



**COMMISSION
AGENDA MEMORANDUM**

Item No. 11a

BRIEFING ITEM

Date of Meeting August 10, 2021

DATE: July 19, 2021
TO: Stephen P. Metruck, Executive Director
FROM: Dan Thomas, Chief Financial Officer
Michael Tong, Director, Corporate Budget
SUBJECT: Q2 2021 Financial Performance Briefing

EXECUTIVE SUMMARY

The purpose of this presentation is to provide a status report of the Q2 2021 financial performance results.

BACKGROUND

The Port's overall operating revenues for Q2 2021 were \$265.9 million, which is \$46.2 million below budget and \$10.4 million lower than the same period last year. Excluding Aeronautical revenues, which are based on cost recovery and revenue sharing formulas, other Airport Non-Aero revenues were \$73.2 million, \$9.1 million or 11.1% below budget and \$9.0 million or 14.0% higher YoY mainly due to higher enplanements from the same period last year.

Non-Airport revenues were \$49.5 million, \$1.8 million or 3.5% below budget and \$1.2 million or 2.4% higher YoY mainly due to higher revenue from Grain and NWSA Distributable Revenue, partially offset by lower revenues from Conference & Event Centers.

Total operating expenses for first half of 2021 were \$195.8 million, which is \$13.4 million below budget and \$2.0 million lower than 2020. The operating expense variance was largely due to frozen/deferred hiring, lower outside services cost, and lower third-party management expense.

Net operating income before depreciation was \$70.1 million, which is \$32.9 million below budget and \$8.3 million lower than 2020.

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

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

ATTACHMENTS TO THIS BRIEFING

- (1) Q2 2021 Financial and Performance Report
- (2) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None