

Item No.: 10A

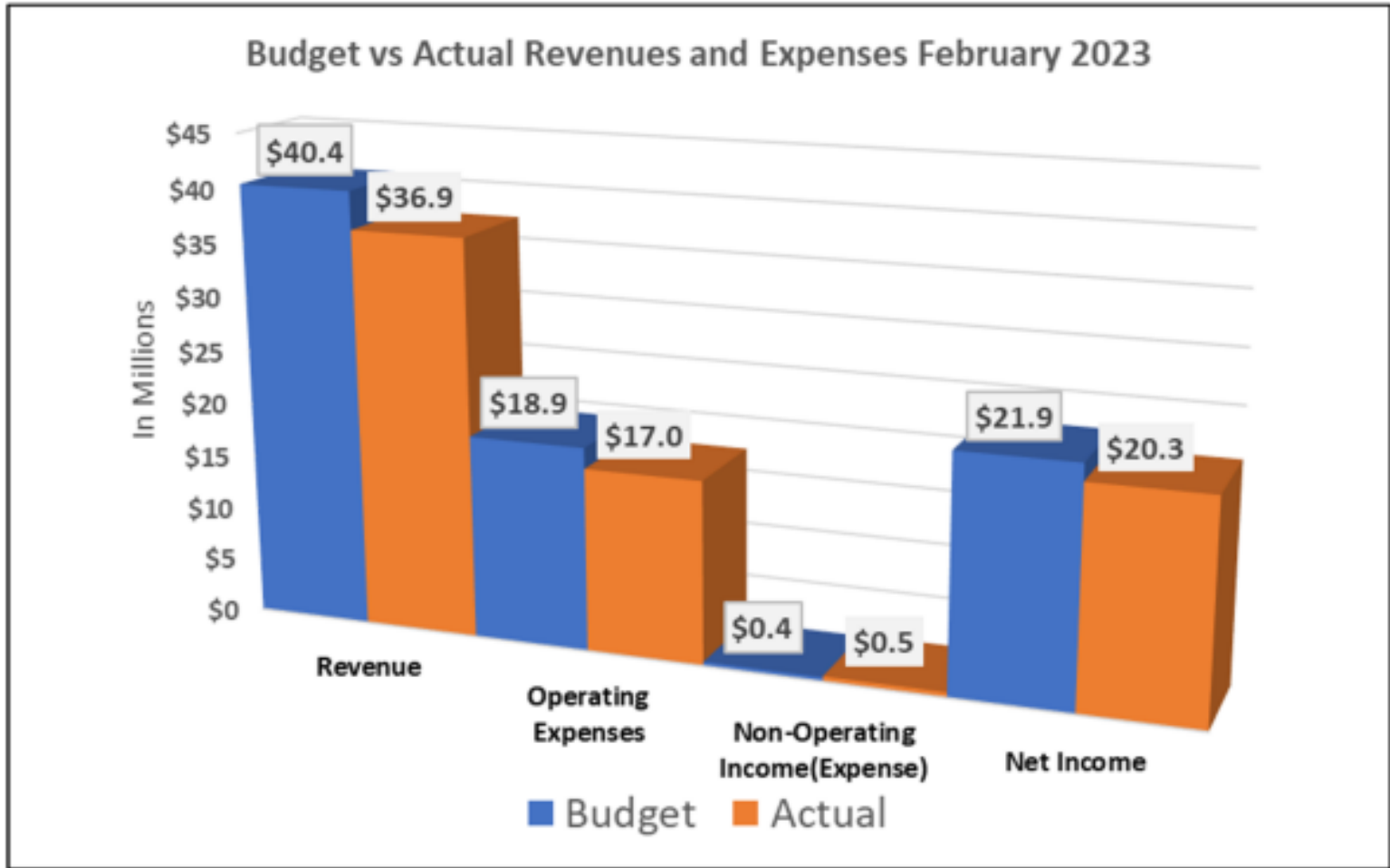
Meeting Date: April 4, 2023



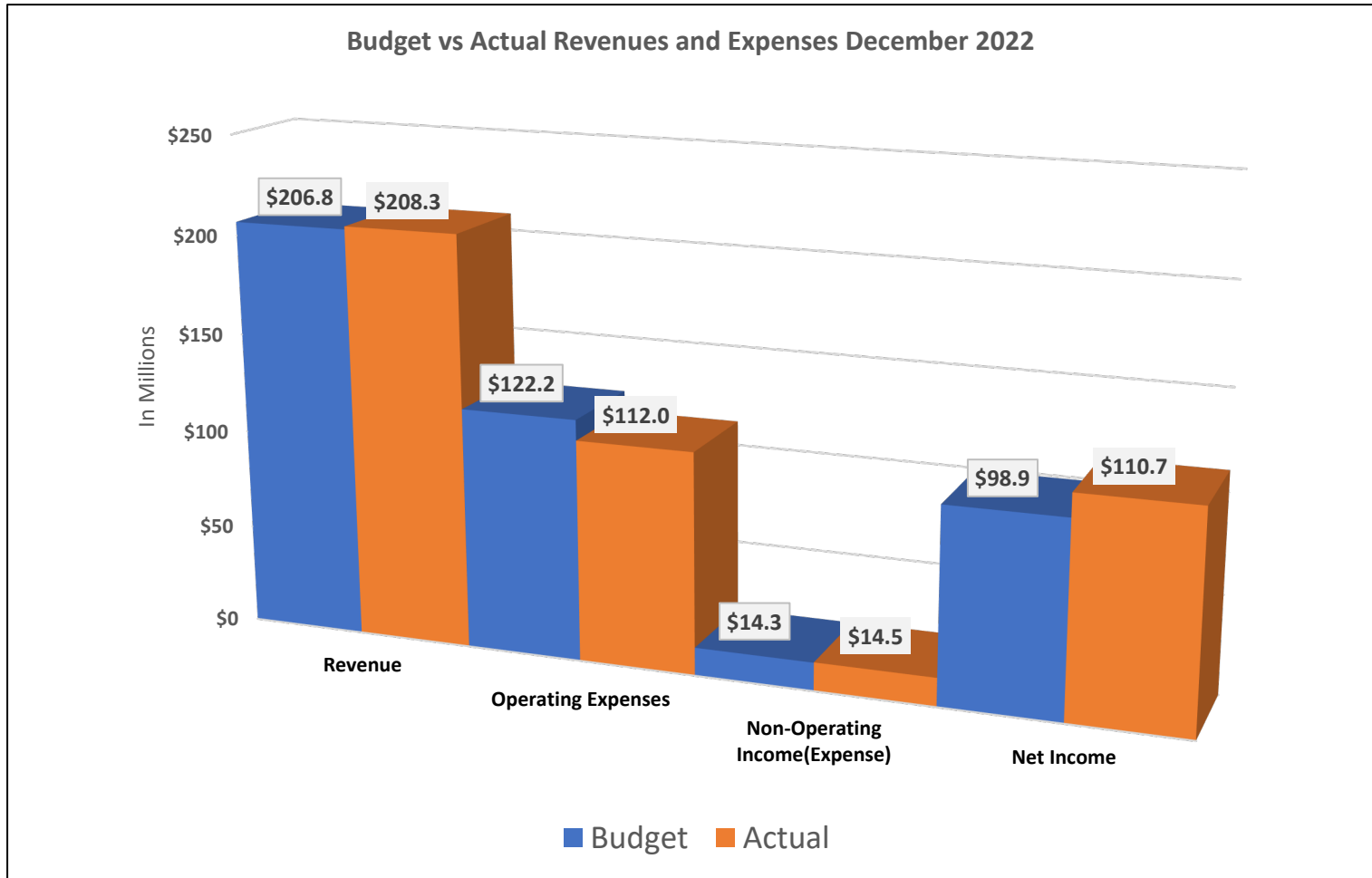
**THE NORTHWEST
SEAPORT ALLIANCE**
Gateway to Solutions

