



**THE NORTHWEST
SEAPORT ALLIANCE**
Gateway to Solutions

Item No.: 6A
Date of Meeting: July 2, 2020

2021 Budget Process Preview

July 2, 2020

6/24/2020 1

Agenda

- **Scorecard**
- **2021 Budget Focus**
- **Commission Participation & Calendar**



NW Seaport Alliance Scorecard

March 31, 2020



CARGO VOLUME

	2019 Total	2020 YTD Actuals	2020 Budget
<u>Containers (TEUs)</u>			
International	3.1 M	0.6 M	3.3 M
Domestic	0.7 M	0.2 M	0.7 M
Break Bulk (Metric Tons)	246 K	63 K	306 K
Autos (Units)	156 K	41 K	160 K



JOB CREATION

	2019 Total	2020 YTD Actuals	2020 Target
ILWU Hours	4.7 M	1.0 M	4.7 M



FINANCIAL RETURNS

<i>\$ in millions</i>	2019 Total	2020 YTD Actuals	2020 YTD Budget
Operating Income <i>(Before GASB 87 Adjustment & Depreciation)</i>	\$105.8	\$25.6	\$97.6
Return on assets	7.1%	5.9%	5.8%



ENVIRONMENTAL STEWARDSHIP

	2019 Results	2020 Actuals	2020 Target
Water Quality (Improve Source Control)	195 Acres	Zero Acres	65 Acres
Air Quality (Reduce Greenhouse Gas Emissions)	15% Terminals; Executed Fuel Efficiency Plans	15% Terminals; Executed Fuel Efficiency Plans	36% Container Terminals Executed Fuel Efficiency Plans

2021 Budget Focus

- **Keep everyone safe**
- **Continue cargo operations**
 - Increase efficiency
 - Maintain or grow market share
- **Continue investing in strategic projects and business deals**
 - Complete both phases of T5
 - Solidify customer commitment to Phase II T5 lease
 - Secure additional revenue at underutilized assets
- **Provide solid financial results**
 - Reduce NWSA spending to increase distributable cash back to the homeports
 - Staff review of Interlocal Agreements (ILA's)
 - Department Budget initial targets
 - Reduce cash contributions from homeports to NWSA for capital projects

2021 Commission Participation and Calendar

- **2020 Forecasts - Done**
 - March and June
- **2020-2025 Capital Investment Plan (CIP) Review – August 4th**
 - Review prioritized projects
 - Discuss new projects
- **2021 Budget Study Session material and 2021 Budget Document sent to commission – Week of October 13th**
- **2021 Budget Study Session – October 27th**
 - 2020 Forecast
 - 2021-2025 Budget/Forecast
 - 2021-2025 CIP
- **2021 Budget Adoption - November 10th**

