

Port of Seattle

Q1 2011 Financial Performance

May 3, 2011

Q1 Operating Income Summary

\$ in 000's	2010 YTD	2011 YTD	2011 YTD	2011 Act vs. Bud	
	Actual	Actual	Budget	Var \$	Var %
Aeronautical Revenues	49,178	48,590	54,275	(5,685)	-10.5%
Other Operating Revenues	60,367	64,740	66,822	(2,081)	-3.1%
Total Operating Revenues	109,545	113,331	121,097	(7,766)	-6.4%
Total Operating Expenses	52,813	57,734	71,828	14,094	19.6%
Income before Depreciation	56,731	55,597	49,269	6,328	12.8%
Depreciation	40,189	39,834	40,074	239	0.6%
Income after Depreciation	<u>16,542</u>	<u>15,762</u>	<u>9,195</u>	<u>6,567</u>	<u>71.4%</u>

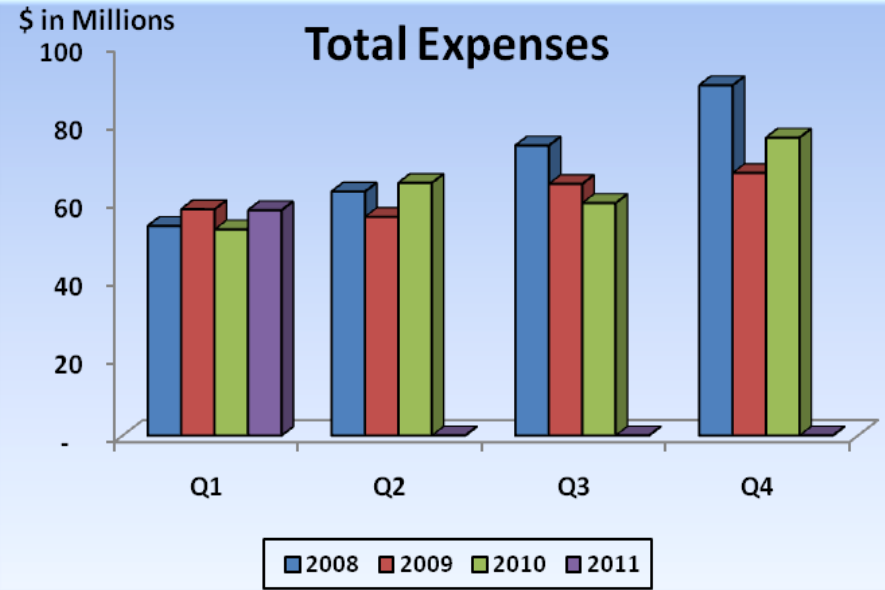
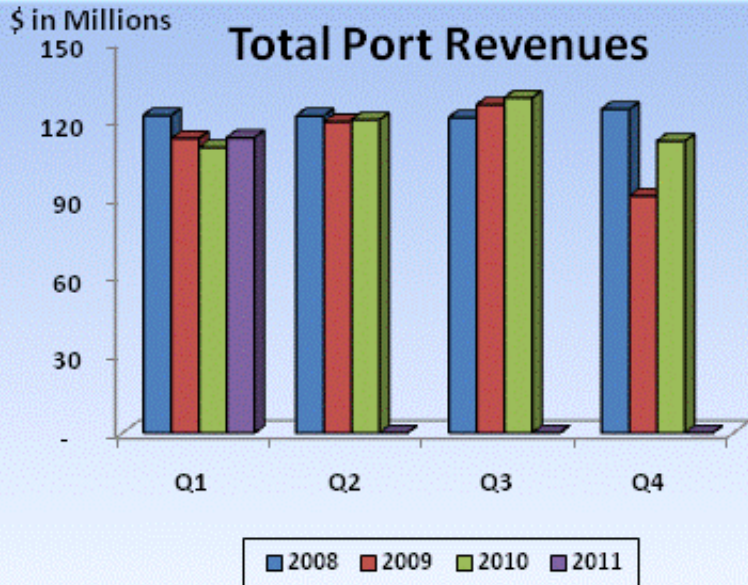
Q1 Major Revenue Variances

<u>Major Revenues (\$ in 000's)</u>	<u>Bud Var.</u>
Aero Revenues	(5,685)
Public Parking	(718)
Rental Cars	(681)
Concessions	224
Container	539
Seaport Industrial Properties	(141)
Grain	105
Seaport Security Grants	(1,805)
Recreational Boating	72
Commercial Properties	86
Real Estate Third Party Mgmt	(166)
Other	405
Subtotal	<u>(2,081)</u>
TOTAL	<u><u>(7,766)</u></u>

Q1 Major Expense Variances

Operating Expenses (<i>\$ in 000's</i>)	Actual/Budget	
	Var. \$	Var. %
Salaries & Benefits	1,469	6.7%
Wages & Benefits	1,452	6.9%
Payroll to Capital Projects	257	5.0%
Equipment Expense	1,004	42.8%
Supplies & Stock	(165)	-10.4%
Outside Services	6,510	47.8%
Travel & Other Employee Exps	1,028	59.9%
Promotional Expenses	345	94.0%
Pass-through Grant Expenses	1,765	95.7%
Other	1,055	10.3%
Net Charges to Capital Projects	(626)	-7.8%
Total	14,094	19.6%

