

Item No. 11c supp
Meeting Date: May 11, 2021

Port of Seattle Q1 2021 Financial Performance Report

Commission Meeting

Key Highlights

- The pandemic continues to cause major disruption across Port business lines
- Prudent budgeting and careful cost management has positioned the Port well for 2021
- Substantial federal relief funds have improved the financial outlook for the Aviation division
- Significant uncertainty remains regarding the 2021 Cruise season; however, revenues were budgeted very conservatively
- Currently projecting to be closely on track with budget on a full-year basis, but staff continues to closely monitor very dynamic business conditions
- Continuing to support investments aimed at regional economic recovery

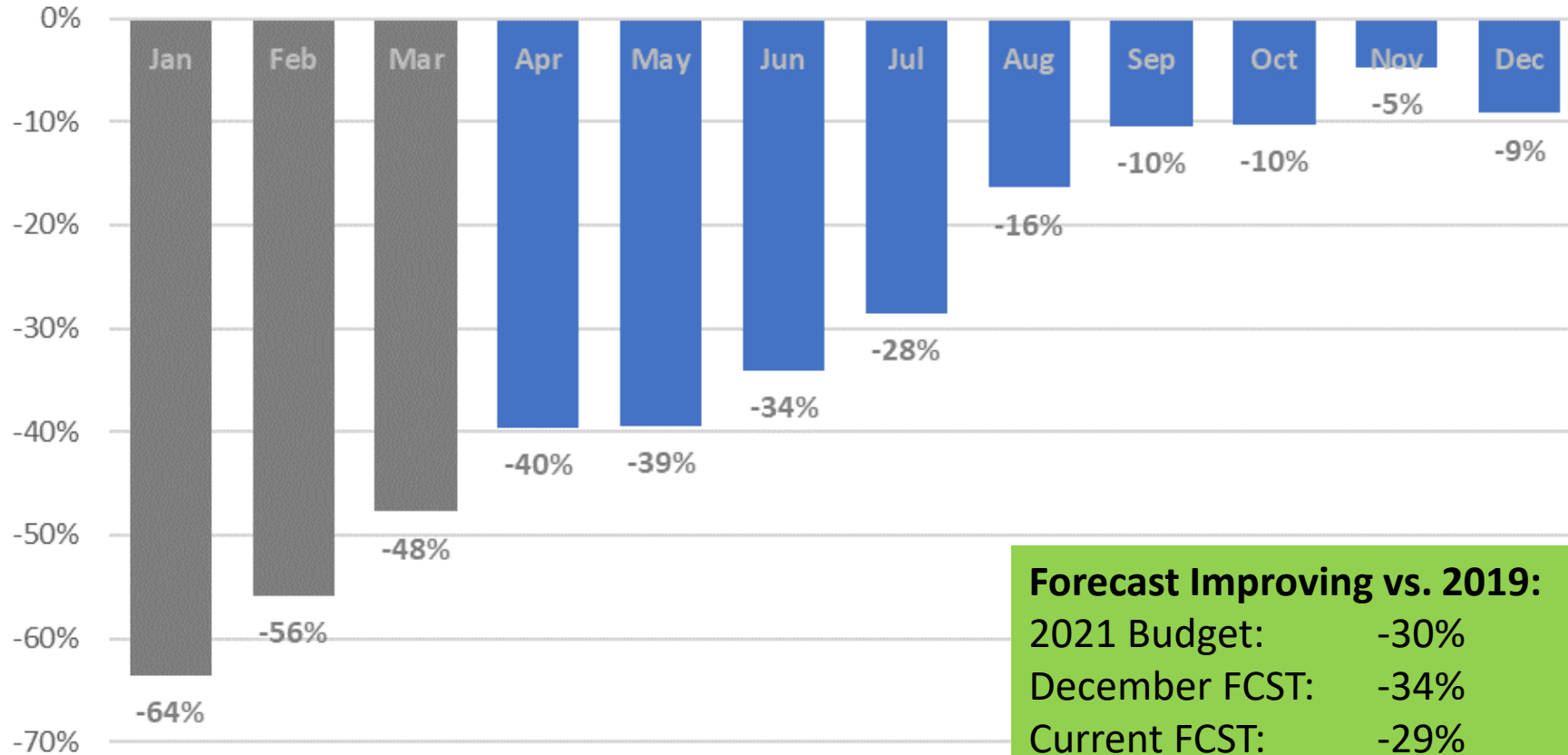
Aviation Division

2021 Q1 Financial Performance Report




Passenger Growth Rebounding

by Month for 2021 vs 2019



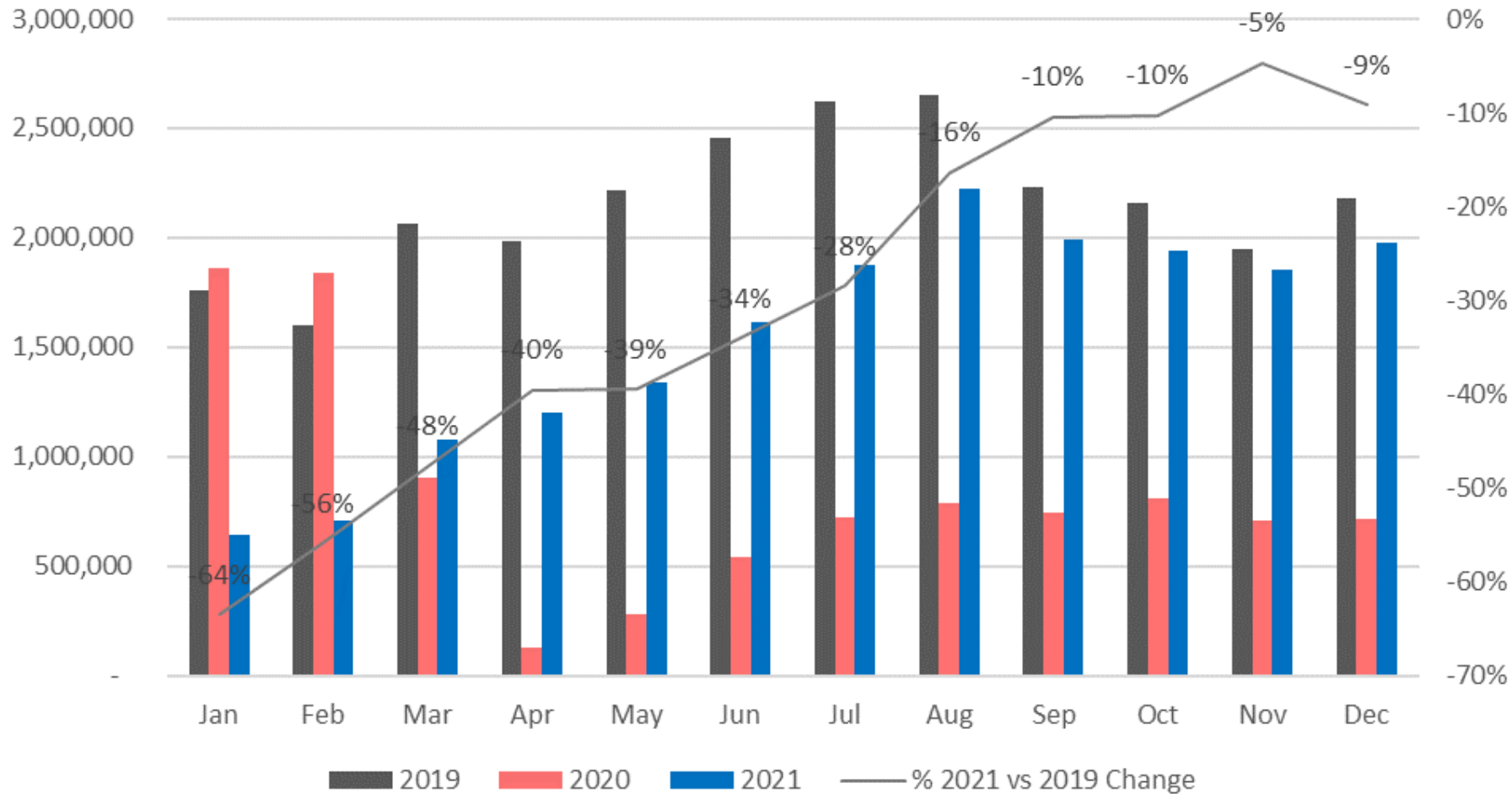
Passengers (millions)	
2019 Actual	51.7
2020 Actual	20.1
2021 Budget	36.4
2021 Forecast	36.9

29%
 compared to 2019



84% growth vs. 2020

Enplaned Passengers Comparison



**Recovering
within 10% of
2019 by
September**

29%
↓
compared
to 2019

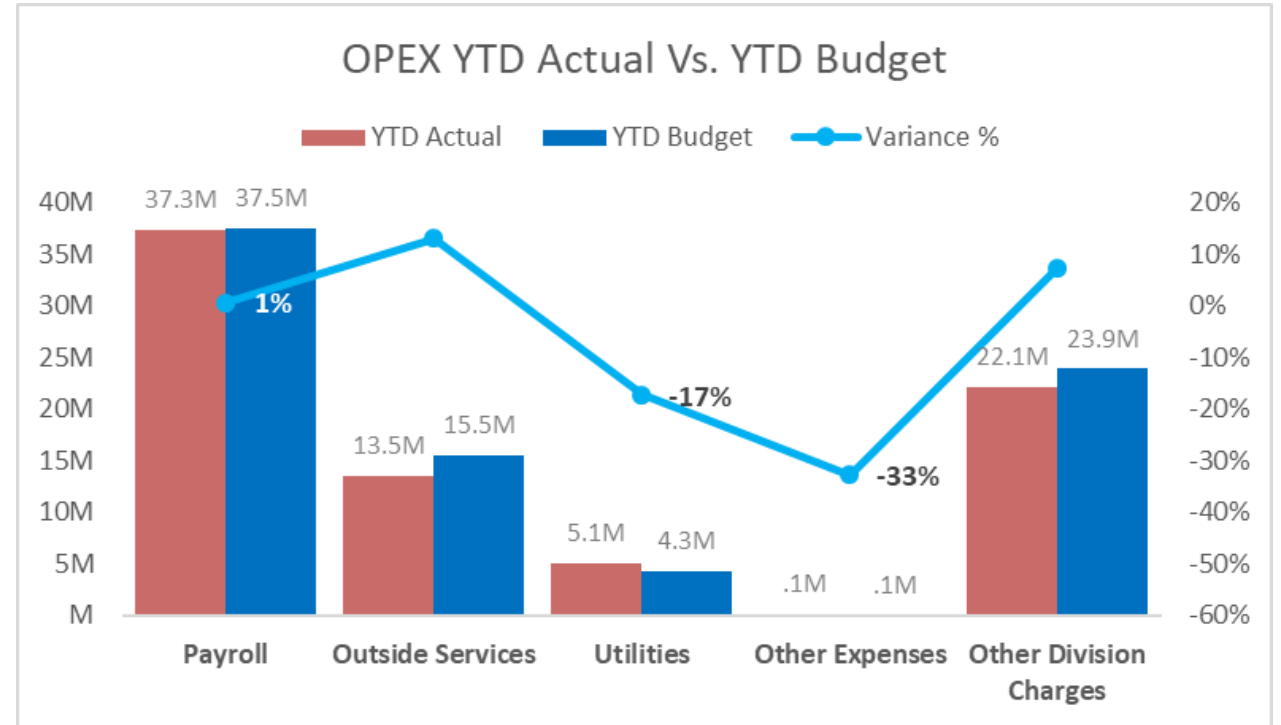
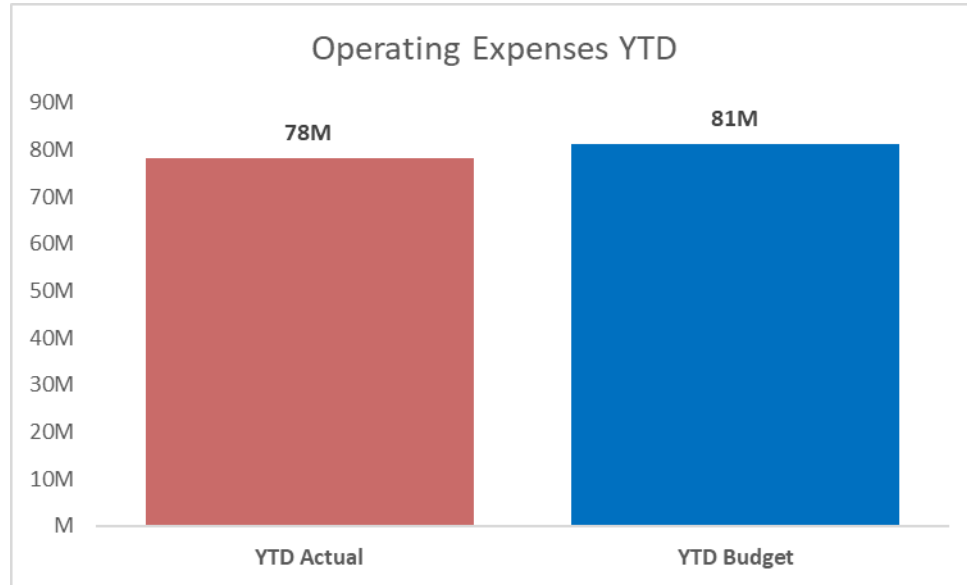
Key to Financial Results: Increased Federal Relief

<i>Figures in \$000s</i>	Forecast YE 2021	Budget YE 2021	Variance
Revenues			
Aeronautical	314,476	386,668	(72,192)
Non-Aeronautical	171,312	189,548	(18,236)
Total Revenues	485,788	576,215	(90,428)
O&M expense	342,282	339,908	(2,374)
NOI	143,506	236,308	(92,802)
Federal Relief	161,601	37,899	123,702
Federal Relief (Concessions)	26,755		
NOI (After Federal Relief)	331,862	274,207	57,655
<u>Key Measures</u>			
Non-Aero NOI (in \$000s)	90,892	82,742	8,150
CPE (\$)	15.26	19.62	4.35
Debt Service Coverage	2.35	1.36	0.99
<u>Other Information</u>			
ADF Balance	340.5M	340.5M	-
Capital Spending (in \$000s)	468,094	491,202	23,108

Business Highlights

- Higher than expected passenger levels, new forecast is 29% lower than 2019
- Increased federal relief improves bottom line, helps customers:
 - \$37 million for CRRSAA
 - \$154 million for ARPA
 - \$27 million for tenant concessions relief (CRRSAA and ARPA)
 - Current plan: reserve \$75 million for 2022
- Planning for mid-year airline rate adjustment effective July 1

Operating Expenses Summary (YTD)

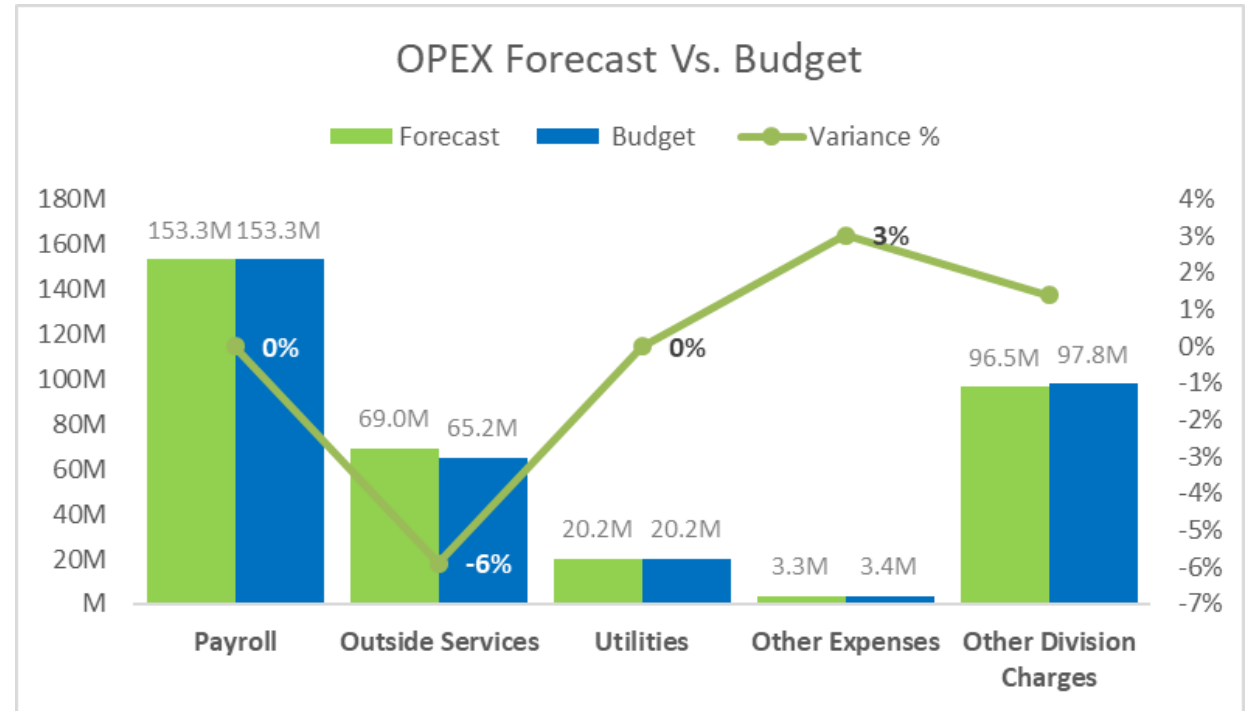
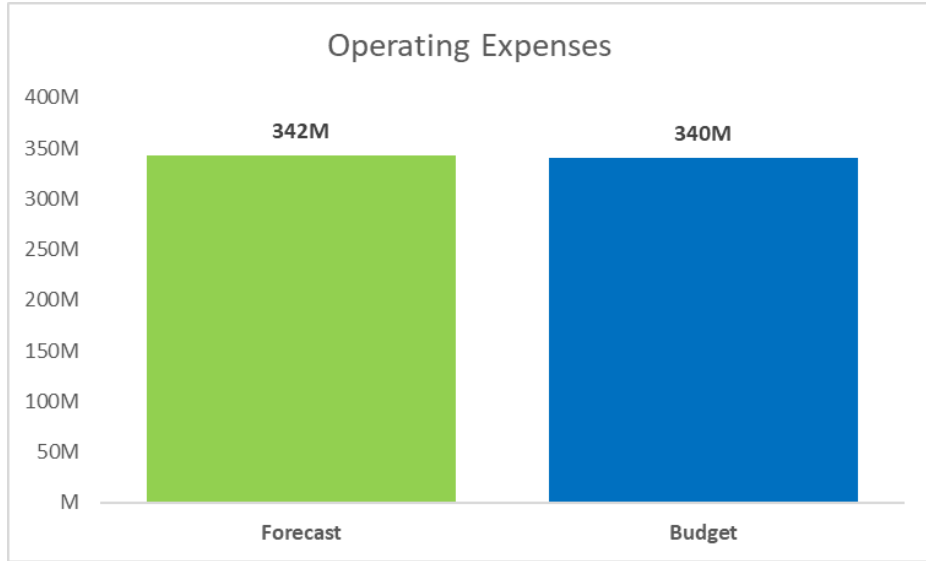


\$3.2M or 3.9% Favorable

Major Drivers:

- **Underspend in Outside Services of \$2M** across multiple business areas - Commercial Management (208k), F&I and Capital Program (716k), PMG (629k), and Maintenance (933k).
- **Utilities over-run YTD** is due to a large ILA Surface Water Utility payment (637k) associated with the Interlocal Agreement with City of SeaTac paid in March, but the budget was spread evenly through the year instead.