2022 Financial Results and NWSA 8 Year History

YTD February



2022 Actual vs 2022 Budget Comparison

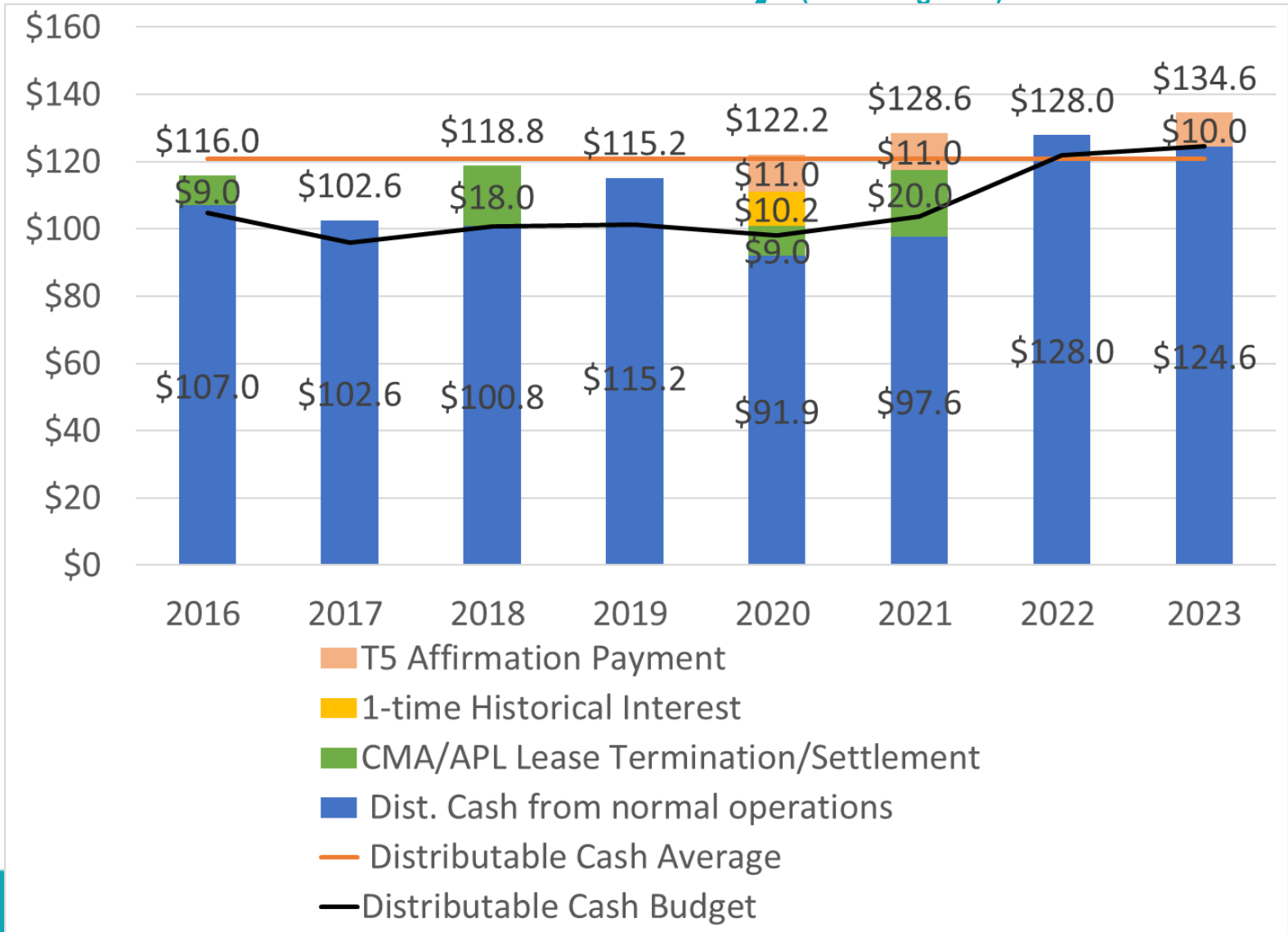


2022 Capital Spending Summary (\$000)

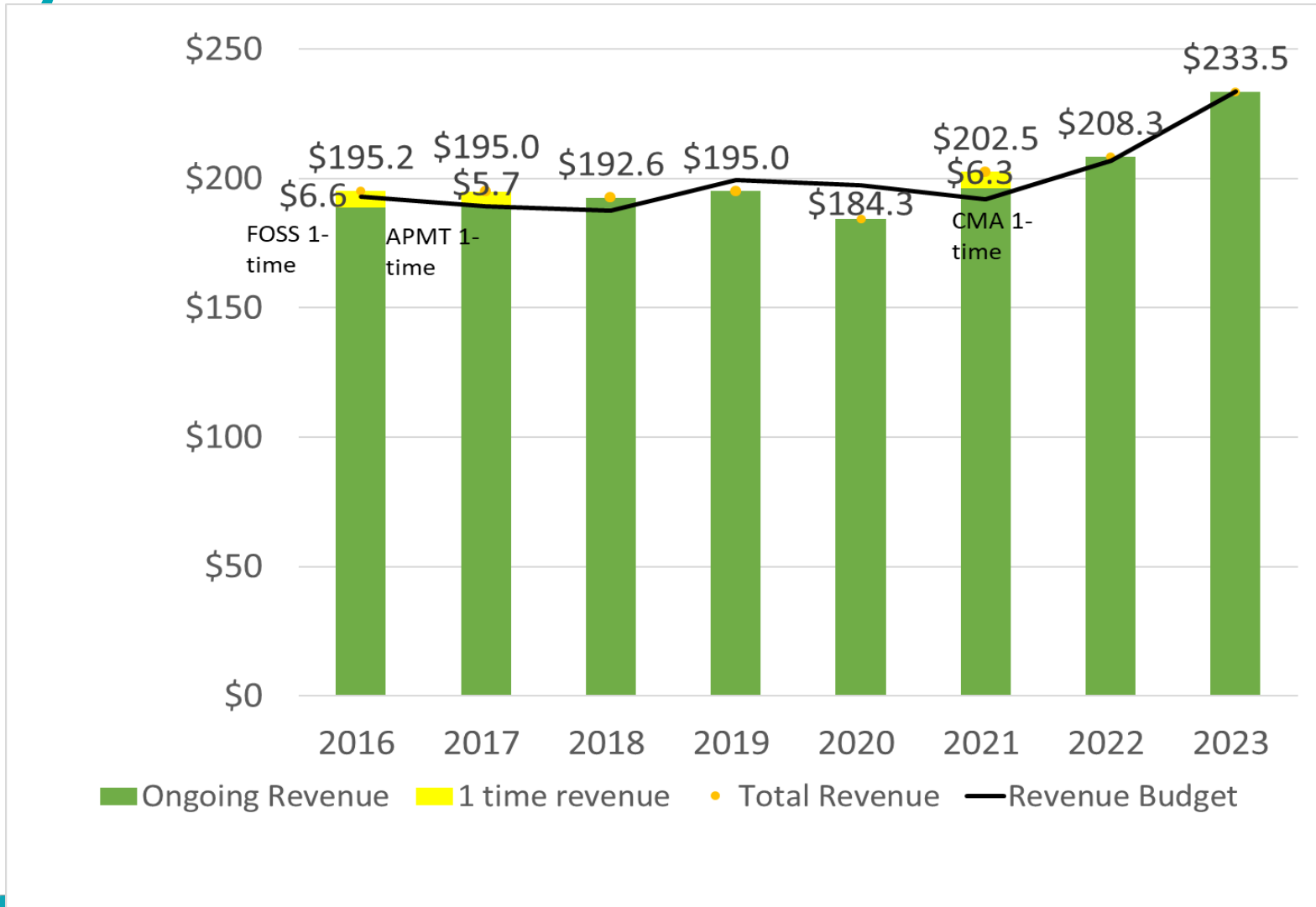
	2022	2021	2020
Terminal 5 modernization	\$ 37,836	\$ 66,921	\$ 105,920
N. and S. Harbor terminal stormwater improvements	13,968	11,334	6,391
Facility and building improvements	5,475	3,672	5,251
Husky Terminal redevelopment and container cranes	198	2,479	9,328
Terminal 46 dock rehabilitation	7	2,412	857
Marine terminal dock fender replacements	1,046	2,064	555
CBP facility	243	1,378	-
Rail improvements	4	302	-
Air quality systems infrastructure	5	32	225
Machinery and equipment	-	-	1052
Container straddle carriers	-	-	-
Information technology infrastructure	-	-	39
	\$ 58,782	\$ 90,594	\$ 129,618