Quarterly Comparison



Port-wide 2011 Year-End Forecast

\$ in 000's	2010	2011	2011	2011 Bud vs. Fcst	
	Actual	Forecast	Budget	Var \$	Var %
Aeronautical Revenues	198,329	217,181	217,200	(19)	0.0%
Other Operating Revenues	272,161	284,289	283,436	853	0.3%
Total Operating Revenues	470,490	501,470	500,636	834	0.2%
Total Operating Expenses	253,464	286,034	285,844	(190)	-0.1%
Income before Depreciation	217,026	215,436	214,792	644	0.3%
Depreciation	160,775	160,491	160,491	0	0.0%
Income after Depreciation	56,251	54,945	54,301	644	1.2%

2011 Capital Spending by Division

Division	Q1 Act.	Q2 Fcst	Q3 Fcst	Q4 Fcst	2011 Forecast	2011 Budget	Var. \$	Plan of Finance
<i>(\$ in millions)</i>								
Aviation	30.2	44.7	50.5	61.4	186.7	223.7	37.0	231.4
Seaport	4.6	7.4	10.0	10.0	31.8	34.0	2.1	29.5
Real Estate	3.0	6.0	4.1	3.0	16.1	16.3	0.3	15.4
Corporate	0.9	5.0	4.3	3.3	13.5	12.9	-0.6	12.1
Total	38.6	63.0	68.9	77.7	248.2	286.9	38.7	288.3

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Aviation Division

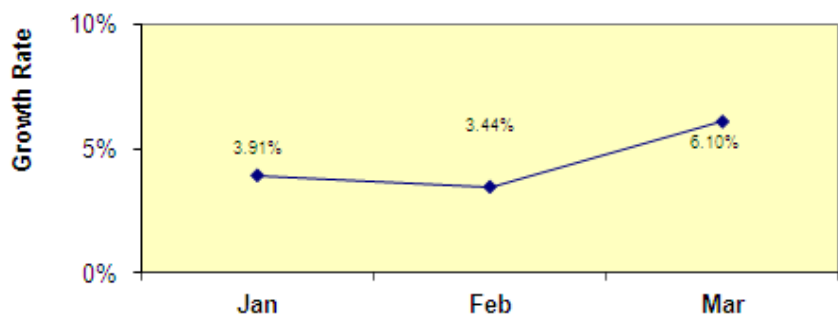
Q1 2011 Performance Report

Aviation Business Highlights

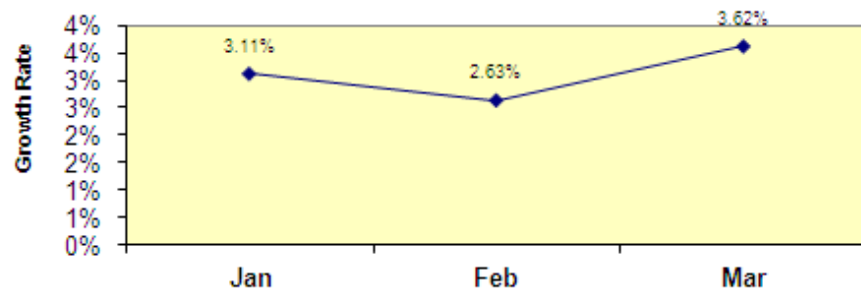
- Airline activity:
 - YTD enplanements up 4.6% from 2010
 - Reviewing for possible forecast adjustment
- Operating Expenses:
 - Total O&M expenses are 17.3% below budget YTD
 - Forecasting savings of \$72K
- Non-airline NOI:
 - YTD Revenues up 6.9% over 2010, but down 3.1% vs. budget
 - Forecasting positive NOI vs. Budget at year-end
- Airline Costs:
 - Forecasting airline cost per enplanement (CPE) of \$12.76 vs. budget of \$12.76
- Capital spending forecasted at 83.5% of budget

Activity

Enplanements vs. Prior Year



Landed Weight vs. Prior Year



<i>Figures in 000s</i>	2010	2011	%	2010	2011	%
	Q1	Q1	Variance	Actual	Forecast	Variance
Enplanements	3,355	3,509	4.6%	15,773	15,845	0.5%
Landed Weight	4,387	4,525	3.1%	19,786	20,089	1.5%

- International enplaned passengers saw greater year-over-year growth (5% vs. Q1 2010) than domestic enplanements (4.5% vs. Q1 2010).
- Year-to-date cargo landed weight makes up 6.98% of total landed weight, as opposed to 7.58% of total landed weight at this point in 2010.

Q1 YTD Operating Revenue

\$ in 000's	2009 YTD	2010 YTD	2011 YTD	2011 YTD	Actual/Budget	
	Actual	Actual	Actual	Budget	Var \$	Var %
Revenues						
Landing Fees	12,511	12,881	13,467	15,300	(1,833)	-12.0%
Terminal Rental	32,607	32,770	31,619	35,321	(3,703)	-10.5%
Other Aero Revenues	3,037	3,527	3,505	3,654	(149)	-4.1%
Total Aeronautical	48,155	49,178	48,590	54,275	(5,685)	-10.5%
Public Parking	12,742	11,426	12,018	12,737	(718)	-5.6%
Rental Cars	7,978	6,928	6,921	7,602	(681)	-9.0%
Concessions	7,944	7,503	7,799	7,576	224	3.0%
Other Non-airline	5,274	4,936	6,171	6,050	121	2.0%
Total Non-Aeronautical	33,938	30,794	32,909	33,965	(1,055)	-3.1%
Other	2,128	2,128	2,127	2,088	38	1.8%
Total Revenues	<u>84,221</u>	<u>82,100</u>	<u>83,627</u>	<u>90,328</u>	<u>(6,702)</u>	<u>-7.4%</u>

- Landing Fee and Terminal Rent revenues are less than budgeted due to seasonality differences from budget.
- Public Parking: 2.7% growth in long-term (1+ day) transactions in Q1 2011 compared to prior year. YTD budget assumed 5.6% growth from 2010 projected transactions.
- Rental Cars: February YTD transactions were 5.9% higher than prior year, but industry revenues are down.
- Concessions: Improved concession sales per enplaned passenger and higher enplanements.

