

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA
STAFF BRIEFING

Item No.	7b
Date of Meeting	April 2, 2013

DATE: March 22, 2013

TO: Tay Yoshitani, Chief Executive Officer

FROM: Dan Thomas, Chief Financial and Administrative Officer
Elizabeth Morrison, Director, Corporate Finance
Michael Tong, Corporate Budget Manager

SUBJECT: 2013 Operating Budget Forecast, revised 2013 Capital Budget and 2013 Draft Plan of Finance Briefing

SYNOPSIS:

The purpose of this briefing is to discuss the 2013 operating budget forecast, the revised 2013 capital budget, and 2013 draft plan of finance.

BACKGROUND:

Since the Commission approved the 2013 budget on November 27, 2012, there have been several subsequent business events that are expected to reduce Port revenues compared to the 2013 Approved Budget. First, the previous lease agreement with the airlines at Sea-Tac Airport expired at the end of 2012 and new airline rates and charges will be implemented in 2013, reducing Airport revenues. Second, the new terminal lease agreement at Terminal 46 will result in a reduction in Seaport revenues for 2013 and in future years, which will also reduce Seaport capital funding capacity.

On April 2, staff will provide an update on the 2013 operating budget forecast, the revised 2013 capital plan, and the 2013 Draft Plan of Finance for the Port's Capital Improvement Program (CIP), which is updated each year for the subsequent five-year CIP and provides information on the funding sources available to support the CIP. The presentation will also include a report on 2012 full year tax levy spending.

OTHER DOCUMENTS ASSOCIATED WITH THIS BRIEFING:

- 2013 Budget Update Power Point Presentation
- 2013 Plan of Finance Power Point Presentation

COMMISSION AGENDA

Tay Yoshitani, Chief Executive Officer

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PREVIOUS COMMISSION ACTIONS OR BRIEFINGS:

- July 10, 2012 – 2013 Budget Process Briefing
- August 14, 2012 – 2013 Budget Assumptions Briefing
- August 14, 2012 – Century Agenda Milestones and 2013 Business and Capital Plans Briefing
- October 2, 2012 – 2013 Capital Budget Briefing
- October 9, 2012 – 2013 Operating Budget Briefing
- October 23, 2012 – Tax Levy and the Draft Plan of Finance Briefing
- November 6, 2012 – Follow up on the Tax Levy briefing
- November 13, 2012 – First Reading of Resolution No. 3670 and Public Hearing
- November 27, 2012 – Second Reading and Final Passage of Resolution No. 3670