Distributable Cash History (excluding HMT)



8-year Revenue



Revenue

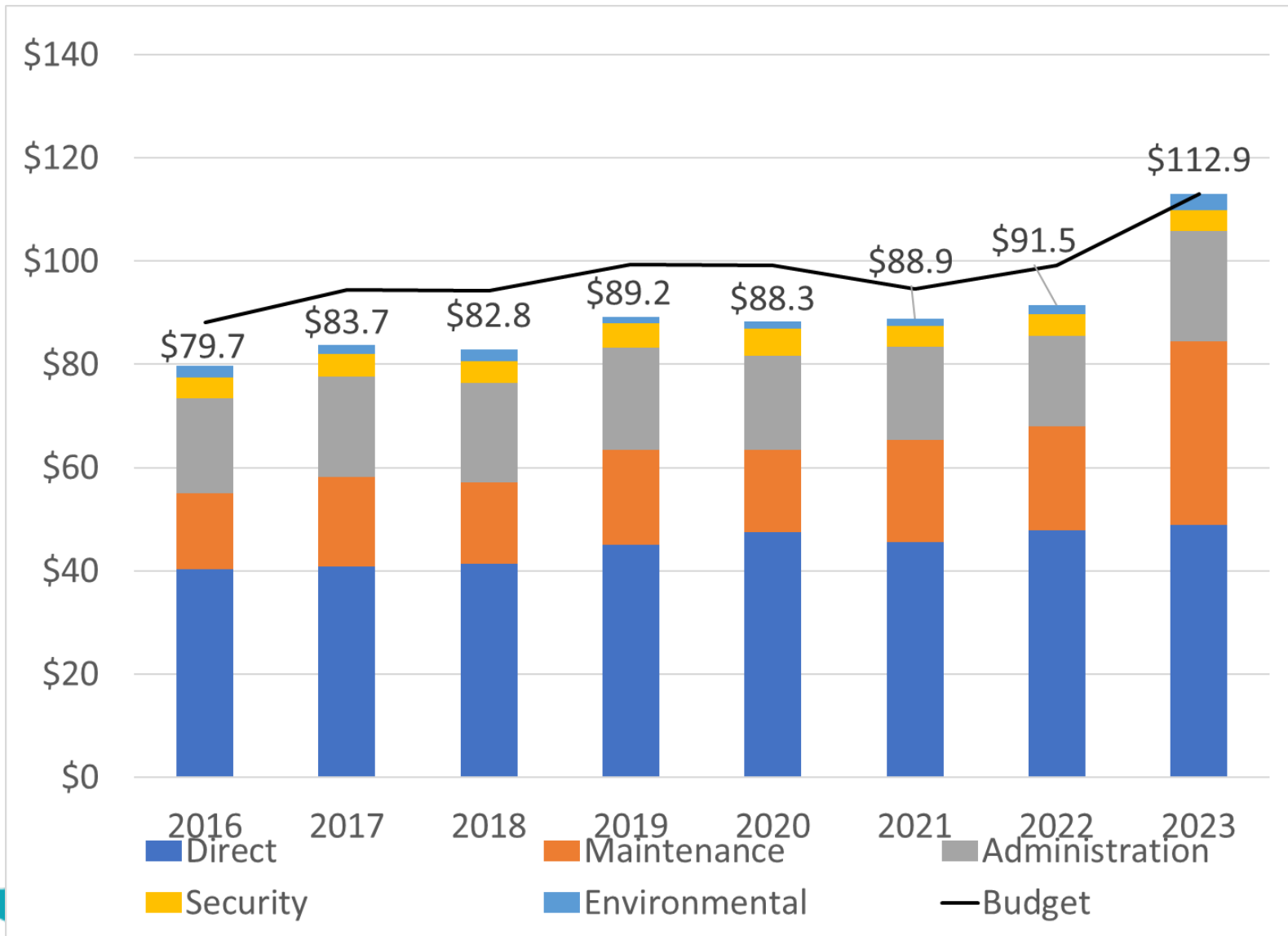
	2022 Actual	2022 Budget	2023 Budget	2022 Actuals vs Budget	%
Revenue	\$ 208,307,664	\$ 206,842,162	\$ 233,533,560	\$ 1,465,502	0.7%

- **2022 Actuals vs 2022 Budget**
 - Container revenue decrease, (\$2.3M)
 - T5 (\$2.2M), SSA took 65 acres, budgeted 85 acres
 - T18 (\$6.2M), budgeted T18 to go over MAG
 - Offset by T46, \$3.3M, budget didn't include USCG or PCMC
 - Offset by Husky \$1.7M
 - Breakbulk revenue increase, \$9.4M
 - Increased volume
 - Intermodal revenue decrease, (\$5.6M)
 - Decreased lifts

