

# Port of Tacoma Income Statement Briefing

## Port of Tacoma Special Work Session

February 23, 2018

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# POT Income Statement



\$ Million	Actual 2016	Actual 2017	Budget 2018 2018
POT Revenue Excluding NWSA Distributable Income	\$23.5	\$21.7	\$23.1
POT Operating Expenses before Depr.	(12.7)	(16.4)	(20.0)
POT Operating Income before Depr	10.9	5.3	3.1
POT Portion of NWSA Distributable Income	61.6	50.9	46.6
Total POT Operating Income Before Depreciation	72.5	56.2	49.7
Depreciation	(30.3)	(28.5)	(27.4)
POT Operating Income	42.2	27.7	22.3
Non Operating Revenue	6.0	5.3	1.3
Non Operating Expense	(21.9)	(20.9)	(22.6)
Net Non Operating	(15.9)	(15.6)	(21.2)
Income Before Tax Levy & Expenses	26.3	12.1	1.0
Ad Valorem Tax Levy	15.0	16.6	18.6
GO Interest	(7.2)	(5.5)	(4.9)
Net Tax Levy	7.8	11.1	13.7
Increase in Net Assets	\$34.1	\$23.2	\$14.7

# POT Income before Depr. By Location



Operating Income before Depreciation			
\$ Million	Actual	Actual	Budget 2018
Location	2016	2017	2018
(1312) CBIDD	\$3.4	\$3.3	\$4.5
(4170) Parcel 14	1.2	2.1	2.1
(4165) NW Bldg	1.8	1.8	2.0
(1815) 845 & 901 Alexander Ave.	1.3	1.7	1.7
(2115) Grain Elv	1.2	1.2	1.2
(1711) Gypsum	1.1	1.0	1.0
(1315) 2602 & 2608 Port of Tacoma Rd	0.9	0.8	0.9
(1812) EBC	0.0	0.8	1.1
(1810) Trident	0.6	0.6	0.4
(1715) 2000 Taylor Way	0.4	0.5	0.5
(1611) Arkema	0.4	0.5	(0.1)
(1714) 3401 & 3405 Lincoln Ave.	0.4	0.4	0.1
(1218) 1701 Port of Tacoma Rd	0.2	0.3	0.2
(1116) W. Sitcum	0.2	0.2	0.1
(1713) 3319 Lincoln Avenue	0.1	0.1	0.1
(4160) Fab Ctr	0.2	0.1	0.1
(2221) Watkins	0.1	0.1	0.1
(1701) 1110 Alexander Ave	0.3	0.1	0.1
(5510) FIDD	0.0	0.1	(0.0)
(1323) Bldg 2202	0.1	0.1	0.1
(1614) E. Blair	(0.0)	-	0.6
(1816) BRAC 833rd - Don't Use	(0.1)	-	(0.0)
(1100) Maintenance of Way	(0.2)	(0.0)	(0.8)
(1814) TOTE	(0.0)	(0.0)	(0.1)
(1613) Kaiser	2.9	(0.2)	(0.2)
(1322) Wet Land	(0.0)	(0.3)	(0.0)
(1617) Portac	0.0	(4.3)	-
Operating Income before Depreciation	\$16.4	\$11.0	\$15.6

# Plan of Finance



2018-2022 Budget modified with

- WWL investment
- Potential POT property purchase for \$30+ million with associated revenue
- Potential revenue reduction due to shipping line alliance shuffle

Note: Budget includes all the major terminal development discussed during the budget

- T5 construction \$300M
- T46 refurbishment (partially offset by TIGER grants)
- Husky terminal cranes and pier
- T18 and W. Sitcum stormwater

# Plan of Finance: Scenario



## Cashflow Forecast

(\$ Million)

