

2009 Q2 Financial Performance

Port of Seattle

August 11, 2009

Portwide Income Summary

(\$ in thousands)	2008 YTD	2009 YTD	2009 YTD	2009 Bud vs. Act	
	Actual	Actual	Budget	Var \$	Var %
Operating Revenues	243,631	232,502	231,661	840	0.4%
Operating Expenses	<u>116,203</u>	<u>114,014</u>	<u>143,726</u>	<u>29,712</u>	<u>20.7%</u>
Income before Depreciation	127,428	118,488	87,936	30,552	34.7%
Depreciation	<u>70,220</u>	<u>75,243</u>	<u>77,877</u>	<u>2,634</u>	<u>3.4%</u>
Income after Depreciation	<u><u>57,209</u></u>	<u><u>43,245</u></u>	<u><u>10,059</u></u>	<u><u>33,186</u></u>	<u><u>329.9%</u></u>

Portwide Year-End Forecast

(\$ in thousands)	2008 Actual	2009 Forecast	2009 Budget	2009 Bud vs. Fcst Var \$	2009 Bud vs. Fcst Var %
Operating Revenues	488,996	462,610	486,367	(23,757)	-4.9%
Operating Expenses	<u>280,278</u>	<u>260,427</u>	<u>277,862</u>	<u>17,435</u>	<u>6.3%</u>
Income before Depreciation	208,719	202,183	208,506	(6,323)	-3.0%
Depreciation	<u>144,208</u>	<u>157,036</u>	<u>157,036</u>	<u>-</u>	<u>0.0%</u>
Income after Depreciation	<u><u>64,510</u></u>	<u><u>45,147</u></u>	<u><u>51,470</u></u>	<u><u>(6,323)</u></u>	<u><u>-12.3%</u></u>

Total Port 2009 Capital Spending

Division	Q1 Act.	Q2 Act.	Q3 Est.	Q4 Est.	YE Fcst	App'd Budget	Var.	Plan of Finance
(\$ in millions)								
Aviation	31.7	36.7	100.9	84.0	253.4	214.7	-38.7	348.2
Seaport	18.8	18.0	9.5	9.6	55.9	100.4	44.5	126.7
Real Estate	0.4	0.5	1.6	98.3	100.8	105.2	4.4	116.3
Corporate	1.9	1.7	5.6	5.7	14.9	15.9	0.9	12.8
Total	52.7	57.0	117.6	197.6	424.9	436.1	11.2	604.0

Aviation Division

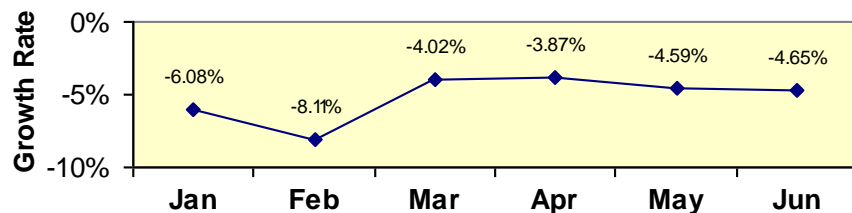
2009 Q2 Financial Performance Port Commission

August 11, 2009

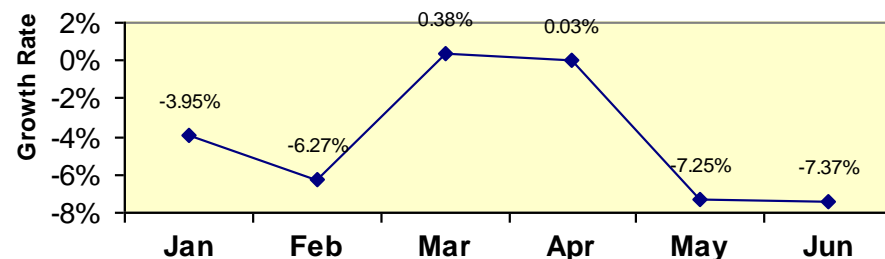
Aviation Business Highlights

- Airline activity:
 - YTD enplanements down 5.1% from 2008.
- Operating budget:
 - Implemented Aviation Expense Savings Plan of \$7.8M.
 - YTD expenses are below budget due to the Expense Savings Plan.
 - 2009 forecast \$1M over the targeted expense reductions due to more snow event costs.
- Non-airline revenues:
 - Decline in non-airline revenues exceeds decline in passengers.
 - Reduced forecast of non-airline revenues by \$2.1M for a total of \$11.3M below approved budget.
- Capital budget:
 - Expect to spend more than approved annual budget due to restarting construction of Rental Car Facility.

