



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 7b

**BRIEFING ITEM**

**Date of Meeting** March 14, 2017

**DATE:** February 21, 2017

**TO:** Dave Soike, Interim Chief Executive Officer

**FROM:** Dan Thomas, Chief Financial Officer  
Michael Tong, Asst. Finance Director – Budget

**SUBJECT:** 2016 Financial Performance Briefing

**EXECUTIVE SUMMARY**

The purpose of this presentation is to provide a status report the 2016 financial performance results.

The Port's overall operating revenues for 2016 were \$598.5 million, which is \$13.9 million above budget and \$39.5 million higher than 2015 actual. Excluding Aeronautical revenues, which are based on cost recovery and revenue sharing formulas, other operating revenues were \$354.2, which is \$27.1 million higher than budget and \$21.3 million higher than 2015 actual due to higher revenues from Public Parking, Rental Cars, Airport Dining and Retail, Ground Transportation, Cruise, and NWSA Distributable Revenue.

Total operating expenses for 2016 were \$325.3 million, which is \$10.7 million, or 3.2%, below budget. The operating expense variance was largely due to delays in hiring, vacant positions, and other budget savings.

Operating income before depreciation was \$273.2 million, which is \$24.5 million, or 9.9%, over budget and \$32.1 million, or 13.3%, higher than 2015 actual.

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

1. Portwide Financial Results
2. Aviation Division Financial Results
3. Maritime Division Financial Results
4. Economic Development Division Financial Results
5. Corporate Financial Results

**ATTACHMENTS TO THIS BRIEFING**

- (1) Presentation slides
- (2) 2016 Financial and Performance Report

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

None