



Supplemental Information For the 2023 Annual Budget

Operating | Renewal & Replacement | Capital Improvements

Board of Trustees | November 15, 2022

Overview of the 2023 Proposed Budget

The 2023 Proposed Budget is being presented utilizing the same format as the monthly forecasted results presented at the monthly Finance Committee and Board Meetings.

Port staff used realistically-estimated revenue and expense projections to support the related budgeted levels of activity for 2023. Cargo and Cruise revenues include increased rates.

Major 2023 Projects (Projected Spending > \$500K in 2023):

- Port Vehicle Fleet Upgrade
- Pier 19 Pile Repair
- CT 25 Jubilee Improvements and PBB
- CT 28 Wharf Repair
- CT 25-28 Walkway
- Express Lot Expansion
- Pier 39-40 Pavement Repair
- Pier 41 Pavement Repair
- Rider 37
- CT 28 PBB
- Slip 38 Fill: FEMA
- Slip 41 Fill: RRIF
- Pier 39-40 Bulkhead Replacement
- CT 25 Walkway

Compare Summary of 2022 8+4 Forecast to 2023 Proposed Budget

Compare Summary of 2022 8+4 Fcst to 2023 Proposed Budget				
	2022 8+4 Fcst	Proposed 2023 Budget	Increase/ (Decrease) \$	Increase/ (Decrease) %
Total Revenue From Operations	\$ 43,430,724	\$ 54,126,419	\$ 10,695,695	24.6%
Operating Expenses				
Total Salaries and Related Expenses				
Salaries, Payroll Taxes, and Pension	\$ 7,999,706	\$ 10,240,127	\$ 2,240,421	28.0%
Health & Welfare	1,471,374	2,032,054	560,679	38.1%
Related Employee Expenses	319,631	481,212	161,582	50.6%
Total Contract Services				
Contract Services	5,418,343	5,817,664	399,321	7.4%
Ship Service Expense	-	-	-	0.0%
Total Repairs and Maintenance	2,988,481	3,321,677	333,196	11.1%
Total Other Operating Expenses	7,075,576	8,662,077	1,586,501	22.4%
Total Office & Sales Expenses	1,275,496	1,378,342	102,846	8.1%
Total Operating Expenses Before Depreciation and Amortization	\$ 26,548,606	\$ 31,933,152	\$ 5,384,546	20.3%
Net Operating Income (Loss) Before Depreciation and Amortization	\$ 16,882,117	\$ 22,193,267	\$ 5,311,149	31.5%
Depreciation Expense	\$ 7,828,792	\$ 9,837,831	\$ 2,009,038	25.7%
Net Operating Income (Loss) After Depreciation and Amortization	\$ 9,053,325	\$ 12,355,436	\$ 3,302,111	36.5%
Total Non Operating Income	\$ 5,016,200	\$ 1,408,292	\$ (3,607,908)	-71.9%
Total Non Operating Expenses	\$ 478,283	\$ 330,068	\$ (148,215)	-31.0%
Net Income Before Grants, Contributions, Extraordinary Items, Special Items and Fema	\$ 13,591,242	\$ 13,433,660	\$ (157,582)	-1.2%
Add: DEPRECIATION	\$ 7,828,792	\$ 9,837,831	\$ 2,009,038	25.7%
Less: BOND PRINCIPAL (ACCRUED)	\$ 5,195,494	\$ 4,561,783	\$ (633,711)	-12.2%
Ending Cash Flow from Operations	\$ 16,224,540	\$ 18,709,708	\$ 2,485,168	15.3%

*Ship service revenue and expense is unbundled in 2023 Budget


SUMMARY OF 2023 BUDGET



\$22.1M

Operating Income


- \$3.4M better than 2019 Actuals
- \$16.5M better than 2020 Actuals
- \$12.1M better than 2021 Actuals
- \$5.3M better than 2022 8+4 Fcst



\$54.1M

Operating Revenue

- \$27.5M above 2020 Actuals- Favorable variance due to Cruise (\$29.1M), offset by the elimination (unbundling) of Ship service revenues (\$1.5M)
- \$24.2M above 2021 Actuals- Favorable due to cruise related categories (\$27.3M), Security Cost Recovery fees (\$0.5M) offset by Wharfage (\$1.4M), and Lay Dockage (\$1.9M)
- \$10.7M above 2022 8+4 Fcst- Increase is due to cruise related categories (\$11.4M), Rail (\$0.3M), and Wharfage (\$0.2M), offset by Dockage (\$0.3M), Lay Dockage (\$0.9M), and Security Cost Recovery fees (\$0.4M).