Operating Expenses Summary (Forecast)



\$2.4M or <1% Unfavorable

Major Drivers:

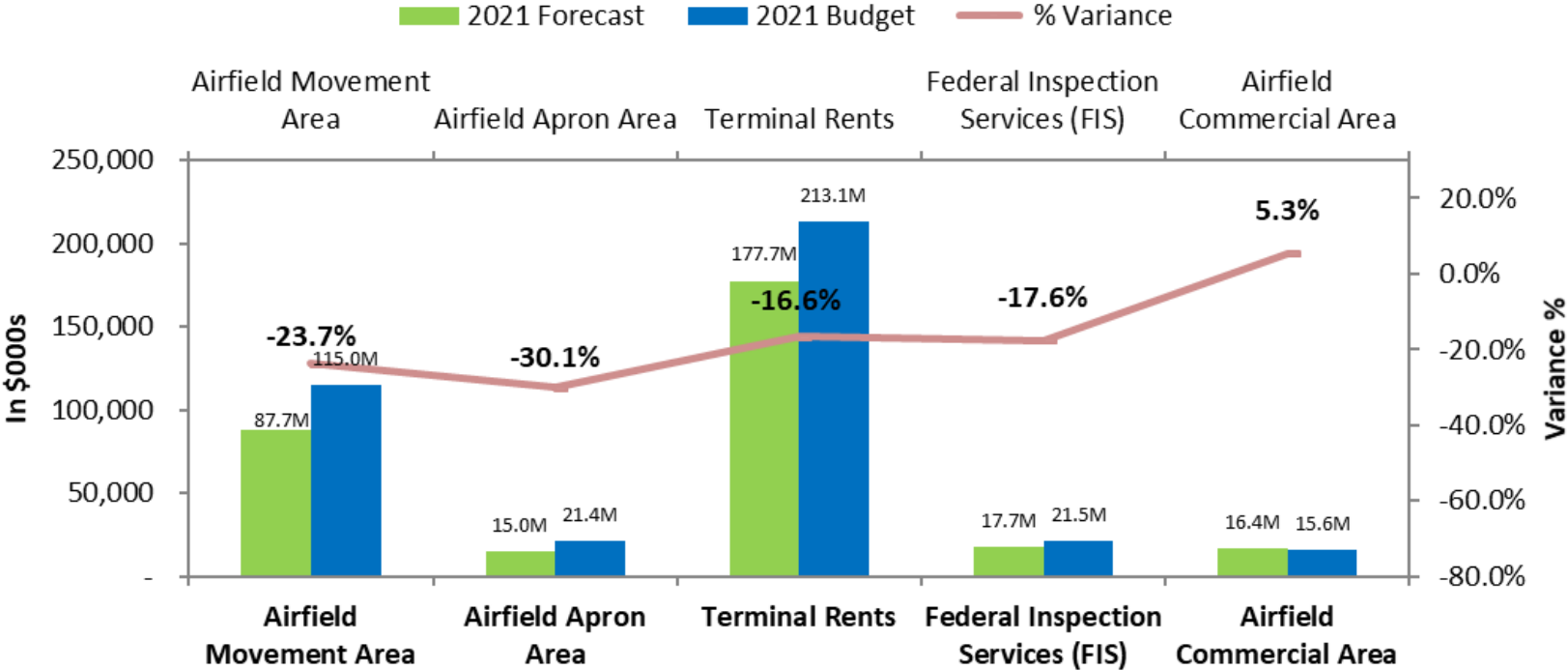
- Increase in **Outside Services of \$3.8M** driven partially by the Snow Removal (\$2.2M) in Airfield/Maintenance and emergency watermain repair (\$570K) in Q1, and projection for increased expenses in PMG Consultant Support for ADR and Tenants (\$634K).
- Increase above is projected to be partially **offset by savings from Other Divisions of \$1.4M**

Aeronautical Revenue

Budget
\$387M

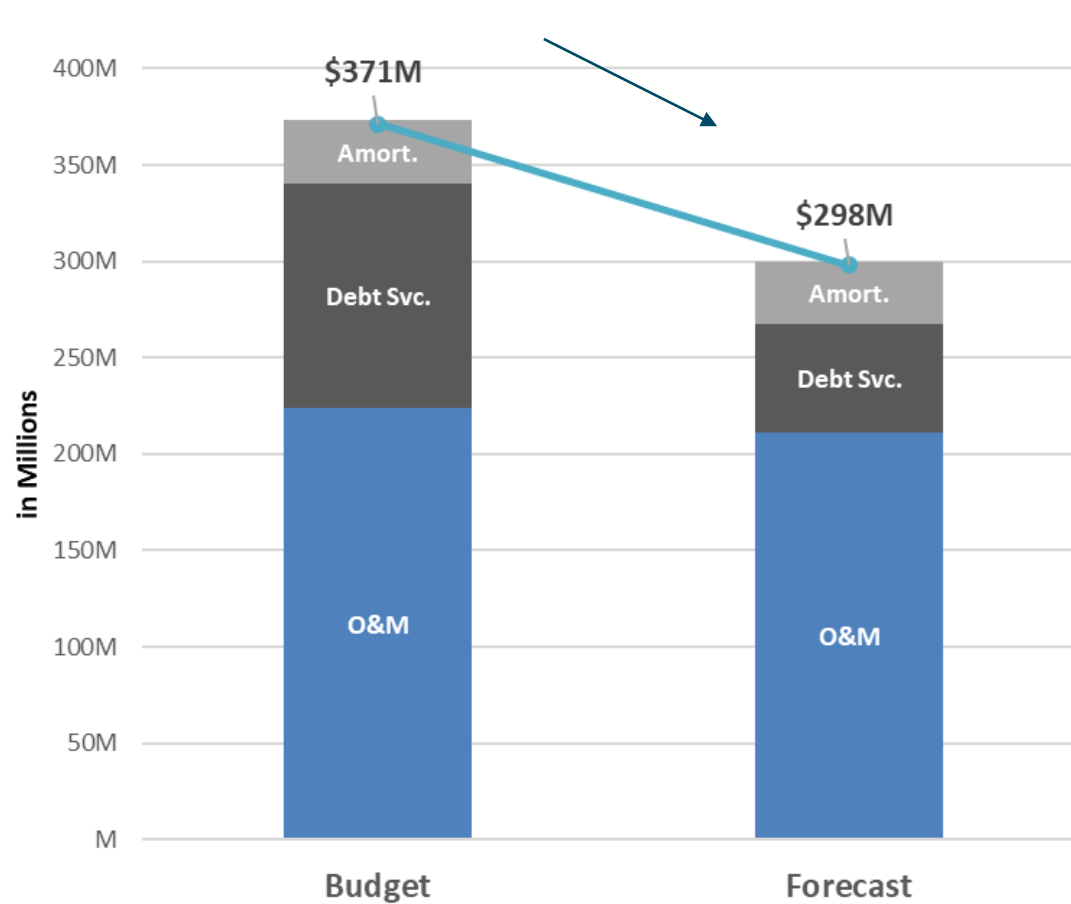
↓ 19%

Forecast
\$314M



Applied **\$119.7M** of **Federal Relief** grants to offset revenue requirements (aka costs to recover from Airlines)

Aero Rate Base Revenue Requirements



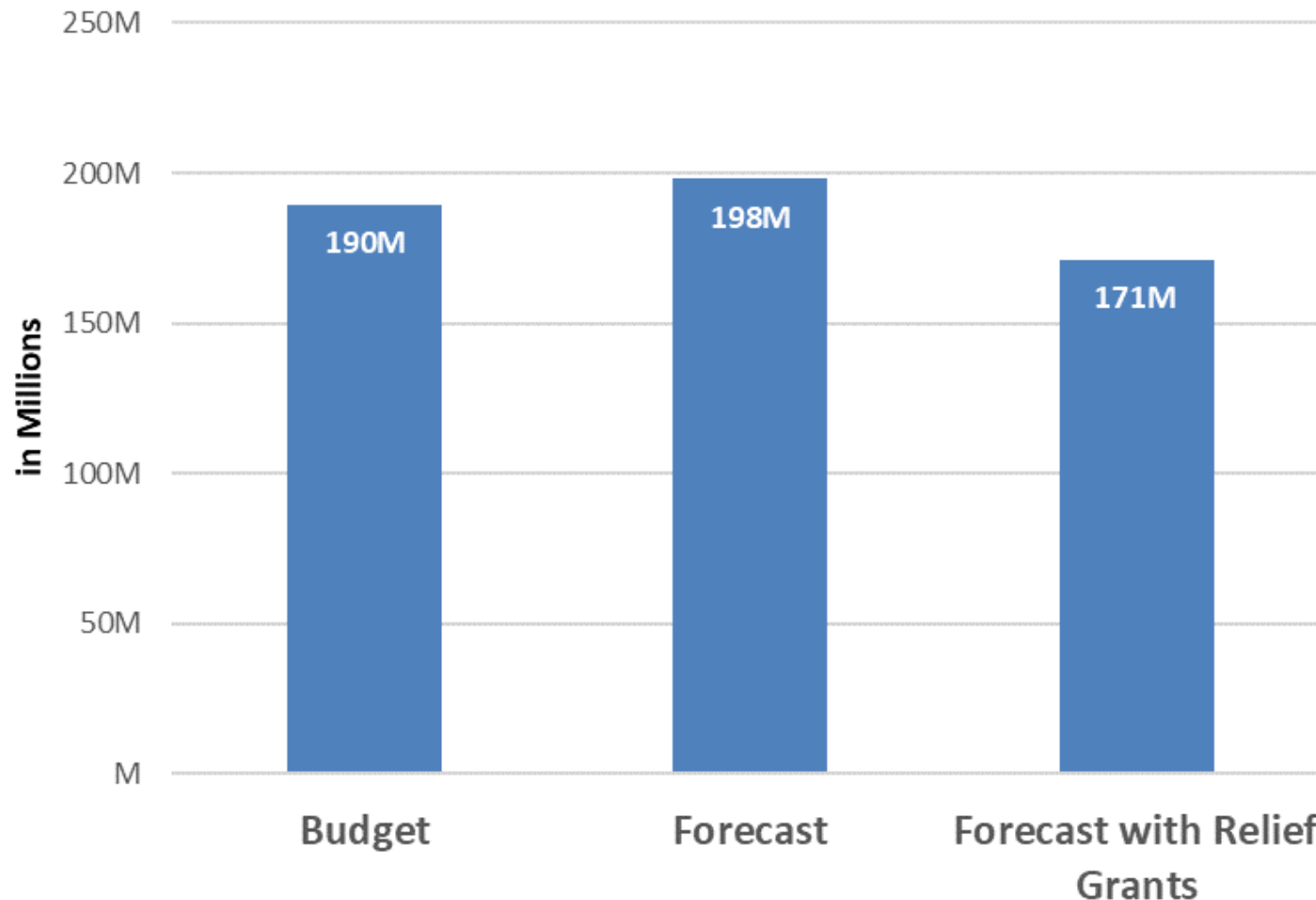
Forecasting Relief of **\$119.7M**
(CARES, CRRSAA & ARPA)

Forecasted Relief
\$101.2M
to lower Debt
Service

Forecasted Relief
\$18.4M
to lower O&M

* Airfield Commercial is excluded from Aero Rate Base

Non-Aero Revenue Concessions Grant Impact



Forecasted
Concessionaire Relief
Grants of **\$26.8M**

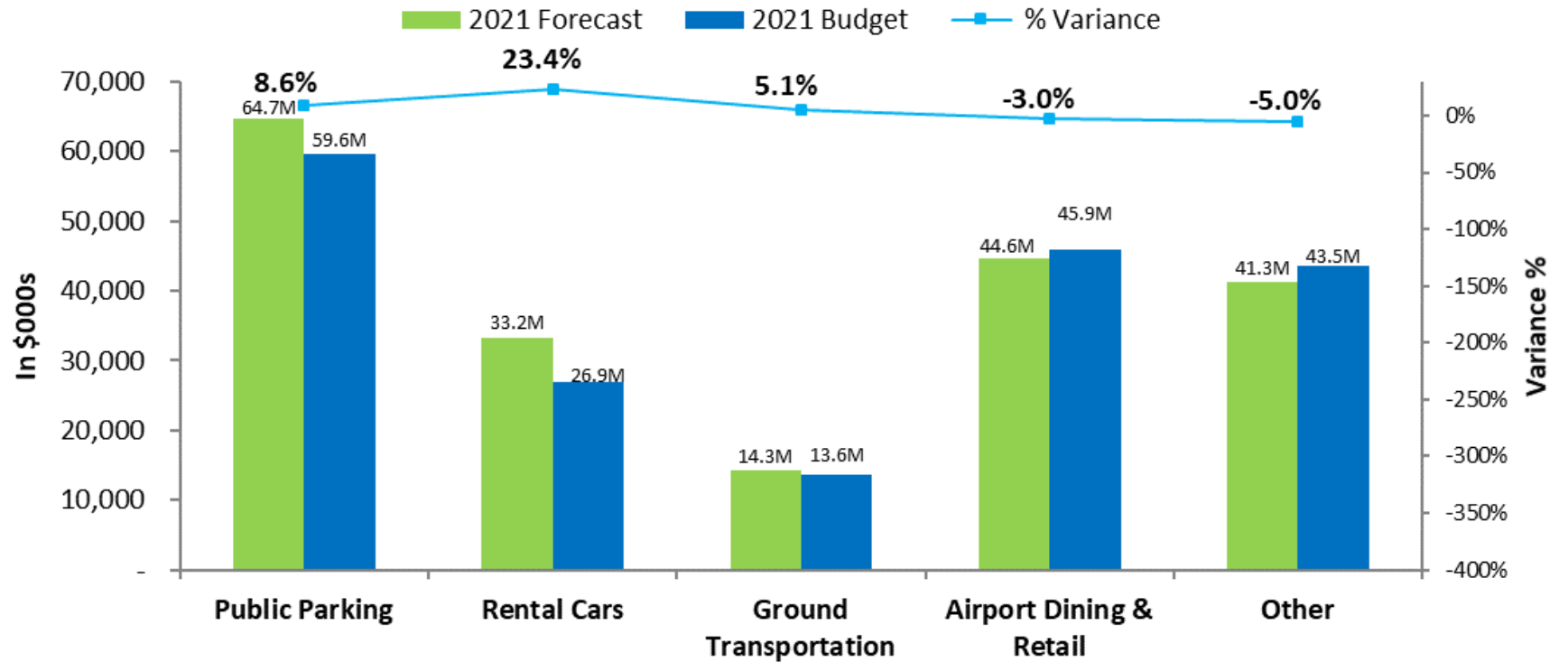
- CRRSAA Relief = \$ 5.3M
- ARPA Relief = \$21.5M

Federal concessionaire relief grants will be recognized as Non-operating Revenue (means lower operating revenue, but cash neutral)

Non-Aeronautical Revenues (before Relief Grants)

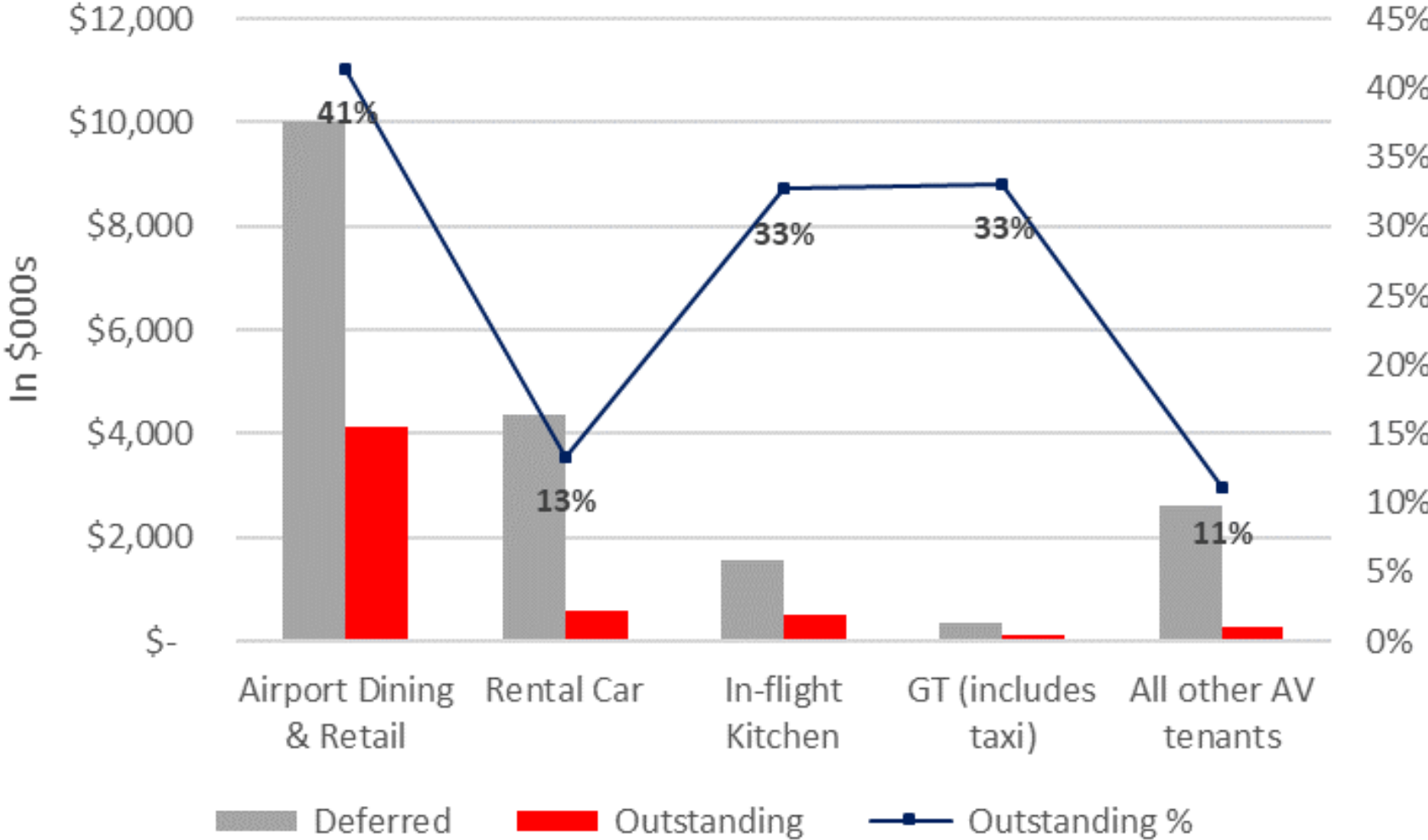
Most Non-Aero activity closely aligned with PAX volume recovery

Forecast
\$198M
 ↑ 4.5%
 Budget
\$189.5M



	2019 Actuals	2020 Actuals	2021 Forecast	2021 Budget	% change vs BUDGET
Enplanements	25,874	10,044	18,451	18,216	1.3%
O&D%	70.2%	64.0%	70.0%	68.0%	
O&D Enplanements	18,163	6,428	12,916	12,387	4.3%

Non-Aero Tenant Rent Deferred Status



Status as of 4/22/2021:

Total Non-Aero Rent Deferred = **\$18.9M**

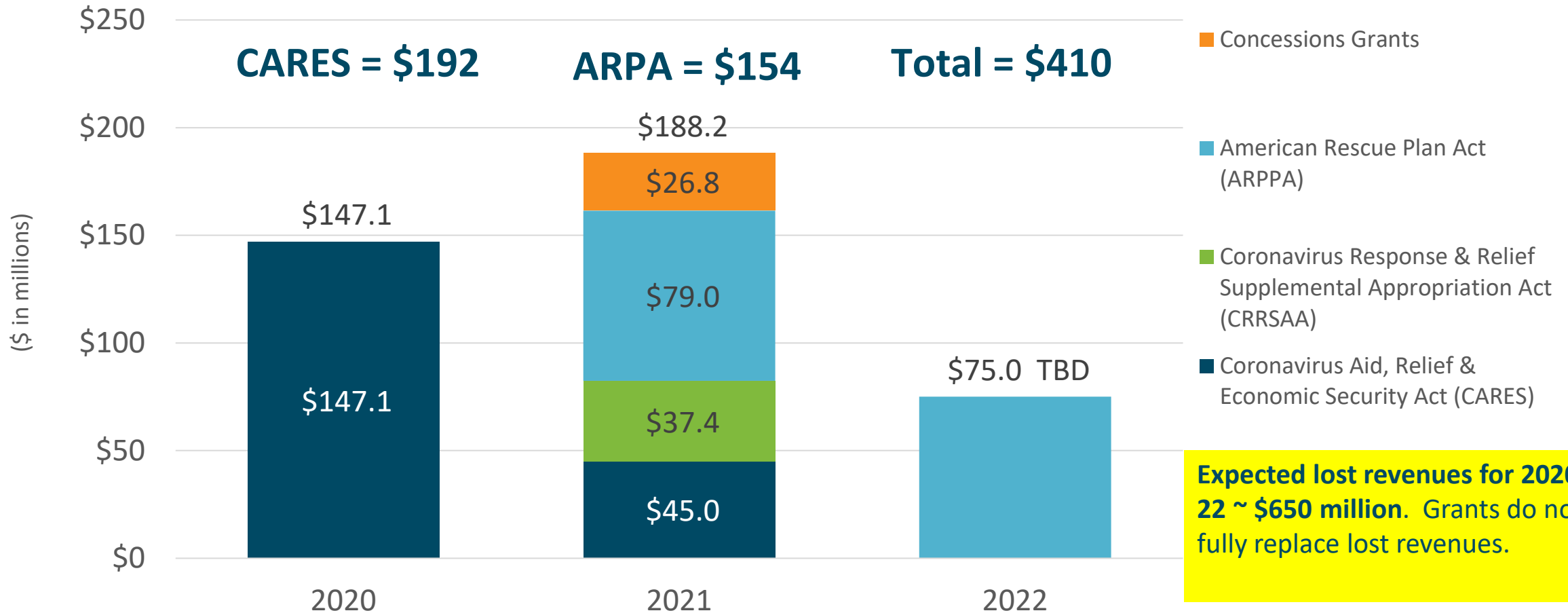
Total Outstanding = **\$5.6M or 30%**

Strategic use of Federal Relief Grants to Achieve Debt Service Coverage Target

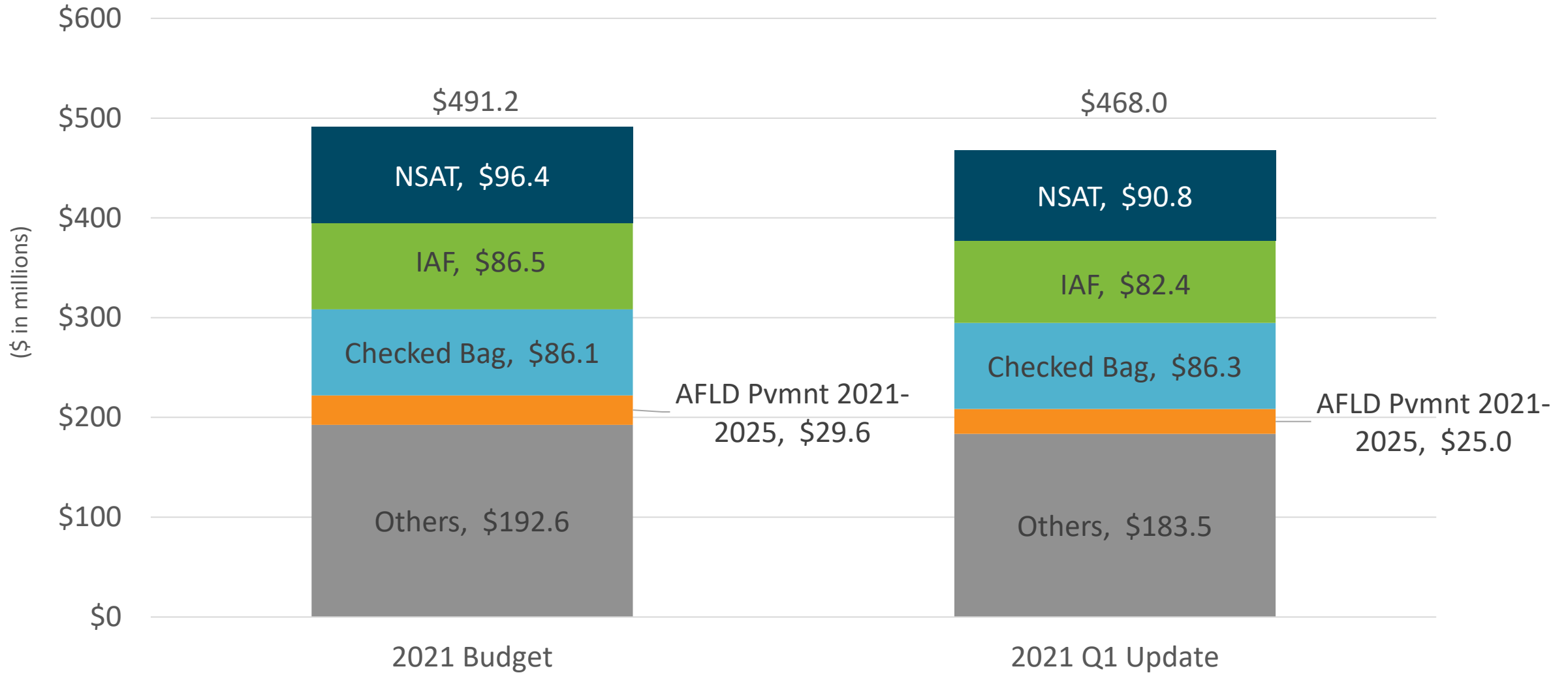
in \$000's	2020 Actual	2021 Budget	2021 Forecast	Variance
Revenues				
Aero	297,909	386,668	314,476	(72,192)
Non-aero	116,473	189,548	171,312	(18,236)
Total Revenues	414,382	576,216	485,788	(90,428)
O&M	329,680	339,908	342,282	(2,374)
NOI	84,702	236,308	143,506	(92,802)
Federal Relief Grants Non-op	43,257	3,500	18,492	14,992
Concession Rent Relief Grants	-	-	26,755	26,755
Other net non-operating	5,604	2,542	2,543	1
Available for debt service	133,562	242,350	191,296	(51,054)
Debt Service				
Gross debt service (net of cap i)	249,555	279,880	276,807	3,073
CFC offset	(13,601)	(19,159)	(13,604)	(5,556)
PFC offset	(36,390)	(47,549)	(38,614)	(8,935)
Federal Relief Grants DS offset	(103,891)	(34,399)	(143,342)	108,943
Net Debt Service	95,673	178,772	81,247	(97,525)
Debt Service Coverage	1.40	1.36	2.35	1.00

- Reflects preliminary grant use plan
- Majority of federal relief used to pay debt service
- Costs paid by grants excluded from airline rate base, thus reducing Aero revenues
- Concessions rent relief grant is cash flow neutral (lower operating revenues, higher grant revenues).
- Debt service does not reflect 2021 bond issue and refunding.

