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Item No. \_\_11b\_attach 1  
Date of Meeting: August 13, 2024\_\_

PORT OF SEATTLE

Q2 2024 FINANCIAL PERFORMANCE REPORT

AS OF JUNE 30, 2024

Q2 2024 FINANCIAL & PERFORMANCE REPORT 06/30/24

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I. PORTWIDE FINANCIAL & PERFORMANCE REPORT 06/30/24

I. PORTWIDE

EXECUTIVE SUMMARY

The financial performance results were strong in the first six months of the year. SEA passenger volume was 2.8% higher compared to same period last year and is expected to exceed the 2019 pre-pandemic volumes. Non-Aeronautical revenues are anticipated to exceed budget by \$14.5M or 4.4% mainly due to higher revenues in Public Parking, Rental Cars, Clubs and Lounges, and Airport Dining, and Retail.

The 2024 cruise season, representing the 25th year of cruises between Seattle and Alaska, runs from April 6 through October 28 with a projected 276 sailings and 1.7 million revenue passengers. Cruise, Grain, Ship Canal Fishing and Operations, and Maritime Portfolio Management are expected to exceed revenue targets while Conference and Event Center revenues are estimated to be under budget due to lower volumes.

Operating revenues were \$9.1M or 1.9% above budget while operating expenses were \$10.9M or 3.6% below budget in the second quarter of 2024. Net operating income before depreciation is \$20.1M or 11.0% above budget.

For the full year, we are projecting operating revenues to be \$1,023.1M, \$24.4M above budget mainly due to higher-than-expected Airport Non-Aero Revenues and Aeronautical Revenues; partially offset by lower Conference & Event Centers revenues. Operating expenses are expected to be \$623.7M, \$6.3M above budget due to higher Payroll, Outside Services, and a \$2.5M payment to Seattle Aquarium. The net operating income before depreciation is expected to be \$405.7M, \$18.9M above budget for the year.

PORTWIDE FINANCIAL SUMMARY

2022 YTD 2023 YTD 2024 YTD 2024 YTD Actual vs. Budget Change from 2023

Variance Incr (Decr)

\$ in 000's Actual Actual Actual Budget t \$ % \$ %

Aeronautical Revenues 181,846 240,218 252,437 253,399 (961) -0.4% 12,219 5.1%

Airport Non-Aero Revenues 114,802 145,446 158,483 152,359 6,125 4.0% 13,037 9.0%

Non-Airport Revenues 65,638 76,356 82,984 79,027 3,956 5.0% 6,628 8.7%  
 Total Operating Revenues 362,286 462,020 493,904 484,784 9,120 1.9% 31,884 6.9%  
 Total Operating Expenses 220,822 264,713 291,409 302,353 10,944 3.6% 26,696 10.1%  
 NOI before Depreciation 141,464 197,307 202,495 182,431 20,064 11.0% 5,188 2.6%  
 Depreciation 104,114 123,656 127,401 125,519 (1,882) -1.5% 3,745 3.0%  
 NOI after Depreciation 37,350 73,651 75,094 56,912 18,182 31.9% 1,443 2.0%

2024 YTD Actuals vs. 2024 YTD Budget:

- Airport Non-Aero Revenues were up \$6.1M compared to budget mainly due to higher revenues from Public Parking and Clubs and Lounges.
- Non-Airport Revenues were \$4.0M above budget mainly due to higher Cruise Revenue, NWSA Distributable Revenue, and Central Harbor Management, partially offset by lower revenues from Conference & Event Centers.
- Total Operating Expenses are \$10.9M lower than budget due to spending delay in Outside Services.

2024 YTD Actuals vs. 2023 YTD Actuals:

- Total Operating Revenues were up \$31.9M compared to 2023 mainly due to higher revenues in all Non-Aeronautical lines of businesses (with exception of Rental Cars-Operations and Employee Parking), Cruise, Grain, Conference & Event Center, Maritime Portfolio Management and NWSA Distributable Revenue.
- Total Operating Expenses was \$26.7M higher compared to 2023 due to higher Payroll, Outside Services, and a \$2.5M payment to Seattle Aquarium.

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I. PORTWIDE FINANCIAL & PERFORMANCE REPORT 06/30/24

NON-AIRPORT FINANCIAL SUMMARY

2022 YTD 2023 YTD 2024 YTD 2024 YTD Actual vs. Budget Change from 2023

Variance Incr (Decr)

\$ in 000's Actual Actual Actual Budget \$ % \$ %

NWSA Distributable Revenue 24,527 28,949 29,664 28,577 1,087 3.8% 715 2.5%  
 Maritime Revenues 31,788 35,856 42,092 38,039 4,053 10.7% 6,236 17.4%  
 EDD Revenues 6,680 8,361 8,832 10,025 (1,193) -11.9% 470 5.6%  
 SWU & Other 2,643 3,189 2,396 2,386 10 0.4% (794) -24.9%  
 Total Operating Revenues 65,638 76,356 82,984 79,027 3,956 5.0% 6,628 8.7%  
 Total Operating Expenses 43,508 49,171 55,585 59,207 3,622 6.1% 6,415 13.0%  
 NOI before Depreciation 22,129 27,185 27,399 19,820 7,579 38.2% 213 0.8%  
 Depreciation 18,918 19,138 18,988 18,582 (406) -2.2% (150) -0.8%  
 NOI after Depreciation 3,211 8,047 8,411 1,238 7,173 579.4% 363 4.5%

2024 YTD Actuals vs. 2024 YTD Budget

- Non-Airport Operating Revenues were up \$4.0M compared to budget mainly due to higher Cruise, NWSA Distributable revenue, Central Harbor Management, and Grain; partially offset by lower revenue from Conference & Event Centers.
- Non-Airport Operating Expenses were \$3.6M lower than budget because of project spending delays and timing of tenant improvements and maintenance.

2024 YTD Actuals vs. 2023 YTD Actuals

- Non-Airport Operating Revenues were \$6.6M higher compared to 2023 because of higher revenues from Cruise, Grain, NWSA Distributable Revenue, and Maritime Portfolio Management.
- Non-Airport Operating Expenses were \$6.4M higher than 2023 due to higher Payroll and Outside Services.

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I. PORTWIDE FINANCIAL & PERFORMANCE REPORT 06/30/24

MAJOR OPERATING REVENUES SUMMARY

2022 YTD 2023 YTD 2024 YTD 2024 YTD Actual vs. Budget Change from 2023  
 Variance Incr (Decr)  
 \$ in 000's Actual Actual Actual Budget t \$ % \$ %

Aeronautical Revenues	181,846	240,218	252,437	253,399	(961)	-0.4%	12,219	5.1%
Public Parking	41,842	52,391	59,047	53,543	5,505	10.3%	6,656	12.7%
Rental Cars - Operations	16,803	18,021	16,759	17,737	(977)	-5.5%	(1,262)	-7.0%
Rental Cars - Operating CFC	5,495	6,916	6,724	191	2.8%	1,421	25.9%	
ADR & Terminal Leased Space	26,131	31,985	36,364	35,551	813	2.3%	4,379	13.7%
Ground Transportation	9,226	11,750	11,853	11,610	243	2.1%	103	0.9%
Employee Parking	5,062	5,460	5,223	5,828	(605)	-10.4%	(237)	-4.3%
Airport Commercial Properties	7,520	9,618	9,930	9,565	365	3.8%	312	3.2%
Airport Utilities	3,845	4,194	4,513	5,045	(532)	-10.5%	319	7.6%
Clubs and Lounges	3,048	5,436	6,753	5,617	1,136	20.2%	1,318	24.2%
Cruise	11,258	15,437	19,027	15,713	3,313	21.1%	3,589	23.3%
Recreational Boating	6,914	7,751	8,321	8,230	91	1.1%	570	7.4%
Fishing & Operations	4,967	5,481	5,523	5,389	133	2.5%	42	0.8%
Gra in	3,405	1,964	3,079	2,773	306	11.1%	1,116	56.8%
Maritime Portfolio Management	5,237	5,205	6,136	5,931	205	3.5%	931	17.9%
Central Harbor Management	4,131	4,960	5,126	5,049	77	1.5%	165	3.3%
Conference & Event Centers	2,538	3,377	3,687	4,965	(1,278)	-25.7%	310	9.2%
NWSA Distributable Revenue	24,527	28,949	29,664	28,577	1,087	3.8%	715	2.5%
Other	3,986	4,329	3,545	3,538	7	0.2%	(784)	-18.1%
Total Operating Revenues (w/o Aero)	180,440	221,802	241,467	231,386	10,081	4.4%	19,665	8.9%
TOTAL	362,286	462,020	493,904	484,784	9,120	1.9%	31,884	6.9%

MAJOR OPERATING EXPENSES SUMMARY  
 2022 YTD 2023 YTD 2024 YTD 2024 YTD Actual vs. Budget Change from 2023  
 Variance Incr (Decr)  
 \$ in 000's Actual Actual Actual Budget t \$ % \$ %

