



Port of Seattle Q2 2020 Financial Performance Report

Commission Briefing
August 11, 2020

Context for Q2 Financial Performance

- On May 31, the Governor signed the [Proclamation 20-25.4](#), which outlined the “Safe Start” to reopen the economy in phases.
- The COVID-19 pandemic continues to have a significant impact to the Port businesses.
- Airport passenger levels dipped 94% in April compared to the prior year but improved to 78% lower in June as limited non-essential travel resumed.
- 2020 cruise season has been cancelled due to the COVID-19 pandemic.
- The Port instituted Port wide cost reductions and identified over \$30M in operating expenses and \$40M in CIP deferrals.
- The Port is seeking reimbursement from FEMA for certain COVID-19 related costs.

Aviation Division

Q2 2020 Financial Performance Report

Aviation Division

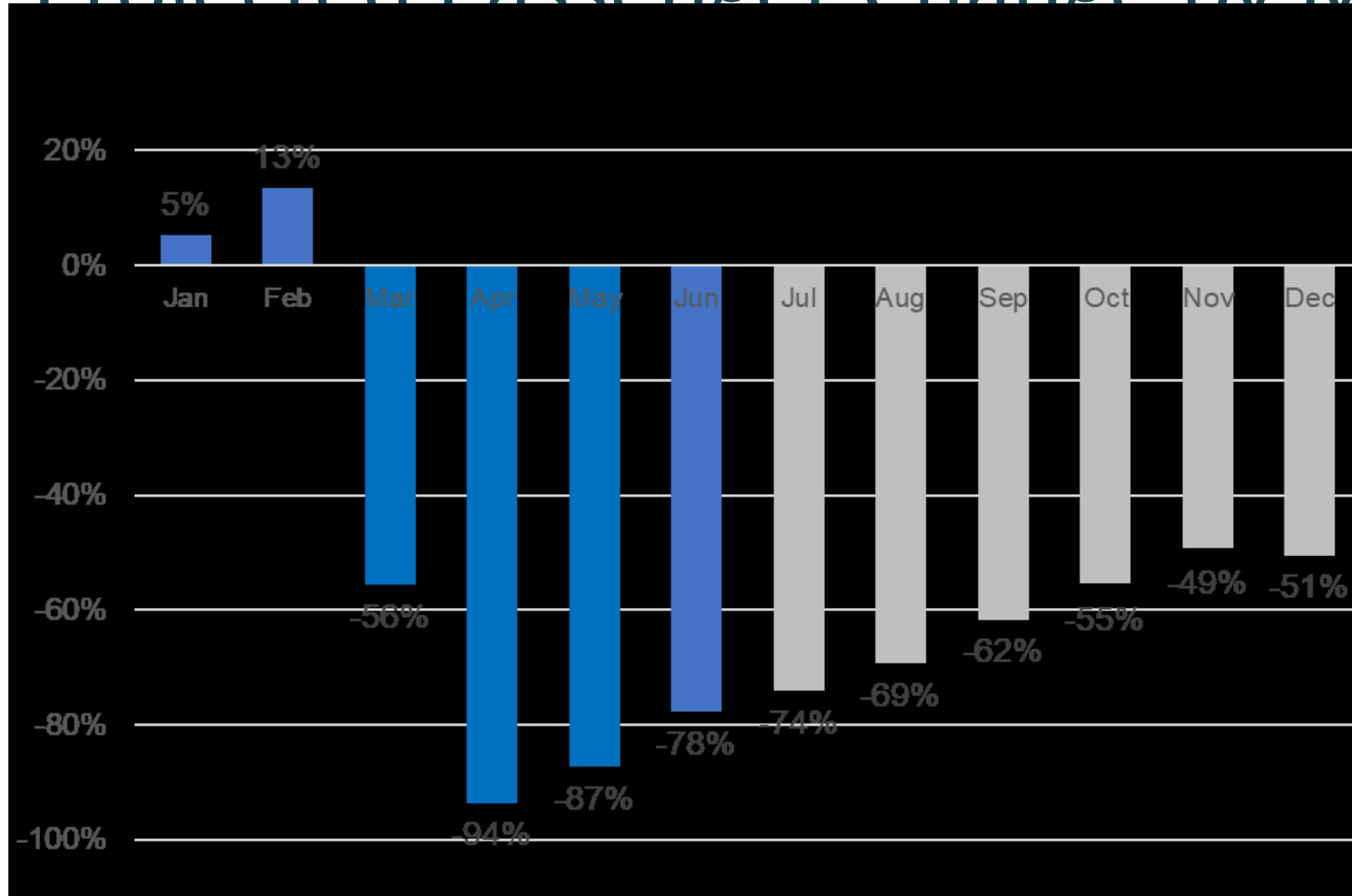
Financial Summary

| <i>Figures in \$000s</i> | Forecast | Revised Budget | Approved Budget | Variance |
|---------------------------------|-----------------|-----------------------|------------------------|------------------|
| Revenues | | | | |
| Aeronautical | 297,373 | 401,342 | 401,342 | (103,969) |
| Non-aeronautical | 115,448 | 135,074 | 283,167 | (19,625) |
| Total | 412,821 | 536,416 | 684,510 | (123,595) |
| O&M expense | 342,646 | 348,826 | 377,306 | 6,180 |
| NOI | 70,175 | 187,589 | 307,203 | (117,415) |
| <u>Key Measures</u> | | | | |
| Non-Aero NOI | 4,097 | 21,443 | 154,660 | (17,346) |
| CPE (\$) | 26.21 | 13.93 | 13.93 | (12.28) |
| Debt Service Coverage | 1.36 | 1.80 | 1.80 | -0.44 |
| <u>Other Information</u> | | | | |
| ADF Balance | 290.2M | 314.4M | | -24.2M |
| Capital Spending | 501,490 | 489,182 | | (12,308) |

Business Highlights

- Forecasting 61% drop in passengers in 2020 compared to 2019
- Received \$192 million in CARES Act grant
- Implementing FlyHealthy@SEA strategy to address Covid-19, restore confidence for travelers and workers
 - Will likely reduce current favorable O&M variance
- Financial relief packages provided to airline and non-airline customers
- Note: debt service coverage calculation currently under review for treatment of CARES Act grant

Projected Passenger Change by Month

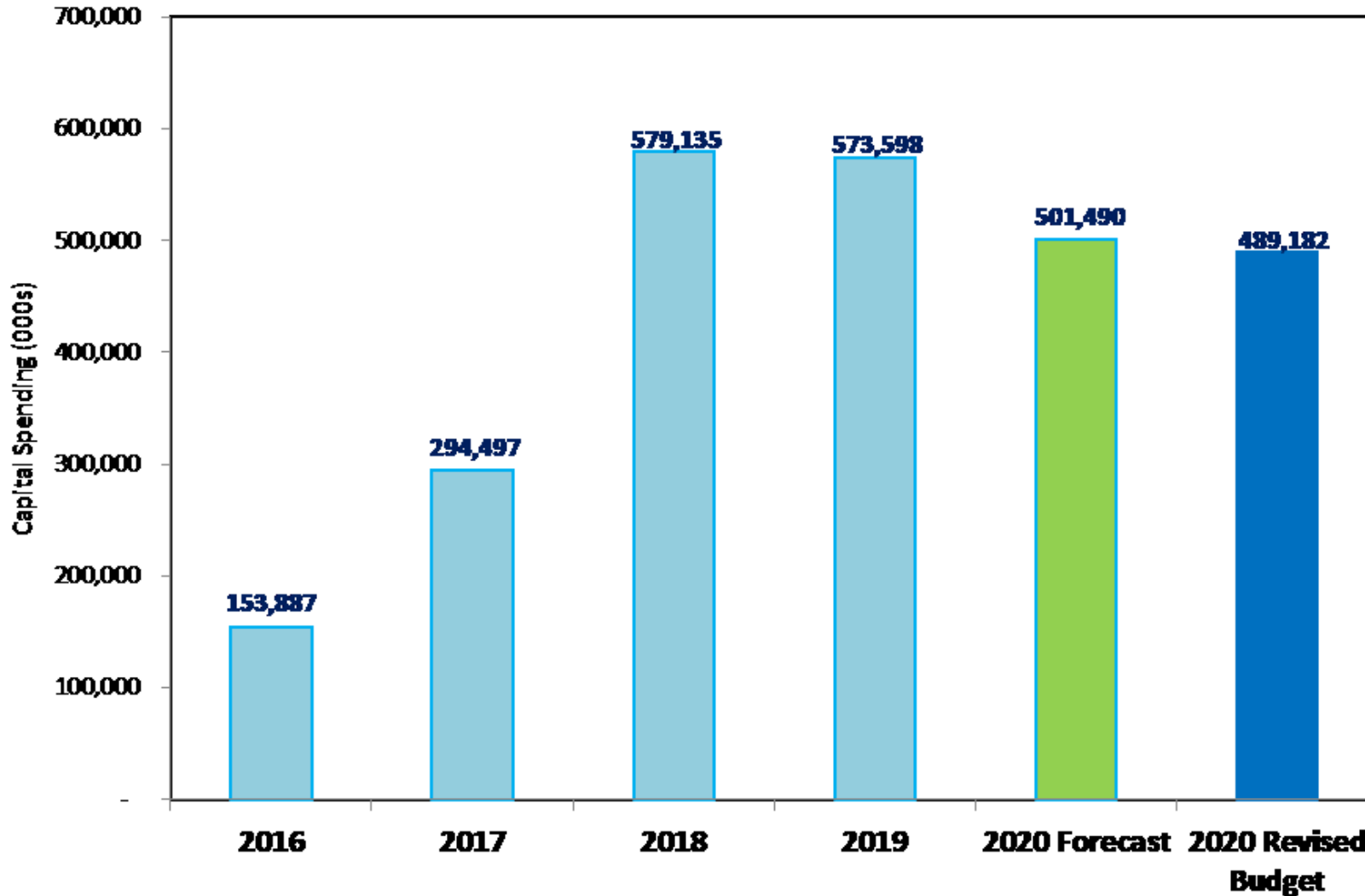


Full year 2020 forecast: total passenger decline of 61% compared to 2019

Aviation Business Events

- **Health & Safety:** on track to achieve all objectives
- **Security:** Initiated mobile unpredictable screening for Airfield access points
- **Employee Engagement:** June pulse survey – all responses 77% positive (or greater)
- **Community:** Completed Condo noise insulation design
- **Innovation:** Completed 2 Shark Tanks YTD, RFI for Virtual Queuing
- **Social Responsibility:** ACDBE Sales percent = 32.5% vs goal of 22%
- **Customer Experience:** Completed near-term FlyHealthy@SEA actions by June, active implementation of SEA brand
- **Environment & Sustainability:** signed long-term contract for purchase of renewable natural gas
- **Financial Sustainability:** Launched public parking Pre-Booked program
- **Asset Management and Capital/Planning:** Completed phase 1 of Baggage Optimization

Capital Spending



2020 Forecast:

- IAF = \$185M
- NSAT = \$156M
- Other = \$160M

Major 2020 Variances:

- IAF = \$30M
- NSAT = (\$22M)
- Other = (\$20M)

2020 Includes CIP cash flow management reserve of -\$36M

Non-Aviation Divisions

Q2 2020 Financial Performance Report

Non-Aviation YTD Performance Summary

| \$ in 000's | 2020 YTD | 2020 YTD | 2020 YTD | Fav (UnFav) | |
|--|---------------|----------------|-----------------|----------------------------------|-------------|
| | Actual | Revised Budget | Approved Budget | Fcst vs. Revised Budget Variance | |
| | | | | \$ | % |
| Revenues | | | | | |
| Maritime | 18,338 | 18,214 | 28,465 | 124 | 1% |
| Economic Development Division | 5,359 | 6,450 | 7,930 | (1,091) | -17% |
| Joint Venture | 20,706 | 20,161 | 20,161 | 545 | 3% |
| Total Revenue | 44,403 | 44,825 | 56,557 | (422) | -1% |
| Expenses | | | | | |
| Maritime | 22,311 | 26,441 | 27,347 | 4,130 | 16% |
| Economic Development Division | 9,493 | 12,459 | 13,948 | 2,966 | 24% |
| Joint Venture | 486 | 389 | 390 | (97) | -25% |
| Total Expense | 32,290 | 39,289 | 41,685 | 6,999 | 18% |
| NOI Before Stormwater Utility | 12,113 | 5,536 | 14,872 | 6,577 | 119% |
| Stormwater Utility Revenues | 3,171 | 3,135 | 3,135 | 36 | 1% |
| Stormwater Utility Expenses | 2,068 | 2,669 | 2,718 | 601 | 23% |
| Stormwater Utility NOI | 1,103 | 466 | 417 | 637 | 137% |
| Total Non-Aviation Business NOI | 13,216 | 6,002 | 15,289 | 7,214 | 120% |

Revised Budget

- Revenue on target
- Expenses favorable due to variable costs and timing

Approved Budget

- No Cruise sailings driving down revenue
- NOI excluding Stormwater down \$2.7M

Maritime Division

Q2 2020 Financial Performance Report

Maritime Division

Bottom Line Up Front

Financial Summary

| <i>Figure in \$000s</i> | Forecast | Revised Budget | Approved Budget | Variance |
|---|-----------------|-----------------------|------------------------|-----------------|
| Revenues | | | | |
| Fishing, Commercial, & Recreational Marinas | 22,771 | 22,747 | 22,747 | 24 |
| Cruise | 4,261 | 5,909 | 26,261 | (1,647) |
| Maritime Portfolio Mgmt. | 9,622 | 10,428 | 10,428 | (806) |
| Grain / Other | 3,750 | 3,501 | 3,501 | 249 |
| Total | 40,405 | 42,585 | 62,938 | (2,180) |
| O&M Expense | | | | |
| Direct | 21,315 | 22,035 | 22,637 | 720 |
| Support Services | 15,251 | 15,051 | 16,110 | (200) |
| Central Services and Other | 14,580 | 15,106 | 15,650 | 526 |
| Total | 51,145 | 52,191 | 54,396 | 1,046 |
| NOI | (10,740) | (9,606) | 8,541 | (1,134) |
| Capital Spending | 22,697 | 19,712 | | 2,985 |

Business Highlights

COVID-19 Driven

- No return to the Cruise Business in 2020.
- Fishing, Commercial and Recreational Marinas seeing limited impact.
- Elimination of Port Valet and further cuts in Central Services.
- T117 restoration advancing faster than planned.

Maritime Q2 2020 Financial Highlights

Maritime YTD –Net Operating Income is \$4.3M favorable to revised budget and \$9M below 2019

- Revenue in line with revised budget and \$9M below 2019, primarily from Cruise cancellation.
- Expenses \$4.1M (13%) favorable to budget driven by delayed maintenance and timing of spend. Expenses are flat Y/Y despite the addition of T46 lease payment to NWSA.
- YTD Q2 Capital spend was \$9.9M with forecasted spend at \$22.7M (115% of budget).

- Stormwater Utility revenue and expenses are each tracking favorable to budget.

| | 2018 YTD | 2019 YTD | 2020 YTD | | Fav (UnFav) Fcst vs. Revised Budget Variance | | Incr (Decr) Change from 2019 | | |
|--------------------------|----------|----------|----------|----------|--|--------------------|---------------------------------|---------|-------|
| | | | Actual | Actual | Revised Budget | Approved Budget | \$ | % | \$ |
| \$ in 000's | Actual | Actual | Actual | Budget | Budget | \$ | % | \$ | % |
| Total Revenues | 26,257 | 27,368 | 18,338 | 18,214 | 28,465 | 124 | 0% | (9,030) | -33% |
| Total Operating Expenses | 21,716 | 22,310 | 22,311 | 26,441 | 27,347 | 4,130 | 15% | 1 | 0% |
| Net Operating Income | 4,541 | 5,058 | (3,973) | (8,227) | 1,119 | 4,254 | 380% | (9,031) | -179% |
| Depreciation | 8,823 | 8,911 | 8,781 | 8,651 | 8,649 | (130) | -2% | (130) | -1% |
| Net Income | (4,281) | (3,853) | (12,754) | (16,878) | (7,530) | 4,124 | 55% | (8,901) | -231% |

Maritime Events & Achievements

- Cruise – Working with constituencies to develop guiding protocols for recommencing Cruise in 2021.
- Fishing:
 - COVID Testing of fishers at FT.
 - The F/V St. Jude conducted whole tuna sales at Fishermen’s Terminal. The vessels held several days of sales which attracted over 1000 customers per day. Additionally, this encouraged purchases from other fishermen and Wild Salmon Seafood.
- Shilshole Bay Marina Customer Service Facilities and repaving project progresses with slight delays. All new buildings are scheduled to open early in Q3.
- **Maritime Environmental**
 - Managed 'stand-down' process for T46 Cruise EIS to get consultants to a logical stopping point.
 - Completed all permitting tasks for Terminal 117 Habitat Restoration and Public Shoreline Access project.
 - Signed an Order with EPA to perform an Engineering Evaluation / Cost analysis for investigation and cleanup at T108.
 - Awarded \$6.6M (75% match is \$5M) from DOE for NWSA T5 Stormwater.

Stormwater Utility Q2 Financials

| \$ in 000's | 2018 YTD Actual | 2019 YTD Actual | 2020 YTD Actual | 2020 YTD Revised Budget | 2020 YTD Approved Budget | Fav (UnFav) Actual vs. Revised Budget Variance | | Incr (Decr) Change from 2019 | |
|--------------------------------|--------------------|--------------------|--------------------|-------------------------------|--------------------------------|--|--------------|---------------------------------|--------------|
| | | | | | | \$ | % | \$ | % |
| Revenue | | | | | | | | | |
| NWSA | 2,097 | 519 | 656 | 472 | 472 | 183 | 39% | 137 | 26% |
| Tenants Revenue | 561 | 1,709 | 1,625 | 1,886 | 1,886 | (261) | -14% | (83) | -5% |
| Non-tenants Revenue | 49 | 670 | 890 | 777 | 777 | 114 | 15% | 220 | 33% |
| Total Revenues | 2,707 | 2,897 | 3,171 | 3,135 | 3,135 | 36 | 1% | 274 | 9% |
| Expenses | | | | | | | | | |
| SWU Direct | 394 | 336 | 609 | 619 | 619 | 10 | 2% | 273 | 81% |
| Maintenance Expenses | 1,670 | 1,527 | 945 | 1,545 | 1,576 | 599 | 39% | (582) | -38% |
| Seaport Project Management | 103 | 180 | 22 | 40 | 43 | 17 | 43% | (157) | -88% |
| Environmental & Sustainability | 11 | 19 | 7 | 23 | 24 | 16 | 69% | (12) | -63% |
| Other Central Services | 345 | 406 | 330 | 443 | 456 | 113 | 25% | (76) | -19% |
| Total Expenses | 2,523 | 2,468 | 1,914 | 2,669 | 2,718 | 755 | 28% | (554) | -22% |
| NOI Before Depreciation | 184 | 429 | 1,257 | 466 | 417 | 791 | 170% | 828 | 193% |
| Depreciation | 548 | 599 | 618 | 599 | 598 | (19) | -3% | 19 | 3% |
| NOI After Depreciation | (364) | (170) | 639 | (133) | (182) | 772 | -581% | 809 | -476% |

- Installed 3 tide gates and working with tenants on potential relief including deferrals

Northwest Seaport Alliance Summary

| NWSA Operating Income <i>Before GASB 87 Adjustment</i> | 2019 YTD | | 2020 Year-to-Date | | Fav (UnFav) | | Incr (Decr) | |
|---|---------------|---------------|-------------------|-----------------|-------------|-----------|------------------|-------------|
| | Actual | Actual | Budget | Budget Variance | \$ | % | Change from 2019 | % |
| \$ in 000's | | | | | | | | |
| Operating Revenue | 98,997 | 89,755 | 96,185 | (6,430) | | -7% | (9,242) | -9% |
| Operating Expense | 51,212 | 47,354 | 56,934 | 9,580 | | 17% | (3,858) | -8% |
| Operating Income | 47,785 | 42,401 | 39,251 | 3,150 | | 8% | (5,384) | -11% |
| Cargo TEUs | 1,915,249 | 1,559,903 | | | | | (355,346) | -19% |
| Cargo Volume (Metric Tons) | 15,129,071 | 13,036,960 | | | | | (2,092,111) | -14% |

Note: GASB 87 Accounting impact and Non-Operating Totals available on NWSA Site

Revenue – Q2 YTD \$6.4M below budget from lower cargo volumes and lease terminations.

Expenses – Q2 YTD \$9.6M favorable to budget. Operations costs were below budget

- \$2.6M from timing of the crane removal at Husky Terminal.
- \$1.7M in reduced Maintenance spend
- \$3.7M in reduced Infrastructure, Commercial, and Administrative costs.

NWSA TEU Data

YTD June 2020, there was a total of 55 void sailings due to a combination of the lingering trade dispute with China and the pandemic. Of the 55 canceled sailings, 33 were in Q1 as unprecedented disruptions from COVID-19 rippled across the global supply chain. Tariffs and COVID-19 show the risk of single-country sourcing. Many shippers are looking to diversify manufacturing and sourcing activities to SE Asia or other countries, which may have longer term implications for the gateway as these origins may be better served by east coast ports due to shorter transits. NWSA total international TEUs are down 20.9% YTD while total TEUs are down 18.3%.

Exports (YTD Apr 2020 vs. YTD Apr 2019):

- Japan, Korea, China, Taiwan and Indonesia were our top trading partners.
- Exports to Japan, Korea, China, Taiwan and Indonesia declined 12.0%, 14.9%, 4.2%, 37.4%, and 0.6%, respectively.
- Exports to Thailand and Vietnam grew 6.6% and 13.9%, albeit off a smaller base.
- Exports are down 13.8% YTD Apr.

Imports (YTD Apr 2020 vs. YTD Apr 2019):

- China, Vietnam, Japan, Taiwan and Korea were our top trading partners.
- Imports from China, Japan, Taiwan and Korea are down 30.0%, 15.1%, 15.0% and 18.1%, respectively.
- Vietnam moved to our #2 origin country. Imports from Vietnam are up 66.7%, 39,119 TEUs vs. 23,461 TEUs.
- Imports are down 16.8% YTD Apr.

*Export and import data source PIERS, full international

Joint Venture Q2 Financials

| \$ in 000's | 2020 YTD | 2020 YTD | 2020 YTD | Fav (UnFav) | | Total Year Budget |
|--|---------------|----------------|-----------------|----------------------------------|------------|-------------------|
| | Actual | Revised Budget | Approved Budget | Fcst vs. Revised Budget Variance | % | |
| | | | | \$ | | |
| Revenue | | | | | | |
| Joint Venture Revenue | 21,218 | 20,968 | 20,968 | 250 | 1% | 41,935 |
| Contra Joint Venture Revenue | (957) | (957) | (957) | (0) | 0% | (1,913) |
| Other Service Revenue Tenant Reimburse | 217 | 150 | 150 | 66 | 44% | 301 |
| Revenue On Port Property | 229 | - | - | 229 | NA | - |
| Total Revenues | 20,706 | 20,161 | 20,161 | 545 | 3% | 40,322 |
| Expenses | | | | | | |
| Maintenance Expenses | 304 | 325 | 325 | (21) | -6% | 707 |
| JV Direct | 121 | 14 | 14 | 107 | 758% | 28 |
| Other Central Services | 42 | 35 | 36 | 8 | 22% | 71 |
| Environmental & Sustainability | 6 | 1 | 1 | 5 | 740% | 1 |
| Seaport Project Management | 11 | 14 | 14 | (3) | -21% | 29 |
| EDD Expenses | 1 | - | - | 1 | NA | - |
| Total Expenses | 486 | 389 | 390 | 97 | 25% | 837 |
| NOI Before Depreciation | 20,221 | 19,772 | 19,772 | 448 | 2% | 39,486 |
| Depreciation | 7,609 | 7,622 | 7,622 | (13) | 0% | 15,227 |
| NOI After Depreciation | 12,611 | 12,151 | 12,150 | 461 | -4% | (24,258) |

Home Port Activities

Revenues:

- Joint Venture revenue above budget due to lower expenses at NWSA
- Other Service Revenue higher than budget due to tenant reimbursable Maintenance work
- Revenue on Port Property – from temporary moorage on the northwest face of T46

Expenses

- Maintenance higher than budget due to late tenant reimbursements (Bad Debt)
- JV Direct - SWU Fees at T46 (Not in Budget)

Economic Development Division

Q2 2020 Financial Performance Report



Economic Development Division

Bottom Line Up Front

Financial Summary

| <i>Figure in \$000s</i> | Forecast | Revised Budget | Approved Budget | Variance |
|----------------------------|-----------------|-----------------------|------------------------|-----------------|
| Revenues | 10,517 | 15,658 | 19,110 | (5,141) |
| O&M Expense | | | | |
| EDD & Maritime | 7,467 | 12,207 | 14,805 | (4,740) |
| Maintenance | 3,476 | 3,476 | 3,819 | 0 |
| Diversity in Contracting | 151 | 151 | 197 | 0 |
| Tourism | 2,342 | 2,842 | 1,536 | (500) |
| EDD Grants | 810 | 1,110 | 1,110 | (300) |
| Central Services and Other | 6,982 | 7,437 | 7,901 | (455) |
| Total | 21,227 | 27,222 | 29,368 | (5,995) |
| NOI | (10,711) | (11,564) | (10,258) | 854 |
| Capital Spending | 8,436 | 10,699 | | (2,263) |

Business Highlights

COVID-19 Driven

- Additional BHICC cancellations resulting in additional forecast reductions of \$4.5M in revenue and expense.
- Expenses forecasted \$6M below budget from port-wide cost reductions, program spend timing, and variable expenses.
- Executed 47 rent relief requests with waterfront tenants.
- Bell Harbor Conference Center Modernization completion in Q3.

