**397,032**	**372,795**	**6,337**	**2%**	**7,636**	**2%**
Net Operating Income GASB Comparable Basis	**345,388**	**358,681**	**384,684**	**373,810**	**374,566**	**10,118**	**3%**	**26,003**	**7%**
Debt Service Coverage	1.89	1.90	1.64	1.64	1.62	0.02	1%	(0.26)	-14%
ADF Balance (in thousands)	743,355	828,716	875,148	882,204	882,204	(7,056)	-1%	46,432	6%
CPE	18.26	19.06	21.63	21.16	21.19	(0.44)	-2%	2.57	13%
Non-Aeronautical NOI ($ in thousands)[2]	178,268	184,831	153,040	170,452	146,253	6,787	5%	(31,791)	-17%
Enplaned Passengers (in thousands)	26,295	26,317	26,456	27,031	27,031	(575)	-2%	139	1%
Capital Expenditures (in 000's)	**684,442**	**840,459**	**646,793**	**658,954**	**658,954**	**12,161**	**2%**	**(193,666)**	**-23%**

1 Payroll expenses include DRS pension credits in 2024 and 2025

2 Unadjusted - not including CFC Surplus

2026 Forecast vs. 2026 Revised Budget

Total Operating Revenues are forecasted at $985M, an increase of $12.3M, 1%, above the Revised Budget, primarily driven by higher non-aeronautical revenues.

- Aeronautical Revenue is forecasted to be at $618M, $987K below the Revised Budget due to decrease in net debt service from the delayed of Concourse A Expansion project and changes in capital interest in several airfield areas, offset by higher forecasted expenses.
- Non-Aeronautical Revenue is forecasted to be $9.5M above the Revised Budget, reflecting higher revenues from Public Parking, Lounges, Rental Cars, Commercial Properties and Flight Kitchens. The South Concourse Lounge construction delay adds approximately three months of incremental operating revenue.

Operating Expenses are forecasted to be $2.2M above the Revised Budget.

- $4.3M payroll underspend from vacancies and lower charges to capital fully offsets a $4.3M overage in Other Expenses, which comes mostly from maintenance materials. Outside Services and Utilities are expected to finish at budget, even after a $7M shift from capital to expense for the South Concourse Evolution project. Charges from other Divisions are forecasted to be over by $1.7M, driven by lower charges to capital and higher legal, police and Port Construction Services costs.

II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 09/30/26

B. BUSINESS EVENTS

- Cathay Pacific resumed non-stop service to Hong Kong
- Seattle Chocolate and Hudson closed temporarily and reopened
- C Concourse Expansion opened June 11, 2026, created space for 16 new dining and retail opportunities
- Kawaii treats closed
- Taco Street and Seako opened in August

KEY PERFORMANCE METRICS

Airport Activity	2024 YTD Q3 Actual	2025 YTD Q3 Actual	2026 YTD Q3 Actual	Change from 2025 Incr (Decr) (#)	Change from 2025 Incr (Decr) (%)
Passengers					
Domestic	35,134,375	35,028,663	34,769,203	(259,460)	-0.7%
International	5,017,087	5,428,394	5,642,210	213,816	3.9%
Total Passengers	**40,151,462**	**40,457,057**	**40,411,413**	**(45,644)**	**-0.1%**
Landing Weight					
All Other	22,806,104	23,425,877	23,695,684	269,807	1.2%
Cargo Only	2,029,786	1,823,751	1,912,093	88,342	4.8%
Total Landing Weight	**24,835,890**	**25,249,628**	**25,607,777**	**358,149**	**1.4%**
Operations					
Total Operations	**330,464**	**331,992**	**330,099**	**(1,893)**	**-0.6%**
Cargo					
Domestic	259,093	222,166	235,869	13,703	6.2%
International	85,165	97,007	112,713	15,706	16.2%
Total Cargo	**344,258**	**319,173**	**348,582**	**29,409**	**9.2%**

Key Performance Measures

($ in thousands)

Description	2024 Actual	2025 Actual	2026 Forecast	2026 Budget	2026 Rvsd_Bud	Fcst vs. Rvsd_Bud Variance ($)	Fcst vs. Rvsd_Bud Variance (%)	Incr(Decr) Change from 2025 ($)	Incr(Decr) Change from 2025 (%)
Key Performance Metrics									
Cost per Enplanement (CPE) (in $)	18.26	19.06	21.63	21.16	21.19	(0.44)	-2.1%	2.57	13.5%
Non-Aeronautical NOI[1]	178,268	184,831	153,040	170,452	146,253	6,787	4.6%	(31,791)	-17.2%
Other Performance Metrics[2]									
O&M Cost per Enplanement	20.15	20.41	22.38	21.76	21.82	(0.56)	-2.5%	1.97	9.7%
Non-Aero Revenue per Enplanement	12.94	13.80	13.36	13.59	12.73	0.63	5.0%	(0.44)	-3.2%
Debt per Enplanement (in $)	157.12	182.47	181.61	165.46	165.46	(16.15)	-9.8%	(0.85)	-0.5%
Debt Service Coverage	1.89	1.90	1.64	1.64	1.62	0.02	1.2%	(0.26)	-13.7%
Days cash on hand (18 months = 547 days)	512.10	563.25	544.15	547.50	545.90	(1.75)	-0.3%	(19.10)	-3.4%
Airport Activity									
Total Enplanements (in thousands)	26,295	26,317	26,456	27,031	27,031	(575)	-2.1%	139	0.5%
Total Passengers	52,641	52,715	53,116	54,062	54,062	(947)	-1.8%	401	0.8%

1Unadjusted - not including CFC Surplus or GASB Comparable
2Includes DRS pension credit
Days Cash on Hand = Cash/O&M * 365
Debt per Enplanement = Annual Debt Balance/Enplanement

Key Performance Metrics - 2026 Forecast vs. 2026 Revised Budget

- Non-Aeronautical NOI is forecasted to be $6.8M, or 4.6%, above the Revised Budget, driven by higher non-aeronautical revenues.
- Debt Service Coverage is forecasted to be 1.64.

- Non-Aeronautical Revenue is forecasted to be $9.5M above the Revised Budget, reflecting higher revenues from Public Parking, Lounges, Rental Cars, Commercial Properties and Flight Kitchens.
- Total passenger volume is forecasted to be at 53.1M, 1.8% below budget. Cost per enplanement is forecasted to be $21.63, 2.1% higher compared to revised budget.

C. OPERATING RESULTS

Division Summary – YTD Actuals

($ in thousands)

Description	2024 YTD (Q3) Actual	2025 YTD (Q3) Actual	2026 YTD (Q3) Actual	2026 YTD (Q3) Budget	2026 YTD (Q3) Rvsd_Bud	Actual vs. Rvsd_Bud Variance ($)	Actual vs. Rvsd_Bud Variance (%)	Incr(Decr) Change from 2025 ($)	Incr(Decr) Change from 2025 (%)
Operating Expenses									
Payroll	152,752	180,451	189,543	189,350	189,350	(193)	0%	9,093	5%
Outside Services	63,504	67,342	82,536	93,079	93,077	10,541	11%	15,194	23%
Utilities	16,121	20,556	19,240	19,588	19,588	348	2%	(1,316)	-6%
Other Expenses	6,730	16,990	15,728	15,933	15,979	251	2%	(1,262)	-7%
Total Airport Direct Charges	**239,106**	**285,337**	**307,046**	**317,950**	**317,993**	**10,947**	**3%**	**21,708**	**8%**
Environmental Remediation Liability	1,308	1,609	1,748	1,667	1,667	(81)	-5%	139	9%
Total Airport Expenses	**240,416**	**286,947**	**308,795**	**319,617**	**319,660**	**10,865**	**3%**	**21,848**	**8%**
Corporate	73,402	83,352	86,487	85,423	86,670	182	0%	3,136	4%
Police	27,729	29,414	30,393	30,260	30,260	(132)	0%	978	3%
Maritime/Economic Development/Other	4,640	5,658	5,728	6,058	6,058	331	5%	70	1%
Total Charges from Other Divisions	**105,770**	**118,424**	**122,608**	**121,742**	**122,989**	**381**	**0%**	**4,184**	**4%**
Total Operating Expenses	**346,184**	**405,370**	**431,402**	**441,358**	**442,649**	**11,247**	**3%**	**26,032**	**6%**
Total Operating Expenses w/Pension True-Up	**346,184**	**405,370**	**431,402**	**441,358**	**442,649**	**11,247**	**3%**	**26,032**	**6%**
GASB 87_96_103 Expenses	1,491	3,185	6,270	7,356	6,082	(188)	-3%	3,085	97%
Total Operating Expenses GASB Comparable Basis	**347,675**	**408,555**	**437,672**	**448,714**	**448,730**	**11,059**	**2%**	**29,117**	**7%**

2026 YTD Actuals vs. 2026 YTD Revised Budget

Total Operating Expenses are $11.2M, 2.5%, under budget, primarily driven by the following:

- Payroll overspent by $193K: Higher wages and benefits, offset by lower payroll to capital.
- Outside Services underspent by $10.5M: Underspent across the board in professional and contracted services, partly due to expenses budgeted that will not happen or charged to capital, and timing between budget and actuals, such as project timing from Flight Corridor Safety program and tenant ADR Shell and Core Renovation, partially offset by the unbudgeted request of Sound Insulation Assessment and Emergency Repair of an Electrical Feeder.
- Utilities overspent by $348K: Higher Sewer and garbage disposal costs, offset by water, electricity and natural gas.
- Other Expenses underspent by $250K: Maintenance Material $2M over budget, offset in savings in equipment, training and travels.
- Charges from other divisions underspent by $381K mostly due to underspend in direct charges, offset by overspent in allocated costs.