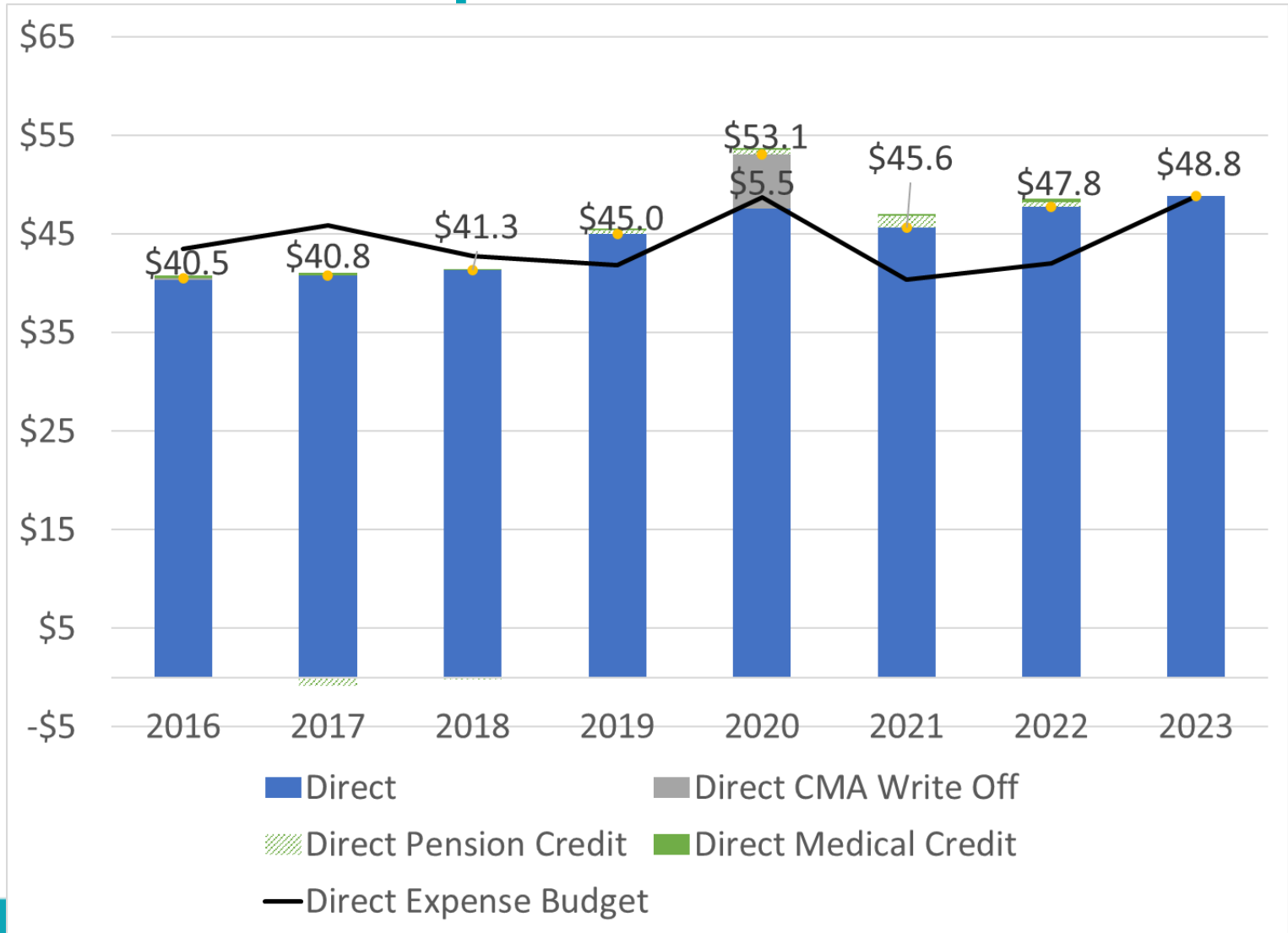


3/27/2023

Operating Expense before Depreciation (\$M)



8-Year Direct Expense



Direct

	2022 Actual	2022 Budget	2023 Budget	2022 Actuals vs Budget	%
Direct Expense	\$ 47,789,469	\$ 42,032,185	\$ 48,828,986	\$ (5,757,284)	-13.7%

- **2022 Actual vs 2022 Budget**
 - Increased longshore labor due to increase in breakbulk volume/revenue, (\$3.9M)
 - T5 Shuttle program, (\$1.8M)

3/27/2023



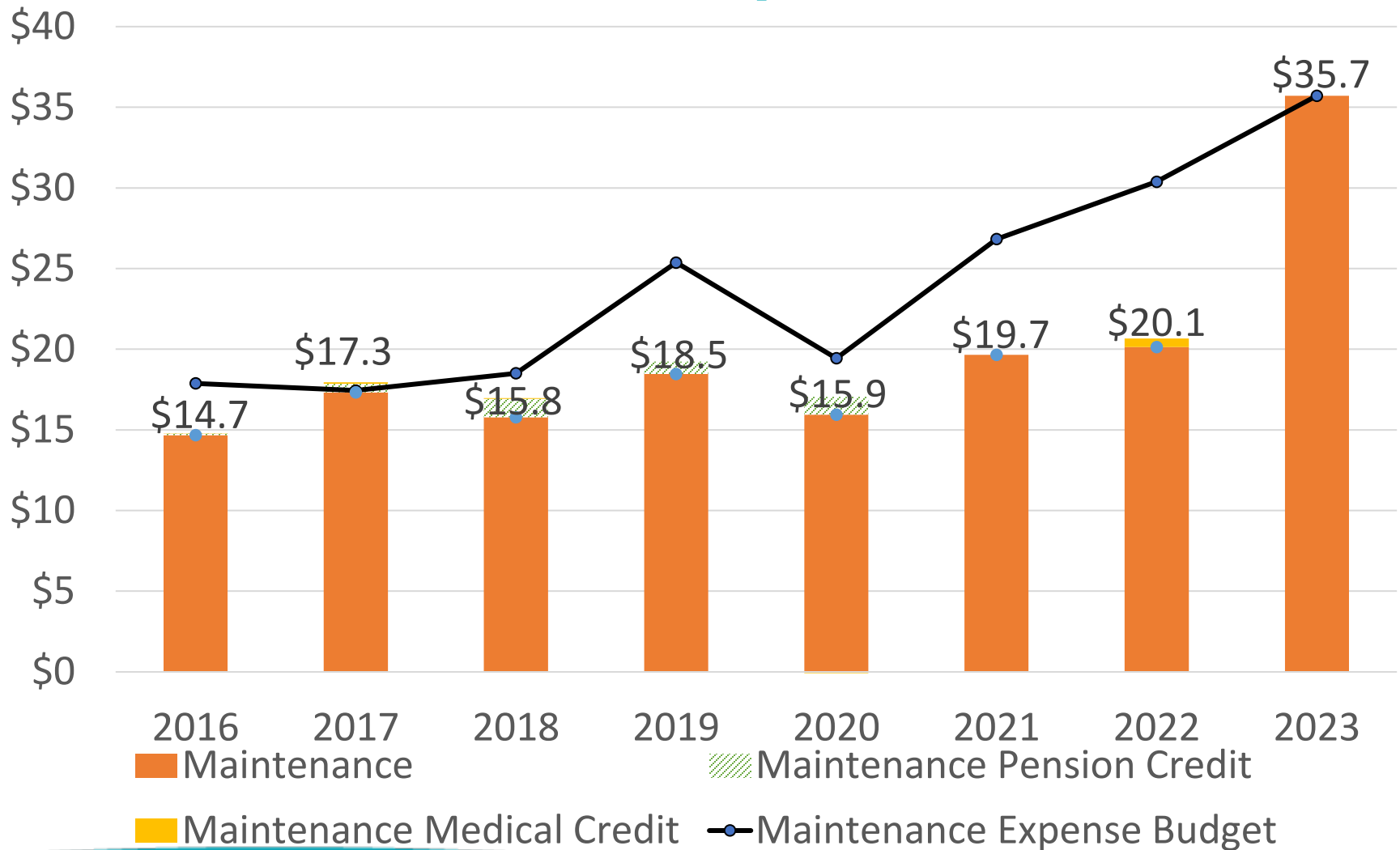
Direct Cont'd

- **2022 Actual vs 2023 Budget**
 - Drayage for new auto business, (\$3M)
 - SIM Rail Service, (\$1.4M)
 - No T5 Shuttle expense in 2023, \$1.8M
 - Decrease in longshore labor for breakbulk, \$2M
 - 2023 movement of BARS direct expenses to BARS maintenance, \$1.1M