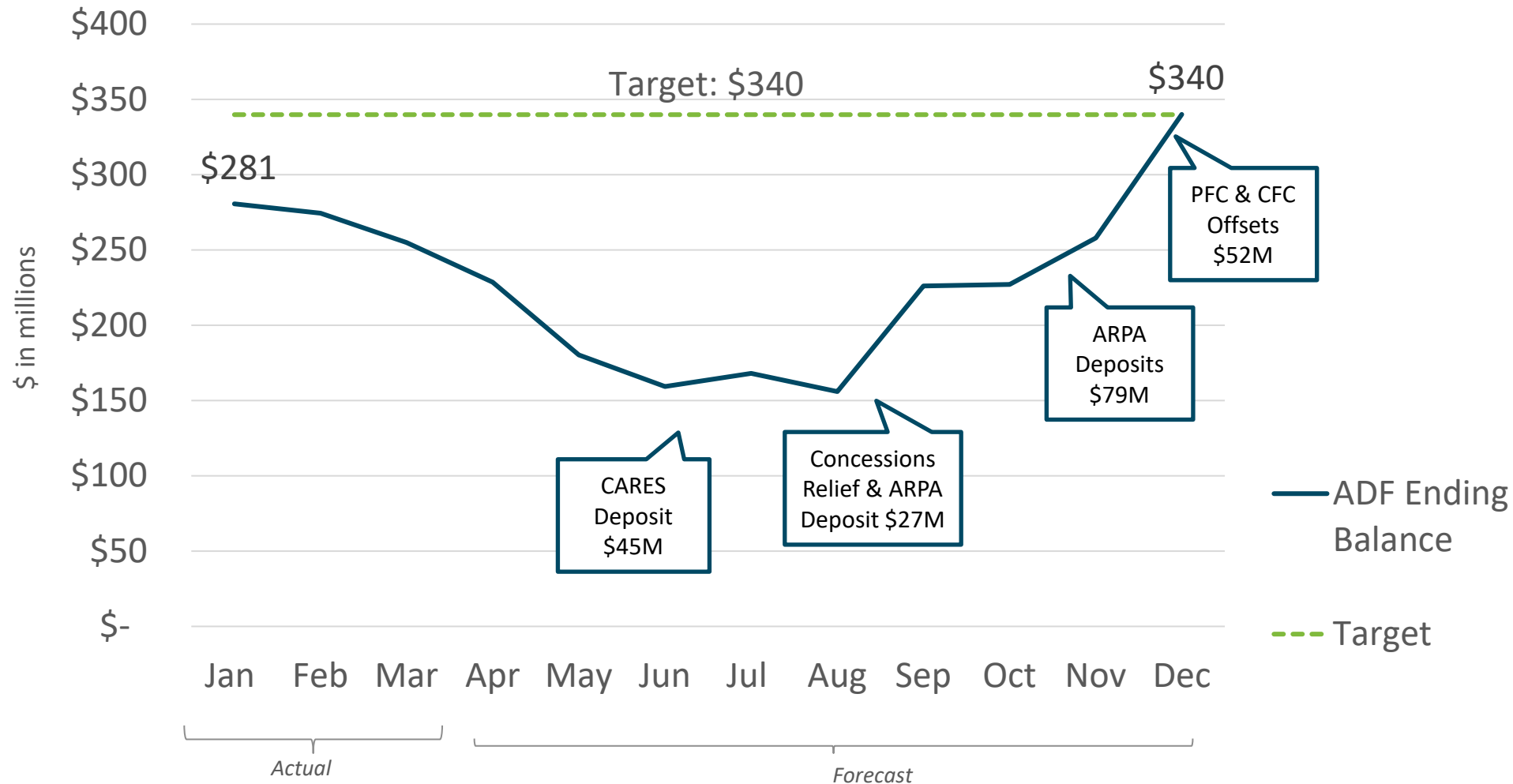
Federal COVID Relief: CARES, CRRSAA & ARPA



2021 Capital Spending: 95% of Budget



2021 Airport Development Fund Balance



- Will use grants to achieve target of 12 months O&M balance
- Grant use plan impacts ADF balance:
 - Aero vs. Non-aero cost centers
 - 2021 vs. 2022

Seaport

Q1 2021 Financial Performance Report



Seaport Performance Summary

	2020 YTD	2021 YTD	2021 YTD	Fav (UnFav)		Incr (Decr)		2021	2021	Fav (UnFav)	
	Actual	Actual	Budget	Actual vs. Budget Variance		Change from 2020		Forecast	Budget	Fcst vs. Budget Variance	
\$ in 000's				\$	%	\$	%			\$	%
Revenues											
Maritime	9,340	9,539	10,370	(831)	-8%	199	2%	45,355	45,280	75	0%
Economic Development Division	3,277	2,002	2,436	(434)	-18%	(1,275)	-39%	12,648	13,348	(700)	-5%
Joint Venture	10,599	10,988	10,206	781	8%	388	4%	40,824	40,824	0	0%
Total Revenue	23,217	22,529	23,012	(484)	-2%	(688)	-3%	98,827	99,452	(625)	-1%
Expenses											
Maritime	11,661	10,937	13,080	2,143	16%	(724)	-6%	49,716	50,243	527	1%
Economic Development Division	5,236	4,049	4,277	228	5%	(1,187)	-23%	20,966	21,413	447	2%
Joint Venture	692	693	836	143	17%	1	0%	1,377	1,377	0	0%
Total Expense	17,589	15,679	18,192	2,514	14%	(1,910)	-11%	72,059	73,033	974	1%
NOI Before Stormwater Utility	5,628	6,850	4,820	2,030	42%	1,222	22%	26,768	26,419	349	1%
Stormwater Utility Revenues	1,643	1,545	1,616	(71)	-4%	(98)	-6%	6,464	6,464	0	0%
Stormwater Utility Expenses	1,064	1,123	1,457	334	23%	58	5%	5,211	5,211	0	0%
Stormwater Utility NOI	578	422	159	263	165%	(156)	-27%	1,253	1,253	0	0%
Total Non-Aviation Business NOI	6,207	7,272	4,979	2,293	46%	1,066	17%	28,021	27,672	349	1%

YTD Budget Variance

- Timing of Cruise NCL Lease Payment (\$1M), lower Conference Revenue.
- Lower Maintenance and Conference expenses.

Forecast Budget Variance

- Lower Conference & Parking Revenue, Higher Grain Revenue.
- Lower Conference and External Affairs expenses.

Maritime Division

Q1 2021 Financial Performance Report

Maritime Division

Financial Summary

<i>Figure in \$000s</i>	Forecast	Budget	Variance
Revenues			
Fishing, Commercial, & Recreational Marinas	21,559	21,559	0
Cruise	8,558	8,558	0
Maritime Portfolio Mgmt.	10,034	10,259	(225)
Grain / Other	5,203	4,903	300
Total	45,355	45,280	75
O&M Expense			
Direct	20,904	20,904	0
Support Services	14,828	15,028	200
Central Services and Other	13,984	14,311	327
Total	49,716	50,243	527
NOI	(4,361)	(4,963)	602
Capital Spending	21,279	26,195	4,916

Business Highlights

- Fishing, Commercial and Recreational Marinas remain stable. Potential upside with Recreational Boating demand.
- **Timing & guidelines for Cruise season commencement to impact ~\$4.5M of variable revenue.**
- Grain Volumes up 52% Y/Y.
- Completed all in-water work construction activities for T117 Restoration and Public Access.

Maritime Q1 Financials

Performing Better Than Expected

Maritime YTD –Net Operating Income is \$1.3M favorable to budget and \$923K above 2020

- Revenue is \$831K below budget. Would be ~\$200K favorable if not for timing of NCL payment. Grain Volumes favorable to budget. Increased grain revenue (+64%) over 2020 driving Y/Y growth, offset by shorter Ballard locks closure.
- Expenses \$2.1M (16%) favorable to budget driven by tenant improvements timing, utilities, and maintenance. Expenses down \$724K Y/Y from lower utilities and maintenance.
- YTD Q1 Capital spending was \$2.1M with forecasted spending at \$21.3M (81% of budget).

	2019 YTD	2020 YTD	2021 YTD		Fav (UnFav) Actual vs. Budget Variance		Incr (Decr) Change from 2020	
	Actual	Actual	Actual	Budget	\$	%	\$	%
\$ in 000's								
Total Revenues	9,442	9,340	9,539	10,370	(831)	-8%	199	2%
Total Operating Expenses	10,286	11,661	10,937	13,080	2,143	16%	(724)	-6%
Net Operating Income	(844)	(2,321)	(1,398)	(2,710)	1,312	48%	923	40%
Depreciation	4,509	4,395	4,464	4,043	(421)	-10%	69	2%
Net Income	(5,353)	(6,715)	(5,862)	(6,753)	891	13%	853	13%

Stormwater Utility Tracking to Budget

\$ in 000's	2019 YTD Actual	2020 YTD Actual	2021 YTD Actual	2021 YTD Approved Budget	Fav (UnFav) Actual vs. Revised Budget Variance		Incr (Decr) Change from 2020 YTD	
					\$	%	\$	%
Revenue								
NWSA	304	373	431	426	5	1%	58	16%
Tenants Revenue	800	825	751	827	(76)	-9%	(74)	-9%
Port Non-tenants Revenue	335	445	363	363	0	0%	(82)	-18%
Total Revenues	1,440	1,643	1,545	1,616	(71)	-4%	(98)	-6%
Expenses								
SWU Direct	195	259	291	335	44	13%	32	12%
Maintenance Expenses	619	596	638	892	254	28%	41	7%
Seaport Project Management	4	193	1	4	3	74%	(192)	-99%
Environmental & Sustainability	73	12	13	14	1	8%	1	6%
Other Central Services	194	4	180	212	32	15%	177	4998%
Total Expenses	1,084	1,064	1,123	1,457	334	23%	58	5%
NOI Before Depreciation	355	578	422	159	263	165%	(156)	-27%
Depreciation	294	309	317	297	(20)	-7%	8	3%
NOI After Depreciation	62	270	105	(138)	243	-176%	(164)	-61%

- Revenue under due to changes in tenant footprints.
- Expenses are under due to changes in maintenance allocation and COVID-19 impacts.

Northwest Seaport Alliance Summary

NWSA Operating Income <i>Before GASB 87 Adjustment</i>	2020 YTD	2021 Year-to-Date		Fav (UnFav)		Incr (Decr)	
	Actual	Actual	Budget	Budget Variance	Change from 2020		
\$ in 000's				\$	%	\$	%
Operating Revenue	45,660	43,848	46,047	(2,199)	-5%	(1,812)	-4%
Operating Expense	20,249	17,809	22,428	4,619	21%	(2,440)	-12%
Operating Income	25,411	26,039	23,619	2,420	10%	628	2%
Cargo TEUs	788,882	881,794				(489,865)	-17%
Cargo Volume (Metric Tons)	6,609,007	6,971,027				(3,249,908)	-14%

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

Revenue – Q1 YTD \$2.2M below budget and lower than 2020 due to restructuring of the APL agreement. Absent the restructuring revenue would be higher than 2020 due to higher volumes.

Operating Expenses – Q1 YTD \$4.6M favorable to budget.

- Timing of rail incentives, project spending, and other outside services.
- Lower administrative costs from revision of service agreements.

NWSA TEU Data

There was a total of 43 void sailings in Q1 2021. Robust volumes led to congestion in North American ports as shippers replenished inventories depleted by strong consumer demand. Due to COVID-19 restrictions, consumers continue to spend money on goods instead of services. Carriers voided port calls to improve schedule reliability and returned to Asia for more cargo, which led to a container shortage for exports. Shippers continue to diversify manufacturing and sourcing activities to SE Asia and other markets. NWSA total international TEUs are up 13.2% for Q1 2021 and total TEUs are up 11.8%.

Exports (YTD Feb 2021 vs. YTD Feb 2020):

- Japan, China, South Korea, Taiwan, and Vietnam were our top trading partners.
- Japan, China, South Korea, Taiwan, and Vietnam declined 23.5%, 7.9%, 36.7%, 0.1%, and 15.5%, respectively. Total exports are down 20.5%.

Imports (YTD Feb 2021 vs. YTD Feb 2020):

- China, Vietnam, Japan, South Korea, and Taiwan were our top trading partners.
- China, Vietnam and South Korea grew 35.7%, 25.1% and 28.8%, respectively, while Japan and Taiwan declined 26.4% and 3.2% respectively.

*Exports and imports data source PIERS, full international

Joint Venture Q1 Financials

\$ in 000's	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav (UnFav) Actual vs. Revised Budget Variance		Incr (Decr) Change from 2020		Total Year Budget
	Actual	Actual	Actual	Budget	\$	%	\$	%	
Revenue									
Joint Venture Revenue	12,986	10,730	11,343	10,568	775	7%	613	6%	42,273
Contra Joint Venture Revenue	-	(478)	(488)	(488)	0	0%	(10)	2%	(1,952)
Subtotal Distributable Revenue from NWSA	12,986	10,252	10,855	10,080	775	8%			40,321
Other Service Revenue Tenant Reimbursements	-	165	66	126	(60)	-48%	(99)	-60%	503
Port Revenue from NWSA Facilities	-	183	67	-	67	NA	(116)	-64%	-
Total Revenues	12,986	10,599	10,988	10,206	781	8%	388	4%	40,824
Expenses									
JV Direct	(7)	46	127	45	(82)	-182%	80	173%	180
Maintenance Expenses	77	385	143	143	0	0%	(242)	-63%	587
Seaport Project Management	12	1	2	3	0	9%	2	313%	10
Environmental & Sustainability	12	2	50	83	33	40%	47	2192%	333
Other Central Services	31	19	60	63	3	4%	41	216%	267
					-				
Total Expenses	124	453	382	337	(45)	-13%	(72)	-16%	1,377
NOI Before Depreciation	12,862	10,146	10,606	9,870	736	7%	460	5%	39,447
Legacy Depreciation for NWSA Facilities	4,119	3,779	3,771	3,716	(55)	-1%	(8)	0%	15,162
NOI After Depreciation	8,744	6,367	6,835	6,154	681	-11%	468	7%	(24,284)

Home Port Activities

Revenues:

- Joint Venture favorable to budget due to lower expenses at NWSA.
- Other Service Revenue below budget due to timing of tenant reimbursable Maintenance work.
- Port Revenue from NWSA Facilities—temporary moorage on the northwest face of T46.

Expenses

- JV Direct – Unplanned small works at Terminal 30.

Economic Development Division

Q1 2021 Financial Performance Report



Economic Development Division

Financial Summary

<i>Figure in \$000s</i>	Forecast	Budget	Variance
Revenues	12,648	13,348	(700)
O&M Expense			
EDD & Maritime	9,891	10,591	700
Maintenance	3,027	2,537	(490)
Diversity in Contracting	142	142	0
Tourism	2,481	2,481	0
EDD Grants	1,060	1,060	0
Central Services and Other	4,366	4,603	237
Total	20,966	21,413	447
NOI	(8,318)	(8,065)	(253)
Capital Spending	4,604	5,647	1,043

Business Highlights

- Additional BHICC cancellations resulting in forecast reductions of \$600K in revenue and \$500K in expense.
- Lease revenue on target, parking revenue slightly below.
- **Rent Deferrals:**
 - **51 Applications**
 - **37 Executed agreements**
 - **19 Paid Off as of 3/31/21**
 - **18 Currently in program**
- Port hit 2020 WMBE Utilization (non-construction) goal: 16.6% actual vs. 14.4% goal.

Economic Development Financial Highlights

2021 Q1 YTD Net Operating Income \$207K unfavorable to budget and \$88K lower than 2020

- Revenue unfavorable to budget by \$407K and \$1.2M lower than 2020 driven primarily by COVID-19 cancellations at the Conference and Event Centers.
- Expenses favorable to budget by \$228K driven by less conferences, timing of EDD Grant & Tourism Programs, offset by impact of Maintenance allocation change. Expenses are lower by \$1.2M Y/Y due to variable cost associated with lower Conference & Event Center volumes and reduced Central Service allocation expenses, offset by higher Maintenance costs.

- EDD spent 6% of Capital budget through Q1. The 2021 forecasted spending is \$4.5M (82% of budget).

	2019 YTD	2020 YTD	2021 YTD		Fav (UnFav) Actual vs. Budget Variance		Incr (Decr) Change from 2020	
	Actual	Actual	Actual	Budget	\$	%	\$	%
	\$ in 000's							
Total Revenues	4,674	3,277	2,002	2,436	(434)	-18%	(1,275)	-39%
Total Operating Expenses	5,862	5,236	4,049	4,277	228	5%	(1,187)	-23%
Net Operating Income	(1,187)	(1,959)	(2,047)	(1,840)	(207)	-11%	(88)	-4%
Depreciation	918	909	958	758	(200)	-26%	49	5%
Net Income	(2,105)	(2,867)	(3,005)	(2,598)	(407)	-16%	(137)	-5%

Central Services

Q1 2021 Financial Performance Report

Central Services

Financial Summary

<i>Figures in \$000s</i>	2021 Forecast	2021 Budget	Fcst vs Bud Variance
Revenues	1,129	181	948
Core Central Support Services	83,982	85,678	1,696
Police	27,968	28,317	349
Engineering/PCS	9,680	9,199	(481)
O&M Expenses	121,629	123,194	1,565
Capital Spending	8,714	9,658	944

Business Highlights

- Awarded **14 South King County Fund Environmental Grants** to the six Highline cities.
- Obtained the Commission approval for **Job and Economic Resource Center** as part of the Duwamish Valley Community Equity Program.
- The Port, City of Seattle, and Sound Transit agreed to **jointly fund \$1.7M** to support construction worker training, placement and other services.

Central Services Financial Highlights

	2019 YTD	2020 YTD	2021 YTD		Fav (UnFav) Actual vs. Budget Variance		Incr (Decr) Change from 2020	
	Actual	Actual	Actual	Budget	\$	%	\$	%
	\$ in 000's							
Total Operating Revenues	182	907	956	45	910	2013.0%	49	5.4%
Core Central Support Services	17,445	19,359	18,743	20,382	1,639	8.0%	(616)	-3.2%
Police	6,506	7,908	6,748	7,547	799	10.6%	(1,160)	-14.7%
Engineering/PCS	2,083	2,158	1,965	2,175	210	9.7%	(193)	-9.0%
Total Operating Expenses	26,034	29,425	27,455	30,104	2,649	8.8%	(1,970)	-6.7%

2021 YTD Total Operating Expenses are \$2.6M favorable to the budget due to:

- Delay in contract spending and delays in hiring vacant positions, partially offset by lower charges to Capital Projects.

2021 YTD Total Operating expenses are \$2.0M lower compared to 2020 due to:

- Lower payroll costs due to delays in hiring.
- Decrease in Outside Services costs YTD due to project delays in 2021.
- Lower Equipment spending due to slow start to PC Refresh.

Port Wide

Q1 2021 Financial Performance Report



Port Wide Financial Summary

	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav (UnFav)		Incr (Decr)	
					Actual vs. Budget		Change from 2020	
	Actual	Actual	Actual	Budget	\$	%	\$	%
\$ in 000's								
Aeronautical Revenues	83,674	86,284	61,313	80,938	(19,625)	-24.2%	(24,971)	-28.9%
Airport Non-Aero Revenues	55,996	49,956	26,930	35,085	(8,154)	-23.2%	(23,025)	-46.1%
Non-Airport Revenues	28,382	25,313	24,658	24,311	348	1.4%	(655)	-2.6%
Total Operating Revenues	168,052	161,553	112,901	140,333	(27,432)	-19.5%	(48,652)	-30.1%
Total Operating Expenses	96,729	103,591	94,866	101,431	6,566	6.5%	(8,726)	-8.4%
NOI before Depreciation	71,323	57,962	18,036	38,901	(20,866)	-53.6%	(39,926)	-68.9%
Depreciation	41,038	43,728	44,829	40,209	(4,621)	-11.5%	1,101	2.5%
NOI after Depreciation	30,286	14,233	(26,794)	(1,307)	(25,486)	1949.7%	(41,027)	-288.2%

- Total Operating Revenues: \$27.4M unfavorable to the budget and \$48.7M lower than 2020.
- Total Operating Expenses: \$6.6M favorable to the budget and \$8.7M lower than 2020.
- NOI before Depreciation: \$20.9M unfavorable to the budget and \$39.9M lower than 2020.

