

“FOR INFORMATION ONLY”

DATE: APRIL 18, 2024

TO: BOARD OF HARBOR COMMISSIONERS

**SUBJECT: FINANCIAL PERFORMANCE RESULTS FOR
FISCAL YEAR 2023/24 ENDED MARCH 31, 2024**

Financial performance results for the first nine months of Fiscal Year 2023/24 are below and have been summarized relative to both budget and the prior fiscal year. For the month of March, cargo volumes (as measured by TEUs or twenty-foot equivalent units) increased by 3.3% relative to budget and increased by 8.5% relative to the prior fiscal year. In summary, performance results for the Harbor Department are as follows:

FYTD March 2024	Actuals (Cargo Volumes in Thousands, \$ in Millions)	Actual-to- Budget Comparison	Year-on-Year Comparison
Cargo Volumes	6,873	↑ 3.3%	↑ 8.5%
Operating Revenues	\$522.9	↑ 7.4%	↑ 14.9%
Operating Expenses	\$195.2	↓ (27.8%)	↑ 0.6%
Operating Income	\$327.7	↑ 51.3%	↑ 25.5%
Net Income	\$233.3	↑ 148.0%	↑ 56.6%

Shipping Services increased relative to budget and prior year due to higher cargo volumes and higher cargo rates. Relative to budget, Operating Revenues increased by 7.4% primarily due to higher wharfage and higher rentals. In comparison to the prior fiscal year, total Operating Revenues increased by 14.9% due to higher wharfage and higher rentals which were only partially offset by lower space assignments.

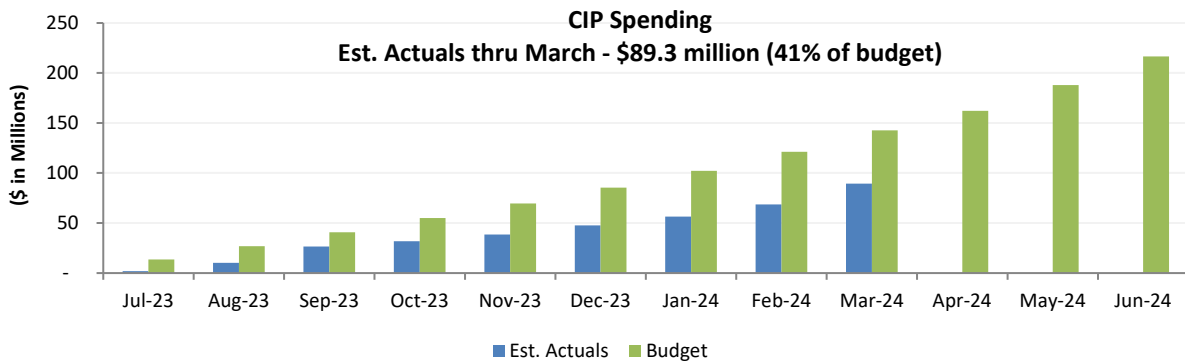
Operating Expenses were 27.8% lower than budgeted primarily due to lower salaries and benefits expenses as well as invoicing/payment delays related to outside services, city services, electricity payments and container incentive payouts. Relative to the prior fiscal

year, total Operating Expenses increased by 0.6% primarily due to higher salaries and benefits.

Operating Margin through the month of March was 62.7% versus a budget of 44.5% and a prior year-to-date figure of 57.4%.

Capital Improvement Program (CIP)

CIP spending for the nine-month period ended March 31, 2024, was estimated to reach \$89.3 million or about 41% of the total \$216.5 million CIP adopted budget.



Marla Bleavins

MARLA BLEAVINS
Deputy Executive Director & Chief Financial Officer

Transmittals:

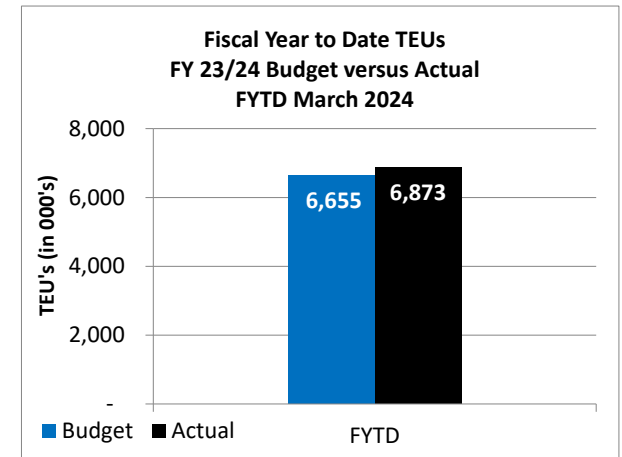
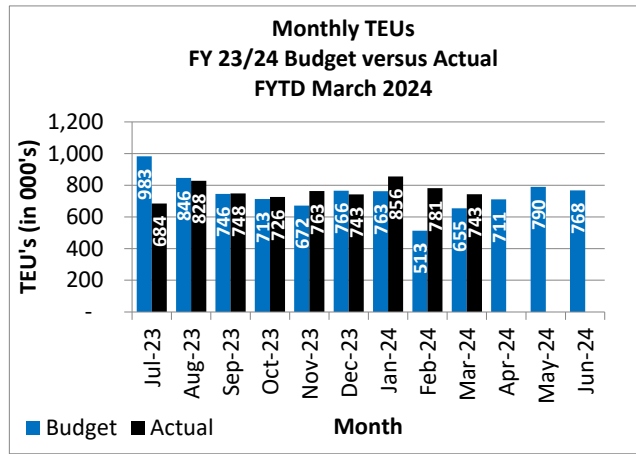
1. TEU Throughput Comparison – FYTD March 2024
2. Actual-to-Budget FY 2023/24 – March
3. Year-to-Year Performance Report YTD March 31, 2024 and 2023

Author: E. Wang
MB:JS:MM/Finance
cc: Deputy Executive Directors

**HARBOR DEPARTMENT OF THE CITY OF LOS ANGELES
TEU THROUGHPUT COMPARISON - FYTD MARCH 2024**

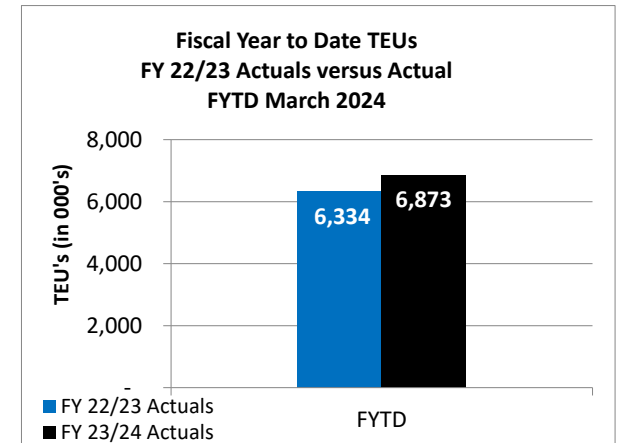
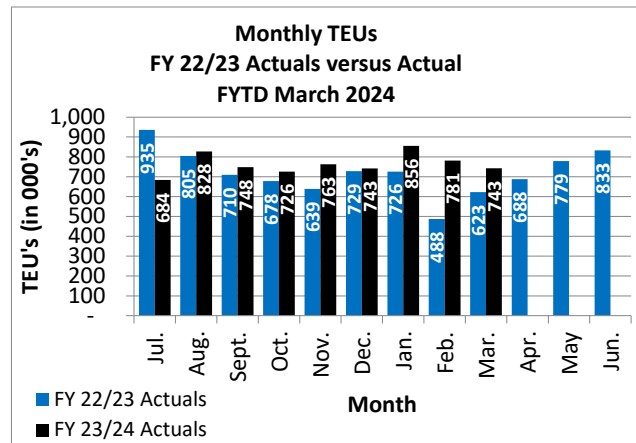
**Budget versus Actuals Comparison
FY 23/24 Budget vs. FY 23/24 Actuals**

(in 000's) Month	TEU's		% Δ	Δ
	FY 23/24 Budget	FY 23/24 Actuals		
Jul-23	983	684	-30.4%	↓
Aug-23	846	828	-2.1%	↓
Sep-23	746	748	0.3%	↑
Oct-23	713	726	1.8%	↑
Nov-23	672	763	13.6%	↑
Dec-23	766	743	-3.0%	↓
Jan-24	763	856	12.2%	↑
Feb-24	513	781	52.5%	↑
Mar-24	655	743	13.5%	↑
Apr-24	711		-100.0%	↓
May-24	790		-100.0%	↓
Jun-24	768		-100.0%	↓
FYTD	6,655	6,873	3.3%	↑
FY 23/24 Budget	8,925			