Salaries & Benefits	76,063	90,131	103,497	103,635	138	0.1%	13,365	14.8%
Wages & Benefits	67,884	79,333	88,341	85,200	(3,141)	-3.7%	9,008	11.4%
Payroll to Capital Projects	12,936	15,420	18,260	22,447	4,187	18.7%	2,840	18.4%
Outside Services	48,370	57,354	65,851	87,424	21,574	24.7%	8,496	14.8%
Utilities	16,626	15,541	17,162	16,365	(797)	-4.9%	1,621	10.4%
Equipment Expense	4,532	5,683	5,063	6,301	1,238	19.6%	(621)	-10.9%
Supplies & Stock	4,227	5,617	5,686	4,803	(882)	-18.4%	69	1.2%
Travel & Other Employee Expenses	1,675	2,208	2,827	4,869	2,042	41.9%	620	28.1%
Third Party Mgmt Op Exp	3,498	5,485	6,110	6,933	823	11.9%	624	11.4%
B&O Taxes	2,246	2,895	3,027	3,123	97	3.1%	132	4.6%
Other Expenses	7,578	14,991	13,313	10,249	(3,063)	-29.9%	(1,678)	-11.2%
Charges to Capital Projects/Overhead Alloc	(24,814)	(29,947)	(37,726)	(48,999)	(11,272)	23.0%	(7,780)	26.0%
TOTAL	220,822	264,713	291,409	302,353	10,944	3.6%	26,696	10.1%

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I. PORTWIDE FINANCIAL & PERFORMANCE REPORT 06/30/24  
 PORTWIDE FINANCIAL YEAR-END FORECAST SUMMARY

2022 2023 2024 2024 Fcst vs. Budget Change from 2023  
 Variance Incr (Decr)  
 \$ in 000's Actual Actual Fore cas t Budget t \$ % \$ %

Aeronautical Revenues	402,540	479,697	530,408	520,600	9,808	1.9%	50,711	10.6%
Airport Non-Aero Revenues	256,613	326,592	347,243	332,713	14,530	4.4%	20,650	6.3%
Non-Airport Revenues	150,977	162,991	169,796	169,758	38	0.0%	6,805	4.2%
Total Operating Revenues	810,130	969,281	1,047,447	1,023,071	24,376	2.4%	78,166	8.1%
Total Operating Expenses	475,739	557,149	623,689	617,406	(6,283)	-1.0%	66,539	11.9%
NOI before Depreciation	334,390	412,131	423,758	405,665	18,093	4.5%	11,627	2.8%
Depreciation	232,236	250,644	250,025	250,025	-	0.0%	(619)	-0.2%
NOI after Depreciation	102,155	161,487	173,733	155,640	18,093	11.6%	12,246	7.6%

Year-End Forecast

- Total Operating Revenues are expected to be \$24.4M higher than budget and \$78.2M higher than 2023.

- Total Operating Expenses are expected to be \$6.3M unfavorable to budget and \$66.5M higher than 2023. It would have only been \$37.8M higher than 2023 after adjusting for \$28.7M state pension credit in 2023.
- NOI before depreciation forecast to be \$18.1M favorable to budget and \$11.6M higher than 2023.

**KEY PERFORMANCE METRICS**

Fav (UnFav) Incr (Decr)

2023 2024 2023 2024 2024 Act vs. Budget Change from 2023

YTD YTD Variance

Actual Actual Actual Fore cas t Budge t Chg. % Chg. %

Total Passengers (in 000's) 23,740 24,465 50,885 52,310 52,914 (605) -1.1% 1,424 2.8%

Landed Weight (lbs. in millions) 15,103 15,520 32,064 31,647 32,726 (1,079) -3.3% (417) -1.3%

Passenger CPE (in \$) N/A N/A 17.52 18.98 18.31 (0) -3.6% 1.46 8.3%

Grain Volume (metric tons in 000's) 1,362 2,380 2,679 4,096 3,730 366 9.8% 1,417 52.9%

Cruise Passenger (in 000's) 653 682 1,778 1,708 1,661 46 2.8% (70) -3.9%

Shilshole Bay Marina Occupancy 97.8% 98.3% 98.1% 98.0% 96.4% 1.6% 1.7% 0.0% 0.0%

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**I. PORTWIDE FINANCIAL & PERFORMANCE REPORT 06/30/24**

**KEY BUSINESS EVENTS**

The Port welcomed the Norwegian Bliss on April 6th to kick off the start of the 2024 Cruise Season which will run through October 28th. This year marks the 25th year of Sailing from Seattle to Alaska with an estimated 1.7 million revenue passengers. The Norwegian Sky was the first ship to set sail from the Port of Seattle in May 2000. Since then, the number of ship calls has increased from 36 in 2000 to a projected 276 sailings in 2024. Similarly, Commission approved an order that would require all cruise vessels homeported in Seattle be shore power capable and utilize shore power. This order will take effect for the 2027 cruise season, three years before the Port's previous goal of 2030. This order made the Port of Seattle the first port to require shore power usage independent of State regulations.

The Port launched the fourth cycle of the South King County Community Impact Fund (SKCCIF) Environmental Grants Program. A total funding of \$226,631 will be awarded to six community-led organizations. Funded projects will include training in gardening, landscaping, and environmental education for students; annual beach clean-up events; garden expansion at Foster High School; bicycle skills improvement project area in Burien; and planting tree events.

Additionally, the Port awarded thirty-eight organizations across the state with a total of \$600,000 in matched marketing funds under the 2024-25 Tourism Marketing Support Program (TMSP). The grants will fund several projects ranging from use of digital advertising, targeted marketing campaigns or collaborating with influencers to build travel demand to advertising programs to attract out-of-state and local visitors during shoulder seasons. Funding for the two-to-one match fund program was doubled this year and the duration for the organizations to spend the funds has been extended to up to eighteen months.

The Port recently celebrated the groundbreaking at Fishermen's terminal that will transform the Port's oldest asset into a modern, Living Building Challenge (LBC) – certified Maritime Innovation Center (MInC). For this project, the Port will partner with Miller Hull in the construction of this new facility which will feature unique architectural design. The Port is investing over \$100M in new investments as part of a long-term strategic redevelopment plan to maintain docks for commercial fishers, enhance uplands facilities, and accent Fishermen's Terminal's history and legacy.

Commission adopted two land stewardship strategies: SEA Land Stewardship Plan and the SEA Tree Replacement Standards. Both build upon the Port's robust work in environmental leadership and support that Port's Century agenda goal to be the greenest and most energy-efficient port in North America. Additionally, the practices outlined in the plans will provide clear guidance to Port staff on future airport-related work.

SEA was once again named as Top U.S. Airport by Skytrax for the third straight year. Skytrax uses over 13 million air passenger satisfaction surveys to come up with their ratings. Travelers have highlighted several of SEA's recently completed improvement projects including the N Concourse Modernization, International Arrivals Facility, Automated Parking Guidance System, and Central Terminal Renovation.

The Port announced the 2024 annual Sustainable Century and Fly Quiet award winners. The awardees are selected annually for supporting the Port's environmental goals and exhibiting outstanding leadership and sustainability efforts. The awards are geared to celebrate the dedication of local Port business partners to invest in enhanced

energy efficiency and environmental improvements as well as increase airline and pilot awareness of aircraft noise impacts on local communities.

The Port signed a memorandum of understanding (MOU) with Korea SMEs and Startups Agency (KOSME). This MOU is intended to facilitate business connections and drive growth of SMEs across Port properties and throughout King County. Additionally, through this agreement, the Port will cohost events with KOSME in tech innovation and other topics as well as share strategies on how to pursue business development here and in Korea.

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I. PORTWIDE FINANCIAL & PERFORMANCE REPORT 06/30/24

CAPITAL SPENDING SUMMARY

2024	2024	2024	2024	Budget	Variance	
\$ in 000's YTD Actual Forecast Budget Plan of Finance \$ %						
Aviation	302,940	684,442	682,384	717,598	(2,058)	-0.3%
Maritime	31,537	78,701	72,976	84,825	(5,725)	-7.8%
Economic Development	2,249	4,404	5,137	20,501	733	14.3%
Central Services & Other (note 1)	5,293	16,069	20,716	19,742	4,647	22.4%
<b>TOTAL</b>	<b>342,019</b>	<b>783,616</b>	<b>781,213</b>	<b>842,666</b>	<b>(2,403)</b>	<b>-0.3%</b>

Note:

(1) "Other" includes 100% Port legacy projects in the North Harbor and Storm Water Utility Small Capital projects. Total capital spending is forecast to be \$793.6M for 2024, 100.3% of the budget due to timing changes in projects: SEA Gateway, MT Low Voltage Sys Upgrade, C Concourse Expansion, International Arrivals Fac-IAF, Checked Bag Recap/Optimization, and Sustainable Eval Framework Res.

PORTWIDE INVESTMENT PORTFOLIO

During the second quarter of 2024, the investment portfolio earned 3.7% versus the benchmark's (the Bank of America Merrill Lynch 1-3 Year US Treasury & Agency Index) of 4.79%. Over the last twelve months, the portfolio and the benchmark have earned 3.65% and 4.74%, respectively. Since the Port became its own Treasurer in 2002, the life-to-date earnings of the Port's portfolio and the benchmark are 2.38% and 1.96%, respectively.