Q1 YTD Operating Expense & NOI

\$ in 000's	2009 YTD	2010 YTD	2011 YTD	2011 YTD	Actual/Budget	
	Actual	Actual	Actual	Budget	Var \$	Var %
Revenues	84,221	82,100	83,627	90,328	(6,702)	-7.4%
Expenses						
Salaries & Benefits	19,991	18,351	19,355	20,667	1,311	6.3%
Outside Services	3,951	3,579	3,926	6,739	2,813	41.7%
Utilities	4,047	2,938	3,563	3,550	(12)	-0.4%
Supplies & Stock	1,252	864	1,417	1,025	(392)	-38.2%
Other	655	1,531	1,394	3,185	1,791	56.2%
Total Airport Expenses	29,897	27,263	29,656	35,166	5,510	15.7%
Corporate	6,846	6,889	7,005	8,351	1,346	16.1%
Police Costs	3,048	3,222	3,650	4,145	495	12.0%
Capital Development/Other Expenses	1,066	1,387	1,321	2,691	1,370	50.9%
Total Operating Expenses (excl. Env Res)	40,858	38,762	41,631	50,352	8,721	17.3%
Environmental Remediation	-	-	-	-	-	n/a
Total Operating Expenses	40,858	38,762	41,631	50,352	8,721	17.3%
Net Operating Income	43,363	43,338	41,995	39,976	2,019	5.1%

- Positive YTD budget variances due to elevator/escalator invoices \$618K, emergency generator invoice \$287K, ramp tower invoice \$141K, Airport Council membership \$81K, incorrect budgeted spreads of Maintenance wages & benefits \$400K, and FTEs vacancies \$250K.

Non Aeronautical Business

\$ in 000's	2009	2010	2011	2011	Forecast/Budget	
	Actual	Actual	Forecast	Budget	Var \$	Var %
Revenues:						
Public Parking	49,689	49,416	52,847	52,847	-	0.0%
Rental Cars	33,320	30,309	33,833	33,833	-	0.0%
Concessions	33,473	33,765	32,859	32,640	219	0.7%
Other	20,865	21,929	26,244	25,644	600	2.3%
Total Revenues	137,348	135,418	145,783	144,965	819	0.6%
Operating Expense	55,916	54,743	64,352	64,397	45	0.1%
Share of terminal O&M	17,011	16,935	17,721	17,729	8	0.0%
Less utility internal billing	(16,738)	(14,464)	(18,370)	(18,370)	-	0.0%
Net Operating & Maint	56,189	57,215	63,703	63,756	53	0.1%
Net Operating Income	81,159	78,203	82,081	81,209	872	1.1%

- Positive trends seen in long term Public Parking transactions over the past four months
- Concessions: forecast is better than expected due to Google advertising and increase in janitorial monthly rate
- Planning Dept to receive \$600K grant as reimbursement for Sound Transit work

Summary

\$ in 000's	2009 Actual	2010 Actual	2011 Forecast	2011 Budget	Forecast/Budget Var \$	Var %
Operating Revenues						
Aeronautical	182,534	198,329	217,181	217,200	(19)	0.0%
Non-Aeronautical	137,348	135,418	145,783	144,965	819	0.6%
Other	8,359	8,426	8,353	8,353	-	0.0%
Operating Revenues	<u>328,241</u>	<u>342,173</u>	<u>371,317</u>	<u>370,517</u>	800	0.2%
Operating Expenses						
Environmental Remediation Liability	1,991	3,271	1,771	1,771	-	0.0%
VSP, HR10 & Unemployment	1,196	-	-	-	-	n/a
OPEB Reversal	(4,016)	-	-	-	-	n/a
Total Operating Expenses	<u>174,654</u>	<u>181,142</u>	<u>200,879</u>	<u>200,951</u>	72	0.0%
Net Operating Income	<u>153,587</u>	<u>161,031</u>	<u>170,439</u>	<u>169,567</u>	872	0.5%
Capital Expenditures	191,479	183,578	186,743	223,746	37,003	16.5%

- Forecasting airport expense savings of \$72K.

