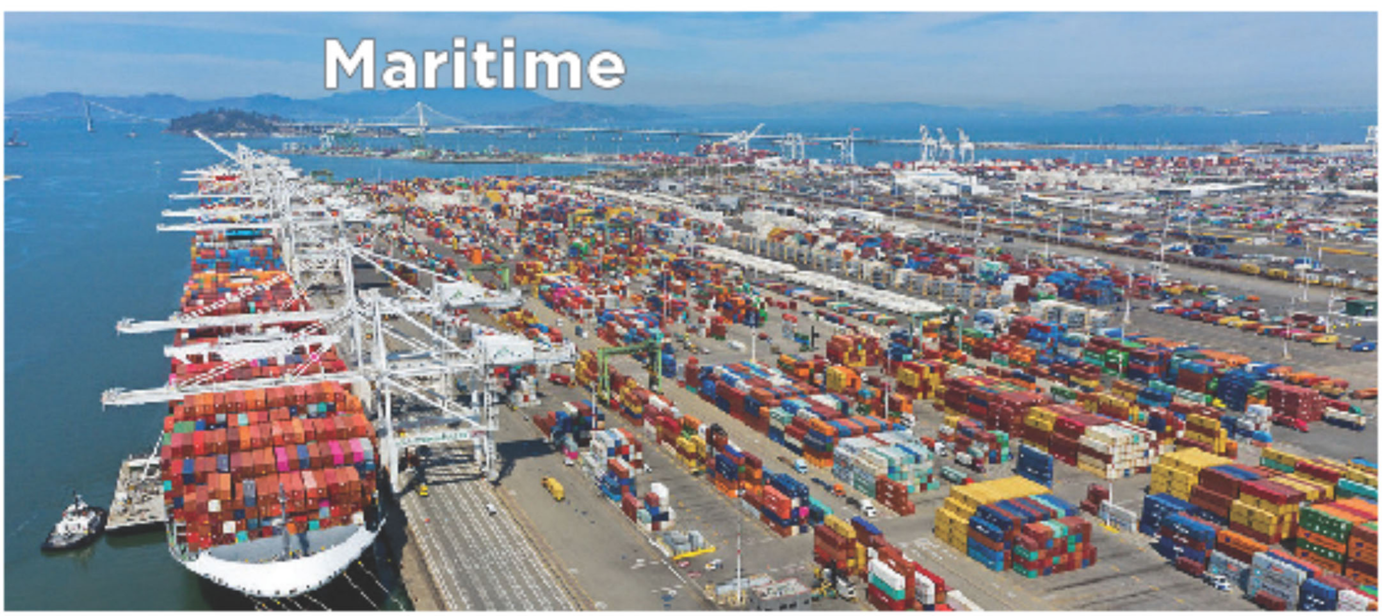
Annual Comprehensive Financial Report

For the Years Ended June 30, 2022 and 2021



PORT OF OAKLAND

Oakland, California
(A Component Unit of the City of Oakland)

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Annual Comprehensive Financial Report
For the Years Ended June 30, 2022 and 2021

Prepared by the Financial Services Division

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PORT OF OAKLAND
(A Component Unit of the City of Oakland)
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Years Ended June 30, 2022 and 2021

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INTRODUCTORY SECTION

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December 13, 2022

Board of Port Commissioners of the City of Oakland
Oakland, California

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of the Port of Oakland (Port), a component unit of the City of Oakland (City), as of and for the fiscal years ended June 30, 2022 and 2021. Fiscal Year (FY) 2022 financial reporting implements standards set forth by Governmental Accounting Standards Board (GASB) Statement No. 87 in the treatment of leases by the Port. All dollar amounts are rounded to the nearest thousand within this report for presentation purposes.

Responsibility for the accuracy of the data, and the completeness and reliability of the information contained in the report rests with management of the Port. The framework of internal controls provides reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. The data as presented is believed to be accurate in all material aspects and presented in a manner designed to fairly set forth the financial position and changes in financial position of the Port.

This letter of transmittal is designed to complement the management discussion and analysis (MD&A), which provides a narrative introduction, overview, and analysis to the financial statements, and should be read in conjunction with the MD&A.

Certain statements in this letter of transmittal reflect not historical facts but forecasts, projections, estimates and other "forward-looking statements." The achievement of results, or other expectations, involves known and unknown risks, uncertainties and other factors that may cause actual results to be materially different than forecasted results. The Port is not obligated to issue updates or revisions to this discussion if and when the expectations, events, conditions or circumstances on which these statements are based, occur or fail to occur, as the case may be.

Profile of the Port of Oakland

The Port is an independent department of the City. The City has operated a public harbor to serve waterborne commerce since its incorporation in 1852. The City has operated an airport since 1927. Exclusive control and management of the Port area, which includes the seaport, airport, utilities and other commercial real estate properties was delegated to a seven-member Board of Port Commissioners (Board) in 1927 by an amendment to the City Charter (Charter).

The Board has exclusive control of all of the Port's facilities and property, real and personal, all income and revenues of the Port, and proceeds of all debt financings initiated by it for seaport, airport, utilities and other commercial real estate improvements, or for any other purpose. The Board has the power under the Charter to fix, alter, change or modify the rates, tolls, fees, rentals and other charges for the use of the Port's facilities and any services provided in connection with the Port's facilities. A substantial portion of the Port's revenues are governed by lease, use, license and other agreements with the tenants and customers of the Port's four business lines: Aviation, Maritime, Utilities and Commercial Real Estate (CRE). The Port's Utilities business line primarily serves Maritime and Aviation tenants, therefore, in the accompanying financial statements revenues and expenses have been allocated to Maritime and Aviation based on the tenants served. The Port is required by the Charter to deposit its revenues in the City Treasury.

The Oakland International Airport (Airport or OAK) is a passenger, cargo and general aviation airport located on approximately 2,600 acres of land. The Airport is one of three major commercial airports serving the San Francisco Bay Area and the largest cargo hub in Northern California. In Calendar Year (CY) 2021, the Airport ranked 41st in the United States in terms of total passengers and 9th in terms of air cargo tonnage. In FY 2022, the Airport served approximately 10.0 million passengers and 1.2 billion pounds of air cargo. In CY 2022, the Airport averages 115 passenger departures operated by 10 marketing airlines to 46 destinations within California, across the United States, including the Hawaiian Islands, and Mexico. By the end of CY 2022, peak day departures have risen to 150.

The Oakland seaport (Seaport) serves as the principal ocean gateway for international containerized cargo shipments in Northern California and is one of several gateways for such shipments on the West Coast of North America. The Seaport is one of the top ten container ports in the United States, measured in terms of the number of twenty-foot equivalent units (TEUs) handled annually. In FY 2022, approximately 2.4 million full and empty TEUs moved through the Seaport. The Seaport comprises approximately 1,300 acres of land, including 779 acres of marine (container) terminal areas; rail facilities for intermodal and bulk cargo handling; areas for truck staging and other support services; and a portion of the former Oakland Army Base, which the Port is in the process of developing into a trade and logistics center. These facilities are backed by a network of roads and a deep-water navigation channel. All major ocean carriers serve the Seaport, which connect the Bay Area with the major trading centers of global commerce around the world.

The Port is the only major seaport and airport in California that operates a publicly owned electric utility (POU). Operating as a POU allows the Port to be a leader in demonstrating its commitment to local businesses, clean energy, and offering a cost-effective service to Port customers. The Utilities business line provides utility services (electrical, gas, water, and sewer services) to Port facilities (both tenant operated and Port-operated) in support of the Port's Aviation, Maritime and CRE business lines. Electricity for all of Aviation's approximately 200+ customers is provided by the Port Utilities division. Approximately 80% of Maritime customers and a small number of CRE customers are served by Port Utilities. The remaining customers are served by Pacific Gas and Electric Company (PG&E).

In addition, the Port oversees approximately 837 acres of land along the Oakland Estuary that is not used for maritime, utilities or aviation purposes. The commercial real estate properties on this land serve a number of uses including warehouses, parking lots, hotels, offices, shops, restaurants, public parks and open space.

Most of the Airport, Seaport, Utilities and Commercial Real Estate properties are located on land that is owned by the City and, under the Charter, controlled and managed by the Port subject to a trust imposed pursuant to numerous tideland grants from the State of California dating back as far as 1852. Certain requirements and restrictions are imposed by the tideland grants. Generally, the use of lands subject to the trust is limited to statewide public purposes, including commerce, navigation, fisheries, and other recognized uses. The trust also places certain limitations on the use of funds generated from trust lands and other assets.

Fiscal Year 2022 Financial Results

The Port began FY 2022 propelled by strong growth in activity levels across all revenue divisions that began in earnest in March 2021 and in most cases continued well into FY 2022. As availability of SARS CoV-2 (COVID) vaccines increased, and eligibility expanded to include a larger segment of the population, the economy opened up, economic activity accelerated, and consumer confidence improved as it became generally accepted the unlikelihood COVID could be fully eradicated and therefore society as a whole had to learn to coexist with the less deadly mutated forms of the original COVID virus. Across the Port's four lines of business, the biggest beneficiary of increased economic activity was the Airport which experienced a 153% increase in passenger traffic in the first three months of FY 2022 compared to the same three months in the prior fiscal year. For all twelve months of FY 2022, passenger traffic at the Airport increased by 91% compared to FY 2021.

Activity at the Seaport measured in terms of TEUs, while strong initially weakened as the fiscal year progressed. Full import TEU volumes decreased because consumer and retailer demand for imported goods dropped after peaking in the first 12 to 19 months of the COVID pandemic. Full export TEU volumes decreased due to several factors that made it more difficult for exporters to send container cargo through the Seaport, including less reliable cargo vessel schedules, cancellation of several scheduled ocean services, difficulty in securing empty containers, and increased shipping rates; all of which resulted from congestion in the supply chain.

In FY 2022, Aviation operating revenues totaled $193.7 million; a $41.6 million or 27.3% increase from FY 2021 revenues. Both airline and non-airline revenues increased. However, passenger activity-dependent revenues such as revenues from parking, car rental and terminal concessions accounted for most of the year-over-year growth in Airport revenues. Maritime revenues totaled $194.3 million; a $6.1 million or 3.3% increase from FY 2021 revenues. Rent from month-to-month space assignments and from leases of one year or longer were the main catalysts for revenue growth in Maritime. CRE operating revenues totaled $14.1 million; a $0.2 million or 1.3% increase from prior year revenues. Increased parking and space rental revenues account for most of the increases.

On the expense side, operating expenses excluding depreciation and amortization decreased by $5.2 million across the three business lines which equate to a -2.6% reduction compared to FY 2021. Personnel expenses decreased by approximately $19.9 million due to higher than budgeted unfilled vacancies. Partially offsetting decreases in personnel cost expenses were increases in materials and supplies cost, utilities cost of sales due to higher electricity demand, security and law enforcement costs, and parking transportation costs due to higher activity levels at the Airport and at Jack London Square.

The FY 2022 financial results are discussed in further detail in the MD&A.

Operating and Capital Budgets

The Port's operating budget is an essential component of the Port's financial and operational planning and management. The operating budget serves as a plan for each revenue division's operating revenues and expenses and for Port-wide non-operating income and expenses. Operating budgets are prepared and presented annually to the Board for approval in June prior to the start of the new fiscal year. For FY 2023, Port staff prepared a five-year operating forecast. The first year of the operating forecast is presented to the Board for adoption as the Port's operating budget for the upcoming new fiscal year, while the additional four years are presented in concept only for informational purposes only.

In addition to preparing the operating budget, Port staff annually prepares a five-year capital improvement plan (CIP) and a one-year capital budget. The one-year capital budget is presented to the Board for adoption, while the additional four years of the CIP are presented in concept only.

The approved FY 2023 operating and capital budgets, and the five-year operating and CIP forecasts are available on the Port's website located at www.portofoakland.com/about/investors.aspx and are discussed at a high level below under Economic Outlook and Financial Planning.

Economic Outlook and Financial Planning

The Port is located in the San Francisco Bay Area, a sizeable and generally affluent metropolitan area whose economy is intricately linked with global trade. Home to the world's technology leaders and a hub for higher education, the San Francisco Bay Area both shapes and is shaped by the global economy. The Port serves as a conduit for the area's global trade with an Airport closest to the majority of the San Francisco Bay Area population, and a Seaport that offers shorter transit times to Asia than other West Coast ports and serves as the primary gateway for California's premium agricultural goods. This favorable geographic position provides strong local markets that support both demand and resiliency for the use of Airport, Seaport, Utilities and commercial real estate properties.

The Port's FY 2023 operating and capital budgets were developed to (a) support long-term financial strength, resiliency and sustainability, (b) address near-term operational and financial challenges while maintaining reasonable flexibility and liquidity to protect against operational, financial, political and economic uncertainties, and (c) strategically identify, prioritize and plan major capital projects with a focus on regulatory compliance, health, safety, on-going or imminent revenue generating projects, asset management, and essential infrastructure investments.

For FY 2023, the Port budgeted total operating revenues of approximately $408.0 million; a 1.5% increase from the $402.0 million realized in FY 2022. Revenue projections for FY 2023 reflect limited revenue growth due to uncertainties surrounding (a) passenger growth at the Airport beyond 80% of pre-pandemic traffic levels, (b) supply chain congestion at the Seaport, (c) potential economic fallout of a recession due to monetary policies enacted by the Federal Reserve Bank to control rampant inflation in the United States, and (d) geopolitical conflicts further escalating and impacting global supply chains including the movements of goods across nations.

Operating expenses before depreciation are budgeted at approximately $268.1 million for FY 2023; a 36.3% increase from $196.7 million realized in FY 2022. The increases in operating costs are driven in part by anticipated increases in personnel costs, which represent 48.0% of the operating expense budget, major maintenance and security at the Airport. The Port is anticipating operating expenses before depreciation to increase to $295.0 million by FY 2027, for a forecasted compound annual growth rate of 2.4%. Increases in expenses are driven by increases in personnel costs due to future assumed cost of living adjustments (COLA), increases in FTE count in support of major capital infrastructure investments in the coming years, as well as increases in non-personnel operating expenses, such as parking and ground transportation, which will increase as passenger traffic returns to and exceeds pre-pandemic levels at the Airport. The Port's pension contribution rates, including employer unfunded liability contributions, are projected to be 41.1% in FY 2023, decreasing to an estimated 33.6% in FY 2026 and then increasing slightly to 33.7% in FY 2027 based on CalPERS projections reflecting an updated mortality and a discount rate of 7.0%.

On June 23, 2022, a five-year (FY 2023-2027) CIP in the amount of $907.9 million was presented to the Board for informational purposes. The current five-year CIP does not include significant capacity expansion projects and thus will generally not generate significant new revenues. Capital improvements included in the five-year CIP are primarily focused on the Airport perimeter dike project, taxiway, runway, security, pavement and roadway improvements, as well as miscellaneous terminal projects, various electric utility infrastructure investments both at the Airport and Seaport, turning basin and marine terminal wharf improvements.

For FY 2023, the Board authorized a capital budget of $112.4 million. The capital budget has been increased from prior year levels to match staffing resources, the need to complete projects to upgrade Port facilities and replace aging infrastructure. Approximately $18.9 million of the capital expenditures are expected to be funded with various Aviation grants, $13.4 million from Maritime grants, $14.2 million is expected to be funded with Passenger Facility Charges (PFC), $2.5 million to be funded with Low Carbon Fuel Standard (LCFS) credits, and the remainder is anticipated to be funded with cash on hand and cash generated from future operations. A description of the major capital projects is provided below under Major Initiatives.

The Port's senior management and staff will continue to assess financial and operational measures in the context of projected business activity levels and will continue to pursue additional revenue enhancement and cost-savings initiatives that may be available or warranted going forward.

Major Initiatives

The Port continues to work on the major initiatives previously identified which are focused on upgrading the Port's facilities to sustain and accommodate changes in the industry, improve its overall competitiveness, maintain safety, enhance security, manage existing assets, and invest in essential infrastructure.

Many of these initiatives span multiple years due to the scope and complexity of these initiatives. Provided below are the most significant projects underway or recently completed for each of the Port's business lines

Aviation

Airport Perimeter Dike Improvements. The second phase of improvements to the dike will focus on seismic resiliency. Earthquakes are an unavoidable feature of the Bay Area's risk landscape. Additionally, given the soil composition supporting the dike, structural upgrades are needed to reinforce and stabilize the dike structure. The Phase 2 upgrades will provide improvements necessary to protect the dike from catastrophic damage during a major earthquake by constructing dense aggregate columns to reinforce and densify granular soils. This project has been accelerated to FY 2023 to take advantage of available funding.

Taxiway Tango Rehabilitation. Taxiway Tango was identified by Port staff as the next priority for pavement rehabilitation to maintain safe aircraft operations at the OAK. The project covers the area of Taxiway T between Taxiways Sierra and Uniform. This taxiway was last rehabilitated in 2003 and the proposed improvements will include mill and overlay, shoulder upgrades and pavement markings. Taxiway T is operationally critical to the Airport, as it is the only taxiway connecting the Terminal Complex to the South Field taxiways and Runway 12-30. Due to its frequent utilization and location, Taxiway T requires a critical time-sensitive schedule with multiple complex enabling phases, operational restrictions, and comprehensive stakeholder coordination to ensure operational continuity and safety throughout the project. The project began construction in August 2022 and is projected to reach substantial completion by November 2022, prior to the start of the holiday travel season.

Runway 10R/28L and 10L/28R Rehabilitation. The Runway 10R/28L pavement rehabilitation includes mill and overlay and reconstruction as needed. The runway was last rehabilitated in 2007 and is beginning to show signs of wear. The runway is scheduled for pavement maintenance to extend the useful life through 2025. Runway 10L/28R was last rehabilitated in 2003 and is due for upgrades in the next few years. For efficiency, the design for both runways has been programmed for FY 2023, with construction of Runway 10R/28L rehabilitation in FY 2025 and construction of Runway 10L/28R rehabilitation in FY 2026.

Taxiway Whiskey Rehabilitation. Taxiway Whiskey has been identified for rehabilitation through the Airport Pavement Management System (APMS) program and prioritized based on the pavement condition and use. About 2,700 feet of Taxiway Whiskey work is needed to address pavement distress. The project includes mill and overlay and pavement markings.

ARFF Truck Vehicle Replacement. OAK is required by the FAA to station four Aircraft Rescue and Fire Fighting (ARFF) vehicles at the South Field to support OAK-based firefighting personnel. Vehicle replacement is needed to ensure the fleet is serviceable at all times to meet the Part 139 ARFF index. Rescue 2 was placed into service in 2001 and has met its FAA AIP useful life. Preparation of the specifications and bidding was completed in FY 2021, the truck was delivered and put into service during August 2022.

Airfield Geometric Improvements. The airfields at the Airport (North and South) were constructed at different times using the airfield design standards in place at the time. The Airport has addressed airfield geometry on a project-by-project basis with recent modifications implemented as part of the Runway Safety Area (RSA) Improvements. Given new FAA requirements, the Port initiated a study to assess the airfield and identify improvements needed to meet current design standards and geometric criteria. This study has evaluated the history of surface incidents and has taken a comprehensive look at the taxiways, taxilanes, runways, markings, and other facilities airport-wide to identify deficiencies and perform conceptual-level (10%) design and cost estimates to meet current standards. The Preferred Alternative Program includes modifications and updates to the current pavement layouts for the North Field and South Field of the Airport. The program includes improvements, relocation, realignment, and construction of taxiways. These updates in alternative plans are meant to establish the current and future network-level maintenance and rehabilitation (M&R) needed for the airfield pavements at OAK.

Terminal 1 HVAC and Roof Replacement. The Terminal 1 concourse (M103) needs the air handlers as well as the roof replaced on this building. This work was deferred last year, but now it is a priority project. Both the roof and the air handlers are part of the original construction in 1960. In order to efficiently design and construct these projects, it is proposed to combine them into one project. The plan would be to design the roof and air handlers in FY 2023 and construct in FY 2024 (during the summer months).

Restroom Upgrades. The Airport initiated a program to remodel the terminal building restrooms in FY 2019. Restrooms in the Terminal 1 concourse have been in service for more than 15 years, and restrooms in Terminal 2 for more than 10 years. The growing passenger demand experienced during the past few years has put additional stress on these aging facilities, requiring increased staff time and resources to clean and maintain to acceptable standards. The program will include gender-neutral facilities, modernizing finishes and installing low water use fixtures that meet current standards, extend life cycle, and ease maintenance requirements in the future. The restroom program was deferred in FY 2021, but planning was initiated in FY 2022. Design is anticipated in FY 2023, with construction beginning in FY 2024.