Enplanements vs. Prior Year



Landed Weight vs. Prior Year



<i>Figures in 000's</i>	2008	2009	%	2008	2009	%
	YTD	YTD	Variance	Actual	Fcst	Variance
Enplanements	7,774	7,376	-5.1%	16,093	14,959	-7.0%
Landed Weight	10,517	10,079	-4.2%	21,515	20,437	-5.0%

- March and April landed weight augmented by cargo diversion from Anchorage due to volcanic activity.

Q2 YTD Operating Revenues

<i>Figures in \$ 000's</i>	2007 YTD	2008 YTD	2009 YTD	2009 YTD	Act/Budget	
	Actual	Actual	Actual	Budget	Var \$	Var %
Revenues						
Landing Fees	24,855	28,203	27,917	28,875	(958)	-3.3%
Terminal Rental	66,882	62,148	65,517	59,760	5,758	9.6%
Other Aero Revenues	5,698	5,621	6,392	6,050	342	5.7%
Total Aero Revenue	<u>97,435</u>	<u>95,972</u>	<u>99,866</u>	<u>94,684</u>	<u>5,182</u>	<u>5.5%</u>
Public Parking	27,232	31,060	25,628	28,395	(2,767)	-9.7%
Rental Cars	16,179	16,271	16,250	14,836	1,414	9.5%
Concessions	12,436	15,842	16,410	15,417	992	6.4%
Other Non-airline	10,235	11,006	10,027	10,549	(521)	-4.9%
Total Non-Aeronautical	<u>66,082</u>	<u>74,179</u>	<u>68,314</u>	<u>69,197</u>	<u>(883)</u>	<u>-1.3%</u>
Other	4,255	4,296	4,177	4,352	(175)	-4.0%
Total Revenues	<u><u>167,772</u></u>	<u><u>174,447</u></u>	<u><u>172,357</u></u>	<u><u>168,234</u></u>	<u><u>4,124</u></u>	<u><u>2.5%</u></u>

- Air terminal revenues variance of \$5.7M due to increase leased space and incorrect seasonality built into the budget.
- Public parking revenues down 17% compare to YTD 2008.
- Rental Cars revenues are higher due to Minimum Annual Guarantees.

Q2 YTD Operating Expenses

<i>Figures in \$ 000's</i>	2007 YTD	2008 YTD	2009 YTD	2009 YTD	Actual/Budget	
	Actual	Actual	Actual	Budget	Var \$	Var %
Total Revenues	167,772	174,447	172,357	168,234	4,124	2.4%
Expenses						
Total Salaries & Benefits	36,495	39,914	39,428	41,845	2,418	5.8%
Total Utilities	6,514	6,514	6,784	7,258	474	6.5%
Total Supplies & Stock	2,312	1,929	2,135	1,816	(320)	-17.6%
Total Outside Services	11,207	11,416	8,688	12,509	3,821	30.5%
Total Other	4	807	1,146	4,151	3,005	72.4%
Total Operating Exp	<u>56,533</u>	<u>60,580</u>	<u>58,182</u>	<u>67,579</u>	<u>9,398</u>	<u>13.9%</u>
Corporate	12,930	13,681	14,288	18,077	3,790	21.0%
Police Costs	6,576	7,377	6,445	8,029	1,584	19.7%
Other Charges/CDD	150	2,475	2,183	2,637	454	17.2%
Total Operating Expenses	<u>76,189</u>	<u>84,113</u>	<u>81,098</u>	<u>96,323</u>	<u>15,225</u>	<u>15.8%</u>
Net Operating Income	<u>91,583</u>	<u>90,334</u>	<u>91,260</u>	<u>71,911</u>	<u>19,349</u>	<u>26.9%</u>

- YTD total spending under budget due to unfilled positions and delay of expense projects.