Economic Development Financial Highlights

2020 Net Operating Income \$1.9M favorable to revised budget and \$1.8M lower than 2019

- Revenue unfavorable to revised budget by \$1.1M and \$5M lower than 2019 driven primarily by deeper COVID-19 cancellations and construction at the Conference and Event Centers.
- Expenses favorable to revised budget by \$3M driven by less conferences, favorable Maintenance and Central services cost. Expenses are lower by \$3.2M Y/Y due to variable cost associated with lower Conference & Event Center volumes.
- EDD spent 72% of revised Capital budget in Q1 with most attributed to the Bell Harbor Conference Center Modernization. The 2020 forecasted spend is \$8.4M (79% of revised budget).

| | 2018 YTD Actual | 2019 YTD Actual | 2020 YTD Actual | 2020 YTD Revised Budget | 2020 YTD Approved Budget | Fav (UnFav) Fcst vs. Revised Budget Variance | | Incr (Decr) Change from 2019 | |
|--------------------------|--------------------|--------------------|--------------------|-------------------------------|--------------------------------|--|------|---------------------------------|------|
| | | | | | | \$ | % | \$ | % |
| \$ in 000's | | | | | | | | | |
| Total Revenues | 9,765 | 10,384 | 5,359 | 6,450 | 7,930 | (1,091) | -17% | (5,025) | -48% |
| Total Operating Expenses | 12,557 | 12,684 | 9,493 | 12,459 | 13,948 | 2,966 | 24% | (3,191) | -25% |
| Net Operating Income | (2,791) | (2,300) | (4,134) | (6,009) | (6,018) | 1,875 | 31% | (1,834) | -80% |
| Depreciation | 1,980 | 1,833 | 1,774 | 1,705 | 1,704 | (68) | -4% | (59) | -3% |
| Net Income | (4,771) | (4,133) | (5,908) | (7,715) | (7,722) | 1,807 | 23% | (1,775) | -43% |

Q2 2020 EDD Program Advancements

- **Real Estate Development – Finalized Pier 86 agreement with DFW. Completed 30% design on Fishermen’s Terminal projects.** Finalized Des Moines Creek RFP. Real Estate Strategic Plan at 50%.
- **Pier 69: implemented coronavirus response measures:** Installed signage, floor markings, and barriers to encourage good hygiene and physical distancing.
- **Portfolio Management - Provided rent relief to landside tenants.** Executed first amendment to the lease with Mad Anthony’s and third amendment with Dukes at Shilshole Bay Marina.
- **The Maritime Blue innovation accelerator cohort finished its program.** Eleven entrepreneurs advanced through the four month program which concluded with an online showcase where each emerging business pitched its products or services to over 200 virtual attendees.
- **Tourism – Developed Cruise & Stay training videos and press releases** to keep Seattle and WA top of mind for British, Australian and German markets. The videos are being utilized by CLIA international offices and cruise tour operator specialists promoting 2021 Alaska season.
- **Diversity in Contracting:** As of Quarter 2, the **Port is currently exceeding its 2020 Port wide WMBE (Non-Construction) goal of 14.4%**, obtaining 15% WMBE utilization. Conversely, construction achieved 4.7% WMBE utilization.

Central Services

Q2 2020 Financial Performance Report

Central Services

Financial Summary

| | 2020 | 2020 | 2020 | |
|--------------------------|----------------|----------------|-----------------|--------------|
| <i>Figures in \$000s</i> | Forecast | Revised Budget | Approved Budget | Variance |
| Revenues | 1,665 | 40 | 40 | 1,625 |
| Core Central Support Ser | 89,449 | 91,594 | 93,604 | 2,145 |
| Police | 30,012 | 31,312 | 31,444 | 1,300 |
| Capital Development | 8,888 | 8,611 | 12,513 | (277) |
| Environment & Sustainab. | 10,398 | 10,399 | 12,866 | 1 |
| O&M Expenses | 138,747 | 141,916 | 150,427 | 3,170 |
| Capital Spending | 9,787 | 12,691 | | 2,904 |

Business Highlights

- Operating revenues forecast to be \$1.6M favorable due to unbudgeted revenue from Police.
- O&M expenses is expected to be \$3.2M favorable due to hiring freeze, cutting discretionary spending, and spending delay.
- Capital spending is expected to be \$2.9M favorable to the revised budget.

Central Services Business Events

- Developed and deployed the **Self-Check Health Survey**. This system allows any Port employee, volunteer, or non-construction contractor to affirm no known COVID-19 exposure or symptoms each day prior to visiting a Port facility
- POSPD provided **mutual aid** to the City of Seattle in response to the major civil unrest from May 31 to June 4.
- POSPD participated in the annual **Special Olympics Torch Run** on 6/6. This year the run was performed in virtual teams due to COVID-19 restrictions.
- The Office of Equity, Diversity and Inclusion developed a **three-year workforce development strategic plan** for 2021-2023 with community feedback.
- Completed the Port's **new budget planning system implementation** in June after more than two years of planning.
- **PeopleSoft Financials People Tools Upgrade**: This upgrade finished earlier than expected, in Q2, continuing support and providing new features to enhance operations and the user-experience.
- HR implemented a **new Applicant Management System, Taleo**.
- Conducted **Career Readiness Workshops** for ten Duwamish Valley youth for POS spring and summer virtual internship program.
- Held media availability on June 25 to introduce nonprofits working with the Port to **sponsor 220 Opportunity Initiative youth jobs** this summer.

Central Services Financial Highlights

| | 2018 YTD | 2019 YTD | 2020 YTD | 2020 YTD | 2020 YTD | Fav (UnFav) | | Incr (Decr) | |
|---------------------------------|---------------|---------------|---------------|----------------|-----------------|------------------------------------|----------------|------------------|---------------|
| | Actual | Actual | Actual | Revised Budget | Approved Budget | Actual vs. Revised Budget Variance | | Change from 2019 | |
| | | | | | | \$ | % | \$ | % |
| \$ in 000's | | | | | | | | | |
| Total Operating Revenues | 81 | 331 | 1,640 | 20 | 20 | 1,620 | 8101.4% | 1,309 | 395.7% |
| Core Central Support Services | 37,027 | 38,479 | 41,186 | 43,566 | 45,683 | 2,380 | 5.5% | 2,707 | 7.0% |
| Police | 13,188 | 13,997 | 14,819 | 15,697 | 15,784 | 878 | 5.6% | 822 | 5.9% |
| Capital Development | 4,453 | 5,164 | 4,773 | 5,457 | 6,171 | 684 | 12.5% | (391) | -7.6% |
| Environment & Sustainability | 2,954 | 4,551 | 4,999 | 5,091 | 5,911 | 92 | 1.8% | 448 | 9.9% |
| Total Operating Expenses | 57,621 | 62,191 | 65,777 | 69,812 | 73,549 | 4,035 | 5.8% | 3,586 | 5.8% |

2020 YTD Expenses are \$4.0M favorable to the revised budget due to:

- Delay in contract spending, cutting/reducing discretionary spending, and implementing hiring freeze for all new and backfill vacant positions as part of the COVID-19 cost reduction measures.

2020 YTD Total Operating expenses are \$3.6M higher compared to 2019 due to:

- Higher payroll costs due to merit increases.
- Additional FTEs and funding to support Portwide goals and initiatives.
- Increase in Outside Services costs in 2020.

Portwide

Q2 2020 Financial Performance Report



Portwide Financial Highlights

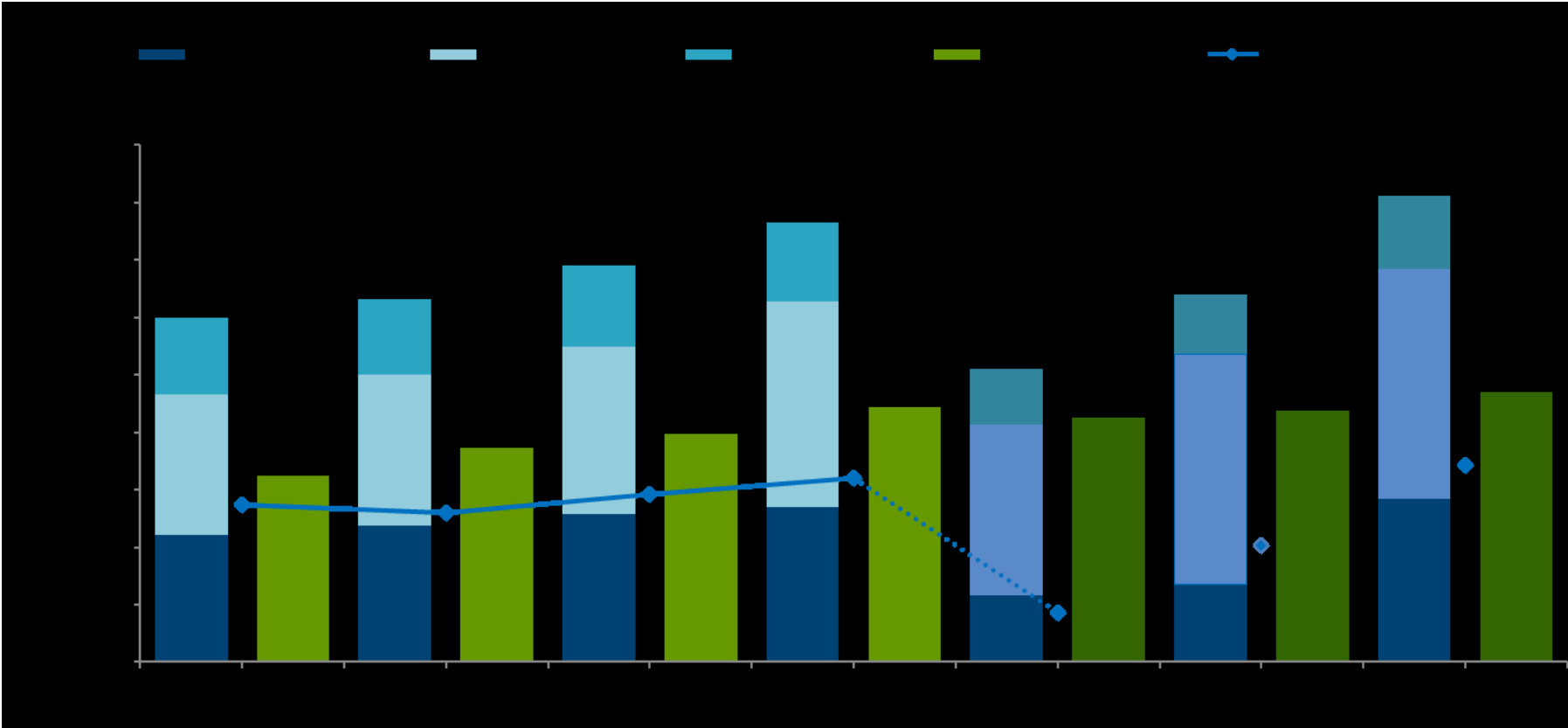
- **Q2 YTD Actual:**

- Operating Revenues \$26.6M unfavorable to the revised budget and \$91.9M lower than 2019.
- Operating Expenses \$17.2M below the revised budget and \$18.9M lower than 2019.
- Net Operating Income before Depreciation \$9.4M unfavorable to the revised budget and \$73.0M lower than 2019.
- Total capital spending YTD \$257.4M, 48.1% of the revised budget.

- **Year-End Forecast:**

- Operating Revenues \$129.3M unfavorable to the revised budget and \$253.7M lower than 2019.
- Operating Expenses \$13.4M favorable to the revised budget and \$18.4M lower than 2019.
- NOI before depreciation \$115.9M unfavorable to the revised budget and \$235.3M lower than 2019.
- Total capital spending \$543.7M, \$8.1M above the revised budget.

Portwide Net Operating Income Performance

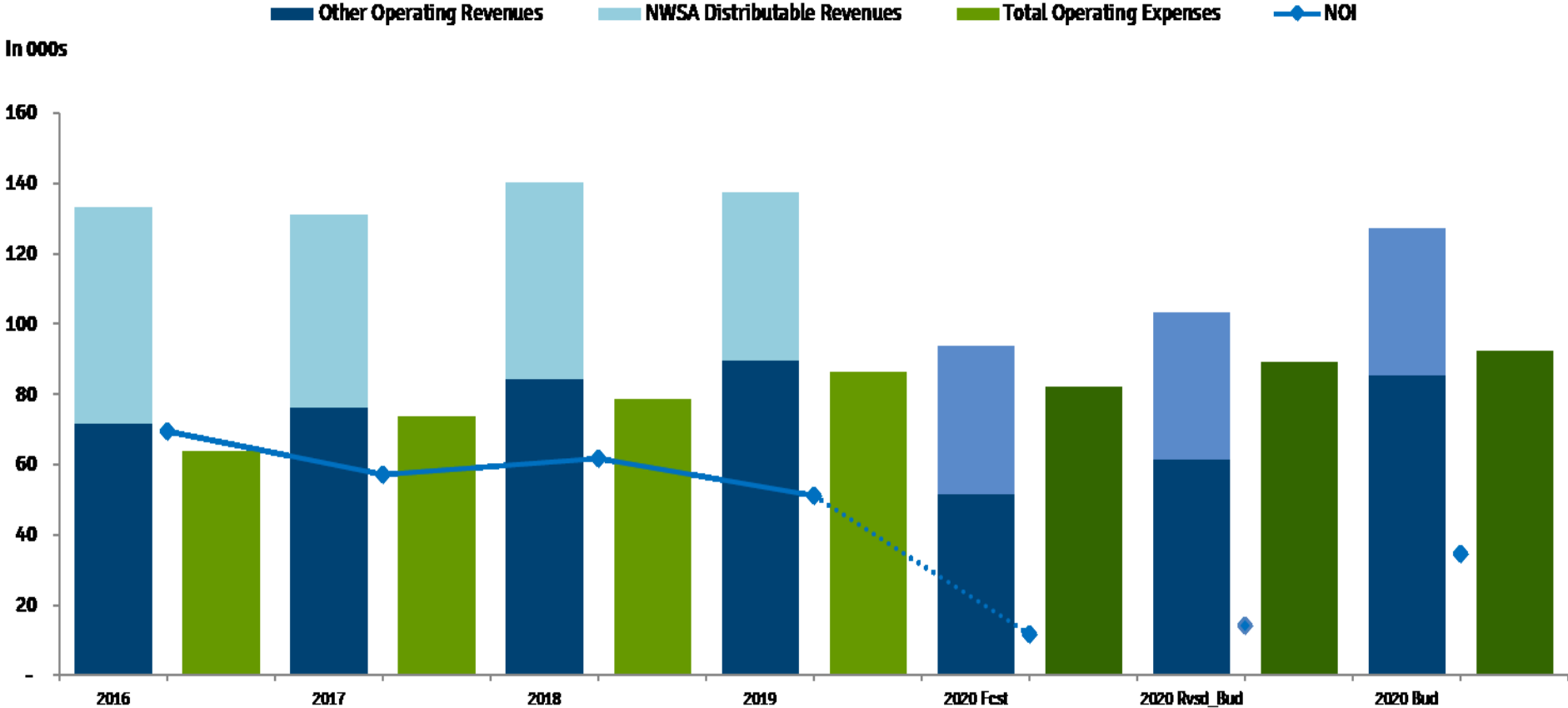


Operating Revenues are expected to be \$129.3M unfavorable to the revised budget due to reduced operations and lower airline activity.

Total Operating expenses are expected to be \$13.4M below the revised budget due to COVID-19 cost reductions in:

- Payroll due to hiring freeze
- Outside Services
- Travel and Other Employee Expenses
- Promotional Hosting

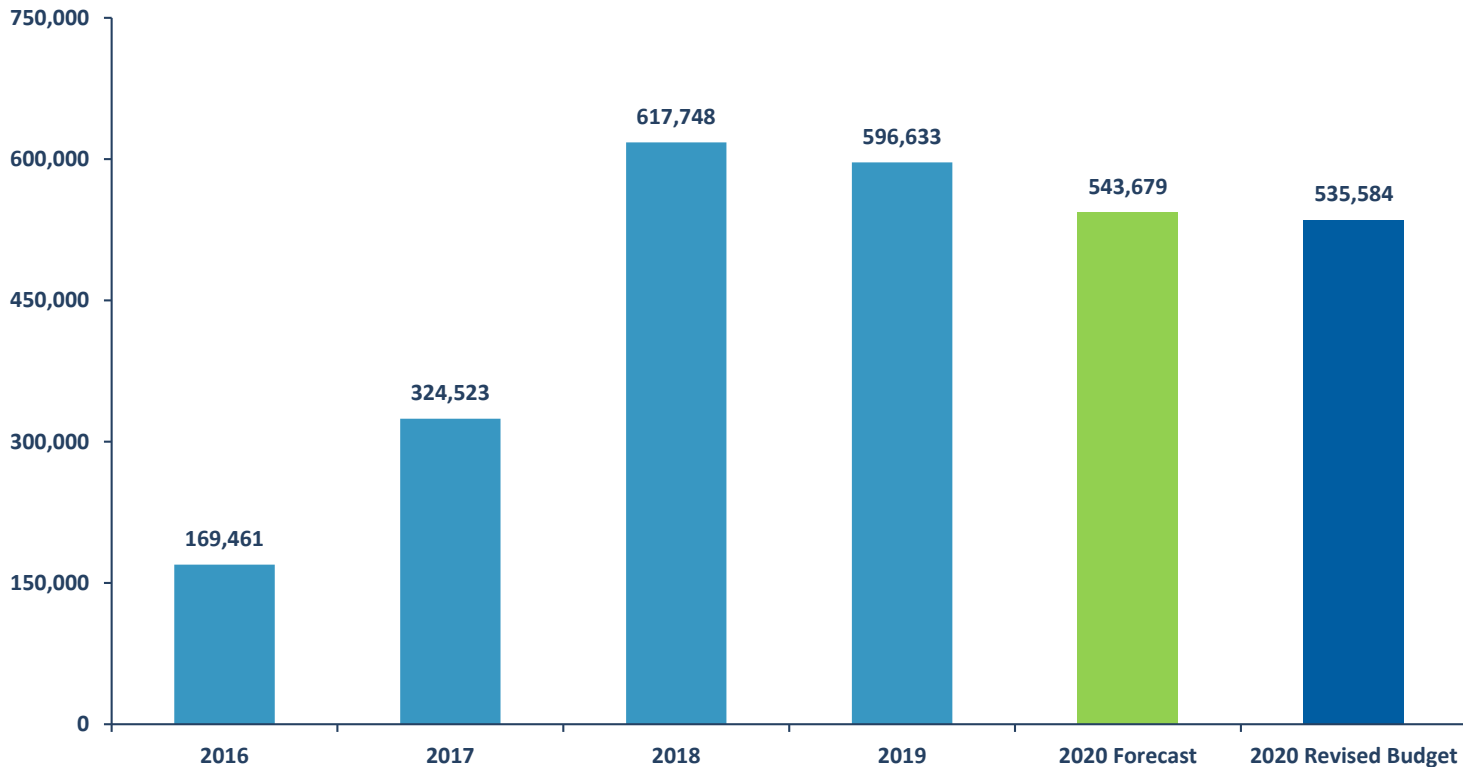
Non-Airport Net Operating Income Performance



Non-Airport Operating Revenues are \$5.7M unfavorable to the revised budget due to lower than anticipated revenues in Conference & Event Centers and Recreational Boating.

Expenses are expected to be \$7.2M favorable to the revised budget due cost saving measures which include hiring freeze, cutting/delay in implementing initiatives, and cutting travel and other employee expenses.

Portwide Capital Spending



- YTD capital spending \$257.4M, 48.1% of the Revised Budget.
- Total capital spending is expected to be \$543.7M for 2020.

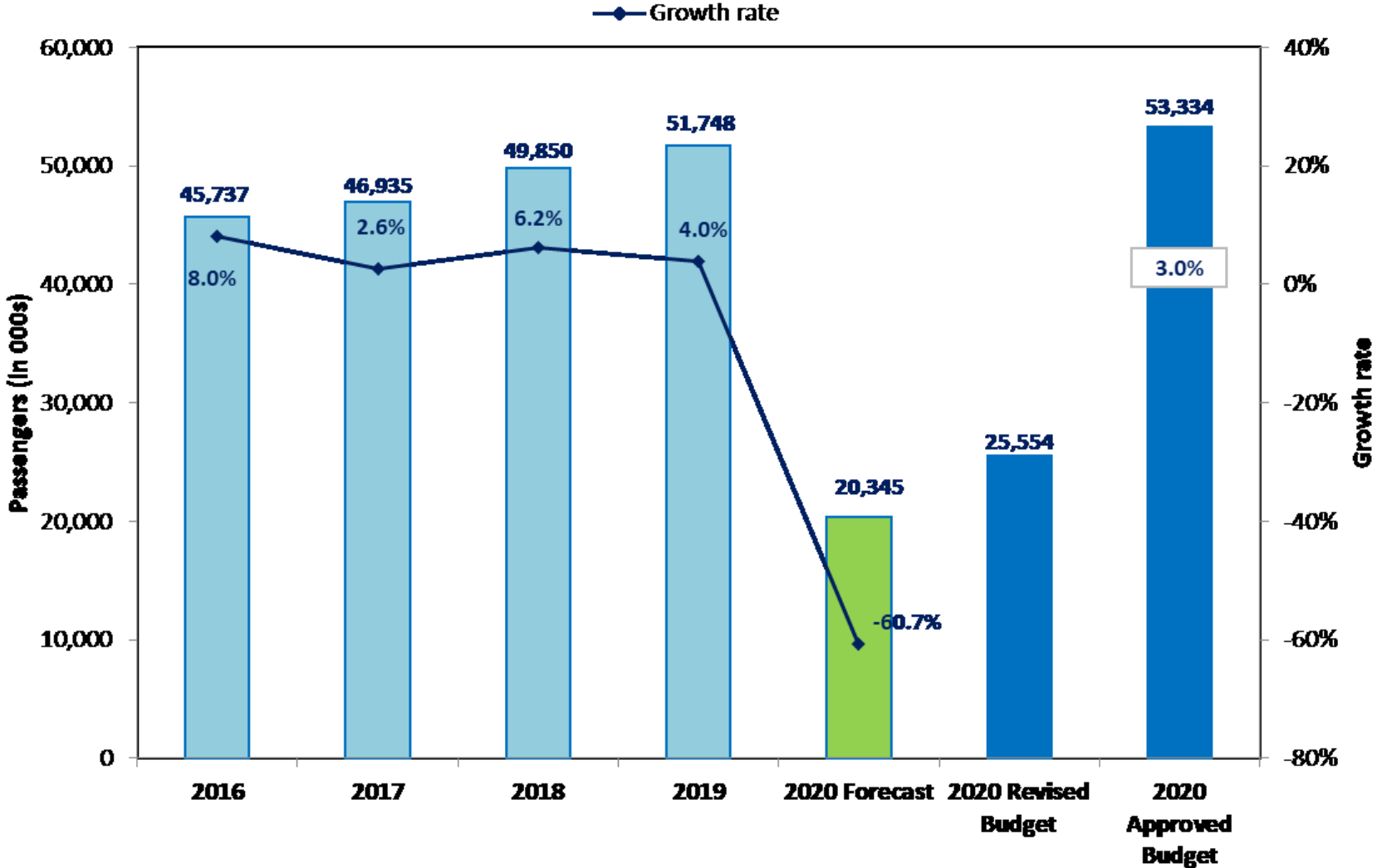
Community Programs Summary

| Program (in \$000) | 2019 Actuals | 2020 Budget | 2020 Additions/ Reductions | 2020 Revised Budget | 2020 YTD Spending |
|--|-------------------------|------------------------|---|------------------------------------|----------------------------------|
| 1) Airport Community Ecology (ACE) Fund * | 260 | 522 | 0 | 522 | 79 |
| 2) Duwamish Valley Community Equity Program | - | 292 | | 292 | 43 |
| 3) South King County Support Program * | - | 1,500 | 0 | 1,500 | - |
| 4) EDD Partnership Grants | 763 | 960 | 0 | 960 | 120 |
| 5) City of SeaTac Community Relief * | 1,400 | 1,400 | 0 | 1,400 | 1,400 |
| 6) Airport Spotlight Ad Program | 934 | 1,148 | 0 | 1,148 | 431 |
| 7) Energy & Sustainability Fund * | 283 | 250 | (100) | 150 | 5 |
| 8) Maritime Innovation Center | - | 150 | 0 | 150 | - |
| 9) Tourism Marketing Support Program | 1,338 | 1,536 | 1,306 | 2,842 | 374 |
| 10) Workforce Development | 1,771 | 3,119 | 1,284 | 4,403 | 805 |
| 11) Diversity in Contracting (formerly Small Business) | 883 | 1,520 | (188) | 1,331 | 502 |
| 12) High School Internship Program | 629 | 775 | (26) | 749 | 175 |
| 13) Equity, Diversity & Inclusion | 565 | 1,346 | (420) | 925 | 467 |
| 14) Sustainable Aviation Fuels & Air Emissions Program | - | 40 | 0 | 40 | - |
| 15) Low Carbon Fuel Standard Support | - | 150 | (45) | 105 | 67 |
| TOTAL | 8,826 | 14,708 | 1,810 | 16,519 | 4,465 |