II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 09/30/26

2025 YTD Actuals vs. 2026 YTD Actuals

Total Operating Expenses were $29.5M, 7% higher compared to the same period in 2025, primarily driven by the following:

- Payroll increased by $9.1M due to salaries and benefits increases year over year.
- Non-payroll expenses increased by $13M, mostly due to higher Outside Services costs, including janitorial services, other contracted services and onsite consultants, offset by lower charges to capital projects.
- Charges from other divisions increased by 3.6% or $4M due to higher Central Services allocated costs.

Division Summary – Yearend Forecast

($ in thousands)

Description	2024 Actual	2025 Actual	2026 Forecast	2026 Budget	2026 Rvsd_Bud	Fcst vs. Rvsd_Bud Variance ($)	Fcst vs. Rvsd_Bud Variance (%)	Incr(Decr) Change from 2025 ($)	Incr(Decr) Change from 2025 (%)
Operating Expenses									
Payroll	223,027	243,179	249,200	253,455	253,455	4,255	2%	6,020	2%
Outside Services	104,086	115,992	124,088	124,030	124,030	(59)	0%	8,097	7%
Utilities	25,543	26,959	26,992	26,936	26,936	(56)	0%	33	0%
Other Expenses	22,150	24,957	24,024	19,657	19,717	(4,307)	-22%	(933)	-4%
Total Airport Direct Charges	**374,806**	**411,087**	**424,304**	**424,077**	**424,138**	**(166)**	**0%**	**13,217**	**3%**
Environmental Remediation Liability	2,600	2,693	2,587	2,267	2,267	(320)	-14%	(106)	-4%
Total Airport Expenses	**377,406**	**413,780**	**426,891**	**426,344**	**426,405**	**(486)**	**0%**	**13,111**	**3%**
Corporate	124,058	93,940	117,848	114,558	116,220	(1,628)	-1%	23,908	25%
Police	39,709	42,925	39,563	39,200	39,200	(364)	-1%	(3,362)	-8%
Maritime/Economic Development/Other	7,232	7,493	7,714	8,033	8,033	319	4%	221	3%
Total Charges from Other Divisions	**170,999**	**144,358**	**165,125**	**161,790**	**163,453**	**(1,672)**	**-1%**	**20,767**	**14%**
Total Operating Expenses w/o Pension True-Up	**548,405**	**558,138**	**592,016**	**588,135**	**589,858**	**(2,159)**	**0%**	**33,878**	**6%**
DRS Pension True-up Exp	(18,577)	(21,111)	-	-	-	-		21,111	-100%
Total Operating Expenses w/Pension True-Up	**529,828**	**537,028**	**592,016**	**588,135**	**589,858**	**(2,159)**	**0%**	**54,988**	**10%**
GASB 87_96_103 Expenses	2,033	5,167	8,101	9,800	8,101	-	0%	2,933	57%
Total Operating Expenses GASB Comparable Basis	**531,861**	**542,195**	**600,117**	**597,935**	**597,958**	**(2,159)**	**0%**	**57,922**	**11%**

2026 Forecast vs. 2026 Revised Budget

Total Operating Expense is forecasted to be $2.2M over Revised Budget, driven by the following:

- **Payroll under budget by $4.3M** mostly due to vacancies and lower charges to capital on filled positions
- **Outside Services** will be at budget mostly due to a large adjustments of $7M change of change of capital to expense for South Concourse Evolution (SCE) project Cargo 7 Hardstand/Holdroom ($6.1M), offset by savings in this expense category
- **Utilities** forecasted to be at budget by year end
- **Other Expenses over budget by $4.3M** due to maintenance material over by $2.3M, lower charges to capital, offset by savings in equipment expenses, training and travel
- **Other Division Charges over budget by $1.7M** Excluding the vacancy factor, the under spend is primarily driven by lower-than-budgeted charges to capital projects and higher legal, police, and Port Construction Services costs, partially offset by payroll, Outside Services, and travel savings across Central Services

II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 09/30/26

Aeronautical Business Unit Summary – YTD Actuals

($ in thousands)

Description	2024 YTD (Q3) Actual	2025 YTD (Q3) Actual	2026 YTD (Q3) Actual	2026 YTD (Q3) Budget	2026 YTD (Q3) Rvsd_Bud	Actual vs. Rvsd_Bud Variance ($)	Actual vs. Rvsd_Bud Variance (%)	Incr(Decr) Change from 2025 ($)	Incr(Decr) Change from 2025 (%)
Rate Base Revenues									
Airfield Movement Area	114,150	126,185	139,772	139,850	140,156	(384)	0%	13,587	11%
Airfield Apron Area	20,795	25,499	26,751	26,741	26,762	(11)	0%	1,252	5%
Terminal Rents	201,833	215,339	240,697	239,917	240,158	539	0%	25,358	12%
Federal Inspection Services (FIS)	34,100	39,047	42,029	41,972	41,994	35	0%	2,982	8%
Total Rate Base Revenues	**370,878**	**406,071**	**449,250**	**448,480**	**449,070**	**180**	**0%**	**43,180**	**11%**
Airfield Commercial Area	15,078	19,705	19,703	19,345	19,345	358	2%	(2)	0%
Total Aeronautical Revenues	**385,956**	**425,776**	**468,953**	**467,825**	**468,415**	**538**	**0%**	**43,177**	**10%**
GASB 87_96_103 Revenues	4	293	-	-	-	-		(293)	-100%
Total Aeronautical Revenues GASB Comparable Basis	**385,960**	**426,069**	**468,953**	**467,825**	**468,415**	**538**	**0%**	**42,884**	**10%**
Total Aeronautical Expenses	**242,786**	**277,104**	**282,661**	**293,823**	**294,436**	**11,776**	**4%**	**5,556**	**2%**
GASB 87_96_103 Expenses	218	204	197	127	127	(70)	-55%	(8)	-4%
Total Aeronautical Expenses GASB Comparable Basis	**243,004**	**277,309**	**282,857**	**293,950**	**294,563**	**11,706**	**4%**	**5,549**	**2%**
Aeronautical NOI	**143,170**	**148,671**	**186,292**	**174,002**	**173,978**	**12,314**	**7%**	**37,621**	**25%**
Aeronautical NOI GASB Comparable Basis	**142,956**	**148,760**	**186,095**	**173,875**	**173,852**	**12,244**	**7%**	**37,335**	**25%**

Aeronautical – 2026 YTD Actuals vs. 2026 YTD Revised Budget

Aeronautical operating expenses are $12M, or 4%, under budget due to lower year-to-date spending across total operating expenses. Aeronautical revenues are in line with the Revised Budget, coming in $538K above budget, resulting in Net Operating Income of $12M, or 7%, above budget for YTD Q3.

Aeronautical – 2026 YTD Actuals vs. 2025 YTD Actuals

Year-to-date Q3 2026 Aeronautical expenses were $5.5M, or 2% higher compared to Q3 2025, mainly because of higher Outside Services costs for janitorial services. The janitorial increase year over year of $5.1M is partly due to an invoicing issue that did not get resolved until year end, as a result 5 months of invoices did not get posted until December 2025, resulted in lower Q3 2025 cost and caused a larger variance year over year. This will be corrected with year-end results.

Aeronautical Net Operating Income increased by $37M, or 25%, compared to 2025, primarily due to higher revenues from terminal rent and Airfield Movement Area charges.

