

Statements of Net Assets (Balance Sheet)



Audit Committee Meeting
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ASSETS - TERMINOLOGY

- Cash equivalents
 - Investments maturing within 3 months from purchase date (mostly repurchase agreements)
- Short-term investments
 - Investments maturing within 1 year (of balance sheet date, not purchase date)
- Long-term investments
 - Investments maturing longer than 1 year (of balance sheet date, not purchase date)
- Restricted vs. Unrestricted
 - Cannot be used for current operations (such as bond funds for capital construction)

ASSETS (in thousands)

	% Change	2011	2010
CURRENT ASSETS:			
Cash and cash equivalents		\$ 161,732	\$ 100,538
Restricted cash and cash equivalents:	34% 		
Bond funds and other		77,678	78,080
Fuel hydrant assets held in trust		6,441	6,488
Short-term investments		69,091	64,215
Restricted short-term investments:			
Bond funds and other		38,244	49,249
NONCURRENT ASSETS:			
	15% 		
Long-term investments		359,046	374,958
Restricted long-term investments:			
Bond funds and other		204,686	298,536
Fuel hydrant assets held in trust		4,254	4,059









ASSETS - TERMINOLOGY

- Receivable
 - Accounts receivable
 - Invoices/billings issued to customers for services provided
 - Allowance for doubtful accounts, > 90 days past due or other specific circumstances
 - Grant-in-aid receivable
 - Federal/ State grants, met reimbursement eligibility requirements
 - Taxes receivable
 - Ad valorem tax levy assessed at beginning of the year
- Materials and supplies
 - held for use (operations/maintenance or capital)
 - reported at cost

ASSETS - TERMINOLOGY

- Assets held for sale
 - Eastside rail corridor, not for operational use
- Prepayments and other assets
 - Insurance (OCIP/surety), contract receivables, refunds, prepaid air space rental, leasing brokerage fee, software maintenance costs
 - Warehousemen's pension asset – long-term only
- Deferred finance costs
 - Debt issuance costs, e.g. bond insurance costs, rating agency fees, printing, legal, administrative expenses
- Capital assets
 - For operational use, met capitalization threshold (3 years life and \$20k, or greater, and ready for use)
- Construction work in progress
 - Capital projects, before completion/in service

ASSETS (in thousands)

	% Change	2011	2010
<u>CURRENT ASSETS:</u>			
Accounts receivable—net	13% 	\$ 35,843	\$ 31,860
Grants-in-aid receivable	40% 	2,650	4,419
Taxes receivable	7% 	1,922	2,056
Materials and supplies	9%	6,564	6,041
Assets held for sale	20% 	40,380	50,380
Prepayments and other current assets	71% 	6,621	3,878
<u>NONCURRENT ASSETS:</u>			
Other long-term assets	29% 	5,094	7,183
Deferred finance costs—net	7% 	31,109	33,548
Capital assets after depreciation	1%	5,159,663	5,124,288
Construction work in progress (CWIP)	32% 	449,401	339,413






LIABILITIES - TERMINOLOGY

- Accounts payable
 - Received goods/services and other obligations, unpaid
- Payroll and taxes payable
 - Salary and benefits payable at year end, paid the first payroll of new year
- Bond interest payable
 - Interest expense, normally paid semi-annually
- Lease securities and customer advances
 - Signatory airline lease and operating agreement
 - Terminal 18
- Debt
 - Current – principal payment due within 1 year
 - Long-term – principal payment due longer than 1 year

LIABILITIES - TERMINOLOGY

- Other postemployment benefits obligation
 - LEOFF I + Portwide life insurance
 - Net present value of future OPEB benefits, amortized by average service periods less funded amount
- Environmental remediation liability
 - Obligating events criteria per accounting standards are met
 - Reasonably estimated (probability) at current value
- Deferred revenue
 - Amount of revenue collected, but not earned yet (billings in advance)




LIABILITIES (in thousands)

	% Change	2011	2010
<u>CURRENT LIABILITIES:</u>			
Accounts payable and accrued expenses	29% 	\$ 35,545	\$ 49,905
Payroll and taxes payable	8% 	35,872	33,228
Bond interest payable	3%	39,868	41,301
Lease securities and customer advances	89% 	41,129	21,736
Current maturities of long-term debt	19% 	161,940	200,750
<u>LONG-TERM LIABILITIES:</u>			
Other postemployment benefits obligation	9% 	9,106	8,359
LONG-TERM DEBT	0%	3,348,654	3,341,559
<u>CURRENT + LONG-TERM LIABILITIES:</u>			
Environmental remediation liability	6%	53,359	56,724
Deferred revenue, election expense, & others	7%	22,822	21,253

NET ASSETS - TERMINOLOGY

- Starting 2012, new term, “Net Position”
 - Invested in capital assets – net of related debt
(Net investment in capital assets)
 - Capital assets, net of accumulated depreciation, outstanding balance of debt attributed to the acquisition, construction, or improvement of those assets
 - Restricted
 - Subject to externally imposed stipulations on their use, but restrictions should not be too broad
 - Unrestricted
 - All others not fitting the 2 categories above

NET ASSETS (in thousands)

	% Change	2011	2010
Invested in capital assets—net of related debt	3% 	\$ 2,306,698	\$2,248,793
Restricted for:			
Debt service reserves	4%	110,513	105,913
Passenger facility charges	17% 	24,272	20,725
Grants and other	31%	879	670
Unrestricted	10% 	469,762	428,273



Questions?

Thank you!