Aviation Division Appendix

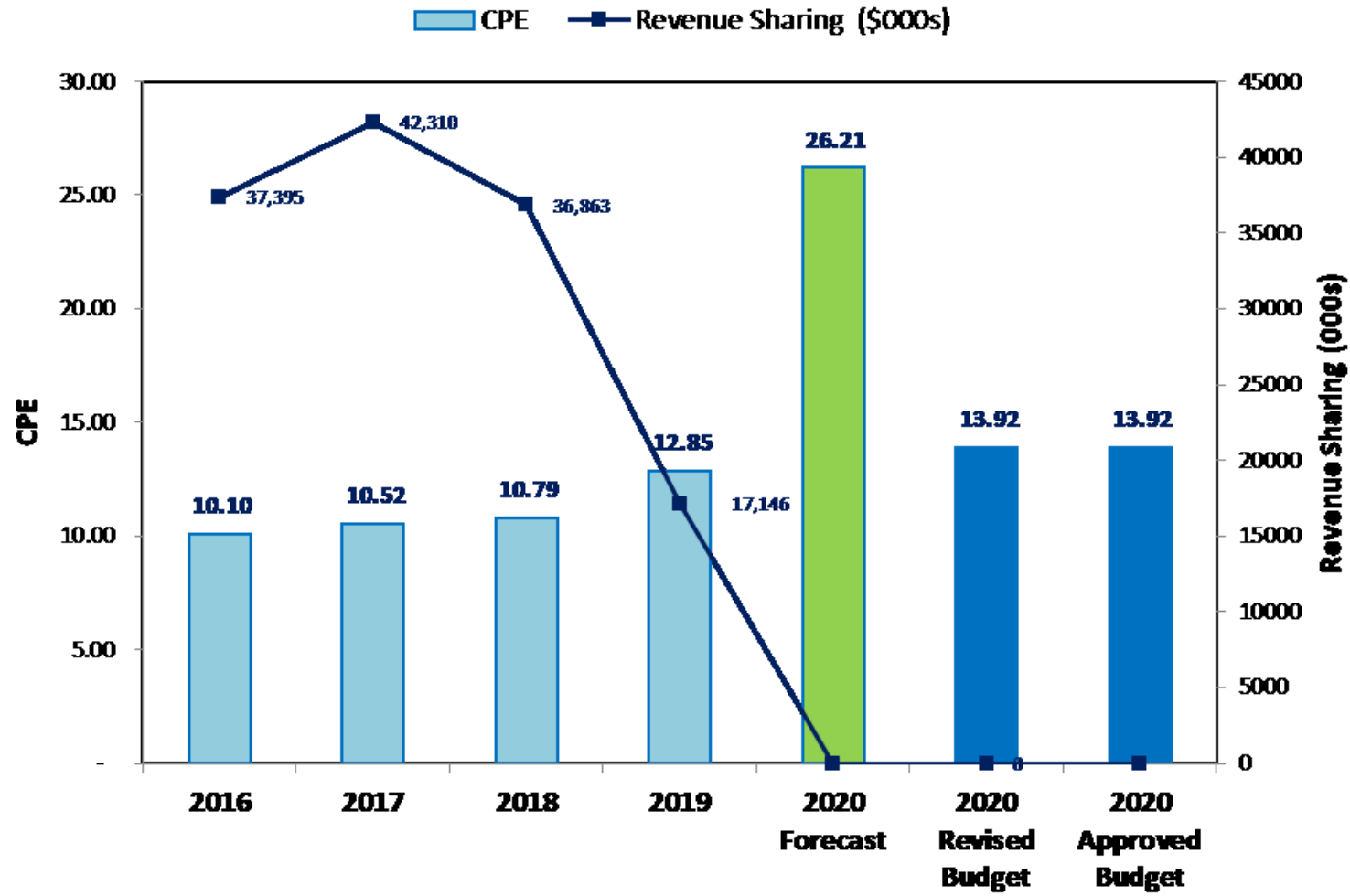
Q2 2020 Financial Performance Report

Airport Activity



Year-to-date Q2:
 Passengers -54.2%
 Landed weight -34.3%
 Cargo metric tons -0.3%

Airline Cost Management (CPE)



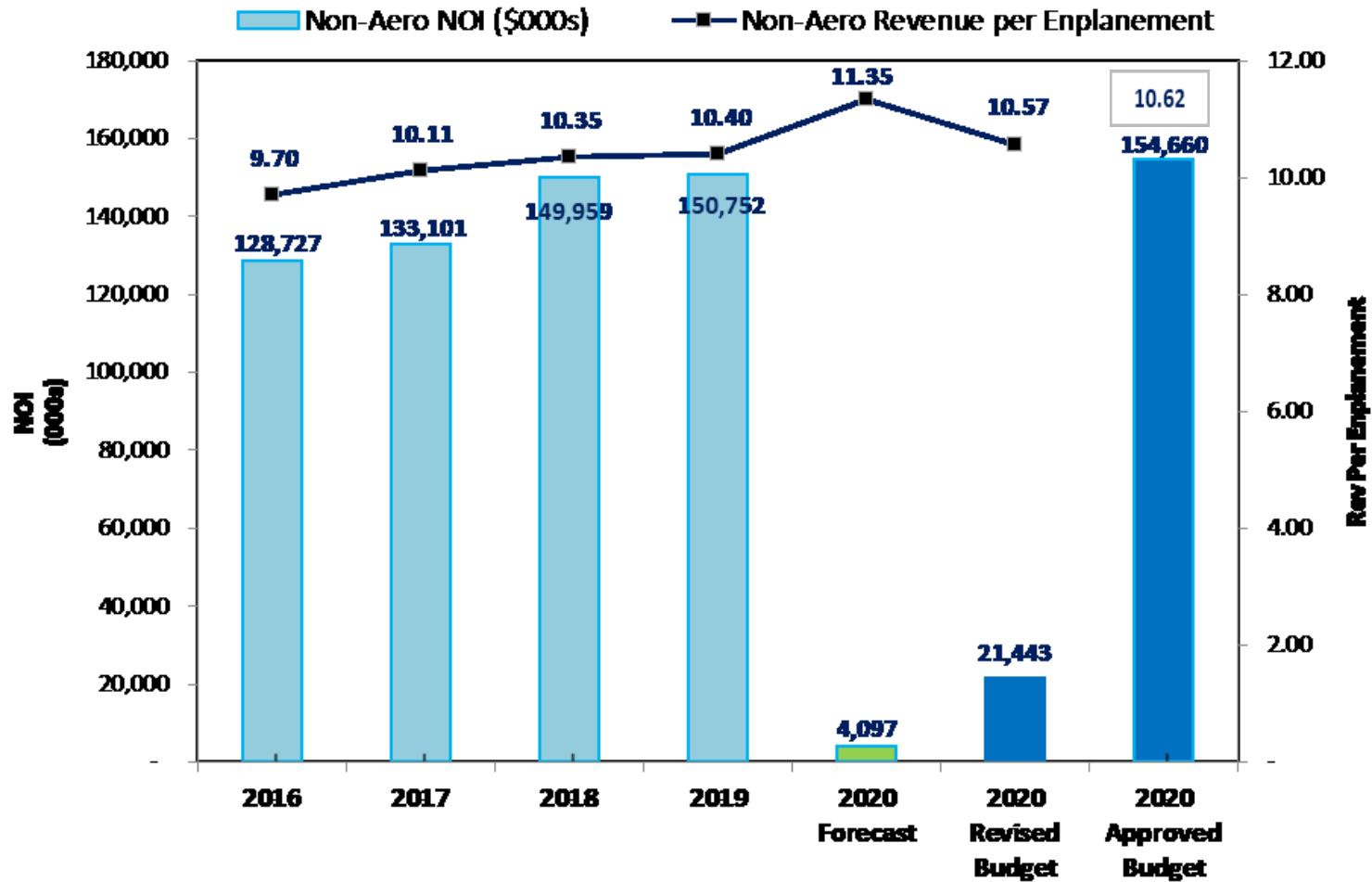
2020 Budget:

- Revenue Sharing ended in 2019 under terms of SLOA IV agreement

2020 CPE Forecast:

- Higher CPE based on reduction in Airline Activity assumptions due to COVID19 impact, and contractual end of revenue sharing under SLOA IV

Non-Aeronautical Performance



Significant COVID-19 impacts to all Non-Aero lines of business became visible in starting in March:

YTD 2020 vs. 2019:

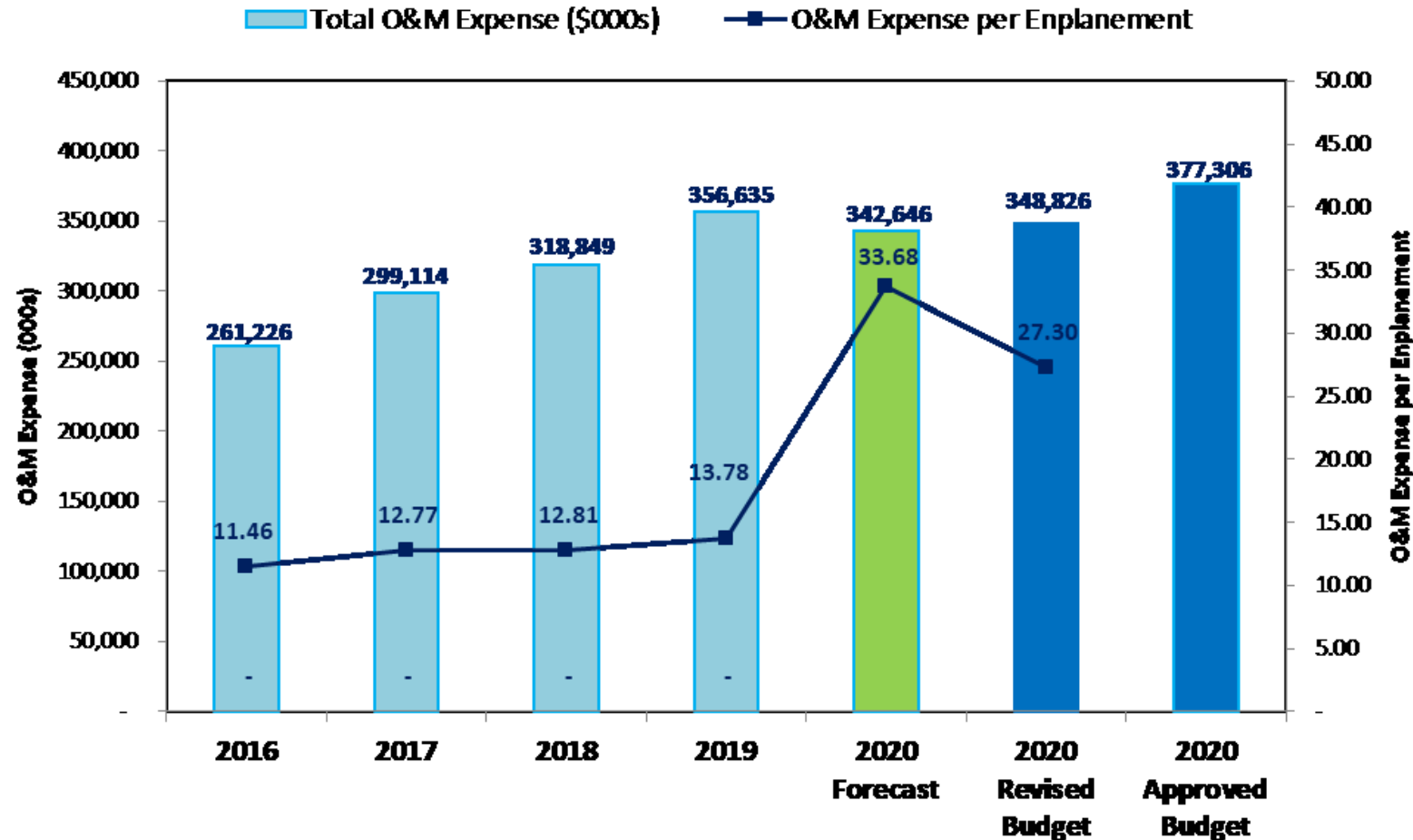
- Revenues 48.5% Unfavorable
- Expenses 3.9% Unfavorable
- NOI 86.4% Unfavorable

2020 Revenue Forecast vs. 2019:

- Reduction in Non-Aero Revenues of \$154M or 57% against 2019 Actuals based on the current 2020 enplanement forecast of -61% decline in passenger volumes compared to prior year. COVID-19 impacts are significant.

NOI forecasted at \$147M or 97% below 2019 Actual results

Total Operating Expense Performance



Q2 YTD vs Revised Budget:

- \$9M favorable, 5.2%

2020 Forecast vs Revised Budget:

- \$6.2M favorable, 2%

2020 Forecast favorable driven primarily by:

- Cost reductions in Outside Services, ERL, and Charges from Other Divisions in effort to reduce COVID-19 impact

Airport Activity

| | YTD 2018 | YTD 2019 | YTD 2020 | % Change from 2019 |
|--|----------------|----------------|----------------|-----------------------|
| Total Passengers (000's) | | | | |
| Domestic | 20,897 | 21,616 | 10,074 | -53.4% |
| International | 2,611 | 2,689 | 1,054 | -60.8% |
| Total | 23,508 | 24,304 | 11,128 | -54.2% |
| Operations | 210,722 | 214,749 | 142,657 | -33.6% |
| Landed Weight (In Millions of lbs.) | | | | |
| Cargo | 1,147 | 1,165 | 1,254 | 7.6% |
| All other | 13,328 | 13,738 | 8,537 | -37.9% |
| Total | 14,476 | 14,903 | 9,791 | -34.3% |
| Cargo - Metric Tons | | | | |
| Domestic freight | 114,627 | 118,401 | 161,957 | 36.8% |
| International freight | 64,749 | 63,388 | 47,466 | -25.1% |
| Mail | 28,326 | 28,314 | - | -100.0% |
| Total | 207,702 | 210,103 | 209,423 | -0.3% |

Passenger Activity

| Airline | Change 2019 v. 2020 | 2020 Market Share |
|-----------|------------------------|----------------------|
| Alaska | -50.0% | 55.0% |
| Delta | -54.8% | 23.9% |
| Southwest | -59.5% | 4.9% |
| American | -57.7% | 4.3% |
| United | -65.3% | 4.2% |

Q2 2020:

Passengers

- YTD passenger reduction of 54.2% is due to impact of COVID-19 on travel starting in March 2020

2020 YTD total passenger reduction of -54.2%

Aviation Financial Summary

| \$ in 000's | 2018 | 2019 | 2020 | 2020 | 2020 | Fav (UnFav) Budget Variance | | Incr (Decr) Change from 2019 | |
|---------------------------------|----------------|----------------|----------------|-------------------|--------------------|--------------------------------|---------------|---------------------------------|---------------|
| | Actual | Actual | Forecast | Revised Budget | Approved Budget | \$ | % | \$ | % |
| Operating Revenues: | | | | | | | | | |
| Aeronautical Revenues | 291,268 | 357,598 | 297,373 | 401,342 | 401,342 | (103,969) | -25.9% | (60,225) | -16.8% |
| Non-Aeronautical Revenues | 257,707 | 269,037 | 115,448 | 135,074 | 283,167 | (19,625) | -14.5% | (153,589) | -57.1% |
| Total Operating Revenues | 548,975 | 626,636 | 412,821 | 536,416 | 684,510 | (123,595) | -23.0% | (213,815) | -34.1% |
| Total Operating Expense | 318,849 | 356,635 | 342,646 | 348,826 | 377,306 | 6,180 | 1.8% | (13,988) | -3.9% |
| Net Operating Income | 230,126 | 270,001 | 70,175 | 187,589 | 307,203 | (117,415) | -62.6% | (199,826) | -74.0% |
| Capital Expenditures | 579,135 | 573,598 | 501,490 | 489,182 | 513,131 | (12,308) | -2.5% | (72,108) | -12.6% |

2020 Forecasted NOI \$117M or 63% Unfavorable to Revised Budget

Key Performance Measures

| | 2018 | 2019 | 2020 | 2020 | Fav (UnFav) Budget Vairance | | Incr (Decr) Change from 2019 | |
|--|----------|----------|----------|--------------------|--------------------------------|---------|---------------------------------|--------|
| | Actual | Actual | Forecast | Approved Budget | \$ | % | \$ | % |
| Key Performance Metrics | | | | | | | | |
| Cost per Enplanement (CPE) | 10.79 | 12.85 | 26.21 | 13.92 | (12.28) | -88.2% | 13.36 | 103.9% |
| Non-Aeronautical NOI (in 000's) | 149,959 | 150,752 | 4,097 | 154,660 | (162,050) | -97.5% | (146,655) | -97.3% |
| Other Performance Metrics | | | | | | | | |
| O&M Cost per Enplanement | 12.81 | 13.78 | 33.68 | 14.15 | (20.60) | -157.5% | 19.90 | 144.4% |
| Non-Aero Revenue per Enplanement | 10.35 | 10.40 | 11.35 | 10.62 | 6.28 | 124.1% | 0.95 | 9.1% |
| Debt per Enplanement (in \$) | 133 | 133 | 322 | 122.95 | (199) | -162.2% | 189 | 142.3% |
| Debt Service Coverage | 1.66 | 1.68 | 1.36 | 1.80 | -0.43 | -24.2% | (0.32) | -18.9% |
| Days cash on hand (10 months = 304 days) | 235 | 314 | 309 | 332 | -23 | -6.8% | (5) | -1.7% |
| Aeronautical Revenue Sharing (\$ in 000's) | (36,863) | (17,146) | - | - | - | 0.0% | 17,146 | 100.0% |
| Activity (in 000's) | | | | | | | | |
| Enplanements | 24,894 | 25,874 | 10,172 | 26,667 | (16,495) | -61.9% | (15,702) | -60.7% |

2020 Forecast vs. 2020 Budget

Key Performance Metrics

CPE:

- Increased by 88.2% driven by lower airline activity assumptions impacted by COVID-19, and the elimination of revenue sharing starting in 2020 per SLOA IV

Non-Aero NOI:

- Forecasted reduction in Non-Aero NOI of \$147M or 97.3% compared to prior year actuals is based on the current 2020 enplanement forecast of -61% decline in passenger volumes compared to 2019, which is impacting all Non-Aero business units

Negative: Non-Aero NOI below budget and CPE above budget due to COVID-19 impacts

Aviation Expense YTD Summary

| \$ in 000's | 2018 YTD | 2019 YTD | 2020 YTD | 2020 YTD | 2020 YTD | Fav (UnFav) | | Incr (Decr) | |
|---|----------------|----------------|----------------|----------------|-----------------|-----------------|----------------|------------------|----------------|
| | Actual | Actual | Actual | Revised Budget | Approved Budget | Budget Variance | | Change from 2019 | |
| | | | | | | \$ | % | \$ | % |
| Operating Expenses: | | | | | | | | | |
| Payroll | 67,619 | 72,996 | 77,615 | 76,753 | 77,918 | (862) | -1.1% | 4,620 | 6.3% |
| Outside Services | 25,837 | 28,933 | 29,634 | 34,585 | 38,343 | 4,951 | 14.3% | 700 | 2.4% |
| Utilities | 9,628 | 9,328 | 8,757 | 10,748 | 10,927 | 1,991 | 18.5% | (571) | -6.1% |
| Other Airport Expenses | 2,791 | 7,307 | 2,092 | (893) | 2,802 | (2,985) | 334.4% | (5,215) | -71.4% |
| Total Airport Direct Charges | 105,874 | 118,564 | 118,099 | 121,193 | 129,990 | 3,094 | 2.6% | (466) | -0.4% |
| Environmental Remediation Liability | 4,484 | 12,543 | (2,776) | 286 | 1,581 | 3,062 | 1070.8% | (15,319) | -122.1% |
| Capital to Expense | 8 | 83 | - | - | - | - | N/A | (83) | -100.0% |
| Total Exceptions | 4,492 | 12,627 | (2,776) | 286 | 1,581 | 3,062 | 1070.8% | (15,402) | -122.0% |
| Total Airport Expenses | 110,366 | 131,191 | 115,323 | 121,479 | 131,571 | 6,156 | 5.1% | (15,868) | -12.1% |
| Police Costs | 10,659 | 11,117 | 12,162 | 13,096 | 13,169 | 933 | 7.1% | 1,046 | 9.4% |
| Other Central Services | 30,534 | 32,093 | 34,300 | 35,972 | 37,904 | 1,672 | 4.6% | 2,207 | 6.9% |
| Maritime/Economic Development | 1,877 | 1,834 | 1,595 | 1,844 | 2,123 | 250 | 13.5% | (240) | -13.1% |
| Total Charges from Other Divisions | 43,070 | 45,044 | 48,057 | 50,912 | 53,196 | 2,856 | 5.6% | 3,012 | 6.7% |
| Total Operating Expense | 153,436 | 176,235 | 163,380 | 172,391 | 184,767 | 9,012 | 5.2% | (12,855) | -7.3% |

2020 YTD Actuals to YTD 2019 Actuals

- Expenses - \$12.9M lower expenses compared to 2019 YTD, primarily driven by decreases in ERL expenses

2020 YTD Actuals to YTD 2020 Revised Budget

- Expenses - \$9M favorable due to underspending in Outside Services, ERL and charges from other divisions

Aviation Expense YE Summary

| \$ in 000's | 2018 | 2019 | 2020 | 2020 | 2020 | Fav (UnFav) Budget Variance | | Incr (Decr) Change from 2019 | |
|---|----------------|----------------|----------------|-------------------|--------------------|--------------------------------|---------------|---------------------------------|----------------|
| | Actual | Actual | Forecast | Revised Budget | Approved Budget | \$ | % | \$ | % |
| Operating Expenses: | | | | | | | | | |
| Payroll | 133,999 | 147,076 | 156,050 | 156,826 | 160,340 | 776 | 0.5% | 8,974 | 6.1% |
| Outside Services | 65,475 | 68,801 | 71,255 | 70,401 | 79,889 | (854) | -1.2% | 2,454 | 3.6% |
| Utilities | 18,306 | 18,180 | 15,787 | 20,642 | 21,180 | 4,856 | 23.5% | (2,394) | -13.2% |
| Other Airport Expenses | 3,966 | 12,272 | 1,958 | (1,682) | 5,224 | (3,640) | 216.5% | (10,314) | -84.0% |
| Total Airport Direct Charges | 221,746 | 246,329 | 245,049 | 246,187 | 266,634 | 1,138 | 0.5% | (1,279) | -0.5% |
| Environmental Remediation Liability | 6,233 | 15,900 | (1,967) | 878 | 2,648 | 2,845 | 324.0% | (17,867) | -112.4% |
| Capital to Expense | 6,891 | 2,089 | - | - | - | - | 0.0% | (2,089) | -100.0% |
| Total Exceptions | 13,124 | 17,989 | (1,967) | 878 | 2,648 | 2,845 | 324.0% | (19,956) | -110.9% |
| Total Airport Expenses | 234,870 | 264,318 | 243,083 | 247,065 | 269,282 | 3,983 | 1.6% | (21,236) | -8.0% |
| Police Costs | 19,231 | 22,290 | 25,024 | 26,122 | 26,233 | 1,098 | 4.2% | 2,734 | 12.3% |
| Other Central Services | 60,659 | 65,671 | 70,546 | 71,646 | 77,460 | 1,100 | 1.5% | 4,875 | 7.4% |
| Maritime/Economic Development | 4,088 | 4,355 | 3,993 | 3,993 | 4,331 | 0 | 0.0% | (362) | -8.3% |
| Total Charges from Other Divisions | 83,979 | 92,316 | 99,564 | 101,761 | 108,025 | 2,198 | 2.2% | 7,247 | 7.9% |
| Total Operating Expense | 318,849 | 356,635 | 342,646 | 348,826 | 377,306 | 6,180 | 1.8% | (13,988) | -3.9% |

2020 Forecast to 2020 Revised Budget

- **Expenses - \$6.2M favorable** due to cost reductions in O&M, driven by COVID 19 impact

2020 Forecast to 2019

- **Expenses - \$14M higher** due to planned strategic spending for 2020, partially offset by 2020 cost reductions implemented in March to mitigate COVID 19 impact