Terminal 1 Concourse Energy Efficiency Upgrade. This project addresses the Terminal 1 concourse, focuses on optimizing building system infrastructure and energy performance. Work includes a new insulated glazing system, new clerestories, new ceiling and lighting systems with daylight sensors and lighting control panels, and integration into an energy management control system. Increased daylighting and improved energy efficiency would be achieved by improving and integrating building systems. Additionally, material colors and content will support lighting levels and indoor air quality. The project will improve customer experience including attention to multi-sensory design, accessible and digital wayfinding, and customer experience improvements in materials, lighting, and air quality.

Terminal 2 Window Walls. The Port has prepared conceptual plans for modifications to the curbside window walls for Terminal 2. The modifications address improvements to the blast resistance of the window walls that separate the ticket counter areas from the vehicle curbsides and could result in expanding the congested ticket counter queueing areas. Concepts were evaluated based on TSA requirements and industry best practices. Design of the improvements is expected to begin in FY 2025.

Airport Drive Overlay. Airport Drive (Bessie Coleman Drive) is a nearly 4,900 linear foot, six-lane roadway from Doolittle Drive to the inbound-outbound split to and from the Airport terminals. Airport Drive was rehabilitated and widened as part of the Airport Roadway project in 1999. Since then, the roadway has been subject to surface and sub-surface deterioration. This pavement rehabilitation project is expected to include deep patch repair of deteriorated sections to extend the useful life of the roadway by about 20 years. Construction began in spring 2022 and was completed in early FY 2023.

Electric Shuttle Bus Procurement and Infrastructure. Expansion of electrification initiatives is a top priority in order to meet air quality mandates. In FY 2022, the purchase of 5 electric buses for Airport shuttle fleet was initiated, to replace aging and non-operative bus fleet. The electric buses are currently under contract and expected to be received in 2024. To support the operation of the new electric buses, a bus charging depot will be constructed, including design, procurement and installation of a new substation, transformer, and electric distribution for the chargers. Expansion of passenger and employee vehicle charging stations is also anticipated during the 5-year period.

Landside Security Camera. As part of OAK's effort to increase security and enhance passenger experience at the Airport, the Landside Security Camera Project has been initiated to expand the Airport's video surveillance systems at several landside locations. These public landside areas include the public parking lots, rental car center, and terminal curbside areas. Port staff developed a phased implementation plan, to implement construction over time, based on staff resource availability, prioritizing improvements at the Main Parking Lot, which provide Premier, Hourly, and Daily public parking to OAK customers in a first phase. The Project design documents include installing camera technologies that are capable of delivering comprehensive coverage in order to enhance safety and security. Technologies will include fixed and pan-tilt-zoom cameras controlled by ground-based radar that provide general surveillance of the public parking lots to deter and investigate criminal activity. Construction is estimated to be completed in early 2023.

Future phases to address the terminal curbside and rental car parking areas are included in the 5-Year CIP and are expected to be initiated in FY 2023.

Terminal 2 Baggage Claim Exit. The Terminal 2 Security Exit is used as the main exit for pedestrian traffic to exit from the security side of the Airport into the public area of the terminal. It is located adjacent to the baggage claim area. The pedestrian traffic utilizing this exit may include, but is not limited to, arriving passengers, airline staff, vendors, and Airport employees. OAK could reduce its personnel operating expenses with layout reconfiguration, new security equipment, and/or technology upgrades while maintaining or increasing the existing level of security. This project was deferred in 2020 but has been re-initiated in FY 2022. Construction is expected to commence in early FY 2023.

Sanitary Sewer Infrastructure Improvements. As part of the Port's overall sanitary sewer condition assessment program (CAP) and OAK's continuing effort to upgrade aging infrastructure, the Airport began the process of assessing all sewer lines at the Airport in both the North and South Fields in FY 2020. Condition assessment including camera and visual review of almost 50,000 linear feet of gravity sewer lines took place between April and December 2020. Lines with severe defects were addressed immediately as stand-alone repairs, with one more project being completed by winter 2022. Approximately 19,000 linear feet of sewer lines have structural defects (these are in the Grade 3, 4, and 5 range) for which design plans still need to be prepared. Design for these projects began in FY 2021, with construction to be completed in FY 2027. The design and construction of these improvements will be completed in a phased approach. Phase 1 generally focuses on installing, rehabilitating, and/or lining manholes and cleanouts and properly plugging lines that are no longer in service to reduce inflow and infiltration. Construction of Phase 1 is estimated to be completed by February 2023. Phases 2-4 generally focuses on repairing the structural defects, with the Phase 2 package centered around the South Field landside areas, Phase 3 centered around the South Field airside areas, and Phase 4 centered around the North Field.

Airport Lift Station Improvements. The Sanitary Sewer Improvements Comprehensive Report completed in January 2015, addressed the condition of the aging sewer lift stations servicing the Airport. Improvements have been prioritized based on need and master plan assessment. The assessment of Lift Station 1, design of the ARFF lift station, and the construction of Lift Stations 6 and 8 will be OAK's focus in FY 2023.

Airport Drive Sewer Line Replacement. The Airport Drive Sewer Line project was designed in FY 2020, but the project was paused to focus on higher priority sewer projects. The project will replace a 12" asbestos cement gravity driven pipe with a 10" high density polyethylene force main approximately 2,350-linear feet long. The Airport Drive Sewer Line is the main pipeline that carries all the sewage from the South Field to the Earhart Drive mainline, which ultimately deposits into an EBMUD lift station. This project is proposed to be constructed in FY 2025.

Maritime

Maritime 2020 and Beyond Plan. The Maritime 2020 and Beyond Plan sets forth initiatives that are reflected prominently in the Maritime Capital Improvement Plan (CIP). These are intended to reduce air pollutant emissions and move the Seaport toward a near-zero or zero-emission future. Approximately $133.4 million is for emissions reduction projects or infrastructure investment needed to implement such projects when opportunities arise. These investments will continue to evolve over time as new initiatives are developed.

Seaport Logistics Complex. Since acquiring approximately 241 acres of land and water at the Oakland Army Base (OAB), the Port has been remediating the property, upgrading the infrastructure, and phasing in development. The bulk of the upland property acquired is located east of Maritime Street and is envisioned to become a world class trade and logistics center known as the Seaport Logistics Complex. This area of the Seaport is planned to include new import cross-dock and container transload facilities, export transloading from railcar to container, new rail facilities including a potential intermodal container terminal, and related facilities. Redevelopment is being phased to match market demand and funding. The adjacent City-owned former OAB property at full build-out may include a new bulk and break-bulk marine terminal, warehouses, a truck service area, and a recycling center.

In 2016, the Port completed the first phase of the new rail terminal on Port-owned OAB property to serve current transload providers in the Seaport and new logistics buildings on both the City and Port-owned properties of the former OAB.

The Port envisions the remainder of the Seaport Logistics Complex will be developed primarily by private developers and/or operators; as an example, Centerpoint-Oakland Development I, LLC, completed construction of a new, approximate 464,000-square foot logistics facility on 27 acres, which is now leased to a logistics company for the operation of a transload facility. In addition to this and other anticipated private investment, the Port continues to directly invest in the Seaport Logistics Complex, such as for a project to augment existing transload operations.

Roadway and Traffic Improvements. The Port is planning to construct or enhance roadways to better serve new developments and expansions. In particular, the Port is focused on the implementation of the GoPort Program in partnership with the Alameda Transportation Commission (Alameda CTC). The GoPort Program is a partnership between the Port and the Alameda CTC to design and implement the FITS program and a new, grade-separated 7th Street.

Dredging and Miscellaneous Infrastructure. The Port is devoting significant resources to the maintenance and upgrade of core infrastructure, such as sanitary sewer systems, and dredging – to address both aging infrastructure and new regulatory requirements. In addition, the Port has partnered with the U.S. Army Corps of Engineers (USACE) to study, and potentially construct, the widening of the two turning basins inside the Oakland Harbor, which is the federal waterway that serves the Seaport.

The basins are used by vessels upon arrival or departure and are critical to Seaport operations today and in the future. However, the Basins were constructed in the early 2000s for smaller size vessels than the Ultra Large Container Vessels that call and/or are expected to call the Seaport in the near future. A feasibility study is underway to review expansion of the Basins to reduce these restrictions and thereby reduce vessel transit inefficiencies. This study is anticipated to conclude mid-2023. Pending various discretionary approvals and Federal funding, the design of expanded Basins is anticipated to commence late 2023 and conclude early 2026. Construction is anticipated to start in mid-2027 and finish in late 2029. The USACE and Port will share the cost of the Basin expansion.

Utilities

Substation 1 and 2 Upgrades. Substation 1 (SS-1) and 2 (SS-2) are located near Earhart Road and were installed in 1983. Substation 1 serves as the point of connection with PG&E and the main switchgear for the Airport. In the last few years, SS-1 and SS-2 had increasing numbers of electrical component failures including cables, relays and vacuum interrupting power breakers. Some of these components have been replaced while others are bypassed or inoperable. This infrastructure is critical to the power feed and distribution for the Airport. The scope of this project is to assess, rehabilitate, and replace the aging substations, switchgears, and distribution system as necessary for system reliability. Preliminary design has been prepared in FY 2022. Final design and construction will be accomplished over the next 5 years.

Davis and Cuthbertson Substation Upgrades. The Davis and Cuthbertson Substations are the primary substations that serve as backbone electrical infrastructure providing power to the Seaport, and each is nearing the end of their useful life. Replacement of these substations will help to prevent electrical supply disruptions to Seaport operations and ensure core electrical infrastructure is in place to support the transition to a zero emissions Seaport. Design work is under way and timing of these projects will hinge on feedback from PG&E.

SS-R 14 and Ancillary Components. This project is currently in preliminary planning/design phase and will create multi-functional, modern 12 MW electrical substation integrating renewable power generation components.

Jack London Square. The Port continues its efforts to strengthen Jack London Square's (JLS) traditional reputation as a restaurant, administration, and transportation center with the addition of complementary retail and entertainment venues, through a partnership with its developer partner, CIM Group. CIM Group is a nationally recognized, well-respected real estate investment company with substantial experience in developing and operating mixed use complexes in urban areas throughout the United States. In 2019 CIM Group secured new land-use entitlement approvals for two new proposed multi-family residential buildings adjacent to JLS on privately owned land, which, once constructed, will enhance and expand the foot traffic at JLS. The first of these two buildings, Channel House - a 333-unit apartment building, was completed and is currently leasing units to new waterfront residents. CIM Group also recently secured final design review approvals for development of the previously approved hotel on the final remaining vacant JLS Phase II Project ground lease parcel owned by the Port. The second residential building as well as the planned hotel have both been approved by the City Planning Division but have not yet been submitted for building permit approvals from the City.

Brooklyn Basin. Over the next few years, the Brooklyn Basin waterfront district, an older, underutilized industrial area centrally located on the Oakland Estuary minutes from JLS and downtown Oakland, is expected to continue the substantial redevelopment currently underway to create a new residential neighborhood by a private developer, Zarsion-OHPI, LLC (ZOHP). The concept for the area is to transform the underutilized former maritime industrial district into a revitalized, mixed-use waterfront community known as Brooklyn Basin. The Brooklyn Basin Project site comprises approximately 64 acres of waterfront property bounded by Embarcadero Road, Oak Street, Tenth Avenue, and the Oakland Estuary. Approximately one half of the property is owned by ZOHP and the other half is still owned by the Port and leased to ZOHP. This project is expected to be completed in three to five phases over the next five to ten years.

Awards

The Port received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the Port's ACFR for the fiscal year ended June 30, 2021. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A certificate is valid for a period of one year only. The Port will be submitting the current ACFR to GFOA to determine its eligibility for another certificate.

Acknowledgements

We would like to express our appreciation to the Financial Services Division for their professionalism, dedication, and efficiency in the preparation of this report. We also extend our appreciation to the other Port divisions who contributed to this report and to Macias Gini & O'Connell LLP for their assistance and guidance. Finally, we thank the Board for their attention and continuing support to plan and manage the Port's financial operations in a responsible and progressive manner.

Respectfully submitted,

Julie Lam

Julie Lam
Chief Financial Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Port of Oakland
California

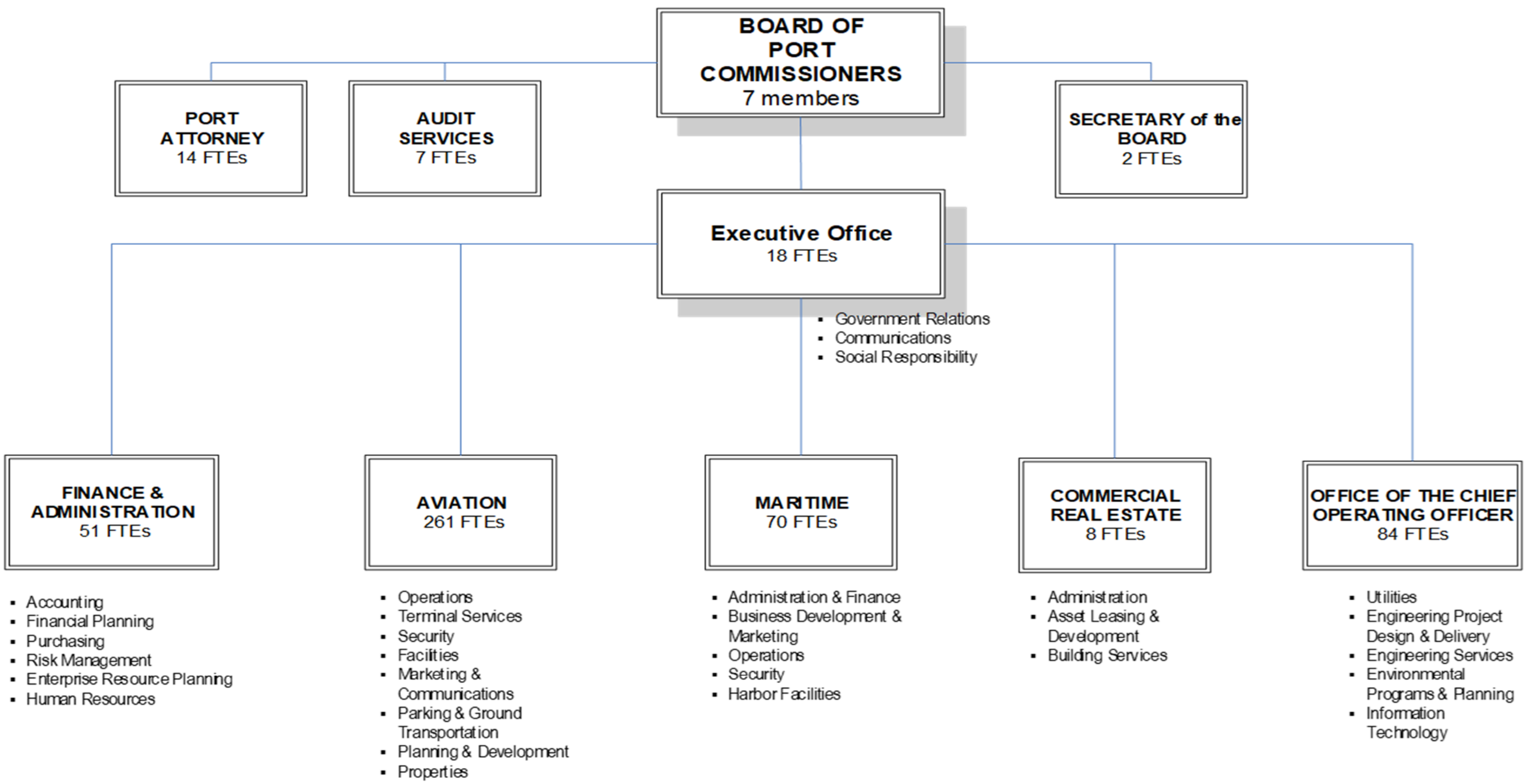
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morrill
Executive Director/CEO

PORT OF OAKLAND
ORGANIZATION CHART
FISCAL YEAR 2021-22

515 FUNDED FTES (FULL-TIME EQUIVALENTS)



530 Water Street
Oakland, California 94607

Phone: 510-627-1100
Website: portofoakland.com

PORT OF OAKLAND

Appointed Officials, Executive Management
and Contributing Staff
For the Year Ended
June 30, 2022

Board of Port Commissioners of the City of Oakland
Andreas Cluver, President
Barbara Leslie, First Vice-President
Yui Hay Lee, Second Vice-President
Cestra Butner, Commissioner
Michael Colbruno, Commissioner
Arabella Martinez, Commissioner
Joan H. Story, Commissioner

Executive Management
Danny Wan, Executive Director
Kristi McKenney, Chief Operating Officer
Bryant L. Francis, Director of Aviation
Bryan Brandes, Director of Maritime
Pamela Kershaw, Director of Commercial Real Estate
Julie Lam, Chief Financial Officer
Mary Richardson, Port Attorney

Contributing Staff
Mikyung Pustelnik, Port Controller
Chia-Jung Yang, Financial Planning Manager
Katri Jones, Administrative Specialist
Saw May Khoo, Port Staff Accountant II
Betsy Kwok, Port Staff Accountant II
Raymond Lei, Port Staff Accountant I
Cecilia Ravare, Port Supervisor
Stanley Tanaka, Port Senior Accountant
David Zolezzi, Port Senior Financial Analyst
Shelley Merid, Port Financial Analyst

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FINANCIAL SECTION

- Independent Auditor's Report
- Management's Discussion and Analysis (Unaudited)
- Financial Statements
- Required Supplementary Information (Unaudited)
- Other Supplementary Information

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Independent Auditor's Report

Board of Port Commissioners of the City of Oakland
Oakland, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Port of Oakland (Port), a component unit of the City of Oakland, California, as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Port's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Port, as of June 30, 2022 and 2021, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Port and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Notes 2 and 7 to the financial statements, effective as of July 1, 2021, the Port adopted the provisions of Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The Port's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Port's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Port's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Port's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of proportionate share of the net pension liability, the schedule of pension contributions, the schedule of changes in the net OPEB liability and related ratios, and the schedule of OPEB contributions, collectively identified as Required Supplementary Information in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Port's basic financial statements. The schedule of revenues and expenses by business line is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of revenues and expenses by business line is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2022 on our consideration of the Port's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Port's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Port's internal control over financial reporting and compliance.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 13, 2022

Management's Discussion and Analysis

The Management's Discussion and Analysis (MD&A) is intended to provide information concerning known facts and conditions affecting the Port of Oakland's (Port) operations. The following discussion and analysis of the financial performance and activities of the Port provides an introduction and understanding of the financial statements of the Port for the years ended June 30, 2022 and 2021, with comparative information for June 30, 2020. This MD&A has been prepared by management and should be read in conjunction with the financial statements and the accompanying notes, which follow this section. All dollar amounts are expressed in thousands unless otherwise indicated.

Financial Statement Overview

The Port's financial report includes the MD&A, financial statements, notes to the financial statements, required supplementary information and other supplementary information. The financial statements include the Statements of Net Position; Statements of Revenues, Expenses and Changes in Net Position; and Statements of Cash Flows. In addition, the report includes a statistical section, which presents various financial and operating data.

The Port prepares the financial statements on the accrual basis in accordance with accounting principles generally accepted in the United States of America promulgated by the Governmental Accounting Standards Board (GASB). Revenues are recognized when earned, not when received, and expenses are recognized when incurred, not when paid. Capital assets are capitalized and, with the exception of land, construction in progress, air rights and noise easements, depreciated over their estimated useful lives.

