

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

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

<b>Item No.</b>	7b
<b>Date of Meeting</b>	March 24, 2015

**DATE:** February 20, 2015  
**TO:** Ted Fick, Chief Executive Officer  
**FROM:** Dan Thomas, Chief Financial and Administrative Officer  
Michael Tong, Corporate Budget Manager  
**SUBJECT:** 2014 Financial Performance Briefing

**SYNOPSIS**

The purpose of this presentation is to provide a status report of the 2014 financial performance results.

**BACKGROUND**

The Port's overall operating revenues for 2014 were \$535.0 million, which is \$2.4 million under budget and \$10.0 million lower than 2013 actual mainly due to lower Aeronautical revenues, which are based on cost recovery and revenue sharing formulas. Excluding Aeronautical revenues, other operating revenues were \$309.8, which is \$10.2 million higher than budget and \$17.7 million higher than 2013 actual due to higher revenues from Public Parking, Rental Cars, Airport Dining and Retail, and Grain; partially offset by lower revenues from Container.

Total operating expenses for 2014 were \$308.0 million, which is \$15.4 million, or 4.8%, below budget. The operating expense variance was largely due to delays in hiring, some vacant positions, and other budget savings.

Operating income before depreciation was \$227.0 million, which is \$12.9 million, or 6.0%, over budget. Operating income after depreciation was \$60.6 million, which is \$11.0 million, or 22.2%, higher than budget.

Each division will present its results to the Commission. The presentation outline is as follows:

1. Aviation Division Operating Results
2. Seaport Division Operating Results
3. Real Estate Division Operating Results
4. Capital Development Division Operating Results
5. Corporate Operating Results
6. Portwide Operating Results

## **COMMISSION AGENDA**

Ted Fick, Chief Executive Officer

February 20, 2015

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### **ATTACHMENTS TO THIS BRIEFING**

- 2014 Financial and Performance Report.
- PowerPoint presentation (Short version).
- PowerPoint presentation (Long version).

### **PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

- None