











**“FOR INFORMATION ONLY”**

**DATE: JANUARY 17, 2024**

**TO: BOARD OF HARBOR COMMISSIONERS**

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

Financial performance results for the first six 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 December, cargo volumes (as measured by TEUs or twenty-foot equivalent units) decreased by 4.8% relative to budget and were approximately flat relative to the prior fiscal year. In summary, performance results for the Harbor Department are as follows:

<b>FYTD December 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>	4,497	 (4.8%)	 (0.0%)
<b>Operating Revenues</b>	\$332.2	 (2.6%)	 2.9%
<b>Operating Expenses</b>	\$126.4	 (30.9%)	 2.0%
<b>Operating Income</b>	\$205.8	 30.1%	 3.4%
<b>Net Income</b>	\$144.1	 86.4%	 17.2%

Shipping Services decreased relative to budget due to lower cargo volumes and decreased relative to the prior year due to lower space assignments. Relative to budget, Operating Revenues decreased by 2.6% primarily due to lower wharfage. In comparison to the prior fiscal year, total Operating Revenues increased by 2.9% due to higher rentals and higher wharfage which were only partially offset by lower space assignments.

Operating Expenses were 30.9% lower than budgeted primarily due to lower salaries and benefits expenses as well as invoicing/payment delays related to outside services, city services, container incentive payouts and electricity payments. Relative to the prior fiscal

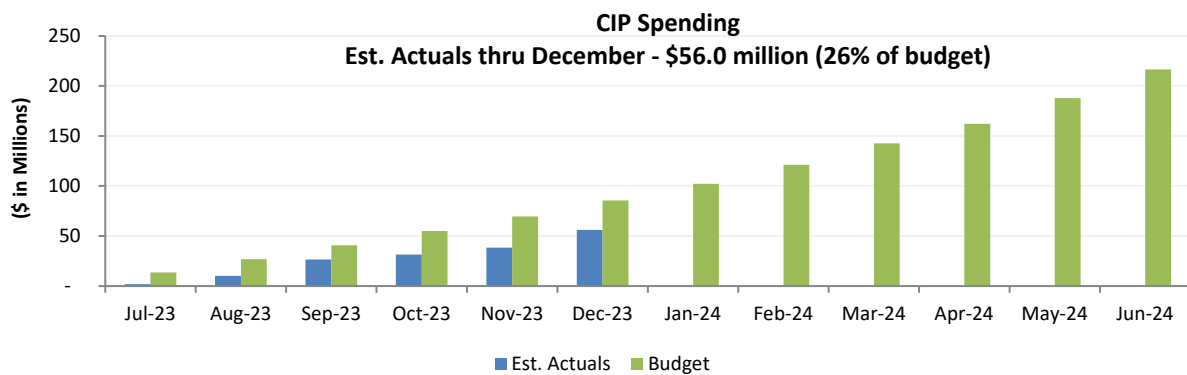
SUBJECT: FINANCIAL PERFORMANCE RESULTS

year, total Operating Expenses increased by 2.0% primarily due to higher salaries and benefits.

Operating Margin through the month of December was 62.0% versus a budget of 46.4% and a prior year-to-date figure of 61.6%.

Capital Improvement Program (CIP)

CIP spending for the six-month period ended December 31, 2023, was estimated to reach \$56.0 million or about 26% of the total \$216.5 million CIP adopted budget.



*Marla Bleavins*

MARLA BLEAVINS  
Deputy Executive Director & Chief Financial Officer

Transmittals:

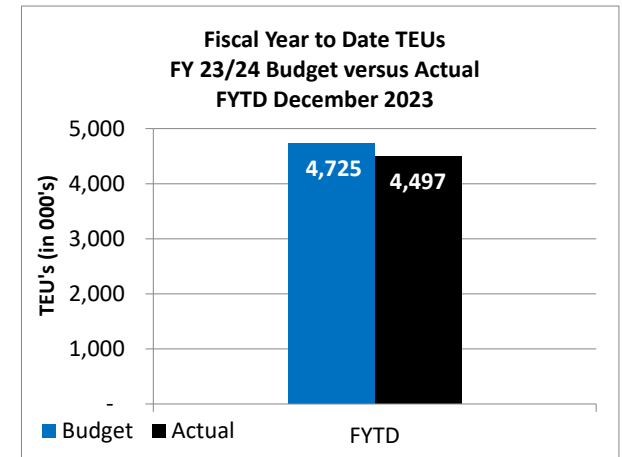
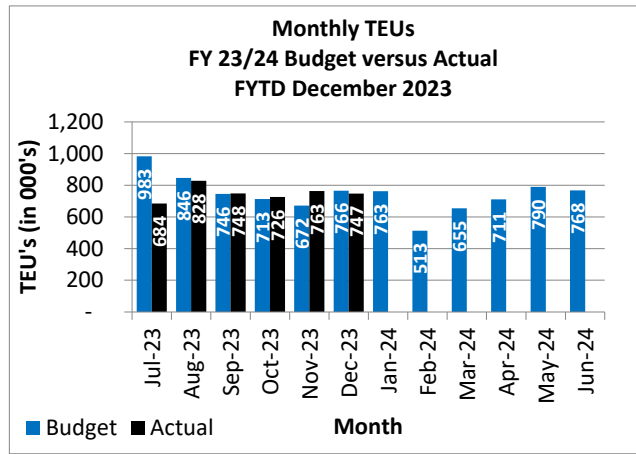
1. TEU Throughput Comparison – FYTD December 2023
2. Actual-to-Budget FY 2023/24 – December
3. Year-to-Year Performance Report YTD December 31, 2023 and 2022

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

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

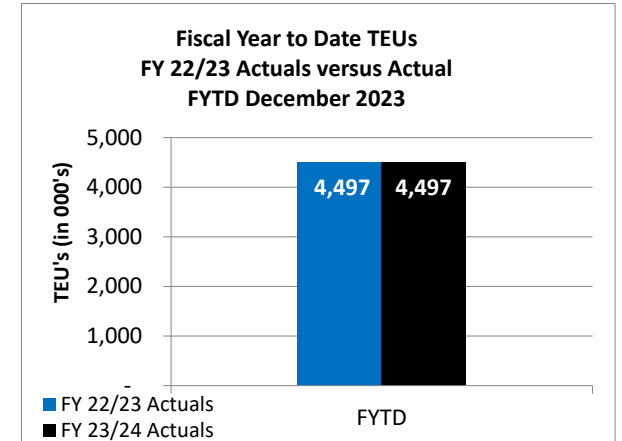
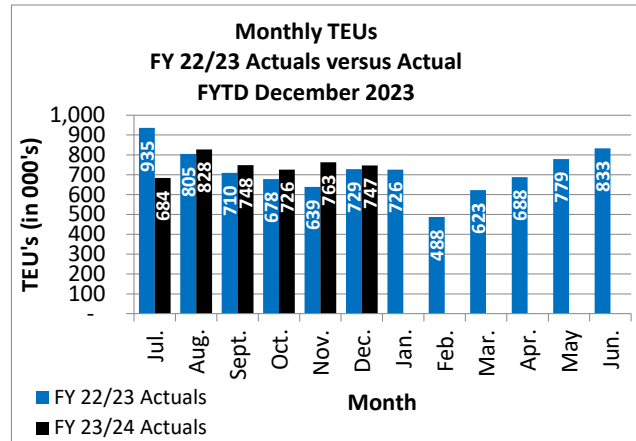
### Budget versus Actuals Comparison FY 23/24 Budget vs. FY 23/24 Actuals

(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	747	-2.4%	↓
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%	↓
<b>FYTD</b>	<b>4,725</b>	<b>4,497</b>	<b>-4.8%</b>	<b>↓</b>
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	747	2.5%	↑
Jan.	726		-100.0%	↓
Feb.	488		-100.0%	↓
Mar.	623		-100.0%	↓
Apr.	688		-100.0%	↓
May	779		-100.0%	↓
Jun.	833		-100.0%	↓
<b>FYTD</b>	<b>4,497</b>	<b>4,497</b>	<b>0.0%</b>	<b>↓</b>
FY 22/23 Actuals	8,635			



