

Port of Seattle 2015 Financial Performance Report

February 23, 2016

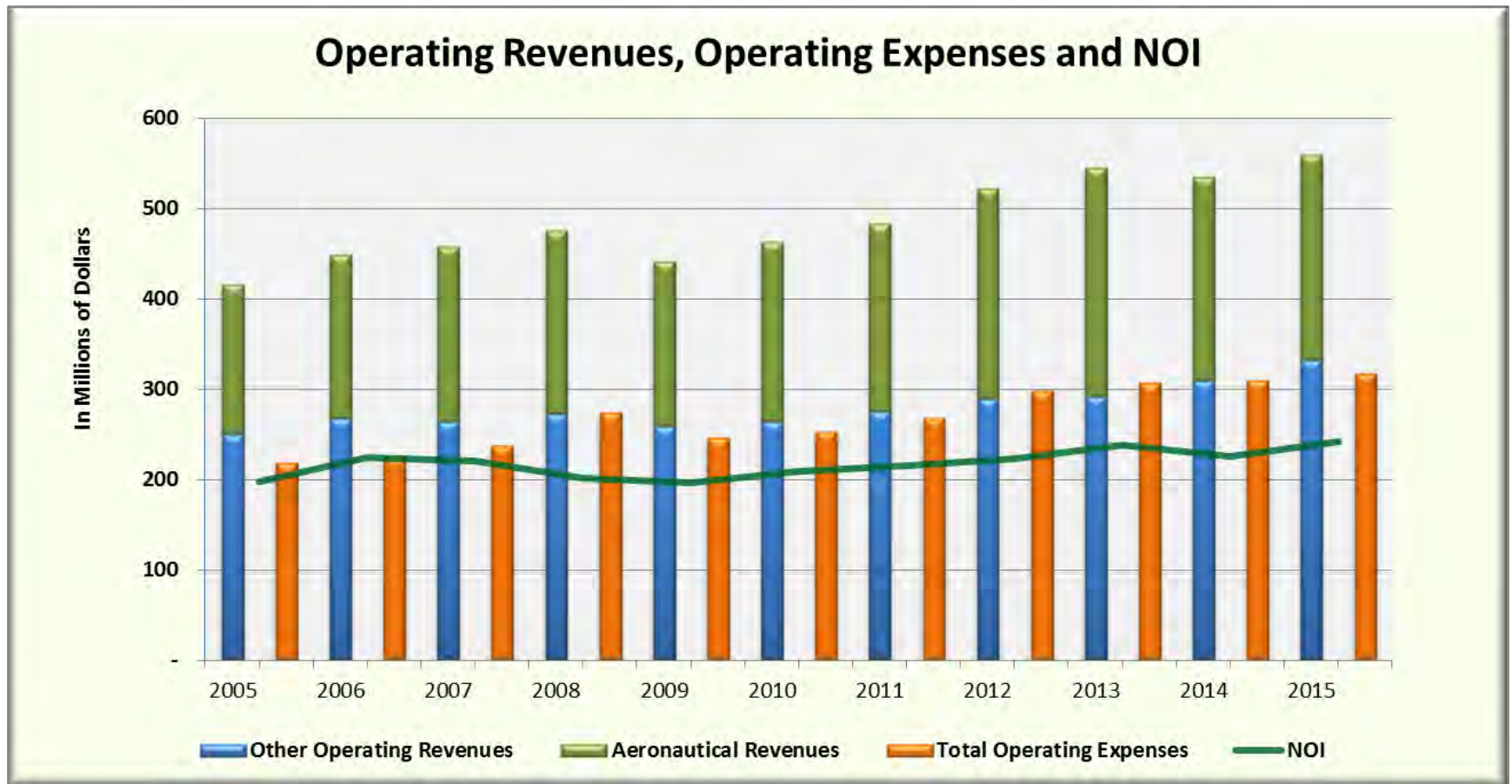
2015 Operating Income Summary

\$ in 000's	2014 Actual	2015 Actual	2015 Budget	Fav (UnFav) Budget Variance		Incr (Decr) Change from 2014	
				\$	%	\$	%
Aeronautical Revenues	228,864	229,470	242,352	(12,882)	-5.3%	606	0.3%
SLOA III Incentive	(3,576)	(3,576)	(3,576)	-	0.0%	-	0.0%
Other Operating Revenues	309,650	332,884	312,989	19,895	6.4%	23,234	7.5%
Total Operating Revenues	534,938	558,779	551,766	7,013	1.3%	23,840	4.5%
Total Operating Expenses	309,334	317,186	332,914	15,728	4.7%	7,852	2.5%
NOI before Depreciation	225,605	241,593	218,852	22,741	10.4%	15,988	7.1%
Depreciation	166,337	163,338	162,082	(1,256)	-0.8%	(2,999)	-1.8%
NOI after Depreciation	59,267	78,255	56,770	21,485	37.8%	18,987	32.0%

- Aeronautical Revenues were \$229.5M, \$12.9M lower than budget mainly due to higher non-aeronautical revenues sharing with the airlines.
- Other operating revenues (w/o Aeronautical) were \$332.9M, \$19.9M or 6.4% higher than budget and \$23.2M or 7.5% higher than 2014 actual.
- Total Operating Expenses were \$317.20M, \$15.7M or 4.7% below budget mainly due to savings in Payroll, Outside Services, and Travel & Other Employee expense.

Net Operating Income before Depreciation \$22.7M or 10.4% above Budget.

Net Operating Income Comparison



Record Net Operating Income (NOI) of \$241.6 million in 2015.

Comprehensive Financial Summary

(\$ in 000's)	2014 Actual	2015 Actual	2015 Budget	Fav (UnFav) Budget Variance		Explanation
				\$	%	
Revenues						
1. Operating Revenues	534,938	558,779	551,766	7,013	1.3%	See details in the previous slides