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II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/24

II. AVIATION DIVISION

FINANCIAL SUMMARY

Forecast vs. Budget Incr/(De cr)

Financial Summary 2022 2023 2024 2024 Variance Change from 2023

(\$ in 000's)

Actual Actual Fore cas t Budge t \$ % \$ %

Operating Revenue

Aeronautical Revenues 402,540 479,697 530,408 520,600 9,808 1.9% 50,711 10.6%

Non-Aeronautical Revenues 256,613 326,592 347,243 332,713 14,530 4.4% 20,650 6.3%

Total Operating Revenues 659,153 806,289 877,651 853,313 24,338 2.9% 71,361 8.9%

Total Operating Expenses w/o Pension True-U 394,990 471,946 503,003 495,724 (7,279) -1.5% 31,058 6.6%

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Net Operating Income 276,449 357,916 374,648 357,589 17,059 4.8% 16,732 4.7%

CPE 16.09 17.52 18.98 18.31 (0.67) -3.6% 1.46 8.3%

Non-Aero NOI (\$ in 000s) 135,483 188,669 193,780 179,075 (14,706) -8.2% 5,111 2.7%

Enplaned passengers (in 000s) 22,966 25,371 26,032 26,457 426 1.6% 660- 2.6%

Capital Expenditures (in 000s) 311,631 444,072 684,442 682,384 (2,057) -0.3% 240,370 54.1%

2024 Forecast vs. 2024 Budget

- Net Operating Income (NOI) for 2024, excluding Pension True-up impact, is forecasted to be \$17.1M (4.8%) higher than the budget. This increase is primarily driven by:
  - o Non-Aeronautical revenue, forecasted at \$14.5M (4.4%) higher than budget. Landside revenue growth continues, especially in Parking and Rental Car. Port owned Clubs & Lounges are all performing above budget.
  - o Total Operating Expenses are projected to exceed the budget by \$7.3M (1.5%), primarily due to higher charges in Environmental Remediation Liabilities and charges from other divisions including increased Legal Outside Services and higher Police costs for airport services.

2024 Forecasts vs. 2023 Actuals

- Net Operating Income for 2024 is projected to be \$16.7M (4.7%) higher than prior year before the impact of the year-end Pension True-up.
- o Higher Operating Revenue of \$71.4M (8.9%) compared to prior year is due to higher revenue from both Aero and Non-Aero sources.
- o Higher forecasted Operating Expenses of \$31.1M (6.6%) compared to prior year is primarily driven by higher Payroll, Outside Services, and Charges from Other Divisions compared to 2023.

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II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/24

A. BUSINESS EVENTS

- Passenger levels are expected to exceed pre-pandemic volume for the first time since 2019.
- New international airlines services at SEA:
  - o Delta Air Line's service to Taipei, China
  - o Lufthansa's service to Munich, Germany
  - o Hainan Airlines' service to Chongqing, China and Taipei
  - o Alaska Airlines' service to Toronto, Canada
- Reserved Parking launched at SEA

B. KEY PERFORMANCE METRICS

YTD YTD YTD % Change

2022 2023 2024 from 2023

Total Passengers (000's)

Domestic 19,075 21,046 21,440 1.9%

International 1,814 2,694 3,025 12.3%

Total 20,889 23,740 24,465 3.1%

Operations 154,951 199,644 205,871 3.1%

Landed Weight (In Millions of lbs.)

Cargo 1,357 1,319 1,395 5.8%

All other 12,260 13,784 14,124 2.5%

Total 13,617 15,103 15,520 2.8%

Cargo - Metric Tons

Domestic freight 165,169 147,136 174,319 18.5%

International & Mail freight 61,487 52,588 49,917 -5.1%

Total 226,656 199,724 224,236 12.3%

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II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/24

Key Performance Measures

Forecast vs.

2022 2023 2024 2024  
 Budget Incr/(De cr)  
 Variance Change from 2023  
 Actual Actual Forecast Budget  
 \$ % \$ %

**Key Performance Metrics**  
 Cost per Enplanement (CPE) 16.09 17.52 18.98 18.31 (0.67) -3.6% 1.46 8.3%  
 Non-Aeronautical NOI (in 000's) 135,483 188,669 193,780 179,075 14,706 8.2% 5,111 2.7%  
**Other Performance Metrics**  
 O&M Cost per Enplanement 17.20 18.60 19.32 18.74 (0.59) -3.1% 0.72 3.9%  
 Non-Aero Revenue per Enplanement 11.17 12.87 13.34 12.58 0.76 6.1% 0.47 3.6%  
 Debt per Enplanement (in \$) 193 166 158 155 (3) -1.6% (8) -5.1%  
 Debt Service Coverage 2.64 2.02 1.93 1.88 0.05 2.7% (0.09) -4.5%  
 Days cash on hand (10 months = 304 days) 457 507 518 517 1 0.2% 11 2.2%  
**Activity (in 000's)**  
 Enplanements 22,966 25,371 26,032 26,457 (426) -1.6% 660 2.6%  
 Total Passengers 45,964 50,885 52,310 52,914 (605) -1.1% 1,424 2.8%

**Key Performance Metrics - 2024 Forecast vs. 2024 Budget**

- Non-Aero Revenue shows strong performance in Parking and Rental Car, as well as significant growth in Port-owned Clubs.
- All other key metrics tracking closely with the budget as of Q2 Reporting

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**II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/24**  
**C. OPERATING RESULTS**  
 Division Summary – YTD Actuals

2022 YTD 2023 YTD 2024 YTD 2024 YTD Actual vs. Budget Incr/(De cr)  
 Total Airport Expense Summary (Q2) (Q2) (Q2) (Q2) Variance Change from 2023  
 (\$ in 000's)  
 Actual Actual Actual Budget \$ % \$ %

**Operating Expenses**  
 Payroll 79,627 92,502 102,225 103,087 862 0.8% 9,723 10.5%  
 Outside Services 32,518 38,888 43,531 60,355 16,824 27.9% 4,643 11.9%  
 Utilities 12,207 11,437 13,220 12,291 (930) -7.6% 1,783 15.6%  
 Other Expenses 5,128 7,102 5,337 (3,594) (8,931) 248.5% (1,764) -24.8%  
 Total Airport Direct Charges 129,480 149,929 164,314 172,139 7,825 4.5% 14,385 9.6%  
 Total Airport Expenses 127,193 156,665 165,880 172,296 6,416 3.7% 9,214 5.9%  
 Corporate 36,831 42,814 48,969 50,351 1,382 2.7% 6,155 14.4%  
 Police 11,677 14,123 18,735 17,411 (1,324) -7.6% 4,612 32.7%  
 Maritime/Economic Development/Other 1,613 1,940 2,240 3,088 848 27.4% 300 15.5%  
 Total Charges from Other Divisions 50,121 58,877 69,944 70,850 906 1.3% 11,068 18.8%  
 Total Operating Expenses w/o Pension 177,314 215,542 235,824 243,146 7,322 3.0% 20,282 9.4%

**Expenses – 2024 YTD Actuals vs. 2024 YTD Budget**  
 Operating Expenses were \$7.3M (3.0%) lower than budget YTD, primarily due to slower spending in Outside Services of \$16M. This includes an \$8.7M delay in spending on on-site consultants charged to capital programs, which is offset by a corresponding reduction in charges to capital (neutral Operating Expense impact). Additionally, there is a delay of \$2.7M in professional and personal services, \$7.2M in contracted services due to janitorial and window cleaning delayed due to contracts issues, offset by higher spending in legal expenses and small works construction services.

**Division Summary – YE Forecast**  
 Forecast vs.  
 Budget Incr/(De cr)

Total Airport Expense Summary 2022 2023 2024 2024 Variance Change from 2023  
(\$ in 000's)

	Actual	Actual	Forecast	Budget	%	%	%
Operating Expenses							
Payroll	168,389	193,130	208,384	210,530	2,146	1.0%	15,254 7.9%
Outside Services	75,700	89,551	120,858	126,888	6,030	4.8%	31,307 35.0%
Utilities	22,880	23,285	23,957	23,938	(20)	-0.1%	672 2.9%
Other Expenses	15,141	17,679	649	(9,402)	(10,050)	106.9%	(17,030) -96.3%
Total Airport Direct Charges	282,110	323,645	353,848	351,954	(1,894)	-0.5%	30,203 9.3%
-							
Total Airport Expenses	283,191	337,142	355,664	352,111	(3,553)	-1.0%	18,522 5.5%
-							
Corporate	80,452	96,213	105,142	103,294	(1,848)	-1.8%	8,929 9.3%
Police	27,660	33,750	35,884	34,019	(1,866)	-5.5%	2,134 6.3%
Maritime/Economic Development/Other	3,687	4,840	6,313	6,301	(12)	-0.2%	1,472 30.4%
Total Charges from Other Divisions	111,799	134,804	147,339	143,614	(3,725)	-2.6%	12,535 9.3%
-							
Total Operating Expenses w/o Pension True-Up	394,990	471,946	503,003	495,724	(7,279)	-1.5%	31,058 6.6%

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II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/24

Operating Expenses – 2024 YE Forecast compared to 2024 YE Budget

Total Operating Expense is forecasted to be \$7.3M (1.5%) higher than Budget primarily due to increased spending for Legal Outside Services supporting airport matters, Environmental remediation liabilities and Police costs.

Aeronautical Business Unit Summary – YTD Actuals

Actual vs. Budget Incr/(De cr)

Aeronautical NOI 2022 YTD 2023 YTD 2024 YTD 2024 Variance Change from 2023  
(\$ in 000's)

	Actual	Actual	Actual	Budget	%	%	%
Rate Base Revenues							
Airfield Movement Area	47,737	66,779	74,894	74,404	490	0.7%	8,115 12.2%
Airfield Apron Area	8,290	14,321	13,414	15,462	(2,049)	-13.2%	(907) -6.3%
Terminal Rents	105,972	133,174	134,447	134,598	(151)	-0.1%	1,273 1.0%
Federal Inspection Services (FIS)	11,527	17,345	19,948	19,947	1	0.0%	2,603 15.0%
Total Rate Base Revenues	173,527	231,618	242,702	244,411	(1,709)	-0.7%	11,085 4.8%

Airfield Commercial Area	8,320	8,600	9,735	8,987	748	8.3%	1,135 13.2%
Total Aeronautical Revenues	181,846	240,218	252,437	253,399	(961)	-0.4%	12,219 5.1%

Total Aeronautical Expenses 120,393 151,356 163,789 167,703 3,913 2.3% 12,433 8.2%

Aeronautical NOI 61,453 88,862 88,648 85,696 2,952 3.4% (214) -0.2%

Aeronautical – 2024 YTD Actuals vs. 2024 YTD Budget

Aeronautical Net Operating Income was \$3.0M (3.4%) higher than budget driven by lower operating expenses in Outside Services and Charges from Other Divisions.