Net Cash Flow: NOI After Debt Service & Interest Income

\$ in 000's	2009	2010	2011	2011	Forecast/Budget	
	Actual	Actual	Forecast	Budget	Var \$	Var %
<u>Aeronautical</u>						
Net Operating Income (NOI)	65,915	74,402	78,661	78,661	(0)	0.0%
Debt Service	68,767	73,080	76,700	76,700	-	0.0%
NOI After Debt Service	(2,851)	1,323	1,961	1,961	(0)	0.0%
<u>Non-Aeronautical</u>						
Revenues	137,348	135,418	145,783	144,965	819	0.6%
Expenses (w/ Terminal Adj)	56,189	57,215	63,703	63,756	264	0.4%
Net Operating Income (NOI)	81,159	78,203	82,081	81,209	872	1.1%
Debt Service	39,241	41,752	42,189	42,189	-	0.0%
NOI After Debt Service	41,917	36,451	39,892	39,020	872	2.2%
Fuel Hydrant Revenue	8,359	8,426	8,353	8,353	-	0.0%
<u>Total Aviation</u>						
NOI	155,433	161,031	169,095	168,223	872	0.5%
Debt Service	108,008	114,831	118,889	118,889	-	0.0%
NOI After Debt Service	47,425	46,200	50,206	49,334	872	1.8%
Add ADF Interest Income	8,853	6,297	4,167	4,167	-	0.0%
Less Non-Cash Fuel Hydrant Revenue	(7,845)	(7,912)	(7,839)	(7,839)	-	0.0%
Net Cash Flow after D/S & Interest Inc.	48,433	44,585	46,535	45,663	872	1.9%

Capital Spending

\$ in 000's	YTD Actual	2011	2011	Forecast/Budget		Plan of Finance
		Forecast	Budget	Variance	%	
Rental Car Facility Construction (1)	23,179	79,570	97,488	17,918	18.4%	98,616
Central Plant Preconditioned Air (2)	981	13,981	20,000	6,019	30.1%	8,000
Airfield Pavement Replacement (3)	120	3,370	10,500	7,130	67.9%	10,500
Parking System Replacement (4)	186	7,648	9,137	1,489	16.3%	8,994
Terminal Escalators Modernization (5)	180	6,075	8,955	2,880	32.2%	10,000
Aircraft RON Parking USPS Site (6)	45	2,645	5,050	2,405	47.6%	5,661
All Other	5,496	73,454	72,616	(838)	-1.2%	89,637
Total	30,187	186,743	223,746	37,003	16.5%	231,408

1. Off-site Road Improvements and Bus Maintenance Facility contractors have gotten off to a very slow start. Soft costs are also running below forecast.
2. Site work commenced in Q12011 and project completion is on schedule.
3. Reduced budget that was not in scope for 2011.
4. Moved a portion of budget in Q4 2011 to Q1 2012.
5. Savings from actual bid of \$22.7M vs. construction estimate of \$45M.
6. Project to complete in 2012 due to hazardous materials evaluation.

Seaport Division

Q1 2011 Performance Report

Seaport Business Goals

- TEU volume was 485K, up 8% from Q1 YTD 2010. Full inbound TEU's were up 5% and full outbound up 12%.
- Grain volume at 1.4 million metric tons down 3% from 2010 and 8% over 2011 Q1 YTD budget.
- Cruise season commenced on April 15th. Total cruise passenger volume for 2011 is expected to exceed 807,000 passengers.
- Disney Cruise Lines announced new homeport ship for 2012

Seaport Organizational Goals

Environmental Stewardship

- Continuing implementation of Northwest Ports Clean Air Strategy.
 - 60% of frequent calls meeting Northwest Ports Clean Air Standards target
 - 276 pre-1994 trucks scrapped since program inception

Regional Transportation – Closely monitoring south harbor road construction projects and detour routes.

Seaport Q1 YTD Operating Results

\$ in 000's	2010 YTD	2011 YTD	2011 YTD	2011 Bud Var	
	Actual	Actual	Budget	\$	%
Operating Revenue	20,557	22,286	21,644	642	3%
<u>Security Grants</u>	<u>8</u>	<u>40</u>	<u>1,845</u>	<u>(1,805)</u>	-98%
Total Revenue	20,565	22,326	23,489	(1,163)	-5%
Direct Expenses	3,778	4,990	5,667	677	12%
Security Grant Expense	29	69	1,870	1,800	96%
Envir Remediation Liability Exp	0	0	0	0	NA
Divisional Allocations	573	185	568	383	67%
<u>Corporate Allocations</u>	<u>2,852</u>	<u>3,257</u>	<u>4,099</u>	<u>842</u>	21%
Total Expense	7,233	8,501	12,203	3,702	30%
Net Operating Income (NOI)	13,332	13,825	11,285	2,539	23%

Seaport Division Key Variances

Revenue Detail (\$ in 000's)

Q1 YTD Business Unit	Variance to Budget Better (Worse)
Containers	\$539
Grain	\$105
Industrial Properties	(\$141)
Cruise	\$21
Docks	\$118
Security Grants	(\$1,805)
Total	(\$1,163)

Seaport Division Key Variances

Expense Detail (\$ in 000's)

Q1 YTD Expenses	Variance to Budget Better (Worse)
Security Grant Expense	\$1,800
Corporate	\$957
Outside Services	\$381
CDD Allocations	\$287
Maintenance	\$115
All Other	\$162
Total Expense	\$3,702

Seaport Business Groups

NOI Before Depreciation (\$ in Millions)

	Q1 YTD Actual NOI	Variance to Budget Better (Worse)
Containers	\$12.4	\$1.4
Grain	\$1.3	\$.2
Sea Industrial Properties	\$1.5	\$.4
Cruise	(\$.9)	\$.3
Docks	(\$.3)	\$.1
Security	(\$.2)	\$.1
Envir Grants/Liability Exp	\$.0	\$.0
Total Seaport	\$13.8	\$2.5

