











**“FOR INFORMATION ONLY”**

**DATE: DECEMBER 15, 2023**

**TO: BOARD OF HARBOR COMMISSIONERS**

**SUBJECT: FINANCIAL PERFORMANCE RESULTS FOR  
FISCAL YEAR 2023/24 ENDED NOVEMBER 30, 2023**

Financial performance results for the first five months of the Fiscal Year 2023/24 are below and have been summarized relative to both budget and the prior fiscal year. For the month of November, cargo volumes (as measured by TEUs or twenty-foot equivalent units) decreased by 5.3% relative to budget and 0.5% relative to the prior fiscal year. In summary, performance results for the Harbor Department are as follows:

<b>FYTD November 2023</b>	<b>Actuals</b> (Cargo Volumes in Thousands, \$ in Millions)	<b>Actual-to- Budget Comparison</b>	<b>Year-on-Year Comparison</b>
<b>Cargo Volumes</b>	3,750	 (5.3%)	 (0.5%)
<b>Operating Revenues</b>	\$279.3	 (3.3%)	 8.6%
<b>Operating Expenses</b>	\$109.5	 (27.8%)	 4.7%
<b>Operating Income</b>	\$169.8	 23.9%	 11.2%
<b>Net Income</b>	\$118.7	 77.1%	 33.7%

Shipping Services decreased relative to budget due to lower cargo volumes but increased relative to the prior year as lower cargo volumes were more than offset by higher container rates. Relative to budget, Operating Revenues decreased by 3.3% primarily due to lower wharfage, lower utility charges and lower operating reimbursements. In comparison to the prior fiscal year, total Operating Revenues increased by 8.6% due to higher wharfage, higher rentals, and higher Clean Truck Fund revenue.

Operating Expenses were 27.8% lower than budget primarily due to lower salaries and benefits expenses, timing of outside services, timing of city service invoices, delay in

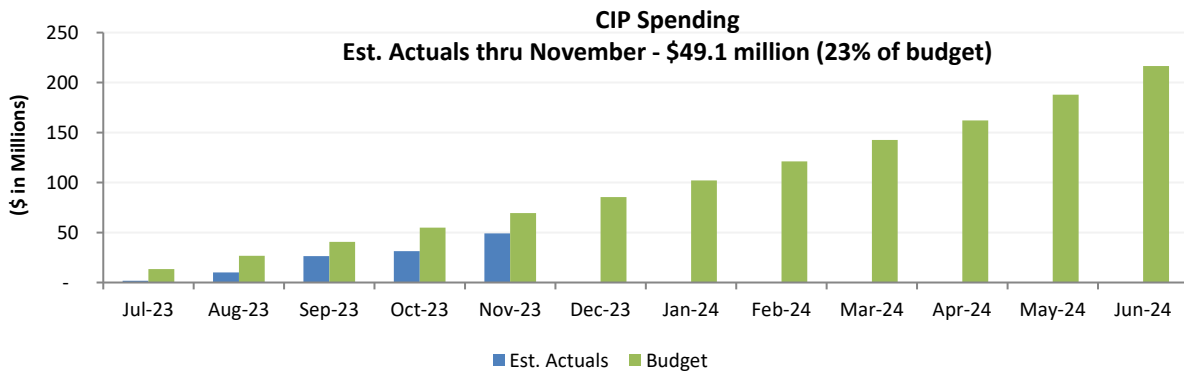
**SUBJECT: FINANCIAL PERFORMANCE RESULTS**

recording of payment for electricity, and delay in container incentive payouts. Relative to the prior fiscal year, total Operating Expenses increased by 4.7% due to higher salary and benefits and higher electricity costs which were partially offset by a delay in processing container incentives and lower spend on city services.

Operating Margin through the month of November was 60.8% versus a budget of 47.5% and a prior year-to-date figure of 59.3%.

Capital Improvement Program (CIP)

CIP spending for the five-month period ended November 30, 2023, was estimated to reach \$49.1 million or about 23% of the total \$216.5 million CIP adopted budget.