2. Tax Levy	72,801	72,819	73,000	(181)	-0.2%	In line with budget
3. PFCs	69,803	79,209	73,752	5,457	7.4%	Higher enplanements
4. CFCs	19,889	23,540	23,614	(74)	-0.3%	In line with budget
5. Fuel Hydrant	6,935	6,957	7,202	(246)	-3.4%	In line with budget
6. Non-Capital Grants & Donations	10,158	5,358	6,263	(905)	-14.5%	Less Dept. of Ecology state grants
7. Capital Contributions	16,746	22,804	40,949	(18,145)	-44.3%	Less FAA and TSA grants
8. Interest Income	11,202	9,122	7,094	2,028	28.6%	Higher balance due to new issuance
Total	742,473	778,587	783,639	(5,052)	-0.6%	
Expenses						
1. O&M Expense	309,334	317,186	332,914	15,728	4.7%	See details in the previous slides
2. Depreciation	166,337	163,338	162,082	(1,256)	-0.8%	In line with budget
3. Revenue Bond Interest Expense	108,910	110,128	133,468	23,340	17.5%	Savings from refunding bond
4. GO Bond Interest Expense	9,475	10,490	14,706	4,215	28.7%	Refunding bond and early payment
5. PFC Bond Interest Expense	5,906	5,584	5,633	49	0.9%	In line with budget
6. Public Expense	6,854	5,023	9,572	4,549	47.5%	Timing of cashflow moved out to 2016
7. Non-Op Environmental Expense	9,142	2,888	5,600	2,712	48.4%	Less in T91 cleanup than budgeted
8. Other Non-Op Expense/(Revenue)	(2,110)	22,563	3,657	(18,905)	-516.9%	Loss on retirement of assets
Total	613,849	637,200	667,632	30,432	4.6%	
Special Item	-	(120,000)	-	(120,000)	0.0%	AWV contribution
Increase In Net Position	128,624	21,387	116,007	(94,620)	-81.6%	

- 2015 Total Revenues were \$778.6M, \$5.1M lower than the budget but \$36.1M higher than 2014 actual.
- 2015 Total Expenses (before Special Item) were \$637.2M, \$30.4M lower than the budget but \$23.4M higher than 2014 actual.