3/27/2023



8-Year Maintenance Expense



Maintenance

	2022 Actual	2022 Budget	2023 Budget	2022 Actuals vs Budget	%
Maintenance Expense	\$ 20,126,893	\$ 30,379,820	\$ 35,717,128	\$ 10,252,927	33.7%

- **2022 Actual vs 2022 Budget**

- Lower strad maintenance, \$1.1M
- Lower CIP expense projects, \$8.4M
 - T5, \$1.9M (gate repair, readiness assessment, management reserve)
 - T18, \$1.5M (dredging, substation assessments)
 - West Sitcum, \$1.1M (fender repair)
 - PCT, \$0.9M (pavement & culvert repair, dredging)
 - T30, \$0.5M (dredging)
 - Several other projects not completed under \$0.5M each



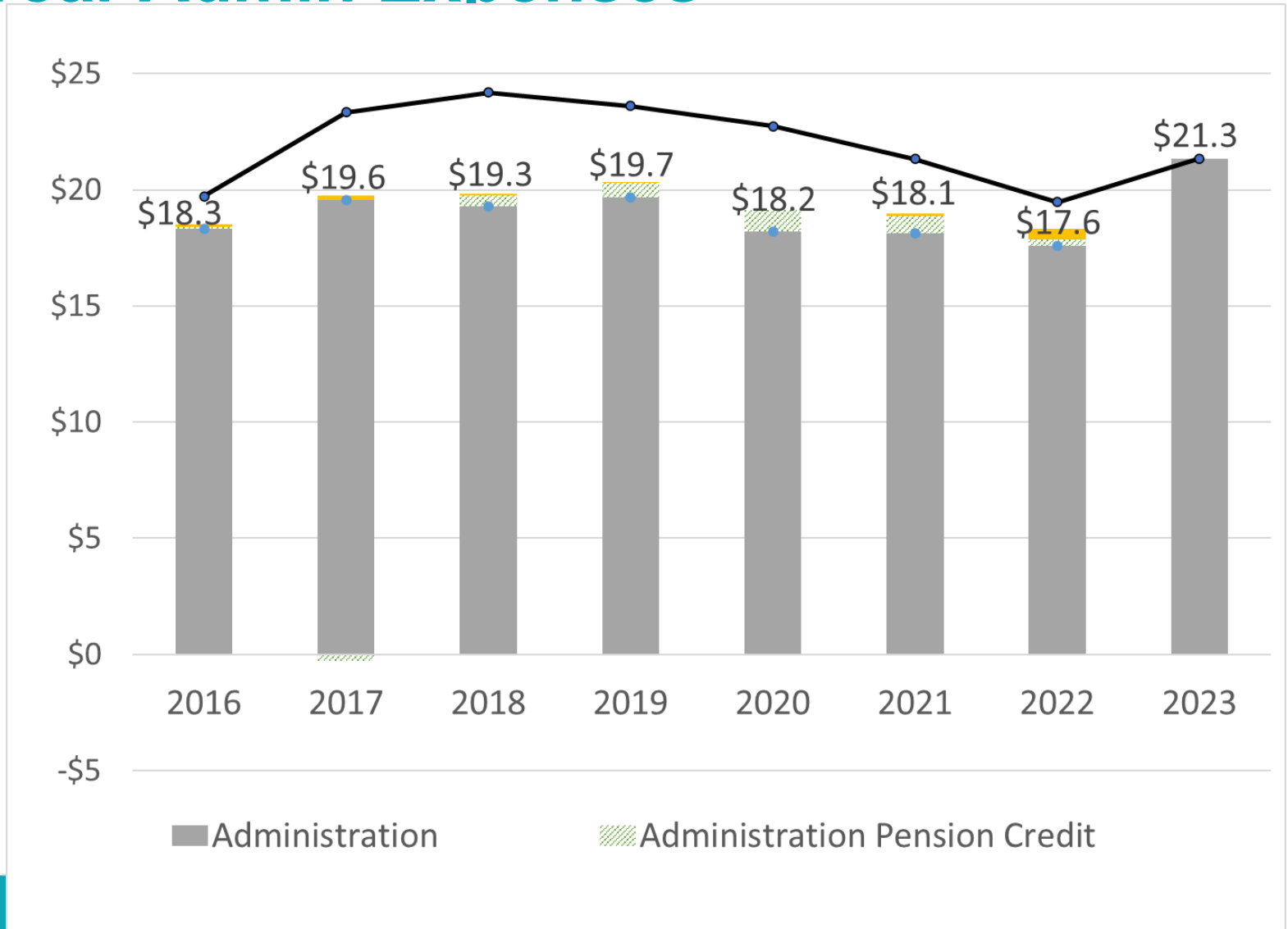
Maintenance Cont'd

- **2022 Actual vs 2023 Budget**

- Increase in CIP expense, (\$10M)
 - Unanticipated placeholder, (\$3M)
 - T46 crane maintenance and dredging, (\$2.2M)
 - T18 pier repairs and dredging, (\$1.6M)
 - Individual projects <\$1M approved during budget, (\$3.2M)
- 2023 increase in strad maintenance, (\$1.3M)
- 2023 movement of BARS direct expenses to BARS maintenance, (\$1.1M)