*Marla Bleavins*

MARLA BLEAVINS  
 Deputy Executive Director & Chief Financial Officer

Transmittals:

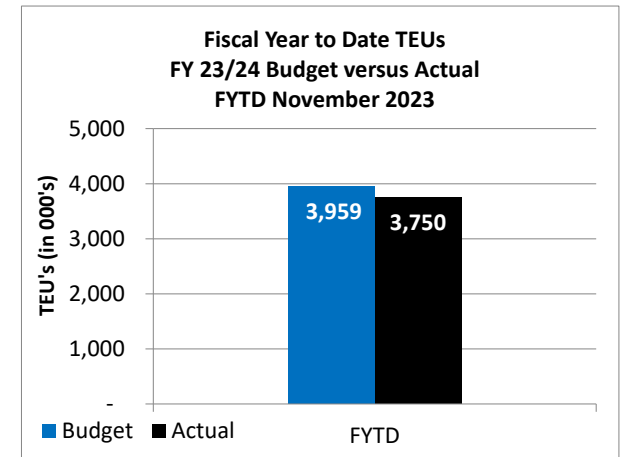
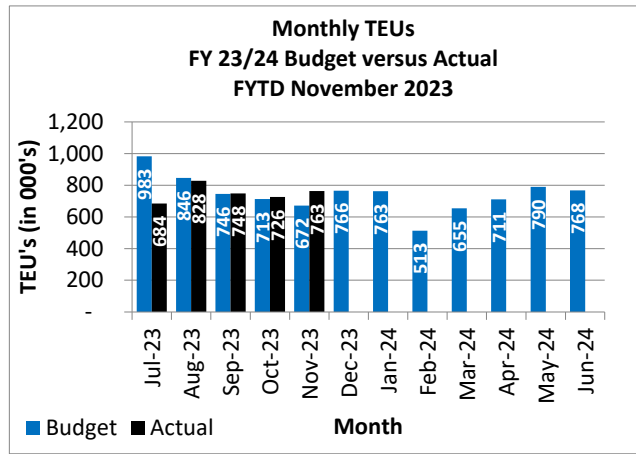
1. TEU Throughput Comparison – FYTD November 2023
2. Actual-to-Budget FY 2022/23 – November
3. Year-to-Year Performance Report YTD November 30, 2023 and 2022

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 MB:JS:MM/Finance  
 cc: Deputy Executive Directors

# HARBOR DEPARTMENT OF THE CITY OF LOS ANGELES TEU THROUGHPUT COMPARISON - FYTD NOVEMBER 2023

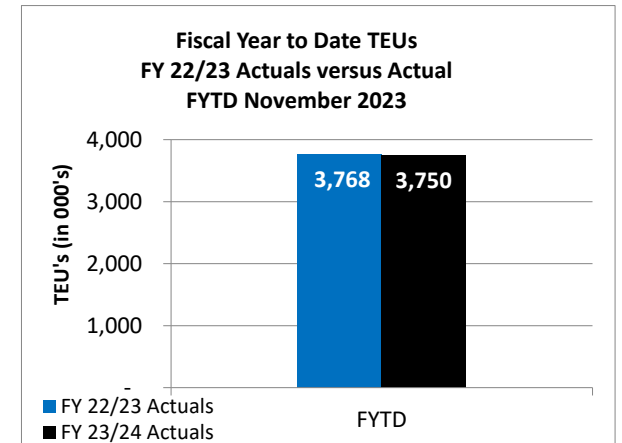
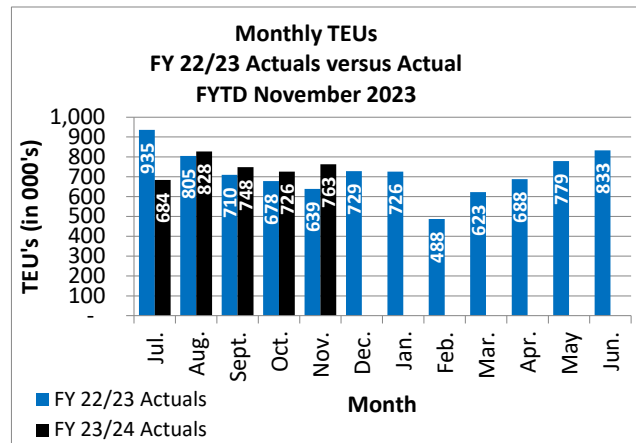
### Budget versus Actuals Comparison FY 23/24 Budget vs. FY 23/24 Actuals

(in 000's)	TEU's				
	Month	FY 23/24 Budget	FY 23/24 Actuals	% Δ	Δ
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		-100.0%	↓
Jan-24		763		-100.0%	↓
Feb-24		513		-100.0%	↓
Mar-24		655		-100.0%	↓
Apr-24		711		-100.0%	↓
May-24		790		-100.0%	↓
Jun-24		768		-100.0%	↓
FYTD		3,959	3,750	-5.3%	↓
FY 23/24 Budget		8,925			



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

(in 000's)	TEU's				
	Month	FY 22/23 Actuals	FY 23/24 Actuals	% Δ	Δ
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		-100.0%	↓
Jan.		726		-100.0%	↓
Feb.		488		-100.0%	↓
Mar.		623		-100.0%	↓
Apr.		688		-100.0%	↓
May		779		-100.0%	↓
Jun.		833		-100.0%	↓
FYTD		3,768	3,750	-0.5%	↓
FY 22/23 Actuals		8,635			