II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 09/30/26

Aeronautical Business Unit Summary - Yearend Forecast

($ in thousands)

Description	2024 Actual	2025 Actual	2026 Forecast	2026 Budget	2026 Rvsd_Bud	Fcst vs. Rvsd_Bud Variance ($)	Fcst vs. Rvsd_Bud Variance (%)	Incr(Decr) Change from 2025 ($)	Incr(Decr) Change from 2025 (%)
Rate Base Revenues									
Airfield Movement Area	170,821	164,804	183,047	183,818	184,220	(1,173)	-1%	18,243	11%
Airfield Apron Area	32,270	33,404	35,152	35,416	35,443	(291)	-1%	1,748	5%
Terminal Rents	279,722	271,462	321,770	319,223	319,543	2,227	1%	50,309	19%
Federal Inspection Services (FIS)	15,206	48,849	51,830	53,542	53,571	(1,741)	-3%	2,980	6%
Total Rate Base Revenues	**498,019**	**518,520**	**591,799**	**591,999**	**592,777**	**(978)**	**0%**	**73,280**	**14%**
Airfield Commercial Area	22,922	26,787	25,787	25,787	25,787	-	0%	(1,000)	-4%
Total Aeronautical Revenues	**520,942**	**545,307**	**617,587**	**617,786**	**618,565**	**(978)**	**0%**	**72,280**	**13%**
GASB 87_96_103 Revenues	7	415	-	-	-	-		(415)	-100%
Total Aeronautical Revenues GASB Comparable Basis	**520,949**	**545,722**	**617,587**	**617,786**	**618,565**	**(978)**	**0%**	**71,865**	**13%**
Total Aeronautical Expenses	**367,736**	**358,644**	**391,496**	**391,206**	**392,023**	**527**	**0%**	**32,852**	**9%**
GASB 87_96_103 Expenses	250	315	163	163	163	-	0%	(152)	-48%
Total Aeronautical Expenses GASB Comparable Basis	**367,986**	**358,959**	**391,659**	**391,369**	**392,186**	**527**	**0%**	**32,700**	**9%**
Aeronautical NOI	**153,205**	**186,663**	**226,091**	**226,580**	**226,541**	**(451)**	**0%**	**39,427**	**21%**
Aeronautical NOI GASB Comparable Basis	**152,963**	**186,764**	**225,928**	**226,417**	**226,378**	**(451)**	**0%**	**39,164**	**21%**
Debt Service	(157,518)	(176,250)	(204,196)	(202,992)	(202,992)	(1,204)	-1%	(27,945)	-16%
Net Cash Flow	**(4,554)**	**10,513**	**21,732**	**23,426**	**23,387**	**(1,655)**	**-7%**	**11,219**	**107%**

Aeronautical – 2026 Forecast vs. 2026 Revised Budget

Aeronautical expenses are forecasted to be $527KM lower compared to revised budget. Aeronautical revenues are forecasted to be $978K lower compared to budget due to lower forecasted net debt service included in the rate base.

II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 09/30/26

Airline Rate Base Cost Drivers

($ in thousands)						
Aeronautical Cost Drivers	**2025 Actual**	**2026 Forecast**	**2026 Budget**	**2026 Revised Bud**	**Incr (Decr) Change from Rev_Bud $**	**Incr (Decr) Change from Rev_Bud %**
O&M [(1)]	344,121	380,569	377,634	378,417	2,152	0.6%
Debt Service Before Offsets	235,066	275,045	277,614	277,614	(2,570)	-0.9%
Debt Service PFC Offset	(93,269)	(92,958)	(92,468)	(92,468)	(490)	0.5%
Net Debt Service	141,797	182,087	185,146	185,146	(3,060)	-1.7%
Amortization	36,677	33,879	33,685	33,685	193	0.6%
Space Vacancy	(1,737)	(2,924)	(2,710)	(2,714)	(210)	7.7%
Cost of Incentives	-	(1,249)	(1,194)	(1,196)	(53)	4.5%
Grants and Other	(2,340)	(563)	(563)	(563)	-	0.0%
Rate Base Revenues	**518,520**	**591,799**	**591,999**	**592,777**	**(978)**	**0%**
Commercial area	26,787	25,787	25,787	25,787	-	0%
Total Aero Revenues	**545,307**	**617,587**	**617,786**	**618,565**	**(978)**	**0%**

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

2026 Forecast vs. 2026 Revised Budget

Total Aeronautical Revenue is forecasted to be at $618M $978M below the revised budget, driven primarily by lower net debt service.

Operating and Maintenance (O&M) expenses are forecasted to be $2.2M above budget, mainly due to $7M of capital-to-expense transfers impacting the terminal area, partially offset by savings across other areas. Net Debt Service is forecasted to be $3M below the revised budget due to delayed the Concourse A Expansion project and changes in capitalized interest across several airfield projects, while amortization increased slightly due to a higher aeronautical allocation for Terminal B following Q3 space updates.

II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 09/30/26

Non-Aero Business Unit Summary – YTD Actuals

($ in thousands)

Description	2024 YTD (Q3) Actual	2025 YTD (Q3) Actual	2026 YTD (Q3) Actual	2026 YTD (Q3) Budget	2026 YTD (Q3) Rvsd_Bud	Actual vs. Rvsd_Bud Variance ($)	Actual vs. Rvsd_Bud Variance (%)	Incr(Decr) Change from 2025 ($)	Incr(Decr) Change from 2025 (%)
Non-Aeronautical Revenues									
Public Parking	88,126	88,120	89,704	85,770	85,770	3,935	5%	1,585	2%
Rental Cars	38,507	54,947	36,482	54,817	34,958	1,524	4%	(18,465)	-34%
Ground Transportation	14,535	18,585	18,009	19,156	19,156	(1,148)	-6%	(576)	-3%
Airport Dining & Retail	39,806	53,560	57,816	58,705	59,094	(1,277)	-2%	4,256	8%
Other	38,813	60,674	64,906	63,668	64,040	866	1%	4,232	7%
Total Non-Aeronautical Revenues	**219,787**	**275,885**	**266,917**	**282,116**	**263,018**	**3,899**	**1%**	**(8,968)**	**-3%**
GASB 87_96_103 Revenues	(2,855)	(3,286)	6,889	(3,183)	4,936	1,953	40%	10,175	310%
Total Non-Aeronautical Revenues GASB Comparable Basis	**216,932**	**272,599**	**273,806**	**278,933**	**267,954**	**5,852**	**2%**	**1,207**	**0%**
Total Non-Aeronautical Expenses	**103,400**	**128,266**	**148,742**	**147,535**	**148,212**	**(530)**	**0%**	**20,476**	**16%**
GASB 87_96_103 Expenses	24	861	4,045	3,971	3,971	(74)	-2%	3,184	370%
Total Non-Aeronautical Expenses GASB Comparable Basis	**103,424**	**129,127**	**152,786**	**151,506**	**152,183**	**(603)**	**0%**	**23,660**	**18%**
Non-Aeronautical NOI	**116,387**	**147,619**	**118,176**	**134,581**	**114,806**	**3,370**	**3%**	**(29,444)**	**-20%**
Non-Aeronautical NOI GASB Comparable Basis	**113,508**	**143,473**	**121,019**	**127,427**	**115,771**	**5,248**	**5%**	**(22,453)**	**-16%**

Non-Aeronautical Revenue – 2026 YTD Actuals vs. 2026 YTD Budget

YTD Q3 2026 Non-Aeronautical Revenues are higher than budget by $3.9M, or 1%. Adjusting for GASB accounting changes, revenues are higher than budget by $5.9M, or 2%. The performance compared to budget is highlighted by the 2025 SeaTac Office Center (STOC) acquisition at the end of Feb 2025, which annualized in Q1 2026. In addition, Public Parking, Rental Cars, and Flight Kitchens all performed well against budget but were partially offset by Airport Dining and Retail (lower due to monthly seasonality, which will normalize by the end of the year).

Non-Aeronautical Revenue – 2026 YTD Actuals vs. 2025 YTD Actuals

YTD Q3 2026 Non-Aeronautical Revenues are lower than 2025 by ($9.0M), or (3%). The decline is due to the accounting change for GASB 103, which has reclassified CFC operating revenue (under Rental Cars) to non-operating income. Adjusting for all GASB accounting changes, YTD Q3 2026 Non-Aeronautical Revenues are up $1.2M, or 0%. The growth is highlighted by the 2025 SeaTac Office Center (STOC) acquisition at the end of Feb 2025, which was annualized in Q1 2026. In addition, Public Parking, Rental Cars, Airport Dining and Retail, and Flight Kitchens all showed solid growth YTD vs. 2025.

YTD Q3 2026 Non-Aero Expenses are higher due to allocations and annualization of STOC operating expenses (offset by revenue).