\$31.9M

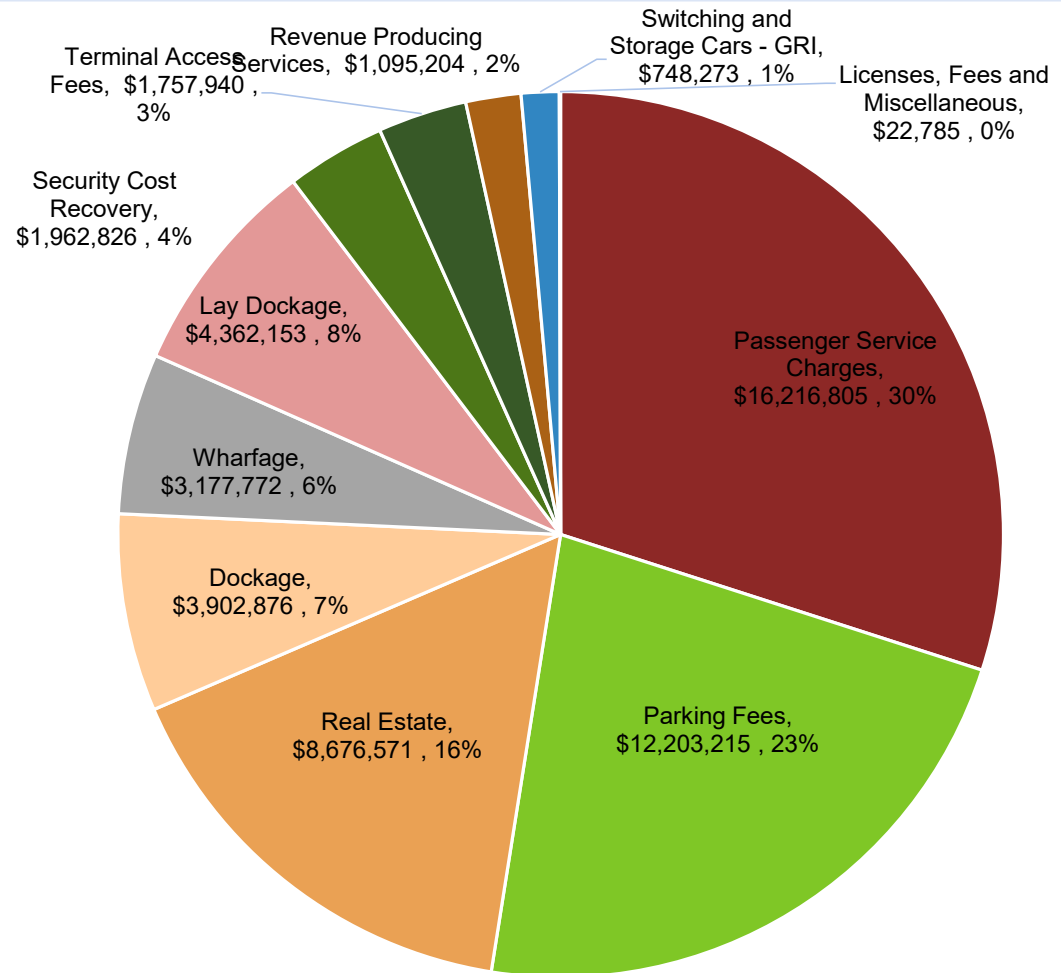
Operating Expenses

Before Depreciation

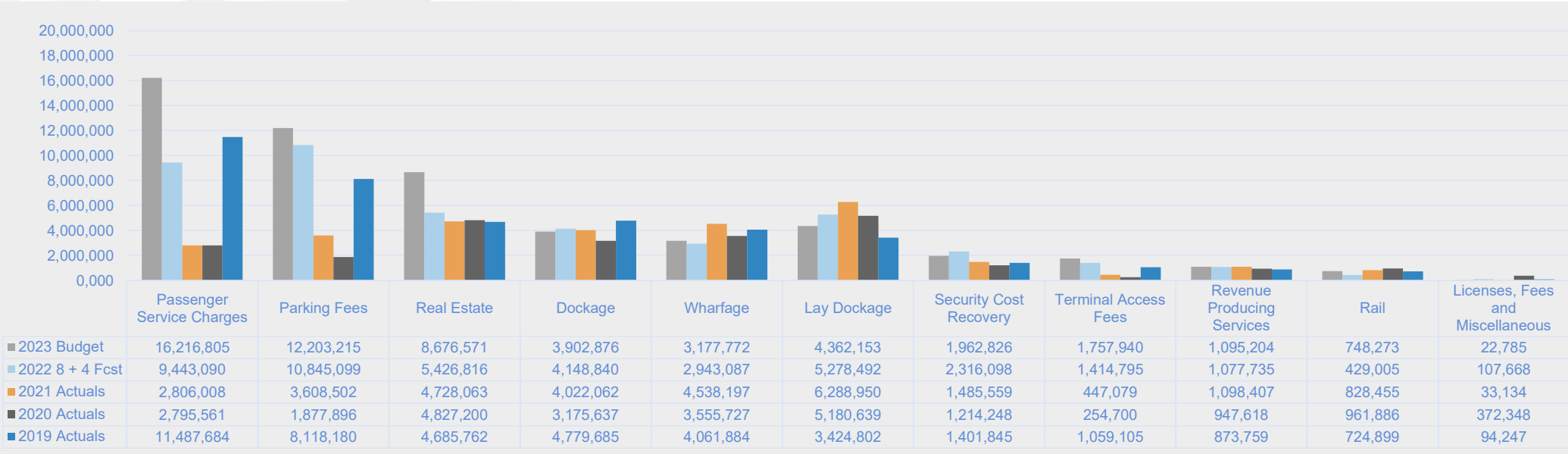
- \$10.9M over 2020 Actuals- Due to cruise parking related contract fees (\$4.8M), shuttle fees (\$1.2M), health and welfare (\$0.7M), salaries & wages (\$1.1M), insurances (\$1.1M), and repairs and maintenance (\$1.2M).
- \$12.1M over 2021 Actuals- Due to unbundling of ship service expenses (\$6.2M), health & welfare (\$0.8M), salaries & wages (\$1.1M), insurances (\$1.4M), sales & marketing (\$0.4M), dredging (\$0.7M), and shuttles (\$0.5M), and cruise parking related contract fees (\$1.0M).
- \$5.4M over 2022 8+4 Fcst- Due to employee expenses (\$2.9M), repairs & maintenance (\$0.3M), insurances (\$0.4M) and cruise parking related contract fees (\$1.0M).

2023 PROPOSED REVENUES FROM OPERATIONS

TOTAL
\$54,126,419



2023 PROPOSED BUDGETED REVENUE FROM OPERATIONS



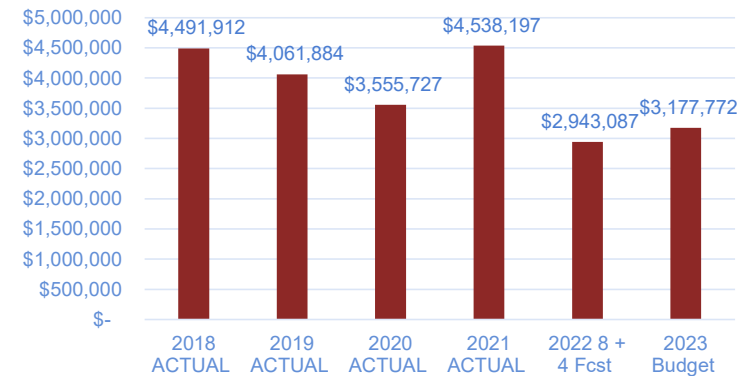
- Cruise ship calls projected are 361, 11% increase over 2022
- Ground transportation projected cars are 241,008, 79% increase over 2022



CARGO WHARFAGE REVENUE TREND

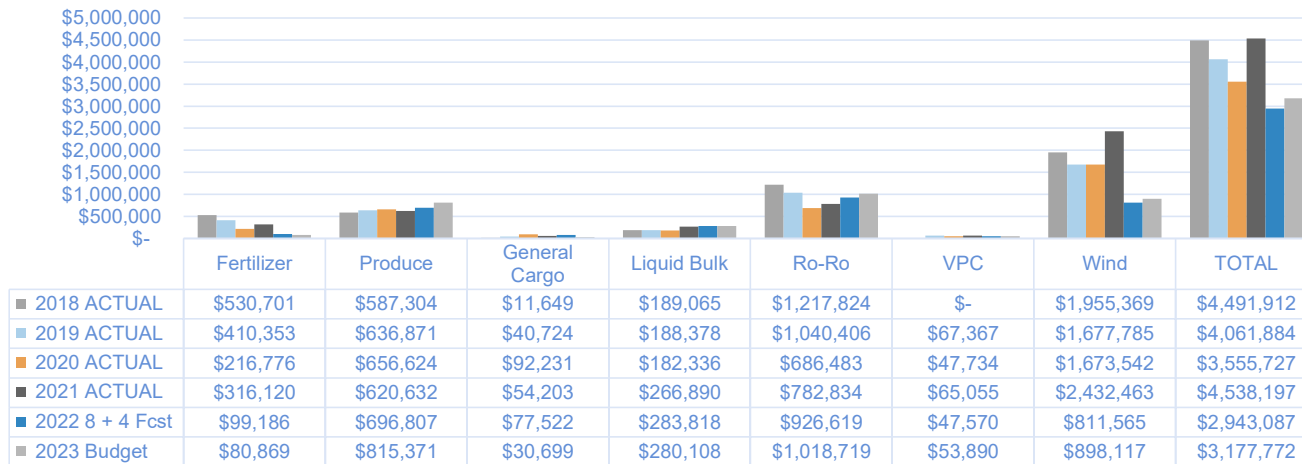
Fees Charged
for Cargo Passing
over Docks

