



**COMMISSION
AGENDA MEMORANDUM**

Item No.	<u>11c</u>
Date of Meeting	<u>May 11, 2021</u>

BRIEFING ITEM

DATE: April 19, 2021
TO: Stephen P. Metruck, Executive Director
FROM: Dan Thomas, Chief Financial Officer
Michael Tong, Director, Corporate Budget
SUBJECT: Q1 2021 Financial Performance Briefing

EXECUTIVE SUMMARY

The purpose of this presentation is to provide a status report of the Q1 2021 financial performance results.

BACKGROUND

The Port's overall operating revenues for Q1 2021 were \$112.9 million, which is \$27.4 million below budget and \$48.7 million lower than the same period last year. Excluding Aeronautical revenues, which are based on cost recovery and revenue sharing formulas, other Airport Non-Aero revenues were \$26.9 million, \$8.2 million or 23.2% below budget and \$23.0 million or 46.1% lower YoY mainly due to lower revenues from each line of businesses.

Non-Airport revenues were \$24.7 million, \$348 thousand or 1.4% above budget and \$655 thousand or 2.6% down YoY mainly due to lower revenues from Conference & Event Centers, partially offset by higher revenues from Grain.

Total operating expenses for first quarter of 2021 were \$94.9 million, which is \$6.6 million below budget and \$8.7 million lower than 2020. The operating expense variance was largely due to freeze/deferred hiring, lower third party management operating expense, and cost reductions in discretionary spending.

Net operating income before depreciation was \$18.0 million, which is \$20.9 million below budget and \$39.9 million lower than 2020.

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

1. Portwide Operating Results
2. Aviation Division Operating Results
3. Maritime Division Operating Results
4. Economic Development Division Operating Results

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5. Central Services Operating Results

ATTACHMENTS TO THIS BRIEFING

- (1) Q1 2021 Financial and Performance Report
- (2) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None