

PORT OF EVERETT

We Provide Value: We Create Economic Opportunities

2015 Summary Financial Report

John Carter

Chief Finance Officer

April 12, 2016



Financial Report at Dec 31, 2015

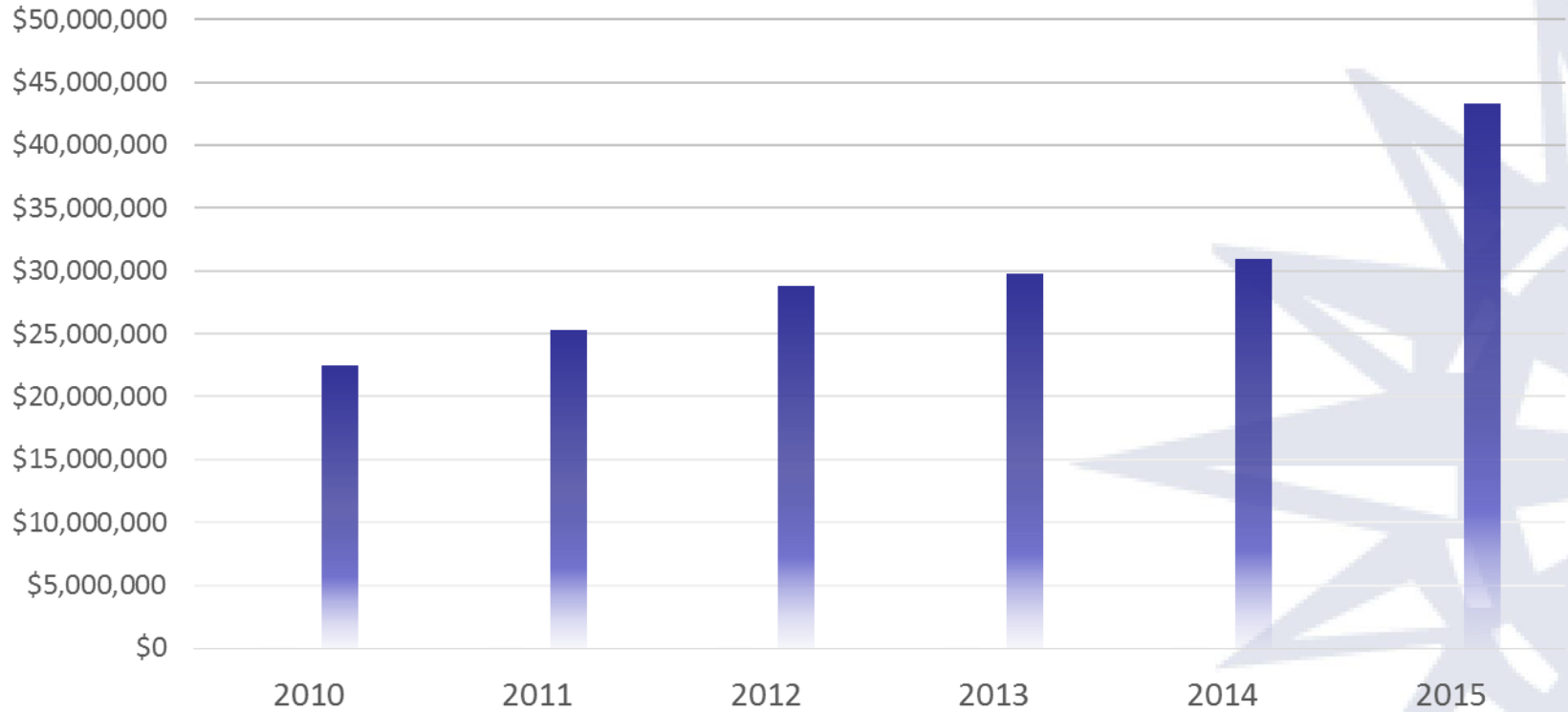
Presentation Outline

- Operating Revenues
- Operating Expenses
- Operating Income
- Non-Operating Income
- Balance Sheet
- Treasury activity