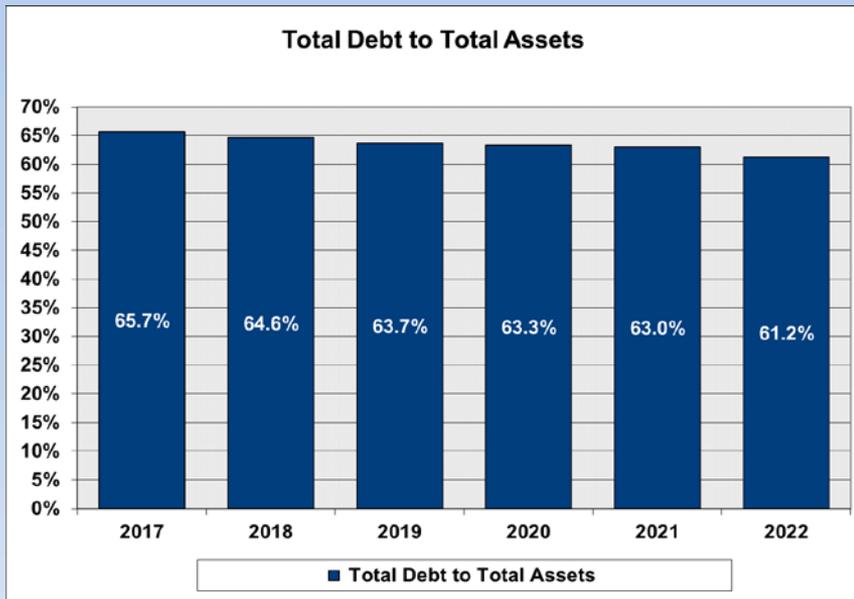
	2018	2019	2020	2021	2022
<b>Beginning Cash &amp; Investments</b>	\$208.5	\$61.8	\$61.3	\$65.6	\$63.2
<b><u>Projected Sources of Funds</u></b>					
<b>Revenues</b>	68.5	69.0	69.0	70.9	73.7
Expenses	(20.0)	(19.3)	(27.9)	(22.3)	(30.6)
<b>Funds Provided by Operations</b>	48.5	49.7	41.1	48.6	43.1
Interest Income	3.5	1.3	2.0	2.1	1.8
NWSA Depreciation Cash Add back	3.7	7.1	9.6	11.7	12.7
Other, Net	(1.8)	(3.2)	(2.9)	(4.1)	(0.7)
Ad valorem tax revenue (net)	18.6	18.9	19.2	19.7	20.2
<b>Projected Sources of Funds</b>	72.4	73.9	69.0	78.0	77.0
<b><u>Projected Uses of Funds</u></b>					
Investment in Northwest Seaport Alliance	76.2	73.9	54.8	43.4	1.6
Debt Payments (Principal and Interest) - GO Bonds	9.7	10.0	10.0	12.4	12.4
Debt Payments (Principal and Interest) - Revenue Bonds	29.7	29.8	29.8	31.9	34.8
Debt Payments (Principal and Interest) - Commercial Paper	0.3	0.3	0.4	0.4	0.4
Additional Retirement of Commercial Paper	0.0	0.0	0.0	0.0	20.0
Capital Spending - Planned Projects	104.1	9.6	11.2	38.3	5.8
<b>Projected Uses of Funds</b>	219.9	123.6	106.2	126.3	74.9
<b><u>Projected Borrowing</u></b>					
Commercial Paper Borrowing	0.8	49.3	0.0	0.0	0.0
Fixed Rate Long Term Revenue Bonds	0.0	0.0	41.6	45.9	2.3
<b>Total Borrowing</b>	0.8	\$49.3	\$41.6	\$45.9	\$2.3
<b>Projected Ending Cash &amp; Investments</b>	\$61.8	\$61.3	\$65.6	\$63.2	\$67.6
Sr. Lien Rev. Bond Debt Service Coverage	5.05	5.23	4.80	5.42	5.18
Fully Diluted Revenue Bond Debt Service	2.16	2.23	2.04	2.15	1.86

Budget Fully Diluted Debt service coverage 2.20 2.24 2.04 2.35 2.17

# Leverage: Budget vs Scenario

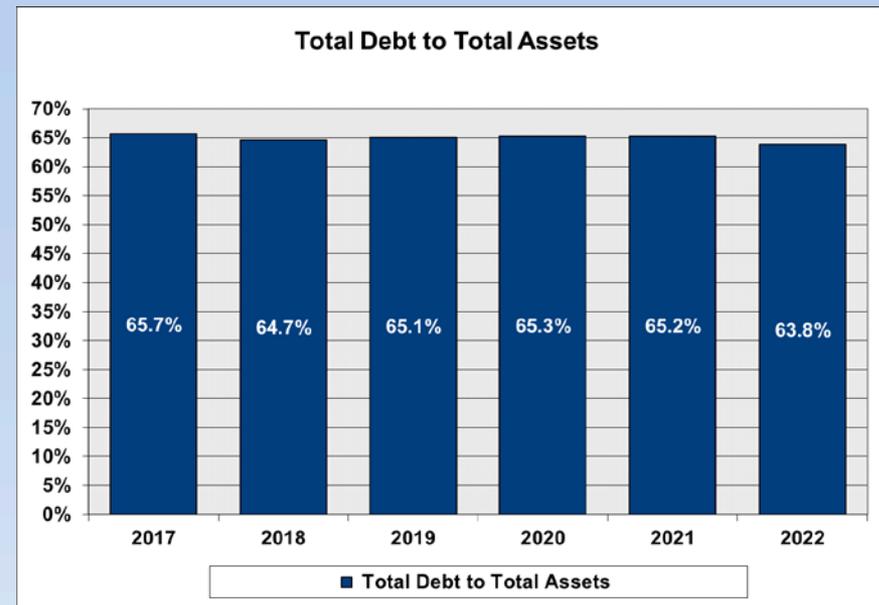


## Budget



	2018	2019	2020	2021	2022
Debt Outstanding	\$618.8	\$604.3	\$609.6	\$634.2	\$596.0

## Scenario



	2018	2019	2020	2021	2022
Debt Outstanding	\$619.6	\$654.3	\$680.9	\$709.1	\$672.5