Aeronautical Business Unit Summary - YE Forecast

Forecast vs. Budget Incr/(De cr)

Aeronautical NOI 2022 2023 2024 2024 Variance Change from 2023

(\$ in 000's)

	Actual	Actual	Forecast	Budget	%	%	%
Rate Base Revenues							
Airfield Movement Area	88,061	142,797	157,464	153,782	3,682	2.4%	14,667 10.3%
Airfield Apron Area	17,146	26,118	33,433	31,816	1,617	5.1%	7,315 28.0%
Terminal Rents	184,625	251,892	274,911	274,654	257	0.1%	23,020 9.1%
Federal Inspection Services (FIS)	10,978	41,214	45,578	41,326	4,252	10.3%	4,364 10.6%
Total Rate Base Revenues	300,810	462,020	511,386	501,578	9,808	2.0%	49,366 10.7%
Airfield Commercial Area	17,343	17,677	19,022	19,022	-	0.0%	1,345 7.6%
Total Aeronautical Revenues	318,154	479,697	530,408	520,600	9,808	1.9%	50,711 10.6%
Total Aeronautical Expenses	261,574	310,451	349,540	342,086	(7,455)	-2.2%	39,090 12.6%
Aeronautical NOI	56,580	169,246	180,868	178,514	2,353	1.3%	11,621 6.9%

Aeronautical – 2024 Forecast vs. 2024 Budget

Aeronautical Net Operating Income is expected to be \$2.4M (1.3%) driven by higher operating expenses in



Charges from Other Divisions.

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II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/24

Airline Rate Base Cost Drivers

Impact on Aero

Revenues

2024 2024 Budget vs Forecast

\$ in 000's Budget Forecast \$ %

O&M (1) 331,860 340,143 8,283 2.5%

Debt Service Before Offsets 225,815 228,759 2,944 1.3%

Debt Service PFC Offset (91,493) (91,624) (131) 0.1%

Net Debt Service 134,322 137,135 2,812 2.1%

Amortization 36,873 36,927 54 0.1%

Space Vacancy (719) (2,060) (1,341) 186.5%

TSA Operating Grant and Other (758) (758) 0 0.0%

Rate Base Revenues 501,578 511,386 9,808 2%

Commercial area 19,022 19,022 - 0%

Total Aero Revenues 520,600 530,408 9,808 2%

(1) O&M, Debt Service Gross, and Amortization do not include commercial area costs or the international incentive expenses

2024 Forecast to 2024 Budget

Aeronautical Revenue is expected to be higher by \$9.8M (2%) based on cost recovery and reflected of increases in our expenses forecast.

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II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/24

Non-Aero Business Unit Summary – YTD Actuals

Actual vs. Budget Incr/(De cr)

Non-Aeronautical NOI 2022 YTD 2023 YTD 2024 YTD 2024 YTD Variance Change from 2023

(\$ in 000's)

Actual Actual Actual Budget \$ % \$ %

Non-Aeronautical Revenues

Public Parking 41,842 52,391 59,047 53,543 5,505 10.3% 6,656 12.7%

Rental Cars 16,803 23,516 23,675 24,461 (786) -3.2% 159 0.7%

Ground Transportation 9,226 11,750 11,853 11,610 243 2.1% 103 0.9%

Airport Dining & Retail 22,835 27,200 32,670 32,289 381 1.2% 5,470 20.1%

Other 24,096 30,589 31,238 30,456 783 2.6% 649 2.1%

Total Non-Aeronautical Revenue 114,802 145,446 158,483 152,359 6,125 4.0% 13,037 9.0%

Total Non-Aeronautical Expense 35,475 64,186 72,035 75,443 3,408 4.5% 7,849 12.2%

Non-Aeronautical NOI 79,327 81,260 86,448 76,916 9,533 12.4% 5,188 6.4%

Non-Aeronautical Revenue – 2024 YTD Actuals vs. 2024 YTD Budget

• Non-Aero Revenue was \$6.1M (4.0%) favorable to budget YTD driven by continued strong performance in Parking and Rental Car, as well as significant growth in Port-owned Clubs.

Non-Aero Business Unit Summary - YE Forecast

Forecast vs.

Budget Incr/(De cr)

Non-Aeronautical NOI 2022 2023 2024 2024 Variance Change from 2023

(\$ in 000's)

Actual	Actual	Forecast	Budget	\$	%	\$	%
Non-Aeronautical Revenues							
Public Parking	88,899	110,990	118,410	111,036	7,374	6.6%	7,421 6.7%
Rental Cars	56,473	63,460	65,468	61,599	3,869	6.3%	2,008 3.2%
Ground Transportation	20,804	24,878	25,222	25,333	(111)	-0.4%	343 1.4%
Airport Dining & Retail	36,581	65,952	72,928	71,332	1,597	2.2%	6,976 10.6%
Other	53,856	61,312	65,214	63,413	1,801	2.8%	3,902 6.4%
<b>Total Non-Aeronautical Revenues</b>	<b>256,613</b>	<b>326,592</b>	<b>347,243</b>	<b>332,713</b>	<b>14,530</b>	<b>4.4%</b>	<b>20,650 6.3%</b>
<b>Total Non-Aeronautical Expenses</b>	<b>121,130</b>	<b>137,923</b>	<b>153,463</b>	<b>153,639</b>	<b>176</b>	<b>0.1%</b>	<b>15,540 11.3%</b>
Non-Aeronautical NOI1	135,483	188,669	193,780	179,075	14,706	8.2%	5,111 2.7%
Less: CFC Surplus (6,834)	-----						
<b>Adjusted Non-Aeronautical NOI</b>	<b>128,649</b>	<b>188,669</b>	<b>193,780</b>	<b>179,075</b>	<b>14,706</b>	<b>8.2%</b>	<b>5,111 2.7%</b>
Debt Service (33,065)	(27,096)	(44,482)	(44,482)	-	(17,386)	64.2%	
<b>Net Cash Flow</b>	<b>95,584</b>	<b>161,573</b>	<b>149,298</b>	<b>134,592</b>	<b>14,706</b>	<b>10.9%</b>	<b>(12,275) -7.6%</b>

(1) Includes Federal Relief for Concessions

Non-Aeronautical Revenue – 2024 Forecast vs. 2024 Budget

• Non-Aero Revenue is forecasted to be \$14.7M (8.2%) favorable to budget YTD by continued strong performance in Parking and Rental Car, as well as significant growth in Port-owned Clubs.

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II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/24

D. CAPITAL RESULTS

Capital Variance

2024 2024 2024 2024 Bud vs. Fcst

YTD Year-End Budget POF

\$ %

\$ in 000's Actual Forecast

SEA Gateway (1)	81,688	159,612	136,612	106,366	(23,000)	-16.8%
C Concourse Expansion (2)	20,923	62,238	85,192	109,662	22,954	26.9%
MT Low Voltage Sys Upgrade (3)	19,984	40,714	25,860	26,000	(14,854)	-57.4%
International Arrivals Fac-IAF (4)	14,408	21,589	7,281	4,809	(14,308)	-196.5%
Checked Bag Recap/Optimization (5)	27,442	58,942	69,654	111,869	10,712	15.4%
Widen Arrivals Roadway (6)	14,753	23,732	17,233	15,539	(6,499)	-37.7%
ASL Conversions (7)	1,973	6,076	11,397	-	5,321	46.7%
S Concourse Evolution (8)	2,708	25,407	21,968	29,419	(3,439)	-15.7%
Parking Garage Elevators Moder (9)	742	3,325	6,596	4,775	3,271	49.6%
Surface Area Management System(10)	1,309	2,337	5,017	7,291	2,680	53.4%
All Other	117,010	280,470	295,575	443,788	15,105	5.1%
<b>Subtotal</b>	<b>302,940</b>	<b>684,442</b>	<b>682,384</b>	<b>859,518</b>	<b>(2,057)</b>	<b>-0.3%</b>
CIP Cashflow Mgmt Reserve - - -	(141,920)	0				
<b>Total Spending</b>	<b>302,940</b>	<b>684,442</b>	<b>682,384</b>	<b>717,598</b>	<b>(2,057)</b>	<b>-0.3%</b>

1. Phase A costs adjusted as majority of scope is going to be finished in 2024. Contractors submitted 2 construction invoices per reimbursement request resulting in a greater than anticipated costs, approx. \$14M.
2. Q2 2024 actual costs were lower than projected. Structural Demolition and Utility Relocation work production was slower than planned. Structural Steel erection re-sequencing is expected to mitigate some of the delay.
3. Contractor resequenced work and increased crew sizes accelerating the 2024 cashflow basis to \$2.8M/Mo.
4. Variance is due to Settlement payment to Clark for \$11.3M, Balance of settlement payments of \$2.5M to Q3/Q4, Legal and Support Staff extended to 2025.
5. \$12.5M Savings to Construction Contract Contingency that wasn't assumed in baseline.
6. Updated per Contractors construction schedule of values. Incurred costs earlier than the forecasted baseline.
7. Due to uncertainties at the start of this hot status project, high margin was included in the ROM estimate.
8. Added facilitating projects for Cargo 7, Cargo 3, Cargo 6 and Gate D6 Conversion.
9. Project is progressing slower than expected, working to accelerate and rearrange the work. Next quarter will have a clearer perspective if the work and cashflow will catchup to projections.
10. Overall SAMS 2024 cashflow variance due to DBB bid. Project went back to Commission in June 2024 for add'l \$2.614K budget to award DBB, thus 2024 DBB Award delay of 7-8 months impacting schedule and 2024 cashflow.