Aeronautical Business YTD

| \$ in 000's | 2018 YTD | 2019 YTD | 2020 YTD | 2020 YTD | 2020 YTD | Fav (UnFav) | | Incr (Decr) | |
|--|----------------|----------------|----------------|----------------|-----------------|-----------------|---------------|------------------|---------------|
| | Actual | Actual | Actual | Revised Budget | Approved Budget | Budget Variance | | Change from 2019 | |
| | | | | | | \$ | % | \$ | % |
| Revenues: | | | | | | | | | |
| Movement Area | 59,656 | 61,289 | 54,693 | 63,160 | 63,160 | (8,466) | -13.4% | (6,596) | -10.8% |
| Apron Area | 8,209 | 9,883 | 9,575 | 10,618 | 10,618 | (1,043) | -9.8% | (308) | -3.1% |
| Terminal Rents | 83,956 | 100,229 | 77,111 | 103,711 | 103,711 | (26,601) | -25.6% | (23,118) | -23.1% |
| Federal Inspection Services (FIS) | 6,641 | 7,271 | 14,621 | 8,946 | 8,946 | 5,676 | 63.4% | 7,351 | 101.1% |
| Total Rate Base Revenues | 158,462 | 178,672 | 156,000 | 186,435 | 186,435 | (30,434) | -16.3% | (22,672) | -12.7% |
| Commercial Area | 5,072 | 5,569 | 7,720 | 8,048 | 8,048 | (328) | -4.1% | 2,151 | 38.6% |
| Subtotal before Revenue Sharing | 163,534 | 184,241 | 163,720 | 194,483 | 194,483 | (30,763) | -15.8% | (20,521) | -11.1% |
| Revenue Sharing | (15,964) | (8,314) | 1 | - | - | 1 | 0.0% | 8,315 | 100.0% |
| Total Aeronautical Revenues | 147,570 | 175,927 | 163,722 | 194,483 | 194,483 | (30,762) | -15.8% | (12,206) | -6.9% |
| Total Aeronautical Expenses | 112,401 | 118,910 | 108,286 | 115,573 | 121,288 | 7,288 | 6.3% | (10,625) | -8.9% |
| Net Operating Income | 35,169 | 57,017 | 55,436 | 78,910 | 73,195 | (23,474) | -29.7% | (1,581) | -2.8% |

2020 YTD Actuals to YTD 2020 Revised Budget

- Aero Rate Base Revenues – (\$30M) lower, driven by lower airline activity due to COVID19 impact that started in March
- Aero Expenses – \$7.3M favorable to revised budget due to lower spending in Outside Services, ERL, and lower allocations from other divisions

Aeronautical Business YE

| \$ in 000's | 2018 | 2019 | 2020 | 2020 | 2020 | Fav (UnFav) | | Incr (Decr) | |
|--|-----------------|----------------|----------------|----------------|-----------------|------------------|---------------|------------------|---------------|
| | Actual | Actual | Forecast | Revised Budget | Approved Budget | Budget Variance | | Change from 2019 | |
| | | | | | | \$ | % | \$ | % |
| Revenues: | | | | | | | | | |
| Movement Area | 116,703 | 123,436 | 84,217 | 132,128 | 132,128 | (47,911) | -36.3% | (39,218) | -31.8% |
| Apron Area | 15,627 | 22,016 | 9,837 | 22,011 | 22,011 | (12,175) | -55.3% | (12,180) | -55.3% |
| Terminal Rents | 169,318 | 205,283 | 161,140 | 212,943 | 212,943 | (51,803) | -24.3% | (44,143) | -21.5% |
| Federal Inspection Services (FIS) | 16,226 | 12,321 | 25,685 | 18,162 | 18,162 | 7,523 | 41.4% | 13,364 | 108.5% |
| Total Rate Base Revenues | 317,874 | 363,057 | 280,879 | 385,245 | 385,245 | (104,366) | -27.1% | (82,177) | -22.6% |
| Commercial Area | 10,257 | 11,687 | 16,493 | 16,097 | 16,097 | 396 | 2.5% | 4,806 | 41.1% |
| Subtotal before Revenue Sharing | 328,131 | 374,744 | 297,373 | 401,342 | 401,342 | (103,969) | -25.9% | (77,371) | -20.6% |
| Revenue Sharing | (36,863) | (17,146) | - | - | - | - | 0.0% | 17,146 | 100.0% |
| Other Prior Year Revenues | - | - | - | - | - | - | - | - | - |
| Total Aeronautical Revenues | 291,268 | 357,598 | 297,373 | 401,342 | 401,342 | (103,969) | -25.9% | (60,225) | -16.8% |
| Total Aeronautical Expenses | 236,630 | 238,349 | 231,295 | 235,196 | 248,799 | 3,901 | 1.7% | (7,054) | -3.0% |
| Net Operating Income | 54,638 | 119,249 | 66,078 | 166,147 | 152,544 | (100,068) | -60.2% | (53,171) | -44.6% |
| Debt Service ⁽¹⁾ | (91,673) | (110,945) | (58,762) | (121,410) | (121,410) | 62,647 | 51.6% | 52,182 | 47.0% |
| Net Cash Flow | (37,035) | 8,305 | 7,316 | 44,737 | 31,134 | (37,421) | 83.6% | (989) | 11.9% |

2020 Forecast to 2020 Revised Budget

Revenue - \$88M unfavorable

- Rate based revenue lower—driven by lower forecasted revenue requirement based on the CARES grant reducing costs

Expenses – \$215K favorable

- Driven by cost reductions in Outside Services and charges from other divisions (driven by COVID 19 impact), and ERL expense reductions

Aero Cost Drivers

| | 2020 | 2020 | 2020 |
|-------------------------------|---------------------------|---------------------------|--------------------|
| | Aero Revenue Requirements | Aero Revenue Requirements | Budget Vs Forecast |
| \$ in 000's | Budget | Forecast | |
| O&M | \$ 242,981 | \$ 224,628 | \$ 18,353 |
| Debt Service Gross | \$ 174,455 | \$ 169,890 | \$ 4,565 |
| Debt Service PFC Offset | \$ (62,998) | \$ (26,412) | \$ (36,587) |
| Debt Service Coverage | | | \$ - |
| CARES Grant Payroll | | \$ (37,086) | \$ 37,086 |
| CARES Grant Debt Service | | \$ (77,992) | \$ 77,992 |
| Amortization | \$ 32,326 | \$ 32,493 | \$ (167) |
| Space Vacancy | \$ (490) | \$ (914) | \$ 424 |
| TSA Operating Grant and Other | \$ (1,028) | \$ (3,727) | \$ 2,699 |
| Rate Base Revenues | \$ 385,246 | \$ 280,879 | \$ 104,366 |
| Commercial area | \$ 16,097 | \$ 16,493 | \$ (396) |
| Total Aero Revenues | \$ 401,343 | \$ 297,373 | \$ 103,970 |

2020 Forecast to 2020 Budget

O&M – \$18M lower primarily driven by two main factors:

- COVID budget cost reductions
- Additional forecasted savings from additional contract savings and added vacancies

Debt Service Gross \$5M lower due to deferring 2008 VRBD principal payment

PFC Offset \$36M lower due to applied PFC's reduced in Terminal, Baggage & FIS - adding \$36M back to rate base

TSA Grant Other - \$2.7M O&M Offset for TSA Reimbursable Checkpoint Janitorial Increase

CARES Grant Aero Portion:

- **Payroll Impact (O&M)** – Removing \$37.1M from Rate Base
- **Debt Service Impact** - Removing \$77.9M from Rate Base

Non-Aeronautical Business YTD

| \$ in 000's | 2019 YTD Actual | 2020 YTD Actual | 2020 YTD Revised Budget | 2020 YTD Approved Budget | Fav (UnFav) Budget Variance | | Incr (Decr) Change from 2019 | |
|-----------------------------------|--------------------|--------------------|-------------------------------|--------------------------------|--------------------------------|---------------|---------------------------------|---------------|
| | | | | | \$ | % | \$ | % |
| Non-Aero Revenues | | | | | | | | |
| Rental Cars - Operations | 15,560 | 7,591 | 7,376 | 15,593 | 216 | 2.9% | (7,969) | -51.2% |
| Rental Cars - Operating CFC | 4,505 | - | - | 4,452 | - | N/A | (4,505) | -100.0% |
| Public Parking | 40,401 | 20,002 | 18,747 | 44,159 | 1,255 | 6.7% | (20,399) | -50.5% |
| Ground Transportation | 9,979 | 4,374 | 4,576 | 10,751 | (202) | -4.4% | (5,605) | -56.2% |
| Airport Dining & Retail | 29,581 | 13,856 | 12,019 | 30,617 | 1,837 | 15.3% | (15,726) | -53.2% |
| Non-Airline Terminal Leased Space | 3,108 | 3,063 | 2,729 | 2,791 | 334 | 12.2% | (45) | -1.5% |
| Commercial Properties | 7,072 | 5,777 | 5,658 | 7,978 | 119 | 2.1% | (1,295) | -18.3% |
| Utilities | 3,665 | 2,758 | 4,415 | 4,415 | (1,657) | -37.5% | (907) | -24.7% |
| Employee Parking | 5,193 | 4,678 | 3,348 | 5,049 | 1,330 | 39.7% | (515) | -9.9% |
| Clubs and Lounges | 4,456 | 1,714 | 1,714 | 4,950 | (0) | 0.0% | (2,741) | -61.5% |
| Other | 1,085 | 411 | 545 | 1,109 | (134) | -24.5% | (674) | -62.1% |
| Total Non-Aero Revenues | 124,604 | 64,225 | 61,128 | 131,864 | 3,097 | 5.1% | (60,380) | -48.5% |
| Total Non-Aero Expenses | 57,316 | 55,094 | 56,818 | 63,479 | 1,724 | 3.0% | (2,222) | -3.9% |
| Net Operating Income | 67,288 | 9,131 | 4,310 | 68,385 | 4,821 | 111.9% | (58,158) | -86.4% |

2020 YTD Actuals to YTD Prior Year

Non-Aero Revenue:

- Dramatic impact to Non-Aero Revenue from COVID-19 became evident beginning in March. A significant percentage of the tenants which temporarily closed operations in March & April, began to reopen in late Q2. In general, most Non-Aero lines of business are performing slightly better than the decline in passengers, with Non-Aero Revenue 48.5% lower than prior year when passenger volume is down 54.2%.

2020 YTD Actuals to YTD Revised Budget

Non-Aero Revenue:

- YTD Non-Aero Revenue is 5.1% favorable to YTD Revised Budget despite lower actual enplanements than expected when the budget was revised in April.

YTD Revenues slightly improved compared to Revised Budget

Non-Aeronautical Business YE

| \$ in 000's | 2018 | 2019 | 2020 | 2020 | 2020 | Fav (UnFav) | | Incr (Decr) | |
|--|----------------|----------------|-----------------|-----------------|-----------------|-----------------|---------------|------------------|----------------|
| | Actual | Actual | Forecast | Revised Budget | Approved Budget | Budget Variance | | Change from 2019 | |
| | | | | | | \$ | % | \$ | % |
| Non-Aero Revenues | | | | | | | | | |
| Rental Cars - Operations | 37,306 | 36,793 | 15,100 | 19,209 | 37,363 | (4,109) | -21.4% | (21,693) | -59.0% |
| Rental Cars - Operating CFC | 16,263 | 15,773 | - | - | 13,786 | - | N/A | (15,773) | -100.0% |
| Public Parking | 80,212 | 82,125 | 33,500 | 40,813 | 89,485 | (7,313) | -17.9% | (48,625) | -59.2% |
| Ground Transportation | 18,772 | 20,765 | 8,200 | 11,092 | 22,299 | (2,892) | -26.1% | (12,565) | -60.5% |
| Airport Dining & Retail | 59,021 | 61,615 | 24,600 | 27,753 | 66,145 | (3,153) | -11.4% | (37,015) | -60.1% |
| Non-Airline Terminal Leased Space | 5,302 | 6,398 | 5,600 | 5,152 | 5,700 | 448 | 8.7% | (798) | -12.5% |
| Commercial Properties | 15,434 | 15,773 | 10,900 | 11,854 | 16,660 | (954) | -8.1% | (4,873) | -30.9% |
| Utilities | 7,206 | 7,431 | 5,663 | 8,831 | 8,831 | (3,168) | -35.9% | (1,768) | -23.8% |
| Employee Parking | 10,269 | 10,438 | 7,700 | 5,100 | 10,137 | 2,600 | 51.0% | (2,738) | -26.2% |
| Clubs and Lounges | 6,802 | 10,274 | 3,400 | 4,441 | 10,536 | (1,041) | -23.4% | (6,874) | -66.9% |
| Other | 1,119 | 1,653 | 785 | 829 | 2,225 | (44) | -5.3% | (868) | -52.5% |
| Total Non-Aero Revenues | 257,707 | 269,037 | 115,448 | 135,074 | 283,167 | (19,625) | -14.5% | (153,589) | -57.1% |
| Total Non-Aero Expenses | 82,219 | 118,286 | 111,352 | 113,631 | 128,508 | 2,279 | 2.0% | (6,934) | -5.9% |
| Net Operating Income | 175,488 | 150,752 | 4,097 | 21,443 | 154,660 | (17,346) | -80.9% | (146,655) | -97.3% |
| Less: CFC (Surplus) / Deficit ⁽¹⁾ | (7,724) | (6,834) | - | (4,128) | (4,128) | 4,128 | 100.0% | 6,834 | 100.0% |
| Adjusted Non-Aero NOI | 167,764 | 143,917 | 4,097 | 17,315 | 150,531 | (13,218) | -76.3% | (139,821) | -97.2% |
| Debt Service ⁽¹⁾ | (44,545) | (49,299) | (30,824) | (50,064) | (30,824) | 19,240 | 38.4% | 18,475 | 37.5% |
| Net Cash Flow | 123,219 | 94,619 | (26,727) | (32,749) | 119,707 | 6,022 | -18.4% | (121,346) | -128.2% |

2020 Forecast to 2019 Actuals

Non-Aero Revenue:

- All Non-Aero lines of business impacted by COVID-19.
- Extraordinary circumstances language in many Non-Aero concession agreements (tied to reduction in passenger volume) provides contractual relief of minimum annual guaranteed rent.
- Revenue forecast is based on 61% decline in passenger volume scenario compared to prior year.

Non-Aero Expenses:

- Lower planned spending reflects cost cutting measures in response to COVID-19.

Forecasted Non-Aero Revenue is based on 61% decline in passengers

SAMP Overview

| YTD Summary | 2018 YTD Actual | 2019 YTD Actual | 2020 Year-to-Date | | Fav (Unfav) 2020 Budget Variance | | Inc (Decr) Change from 2019 | |
|--|--------------------|--------------------|-------------------|--------------|-------------------------------------|--------------|--------------------------------|--------------|
| | | | Actual | Budget | \$ | % | \$ | % |
| \$ in 000's | | | | | | | | |
| SAMP Completion & Transition to Env Review | 161 | 99 | 74 | 100 | 26 | 26.4% | (25) | -25.6% |
| Adv Planning IDIQ - Master Plan | 1,296 | 1,895 | 1,844 | 1,150 | (694) | -60.4% | (51) | -2.7% |
| Environmental Review - Master Plan | 0 | 127 | 395 | 790 | 395 | 50.1% | 267 | 209.7% |
| SAMP Utilities Master Plan | 0 | 540 | 651 | 920 | 269 | 29.3% | 111 | 20.5% |
| Total SAMP-Related Spending | 1,457 | 2,661 | 2,963 | 2,960 | (3) | -0.1% | 302 | 11.3% |

| YEAR END | 2018 Actual | 2019 Actual | 2020 | | Fav (Unfav) 2020 Budget Variance | | Inc (Decr) Change from 2019 | |
|--|----------------|----------------|--------------|--------------|-------------------------------------|-------------|--------------------------------|-------------|
| | | | Forecast | Budget | \$ | % | \$ | % |
| \$ in 000's | | | | | | | | |
| SAMP Completion & Transition to Env Review | 462 | 148 | 100 | 150 | 50 | 33.3% | (48) | -32.4% |
| Adv Planning IDIQ - Master Plan | 3,905 | 2,448 | 2,300 | 2,300 | 0 | 0.0% | (148) | -6.0% |
| Environmental Review - Master Plan | 521 | 866 | 1,100 | 1,100 | 0 | 0.0% | 234 | 27.0% |
| SAMP Utilities Master Plan | 459 | 1,358 | 1,700 | 1,760 | 60 | 3.4% | 342 | 25.2% |
| Total SAMP-Related Spending | 5,347 | 4,820 | 5,200 | 5,310 | 110 | 2.1% | 380 | 7.9% |

Public Parking YTD

| Public Parking - Revenue Detail | 2019 YTD Actual | 2020 YTD A Budget | 2020 Year-to-Date | | Fav (UnFav) Budget Variance | | Incr (Decr) Change from 2019 | |
|---|--------------------|----------------------|-------------------|----------------|--------------------------------|--------------|---------------------------------|---------------|
| | | | Actual | R Budget | \$ | % | \$ | % |
| \$ in 000's | | | | | | | | |
| Parking Garage Revenue to Port | | | | | | | | |
| General Parking/Terminal Direct | 36,200 | 40,109 | 16,522 | 16,300 | 222 | 1.4% | (19,678) | -54.4% |
| Prebooking | - | - | 823 | - | 823 | N/A | 823 | N/A |
| Revenue to Port - General Parking | 36,200 | 40,109 | 17,345 | 16,300 | 1,045 | 6.4% | (18,855) | -52.1% |
| Other Garage Revenue | | | | | | | | |
| Premier Corporate Parking | 697 | 667 | 363 | 684 | (321) | -46.9% | (333) | -47.9% |
| Passport Parking Program | 1,751 | 1,749 | 1,594 | 1,019 | 575 | 56.4% | (157) | -9.0% |
| Revenue to Port - Parking Programs | 2,448 | 2,416 | 1,957 | 1,703 | 254 | 14.9% | (491) | -20.1% |
| Total Parking Garage Revenue | 38,648 | 42,525 | 19,302 | 18,003 | 1,299 | 7.2% | (19,346) | -50.1% |
| Other Parking Revenue | | | | | | | | |
| Concession Rent - Doug Fox off-site parking | 1,723 | 1,608 | 679 | 734 | (56) | -7.6% | (1,044) | -60.6% |
| All Other Parking Revenue | 31 | 26 | 21 | 9 | 12 | 124.7% | (10) | -31.5% |
| Total Parking Revenue | 40,401 | 44,159 | 20,002 | 18,747 | 1,255 | 6.7% | (20,399) | -50.5% |
| Parking Transactions by duration | | | | | | | | |
| in 000's | | | | | | | | |
| Total Enplanements | 12,079 | 12,485 | 5,559 | 5,300 | 260 | 4.9% | (6,520) | -54.0% |
| O&D % | 70.2% | 71.0% | 66.0% | 71.0% | -5.0% | -7.0% | -4.2% | -6.0% |
| O&D Enplanements | 8,480 | 8,864 | 3,669 | 3,763 | (94) | -2.5% | (4,810) | -56.7% |
| Revenue per O&D Enplanement Metrics | | | | | | | | |
| Public Parking | \$ 4.27 | \$ 4.52 | \$ 4.73 | \$ 4.33 | \$ 0.40 | 9.1% | \$ 0.46 | 10.7% |
| Premier Corporate Parking | \$ 0.08 | \$ 0.08 | \$ 0.10 | \$ 0.18 | \$ (0.08) | -45.6% | \$ 0.02 | 20.5% |
| Passport Parking Program | \$ 0.21 | \$ 0.20 | \$ 0.43 | \$ 0.27 | \$ 0.16 | 60.4% | \$ 0.23 | 110.3% |
| Total Garage Revenue per O&D Enplanement | \$ 4.56 | \$ 4.80 | \$ 5.26 | \$ 4.78 | \$ 0.48 | 10.0% | \$ 0.70 | 15.4% |
| Concession Rent - Doug Fox off-site parking | \$ 0.20 | \$ 0.18 | \$ 0.18 | \$ 0.20 | \$ (0.01) | -5.2% | \$ (0.02) | -9.0% |
| All Other Parking Revenue | \$ 0.00 | \$ 0.00 | \$ 0.01 | \$ 0.00 | \$ 0.00 | 130.4% | \$ 0.00 | 58.4% |
| Total Parking per O&D Enplanement | \$ 4.76 | \$ 4.98 | \$ 5.45 | \$ 4.98 | \$ 0.47 | 9.4% | \$ 0.69 | 14.4% |

YTD 2020 Actuals vs. 2019 Actuals

General Garage Parking – Garage parking activity decline tracking marginally better than passenger volume decline.

Prebooking – Prebooking program utilization has increased with widget addition to website.

Premier Corporate – Negatively impacted by Employee Parking NEPL customers being allowed to park in the garage and have less need to pay a premium for Premier Corporate.

Passport – Majority of customers are airport tenants and billings at the beginning of the month. Passport expected to be less sensitive to passenger fluctuations.

Doug Fox – Customer preference for in-close parking, while off-site parking impacted more by passenger decline.

Public Parking YE Forecast

| Public Parking - Revenue Detail \$ in 000's | 2019 | 2020 | 2020 | 2020 | Fav (UnFav) Budget Variance | | Incr (Decr) Change from 2019 | | |
|---|------------------------|--------------------------|--------------------------|--------------------------|--|---------------|---|---------------|--|
| | Actual | A Budget | Forecast | R Budget | \$ | % | \$ | % | |
| Parking Garage Revenue to Port | | | | | | | | | |
| General Parking/Terminal Direct | 73,562 | 81,300 | 28,530 | 36,050 | (7,520) | -20.9% | (43,943) | -60.6% | |
| Prebooking | 217 | - | 1,340 | 640 | 700 | 109.4% | 1,340 | N/A | |
| Revenue to Port - General Parking | 73,779 | 81,300 | 29,870 | 36,690 | (6,820) | -18.6% | (42,603) | -58.8% | |
| Other Garage Revenue | | | | | | | | | |
| Premier Corporate Parking | 1,415 | 1,360 | 540 | 820 | (280) | -34.1% | (685) | -55.9% | |
| Passport Parking Program | 3,582 | 3,570 | 1,810 | 1,720 | 90 | 5.2% | (1,409) | -43.8% | |
| Revenue to Port - Parking Programs | 4,997 | 4,930 | 2,350 | 2,540 | (190) | -7.5% | (2,094) | -47.1% | |
| Total Parking Garage Revenue | 78,776 | 86,230 | 32,220 | 39,230 | (7,010) | -17.9% | (44,697) | -58.1% | |
| Other Parking Revenue | | | | | | | | | |
| Concession Rent - Doug Fox off-site parking | 3,292 | 3,200 | 1,230 | 1,560 | (330) | -21.2% | (2,008) | -62.0% | |
| All Other Parking Revenue | 56 | 55 | 18 | 23 | (5) | -21.7% | (38) | -67.9% | |
| Total Parking Revenue | 82,125 | 89,485 | 33,468 | 40,813 | (7,345) | -18.0% | (46,744) | -58.3% | |
| Parking Transactions by duration | | | | | Fav / (UnFav) Budget Variance | | Incr / (Decr) Change from 2019 | | |
| in 000's | 2019 Actual | 2020 A Budget | 2020 Forecast | 2020 R Budget | # | % | # | % | |
| Total Enplanements | 25,875 | 26,667 | 10,172 | 12,777 | (2,605) | -20.4% | (14,722) | -59.1% | |
| O&D % | 70.2% | 71.0% | 66.0% | 71.0% | -5.0% | -7.0% | -5.2% | -7.3% | |
| O&D Enplanements | 18,164 | 18,933 | 6,714 | 9,072 | (2,358) | -26.0% | (11,011) | -62.1% | |
| Revenue per O&D Enplanement Metrics | | | | | | | | | |
| Public Parking | \$ 4.06 | \$ 4.29 | \$ 4.45 | \$ 4.04 | \$ 0.40 | 10.0% | \$ 0.36 | 8.8% | |
| Premier Corporate Parking | \$ 0.08 | \$ 0.07 | \$ 0.08 | \$ 0.09 | \$ (0.01) | -11.0% | \$ 0.01 | 16.3% | |
| Passport Parking Program | \$ 0.20 | \$ 0.19 | \$ 0.27 | \$ 0.19 | \$ 0.08 | 42.2% | \$ 0.09 | 48.4% | |
| Total Garage Revenue per O&D Enplanement | \$ 4.34 | \$ 4.55 | \$ 4.80 | \$ 4.32 | \$ 0.47 | 11.0% | \$ 0.46 | 10.6% | |
| Concession Rent - Doug Fox off-site parking | \$ 0.18 | \$ 0.17 | \$ 0.18 | \$ 0.17 | \$ 0.01 | 6.5% | \$ 0.00 | 0.3% | |
| All Other Parking Revenue | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 0.00 | 5.7% | \$ (0.00) | -15.2% | |
| Total Parking per O&D Enplanement | \$ 4.52 | \$ 4.73 | \$ 4.99 | \$ 4.50 | \$ 0.49 | 10.8% | \$ 0.46 | 10.2% | |

2020 Forecast vs. 2019 Actuals

COVID-19 impacts to Parking Revenue expected to be severe through year-end.

General Garage Parking – revenue impact from COVID-19 expected to be aligned with decline in 2020 enplanements.

Prebooking Program – demand for Prebooking parking program expected to be similarly impacted.

Premier Corporate & Passport parking programs – recovery is limited by uncertainty in demand.

Doug Fox – Revenue performance expected to be slightly worse than decline in enplanements.