**Year-to-Year Actuals Comparison
FY 22/23 Actuals vs. FY 23/24 Actuals**

(in 000's) Month	TEU's		% Δ	Δ
	FY 22/23 Actuals	FY 23/24 Actuals		
Jul.	935	684	-26.8%	↓
Aug.	805	828	2.8%	↑
Sept.	710	748	5.4%	↑
Oct.	678	726	7.0%	↑
Nov.	639	763	19.4%	↑
Dec.	729	743	1.9%	↑
Jan.	726	856	17.9%	↑
Feb.	488	781	60.2%	↑
Mar.	623	743	19.3%	↑
Apr.	688		-100.0%	↓
May	779		-100.0%	↓
Jun.	833		-100.0%	↓
FYTD	6,334	6,873	8.5%	↑
FY 22/23 Actuals	8,635			



The Port of Los Angeles - Harbor Department
FYTD MARCH 31, 2024

TRANSMITTAL 2

\$ in thousands	Fiscal Year Actual	Fiscal Year Budget	Actual-to-Budget	
	FY 2023/24	FY 2023/24	Comparison	
	Fiscal YTD - Mar 2024	Fiscal YTD - Mar 2024	\$	%
Operating Revenues				
Shipping Services	381,637	359,528	22,109	6.1%
Rentals	87,649	74,765	12,884	17.2%
Royalties, Fees and Other Revenues	26,348	26,650	(302)	(1.1%)
Clean Truck Program Revenues	27,218	25,915	1,303	5.0%
Total Operating Revenues	522,852	486,858	35,994	7.4%
Operating Expenses				
Gross Salaries & Benefits	123,748	144,976	21,228	14.6%
Capitalization	(25,400)	(11,688)	13,711	(117.3%)
Net Salaries & Benefits	98,348	133,288	34,939	26.2%
Marketing & Public Relations	1,904	2,879	975	33.9%
Travel	588	852	264	31.0%
Outside Services	18,667	36,122	17,455	48.3%
Materials & Supplies	4,206	4,890	684	14.0%
City Services	34,521	50,045	15,524	31.0%
Allocations to Capital - Overhead		(14,783)	(14,783)	100.0%
Other Operating Expenses	34,960	54,031	19,070	35.3%
Clean Truck Program Expenses	2,006	2,998	993	33.1%
Total Operating Expenses	195,201	270,323	75,122	27.8%
Income Before Depreciation	327,651	216,535	111,116	51.3%
Provision For Depreciation	115,204	115,741	537	0.5%
Income From Operations	212,447	100,794	111,653	110.8%
Non-Operating Revenue	33,697	18,087	15,610	86.3%
Non-Operating Expenses	12,848	24,819	11,972	48.2%
Net Income	233,296	94,062	139,234	148.0%

The Port of Los Angeles - Harbor Department
FYTD March 31, 2024 and 2023

TRANSMITTAL 3

\$ in thousands	Fiscal Year Actual	Prior Fiscal Year	Year-over-Year Change	
	FY 2023/24	FY 2022/23	(Unfavorable)/Favorable	
	Fiscal YTD - Mar 2024	Fiscal YTD - Mar 2023	\$	%
Operating Revenues				
Shipping Services	381,637	324,163	57,474	17.7%
Rentals	87,649	78,296	9,353	11.9%
Royalties, Fees and Other Revenues	26,348	27,459	(1,111)	(4.0%)
Clean Truck Program Revenues	27,218	25,132	2,086	8.3%
Total Operating Revenues	522,852	455,049	67,803	14.9%
Operating Expenses				
Gross Salaries & Benefits	123,748	117,642	(6,107)	(5.2%)
Capitalization	(25,400)	(20,781)	4,619	(22.2%)
Net Salaries & Benefits	98,348	96,861	(1,488)	(1.5%)
Marketing & Public Relations	1,904	1,940	36	1.9%
Travel	588	470	(119)	(25.3%)
Outside Services	18,667	19,135	468	2.4%
Materials & Supplies	4,206	4,080	(127)	(3.1%)
City Services	34,521	37,050	2,529	6.8%
Other Operating Expenses	34,960	33,223	(1,737)	(5.2%)
Clean Truck Program Expenses	2,006	1,241	(765)	(61.7%)
Total Operating Expenses	195,201	193,999	(1,202)	(0.6%)
Income Before Depreciation	327,651	261,050	66,601	25.5%
Provision For Depreciation	115,204	118,885	3,681	3.1%
Income From Operations	212,447	142,165	70,282	49.4%
Non-Operating Revenue	33,697	23,744	9,953	41.9%
Non-Operating Expenses	12,848	16,940	4,092	24.2%
Net Income	233,296	148,969	84,327	56.6%