II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 09/30/26

Non-Aero Business Unit Summary – Year end Forecast

($ in thousands)

Description	2024 Actual	2025 Actual	2026 Forecast	2026 Budget	2026 Revised Budget	Fcst vs. Rvsd_Bud Variance ($)	Fcst vs. Rvsd_Bud Variance (%)	Incr(Decr) Change from 2025 ($)	Incr(Decr) Change from 2025 (%)
Public Parking	116,535	116,870	118,419	114,531	114,531	3,889	3%	1,549	1%
Rental Cars	64,434	67,479	45,114	67,862	43,555	1,559	4%	(22,365)	-33%
Ground Transportation	23,946	24,376	23,381	24,896	24,896	(1,515)	-6%	(995)	-4%
Employee Parking[1]	10,462	12,532	14,105	14,138	14,138	(34)	0%	1,573	13%
Airport Dining & Retail[1]	72,234	73,777	77,585	77,078	77,596	(10)	0%	3,808	5%
Non-Aero Commercial Properties	17,639	18,625	19,235	20,475	20,475	(1,241)	-6%	610	3%
International Place (STOC)	-	10,174	12,056	11,712	11,712	344	3%	1,883	19%
Clubs and Lounges	16,709	19,528	18,985	16,153	16,153	2,832	18%	(543)	-3%
Non-Airline Terminal Leased Spc	7,559	8,584	9,384	8,157	8,157	1,227	15%	800	9%
Utilities	9,578	10,837	11,202	10,551	10,551	651	6%	365	3%
Other[2]	1,264	434	4,095	1,829	2,325	1,771	76%	3,661	843%
Total Non-Aeronautical Revenues	**340,360**	**363,215**	**353,561**	**367,381**	**344,087**	**9,473**	**3%**	**(9,655)**	**-3%**
Less: Total Non-Aeronautical Expenses	**162,092**	**178,384**	**200,520**	**196,929**	**197,834**	**(2,686)**	**-1%**	**22,136**	**12%**
Non-Aeronautical NOI	**178,268**	**184,831**	**153,040**	**170,452**	**146,253**	**6,787**	**5%**	**(31,791)**	**-17%**
Plus: GASB Comparable Basis Net Change[3]	(12,835)	(16,046)	5,716	(21,855)	1,934	3,782	196%	21,762	136%
Non-Aeronautical NOI GASB Comparable Basis	**165,433**	**168,785**	**158,756**	**148,597**	**148,187**	**10,569**	**7%**	**(10,029)**	**-6%**
Debt Service	(43,887)	(33,957)	(48,074)	(57,369)	(57,369)	9,295	16%	(14,117)	-42%
Net Cash Flow	**121,546**	**134,828**	**110,682**	**91,228**	**90,818**	**19,863**	**22%**	**(24,146)**	**-18%**

1 Includes lease payments from tenants as non-operating interest income instead of operating revenues

2 Other revenue also includes revenues from Transportation Mgmt Association, Tenant Marketing, and Airport Office Building Conference Center

3 The implementation of GASB 103 has reclassified CFC revenue from operating to non-operating, which is reflected in 2026 Forecast and Revised Budget

Note: Lease payments from tenants treated as non-operating interest income and lease interest expenses

Non-Aeronautical Revenue – 2026 Forecast vs. 2026 Budget

- Non-aero revenue forecast is $9.5M above revised budget, reflecting higher revenues across Public Parking, Rental Cars, and Flight Kitchens. The South Concourse Lounge construction delay also adds approximately three months of incremental operations revenues.
- Non-Aero Expenses are forecasted to be higher than budget by ($2.7M), with NOI higher than budget by $6.8M, or 5%. Expenses are driven by higher allocations and additional operating expenses from the South Concourse Lounge remaining open for an additional three months.

D. CAPITAL RESULTS

($ in thousands)

Project	2026 YTD Actual	2026 Year-End Forecast	2026 Budget	2026 POF	Budget vs. Forecast ($)	Budget vs. Forecast (%)
SEA Gateway [1]	59,067	68,280	96,994	96,470	28,714	29.6%
S Concourse Evolution [2]	64,266	82,490	69,256	137,762	(13,233)	-19.1%
Concourse A Lounge Expansion [3]	1,866	2,116	15,120	28,063	13,004	86.0%
C Concourse Expansion [4]	98,522	117,504	108,970	119,813	(8,534)	-7.8%
2026-2030 AFLD PVMNTS [5]	20,859	31,977	38,287	71,507	6,311	16.5%
2022 Eastside Fire Station [6]	3,642	4,179	8,738	11,669	4,559	52.2%
Perimeter Intrusion Detect Sys [7]	290	976	5,081	6,472	4,105	80.8%
Post IAF Airline Realignment [8]	28,456	38,367	35,377	39,040	(2,990)	-8.5%
Airfield Snow Equipment [9]	6,367	7,068	4,558	915	(2,510)	-55.1%
Upgrades STS Train Control [10]	5,178	9,203	11,499	12,412	2,296	20.0%
All Other	199,383	304,362	341,427	478,719	37,065	10.9%
Subtotal	487,896	666,521	735,307	1,002,842	68,786	9.4%
CIP Cashflow Mgmt Reserve	0	(19,728)	(76,353)	(166,955)	(56,625)	74.2%
Total Spending	**487,896**	**646,793**	**658,954**	**835,887**	**12,161**	**1.8%**

1. Actuals lower than projected due to increased cost savings (lower EAC, contingency not utilized to date).
2. Design services effort heavier/front loaded than forecasted. And $4M of Airfield 2026 Contract 2 work transferred to SCE.
3. Due to schedule extensions, which pushed out 2026 anticipated costs into 2027.
4. C Concourse Expansion spending is higher due to cost escalation, owner changes, and unforeseen conditions.
5. $4M of SCE part of bid originally captured in this project, was transferred to SCE, unused contingency.
6. The project finished on schedule and below budget due to reduced number of change orders and management of project scope. This also resulted in savings.
7. Schedule Delay because of delayed testing due to faulty equipment.
8. Increased construction spending to support turnovers ahead of FIFA and unforeseen conditions increased cost. UA lounge updated Estimates show higher costs. This increase is projecting more spending in 2026 than anticipated.
9. During budget, estimated 80% of the invoice to be spent in 2026 until the vendor completed the work to meet the requirements. Vendor is now on track to complete it in 2026.
10. Projected cashflow/payments tied to Alstom (Contractor) major payment milestone acceptance delayed by multiple months due to Alstom software delivery issues.

III. MARITIME DIVISION

A. FINANCIAL SUMMARY (Excludes Pension Adjustments and some GASB 103 adjustments)

$ in 000's	2023 Actual	2024 Actual	2025 Actual	2026 Forecast	2026 Revised Budget	Actual vs. Budget $	Actual vs. Budget %	Actual vs. 2025 $	Actual vs. 2025 %
Total Revenues	**99,738**	**106,809**	**116,917**	**128,826**	**125,344**	**3,482**	**-3%**	**11,909**	**10%**
Total Operating Expenses	**93,596**	**101,991**	**111,643**	**122,713**	**124,728**	**2,015**	**2%**	**11,070**	**12%**
Net Operating Income	**6,142**	**4,818**	**5,274**	**6,113**	**616**	**5,497**	**892%**	**840**	**14%**
NOI Incl. GASB/Pension	***(12,519)***	***(15,905)***	***(31,533)***	***(51,055)***	***(57,272)***	***6,217***	***11%***	***(19,522)***	***156%***
Capital Expenditures	**26,246**	**84,842**	**93,859**	**90,163**	**93,384**	**(3,221)**	**-3%**	**(3,696)**	**-14%**

2026 Forecast vs. 2026 Revised Budget

- Operating Revenues $3.5M higher from an increased forecast to Cruise and Grain.
- Operating Expenses forecasted $2M lower than revised budget from deferred T91 demolition costs.
- Net Operating Income forecasted $5.5M above revised budget.
- Capital Spending forecasted 97% of $93.4M revised budget.