Aviation Division 2015 Financial Performance Report

February 12, 2016

Airport Activity

	2014	2015	% Change
Enplaned Passengers (000's)			
Domestic	16,824	18,944	12.6%
International	1,892	2,165	14.4%
Total	18,717	21,109	12.8%
Operations	340,478	381,408	12.0%
Landed Weight (million lbs.)			
Cargo	1,575	1,588	0.9%
All other	20,930	23,169	10.7%
Total	22,505	24,757	10.0%
Cargo - metric tons			
Domestic freight	167,729	162,013	-3.4%
International freight	107,752	115,357	7.1%
Mail	51,758	55,266	6.8%
Total	327,239	332,636	1.6%

Passengers:

- Alaska +12%
- Delta +40%
- Southwest +8%
- United -7%

Passenger Market Share:

- Alaska 51.0%
- Delta 19.4%
- Southwest 7.7%
- United 6.8%

Increase in enplanements driven by Delta and Alaska

Aviation Financial Summary

\$ in 000's	2014	2015	2015	Fav (UnFav)		Incr (Decr)	
	Actual	Actual	Budget	Budget Variance		Change from 2014	
				\$	%	\$	%
Operating Revenues:							
Aeronautical Revenues	228,864	229,470	242,352	(12,882)	-5.3%	606	0.3%
SLOA III Incentive Straight Line Adj ⁽¹⁾	(3,576)	(3,576)	(3,576)	(0)	0.0%	0	0.0%
Non-Aeronautical Revenues	180,791	196,844	188,465	8,378	4.4%	16,053	8.9%
Total Operating Revenues	406,079	422,738	427,242	(4,504)	-1.1%	16,659	4.1%
Total Operating Expense	230,704	237,655	248,141	10,486	4.2%	6,951	3.0%
Net Operating Income	175,375	185,083	179,101	5,982	3.3%	9,708	5.5%
Capital Expenditures	155,970	164,931	225,435	60,504	26.8%	8,961	5.7%

- Aeronautical revenues are largely based on cost recovery formulas and are net of revenue sharing. Negative variance vs. budget actually reflects lower costs to airlines and thus indicates good performance.

2015 NOI \$9.7M higher than 2014

Key Performance Measures

	2014	2015	2015	Fav (UnFav)		Incr (Decr)	
	Actual	Actual	Budget	Budget Variance		Change from 2014	
				\$	%	\$	%
Performance Metrics							
Cost per Enplanement (CPE)	11.48	10.12	11.78	1.66	14.1%	(1.37)	-11.9%
O&M Cost per Enplanement	12.33	11.26	12.82	1.56	12.2%	(1.07)	-8.7%
Non-Aero Revenue per Enplanement	9.66	9.33	9.74	(0.41)	-4.2%	(0.33)	-3.5%
Debt per Enplanement	126	119	129	10	7.7%	(6)	-5.1%
Debt Service Coverage	1.38	1.49	1.40	0.08	5.9%	0.10	7.3%
Days cash on hand (10 months = 304 days)	405	469	305	164	53.8%	64	15.7%
Aeronautical Revenue Sharing (\$ in 000's)	17,034	29,436	19,488	9,948	51.0%	12,401	72.8%
Activity (in 000's)							
Enplanements	18,717	21,109	19,354	1,754	9.1%	2,392	12.8%

- 2015 enplaned passengers up 12.8% above 2014. This reflects new scheduled flights, primarily by Delta and Alaska
- Reduction in CPE reflects lower airline costs due to higher revenue sharing (driven by increased non-airline revenues), and increased enplaned passengers
- Improved debt service coverage compared to budget reflects increased cash flow from growth in enplanements