Seaport Full Year Operating Forecast

\$ in 000's	2010	2011	2011	2011 Bud Var	
	Actual	Forecast	Budget	\$	%
Operating Revenue	96,060	94,972	94,972	0	0%
<u>Security Grants</u>	<u>1,791</u>	<u>3,415</u>	<u>3,415</u>	<u>0</u>	0%
Total Revenue	97,850	98,387	98,387	0	0%
Direct Expenses	20,780	26,381	24,081	(2,300)	-10%
Security Expense	1,983	3,451	3,451	0	0%
Envir Remediation Liability Exp	1,170	500	500	0	0%
Divisional Allocations	2,354	211	2,511	2,300	92%
<u>Corporate Allocations</u>	<u>13,033</u>	<u>16,565</u>	<u>16,565</u>	<u>0</u>	0%
Total Expense	39,321	47,108	47,108	0	0%
Net Operating Income (NOI)	58,530	51,280	51,280	0	0%

Seaport Capital 2011

Estimated Actual	Approved Budget	Variance to Budget	Est. Act. as % of App. Bud	Plan of Finance
\$31.8	\$34.0	\$2.1	94%	\$29.5

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 a crane. 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.

Real Estate Division

Q1 2011 Performance Report

Real Estate 1st Quarter Key Events

- Full Year Net Operating Income forecasted to meet budget.
- The 83rd Annual Blessing of the Fleet was held at Fishermen's Terminal in March.
- FT NW dock fender replacement, south wall replacement, and MIC sheet pile replacement projects are underway.
- Signed letter of intent with potential tenant for 18-acre City of SeaTac site.
- RFP issued for Tsubota Steel site in February.

Real Estate 1st Quarter Key Events

- Eastside Rail Corridor – Continuing to develop streamlined procedures and standard to handle volume of incoming requests.
- Marine Maintenance
 - Continuation of Deferred Maintenance reduction program
 - Established physical site for Marine Maintenance at T91

Real Estate Business Goals

Provide Compelling Value and Asset Utilization

- Occupancy Rates: Commercial property at 89% occupancy, below target of 90% and above 2011 Q1 Seattle market average of 84%.
- Activity at Bell Harbor International Conference Center below Budget.
- FT/Marina Occupancy: Fishermen's Terminal and Maritime Industrial Center at Q1 YTD target occupancy. Recreational Marinas at 93%, above target of 91%.

Real Estate Division Qtr 1 Operating Results

\$ in 000's	2010 YTD	2011 YTD	2011 YTD	2011 Bud Var	
	Actual	Actual	Budget	\$	%
Operating Revenue	6,784	7,134	7,121	13	0.2%
Total Revenue	6,784	7,134	7,121	13	0.2%
Direct Expenses	6,229	6,179	7,986	1,806	23%
Envir Remediation Liability	0	0	0	0	NA
Divisional Allocations	(823)	(425)	(827)	(403)	-49%
<u>Corporate Allocations</u>	<u>1,189</u>	<u>1,400</u>	<u>1,656</u>	<u>256</u>	15%
Total Expense	6,595	7,154	8,814	1,660	19%
Net Operating Income (NOI)	190	(20)	(1,693)	1,673	99%

Real Estate Division Q1 Key Variances

Revenue Detail (\$ in 000's)

2011 Year to Date Business Unit	Variance to Budget Better (Worse)
Recreational Boating	\$72
Fishing & Commercial	(\$24)
Commercial Properties	\$86
Third Party Management	(\$166)
RE Development & Planning	\$33
Eastside Rail	(\$20)
Facilities/Maintenance	\$32
Total	\$13

Real Estate Division Q1 Key Variances

Expense Detail (\$ in 000's)

2011 Year to Date Expense	Variance to Budget Better (Worse)
Maintenance	\$704
Corporate	\$436
Outside Services	\$234
Third Party Management	\$216
Litigated Damages	(\$98)
All Other	\$168
Total Expense	\$1,660

Real Estate Business Groups

NOI Before Depreciation (\$ in 000's)

	Q1 YTD Actual NOI	Variance to Budget Better (Worse)
Recreational Boating	\$629	\$472
Fishing & Commercial	(\$449)	\$132
Commercial & Third Party	(\$53)	\$749
RE Development & Planning	(\$47)	\$256
Eastside Rail	(\$99)	\$64
Total Real Estate	(\$20)	\$1,673

Real Estate Division Full Year Forecast

\$ in 000's	2010	2011	2011	2011 Bud Var	
	Actual	Forecast	Budget	\$	%
Operating Revenue	29,820	30,707	30,707	0	0%
Total Revenue	29,820	30,707	30,707	0	0%
Direct Expenses	29,503	30,921	33,221	2,300	7%
Environmental Reserve	(2)	0	0	0	NA
Divisional Allocations	(3,485)	(1,487)	(3,787)	(2,300)	-61%
<u>Corporate Allocations</u>	<u>5,481</u>	<u>6,645</u>	<u>6,645</u>	<u>0</u>	0%
Total Expense	31,499	36,079	36,079	0	0%
Net Operating Income (NOI)	(1,678)	(5,372)	(5,372)	0	0%

Real Estate Capital 2011

Estimated Actual	Approved Budget	Variance to Budget	Est. Act. as % of App. Bud	Plan of Finance
\$16.1	\$16.3	\$.2	98%	\$15.4