Total Revenue



Total Proposed 2023
Budgeted Wharfage is
\$3,177,772

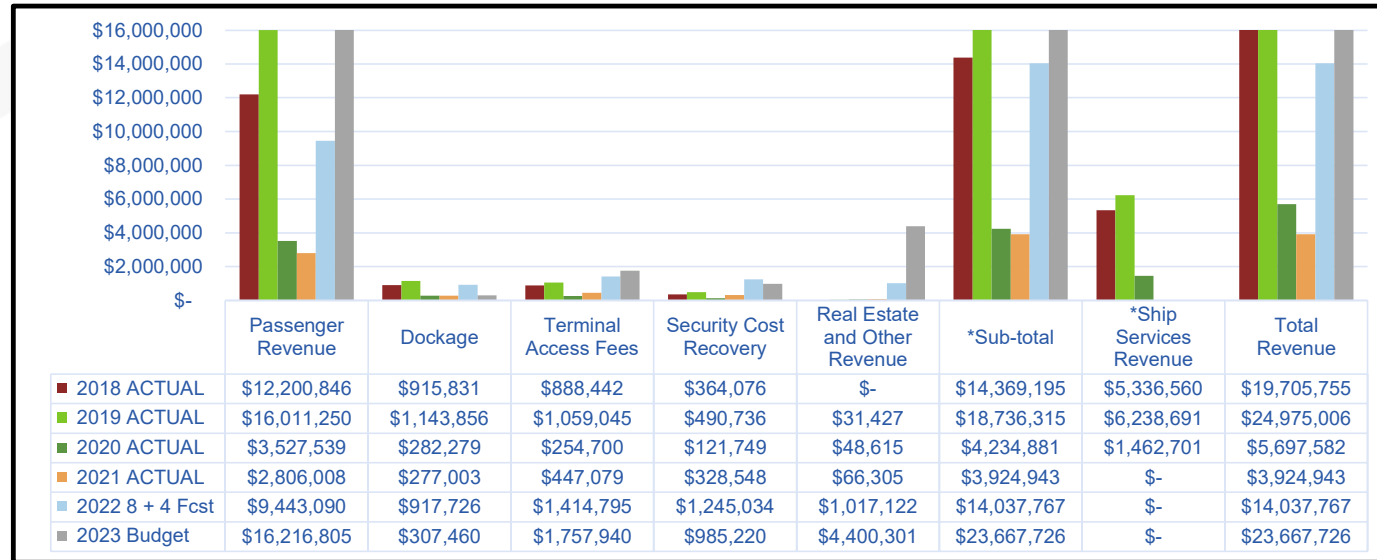
- Includes 3.5% proposed tariff escalation
- RORO subject to WWL MAG



CRUISE TERMINAL REVENUE TREND AND PASSENGER MOVEMENTS

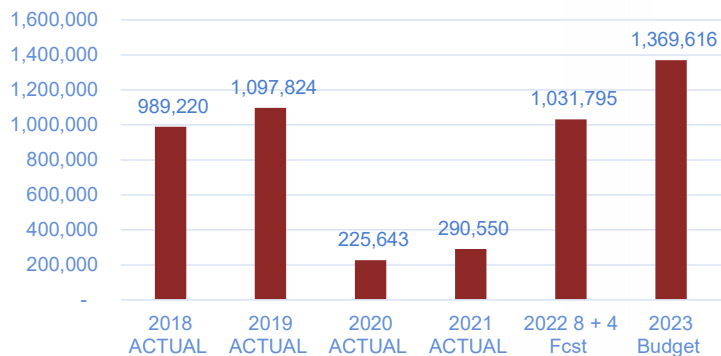
Total Cruise Revenue of \$16,216,805, is 71.7% over 2022 8 + 4 Fcst

- Due to contract changes, Ship Services Revenue & Expenses are no longer applied effective in 2021 post Covid.



*Sub-total excludes Ship Services Revenue

Passenger Movements



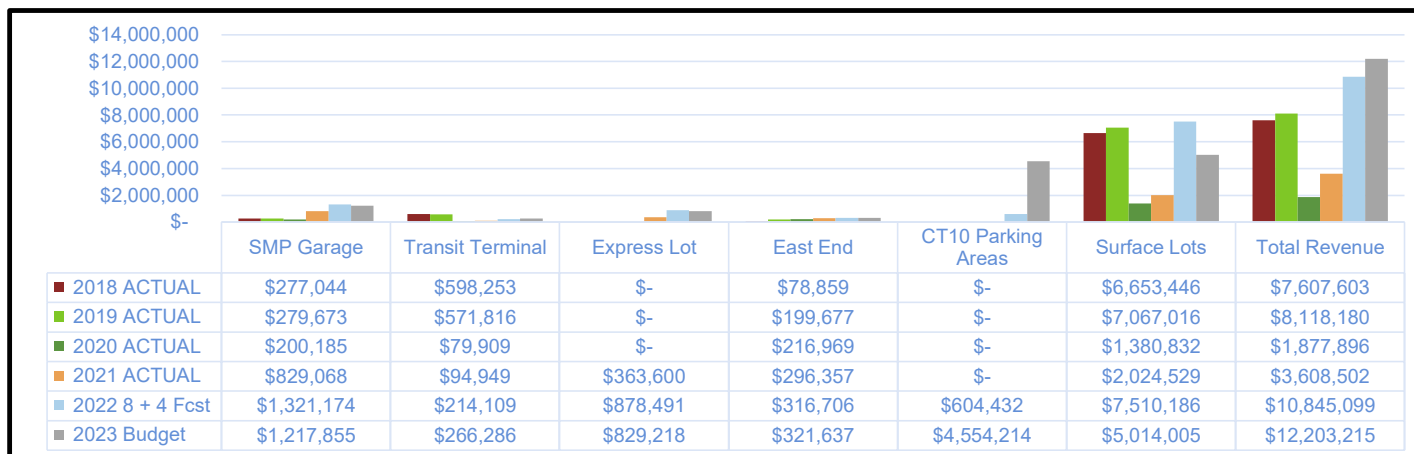
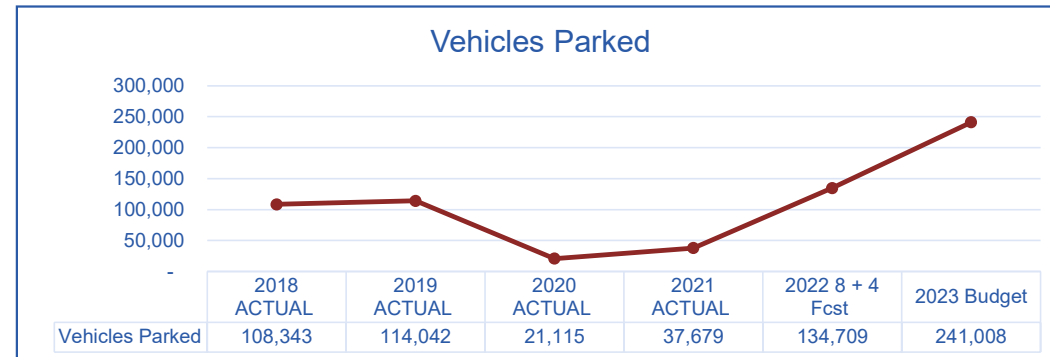
Total Passenger Movements are 1,369,616, which is 33% over 2022 8 + 4 Fcst

