



**THE NORTHWEST  
SEAPORT ALLIANCE**  
*Gateway to Solutions*

# 2018 Financial Update and 2019 Budget Process Overview

## September 4<sup>th</sup>, 2018

# Net Income Summary YTD June 30<sup>th</sup>, 2018

(Dollars in Thousands)	CURRENT YEAR TO DATE				PRIOR YEAR			
	DESCRIPTION	BUDGET	ACTUAL	VARIANCE		ACTUAL	VARIANCE	
				FAV/(UNFAV)	%		FAV/(UNFAV)	%
Revenue	\$ 92,034	\$ 92,371	\$ 337	0%	\$ 95,170	\$ (2,799)	-3%	
Operating Expense	49,611	41,151	8,460	17%	40,827	(324)	-1%	
<b>Operating Income</b>	<b>42,423</b>	<b>51,220</b>	<b>8,797</b>	<b>21%</b>	<b>54,343</b>	<b>(3,123)</b>	<b>-6%</b>	
Interest Income (Expense)								
Interest Income	427	567	140	33%	268	298	53%	
Market Value Adjustment	-	(179)	(179)	0%	56	(235)	-131%	
<b>Net Interest Income</b>	<b>427</b>	<b>388</b>	<b>(39)</b>	<b>-9%</b>	<b>325</b>	<b>63</b>	<b>16%</b>	
Non-Operating Income/(Expense)	(13)	31	44	334%	(101)	132	426%	
Grant Income	380	50	(330)	-87%	-	50	100%	
<b>Net Income</b>	<b>\$ 43,217</b>	<b>\$ 51,689</b>	<b>\$ 8,472</b>	<b>20%</b>	<b>\$ 54,567</b>	<b>\$ (2,878)</b>	<b>-6%</b>	

\* Excludes depreciation of existing assets that remain on the books of the homeports

Distributable cash: 2017 \$60.5M: 2018 \$58.9M (forecast).  
(cash distributed on a one-month lag)



# Volumes June YTD 2018 (in thousands)

Year	International Containers				Domestic Containers	Total Containers
	Imports Full TEUs	Exports Full TEUs	Empty TEUs	Total Intl.	TEUs	TEUs
2018	666	477	307	1,450	330	1,780
2017	694	485	307	1,486	344	1,830

Break Bulk Tonnage	Metric Tons	Intermodal Lifts (Gateway)	
2018	121	2018	377
2017	93	2017	392

Auto Volume	Units
2018	68
2017	74



# 2018 Key Measures Status

Metric	June YTD	Full Year Budget	Status
Full Year Revenue (\$M)	\$ 92.4	\$ 187.5	On Track
Full Year Operating Income (\$M)	\$ 51.2	\$ 85.8	Ahead
Capital Spending (\$M)	\$ 32.4	\$ 152.4	under spending
Cash Distribution to Home Ports (\$M)	\$ 58.9	\$ 93.3	Ahead
TEU's (1000's)	1,780	3,693	On Track



# 2018 NWSA Full Year Forecast

(\$ in millions)	2017	18 Budget	18 Forecast	Better / (Worse)
Operating Revenue	\$ 195.0	\$ 187.5	\$ 187.7	\$ 0.1
Operating Expenses before Dep.	83.7	94.3	91.9	2.4
Depreciation	2.2	7.4	6.8	0.5
<b>Operating Income</b>	<b>109.1</b>	<b>85.8</b>	<b>88.9</b>	<b>3.1</b>
Capital Grant Income	0.1	6.6	5.6	(1.0)
Other Non Operating Income	0.6	0.9	1.1	0.2
<b>Net Distributable Revenue</b>	<b>\$ 109.9</b>	<b>\$ 93.3</b>	<b>\$ 95.6</b>	<b>\$ 2.2</b>
<b>Distributable Cash</b>	<b>\$ 111.1</b>	<b>\$ 93.3</b>	<b>\$ 95.7</b>	<b>\$ 2.4</b>



# 2019 Budget Schedule

- **NWSA Budget Study Session**      **October 30, 2018**
- **POT Budget Study Session**      **November 8, 2018**
  - ILA/Service directives between POT and NWSA
  
- **NWSA Budget Adoption**              **November 13, 2018**
  - ILA/Service directives between NWSA and homeports
- **POS Public Hearing**                  **November 13, 2018**
  - ILA/Service Directives between POS and the NWSA
  - First Reading & Public Hearing of 2019 Budget
  
- **POT Budget Adoption**              **November 29, 2018**
- **POS Budget Adoption**              **November 27, 2018**

