



**COMMISSION
AGENDA MEMORANDUM**

Item No. 11a

BRIEFING ITEM

Date of Meeting March 8, 2022

DATE: February 17, 2022
TO: Stephen P. Metruck, Executive Director
FROM: Dan Thomas, Chief Financial Officer
Michael Tong, Director, Corporate Budget
SUBJECT: 2021 Financial Performance Briefing

EXECUTIVE SUMMARY

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

BACKGROUND

The Port's overall operating revenues for 2021 were \$621.8 million, which is \$59.1 million below the budget but \$110.9 million higher than 2020. Excluding Aeronautical revenues, which are based on cost recovery and revenue sharing formulas, other Airport Non-Aero revenues were \$183.8 million, \$5.7 million or 3.0% below the budget and \$67.3 million or 57.8% higher than 2020 from all lines of businesses.

Non-Airport revenues were \$120.4 million, \$15.8 million or 15.1% above the budget and \$24.0 million or 24.9% higher than 2020 mainly due to higher revenues from NWSA Distributable Revenue, Fishing & Operations, Grain, Cruise, and unbudgeted police forfeitures; partially offset by lower revenues from Conference and Event Center.

Total operating expenses for 2021 were \$364.7 million, which is \$58.7 million or 13.9% below budget and \$44.0 million lower than 2020. The favorable budget variance was largely due to a \$57.7 million DRS Pension True-up Credit. Excluding the Pension Credit, the budget variance was \$1.0 million or 0.2% favorable mainly to savings from Outside Services, vacant positions, Third Party Management Expense, and Utilities.

Net operating income before depreciation was \$257.1 million, which is \$350 thousand below budget and \$155.0 million higher 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

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3. Maritime Division Operating Results
4. Economic Development Division Operating Results
5. Central Services Operating Results

ATTACHMENTS TO THIS BRIEFING

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

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

August 10, 2021 – Q2 2021 Financial Performance Briefing
May 11, 2021 – 1Q 2021 Financial Performance Briefing