Average Occupancy Projections

- Royal – 74% occupancy
- Carnival – 84% occupancy
- Disney – 62% Occupancy



PARKING REVENUE TREND AND VEHICLES PARKED

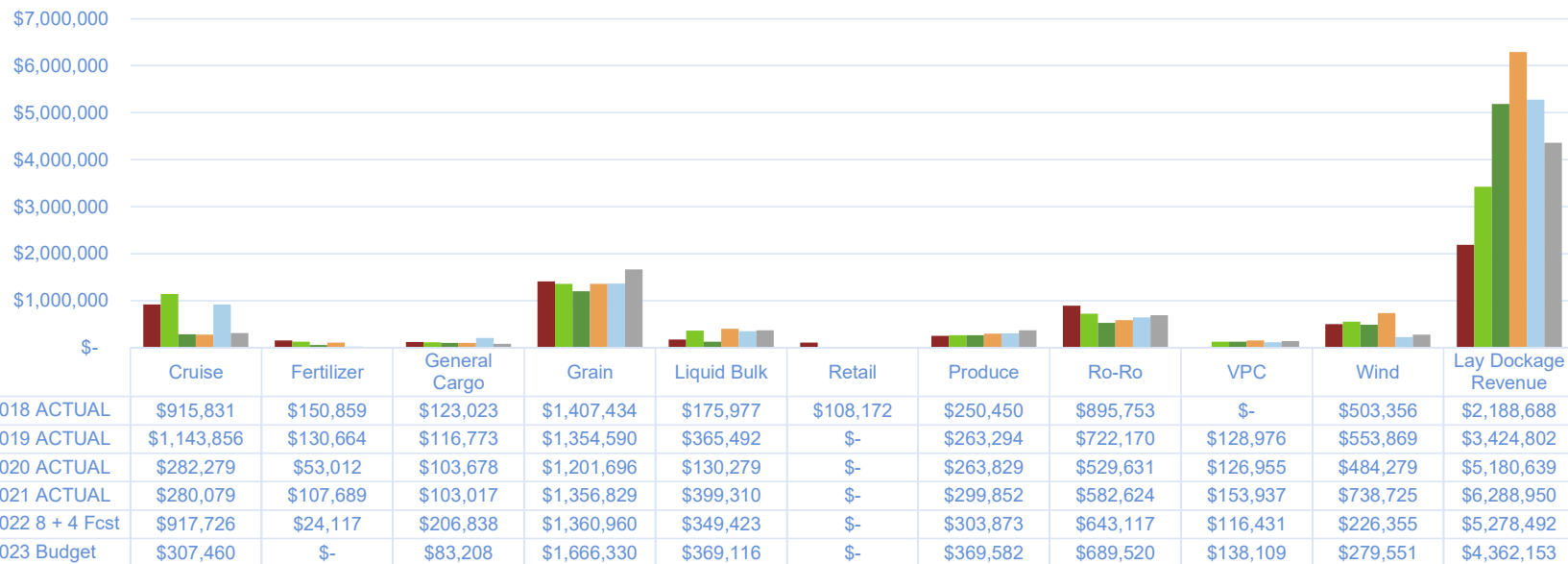
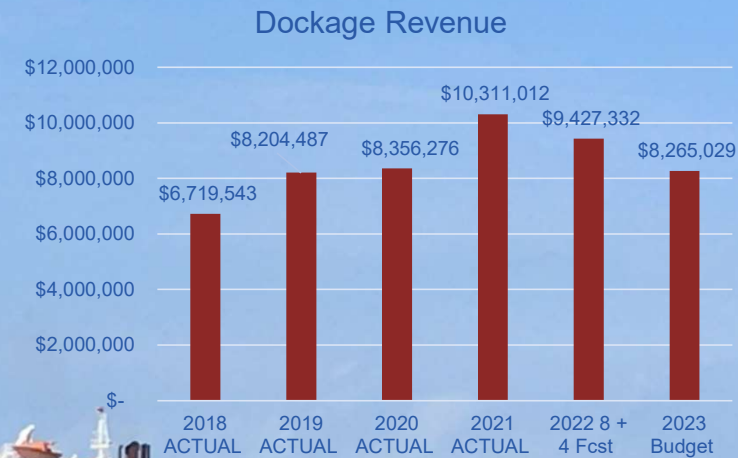


Total Parking Revenues is \$12,203,215, which is 12.5% over 2022 8 + 4 Fcst

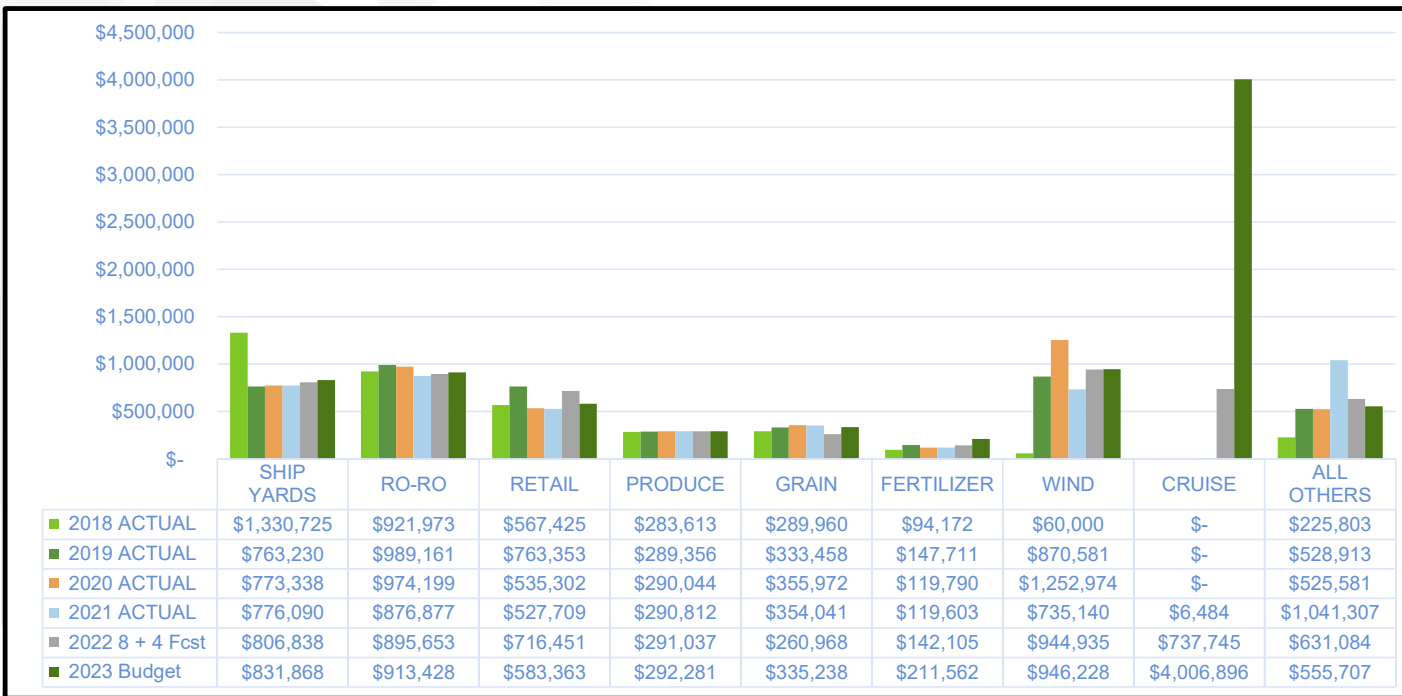
DOCKAGE REVENUE TREND

Total Proposed 2023 Budgeted Dockage is \$8,265,029

- Includes 3.5% proposed tariff escalation
- Grain subject to ADM MAG



REAL ESTATE REVENUE TREND

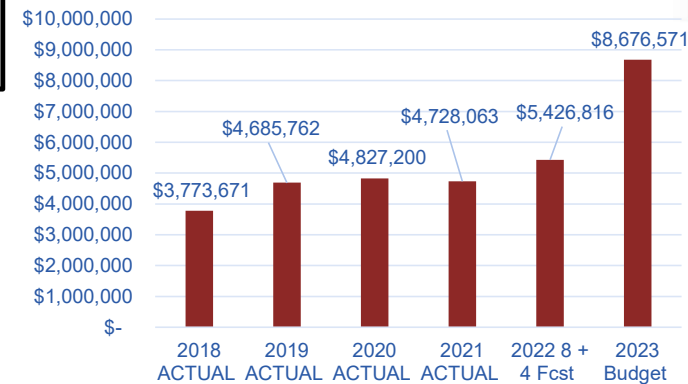


Fixed Rate Rents on Upland Facilities and Percentage Rents from Tenants such as Gulf Copper and Del Monte