Capital Development Division

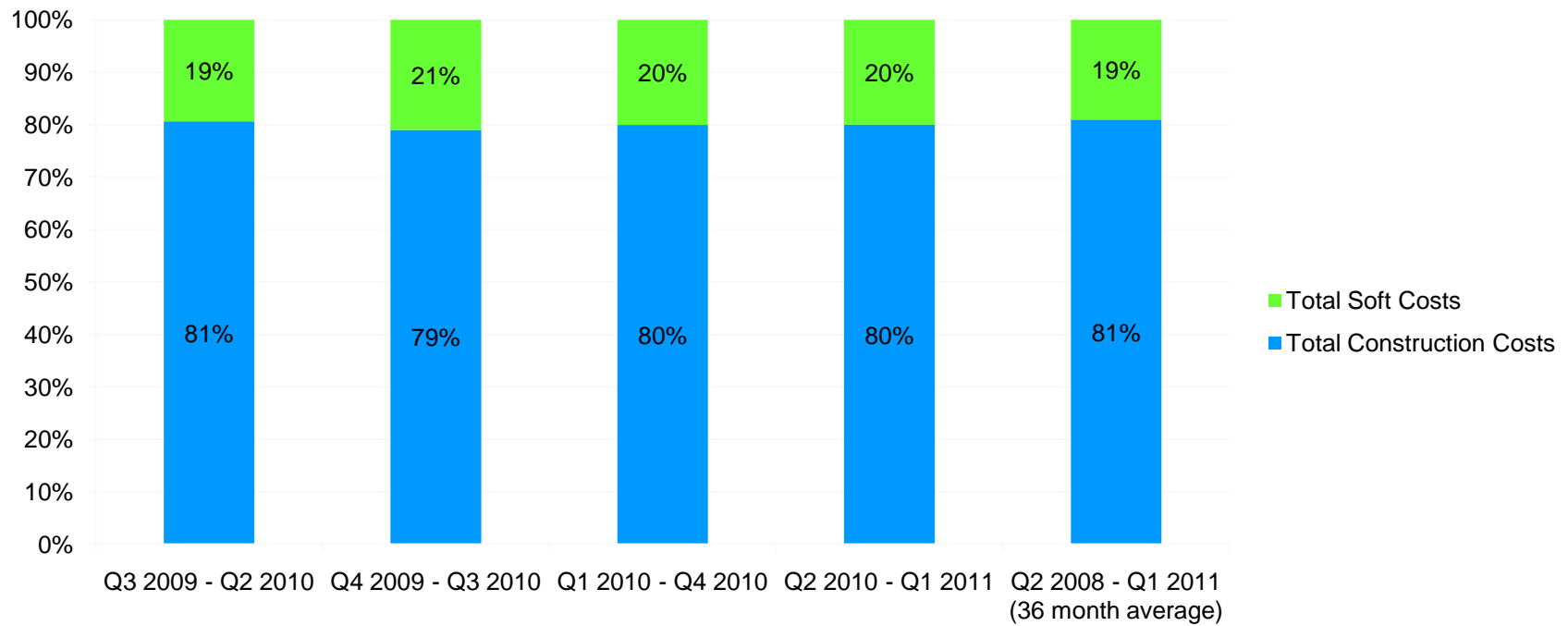
Q1 2011 Performance Report

Capital Development Division 2010 Business Events

- Began construction on Bus Maintenance Facility, critical path item for opening of new Rental Car Facility in 2012.
- Purchase-Card procedure implemented; 7 training sessions completed; development of website underway.
- Construction complete and beneficial occupancy obtained for the Terminal 18 South Fender Replacement, Phase 1 of the Fender Damage Repair and North Harbor Island Mooring Dolphins.
- Corps of Engineers completed interim clearance of discarded munitions at Terminal 91.

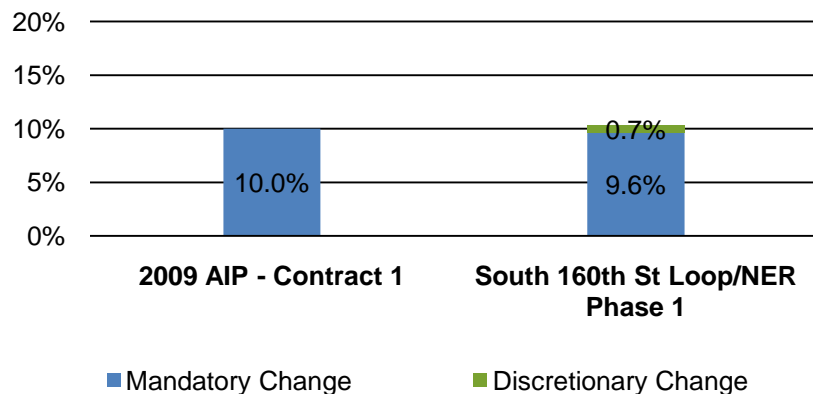
Capital Development Division Key Indicators