8-Year Admin Expenses



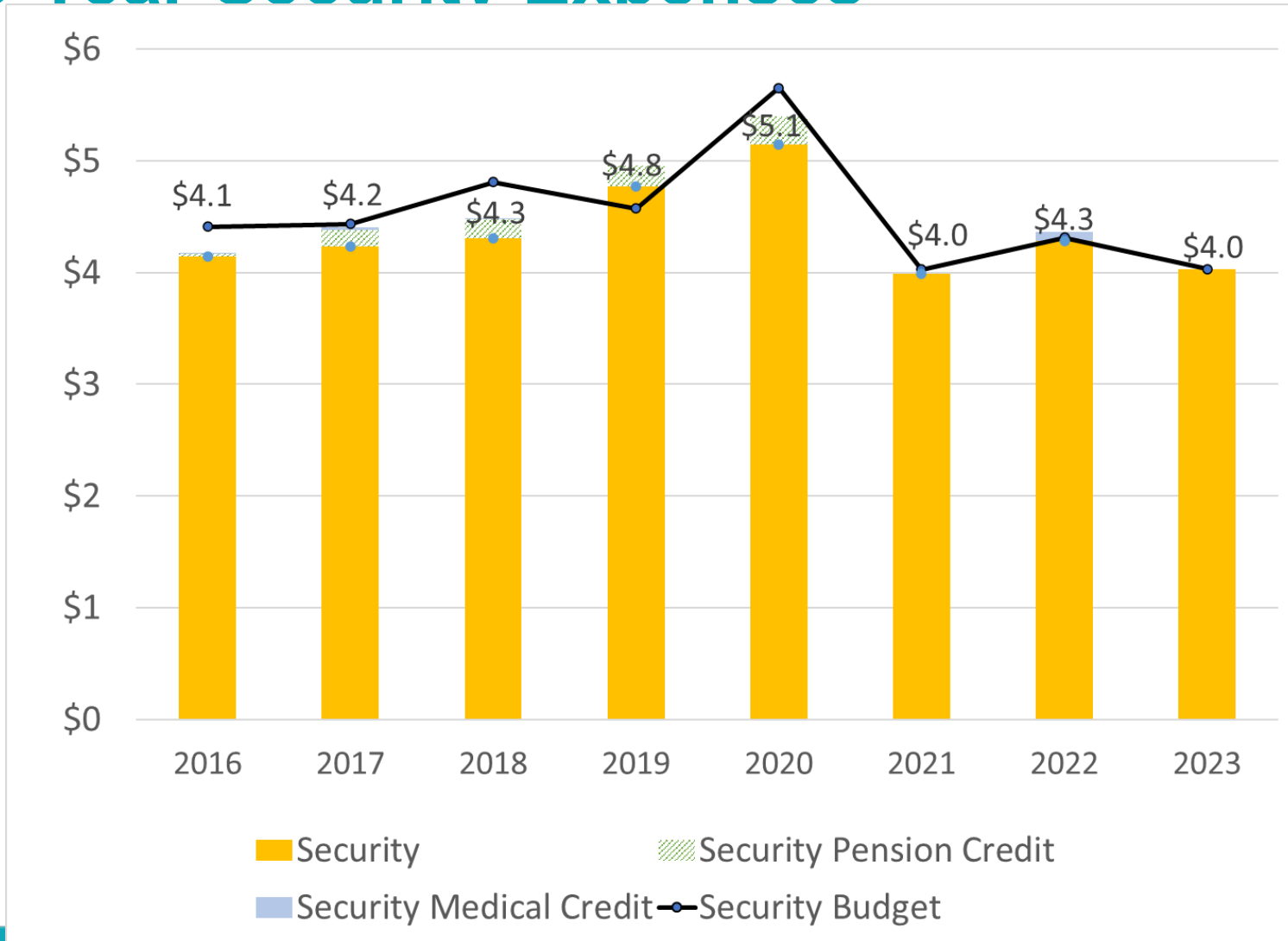
Administration

	2022 Actual	2022 Budget	2023 Budget	2022 Actuals vs Budget	%
Administration Expense	\$ 17,565,380	\$ 19,467,680	\$ 21,344,588	\$ 1,902,300	9.8%

- **2022 Actual vs 2022 Budget**
 - reduced allocations from the POT, \$1.9M
 - IT, \$1.4M



8-Year Security Expenses



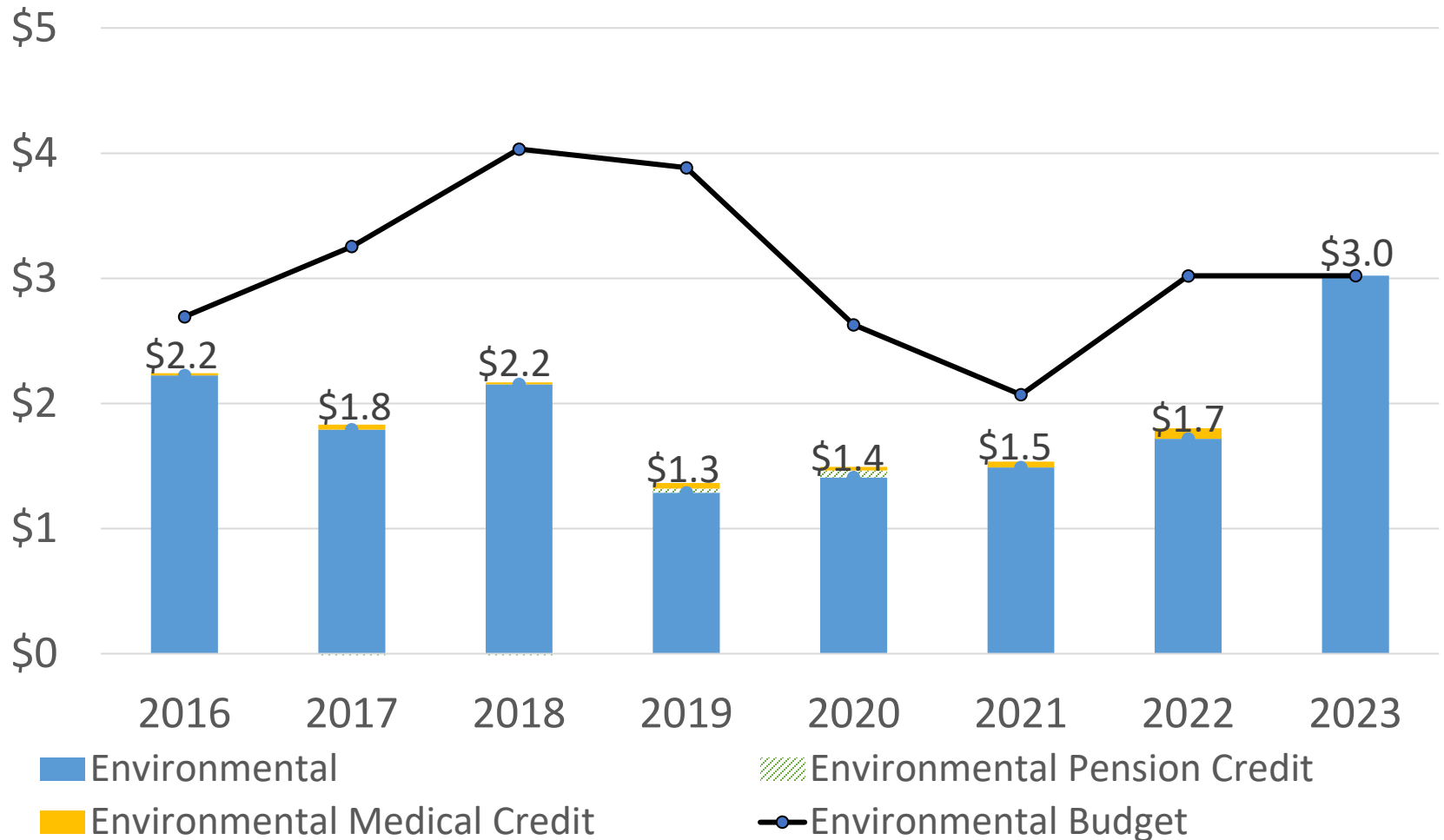
Security

	2022 Actual	2022 Budget	2023 Budget	2022 Actuals vs Budget	%
Security Expense	\$ 4,283,431	\$ 4,313,708	\$ 4,032,827	\$ 30,277	0.7%

- **2022 Actual vs 2022 Budget**
 - Nothing significant to report
- **2022 Actual vs 2023 Budget**
 - Nothing significant to report



8-Year Environmental Expenses



Environmental

	2022 Actual	2022 Budget	2023 Budget	2022 Actuals vs Budget	%
Environmental Expense	\$ 1,717,630	\$ 3,019,729	\$ 3,021,727	\$ 1,302,099	43.1%

- **2022 Actual vs 2022 Budget**

- Underbudget for Soundkeeper lawsuit, \$0.6M
- Work not completed for PSEI inventory, \$0.4M
- Work not completed for electrification roadmap, \$0.2M