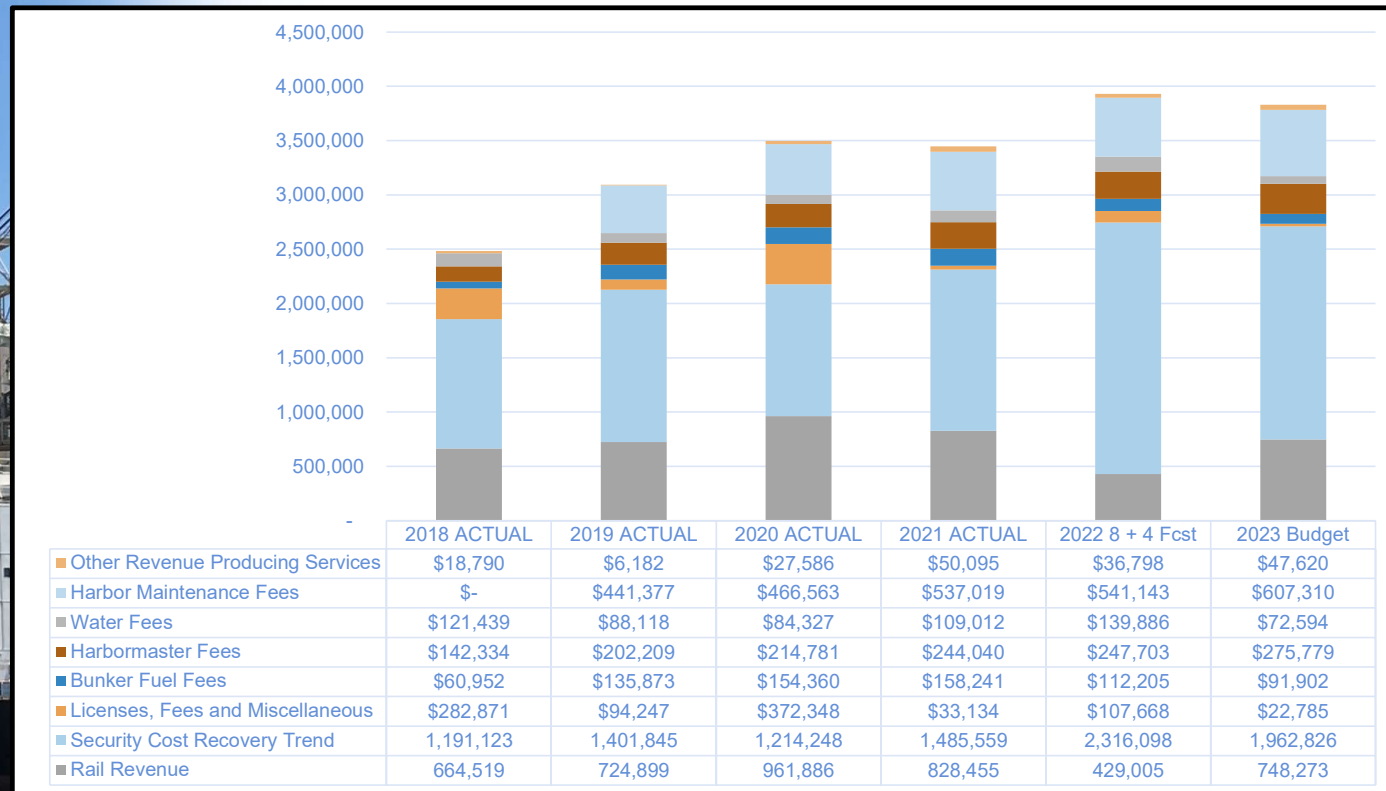
- 2022 Includes two months of Royal Caribbean rent due to the opening of Cruise Terminal 10