Enplanement growth drives improved performance

Non-Aeronautical Business

\$ in 000's	2014 Actual	2015 Actual	2015 Budget	Fav (UnFav) Budget Variance		Incr (Decr) Change from 2014	
				\$	%	\$	%
Non-Aero Revenues							
Rental Cars - Operations	32,496	33,851	32,772	1,079	3.3%	1,355	4.2%
Rental Cars - CFC	13,702	12,663	12,172	491	4.0%	(1,039)	-7.6%
Public Parking	57,128	63,059	58,925	4,134	7.0%	5,931	10.4%
Ground Transportation	8,333	8,809	8,244	565	6.9%	476	5.7%
Airport Dining & Retail	46,954	51,607	49,883	1,723	3.5%	4,653	9.9%
Commercial Properties	6,638	8,007	8,204	(197)	-2.4%	1,369	20.6%
Utilities	6,736	7,000	8,279	(1,279)	-15.4%	264	3.9%
Other	8,805	11,848	9,986	1,862	18.6%	3,043	34.6%
Total Non-Aero Revenues	180,791	196,844	188,465	8,378	4.4%	16,053	8.9%
Total Non-Aero Expenses	80,405	84,057	91,270	7,213	7.9%	3,652	4.5%
Net Operating Income	100,386	112,787	97,195	15,591	16.0%	12,401	12.4%
Less: CFC Surplus	(6,497)	(5,159)	(4,760)	399	8.4%	1,339	-20.6%
Adjusted Non-Aero NOI	93,889	107,628	92,436	15,192	16.4%	13,740	14.6%
Debt Service	(45,209)	(42,812)	(43,847)	1,035	2.4%	2,397	5.3%
Net Cash Flow	48,679	64,816	48,589	16,227	33.4%	16,137	33.1%

Revenue growth driven by increased enplanements

Aeronautical Business

\$ in 000's	2014	2015	2015	Fav (UnFav)		Incr (Decr)	
	Actual	Actual	Budget	Budget Variance		Change from 2014	
				\$	%	\$	%
Revenues:							
Movement Area	75,428	78,318	78,635	(317)	-0.4%	2,890	3.8%
Apron Area	11,558	10,840	11,233	(394)	-3.5%	(718)	-6.2%
Terminal Rents	142,381	150,299	153,167	(2,868)	-1.9%	7,918	5.6%
Federal Inspection Services (FIS)	9,218	9,965	10,360	(395)	-3.8%	746	8.1%
Total Rate Base Revenues	238,585	249,422	253,395	(3,973)	-1.6%	10,837	4.5%
Commercial Area	8,328	9,519	8,445	1,074	12.7%	1,191	14.3%
Subtotal before Revenue Sharing	246,913	258,941	261,840	(2,899)	-1.1%	12,028	4.9%
Revenue Sharing	(17,034)	(29,436)	(19,488)	(9,948)	-51.0%	(12,401)	72.8%
Other Prior Year Revenues	(1,014)	(35)	-	(35)	0.0%	979	-96.5%
Total Aeronautical Revenues	228,864	229,470	242,352	(12,882)	-5.3%	606	0.3%
Total Aeronautical Expenses	150,299	153,598	156,871	3,273	2.1%	3,299	2.2%
Net Operating Income	78,565	75,872	85,481	(9,609)	-11.2%	(2,693)	-3.4%
Debt Service	(82,029)	(82,341)	(84,496)	2,155	2.6%	(311)	0.4%
Net Cash Flow	(3,465)	(6,469)	985	(7,454)	-756.5%	(3,004)	86.7%