<i>Figures in \$000's</i>	2008	2009	2009	Forecast/Budget	
	Actual	Forecast	Budget	Var \$	Var %
Revenues requirement:					
Capital Costs	81,535	80,350	80,350	-	0.0%
Operating Costs net Non-Aero	131,024	120,754	127,921	7,167	5.6%
Total Costs	212,559	201,104	208,271	7,167	3.4%
FIS Offset	(5,250)	(5,550)	(5,550)	-	0.0%
Other Offsets	(15,686)	(14,398)	(14,052)	346	-2.5%
Net Revenue Requirement	191,623	181,156	188,670	(7,514)	-4.0%
Other Aero Revenues	12,738	14,244	14,244	-	0.0%
Total Aero Revenues	204,361	195,400	202,913	(7,514)	-3.7%
Non-passenger Airline Costs	13,039	14,661	14,830	168	1.1%
Net Passenger Airline Costs	191,323	180,738	188,084	7,345	3.9%

- Operating costs are forecasted to be lower than budgeted due to budget savings from payroll, travel and registration, and outside services.

Aeronautical Key Indicators

	2008	2009	2009	Forecast/Budget	
	Actual	Forecast	Budget	Var \$	Var %
CPE:					
Capital Costs / Enpl	5.07	5.37	5.09	(0.29)	-5.6%
Operating Costs / Enpl	8.15	8.07	8.10	0.02	0.3%
Offsets	(0.98)	(0.96)	(0.89)	0.07	-8.2%
Non-passenger Airline Costs	(0.81)	(0.98)	(0.94)	(0.04)	4.4%
Passenger Airline CPE	11.89	12.08	11.90	(0.18)	-1.5%

- Forecasted passenger airline CPE of \$12.08 is higher than budget due to lower enplanements.
- Forecasted operating costs per enplanement are even with budget due to budget cuts in Q1 2009.

Non-Aeronautical Business

<i>Figures in \$000's</i>	2008	2009	2009	Forecast/Budget	
	Actual	Forecast	Budget	Var \$	Var %
Revenues:					
Public Parking	59,111	51,963	57,377	(5,413)	-9.4%
Rental Cars	35,592	33,850	35,867	(2,018)	-5.6%
Concessions	33,181	29,998	32,821	(2,824)	-8.6%
Other	22,644	21,200	22,224	(1,024)	-4.6%
Total Revenue	150,528	137,011	148,289	(11,278)	-7.6%
Operating Expense	61,279	57,284	60,329	3,045	5.0%
Share of terminal O&M	16,396	17,183	18,105	921	5.1%
Less utility internal billing	(13,515)	(16,848)	(16,848)	-	0.0%
Net Operating & Maint	64,160	57,620	61,586	3,966	6.4%
Net Operating Income	86,367	79,391	86,703	(7,312)	-8.4%

- Rental cars forecasted lower due to decrease transactions.
- Concessions sales forecasted lower in concourses D and A.

Non-Aero Key Indicators

	2008 Actual	2009 Forecast	2009 Budget	Forecast/Budget	
				Var \$	Var %
Revenues / Enplanement					
Parking	3.67	3.47	3.63	(0.16)	-4.3%
Rental Car	2.21	2.26	2.27	(0.01)	-0.3%
Concessions	2.06	2.01	2.08	(0.07)	-3.5%
Other	1.41	1.42	1.41	0.01	0.8%
Total Revenue	9.36	9.16	9.39	(0.23)	-2.4%
Primary Concessions Sales / Enpl	10.29	9.83	10.19	(0.36)	-3.5%

- Primary concessions sales forecasted lower than budgeted.

Year-end Expense Forecast Summary

<i>Figures in \$ 000's</i>	2007	2008	2009	2009	Fcst/Budget	
	Actual	Actual	Forecast	Budget	Var \$	Var %
Total Revenues	347,487	358,329	341,314	360,006	(18,692)	-5.2%
Expenses						
Total Salaries & Benefits	71,102	87,605	80,913	84,777	3,864	4.6%
Total Equipment	2,616	2,479	1,446	1,591	145	9.1%
Total Utilities	12,602	12,636	13,226	13,571	345	2.5%
Total Supplies & Stock	3,618	5,667	4,144	3,705	(439)	-11.8%
Total Outside Services	23,948	29,492	22,264	23,737	1,473	6.2%
Total Travel & Other Employee Exp	781	961	626	1,016	390	38.4%
Total Other	11,504	3,858	3,178	4,268	1,090	25.5%
Total Operating Exp	126,171	142,699	125,797	132,665	6,868	5.2%
Corporate Expenses	29,524	34,940	32,921	35,782	2,862	8.0%
Police Costs	14,386	15,287	14,420	15,743	1,323	8.4%
Real Estate Expenses	1,350	1,234	1,308	1,326	18	1.4%
Total O&M Costs	171,624	195,183	178,321	189,521	11,200	5.9%
Net Operating Income	175,864	163,146	162,993	170,485	(7,493)	-4.4%