Total Revenue

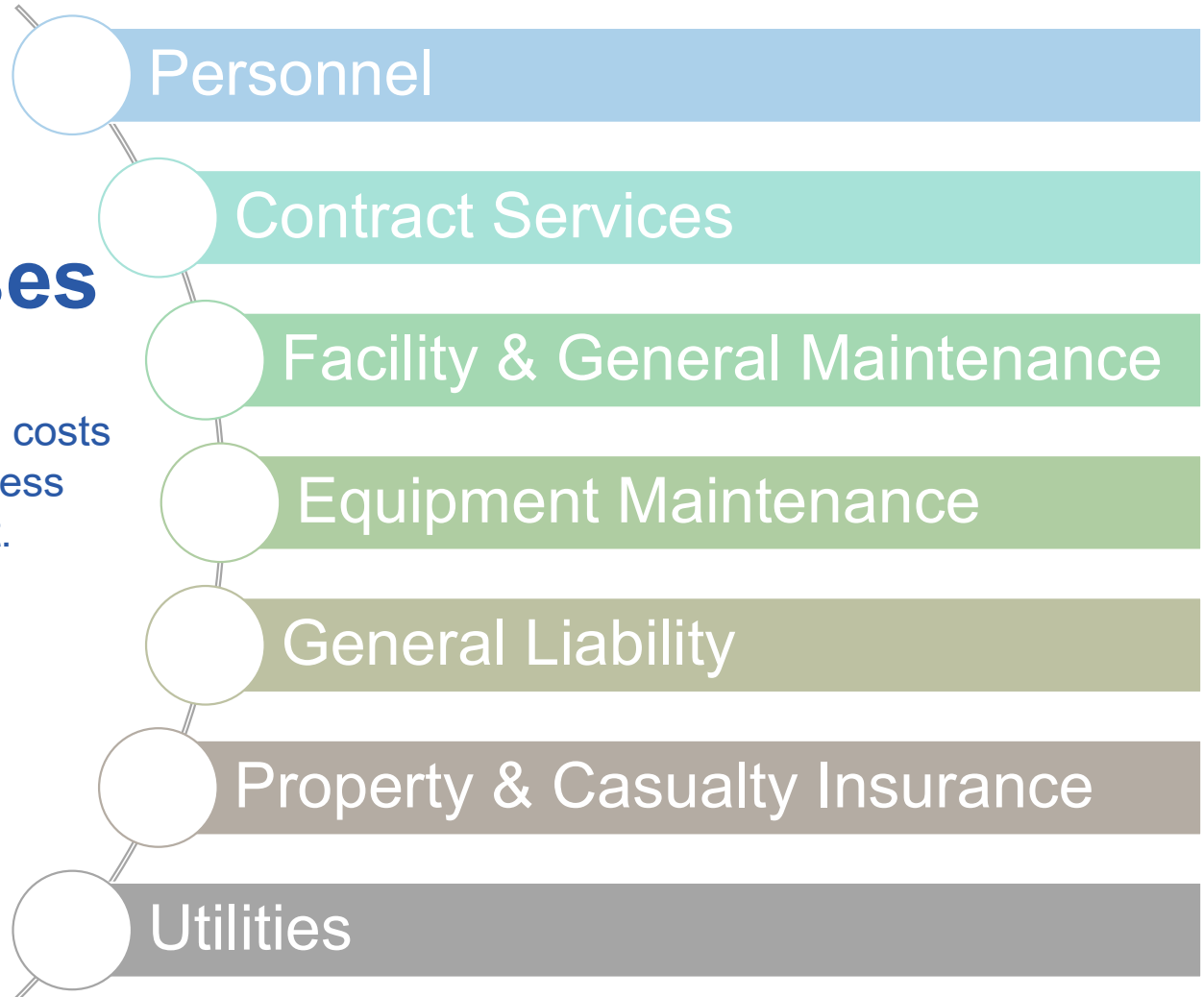


OTHER REVENUE TREND



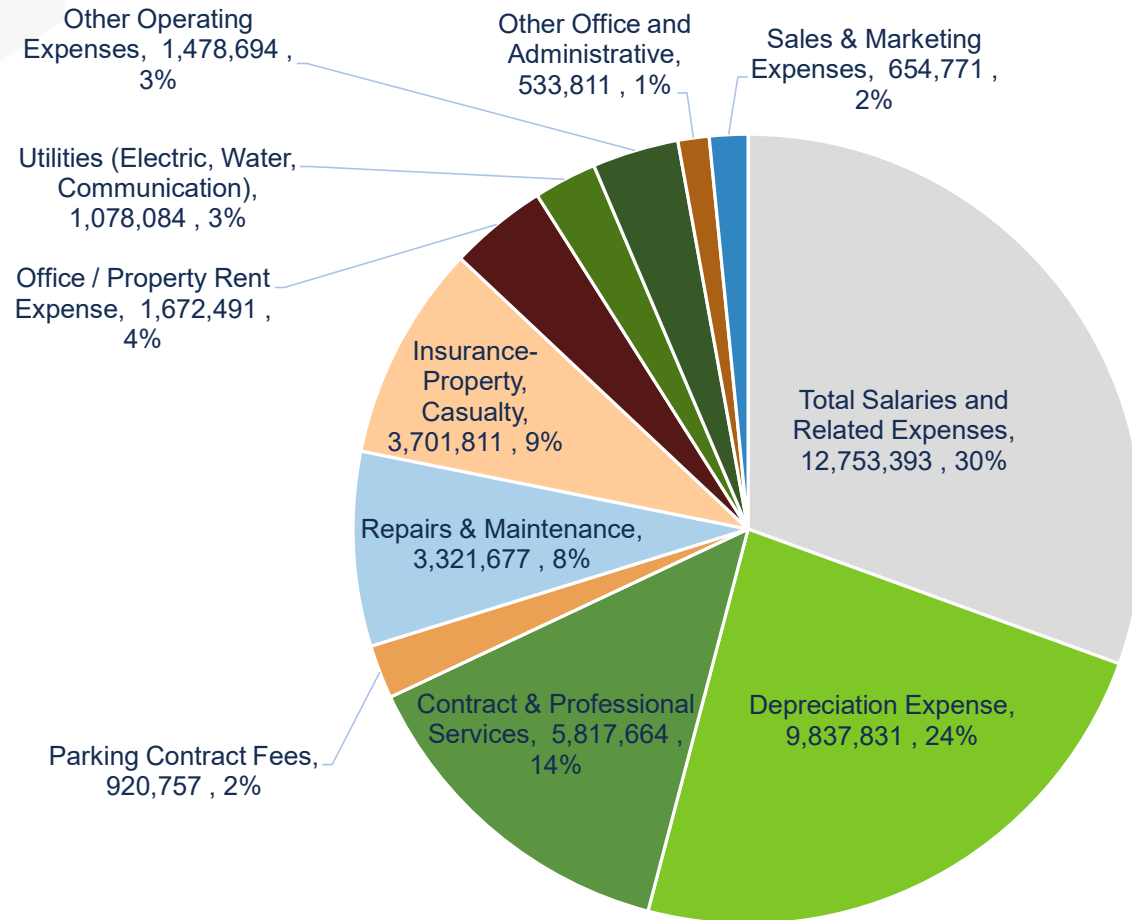
2023 Annual Budget Operating Expenses

Operating Expenses consists of those costs incurred in the normal course of business and the general operations of the Port.

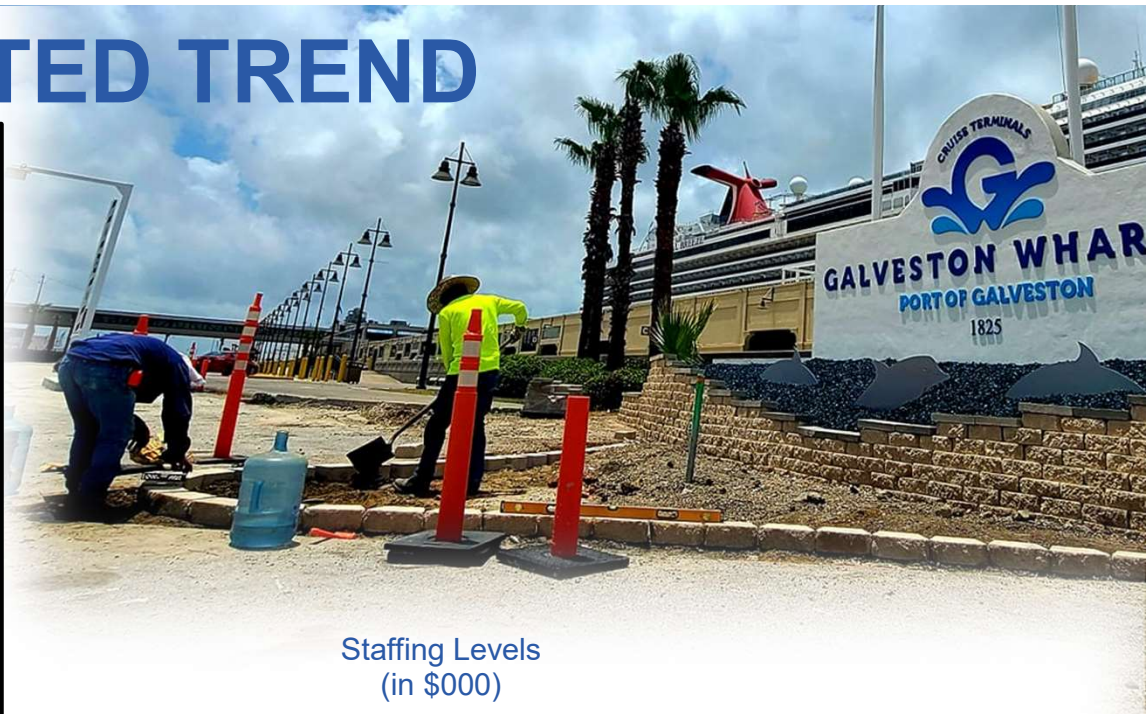
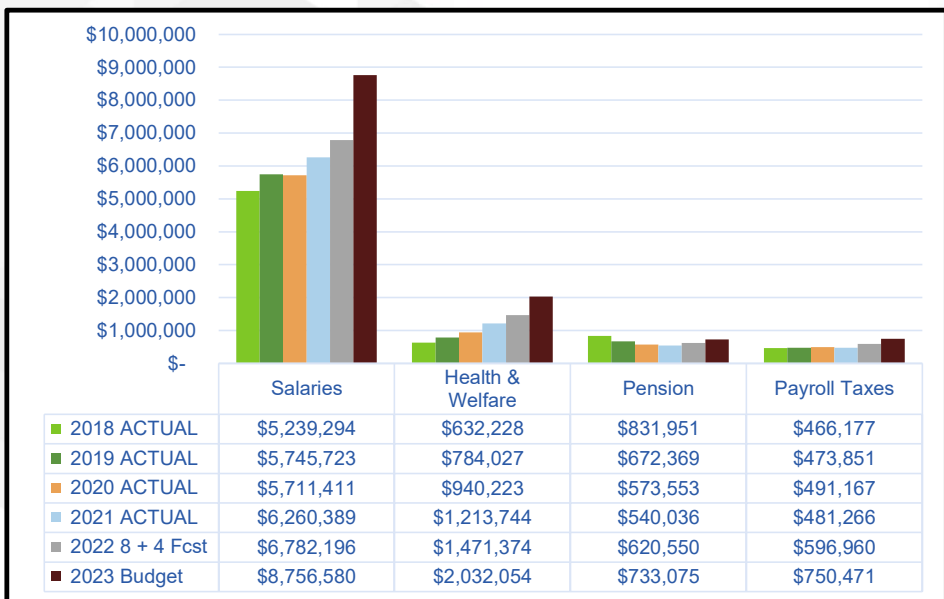


