

**COMMISSION AGENDA– STAFF BRIEFING**

Item No. 6a  
Date of Meeting March 1, 2011

**DATE:** February 11, 2011  
**TO:** Tay Yoshitani, Chief Executive Officer  
**FROM:** Dan Thomas, Chief Financial and Administrative Officer  
Michael Tong, Corporate Budget Manager  
**SUBJECT:** 2010 Financial Performance Briefing

**BACKGROUND:**

In compliance with Port strategies of “Ensuring Airport and Seaport Vitality” through financial performance and “Enhancing Public Understanding and Support of the Port's Role in the Region,” this presentation is to provide a status report of 2010 financial performance results.

The Port’s overall operating revenues for 2010 were \$470.5 million, \$6.2 million, or 1.3% below budget. Excluding the \$12.0 million unfavorable budget variance from the aeronautical revenues, which are based on airline cost recovery formulas, operating revenues were \$5.7 million over budget. Total operating expenses were \$253.2 million, \$9.5 million, or 3.6% below budget. The operating expense variance was largely due to budget savings from some vacant positions, lower benefits rate, outside services expense, and utilities costs. Operating income before depreciation was \$217.3 million, \$3.2 million, or 1.5% over budget. Operating income after depreciation was \$56.5 million, \$1.0 million, or 1.8% higher than 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. Seaport Division Operating Results
4. Real Estate Division Operating Results
5. Capital Development Division Operating Results
6. Corporate Operating Results

**OTHER DOCUMENTS ASSOCIATED WITH THIS BRIEFING:**

- 2010 Financial and Performance Report.
- PowerPoint presentation.