2026 Forecast vs. 2025 Actuals

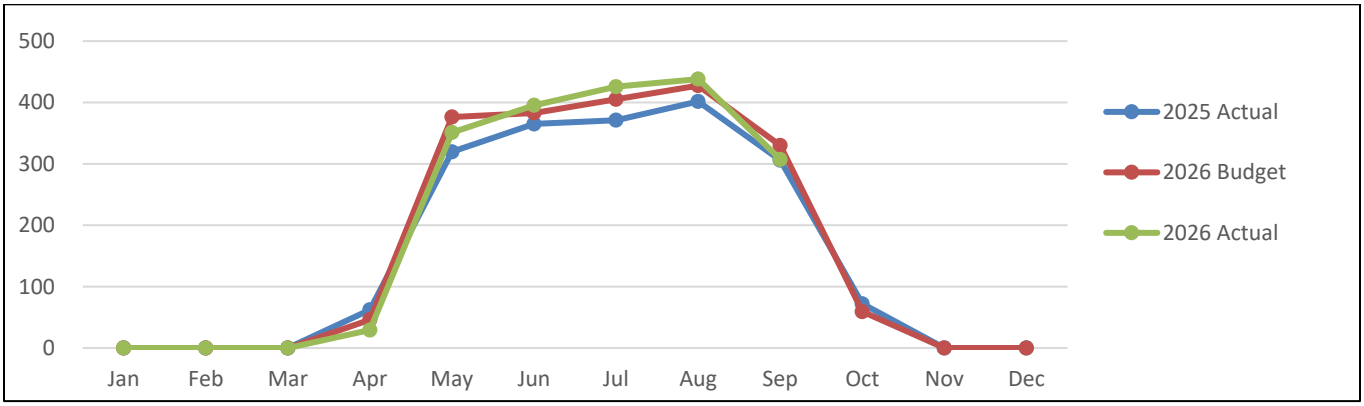
- Operating Revenues forecasted $11.9M higher than in 2025 from higher Cruise rates and volumes.
- Operating Expenses forecasted $11.07M higher than 2025 actual from higher payroll, derelict vessels, and increased ERL projects.
- Net Operating Income forecasted $0.8M higher than 2025 actual.

Net Operating Income before Depreciation by Business

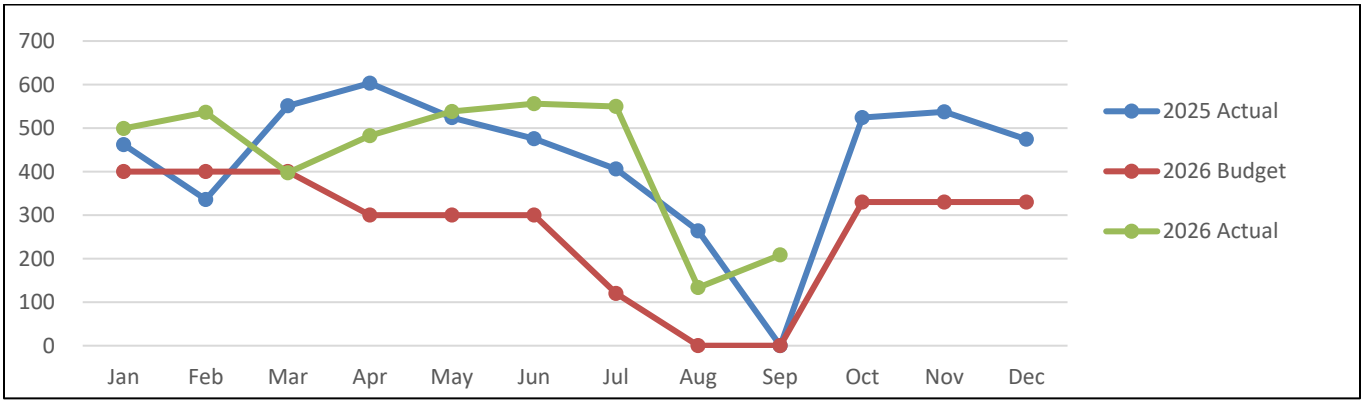
$ in 000's	2025 YTD Actual	2026 YTD Actual	2026 YTD Budget	Actual vs. Budget $	Actual vs. Budget %	Actual vs. 2025 $	Actual vs. 2025 %
Ship Canal Fishing & Operations	(3,063)	(6,230)	(5,179)	(1,051)	-20%	(3,167)	-103%
Elliott Bay Fishing & Commercial Operations	(1,935)	(1,510)	(1,870)	359	19%	425	22%
Recreational Boating	247	4	(247)	251	102%	(243)	-98%
Cruise	29,780	38,356	35,035	3,321	9%	8,576	29%
Grain	2,344	3,141	1,654	1,488	90%	797	34%
Maritime Portfolio	(6,793)	(8,077)	(12,999)	4,923	38%	(1,284)	-19%
All Other	(1,268)	(1,522)	211	(1,733)	-822%	(254)	-20%
Total Maritime	**19,313**	**24,163**	**16,605**	**7,559**	**46%**	**4,850**	**25%**

B. KEY PERFORMANCE METRICS

Cruise Passengers in thousands



Grain Volumes in thousands



III. MARITIME DIVISION FINANCIAL & PERFORMANCE REPORT 09/30/26

C. OPERATING RESULTS

$ in thousands	2023 YTD Actual	2024 YTD Actual	2025 YTD Actual	2026 YTD Actual	2026 YTD Revised Budget	Actual vs. Budget $	Actual vs. Budget %	Actual vs. 2025 $	Actual vs. 2025 %
Ship Canal Fishing & Operations	3,779	3,367	4,281	3,485	3,490	(5)	0%	(796)	-19%
Elliott Bay Fishing & Commercial Operations	4,163	3,463	4,442	4,668	4,644	24	1%	226	5%
Recreational Boating	11,700	12,333	13,701	14,121	14,378	(257)	-2%	420	3%
Cruise	39,950	37,504	47,844	59,022	57,854	1,168	2%	11,178	23%
Grain	2,628	3,720	3,919	4,408	3,071	1,337	44%	489	12%
Conference & Event Centers	4,916	4,701	6,591	7,390	6,642	749	11%	800	12%
Leasing Portfolio	15,303	15,638	16,766	17,908	18,010	(102)	-1%	1,142	7%
Other	9	8	9	432	0	432		423	4644%
Total Revenue	**82,449**	**80,733**	**97,553**	**111,435**	**108,089**	**3,345**	**3%**	**13,881**	**14%**
Expenses									
Total Direct	**24,520**	**24,270**	**30,740**	**34,665**	**32,933**	**(1,731)**	**-5%**	**3,925**	**13%**
Total Support Services	**20,692**	**21,793**	**24,982**	**29,129**	**35,121**	**5,992**	**17%**	**4,147**	**17%**
Total Central Services / Other	**18,870**	**20,552**	**22,519**	**23,478**	**23,431**	**(48)**	**0%**	**959**	**4%**
Total Expense	**64,083**	**66,615**	**78,241**	**87,272**	**91,485**	**4,213**	**5%**	**9,031**	**12%**
NOI Before Depreciation	**18,367**	**14,119**	**19,313**	**24,163**	**16,605**	**7,559**	**46%**	**4,850**	**25%**
Depreciation	16,761	16,857	17,968	21,346	20,295	(1,050)	-5%	3,377	19%
NOI After Depreciation	**1,606**	**(2,739)**	**1,344**	**2,817**	**(3,691)**	**6,508**	**176%**	**1,473**	**-110%**
GASB/Pension/ Legacy ERL Impacts									
Total Revenue			**(11,972)**	**(11,672)**	**(11,121)**	**551**	**5%**	**299**	**2%**
Total Operating Expenses*			**(86)**	**3,628**	**8,325**	**4,697**	**56%**	**3,714**	**4297%**
Total Depreciation			**172**	**238**	**103**	**(136)**	**-133%**	**66**	**38%**
NOI After Depreciation with GASB	**1,606**	**(2,739)**	**(10,713)**	**(12,721)**	**(23,239)**	**(10,518)**	**-45%**	**(2,008)**	**-19%**

* Includes primarily legacy environmental liabilities and pension related cost for both Maritime & the legacy Warehousemen's Pension Trust.

2026 YTD Actuals vs. 2026 YTD Revised Budget

- Operating Revenues were $3.3M higher than revised budget:
  - Ship Canal $5K lower due to unexpected fishing customer vacancy at Fishermen's Terminal, partially offset by increased recreational boating customers.
  - Elliott Bay Fishing $24K higher due to increased activity at P28 and P34 dolphins.
  - Recreational Boating $257K lower than budget due to lower occupancy at Shilshole Bay Marina early in the year.
  - Cruise $1.2M higher due to increased revenue share at Terminal 91 with new terminal operator.
  - Grain $1.3M higher due to increased sorghum and rebounding soybean volumes.
  - Leasing Portfolio $105K lower due to lease terminations and reduced leased square footage, primarily at Terminal 91 Upland and Terminal 102.
  - Conference and Event Centers are $749K higher due to returning customers/programs, higher short-term booking rates, upselling activity, and unexpected revenue nonprofit community events.
- Operating Expenses were $4.2M below revised budget:
  - Direct Expenses were $1.7M higher than revised budget due to environmental remediation expenses.
  - Support Services $6M below revised budget from timing of Maintenance and small works projects. Projects to be completed Q4.
  - Central Services/Other $48K above revised budget.
- Net Operating Income after Depreciation was $6.5M higher than revised budget.

2026 YTD Actuals vs. 2025 YTD Actuals

- Operating Revenues were $13.9M higher than 2025 due to returning customers to Conference & Event Centers (CEC), returning demand for soybeans for Grain, and increased Cruise revenue due to additional ships and a higher revenue share with the new terminal operator at Terminal 91.