2023 PROPOSED EXPENSES FROM OPERATIONS Including Depreciation

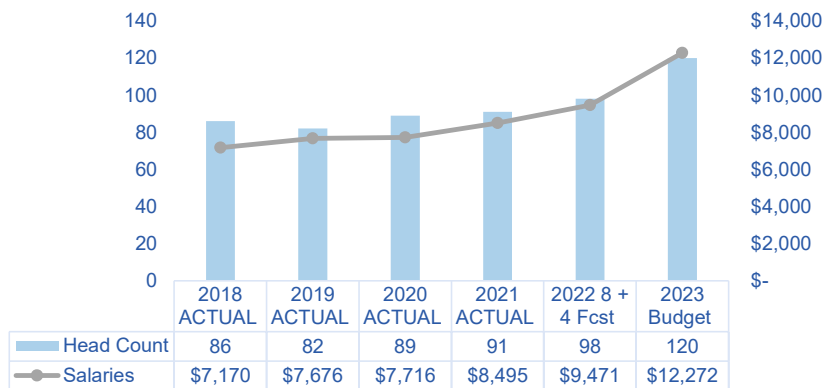
TOTAL
\$41,770,983



SALARIES AND RELATED TREND



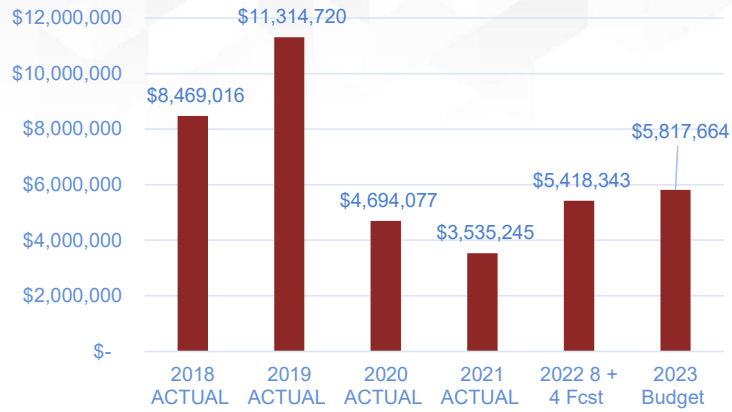
Staffing Levels
(in \$000)



- Total positions budgeted are 120; 6 2022 Open Positions and 16 New Positions.
- Defined benefit plan contribution is \$430K, up from the \$400K contribution in 2022, total increase of 7.5%