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III. MARITIME DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/24

III. MARITIME DIVISION

FINANCIAL SUMMARY (Excludes Pension Adjustments)

2022 2023 2024 2024 Actual vs. Budget Change from 2023

Variance

\$ in 000's Actual Actual Forecast Budget \$ % \$ %

Total Revenues 71,365 82,499 88,832 86,132 2,700 3% 6,332 8%  
 Total Operating Expenses 59,556 70,395 74,073 72,589 (1,484) -2% 3,678 5%  
 Net Operating Income 11,808 12,105 14,759 13,543 1,216 -9% 2,654 -22%  
 NOI Including Pension Adj 14,375 15,664 14,759 13,543 (268) 2% (905) -6%  
 Capital Expenditures 21,949 21,935 78,701 72,976 (5,725) -8% 56,766 259%

2024 Forecast vs. 2024 Budget

- Operating Revenues are forecasted \$2.7M higher than budget primarily from an improved outlook for Grain volumes and higher Cruise occupancy.
- Operating Expenses forecasted \$1.5M higher than budget from unplanned legal expenses, police, and payroll.
- Net Operating Income Planned \$1.2M above budget.
- Capital Spending forecasted at 108% of \$73M budget.

2024 Forecast vs. 2023 Actuals

- Operating Revenues expected \$6.3M higher than 2023 with from higher grain volumes and first full year impact of T106 ground lease.
- Operating Expenses forecasted \$3.7M higher than 2023 actual driven primarily by increased represented and non-represented wage rates.
- Net Operating Income forecasted \$2.7M higher than 2023 actual.

Net Operating Income before Depreciation by Business

2023 YTD 2024 YTD 2024 YTD Actual vs. Budget Change from 2023

Variance

\$ in 000's Actual Actual Budget \$ % \$ %

Ship Canal Fishing & Operations (1,422) (1,507) (2,120) 613 29% (84) -6%  
 Elliott Bay Fishing & Commercial Operations (676) (843) (754) (89) -12% (167) NA  
 Recreational Boating 259 576 257 318 124% 316 122%  
 Cruise 8,349 9,428 4,938 4,490 -91% 1,079 -13%  
 Grain 868 2,068 1,785 283 16% 1,200 138%  
 Maritime Portfolio (1,683) (903) (1,723) 821 48% 781 46%  
 All Other (550) (475) (118) (357) 301% 75 -14%  
 Total Maritime 5,145 8,344 2,264 6,080 -269% 3,200 -62%

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III. MARITIME DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/24

A. KEY PERFORMANCE METRICS

Cruise Passengers in 000's

500  
 400 2023 Actual  
 300 2024 Budget  
 200 2024 Actual  
 100  
 0

Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec

Grain Volumes in 000's

600  
 500  
 2023 Actual  
 400  
 2024 Budget  
 300

2024 Actual  
 200  
 100  
 0  
 Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec

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III. MARITIME DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/24

B. OPERATING RESULTS

2022 YTD 2023 YTD 2024 YTD 2024 YTD Actual vs. Budget Change from 2023

Variance

\$ in 000's Actual Actual Actual Budget \$ % \$ %

Ship Canal Fishing & Operations 2,328 2,651 2,650 2,531 119 5% (1) 0%  
 Elliott Bay Fishing & Commercial Operations 2,638 2,829 2,872 2,858 14 0% 43 2%  
 Recreational Boating 6,914 7,751 8,321 8,230 91 1% 570 7%  
 Cruise 11,258 15,437 19,027 15,713 3,313 21% 3,589 23%  
 Grain 3,405 1,964 3,079 2,773 306 11% 1,116 57%  
 Maritime Portfolio Management 5,237 5,205 6,136 5,931 205 3% 931 18%  
 Other 7 18 6 2 4 (13) -68%  
 Total Revenue 31,788 35,856 42,092 38,039 4,053 11% 6,236 17%

Expenses

Maritime (Excl. Maint) 9,021 8,477 8,985 9,599 614 6% 508 6%  
 Economic Development 2,864 2,718 2,789 3,070 281 9% 71 3%  
 Total Direct 11,884 11,196 11,774 12,669 895 7% 579 5%  
 Maintenance Expenses 6,387 7,148 7,818 7,710 (108) -1% 670 9%  
 Envir Services & Planning 755 1,401 2,195 2,111 (84) -4% 794 57%  
 Seaport Finance & Cost Recovery 473 622 714 839 125 15% 92 15%  
 Seaport Project Management 445 849 656 1,552 896 58% (193) -23%  
 Total Support Services 8,060 10,020 11,382 12,212 829 7% 1,363 14%  
 IT 1,526 1,794 2,026 2,048 22 1% 232 13%  
 Police Expenses 1,577 2,244 2,732 2,525 (208) -8% 489 22%  
 External Relations 743 824 978 1,097 119 11% 154 19%  
 Other Central Services 4,080 4,472 4,685 5,012 327 7% 213 5%  
 Aviation Division / Other 179 162 170 212 42 20% 8 5%  
 Total Central Services / Other 8,105 9,496 10,591 10,894 302 3% 1,095 12%  
 Total Expense 28,050 30,711 33,748 35,775 2,027 6% 3,036 10%  
 NOI Before Depreciation 3,738 5,145 8,344 2,264 6,080 -269% 3,200 -62%  
 Depreciation 8,952 9,100 8,987 8,811 (177) -2% (112) -1%  
 NOI After Depreciation (5,214) (3,955) (643) (6,547) 5,903 90% 3,312 84%

2024 YTD Actuals vs. 2024 YTD Budget

- Operating Revenues were \$4,053K higher than budget driven by:
  - o Ship Canal over \$119K from higher occupancy and Utility Sales.
  - o Elliott Bay Fishing above by \$14K.
  - o Recreational Boating \$91K higher from higher occupancies at Bell Harbor and Shilshole Bay Marinas, offset from construction at Harbor Island Marina.
  - o Cruise \$3,316K higher from higher occupancy and about \$1M in overbilled revenue which will reverse in Q3.
  - o Grain \$306K higher from higher corn volumes.
  - o Maritime Portfolio Management \$205K higher due to market rate reset and a higher proportion of lease continuation than budgeted.
- Operating Expenses were \$2,027 lower than budget:
  - o Direct Expenses were \$895K lower than budget
  - ? Elliot Bay Fishing and Commercial \$115K lower from bad debt recovery.
  - ? Recreational Boating is over budget \$68K from an injury claim in late 2023 applied in 2024.
  - ? Cruise \$430K under from timing of outside services and lower utility spend.

- ? Maritime Security is \$33K lower than budget as no security was needed at T102.
- ? Maritime Marketing \$196K below budget due to timing of marketing and advertising spend.
- ? Maritime Portfolio Management \$248K below budget from lower TI/Broker Fees.
- ? Unbudgeted Capital to expense of \$42K.
- ? Division Administration & Planning under budget by \$263K from open FTEs.
- ? Divisional contingency open headcount vacancy factor created a \$425K unfavorable variance.

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III. MARITIME DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/24

- ? All other Direct Expenses net to \$145K under budget.
- o Total Support Services were \$829K lower than budget due primarily to timing of small works expense projects.
- o Total Central Services / Other were \$302K favorable to budget.
  - Net Operating Income was \$6.5M favorable to budget.

2024 YTD Actuals vs. 2023 YTD Actuals

- Operating Revenues were \$6,236K higher than 2023 due to increase in Grain volumes & cruise and moorage rate increases.
- Operating Expenses were \$3,036M higher than 2023 actual driven primarily by payroll increases.
- Net Operating Income was \$3.2M higher than 2023 actual.