Expense savings and higher revenue sharing compared to Budget

2015 Capital Budget

\$ in 000's Description	2015	2015	Budget Variance	
	Actual	Budget	\$	%
RW16C-34C Design and Reconst ⁽¹⁾	62,264	52,850	(9,414)	-17.8%
International Arrivals Fac-IAF ⁽²⁾	6,593	12,088	5,495	45.5%
NS NSAT Renov NSTS Lobbies ⁽³⁾	12,965	18,076	5,111	28.3%
Alaska Hangar One Roof ⁽⁴⁾	108	3,875	3,767	97.2%
CCTV Camera/Data Improvements ⁽⁵⁾	182	3,065	2,883	94.1%
C4 UPS System Improvements ⁽⁶⁾	227	3,025	2,798	92.5%
So. 160th St. GT Lot Expansion ⁽⁷⁾	9	2,375	2,366	99.6%
Parking System Replacement ⁽⁸⁾	59	2,150	2,091	97.3%
NS Conc C Vertical Circulation ⁽⁹⁾	6,858	8,490	1,632	19.2%
NS Refurbish Baggage Systems ⁽¹⁰⁾	11,506	12,966	1,460	11.3%
Checked Bag Recap/Optimization ⁽¹¹⁾	7,676	8,800	1,124	12.8%
All Other	56,484	97,674	41,190	42.2%
Total Spending	164,931	225,435	60,504	26.8%

- (1) Paid an additional invoice that was not expected until Q1 2016 (accelerated spending); however, project has returned \$21.7 million of savings to-date.
- (2) Design Builder billings for Validation Services several months behind (delayed spending)
- (3) Slowdown with design decision gyrations and submittal delays causing overall delay to project schedule (delayed spending)
- (4) Reduction in scope and delay due to SAMP evaluation (delayed spending). Project budget was reduced by \$2.5 million in 2015 due to scope changes.
- (5) Delay in design procurement (delayed spending)
- (6) Changes in procurement strategy impacted timeliness of obtaining Commission authorization and getting contract executed (delayed spending)
- (7) Mid-year scope change at 100% design pushed out project timeline (delayed spending). Project has returned \$1.6 million of savings to-date.
- (8) Procurement schedule extended to allow additional vendors to bid (delayed spending)
- (9) Project has returned \$2.1 million of savings to-date to the NorthSTAR Program Reserve (project savings)
- (10) Project has returned \$2 million of savings to-date to the NorthSTAR Program Reserve (project savings)
- (11) Decision was made to have the contractor (versus PCS) perform enabling project work as part of the Phase 1 work package, pushing that work into 2016 and 2017 (delayed spending)

2015 spending is 27% below budget

Seaport Division 2015 Financial Performance Report

February 23, 2016

Seaport 2015 Business Overview

- Full Year Net Operating Income exceeded budget.
- Business Volume:
 - TEU volume was 1,404K, up 1.2% from 2014 and 8.8% above budget.
 - Grain volume was 3,778K metric tons, up 4% from 2014 but (6%) below 2015 budget.
 - Cruise passengers totaled 898K which was about 9% above 2014 and approximately equal to budget.
- Signed Pier 66 lease agreement with Norwegian Cruise Lines
- Environmental:
 - Terminal 91 clean up construction complete.
 - Over 126 drayage trucks have been replaced with model-year 2007 or newer engines under the Seaport Truck Scrappage and Replacements for Air in Puget Sound (ScRAPs 2) program (largely grant funded).
 - \$4.2M in clean-up project costs were recovered from grants, insurance, and cost sharing agreements.

Solid growth in Cruise passengers and TEU volume.