- Expenses are forecasted \$7.8M favorable due to implementation of 2009 Aviation Expense Savings Plan offset with \$1M overrun for more snow events.
 - Potential FEMA reimbursement for snow event costs of \$800k
- Anticipate \$500k over budget due to repairs of elevators and escalators

Summary Financial Results

<i>Figures in \$000's</i>	2007 Actual	2008 Actual	2009 Forecast	2009 Budget	Forecast/Budget Var \$ Var %	
Revenues						
Aeronautical	195,029	204,361	195,499	202,913	(7,414)	-3.7%
Non-aeronautical	143,975	150,528	137,011	148,289	(11,278)	-7.6%
Other	8,483	3,440	8,804	8,804	-	0.0%
Total Revenues	347,487	358,329	341,314	360,006	(18,692)	-5.2%
Total O&M Costs	171,624	195,183	178,321	189,521	11,200	5.9%
Net Operating Income	175,864	163,146	162,993	170,485	(7,493)	-4.4%
Capital Expenditures	298,387	209,813	253,462	214,743	(38,719)	-18.0%
Traffic						
Enplanements	15,662	16,085	14,959	15,800	(841)	-5.3%
Landed Weight	21,014	21,516	20,437	21,281	(844)	-4.0%
Key Measures						
Non-Aero NOI	87,714	86,474	79,282	86,393	(7,110)	-8.2%
Passenger Airline CPE	11.73	11.89	12.09	11.90	(0.18)	-1.6%
Total Operating Cost / Enpl	10.96	12.13	11.95	11.99	0.05	0.4%
Debt Service Coverage	1.58	1.42	1.48	1.51	(0.04)	-2.3%

- Expense reductions have mitigated increase in CPE.
- Debt service coverage remains strong.

Capital Budget Spending

	<i>Figures in \$ 000's</i>					2009
	YTD Actual	2009 Forecast	2009 Budget	Forecast/Budget		Plan of Finance
				Var \$	Var %	
R/W 16L/34R Reconstruction	16,737	71,737	71,000	(737)	-1.0%	82,715
Rental Car Facility (1)	20,639	91,997	40,562	(51,435)	-126.8%	119,011
MT 100% Baggage Screening (2)	8,125	11,300	18,000	6,700	37.2%	21,727
Third Runway Projects	5,814	15,208	17,281	2,073	12.0%	47,027
All Other	17,081	63,220	67,900	4,680	6.9%	77,722
Total	68,396	253,462	214,743	(38,719)	-18.0%	348,202

- (1) Restarting Rental Car Facility after having suspended construction in December, 2008. Includes both design and construction costs.
- (2) Budget had anticipated claims from contractor which Port staff successfully negotiated down.

The background of the slide is a dark blue, semi-transparent image of a port terminal. It shows the silhouettes of large gantry cranes, a ship's hull, and several people walking or standing. The overall scene is industrial and maritime.

Seaport Division Performance Report 2nd Quarter 2009

August 11, 2009

Seaport Business Goals

Provide Compelling Value and Asset Utilization

- TEU volume was 691K, down (22%) from year-to date 2008. Full inbound TEU's were down (27%) and full outbound down (19%).
- Grain volume at 2.5 million metric tons down 27% from 2008. Reduction partially due to temporary closures for grain spout upgrades.
- Smith Cove cruise facility opened on schedule with the first call on April 24th.

Seaport Organizational Goals

Environmental Stewardship:

- Zero environmental/regulatory violations.
- Key elements of the Clean Truck Program approved by the Commission in April.

Regional Transportation:

- East Marginal Way Grade Separation project - Issues resolved with City and BNSF. Prepared to go out for bid.

2009 Expense Budget Reductions

- \$1.8 million in Seaport specific expense budget reductions.
- \$2.6 million in expense budget reductions inclusive of direct charges and allocations from other groups.
- Expense reductions reflected in full year forecasts.

