



**COMMISSION
AGENDA MEMORANDUM**

Item No. 11a

BRIEFING ITEM

Date of Meeting August 8, 2023

DATE: July 21, 2023
TO: Stephen P. Metruck, Executive Director
FROM: Dan Thomas, Chief Financial Officer
Michael Tong, Director, Corporate Budget
SUBJECT: Q2 2023 Financial Performance Briefing

EXECUTIVE SUMMARY

The purpose of this presentation is to provide a status report of the Q2 2023 financial performance results.

BACKGROUND

The Port's overall operating revenues for Q2 2023 were \$462.0 million, which is \$8.3 million above budget and \$99.7 million higher 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 \$145.4 million, \$7.8 million over budget mainly due to higher revenues from Public Parking (\$4.4M), Rental Cars (\$2.1M), Airport Commercial Properties (\$1.6M), and Clubs & Lounges (\$1.0M); partially offset by lower revenues from ADR & Terminal Leased Space (\$1.9M).

Non-Airport revenues were \$4.9M over budget mainly due to higher NWSA Distributable Revenue (\$4.7M) and Cruise (\$2.3M); partially offset by lower revenues from Conference & Event Center (\$2.1M) and Grain (\$1.3M).

Total operating expenses for the first half of 2023 were \$264.7 million, which is \$15.7 million below budget and \$43.4 million higher than 2022. The favorable budget variance was largely due to delay in Outside Services spending, Travel & Other Employee Expenses, and Third Party Management Operating Expense.

Net operating income before depreciation was \$197.3 million, which is \$23.9 million above budget and \$55.8 million higher than the same period last year.

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) Q2 2023 Financial and Performance Report
- (2) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None