Seaport 2015 Financial Summary

\$ in 000's	2014 Actual	2015		Fav (UnFav) Budget Variance		Incr (Decr) Change from 2014	
		Actual	Budget	\$	%	\$	%
Operating Revenue	96,157	98,063	91,635	6,429	7%	1,906	2%
Security Grants	0	0	0	0	NA	0	NA
Total Revenues	96,157	98,063	91,635	6,429	7%	1,906	2%
Seaport Expenses (excl env srvs)	14,531	13,788	18,165	4,377	24%	(743)	-5%
Environmental Services	2,119	2,373	2,452	79	3%	254	12%
Maintenance Expenses	6,083	7,172	7,067	(105)	-1%	1,089	18%
P69 Facilities Expenses	407	389	446	58	13%	(19)	-5%
Other RE Expenses	316	380	433	53	12%	65	20%
CDD Expenses	1,862	1,895	1,847	(48)	-3%	32	2%
Police Expenses	4,161	3,639	3,990	352	9%	(523)	-13%
Corporate Expenses	8,388	9,019	8,953	(66)	-1%	631	8%
Security Grant Expense	0	0	0	0	NA	0	NA
Envir Remed Liability	(378)	114	250	136	54%	492	
Total Expenses	37,490	38,768	43,603	4,835	11%	1,278	3%
NOI Before Depreciation	58,667	59,295	48,031	11,264	23%	628	1%
Depreciation	33,154	31,423	32,754	1,331	4%	(1,731)	-5%
NOI After Depreciation	25,513	27,873	15,278	12,595	82%	2,360	9%

- Operating Revenue \$6.4M favorable to budget and up \$1.9M from 2014:
 - Foss Maritime \$5,580K in unbudgeted revenue and \$1,362K T46 Mag Overage.
 - Grain Revenue unfavorable (\$382K) and Surface Water Utility Revenue unfavorable (\$1,588K). Surface Water fees are now paid directly by tenants to Stormwater Utility.
- Seaport Expenses favorable \$4,377K due to Outside Services related to Terminal 91 Maintenance Dredging, Surface Water expense related to tenants' occupied sites which will be expensed by the new Stormwater Utility, and open positions.

Full Year Net Operating Income \$11.3 million favorable to Budget.

2015 Seaport Capital

\$ in 000's	2015	2015	Budget Variance	
	Actual	Budget	\$	%
Seaport	12,520	20,068	7,548	38%

Significant Variances:

- **Terminal 46:** Variance relates to T46 Development
 - Crane Rail & Berth Extension- design schedule accelerated to accommodate customer's request.
 - Stormwater Improvement- Q4 2014 construction activities were delayed & proceed in Q1 2015; additional costs were added for change order in 2015.
- **Contingency Renewal & Replace:** Variance reflects adjustment of amounts available in 2015 to reflect utilization of funds for T5 Modernization project and T46 Development.
- **T18 Stormwater Infrastructure-** Project delayed to 2016.
- **All Other** –Primarily due to T18 South Gate Rail Spur Westway project that was postponed while waiting to finalize the associated lease and later start date for Bell Street Cruise Terminal Roof Fall Protection system.

Seaport spent 62% of Capital Budget.

Real Estate Division 2015 Financial Performance Report

February 23, 2016

Real Estate 2015 Business Overview

- Full Year Net Operating Income exceeds budget.
- P69 Roof Beam Rehab
 - Approved by Commission and local contractor chosen.
- Eastside Rail Corridor
 - Sale of 2.6 miles of the rail corridor in King County to City of Woodinville closed in November.
- Occupancy Rates/Activity
 - Commercial property at 93% occupancy at end of Q4, below target of 95% and Seattle market average of 94%.
 - Marinas:
 - Fishermen's Terminal and Maritime Industrial Center at 83% average occupancy, above target of 79%.
 - Recreational marinas at 96% above 95% target.
 - Conference and Event Center revenue exceeded budget by 21% and 2014 by 16%.

Financial and occupancy measures are largely favorable to Budget.