Seaport Full Year Operating Forecast

<i>In \$ Thousands</i>	2008	2009	2009	2009 Bud Var	
	Actual	Forecast	Budget	\$	%
Operating Revenue	85,453	85,851	90,131	(4,280)	-5%
Environmental Grants	8,833	850	850	0	0%
<u>Security Grants</u>	<u>850</u>	<u>2,648</u>	<u>3,955</u>	<u>(1,307)</u>	-33%
Total Revenue	95,136	89,348	94,935	(5,587)	-6%
Direct Expenses	22,265	24,174	27,234	3,061	11%
Security Expense	1,715	3,657	5,431	1,774	33%
Environmental Reserve	5,872	5,517	3,375	(2,142)	-63%
<u>Allocations</u>	<u>15,069</u>	<u>15,302</u>	<u>15,888</u>	<u>585</u>	4%
Total Expense	44,921	48,650	51,928	3,278	6%
Net Operating Income (NOI)	50,215	40,698	43,007	(2,309)	-5%
NOI Excl Envir Grants/Reserve	47,254	45,365	45,532	(167)	0%

Seaport Q2 YTD Operating Results

<i>In \$ Thousands</i>	2008 YTD	2009 YTD	2009 YTD	2009 Bud Var	
	Actual	Actual	Budget	\$	%
Operating Revenue	43,268	43,704	44,597	(894)	-2%
Environmental Grants	7,809	389	213	177	83%
<u>Security Grants</u>	<u>744</u>	<u>129</u>	<u>2,537</u>	<u>(2,409)</u>	-95%
Total Revenue	51,821	44,222	47,347	(3,125)	-7%
Direct Expenses	8,669	11,023	16,101	5,078	32%
Security Expense	564	529	3,307	2,778	84%
Environmental Reserve	0	0	1,688	1,688	100%
<u>Allocations</u>	<u>7,051</u>	<u>6,736</u>	<u>8,010</u>	<u>1,274</u>	16%
Total Expense	16,285	18,287	29,105	10,818	37%
Net Operating Income (NOI)	35,537	25,934	18,242	7,693	42%
NOI Excl Envir Grants/Reserve	27,727	25,545	19,717	5,828	30%

Seaport Division Key Variances

Revenue Detail (\$'s in Thousands)

Q2 YTD Business Unit	Variance to Budget Better (Worse)
Containers	(\$1,441)
Support Properties	(\$ 2)
Cruise	\$314
Grain	(\$120)
Docks/Industrial Properties	\$343
Security	(\$2,409)
Environmental Grants/Other	\$ 164
Total	(\$3,125)

Seaport Division Key Variances

Expense Detail (\$'s in Thousands)

Q2 YTD Expenses	Variance to Budget Better (Worse)
Outside Services	\$3,983
Security Expenses	\$2,778
T30/T91 Project Exp Component	\$525
Environmental Reserve	\$1,688
Corporate/CDD	\$1,232
Maintenance	\$251
All Other	\$361
Total Expense	\$10,818

Seaport Business Groups

NOI Before Depreciation (\$'s in Millions)

	Q2 YTD Actual NOI	Variance to Budget Better (Worse)
Containers	\$19.1	\$3.4
Container Support Props	\$.3	(\$.3)
Cruise	\$1.8	\$1.2
Grain	\$2.2	(\$.1)
Docks/Indust Props	\$2.8	\$ 1.1
Security	\$(.6)	\$.4
Envir Grants/ Reserve	\$.4	\$1.9
Total Seaport	\$25.9	\$7.7

Seaport Capital 2009

Estimated Actual	Approved Budget	Variance to Budget	Est. Act. as % of App. Bud	Plan of Finance
\$55.9	\$100.4	\$44.5	56%	\$126.7

Real Estate Division Performance Report 2nd Quarter 2009

August 11, 2009

Real Estate Business Goals

Provide Compelling Value and Asset Utilization

- **Occupancy Rates:** Commercial property at 95% occupancy, at target of 95% and above 2009 Q2 Seattle market average of 85%.
- **FT/Marina Occupancy:** Fishermen's Terminal exceeded the first half occupancy target. Harbor Island Marina at target. Shilshole Bay Marina, Bell Harbor, and Maritime Industrial Center below targets.

2009 Expense Budget Reductions

- \$1.4 million in Real Estate specific expense budget reductions.
- \$2.0 million in expense budget reductions inclusive of direct charges and allocations from other groups.
- Expense reductions reflected in 2009 full year forecasts.