CDD Construction Soft Costs %

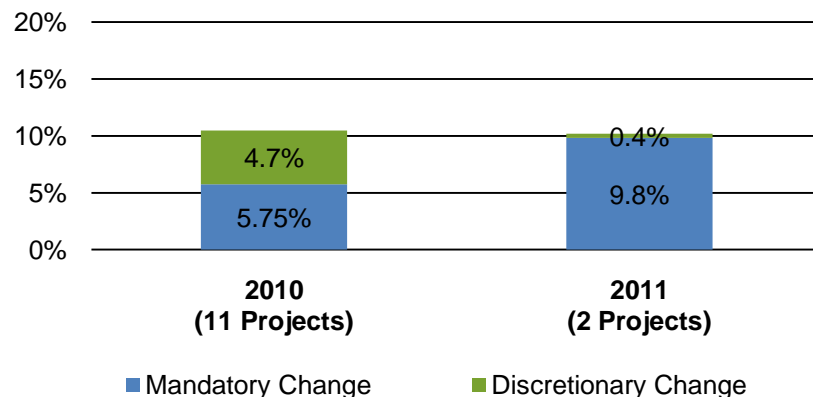


Capital Development Division Key Indicators

Completed Projects Q1 2011



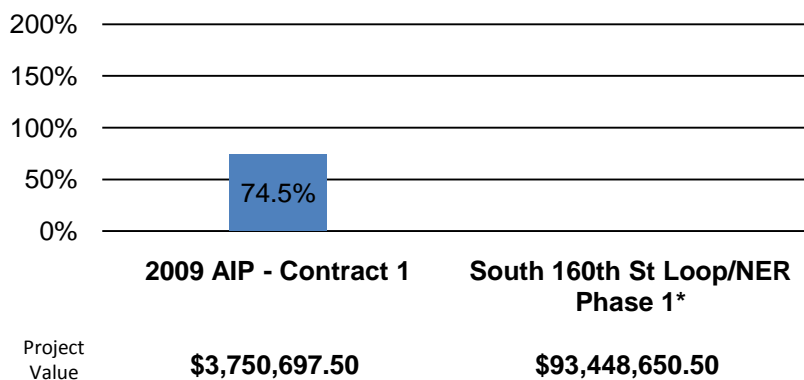
Completed Projects Summary



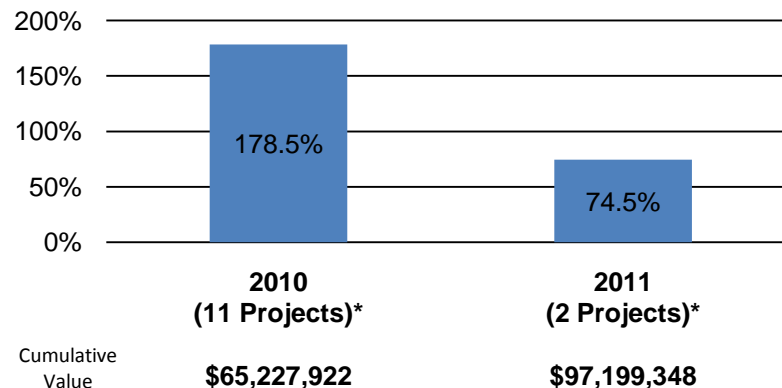
Cost Growth During Construction

Capital Development Division Key Indicators continued

Completed Projects Q1 2011



Completed Projects Summary



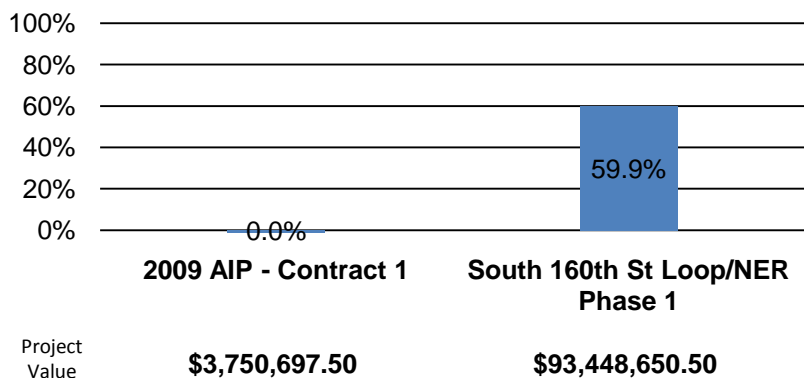
Design Schedule Growth

Project	Initial Commission Authorization	Planned Construction Contract Award	Actual Construction Contract Award	Design Schedule Growth
1st Quarter 2011				
2009 AIP - Contract 1	21-Apr-09	11-Jun-09	19-Jul-09	74.5%
South 160th St Loop/NER Phase 1	3-Mar-05	*	13-Jul-06	*

* Information not reported in the initial Commission Authorization

Capital Development Division Key Indicators continued

Completed Projects Q1 2011

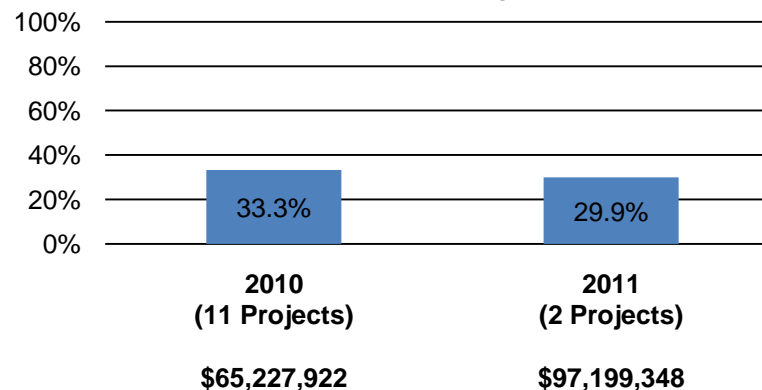


Project
Value

\$3,750,697.50

\$93,448,650.50

Completed Projects Summary



2010
(11 Projects)

\$65,227,922

2011
(2 Projects)