Broad and severe impact to Landside revenue from COVID-19

Rental Cars YTD

| Rental Car - Revenue Detail | 2019 YTD Actual | 2020 YTD A Budget | 2020 Year-to-Date | | Fav / (UnFav) Budget Variance | | Incr / (Decr) Change from 2019 | |
|--|--------------------|----------------------|-------------------|----------------|----------------------------------|--------------|-----------------------------------|----------------|
| | | | Actual | R Budget | \$ | % | \$ | % |
| \$ in 000's | | | | | | | | |
| Total Enplanements | 9,626 | 9,958 | 5,014 | 4,889 | 125 | 2.6% | (4,612) | -47.9% |
| O&D % | 70.2% | 71.0% | 66.0% | 71.0% | -5.0% | -7.0% | -4.2% | -6.0% |
| O&D Enplanements | 6,757 | 7,070 | 3,309 | 3,471 | (162) | -4.7% | (3,448) | -51.0% |
| Gross Sales by Operators | 97,921 | 98,997 | 50,040 | 49,506 | 534 | 1.1% | (47,881) | -48.9% |
| Total Transactions | 507 | 505 | 244 | 238 | 6 | 2.4% | (262) | -51.8% |
| Average Ticket | \$193.27 | \$196.03 | \$204.84 | \$207.58 | (\$2.74) | -1.3% | \$11.57 | 6.0% |
| Average Length of Stay | 4.16 | 4.24 | 4.47 | 4.24 | 0.23 | 5.5% | 0.31 | 7.5% |
| Transactions/O&D Enplanements | 7.50% | 7.14% | 7.38% | 6.87% | 0.51% | 7.4% | -0.12% | -1.5% |
| CFC Revenue Summary | | | | | | | | |
| Total Transaction Days | 2,108 | 2,143 | 1,093 | 1,012 | 82 | 8.1% | (1,015) | -48.1% |
| CFC Rate per Transaction Day | \$6.00 | \$6.00 | \$6.00 | \$6.00 | \$0.00 | 0.0% | \$0.00 | 0.0% |
| CFC Revenue Earned | 12,650 | 12,858 | 6,559 | 6,069 | 490 | 8.1% | (6,091) | -48.1% |
| Other CFC Collections | (442) | - | (174) | (4) | (170) | 4250.8% | 268 | -60.6% |
| Total CFC Revenue | 12,208 | 12,858 | 6,385 | 6,065 | 320 | 5.3% | (5,823) | -47.7% |
| Debt Service Reserve Requirement | (9,741) | (9,965) | (6,385) | (6,065) | (320) | 5.3% | 3,356 | -34.5% |
| Residual - CFC Operating Revenue | 2,467 | 2,893 | - | - | - | N/A | (2,467) | -100.0% |
| Rental Car - Revenue Summary | | | | | | | | |
| \$ in 000's | | | | | | | | |
| RCF Concession Revenue to Port | 9,841 | 9,900 | 5,139 | 4,951 | 189 | 3.8% | (4,701) | -47.8% |
| Residual - CFC Operating Revenue: | 2,467 | 2,893 | - | - | - | N/A | (2,467) | -100.0% |
| Land Rent/Space Rent/Other | 1,606 | 1,322 | 1,655 | 1,610 | 45 | 2.8% | 49 | 3.0% |
| Total Rental Cars Operating Revenue | 13,914 | 14,115 | 6,794 | 6,560 | 234 | 3.6% | (7,120) | -51.2% |

YTD 2020 Actuals vs. 2019 Actuals

Concession Revenue – Customer preference during COVID-19 precautions have been away from shared vehicle type transportation and towards self-parking or rental cars. Revenue metrics have skewed positively on a fraction of prior year passengers.

CFC Operating Revenue – YTD and projected CFC collections are below the 2020 Rental Car debt service requirement, therefore no CFC Operating Revenue will be recognized in 2020.

Rental Cars YE Forecast

| Rental Car - Revenue Detail | 2019 Actual | 2020 A Budget | 2020 | | Fav / (UnFav) Budget Variance | | Incr / (Decr) Change from 2019 | |
|--|-----------------|------------------|-----------------|-----------------|----------------------------------|---------------|-----------------------------------|----------------|
| | | | Forecast | R Budget | \$ | % | \$ | % |
| \$ in 000's | | | | | | | | |
| Total Enplanements | 25,874 | 26,667 | 10,172 | 12,777 | (2,605) | -20.4% | (15,702) | -60.7% |
| O&D % | 71.1% | 71.0% | 66.0% | 71.0% | -5.0% | -7.0% | -5.1% | -7.2% |
| O&D Enplanements | 18,396 | 18,933 | 6,714 | 9,072 | (2,358) | -26.0% | (11,683) | -63.5% |
| Gross Sales by Operators | 328,156 | 335,405 | 112,800 | 153,455 | (40,655) | -26.5% | (215,356) | -65.6% |
| Total Transactions | 1,414 | 1,369 | 480 | 653 | (173) | -26.5% | (934) | -66.1% |
| Average Ticket | \$232.06 | \$ 245.00 | \$ 235.00 | \$ 235.00 | \$0.00 | 0.0% | \$2.94 | 1.3% |
| Average Length of Stay | 4.49 | 4.59 | 4.50 | 4.50 | - | 0.0% | 0.01 | 0.1% |
| Transactions/O&D Enplanements | 7.69% | 7.23% | 7.15% | 7.20% | -0.05% | -0.7% | -0.54% | -7.0% |
| CFC Revenue Summary | | | | | | | | |
| Total Transaction Days | 6,356 | 6,284 | 2,160 | 2,939 | (779) | -26.5% | (4,196) | -66.0% |
| CFC Rate per Transaction Day | \$6.00 | \$6.00 | \$6.00 | \$6.00 | \$0.00 | 0.0% | \$0.00 | 0.0% |
| CFC Revenue Earned | 38,137 | 37,700 | 12,960 | 17,630 | (4,670) | -26.5% | (25,177) | -66.0% |
| Other CFC Collections | (9) | 0 | - | - | - | N/A | 9 | -100.0% |
| Total CFC Revenue | 38,128 | 37,700 | 12,960 | 17,630 | (4,670) | -26.5% | (25,168) | -66.0% |
| Debt Service Reserve Requirement | (23,655) | (23,914) | (23,914) | (23,914) | - | 0.0% | (258) | 1.1% |
| Reserve Fund Release (bond maturation) | 1,300 | - | - | - | - | N/A | - | N/A |
| Net Debt Service | (22,355) | (23,914) | (23,914) | (23,914) | - | 0.0% | (2,112) | 9.7% |
| Residual - CFC Operating Revenue | 15,773 | 13,786 | - | - | - | N/A | (15,773) | -100.0% |
| Rental Car - Revenue Summary | | | | | | | | |
| \$ in 000's | | | | | | | | |
| RCF Concession Revenue to Port | 32,870 | 33,500 | 11,280 | 15,346 | (4,066) | -26.5% | (22,194) | -66.3% |
| Residual - CFC Operating Revenue: | 15,773 | 13,786 | - | - | - | N/A | (16,263) | -100.0% |
| Land Rent/Space Rent/Other | 3,924 | 3,863 | 3,863 | 3,863 | - | 0.0% | 30 | 0.8% |
| Total Rental Cars Operating Revenue | 52,567 | 51,149 | 15,143 | 19,209 | (4,066) | -21.2% | (38,426) | -71.7% |

2020 Forecast vs. 2019 Actuals

Concession Revenue – Overall COVID-19 impacts on Rental Cars follows enplanements, with some reductions in pricing power.

CFC Operating Revenue – projected CFC collections are below the 2020 Rental Car debt service requirement, therefore no CFC Operating Revenue will be recognized in 2020. CARES Act grant is anticipated to fill the gap in debt service as a non-operating inflow.

Ground Transportation YTD

| Revenue to Port \$ in 000's | 2019 YTD | 2020 YTD | 2020 Year-to-Date | | Fav (UnFav) Budget Variance | | Incr (Decr) Change from 2019 | |
|--|--------------|---------------|-------------------|--------------|----------------------------------|---------------|-----------------------------------|---------------|
| | Actual | A Budget | Actual | R Budget | \$ | % | \$ | % |
| Ground Transportation Revenues | | | | | | | | |
| Transportation Network Companies | 5,997 | 7,057 | 2,765 | 2,941 | (176) | -6.0% | (3,232) | -53.9% |
| On Demand Taxis | 1,856 | 1,614 | 632 | 657 | (25) | -3.8% | (1,224) | -65.9% |
| On Demand Limos | 403 | 382 | 259 | 238 | 22 | 9.1% | (144) | -35.7% |
| Belled In Taxis (Annual Permit) | 27 | 23 | 12 | 12 | - | 0.0% | (15) | -55.3% |
| Pre-Arranged Limos (Annual Permit) | 350 | 331 | 95 | 107 | (11) | -10.5% | (254) | -72.7% |
| Courtesy Cars (cost recovery) | 986 | 981 | 493 | 446 | 47 | 10.5% | (493) | -50.0% |
| All other Operators (cost recovery) | 208 | 214 | 46 | 78 | (32) | -40.8% | (161) | -77.7% |
| Other Misc Revenues | 153 | 149 | 71 | 98 | (27) | -27.1% | (82) | -53.6% |
| Total GT Revenue | 9,979 | 10,751 | 4,374 | 4,576 | (202) | -4.4% | (5,605) | -56.2% |
| Trip Activity in 000's | | | | | | | | |
| | 2019 YTD | 2020 YTD | 2020 Year-to-Date | | Fav / (UnFav) Budget Variance | | Incr / (Decr) Change from 2019 | |
| | Actual | A Budget | Actual | R Budget | # | % | # | % |
| Ground Transportation Trips | | | | | | | | |
| Transportation Network Companies | 999 | 1,176 | 461 | 490 | (29) | -6.0% | (539) | -53.9% |
| On Demand Taxis | 309 | 269 | 106 | 110 | (4) | -3.4% | (204) | -65.8% |
| On Demand Limos | 34 | 18 | 12 | 12 | 0 | 0.3% | (23) | -65.9% |
| Belled In Taxis (Annual Permit) | 8 | 7 | 1 | 1 | (0) | -3.1% | (6) | -82.1% |
| Pre-Arranged Limos (Annual Permit) | 34 | 166 | 63 | 64 | (1) | -2.1% | 28 | 82.3% |
| Courtesy Cars (cost recovery) | 594 | 613 | 305 | 293 | 12 | 4.0% | (289) | -48.7% |
| All other Operators (cost recovery) | 55 | 37 | 10 | 10 | (0) | -0.4% | (44) | -81.0% |
| Total GT Trip Activity | 2,034 | 2,286 | 958 | 981 | (23) | -2.3% | (1,076) | -52.9% |

2020 Forecast vs. 2019 Actuals

Ground Transportation operators are experiencing COVID-19 impacts unevenly. Operators that were growing were more resilient to falling passenger activity than operators that were already in decline.

TNC trips declined -54% YOY, tracking closely with -54% change in O&D enplanements.

On Demand Taxis trips have declined an additional -12% over O&D enplanements declines. The original 2020 budget assumed a -10% trend above enplanement changes.

Ground Transportation YE Forecast

| Ground Transportation - Revenue Detail | 2019 Actual | 2020 A Budget | 2020 Forecast | 2020 R Budget | Fav (UnFav) Budget Variance | | Incr (Decr) Change from 2019 | |
|--|----------------|------------------|------------------|------------------|--------------------------------|---------------|---------------------------------|---------------|
| | | | | | \$ | % | \$ | % |
| \$ in 000's | | | | | | | | |
| Ground Transportation Revenues | | | | | | | | |
| Transportation Network Companies | 12,982 | 14,794 | 5,203 | 7,492 | (2,289) | -30.6% | (7,780) | -59.9% |
| On Demand Taxis | 3,578 | 3,321 | 1,228 | 1,504 | (276) | -18.4% | (2,350) | -65.7% |
| On Demand Limos | 837 | 837 | 370 | 411 | (41) | -9.9% | (466) | -55.7% |
| Belled In Taxis (Annual Permit) | 27 | 24 | 15 | 12 | 3 | 25.0% | (12) | -45.4% |
| Pre-Arranged Limos (Annual Permit) | 611 | 581 | 206 | 278 | (72) | -25.9% | (405) | -66.3% |
| Courtesy Cars (cost recovery) | 2,019 | 1,984 | 915 | 951 | (36) | -3.7% | (1,103) | -54.7% |
| All other Operators (cost recovery) | 418 | 466 | 149 | 250 | (101) | -40.2% | (269) | -64.3% |
| Other Misc Revenues | 293 | 294 | 119 | 194 | (75) | -38.9% | (175) | -59.6% |
| Total GT Revenue | 20,765 | 22,299 | 8,205 | 11,092 | (2,887) | -26.0% | (12,560) | -60.5% |
| Trip Activity | | | | | | | | |
| in 000's | | | | | | | | |
| Ground Transportation Trips | | | | | | | | |
| Transportation Network Companies | 2,172 | 1,929 | 867 | 864 | 3 | 0.3% | (1,305) | -60.1% |
| On Demand Taxis | 616 | 696 | 205 | 207 | (2) | -1.0% | (411) | -66.8% |
| On Demand Limos | 65 | 67 | 20 | 22 | (2) | -9.9% | (46) | -70.0% |
| Belled In Taxis (Annual Permit) | 13 | 18 | 4 | 3 | 1 | 25.0% | (9) | -70.5% |
| Pre-Arranged Limos (Annual Permit) | 65 | 344 | 90 | 122 | (31) | -25.9% | 25 | 38.4% |
| Courtesy Cars (cost recovery) | 1,236 | 1,160 | 537 | 558 | (21) | -3.7% | (699) | -56.6% |
| All other Operators (cost recovery) | 74 | 57 | 13 | 22 | (8) | -37.7% | (60) | -81.8% |
| Total GT Trip Activity | 4,240 | 4,271 | 1,735 | 1,796 | (61) | -3.4% | (2,505) | -59.1% |

2020 Forecast vs. 2019 Actuals

COVID-19 impacts to Ground Transportation Revenue expected to be severe through year-end.

Ground Transportation operators trip forecast is generally expected to align with the overall decline in passenger volume. Individual operator categories will be closely monitored in the coming months for diverging trends between GT operators and other modes of transportation.

TNC trips began the year better than enplanement performance and dipped below in COVID-19 affected months. Forecast reflects the recent trend of declines.

Airport Dining & Retail YTD

| YTD Airport Dining & Retail <i>Subclass Basis (in 000's)</i> | 2019 YTD Actual | 2020 YTD A Budget | 2020 Year-to-Date | | Fav / (Unfav) Budget Variance | | Incr / (Decr) from Prior Year | |
|---|--------------------|----------------------|-------------------|---------------|----------------------------------|--------------|----------------------------------|---------------|
| | | | Actual | R Budget | \$ | % | \$ | % |
| ADR Revenue | | | | | | | | |
| Food & Beverage | 12,266 | 13,132 | 5,047 | 4,511 | 535 | 11.9% | (7,219) | -58.9% |
| Retail | 7,717 | 7,950 | 3,090 | 2,989 | 102 | 3.4% | (4,626) | -60.0% |
| Duty Free | 3,263 | 3,198 | 1,263 | 996 | 268 | 26.9% | (1,999) | -61.3% |
| Personal Services | 1,982 | 1,785 | 992 | 972 | 19 | 2.0% | (990) | -50.0% |
| Advertising | 3,502 | 3,614 | 2,691 | 1,690 | 1,001 | 59.3% | (811) | -23.1% |
| Space Rental - Terminal | 660 | 684 | 632 | 663 | (31) | -4.7% | (28) | -4.2% |
| All other revenue | 193 | 254 | 140 | 198 | (58) | -29.2% | (53) | -27.4% |
| Total ADR Revenue | 29,581 | 30,617 | 13,856 | 12,019 | 1,837 | 15.3% | (15,726) | -53.2% |

| Sales per Enplanement | | | | | | | | |
|--|-----------------|-----------------|-----------------|-----------------|----------------|--------------|------------------|--------------|
| SPE - Food & Beverage | \$ 7.63 | \$ 7.96 | \$ 7.63 | \$ 6.66 | \$ 0.96 | 14.5% | \$ (0.00) | 0.0% |
| SPE - Retail Sales | \$ 4.03 | \$ 4.05 | \$ 3.88 | \$ 3.31 | \$ 0.57 | 17.3% | \$ (0.15) | -3.7% |
| SPE - Duty Free | \$ 0.77 | \$ 0.79 | \$ 0.59 | \$ 0.64 | \$ (0.05) | -7.8% | \$ (0.18) | -22.9% |
| SPE - Personal Services | \$ 0.83 | \$ 0.86 | \$ 0.61 | \$ 0.65 | \$ (0.04) | -5.9% | \$ (0.22) | -26.5% |
| SPE - Airport Dining & Retail | \$ 13.26 | \$ 13.67 | \$ 12.71 | \$ 11.26 | \$ 1.45 | 12.8% | \$ (0.55) | -4.1% |

YTD 2020 Actuals vs. 2019 Actuals
COVID-19 impacts to Airport Dining & Retail began being felt in early March, with severe impact through Q2.

Tenant Sales Activity – Unfavorable results are widespread in all categories due to the dramatic decline in passenger volumes related to COVID-19.

Units Closed & Operations Curtailed – ADR units began reopening in the latter part of Q2, currently 58 out of 72 F&B and Retail units are open, but many open units have reduced operating hours.

Sales per Enplanement (SPE)– The decline in SPE was not as deep as we anticipated with actual SPE exceeding the revised budget by \$1.45

Airport Dining & Retail YE Forecast

| 2020 Airport Dining & Retail Subclass Basis (in 000's) | 2019 Actual | 2020 A Budget | 2020 | | Fav / (Unfav) Budget Variance | | Incr / (Decr) from Prior Year | |
|---|-----------------|------------------|-----------------|-----------------|----------------------------------|---------------|----------------------------------|---------------|
| | | | Forecast | R Budget | \$ | % | \$ | % |
| ADR Revenue | | | | | | | | |
| Food & Beverage | 26,436 | 28,077 | 8,708 | 10,371 | (1,663) | -16.0% | (17,728) | -67.1% |
| Retail | 16,313 | 17,398 | 5,853 | 8,496 | (2,643) | -31.1% | (10,460) | -64.1% |
| Duty Free | 6,189 | 6,709 | 1,917 | 2,173 | (255) | -11.8% | (4,272) | -69.0% |
| Personal Services | 3,847 | 3,966 | 1,519 | 1,900 | (381) | -20.1% | (2,328) | -60.5% |
| Advertising | 7,326 | 8,103 | 5,048 | 4,176 | 872 | 20.9% | (2,278) | -31.1% |
| Space Rental - Terminal | 1,298 | 1,371 | 1,269 | 1,349 | (80) | -5.9% | (29) | -2.2% |
| All other revenue | 328 | 520 | 265 | 464 | (200) | -43.0% | (63) | -19.3% |
| Total ADR Revenue | 59,022 | 66,145 | 24,580 | 27,753 | (3,173) | -11.4% | (34,442) | -58.4% |
| Sales per Enplanement | | | | | | | | |
| SPE - Food & Beverage | \$ 7.56 | \$ 7.97 | \$ 7.09 | \$ 6.58 | \$ 0.51 | 7.8% | \$ (0.47) | -6.2% |
| SPE - Retail Sales | \$ 3.99 | \$ 4.15 | \$ 3.81 | \$ 3.62 | \$ 0.19 | 5.3% | \$ (0.18) | -4.6% |
| SPE - Duty Free | \$ 0.77 | \$ 0.78 | \$ 0.58 | \$ 0.60 | \$ (0.02) | -3.0% | \$ (0.19) | -24.9% |
| SPE - Personal Services | \$ 0.80 | \$ 0.84 | \$ 0.66 | \$ 0.65 | \$ 0.00 | 0.7% | \$ (0.14) | -17.6% |
| SPE - Airport Dining & Retail | \$ 13.12 | \$ 13.73 | \$ 12.14 | \$ 11.45 | \$ 0.69 | 6.0% | \$ (0.98) | -7.5% |

2020 Forecast vs. 2019 Actuals

COVID-19 impacts to ADR Revenue expected to be severe through year-end.

Revenue Forecast – reflects both a decline in passenger traffic and a decrease in sales per enplanement (SPE).

Construction on new units has been restarting but unit openings have been delayed into Q4 and 2021.

Commercial Properties YTD & YE Forecast

| Commercial Properties (3630) <i>Subclass Basis (in 000's)</i> | 2019 YTD Actual | 2020 YTD A Budget | 2020 Year to Date | | Fav / (Unfav) Budget Variance | | Incr / (Decr) from Prior Year | |
|--|--------------------|----------------------|-------------------|--------------|----------------------------------|-------------|----------------------------------|---------------|
| | | | Actuals | R Budget | \$ | % | \$ | % |
| Revenue | | | | | | | | |
| In-Flight Kitchen Revenue | 4,408 | 4,653 | 2,323 | 2,190 | 133 | 6.1% | (2,085) | -47.3% |
| Land/Space Rents | 2,408 | 3,047 | 3,177 | 3,191 | (15) | -0.5% | 769 | 31.9% |
| All Other Commercial Properties Revenue | 256 | 277 | 277 | 277 | 0 | 0.0% | 21 | 8.3% |
| Non-Aero Commercial Properties Revenue: | 7,072 | 7,978 | 5,777 | 5,658 | 119 | 2.1% | (1,295) | -18.3% |

| Commercial Properties (3630) <i>Subclass Basis (in 000's)</i> | 2019 Actual | 2020 A Budget | 2020 | | Fav / (Unfav) Bdgt Variance | | Incr / (Decr) from 2018 | |
|--|----------------|------------------|---------------|---------------|--------------------------------|--------------|----------------------------|---------------|
| | | | FCST | R Budget | \$ | % | \$ | % |
| Revenue | | | | | | | | |
| In-Flight Kitchen Revenue | 10,053 | 9,974 | 4,123 | 5,106 | (983) | -19.3% | (5,930) | -59.0% |
| Land/Space Rents | 4,658 | 6,120 | 6,221 | 6,120 | 100 | 1.6% | 1,562 | 33.5% |
| All Other Commercial Properties Revenue | 1,061 | 566 | 576 | 628 | (52) | -8.3% | (485) | -45.7% |
| Non-Aero Commercial Properties Revenue: | 15,773 | 16,660 | 10,920 | 11,854 | (935) | -7.9% | (4,853) | -30.8% |

2020 Forecast vs. 2019 Actuals

COVID-19 impacts to Non-Aero Commercial Properties revenue is primarily limited to In-Flight Kitchen concession activity.

In-Flight Meal Revenue forecast is closely aligned with decline in passenger volumes, but the impact was delayed.

Land/Space Rent revenues are primarily fixed rates per sq.ft., and are therefore relatively unaffected by COVID-19 impacts

2020 Capital Expenditures

| \$ in 000's | 2020 | 2020 | 2020 | Fest/Rvsd Budget | |
|---|----------------|-------------------|-------------------------|------------------|--------------|
| | YTD Actual | Year-End Forecast | Revised Approved Budget | \$ | % |
| International Arrivals Facility ⁽¹⁾ | 99,340 | 185,340 | 215,000 | 29,660 | 13.8% |
| NS NSAT Renov NSTS Lobbies ⁽²⁾ | 75,290 | 156,246 | 134,528 | (21,718) | -16.1% |
| Checked Bag Recap/Optimization ⁽³⁾ | 7,178 | 19,748 | 14,500 | (5,248) | -36.2% |
| AFLD Pvmnt Program 2016-2020 ⁽⁴⁾ | 5,123 | 17,781 | 13,133 | (4,648) | -35.4% |
| Restroom Upgrades Conc B, C, D ⁽⁵⁾ | 6,011 | 8,428 | 5,400 | (3,028) | -56.1% |
| Remote Aircraft Deicing ⁽⁶⁾ | 812 | 8,673 | 15,058 | 6,385 | 42.4% |
| SSAT HVAC Infrastructure Upgrade ⁽⁷⁾ | 7,668 | 17,628 | 14,950 | (2,678) | -17.9% |
| N. Terminals Utilities Upgrade ⁽⁸⁾ | 2,043 | 8,538 | 10,600 | 2,062 | 19.5% |
| Service Tunnel Renewal/Replace ⁽⁹⁾ | 3,011 | 4,270 | 5,529 | 1,258 | 22.8% |
| Checkpoint 1 Relocation ⁽¹⁰⁾ | 289 | 989 | 1,884 | 895 | 47.5% |
| PLB Renew & Replace Phase 2 ⁽¹¹⁾ | 280 | 2,969 | 5,654 | 2,685 | 47.5% |
| Highline School Insulation ⁽¹²⁾ | - | 14,900 | 13,734 | (1,166) | -8.5% |
| Safedock Upgrade & Expansion ⁽¹³⁾ | 302 | 615 | 6,209 | 5,594 | 90.1% |
| All Other | 28,387 | 92,066 | 111,212 | 19,147 | 17.2% |
| Subtotal | 235,734 | 538,189 | 567,391 | 29,201 | 5.1% |
| CIP Cashflow Mgmt Reserve ⁽¹⁴⁾ | - | (36,084) | (72,000) | (35,916) | 49.9% |
| Total Spending | 235,734 | 501,490 | 489,182 | (12,309) | -2.5% |

(1) Delays and complications related to the pedestrian walkway have pushed work to the right. Updated schedule slides the IAF substantial completion date 6 months to the right and the pedestrian walkway into Q1 2021

(2) Increase due to added construction costs associated with work pulled forward (Operation Silver Cloud) that would have been performed in 2021, plus processing a significant amount of construction change orders for work already executed.

(3) MII Rejection at the beginning of the year led to uncertainty whether the project would be rebid, so the spending was pushed out of the baseline. Now the contract has been executed and spending will be accelerated.