Summary of Net Position

The Statements of Net Position present the financial position of the Port at the end of the fiscal year. The statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the Port. Net Position, the difference between assets, deferred outflows/inflows of resources, and liabilities, is an indicator of the fiscal health of the Port and can provide an indication of improvement or deterioration of its financial position over time. A summarized comparison of the Port's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position as of June 30 is as follows:

	2022	$ Change	% Change	2021 (1)	$ Change	% Change	2020 (1)
Current and other assets	$ 1,797,618	$ 1,126,902	168.0%	$ 670,716	$ 34,501	5.4%	$ 636,215
Capital assets, net	1,904,687	(41,644)	-2.1%	1,946,331	(62,959)	-3.1%	2,009,290
Total assets	3,702,305	1,085,258	41.5%	2,617,047	(28,458)	-1.1%	2,645,505
Deferred outflows of resources	45,812	(13,616)	-22.9%	59,428	6,703	12.7%	52,725
Debt outstanding	723,559	(101,703)	-12.3%	825,262	(82,302)	-9.1%	907,564
Other liabilities	321,288	(131,541)	-29.0%	452,829	(10,970)	-2.4%	463,799
Total liabilities	1,044,847	(233,244)	-18.2%	1,278,091	(93,272)	-6.8%	1,371,363
Deferred inflows of resources	1,144,176	1,134,016	11161.6%	10,160	(6,800)	-40.1%	16,960
Net investment in capital assets	1,227,661	61,965	5.3%	1,165,696	(3,790)	-0.3%	1,169,486
Restricted for:							
Construction	27,248	13,376	96.4%	13,872	7,597	121.1%	6,275
Other purposes	22,175	11,688	111.5%	10,487	-	-	-
Unrestricted	282,012	83,843	42.3%	198,169	64,013	47.7%	134,156
Total net position	$ 1,559,096	$ 170,872	12.3%	$ 1,388,224	$ 78,307	6.0%	$ 1,309,917

(1) 2021 and 2020 have not been restated for the effects of GASB 87.

Summary of Net Position (continued)

2022

Unrestricted net position increased by $83,843 or 42.3% due primarily to a decrease in net pension and OPEB liabilities due to excess earnings on plan investments and reduction in outstanding debt balance. The Port defeased $14.5 million of bonds maturing between May 2022 and May 2024 and further redeemed $10.1 million of 2020 Series R bonds. An increase of $1,126,902 in current and other assets and an increase of $1,134,016 in deferred inflows of resources are primarily due to the implementation of GASB 87.

Net position restricted for construction consists of mainly Passenger Facilities Charges (PFC) and Customer Facilities Charges (CFC) in the amount of $23,617 which are restricted for the construction of specific assets at the Airport or for other permitted uses, and restricted funds of $3,631 which are reserved for Low Carbon Fuel Standards (LCFS) projects. Net position restricted for other purposes consists of cash and investments held as tenant security deposits of $9,726, and a state grant received in advance in the amount of $12,449.

As of June 30, 2022, the Port's net investment in capital assets totaled $1,227,661, which is an increase of $61,965 or 5.3% primarily due to a net decrease of $107,600 in capital-related debt offset by a net reduction of $45,635 in capital assets. For a detailed discussion on capital assets and long-term debt, refer to pages 12-14 for more details.

2021

Unrestricted net position increased $64,013 or 47.7% due primarily to an increase in unrestricted cash equivalents and accounts receivable that was generated from operations.

Net position restricted for construction consists of cash equivalents and accounts receivable related to the collection of Passenger Facilities Charges (PFC) and Customer Facilities Charges (CFC) which are restricted for the construction of specific assets at the Airport. Restricted net position increased $7,597 or 121.1% due to the release of restricted cash for payment of commercial paper previously issued for PFC eligible projects, offset by the collection of PFC revenues.

Net position restricted for other purposes consists of cash and investments held as tenant security deposits of $10,487.

Net investment in capital assets decreased by $3,790 or less than one percent primarily due to a net decrease in long-term debt and accrued interest of $84,832 and decrease in capital assets and investments for capital of $88,330. For a detailed discussion on capital assets and long-term debt, refer to pages 12-14 for more details.

(dollar amounts in thousands)

Summary of Revenues, Expenses and Changes in Net Position

The Statements of Revenues, Expenses and Changes in Net Position reflect how the Port's net position changed during the most recent fiscal year compared to the prior year. These changes are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. A summary of the Statements of Revenues, Expenses and Changes in Net Position for the years ended June 30 is as follows:

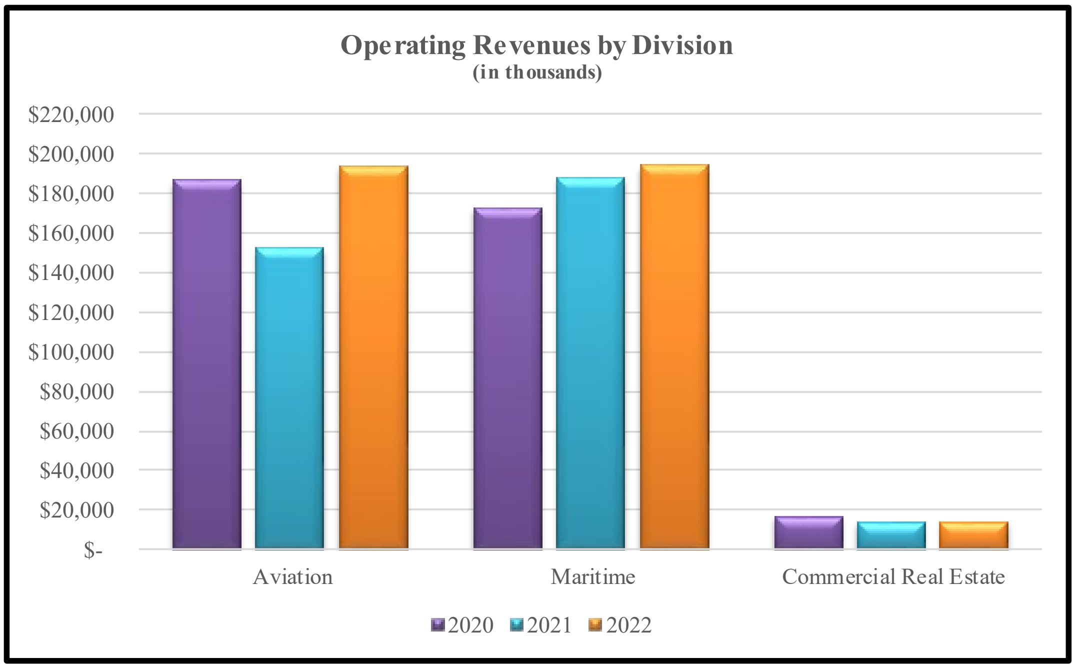
	Twelve Months Ended						
	2022	$ Change	% Change	2021	$ Change	% Change	2020
Operating revenues	$ 402,009	$ 47,870	13.5%	$ 354,139	$ (21,776)	-5.8%	$ 375,915
Passenger facility charges revenue	19,363	8,450	77.4%	10,913	(5,372)	-33.0%	16,285
Customer facility charges revenue	3,155	974	44.7%	2,181	(1,709)	-43.9%	3,890
Gain on lease termination	-	(16,597)	-	16,597	16,597	-	-
Interest income	21,204	20,697	4082.2%	507	(10,506)	-95.4%	11,013
Operating grant income	46,827	36,724	-	10,103	10,103	100%	-
Other income	-	(8,807)	-100.0%	8,807	(3,388)	-27.8%	12,195
Total revenues	492,558	89,311	22.1%	403,247	(16,051)	-3.8%	419,298
Operating expenses before depreciation	196,692	(5,192)	-2.6%	201,884	(19,495)	-8.8%	221,379
Depreciation	109,581	(3,274)	-2.9%	112,855	(1,128)	-1.0%	113,983
Interest expense	16,622	(9,624)	-36.7%	26,246	(7,916)	-23.2%	34,162
Customer facility charges expense	2,549	(1,357)	-34.7%	3,906	(835)	-17.6%	4,741
Loss on disposal of capital assets	3,227	3,104	2523.6%	123	(2,493)	-95.3%	2,616
Other expense	6,309	2,027	47.3%	4,282	719	20.2%	3,563
Total expenses	334,980	(14,316)	-4.1%	349,296	(31,148)	-8.2%	380,444
Change in net position before capital contributions	157,578	103,627	192.1%	53,951	15,097	38.9%	38,854
Capital contributions - Grants from government agencies	19,740	(4,616)	-19.0%	24,356	16,979	230.2%	7,377
Increase in net position	177,318	99,011	126.4%	78,307	32,076	69.4%	46,231
Net position, beginning of the year	1,388,224	78,307	6.0%	1,309,917	46,231	3.7%	1,263,686
Beg. Balance adjustment for adoption of GASB 87	(6,446)	-	-	-	-	-	-
Net position, beginning of the year as restated	1,381,778	78,307	5.5%	1,309,917	46,231	3.7%	1,263,686
Net position, end of the year	$ 1,559,096	$ 177,318	12.3%	$ 1,388,224	$ 78,307	6.0%	$ 1,309,917

(dollar amounts in thousands)

Operating Revenues by Division

A condensed summary of operating revenues for the years ended June 30 follows:

Division	2022	2021	2020
Aviation	$ 193,659	$ 152,105	$ 186,589
Maritime	194,250	188,109	172,740
Commercial Real Estate	14,100	13,925	16,586
Total	$ 402,009	$ 354,139	$ 375,915



2022

The Port's total operating revenues increased approximately $47,870 or 13.5% from $354,139 in fiscal year 2021 to $402,009 in fiscal year 2022.

The Aviation Division generated $193,659 or 48.2% of the Port's total operating revenues in fiscal year 2022. Aviation's operating revenues increased by approximately $41,554 or 27.3% from $152,105 in fiscal year 2021 to $193,659 in fiscal year 2022. The increase in Aviation operating revenue was primarily due to an increase in parking and ground access revenue of $24,366, an increase in landing fees of $9,758 and overall increases in terminal rentals and concessions revenues of $2,234. The increase in Aviation revenue was the result of a steady recovery in passenger activity from 5,222,881 in 2021 to 10,003,856 in 2022 as the economy opened up from the COVID-19 pandemic restrictions.

Operating Revenues by Division (continued)

The Maritime Division generated $194,250 or 48.3% of the Port's total operating revenues in fiscal year 2022. Maritime's operating revenues slightly increased by approximately $6,141 or 3.3% from $188,109 in fiscal year 2021 to $194,250 in fiscal year 2022. The increase in Maritime operating revenue was primary due to higher terminal and other lease rentals, shore power usage, and rail terminal revenue increases, which were driven by an increase in cargo activity as a result of changing consumer spending habits caused by the COVID-19 pandemic.

The Commercial Real Estate Division generated $14,100 or 3.5% of the Port's total operating revenues in fiscal year 2022. Commercial Real Estate's operating revenues increased slightly by $175 or 1.3% from $13,925 in fiscal year 2021 to $14,100 in fiscal year 2022. The increase in Commercial Real Estate revenue was primarily due to an increase in parking revenue as the COVID-19 pandemic restrictions are loosened.

2021

The Port's total operating revenues decreased approximately $21,776 or 5.8% from $375,915 in fiscal year 2020 to $354,139 in fiscal year 2021.

The Aviation Division generated $152,105 or 43.0% of the Port's total operating revenues in fiscal year 2021. Aviation's operating revenues decreased approximately $34,484 or 18.5% from $186,589 in fiscal year 2020 to $152,105 in fiscal year 2021. The decrease in Aviation operating revenue was primarily due to a decrease in parking and ground access revenue of $18,537, a decrease in terminal concessions revenue of $3,498 and a decrease in terminal rentals of $12,585. The decrease in Aviation revenue was the result of a full year of a decline in passenger activity from 9,493,637 in 2020 to 5,222,881 in 2021 due to the COVID-19 pandemic.

The Maritime Division generated $188,109 or 53.1% of the Port's total operating revenues in fiscal year 2021. Maritime's operating revenues increased approximately $15,369 or 8.9% from $172,740 in fiscal year 2020 to $188,109 in fiscal year 2021. The increase in Maritime operating revenue was primary due to higher terminal and other lease rentals, shore power usage, and rail terminal revenue increases, which were driven by an increase in cargo activity as a result of changing consumer spending habits caused by the COVID-19 pandemic.

The Commercial Real Estate Division generated $13,925 or 3.9% of the Port's total operating revenues in fiscal year 2021. Commercial Real Estate's operating revenues decreased approximately $2,661 or 16.0% from $16,586 in fiscal year 2020 to $13,925 in fiscal year 2021. The decrease in Commercial Real Estate revenue was primarily due to lower percentage rents from hotels, office leases and parking revenue due to a decrease in activity caused by COVID-19 shelter in place orders.

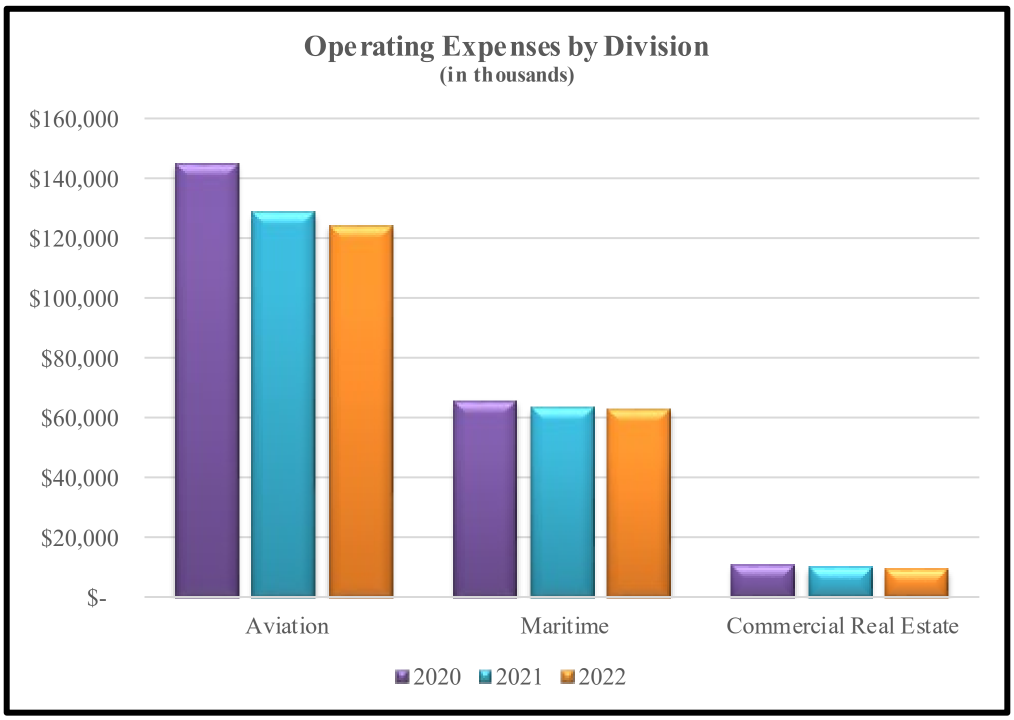
(dollar amounts in thousands)

Operating Expenses by Division

A condensed summary of operating expenses (excluding depreciation) for the years ended June 30 follows:

Operating Expenses by Division

Division	2022	2021	2020
Aviation	$ 124,261	$ 128,619	$ 145,068
Maritime	63,041	63,296	65,590
Commercial Real Estate	9,390	9,969	10,721
Total	$ 196,692	$ 201,884	$ 221,379



Operating Expenses by Division (continued)

2022

The Port's operating expenses, excluding depreciation, decreased by approximately $5,192 or 2.6% from $201,884 in fiscal year 2021 to $196,692 in fiscal year 2022.

The Aviation Division represented 63.2% of the Port's total operating expenses in fiscal year 2022. Aviation's operating expenses decreased by $4,358, or 3.4% from $128,619 in fiscal year 2021 to $124,261 in fiscal year 2022. The decrease in operating expenses was primarily due to a decrease in total personnel services resulting from an approximate $20.2 million reduction in pension and other post-employment benefits in the current year primarily caused by the amortization of significant earnings on investments. Operating expenses excluding the effects of reduced pension, other post-employment benefits, and depreciation expenses increased approximately by $9,813 or 7.3% from $134,680 in fiscal year 2021 to $144,493 in fiscal year 2022.

The Maritime Division represented 32.1% of the Port's total operating expenses in fiscal year 2022. Maritime's operating expenses decreased by $255 or 0.4% from $63,296 in fiscal year 2021 to $63,041 in fiscal year 2022. The decrease in operating expenses was primarily due to a decrease in total personnel services resulting from an approximate $8.3 million reduction in pension and other post-employment benefits in the current year primarily caused by the amortization of significant earnings on investments. Operating expenses excluding the effects of reduced pension, other post-employment benefits, and depreciation expenses increased approximately by $6,098 or 9.3% from $65,676 in fiscal year 2021 to $71,774 in fiscal year 2022.

The Commercial Real Estate Division represented 4.7% of the Port's total operating expenses in fiscal year 2022. Commercial Real Estate's operating expenses decreased by $579 or 5.8% from $9,969 in fiscal year 2021 to $9,390 in fiscal year 2022.

2021

The Port's operating expenses, excluding depreciation, decreased approximately $19,495 or 8.8% from $221,379 in fiscal year 2020 to $201,884 in fiscal year 2021.

The Aviation Division represented 63.7% of the Port's total operating expenses in fiscal year 2021. Aviation's operating expenses decreased by $16,449, or 11.3% from $145,068 in fiscal year 2020 to $128,619 in fiscal year 2021. The decrease in operating expense was primarily due to a decrease in personnel services, maintenance and engineering due to reductions in contractual obligations and in security and fire protection due to actions taken by management to reduce operating expenses in response to reduced revenue caused by the COVID-19 pandemic. Actions included a temporary hiring freeze, reduced operations at Airport including closing sections of the parking lots and part of the terminal, and temporarily delaying low priority maintenance.

The Maritime Division represented 31.4% of the Port's total operating expenses in fiscal year 2021. Maritime's operating expenses decreased $2,294 or 3.5% from $65,590 in fiscal year 2020 to $63,296 in fiscal year 2021. The decrease in operating expense was primarily due to a reduction in maintenance and engineering related costs as a result of cost reduction measures enacted in response to the COVID-19 pandemic, offset by an increase in pollution remediation at the former Oakland Army Base and at the TraPac terminal as a result of adjustments made to these estimated liabilities, and an increase utility cost for shore

(dollar amounts in thousands)

Operating Expenses by Division (continued)

power operations, which increased due to ships staying plugged in for longer time. The Commercial Real Estate Division represented 4.9% of the Port's total operating expenses in fiscal year 2021. Commercial Real Estate's operating expenses decreased by $752 or 7.0% from $10,721 in fiscal year 2020 to $9,969 in fiscal year 2021.

Depreciation Expense by Division

A summary of depreciation expense as of June 30 follows:

Depreciation Expense by Division

Division	2022	2021	2020
Aviation	$ 55,571	$ 55,931	$ 56,019
Maritime	51,964	54,531	55,300
Commercial Real Estate	2,046	2,393	2,664
Total	$ 109,581	$ 112,855	$ 113,983
Depreciation by funding source:			
Grant, PFC and CFC funded portion	$ 37,733	$ 39,002	$ 38,741
Internal and debt funded portion	71,848	73,853	75,242
Total	$ 109,581	$ 112,855	$ 113,983

In fiscal year 2022, depreciation expense decreased by $3,274 or 2.9%. Maritime's depreciation decreased by $2,567 due to disposal of cranes and several fully depreciated assets during the year. Aviation and Commercial Real Estate's depreciation expenses decreased by $360 and $347, respectively.

In fiscal year 2021, depreciation expense decreased $1,128 or 1.0%. Due to several assets that fully depreciated during the year Maritime's depreciation decreased approximately $769, Aviation depreciation expense decreased $88, and Commercial Real Estate's depreciation decreased approximately $271.

Interest Expense

Interest expense decreased by $9,624 or 36.7% in fiscal year 2022, from $26,246 in fiscal year 2021 to $16,622 in fiscal year 2022. Interest expense decreased by $7,916 or 23.2% in fiscal year 2021, from $34,162 in fiscal year 2020 to $26,246 in fiscal year 2021. The decreases in both fiscal years were the result of scheduled principal payments in fiscal 2021 and 2022, the refunding of the Port's Department of Boating and Waterway loan, the 2011 Series Bonds and the 2012 Series Bonds in fiscal year 2021, and a defeasance of outstanding bonds completed in December 2021. All of these actions had the effect of reducing outstanding debt, thereby reducing interest expense.

Other expense increased by $2,027 in fiscal year 2022 from $4,282 in fiscal year 2021 to $6,309 in fiscal year 2022 mainly due to the cost incurred to demolish several cranes and buildings in Maritime.