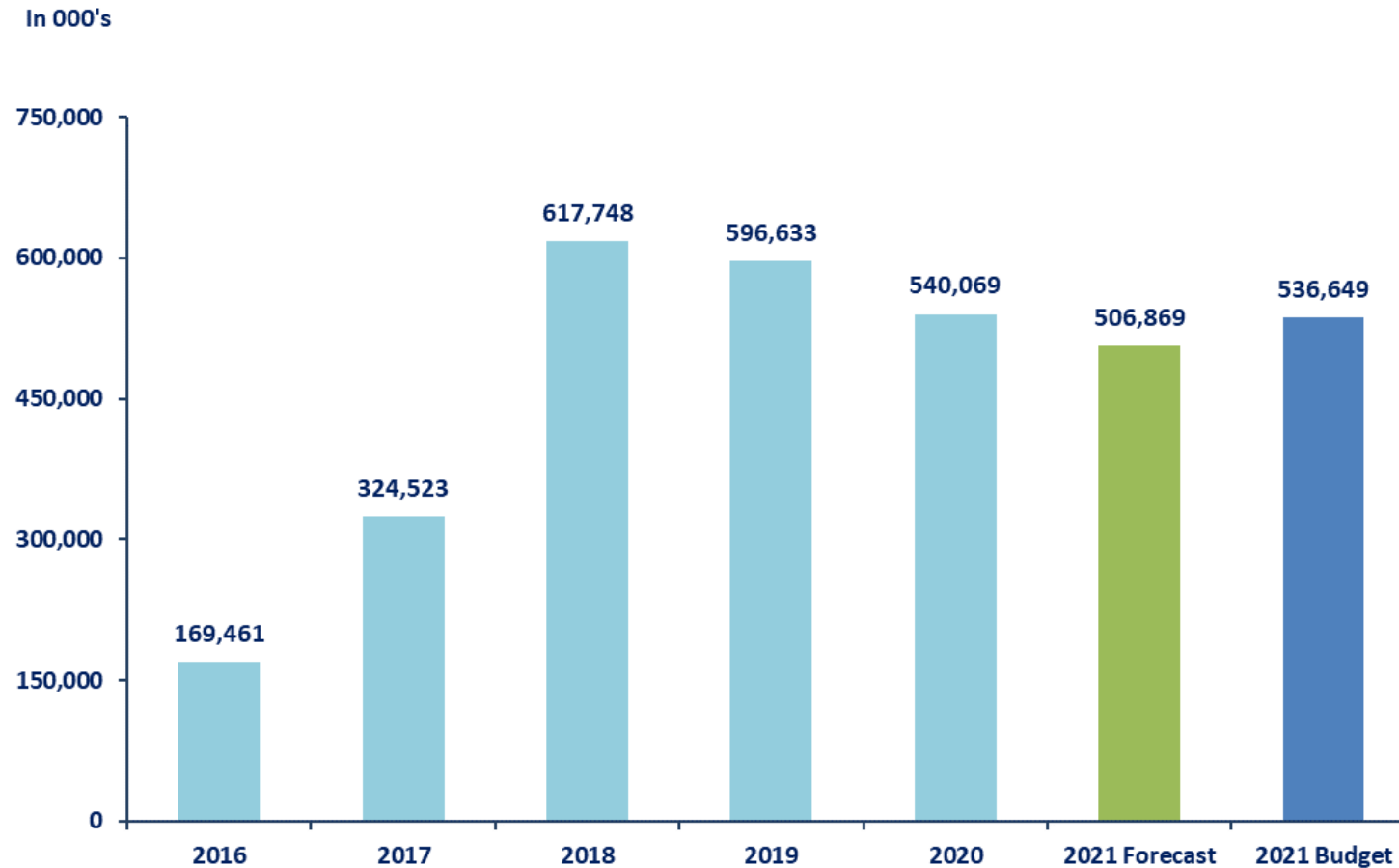
Port Wide Financial Summary

\$ in 000's	2019	2020	2021	2021	Fav (UnFav) Fest vs. Budget Variance		Incr (Decr) Change from 2020	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
	Aeronautical Revenues	357,598	297,909	314,476	386,668	(72,192)	-18.7%	16,567
Airport Non-Aero Revenues	269,037	116,473	171,312	189,548	(18,236)	-9.6%	54,839	47.1%
Non-Airport Revenues	137,538	96,446	104,968	104,645	323	0.3%	8,523	8.8%
Total Operating Revenues	764,174	510,828	590,756	680,861	(90,104)	-13.2%	79,928	15.6%
Total Operating Expenses	441,700	408,681	425,177	423,412	(1,765)	-0.4%	16,496	4.0%
NOI before Depreciation	322,474	102,147	165,579	257,448	(91,869)	-35.7%	63,432	62.1%
Depreciation	174,903	180,086	176,509	176,509	-	0.0%	(3,577)	-2.0%
NOI after Depreciation	147,571	(77,939)	(10,930)	80,939	(91,869)	-113.5%	67,009	-86.0%

1) 2021 Airport Non-Aero Revenues Forecast does not include the projected Federal Relief for Concessions of \$26.8M.

- Operating Revenues: \$90.1M unfavorable to the budget and \$79.9M higher than 2020. It's important to note that the federal relief helps offset \$119M of the Aeronautical revenues for 2021.
- Operating Expenses: \$1.8M unfavorable to the budget and \$16.5M higher than 2020 (It would have been \$700K lower than 2020 after adjusting a \$17.2M state pension credit in 2020).
- NOI before Depreciation: \$91.9M unfavorable to the budget and \$67.0M higher than 2020.

Port Wide Capital Spending



- Total capital spending was \$98.8M in Q1.
- For the full year, total capital spending is expected to be \$506.9M, 94.5% of the budget.

Aviation Division Appendix

Q1 2021 Financial Performance Report

Airport Activity

	YTD 2019	YTD 2020	YTD 2021	% YTD Change from 2020
Total Passengers (000's)				
Domestic	9,658	8,205	4,662	-43.2%
International	1,207	1,004	205	-79.5%
Total	10,865	9,209	4,868	-47.1%
Operations	100,740	99,983	75,878	-24.1%
Landed Weight (In Millions of lbs.)				
Cargo	565	606	709	17.0%
All other	6,300	6,283	4,557	-27.5%
Total	6,865	6,889	5,266	-23.6%
Cargo - Metric Tons				
Domestic freight	69,054	75,866	84,502	11.4%
International & Mail freight	29,423	25,795	25,223	-2.2%
Total	98,477	101,661	109,725	7.9%

Passenger Activity		
Airline	Change 2020 v. 2021	2021 Market Share
Alaska	43.5%	66.1%
Delta	-10.3%	18.3%
American	32.7%	4.7%
Southwest	10.9%	3.8%
United	-11.4%	3.3%

2021 YTD Passenger volume:

- YTD passenger volume is 55.3% lower than Q1 2019 pre-pandemic levels, and 47.1% lower than Q1 2020. Enplanement recovering is building, and volumes are expected to be 29% lower than 2019 for full year 2020.

Aviation Financial Summary

Financial Summary (\$ in 000's)	2019	2020	2021	2021	Fav(UnFav) Fest. vs. Budget Variance		Incr/(Deer) Change from 2020	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
	Operating Revenue							
Aeronautical Revenues	357,598	297,909	314,476	386,668	(72,192)	-18.7%	16,567	5.6%
Non-Aeronautical Revenues	269,037	116,473	171,312	189,548	(18,236)	-9.6%	54,839	47.1%
Total Operating Revenues	626,636	414,382	485,788	576,215	(90,428)	-15.7%	71,406	17.2%
Total Operating Expenses	355,245	329,680	342,282	339,908	(2,374)	-0.7%	12,602	3.8%
Net Operating Income	271,390	84,702	143,506	236,308	(92,802)	-39.3%	58,804	69.4%
Federal Relief		147,148	161,601	37,899	123,702	326.4%	14,453	9.8%
Federal Relief (Concessions)			26,755		26,755		26,755	
NOI (After Federal Relief)	271,390	231,850	331,862	274,207	57,655	21.0%	100,012	43.1%
CPE	12.86	26.50	15.26	19.62	4.35	0.22	(11.24)	-42.4%
Non-Aero NOI (\$ in 000s)	6,671	4,426	90,892	82,742	8,150	9.9%	86,466	1953.6%
Enplaned passengers (in 000s)	25,874	10,044	18,451	18,216	236	1.3%	8,408	83.7%
Capital Expenditures (in 000s)	573,598	573,598	468,094	491,202	23,108	4.7%	(105,504)	-18.4%

Key Performance Measures

	2019	2020	2021	2021	Fav(UnFav) Fcst. vs. Budget Variance		Incr/(Decr) Change from 2020	
	Actual	Actual	Forecast	Approved Budget	\$	%	\$	%
Key Performance Metrics								
Cost per Enplanement (CPE)	12.86	26.50	15.26	19.62	4.35	22.2%	(11.24)	-42.4%
Non-Aeronautical NOI (in 000's)	143,917	6,671	90,892	82,742	8,150	9.9%	84,221	1262.6%
Other Performance Metrics								
O&M Cost per Enplanement	6.86	16.41	9.28	9.33	0.05	0.6%	(7.14)	-43.5%
Non-Aero Revenue per Enplanement	5.20	5.80	5.37	5.20	0.16	3.2%	(0.43)	-7.4%
Debt per Enplanement (in \$)	66	163	84	85	1	1.3%	(79)	-48.4%
Debt Service Coverage	1.68	1.40	2.35	1.36	0.99	73.4%	0.95	67.9%
Days cash on hand (10 months = 304 days)	314	327	363	369	-6	-1.6%	36	11.2%
Aeronautical Revenue Sharing (\$ in 000's)	(17,146)	1	-	-	-	0.0%	(1)	100.0%
Activity (in 000's)								
Enplanements	25,874	10,044	18,451	18,216	236	1.3%	8,408	83.7%
Total Passengers	51,748	20,087	36,903	36,432	471	1.3%	16,815	83.7%

Aviation Expense YTD Summary

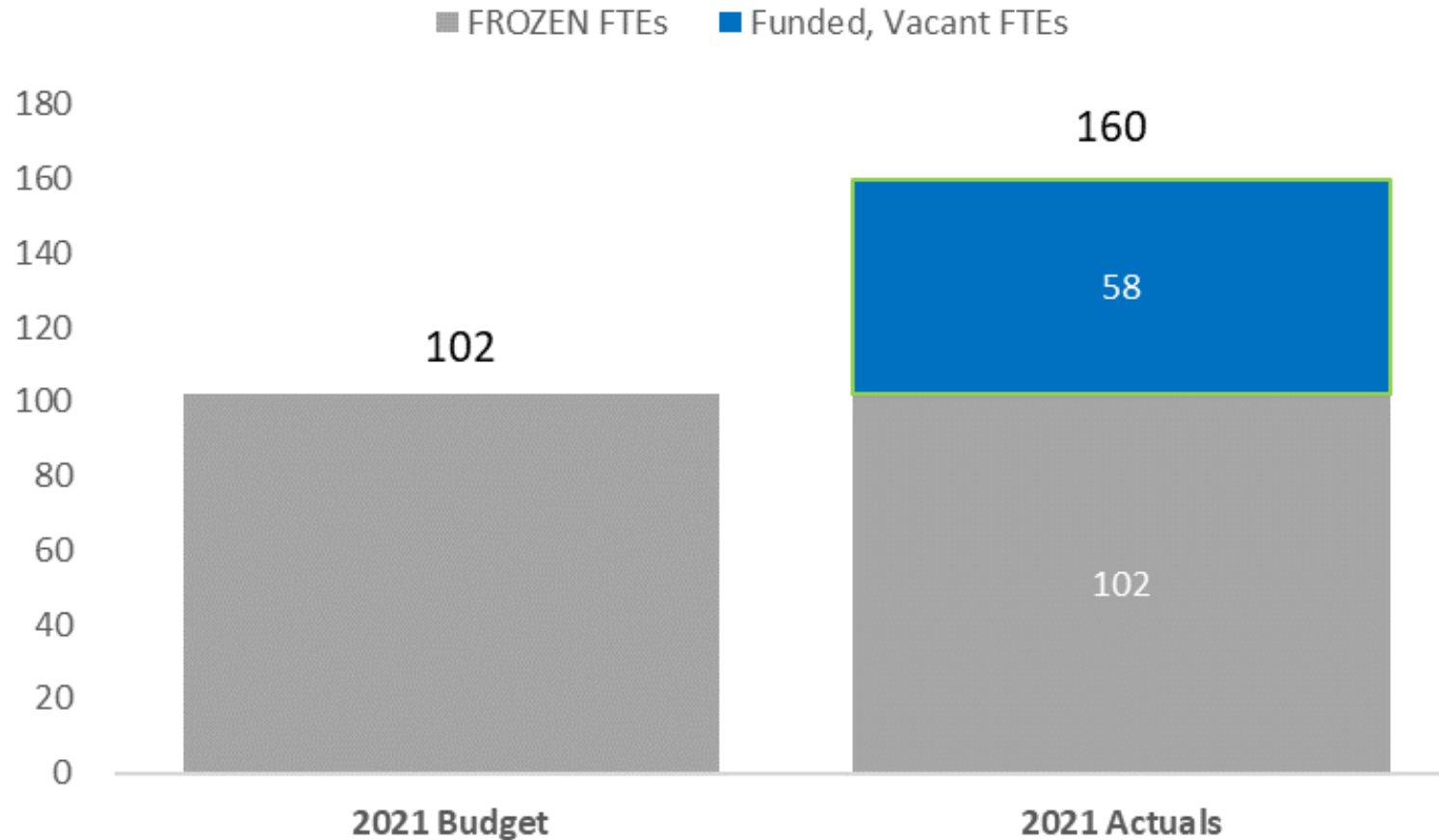
Total Airport Expense Summary (\$ in 000's)	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav(UnFav) Actual vs. Budget Variance		Incr/(Decr) Change from 2020	
	Actual	Actual	Actual	Budget	\$	%	\$	%
Operating Expenses								
Payroll	35,372	39,071	37,305	37,513	208	0.6%	(1,766)	-4.5%
Outside Services	12,737	14,011	13,477	15,498	2,022	13.0%	(534)	-3.8%
Utilities	4,656	4,884	5,060	4,312	(748)	-17.3%	175	3.6%
Other Expenses	5,406	3,061	24	74	51	68.2%	(3,037)	-99.2%
Total Airport Direct Charges	58,171	61,027	55,865	57,397	1,532	2.7%	(5,162)	-8.5%
Environmental Remediation Liability	-	-	-	-	-		-	
Capital to Expense	72	-	75	-	(75)		75	
Total Exceptions	72	-	75	-	(75)		75	
Total Airport Expenses	58,243	61,027	55,940	57,397	1,457	2.5%	(5,087)	-8.3%
Corporate	15,030	16,791	15,891	16,625	734	4.4%	(900)	-5.4%
Police	5,182	6,509	5,537	6,389	852	13.3%	(972)	-14.9%
Maritime/Economic Development/Other	761	838	720	865	146	16.8%	(119)	-14.2%
Total Charges from Other Divisions	20,973	24,139	22,148	23,880	1,731	7.3%	(1,991)	-8.2%
Total Operating Expenses	79,216	85,166	78,088	81,277	3,189	3.9%	(7,078)	-8.3%

Aviation Expense YE Summary

Total Airport Expense Summary (\$ in 000's)	2019	2020	2021	2021	Fav(UnFav) Fcst. vs. Budget Variance		Incr/(Decr) Change from 2020	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
	Operating Expenses							
Payroll	144,051	152,895	153,293	153,293	-	0.0%	398	0.3%
Outside Services	68,162	63,922	69,015	65,174	(3,841)	-5.9%	5,093	8.0%
Utilities	18,180	15,695	20,244	20,244	-	0.0%	4,549	29.0%
Other Expenses	14,721	3,341	814	1,359	545	40.1%	(2,527)	-75.6%
Total Airport Direct Charges	245,114	235,854	243,366	240,071	(3,295)	-1.4%	7,512	3.2%
Environmental Remediation Liability	15,900	(2,361)	2,162	2,001	(161)	-8.0%	4,523	-191.6%
Capital to Expense	2,089	2,588	283	-	(283)		(2,305)	-89.1%
Total Exceptions	17,989	227	2,445	2,001	(444)	-22.2%	2,218	978.2%
Total Airport Expenses	263,104	236,081	245,811	242,072	(3,739)	-1.5%	9,730	4.1%
Corporate	65,729	68,316	68,402	69,767	1,365	2.0%	87	0.1%
Police	22,290	22,150	23,964	23,964	-	0.0%	1,814	8.2%
Maritime/Economic Development/Other	4,123	3,134	4,105	4,105	-	0.0%	971	31.0%
Total Charges from Other Divisions	92,141	93,599	96,471	97,836	1,365	1.4%	2,872	3.1%
Total Operating Expenses	355,245	329,680	342,282	339,908	(2,374)	-0.7%	12,602	3.8%

Aviation Total Vacant FTEs

as of 4/23/2021



Managing vacancies key to managing costs. Payroll cost is largest expense category.

58 vacant and funded positions as of 4/23/21 in various stages of hiring.

102 FROZEN positions – not funded in the 2021 Budget.

Aeronautical Business YTD

Aeronautical NOI (\$ in 000's)	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav(UnFav) Actual vs. Budget Variance		Incr/(Decr) Change from 2020	
	Actual	Actual	Actual	Budget	\$	%	\$	%
Rate Base Revenues								
Airfield Movement Area	28,300	25,223	15,396	20,399	(5,003)	-24.5%	(9,827)	-39.0%
Airfield Apron Area	4,706	5,360	4,302	4,225	77	1.8%	(1,057)	-19.7%
Terminal Rents	48,570	47,756	35,605	48,679	(13,074)	-26.9%	(12,151)	-25.4%
Federal Inspection Services (FIS)	3,267	4,019	1,869	3,769	(1,901)	-50.4%	(2,150)	-53.5%
Total Rate Base Revenues	84,843	82,357	57,172	77,073	(19,901)	-25.8%	(25,185)	-30.6%
Airfield Commercial Area	2,793	3,927	4,139	3,865	274	7.1%	212	5.4%
Subtotal before Revenue Sharing	87,635	86,284	61,311	80,938	(19,627)	-24.2%	(24,973)	-28.9%
Revenue Sharing	(3,961)	-	-	-	-	-	-	-
Total Aeronautical Revenues	83,674	86,284	61,311	80,938	(19,627)	-24.2%	(24,973)	-28.9%
Total Aeronautical Expenses	53,251	50,268	54,141	56,473	2,332	4.1%	3,873	7.7%
Aeronautical NOI	30,423	36,016	7,169	24,464	(17,295)	-70.7%	(28,846)	-80.1%

Aeronautical Business YE

Aeronautical NOI (\$ in 000's)	2019	2020	2021	2021	Fav(UnFav) Fest. vs. Budget Variance		Incr/(Decr) Change from 2020	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
Rate Base Revenues								
Airfield Movement Area	123,436	84,906	87,718	115,037	(27,319)	-23.7%	2,812	3.3%
Airfield Apron Area	22,016	15,146	14,974	21,418	(6,444)	-30.1%	(172)	-1.1%
Terminal Rents	205,283	171,607	177,661	213,147	(35,485)	-16.6%	6,054	3.5%
Federal Inspection Services (FIS)	12,321	8,616	17,679	21,454	(3,775)	-17.6%	9,063	105.2%
Total Rate Base Revenues	363,057	280,275	298,032	371,056	(73,023)	-19.7%	17,757	6.3%
Airfield Commercial Area	11,687	17,633	16,444	15,612	832	5.3%	(1,189)	-6.7%
Subtotal before Revenue Sharing	374,744	297,908	314,476	386,668	(72,192)	-18.7%	16,568	5.6%
Revenue Sharing	(17,146)	1	-	-	-		(1)	-100.0%
Total Aeronautical Revenues	357,598	297,909	314,476	386,668	(72,192)	-18.7%	16,567	5.6%
Total Aeronautical Expenses	236,959	219,878	235,107	233,102	(2,005)	-0.9%	15,230	6.9%
Aeronautical NOI	120,639	78,031	79,369	153,566	(74,197)	-48.3%	1,338	1.7%
Debt Service	(110,945)	(62,607)	(57,903)	(125,747)	67,844	-54.0%	4,704	-7.5%
Net Cash Flow	9,694	15,424	21,466	27,819	(6,353)	-22.8%	6,042	39.2%

Aero Cost Drivers

\$ in 000's	2020 Actual	2021 Budget	2021 Forecast	Impact on Aero Revenues Budget vs Forecast	
				\$	%
O&M ⁽¹⁾	213,775	227,420	229,450	2,029	0.9%
Federal Relief Grants O&M	(22,507)	(3,500)	(18,492)	(14,992)	428.3%
Net O&M	191,268	223,920	210,958	(12,962)	-5.8%
Debt Service Before Offsets	166,848	193,302	195,975	2,672	1.4%
Debt Service PFC Offset	(36,390)	(47,549)	(38,614)	8,935	-18.8%
Federal Relief Grants Debt Service	(71,763)	(29,399)	(101,211)	(71,812)	244.3%
Net Debt Service	58,694	116,354	56,149	(60,204)	-51.7%
Amortization	32,359	32,681	32,681	-	0.0%
Space Vacancy	(1,083)	(1,141)	(998)	143	-12.5%
TSA Operating Grant and Other	(960)	(758)	(758)	-	0.0%
Rate Base Revenues	280,279	371,056	298,032	(73,023)	-20%
Commercial area	17,633	15,612	16,444	832	5%
Total Aero Revenues	297,912	386,668	314,476	(72,192)	-19%

2021 Forecast to 2021 Budget

O&M – \$2.0M higher mostly in Apron, FIS, and Queue Management:

- Apron – Large Snow Expenses
- FIS – Increased Interpretation Services, Increased VIP Hospitality, Furniture Capital to Expense, Contingencies [IAF Oversize Baggage Relocate, IAF Wall Protections]
- Queue Management – VIP Divesting

Debt Service before Offsets: Forecast is \$2.6M higher primarily because the Budget assumed a reduction of \$5.8M of Debt Service exclusion for assets not in use which were partially offset by an increase in Capital Interest.