(4) Construction is expedited to take advantage of downturn in air traffic operation, and transfer of scope from 2025 Pavement Improvement program

(5) COVID impacts and change order cost in Phase 2 for unforeseen conditions increased the expenditures for 2020

(6) New estimate has significant reduction as a result of value engineering, and bid came in lower than engineering estimate

(7) Accelerated work due to more available space because of low volume of passengers

(8) Phase 2 delayed

(9) Project savings

(10) 2020 Plan based on a 'HOT' project, but then requested to be 'slowed', due to COVID-19

(11) Delayed work, moved 2 bridge installs until next year

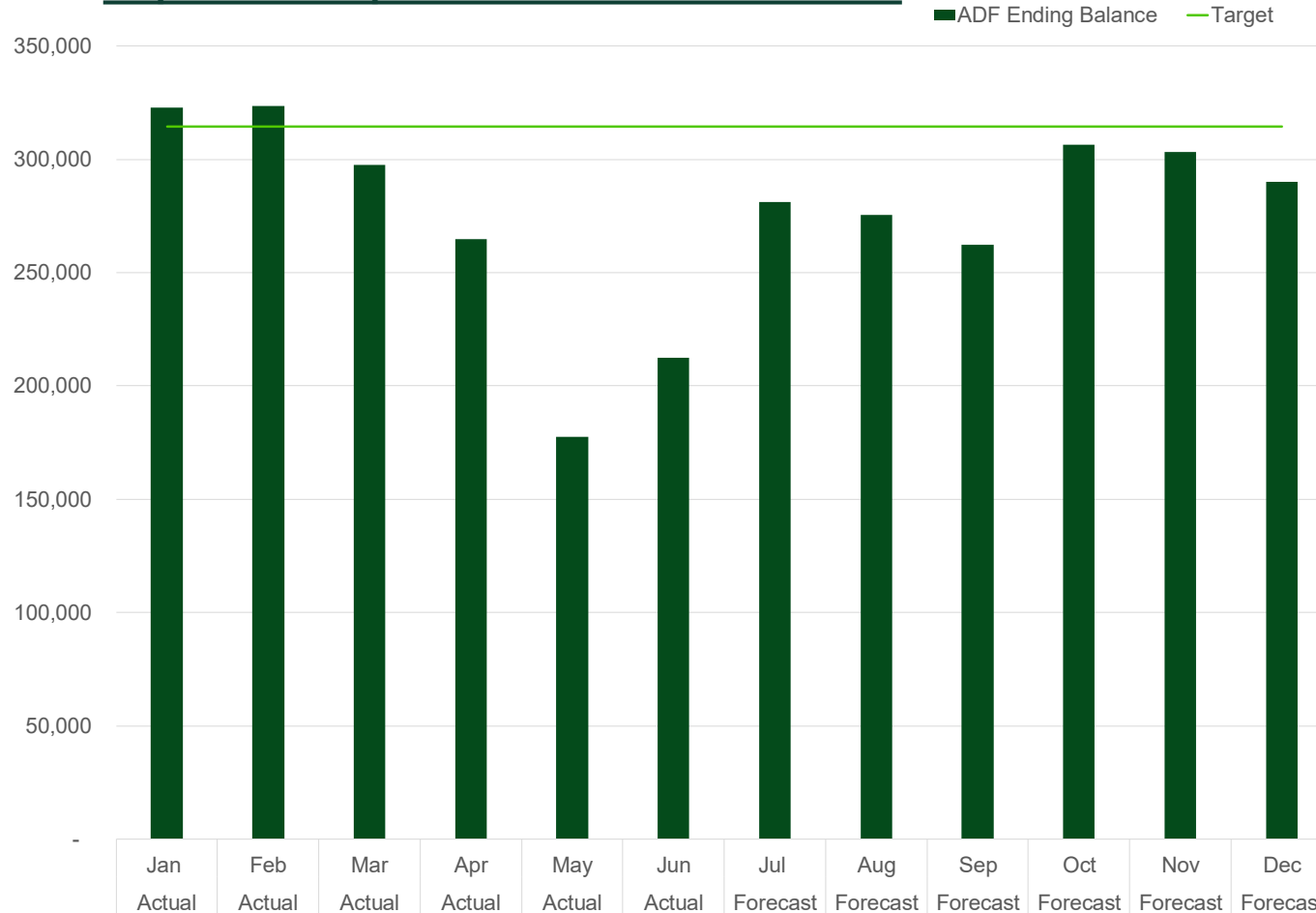
(12) Commission directed acceleration of the sound insulation projects in Q1 2020. Highline insulation is funded by 67% AIP grants, 16% tax levy, and 17% airport funds.

(13) Favorable bid

(14) Reduced the negative amount to \$36,084(original was \$72,000) as much of the underspending for the year was included in the cash flow updates as of Q2.

Airport Development Fund Balance

Airport Development Fund Balance in 000's



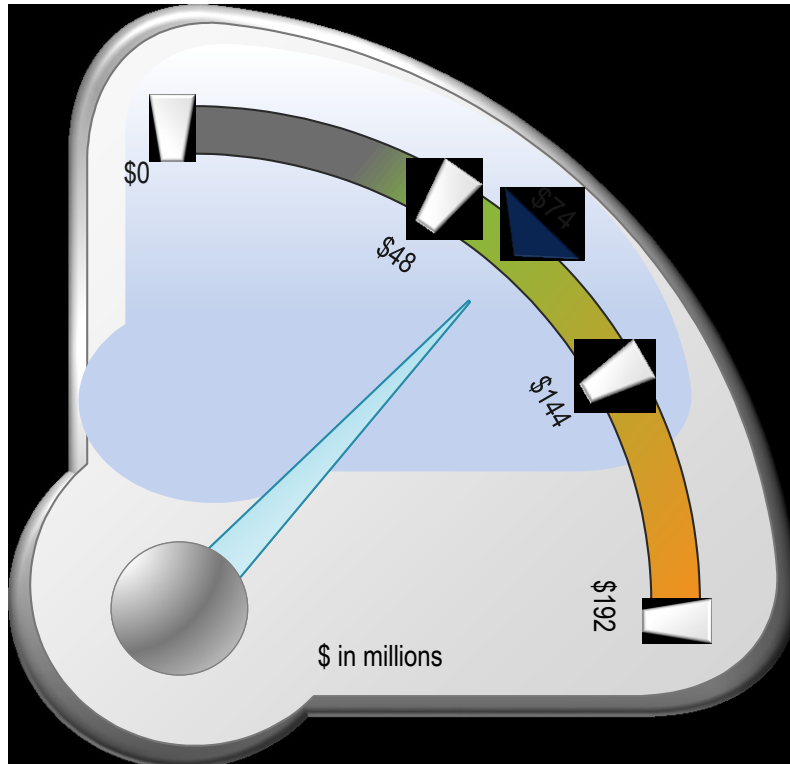
NOTES:

- ADF target is set as \$314.4M which is 10 months of O&M based on 2020 approved budget
- \$173.13M of CARES act grants assumed in the forecast
- ADF ending balance is forecasted to be \$290.2M. Higher than expected because of \$85.3M back funding and \$6.2M O&M savings

CARES Act Grant

Claiming to Date \$74.7M

First reimbursement received on 7/20 for Q2 Debt Service



Employment Grant Condition

Airport must maintain 90% employment through Dec 31

| | Full Time Equivalents (FTEs) | | |
|--------------|------------------------------|---------------------|------------|
| | Baseline 3/27/2020 | As of 06/30/2020 | Change |
| Full-Time | 1,069.8 | 1,069.0 | (0.8) |
| Part-Time | 36.8 | 38.4 | 1.6 |
| Total | 1,106.6 | 1,107.4 | 0.9 |
| 90% Test | 995.9 | 996.7 | |
| Variance | 110.7 | 110.7 | |

Maritime Division Appendix

Q2 2020 Financial Performance Report

Maritime 2020 Financial Forecast Summary

| | 2018 | 2019 | 2020 | 2020 | 2020 | Fav (UnFav) | | Incr (Decr) | |
|---|----------------|----------------|-----------------|-----------------|-----------------|----------------------------------|-------------|------------------|--------------|
| | Actual | Actual | Forecast | Revised Budget | Approved Budget | Fest vs. Revised Budget Variance | | Change from 2019 | |
| \$ in 000's | | | | | | \$ | % | \$ | % |
| Ship Canal Fishing & Operations | 3,502 | 3,929 | 4,324 | 4,264 | 4,264 | 61 | 1% | 396 | 10% |
| Elliott Bay Fishing & Commercial Operations | 6,755 | 6,095 | 5,483 | 5,123 | 5,123 | 360 | 7% | (613) | -10% |
| Recreational Boating | 12,035 | 12,484 | 12,964 | 13,361 | 13,361 | (397) | -3% | 480 | 4% |
| Cruise | 18,880 | 22,410 | 4,261 | 5,909 | 26,261 | (1,647) | -28% | (18,148) | -81% |
| Grain | 5,167 | 4,266 | 3,740 | 3,490 | 3,490 | 249 | 7% | (527) | -12% |
| Maritime Portfolio Management | 11,305 | 10,108 | 9,622 | 10,428 | 10,428 | (806) | -8% | (485) | -5% |
| Other | (69) | (3) | 11 | 11 | 11 | (0) | 0% | 14 | -462% |
| Total Revenue | 57,575 | 59,289 | 40,405 | 42,585 | 62,938 | (2,180) | -5% | (18,884) | -32% |
| Expenses | | | | | | | | | |
| Maritime (Excl. Maint) | 11,326 | 13,789 | 15,688 | 16,408 | 16,881 | 720 | 4% | 1,900 | 14% |
| Economic Development | 4,347 | 4,987 | 5,626 | 5,626 | 5,756 | 0 | 0% | 639 | 13% |
| Total Direct | 15,673 | 18,776 | 21,315 | 22,035 | 22,637 | 720 | 3% | 2,539 | 14% |
| Maintenance Expenses | 11,416 | 12,186 | 12,426 | 12,426 | 13,073 | 0 | 0% | 240 | 2% |
| Envir Services & Planning | 1,553 | 2,250 | 2,345 | 2,295 | 2,681 | (50) | -2% | 95 | 4% |
| Seaport Project Management | 295 | 175 | 480 | 330 | 356 | (150) | -45% | 305 | 175% |
| Total Support Services | 13,265 | 14,611 | 15,251 | 15,051 | 16,110 | (200) | -1% | 640 | 4% |
| IT | 2,558 | 2,685 | 2,868 | 2,895 | 2,906 | 27 | 1% | 182 | 7% |
| Police Expenses | 4,041 | 4,086 | 3,226 | 3,368 | 3,382 | 142 | 4% | (860) | -21% |
| External Relations | 1,379 | 1,564 | 1,118 | 1,501 | 1,635 | 383 | 26% | (446) | -29% |
| Other Central Services | 6,117 | 6,645 | 7,000 | 6,974 | 7,481 | (26) | 0% | 355 | 5% |
| Aviation Division / Other | 220 | 278 | 368 | 368 | 245 | 0 | 0% | 90 | 32% |
| Total Central Services / Other | 14,315 | 15,258 | 14,580 | 15,106 | 15,650 | 526 | 3% | (678) | -4% |
| Total Expense | 43,252 | 48,644 | 51,145 | 52,191 | 54,396 | 1,046 | 2% | 2,501 | 5% |
| NOI Before Depreciation | 14,323 | 10,644 | (10,740) | (9,606) | 8,541 | (1,134) | -12% | (21,385) | -201% |
| Depreciation | 18,022 | 17,627 | 17,249 | 17,249 | 17,244 | 0 | 0% | (378) | -2% |
| NOI After Depreciation | (3,699) | (6,982) | (27,989) | (26,855) | (8,703) | (1,134) | -4% | (21,006) | -301% |

Revenue Variance from Revised Budget

- Cruise cancelled full year vs. a few sailings later in the season.
- Maritime Portfolio Management – anticipating some additional COVID-19 related vacancies once payments resume.
- Other variances based on YTD results.

Expense Variance from Revised Budget

- Direct – No Port Valet expenses Jul-Oct.
- Support services - Higher Expense/Capital ratio.
- Central services deeper reductions in External Relations and Police.

Maritime 2020 YTD Financial Summary

| | 2018 YTD | 2019 YTD | 2020 YTD | 2020 YTD | 2020 YTD | Fav (UnFav) | | Incr (Decr) | |
|---|----------------|----------------|-----------------|-----------------|----------------|------------------|------------|------------------|--------------|
| | Actual | Actual | Actual | Revised | Approved | Fcst vs. Revised | | Change from 2019 | |
| | | | | Budget | Budget | Budget | Variance | \$ | % |
| \$ in 000's | | | | | | \$ | % | \$ | % |
| Ship Canal Fishing & Operations | 1,610 | 2,004 | 2,182 | 2,122 | 2,122 | 61 | 3% | 178 | 9% |
| Elliott Bay Fishing & Commercial Operations | 3,012 | 3,067 | 2,908 | 2,548 | 2,548 | 360 | 14% | (158) | -5% |
| Recreational Boating | 6,068 | 6,228 | 6,211 | 6,607 | 6,607 | (397) | -6% | (17) | 0% |
| Cruise | 6,806 | 8,473 | 133 | 49 | 10,300 | 84 | 173% | (8,340) | -98% |
| Grain | 3,123 | 2,567 | 2,005 | 1,756 | 1,756 | 249 | 14% | (562) | -22% |
| Maritime Portfolio Management | 5,628 | 5,019 | 4,884 | 5,127 | 5,127 | (243) | -5% | (135) | -3% |
| Other | 11 | 10 | 15 | 5 | 5 | 9 | 173% | 5 | 45% |
| Total Revenue | 26,257 | 27,368 | 18,338 | 18,214 | 28,465 | 124 | 1% | (9,030) | -33% |
| Expenses | | | | | | | | | |
| Maritime (Excl. Maint) | 5,852 | 5,745 | 6,869 | 8,301 | 8,506 | 1,432 | 17% | 1,124 | 20% |
| Economic Development | 2,351 | 2,369 | 2,325 | 2,920 | 2,996 | 595 | 20% | (44) | -2% |
| Total Direct | 8,202 | 8,114 | 9,194 | 11,220 | 11,502 | 2,026 | 18% | 1,080 | 13% |
| Maintenance Expenses | 5,576 | 5,521 | 4,879 | 6,438 | 6,635 | 1,559 | 24% | (642) | -12% |
| Envir Services & Planning | 502 | 1,055 | 1,226 | 1,162 | 1,296 | (65) | -6% | 172 | 16% |
| Seaport Project Management | 160 | 130 | 188 | 163 | 178 | (26) | -16% | 58 | 45% |
| Total Support Services | 6,238 | 6,705 | 6,294 | 7,762 | 8,109 | 1,469 | 19% | (412) | -6% |
| IT | 1,367 | 1,320 | 1,393 | 1,424 | 1,428 | 30 | 2% | 74 | 6% |
| Police Expenses | 2,169 | 1,988 | 1,569 | 1,689 | 1,698 | 119 | 7% | (418) | -21% |
| External Relations | 628 | 751 | 615 | 748 | 812 | 134 | 18% | (136) | -18% |
| Other Central Services | 3,007 | 3,298 | 3,109 | 3,441 | 3,680 | 332 | 10% | (189) | -6% |
| Aviation Division / Other | 105 | 135 | 137 | 157 | 117 | 20 | 13% | 2 | 2% |
| Total Central Services / Other | 7,276 | 7,491 | 6,823 | 7,458 | 7,735 | 635 | 9% | (667) | -9% |
| Total Expense | 21,716 | 22,310 | 22,311 | 26,441 | 27,347 | 4,130 | 16% | 1 | 0% |
| NOI Before Depreciation | 4,541 | 5,058 | (3,973) | (8,227) | 1,119 | 4,254 | 52% | (9,031) | -179% |
| Depreciation | 8,823 | 8,911 | 8,781 | 8,651 | 8,649 | (130) | -2% | (130) | -1% |
| NOI After Depreciation | (4,281) | (3,853) | (12,754) | (16,878) | (7,530) | 4,124 | 24% | (8,901) | -231% |

Cruise Q2 Financials

| | 2019 YTD | 2020 YTD | 2020 YTD Revised | 2020 YTD Approved | Fav (UnFav) | | Incr (Decr) | |
|--|--------------|----------------|------------------|-------------------|------------------|-----------------|------------------|----------------|
| | | | | | Fcst vs. Revised | Budget Variance | Change from 2019 | |
| \$ in 000's | Actual | Actual | Budget | Budget | \$ | % | \$ | % |
| T-91 & Bell St Cruise Operations (5455 & 5446) | 8,455 | 118 | 34 | 10,286 | 84 | 243% | (8,337) | -99% |
| Bell Street Vessel Operations (5448) | 18 | 15 | 14 | 14 | 1 | 4% | (4) | -20% |
| Total Revenue | 8,473 | 133 | 49 | 10,300 | 84 | 173% | (8,340) | -98% |
| Expenses | | | | | | | | |
| Maritime (Excl. Maint) | 998 | 2,067 | 2,472 | 2,783 | 405 | 16% | 1,069 | 107% |
| Economic Development | 208 | 198 | 217 | 234 | 20 | 9% | (11) | -5% |
| Total Direct | 1,206 | 2,265 | 2,690 | 3,018 | 424 | 16% | 1,059 | 88% |
| Maintenance Expenses | 1,584 | 1,156 | 1,399 | 1,470 | 243 | 17% | (428) | -27% |
| Envir Services & Planning | 256 | 193 | 266 | 306 | 73 | 27% | (63) | -25% |
| Seaport Project Management | 52 | 46 | 51 | 56 | 5 | 10% | (6) | -12% |
| Total Support Services | 1,892 | 1,395 | 1,717 | 1,833 | 321 | 19% | (496) | -26% |
| IT | 312 | 342 | 357 | 357 | 15 | 4% | 31 | 10% |
| Police Expenses | 588 | 483 | 519 | 522 | 37 | 7% | (105) | -18% |
| External Relations | 222 | 190 | 278 | 298 | 88 | 32% | (32) | -14% |
| Other Central Services | 991 | 961 | 1,038 | 1,112 | 76 | 7% | (30) | -3% |
| Aviation Division / Other | 47 | 51 | 56 | 43 | 5 | 9% | 4 | 9% |
| Total Central Services / Other | 2,159 | 2,027 | 2,248 | 2,332 | 221 | 10% | (132) | -6% |
| Total Expense | 5,257 | 5,687 | 6,654 | 7,183 | 967 | 15% | 431 | 8% |
| NOI Before Depreciation | 3,216 | (5,555) | (6,605) | 3,117 | 1,051 | -16% | (8,771) | 273% |
| Depreciation | 3,211 | 3,056 | 2,950 | 2,950 | (106) | -4% | (156) | -5% |
| NOI After Depreciation | 5 | (8,610) | (9,555) | 168 | 945 | 10% | (8,615) | 178493% |

Variance from Budget

- Revenue \$84K higher due to utility sales and misc. revenue at T91 and P66
- Promotional and marketing expenses ~\$175K less than revised budget in Q2

Variance from 2019

- Revenue \$8.3M lower at T91 and P66 due to no cruise calls in 2020
- ~\$1M NWSA lease payment in 2020

COVID-19 Impact to 2020

- Revenue significantly impacted due to no 2020 cruise season
- Reduction in travel expenses and Port Valet to mitigate revenue impacts

Recreational Boating Q2 Financials

| | 2019 | 2020 Year-to-Date | | Fav (UnFav) Revised Budget Variance | | Inc (Dec) Change from 2019 | |
|--|--------------|-------------------|----------------|-------------------------------------|-------------|----------------------------|-------------|
| | Actual | Actual | Revised Budget | \$ | % | \$ | % |
| \$ in 000's | | | | | | | |
| Berthage and Moorage & Concession Services | 5,684 | 5,700 | 6,068 | (368) | -6% | 16 | 0% |
| Utility Sales Revenue | 264 | 285 | 266 | 18 | 7% | 20 | 8% |
| Other Service Revenue | 222 | 196 | 217 | (21) | -10% | (25) | -11% |
| Other | 58 | 30 | 56 | (26) | -46% | (27) | -48% |
| Total Revenue | 6,228 | 6,211 | 6,607 | (397) | -6% | (17) | 0% |
| Expenses | | | | | | | |
| Maritime (excl Maint) | 2,027 | 2,166 | 2,472 | 306 | 12% | 139 | 7% |
| Economic Development | 113 | 116 | 149 | 33 | 22% | 3 | 3% |
| Total Direct | 2,140 | 2,282 | 2,621 | 339 | 13% | 142 | 7% |
| Maintenance Expenses | 1,064 | 1,028 | 1,158 | 129 | 11% | (35) | -3% |
| Envir Services & Planning | 192 | 191 | 184 | (7) | -4% | (0) | 0% |
| Seaport Project Management | 32 | 59 | 31 | (27) | -87% | 26 | 82% |
| Total Support Service | 1,288 | 1,278 | 1,374 | 95 | 7% | (9) | -1% |
| IT | 348 | 369 | 378 | 9 | 2% | 21 | 6% |
| Police Expenses | 455 | 346 | 372 | 26 | 7% | (109) | -24% |
| External Relations | 172 | 135 | 150 | 15 | 10% | (37) | -21% |
| Other Central Services | 751 | 678 | 759 | 81 | 11% | (72) | -10% |
| Aviation Division/Other | 30 | 28 | 32 | 4 | 14% | (2) | -6% |
| Total Central Services/Other | 1,755 | 1,556 | 1,691 | 135 | 8% | (199) | -11% |
| Total Expense | 5,183 | 5,117 | 5,686 | 569 | 10% | (66) | -1% |
| NOI Before Depreciation | 1,045 | 1,094 | 922 | (172) | -19% | 49 | 5% |
| Depreciation | 1,378 | 1,375 | 1,461 | 87 | 6% | (3) | 0% |
| NOI After Depreciation | (333) | (281) | (540) | 259 | -48% | 53 | -16% |

- Includes Shilshole Bay Marina, Bell Harbor Marina, and Harbor Island Marina.

Variance from Revised Budget

- Revenue \$397K lower due to lower occupancy as we expected at SBM and BHM partially related to COVID-19 business disruptions as well as processing delays
- Operation expenses ~\$569K favorable to the revised budgeted in YTD contributed by \$339K favorable in Maritime direct charges, \$135K favorable in Central Services due to lower allocation, and \$95K favorable in Support Service

Variance from 2019

- Revenue \$17K lower due to 11% lower occupancy from 2019
- Operation expenses ~\$66K decrease in 2020 due to \$199K decrease in Central Services, and offset by \$139K increase in Maritime (excluding Maintenance) expenses

COVID-19 Impact to 2020

- Revenue will be reduced due to event cancellations and potentially reduced demand for slips

Ship Canal Fishing & Ops Q2 Financials

| | 2019 | 2020 Year-to-Date | | Fav(UnFav) Revised Budget Variance | | Inc (Dec) Change from 2019 | |
|--|----------------|-------------------|----------------|------------------------------------|-------------|----------------------------|-------------|
| | Actual | Actual | Revised Budget | \$ | % | \$ | % |
| \$ in 000's | | | | | | | |
| Berthage and Moorage & Concession Services | 1,750 | 1,935 | 1,837 | 97 | 5% | 185 | 11% |
| Space Rental | 119 | 120 | 147 | (28) | -19% | 0 | 0% |
| Utility Sales Revenue | 50 | 56 | 51 | 5 | 10% | 6 | 12% |
| Other | 85 | 72 | 86 | (14) | -16% | (13) | -15% |
| Total Revenue | 2,004 | 2,182 | 2,122 | 61 | 3% | 178 | 9% |
| Expenses | | | | | | | |
| Maritime (excl Maint) | 1,227 | 1,107 | 1,612 | 505 | 31% | (120) | -10% |
| Economic Development | 20 | 27 | 33 | 6 | 18% | 8 | 39% |
| Total Direct | 1,246 | 1,134 | 1,646 | 511 | 31% | (112) | -9% |
| Maintenance Expenses | 679 | 812 | 1,029 | 217 | 21% | 132 | 19% |
| Envir Services & Planning | 100 | 98 | 110 | 13 | 11% | (3) | -3% |
| Seaport Project Management | 10 | 23 | 24 | 1 | 6% | 13 | 127% |
| Total Support Service | 789 | 932 | 1,163 | 231 | 20% | 143 | 18% |
| IT | 165 | 169 | 174 | 5 | 3% | 5 | 3% |
| Police Expenses | 195 | 135 | 146 | 10 | 7% | (60) | -31% |
| External Relations | 74 | 53 | 59 | 6 | 10% | (20) | -28% |
| Other Central Services | 325 | 263 | 310 | 48 | 15% | (63) | -19% |
| Aviation Division/Other | 10 | 9 | 11 | 2 | 14% | (1) | -11% |
| Total Central Services/Other | 769 | 630 | 699 | 70 | 10% | (139) | -18% |
| Total Expense | 2,805 | 2,696 | 3,508 | 812 | 23% | (109) | -4% |
| NOI Before Depreciation | (800) | (513) | (1,386) | 873 | -63% | 287 | -36% |
| Depreciation | 1,089 | 1,154 | 1,071 | (83) | -8% | 65 | 6% |
| NOI After Depreciation | (1,889) | (1,667) | (2,457) | 790 | -32% | 222 | -12% |

Variance from Budget

- Revenue \$61K higher than the revised budget primarily due to Ballard Lock closures by the US Army Corps Engineers (February - April)
- Operation expenses ~\$812K favorable to the revised budgeted YTD contributed by \$511K favorable in Maritime direct charges, \$231K favorable in Support Services, and \$90K favorable in Central Services due to lower allocation

Variance from 2019

- Revenue \$178K or 9% higher due to 5% rate increase in 2020 and a better performance in moorage related to Ballard Lock closures from Feb to April
- Operation expenses ~\$109K decrease in 2020 related to \$139K decrease in Central Services allocation, \$120K decrease in Maritime direct charges. Offset by \$132K increase in Maintenance expenses

COVID-19 Impact to 2020

- Expense projects either delayed or cancelled

- Includes Fishermen's Terminal, Maritime Industrial Center, and Salmon Bay Marina.

