



**COMMISSION
AGENDA MEMORANDUM**

Item No. 9a

BRIEFING ITEM

Date of Meeting May 22, 2018

DATE: May 4, 2018

TO: Steve Metruck, Executive Director

FROM: Dan Thomas, Chief Financial Officer
Michael Tong, Assistant Finance Director, Budget

SUBJECT: 2019 Budget Process and Development Briefing

EXECUTIVE SUMMARY

The purpose of this briefing is to provide the Commission an overview of the Port's 2019 budget process and to seek input on priorities and outcomes.

ADDITIONAL BACKGROUND

Port staff is planning for the 2019 budget and will brief the Commission on the process and schedule and will seek input from the Commission regarding the process and strategic priorities. The following areas will be particularly in focus in developing the budget:

- Managing operating expenses to increase Net Operating Income in a sustainable way
- Seeking new revenue and efficiency opportunities where possible
- Obtaining Commission input early in the process regarding priorities and desired outcomes
- Prioritizing capital projects to align with projected funding resources
- Refining funding plans for major programs, e.g. SAMP, NWSA (including T5), Waterfront Vision
- Ensuring alignment of budgets with Long Range Plan objectives

This is the first session in a series of planned 2019 Budget Commission briefings. Below are the remaining significant dates and topics for the 2019 budget schedule:

- May 22, 2018 – 2019 Budget Process and Development Commission Briefing.
- June 26, 2018 – 2019 Budget Development Commission Briefing (Aviation Division Business Forecast).
- July 10, 2018 – 2019 Budget Development Commission Briefing (Maritime Businesses Forecast).
- July 24, 2018 – 2019 Budget Development Commission Briefing (EDD Businesses Forecast).
- August 14, 2018 – LRP Commission Briefing.

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- August 14, 2018 – Commission budget priorities discussion.
- August 28, 2018 – 2019 key budget assumptions memo to the Commission.
- September 11, 2018 – Q2 Financial Performance Briefing to the Commission.
- September 11, 2018 – LRP presented to the Commission for approval.
- September 25, 2018 – Central Services budget Commission briefing.
- October 9, 2018 – Operating division budgets Commission briefing.
- October 23, 2018 – Tax Levy & Draft Plan of Finance Commission briefing.
- October 23, 2018 – 2019 preliminary budget document available to the Commission.
- October 25, 2018 – 2019 preliminary budget document available to the public.
- October 30, 2018 – NWSA budget study session by Managing Members.
- November 13, 2018 – NWSA budget adoption by Managing Members.
- November 13, 2018 – First reading of budget resolution and public hearing.
- November 13, 2018 – Commission Approval of the 2019 ILA/Service Directives between POS and the NWSA.
- November 27, 2018 – Second reading and final passage.
- December 3, 2018 – Filing of 2019 Statutory Budget with King County Council & Assessor.
- December 14, 2018 – Release of 2019 Budget to the Public.

ATTACHMENTS TO THIS BRIEFING

- (1) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None