PFC Offset \$8.9M lower due to lower anticipated collections

Federal Relief Grants Aero Portion:

- **Payroll Impact (O&M)** – Removing \$18.5M from Rate Base
- **Debt Service Impact** - Removing \$101.2M from Rate Base

Non-Aeronautical Business YTD

Passenger Volume down 47.3% compared to prior year
O&D Passenger Volume down 42.4% compared to prior year

Non-Aeronautical NOI (\$ in 000's)	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav(UnFav) Actual vs. Budget Variance		Incr/(Decr) Change from 2020	
	Actual	Actual	Actual	Budget	\$	%	\$	%
Non-Aeronautical Revenues								
Public Parking	19,956	16,720	9,330	10,595	(1,264)	-11.9%	(7,390)	-44.2%
Rental Cars	7,229	6,928	3,484	4,577	(1,092)	-23.9%	(3,444)	-49.7%
Ground Transportation	4,523	3,931	1,459	2,441	(982)	-40.2%	(2,471)	-62.9%
Airport Dining & Retail	12,815	10,680	4,865	7,896	(3,031)	-38.4%	(5,815)	-54.4%
Other	11,474	11,697	7,791	9,576	(1,784)	-18.6%	(3,906)	-33.4%
Total Non-Aeronautical Revenues	55,996	49,956	26,930	35,085	(8,154)	-23.2%	(23,025)	-46.1%
Total Non-Aeronautical Expenses	17,206	34,898	23,947	24,804	857	3.5%	(10,951)	-31.4%
Non-Aeronautical NOI	38,790	15,058	2,984	10,281	(7,297)	-71.0%	(12,074)	-80.2%
Less: CFC Surplus	-	-	-	-	-		-	
Adjusted Non-Aeronautical NOI	38,790	15,058	2,984	10,281	(7,297)	-71.0%	(12,074)	-80.2%
Debt Service	-	-	-	-	-		-	
Net Cash Flow	38,790	15,058	2,984	10,281	(7,297)	-71.0%	(12,074)	-80.2%

2021 YTD Actuals to 2020 YTD Actuals

Non-Aero Revenue:

- All Non-Aero lines of business impacted by COVID-19. Q1 2021 results reflect a full quarter of the pandemic environment, compared to less than a month impact in prior year.
- GT – steeper decline reflects continued shift in passenger preference away from shared ride options.
- Parking, Rental Car, and ADR more closely aligned with change in passenger volumes.
- Non-Aero space rental lease revenue not directly impacted by decline in passenger volume

Non-Aero Expenses:

- Lower spending reflects cost cutting measures implemented to mitigate pandemic impacts.

Non-Aeronautical Business YE

Passenger Forecast up 83.7% compared to prior year
O&D Passenger Forecast up 100.9% compared to prior year

Non-Aeronautical NOI (\$ in 000's)	2019	2020	2021	2021	Fav(UnFav) Fcst. vs. Budget Variance		Incr/(Decr) Change from 2020	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
Non-Aeronautical Revenues								
Public Parking	82,125	34,502	64,699	59,597	5,102	8.6%	30,197	87.5%
Rental Cars	52,567	16,637	33,160	26,880	6,280	23.4%	16,523	99.3%
Ground Transportation	20,765	6,557	14,321	13,628	693	5.1%	7,764	118.4%
Airport Dining & Retail	61,615	25,418	44,567	45,936	(1,369)	-3.0%	19,149	75.3%
Other	51,966	33,359	41,319	43,506	(2,187)	-5.0%	7,961	23.9%
Total Non-Aeronautical Revenues	269,037	116,473	198,067	189,548	8,519	4.5%	81,594	70.1%
Total Non-Aeronautical Expenses	118,286	109,802	107,175	106,806	(369)	-0.3%	(2,627)	-2.4%
Non-Aeronautical NOI	150,752	6,671	90,892	82,742	8,150	9.9%	84,221	1262.6%
Less: CFC Surplus	(6,834)	-	-	-	-		-	
Adjusted Non-Aeronautical NOI	143,917	6,671	90,892	82,742	8,150	9.9%	84,221	1262.6%
Debt Service	(49,299)	(33,065)	(23,358)	(53,025)	29,666	-55.9%	9,707	-29.4%
Net Cash Flow	94,619	(26,394)	67,533	29,717	37,816	127.3%	93,928	-355.9%

2021 Forecast to 2020 Actuals

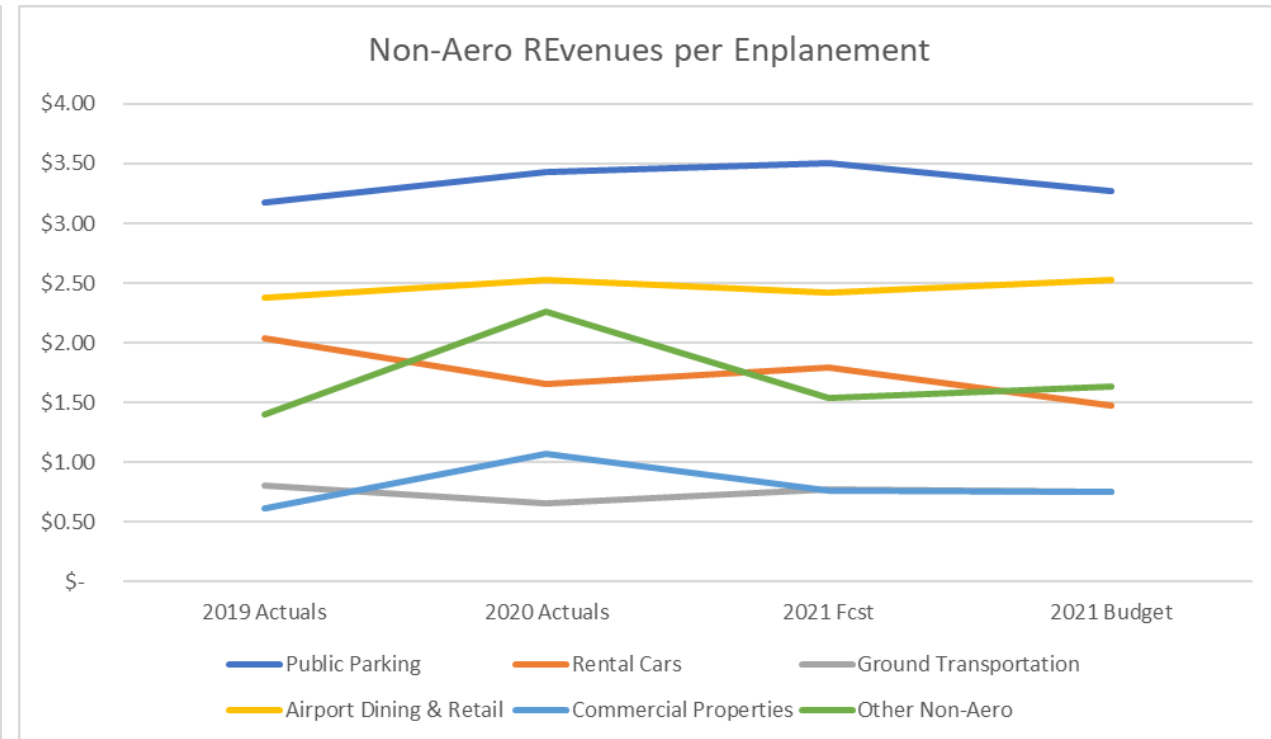
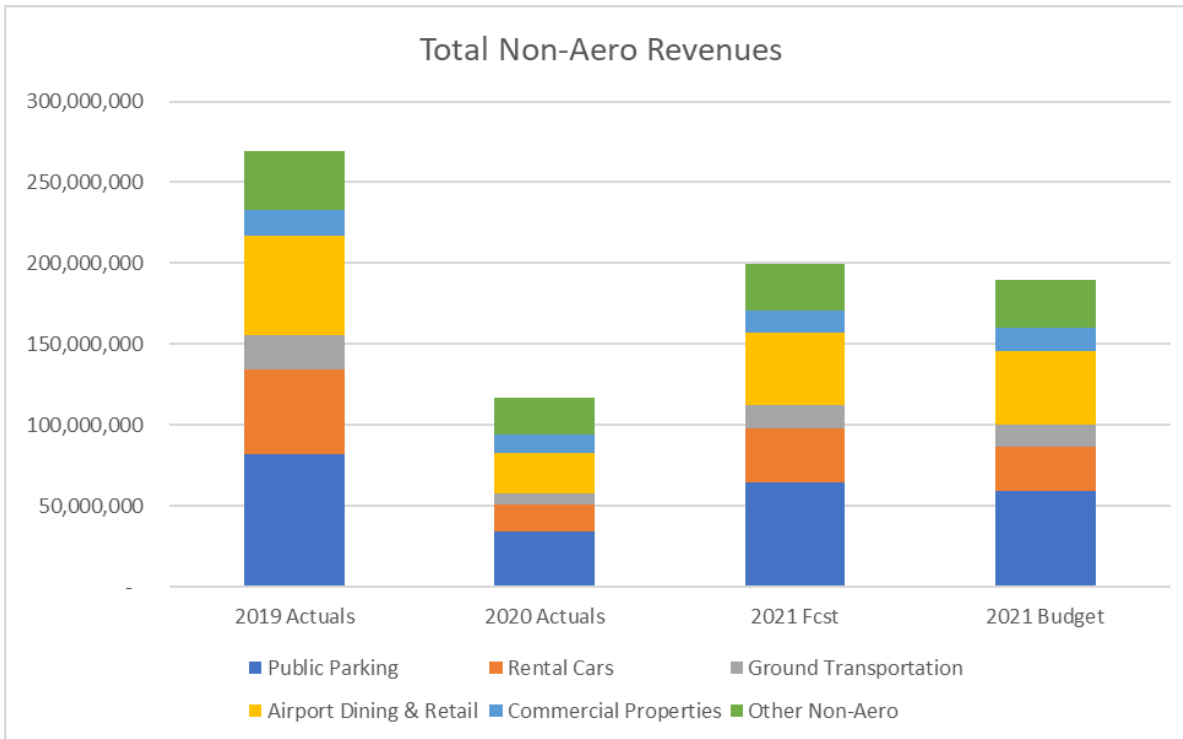
Non-Aero Revenue:

- All Non-Aero lines of business impacted by COVID-19.
- Parking – strong passenger preference in 2020, reduces the recovery percentage in 2021. Continued preference for close in self-parking.
- Rental Car – recovering consistent with passenger recovery.
- GT – recovery includes new TNC revenue from drop-off trips.
- ADR – recovering consistent with passenger recovery.
- Non-Aero space rent real estate lease revenue not directly impacted by decline in passenger volume

Non-Aero Expenses:

- Lower forecasted spending reflects cost cutting measures implemented to mitigate pandemic impacts.

Non-Aero Revenue By Business Unit



Non-Aero Revenue overview:

- **2021 Non-Aero revenue from concession fees or transaction volume** (Parking, Rental Car, GT, ADR, Clubs & Lounges, In-flight Kitchens) are **closely aligned with the decline in passenger volume**
- Commercial Properties and other Non-Aero line of business with revenue from **space rent for real estate leases** were **relatively unaffected** by the COVID-19 decline in enplanements

YTD Public Parking

Passenger Volume down 47.3% compared to prior year
 O&D Passenger Volume down 42.4% compared to prior year

Public Parking - Revenue Detail \$ in 000's	2019 Actual	2020 Actual	2021 YTD Actuals	2021 YTD Budget	Fav (UnFav) Budget Variance		Incr (Decr) Change from 2020	
					\$	%	\$	%
Parking Garage Revenue to Port								
General Parking/Terminal Direct Prebooking	17,931	13,943	6,364	8,500	(2,136)	-25.1%	(7,578)	-54.4%
Premier Corporate Parking	-	487	2,126	981	1,145	116.7%	1,639	336.7%
Revenue to Port - General Parking	348	672	-	149	(149)	-100.0%	(672)	-100.0%
Other Garage Revenue								
Passport Parking Program	18,280	15,101	8,490	9,630	(1,140)	-11.8%	(6,611)	-43.8%
Total Parking Garage Revenue								
Other Parking Revenue	19,140	16,056	9,067	10,121	(1,054)	-10.4%	(6,989)	-43.5%
Concession Rent - Doug Fox off-site parking	860	954	576	491	85	17.4%	(378)	-39.6%
All Other Parking Revenue	14	3	5	-	5	N/A	1	40.0%
Total Parking Revenue	19,956	16,720	9,330	10,595	(1,264)	-11.9%	(7,389)	-44.2%
O&D Enplanements	3,808	2,947	1,699	2,176	(477)	-21.9%	(1,249)	-42.4%

2021 YTD Actuals vs. 2020 YTD Actuals

Q1 2021 results reflect a full quarter of the pandemic environment, compared to less than a month impact in the prior year.

General Garage Parking (includes pre-booking program) – Garage parking closely aligned with change in passenger volume, with continued passenger preference for close in self-parking.

Passport program – this monthly parking program is not as closely aligned with the change in passenger volume.

Doug Fox – revenue decline deeper than decline in O&D passenger volume shows customer preference away from parking with shared ride shuttles.

Q1 2021 results reflect a full quarter of the pandemic environment, compared to less than a month impact in prior year.

YTD Public Parking metrics reflect preference for close in self-parking

Public Parking - Revenue Metrics in 000's	2019	2020	2021 YTD	2021 YTD	Fav / (UnFav)		Incr / (Decr)	
	Actual	Actual	Actual	Budget	Budget Variance		Change from 2020	
					#	%	#	%
Total Enplanements	5,424	4,605	2,427	3,200	(773)	-24.2%	(2,178)	-47.3%
O&D %	70.2%	64.0%	70.0%	68.0%	2.0%	2.9%	6.0%	9.4%
O&D Enplanements	3,808	2,947	1,699	2,176	(477)	-21.9%	(1,249)	-42.4%
Revenue per O&D Enplanement Metrics								
General Parking/Pre-Book/Premier Corporate	\$ 4.80	\$ 5.12	\$ 5.00	\$ 4.43	\$ 0.57	12.9%	\$ (0.13)	-2.5%
Passport Parking Program	\$ 0.23	\$ 0.32	\$ 0.34	\$ 0.23	\$ 0.11	50.4%	\$ 0.02	4.8%
Total Garage Revenue per O&D Enplanement	\$ 5.03	\$ 5.45	\$ 5.34	\$ 4.65	\$ 0.69	14.7%	\$ (0.11)	-2.0%
Concession Rent - Doug Fox off-site parking	\$ 0.21	\$ 0.22	\$ 0.15	\$ 0.22	\$ (0.07)	-29.9%	\$ (0.07)	-31.9%
All Other Parking Revenue	\$ 0.00	\$ 0.00	\$ 0.00	\$ -	\$ 0.00	N/A	\$ 0.00	142.9%
Total Parking per O&D Enplanement	\$ 5.24	\$ 5.67	\$ 5.49	\$ 4.87	\$ 0.62	12.8%	\$ (0.18)	-3.2%

Public Parking Key Metrics – 2021 YTD Actuals vs. 2020 YTD Actuals:

- **General Garage Parking (includes pre-booking)** – revenue per enplanement retained much of increase during pandemic O&D passenger decline, which indicates passenger preference for close in self-parking
- **Passport parking programs** – metric increased due to continued demand from airport tenant employees who continued to utilize during COVID impacts due to preference for close in self-parking
- **Doug Fox off-site parking** – YTD metric decrease may be temporary, will continue to monitor.

Public Parking forecast recovers with O&D passenger increase

Passenger Forecast up 83.7% compared to prior year

O&D Passenger Forecast up 100.9% compared to prior year

Public Parking - Revenue Detail \$ in 000's	2019	2020	2021	2021	Fav (UnFav)		Incr (Decr)	
	Actual	Actual	Forecast	Budget	Fest to \$	Bud Var %	Change from 2020 \$	%
<u>Parking Garage Revenue to Port</u>								
General Parking/Terminal Direct	73,562	27,157	46,746	48,332	(1,586)	-3.3%	19,589	72.1%
Prebooking	217	2,935	13,343	5,570	7,773	139.5%	10,408	354.6%
Premier Corporate Parking	1,415	449	-	850	(850)	-100.0%	(449)	-100.0%
Revenue to Port - General Parking	75,194	30,540	60,088	54,752	5,336	9.7%	29,548	96.8%
<u>Other Garage Revenue</u>								
Passport Parking Program	3,582	2,738	2,556	2,790	(234)	-8.4%	(181)	-6.6%
Total Parking Garage Revenue	78,776	33,278	62,645	57,542	5,103	8.9%	29,366	88.2%
<u>Other Parking Revenue</u>								
Concession Rent - Doug Fox off-site parking	3,292	1,186	2,032	2,037	(5)	-0.3%	846	71.3%
All Other Parking Revenue	56	37	23	18	5	27.2%	(14)	-38.3%
Total Parking Revenue	82,125	34,501	64,699	59,597	5,102	8.6%	30,198	87.5%

2021 Forecast vs. 2020 Actuals

General Garage Parking (includes pre-booking program) – Garage parking activity is closely aligned with the return of O&D passenger volume.

Passport program – demand is relatively stable, not closely aligned with passenger volumes. Significant portion of usage is from airport tenant employees.

Doug Fox – revenue recovering slower than the return in O&D passenger volume, possibly due to continued customer preference away from parking with shared ride shuttles.

YE Public Parking metrics expected to reflect continued preference for close in self-parking

Parking Revenue Metrics in 000's	2019	2020	2021	2021	Fav / (UnFav)		Incr / (Decr)	
	Actual	Actual	Forecast	Budget	Fcst to #	Bud Var %	Change from 2020 #	%
Total Enplanements	25,874	10,044	18,451	18,216	236	1.3%	8,408	83.7%
O&D %	70.2%	64.0%	70.0%	68.0%	2.0%	2.9%	6.0%	9.4%
O&D Enplanements	18,163	6,428	12,916	12,387	529	4.3%	6,488	100.9%
Revenue per O&D Enplanement Metrics								
General Parking/Pre-Book/Premier Corporate	\$ 4.14	\$ 4.75	\$ 4.65	\$ 4.42	\$ 0.23	5.2%	\$ (0.10)	-2.1%
Passport Parking Program	\$ 0.20	\$ 0.43	\$ 0.20	\$ 0.23	\$ (0.03)	-12.1%	\$ (0.23)	-53.5%
Total Garage Revenue per O&D Enplanement	\$ 4.34	\$ 5.18	\$ 4.85	\$ 4.65	\$ 0.20	4.4%	\$ (0.33)	-6.3%
Concession Rent - Doug Fox off-site parking	\$ 0.18	\$ 0.18	\$ 0.16	\$ 0.16	\$ (0.01)	-4.3%	\$ (0.03)	-14.7%
All Other Parking Revenue	\$ 0.00	\$ 0.01	\$ 0.00	\$ 0.00	\$ 0.00	22.0%	\$ (0.00)	-69.3%
Total Parking per O&D Enplanement	\$ 4.52	\$ 5.37	\$ 5.01	\$ 4.81	\$ 0.20	4.1%	\$ (0.36)	-6.7%

Public Parking Key Metrics – 2021 Forecast vs. 2020 Actuals:

- **General Garage Parking (includes pre-booking)** – revenue per enplanement retained much of increase during pandemic O&D passenger decline, based on continued passenger preference for close in self-parking.
- **Passport parking programs** – metric expected to return to pre-pandemic demand level. Significant portion of usage is from airport tenant employees.
- **Doug Fox off-site parking** – metric forecasted to continue to slightly lag the recovery in O&D enplanements, will continue to monitor.

Rental Cars YTD

Rental Car - Revenue Detail	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav / (UnFav)		Incr / (Decr)	
	Actual	Actual	Actual	Budget	Budget Variance		Change from 2020	
\$ in 000's					\$	%	\$	%
Total Enplanements	5,424	4,605	2,427	3,200	(773)	-24.2%	(2,178)	-47.3%
O&D %	70.2%	64.0%	70.0%	68.0%	2.0%	2.9%	6.0%	9.4%
O&D Enplanements	3,808	2,947	1,699	2,176	(477)	-21.9%	(1,249)	-42.4%
Gross Sales by Operators	52,311	44,945	25,982	36,110	(10,128)	-28.0%	(18,963)	-42.2%
Total Transactions	277	223	108	157	(49)	-31.4%	(115)	-51.6%
Average Ticket	\$188.62	\$201.73	\$241.11	\$230.00	\$11.11	4.8%	\$39.38	19.5%
Average Length of Stay	4.12	4.26	4.82	4.60	0.22	4.8%	0.56	13.2%
Transactions/O&D Enplanements	7.18%	7.56%	6.34%	7.21%	-0.87%	-12.1%	-1.22%	-16.1%
CFC Revenue Summary								
Total Transaction Days	1,143	949	519	722	(203)	-28.1%	N/A	-45.3%
CFC Rate per Transaction Day	\$6.00	\$6.00	\$6.50	\$6.50	\$0.00	0.0%	\$0.50	8.3%
CFC Revenue Earned	6,860	5,693	3,376	4,694	(1,319)	-28.1%	N/A	-40.7%
Other CFC Collections	4	-	-	-	-	N/A	N/A	N/A
Total CFC Revenue	6,865	5,693	3,376	4,694	(1,319)	-28.1%	(2,317)	-40.7%
Debt Service Reserve Requirement	(5,870)	(4,822)	(6,068)	(6,038)	(30)	0.5%	(1,246)	25.9%
Residual - CFC Operating Revenue	994	-	-	-	-	N/A	-	N/A
Rental Car - Revenue Summary								
\$ in 000's	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav / (UnFav)		Incr / (Decr)	
	Actual	Actual	Actual	Budget	Budget Variance		Change from 2020	
					\$	%	\$	%
RCF Concession Revenue to Port	5,271	5,935	2,470	3,611	(1,141)	-31.6%	(3,466)	-58.4%
Residual - CFC Operating Revenue:	994	-	-	-	-	N/A	-	N/A
Land Rent/Space Rent/Other	964	993	1,015	966	49	5.1%	22	2.2%
Total Rental Cars Operating Revenue	7,229	6,928	3,484	4,577	(1,092)	-23.9%	(3,444)	-49.7%

2021 YTD Actuals vs. 2020 YTD Actuals

Rental Car Concession Revenue –in 2020 the decline was less than the O&D passenger decline. Similar to the prior year, car rental appears to continue to be the 2nd preferred transportation option, following the primary preference for close in self-parking in the Public Parking Garage.