\$97,199,348

Construction Schedule Growth

Project	Actual Construction Contract Award	Planned Substantial Completion of Construction	Actual Substantial Completion of Construction	Construction Schedule Growth
1st Quarter 2011				
2009 AIP - Contract 1	19-Jul-09	28-Oct-10	28-Oct-10	0%
South 160th St Loop/NER Phase 1	13-Jul-06	26-Aug-08	3-Dec-09	59.9%

Capital Development Division Key Indicators continued

2010 Procurement Schedule:

Total Time RFS to Execution (Avg # Days)

	<u>2010</u>	<u>Q1 2011</u>
• Goods & Services	81 days	76 days
• Major Public Works	62 days	91 days
• Small Works	56 days	42 days
• Service Agreements	256 days	252 days

Capital Development Division Gross Operating Results

\$ in 000's	Notes	2010 YTD	2011 YTD		2011 Bud Var.	
		Actual	Actual	Budget	\$	%
Total Revenues		-	65	-	65	0.0%
<u>EXPENSES BEFORE CHARGES TO CAPITAL PROJECTS</u>						
Capital Development Administration		89	85	91	6	6.1%
Engineering		2,188	2,588	3,803	1,215	32.0%
Port Construction Services		1,564	1,353	1,889	535	28.3%
Central Procurement Office		709	1,411	1,099	(312)	-28.4%
Aviation Project Management		1,085	882	2,161	1,279	59.2%
Seaport Project Management		520	438	636	197	31.1%
Total Before Charges to Capital Projects		6,155	6,758	9,678	2,920	30.2%

Capital Development Division Key Variances to Net Budget

Q1 2011 Expenses	Variance to Budget	YTD Var. F/(UNF)
\$ in 000's	Better (Worse)	%
Salaries and Benefits	875	12.4%
Outside Services	1,001	50.8%
Travel and Other	121	78.8%
Telecommunications	5	16.0%
Property Rentals	2	7.5%
General Expenses	49	424.5%
All Other	867	196.9%
Charges to Capital Projects	(1,741)	28.7%
Total	1,180	32.6%

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 a gantry crane. 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

Q1 2011 Performance Report

Corporate Key Events for Q1

- Held a candlelight service to remember the victims of Japan.
- Presented the State of the Port and Centennial at Seattle Propeller Club.
- Completed and unfolded the Port's Centennial Website with map, timeline and interactive history of the Port.
- Offered Employee Involvement and Workplace Integrity Surveys to all Port employees.
- Launched the 2011 Wellness Rewards Tiered Program.
- Received a clean and unqualified CPA audit opinion on the Port's 2010 financial statements.
- Issued \$104 million Limited Tax General Obligation Bonds.

Corporate Key Metrics for Q1

- Port website received over 2.0 million page views.
- Responded to 76 public disclosure requests.
- Generated 85 jobs openings and received 2,858 job applications.
- 30 employees participating in REALeadership Program.
- Completed 20 individual job evaluations.
- Presented 4 internal audit reports to the Audit Committee.
- 72 employees engaged in telephonic and online coaching.
- Handled 27 litigation and claims.
- 1,198 small businesses registered on the roster.
- Received 13,012 calls for Police services.

Q1 Corporate Operating Results

	Notes	2010 YTD	2011 YTD		2011 Bud Var.		Year-End Projections		
		Actual	Actual	Budget	\$	%	Budget	Forecast	Variance
\$ in 000's									
Total Revenues		95	242	159	83	52.6%	1,025	1,059	34
Executive		348	352	440	87	19.9%	1,500	1,500	-
Commission		225	148	231	84	36.2%	931	931	-
Legal		611	512	1,043	531	50.9%	2,906	2,906	-
Risk Services		601	617	690	73	10.6%	2,789	2,750	39
Health & Safety Services		240	263	295	31	10.7%	1,129	1,123	6
External Affairs		1,183	1,253	1,791	538	30.0%	7,012	7,012	-
Human Resources & Development		746	1,040	1,251	212	16.9%	5,285	5,275	10
Labor Relations		128	208	232	24	10.2%	922	922	-
Information & Communications Technology		4,082	4,212	4,536	324	7.1%	19,511	19,511	-
Finance & Budget		348	348	376	28	7.5%	1,493	1,490	3
Accounting & Financial Reporting Services		1,365	1,314	1,725	411	23.8%	6,596	6,586	10
Internal Audit		241	256	299	43	14.3%	1,215	1,215	-
Office of Social Responsibility		209	194	375	181	48.3%	1,567	1,567	-
Police		4,302	4,880	5,425	545	10.1%	21,452	21,432	20
Contingency		-	44	175	131	74.9%	700	700	-
Total Expenses		14,629	15,642	18,886	3,244	17.2%	75,008	74,920	88

Corporate Major Expense Variances

Operating Expenses (\$ in 000's)	Actual/Budget	
	Var. \$	Var. %
Salaries & Benefits	394	4.5%
Wages & Benefits	288	6.0%
Payroll to Capital Projects	112	15.1%
Equipment Expense	105	49.5%
Outside Services	1,347	45.4%
Travel & Other Employee Exps	441	55.3%
General Expenses	153	89.2%
Other	519	39.3%
Net Charges to Capital Projects	(115)	-14.0%
Total	<u>3,244</u>	<u>17.2%</u>

Port of Seattle

Q1 2011 Financial Performance

May 3, 2011