(dollar amounts in thousands)

Loss on Disposal Capital Assets

Loss on disposal of capital assets increased by $3,104 from $123 in fiscal year 2021 to $3,227 in fiscal year 2022 primarily due to the loss from the disposal of several cranes and Maritime buildings of $3,584, net of gain on sale of assets of $357.

Other Income

Other income decreased by $8,807 in fiscal year 2022 from $8,807 in fiscal year 2021 to $0 in fiscal year 2022. Miscellaneous other income of $1,886 was offset by a return of grant from Bay Area Air Quality Management District (BAAQMD) in the amount of $2,270. Total amount of grant, $13,508 was received from Bay Area Air Quality Management District in June 2014 for shore power projects. The projects were completed and the unspent remaining portion of $2,270 was accrued to return to BAAQMD. The negative other income of $384 was reclassified to other expense resulting in $0 in other income.

Capital Contributions

Capital contributions consist solely of grants received from other government agencies. Grants, for the most part, are restricted for the acquisition or construction of capital assets.

A condensed summary of capital contributions by granting agency for the years ended June 30 follows:

	2022	2021	2020
U.S. Department of Transportation:			
Airport Improvement Program	$ 16,004	$ 7,802	$ 4,076
COVID-19 Airport Programs	-	13,447	-
U.S. Department of Homeland Security:			
Port Security Grant Program	-	-	1,967
Other grant programs	3,736	3,107	1,334
Total capital contributions	$ 19,740	$ 24,356	$ 7,377

In fiscal year 2022 grants from government agencies decreased by approximately $4,616 or 19.0% from $24,356 in fiscal year 2021 to $19,740 in fiscal year 2022. The decrease is primarily driven by the completion of grant funded projects during the year and most of the grant reimbursement was focused on non-capital related operating expenditures. Most capital contributions recognized by the Port in fiscal year 2022 were from taxiway rehabilitation projects for Oakland Airport.

In fiscal year 2021, grants from government agencies increased approximately $16,979 or 230.2% from $7,377 in fiscal year 2020 to $24,356 in fiscal year 2021. The increase is primarily driven by COVID-19 related recoveries.

(dollar amounts in thousands)

Capital Assets (net of depreciation) and Capital Improvement Plan

A summary of capital assets, net of depreciation and amortization as of June 30 follows:

	2022	2021	2020
Capital assets:			
Land	$ 524,333	$ 524,187	$ 524,187
Noise easements and air rights	25,853	25,853	25,853
Construction in progress	31,948	69,253	52,654
Buildings and improvements	291,149	308,464	328,282
Container cranes	24,082	32,782	38,663
Infrastructure	963,950	944,006	995,973
Software	4,020	557	1,400
Other equipment	39,352	41,229	42,278
Total	$ 1,904,687	$ 1,946,331	$ 2,009,290

Net capital assets decreased by approximately $41,644 or 2.1% in fiscal year 2022, due to capital asset additions of $67,943, offset by retirements and abandoned construction in progress of $18,446 and an increase in accumulated depreciation of $91,141. Major additions to capital assets in fiscal year 2022 were related to Taxiway rehabilitation, Airport terminal flooring replacement, Airport Perimeter Dike improvements, Airfield sign replacement and Maritime electric charging system projects.

Net capital assets decreased by approximately $62,959 or 3.1% in fiscal year 2021, due to capital asset additions of $50,020, offset by retirements and abandoned construction in progress of $124 and an increase in accumulated depreciation of $112,855. Major additions to capital assets in fiscal year 2021 were related to Taxiway Victor rehabilitation, Airport lift stations, Airport Perimeter Dike improvements, and Maritime Outer Harbor Railyard improvements projects.

Information on the Port's capital assets can be found in Note 4 Changes in Capital Assets in the accompanying notes to the financial statements. As of June 30, 2022, the Port had construction commitments of approximately $21,553 for current projects including the Aviation Taxiway Pavement and Rehabilitation, Landscape Security, and various Airport terminal improvements; for Maritime are the Paving Projects, and Sanitary Sewer Projects. Additional information on the Port's construction commitments can be found in Note 12 Commitments.

On June 23, 2022, a five-year (fiscal year 2023-2027) Capital Improvement Plan (CIP) in the amount of $907.9 million was presented to the Board of Commissioners (Board) for informational purposes. For fiscal year 2023, the Board adopted a capital budget of $112.4 million.

The FY 2023 capital budget reflects prioritization of health and life safety, regulatory compliance, policy and contractual obligations, preservation and generation of revenue, asset management, and essential infrastructure investments.

(dollar amounts in thousands)

Debt Administration

The following table summarizes the Port's outstanding debt as of June 30:

	2022	**2021**	**2020**
Bond Indebtedness	$ 642,125	$ 718,300	$ 788,075
Dept. of Boating and Waterways Loan	-	0	3,621
Commercial Paper	42,535	58175	75,591
Subtotal debt	684,660	776,475	867,287
Net unamortized premium (discount)	38,899	48,787	40,277
Total debt	$ 723,559	$ 825,262	$ 907,564

In fiscal year 2022, the Port's total debt decreased approximately $101,704 or 12.3%, from $825,262 in fiscal year 2021 to $723,559 in fiscal year 2022. The decrease was the result of principal payments on outstanding bonds and commercial paper, as well as a transaction completed in December 2021, in which $24,580,000 of bonds maturing between May 1, 2022 and May 1, 2024 were defeased.

In fiscal year 2021, the Port's total debt decreased approximately $82,302 or 9.1%, from $907,564 in fiscal year 2020 to $825,262 in fiscal year 2021.

In large part, the decrease was the result of a bond refunding, in which $225,910 of outstanding 2011 Series O Bonds, $314,860 of outstanding 2012 Series P Bonds and $3,326 of the outstanding Department of Boating and Waterways (DBW) Loan were refunded. Specifically, $343,755 of new Series 2020 Bonds were issued on a taxable basis in December 2020 to refund a portion of the outstanding 2012 Series P Bonds and DBW Loan, and a further $182,010 of new Series 2021 H Bonds were issued in February 2021 on a tax-exempt (AMT) basis to refund the outstanding 2011 Series O Bonds.

In fiscal year 2021, further principal payments of $54,770, $295, and $17,416 were made on outstanding bonds, DBW Loan and commercial paper, respectively. Finally, unamortized bond discount/premium increased by $8,510 due to additional premium incurred in the refunding transaction offset by amortization and the transfer of outstanding discount/premium to deferred loss on refunding.

The debt coverage ratios for the years ended June 30 were as follows:

	2022	**2021**	**2020**
Senior Lien	7.03	3.39	3.50
Intermediate Lien	3.34	2.29	1.77

Starting in fiscal year ended June 30, 2022, the debt coverage ratios reflect the implementation of GASB 87, which resulted in an increase of intermediate debt coverage ratios by 0.15X. In future years, the impact of GASB 87 may have the effect of reducing or increasing the debt coverage ratios.

The Senior Lien and Intermediate Lien debt service coverage ratios are calculated pursuant to the bond indentures, as amended, which describe how they are calculated. Specifically, the numerator of the ratio is defined to be Net Revenue (i.e. Revenues less Operating Expenses), while the denominator is defined to be debt service. For the Senior Lien debt service coverage ratio this represents senior lien debt service, while for the Intermediate Lien debt service coverage ratio, this represents the combined debt service of senior

Debt Administration (continued)

lien bonds, any DBW loan and intermediate lien bonds. The bond indentures further exclude from the calculation, operating expense payable from non-operating revenues generally (Senior Lien Indenture) or non-operating federal grants specifically (Intermediate Lien Indenture). Debt service paid from non-operating revenues generally (Senior Lien Indenture), non-operating federal grants specifically (Intermediate Lien Indenture), and other borrowings (Senior Lien Indenture and Intermediate Lien Indenture) are also excluded.

In fiscal year 2022, the Port also paid $10.8 million of operating expense and $11.8 million of debt service from federal grants. Each of these payments impacted the above debt service coverage ratio calculations. Also, in fiscal year 2022, a further $5.9 million of outstanding commercial paper was paid with grant funds.

Additional information on the Port's debt activity can be found in Note 5 Debt in the accompanying notes to the financial statements.

Credit Ratings

The Port's credit ratings as of June 30, 2022 are as follows:

- S&P Global Ratings (S&P) underlying rating on the Port's Senior Lien Bonds is "A+", and the underlying rating on the Intermediate Lien Bonds is "A". The rating on the Port's Commercial Paper Notes for all series is "A-1".
- Moody's Investors Service, Inc. (Moody's) underlying rating on the Port's Senior Lien Bonds is "A1", and the underlying rating on the Intermediate Lien Bonds is "A2". The rating on the Port's Commercial Paper Notes for all series is "P-1".
- Fitch Ratings' (Fitch) underlying rating on the Port's Senior Lien Bonds is "A+", and the underlying rating on the Intermediate Lien Bonds is "A". The rating on the Port's Commercial Paper Notes for all series is "F1+". In addition, Fitch has set a subordinate lien rating of "A" on the bank note established for the Port's Commercial Paper Program.

Notes to the Financial Statements

The notes to the Port's financial statements can be found on pages 23-70 of this report. These notes provide additional information that is essential to a full understanding of the financial statements.

Facts and Conditions Affecting the Port's Operation

The outbreak of COVID-19, a respiratory disease first reported in China in December 2019, was declared a global pandemic by the World Health Organization (WHO). As availability of COVID vaccines increased, and the U.S. Department of State and the Centers for Disease Control and Prevention started lifting travel restrictions increasing the air traffic at Oakland Airport by 91% compared to the fiscal year ended June 30, 2021. In general, travel-related industries, including airlines serving the Airport and Airport Concessionaires, as well as local restaurants started to open approaching pre-pandemic level.

Aviation

The Airport is one of three commercial airports serving the San Francisco Bay Area: the Airport, San Francisco International (SFO), and Norman Y. Mineta San José International (SJC). The Bay Area airports, especially the Airport and SFO, serve overlapping markets and compete for passengers who frequently consider more than one Bay Area airport when purchasing air travel. Additionally, airlines may shift their operations among the Bay Area airports based upon local competition and each airline's market share goals. Air carriers also consider airport operating costs, the availability of airport facilities and, in some cases, the location of existing alliance partner flight activity as contributing factors in their flight schedule decision-making process. In addition to the aforementioned factors, the activity levels at the Airport are also sensitive to general economic conditions, acts of terrorism or disease epidemic/pandemic, such as the COVID-19 pandemic, which had significantly impacted demand for air travel in prior years. The Airport is unable to predict how market competition or future economic conditions will affect the Airport's operations.

Maritime

The Seaport is the principal ocean gateway for international containerized cargo shipments in Northern California. Historically, the Seaport has managed a balance of import and export trade, with a strong export base of California's premium agricultural products, Midwestern protein, and other U.S. goods bound for foreign markets. The Port is a part of global supply chains for importers and exporters; as such, it is sensitive to fluctuations in the U.S. and global economies and impacted by business decisions of other participants in the supply chain. The global fight to contain the spread of COVID-19 has disrupted global demand for goods, impacted manufacturing supply chains, caused congestion at ports, and limited the overall movement of marine cargo and the number of vessel calls around the world. These impacts continued into 2022, with some improvement as of June 30, 2022. Some shipping lines originating in Asia chose to call only at the San Pedro Bay Ports located in Southern California, skipping the Seaport altogether in order to expedite the return to Asia to pick up more containers for import to the U.S. Some shipping lines also offered more direct services to ports on the U.S. East and Gulf coasts, which are closer to the majority of American consumers; this change also contributed to the decline in cargo throughput at the Seaport in 2022. It is unknown if such trends will continue or reverse, and to what extent. At this time, the Port cannot predict the actions of shipping lines nor the larger maritime business trends that could impact the Port.

Approximately 85% of all cargo handled at the Seaport originates from or is destined to a local or regional location. The Seaport competes with other ports primarily for discretionary intermodal rail cargo, which is cargo that originates from or is destined to inland destinations and that, therefore, could be shipped through any one of several ports. On average, discretionary intermodal rail cargo currently is about 10-15% of the Port's total cargo throughput. Expansion of other ports or future infrastructure developments (such as increased channel depth marine terminal expansions) could result in diversion of this type of intermodal cargo from West Coast ports to East Coast and Gulf ports. As the Seaport continues to work towards expanding its market share of such cargo, these types of developments at other ports could hinder the Port's efforts. The Port cannot predict the scope of potential impacts at this time.

About 75% of the full TEU cargo handled at the Port in calendar year 2021 is the result of trade with Asia, and about 40-50% of the Port's trade is with China. Ongoing measures by China to limit the spread of the COVID-19, tariffs imposed by both China and the U.S. on goods, and political tensions between the U.S. and China could negatively impact import and export cargo volume at the Seaport. The scope of the impact depends on many factors, including, for example, the flexibility of a company's supply chain (i.e., sourcing and/or manufacturing location options) and consumers' ability to absorb additional costs. The Port cannot accurately predict the scope of potential impacts at this time.

Separate from these issues, the maritime industry as a whole faced significant economic pressure for several years leading into the COVID-19 pandemic, which had resulted in major financial losses, bankruptcy, marine terminal closures, formation of new shipping line alliances, and consolidation within segments of the supply chain. COVID-19 created a new set of challenges, as discussed above, but in many cases also increased shipping line profitability significantly. However, current national and global economic indicators suggest that demand for consumer goods may be declining, which could help alleviate the COVID-19 related supply chain disruptions but also could place renewed downward economic pressure on the maritime industry, as well as negatively impact cargo throughput at the Seaport. While the Port's marine terminal tenants and shipping line customers currently appear stable, there is always a risk that maritime industry conditions could shift. The Port cannot predict additional changes that may occur in various segments of the supply chain, and therefore the Port cannot predict the scope of potential resulting impacts at this time.

Additionally, the maritime industry is vulnerable to strikes and other union activities, particularly activities related to the union labor employed by the marine terminal operators, but also activities of "sympathetic" unions. The labor agreement between the International Longshore and Warehouse Union, the union representing most dockworkers at all United States West Coast ports, and the Pacific Maritime Association, which represents companies engaged in shipping to or through ports on the West Coast of the United States, expired on July 1, 2022. Historically, certain labor disruptions have affected the competitive position of all West Coast ports, including the Seaport, while others have had port-specific impacts that negatively affected one port while benefiting another port (for example, when cargo is diverted). The Seaport's marine terminal leases provide certain assurances for revenue collection in the event of a strike or lockout. However, these assurances are inherently limited and are not designed to mitigate the impact of long-term cargo shifts to other ports if a labor disruption resulted in major, sustained cargo diversion.

Commercial Real Estate

For more than a decade, the Commercial Real Estate Division has leased most of its properties to developers or tenants under long-term ground leases, under which the developer or tenant is responsible for the development, subleasing, operation and maintenance of the improvements on the properties. The Port continues to work with the developers to ensure the properties are developed and managed in ways that are compliant with California Tidelands Trust regulations, however most of the development cost and financial risk is held by the developers.

Contacting the Port's Financial Management

Requests for additional information about this report should be addressed to the Financial Services Division, Port of Oakland, 530 Water Street, Oakland, California 94607 or visit the Port's website at www.portofoakland.com

Port of Oakland

(A Component Unit of the City of Oakland)
Statements of Net Position
June 30, 2022 and 2021
(dollar amounts in thousands)

	2022	2021
Assets		
Current assets:		
Unrestricted:		
Cash equivalents	$ 548,172	$ 502,032
Accounts receivable (less allowance for doubtful accounts of $2,311 in 2022 and $2,025 in 2021)	57,123	51,330
Lease receivables	113,513	-
Prepaid expenses and other assets	5,066	3,161
Total unrestricted current assets	723,874	556,523
Restricted:		
Cash equivalents	90,641	68,545
Deposits in escrow	677	936
Passenger facility charges and customer facility charges receivable	2,370	2,439
Total restricted current assets	93,688	71,920
Total current assets	817,562	628,443
Non-current assets:		
Capital assets:		
Land	524,333	524,187
Noise easements and air rights	25,853	25,853
Construction in progress	31,948	69,253
Buildings and improvements	1,001,964	992,394
Container cranes	130,321	159,197
Infrastructure	2,272,299	2,174,379
Software	19,671	13,844
Other equipment	132,691	130,476
Total capital assets, at cost	4,139,080	4,089,583
Less accumulated depreciation	(2,234,393)	(2,143,252)
Capital assets, net	1,904,687	1,946,331
Other receivables	245	26,470
Lease receivables	962,364	-
Other assets	17,447	15,803
Total non-current assets	2,884,743	1,988,604
Total assets	3,702,305	2,617,047
Deferred Outflows of Resources		
Loss on refunding	8,225	9,516
Pensions	27,438	33,414
OPEB	10,149	16,498
Total deferred outflows of resources	$ 45,812	$ 59,428

(Continued)

The accompanying notes are an integral part of these financial statements.

Port of Oakland

(A Component Unit of the City of Oakland)
Statements of Net Position (continued)
June 30, 2022 and 2021
(dollar amounts in thousands)

	2022	2021
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	$ 26,528	$ 32,167
Retentions on construction contracts	1,868	2,072
Environmental and other	12,948	8,836
Accrued interest	3,569	4,050
Long-term debt, net	61,344	68,219
Liability to City of Oakland	7,849	12,618
Unearned revenue	17,103	7,356
Total current liabilities	131,209	135,318
Non-current liabilities:		
Retentions on construction contracts	-	28
Environmental and other	30,583	33,602
Long-term debt, net	662,215	757,043
Net pension liability	138,744	219,587
Net OPEB liability	50,219	85,235
Deposits	25,301	24,830
Unearned revenue	6,576	22,448
Total non-current liabilities	913,638	1,142,773
Total liabilities	1,044,847	1,278,091
Deferred Inflows of Resources		
Pensions	56,856	4,241
OPEB	25,736	5,919
Leases	1,061,584	-
Total deferred inflows of resources	1,144,176	10,160
Net Position		
Net investment in capital assets	1,227,661	1,165,696
Restricted for:		
Construction	27,248	13,872
Other purposes	22,175	10,487
Unrestricted	282,012	198,169
Total net position	$ 1,559,096	$ 1,388,224

(Concluded)

The accompanying notes are an integral part of these financial statements.

Port of Oakland

(A Component Unit of the City of Oakland)
Statements of Revenues, Expenses and Changes in Net Position
For the years ended June 30, 2022 and 2021
(dollar amounts in thousands)

	2022	2021
Operating revenues:		
Lease rentals - terminal	$ 182,108	$ 179,597
Lease rentals - other	77,005	74,477
Parking fees and ground access	55,679	31,893
Landing fees	43,415	33,657
Terminal concessions	5,776	3,558
Utility sales	25,836	21,880
Rail terminal rent	4,338	3,899
Fueling	4,123	2,174
Other	3,729	3,004
Total operating revenues	402,009	354,139
Operating expenses:		
Personnel services, materials, services, supplies, and other	69,867	68,910
Maintenance and engineering	49,124	56,423
Marketing and public relations	5,271	4,923
Administration and general services	18,310	18,914
Utilities	23,907	17,804
Security, police and fire	30,213	34,910
Depreciation	109,581	112,855
Total operating expenses	306,273	314,739
Operating income	95,736	39,400
Non-operating revenues (expenses):		
Interest income	21,204	507
Interest expense	(16,622)	(26,246)
Customer facility charges revenue	3,155	2,181
Customer facility charges expense	(2,549)	(3,906)
Passenger facility charges revenue	19,363	10,913
Other income	-	8,807
Other expense	(6,309)	(4,282)
Gain on lease termination	-	16,597
Operating grant income	46,827	10,103
Loss on disposal of capital assets	(3,227)	(123)
Total non-operating revenues (expenses), net	61,842	14,551
Increase in net position before capital contributions	157,578	53,951
Capital contributions - Grants from government agencies	19,740	24,356
Increase in net position	177,318	78,307
Net position, beginning of the year	1,388,224	1,309,917
Beginning balance adjustment for adoption of GASB 87	(6,446)	-
Net position, beginning of the year as restated	1,381,778	1,309,917
Net position, end of the year	$ 1,559,096	$ $ 1,388,224

The accompanying notes are an integral part of these financial statements.