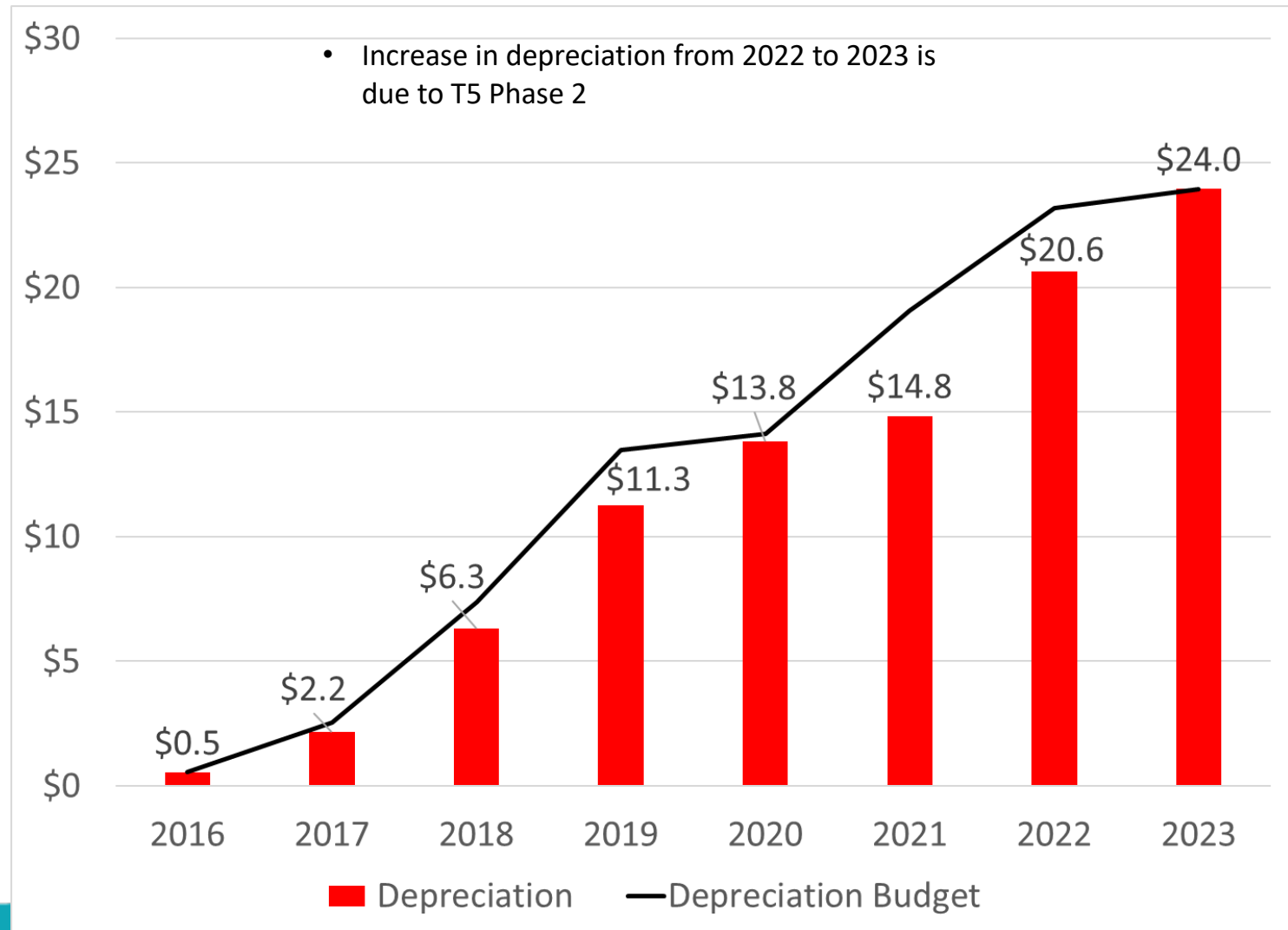


Environmental Cont'd

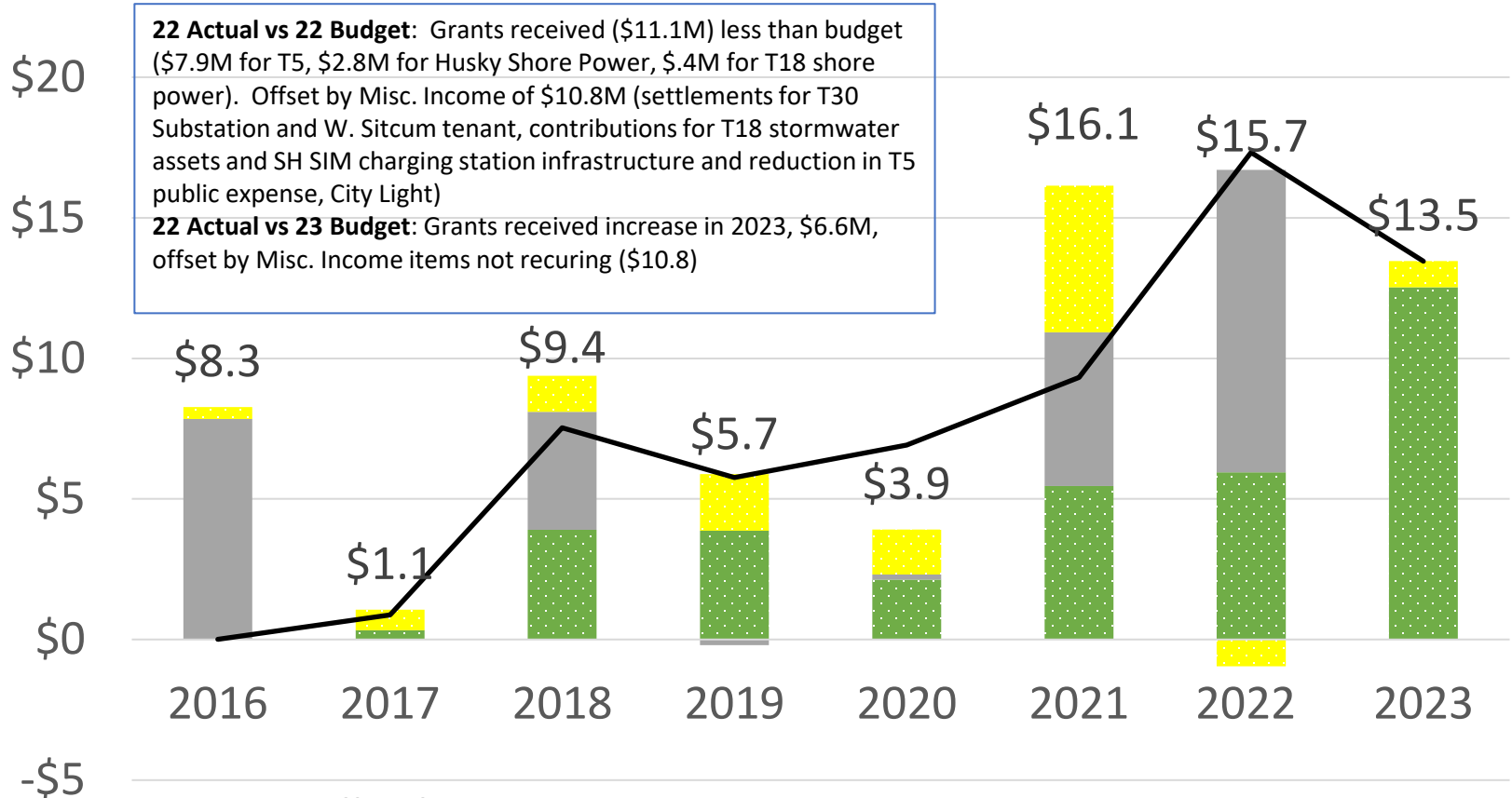
- **2022 Actual vs 2023 Budget**
 - 2023 includes spending for projects:
 - Air Pollutant Emissions Inventory, (\$0.5M)
 - Regional Zero Emission Truck Collaborative, (\$0.4M)
 - Electrification Roadmap, (\$0.1M)
 - Marine Discharge Modeling Study, (\$0.1M)
 - Clean Cargo Handling Equipment Incentive Program, (\$0.1M)
 - Clean Truck Assessment, (\$0.1M)
 - GHG Inventory, (\$0.1M)