III. MARITIME DIVISION FINANCIAL & PERFORMANCE REPORT 09/30/26

- Operating Expenses were $5.9M higher than 2025 from increased ERL, higher CEC expenses due to higher volumes, utilities, and derelict vessels as well as higher central services costs.
- Net Operating Income after Depreciation was $1.5M higher than 2025 actual from increased Grain, Cruise, and CEC revenues.

$ in 000's	2022 Actual	2023 Actual	2024 Actual	2025 Actual	2026 Forecast	2026 Revised Budget	FCST vs. Budget $	FCST vs. Budget %	FCST vs. 2025 $	FCST vs. 2025 %
Ship Canal Fishing & Operations	4,592	5,076	5,169	5,562	4,684	4,684	0	0%	(878)	-16%
Elliott Bay Fishing & Commercial Operations	5,975	6,564	6,602	6,963	6,574	6,374	200	3%	(389)	-6%
Recreational Boating	13,978	15,505	16,555	18,058	18,894	19,094	(200)	-1%	836	5%
Cruise	30,469	41,726	43,145	48,853	58,292	57,292	1,000	2%	9,440	19%
Grain	5,792	3,356	5,920	6,442	5,740	4,440	1,300	29%	(702)	-11%
Conference & Event Centers	8,914	6,738	7,490	8,654	10,180	9,430	750	8%	1,526	18%
Leasing Portfolio	19,367	20,764	21,920	22,432	24,029	24,029	0	0%	1,597	7%
Other	10	10	8	(47)	432	0	432		479	1020%
Total Revenue	**89,095**	**99,738**	**106,809**	**116,917**	**128,826**	**125,344**	**3,482**	**3%**	**11,909**	**10%**
Expenses										
Total Direct	**33,680**	**37,061**	**36,595**	**47,675**	**45,319**	**43,119**	**(2,200)**	**-5%**	**(2,356)**	**-5%**
Total Support Services	**24,948**	**29,939**	**33,193**	**36,354**	**46,064**	**50,564**	**4,500**	**9%**	**9,710**	**27%**
Total Central Services / Other	**22,972**	**26,596**	**32,202**	**27,614**	**31,330**	**31,045**	**(285)**	**-1%**	**3,716**	**13%**
Total Expense	**81,600**	**93,596**	**101,991**	**111,643**	**122,713**	**124,728**	**2,015**	**2%**	**11,070**	**10%**
NOI Before Depreciation	**7,495**	**6,142**	**4,818**	**5,274**	**6,113**	**616**	**5,497**	**892%**	**840**	**16%**
Depreciation	21,974	22,421	23,850	24,727	27,033	27,033	0	0%	2,306	9%
NOI After Depreciation	**(14,479)**	**(16,279)**	**(19,032)**	**(19,453)**	**(20,919)**	**(26,416)**	**5,497**	**21%**	**(1,466)**	**-8%**
GASB/Pension Credit Impacts										
Total Revenue	**170**	**(90)**	**(18)**	**(15,889)**	**(14,828)**	**(14,828)**	**0**	**0%**	**1,061**	**7%**
Total Op Expenses, Pension Adj	**(2,561)**	**(3,850)**	**(3,145)**	**(4,092)**	**15,180**	**15,900**	**720**	**5%**	**19,272**	**471%**
Total Depreciation				**284**	**128**	**128**	**0**	**0%**	**(156)**	**-55%**
NOI After Depreciation with GASB	**(11,748)**	**(12,519)**	**(15,905)**	**(31,533)**	**(51,055)**	**(57,272)**	**(6,217)**	**-11%**	**(19,522)**	**62%**

2026 Forecast vs. 2026 Revised Budget

- Operating Revenues forecasted $3.5M over from Cruise and Grain forecast.
- Operating Expenses forecasted $2M under revised budget:
  1) Direct ($2.2M over) – ERL and Conference Center Variable costs.
  2) Support services ($4.5M under) - unbudgeted derelict vessels offset by deferred T91 demo cost.
  3) Central Services ($285K over)
- Net Operating Income forecasted $5.5M above revised budget.

2026 Forecast vs. 2025 Actuals

- Operating Revenues forecasted $11.9M higher than in 2025 from higher Cruise rates and volumes.
- Operating Expenses forecasted $11.1M higher than 2025 actual from higher payroll and increased ERL projects and other small works projects.
- Net Operating Income forecasted $840K higher than 2025 actual.

III. MARITIME DIVISION FINANCIAL & PERFORMANCE REPORT 09/30/26

D. CAPITAL RESULTS

Project ($ in thousands)	2026 Actual YTD	2026 YE Forecast	2026 Budget	2026 POF	Budget vs Actual ($)	Budget vs Actual (%)
T91 Berth 6 & 8 Redev	22,235	24,812	26,207	13,654	(1,395)	-5%
P66/P91 ShPwr & DU9202 Rehab	7,963	14,463	17,100	9,540	(2,637)	-15%
T91 Uplands Dev Phase I	2,570	4,883	11,000	16,524	(6,117)	-56%
MIC Electrical Replacements	7,114	8,864	10,759	9,683	(1,895)	-18%
P66 Grand Staircase Replc	4,398	4,698	4,872	5,560	(174)	-4%
FT Maritime Innovation Center	3,267	3,767	4,058	2,700	(291)	-7%
Technology Project	1,276	2,138	4,250	4,250	(2,112)	-50%
T91 Shore Power System Purchase	3,600	3,600	3,600	0	0	0%
T91 New Cruise Gangway	1,627	2,057	2,300	2,446	(243)	-11%
Fleet	2,023	6,930	6,928	6,648	2	0%
All Other Projects	11,229	19,805	24,840	41,890	(5,035)	-20%
Subtotal	67,302	96,017	115,914	112,895	(19,897)	-17%
CIP CashFlow Mgt	0	(5,854)	(22,530)	(31,937)	16,676	-74.0%
Total Maritime	**67,302**	**90,163**	**93,384**	**80,958**	**(3,221)**	**-3%**
% of Capital Budget w/out CF Mgt	58%	83%				
% of Capital Budget including CF Mgt	72%	97%				

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

Comments on Key Projects with Significant Variances

- **T91 Berths 6&8 –** Decrease reflects drop of risk after settlement with contractor.
- **P66/P91 Shorepower –** Delays in billings in 2026.
- **T91 Uplands –** No change overall. Delayed billing and procurement pushed out to 2027.
- **MIC Electrical–** Substantial completion date pushed out, delayed billings.
- **Technology–** Video Camera pushing out contingencies.

IV. ECONOMIC DEVELOPMENT DIVISION

A. FINANCIAL SUMMARY

$ in 000's	2023 Actual	2024 Actual	2025 Actual	2026 Forecast	2026 Revised Budget	Forecast vs. Revised Budget Variance $	Forecast vs. Revised Budget Variance %	Change from 2025 $	Change from 2025 %
Total Revenues	**24**	**(8)**	**21**	**16**	**16**	**0**	**0%**	**(5)**	**-25%**
Total Operating Expenses	**3,351**	**2,951**	**2,663**	**3,390**	**3,390**	**0**	**0%**	**727**	**22%**
Net Operating Income	**(3,328)**	**(2,959)**	**(2,643)**	**(3,374)**	**(3,374)**	**0**	**0%**	**(732)**	**-22%**
NOI Incl. GASB/Pension	***432***	***168***	***(1,873)***	***(3,374)***	***(3,374)***	***0***	***0%***	***(1,501)***	***-347%***

B. OPERATING RESULTS

$ in 000's	2023 YTD Actual	2024 YTD Actual	2025 YTD Actual	2026 YTD Actual	2026 YTD Revised Budget	Actual vs. Budget Budget Variance $	Actual vs. Budget Budget Variance %	Change from 2025 $	Change from 2025 %
Total Revenue	**8**	**9**	**11**	**6**	**8**	**(2)**	**1%**	**1,440**	**9%**
Expenses									
Division Admin	184	66	36	185	77	(108)	-139%	149	414%
Re Dev & Planning	0	0	(0)	25	(0)	(25)		25	
Small Business	0	0	0	0	25	25	100%	0	3%
Workforce Development	0	0	34	2	0	(2)		(32)	-95%
Tourism	524	558	757	733	902	169	19%	(24)	-3%
Total EDD	**707**	**624**	**827**	**945**	**1,004**	**59**	**6%**	**118**	**14%**
Maritime / Maintenance	10	11	22	13	13	(0)	0%	(9)	-42%
Central Services / IT	14	14	14	31	37	6	16%	17	120%
Total Support Services	**24**	**25**	**37**	**44**	**50**	**6**	**12%**	**7**	**20%**
Total Expense	**731**	**648**	**864**	**989**	**1,054**	**65**	**6%**	**125**	**15%**
NOI Before Depreciation	**(723)**	**(640)**	**(853)**	**(983)**	**(1,046)**	**63**	**6%**	**(130)**	**-15%**
Depreciation	6	5	7	14	11	(3)	-30%	7	91%
NOI After Depreciation	**(729)**	**(645)**	**(861)**	**(997)**	**(1,057)**	**59**	**6%**	**(137)**	**-16%**

2026 YTD Actuals vs. 2026 YTD Revised Budget

- Operating Revenues on budget from rental income at the Duwamish Hub.
- Operating Expenses were $65K below revised budget from timing of outside services. Economic Development Grants and Tourism spending.