Port of Oakland

(A Component Unit of the City of Oakland)
Statements of Cash Flows
For the years ended June 30, 2022 and 2021
(dollar amounts in thousands)

	2022	2021
Cash flows from operating activities:		
Receipts from tenants and customers	$ 395,321	$ 337,203
Payments to suppliers	(119,082)	(92,290)
Payments to employees	(75,275)	(71,275)
Payments to employee retirement plans	(28,158)	(26,466)
Payments to employee OPEB plan	(10,241)	(14,418)
Other non-operating payments	(7,781)	(4,282)
Other non-operating receipts	-	7,015
Net cash provided by operating activities	154,784	135,487
Cash flows from noncapital financing activities:		
Proceeds from government agencies for recovery of operating costs	52,172	10,103
Payments for customer facilities charges eligible expenses	(2,549)	(3,906)
Proceeds from insurance and other recoveries	1,728	1,792
Net cash provided by noncapital financing activities	51,351	7,989
Cash flows from capital and related financing activities:		
Repayments/refunding of debt	(101,704)	(82,301)
Grants from government agencies	11,584	23,646
Interest paid on debt	(15,812)	(32,963)
Purchase of capital assets	(74,286)	(48,072)
Proceeds from sale of capital assets	368	1
Customer facility charges and passenger facility charges receipts	22,740	11,608
Net cash used in capital and related financing activities	(157,110)	(128,081)
Cash flows from investing activities:		
Interest received on investments	18,952	354
Purchase of restricted investments	-	(757)
Sale of restricted investments	259	-
Proceeds from maturity of restricted investments	-	58,237
Net cash provided by investing activities	19,211	57,834
Net increase in cash equivalents	68,236	73,229
Cash equivalents, beginning of year	570,577	497,348
Cash equivalents, end of year	$ 638,813	$ 570,577

(Continued)

The accompanying notes are an integral part of these financial statements.

Port of Oakland

(A Component Unit of the City of Oakland)
Statements of Cash Flows (continued)
For the years ended June 30, 2022 and 2021
(dollar amounts in thousands)

	2022	2021
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	$ 95,736	$ 39,400
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	109,581	112,855
Other	(7,781)	2,733
Net effects of changes in:		
Accounts receivable, net of grants receivables	(2,982)	(16,545)
Leases receivables and related deferred inflows of resources	(22,634)	-
Prepaid expenses	(3,549)	(352)
Other receivables and assets	26,225	494
Accounts payable and accrued liabilities	620	44
Liability to City of Oakland	(4,769)	2,047
Unearned revenue	(6,125)	(1,669)
Deposits	471	1,602
Environmental and other liabilities	1,093	4,368
Net pension liability and related deferred outflows/inflows of resources	(22,252)	(2,939)
Net OPEB liability and related deferred outflows/inflows of resources	(8,850)	(6,551)
Net cash provided by operating activities	$ 154,784	$ 135,487
Non-cash capital and related financing activities:		
Net change in accounts payable for capital asset purchases	$ (6,259)	$ 1,937
Net change in retention on capital construction contracts	(232)	11
Net change in grants receivables	(2,811)	(710)
Abandoned construction in progress and other capital assets	(256)	124
Gain on lease termination	-	16,597
Revenue bonds proceeds received in escrow trust fund	-	534,276
Debt defeased and related costs paid through escrow trust fund	-	(534,276)

(Concluded)

The accompanying notes are an integral part of these financial statements.

1. Organization

The Port of Oakland, California (Port) was established in 1927 by the City of Oakland (City) and is included as a component unit in the City's basic financial statements. The accompanying financial statements include the operations of the Oakland International Airport (Airport or OAK), the maritime facilities (Seaport) and commercial real estate holdings.

The Port is governed by a seven-member Board of Port Commissioners (Board) whose members are appointed by the City Council, upon nomination by the Mayor. The Board appoints an Executive Director to administer operations. The Port prepares and controls its own budget, administers and controls its fiscal activities, and is responsible for all Port construction and operations. The Port is required by the City Charter to deposit its revenues in the City Treasury. The City Treasurer is responsible for investing and managing such funds.

2. Significant Accounting Policies

Basis of Accounting

The Port's financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as applied to governmental units. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows/inflows of resources, and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are used to record environmental remediation liabilities, accounts receivable and grant receivable accruals, allowance for doubtful accounts, depreciation expense, net pension liability, pension benefit costs, net other postemployment benefits (OPEB) liability, OPEB benefit costs, and various expense allocations. Actual results could differ from those estimates.

Net Position

Net position represents the residual interest in the Port's assets and deferred outflows of resources after liabilities and deferred inflows of resources are deducted. Net position consists of three sections: net investment in capital assets, restricted for construction and other purposes, and unrestricted. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of debt that is attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources or deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position. The restricted component of net position consists of restricted assets reduced by liabilities related to those assets. As of June 30, 2022, and 2021, the statements of net position reported $49,423 and $24,359 respectively, as restricted for construction and other purposes.

Cash Equivalents

The Port considers highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Port's cash and investments in the City Treasury are, in substance, demand deposits and are considered cash equivalents.

Investments

The Port reports its investments at fair value in the accompanying financial statements and the corresponding change in fair value of investments is reported in the year in which the change occurs.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are recorded for invoices issued to customers and granting agencies in accordance with contractual arrangements. Unbilled receivables are recognized as accrued accounts receivables and revenue when services are provided. The allowance for doubtful accounts is based on a tiered percentage of significantly aged receivables. Accounts receivable are written-off against the allowance when deemed uncollectible. Recoveries of receivables previously written-off are recorded as revenue when received.

Restricted Assets

Assets whose use is restricted to specific purposes by bond indenture or regulation are segregated on the statements of net position.

Capital Assets

Capital assets are stated at cost. It is the policy of the Port to capitalize all expenses related to capital assets greater than $5. Depreciation expense is calculated using the straight-line method over the following estimated useful lives of the assets:

Buildings and improvements	5 to 50 years
Container cranes	25 years
Infrastructure	10 to 50 years
Other equipment	3 to 40 years
Software	3 to 10 years

Tenant improvements paid for by the tenants and owned by the Port are recorded as capital assets with an offsetting credit to unearned revenue. The asset is amortized over the shorter of the life of the lease or the life of the asset and the unearned revenue is amortized over the same terms.

Intangible assets which are identifiable are recorded as capital assets. The Port has identified noise easements, air rights and computer software development costs as intangible assets. Intangible assets not having indefinite useful lives are amortized over the estimated useful life of the asset.

Lease Receivables

The Port, as a lessor, recognizes lease receivables and deferred inflows of resources at the commencement of the lease term, with certain exceptions for leases of assets held as investments, certain regulated leases, short-term leases, and leases that transfer ownership of the underlying asset. The lease receivables are measured at the present value of the lease payments expected to be received during the lease term. The deferred inflows of resources should be measured as the value of the lease receivables in addition to any payments received at or before the commencement of the lease term that related to future periods. For a detailed discussion on lease receivables and deferred inflows of resources for lease receivables, refer to Note 7 Leases.

Loss on Refunding

The loss on refunding at the time of a refunding is reported as deferred outflows of resources and is amortized as interest expense over the shorter of the remaining life of the refunded bonds or life of the new bonds.

Unearned Revenue

Unearned interest revenue and prepaid rent related to short-term tenant leases are amortized principally on the straight-line method over the life of the remaining lease term.

Compensated Absences

The Port accrues employee benefits, including accumulated vacation and sick leave, as liabilities in the period the benefits are earned.

Operating Revenues and Expenses

Operating revenues and expenses consist of those revenues and expenses that result from the ongoing principal operations of the Port. Operating revenues consist primarily of charges for services. Non-operating revenues and expenses consist of those revenues and expenses that are related to financing and investing activities. When an expense is incurred for purposes for which there are both restricted and unrestricted assets available, it is the Port's policy to first utilize available restricted assets and then to utilize unrestricted assets.

Allocation of Expenses to the Port Businesses

The Port records to each of its revenue divisions (Aviation, Maritime, and Commercial Real Estate) expenses directly related to those operations. In addition, the Port annually allocates indirect expenses to these divisions based on an expense allocation methodology. Allocated expenses include general operating expenses, maintenance and engineering, marketing and public relations, and administration and general services.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Port's pension plan, and additions to/deductions from the Port's pension plan's fiduciary net position have been determined on the same basis as they are reported by the plan's

Pensions (continued)

fiduciary net position have been determined on the same basis as they are reported by the plan's administrator, State of California's Public Employees' Retirement System (CalPERS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Port's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as reported by the plan's administrator, CalPERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Grants from Government Agencies

Grants, for the most part, are restricted for the acquisition or construction of capital assets. Such grants are recorded as revenue when all eligibility requirements imposed by the provider have been met.

Passenger Facility Charges

The Port, as authorized by the Federal Aviation Administration (FAA) pursuant to the Aviation Safety and Capacity Expansion Act of 1990 (the Act), as amended, currently imposes a Passenger Facility Charge (PFC) of $4.50 for each enplaning passenger at the Airport. Under the Act, air carriers are responsible for the collection of PFC and are required to remit PFC revenues to the Port in the following month after they are recorded by the air carrier. The Port has two approved and active applications with the FAA to collect and use PFC funds for specific purposes. The current authority to impose PFCs is estimated to end December 1, 2035.

PFC revenues, including any interest earned thereon, are restricted solely to finance allowable costs of new airport planning and development projects as defined and authorized by the FAA. PFC revenues may be used to pay debt service and related expenditures associated with FAA approved projects and the Port has received FAA approval to pay certain debt service if debt proceeds are used for qualifying projects. PFC revenues are recorded as non-operating revenue and any unspent PFC revenues are recorded as restricted cash equivalents.

Customer Facility Charges

Under Section 1936 of the California Civil Code, and pursuant to a Port ordinance effective January 2009, the rental car companies operating at the Airport are required to collect from the rental customers and remit to the Port a Customer Facility Charge (CFC). The current CFC is $10 per contract for companies operating on airport property and $8.00 for companies operating off airport property. The revenues from CFCs collected by the Port are funding the common use shuttle bus operations between the terminal and rental car facility and are eligible to fund common use rental car facility capital improvements. CFC revenues are recorded as non-operating revenue and expenses reimbursed with CFC funds are recorded as non-operating expense. Any unspent CFC revenues are recorded as restricted cash equivalents.

Effects of New Pronouncements

In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. The statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exits. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Implementation of this statement did not have a significant impact on the Port's financial statements for the year ended June 30, 2021.

In June 2017, GASB issued Statement No. 87, *Leases* (GASB 87). The objective of GASB 87 is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The provisions of the statement were originally effective for reporting periods after December 2019. However, due to the COVID-19 pandemic, the effective date was postponed by 18 months. The adoption of this statement had a material effect on the financial statements of the Port for the year ended June 30, 2022. See additional information in Note 7.

In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* (GASB 89). The objective of GASB 89 is to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period, and to simplify accounting for interest cost incurred before the end of a construction period. This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. Implementation of this statement did not have a significant impact on the Port's financial statements for the year ended June 30, 2022.

In October 2021, the GASB issued Statement No. 98, *The Annual Comprehensive Financial Report.* This statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. Implementation of this statement did not have a significant impact on the Port's financial statements for the year ended June 30, 2021.

Effects of New Pronouncements (continued)

In January 2020, GASB issued Statement No. 92, *Omnibus 2020* (GASB 92). The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This statement addresses a variety of topics and includes specific provisions regarding GASB statements that have already been implemented by the Port or will be implemented by the Port in the future. The requirements of this statement are effective for the Port's fiscal year ended June 30, 2022. Implementation of this statement did not have a significant impact on the Port's financial statements.

In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An amendment of GASB Statement No. 14 and No. 84, and a supersession of GASB Statement No. 32* (GASB 97). The primary objectives of this statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. Implementation of this statement did not have a significant impact on the Port's financial statements for the year ended June 30, 2022.

In April 2022, GASB issued Statement No. 99, *Omnibus 2022.* Paragraphs 26 through 32 of the statement related to extension of the use of London Interbank Offered Rate, accounting for the Supplemental Nutrition Assistance Program distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement No. 34, as amended, and terminology updates related to Statement No. 53 and Statement No. 63 are effective for the year ended June 30, 2022. Implementation of the requirements of this statement did not have a significant impact on the Port's financial statements.

New Accounting Pronouncements Not Yet Adopted

In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations* (GASB 91), to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this statement are effective for the Port's fiscal year ending June 30, 2023.

New Accounting Pronouncements Not Yet Adopted (continued)

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* (GASB 94), to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements. This statement also provides guidance for accounting and financial reporting for availability payment arrangements. The requirements of this statement are effective for the Port's fiscal year ending June 30, 2023.

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB 96). This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in GASB 87, as amended. The requirements of this statement are effective for the Port's fiscal year ending June 30, 2023.

In April 2022, GASB issued Statement No. 99, *Omnibus 2022.* This statement establishes or amends accounting and financial reporting requirements for specific issues related to financial guarantees, derivative instruments, leases, public-public and public-private partnerships, subscription-based information technology arrangements, and the focus of government-wide financial statements. The requirements related to leases, public-public partnership arrangements, and availability payment arrangements, and SBITAs are effective for the Port's fiscal year ending June 30, 2023. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of GASB 53 are effective for the Port's fiscal year ending June 30, 2024.

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62.* This statement enhances accounting and reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or events that constitute those changes. The requirements of this statement are effective for the Port's fiscal year ending June 30, 2024.

In June 2022, the GASB issued Statement No. 101, *Compensated Absences.* This statement updates the recognition and measurement guidance for compensated absences. This is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through non-cash means. A liability should be recognized for leave that has not been used if (1) the leave is attributable to services already rendered, (2) the leave accumulates, and (3) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through non-cash means. The requirements of this statement are effective for the Port's fiscal year ending June 30, 2025.

(dollar amounts in thousands)

3. Cash Equivalents, Investments, and Deposits

Cash Equivalents and Investments

Under the City Charter, all cash receipts from the operations of the Port are deposited in the City Investment Pool. These funds are managed and invested by the City, pursuant to the City's Investment Policy, that the City administers and reviews annually. For this reason, the Port does not maintain its own investment policy, and relies on the City Investment Policy to mitigate the risks described within this note.

Senior Lien Bonds and Intermediate Lien Bonds reserves are on deposit with the Senior Lien Bonds and Intermediate Lien Bonds trustee, respectively. The investment of funds held by the Senior Lien Bonds trustee and the Intermediate Lien Bonds trustee are governed by the Senior Trust Indenture and Intermediate Trust Indenture, respectively, and are invested in Government Securities Money Market Mutual Funds.

On June 30, 2022, the Port had the following cash equivalents and investments:

	Unrestricted	Restricted	Total Fair Value	Credit Rating per Moody's	Maturity Less than 1 Year	
City Investment Pool	$ 548,172	$ 47,053	$ 595,225	Unrated	$ 595,225	*
Government Securities Money Market Mutual Funds	-	43,581	43,581	Unrated	43,581	*
Cash	-	7	7		7	
Total Cash and Cash Equivalents	$ 548,172	$ 90,641	$ 638,813		$ 638,813	

*Represents weighted average maturity

On June 30, 2021, the Port had the following cash equivalents and investments:

	Unrestricted	Restricted	Total Fair Value	Credit Rating per Moody's	Maturity Less than 1 Year	
City Investment Pool	$ 502,032	$ 21,919	$ 523,951	Unrated	$ 523,951	*
Government Securities Money Market Mutual Funds	-	46,619	46,619	Unrated	46,619	*
Cash	-	7	7		7	
Total Cash and Cash Equivalents	$ 502,032	$ 68,545	$ 570,577		$ 570,577	

*Represents weighted average maturity

(dollar amounts in thousands)

Fair Value Hierarchy

The Port categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. The inputs and techniques used for valuing securities are not necessarily an indication of risk associated with investing in those securities. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The following is a summary of the fair value hierarchy of investments held by the Port as of June 30, 2022 and 2021:

Investments by Fair Value Level	2022	Investments Exempt from Fair Value Hierarchy	Fair Value Measurements Quoted Prices in Active Markets for Indentical Assets (Level 1)
Government Securities Money Market Mutual Funds	$ 43,581	$ 43,581	$ -
Cash	7	7	
City Investment Pool	595,225	595,225	-
Total Cash Equivalents and Investments	$ 638,813	$ 638,813	$ -

Investments by Fair Value Level	2021	Investments Exempt from Fair Value Hierarchy	Fair Value Measurements Quoted Prices in Active Markets for Indentical Assets (Level 1)
Government Securities Money Market Mutual Funds	$ 46,619	$ 46,619	$ -
Cash	7	7	
City Investment Pool	523,951	523,951	-
Total Cash Equivalents and Investments	$ 570,577	$ 570,577	$ -

Investments exempt from fair value treatment consist of Government Securities Money Market Mutual Funds and the City Investment Pool. Government Securities Money Market Mutual Funds are valued at their net asset value, and the City Investment Pool is not subject to fair value measurement in the Port's financial statements. However, the City Investment Pool's fair value disclosure is presented at the City-wide level in the City's basic financial statements.

Deposits in Escrow

Deposits in escrow consist of amounts received from construction contractors that are deposited into an escrow account in-lieu of retention withheld from construction progress billings. Interest on these deposits accrues to the contractor. As of June 30, 2022, and 2021, the Port had deposits in escrow of $677 and $936, respectively.

Investments Authorized by Debt Agreements

The following are the types of investments generally allowed under the Senior Trust Indenture and the Intermediate Trust Indenture (Intermediate Trust Indenture, together with the Senior Trust Indenture, are referred to as the Trust Indentures): U.S. Government Securities, U.S. Agency Obligations, obligations of any State in the U.S., prime commercial paper, FDIC insured deposits, certificates of deposit/banker's acceptances, money market mutual funds, long or medium-term corporate debt, repurchase agreements, state-sponsored investment pools, investment contracts, and forward agreements.

Interest Rate Risk

This risk represents the possibility that an interest rate change could adversely affect an investment's fair value. Pursuant to the City Charter, all cash receipts from Port operations are deposited in the City Investment Pool. For this reason, the Port does not have a formal policy to manage interest rate risk.

In order to manage interest rate risk:

- Proceeds from bonds are invested in permitted investments, as stated in the Trust Indentures.
- The deposits held by the City Treasury are invested pursuant to the City's Investment Policy, which limits the terms of its investments and establishes minimum allowable credit ratings, as well as other controls. Also, Section 53601 of the State of California Government Code limits the maximum maturity of any investment to be no longer than 5 years unless authority for such investment is expressly granted in advance by the City Council or authorized by bond covenants.

Credit Risk

This risk represents the possibility that the issuer/counterparty to an investment will be unable to fulfill its obligation. Pursuant to the City Charter, all cash receipts from Port operations are deposited in the City Investment Pool. For this reason, the Port does not have a formal policy to manage credit risk.

Credit Risk (continued)

In order to manage credit risk:

- Provisions of the Trust Indentures prescribe restrictions on the types of permitted investments of the monies held by the trustee in the funds and accounts created under the Trust Indentures, including agreements or financial institutions that must meet certain ratings, such as certain investments that must be rated in either of the two highest ratings by S&P and Moody's.

- The deposits with the City Treasury are invested in short-term debt that is rated at least A-1 by S&P, P-1 by Moody's or F-1 by Fitch Ratings. Long-term debt shall be rated at least A by S&P, A2 by Moody's, and A by Fitch Ratings.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution or a counterparty to a transaction, the Port will not be able to recover the value of its investment or collateral securities that are in possession of another party.

To protect against custodial credit risk:

- All securities owned by the Port under the terms of the Trust Indentures are held in the name of the Port for safekeeping by a third-party bank trust department, acting as an agent for the Port. Port had investments held by a third-party bank trust department in the amount of $43,581 and $46,619 at June 30, 2022 and 2021, respectively.
- All securities the Port has invested with the City are held in the name of the City for safekeeping by a third-party bank trust department, acting as an agent for the City under the terms of the custody agreements. The Port had $595,225 and $523,951 invested in the City Investment Pool on June 30, 2022 and 2021, respectively.

As of June 30, 2022, the Port had deposits in escrow totaling $677, which were held in Union Bank, California Bank, and Fremont Bank, and of which $295 were insured or collateralized with securities held by pledging financial institution's trust department in the Port's name. As of June 30, 2021, the Port had $936 in escrow, and of which $687 were insured or collateralized with securities held by pledging financial institution's trust department in the Port's name.

Concentration of Credit Risk

The Trust Indentures place no limit on the amount the Port may invest in any one issuer.