8-Year NWSA Depreciation



Non-Operating Revenue

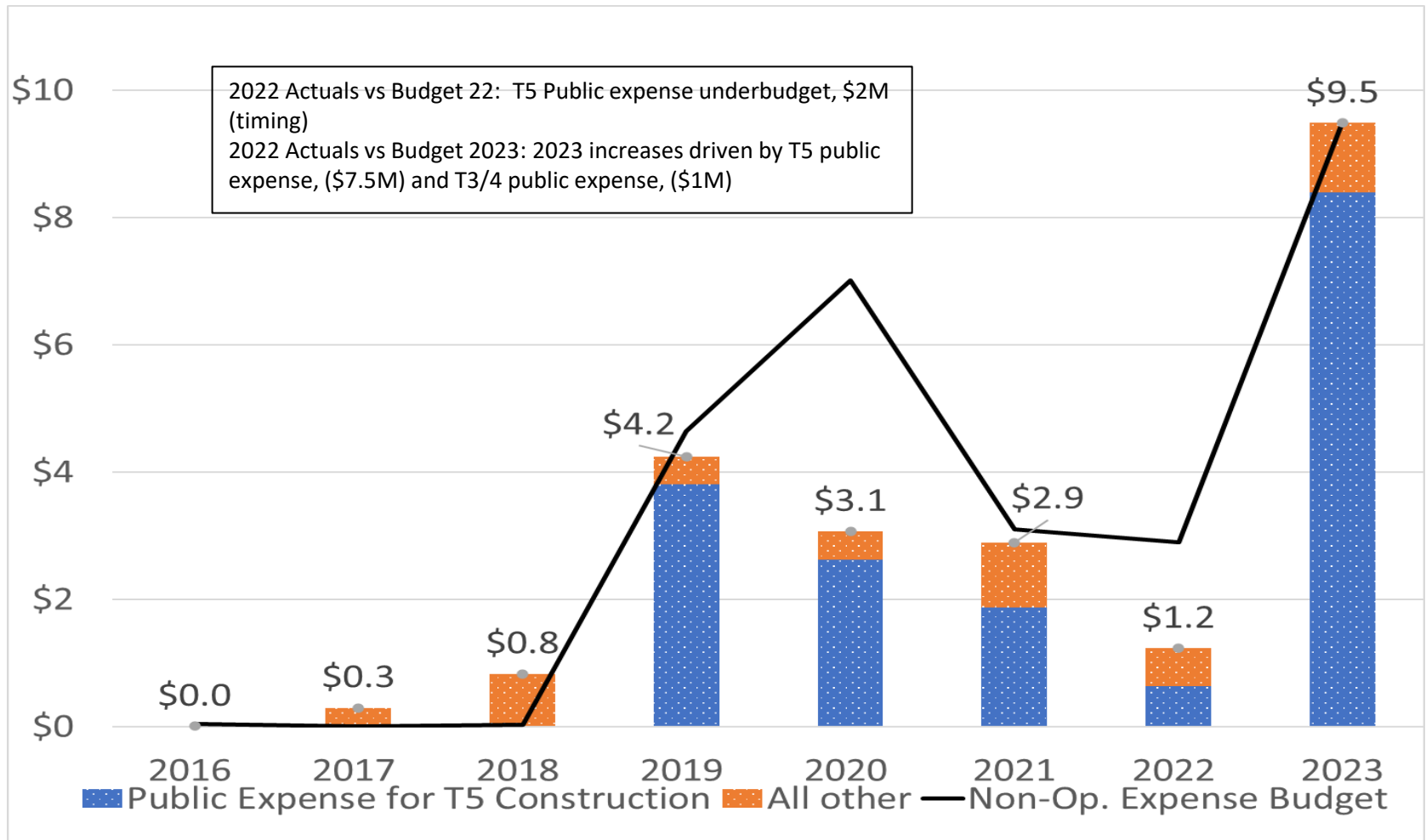


22 Actual vs 22 Budget: Grants received (\$11.1M) less than budget (\$7.9M for T5, \$2.8M for Husky Shore Power, \$.4M for T18 shore power). Offset by Misc. Income of \$10.8M (settlements for T30 Substation and W. Sitcum tenant, contributions for T18 stormwater assets and SH SIM charging station infrastructure and reduction in T5 public expense, City Light)

22 Actual vs 23 Budget: Grants received increase in 2023, \$6.6M, offset by Misc. Income items not recurring (\$10.8)

- All other
- Stormwater Contributions (Non-Cash)/ Misc.
- Grants
- Non-Op. Revenue Budget

Non-Operating Expense



New Metric \$000

NWSA Providing Cash	2016-2027 Total	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Distributable cash	1,586,658	115,964	102,580	118,840	115,190	111,156	117,578	127,950	124,600	128,400	169,400	175,500	179,500
Affirmation Distribution	32,000					11,000	11,000		10,000				
SIM Rent reduction	7,851						942	1,009	1,089	1,133	1,178	1,225	1,274
HMT/ WRDA 2106 Receiver	272,520						5,526	5,526	42,228	50,200	53,900	57,000	58,140
Total	\$ 1,899,030	\$ 115,964	\$ 102,580	\$ 118,840	\$ 115,190	\$ 122,156	\$ 135,046	\$ 134,485	\$ 177,917	\$ 179,733	\$ 224,478	\$ 233,725	\$ 238,914

Cash from Home Ports (excluding

HMT from Gov't)	2016-2027 Total	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Working Capital	51,000	51,000											
Capital Construction	1,186,210	56,140	69,120	83,326	88,609	129,618	93,920	112,677	149,300	117,000	54,800	69,400	162,300
Affirmation Contribution	32,000					11,000	11,000		10,000				
Total	\$ 1,269,210	\$ 107,140	\$ 69,120	\$ 83,326	\$ 88,609	\$ 140,618	\$ 104,920	\$ 112,677	\$ 159,300	\$ 117,000	\$ 54,800	\$ 69,400	\$ 162,300

NWSA Provide/(Accept) Cash	\$ 629,820	\$ 8,824	\$ 33,460	\$ 35,514	\$ 26,581	\$ (18,462)	\$ 30,126	\$ 21,808	\$ 18,617	\$ 62,733	\$ 169,678	\$ 164,325	\$ 76,614
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