CFC Operating Revenue - CFC collections declined in 2020 to a level below current year debt service, and YTD 2021 CFC Operating Revenue is still lower than debt service. CFC Operating Revenue is a residual (only after covering current year debt service), so YTD 2020 CFC operating revenue is still zero.

Rental Cars YE

Rental Car - Revenue Detail	2019 Actual	2020 Actual	2021 Forecast	2021 Budget	Fav / (UnFav)		Incr / (Decr)	
					Fest vs Bud Var \$	%	Change from 2020 \$	%
\$ in 000's								
Total Enplanements	25,874	10,044	18,451	18,216	236	1.3%	8,408	83.7%
O&D %	70.2%	64.0%	70.0%	68.0%	2.0%	2.9%	6.0%	9.4%
O&D Enplanements	18,396	6,428	12,916	12,387	529	4.3%	6,488	100.9%
Gross Sales by Operators	328,156	122,372	231,721	122,372	109,349	89.4%	109,349	89.4%
Total Transactions	1,414	519	986	892	94	10.5%	467	89.8%
Average Ticket	\$232.06	\$235.57	\$ 235.00	\$ 230.00	\$5.00	2.2%	(\$0.57)	-0.2%
Average Length of Stay	4.49	4.93	4.71	4.60	0.11	2.5%	(0.22)	-4.4%
Transactions/O&D Enplanements	7.69%	8.08%	7.63%	7.20%	0.43%	6.0%	-0.45%	-5.5%
<u>CFC Revenue Summary</u>								
Total Transaction Days	6,356	2,560	4,647	4,103	544	13.3%	2,087	81.5%
CFC Rate per Transaction Day	\$6.00	\$6.00	\$6.50	\$6.50	\$0.00	0.0%	\$0.50	8.3%
CFC Revenue Earned	38,137	15,362	30,207	26,670	3,537	13.3%	14,845	96.6%
Other CFC Collections	(9)	-	-	-	-	N/A	-	N/A
Total CFC Revenue	38,128	15,362	30,207	26,670	3,537	13.3%	14,845	96.6%
Debt Service Reserve Requirement	(23,655)	(24,019)	(24,274)	(24,153)	(121)	0.5%	(255)	1.1%
Reserve Fund Release (bond maturation)	1,300	-	-	-	-	N/A	-	N/A
Net Debt Service	(22,355)	(23,914)	(24,274)	(24,153)	(121)	0.5%	(360)	1.5%
Residual - CFC Operating Revenue	15,773	-	5,933	2,501	3,432	137.2%	5,933	N/A
Rental Car - Revenue Summary								
\$ in 000's								
RCF Concession Revenue to Port	32,870	12,531	23,172	20,516	2,656	12.9%	10,641	84.9%
Residual - CFC Operating Revenue:	15,773	-	5,933	2,501	3,432	137.2%	5,933	N/A
Land Rent/Space Rent/Other	3,924	4,106	4,056	3,863	193	5.0%	(50)	-1.2%
Total Rental Cars Operating Revenue	52,567	16,637	33,161	26,880	6,280	23.4%	16,524	99.3%

2021 Forecast vs 2020 Actuals

Rental Car Concession Revenue – in 2020 the decline was less than the O&D passenger decline. In 2021, demand is expected to return on pace with returning O&D enplanements. Similar to the prior year, car rental appears to continue to be the 2nd preferred transportation option, following the primary preference for close in self-parking in the Public Parking Garage.

CFC Operating Revenue - CFC collections are increasing in 2021 and are expected to exceed current year debt service, so CFC Operating Revenue will be recognized again in 2021. CFC Operating Revenue is a residual (only recognized after covering current year debt service).

Ground Transportation – Revenue YTD

Passenger Volume down 47.3% compared to prior year

O&D Passenger Volume down 42.4% compared to prior year

Revenue to Port \$ in 000's	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav (UnFav) Budget Variance		Incr (Decr) Change from 2020	
	Actual	Actual	Actual	Budget	\$	%	\$	%
Ground Transportation Revenues								
Transportation Network Companies	2,678	2,523	915	1,529	(613)	-40.1%	(1,608)	-63.7%
On Demand Taxis	859	580	133	325	(192)	-59.2%	(447)	-77.1%
On Demand Limos	221	222	-	-	-	N/A	(222)	-100.0%
Belled In Taxis (Annual Permit)	21	12	6	19	(14)	-70.6%	(6)	-53.0%
Pre-Arranged Limos (Annual Permit)	127	91	56	104	(48)	-46.0%	(35)	-38.1%
Courtesy Cars (cost recovery)	467	400	323	380	(57)	-15.0%	(77)	-19.2%
All other Operators (cost recovery)	88	44	2	23	(22)	-93.5%	(43)	-96.5%
Other Misc Revenues	62	59	10	25	(15)	-58.3%	(49)	-82.5%
Total GT Revenue	4,523	3,931	1,459	2,441	(982)	-40.2%	(2,471)	-62.9%
O&D Enplanements	3,862	2,947	1,699	2,048	(349)	-17.0%	(1,249)	-42.4%

2021 YTD Actuals vs. 2020 YTD Actuals

GT Revenue:

Ground Transportation revenues and GT operators severely impacted by compounding pandemic factors:

- COVID-19 declines in O&D passenger volumes
- Customer preference away from shared ride transportation options during this pandemic.

TNC revenue decline of 64% was deeper than the decline in O&D passengers (42%)

Taxi revenue declined (77%) even more deeply than TNCs.

On-demand Limos (STILA) made the decision to cease operations at SEA.

All other GT operators impacted to varying degrees.

Ground Transportation – Trips YTD

Passenger Forecast up 83.7% compared to prior year
O&D Passenger Forecast up 100.9% compared to prior year

Ground Transportation Trip Activity in 000's	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav / (UnFav) Budget Variance		Incr / (Decr) Change from 2020	
	Actual	Actual	Actual	Budget	#	%	#	%
Ground Transportation Trips								
Transportation Network Companies	446	421	236	255	(19)	-7.5%	(185)	-44.0%
On Demand Taxis	145	100	23	54	(31)	-56.7%	(77)	-76.5%
On Demand Limos	16	12	-	-	-	N/A	(12)	-100.0%
Belled In Taxis (Annual Permit)	4	1	0	1	(0)	-53.4%	(1)	-59.0%
Pre-Arranged LIMOS (Annual Permit)	16	58	14	34	(19)	-57.6%	(44)	-75.4%
Courtesy Cars (cost recovery)	290	247	135	158	(23)	-14.4%	(112)	-45.2%
All other Operators (cost recovery)	23	10	3	5	(1)	-31.9%	(7)	-68.1%
Total GT Trip Activity	940	849	412	506	(94)	-18.6%	(437)	-51.4%
Total Enplanements	5,424	4,605	2,427	3,200	(773)	-24.2%	(2,178)	-47.3%
O&D %	70.2%	64.0%	70.0%	64.0%	6.0%	9.4%	6.0%	9.4%
O&D Enplanements	3,862	2,947	1,699	2,048	(349)	-17.0%	(1,249)	-42.4%
Revenue per O&D Enplanement Metrics								
TNC	11.6%	14.3%	13.9%	12.4%	1.4%	11.5%	-0.4%	-2.9%
Taxi	3.8%	3.4%	1.4%	2.6%	-1.3%	-47.8%	-2.0%	-59.3%
All other	24.3%	28.8%	24.3%	24.7%	-0.5%	-1.8%	-4.5%	-15.7%
Total GT Trips per O&D Enplanement	24.3%	28.8%	24.3%	24.7%	-0.5%	-1.8%	-4.5%	-15.7%

Ground Transportation – Revenue YE

Passenger Forecast up 83.7% compared to prior year
O&D Passenger Forecast up 100.9% compared to prior year

Revenue Detail	2019	2020	2021	2021	Fav (UnFav)		Incr (Decr)	
	\$ in 000's	Actual	Actual	Forecast	Budget	Fest vs Bud Var	Change from 2020	
					\$	%	\$	%
Ground Transportation Revenues								
Transportation Network Companies	12,982	4,032	10,406	8,700	1,706	19.6%	6,373	158.1%
On Demand Taxis	3,578	857	1,020	1,851	(831)	-44.9%	162	18.9%
On Demand Limos	837	371	-	-	-	N/A	(371)	-100.0%
Belled In Taxis (Annual Permit)	27	12	6	19	(14)	-70.6%	(6)	-53.0%
Pre-Arranged Limos (Annual Permit)	611	209	407	516	(109)	-21.0%	199	95.4%
Courtesy Cars (cost recovery)	2,019	877	2,207	2,160	47	2.2%	1,330	151.6%
All other Operators (cost recovery)	418	86	86	188	(102)	-54.3%	-	0.0%
Other Misc Revenues	293	113	165	194	(29)	-14.7%	53	47.0%
Total GT Revenue	20,765	6,557	14,321	13,628	693	5.1%	7,764	118.4%
O&D Enplanements	18,422	6,428	12,916	12,387	529	4.3%	6,488	100.9%

2021 Forecast vs. 2020 Actuals

GT Revenue

Ground Transportation recovery remains slower than the recovery in O&D enplanements as customer preference away from shared ride transportation options continues during this pandemic recovery stage.

TNC revenue – stronger increase reflects new TNC agreement effective 1/1/2021 with new fee for TNC drop-off trips.

On-demand Taxi revenue & trip recovery is much slower than recovery in O&D enplanements.

On-demand Limos (STILA) made the decision to cease operations at SEA in late-2020.

Other GT operators impacted to varying degrees.

Ground Transportation – Trips YE

Trip Activity in 000's	2019	2020	2021	2021	Fav / (UnFav)		Incr / (Decr)	
	Actual	Actual	Forecast	Budget	Fcst vs Bud Var #	%	Change from 2020 #	%
Ground Transportation Trips								
Transportation Network Companies	2,172	672	2,225	1,450	775	53.4%	1,553	231.1%
On Demand Taxis	616	150	171	309	(137)	-44.5%	22	14.4%
On Demand Limos	65	12	-	-	-	N/A	(12)	-100.0%
Belled In Taxis (Annual Permit)	13	2	1	5	(4)	-70.6%	(1)	-26.7%
Pre-Arranged Limos (Annual Permit)	65	87	152	192	(40)	-21.0%	65	74.9%
Courtesy Cars (cost recovery)	1,236	557	904	900	4	0.5%	347	62.2%
All other Operators (cost recovery)	74	16	14	27	(13)	-48.8%	(2)	-13.7%
Total GT Trip Activity	4,240	1,496	3,467	2,882	585	20.3%	1,971	131.8%
Total Enplanements	25,874	10,044	18,451	18,216	236	1.3%	8,408	83.7%
O&D %	70.2%	64.0%	70.0%	68.0%	2.0%	2.9%	6.0%	9.4%
O&D Enplanements	18,422	6,428	12,916	12,387	529	4.3%	6,488	100.9%
Trips per O&D Enplanement								
TNC	11.8%	10.5%	17.2%	11.7%	5.5%	47.2%	6.8%	64.8%
Taxi	3.3%	2.3%	1.3%	2.5%	-1.2%	-46.7%	-1.0%	-43.1%
All other	7.9%	10.5%	8.3%	9.1%	-0.8%	-8.6%	-2.2%	-20.9%
Total Trips per O&D Enplanement	23.0%	23.3%	26.8%	23.3%	3.6%	15.4%	3.6%	15.4%

Airport Dining & Retail YTD Results

Revenue Summary (in \$000s) <i>Org(s): 3650-Airport Dining and Retail, Class: Top Level</i>	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav/(UnFav) Budget Variance		Inc/(Dec) from Prior Year Actuals	
	Actual	Actual	Actual	Budget	\$ Var	% Var	\$ Change	% Change
Operating Revenue								
Duty Free	1,614	1,106	389	408	(18)	-4.5%	(717)	-64.8%
Food & Beverage	4,950	4,287	1,926	3,236	(1,310)	-40.5%	(2,361)	-55.1%
Retail	3,260	2,644	1,298	2,347	(1,050)	-44.7%	(1,347)	-50.9%
Services	962	757	468	634	(166)	-26.1%	(289)	-38.2%
Advertising	1,591	1,496	529	905	(377)	-41.6%	(967)	-64.7%
All Other	437	390	255	367	(111)	-30.3%	(134)	-34.5%
Total ADR Revenue	12,815	10,680	4,865	7,896	(3,031)	-38.4%	(5,815)	-54.4%
Enplanements	5,424	4,605	2,427	3,200	(773)	-24.2%	(2,178)	-47.3%

2021 YTD Actuals vs. 2020 YTD Actuals

- Detailed analysis of YTD ADR revenue variances is hampered by the fact that ADR revenue has not been billed since 12/31/2020. YTD revenue recognition is based on manual accruals of the best available revenue estimates. The delay in ADR billing is related to the need for sequential, complex legal reviews related to MAG calculations.
- Cumulative YTD 2021 ADR billing is expected to be completed by early May.

Airport Dining & Retail YE Forecast

Revenue Summary (in \$000s) <i>Org(s): O3500-AV Commercial Management, Class: Top Level</i>	2019	2020	2021	2021	Fav/(UnFav) Budget Variance		Inc/(Dec) from Prior Year Actuals	
	Actual	Actual	Forecast	Budget	\$ Var	% Var	\$ Change	% Change
Operating Revenue								
Duty Free	6,189	1,842	1,917	3,599	(1,683)	-46.7%	1,758	95.4%
Food & Beverage	26,314	9,709	19,218	18,456	762	4.1%	8,747	90.1%
Retail	16,313	6,328	12,806	13,360	(555)	-4.2%	7,033	111.1%
Services	3,847	1,728	2,912	3,900	(988)	-25.3%	2,173	125.7%
Advertising	7,326	4,285	6,228	5,153	1,075	20.9%	868	20.3%
All Other	1,625	1,527	1,486	1,466	19	1.3%	(60)	-4.0%
Total ADR Revenue	61,614	25,418	44,567	45,936	(1,369)	-3.0%	20,518	80.7%
Enplanements	25,874	10,044	18,451	18,216	236	1.3%	8,408	83.7%

Sales per Enplanements Summary <i>Org(s): 3650-Airport Dining and Retail, Class: Top Level</i>	2019	2020	2021	2021	Fav/(UnFav) Budget Variance		Inc/(Dec) from Prior Year Actuals	
	Actual	Actual	Forecast	Budget	\$ Var	% Var	\$ Change	% Change
Duty Free	0.77	0.47	0.35	0.65	(0.30)	-46.3%	(0.12)	-25.6%
Food & Beverage	7.56	7.83	7.28	8.18	(0.90)	-11.0%	(0.55)	-7.0%
Retail	3.99	4.14	4.12	4.79	(0.67)	-14.0%	(0.03)	-0.6%
Services	0.80	0.49	0.44	0.56	(0.12)	-21.1%	(0.05)	-10.0%
SPE - Total ADR	13.12	12.94	12.19	14.18	(1.99)	-14.0%	(0.75)	-5.8%

Revenue per Enplanements Summary <i>Org(s): 3650-Airport Dining and Retail, Class: Top Level</i>	2019	2020	2021	2021	Fav/(UnFav) Budget Variance		Inc/(Dec) from Prior Year Actuals	
	Actual	Actual	Forecast	Budget	\$ Var	% Var	\$ Change	% Change
Duty Free	0.24	0.18	0.10	0.20	(0.09)	-47.4%	(0.08)	-43.3%
Food & Beverage	1.02	0.97	1.04	1.01	0.03	2.8%	0.07	7.7%
Retail	0.63	0.63	0.69	0.73	(0.04)	-5.4%	0.06	10.2%
Services	0.15	0.17	0.16	0.21	(0.06)	-26.3%	(0.01)	-8.3%
RPE - Total ADR	2.04	1.95	2.00	2.16	(0.16)	-7.5%	0.05	2.3%

2021 Forecast vs. 2020 Actuals

COVID-19 impacts to Airport Dining & Retail revenue has been severe, and compounded by passenger volume decline, significant unit closures during 2020, restrictions on in-unit dining, and a prohibition on alcohol sales near the end of 2020.

Sales per Enplanement (SPE) on Food & Beverage and Retail are shrinking slightly as enplanements are returning and food offerings are coming back on flights as airlines have adjusted to changed operating conditions.

Revenue per Enplanement (RPE) is increasing as tiered rent reach higher tiers in 2021.

Non-Aero Commercial Properties

Land Rent stable, but In-Flight Kitchen revenue negatively impacted by COVID-19

Revenue Summary (in \$000s) <i>Org(s): 3630-Non-Aero Commercial Properties, Class: Top Level</i>	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav/(UnFav) Budget Variance		Inc/(Dec) from Prior Year Actuals	
	Actual	Actual	Actual	Budget	\$ Var	% Var	\$ Change	% Change
Operating Revenue								
Land/Space Rental	1,137	1,581	1,501	1,519	(18)	-1.2%	(80)	-5.1%
In-Flight Kitchen Revenue	1,948	1,922	907	1,243	(336)	-27.0%	(1,015)	-52.8%
Other Service Revenues	127	137	149	149	(0)	0.0%	11	8.3%
Total Operating Revenues	3,212	3,641	2,557	2,911	(354)	-12.2%	(1,083)	-29.8%

Revenue Summary (in \$000s) <i>Org(s): 3630-Non-Aero Commercial Properties, Class: Top Level</i>	2019	2020	2021	2021	Fav/(UnFav) Budget Variance		Inc/(Dec) from Prior Year Actuals	
	Actual	Actual	Forecast	Budget	\$ Var	% Var	\$ Change	% Change
Operating Revenue								
Land/Space Rental	5,122	6,209	6,001	6,022	(21)	-0.3%	(208)	-3.4%
In-Flight Kitchen Revenue	10,053	3,990	7,395	7,078	317	4.5%	3,405	85.3%
Other Service Revenues	597	566	613	613	0	0.0%	47	8.3%
Total Operating Revenues	15,773	10,765	14,009	13,713	296	2.2%	3,244	30.1%
Enplanements	25,874	10,044	18,451	18,216	236	1.3%	8,408	83.7%

2021 Forecast vs. 2020 Actuals

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

In-Flight Kitchen Revenue decline is closely aligned with the decline in passenger volumes

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

Clubs & Lounges

Impacted by lounge closures and passenger volume decline

Revenue Summary (in \$000s) <i>Org(s): 3690-Club International Lounge, Class: Top Level</i>	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav/(UnFav) Budget Variance		Inc/(Dec) from Prior Year Actuals	
	Actual	Actual	Actual	Budget	\$ Var	% Var	\$ Change	% Change
Operating Revenue								
Space Rental	1,902	1,714	175	936	(762)	-81.3%	(1,540)	-89.8%
Total Operating Revenues	1,902	1,714	175	936	(762)	-81.3%	(1,540)	-89.8%

Revenue Summary (in \$000s) <i>Org(s): 3690-Club International Lounge, Class: Top Level</i>	2019	2020	2021	2021	Fav/(UnFav) Budget Variance		Inc/(Dec) from Prior Year Actuals	
	Actual	Actual	Forecast	Budget	\$ Var	% Var	\$ Change	% Change
Operating Revenue								
Space Rental	10,274	2,043	4,148	6,221	(2,073)	-33.3%	2,105	103.0%
Total Operating Revenues	10,274	2,043	4,148	6,221	(2,073)	-33.3%	2,105	103.0%
Enplanements	25,874	10,044	18,451	18,216	236	1.3%	8,408	83.7%

2021 Forecast vs. 2020 Actuals

COVID-19 impacts to Port-owned common use Clubs & Lounges reflects overall decline in passenger volume. As a result, both the South Satellite lounge and the Concourse A lounges were closed in mid-March 2020 due to the decline in passengers and in response to social distancing requirements.

South Satellite Lounge was able to reopen on July 1st, 2020 with new safety protocols and is experiencing a steady increase in passenger activity.

A Concourse Lounge unfortunately remained closed through year-end 2020 and isn't expected to reopen until June 2021 due to low passenger volumes.

2021 Capital Expenditures

\$ in 000's	2021	2021	2021	Budget Variance	
	YTD Actual	Year-End Forecast	Budget	\$	%
NS NSAT Renov NSTS Lobbies ⁽¹⁾	32,459	90,814	96,408	5,594	5.8%
2021-25 AFLD Pvmnt& Spprt Infr ⁽²⁾	718	25,047	29,560	4,513	15.3%
Concourse A Expansion ⁽³⁾	31	9,613	5,215	(4,398)	-84.3%
International Arrivals Facility ⁽⁴⁾	22,947	82,447	86,500	4,053	4.7%
NEPL Improvements ⁽⁵⁾	18	3,616	496	(3,121)	-629.6%
Concourse C New Power Center ⁽⁶⁾	1,181	5,253	2,961	(2,292)	-77.4%
Terminal Security Enhancements ⁽⁷⁾	63	1,721	3,479	1,758	50.5%
A 12A Jet Bridge ⁽⁸⁾	-	509	2,227	1,718	77.2%
SAMP Near Term Planning ⁽⁹⁾	171	3,672	5,025	1,354	26.9%
C1 Building Floor Expansion ⁽¹⁰⁾	108	7,487	8,763	1,277	14.6%
Checkpoint 1 Relocation ⁽¹¹⁾	63	3,111	1,954	(1,158)	-59.3%
N. Terminals Utilities Upgrade ⁽¹²⁾	4,200	7,273	8,399	1,126	13.4%
Parking Garage Elevators Moder ⁽¹³⁾	870	2,932	3,942	1,011	25.6%
Checked Bag Recap/Optimization	15,089	86,289	86,100	(189)	-0.2%
All Other	14,411	176,475	192,151	15,676	8.2%
Subtotal	92,329	506,258	533,180	26,922	5.0%
CIP Cashflow Mgmt Reserve	-	(38,164)	(41,978)	(3,814)	9.1%
Total Spending	92,329	468,094	491,202	23,108	4.7%

(1) \$1M less Overhead; \$1.5M less Construction (contract/OFCI & sales tax); \$1.3M under Permit costs that are delayed; PM/CM/AD/ART invoice slip & underrun

(2) Bid result lower than Engineer's Estimate by \$4.7M

(3) 2021 baseline was set previous to Notebook approval (03/05/21), whereas the project budget went from \$60M to 71.4M

(4) The pedestrian walkway continues to slide to the right and is likely going to complete late August 2021. Additionally, issues with control systems and smoke control have caused delays to the IAF building. Potential COVID impact payment settlement

(5) Increased scope via approved DCD's

(6) Construction accelerated by 6 months

(7) Previous procurement cancelled, cashflow per anticipated DB schedule

(8) Still in Planning Mode have not drilled on the Schedule

(9) Continued scoping and analysis extended to gain better information deferring spending

(10) Commission Authorization delays, due to re-evaluating financial impacts with COVID-19.