Port revenues are deposited in the City Treasury. These and all City funds are pooled and invested in the City Investment Pool. The City has adopted an investment policy that provides for the following:

Concentration of Credit Risk (continued)

- The maximum maturity for any one investment may not exceed 5 years.
- No more than 5 percent of the total assets of the investments held by the City may be invested in the securities of any one issuer except:
    - obligations of the United States government;
    - United States federal agencies and government sponsored enterprises;
    - reverse repurchase agreements;
    - deposits – private placement;
    - certificates of deposit;
    - local government investment pools;
    - money market investment funds; and
    - supranational organizations.
- Permitted investments include U.S. treasury securities, federal agency and instrumentalities, banker's acceptances, commercial paper, asset-backed commercial paper, local government investment pools, medium-term notes, negotiable certificates of deposit, repurchase agreements, reverse repurchase agreements, secured obligations and agreements, dollar-denominated obligations issued by supranational organizations, certificates of deposit, money market mutual funds, state investment pool (Local Agency Investment Fund), local city/agency bonds , public bank obligations, and state obligations.

Additional information regarding deposit custodial credit, interest and credit risks, and securities lending transactions of the City Investment Pool is presented in the notes of the City's basic financial statements. Requests for financial information should be addressed to Finance Department, Administration, City of Oakland, 150 Frank H. Ogawa Plaza, Suite 5215, Oakland, California 94612.

(dollar amounts in thousands)

4. Changes in Capital Assets

A summary of changes in capital assets for the year ended June 30, 2022, is as follows:

	(1) Balance July 1, 2021	Additions	Adjustments and Retirements	Transfers	Ending Balance June 30, 2022
Capital assets not being depreciated					
Land	$ 524,333	$ -	$ -	$ -	$ 524,333
Intangibles (noise easements and air right	25,853	-	-	-	25,853
Construction in progress	69,253	65,798	-	(103,103)	31,948
Total capital assets not being depreciated	619,439	65,798	-	(103,103)	582,134
Capital assets being depreciated					
Buildings and improvements	999,020	-	-	2,944	1,001,964
Container cranes	159,197	-	(28,876)	-	130,321
Infrastructure	2,174,379	-	-	97,920	2,272,299
Software	19,671	-	-	-	19,671
Other equipment	130,475	1,999	(2,022)	2,239	132,691
Total capital assets being depreciated	3,482,742	1,999	(30,898)	103,103	3,556,946
Less accumulated depreciation for					
Buildings and improvements	(690,556)	(20,259)	-	-	(710,815)
Container cranes	(126,415)	(5,117)	25,293	-	(106,239)
Infrastructure	(1,230,373)	(77,976)	-	-	(1,308,349)
Software	(15,268)	(383)	-	-	(15,651)
Other equipment	(89,247)	(5,846)	1,754	-	(93,339)
Total accumulated depreciation	(2,151,859)	(109,581)	27,047	-	(2,234,393)
Total being depreciated, net	1,330,883	(107,582)	(3,851)	103,103	1,322,553
Total capital assets, net	$ 1,950,322	$(41,784)	$ (3,851)	$ -	$ 1,904,687

(1) Beginning balances have been restated from $1,946,331, net of accumulated depreciation to $1,950,322, net of accumulated depreciation for the effects of GASB 87.

For the year ended June 30, 2022, the Port recognized a $3,227 loss on abandoned projects related to construction in progress and disposal of capital assets.

(dollar amounts in thousands)

Changes in Capital Assets (continued)

A summary of changes in capital assets for the year ended June 30, 2021, is as follows:

	Beginning Balance July 1, 2020	Additions	Adjustments and Retirements	Transfers	Ending Balance June 30, 2021
Capital assets not being depreciated					
Land	$ 524,187	$ -	$ -	$ -	$ 524,187
Intangibles (noise easements and air rights)	25,853	-	-	-	25,853
Construction in progress	52,654	48,924	(124)	(32,201)	69,253
Total capital assets not being depreciated	602,694	48,924	(124)	(32,201)	619,293
Capital assets being depreciated					
Buildings and improvements	991,300	-	-	1,094	992,394
Container cranes	159,197	-	-	-	159,197
Infrastructure	2,147,084	-	-	27,295	2,174,379
Software	13,844	-	-	-	13,844
Other equipment	125,568	1,096	-	3,812	130,476
Total capital assets being depreciated	3,436,993	1,096	-	32,201	3,470,290
Less accumulated depreciation for					
Buildings and improvements	(663,018)	(20,912)	-	-	(683,930)
Container cranes	(120,534)	(5,881)	-	-	(126,415)
Infrastructure	(1,151,111)	(79,262)	-	-	(1,230,373)
Software	(12,444)	(843)	-	-	(13,287)
Other equipment	(83,290)	(5,957)	-	-	(89,247)
Total accumulated depreciation	(2,030,397)	(112,855)	-	-	(2,143,252)
Total being depreciated, net	1,406,596	(111,759)	-	32,201	1,327,038
Total capital assets, net	$ 2,009,290	$ (62,835)	$ (124)	$ -	$ 1,946,331

For the year ended June 30, 2021, the Port recognized a $124 loss on abandoned projects related to construction in progress.

(dollar amounts in thousands)

5. Debt

Long-term debt consists of the following on June 30, 2022:

	Interest Rate	Fiscal Maturity Year	Original Amount	Beginning Balance July 1, 2021	Additions	Reductions	Ending Balance June 30, 2022	Principal Due Within One Year
Senior Lien Bonds								
2012 Revenue Bonds Series P[(1)]	-	2033	$ 380,315	$ 29,945	$ -	$ 29,945	$ -	$ -
2020 Revenue Bonds Series R[(1)]	0.821-2.349	2033	343,755	343,755	-	11,970	331,785	26,865
Total Senior Lien Bonds			724,070	373,700	-	41,915	331,785	26,865
Intermediate Lien Bonds								
2017 Revenue Bonds Series D	5.00	2030	95,875	90,180	-	9,535	80,645	5,030
2017 Revenue Bonds Series E	5.00	2030	88,985	38,480	-	3,255	35,225	1,550
2017 Revenue Bonds Series G	2.55-3.30	2030	38,355	33,930	-	2,450	31,480	2,865
2021 Revenue Bonds Series H	5.00	2030	182,010	182,010	-	19,020	162,990	16,015
Total Intermediate Lien Bonds			405,225	344,600	-	34,260	310,340	25,460
Commercial Paper[(2)]								
Series A, B, C Notes	0.10-0.22	2021	N/A	17,100	-	4,758	12,342	-
Series D, E, F Notes	0.10-0.18	2021	N/A	41,075	-	10,882	30,193	-
Total Commercial Paper				58,175	-	15,640	42,535	-
Sub-Total				776,475	-	91,815	684,660	52,325
Unamortized bond premium (discount), net				48,788	-	9,889	38,899	9,019
Total Debt				825,263	-	101,704	723,559	$ 61,344
Current maturities of long-term debt				(68,219)	(61,344)	(68,219)	(61,344)	
Total Debt - long-term portion				$ 757,044	$ (61,344)	$ 33,485	$ 662,215	

(1) In December 2020, the Port issued the above $343,755 of new 2020 Revenue Bonds Series R in order to refund a portion of outstanding 2012 Series P Bonds. The remaining outstanding 2012 Series P Bonds matured in May 2022.

(2) As of June 30, 2022, under the current LOCs, the Port was authorized to issue an aggregate principal amount of commercial paper notes up to $200 million.

(dollar amounts in thousands)

Debt (continued)

Long-term debt consists of the following on June 30, 2021:

	Interest Rate	Fiscal Maturity Year	Original Amount	Beginning Balance July 1, 2020	Additions	Reductions	Ending Balance June 30, 2021	Principal Due Within One Year
Senior Lien Bonds								
2011 Revenue Bonds Series O[1]	-	2031	$ 345,730	$ 243,095	$ -	$ 243,095	$ -	$ -
2012 Revenue Bonds Series P[2]	3.50-5.00	2033	380,315	363,070	-	333,125	29,945	29,945
2020 Revenue Bonds Series R[2]	0.669-2.349	2033	343,755	-	343,755	-	343,755	2,685
Total Senior Lien Bonds			1,069,800	606,165	343,755	576,220	373,700	32,630
Dept. of Boating and Waterways (DBW) Loan								
Small Craft Harbor Revenue Bonds, Series 1993[2]	4.50	2030	7,176	3,621	-	3,621	-	-
Intermediate Lien Bonds								
2017 Revenue Bonds Series D	5.00	2030	95,875	95,525	-	5,345	90,180	5,025
2017 Revenue Bonds Series E	5.00	2030	88,985	49,860	-	11,380	38,480	1,775
2017 Revenue Bonds Series G	2.35-3.30	2030	38,355	36,525	-	2,595	33,930	2,450
2021 Revenue Bonds Series H[1]	5.00	2030	182,010	-	182,010	-	182,010	16,450
Total Intermediate Lien Bonds			405,225	181,910	182,010	19,320	344,600	25,700
Commercial Paper[3]								
Series A, B, C Notes	0.10-0.22	2021	N/A	34,516	-	17,416	17,100	-
Series D, E, F Notes	0.10-0.18	2021	N/A	41,075	-	-	41,075	-
Total Commercial Paper				75,591	-	17,416	58,175	-
Sub-Total				867,287	525,765	616,577	776,475	58,330
Unamortized bond premium (discount), net				40,277	36,737	28,227	48,787	9,889
Total Debt				907,564	562,502	644,804	825,262	$ 68,219
Current maturities of long-term debt				(62,413)	(68,219)	(62,413)	(68,219)	
Total Debt - long-term portion				$ 845,151	$ 494,283	$ 582,391	$ 757,043	

[1] In February 2021, the Port issued the above $182,010 of new 2021 Revenue Bonds Series H in order to refund outstanding 2011 Series O Bonds.
[2] In December 2020, the Port issued the above $343,755 of new 2020 Revenue Bonds Series R in order to refund a portion of outstanding 2012 Series P Bonds, as well as the outstanding DBW Loan.
[3] As of June 30, 2021, under the current LOCs, the Port was authorized to issue an aggregate principal amount of commercial paper notes up to $200 million.

Debt Service

The Port's long-term debt and final maturity is identified in the schedules at the beginning of Note 5 and consists of taxable bonds, tax-exempt bonds, short-term commercial paper notes and a loan from the California Department of Boating and Waterways. All of the Port's outstanding bonds, loans and commercial paper notes have been issued to finance or refinance capital improvements to the Port's aviation, maritime and commercial real estate infrastructure. The majority of the Port's outstanding bonds are revenue bonds, which are secured by Pledged Revenues of the Port. Pledged Revenues are substantially all revenues and other cash receipts of the Port, including, without limitation, amounts held in the Port Revenue Fund with the City, but excluding amounts received from certain taxes, certain insurance proceeds, special facilities revenues, and certain other gifts, fees, and grants that are restricted by their terms to purposes inconsistent with the payment of debt service. Pledged revenues amounted to $423,149 in fiscal year 2022 and $354,630 in fiscal year 2021.

In December 2021, the Port completed a transaction in which $14,465 of bonds maturing between May 1, 2022 and May 1, 2024 were defeased. This consisted of $4,510 of 2017 Series D bonds, $1,480 of 2017 Series E bonds, $3,765 of 2017 Series E bonds, and $4,710 of 2012 Series P bonds. Specifically, the Port entered into four separate escrow agreements (one for each bond series) with its Senior Lien and Intermediate Lien bonds trustee (US Bank), into which a total of $14,035 of cash was deposited. A further $1,260 of excess funds from the Port's Senior Lien Reserve was deposited to fund the escrow established to defease the 2012 Series P bonds. The defeasance transaction was undertaken in order to utilize federal grants made available to fund aviation-related costs. Ultimately the Port was able to receive reimbursement of the total transaction cost from those grant funds.

The funds deposited into each of the above escrow accounts were invested in Treasury securities (the Escrow Securities), which were sized to fund remaining debt service on each series of defeased bonds through final maturity.

Pursuant to these agreements, the Port may direct US Bank, as escrow agent, to substitute or dispose of the Escrow Securities, but only upon receipt of opinions from bond and tax counsel. In addition, the Port must receive a verification report stating that any substituted Escrow Securities, combined with any interest earnings and available cash, are sufficient to fund principal and interest when due on the defeased bonds through final maturity. As of June 30, 2022, $8,560 of the original $14,465 of defeased bonds remain outstanding.

Also, in December 2021, a further $10,115 of 2020 Series R bonds were redeemed using the "make-whole" call provision of the Port Senior Trust Indenture. Like the defeasance summarized above, the cost of this transaction was ultimately reimbursed with federal grants.

Pledged Revenues do not include cash received from PFCs or CFCs unless projects included in a financing are determined to be PFC or CFC eligible and bond proceeds are expended on such eligible projects and the Port elects to pledge PFCs or CFCs as supplemental security to such applicable bonds. Currently, the Port has no bonds for which PFCs or CFCs are pledged.

The Port's required debt service payments on its Senior Lien Bonds and Intermediate Lien Bonds are due each May 1 and November 1 through May 1, 2033. Commercial Paper has been classified

(dollar amounts in thousands)

Debt Service (continued)

as long-term debt because the Port has the intent and ability to continue to refinance this debt. The Port's required debt service payments for the outstanding long-term debt for the years ending June 30 are as follows

Fiscal Year Ending	Long-term Obligations Principal	Long-term Obligations Interest	Commercial Paper[1] Principal	Commercial Paper[1] Interest	Total Principal	Total Interest
2023	$ 52,325	$ 20,754	$ -	$ -	$ 52,325	$ 20,754
2024	53,955	19,126	14,178	2,729	68,133	21,855
2025	65,185	17,149	14,178	1,607	79,363	18,756
2026	67,405	14,927	14,179	662	81,584	15,589
2027	70,190	12,460			70,190	12,460
2028-2032	309,170	25,418	-	-	309,170	25,418
2033	23,895	561	-	-	23,895	561
Total	$ 642,125	$ 110,395	$ 42,535	$ 4,998	$ 684,660	$ 115,393

(1) For purposes of this schedule, Commercial Paper debt is amortized over three fiscal years, pursuant to the "Term Loan" provisions of the Commercial Paper Reimbursement Agreements, beginning when the current letters of credit expire on June 30, 2023. For the first 90 days interest is calculated using the higher of 1) Bank of America National Association (BANA) prime rate plus 1%, 2) Federal Funds rate plus 2%, or 3) 7.0%. Thereafter, the interest rate specified above is increased by 1.0%.

Types of Debt and Priority of Payment

Senior Lien Bonds

The 2020 Series R (collectively, the Senior Lien Bonds) were issued under the Senior Trust Indenture and are paid from Pledged Revenues first. As long as any Senior Lien Bonds remain outstanding, the Port has covenanted to collect rates, tolls, fees, rentals and charges so that Pledged Revenues in each fiscal year will be sufficient to pay all of the following amounts: (i) the sum of principal and interest on the outstanding Senior Lien Bonds; (ii) all other payments required for compliance with terms of the Senior Trust Indenture including, but not limited to, required deposits to any Reserve Fund; (iii) all other payments necessary to meet ongoing legal obligations to be paid from Pledged Revenues; and (iv) operation and maintenance expenses of the Port. In addition, payment of principal and interest on the Senior Lien Bonds when due is secured by a reserve fund held by the trustee. As of June 30, 2022, the reserve fund was invested in government securities money market mutual funds. As of June 30, 2021, the reserve fund was also invested in government securities money market mutual funds.

The Port has also covenanted in the Senior Trust Indenture that Net Pledged Revenue (Revenues less the Operation and Maintenance Expenses) will be equal to at least 125% of actual debt service for the Senior Lien Bonds (Senior Lien Debt Service Coverage Ratio).

Senior Lien Bonds (continued)

Events of default under the Senior Lien Trust Indenture include, but are not limited to, a failure to pay principal or interest, or a failure to pay the purchase price of a bond when due upon an optional or mandatory tender date. Port bankruptcy, reorganization, receivership, etc., are also considered default events, as is the failure to observe any covenant, provision or condition of the Senior Lien Indenture or the Bonds, which continues for a period of 60 days after notice. Failure to observe the covenant provisions or conditions of any specific debt obligation issued under the Senior Lien Indenture, which continues for a period of 60 days after notice, may also be considered a default event. Finally, pursuant to supplemental indentures the Port will comply with the covenants of the tax certificates of the different bond series issued under the Senior Lien Trust Indenture. Remedies to any default under the Senior Lien Indenture or its supplements can include bringing suit upon the Senior Lien Bonds, or some other legal remedy to enforce the rights of bondholders.

As of June 30, 2022, the outstanding balance of Senior Lien Bonds is $331,785.

California Department of Boating and Waterways (DBW) Loan

The DBW Loan is subordinate to the Senior Lien Bonds but superior to the Intermediate Lien Bonds and the Port's Commercial Paper Notes with respect to the Pledged Revenues. The Port turned over the operation of its marina, financed, in part, with DBW Loans, to a private company through a fifty-year lease in May 2004.

In the event the Port fails in whole or in part to make payment when due pursuant to the loan agreement between the Port and the DBW, all principal and interest outstanding shall become immediately due and payable.

As of June 30, 2022, no DBW Loan remains outstanding.

Intermediate Lien Bonds

Bonds issued under the Intermediate Trust Indenture are next in payment priority. As of June 30, 2022, the bonds issued under this indenture consist of the 2017 Series D, Series E, and Series G Bonds (Series 2017 Bonds) and the 2021 Series H Bonds (collectively "Intermediate Lien Bonds"). The intermediate Lien Bonds are paid from the Intermediate Lien Pledged Revenues. The Intermediate Lien Pledged Revenues are the Pledged Revenues after payment first, of all amounts payable for any Senior Lien Bonds and second, any debt service requirements payable on the DBW Loan[1]. Payment of principal and interest on the Series 2017 and 2021 Series H Bonds is secured by a reserve fund held by the trustee, which includes a reserve surety policy as well as a cash deposit of Series 2021 Bond proceeds.

The Port covenanted in the Intermediate Trust Indenture that Net Pledged Revenues will be equal to at least 110% of the actual debt service becoming due and payable on the combined Intermediate Lien Bonds, Senior Lien Bonds, and DBW Loan (Intermediate Lien Debt Service Coverage Ratio).

[1] As of June 30, 2022, there was no DBW Loan outstanding.

Intermediate Lien Bonds (continued)

Events of default under the Intermediate Lien Trust Indenture include, but are not limited to, a failure to pay principal or interest, or a failure to pay the purchase price of a bond when due upon an optional or mandatory tender date. Port bankruptcy, reorganization, etc., are also considered default events, as is the failure to observe any covenant, provision or condition of the Intermediate Lien Indenture or the Bonds, which continues for a period of 180 days after notice. Failure to observe the covenant provisions or conditions of any specific debt obligation issued under the Intermediate Lien Indenture, which continues for a period of 180 days after notice, may also be considered a default event. Finally, pursuant to supplemental indentures the Port will comply with the covenants of the tax certificates of the different bond series issued under the Intermediate Lien Trust Indenture. The Port will also ensure that the tax-exempt status of the bonds is maintained. Remedies to any default under the Intermediate Lien Indenture or its supplements can include bringing suit upon the Intermediate Lien Bonds, or some other legal action to enforce the rights of bondholders.

As of June 30, 2022, the outstanding balance of Intermediate Lien Bonds is $310,340.

Commercial Paper Notes

Commercial Paper Notes (CP Notes) have the lowest payment priority. The Board authorized a $150,000 Commercial Paper program in 1998 and a further $150,000 was authorized in 1999. The maximum maturity of the CP Notes is 270 days and the maximum interest rate is 12%. The Port has classified the CP Notes as long-term debt as the Port intends and has the ability to reissue CP Notes until the expiration of the two irrevocable Letters of Credit (LOC), discussed below. Interest income paid to the holders of the CP Notes may fall under one of three tax treatments: tax-exempt Alternative Minimum Tax (AMT), tax-exempt non-AMT and taxable.

The Port covenants in both of its LOC and Reimbursement Agreements with BANA that the Intermediate Lien Debt Service Coverage Ratio will equal to at least 110%.

On May 10, 2019, the Port extended the LOCs supporting its ABC Series and DEF Series of commercial paper notes, both issued by BANA. Specifically, the expiration dates of both LOCs were extended from June 30, 2019 to June 30, 2023. The BANA LOC supporting the DEF Series of commercial paper notes amounts to $54,438 ($50,000 principal and interest of $4,438) and was originally issued on June 13, 2017, when the Port substituted its then-outstanding JPMorgan Chase Bank National Association (JPMorgan) LOC. The BANA LOC supporting the ABC Series of commercial paper notes amounts to $163,315 ($150,000 principal and interest of $13,315) and was originally issued on June 13, 2016, when the Port substituted its then-outstanding Wells Fargo LOC.

