

**PORT OF SEATTLE**  
**MEMORANDUM**

**COMMISSION AGENDA**  
**STAFF BRIEFING**

<b>Item No.</b>	<u>7f</u>
<b>Date of Meeting</b>	<u>August 23, 2016</u>

**DATE:** August 2, 2016  
**TO:** Ted Fick, Chief Executive Officer  
**FROM:** Dan Thomas, Chief Financial Officer  
Michael Tong, Asst. Finance Director - Budget  
**SUBJECT:** Second Quarter Financial Performance Briefing

**SYNOPSIS**

The purpose of this presentation is to provide a status report the second quarter of the 2016 financial performance results.

**BACKGROUND**

The Port's overall operating revenues for the second quarter of 2016 were \$279.4 million, which is \$5.7 million above budget and \$11.0 million higher than the same period last year. Excluding Aeronautical revenues, which are based on cost recovery and revenue sharing formulas, other operating revenues were \$161.7 million, which is \$9.4 million above budget and also \$9.4 million higher than 2015 levels primarily due to higher revenues from Public Parking, Rental Cars, Airport Dining and Retail, Ground Transportation, Employee Parking, Maritime Operations, and Licensed NWSA Assets.

Total operating expenses for the second quarter of 2016 were \$147.9 million, which is \$20.7 million, or 12.3%, below budget. The operating expense variance was largely due to delays in hiring, vacant positions, timing of spending, and some actual budget savings.

Operating income before depreciation was \$131.5 million, which is \$26.5 million, or 25.2%, over 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. Maritime Division Operating Results
4. Economic Development Division Operating Results
5. Corporate Operating Results

## **COMMISSION AGENDA**

Ted Fick, Chief Executive Officer

August 2, 2016

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## **ATTACHMENTS TO THIS BRIEFING**

- Q2 2016 Financial and Performance Report.
- PowerPoint presentation.

## **PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

- None