2022 2023 2024 2024 Actual vs. Budget Change from 2023

Variance	2022	2023	2024	2024 Actual	vs. Budget	Change from 2023
\$ in 000's	Ac	tual	Ac	tual	Forecast	\$ % \$ %
Ship Canal Fishing & Operations	4,592	5,076	5,084	4,984	100	2% 8 0%
Elliott Bay Fishing & Commercial Operations	5,975	6,564	5,731	5,731	0	0% (832) -13%
Recreational Boating	13,978	15,505	16,568	16,468	100	1% 1,063 7%
Cruise	30,469	41,726	43,057	41,057	2,000	5% 1,331 3%
Grain	5,792	3,356	5,491	5,191	300	6% 2,135 64%
Maritime Portfolio Management	10,550	10,263	12,897	12,697	200	2% 2,634 26%
Other	10	9	4	4	0	NA (6) -60%

Pension Revenue Adjustment 170 (90) 0 0 0 NA 90 NA

Total Revenue 71,534 82,410 88,832 86,132 2,700 3% 6,422 8%

Expenses

Maritime (Excl. Maint) 17,706 21,675 20,087 19,787 (300) -2% (1,588) -7%

Economic Development 5,710 4,973 6,326 6,326 0 0% 1,353 27%

Total Direct 23,416 26,648 26,413 26,113 (300) -1% (235) -1%

Maintenance Expenses 13,213 15,839 15,283 14,983 (300) -2% (556) -4%

Envir Services & Planning 3,120 3,814 5,002 4,802 (200) -4% 1,189 31%

Seaport Finance & Cost Recovery 1,087 1,291 1,753 1,653 (100) -6% 462 36%

Seaport Project Management 1,007 1,819 2,917 3,117 200 6% 1,098 60%

Total Support Services 18,426 22,762 24,955 24,555 (400) -2% 2,193 10%

IT 3,223 3,706 4,128 4,128 0 0% 422 11%

Police Expenses 3,662 5,333 5,200 4,929 (271) -5% (132) -2%

External Relations 1,552 1,736 2,039 2,158 119 6% 303 17%

Other Central Services 8,908 9,882 10,983 10,351 (632) -6% 1,102 11%

Aviation Division / Other 368 328 354 354 0 0% 26 8%

Total Central Services / Other 17,714 20,985 22,705 21,921 (784) -4% 1,720 8%

Total Expense before Pension Adjustment 59,556 70,395 74,073 72,589 (1,484) -2% 3,678 5%

Pension Expense Adjustment (2,396) (3,649) 0 0 0 NA 3,649

Total Expense 57,160 66,745 74,073 72,589 (1,484) -2% 7,328 11%

NOI excluding Pension Adjustments 11,808 12,105 14,759 13,543 1,216 9% 2,654 22%

NOI Before Depreciation 14,375 15,664 14,759 13,543 1,216 9% (905) -6%

Depreciation 17,980 18,193 17,531 17,531 0 0% (662) -4%

NOI After Depreciation (3,606) (2,529) (2,772) (3,988) 1,216 30% (244) -10%

2024 Forecast vs. 2024 Budget

- Operating Revenues are forecasted \$2.7M higher than budget:
  - o Cruise \$2M up on increased occupancy rates.
  - o Grain \$300K up from volumes.
  - o Maritime portfolio management up \$200K from higher rates and unplanned continuation of leases.
- Operating Expenses forecasted \$1,484K above budget from payroll (lower vacancies and possible equity increases) and unplanned police and legal expenses.

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III. MARITIME DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/24

- Net Operating Income Planned \$1,216K above budget.
- 2024 Forecast vs. 2023 Actuals (Excludes Pension Adjustment)
- Operating Revenues expected \$6.4M higher than 2023 with higher grain volumes and the full year impact of the T106 ground lease with Trammel Crowe.
- Operating Expenses forecasted \$3.7M higher than 2023 actual driven primarily by increased represented and non-represented wage rates.
- Net Operating Income absent pension costs is forecasted \$2.7M higher than 2023 actual.

C. CAPITAL RESULTS

2024 YTD 2024 YE 2024

2024 POF Budget vs Forecast

Actual Forecast Budget

\$ in 000's \$ %

P66 Shore Power	17,640	25,529	25,085	27,752	444	2%
T91 Berth 6 & 8 Redev	285	23,420	21,931	19,223	1,489	7%
FT Maritime Innovation Center	2,537	7,499	7,384	14,789	115	2%
P66 Fender Replacement	1,871	2,621	2,800	2,382	(179)	-6%
MIC Electrical Replacements	956	2,152	2,203	411	(51)	-2%
T91 New Cruise Gangway	64	2,414	2,090	3,040	324	16%
Sustainable Eval Framework Res	0	0	2,000	2,000	(2,000)	-100%
HIM Dock-E Improvements	1,970	2,080	1,920	2,350	160	8%
MD Small Projects	882	1,849	2,340	2,234	(491)	-21%
MD Fleet	1,672	4,977	3,912	4,252	1,065	27%
All Other Projects	3,660	14,131	15,575	30,592	(1,444)	-9%
Subtotal	31,537	86,672	87,240	109,025	(568)	-1%
CIP Cashflow Mgt - MD	0	(7,971)	(14,264)	(24,200)	6,293	-44.1%
Total Maritime	31,537	78,701	72,976	84,825	5,725	8%
% of Capital Budget	43%	108%	100%			

Note: POF (Plan of Finance) is the total estimated during the budget process.

Comments on Key Projects with Significant Variances

- Shore Power – Accelerated civil duct work and mobilization have shifted cash flows from 2024 into current year. Overall project cost has not increased.
- T91 Berth 6&8 – Firmer payment schedules after replanning for Stormwater treatment and ERL soil removal.

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IV. ECONOMIC DEVELOPMENT DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/24

IV. ECONOMIC DEVELOPMENT DIVISION

FINANCIAL SUMMARY

Fav (UnFav) Incr (Decr)

2022 2023 2024 2024 Actual vs. Budget Change from 2023

Variance

\$ in 000's Actual Actual Forecast Budget \$ % \$ %

Total Revenues	17,799	17,215	17,542	21,542	(4,000)	-19%	327	2%
Total Operating Expenses	24,213	26,661	27,810	30,669	2,859	9%	1,149	4%
Net Operating Income	(6,414)	(9,446)	(10,268)	(9,127)	(1,141)	-13%	(821)	-9%
NOI Including Pension Adj	(5,784)	(8,279)	(10,268)	(9,127)	1,718	19%	(1,989)	-24%
Capital Expenditures	4,311	6,136	4,404	5,137	733	14%	(1,732)	-28%

2024 Forecast vs. 2024 Budget

- Operating Revenues forecasted to \$4M unfavorable to budget due to lower volumes at the Conference & Event Center.
- Operating Expenses \$2.9M below budget due to variable cost impact of lower Conference Center volumes.
- Net Operating Income forecasted at \$1.1M below budget.
- Capital Spending forecasted at 86% of \$5.1M budget.

2024 Forecast vs. 2023 Actuals

- Operating Revenues forecasted \$0.3M higher than 2023 with increases in Conference & Event Center along with increased concession revenue at the Bell Street garage.
- Operating Expenses \$1.1M higher than 2023 due to payroll increases and Conference & Event Center volumes and change in the EDD Grants from 1yr to 2yr cycle.

- Net Operating Income forecasted \$0.8M lower than 2023 actual.

Net Operating Income before Depreciation by Business

2023 YTD	2024 YTD	2024 YTD Actual	vs. Budget	Change from 2023	Variance
			\$ % \$ %		
Portfolio Management	(412)	(1,421)	(1,731)	310	18% (1,010) -245%
Conference & Event Centers	(1,895)	(1,742)	(1,476)	(266)	-18% 153 8%
Tourism	(534)	(456)	(760)	304	40% 78 15%
EDD Grants	(143)	(66)	(277)	212	76% 77 54%
Env Grants/Remed Liab/ERC	(46)	(118)	(291)	(71)	-168% (71) 155%
Total Econ Dev	(3,031)	(3,803)	(4,072)	269	7% (773) -25%

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IV. ECONOMIC DEVELOPMENT DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/24

A. OPERATING RESULTS

2022 YTD 2023 YTD 2024 YTD 2024 YTD Actual vs. Budget Change from 2023

Variance

\$ in 000's Actual Actual Actual Budget \$ % \$ %

Revenue	4,142	4,984	5,145	5,060	84	2%	161	3%
Conf & Event Centers	2,538	3,377	3,687	4,965	(1,278)	-26%	310	9%
Total Revenue	6,680	8,361	8,832	10,025	(1,193)	-12%	470	6%
Expenses								
Portfolio Management	1,898	1,534	2,025	1,916	(108)	-6%	491	32%
Conf & Event Centers	2,333	3,509	3,591	4,477	886	20%	82	2%
P69 Facilities Expenses	98	103	100	119	19	16%	(3)	-3%
RE Dev & Planning	132	145	115	122	6	5%	(30)	-21%
EconDev Expenses Other	492	503	778	323	(456)	-141%	276	55%
Maintenance Expenses	1,718	1,577	1,630	2,058	429	21%	53	3%
Maritime Expenses (Excl Maint)	535	661	651	929	277	30%	(10)	-2%
Total EDD & Maritime Expenses	7,205	8,032	8,890	9,944	1,053	11%	858	11%
Diversity in Contracting	57	83	79	122	44	36%	(5)	-6%
Tourism	1,099	524	558	745	187	25%	34	6%
EDD Grants	(1)	143	66	277	212	76%	(77)	-54%
Total EDD Initiatives	1,155	750	702	1,144	442	39%	(48)	-6%
Environmental & Sustainability	10	21	31	49	17	36%	11	53%
Police Expenses	103	121	160	148	(12)	-8%	39	32%
Other Central Services	2,319	2,402	2,782	2,735	(47)	-2%	380	16%
Aviation Division	80	66	69	77	8	11%	3	4%
Total Central Services & Aviation	2,513	2,609	3,043	3,009	(33)	-1%	433	17%
Envir Remed Liability	0	0	0	0	NA	0	NA	
Total Expense	10,872	11,392	12,635	14,097	1,462	10%	1,243	11%
NOI Before Depreciation	(4,192)	(3,031)	(3,803)	(4,072)	269	7%	(773)	-25%
Depreciation	1,906	2,064	2,096	2,026	(70)	-3%	32	2%
NOI After Depreciation	(6,099)	(5,099)	(5,899)	(6,098)	199	3%	(805)	-16%

2024 YTD Actuals vs. 2024 YTD Budget

- Operating Revenues were \$1,193K below budget primarily due to lower volumes than budgeted at Conference & Event Center.
- Operating Expenses were \$1,462K below budget:
  - o Portfolio Management \$108K over with from unplanned expenses.
  - o Conference and Event Center \$886K lower from lower activity.
  - o Economic Dev. Other over budget \$456K primarily due to \$250K Greater Seattle Partners invoice being budgeted for Q3 but paid in Q1 and Maritime Blue budgeted in EDD Grants.
  - o Marine Maintenance \$429K lower primarily due to timing of Maintenance Materials and Outside Services (Other Contracted Services) spending.
  - o Maritime Expenses (Excl Maintenance) \$277K lower due to timing of project spend primarily Small Works Construction Services and Contract Watchmen/Dispatchers.
  - o EDD Initiatives \$442K below budget due to State of Washington Tourism invoice still being in process, timing of EDD Grant spending, open FTE's and Maritime Blue budgeted in EDD Grants but actuals in EconDev other.
  - o All other expenses net to \$8K over budget.