As of June 30, 2022, the outstanding balance of CP Notes under the Port's ABC Series of CP is $12,342 while the outstanding balance under the Port's DEF Series of CP is $30,193.

Commercial Paper Notes (continued)

The reimbursement agreements between the Port and BANA, which describe the terms and conditions under which BANA issues the commercial LOCs supporting the Port's CP Notes, contain a number of default provisions and remedies. Events of default include the failure to reimburse draws, advances or term loans issued under the LOCs, or to pay LOC related fees to BANA when due. Breaches of any of the covenants, conditions or agreements in the reimbursement agreements and other CP related documents are also considered defaults, as are breaches of the covenants contained in the Senior Lien Indenture or Intermediate Lien Indenture. The reimbursement agreements also contain default provisions for bankruptcy, failure to make payments on other Port debt, the acceleration of other Port debt, legal/administrative changes affecting the Port's ability to pay its debts or comply with its agreements, and material unsatisfied legal judgments.

Any of the above defaults can trigger the immediate acceleration of LOC related fees to BANA, the reduction of the LOC stated amounts, and/or suspensions of the Port's ability to issue new CP Notes or make draws under the existing LOCs. Any accelerations or payment failures on other Port debt, failures to pay CP related obligations, bankruptcy or limits to the Port's authority may also trigger a further remedy whereby advances and/or term loans under the LOCs would become immediately due and payable.

Bond Issuances

On November 19, 2020, the Port issued $343,755 of 2020 Series R (Federally Taxable) senior lien refunding revenue bonds. The bonds were issued to (i) refund a portion of the Port's outstanding 2012 Series P senior lien bonds, (ii) to repay in full a loan the Port received from the California Department of Boating and Waterways then outstanding of $3,326, (iii) to satisfy the senior lien common reserve fund requirement and (iv) to pay costs of issuance. This transaction resulted in cash flow savings of $42,712, an economic gain (the difference between the present value of the debt service payments on the old debt and the present value of the debt service payments on the new debt) of $42,089, and a net loss for accounting purposes of $5,057, which is included in deferred outflows of resources and is being amortized over the remaining life of the bonds through May 2033.

On February 2, 2021, the Port issued $182,010 of 2021 Series H (AMT) (Forward Delivery) intermediate lien refunding revenue bonds. The bonds were issued to (i) refund the Port's 2011 Series O senior lien bonds, (ii) to satisfy the intermediate lien common reserve fund, and (iii) to pay costs of issuance. This transaction resulted in cash flow savings of $66,474, an economic gain of $44,790, and a net loss for accounting purposes of $3,990, which is included in deferred outflows of resources and is being amortized over the remaining life of the bonds through November 2029.

(dollar amounts in thousands)

Priority of Payment

The following are the priority of payment tables:

	Maturity Date	Total Debt Service to Maturity	FY 2022 Debt Principal and Interest	FY 2022 Net Pledged Revenues**
Total Net Pledged Revenues				$ 235,846
Senior Lien Bonds:				
2012 Revenue Bonds Series P	5/1/2022	$ -	$ 31,439	
2020 Revenue Bonds Series R	5/1/2033	375,599	8,858	
Subtotal Senior Lien Bonds		375,599	40,297	(40,297)
Net Pledged Revenues Remaining after Sr. Lien				195,549
Intermediate Lien Bonds:				
2017 Revenue Bonds Series D	11/1/2029	96,659	9,408	
2017 Revenue Bonds Series E	11/1/2029	43,510	3,655	
2017 Revenue Bonds Series G	11/1/2029	35,112	3,420	
2021 Revenue Bonds Series H	11/1/2029	201,640	25,551	
Subtotal Intermediate Lien Bonds		376,921	42,034	(42,034)
Net Pledged Revenues Remaining after Int. Lien				153,515
Commercial Paper Notes*		47,533	15,734	(15,734)
Net Pledged Revenues Remaining after CP Notes				$ 137,781
Total		$ 800,053	$ 98,065	

* Total Debt Service to Maturity for Commercial Paper Notes includes principal ($42.5 million) and interest ($5.0) million on outstanding Commercial Paper debt pursuant to the "Term Loan" provision of the Commercial Paper Reimbursement Agreements. Of the $42.5 million of Commercial Paper Notes outstanding $12.3 million are eligible to be paid from Passenger Facility Charges

** Net Pledged Revenues are Revenues less Operation and Maintenance Expenses plus Interest Earned (not including interest earned on PFC and CFC funds of $63 and $1, respectively). Excluded from this calculation are Operation and Maintenance Expenses funded by grants. Of the $15.7 million recorded for commercial paper debt service, $4.8 million was paid from PFCs while $5.9 million was paid from grants. Of the $40.3 million and $42.0 million of senior and intermediate lien debt service, respectively, a further $11.8 million was paid from grant proceeds.

(dollar amounts in thousands)

Priority of Payment (continued)

	Maturity Date	Total Debt Service to Maturity	FY 2021 Debt Principal and Interest	FY 2021 Net Pledged Revenues**
Total Net Pledged Revenues				$ 162,849
Senior Lien Bonds:				
2011 Revenue Bonds Series O	5/1/2031	$ -	$ 23,718	
2012 Revenue Bonds Series P	5/1/2022	31,439	28,357	
2020 Revenue Bonds Series R	5/1/2033	393,872	2,538	
Subtotal Senior Lien Bonds		425,311	54,613	(54,613)
Net Pledged Revenues Remaining after Sr. Lien				108,236
Dept. of Boating and Waterways Loan	8/1/2029	-	457	(457)
Net Pledged Revenues Remaining after DBW				107,779
Intermediate Lien Bonds:				
2017 Revenue Bonds Series D	11/1/2029	110,847	9,988	
2017 Revenue Bonds Series E	11/1/2029	48,717	13,589	
2017 Revenue Bonds Series G	11/1/2029	38,532	3,621	
2021 Revenue Bonds Series H	11/1/2029	229,955	2,250	
Subtotal Intermediate Lien Bonds		428,051	29,448	(29,448)
Net Pledged Revenues Remaining after Int. Lien				78,331
Commercial Paper Notes*		65,011	17,559	(17,559)
Net Pledged Revenues Remaining after CP Notes				$ 60,772
Total		$ 918,373	$ 102,077	

* The Total Debt Service to Maturity for Commercial Paper includes principal ($58.2 million) and interest ($6.8 million) on outstanding Commercial Paper debt pursuant to the "Term Loan" provision of the Commercial Paper Reimbursement Agreements. Of the $58.2 million of Commercial Paper Notes outstanding, $17.1 million are eligible to be paid from Passenger Facility Charges.

** Net Pledged Revenues are Revenues less Operation and Maintenance Expenses plus Interest Earned (not including interest earned on PFC and CFC funds of $11 and $5, respectively). Excluded from this calculation are Operation and Maintenance Expenses funded by grants. Of the $17.6 million recorded for commercial paper debt service, $2.9 million was paid from PFCs. A further $26.9 million was paid from a combination of grant proceeds and other debt proceeds. Neither amount is included in "Total Net Pledged Revenues"

(dollar amounts in thousands)

Bond Premium (Discount)

The Port amortizes the original issue discount or premium over the life of each bond issue. The unamortized amount for each Port issue is as follows:

Bond Issue	2022 (Discount) Premium	2021 (Discount) Premium
Senior Lien Bonds:		
2012 Series P	$ -	$ 9
Subtotal Senior Lien Bonds	-	9
Intermediate Lien Bonds:		
2017 Series D	7,440	9,661
2017 Series E	4,186	5,169
2021 Series H	27,273	33,948
Subtotal Intermediate Lien Bonds	38,899	48,778
Total	$ 38,899	$ 48,787

6. Environmental and Other Liabilities

Changes in environmental and other liabilities for the years ended June 30, 2022 and 2021 are as follows:

	Beginning Balance July 1, 2021	Additions	Reductions	Ending Balance June 30, 2022	Amounts Due Within One Year
Accrued vacation, sick leave and compensatory time	$ 9,720	$ 2,485	$ (2,598)	$ 9,607	$ 6,242
Pollution liability (Note 13)	15,750	2,573	(3,950)	14,373	2,048
Workers' compensation (Note 14)	10,590	2,554	(2,242)	10,902	2,242
Other long-term liabilities	6,378	2,429	(158)	8,649	2,416
Total	$ 42,438	$ 10,041	$ (8,948)	$ 43,531	$ 12,948

	Beginning Balance July 1, 2020	Additions	Reductions	Ending Balance June 30, 2021	Amounts Due Within One Year
Accrued vacation, sick leave and compensatory time	$ 7,917	$ 3,992	$ (2,189)	$ 9,720	$ 4,575
Pollution liability (Note 13)	16,245	5,722	(6,217)	15,750	2,394
Workers' compensation (Note 14)	8,862	3,595	(1,867)	10,590	1,867
Lease terminal loss contingency (Note 13)	16,601	-	(16,601)	-	-
Other long-term liabilities	5,042	1,896	(560)	6,378	-
Total	$ 54,667	$ 15,205	$ (27,434)	$ 42,438	$ 8,836

7. Leases

During the year ended June 30, 2022, the Port implemented GASB Statement No. 87, *Leases,* to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the lease contract. It also establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset.

GASB Statement No. 87, originally effective for the Port's year ending June 30, 2021, was postponed to the year ending June 30, 2022. During the year ended June 30, 2022, the Port procured an additional software specifically for the implementation of GASB Statement No. 87. Due to the limited functionality of the program and impracticality of applying the GASB Statement No. 87 retroactively to the fiscal year ending June 30, 2021, the Port is not restating the prior year numbers presented in the financial statements, and applied the net adjustment to the beginning balance of the net position for the year ended June 30, 2022. The beginning balance of the net position was reduced by $6,446 to reflect reamortization of a lease receivable, which was previously recorded as a capital lease, and recognition of related leased facilities as capital assets. The related prepayment of lease receivable, which was previously recorded as unearned revenue was reclassified as deferred inflows of resources.

A major portion of the Port's capital assets are leased to others. Leased assets include maritime facilities, aviation facilities, office and commercial space, and land. In accordance with GASB No.87, the Port, as a lessor, recognizes lease receivables and deferred inflow of resources at the commencement of the lease term, with certain exceptions for leases of assets held as investments, certain regulated leases, short-term leases, and leases with annual fixed lease payments less than $150. The lease receivables are measured at the present value of the lease payments expected to be received during the lease term. The deferred inflow of resources is measured at the value of the lease receivable in addition to any payments received at or before the commencement of the lease term that relate to future periods.

The Port has adopted tax-exempt Municipal Market Data (MMD) yield curve rates, as a proxy for the Port's borrowing costs, to measure the present values of future lease receivables. The associated interest income recognized for the year ended June 22, 2022 was $26,991.

Maritime Leases

The Port, as a lessor, leases land and facilities at market rates with terms ranging from 1 to 66 years. The leases generally provide for minimum rentals with percentage rent contingent on business sales or activity, and typically include provisions for rent changes based on the consumer price index or other market indexes, resulting in additional variable lease revenues that are not included in the measurement of the lease receivables. Variable lease payment received during the year ended June 30, 2022 was $24,990. Certain maritime facilities are leased under agreements that provide the tenants with preferential, but nonexclusive, use of the facilities. In accordance with GASB No. 87, Maritime leases are based on the minimum fixed rent receivables and discounted to the present value using the tax-exempt MMD yield curve rates as per the lease term.

(dollar amounts in thousands)

Maritime Leases (continued)

Minimum future lease revenue for years ending June 30 is as follows:

	Lease Revenue	Interest Revenue	Total
2023	$ 108,666	$ 22,101	$ 130,767
2024	96,435	20,265	116,699
2025	94,625	18,311	112,935
2026	89,061	18,558	107,619
2027	89,061	14,407	103,468
2028 - 2032	403,782	39,676	443,458
2033 - 2037	11,507	12,912	24,419
2038 - 2042	9,501	11,386	20,887
2043 - 2047	8,164	10,118	18,282
2048 - 2052	5,060	9,122	14,183
2053 - 2057	5,060	8,386	13,446
Thereafter	27,326	24,940	52,266
Total	$ 948,248	$ 210,181	$ 1,158,429

Aviation Leases

Aviation leases are mostly with air carriers, concessionaires for food and beverages, gift and news, duty-free, rental car facilities, and advertisements. In general, the agreements with air carriers provide for cancellation on a 30-day notice by either party. However, they are intended to be long-term in nature with renewal options. Accordingly, these agreements are considered short-term leases for purposes of financial reporting.

In response to the COVID-19 pandemic, the Port is proactively implementing measures intended to mitigate operational and financial impacts. Among those measures were the July 2020 approvals of the Food and Beverage concessionaires' relief program. On July 14, 2020, the Board approved an amendment to space/use permit with the Food and Beverage concessionaires to waive monthly

(dollar amounts in thousands)

Aviation Leases (continued)

payment of minimum annual guarantee (MAG) retroactively from January 1, 2020 through December 31, 2020. Subsequently on April 22, 2021, the Board approved an additional amendment to space/use permit of Food and Beverage concessionaires that payment of MAG is based on the percentage of enplaned passenger volume compared to the calendar year 2019 and the MAG is to be suspended if the aviation industry experiences another significant decrease in passenger traffic similar to the COVID-19 pandemic. This amendment effectively makes the MAG variable, and accordingly, these leases are not included in the leases. Variable lease payment received during the year ended June 30, 2022 was $24,650.

Minimum future lease revenue for years ending June 30 is as follows:

	Lease Revenue	Interest Revenue	Total
2023	$ 11,729	$ 123	$ 11,852
2024	1,734	66	1,800
2025	1,582	46	1,628
2026	1,231	28	1,259
2027	916	13	929
2028 - 2032	458	2	460
Total	$ 17,650	$ 278	$ 17,927

GASB No. 87 Excluded Leases – Regulated Aeronautical Service Providers

In accordance with the paragraphs 42 and 43 of GASB No. 87, the Port does not recognize lease receivables and deferred inflow of resources for leases between the Oakland Airport and the air carriers and other aeronautical users, which are regulated by the Department of Transportation and the Federal Aviation Administration. Regulated leases include various passenger airlines and cargo airlines leases with terms ranging from 1 to 10 years. The leases with passenger airlines can be cancelled anytime with 30 days' notice. The lease amount is set annually by the aviation rates and charges for its use of the terminals.

Minimum future lease revenue for years ending June 30 is as follows:

	Minimum Lease Revenue
2023	$ 51,318
2024	48,179
2025	48,179
2026	48,179
2027	28,636
2028 - 2032	56,468
Total	$ 280,959

(dollar amounts in thousands)

Commercial Real Estate Leases

Commercial Real Estate (CRE) Division of the Port leases out almost 19 miles or approximately 837 acres of land and waterfront property, along San Francisco Bay and the Oakland Estuary that is not used for maritime or aviation purposes. Much of the commercial land has been converted through private investment into homes, hotels, offices, shops, restaurants, parks, and industrial flex/research spaces. In most cases, the CRE division of the Port has entered into agreements with development teams to ground leases. The Port, as a lessor, leases land and facilities at market rates with terms ranging from 1 to 60 years. The leases generally provide for minimum rentals with percentage rent contingent on business sales or activity, and typically include provisions for rent changes based on the consumer price index or other market indexes, resulting in additional variable lease revenues that are not included in the measurement of the lease receivables. Variable lease payment received during the year ended June 30, 2022 was $1,794.

Minimum future lease revenue for years ending June 30 is as follows:

	Lease Revenue	Interest Revenue	Total
2023	$ 7,232	$ 3,390	$ 10,622
2024	7,232	3,280	10,513
2025	6,841	3,149	9,990
2026	5,914	3,030	8,944
2027	5,806	2,908	8,715
2028 - 2032	21,208	12,882	34,089
2033 - 2037	17,966	10,106	28,072
2038 - 2042	12,325	7,311	19,636
2043 - 2047	6,664	5,742	12,406
2048 - 2052	5,229	4,630	9,859
2053 - 2057	5,229	3,436	8,665
Thereafter	8,770	3,170	11,940
Total	$ 110,416	$ 63,036	$ 173,452

(dollar amounts in thousands)

8. Unearned Revenue

Unearned revenue consists primarily of a long-term financing lease for the marina operations; redemption of special facilities bonds; prepayment of bond debt service for airline fuel facility and prepaid tenant rent. In accordance with the GASB No. 87, the Marina lease was recalculated using the applicable discount rate, and as a result, the related unearned interest was reduced to $13,260 as of July 1, 2021 and reclassified as deferred inflows of resources. The prepayment of tenant rents was reclassified as deferred inflows of resources as per the GASB No. 87.

Changes in unearned revenue for the years ended June 30, 2022 and 2021 are as follows

	Beginning Balance July 1, 2021 as restated	Additions	Reductions	Ending Balance June 30, 2022	Amounts Due Within One Year
Oakland Fuel Facilities Corporation	$ 2,930	$ 150	$ (580)	$ 2,500	$ -
Unearned tenant rent	5,773	10,573	(8,041)	8,305	4,579
Unearned grant revenue	-	12,449		12,449	12,449
Other unearned revenue	500	-	(75)	425	75
Total	$ 9,203	$ 23,172	$ (8,696)	$ 23,679	$ 17,103

	Beginning Balance July 1, 2020	Additions	Reductions	Ending Balance June 30, 2021	Amounts Due Within One Year
Marina lease unearned interest	$ 17,031	$ -	$ (503)	$ 16,528	$ 503
Oakland Fuel Facilities Corporation	6,256	150	(580)	5,826	580
Unearned tenant rent	7,611	5,984	(6,645)	6,950	6,198
Other unearned revenue	575	-	(75)	500	75
Total	$ 31,473	$ 6,134	$ (7,803)	$ 29,804	$ 7,356

9. Retirement Plans

CalPERS Miscellaneous Unit

Plan Description

All full-time and certain other qualifying employees of the Port are eligible to participate as members of the City of Oakland's Miscellaneous Unit of CalPERS (Miscellaneous Plan). The Miscellaneous Plan is an agent multiple-employer defined benefit pension plan. Benefit provisions and all other requirements are established by State statute and City ordinance. CalPERS issues a separate annual comprehensive financial report. Copies of the annual financial report are available on the CalPERS website at www.CalPERS.ca.gov under Forms and Publications or may be obtained from the CalPERS Executive Office, 400 Q Street, Sacramento, California 95811.

(dollar amounts in thousands)

Plan Description (continued)

A separate report for the City's Miscellaneous Plan within CalPERS is not available. As an independent department of the City, the Port shares benefit costs with the City. The Port presents the related defined benefit disclosures as a participant in a cost-sharing plan arrangement with the City.

Benefits Provided

The Miscellaneous Plan provides service retirement, disability retirement, and death benefits based on the employee's years of service, age at retirement and final compensation. An employee becomes eligible for service retirement upon retirement age and with at least 5 years of CalPERS credited service. Final compensation is the monthly average of the employee's highest one-year or three-year consecutive months' full-time equivalent salary. The service retirement benefit is a monthly allowance for life equal to the product of the benefit factor, years of service and final compensation. The benefit factor varies based on the employee's date of hire and age at retirement.

The Miscellaneous Plan's provisions and benefits in effect at June 30, 2022 and 2021, are summarized as follows:

	Hire date		
	Prior to 6/9/2012	**6/9/2012 through 12/31/12**	**Employee hired On or After 1/1/2013[(1)]**
Benefit formula	2.7% @ 55	2.5% @ 55	2.0% @ 62
Retirement age	50-55	50-55	52-67
Monthly benefits, as a % of eligible compensation	2.0%-2.7%	2.0%-2.5%	1.0%-2.5%
Required employee contribution rates	8.00%	8.00%	7.25%-8.00%
Required employer contribution rates 2022[(2)]	11.85%	11.85%	11.10% - 11.85%
Required employer contribution rates 2021[(2)]	12.344%	12.344%	11.594%-12.344%

(1) For "new members" as defined by the Public Employees' Pension Reform Act (PEPRA)
(2) Excludes contribution payments for unfunded liability

Cost-of-living adjustments are paid the second calendar year of retirement and every year thereafter up to a maximum of 2% per year.

