



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 9c

**BRIEFING ITEM**

**Date of Meeting** March 12, 2019

**DATE:** February 26, 2019  
**TO:** Stephen P. Metruck, Executive Director  
**FROM:** Dan Thomas, Chief Financial Officer  
Michael Tong, Asst. Finance Director – Budget  
**SUBJECT:** 2018 Financial Performance Briefing

**EXECUTIVE SUMMARY**

The purpose of this presentation is to provide a status report of the 2018 financial performance results.

**BACKGROUND**

The Port's operating results for 2018 were very strong. Total operating revenues were \$689.4 million, which is \$18.9M above budget and \$57.4M higher than 2017 primarily due to higher revenues from Public Parking, Rental Cars, Airport Dining and Retail, Ground Transportation, Cruise, Fishing Operations and Conference & Event Centers.

Total operating expenses were \$397.6M, \$25.2M below budget mainly due to staffing vacancies, outside services and a \$15.6M Washington State Department of Retirement Systems (DRS) Pension True-up credit.

Net operating income before depreciation was \$291.8 million, which is \$44.2 million above budget and \$32.7 million higher than 2017 actuals.

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) 2018 Financial and Performance Report
- (2) Presentation slides

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

None