Elliott Bay Fishing & Commercial Ops Q2 Financials

| \$ in 000's | 2019 | 2020 Year-to-Date | | Fav (UnFav) Revised Budget Variance | | Inc (Dec) Change from 2019 | |
|-------------------------------------|----------------|-------------------|----------------|-------------------------------------|-------------|----------------------------|--------------|
| | Actual | Actual | Revised Budget | \$ | % | \$ | % |
| Berthage and Moorage & Dockage | 1,771 | 1,651 | 1,252 | 398 | 32% | (121) | -7% |
| Space Rental | 856 | 792 | 886 | (94) | -11% | (64) | -8% |
| Utility Sales Revenue | 242 | 277 | 254 | 24 | 9% | 36 | 15% |
| Other | 197 | 188 | 156 | 32 | 20% | (9) | -5% |
| Total Revenue | 3,067 | 2,908 | 2,548 | 360 | 14% | (158) | -5% |
| Expenses | | | | | | | |
| Maritime (excl Maint) | 1,202 | 1,228 | 1,427 | 199 | 14% | 26 | 2% |
| Economic Development | 49 | 74 | 86 | 12 | 13% | 25 | 51% |
| Total Direct | 1,251 | 1,302 | 1,513 | 211 | 14% | 51 | 4% |
| Maintenance Expenses | 516 | 599 | 784 | 185 | 24% | 83 | 16% |
| Envir Services & Planning | 79 | 414 | 115 | (299) | -260% | 336 | 427% |
| Seaport Project Management | 8 | 24 | 17 | (6) | -36% | 16 | 208% |
| Total Support Service | 603 | 1,037 | 917 | (120) | -13% | 434 | 72% |
| IT | 133 | 182 | 185 | 3 | 2% | 49 | 37% |
| Police Expenses | 180 | 190 | 205 | 14 | 7% | 10 | 6% |
| External Relations | 68 | 74 | 82 | 8 | 10% | 6 | 8% |
| Other Central Services | 307 | 377 | 430 | 52 | 12% | 70 | 23% |
| Aviation Division/Other | 9 | 13 | 15 | 2 | 15% | 3 | 35% |
| Total Central Services/Other | 698 | 836 | 916 | 80 | 9% | 138 | 20% |
| Total Expense | 2,552 | 3,175 | 3,345 | 171 | 5% | 623 | 24% |
| NOI Before Depreciation | 515 | (266) | (797) | 531 | -67% | (781) | -152% |
| Depreciation | 1,671 | 1,666 | 1,653 | (13) | -1% | (6) | 0% |
| NOI After Depreciation | (1,157) | (1,932) | (2,450) | 518 | -21% | (775) | 67% |

Variance from Budget

- Revenue \$360K or 14% higher due to new agreement with Golden Alaska Seafood and increase in moorage demand at T91 related to Ballard Locks closure
- Operation expenses ~\$171K favorable to the budgeted YTD

Variance from 2019

- Revenue \$158K or 5% lower primarily due to 680' Ocean phoenix left in Q3 2019 and replaced by new lease agreement with 305' Golden Alaska in 2020, as well as 2019 had project related moorage, like EBM floats and Pacific Legacy.
- Operation expenses ~\$623K increase in 2020 contributed by mis-coded Derelict Vessels project expense from Ship Canal to Elliott Bay Fishing as well as higher allocation expenses from Central Services.

COVID-19 Impact to 2020

- Terminal 91 getting more dockage requests than normal
- Expense projects either delayed or cancelled

- Includes Terminal 91 (waterside non-Cruise), Terminal 46 Docks, Kellogg Island, Terminal 25, Terminal 18 Dolphins, Pier 69 Vessels, Pier 28 Docks, Pier 34 Dolphins, Pier 2 Docks, and Terminal 108 Moorage.

Maritime Portfolio Management Q2 Financials

| \$ in 000's | 2019 YTD | 2020 Year-to-Date | | Fav (UnFav) Revised | | Incr/(Decr) | |
|--------------------------------|----------------|-------------------|----------------|---------------------|-------------|------------------|-------------|
| | Actual | Actual | Budget | Budget | Variance | Change from 2019 | |
| | | | | \$ | % | \$ | % |
| Marina Office & Retail | 1,814 | 1,838 | 1,950 | (112) | -6% | 25 | 1% |
| Maritime Industrial | 2,019 | 2,055 | 1,942 | 113 | 6% | 36 | 2% |
| Utilities | 1,187 | 991 | 1,235 | (244) | -20% | (196) | -16% |
| Total Revenue | 5,019 | 4,884 | 5,127 | (243) | -5% | (135) | -3% |
| PM Direct | 1,704 | 1,540 | 2,088 | 548 | 36% | (164) | -10% |
| EDD PM Direct | 158 | 152 | 172 | 20 | 13% | (6) | -4% |
| EDD Other | 98 | 189 | 148 | (41) | -22% | 91 | 92% |
| MD Direct | 208 | 245 | 222 | (23) | -9% | 36 | 17% |
| Total Direct | 2,169 | 2,126 | 2,630 | 504 | 24% | (43) | -2% |
| Maintenance Expenses | 1,451 | 1,094 | 1,733 | 638 | 58% | (357) | -25% |
| Environmental & Sustainability | 166 | 122 | 153 | 32 | 26% | (45) | -27% |
| Seaport Project Management | 19 | 29 | 29 | (1) | -3% | 11 | 58% |
| Total Support Services | 1,636 | 1,245 | 1,915 | 669 | 54% | (391) | -24% |
| Police Expenses | 431 | 324 | 349 | 25 | 8% | (106) | -25% |
| Other Corp Expenses | 1,213 | 1,118 | 1,182 | 64 | 6% | (95) | -8% |
| Total Central Services/Other | 1,643 | 1,442 | 1,530 | 88 | 6% | (201) | -12% |
| Total Expense | 5,449 | 4,813 | 6,075 | 1,262 | 26% | (636) | -12% |
| NOI Before Depreciation | (430) | 71 | (948) | 1,019 | 107% | 501 | 116% |
| Depreciation | 1,279 | 1,258 | 1,245 | (13) | -1% | (21) | -2% |
| NOI After Depreciation | (1,709) | (1,187) | (2,193) | 1,006 | 46% | 522 | 31% |

Variance from Revised Budget

- Revenue \$243K unfavorable to revised budget due to lower than anticipated utility sales and concession rents partially offset by higher than anticipated space rental revenue mainly from Lineage
- Expenses \$1,262K lower than revised budget due to favorable utilities and maintenance expenses.

Variance from 2019

- Overall revenue relatively flat.
- Expenses down \$636K or 12% due to lower than prior year utilities and maintenance expense.

COVID-19 Impact to 2020

- Expense projects either delayed or cancelled.

- Includes uplands of Shilshole Bay Marina, Terminal 91 (Industrial), Fishermen's Terminal, Maritime Industrial Center, Salmon Bay Marina, T-115, T-108, and T-106.

Grain Terminal Q2 Financials

| | 2019 YTD | 2020 YTD | 2020 YTD | 2020 YTD | Fav (UnFav) | | Incr (Decr) | |
|---------------------------------------|--------------|--------------|----------------|-----------------|----------------------------------|------------|------------------|-------------|
| | Actual | Actual | Revised Budget | Approved Budget | Fcst vs. Revised Budget Variance | | Change from 2019 | |
| \$ in 000's | | | | | \$ | % | \$ | % |
| Lease Revenue | 2,567 | 2,005 | 1,756 | 1,756 | 249 | 14% | (562) | -22% |
| Total Revenue | 2,567 | 2,005 | 1,756 | 1,756 | 249 | 14% | (562) | -22% |
| Expenses | | | | | | | | |
| Maritime (Excl. Maint) | 86 | 87 | 95 | 97 | 8 | 9% | 1 | 2% |
| Economic Development | 18 | 27 | 27 | 28 | 0 | 1% | 9 | 48% |
| Total Direct | 104 | 114 | 122 | 126 | 8 | 7% | 10 | 10% |
| Maintenance Expenses | 193 | 150 | 321 | 321 | 171 | 53% | (43) | -22% |
| Envir Services & Planning | 48 | 33 | 44 | 51 | 11 | 26% | (16) | -32% |
| Seaport Project Management | 6 | 6 | 5 | 6 | (1) | -24% | 0 | 2% |
| Total Support Services | 247 | 188 | 369 | 378 | 181 | 49% | (59) | -24% |
| IT | 56 | 50 | 51 | 50 | 1 | 2% | (6) | -11% |
| Police Expenses | 139 | 91 | 98 | 98 | 7 | 7% | (49) | -35% |
| External Relations | 53 | 35 | 39 | 43 | 4 | 10% | (17) | -33% |
| Other Central Services | 224 | 174 | 200 | 214 | 26 | 13% | (50) | -23% |
| Aviation Division / Other | 7 | 6 | 7 | 5 | 1 | 19% | (1) | -19% |
| Total Central Services / Other | 479 | 355 | 394 | 410 | 39 | 10% | (124) | -26% |
| Total Expense | 830 | 657 | 886 | 913 | 228 | 26% | (173) | -21% |
| NOI Before Depreciation | 1,737 | 1,348 | 870 | 843 | 478 | 55% | (389) | -22% |
| Depreciation | 275 | 266 | 264 | 264 | (2) | -1% | (9) | -3% |
| NOI After Depreciation | 1,462 | 1,082 | 606 | 579 | 476 | 78% | (380) | -26% |

Variance from Budget

- Revenue on track with budget
- Expenses tracking lower than budget due to organizational cost cutting initiatives

Variance from 2019

- Revenue and volumes lower due to continued tariff issues with Asia

COVID-19 Impact to 2020

- No known direct issues on impact

Maritime Environmental Highlights Slide 1 of 2

Energy & Air

- Completed the second round of stakeholder engagement toward development of the 2020 Northwest Ports Clean Air Strategy
- Commission approval to execute two IDIQ contracts to advance energy, air and sustainability initiatives
- Maintained compliance with Seattle Municipal Code by completing Building Tune-Ups and Energy Benchmarking
- Completed the annual 2019 Maritime emissions inventory for scope 1, 2, and 3 GHG sources from port lines of business
- Hiring freeze exemption approved and initiated hiring for a Seattle Waterfront Clean Energy Strategic Plan project manager

Permitting , Habitat, Compliance

- Managed 'stand-down' process for T46 Cruise EIS to get consultants to a logical stopping point
- Initiated Sustainable Evaluation Framework review for Tier 3 projects at FT and T91
- Completed all permitting tasks for Terminal 117 Habitat Restoration and Public Shoreline Access project
- Worked with planning team partners to develop draft recommendations for Quiet Sound underwater noise reduction program
- Initiated migration of SharePoint data to new SharePoint Online platform
- Executed Interlocal Agreement with UW to support bio-barge research project
- Received Commission authorization to enter into ILAs with DNR and Ecology to support Smith Cove Blue Carbon Study

Remediation

- Signed an Order with EPA to perform an Engineering Evaluation / Cost analysis for investigation and cleanup at T108 which was a former Chiyoda and Chevron site and a City of Seattle wastewater treatment plant site.
- Signed an Order with Ecology to implement a remedial investigation/feasibility study for T115 Plant 1
- Executed a contract with a consultant to perform a remedial investigation for T91 sediments under an order with Ecology

Maritime Environmental Highlights Slide 2 of 2

Stormwater Utility

- Finalized over 20 Stormwater Utility Policy documents
- Reviewed and submitted comments on City of Seattle stormwater codes and manuals, and on the Federal multi-sector general permit revisions
- Presented on the Port's stormwater utility for the virtual Infrastructure Week 2020 Summit
- Initiated planning meetings for the Marine Stormwater Utility Strategic Plan development
- Presented SWU 2021 Capital plan for division review and approval
- Initiated ICT process to move inspection process to mobile platform

Cost Recovery

- Awarded \$7.98M (50% match is \$3.99M) from Department of Ecology for Lower Duwamish Superfund Site.
- Recovered a total of \$1,473,205 from Department of Ecology for cleanup sites.
- Submitted 3 grant requests totaling \$5.6M from DERA, VW and TransAlta for P66 shore power. As of Q2 end, awarded \$323,000 from DERA, acceptance pending negotiation.
- Potential \$300,000 estimated cost recovery from WA Dept. of Natural Resources to cover the disposal of Fire Boat Alki
- Recovered over \$15,000 in utility rebates for LED lighting replacements and energy efficiency improvements
- Awarded \$6.6M (75% match is \$5M) from DOE for NWSA T5 Stormwater.

Maritime Capital 2020

| \$ in 000's | 2020 | 2020 | 2020 | Fcst/Rvsd Budget | |
|-------------------------------|--------------|-------------------|----------------|------------------|---------------|
| | YTD Actual | Year-End Forecast | Revised Budget | \$ | % |
| New Cruise Terminal | 1,194 | 1,569 | 1,259 | (310) | -24.6% |
| FT Gateway Building | 278 | 678 | 700 | 22 | 3.1% |
| T91 Berth 6 & 8 Redev | 34 | 183 | 460 | 277 | 60.2% |
| P66 Shore Power | 64 | 201 | 470 | 269 | 57.2% |
| FT Maritime Innovation Center | 125 | 425 | 700 | 275 | 39.3% |
| T117 Restoration | 958 | 8,342 | 5,000 | (3,342) | -66.8% |
| SBM Restrms/Service Bldgs Rep | 5,258 | 8,657 | 9,400 | 743 | 7.9% |
| T91 New Cruise Gangway | - | 20 | 30 | 10 | 33.3% |
| T91 Northwest Fender | 52 | 97 | 785 | 688 | 87.6% |
| T102 HIM E Dock | 7 | 75 | 110 | 35 | 31.8% |
| SBM Paving | 416 | 1,664 | 1,810 | 146 | 8.1% |
| FT Docks 3,4,5 Fixed Pier Imp | 527 | 528 | 510 | (18) | -3.5% |
| All Other | 965 | 7,758 | 5,978 | (1,780) | -29.8% |
| Subtotal | 9,878 | 30,197 | 27,212 | (2,985) | -11.0% |
| CIP Cashflow Mgmt Reserve | - | (7,500) | (7,500) | 0 | 0.0% |
| Total Spending | 9,878 | 22,697 | 19,712 | (2,985) | -15.1% |

New Cruise Terminal – project placed on hold. Will be evaluating post-COVID-19 effects on cruise.

T117 Restoration– costs moved forward with expedited schedule from contactor.

SBM Paving/Restrooms – Foundation work completed, reducing amount of project contingency.

T91 Northwest Fender – construction spending delayed to Q1 2021.

Economic Development Division Appendix

Q2 2020 Financial Performance Report

EDD 2020 Yr.-End Financial Forecast

| | 2018 | 2019 | 2020 | 2020 | 2020 | Fav (UnFav) Fcst vs. Revised | | Incr (Decr) Change from 2019 | |
|--|-----------------|----------------|-----------------|-------------------|--------------------|---------------------------------|-------------|---------------------------------|-------------|
| | Actual | Actual | Forecast | Revised Budget | Approved Budget | Budget Variance \$ | % | \$ | % |
| \$ in 000's | | | | | | | | | |
| Revenue | 9,002 | 8,912 | 8,020 | 8,824 | 9,124 | (804) | -9% | (892) | -10% |
| Conf & Event Centers | 11,703 | 12,239 | 2,496 | 6,833 | 9,985 | (4,337) | -63% | (9,742) | -80% |
| Total Revenue | 20,705 | 21,151 | 10,517 | 15,658 | 19,110 | (5,141) | -33% | (10,634) | -50% |
| Expenses | | | | | | | | | |
| Portfolio Management | 3,571 | 3,732 | 3,853 | 3,988 | 4,008 | 135 | 3% | 122 | 3% |
| Conf & Event Centers | 9,889 | 10,218 | 2,098 | 6,703 | 8,902 | 4,605 | 69% | (8,120) | -79% |
| P69 Facilities Expenses | 235 | 215 | 226 | 226 | 230 | 0 | 0% | 11 | 5% |
| RE Dev & Planning | 149 | 136 | 145 | 145 | 208 | 0 | 0% | 9 | 6% |
| EconDev Expenses Other | 785 | 930 | 632 | 632 | 932 | 0 | 0% | (298) | -32% |
| Maintenance Expenses | 3,914 | 3,145 | 3,476 | 3,476 | 3,819 | 0 | 0% | 330 | 10% |
| Maritime Expenses (Excl Maint) | 281 | 253 | 512 | 512 | 524 | 0 | 0% | 259 | 103% |
| Total EDD & Maritime Expenses | 18,824 | 18,630 | 10,943 | 15,682 | 18,624 | 4,740 | 30% | (7,687) | -41% |
| Diversity in Contracting | 132 | 152 | 151 | 151 | 197 | 0 | 0% | (1) | -1% |
| Tourism | 1,408 | 1,337 | 2,342 | 2,842 | 1,536 | 500 | 18% | 1,005 | 75% |
| EDD Grants | 838 | 785 | 810 | 1,110 | 1,110 | 300 | 27% | 25 | 3% |
| Total EDD Initiatives | 2,378 | 2,274 | 3,303 | 4,103 | 2,843 | 800 | 19% | 1,029 | 45% |
| Environmental & Sustainability | 281 | 344 | 265 | 260 | 323 | (5) | -2% | (79) | -23% |
| Police Expenses | (76) | 61 | 222 | 232 | 233 | 10 | 4% | 161 | 266% |
| Other Central Services | 5,466 | 5,732 | 6,302 | 6,752 | 7,223 | 450 | 7% | 570 | 10% |
| Aviation Division | 155 | 114 | 193 | 193 | 123 | 0 | 0% | 78 | 69% |
| Total Central Services & Aviation | 5,825 | 6,251 | 6,982 | 7,437 | 7,901 | 455 | 6% | 730 | 12% |
| Envir Remed Liability | 0 | 0 | 0 | 0 | 0 | 0 | NA | 0 | NA |
| Total Expense | 27,028 | 27,156 | 21,227 | 27,222 | 29,368 | 5,995 | 22% | (5,928) | -22% |
| NOI Before Depreciation | (6,323) | (6,005) | (10,711) | (11,564) | (10,258) | 854 | 7% | (4,706) | -78% |
| Depreciation | 3,948 | 3,647 | 3,389 | 3,392 | 3,389 | 2 | 0% | (258) | -7% |
| NOI After Depreciation | (10,271) | (9,651) | (14,100) | (14,956) | (13,647) | 856 | 6% | (4,448) | -46% |

Revenue Variance from Revised Budget

- Lower Parking Revenues at Bell Street Garage
- Anticipated potential COVID related vacancies.
- Updated Conference and Event volumes, lower than originally expected.

Expense Variance from Revised Budget

- Reduction in Conference and Event center variable expenses.

EDD 2020 YTD Financial Detail

| | 2018 YTD | 2019 YTD | 2020 YTD | 2020 YTD | 2020 YTD | Fav (UnFav) | | Incr (Decr) | |
|--|----------------|----------------|----------------|----------------|-----------------|-----------------------------------|-------------|------------------|-------------|
| | Actual | Actual | Actual | Revised Budget | Approved Budget | Fctst vs. Revised Budget Variance | | Change from 2019 | |
| \$ in 000's | | | | | | \$ | % | \$ | % |
| Revenue | 4,577 | 4,421 | 4,119 | 4,295 | 4,475 | (176) | -4% | (302) | -7% |
| Conf & Event Centers | 5,188 | 5,963 | 1,240 | 2,155 | 3,455 | (915) | -42% | (4,723) | -79% |
| Total Revenue | 9,765 | 10,384 | 5,359 | 6,450 | 7,930 | (1,091) | -17% | (5,025) | -48% |
| Expenses | | | | | | | | | |
| Portfolio Management | 1,952 | 1,922 | 1,583 | 2,125 | 2,138 | 542 | 26% | (339) | -18% |
| Conf & Event Centers | 4,306 | 4,833 | 2,378 | 2,714 | 3,621 | 336 | 12% | (2,455) | -51% |
| P69 Facilities Expenses | 114 | 92 | 119 | 117 | 119 | (2) | -2% | 27 | 30% |
| RE Dev & Planning | 74 | 48 | 91 | 63 | 103 | (28) | -45% | 43 | 89% |
| EconDev Expenses Other | 473 | 352 | 488 | 337 | 487 | (152) | -45% | 136 | 39% |
| Maintenance Expenses | 1,995 | 1,563 | 1,170 | 1,814 | 1,912 | 644 | 35% | (393) | -25% |
| Maritime Expenses (Excl Maint) | 117 | 106 | 229 | 257 | 264 | 28 | 11% | 123 | 115% |
| Total EDD & Maritime Expenses | 9,033 | 8,916 | 6,058 | 7,426 | 8,644 | 1,368 | 18% | (2,857) | -32% |
| Diversity in Contracting | 37 | 99 | 50 | 85 | 100 | 35 | 41% | (48) | -49% |
| Tourism | 620 | 526 | 374 | 638 | 747 | 264 | 41% | (152) | -29% |
| EDD Grants | 28 | (4) | (27) | 555 | 555 | 582 | 105% | (24) | 679% |
| Total EDD Initiatives | 685 | 621 | 397 | 1,278 | 1,402 | 881 | 69% | (224) | -36% |
| Environmental & Sustainability | 121 | 173 | 101 | 127 | 153 | 26 | 20% | (72) | -41% |
| Police Expenses | 81 | 101 | 108 | 116 | 117 | 8 | 7% | 7 | 6% |
| Other Central Services | 2,558 | 2,819 | 2,760 | 3,430 | 3,574 | 671 | 20% | (59) | -2% |
| Aviation Division | 79 | 53 | 69 | 81 | 58 | 13 | 15% | 15 | 29% |
| Total Central Services & Aviation | 2,839 | 3,147 | 3,037 | 3,755 | 3,902 | 718 | 19% | (109) | -3% |
| Envir Remed Liability | 0 | 0 | 0 | 0 | 0 | 0 | NA | 0 | NA |
| Total Expense | 12,557 | 12,684 | 9,493 | 12,459 | 13,948 | 2,966 | 24% | (3,191) | -25% |
| NOI Before Depreciation | (2,791) | (2,300) | (4,134) | (6,009) | (6,018) | 1,875 | 31% | (1,834) | -80% |
| Depreciation | 1,980 | 1,833 | 1,774 | 1,705 | 1,704 | (68) | -4% | (59) | -3% |
| NOI After Depreciation | (4,771) | (4,133) | (5,908) | (7,715) | (7,722) | 1,807 | 23% | (1,775) | -43% |

Portfolio Management Q2 Financials

| | 2019 YTD | 2020 Year-to-Date | | Fav (UnFav) Revised | | Incr (Decr) | |
|--------------------------------|----------------|-------------------|----------------|---------------------|-------------|------------------|--------------|
| | Actual | Actual | Revised Budget | Budget Variance | | Change from 2019 | |
| \$ in 000's | | | | \$ | % | \$ | % |
| Central Harbor | 3,701 | 3,264 | 3,503 | (238) | -7% | (437) | -12% |
| T-91 Uplands | 705 | 840 | 776 | 63 | 8% | 135 | 19% |
| Conference & Events Centers | 5,963 | 1,240 | 2,155 | (915) | -42% | (4,723) | -79% |
| Foreign Trade Zone | 15 | 15 | 15 | 0 | 0% | 0 | NA |
| Total Revenue | 10,384 | 5,359 | 6,449 | (1,090) | -17% | (5,025) | -48% |
| PM Outside Services | 232 | 193 | 498 | 305 | 61% | (40) | -17% |
| PM Direct | 6,522 | 3,768 | 4,342 | 573 | 13% | (2,754) | -42% |
| EDD Other | 591 | 749 | 675 | (73) | -11% | 158 | 27% |
| MD Direct | 72 | 171 | 224 | 53 | 24% | 99 | 138% |
| Total Direct | 7,417 | 4,881 | 5,738 | 858 | 15% | (2,537) | -34% |
| Maintenance Expenses | 1,561 | 1,170 | 1,813 | 643 | 35% | (391) | -25% |
| Environmental & Sustainability | 158 | 85 | 117 | 31 | 27% | (73) | -46% |
| Seaport Project Management | 34 | 58 | 33 | (25) | -75% | 24 | 68% |
| Total Support Services | 1,754 | 1,314 | 1,962 | 649 | 33% | (440) | -25% |
| Police Expenses | 101 | 108 | 116 | 8 | 7% | 7 | 6% |
| Other Corp Expenses | 2,555 | 2,534 | 2,756 | 222 | 8% | (21) | -1% |
| Total Central Services/Other | 2,656 | 2,642 | 2,872 | 230 | 8% | (14) | -1% |
| Total Expense | 11,827 | 8,836 | 10,573 | 1,737 | 16% | (2,991) | -25% |
| NOI Before Depreciation | (1,443) | (3,477) | (4,124) | 647 | 16% | (2,034) | -141% |
| Depreciation | 1,831 | 1,772 | 1,704 | (68) | -4% | (59) | -3% |
| NOI After Depreciation | (3,273) | (5,249) | (5,827) | 579 | 10% | (1,975) | -60% |

Variance from Revised Budget

- Revenue unfavorable to revised budget due to Conference & Events Centers' revenue decline as a result of government mandates caused by COVID-19 pandemic.
- Expenses lower than revised budget due to favorable maintenance expenses and lower BHICC volumes.