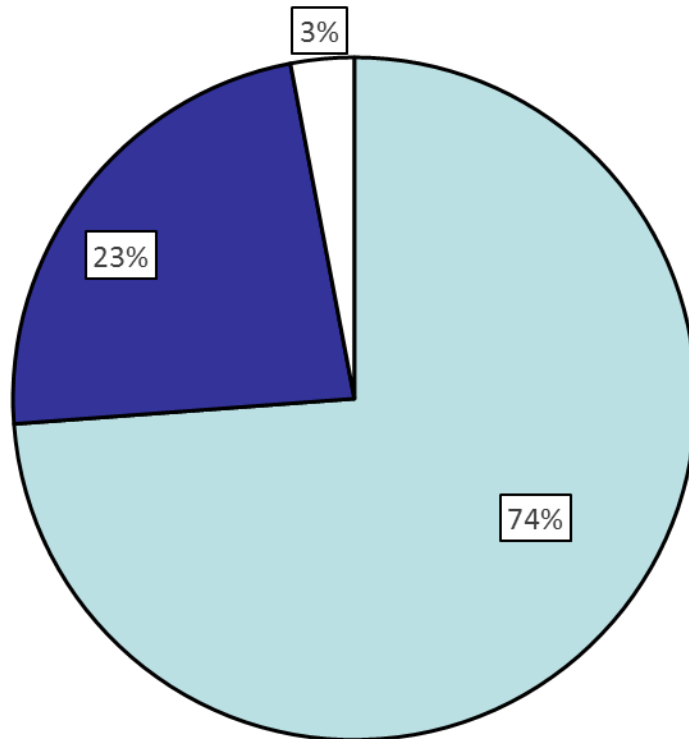
Financial Highlights 2015

- Record Operating Revenues of \$43.3 million (up 40%)
- Record Operating Expenses (bef depr.) of \$35.4 million (up 41.7%)
- Net Operating Income before depr. \$7.9 million (up 32%)
- Non-Operating Loss of \$4.7 million
 - Incurred environmental remediation expense of \$9.6 million
- Total Assets grew by \$11.1 million to \$302 million
- Total Liabilities grew by \$19 million
 - Increased Environmental Liability by \$5.1 million
 - Accounting change for pensions \$6.7 million
 - Increased outstanding debt by \$7.7 million