V. CENTRAL SERVICES DIVISION

A. FINANCIAL SUMMARY

	2024 YTD Actual	2025 YTD Actual	2026 YTD Actual	2026 YTD Budget	2026 YTD Revsd_Bud	Actual vs. Revsd_Bud Variance $	Actual vs. Revsd_Bud Variance %	Change from 2025 Incr (Decr) $	Change from 2025 Incr (Decr) %
Operating Revenues	**320**	**257**	**1,534**	**137**	**137**	**1,397**	**1021.1%**	**1,277**	**496.3%**
GASB 87_96_103 Revenues	496	836	-	446	-	-	0.0%	(836)	-100.0%
Total Operating Revenues GASB Comparable Basis	**816**	**1,093**	**1,534**	**583**	**137**	**1,397**	**1021.1%**	**441**	**40.3%**
Core Central Support Services	87,372	94,809	99,450	97,512	99,749	300	0.3%	4,640	4.9%
Police	32,866	34,600	37,040	37,223	37,223	182	0.5%	2,441	7.1%
Engineering/PCS	10,352	14,356	16,644	16,204	16,204	(440)	-2.7%	2,288	15.9%
Operating Expenses	**130,590**	**143,765**	**153,134**	**150,938**	**153,176**	**42**	**0.0%**	**9,369**	**6.5%**
GASB 87_96_103 Expenses	1,899	875	525	3,729	323	(201)	-62.2%	(351)	-40.1%
Total Operating Expenses GASB Comparable Basis	**132,488**	**144,640**	**153,658**	**154,667**	**153,499**	**(159)**	**-0.1%**	**9,018**	**6.2%**

2026 YTD Actuals vs. 2026 YTD Revised Budget

- Operating Revenues favorable by $1.4M, primarily due to a cybersecurity insurance payment.
- Operating Expenses favorable by $42K, mainly due to lower Outside Services, Equipment Expense, Travel & Employee Expenses, and Other Expenses, partially offset by lower charges to Capital Projects, higher Payroll, and Litigated Injuries & Damages.

2026 YTD Actuals vs. 2025 YTD Actuals

- Operating Revenues $1.3M higher than 2025 mainly due to a cybersecurity insurance payment.
- Operating Expenses $9.0M higher than 2025 mainly due to higher Payroll, Equipment Expense, Outside Services, Insurance Expense, and Other Expenses; partially offset by higher charges to Capital Project and lower Litigated Injuries & Damages.

B. BUSINESS EVENTS

- Major sponsor of Seafair events including Fourth of July Fireworks, and Fleet Week; supporting tours, receptions, and Torchlight Parade.
- Coordinated SAMP SEPA comment workshops with community organizations including Congolese Integration Network, KCIA Community Coalition, ECOSS, and African Community and Housing Development. Supported Port Commission public hearing.
- Hosted annual SEA Charity Golf Tournament in partnership with Highline Schools Foundation, fundraising for student scholarships.
- Tabled and sponsored Duwamish Valley events in partnership with PCAT including Gateway Park North Activation, Duwamish River Festival, SopaSupa, and Villa Communitaria Back to School.
- Hosted Working Waterfront boat tour and reception for Elected Officials and strategic partners.
- Hosted annual Seattle Southside Chamber State of SEA and West Seatle Chamber State of the Port with leadership presentations.
- Hosted annual Port U Adult Education Series with Duwamish River 101 boat tour, Ship Canal 101 boat tour, and Airport 101 bus tour.

V. CENTRAL SERVICES DIVISION FINANCIAL & PERFORMANCE REPORT 09/30/26

KEY PERFORMANCE METRICS

Century Agenda Strategic Objectives	YTD 2024	YTD 2025	YTD 2026
Responsibly Invest in the Economic Growth of the Region and all its Communities			
A. Job seekers placed in jobs at SEA Airport through the Employment Center	864	869	1,322
B. Number of SEA Airport tenants supported in finding employees	103	95	178
C. Employment Center training completions	477	499	497
D. K-12 Career Connected Learning: WFD engagement with teachers/faculty	7	13	14
E. Community members entering employment in construction, maritime and environmental sustainability	13	64	37
F. Number of Job Openings Posted	245	270	191
G. Job applications received	15,724	18,004	19,241
H. Number of job interviews conducted	1,725	1,848	1,747
I. Number of new employees hired	333	323	191
J. Number of interns	112	117	109
K. Number of Veteran Fellows	2	3	6
L. Number of employees participating in Tuition Reimbursement	22	11	27
Become a Model for Equity, Diversity and Inclusion			
A. Employee participation in OEDI programming (Caucuses, Book Clubs, Town Halls, etc.)	2,907	9,869	8,056
Be a Highly Effective Public Agency			
A. Central Services costs as a % of Total Operating Expenses	30.0%	28.3%	28.5%
B. Investment portfolio earnings versus the benchmark (the Bank of America Merrill Lynch 1-3 Year US Treasury & Agency Index)	3.52%/ 5.13%	3.95%/ 3.71%	3.61%/ 3.65%
C. Comply with Public Disclosure Act and respond in a timely manner	381	1,224	1,331
D. Employee Development Class Attendees/Structured Learning	2,200	5,471	2,213
E. Total Recordable Incident Rate (previous Occupational Injury Rate)	4.19	3.68	3.8
F. Lost Work Day Rate (previously Days Away Severity Rate)	48.99	86.52	44.93
G. Customer Survey for Police Service Excellent or Above Average	TBD	TBD	TBD

C. OPERATING RESULTS

Financial Summary (Year-End Forecast)

($ in thousands)

	2024 Actual	2025 Actual	2026 Forecast	2026 Budget	2026 Revsd Bud	Actual vs. Revsd_Bud Variance $	Actual vs. Revsd_Bud Variance %	Change from 2025 Incr (Decr) $	Change from 2025 Incr (Decr) %
Operating Revenues	**403**	**14**	**1,604**	**259**	**259**	**1,345**	**519.8%**	**1,590**	**11768.6%**
GASB 87_96_103 Revenues	281	1,435	-	594	-	-	0.0%	(1,435)	-100.0%
Total Operating Revenues GASB Comparable Basis	**684**	**1,449**	**1,604**	**853**	**259**	**1,345**	**519.8%**	**155**	**10.7%**
Executive	6,025	2,771	3,954	3,407	3,407	(547)	-16.1%	1,183	42.7%
Commission	3,042	3,137	5,170	3,671	5,516	346	6.3%	2,033	64.8%
Legal	10,312	8,395	8,813	6,863	7,328	(1,485)	-20.3%	418	5.0%
External Relations	14,379	14,365	15,363	15,858	15,858	495	3.1%	997	6.9%
Equity Diversity and Inclusion	1,922	1,975	2,309	2,540	2,540	231	9.1%	334	16.9%
Human Resources	16,099	16,506	17,732	19,160	19,160	1,428	7.5%	1,225	7.4%
Labor Relations	1,541	1,598	1,837	1,923	1,923	87	4.5%	239	14.9%
Internal Audit	1,935	2,066	2,332	2,448	2,448	116	4.7%	265	12.8%
Accounting & Financial Reporting Services	10,003	11,173	12,518	12,807	12,807	289	2.3%	1,346	12.0%
Information & Communication Technology	30,410	31,476	33,682	34,080	34,080	398	1.2%	2,206	7.0%
Information Security	2,613	3,633	4,387	4,612	4,612	225	4.9%	754	20.8%
Finance & Budget	3,075	3,076	3,483	3,371	3,527	43	1.2%	407	13.2%
Business Intelligence	1,888	2,235	2,404	2,633	2,633	229	8.7%	169	7.6%
Risk Services	7,395	7,144	8,427	8,642	8,642	215	2.5%	1,283	18.0%
Office of Strategic Initiatives	1,125	1,353	1,603	1,731	1,731	128	7.4%	250	18.5%
Central Procurement Office	7,079	7,588	9,234	9,756	9,756	522	5.4%	1,645	21.7%
Contingency	21,534	(22,019)	(814)	(6,184)	(5,666)	(4,852)	-85.6%	21,204	96.3%
Environment & Sustainability	1,479	1,968	2,306	2,306	2,306	()	0.0%	338	17.2%
Core Central Support Services	**141,854**	**98,441**	**134,740**	**129,624**	**132,607**	**(2,132)**	**-1.6%**	**36,298**	**36.9%**
Police	43,591	46,327	48,731	48,213	48,213	(518)	-1.1%	2,405	5.2%
Total Before Cap Dev & Environment	**185,445**	**144,768**	**183,471**	**177,837**	**180,821**	**(2,650)**	**-1.5%**	**38,703**	**26.7%**
Capital Development									
Engineering	8,581	9,407	13,469	13,764	13,764	295	2.1%	4,061	43.2%
Port Construction Services	7,063	8,849	9,004	8,123	8,123	(880)	-10.8%	155	1.8%
Sub-Total	15,644	18,256	22,472	21,887	21,887	(585)	-2.7%	4,216	23.1%
Industrial Development Corporation	-	1	-	-	-	-	0.0%	(1)	-100.0%
Capital to Expense	499	-	-	-	-	-	0.0%	-	0.0%
O&M Expenses	**201,593**	**163,025**	**205,943**	**199,724**	**202,708**	**(3,235)**	**-1.6%**	**42,918**	**26.3%**
GASB 87_96_103 Expenses	3,227	1,131	443	4,983	443	-	0.0%	(688)	-60.9%
Total Operating Expenses GASB Comparable Basis	**204,820**	**164,156**	**206,386**	**204,707**	**203,151**	**(3,235)**	**-1.6%**	**42,230**	**25.7%**