(11) 2020 'Plan' based on a 'Hot' project, but then requested to be 'slowed', due to COVID-19.

(12) Phase 1 is coming in under budget; Savings will be used to fund Phase 2

(13) A protracted delay in AE contract negotiations resulted in slower than anticipated design costs.

Maritime Division Appendix

Q1 2021 Financial Performance Report

Q1 2021 Maritime Achievements

- **Recreational Boating**– Conducted satisfaction survey in response to COVID-19 business disruptions with 26% of the customers responding. Team received overwhelmingly favorable results. Customers noted the challenges and appreciation for quick transitions & excellent customer service.
- **Elliott Bay Fishing and Commercial Operations** - Coordinated with Discovery Health MD to ensure COVID testing and administering of vaccinations could take place at Terminal 91 for Maritime Professionals.
- **Ship Canal Fishing & Operations** – Fishermen’s Terminal, Salmon Bay Marina and Maritime Industrial Center earned Clean Marina Certification from Puget Soundkeeper.
- **Maritime Portfolio Management** – Entered into negotiations for new tenant at Maritime Industrial Center.
- **Stormwater Utility** – The strategic plan draft was reviewed by stakeholders and is close to being finalized.

Maritime Environmental & Sustainability Achievements

- Adopted the NW Ports Clean Air Strategy and made progress on the Maritime Climate and Air Action Plan.
- Completed 2019 emissions inventory.
- Completed report on Maritime and EDD solar installations and next steps.
- Developed scope and contract with NREL for power studies at T91.
- Completed T5 pile net tie off and the Centennial Park net pen project.
- Significant progress on the T117 construction.
- Proposed Mitigation Bank public comment process complete.
- Completed sustainable evaluation framework reviews on capital projects.
- Supported T5 redevelopment priorities.

Maritime 2021 Financial Forecast Summary

	2019	2020	2021	2021	Fav (UnFav) Fest vs. Budget Variance		Incr (Decr) Change from 2020	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
\$ in 000's								
Ship Canal Fishing & Operations	3,929	4,704	4,135	4,135	0	0%	(569)	-12%
Elliott Bay Fishing & Commercial Operations	6,095	5,752	4,509	4,509	0	0%	(1,243)	-22%
Recreational Boating	12,484	12,611	12,915	12,915	0	0%	304	2%
Cruise	22,410	3,824	8,558	8,558	0	0%	4,734	124%
Grain	4,266	5,142	5,203	4,903	300	6%	61	1%
Maritime Portfolio Management	10,108	10,074	10,034	10,259	(225)	-2%	(40)	0%
Other	(3)	4	0	0	0	NA	(4)	-100%
Total Revenue	59,289	42,111	45,355	45,280	75	0%	3,244	8%
Expenses								
Maritime (Excl. Maint)	13,789	16,256	15,539	15,539	0	0%	(717)	-4%
Economic Development	4,987	4,511	5,365	5,365	0	0%	854	19%
Total Direct	18,776	20,767	20,904	20,904	0	0%	137	1%
Maintenance Expenses	12,186	12,029	11,295	11,595	300	3%	(734)	-6%
Envir Services & Planning	2,250	2,739	2,140	2,140	0	0%	(598)	-22%
Seaport Finance & Cost Recovery	835	937	977	977	0	0%	40	4%
Seaport Project Management	175	1,061	416	316	(100)	-32%	(644)	-61%
Total Support Services	15,446	16,765	14,828	15,028	200	1%	(1,937)	-12%
IT	2,685	2,719	2,838	2,853	15	1%	120	4%
Police Expenses	4,086	2,865	3,079	3,118	39	1%	213	7%
External Relations	1,564	1,200	1,050	1,347	297	22%	(150)	-13%
Other Central Services	5,810	5,596	6,773	6,749	(24)	0%	1,177	21%
Aviation Division / Other	278	315	243	243	0	0%	(72)	-23%
Total Central Services / Other	14,423	12,695	13,984	14,311	327	2%	1,288	10%
Total Expense	48,644	50,228	49,716	50,243	527	1%	(512)	-1%
NOI Before Depreciation	10,644	(8,117)	(4,361)	(4,963)	602	12%	3,755	46%
Depreciation	17,627	17,624	16,899	16,899	0	0%	(725)	-4%
NOI After Depreciation	(6,982)	(25,741)	(21,260)	(21,862)	602	3%	4,480	17%

Revenue Variance from Budget

- Grain terminal experiencing higher volumes than expected.
- Maritime Portfolio Management vacancies at Maritime Industrial Center and Fishermen's Terminal planned for first half of 2021.

Expense Variance from Budget

- Support services - Change is Maintenance allocation methodology partially offset by expedited Project Management hires.
- Central services deeper reductions in External Relations and Police.

Maritime 2021 YTD Financial Summary

	2019 YTD	2020 YTD	2021 YTD		Fav(UnFav) Actual vs. Budget Variance		Incr (Decr) Change from 2020	
	Actual	Actual	Actual	Budget	\$	%	\$	%
\$ in 000's								
Ship Canal Fishing & Operations	1,014	1,082	1,067	1,056	11	1%	(15)	-1%
Elliott Bay Fishing & Commercial Operations	1,277	1,418	1,136	1,131	5	0%	(283)	-20%
Recreational Boating	3,119	3,134	3,125	3,152	(27)	-1%	(9)	0%
Cruise	43	114	48	1,092	(1,044)	-96%	(66)	-58%
Grain	1,434	1,048	1,719	1,421	298	21%	671	64%
Maritime Portfolio Management	2,550	2,541	2,443	2,518	(75)	-3%	(98)	-4%
Other	5	3	1	0	1	NA	(2)	-67%
Total Revenue	9,442	9,340	9,539	10,370	(831)	-8%	199	2%
Expenses								
Maritime (Excl. Maint)	3,304	3,724	3,576	3,837	261	7%	(148)	-4%
Economic Development	1,215	1,314	1,059	1,769	709	40%	(254)	-19%
Total Direct	4,520	5,038	4,635	5,606	970	17%	(403)	-8%
Maintenance Expenses	2,229	2,671	2,357	3,091	734	24%	(314)	-12%
Envir Services & Planning	402	447	359	533	175	33%	(89)	-20%
Seaport Finance & Cost Recovery	267	227	237	238	1	0%	11	5%
Seaport Project Management	69	43	76	81	4	6%	34	79%
Total Support Services	2,967	3,387	3,029	3,943	914	23%	(358)	-11%
IT	652	689	651	700	50	7%	(39)	-6%
Police Expenses	881	842	722	831	110	13%	(120)	-14%
External Relations	353	305	281	335	54	16%	(24)	-8%
Other Central Services	849	1,340	1,549	1,609	60	4%	209	16%
Aviation Division / Other	64	59	71	56	(15)	-26%	11	19%
Total Central Services / Other	2,799	3,236	3,273	3,532	259	7%	37	1%
Total Expense	10,286	11,661	10,937	13,080	2,143	16%	(724)	-6%
NOI Before Depreciation	(844)	(2,321)	(1,398)	(2,710)	1,312	48%	923	40%
Depreciation	4,509	4,395	4,464	4,043	(421)	-10%	69	2%
NOI After Depreciation	(5,353)	(6,715)	(5,862)	(6,753)	891	13%	853	13%

Cruise Q1 Financials

\$ in 000's	2020 YTD	2021 YTD	2021 YTD	Fav (UnFav)		Incr (Decr)	
	Actual	Actual	Approved Budget	Budget	Variance	Change from	2020
				\$	%	\$	%
T-91 & Bell St Cruise Operations	114	7	1,083	(1,075)	-99%	(107)	-94%
Bell Street Vessel Operations	0	41	10	31	331%	41	10866%
Total Revenue	114	48	1,092	(1,044)	-96%	(66)	-58%
Expenses							
Maritime (Excl. Maint)	1,055	1,056	1,182	125	11%	1	0%
Economic Development	97	67	93	26	28%	(30)	-31%
Total Direct	1,152	1,124	1,275	151	12%	(29)	-2%
Maintenance Expenses	724	487	518	31	6%	(237)	-33%
Envir Services & Planning	90	48	84	35	42%	(42)	-46%
Seaport Finance & Cost Recovery	66	56	56				
Seaport Project Management	12	29	24	(6)	-24%	17	137%
Total Support Services	893	621	682	61	9%	(272)	-31%
IT	170	146	157	12	7%	(25)	-15%
Police Expenses	259	180	208	27	13%	(79)	-30%
External Relations	95	70	85	15	18%	(24)	-26%
Other Central Services	413	402	401	(1)	0%	(11)	-3%
Aviation Division / Other	22	23	20	(3)	-14%	1	6%
Total Central Services / Other	958	821	871	50	6%	(137)	-14%
Total Expense	3,004	2,565	2,828	263	9%	(438)	-15%
NOI Before Depreciation	(2,889)	(2,517)	(1,736)	(782)	-45%	372	13%
Depreciation	1,531	1,497	1,428	(68)	-5%	(34)	-2%
NOI After Depreciation	(4,420)	(4,014)	(3,164)	(850)	-27%	406	9%

Variance from Budget

- Revenue \$1M lower due to 2021 NCL lease payment timing
- Outside services, promotional hosting, equipment and allocations less than budget in Q1

Variance from 2020

- Revenue \$100K lower at T91 due to no events in 2021
- Less direct environmental & maintenance expenses in Q1 2021

COVID-19 Impact to 2021

- Revenue to be impacted due to uncertain cruise season
- Reduction in travel expenses and Port Valet to mitigate revenue impacts

Recreational Boating Q1 Financials

\$ in 000's	2020	2021 Year-to-Date		Fav (UnFav) Budget Variance		Inc (Dec) Change from 2020	
	Actual	Actual	Budget	\$	%	\$	%
Berthage and Moorage & Concession Services	2,839	2,813	2,867	(54)	-2%	(26)	-1%
Utility Sales Revenue	174	179	137	42	30%	5	3%
Other Service Revenue	100	107	108	(1)	-1%	8	8%
Other	22	26	39	(13)	-34%	4	20%
Total Revenue	3,134	3,125	3,151	(26)	-1%	(9)	0%
Expenses							
Maritime (excl Maint)	1,137	1,259	1,219	(40)	-3%	122	11%
Economic Development	55	51	72	21	29%	(4)	-6%
Total Direct	1,192	1,310	1,291	(19)	-1%	118	10%
Maintenance Expenses	538	543	844	300	36%	5	1%
Envir Services & Planning	107	77	77	0	0%	(30)	-28%
Seaport Finance & Cost Recovery	47	55	55	0	0%	8	16%
Seaport Project Management	9	24	17	(7)	-40%	15	166%
Total Support Service	702	700	993	293	30%	(2)	0%
IT	181	177	189	12	6%	(4)	-2%
Police Expenses	185	178	205	27	13%	(8)	-4%
External Relations	67	69	82	13	16%	2	3%
Other Central Services	293	372	395	22	6%	79	27%
Aviation Division/Other	12	15	13	(3)	-22%	3	25%
Total Central Services/Other	739	811	883	71	8%	72	10%
Total Expense	2,633	2,821	3,167	346	11%	188	7%
NOI Before Depreciation	501	304	(15)	(319)	2080%	(197)	-39%
Depreciation	690	815	620	(195)	-31%	124	18%
NOI After Depreciation	(189)	(511)	(635)	124	-20%	(321)	170%

Variance from Revised Budget

- Revenue \$26K lower due to lower guest moorage occupancy as we expected at SBM and BHM partially related to COVID-19 business disruptions
- Operation expenses ~\$346K favorable to budget YTD from \$300K favorable in Maintenance expenses and \$71K favorable in Central Services allocations, offset by \$40K unfavorable in Maritime direct charges which relate to salaries & benefits and supplies.

Variance from 2020

- Revenue \$9K lower due to slightly lower occupancy
- Operation expenses ~\$188K increase in 2021 due to by \$129K increase in Maritime (excluding Maintenance) expenses, \$72K increase in Central Services; and offset by \$10K decrease in support services

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

Ship Canal Fishing & Ops Q1 Financials

\$ in 000's	2020	2021 Year-to-Date		Fav (UnFav) Budget Variance		Inc (Dec) Change from 2020	
	Actual	Actual	Budget	\$	%	\$	%
Berthage and Moorage & Concession Services	944	928	947	(19)	-2%	(16)	-2%
Space Rental	59	43	48	(5)	-11%	(16)	-28%
Utility Sales Revenue	49	64	27	37	140%	15	30%
Other	29	32	35	(2)	-7%	3	12%
Total Revenue	1,082	1,067	1,056	11	1%	(15)	-1%
Expenses							
Maritime (excl Maint)	702	576	663	87	13%	(126)	-18%
Economic Development	13	13	18	5	29%	(0)	-1%
Total Direct	714	588	680	92	14%	(126)	-18%
Maintenance Expenses	404	389	470	80	17%	(14)	-4%
Envir Services & Planning	46	58	55	(3)	-6%	12	26%
Seaport Finance & Cost Recovery	19	25	25	0	0%	6	31%
Seaport Project Management	4	6	9	3	34%	1	26%
Total Support Service	473	478	558	80	14%	5	1%
IT	83	90	103	13	13%	7	9%
Police Expenses	73	79	92	12	13%	7	9%
External Relations	26	31	37	6	16%	4	17%
Other Central Services	108	166	178	12	7%	58	54%
Aviation Division/Other	4	7	4	(2)	-51%	3	69%
Total Central Services/Other	294	373	413	40	10%	79	27%
Total Expense	1,481	1,439	1,652	212	13%	(42)	-3%
NOI Before Depreciation	(400)	(372)	(596)	224	-38%	28	-7%
Depreciation	571	591	566	(25)	-4%	20	3%
NOI After Depreciation	(971)	(963)	(1,161)	198	-17%	8	-1%

Variance from Budget

- Revenue \$11K favorable to the budget mainly related to favorable Utility Sales revenue
- Operation expenses ~\$212K favorable to the budgeted YTD contributed by \$87K favorable in Maritime direct charges, \$80K favorable in Maintenance, \$40K favorable in Central Services due to lower allocation

Variance from 2020

- Revenue \$15K or 1% lower contributed to shorter Ballard Lock closures period in 2021 compared it to 2020
- Operation expenses ~\$42K decrease in 2021 related to \$120K decrease in Maritime direct charges related to Bad Debt expenses adjustment and Equipment expense, offset by \$79K increase in Central Services allocation

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

Elliott Bay Fishing & Commercial Ops Q1 Financials

\$ in 000's	2020	2021 Year-to-Date		Fav (UnFav) Budget Variance		Inc (Dec) Change from 2020	
	Actual	Actual	Budget	\$	%	\$	%
Berthage and Moorage & Dockage	788	624	582	42	7%	(165)	-21%
Space Rental	382	366	381	(14)	-4%	(15)	-4%
Utility Sales Revenue	121	96	130	(34)	-26%	(25)	-21%
Other	127	49	38	12	31%	(78)	-61%
Total Revenue	1,418	1,136	1,131	5	0%	(283)	-20%
Expenses							
Maritime (excl Maint)	706	546	721	176	24%	(160)	-23%
Economic Development	35	85	77	(7)	-9%	49	139%
Total Direct	741	630	799	168	21%	(111)	-15%
Maintenance Expenses	323	287	317	30	9%	(36)	-11%
Envir Services & Planning	63	37	49	11	23%	(25)	-41%
Seaport Finance & Cost Recovery	30	33	33	(1)	-2%	4	12%
Seaport Project Management	5	5	10	5	47%	0	9%
Total Support Service	420	363	408	46	11%	(57)	-14%
IT	90	85	93	9	9%	(5)	-6%
Police Expenses	102	87	100	13	13%	(15)	-14%
External Relations	37	35	41	6	16%	(2)	-6%
Other Central Services	159	190	196	6	3%	32	20%
Aviation Division/Other	5	7	5	(2)	-39%	1	24%
Total Central Services/Other	392	403	436	33	7%	11	3%
Total Expense	1,554	1,397	1,643	246	15%	(157)	-10%
NOI Before Depreciation	(135)	(261)	(512)	251	-49%	(125)	93%
Depreciation	835	825	776	(49)	-6%	(10)	-1%
NOI After Depreciation	(971)	(1,086)	(1,288)	202	-16%	(115)	12%

Variance from Budget

- Revenue \$5K favorable
- Operation expenses ~\$246K favorable to the budgeted YTD. Utility expenses contributed \$187K of the favorable

Variance from 2020

- Revenue \$283K or 20% lower primarily due to shorter Ballard Lock closure in 2021
- Operation expenses ~\$157K decrease in 2021 contributed by \$156K decrease in Maritime direct charges related to \$134K decrease in Utilities and \$33K decrease in Bad Debt expenses and \$61K lower expenses in Support service

- 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 Q1 Financials

	2020 YTD	2021 Year-to-Date		Fav(UnFav) Budget		Incr/(Decr)	
	Actual	Actual	Budget	Variance		Change from 2020	
\$ in 000's				\$	%	\$	%
Marina Office & Retail	925	795	986	(192)	-19%	(131)	-14%
Maritime Industrial	1,033	1,059	1,019	40	4%	26	3%
Utilities	583	590	513	77	15%	7	1%
Total Revenue	2,541	2,443	2,518	(75)	-3%	(98)	-4%
PM Direct	943	717	1,380	663	93%	(226)	-24%
EDD PM Direct	74	74	73	(0)	0%	(1)	-1%
EDD Other	86	42	44	1	3%	(43)	-51%
MD Direct	98	109	86	(23)	-21%	11	11%
Total Direct	1,202	942	1,583	641	68%	(260)	-22%
Maintenance Expenses	602	589	746	158	27%	(13)	-2%
Environmental & Sustainability	59	46	63	17	38%	(13)	-23%
Seaport Finance & Cost Recovery	52	57	58	1	2%	4	8%
Seaport Project Management	8	9	16	7	71%	1	14%
Total Support Services	722	701	884	183	26%	(21)	-3%
Police Expenses	174	160	184	24	15%	(14)	-8%
Other Corp Expenses	512	553	581	28	5%	41	8%
Total Central Services/Other	686	713	765	53	7%	27	4%
Total Expense	2,610	2,355	3,232	877	37%	(254)	-10%
NOI Before Depreciation	(69)	88	(714)	802	112%	157	228%
Depreciation	629	641	577	(63)	-10%	11	2%
NOI After Depreciation	(698)	(553)	(1,291)	738	57%	145	21%

Variance from Budget

- Revenue \$75K unfavorable to budget due to lower than anticipated space rental revenue from MIC mainly Bristol Wave.
- Expenses \$877K lower than budget due to favorable utilities, outside services, and maintenance expenses.

Variance from 2020

- Revenue down \$98K due to lower than prior year space rental revenue from MIC mainly Kirby.
- Expenses down \$254K or 10% due to lower than prior year utilities and maintenance expense.

COVID-19 Impact to 2021

- 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 Q1 Financials

	2020 YTD	2021 YTD	2021 YTD	Fav (UnFav)		Incr (Decr)	
	Actual	Actual	Budget	Actual vs. Budget Variance		Change from 2020	
\$ in 000's				\$	%	\$	%
Lease Revenue	1,048	1,719	1,421	298	21%	671	64%
Total Revenue	1,048	1,719	1,421	298	21%	671	64%
Expenses							
Maritime (Excl. Maint)	43	48	38	(10)	-26%	4	10%
Economic Development	12	11	12	1	7%	(1)	-12%
Total Direct	56	59	49	(9)	-19%	3	5%
Maintenance Expenses	49	54	185	131	71%	5	9%
Envir Services & Planning	16	10	14	4	29%	(6)	-35%
Seaport Finance & Cost Recovery	12	12	12	0	0%	(1)	-6%
Seaport Project Management	2	2	3	0	17%	(0)	-2%
Total Support Services	80	78	214	136	64%	(2)	-2%
IT	25	21	20	(1)	-5%	(4)	-17%
Police Expenses	49	37	43	6	13%	(11)	-23%
External Relations	18	14	17	3	15%	(3)	-17%
Other Central Services	76	77	82	5	7%	1	1%
Aviation Division / Other	2	2	2	(0)	-3%	(0)	-11%
Total Central Services / Other	169	151	164	12	8%	(18)	-11%
Total Expense	304	288	427	139	33%	(17)	-5%
NOI Before Depreciation	744	1,431	994	437	44%	688	92%
Depreciation	134	93	72	(20)	-28%	(41)	-31%
NOI After Depreciation	610	1,338	922	417	45%	729	120%

Variance from Budget

- Revenue on tracking ahead of budget with large corn volumes in March
- Expenses tracking lower than budget due to change in maintenance allocation policy.

Variance from 2020

- Revenue and volumes up from 2020 YTD with 9 additional vessel calls and 147K increase in metric tons.

Maritime Capital 2021

\$ in 000's	2021 YTD	2021	2021	Budget Variance	
	Actual	Forecast	Budget	\$	%
T117 Restoration	729	8,359	8,809	450	5%
T91 Northwest Fender	51	6,131	7,761	1,630	21%
MD Small Projects	295	3,816	5,548	1,732	31%
MD Fleet	0	260	1,036	776	75%
FT Maritime Innovation Center	90	768	1,475	707	48%
T91 Berth 6&8 Redev	131	839	1,025	186	18%
P91 Pass Term Upgrade COV	1	230	1,000	770	77%
P66 Shore Power	74	714	765	51	7%
SBM Restrms/Service Bldgs Rep	178	378	665	287	43%
FT Gateway Building	175	446	600	154	26%
All Other Projects	370	(662)	(2,489)	(1,827)	73%
Total Maritime	2,094	21,279	26,195	4,916	19%

T91 Northwest Fender – Construction bid well under Engineer's Estimate. Have reduced forecast accordingly.

