

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA
STAFF BRIEFING

Item No.	<u>7b</u>
Date of Meeting	<u>May 13, 2014</u>

DATE: April 24, 2014
TO: Tay Yoshitani, Chief Executive Officer
FROM: Dan Thomas, Chief Financial and Administrative Officer
Michael Tong, Corporate Budget Manager
SUBJECT: 2014 First Quarter Financial Performance Briefing

SYNOPSIS

The purpose of this presentation is to provide a status report of first quarter of the 2014 financial performance results.

BACKGROUND

The Port's overall operating revenues for the first quarter of 2014 were \$120.7 million, which is \$1.4 million below budget but \$9.0 million higher than the same period in 2013. Excluding Aeronautical revenues, which are based on cost recovery, other operating revenues were \$278 thousand above budget and \$4.2 million over the same period last year mainly due to higher revenues from Public Parking, Rental Cars, Concessions, and Grain; partially offset by lower revenues from Container and Conference & Event Centers.

Total operating expenses for the first quarter of 2014 were \$67.4 million, which is \$7.0 million, or 9.3%, below budget. The operating expense variance was largely due to delays in hiring, some vacant positions, and timing of spending. All divisions and Corporate were under budget in the first quarter of 2014.

Operating income before depreciation was \$53.3 million, which is \$5.5 million, or 11.5%, over budget. Operating income after depreciation was \$11.1 million, which is \$5.4 million, or 93.0%, higher than budget.

Each division will present its results to the Commission. The presentation outline is as follows:

1. Portwide Operating Results
2. Aviation Division Operating Results
3. Seaport Division Operating Results
4. Real Estate Division Operating Results
5. Capital Development Division Operating Results
6. Corporate Operating Results

COMMISSION AGENDA

Tay Yoshitani, Chief Executive Officer

April 24, 2014

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ATTACHMENTS TO THIS BRIEFING

- Q1 2014 Financial and Performance Report.
- PowerPoint presentation.

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- None.