Real Estate 2015 Financial Summary

\$ in 000's	2014 Actual	2015		Fav (UnFav) Budget Variance		Incr (Decr) Change from 2014	
		Actual	Budget	\$	%	\$	%
Revenue	23,356	24,282	23,970	312	1%	925	4%
Conf & Event Ctr Revenue	8,957	10,396	8,580	1,817	21%	1,439	16%
Total Revenue	32,313	34,678	32,550	2,128	7%	2,365	7%
Real Estate Exp (excl Conf, Maint, P 69)	11,114	10,683	11,967	1,284	11%	(431)	-4%
Conf & Event Ctr Expense	7,374	8,541	7,504	(1,037)	-14%	1,167	16%
Eastside Rail Corridor	2,436	(1,263)	210	1,473	701%	(3,699)	-152%
Maintenance Expenses	8,778	8,735	9,976	1,241	12%	(43)	0%
P69 Facilities Expenses	125	116	133	17	13%	(8)	-7%
Seaport Expenses	1,140	1,467	1,377	(90)	-7%	327	29%
CDD Expenses	2,318	1,938	1,777	(162)	-9%	(380)	-16%
Police Expenses	1,353	1,182	1,291	109	8%	(171)	-13%
Corporate Expenses	5,176	5,122	4,921	(201)	-4%	(54)	-1%
Envir Remed Liability	(3)	0	250	250	100%	3	-105%
Total Expense	39,810	36,522	39,407	2,886	7%	(3,288)	-8%
NOI Before Depreciation	(7,496)	(1,844)	(6,858)	5,014	73%	5,653	75%
Depreciation	9,599	10,043	10,120	77	1%	444	5%
NOI After Depreciation	(17,095)	(11,886)	(16,977)	5,091	30%	5,209	30%

- Facility/Property Revenue favorable due to Bell Street Garage, lump sum early termination payment for Fishermen's Terminal tenant, and retroactive lease payment for Terminal 34.
- Conference and Event Center activity favorable to budget resulting in a favorable revenue variance and a partially offsetting unfavorable expense variance.
- Real Estate expense variance reflects open positions, below budget electricity and sewer utility expenses, under spending on tenant improvements, and an insurance payment for the Eastside Rail Corridor. More tenant improvements have qualified for capitalization than assumed in 2015 Budget. Maintenance expense variance driven by delay on permit for demolishing W50 Building at T91.

Full Year Net Operating Income \$5 million favorable to Budget.

2015 Real Estate Capital

\$ in 000's	2015	2015	Budget Variance	
	Actual	Budget	\$	%
Real Estate	4,870	12,194	7,324	60%

Significant Variances:

- **Fleet Replacement** – Due to delay in procurement process.
- **C15 Building Tunnel Improvement** – Project delayed to 2016.
- **Pier 69 Roof Beam Rehabilitation** – Project construction phase delayed to 2016.
- **Tenant Improvements Capital** – Spending exceeded budget due to more tenant improvements for World Trade Center West that qualified for capitalization than anticipated in 2015 Budget.
- **Fishermen's Terminal C-2 (Nordby) Roof & HVAC Pier 69 Built-Up Roof Replacement** – 2015 Budget was understated as variances reflect payments related to 2014 work not paid until 2015.
- **Fishermen's Terminal C14 (Downie) Roof & HVAC** - Project is on hold while waiting for further direction from the Fishermen's Terminal long term plan.
- **RE BHICC Roof Fall Protection** – Delayed in start date for Conference Center Roof Fall Protection system (shared project with Seaport Bell Street Cruise Terminal).

Real Estate spent 40% of Capital Budget.

Capital Development 2015 Financial Performance Report

February 23, 2016

Q4 2015 Key Business Events

- Runway 16C/34C replacement completed and \$21.3M in project savings returned.
- International Arrivals Facility (IAF) – Clark/SOM under contract as design builder, validation period complete.
- NorthSTAR – Hensel Phelps awarded general contractor/construction manager contract for North Satellite renovation and expansion, 60% design completed.
- 100% design of baggage optimization system completed for TSA submittal.
- 60 Port Construction Services projects reached substantial completion.
- Executed Terminal 5 test pile program construction contract.
- Terminal 91 tank farm remediation reached substantial completion.