- Total Operating Expenses are projected to be $3.2M or 1.6% over revised budget and $42.9M or 26.3% increase YoY
- Excluding the $13.2M DRS pension credit and $21.8M in legal settlement credit in 2025, total operating expenses are projected to be $7.2M or 3.6% increase YoY

V. CENTRAL SERVICES DIVISION FINANCIAL & PERFORMANCE REPORT 09/30/26

2026 Forecast vs. 2026 Revised Budget

Operating Expenses for 2026 are forecasted to be $3.2M over revised budget due primarily to:

- **Executive –** unfavorable variance of ($547K) primarily due to higher Promotional Expenses ($506K), Travel & Other Employee Expenses ($78K), and Payroll ($51K); partially offset by lower Outside Services $85K.
- **Commission** – favorable variance of $346K primarily due to lower Payroll $243K, Travel & Other Employee Expenses $69K, and Outside Services $51K; partially offset by higher General Expenses ($26K).
- **Legal** – unfavorable variance of ($1.5M) primarily due to higher Outside Legal Services ($1.4M) and General Expenses ($143K); partially offset by lower Payroll $81K.
- **External Relations** – favorable variance of $495K primarily due to lower Outside Services $248K, Promotional Expenses $190K, General Expenses $146K, and Travel & Other Employee Expenses $57K; partially offset by higher Payroll ($148K).
- **Equity, Diversity, and Inclusion** – favorable variance of $231K primarily due to lower Outside Services $149K, Payroll $46K, and Travel & Other Employee Expenses $25K.
- **Human Resources** – favorable variance of $1.4M primarily due to lower Payroll $648K, Outside Services $575K and Travel & Other Employee Expenses $223K; partially offset by higher General Expenses ($33K).
- **Labor Relations** – favorable variance of $87K primarily due to lower Payroll $59K and Travel & Other Employee Expenses $29K.
- **Internal Audit** – favorable variance of $116K primarily due to lower Payroll $116K.
- **Accounting and Financial Reporting Services** – favorable variance of $289K primarily due to lower Outside Services $161K, Travel & Other Employee Expenses $52K, and higher charges to Capital Projects $115K; partially offset by higher Payroll ($53K).
- **Information & Communication Technology** – favorable $398K due to by lower Outside Services $667K, Payroll $415K, and Equipment Expense $78K; partially offset by lower charges to Capital Projects ($798K).
- **Information Security** – favorable variance of $225K primarily due to lower Payroll $132K, Outside Services $31K, and Travel & Other Employee Expenses $37K.
- **Corporate Finance & Budget** – favorable variance of $43K primarily due to lower General Expenses $63K, Payroll $40K, and Travel & Other Employee Expenses $30K; partially offset by higher Outside Services ($91K).
- **Business Intelligence** – favorable variance of $229K primarily due to lower Outside Services $132K, Payroll $57K, and Travel & Other Employee Expenses $51K; partially offset by higher Equipment Expense ($9K) and Supplies & Stock ($11K).
- **Risk Services** – favorable variance of $215K primarily due to lower General Expenses $204K.
- **Office of Strategic Initiative –** favorable variance of $128K primarily due to lower Payroll $128K and Travel & Other Employee Expenses $30K; partially offset by higher Outside Services ($43K).
- **Central Procurement Office** – favorable variance of $522K primarily due to lower Payroll of $1.3M and Travel & Other Employee Expenses $84K; partially offset by lower charges to Capital Projects ($846K).
- **Environment & Sustainability Admin** – plan to be on target, higher Payroll ($69K) offset by lower Outside Servies $69K.
- **Police** – unfavorable variance of ($518K) primarily due to higher Payroll ($917K), Supplies & Stock ($154K), General Expenses ($65K), and Equipment Expense ($55K); partially offset by lower Outside Services $211K, Travel & Other Employee Expenses $176K, Worker's Compensation Expense $238K, and Property Rentals $46K.
- **Engineering** – favorable variance of $295K primarily due to lower Outside Services $3.2M, Payroll $1.4M, Travel & Other Employee Expenses $135K and Equipment Expense $127K; partially offset by lower charges to Capital project ($4.5M) and higher General Expenses ($154K).

- **Port Construction Services** – unfavorable variance of ($880K) primarily due to higher General Expenses ($1.9M), Payroll ($418K), Equipment Expense ($90K), and Supplies & Stock ($72K); partially offset by higher charges to Capital project $1.4M, lower Worker's Compensation Expense $136K, Outside Services $38K, and Travel & Other Employee Expenses $34K.
- **Contingency** – unfavorable variance of ($4.9M) primarily due to vacancy factor.

2026 Forecast vs. 2025 Actuals

Operating Expenses for 2026 are forecasted to be $42.9M higher than 2025 actuals. Excluding the $13.2M DRS pension credit and $21.8M in legal settlement credit in 2025, total operating expenses are projected to be $7.2M or 3.6% increase YoY mainly due to:

- **Commission** - $2.0M higher than 2025 actuals primarily due to a GASB adjustment that reclassified the $1.8M election expense from non-operating to operating expenses in 2026.
- **Information & Comm. Technology (ICT**) - $2.2M higher than 2025 actuals primarily due to increase in Payroll, Equipment, and Outside Services.
- **Police** – $2.4M higher than 2025 actuals due to increase in salary and benefits for represented groups based on new contracts, new positions, and vacant positions in 2025.
- **Capital Development** – $4.1M higher than 2025 primarily due to higher payroll and addition of new positions as well as contractual increases to support the capital program.

D. CAPITAL RESULTS

	2026 YTD Actual	2026 Forecast	2026 Budget	2026 Plan of Finance	Budget Variance $	Budget Variance %
Corporate Fleet Replacement	2,392	2,642	4,503	1,144	1,861	41.3%
Engineering Fleet Replacement	260	1,329	1,331	560	2	0.2%
Police Small Cap and Axon Contract	178	2,360	2,371	2,211	11	0.5%
Police IT System Upgrades	301	836	1,687	827	851	50.4%
Services Tech - Small Cap	683	856	1,500	1,388	644	42.9%
Infrastructure - Small Cap	1,023	1,340	1,500	1,500	160	10.7%
PeopleSoft Financial System Upgrade	1,008	1,158	1,530	1,474	372	24.3%
Physical Access Control System Refresh	213	265	1,473	979	1,208	82.0%
Radio Microwave Redund. Loop	7	157	1,350	953	1,193	88.4%
Private Cellular Network (LTE)	0	0	1,250	2,000	1,250	100.0%
Maximo Software System Upgrade	461	661	1,200	600	539	44.9%
Other [1]	840	1,810	3,945	6,956	2,135	54.1%
Subtotal	7,366	13,414	23,640	20,592	10,226	43.3%
CIP Cashflow Adjustment	0	(3,500)	(6,800)	(6,400)	(3,300)	48.5%
TOTAL	**7,366**	**9,914**	**16,840**	**14,192**	**6,926**	**41.1%**

Table Note:
[1] "Other" includes remaining ICT projects and small capital projects/acquisitions.