Real Estate Division Full Year Forecast

<i>In \$ Thousands</i>	2008	2009	2009	2009 Bud Var	
	Actual	Forecast	Budget	\$	%
Operating Revenue	34,875	30,381	30,961	(580)	-2%
<u>Environmental Grants</u>	<u>1</u>	<u>150</u>	<u>150</u>	<u>0</u>	0%
Total Revenue	34,877	30,531	31,111	(580)	-2%
Direct Expenses	36,375	30,599	31,821	1,222	4%
Environmental Reserve	604	1,125	1,125	0	0%
<u>Allocations</u>	<u>1,840</u>	<u>1,732</u>	<u>2,445</u>	<u>713</u>	29%
Total Expense	38,819	33,456	35,391	1,934	5%
Net Operating Income (NOI)	(3,943)	(2,925)	(4,279)	1,354	32%
NOI Excl Envir Grants/Reserve	(3,340)	(1,950)	(3,304)	1,354	41%

Real Estate Division Q2 YTD Operating Results

<i>In \$ Thousands</i>	2008 YTD	2009 YTD	2009 YTD	2009 Bud Var	
	Actual	Actual	Budget	\$	%
Operating Revenue	17,040	15,353	15,361	(8)	0%
<u>Environmental Grants</u>	<u>0</u>	<u>0</u>	<u>38</u>	<u>(38)</u>	-100%
Total Revenue	17,040	15,353	15,399	(45)	0%
Direct Expenses	14,454	13,126	15,898	2,772	17%
Environmental Reserve	0	0	563	563	100%
<u>Allocations</u>	<u>620</u>	<u>915</u>	<u>1,250</u>	<u>335</u>	27%
Total Expense	15,074	14,041	17,710	3,669	21%
Net Operating Income (NOI)	1,966	1,312	(2,312)	3,624	157%
NOI Excl Envir Grants/Reserve	1,966	1,312	(1,787)	3,099	173%

Real Estate Division Q2 Key Variances

Revenue Detail (\$'s in Thousands)

2009 Year to Date Business Unit	Variance to Budget Better (Worse)
Recreational Boating	(\$86)
Fishing & Commercial	\$5
Commercial Properties	(\$19)
Third Party Management	\$95
RE Development & Planning	\$108
Eastside Rail	(\$125)
Facilities/Maintenance/Envir	(\$23)
Total	(\$45)

Real Estate Division Q2 Key Variances

Expense Detail (\$'s in Thousands)

2009 Year to Date Expense	Variance to Budget Better (Worse)
Third Party Management	\$308
Outside Services	\$734
Corporate /CDD	\$1,269
Maintenance Expense	\$556
Environmental Reserve	\$563
All Other	\$239
Total Expense	\$3,669

Real Estate Business Groups

NOI Before Depreciation (\$'s in Thousands)

	Q2 YTD Actual NOI	Variance to Budget Better (Worse)
Recreational Boating	\$1,177	\$533
Fishing & Commercial	(\$657)	\$547
Commercial & Third Party	\$1,001	\$1,813
RE Development & Planning	(\$137)	\$70
Eastside Rail	(\$72)	\$136
Environmental Reserve	\$0	\$525
Total Real Estate	\$1,312	\$3,624

Real Estate Capital 2009

Estimated Actual	Approved Budget	Variance to Budget	Est. Act. as % of App. Bud	Plan of Finance
\$100.8	\$105.2	\$4.4	96%	\$116.3

The background of the slide is a dark blue image of a port terminal. On the left, a large ship is docked. In the center, a large gantry crane is visible. On the right, several silhouettes of people are shown, some standing and some walking, against a grid pattern that suggests a window or a screen. The overall scene is industrial and active.

Capital Development Division Performance Report Second Quarter

August 11, 2009

Capital Development Division YTD Business Events


- Rental Car facility construction restarted. Slowdown impacted workload and staff assignments
- Aviation Investment Committee approved three Infrastructure projects.
- PCS participated in three round table discussions with OSR on small business utilization.
- PCS direct costs thru Q2 \$4.1 million compared to \$5.2 m this time in 2008.
- Uncertainty of capital projects workload and hiring freeze resulted in using more consultant time for greater cost and impact on overhead ratio.
- 4 CPO-1 classes in Q2. Total of 13 sessions with over 350 attendees.
- 4 Service Agreement Evaluation Criteria classes scheduled for Q3.
- T91 Cruise Terminal completed successfully. First vessel in April.
- T30 Container Terminal Redevelopment complete. First vessel due Aug 7.
- T115 Berth 1 work received permits. Will advertise for bids Q3.

