COMMISSION AGENDA
STAFF BRIEFING

Item No.	7b
Date of Meeting	March 10, 2015

DATE: February 20, 2015

TO: Ted Fick, Chief Executive Officer

FROM: Dan Thomas, Chief Financial and Administrative Officer

Michael Tong, Corporate Budget Manager

SUBJECT: 2014 Financial Performance Briefing

SYNOPSIS

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

BACKGROUND

The Port's overall operating revenues for 2014 were $535.0 million, which is $2.4 million under budget and $10.0 million lower than 2013 actual mainly due to lower Aeronautical revenues, which are based on cost recovery and revenue sharing formulas. Excluding Aeronautical revenues, other operating revenues were $309.8, which is $10.2 million higher than budget and $17.7 million higher than 2013 actual due to higher revenues from Public Parking, Rental Cars, Airport Dining and Retail, and Grain; partially offset by lower revenues from Container.

Total operating expenses for 2014 were $308.0 million, which is $15.4 million, or 4.8%, below budget. The operating expense variance was largely due to delays in hiring, some vacant positions, and other budget savings.

Operating income before depreciation was $227.0 million, which is $12.9 million, or 6.0%, over budget. Operating income after depreciation was $60.6 million, which is $11.0 million, or 22.2%, higher than budget.

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

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

ATTACHMENTS TO THIS BRIEFING

- 2014 Financial and Performance Report.
- PowerPoint presentation (Short version).
- PowerPoint presentation (Long version).

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- None