CONTRACT LABOR TREND

Total Contracted Services



Total Contract Labor is \$5,817,664, which is 7.4% above 2022 8+4 Fcst

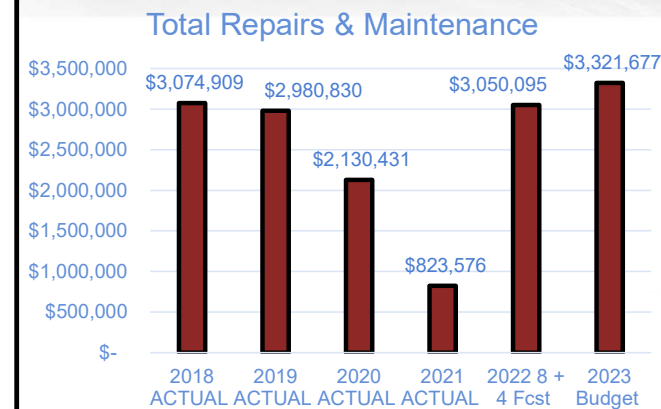
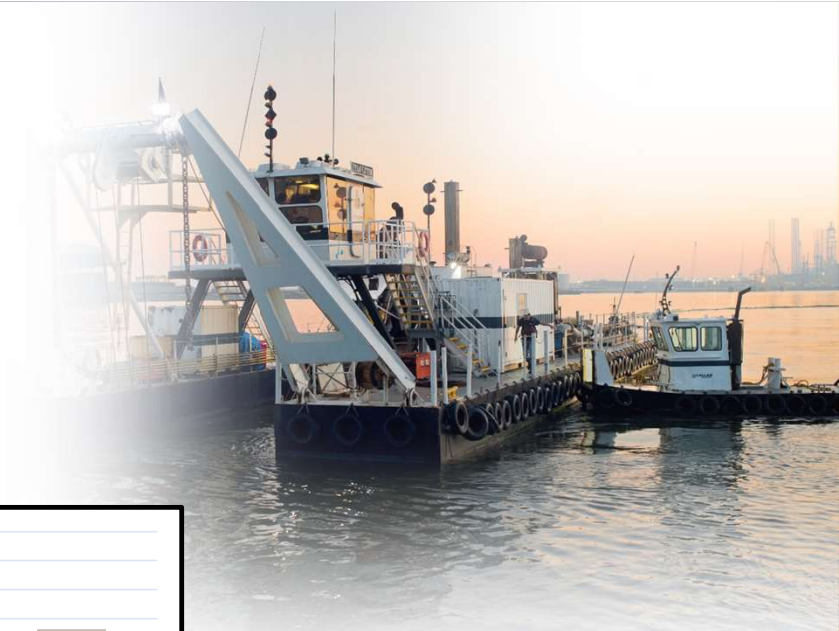
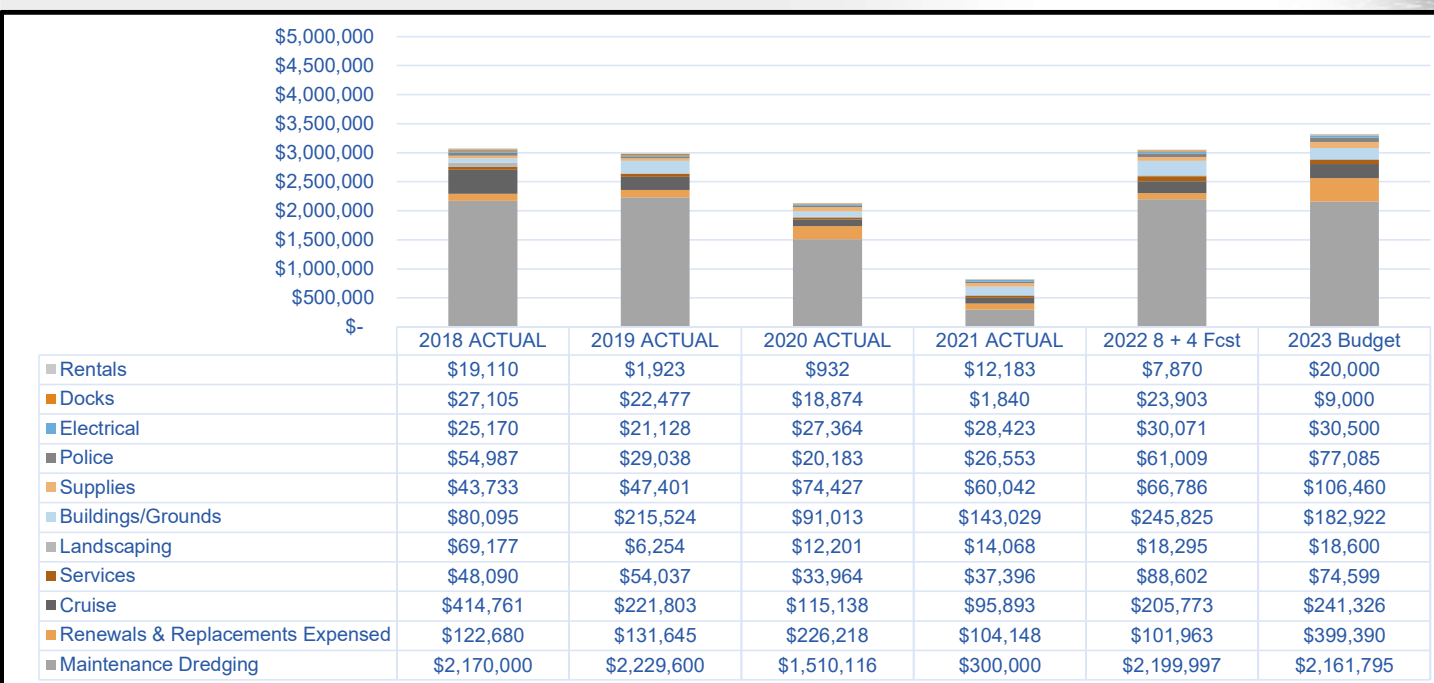
- Due to contract changes, Ship Services Revenue & Expenses are no longer applied effective in 2021 post Covid.
- Increase in Contract Police/Security (\$460K)
- Computer services are mainly comprised of Port Security Grant maintenance (\$370K) and IT related expenses (\$254K)



REPAIRS & MAINTENANCE EXPENSE TREND

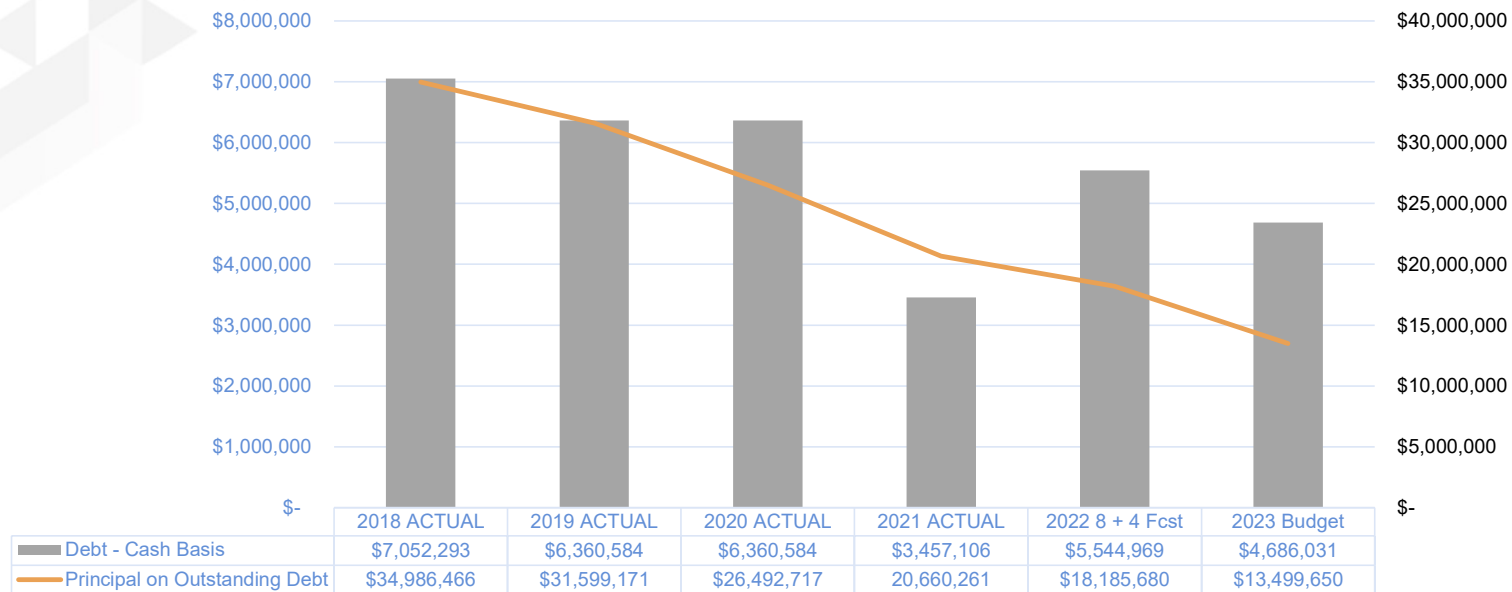
The Construction & Maintenance (C&M) department is responsible for the facilities and equipment maintenance programs – they address both planned and unplanned maintenance issues. Annual results will vary.

- The 2023 Budget includes \$399,390 of Renewal, Replacement, and Repair expense items shown in the R&R budget.



2023 EXISTING DEBT SERVICE

Debt Service	2023 Beginning Balance	2023 Interest	2023 Principal	2023 Ending Balance	Comments
Series 2021 A&B	\$ 14,652,364	\$ 163,403	\$ 4,555,664	\$ 10,096,700	Annual Interest 1.3%
USA Corp Engineers 10% Payback	\$ 3,533,316	\$ 1,089	\$ 130,367	\$ 3,402,950	Annual Interest .03%
Debt Service	\$ 18,185,680	\$ 164,492	\$ 4,686,031	\$ 13,499,650	



2023 ANNUAL R&R BUDGET AND CAPITAL IMPROVEMENT PLAN

The 2023 R&R Budget and Capital Improvement Plan and Capital Improvement Budget is presented as a separate section in the 2023 Proposed Budget Book.