- Net Operating Income was \$269K favorable to budget.
- 2024 YTD Actuals vs. 2023 YTD Actuals
- Operating Revenues were \$470K higher than 2023 actual from fewer Conference & Event Centers event cancellations, parking revenues, and leases.
- Operating Expenses were \$1,243K higher than 2023 actual:
  - o Portfolio management \$491K higher due to higher Outside Services and bad debt recovery in 2023.

IV. ECONOMIC DEVELOPMENT DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/24

- o Conference and Event Centers \$82K higher than 2023 due to variable costs associated with higher Conference and Event Center volumes.
- o Econ Division other up \$276K due to \$250K Greater Seattle Partners invoice being budgeted for Q3 but paid in Q1.
- o Central services up \$443K from increased payroll
- o All other Expenses net to \$49K lower than 2023.
- Net Operating Income was \$773K lower than 2023 actual.

2022 2023 2024 2024 Actual vs. Budget Change from 2023

Variance

\$ in 000's Actual Actual Forecast Budget \$ % \$ %

Revenue 8,886 10,477 10,386 10,386 0 0% (91) -1%

Conf & Event Centers 8,914 6,738 7,156 11,156 (4,000) -36% 418 6%

Total Revenue 17,799 17,215 17,542 21,542 (4,000) -19% 327 2%

Expenses

Portfolio Management 3,653 3,713 3,917 3,917 0 0% 205 6%

Conf & Event Centers 6,563 6,632 6,602 9,602 3,000 31% (30) 0%

P69 Facilities Expenses 230 254 225 225 0 0% (29) -11%

RE Dev & Planning 299 340 249 249 0 0% (91) -27%

EconDev Expenses Other 1,058 1,736 1,433 1,058 (375) -35% (303) -17%

Maintenance Expenses 3,836 3,498 4,024 4,024 0 0% 526 15%

Maritime Expenses (Excl Maint) 1,223 1,501 1,894 1,894 0 0% 393 26%

Total EDD & Maritime Expenses 16,862 17,674 18,346 20,971 2,625 13% 672 4%

Diversity in Contracting 186 268 250 250 0 0% (18) -7%

Tourism 1,737 1,540 1,875 1,875 0 0% 335 22%

EDD Grants 105 1,491 1,005 1,505 500 33% (486) -33%

Total EDD Initiatives 2,028 3,300 3,130 3,630 500 14% (169) -5%

Environmental & Sustainability 30 53 94 108 14 13% 41 77%

Police Expenses 240 288 305 289 (16) -6% 17 6%

Other Central Services 4,906 5,206 5,803 5,539 (264) -5% 597 11%

Aviation Division 147 141 132 132 0 0% (9) -7%

Total Central Services & Aviation 5,323 5,688 6,334 6,068 (266) -4% 646 11%

Total Expense before Pension Adjustment 24,213 26,661 27,810 30,669 2,859 9% 1,149 4%

Pension Expense Adjustment (629) (1,168) 0 0 0 NA 1,168 100%

Total Expense 23,584 25,494 27,810 30,669 2,859 9% 2,316 9%

NOI Before Depreciation (5,784) (8,279) (10,268) (9,127) (1,141) -13% (1,989) -24%

Depreciation 3,954 4,132 4,028 4,028 0 0% (105) -3%

NOI After Depreciation (9,738) (12,411) (14,295) (13,154) (1,141) -9% (1,884) -15%

2024 Forecast vs. 2024 Budget

- Operating Revenues forecasted to \$4M below budget due to lower volumes at the Conference & Event Center.
- Operating Expenses \$2.9M below budget due to variable cost impact of lower Conference Center volumes.
- Net Operating Income forecasted at \$1.1M below budget.

2024 Forecast vs. 2023 Actuals (Excludes Pension Adjustments)

- Operating Revenues forecasted \$0.3M higher than 2023 with modest increases in Conference & Event Center along with increased concession revenue at the Bell Street garage.
- Operating Expenses \$1.1M higher than 2023 due to payroll increases, Conference & Event Center volumes and change in the EDD Grants from 1yr to 2yr cycle.
- Net Operating Income forecasted \$0.8M lower than 2023 actual excluding pension adjustments.

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IV. ECONOMIC DEVELOPMENT DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/24

B. CAPITAL RESULTS



Note: POF (Plan of Finance) is the total estimated during the budget process.

Comments on Key Projects

- T91 Uplands – Cash flows pushed out to 2024 due to design contract delays.
- P69 Under dock – Project nearly complete.
- P69 Public Video Wall – Delayed while final design modifications are pending executive review/approval.

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V. CENTRAL SERVICES DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/24

V. CENTRAL SERVICES DIVISION

FINANCIAL SUMMARY

2022 YTD 2023 YTD 2024 YTD Actual vs. Budget Change from 2023

Variance Incr (Decr)

\$ in 000's Actual Actual Budget % %

Total Operating Revenues	271,290	145,489	199.6%	(145)	-50.0%
Core Central Support Services	44,434	51,528	60,287	59,243	(1,044) -1.8%
Police	14,211	17,323	22,345	20,754	(1,591) -7.7%
Engineering/PCS	4,418	6,383	6,607	9,571	2,964 31.0%
Total Operating Expenses	63,064	75,235	89,239	89,568	330 0.4%
				14,004	18.6%

2024 YTD Actuals vs. 2024 YTD Budget

- Operating Revenues favorable by \$96K due primarily to Police forfeiture Revenues and other Reimbursable Revenue.
- Operating Expenses \$330K favorable to budget mainly due to lower Outside Services, Travel, Equipment, and higher charges to Capital Projects; offset by higher Payroll, Promotional Expenses, and General Expenses.

2024 YTD Actuals vs. 2023 YTD Actuals

- Operating Revenues \$145K below 2023 mainly due to lower Police forfeiture.
- Operating Expenses \$14.0M higher than 2023 mainly due to higher Payroll, Outside Services, Promotional Expenses, and General Expenses; partially offset by higher charges to Capital Projects and lower Equipment.

A. BUSINESS EVENTS

- Hosted media events to welcome new service announcements for Philippine Airlines, Hainan Airlines, Alaska Airlines, Delta and Lufthansa.
- Celebrated inaugural call of the Celebrity Edge cruise ship.
- Announced South King County Fund Environmental Grants.
- Hosted media for Maritime Innovation Center Groundbreaking event.
- Signed MOA with Suquamish Indian Tribe.
- Participated in the Green Infrastructure Leadership Exchange panel discussion alongside members from the Port's Stormwater Utility Team, King County's Department of Natural Resources and Parks and Dirt Corps.
- Received ultra-clean audit results on FY 2023 external audits.
- Submitted \$500 million joint grant application with NWSA and Port of Tacoma for the EPA's Clean Ports Program for a variety of zero emissions technologies.
- Hired 85 positions in Q2 and 185 total hires year to date; of the 185 total hires, 141 were external and 44 were internal. Additionally, over 40 high school interns were hired for the summer program.
- 95% of Port employees completed the required EEO Compliance trainings as of Q2.
- Sponsored Seattle Sport's Commission Region Ready Event.
- Hosted America is All-In Roundtable, Tour & Press Conference with Gov. Inslee & Gina McCarthy; facilitated All In videotaping with Duwamish Valley partners.

- Hosted three Part 150 Community Workshops in Burien, Des Moines, and SeaTac.
- Sponsored strategic partner business and community events including: Propeller Club Gala, Khmer Annual New Years, Kirkland State of the City, Kirkland Chamber Gala, Duwamish Alive, BikeWorks Gala, Visit Bellevue Annual Meeting, Seattle Southside Chamber Education and Workforce Summit, Maritime Industry Breakfast, Woodinville Chamber Economic Development, Bike Everywhere Day, West Seattle Chamber Business Awards, Redmond State of the City, Woodinville Wine Co FAM, Highline Heritage Museum Gala, Visit Seattle Data Symposium Bellevue Chamber Gala, East King Co Leg Coalition Wrap Up, SnoValley Leg Review.

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V. CENTRAL SERVICES DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/24

B. KEY PERFORMANCE METRICS

YTD YTD YTD

Century Agenda Strategic Objectives

2022 2023 2024

Responsibly Invest in the Economic Growth of the Region and all its Communities

A. Job seekers placed in jobs at SEA Airport through the Employment Center 660 1118 864

B. Number of SEA Airport tenants supported in finding employees 82 95 103

C. Employment Center training completions 270 554 477

D. K-12 Career Connected Learning: WFD engagement with teachers/faculty 0 13 7

E. Community members entering employment in construction, maritime and

37 26 13

environmental sustainability

F. Number of Job Openings Posted 187 199 111

G. Job applications received 7,662 6,477 5,937

H. Number of job interviews conducted 1,314 968 659

I. Number of new employees hired 276 284 157

J. Number of interns 48 284 157

K. Number of Veteran Fellows 1 0 1

L. Number of employees participating in Tuition Reimbursement 36 25 17

Become a Model for Equity, Diversity and Inclusion

A. Employee participation in OEDI programming (Caucuses, Book Clubs, 850 878 1357

Town Halls, etc.)