Variance from 2019

- Bell Harbor International Conference Center (BHICC) revenue significantly declined due to COVID-19 social distancing requirements between March 13 and May 31. Closing ala carte lunch service and event space at WTC Seattle.
- Expenses down from BHICC volumes.

COVID-19 Impact to 2020

- BHICC events cancelled or postponed to the second half of 2020.
- Expense projects either delayed or cancelled.

- Includes non-alliance & upland real-estate at Tsubota, T-91 (General), T-86, P-69, Bell Street Garage, Smith Cove Conference Center, Bell Harbor International Conference Center, World Trade Center, Foreign Trade Zone, Pier 2, T-34, and T-102.

EDD Capital 2020

| \$ in 000's | 2020 | 2020 | 2020 | Fest/Rvsd Budget | |
|-------------------------------|--------------|-------------------|----------------|------------------|--------------|
| | YTD Actual | Year-End Forecast | Revised Budget | \$ | % |
| T91 Uplands Development | 96 | 396 | 1,000 | 604 | 60.4% |
| P66 BHICC Interior Modernize | 6,784 | 8,084 | 8,358 | 274 | 3.3% |
| WTC HVAC Replacement | 156 | 231 | 260 | 29 | 11.2% |
| P66 HVAC Systems Upgrade | 298 | 466 | 912 | 446 | 48.9% |
| P66 Roof Upgrades | - | 60 | 50 | (10) | -20.0% |
| CW Bridge Elev Modernizations | 29 | 104 | 350 | 246 | 70.3% |
| All Other | 318 | 1,595 | 1,769 | 174 | 9.8% |
| Subtotal | 7,681 | 10,936 | 12,699 | 1,763 | 13.9% |
| CIP Cashflow Mgmt Reserve | - | (2,500) | (2,000) | 500 | -25.0% |
| Total Spending | 7,681 | 8,436 | 10,699 | 2,263 | 21.2% |

T-91 Upland Industrial – Unanticipated delays in the finalization of the design contract.

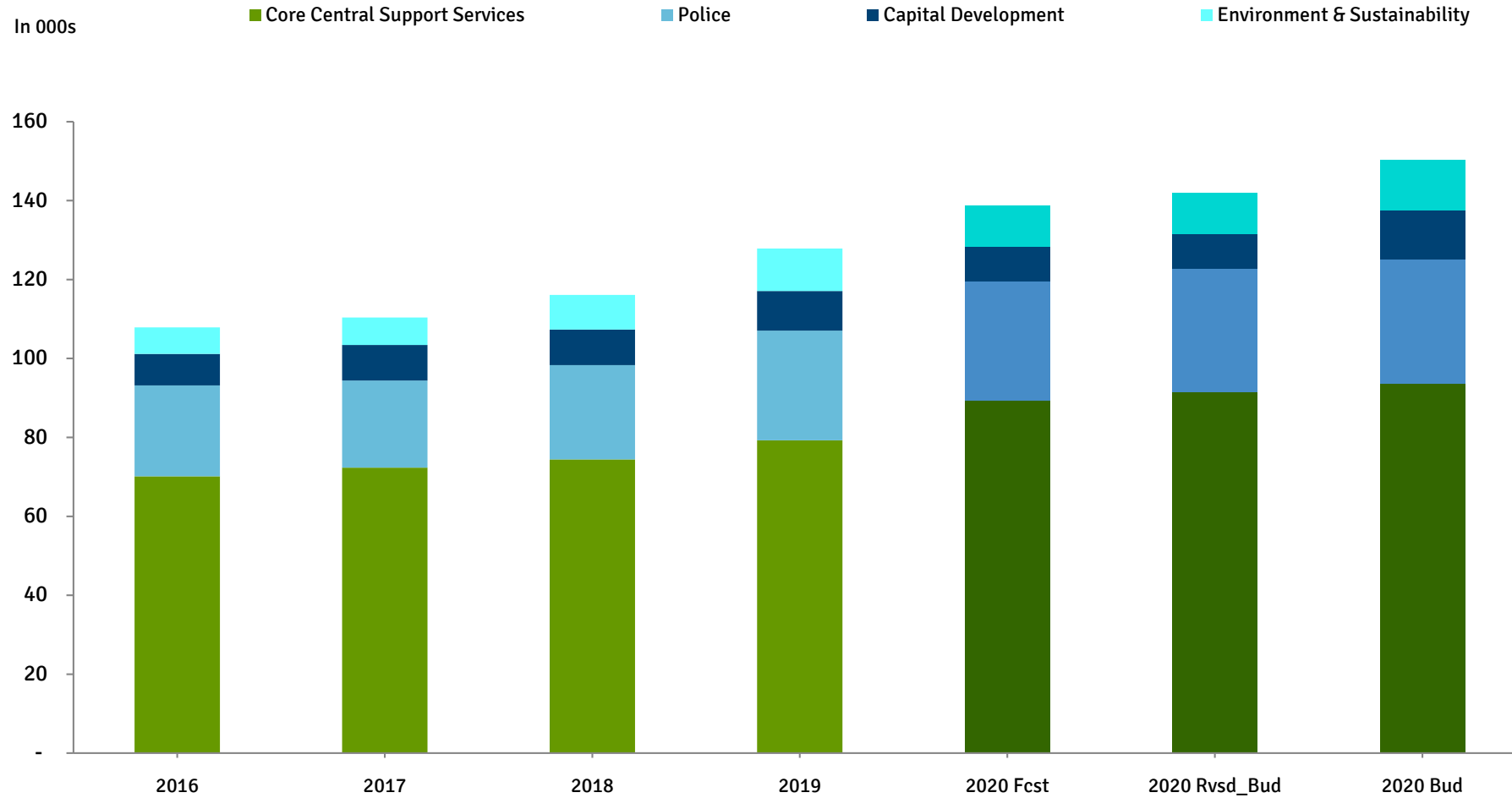
BHICC Modernization – Project expected to close out in Q3.

P66 HVAC– Costs shifted to future due to delay in projected hand over from MM to PMG.

Central Services Appendix

Q2 2020 Financial Performance Report

Central Services Financial Highlights



Central Services Expense by Category

| | 2018 YTD | 2019 YTD | 2020 YTD | 2020 YTD | 2020 YTD | Fav (UnFav) | | Incr (Decr) | |
|--|---------------|---------------|---------------|---------------|---------------|-------------------|-------------|------------------|-------------|
| | | | | Revised | Approved | Actual vs. Revise | | Change from 2019 | |
| | Actual | Actual | Actual | Budget | Budget | Budget Variance | % | \$ | % |
| \$ in 000's | | | | | | \$ | % | \$ | % |
| Salaries & Benefits | 35,384 | 36,992 | 39,026 | 40,389 | 41,370 | 1,363 | 3.4% | 2,034 | 5.5% |
| Wages & Benefits | 12,345 | 13,320 | 14,376 | 15,134 | 15,134 | 757 | 5.0% | 1,056 | 7.9% |
| Payroll to Capital Projects | 8,332 | 8,541 | 9,262 | 10,150 | 10,700 | 888 | 8.7% | 721 | 8.4% |
| Equipment Expense | 1,039 | 978 | 987 | 1,133 | 1,391 | 146 | 12.9% | 9 | 0.9% |
| Supplies & Stock | 544 | 477 | 437 | 640 | 723 | 203 | 31.7% | (39) | -8.3% |
| Outside Services | 9,498 | 11,914 | 15,580 | 16,521 | 17,844 | 941 | 5.7% | 3,666 | 30.8% |
| Travel & Other Employee Expenses | 1,140 | 1,133 | 834 | 1,051 | 1,892 | 216 | 20.6% | (298) | -26.3% |
| Insurance Expense | 1,079 | 1,117 | 1,085 | 1,154 | 1,154 | 69 | 6.0% | (32) | -2.9% |
| Litigated Injuries & Damages | (82) | - | - | - | - | - | 0.0% | - | 0.0% |
| Other Expenses | 1,079 | 1,836 | 1,433 | 1,718 | 2,013 | 285 | 16.6% | (404) | -22.0% |
| Charges to Capital Projects/Overhead Alloc | (12,736) | (14,117) | (17,244) | (18,078) | (18,670) | (834) | 4.6% | (3,127) | 22.1% |
| TOTAL | 57,621 | 62,191 | 65,777 | 69,812 | 73,549 | 4,035 | 5.8% | 3,586 | 5.8% |

- Payroll savings due to Staff vacancies/hiring freeze.
- Wages favorable due to lower Overtime for Police due to cancellation of cruise season and vacancies.
- Outside Services favorable to budget due to spending delays and cost reduction measures.
- Charge to Capital unfavorable to budget due to delay of some capital projects.

Central Service YE Financial Forecast

| | 2018 | 2019 | 2020 | 2020 | 2020 | Fav (UnFav) | | Incr (Decr) | |
|---------------------------------|----------------|----------------|----------------|----------------|-----------------|----------------------------------|----------------|------------------|--------------|
| | Actual | Actual | Forecast | Revised Budget | Approved Budget | Fcst vs. Revised Budget Variance | % | Change from 2019 | % |
| \$ in 000's | | | | | | \$ | % | \$ | % |
| Total Operating Revenues | (500) | 1,282 | 1,665 | 40 | 40 | 1,625 | 4063.2% | 383 | 29.9% |
| Core Central Support Services | 74,419 | 79,276 | 89,449 | 91,594 | 93,604 | 2,145 | 2.3% | 10,173 | 12.8% |
| Police | 23,908 | 27,793 | 30,012 | 31,312 | 31,444 | 1,300 | 4.2% | 2,219 | 8.0% |
| Capital Development | 8,999 | 10,038 | 8,888 | 8,611 | 12,513 | (277) | -3.2% | (1,150) | -11.5% |
| Environment & Sustainability | 8,770 | 10,748 | 10,398 | 10,399 | 12,866 | 1 | 0.0% | (350) | -3.3% |
| Total Operating Expenses | 116,097 | 127,855 | 138,747 | 141,916 | 150,427 | 3,170 | 2.2% | 10,892 | 8.5% |

Central Services Capital Spending

| \$ in 000's | 2020 YTD | 2020 | 2020 | Fav (UnFav) | |
|-----------------------------|--------------|-------------------|----------------|------------------------|--------------|
| | Actual | Year-End Forecast | Revised Budget | YE Fcst vs. Revised \$ | % |
| Infrastructure - Small Cap | 984 | 2,100 | 2,100 | 0 | 0.0% |
| Services Tech - Small Cap | 979 | 1,350 | 1,350 | 0 | 0.0% |
| Radio System Upgrade | 328 | 3,079 | 3,687 | 608 | 16.5% |
| New Budget System | 151 | 317 | 583 | 266 | 45.6% |
| Regional Workforce Tracking | - | - | 500 | 500 | 100.0% |
| Learning Management System | - | 150 | 400 | 250 | 62.5% |
| Maximo Upgrade | 279 | 394 | 462 | 68 | 14.7% |
| Phone System Upgrade | 34 | 900 | 900 | 0 | 0.0% |
| Customer Relationship Mgmt | 482 | 1,185 | 1,400 | 215 | 15.4% |
| CDD Fleet Replacement | 210 | 1,111 | 1,644 | 533 | 32.4% |
| Corporate Fleet Replacement | 225 | 245 | 1,065 | 820 | 77.0% |
| CIP Cashflow Adjustment | - | (2,000) | (3,000) | (1,000) | 33.3% |
| Other (note 1) | 353 | 956 | 1,600 | 644 | 40.3% |
| TOTAL | 4,025 | 9,787 | 12,691 | 2,904 | 22.9% |

Note:

(1) "Other" includes remaining ICT projects and small capital projects/acquisitions.

Portwide Appendix

Q2 2020 Financial Performance Report



Portwide Financial Summary

| | 2018 YTD | 2019 YTD | 2020 YTD | 2020 YTD | 2020 YTD | Fav (UnFav) | | Incr (Decr) | |
|---------------------------------|----------------|----------------|----------------|----------------|-----------------|--------------------|-----------------|------------------|----------------|
| | | | | | | Actual vs. Revised | Budget Variance | Change from 2019 | |
| \$ in 000's | Actual | Actual | Actual | Revised Budget | Approved Budget | \$ | % | \$ | % |
| Aeronautical Revenues | 147,570 | 175,927 | 163,722 | 194,483 | 194,483 | (30,762) | -15.8% | (12,206) | -6.9% |
| Airport Non-Aero Revenues | 118,864 | 124,604 | 64,225 | 61,128 | 131,864 | 3,097 | 5.1% | (60,380) | -48.5% |
| Non-Airport Revenues | 64,054 | 67,632 | 48,298 | 47,193 | 58,925 | 1,105 | 2.3% | (19,334) | -28.6% |
| Total Operating Revenues | 330,489 | 368,164 | 276,244 | 302,804 | 385,271 | (26,560) | -8.8% | (91,920) | -25.0% |
| Total Operating Expenses | 191,577 | 216,758 | 197,820 | 214,991 | 230,151 | 17,171 | 8.0% | (18,937) | -8.7% |
| NOI before Depreciation | 138,912 | 151,407 | 78,424 | 87,813 | 155,121 | (9,389) | -10.7% | (72,983) | -48.2% |
| Depreciation | 81,949 | 82,481 | 87,855 | 89,958 | 89,958 | 2,103 | 2.3% | 5,374 | 6.5% |
| NOI after Depreciation | 56,963 | 68,926 | (9,431) | (2,145) | 65,163 | (7,286) | 339.7% | (78,357) | -113.7% |

Portwide Financial Summary –YE Forecast

| \$ in 000's | 2018 | 2019 | 2020 | 2020 | 2020 | Fav (UnFav) Fcst vs. Revised Budget Variance | | Incr (Decr) Change from 2019 | |
|---------------------------------|----------------|----------------|-----------------|-------------------|--------------------|--|----------------|---------------------------------|----------------|
| | Actual | Actual | Forecast | Revised Budget | Approved Budget | \$ | % | \$ | % |
| Aeronautical Revenues | 291,268 | 357,598 | 297,373 | 401,342 | 401,342 | (103,969) | -25.9% | (60,225) | -16.8% |
| Airport Non-Aero Revenues | 257,707 | 269,037 | 115,448 | 135,074 | 283,167 | (19,625) | -14.5% | (153,589) | -57.1% |
| Non-Airport Revenues | 140,415 | 137,538 | 97,606 | 103,302 | 127,106 | (5,696) | -5.5% | (39,933) | -29.0% |
| Total Operating Revenues | 689,390 | 764,174 | 510,427 | 639,717 | 811,616 | (129,291) | -20.2% | (253,747) | -33.2% |
| Total Operating Expenses | 397,638 | 443,089 | 424,679 | 438,081 | 469,769 | 13,402 | 3.1% | (18,411) | -4.2% |
| NOI before Depreciation | 291,752 | 321,085 | 85,748 | 201,637 | 341,847 | (115,889) | -57.5% | (235,336) | -73.3% |
| Depreciation | 164,362 | 174,971 | 179,056 | 179,056 | 179,056 | - | 0.0% | 4,085 | 2.3% |
| NOI after Depreciation | 127,390 | 146,114 | (93,308) | 22,581 | 162,791 | (115,889) | -513.2% | (239,422) | -163.9% |

Non-Airport Financial Summary

| | 2018 YTD | 2019 YTD | 2020 YTD | 2020 YTD | 2020 YTD | Fav (UnFav) | | Incr (Decr) | |
|---------------------------------|---------------|---------------|----------------|-----------------|-----------------|--------------------|-----------------|------------------|----------------|
| | | | | | | Actual vs. Revised | Budget Variance | Change from 2019 | |
| \$ in 000's | Actual | Actual | Actual | Revised Budget | Approved Budget | \$ | % | \$ | % |
| NWSA Distributable Revenue | 25,844 | 24,941 | 21,218 | 20,968 | 20,968 | 250 | 1.2% | (3,723) | -14.9% |
| Maritime Revenues | 26,257 | 27,368 | 18,338 | 18,214 | 28,465 | 124 | 0.7% | (9,030) | -33.0% |
| EDD Revenues | 9,765 | 10,384 | 5,359 | 6,450 | 7,930 | (1,091) | -16.9% | (5,025) | -48.4% |
| SWU & Other | 2,187 | 4,939 | 3,383 | 1,562 | 1,562 | 1,822 | 116.7% | (1,556) | -31.5% |
| Total Operating Revenues | 64,054 | 67,632 | 48,298 | 47,193 | 58,925 | 1,105 | 2.3% | (19,334) | -28.6% |
| Total Operating Expenses | 38,141 | 40,522 | 34,441 | 42,600 | 45,384 | 8,159 | 19.2% | (6,082) | -15.0% |
| NOI before Depreciation | 25,913 | 27,110 | 13,857 | 4,593 | 13,541 | 9,264 | 201.7% | (13,252) | -48.9% |
| Depreciation | 19,988 | 19,623 | 18,794 | 18,577 | 18,594 | (217) | -1.2% | (829) | -4.2% |
| NOI after Depreciation | 5,925 | 7,487 | (4,936) | (13,984) | (5,053) | 9,047 | -64.7% | (12,423) | -165.9% |

- Non-Airport Operating Revenue exceeded budget by \$1.1M due to NWSA Distributable Revenues, higher Grain and Fishing & Operations revenues, and unbudgeted Police Revenues.
- Expenses are \$8.2M lower than budget due cost savings measures which include hiring freeze, delay in implementing program initiatives, and cutting travel and other employee expenses.

Portwide Operating Expense Summary

| | 2018 YTD | 2019 YTD | 2020 YTD | 2020 YTD | 2020 YTD | Fav (UnFav) | | Incr (Decr) | |
|--|----------------|----------------|----------------|----------------|----------------|--------------------|-------------|------------------|--------------|
| | | | | Revised | Approved | Actual vs. Revised | | Change from 2019 | |
| | Actual | Actual | Actual | Budget | Budget | Budget | Variance | \$ | % |
| \$ in 000's | | | | | | \$ | % | \$ | % |
| Salaries & Benefits | 62,507 | 66,098 | 71,427 | 72,681 | 74,470 | 1,254 | 1.7% | 5,328 | 8.1% |
| Wages & Benefits | 60,073 | 64,034 | 67,147 | 66,281 | 66,028 | (866) | -1.3% | 3,113 | 4.9% |
| Payroll to Capital Projects | 13,602 | 13,523 | 14,460 | 17,565 | 18,372 | 3,105 | 17.7% | 937 | 6.9% |
| Outside Services | 38,271 | 43,951 | 45,545 | 54,566 | 60,166 | 9,022 | 16.5% | 1,594 | 3.6% |
| Utilities | 13,453 | 13,103 | 12,104 | 14,975 | 15,159 | 2,871 | 19.2% | (999) | -7.6% |
| Equipment Expense | 3,866 | 4,481 | 4,211 | 4,217 | 5,021 | 7 | 0.2% | (271) | -6.0% |
| Supplies & Stock | 4,633 | 5,290 | 4,653 | 4,878 | 4,616 | 225 | 4.6% | (637) | -12.0% |
| Travel & Other Employee Expenses | 2,299 | 2,486 | 1,603 | 2,278 | 3,873 | 675 | 29.6% | (883) | -35.5% |
| Third Party Mgmt Op Exp | 5,273 | 6,494 | 3,228 | 3,507 | 5,542 | 278 | 7.9% | (3,266) | -50.3% |
| B&O Taxes | 2,181 | 2,226 | 1,716 | 1,874 | 2,380 | 158 | 8.4% | (510) | -22.9% |
| Other Expenses | 9,546 | 19,978 | 2,188 | 5,790 | 8,872 | 3,603 | 62.2% | (17,791) | -89.0% |
| Charges to Capital Projects/Overhead Alloc | (24,126) | (24,908) | (30,462) | (33,622) | (34,349) | (3,160) | 9.4% | (5,554) | 22.3% |
| TOTAL | 191,577 | 216,758 | 197,820 | 214,991 | 230,151 | 17,171 | 8.0% | (18,937) | -8.7% |

- Payroll expenses were \$3.5M below budget primarily due to hiring freeze offset by higher Maintenance wages and new Police contracts paying out Holiday pay in January instead of December.
- Outside Services were \$9.0M favorable to budget due to project delays related to COVID-19 cost-reduction measures.
- Travel & Other Employee Expenses were \$675K lower than budget due to cutting/eliminating non-essential business travel and training.
- Other Expenses were \$3.6M lower than budget mainly due Environmental Remediation Liability adjustment, lower Promotional Expenses and Room/Space/Land Rental expenses because of cancellation of planned events, lower spending in Telecommunications, and Miscellaneous expense as part of the cost-reduction measures.

Portwide Operating Revenues Summary

| | 2018 YTD | 2019 YTD | 2020 YTD | 2020 YTD | 2020 YTD | Fav (UnFav) | | Incr (Decr) | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|-----------------|--------------|-----------------|---------------|----------|--------------------|--------|------------------|---|
| | | | | | | Actual | Actual | Actual | Revised | Approved | Actual vs. Revised | | Change from 2019 | |
| | | | | | | | | | | | Budget | Budget | Budget Variance | % |
| \$ in 000's | | | | | | \$ | % | \$ | % | | | | | |
| Aeronautical Revenues | 147,570 | 175,927 | 163,722 | 194,483 | 194,483 | (30,762) | -15.8% | (12,206) | -6.9% | | | | | |
| Public Parking | 39,402 | 40,401 | 20,002 | 18,747 | 44,159 | 1,255 | 6.7% | (20,399) | -50.5% | | | | | |
| Rental Cars - Operations | 14,922 | 15,560 | 7,591 | 7,376 | 15,593 | 216 | 2.9% | (7,969) | -51.2% | | | | | |
| Rental Cars - Operating CFC | 5,497 | 4,505 | - | - | 4,452 | - | 0.0% | (4,505) | -100.0% | | | | | |
| ADR & Terminal Leased Space | 30,179 | 32,689 | 16,918 | 14,748 | 33,409 | 2,170 | 14.7% | (15,771) | -48.2% | | | | | |
| Ground Transportation | 8,885 | 9,979 | 4,374 | 4,576 | 10,751 | (202) | -4.4% | (5,605) | -56.2% | | | | | |
| Employee Parking | 5,191 | 5,193 | 4,678 | 3,348 | 5,049 | 1,330 | 39.7% | (515) | -9.9% | | | | | |
| Airport Commercial Properties | 7,593 | 7,072 | 5,777 | 5,658 | 7,978 | 119 | 2.1% | (1,295) | -18.3% | | | | | |
| Airport Utilities | 3,438 | 3,665 | 2,758 | 4,415 | 4,415 | (1,657) | -37.5% | (907) | -24.7% | | | | | |
| Clubs and Lounges | 2,773 | 4,456 | 1,714 | 1,714 | 4,950 | () | 0.0% | (2,741) | -61.5% | | | | | |
| Cruise | 6,806 | 8,473 | 133 | 49 | 10,300 | 84 | 173.2% | (8,340) | -98.4% | | | | | |
| Recreational Boating | 6,068 | 6,228 | 6,211 | 6,607 | 6,607 | (397) | -6.0% | (17) | -0.3% | | | | | |
| Fishing & Operations | 4,622 | 5,071 | 5,091 | 4,670 | 4,670 | 421 | 9.0% | 20 | 0.4% | | | | | |
| Grain | 3,123 | 2,567 | 2,005 | 1,756 | 1,756 | 249 | 14.2% | (562) | -21.9% | | | | | |
| Maritime Portfolio Management | 5,628 | 5,019 | 4,884 | 5,127 | 5,127 | (243) | -4.7% | (135) | -2.7% | | | | | |
| Central Harbor Management | 4,557 | 4,406 | 4,104 | 4,279 | 4,459 | (175) | -4.1% | (302) | -6.9% | | | | | |
| Conference & Event Centers | 5,188 | 5,963 | 1,240 | 2,155 | 3,455 | (915) | -42.5% | (4,723) | -79.2% | | | | | |
| NWSA Distributable Revenue | 25,844 | 24,941 | 21,218 | 20,968 | 20,968 | 250 | 1.2% | (3,723) | -14.9% | | | | | |
| Other | 3,201 | 6,049 | 3,824 | 2,128 | 2,692 | 1,696 | 79.7% | (2,225) | -36.8% | | | | | |
| Total Operating Revenues (w/o Aero) | 182,918 | 192,237 | 112,523 | 108,321 | 190,788 | 4,202 | 3.9% | (79,714) | -41.5% | | | | | |
| TOTAL | 330,489 | 368,164 | 276,244 | 302,804 | 385,271 | (26,560) | -8.8% | (91,920) | -25.0% | | | | | |