



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.**

9d

**BRIEFING ITEM**

**Date of Meeting**

March 13, 2018

**DATE:** February 23, 2018  
**TO:** Steve Metruck, Executive Director  
**FROM:** Dan Thomas, Chief Financial Officer  
Michael Tong, Asst. Finance Director – Budget  
**SUBJECT:** 2017 Financial Performance Briefing

**EXECUTIVE SUMMARY**

The purpose of this presentation is to provide a status report of the 2017 financial performance results.

**BACKGROUND**

The Port's overall operating revenues for 2017 were \$630.4 million, which is \$10.1 million above budget and \$31.9 million higher than the same period last year. Excluding Aeronautical revenues, which are based on cost recovery and revenue sharing formulas, other operating revenues were \$367.9 million, which is \$22.5 million above budget and also \$13.7 million higher than 2016 levels primarily due to higher revenues from Public Parking, Airport Dining and Retail, Ground Transportation, Airport Commercial Properties, Cruise, and Conference & Event Centers.

Total operating expenses for 2017 were \$371.3 million, which is \$13.3 million below budget but \$46.0 million higher than 2016. The operating expense variance was largely due to delays in hiring, vacant positions, project delays, and some actual budget savings.

Net operating income before depreciation was \$259.1 million, which is \$23.5 million above budget but \$14.1 million lower than 2016.

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. Maritime Division Operating Results
4. Economic Development Division Operating Results
5. Corporate Operating Results

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**ATTACHMENTS TO THIS BRIEFING**

- (1) 2017 Financial and Performance Report
- (2) Presentation slides

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

None