Capital Development Division Key Indicators

- Construction Soft Costs: 19.1% of total project costs 2004 thru 2009 to date. (Goal: no more than 25%)
- Cost Growth during Construction: 3 projects closed in 2009 to date averaged 5.5% total cost growth. (Goal: no more than 8%)
- Schedule: Projects on or ahead of schedule – 30, Projects delayed – 40. (Goal: no more than 10% schedule growth.)
- Small Business Participation: SB participation 7.9% for major construction and 19.6% for PCS. (Goal: >8% and 30%)
- Customer Score Card: Not available
- Environmental: Not available
- Safety: PCS incident rate 9.31, major contracts 0.8. (Goal: rate <6)
- Performance Review Timeliness: 62.5% by 4 weeks. (Goal : 98%)

Capital Development Division Operating Results and Forecast

In \$ Thousands	2008 YTD	2009 YTD		2009 Bud Var.		Year-End Projections		
	Actual	Actual	Budget	\$	%	Budget	Forecast	Variance
Aviation Project Management	431	259	381	122	32.1%	761	592	169
Port Construction Services	1,204	571	669	99	14.7%	1,449	1,431	18
Engineering	657	533	605	72	11.9%	1,351	1,290	61
Seaport Project Management	491	361	749	387	51.7%	1,400	780	620
Central Procurement Office	531	873	741	(132)	-17.8%	1,494	1,636	(142)
CDD Administration	-	161	287	126	43.9%	554	294	260
Total Expenses	3,314	2,758	3,432	674	19.6%	7,010	6,024	986

The background of the slide is a dark blue image. On the left, there is a silhouette of a large cargo ship docked at a pier with cranes. On the right, there are silhouettes of several people in an office setting, some standing and some sitting, with a grid pattern overlaid on the scene.

Corporate Professional & Technical Services Performance Report Second Quarter

August 11, 2009

Corporate Operating Results

In \$ Thousands	2008 YTD	2009 YTD		2009 Bud Var.		Year-End Projections		
	Actual	Actual	Budget	\$	%	Budget	Forecast	Var.
Total Revenues	313	514	724	(210)	-29.0%	1,470	1,417	(53)
Executive	876	715	803	89	11.0%	1,540	1,449	92
Commission	477	422	472	50	10.6%	867	844	22
Legal	1,230	975	1,372	397	28.9%	2,703	2,637	67
Risk Services	1,413	1,253	1,430	177	12.4%	2,861	2,833	28
Health & Safety	525	468	503	35	6.9%	985	947	38
Public Affairs	1,815	1,587	2,240	653	29.2%	4,270	3,565	705
External Affairs	518	612	654	42	6.4%	1,347	1,229	118
Eco & Trade Dev	559	660	1,072	412	38.4%	2,099	1,638	462
HR&D	1,927	1,740	2,114	374	17.7%	4,165	3,926	238
Labor Relations	313	319	362	42	11.7%	731	593	138
ICT	5,407	7,722	9,860	2,138	21.7%	19,658	18,404	1,253
Finance & Budget	781	719	889	170	19.1%	1,719	1,482	236
A&FR	2,956	2,928	3,328	400	12.0%	6,541	6,331	210
Internal Audit	318	460	575	115	20.0%	1,211	1,073	138
OSR	341	531	842	311	37.0%	1,647	1,397	249
Regional Transportation	176	208	251	43	17.2%	498	461	37
Police	9,149	8,299	10,186	1,887	18.5%	19,979	18,312	1,666
Contingency	1,371	313	375	62	16.5%	750	750	-
Total Expenses	30,154	29,930	37,327	7,397	19.8%	73,572	67,873	5,699

Corporate Highlights

- Implemented the \$16.5 million Port-wide Expense Savings Plan and Furlough Program
- Attended the West Coast Port Executive's meetings in California and Washington, DC.
- Began the Modified Zero-Base Budgeting process for 2010 budget.
- Completed several important ICT projects: Aviation Dashboard, Internal Control Software, Microsoft Office 2007 Upgrade, Common Use Terminal Replacement and IP Telephony

Corporate Indicators

- Completed and presented a number of internal audits to the Audit Committee
- Sea-Air School Programs reached 5,969 folks
- Occupational injury rate reduced from 6.06 to 4.7%
- 93% completed the health assessment in the Wellness Incentive Program
- Received several distinguished awards:
 - Certificate of Achievement for Excellence in Financial Reporting
 - Award of Financial Reporting Achievement
 - Distinguished Budget Presentation Award