FT Maritime Innovation Center – Total project cost updated on 2/1 based on 60% Construction.

MD Fleet– Delays in micro processors and raw materials are causing worldwide delays in producing new fleet assets. This trend is expected to continue into 2022 as production of vital components catches up.

MD Small Projects– P66 Cruise Wall Protection was deferred out to 2022. T91 Upland Lighting Improvements and HIM Operational Facility Cameras have a larger amount of spending pushed out to 2022. T91 Cruise Wayfinding Signage was moved out of the small CIP and into Cruise Upgrades COVID19.

Economic Development Division

Appendix

Q1 2021 Financial Performance Report

Q1 2021 EDD Program Advancements

- **Portfolio Management** maintained 95% occupancy across real estate portfolio despite ongoing COVID-19 pandemic challenges.
- **Real Estate Development** finished a new strategic plan to guide Port development projects and initiatives. Staff is also advancing development work on the Maritime Innovation Center, and T91 Uplands light industrial facilities.
- **Diversity in Contracting** - The Northwest Mountain Minority Supplier Development Council named the Port of Seattle as its Public Agency of the Year.
- **Tourism** – Awarded 23 Tourism Marketing grants. Working with WA Tourism Alliance to implement statewide tourism recovery initiative.
- **Economic Development and Innovation** Staff is working to execute 25 contracts with City's participating in the Port's economic development grant program. Staff is also supporting Greater Seattle Partners' Economic Recovery plan development and WA Maritime Blue's 2nd Maritime innovation accelerator.

EDD 2021 Yr.-End Financial Forecast

	2019	2020	2021	2021	Fav (UnFav) Fcst vs. Budget Variance		Incr (Decr) Change from 2020	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
\$ in 000's								
Revenue	8,912	7,808	8,213	8,313	(100)	-1%	405	5%
Conf & Event Centers	12,239	1,662	4,435	5,035	(600)	-12%	2,773	167%
Total Revenue	21,151	9,470	12,648	13,348	(700)	-5%	3,178	34%
Expenses								
Portfolio Management	3,732	3,073	3,401	3,401	0	0%	327	11%
Conf & Event Centers	10,218	4,440	4,420	4,920	500	10%	(19)	0%
P69 Facilities Expenses	215	232	222	222	0	0%	(11)	-5%
RE Dev & Planning	136	209	154	154	0	0%	(55)	-26%
EconDev Expenses Other	930	938	635	835	200	24%	(303)	-32%
Maintenance Expenses	3,145	3,042	3,027	2,537	(490)	-19%	(15)	0%
Maritime Expenses (Excl Maint)	1,070	1,035	1,060	1,060	0	0%	24	2%
Total EDD & Maritime Expenses	19,448	12,969	12,918	13,128	210	2%	(52)	0%
Diversity in Contracting	152	103	142	142	0	0%	39	38%
Tourism	1,337	954	2,481	2,481	0	0%	1,527	160%
EDD Grants	785	778	1,060	1,060	0	0%	282	36%
Total EDD Initiatives	2,274	1,834	3,683	3,683	0	0%	1,848	101%
Environmental & Sustainability	24	44	27	31	4	13%	(17)	-39%
Police Expenses	61	64	206	209	3	1%	143	225%
Other Central Services	5,234	5,539	4,012	4,242	230	5%	(1,527)	-28%
Aviation Division	114	161	120	120	0	0%	(41)	-25%
Total Central Services & Aviation	5,433	5,808	4,366	4,603	237	5%	(1,442)	-25%
Envir Remed Liability	0	0	0	0	0	NA	0	NA
Total Expense	27,155	20,611	20,966	21,413	447	2%	355	2%
NOI Before Depreciation	(6,004)	(11,141)	(8,318)	(8,065)	(253)	-3%	2,823	25%
Depreciation	3,647	3,611	3,216	3,216	0	0%	(395)	-11%
NOI After Depreciation	(9,651)	(14,753)	(11,534)	(11,281)	(253)	-2%	3,219	22%

Revenue Variance from Budget

- Lower Parking Revenues at Bell Street Garage
- Updated Conference and Event volumes, lower than originally expected.

Expense Variance Budget

- Reduction in Conference and Event center volumes driving reduced variable expenses.
- Change in the Maintenance allocation methodology

EDD 2021 YTD Financial Detail

	2019 YTD	2020 YTD	2021 YTD		Fav (UnFav) Actual vs. Budget Variance		Incr (Decr) Change from 2020	
	Actual	Actual	Actual	Budget	\$	%	\$	%
\$ in 000's								
Revenue	2,155	2,163	1,875	1,969	(94)	-5%	(288)	-13%
Conf & Event Centers	2,519	1,115	127	468	(341)	-73%	(988)	-89%
Total Revenue	4,674	3,277	2,002	2,436	(434)	-18%	(1,275)	-39%
Expenses								
Portfolio Management	932	899	839	779	(60)	-8%	(60)	-7%
Conf & Event Centers	2,276	1,557	545	850	305	36%	(1,012)	-65%
P69 Facilities Expenses	51	55	47	57	10	18%	(9)	-15%
RE Dev & Planning	25	41	48	38	(10)	-27%	7	18%
EconDev Expenses Other	157	291	187	258	71	28%	(104)	-36%
Maintenance Expenses	716	635	847	600	(247)	-41%	213	33%
Maritime Expenses (Excl Maint)	276	244	235	264	29	11%	(9)	-4%
Total EDD & Maritime Expenses	4,434	3,722	2,748	2,847	99	3%	(974)	-26%
Diversity in Contracting	47	25	26	30	4	13%	1	4%
Tourism	194	207	167	235	68	29%	(40)	-19%
EDD Grants	(54)	(57)	(21)	38	58	156%	36	-63%
Total EDD Initiatives	187	175	172	302	130	43%	(3)	-2%
Environmental & Sustainability	10	8	5	6	2	27%	(3)	-41%
Police Expenses	45	58	48	56	7	13%	(9)	-16%
Other Central Services	1,160	1,244	1,041	1,034	(7)	-1%	(203)	-16%
Aviation Division	27	29	35	30	(5)	-16%	5	18%
Total Central Services & Aviation	1,241	1,339	1,129	1,127	(2)	0%	(210)	-16%
Envir Remed Liability	0	0	0	0	0	NA	0	NA
Total Expense	5,862	5,236	4,049	4,277	228	5%	(1,187)	-23%
NOI Before Depreciation	(1,187)	(1,959)	(2,047)	(1,840)	(207)	-11%	(88)	-4%
Depreciation	918	909	958	758	(200)	-26%	49	5%
NOI After Depreciation	(2,105)	(2,867)	(3,005)	(2,598)	(407)	-16%	(137)	-5%

Portfolio Management Q1 Financials

	2020 YTD	2021 Year-to-Date		Fav(UnFav) Budget		Incr/(Decr)	
	Actual	Actual	Budget	Variance		Change from 2020	
\$ in 000's				\$	%	\$	%
Central Harbor	1,705	1,509	1,582	(73)	-5%	(195)	-13%
T-91 Uplands	453	361	382	(21)	-6%	(92)	-26%
Conference & Events Centers	1,115	127	468	(341)	-73%	(988)	-778%
Foreign Trade Zone	5	5	5	0	0%	0	0%
Total Revenue	3,277	2,002	2,436	(434)	-18%	(1,275)	-64%
PM Outside Services	109	238	107	(131)	-122%	129	54%
PM Direct	2,349	1,146	1,522	377	25%	(1,203)	-105%
EDD Other	414	308	410	102	25%	(106)	-35%
MD Direct	72	78	77	(1)	-1%	6	8%
Total Direct	2,943	1,769	2,117	347	16%	(1,174)	-66%
Maintenance Expenses	635	847	600	(248)	-41%	213	25%
Environmental & Sustainability	43	36	66	31	47%	(7)	-21%
Seaport Finance & Cost Recovery	115	104	104	(1)	-1%	(11)	-10%
Seaport Project Management	14	17	17	(1)	-3%	3	17%
Total Support Services	807	1,005	787	(218)	-28%	198	20%
Police Expenses	58	48	56	7	13%	(9)	-19%
Other Corp Expenses	1,151	1,056	1,064	9	1%	(95)	-9%
Total Central Services/Other	1,209	1,104	1,120	16	1%	(105)	-9%
Total Expense	4,959	3,878	4,023	146	4%	(1,081)	-28%
NOI Before Depreciation	(1,681)	(1,876)	(1,587)	(289)	-18%	(194)	-10%
Depreciation	908	957	758	(199)	-26%	49	5%
NOI After Depreciation	(2,589)	(2,833)	(2,345)	(488)	-21%	(244)	-9%

Variance from Budget

- Revenue unfavorable to budget due to Conference & Events Centers' revenue decline as a result of the on-going COVID-19 restrictions on meetings and events.
- Expenses lower than budget due to lower BHICC volumes.

Variance from 2020

- Conference & Events Centers (BHICC & WTCS) revenue significantly declined due to the on-going COVID-19 restrictions on meetings and events. Washington State re-opening phases are moving slower than anticipated.
- Expenses down from BHICC volumes.

COVID-19 Impact to 2021

- Loss of revenues from BHICC & WTCS due to the on-going COVID-19 restrictions on meetings and events.
- 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 2021

	2021 YTD Actual	2021 Forecast	2021 Budget	Budget Variance	
				\$	%
\$ in 000's					
BHICC Interior Modernization	104	1,139	1,990	851	43%
P69 Underdock Utility Rpl	54	414	1,028	614	60%
CW Bridge Elev Modernization	29	943	943	0	0%
WTC HVAC Replacement	23	848	848	0	0%
T91 Uplands Dev Phase 1	69	658	800	142	18%
P66 Roof Upgrades	35	544	544	0	0%
EDD Small Projects	9	554	522	(32)	-6%
Tenant Improvements -Capital	0	58	289	231	80%
EDD Technology Projects	0	250	250	0	0%
P66 HVAC Systems Upgrade	0	170	185	15	8%
All Other Projects	2	(974)	(1,752)	(778)	44%
Total Economic Development	325	4,604	5,647	1,043	18%

BHICC Modernization – Project has encountered unforeseen site conditions, additional effort required to execute change orders.

P69 Under Dock Utility Replacement – Design delayed due to the need for a two steps design and construction authorization approvals rather than the one step construction authorization that was previously assumed.

T-91 Upland Development – Decrease in projected spending for 2021 due to the need to procure new Service Agreement for Professional Design Services, after terminating contract with former design consultant . Design can resume after the new contract is executed, in Q4 2021.

Central Services Appendix

Q1 2021 Financial Performance Report

Central Services Business Events

- Awarded **fourteen South King County Fund Environmental Grants** to the six Highline cities.
- Obtained the Commission approval for **Job and Economic Resource Center** as part of the Duwamish Valley Community Equity Program.
- The Port, City of Seattle, and Sound Transit agreed to **jointly fund \$1.7M** to support construction worker training, placement and other services for **residents of economically distressed communities, people of color and women.**
- Hosted a **4-part caucusing series and its first town hall** that featured updates about the Port's Racial Bias & Equity Motion, Port-wide Change Team, and OEDI's plans for 2021.
- Hosted an **Engineering Career Workshop** for Highline School District high school students in March.
- **Maritime Core Plus Curriculum and Framework** is now available for adoption by school districts state-wide. (The **Port invested the initial funding** for the Manufacturing Industrial Council to create the curriculum in 2016).
- Conducted a **Cyber Disruption Summit** focusing on employee awareness on the emerging threats.

Central Services Expense by Category

\$ in 000's	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav (UnFav)		Incr (Decr)	
	Actual	Actual	Actual	Budget	Act/Bud	%	Change from 2020	%
					\$	%	\$	%
Salaries & Benefits	31,973	35,987	35,317	35,790	474	1.3%	(670)	-1.9%
Wages & Benefits	31,457	34,133	31,551	32,623	1,072	3.3%	(2,582)	-7.6%
Payroll to Capital Projects	5,673	6,497	6,398	7,949	1,551	19.5%	(99)	-1.5%
Outside Services	17,698	20,420	19,135	23,660	4,525	19.1%	(1,285)	-6.3%
Utilities	6,555	6,871	6,658	6,559	(99)	-1.5%	(213)	-3.1%
Equipment Expense	2,014	2,160	1,248	1,713	465	27.2%	(913)	-42.2%
Supplies & Stock	2,898	2,503	2,127	2,368	241	10.2%	(376)	-15.0%
Travel & Other Employee Expenses	905	1,101	445	744	299	40.1%	(656)	-59.6%
Third Party Mgmt Op Exp	3,042	2,445	886	1,386	500	36.1%	(1,559)	-63.8%
B&O Taxes	1,068	1,086	764	854	90	10.5%	(322)	-29.7%
Other Expenses	4,666	3,989	2,270	2,605	335	12.9%	(1,719)	-43.1%
Charges to Capital Projects/Overhead Alloc	(11,221)	(13,602)	(11,933)	(14,819)	(2,886)	19.5%	1,669	-12.3%
TOTAL	96,729	103,591	94,866	101,431	6,566	6.5%	(8,726)	-8.4%

- Payroll savings due to staff vacancies.
- Wages favorable due to lower overtime for Police due to cancellation of cruise season and Police vacancies.
- Outside Services favorable to budget due to spending delays.
- Charges to Capital unfavorable to budget due to delay of some capital projects.

Central Service Year End Financial Forecast

	2019	2020	2021	2021	Fav (UnFav) Actual vs. Budget Variance		Incr (Decr) Change from 2020	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
\$ in 000's								
Total Operating Revenues	1,282	2,512	1,129	181	948	524.1%	(1,383)	-55.1%
Core Central Support Services	76,059	80,841	83,982	85,678	1,696	2.0%	3,140	3.9%
Police	27,793	27,538	27,968	28,317	349	1.2%	430	1.6%
Engineering/PCS	10,038	9,096	9,680	9,199	(481)	-5.2%	584	6.4%
Total Operating Expenses	113,891	117,476	121,629	123,194	1,565	1.3%	4,154	3.5%

Central Services Capital Spending

\$ in 000's	2021	2021	2021	Budget Variance	
	YTD Actual	Year-End Forecast	Budget	\$	%
Infrastructure - Small Cap	272	1,911	1,911	0	0.0%
Services Tech - Small Cap	173	1,166	1,226	60	4.9%
Radio System Upgrade	1,844	2,455	2,955	500	16.9%
Office Wi-Fi Refresh	0	1,350	1,350	0	0.0%
Phone System Upgrade	21	840	840	0	0.0%
Environmental MIS projects	0	600	600	0	0.0%
CDD Fleet Replacement	170	803	1,123	320	28.5%
Corporate Fleet Replacement	0	685	685	0	0.0%
Other (note 1)	185	1,904	1,968	64	3.3%
Subtotal	2,665	11,714	12,658	944	7.5%
CIP Cashflow Adjustment	0	(3,000)	(3,000)	0	0.0%
TOTAL	2,665	8,714	9,658	944	9.8%

Note:

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

Portwide Appendix

Q1 2021 Financial Performance Report



Non-Airport Financial Summary

	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav (UnFav) Actual vs. Budget Variance		Incr (Decr) Change from 2020	
	Actual	Actual	Actual	Budget	\$	%	\$	%
\$ in 000's								
NWSA Distributable Revenue	12,986	10,730	11,343	10,568	775	7.3%	613	5.7%
Maritime Revenues	9,442	9,340	9,539	10,370	(831)	-8.0%	199	2.1%
EDD Revenues	4,674	3,277	2,002	2,436	(434)	-17.8%	(1,275)	-38.9%
SWU & Other	1,280	1,966	1,774	936	838	89.5%	(192)	-9.7%
Total Operating Revenues	28,382	25,313	24,658	24,311	348	1.4%	(655)	-2.6%
Total Operating Expenses	17,513	18,425	16,778	20,155	3,377	16.8%	(1,648)	-8.9%
NOI before Depreciation	10,869	6,888	7,881	4,156	3,725	89.6%	993	14.4%
Depreciation	9,852	9,423	9,510	8,814	(696)	-7.9%	87	0.9%
NOI after Depreciation	1,017	(2,535)	(1,630)	(4,658)	3,029	-65.0%	906	-35.7%

- Non-Airport Operating Revenue higher than budget by \$348K due to Grain, NWSA Distributable Revenues, and unbudgeted Police Revenues offset by less revenues from Cruise and Conference & Event Centers.
- Expenses are \$3.4M lower than budget due cost savings measures which include hiring freeze, delay in implementing program initiatives, and travel and other employee expenses.

Port Wide Operating Revenues Summary

\$ in 000's	2019 YTD Actual	2020 YTD Actual	2021 YTD	2021 YTD	Fav (UnFav) Act/Bud Var		Incr (Decr) Change from 2020	
			Actual	Budget	\$	%	\$	%
Aeronautical Revenues	83,674	86,284	61,313	80,938	(19,625)	-24.2%	(24,971)	-28.9%
Public Parking	19,956	16,720	9,330	10,595	(1,264)	-11.9%	(7,390)	-44.2%
Rental Cars - Operations	6,234	6,928	3,484	4,577	(1,092)	-23.9%	(3,444)	-49.7%
Rental Cars - Operating CFC	994	-	-	-	-	0.0%	-	0.0%
ADR & Terminal Leased Space	14,336	12,376	6,297	9,119	(2,822)	-30.9%	(6,079)	-49.1%
Ground Transportation	4,523	3,931	1,459	2,441	(982)	-40.2%	(2,471)	-62.9%
Employee Parking	2,677	2,623	2,144	2,422	(278)	-11.5%	(479)	-18.3%
Airport Commercial Properties	3,212	3,641	2,557	2,911	(354)	-12.2%	(1,083)	-29.8%
Airport Utilities	1,719	1,606	1,297	1,892	(595)	-31.4%	(309)	-19.3%
Clubs and Lounges	1,902	1,714	175	936	(762)	-81.3%	(1,540)	-89.8%
Cruise	43	114	48	1,092	(1,044)	-95.6%	(66)	-58.1%
Recreational Boating	3,119	3,134	3,125	3,152	(27)	-0.8%	(9)	-0.3%
Fishing & Operations	2,291	2,501	2,203	2,187	16	0.7%	(297)	-11.9%
Grain	1,434	1,048	1,719	1,421	298	21.0%	671	64.0%
Maritime Portfolio Management	2,550	2,541	2,443	2,518	(75)	-3.0%	(98)	-3.8%
Central Harbor Management	2,150	2,158	1,870	1,964	(94)	-4.8%	(288)	-13.3%
Conference & Event Centers	2,519	1,115	127	468	(341)	-72.9%	(988)	-88.6%
NWSA Distributable Revenue	12,986	10,730	11,343	10,568	775	7.3%	613	5.7%
Other	1,732	2,391	1,967	1,133	834	73.6%	(424)	-17.7%
Total Operating Revenues (w/o Aero)	84,378	75,269	51,589	59,395	(7,807)	-13.1%	(23,680)	-31.5%
TOTAL	168,052	161,553	112,901	140,333	(27,432)	-19.5%	(48,652)	-30.1%

Port Wide Operating Expense Summary

\$ in 000's	2019 YTD	2020 YTD	2021 YTD	2021 YTD	Fav (UnFav)		Incr (Decr)	
	Actual	Actual	Actual	Budget	Act/Bud	%	Change from 2020	%
					\$	%	\$	%
Salaries & Benefits	31,973	35,987	35,317	35,790	474	1.3%	(670)	-1.9%
Wages & Benefits	31,457	34,133	31,551	32,623	1,072	3.3%	(2,582)	-7.6%
Payroll to Capital Projects	5,673	6,497	6,398	7,949	1,551	19.5%	(99)	-1.5%
Outside Services	17,698	20,420	19,135	23,660	4,525	19.1%	(1,285)	-6.3%
Utilities	6,555	6,871	6,658	6,559	(99)	-1.5%	(213)	-3.1%
Equipment Expense	2,014	2,160	1,248	1,713	465	27.2%	(913)	-42.2%
Supplies & Stock	2,898	2,503	2,127	2,368	241	10.2%	(376)	-15.0%
Travel & Other Employee Expenses	905	1,101	445	744	299	40.1%	(656)	-59.6%
Third Party Mgmt Op Exp	3,042	2,445	886	1,386	500	36.1%	(1,559)	-63.8%
B&O Taxes	1,068	1,086	764	854	90	10.5%	(322)	-29.7%
Other Expenses	4,666	3,989	2,270	2,605	335	12.9%	(1,719)	-43.1%
Charges to Capital Projects/Overhead Alloc	(11,221)	(13,602)	(11,933)	(14,819)	(2,886)	19.5%	1,669	-12.3%
TOTAL	96,729	103,591	94,866	101,431	6,566	6.5%	(8,726)	-8.4%

- Payroll expenses were \$3.1M below budget primarily due to vacant positions.
- Outside Services were \$4.5M favorable to budget due to project delays.
- Travel & Other Employee Expenses were \$299K lower than budget due to cutting/eliminating non-essential business travel and training.
- Charges to Capital Projects were lower by (\$2.9M) due to delays in Capital Projects

Port Wide Net Operating Income Performance



- Operating Revenues are expected to be \$90.1M unfavorable to the budget due to reduced operations and lower airline activity.
- Total Operating expenses are expected to be \$1.8M below budget due to:
 - Payroll due to vacancies
 - Outside Services
 - General Expenses

Port Wide Capital Spending Summary

\$ in 000's	2021	2021	2021	Budget Variance	
	YTD Actual	Forecast	Budget	\$	%
Aviation	92,329	468,094	491,202	23,108	4.7%
Maritime	2,094	21,279	26,195	4,916	18.8%
Economic Development	325	4,604	5,647	1,043	18.5%
Central Services & Other (note 1)	4,047	12,892	13,605	713	5.2%
TOTAL	98,795	506,869	536,649	29,781	5.5%

Note:

(1) "Other" includes 100% Port legacy projects in the North Harbor and Storm Water Utility Small Capital projects.