The Port of Los Angeles - Harbor Department  
FYTD DECEMBER 31, 2023

TRANSMITTAL 2

\$ in thousands	Fiscal Year Actual	Fiscal Year Budget	Actual-to-Budget	
	FY 2023/24	FY 2023/24	Comparison	
	Fiscal YTD - Dec 2023	Fiscal YTD - Dec 2023	\$	%
<b>Operating Revenues</b>				
Shipping Services	241,530	256,352	(14,822)	(5.8%)
Rentals	58,914	50,669	8,245	16.3%
Royalties, Fees and Other Revenues	12,562	15,759	(3,197)	(20.3%)
Clean Truck Program Revenues	19,159	18,283	876	4.8%
<b>Total Operating Revenues</b>	<b>332,166</b>	<b>341,063</b>	<b>(8,897)</b>	<b>(2.6%)</b>
<b>Operating Expenses</b>				
Gross Salaries & Benefits	83,152	96,759	13,607	14.1%
Capitalization	(16,644)	(7,792)	8,852	(113.6%)
Net Salaries & Benefits	66,508	88,967	22,459	25.2%
Marketing & Public Relations	1,159	1,750	591	33.8%
Travel	396	593	197	33.2%
Outside Services	10,963	24,043	13,079	54.4%
Materials & Supplies	2,785	3,284	500	15.2%
City Services	22,484	33,242	10,757	32.4%
Allocations to Capital - Overhead		(9,855)	(9,855)	100.0%
Other Operating Expenses	20,896	39,361	18,465	46.9%
Clean Truck Program Expenses	1,196	1,520	324	21.3%
<b>Total Operating Expenses</b>	<b>126,387</b>	<b>182,904</b>	<b>56,516</b>	<b>30.9%</b>
<b>Income Before Depreciation</b>	<b>205,779</b>	<b>158,160</b>	<b>47,619</b>	<b>30.1%</b>
Provision For Depreciation	74,364	77,725	3,361	4.3%
<b>Income From Operations</b>	<b>131,415</b>	<b>80,434</b>	<b>50,980</b>	<b>63.4%</b>
Non-Operating Revenue	21,294	13,443	7,851	58.4%
Non-Operating Expenses	8,590	16,546	7,956	48.1%
<b>Net Income</b>	<b>144,119</b>	<b>77,331</b>	<b>66,788</b>	<b>86.4%</b>

The Port of Los Angeles - Harbor Department  
FYTD December 31, 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 - Dec 2023	Fiscal YTD - Dec 2022	\$	%
<b>Operating Revenues</b>				
Shipping Services	241,530	244,234	(2,704)	(1.1%)
Rentals	58,914	47,076	11,838	25.1%
Royalties, Fees and Other Revenues	12,562	16,112	(3,550)	(22.0%)
Clean Truck Program Revenues	19,159	15,533	3,627	23.4%
<b>Total Operating Revenues</b>	<b>332,166</b>	<b>322,955</b>	<b>9,211</b>	<b>2.9%</b>
<b>Operating Expenses</b>				
Gross Salaries & Benefits	83,152	78,660	(4,491)	(5.7%)
Capitalization	(16,644)	(13,654)	2,990	(21.9%)
Net Salaries & Benefits	66,508	65,007	(1,501)	(2.3%)
Marketing & Public Relations	1,159	1,158	(1)	(0.1%)
Travel	396	381	(16)	(4.1%)
Outside Services	10,963	12,417	1,454	11.7%
Materials & Supplies	2,785	2,356	(428)	(18.2%)
City Services	22,484	24,645	2,161	8.8%
Other Operating Expenses	20,896	17,219	(3,677)	(21.4%)
Clean Truck Program Expenses	1,196	747	(449)	(60.0%)
<b>Total Operating Expenses</b>	<b>126,387</b>	<b>123,930</b>	<b>(2,457)</b>	<b>(2.0%)</b>
<b>Income Before Depreciation</b>	<b>205,779</b>	<b>199,026</b>	<b>6,753</b>	<b>3.4%</b>
Provision For Depreciation	74,364	78,118	3,754	4.8%
<b>Income From Operations</b>	<b>131,415</b>	<b>120,907</b>	<b>10,507</b>	<b>8.7%</b>
Non-Operating Revenue	21,294	12,256	9,037	73.7%
Non-Operating Expenses	8,590	10,217	1,627	15.9%
<b>Net Income</b>	<b>144,119</b>	<b>122,947</b>	<b>21,172</b>	<b>17.2%</b>