Operating Revenues-YTD



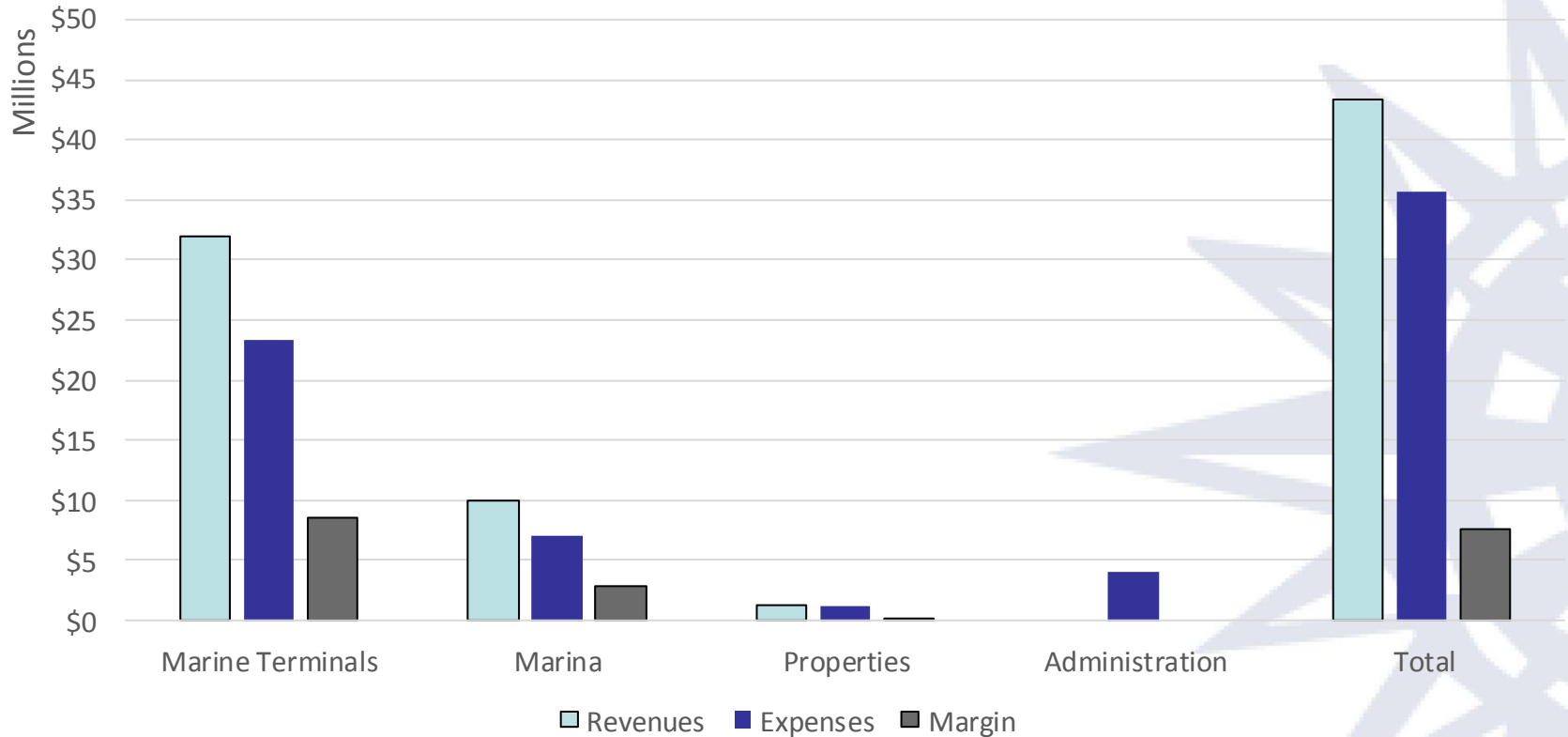
2015 Operating Revenues



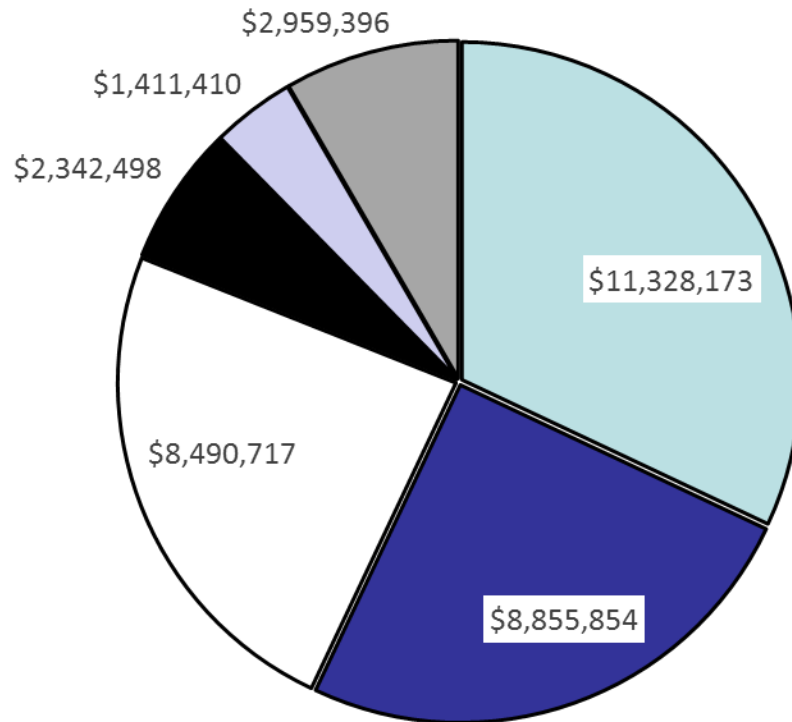
Revenues for 2015 grew by 40% year over year. All three divisions saw increases from 2014.