Major projects are moving ahead.

2014 Capital Development Financials Summary

	Notes	2014	2015	2015	Fav (UnFav)		Incr (Decr)	
		Actual	Actual	Budget	Budget	Variance	Change from 2014	
\$ in 000's					\$	%	\$	%
Total Revenues		21	87	-	87	0.0%	67	322.5%
<u>Expenses Before Charges To Cap/Govt/Envrs Projects</u>								
Capital Development Administration		394	428	419	(9)	-2.2%	34	8.6%
Engineering		14,305	16,447	17,524	1,077	6.1%	2,142	15.0%
Port Construction Services		8,186	6,944	8,165	1,222	15.0%	(1,242)	-15.2%
Central Procurement Office		4,616	4,716	5,604	888	15.8%	100	2.2%
Aviation Project Management		11,622	13,862	16,350	2,488	15.2%	2,240	19.3%
Seaport Project Management		2,998	2,594	2,550	(44)	-1.7%	(403)	-13.5%
Total Before Charges to Capital Projects		42,121	44,991	50,612	5,621	11.1%	2,870	6.8%

85% personnel fill.

Corporate 2015 Financial Performance Report

February 23, 2016



Port 
of Seattle®

2015 Corporate Key Metrics

	2015	2014
Employment through Airport Jobs Center	1,373	1,143
Small businesses registered on the Procurement Roster Mgmt. System	135	130
Apprenticeship Opportunity Project Placements	84	150
% of Eligible Dollars Spent with Small Businesses	54.0%	28.0%
Employee Development Class Attendees	1,486	2,201
Occupational Injury Rate	5.11	6.17
Total Lost work days	1,151	2,010
Responded to Public Disclosure Requests	486	232
Customer Survey for Police Service Excellent or Very Good	88%	92%

Strong performance results for Corporate in 2015.

2015 Budget Variances by Department

\$ in 000's	2014	2015	2015	Fav (UnFav)		Incr (Decr)	
	Actual	Actual	Budget	Budget Variance		Change from 2014	
				\$	%	\$	%
Total Revenues	398	332	340	(7)	-2.1%	(66)	-16.5%
Executive	1,710	2,198	1,798	(399)	-22.2%	488	28.5%
Commission	1,353	1,270	1,545	275	17.8%	(83)	-6.1%
Legal	3,731	3,501	3,156	(345)	-10.9%	(229)	-6.2%
Risk Services	3,051	3,217	3,249	32	1.0%	166	5.4%
Health & Safety Services	1,067	1,186	1,190	4	0.4%	119	11.2%
Public Affairs	5,554	5,349	5,937	589	9.9%	(206)	-3.7%
Human Resources & Development	5,356	5,534	5,958	424	7.1%	178	3.3%
Labor Relations	823	1,191	1,024	(167)	-16.3%	368	44.8%
Information & Communications Technology	20,458	21,887	21,435	(452)	-2.1%	1,429	7.0%
Finance & Budget	1,803	1,692	1,713	21	1.2%	(111)	-6.2%
Accounting & Financial Reporting Services	6,039	6,780	7,350	570	7.8%	740	12.3%
Internal Audit	1,372	1,280	1,552	273	17.6%	(93)	-6.8%
Office of Social Responsibility	2,115	2,145	2,312	167	7.2%	29	1.4%
Office of Strategic Initiatives	-	637	-	(637)	0.0%	637	0.0%
Police	22,231	20,948	22,879	1,931	8.4%	(1,283)	-5.8%
Contingency	410	653	1,050	397	37.8%	243	59.4%
Total Expenses	77,072	79,441	82,149	2,708	3.3%	2,369	3.1%

- Corporate expenses were \$2.7M or 3.3% below budget mainly due to lower Payroll costs, Outside Services and Travel & Other Employee expenses.

Corporate Expenses \$2.7M favorable to Budget.