Be a Highly Effective Public Agency

A. Central Services costs as a % of Total Operating Expenses 28.0% 27.7% 30.0%

B. Investment portfolio earnings versus the benchmark (the Bank of America 1.17%/ 3.11%/ 3.70%/

Merrill Lynch 1-3 Year US Treasury & Agency Index) 2.95% 4.98% 4.79%

C. Comply with Public Disclosure Act and respond in a timely manner 418 671 381

D. Percent of annual audit work plan completed each year 100% 100% 100%

E. Employee Development Class Attendees/Structured Learning 1,097 1,490 1,655

F. Total Recordable Incident Rate (previous Occupational Injury Rate) 3.32 5.72 4.09

G. Lost Work Day Rate (previously Days Away Severity Rate) 18.41 73.69 16.73

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V. CENTRAL SERVICES DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/24

C. OPERATING RESULTS

Financial Summary (Year-End Forecast)

2022 YTD 2023 YTD 2024 YTD 2024 YTD Actual vs. Budget Change from 2023

Variance Incr (Decr)

\$ in 000's Actual Actual Actual Budget \$ % \$ %

Total Revenues 271 290 145 48 96 199.6% (145) -50.0%

Executive 1,187 2,157 3,749 2,317 (1,432) -61.8% 1,592 73.8%

Commission 1,167 1,225 1,579 1,752 173 9.9% 354 28.9%

Legal 3,288 3,425 5,220 2,994 (2,226) -74.3% 1,795 52.4%

External Relations 4,166 4,732 5,612 6,484 872 13.5% 880 18.6%

Equity Diversity and Inclusion	1,291	1,561	2,131	3,071	940	30.6%	570	36.5%
Human Resources	5,068	6,036	7,036	8,253	1,217	14.7%	999	16.6%
Labor Relations	571	668	824	807	(17)	-2.1%	156	23.3%
Internal Audit	1,609	1,189	967	1,124	157	14.0%	(222)	-18.7%
Accounting & Financial Reporting Services	4,255	4,742	5,163	5,827	663	11.4%	421	8.9%
Information & Communication Technology	13,166	14,876	15,927	15,819	(108)	-0.7%	1,051	7.1%
Information Security	810	1,117	1,352	1,445	93	6.4%	234	21.0%
Finance & Budget	1,165	1,419	1,569	1,645	76	4.6%	150	10.5%
Business Intelligence	684	810	937	1,116	180	16.1%	127	15.7%
Risk Services	2,392	2,724	3,163	3,172	9	0.3%	439	16.1%
Office of Strategic Initiatives	435	698	613	787	174	22.1%	(86)	-12.3%
Central Procurement Office	2,964	3,694	3,867	4,353	486	11.2%	174	4.7%
Contingency (63)	(43)	(48)	(2,712)	(2,664)	98.2%	(4)	9.9%	
Core Central Support Services	44,156	51,031	59,660	58,254	(1,406)	-2.4%	8,629	16.9%
Police	14,211	17,323	22,345	20,754	(1,591)	-7.7%	5,022	29.0%
Total Before Cap Dev & Environment	58,367	68,354	82,005	79,008	(2,996)	-3.8%	13,651	20.0%
Capital Development								
Engineering	2,865	3,928	4,336	5,627	1,291	22.9%	409	10.4%
Port Construction Services	1,553	2,455	2,270	3,944	1,673	42.4%	(185)	-7.5%
Sub-Total	4,418	6,383	6,607	9,571	2,964	31.0%	224	3.5%
Environment & Sustainability								
Environment & Sustainability	273	497	627	989	362	36.6%	130	26.2%
Sub-Total	273	497	627	989	362	36.6%	130	26.2%
Industrial Development Corporation	-	-	-	-	-	-	-	-
Capital to Expense	6	-	-	-	-	-	-	-
Total Expenses	63,064	75,235	89,239	89,568	330	0.4%	14,004	18.6%

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V. CENTRAL SERVICES DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/24

2024 Forecast vs. 2024 Budget

Operating Expenses for 2024 are forecasted to be \$5.0M over Budget due primarily to:

- Executive – unfavorable variance of (\$2.5M) primarily due to higher Promotional Expenses (\$2.5M).
- Commission – favorable variance of \$139K primarily due to lower Payroll of \$117K and Outside Services of \$42K; offset by higher General Expenses of (\$20K).
- Legal – unfavorable variance of (\$4.8M) due to higher Outside Services (\$4.6M), Payroll (\$122K), and less charges to Capital Projects (\$75K); offset by lower General Expenses of \$50K.
- External Relations – favorable variance of \$551K primarily due to lower Outside Services of \$356K, Payroll \$166K, and Travel \$29K.
- Equity, Diversity, and Inclusion – favorable variance of \$498K primarily due to lower Outside Services of \$383K and Payroll of \$81K.
- Human Resources – favorable variance of \$1.3M primarily due to lower Payroll of \$1.1MK, General Expenses \$156K, and Travel \$50K.
- Labor Relations – unfavorable variance of (\$17K) primarily due to higher Payroll (\$34K); offset by lower Travel \$17K.
- Internal Audit – favorable variance of \$125K primarily due to lower Payroll of \$128K.
- Accounting and Financial Reporting Services – favorable variance of \$590K primarily due to lower Payroll of \$431K, Outside Services \$83K, and Travel \$59K.
- Information & Communication Technology – expects to be on target.
- Information Security – favorable variance of \$48K primarily due to lower Outside Services of \$81K; offset by higher Payroll (\$20K) and Travel (\$10K).
- Corporate Finance & Budget – favorable variance of \$99K primarily due to lower Outside Services \$156K and Travel \$6K; offset by higher Payroll of (\$66K).
- Business Intelligence – favorable variance of \$115K primarily due to lower Outside Services of \$120K and Travel \$29K; offset by higher Payroll (\$23K) and Promotional Expenses (\$7K).
- Risk Services – favorable variance of \$195K due to lower Outside Services of \$54K and Insurance Expense of

\$146K.

- Office of Strategic Initiative – favorable variance of \$144K primarily due to lower Payroll of \$145K.
- Central Procurement Office – favorable variance of \$607K primarily due to lower Payroll of \$626K.
- Police – unfavorable variance of (\$2.2M) primarily due to higher Payroll (\$2.4M), General Expenses (\$560K), and Supplies (\$39K); partially offset by lower Outside Services \$551K and Travel \$231K.
- Engineering – favorable variance of \$1.7M primarily due to lower Payroll \$682K, Outside Services \$271K, Equipment \$126K, and Overhead Allocations of \$374K.
- PCS – favorable variance of \$1.8M primarily due to lower Payroll of \$840K and higher charges to Capital Projects \$1.0M.
- Environment & Sustainability Admin – favorable variance of \$271K primarily due to lower Payroll of \$70K and lower Outside Services of \$242K; offset by higher Travel of (\$39K).
- Contingency – unfavorable variance of (\$3.6M) due to vacancy factor actuals in departments and Compensation Study.

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V. CENTRAL SERVICES DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/24

2024 Forecast vs. 2023 Actuals

- Operating Expenses for 2024 are forecasted to be \$15.4M higher than 2023, after adjusting for \$14.5M state pension credit in 2023 actuals, mainly due to:
  - o Core Central Support Services – \$11.3M higher than 2023 primarily due to: higher payroll for current employees and new positions as well as full year salaries for mid-year 2023 positions; contractual increases; addition of new initiatives to support growing needs of the organization.
  - o Police – \$1.6 above 2023 due to: increase in salary and benefits for represented groups based on new contracts, new positions, vacant positions in 2023, and addition of new initiatives to enhance the safety and security of the public.
  - o Capital Development – \$1.8M higher than 2023 primarily due to higher payroll and addition of new positions as well as contractual increases to support the capital program.

D. CAPITAL RESULTS

2024 2024 2024 2024 Budget Variance

YTD Year-End Plan of

Budget \$ %

\$ in 000's Actual Fore cas t Finance

Engineering Fleet Replacement	276	3,817	3,716	1,890	(101)	-2.7%
Corporate Fleet Replacement	251	1,072	1,189	920	117	9.8%
Services Tech - Small Cap	688	2,046	1,623	1,500	(423)	-26.1%
Infrastructure - Small Cap	437	958	1,500	1,500	542	36.1%
Enterprise Network Refresh	1,645	2,045	2,600	2,600	555	21.3%
ID Badge System Upgrade	72	2,072	2,551	2,550	479	18.8%
Radio Microwave Redundancy Loop	11	341	2,272	1,973	1,931	85.0%
Public Safety Dispatch & Police RMS	220	220	950	1,720	730	76.8%
Enterprise Firewall Refresh	11	510	1,550	1,460	1,040	67.1%
Physical Access Control System Refresh	5	905	1,250	1,100	345	27.6%
Office Wi-Fi Refresh	607	612	1,565	1,000	953	60.9%
Other (note 1)	657	3,413	5,052	5,916	1,639	32.4%
Subtotal	4,880	18,011	25,818	24,129	7,807	30.2%
CIP Cashflow Adjustment -	(4,600)	(6,800)	(6,200)	(2,200)	(2,200)	32.4%
TOTAL	4,880	13,411	19,018	17,929	5,607	29.5%

Note:

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

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