The Port of Los Angeles - Harbor Department  
FYTD NOVEMBER 30, 2023

TRANSMITTAL 2

\$ in thousands	Fiscal Year Actual	Fiscal Year Budget	Actual-to-Budget	
	FY 2023/24	FY 2023/24	Comparison	
	Fiscal YTD - Nov 2023	Fiscal YTD - Nov 2023	\$	%
<b>Operating Revenues</b>				
Shipping Services	206,959	215,566	(8,607)	(4.0%)
Rentals	47,811	44,674	3,137	7.0%
Royalties, Fees and Other Revenues	9,183	13,171	(3,988)	(30.3%)
Clean Truck Program Revenues	15,384	15,365	20	0.1%
<b>Total Operating Revenues</b>	<b>279,337</b>	<b>288,775</b>	<b>(9,438)</b>	<b>(3.3%)</b>
<b>Operating Expenses</b>				
Gross Salaries & Benefits	71,013	80,739	9,726	12.0%
Capitalization	(14,863)	(6,493)	8,370	(128.9%)
Net Salaries & Benefits	56,149	74,245	18,096	24.4%
Marketing & Public Relations	599	1,566	967	61.7%
Travel	348	545	197	36.2%
Outside Services	8,800	20,343	11,543	56.7%
Materials & Supplies	2,236	2,685	449	16.7%
City Services	21,903	27,715	5,813	21.0%
Allocations to Capital - Overhead		(8,213)	(8,213)	100.0%
Other Operating Expenses	17,840	30,107	12,268	40.7%
Clean Truck Program Expenses	1,655	2,682	1,028	38.3%
<b>Total Operating Expenses</b>	<b>109,530</b>	<b>151,677</b>	<b>42,147</b>	<b>27.8%</b>
<b>Income Before Depreciation</b>	<b>169,807</b>	<b>137,098</b>	<b>32,709</b>	<b>23.9%</b>
Provision For Depreciation	62,199	65,160	2,961	4.5%
<b>Income From Operations</b>	<b>107,608</b>	<b>71,938</b>	<b>35,670</b>	<b>49.6%</b>
Non-Operating Revenue	18,276	8,895	9,382	105.5%
Non-Operating Expenses	7,160	13,788	6,629	48.1%
<b>Net Income</b>	<b>118,725</b>	<b>67,044</b>	<b>51,681</b>	<b>77.1%</b>

The Port of Los Angeles - Harbor Department  
FYTD November 30, 2022 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 - Nov 2023	Fiscal YTD - Nov 2022	\$	%
<b>Operating Revenues</b>				
Shipping Services	206,959	189,528	17,431	9.2%
Rentals	47,811	41,210	6,601	16.0%
Royalties, Fees and Other Revenues	9,183	14,116	(4,933)	(34.9%)
Clean Truck Program Revenues	15,384	12,444	2,940	23.6%
<b>Total Operating Revenues</b>	<b>279,337</b>	<b>257,299</b>	<b>22,038</b>	<b>8.6%</b>
<b>Operating Expenses</b>				
Gross Salaries & Benefits	71,013	66,568	(4,445)	(6.7%)
Capitalization	(14,863)	(11,699)	3,164	(27.0%)
Net Salaries & Benefits	56,149	54,868	(1,281)	(2.3%)
Marketing & Public Relations	599	1,033	434	42.0%
Travel	348	360	12	3.5%
Outside Services	8,800	9,173	373	4.1%
Materials & Supplies	2,236	1,960	(276)	(14.1%)
City Services	21,903	22,236	333	1.5%
Other Operating Expenses	17,840	14,332	(3,507)	(24.5%)
Clean Truck Program Expenses	1,655	682	(973)	(142.5%)
<b>Total Operating Expenses</b>	<b>109,530</b>	<b>104,646</b>	<b>(4,884)</b>	<b>(4.7%)</b>
<b>Income Before Depreciation</b>	<b>169,807</b>	<b>152,653</b>	<b>17,154</b>	<b>11.2%</b>
Provision For Depreciation	62,199	65,080	2,881	4.4%
<b>Income From Operations</b>	<b>107,608</b>	<b>87,573</b>	<b>20,035</b>	<b>22.9%</b>
Non-Operating Revenue	18,276	9,958	8,318	83.5%
Non-Operating Expenses	7,160	8,728	1,568	18.0%
<b>Net Income</b>	<b>118,725</b>	<b>88,803</b>	<b>29,922</b>	<b>33.7%</b>