■ Marine Terminals ■ Marina ■ Property management

Divisional Operating Results at Dec. 31, 2015



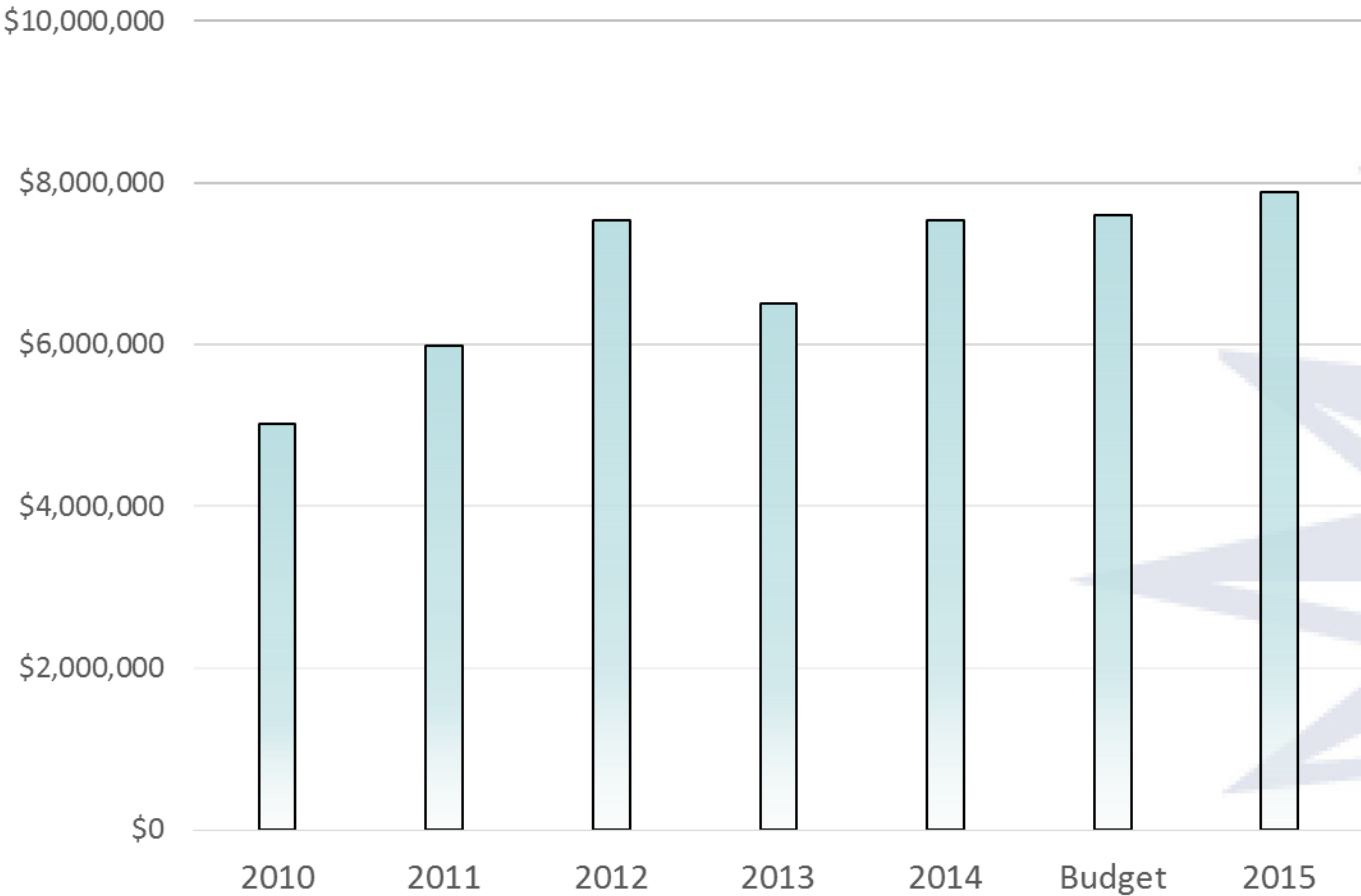
Operating Expenses YTD



Operating expenses grew year over year by \$10 million to \$35.4 million

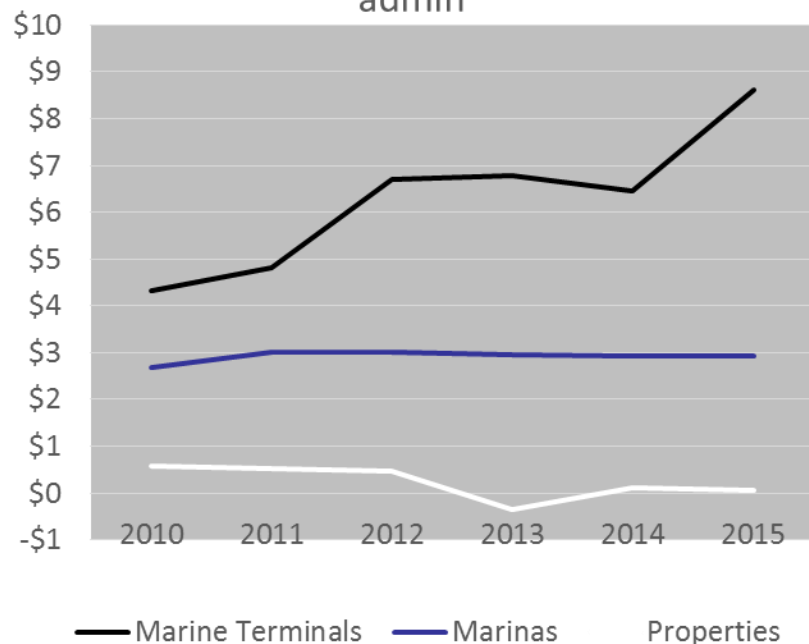
- Salaries/Benefits
- PMA Labor
- Outside Services
- Supplies
- Administration
- Other

Operating Income YTD



Operating income before depreciation- YTD

Divisional Operating Income
in million bef. depreciation and
admin



Operating Margin	2015	2014
Marine Terminals	30.0%	33.9%
Marina	29.2%	30.5%
Properties	5.2%	(27.5)%
Total Port (incl. admin)	17.6%	18.7%

Non-Operating Income/Expense

Non-Operating Revenues	2015	2014	Non-Operating Expenses	2015	2014
Interest Inc.	\$ 557,679	\$ 483,463	Interest Exp.	\$ 1,480,227	\$ 1,360,784
Property tax	\$4,576,268	\$4,442,397	Public Access	\$ 1,047,848	\$ 445,834
Grant Rev.	\$2,455,375	\$1,614,835	Other	\$ 161,191	\$ 24,980
Total	\$7,589,322	\$6,540,695	Environmental expense	\$ 9,591,382	\$ 4,821,652
			Total	\$12,280,648	\$ 6,653,250

Treasury Report (as of Dec 31)

Total Portfolio \$29.37 million

- Liquid investments \$11.02 million
- Fixed Income \$18.35 million

Benchmarks

- Modified duration 1.92 years
- Benchmark duration 2.20 years
- Book yield 0.99%
- Benchmark yield 0.81%
- Current yield LGIP 0.26%
- Est. annual earnings \$312,996