All members are eligible to apply for a disability retirement benefit, regardless of age, when they have five or more years of credited service and they sustain an injury or illness that prevents them from performing their duties.

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. The total Miscellaneous Plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by the employees during the year, with an additional amount to finance any unfunded accrued liability. The City and the Port are required to contribute the difference between the actuarially determined rate and the contribution rate of employees. During the years ended June 30, 2022 and 2021, the Port paid contributions to the Miscellaneous Plan of $27,389 and $25,787, respectively

CalPERS Safety Unit – Special Agreement with the City of Oakland

During the period from July 1, 1976, through January 17, 1998 (employment period), the Port appointed certain employees to positions in the classifications of Airport Servicemen and Airport Operations Supervisors. The Port was and has always been the employer that directly appointed, retained, employed and compensated the personnel in these positions.

As result of a decision by CalPERS' Board of Administration on April 15, 1998, employees appointed to positions in the classifications of Airport Servicemen and Airport Operations Supervisors were reclassified from the Miscellaneous Unit member status in CalPERS to Safety Unit member status, effective retroactively to the later of either the date of their respective employment in such classifications or July 1, 1976.

The decision to reclassify employees to safety member status resulted in an additional net cost to provide retirement benefits earned during the employment period. CalPERS' actuary estimated that the present value of this net cost (including subsequent actual experience through June 30, 2000, and projected experience through June 30, 2002) was $5,915.

The Port entered into an agreement with the City for the payment of this net cost by the Port directly to CalPERS. The agreement provides for the Port to make payments over 20 years in annual installments, with interest at 4.34% and adjusted for cost of living at a rate of 3.75%. Under this agreement the Port's obligation will not fluctuate based on the recognition of market gains or losses, changes in the actuarial assumptions, or experiences that differ from the actuary projections. The Port's obligation will remain fixed until paid in full.

For the years ended June 30, 2022 and 2021, the Port recognized principal payments of $865 and $768, respectively, for the Safety Unit obligation.

(dollar amounts in thousands)

Net Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For years ended June 30, 2022 and 2021, the Port reported total net pension liability as follows:

	2022	2021
City's Miscellaneous plan - proportionate share	$ 137,879	$ 217,954
Safety plan - remaining obligation	865	1,633
Total net pension liability	$ 138,744	$ 219,587

The City's Miscellaneous Plan's net pension liability was measured as of the measurement date listed in the table below for the respective fiscal year. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of the valuation date listed in the table below and rolled forward to the measurement date using standard update procedures. The Port's proportionate share of the City's Miscellaneous Plan is based on a three year average of the Port's employer contributions divided by the total employer contributions for the most recent respective measurement period.

	2022	2021
Measurement date	6/30/2021	6/30/2020
Valuation date	6/30/2020	6/30/2019
Measurement period	7/1/20-6/30/21	7/1/19-6/30/20
Proportionate share	22.85%	23.29%

For the years ended June 30, 2022 and 2021, the Port recognized pension expense including amortization of deferred outflows/inflows related pension items of $5,904 and $23,527, respectively. At June 30, 2022 and 2021, the Port reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2022		2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in assumptions	$ -	$ -	$ -	$ -
Net difference between projected and actual earnings on pension plan investments	-	52,326	3,297	-
Change in proportionate share	-	4,300	-	4,241
Differences between expected and actual experience	49	230	4,330	-
Pension contributions subsequent to the measurement date	27,389	-	25,787	-
	$ 27,438	$ 56,856	$ 33,414	$ 4,241

The pension contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent measurement year.

Net Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Other amounts reported as deferred outflows/inflows of resources, will be amortized annually and recognized as an increase or (reduction) to pension expense, for the measurement years ending June 30 as follows (in thousands):

	2022	2021
2022	$ -	$ (331)
2023	(16,255)	(472)
2024	(13,505)	2,300
2025	(12,666)	1,889
2026	(14,381)	-
	$ (56,807)	$ 3,386

Actuarial Methods and Assumptions

For the years ended June 30, 2022 and 2021, the total pension liability was determined by rolling forward the total pension liability from the valuation date to the measurement date. The total pension liabilities were based on the following actuarial methods and assumptions for each measurement date:

	2022	2021
Measurement date	6/30/2021	6/30/2020
Valuation date	6/30/2020	6/30/2019
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.50%	2.50%
Payroll Growth	2.75%	2.75%
Salary Increases	Varies by Entry Age and Service	Varies by Entry Age and Service
Investment Rate of Return	7.00% net of pension plan investments expenses; includes inflation	7.25% net of pension plan investments expenses; includes inflation
Mortality Rate Table	Based on the 2017 CalPERS Experience Study from 1997 to 2015[(1)]	Based on the 2017 CalPERS Experience Study from 1997 to 2015[(1)]
Postretirement Benefit Increase	Contract cost of living adjustment is the lessor of the rate of inflation based on retirement year or the 2% compounded contracted COLA percentage. If the benefit after applying the cost of living adjustment falls below a minimum threshold, a Purchasing Power Protection Allowance (PPPA) may apply.	Contract cost of living adjustment is the lessor of the rate of inflation based on retirement year or the 2% compounded contracted COLA percentage. If the benefit after applying the cost of living adjustment falls below a minimum threshold, a Purchasing Power Protection Allowance (PPPA) may apply.

[(1)] The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using the Society of Actuaries 90% of Scale MP 2016.

Discount Rate

The discount rates used to measure the total pension liability as of June 30, 2022 and 2021 were 7.15%. To determine whether the municipal bond rate should be used in the calculation of a discount rate, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. The tests revealed the assets would not run out. Therefore, CalPERS determined that the discount rates of 7.15% were appropriate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate is applied to all plans in the Public Employees Retirement Fund. The cash flows used in the testing were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of the benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

(dollar amounts in thousands)

Discount Rate (continued)

The table below reflects long-term expected real rate of return, by asset class, used for the June 30, 2020 valuation.

Asset Class [1]	Target Allocation	Real Return Years 1-10[2]	Real Return Years 11+[3]
Global Equity	50.0%	4.80%	5.98%
Global Fixed Income	28.0	1.00	2.62
Inflation Sensitive	-	0.77	1.81
Private Equity	8.0	6.30	7.23
Real Estate	13.0	3.75	4.93
Liquidity	1.0	-	(0.92)
Total	100.0%		

[1] In CalPERS' ACFR, Fixed Income is included in the Global Debt Securities; Liquidity is included in Short-term investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.
[2] An expected inflation of 2.00% used for this period.
[3] An expected inflation of 2.92% used for this period.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the Port's proportionate share of the net pension liability as of the June 30, 2021 and 2020 measurement dates calculated using the current discount rate, as well as what the Port's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

As of June 30, 2021 (measurement date)	1% Decrease (6.15%)	Current Discount Rate (7.15%)	1% Increase (8.15%)
Port's proportionate share of the City's Miscellaneous plan net pension liability	$220,917	$137,879	$68,491

As of June 30, 2020 (measurement date)	1% Decrease (6.15%)	Current Discount Rate (7.15%)	1% Increase (8.15%)
Port's proportionate share of the City's Miscellaneous plan net pension liability	$300,763	$217,954	$148,806

(dollar amounts in thousands)

10. Other Postemployment Benefits

Plan Description

The Port has established a Retiree Healthcare Plan and participates in the California Employer's Retiree Benefit Trust (CERBT), an agent multiple-employer defined benefit postemployment healthcare plan administered by CalPERS. The CERBT is an Internal Revenue Code Section 115 trust and an investment vehicle that can be used by all California public employers to prefund future retiree health and other postemployment benefits (OPEB) costs.

The Port's Retiree Healthcare Plan allows eligible Port retirees and their dependents to receive employer paid medical insurance benefits through CalPERS.

Prior to 2011, eligible retirees who had attained the age of fifty or over at the time of retirement, had five or more years of CalPERS service, and were eligible to receive PERS retirement benefits were entitled to receive employer paid medical insurance benefits through CalPERS.

The Port had adopted a resolution on July 21, 2011 that established a Health Benefit Vesting requirement for employees hired on or after September 1, 2011 (on or after April 1, 2013 for member of SEIU (Service Employees International Union) and IBEW (International Brotherhood of Electrical Workers). The vesting schedule does not apply to employees that are granted a disability retirement.

Under the adopted vesting schedule, the Port shall pay a percentage of retiree medical coverage for a retiree and his or her eligible dependents based on the provisions of Section 22893 of the California Government Code. Under these rules, a retiree must have at least 10 years of credited service with a CalPERS agency, at least 5 of which are with the City/Port. The Port will pay a percentage of employer contributions for the retiree based upon the following:

Years of Credited Service (at least 5 of which are with the City/Port)	% of Employer Contributions
10	50
11	55
12	60
13	65
14	70
15	75
16	80
17	85
18	90
19	95
20 or more	100

(dollar amounts in thousands)

Retiree Dental and Vision Coverage

Employees who were hired before October 1, 2009, have attained the age of fifty or over at the time of retirement, have five or more years of CalPERS service, and are eligible to receive CalPERS retirement benefits are entitled to retiree dental and vision coverage.

Employees who are members of the SEIU and IBEW and were hired on or after June 9, 2012 are entitled to retiree dental and vision coverage if the employees have attained the age of fifty or over at the time of retirement, have five or more years of CalPERS service, and are eligible to receive CalPERS retirement benefits.

Employees Covered

The following current and former employees were covered by the benefit terms under the Port's Retiree Healthcare Plan, as of the June 30, 2021 measurement date:

Active employees	442
Inactive employees or beneficiaries currently receiving benefits	606
Total	1,048

Contributions

Benefit provisions are established and are amended through negotiations between the Port and the various bargaining units during each bargaining period. The annual contribution is based on the actuarially determined contribution. The Port pays a portion of retiree benefit expenses on a pay-as-you-go basis to third parties and directly to beneficiaries (Pay-go) and funds the remaining actuarially determined contribution (ADC) to the CERBT fund. For the years ended June 30, 2022 and 2021, the Port's contributions consisted of the following:

	2022	2021
Direct payments (Pay-go)	$ 8,456	$ 8,357
CERBT fund contribution	400	4,200
Estimated implicit subsidy	1,293	1,861
Total cash contribution	$ 10,149	$ 14,418

(dollar amounts in thousands)

Net OPEB Liability

For the year ended June 30, 2021, the Port's net OPEB liability was measured as of June 30, 2020 and the total OPEB liability used to calculate the net OPEB liability was measured by rolling forward the total OPEB liability valuation from June 30, 2019.

For the year ended June 30, 2022, the Port's net OPEB liability was measured as of June 30, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2021.

Actuarial Assumptions

The total OPEB liability was determined using the following actuarial assumptions:

	2022	2021
Valuation Date	6/30/2021	6/30/2019
Measurement Date	6/30/2021	6/30/2020
Actuarial Assumptions:		
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Discount Rate	6.75%	6.75%
Inflation	2.75%	2.50%
Medical Trend [(1)]	5.50% in 2022, decreasing to 4.25% in 2072 and later years	5.00% in 2021, decreasing to 4.00% in 2072 and later years
Investment Rate of Return [(2)]	6.75%	6.75%
Mortality,	California PERs Mortality rates, which include 15 years of projected on-going improvement using 90 percent of Scale MP-2016	California PERs Mortality rates, which include 15 years of projected on-going improvement using 90 percent of Scale MP-2016

(1) Based on the "Getzen" model published by the Society of Actuaries for purposes of evaluating long-term medical care.
(2) Net of plan investment expenses

The Experience Study Reports may be accessed on the CalPERS website www.calpers.ca.gov under Forms and Publications.

(dollar amounts in thousands)

Net OPEB Liability (continued)

The long-term expected rate of return on OPEB plan investments was determined using a building block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation n) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The following table reflects the target allocations and best estimates of arithmetic real rates of return for each major asset class used for the June 30, 2021 valuation:

	Target Allocation	Expected Arithmetic Nominal Return (30 yrs.) [1]
Global Equity	59.0%	8.96%
U.S. Fixed Income	25.0	4.61
Treasury Inflation-Protected Securities	5.0	3.36
Real Estate Investment Trust	8.0	8.94
Commodities	3.0	4.23
Total	100.0%	
Expected Arithmetic Return (30 years)		7.41%
Expected Geometric Return (30 years)		6.67%

(1) Rates include a 2.75% long-term inflation assumption.

Discount Rate

The discount rate used to measure the total OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that Port contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

(dollar amounts in thousands)

Changes in Net OPEB Liability

The changes in the net OPEB liability for the Port's Retiree Healthcare Plan are as follows:

	Increase (Decrease)		
June 30, 2021 Measurement Date:	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (c)=(a)-(b)
Beginning Balance	$ 180,554	$ 95,319	$ 85,235
Changes recognized for the measurement period:			
Service cost	4,636	-	4,636
Interest on the total OPEB liability	12,158	-	12,158
Differences between actual and expected experience with regard to economic or demographic factors	(10,433)	-	(10,433)
Changes in assumptions	(724)	-	(724)
Benefit payments	(10,313)	(10,313)	-
Contribution from employer	-	14,513	(14,513)
Net investment income	-	26,194	(26,194)
Administrative expense	-	(54)	54
Total changes	(4,676)	30,340	(35,016)
Ending Balance	$ 175,878	$ 125,659	$ 50,219

	Increase (Decrease)		
June 30, 2020 Measurement Date:	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (c)=(a)-(b)
Beginning Balance	$ 175,182	$ 88,020	$ 87,162
Changes recognized for the measurement period:			
Service cost	4,416	-	4,416
Interest on the total OPEB liability	11,793	-	11,793
Changes in assumptions	(896)	-	(896)
Benefit payments	(9,941)	(9,941)	-
Contribution from employer	-	14,141	(14,141)
Net investment income	-	3,143	(3,143)
Administrative expense	-	(44)	44
Total changes	5,372	7,299	(1,927)
Ending Balance	$ 180,554	$ 95,319	$ 85,235

(dollar amounts in thousands)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the Port's net OPEB liability as of June 30, 2022 and 2021, fiscal years calculated using the current discount rate, as well as what the Port's net OPEB liability would be if it were calculated using a discount rate that is 1% lower to 1% higher than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
As of June 30, 2022, Net OPEB Liability	$71,702	$50,219	$32,289

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
As of June 30, 2021, Net OPEB Liability	$107,203	$85,235	$66,896

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the Port's net OPEB liability as of the June 30, 2022 and 2021, fiscal years calculated using the current healthcare cost trend rates as well as what the Port's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower to 1% higher than the current rate:

	1% Decrease in Healthcare Costs Trend Rate	Current Healthcare Costs Trend Rate	1% Increase in Healthcare Costs Trend Rate
As of June 30, 2022, Net OPEB Liability	$30,987	$50,219	$73,395

	1% Decrease in Healthcare Costs Trend Rate	Current Healthcare Costs Trend Rate	1% Increase in Healthcare Costs Trend Rate
As of June 30, 2021, Net OPEB Liability	$64,034	$85,235	$110,852

(dollar amounts in thousands)

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the years ended June 30, 2022 and 2021, the Port recognized OPEB expense including amortization of deferred outflows/inflows related to OPEB items of $1,392 and $7,864 respectively. The Port reported deferred outflows/inflows of resources related to OPEB from the following sources at June 30:

	2022		2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on OPEB plan investments	$ -	$ 13,824	$ 2,080	$ -
Differences between expected and actual experience	-	9,045	-	1,948
Changes of assumptions	-	2,867	-	3,971
OPEB contributions subsequent to the measurement date	10,149	-	14,418	-
	$ 10,149	$ 25,736	$ 16,498	$ 5,919

The OPEB contributions made subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the subsequent measurement year. Other amounts reported as deferred inflows of resources, will be amortized annually, and recognized as a reduction to OPEB expense, for the years ending June 30 as follows:

	2022	2021
2022	$ -	$ (2,310)
2023	(8,512)	(1,937)
2024	(6,699)	(124)
2025	(6,044)	532
2026	(4,481)	-
	$ (25,736)	$ (3,839)

11. Agreements with City of Oakland

The Port has entered into agreements with the City for provisions of various services such as Aircraft Rescue and Firefighting (ARFF), Special Services, General Services, and Lake Merritt Trust Services. The City provides these services to the Port.

Special Services include designated police services, personnel, City Clerk, legislative programming, and treasury services. General Services include fire, rescue, police, street maintenance, and similar services. Lake Merritt Trust Services include items such as recreation services, grounds maintenance, security, and lighting.

Port payments to the City for these services are made upon execution of appropriate agreements and/or periodic findings and authorizations from the Board.

(dollar amounts in thousands)

Special Services and ARFF

Payments for Special Services and ARFF are treated as a cost of Port operations pursuant to City Charter Section 717(3) Clause Third and have priority over certain other expenditures of Port revenues. Special Services and ARFF from the City totaled $7,483 and $7,917 in the years ended June 30, 2022 and 2021, respectively, and are included in operating expenses. At June 30, 2022 and 2021, $4,999 and $9,303, respectively, were accrued as current liabilities for these payments.

General Services and Lake Merritt Trust Services

Payments for General Services provided by the City are payable only to the extent the Port determines annually that surplus monies are available under the Charter for such purposes. As of June 30, 2022, and 2021 the Port accrued approximately $1,227 and $1,202, respectively, of payments for General Services. Additionally, the Port accrued approximately $1,623 and $1,469 to reimburse the City for Lake Merritt Trust Services in fiscal years 2022 and 2021, respectively. Subject to availability of surplus monies, the Port expects that it will continue to reimburse the City annually for General Services and Lake Merritt Trust Services.

12. Commitments

Capital Program

As of June 30, 2022, the Port had construction commitments for the acquisition and construction of assets as follows:

Aviation	$	19,254
Maritime		2,279
Total	$	21,533

The most significant projects for which the Port has contractual commitments for Aviation are the Taxiway Pavement and Rehabilitation for $10,801, Landscape Security for $762 and Upgrades to the International Arrivals Building for $7,691; for Maritime are the Sanitary Sewer Projects for $1,206, Shore Power Project for $333 and Paving Projects for $740.

(dollar amounts in thousands)

Power Purchases

The Port purchases electrical power for resale and self-consumption and has power purchase agreements with East Bay Municipal Utility District (EBMUD), Western Area Power Administration (WAPA), Longroad Energy, and multiple contracts through Northern California Power Agency (NCPA). Each month Port Utilities has to procure more power than our power contracts cover. These remaining purchases are done though the Real-time and Day-ahead markets under the California Independent System Operator (CAISO), with prices that vary based on capacity, time, weather, and other conditions. There are other requirements for renewable energy purchases that are met through a combination of existing contracts and specialized contracts that deliver the renewable energy credits only, and not the corresponding power. Port Utilities also buys 100% renewable energy from limited sources to increase the value of the Port's involvement in the Low Carbon Fuel Standard markets.

Counterparty	Contract Ending Year	Contract Structure	Estimated Annual Output	Estimated Annual Cost
East Bay Municipal Utility District (EBMUD)	2022	Take and Pay – (Pay contract price only if energy is received)	11,000 MWH	Approx. $1,896 with no Annual Escalator from 2017-2022
Western Area Power Administration (WAPA)	2024	Monthly Fixed price plus Energy Received	17,000 MWH	Approx. $800 (Changes annually depending on revenue requirement for power generation projects)
Longroad Energy	2027	Take and Pay – (Pay contract price only if energy is received)	1,200 MWH	Approx. $200 with Annual Escalator
NCPA - Antelope Valley Solar Energy Farm	2041	Take and Pay – (Pay contract price only if energy is received)	11,300 MWH	Approx. $440 with no Annual Escalator
NCPA - South Feather Water and Power Agency	2031	Monthly Fixed price plus Energy Received	4,500 MWH	Approx. $166 with no Annual Escalator
CAISO Market Purchases	Monthly	Monthly Settlements	75,000 MWH	Approx. $6,375 with no Annual Escalator
Renewable Energy Credits	Quarterly	Fixed	40,000 MWH	Approx. $680 with no Annual Escalator
Low Carbon Fuel Standard (LCFS) Offset Credits	Quarterly	Fixed	40,000 MWH	Approx. $800 with no Annual Escalator

(dollar amounts in thousands)

13. Contingencies

Environmental

The entitlements for the Airport Development Program (ADP) subject the Port to obligations arising from the adopted ADP Mitigation Monitoring and Reporting Program required under the California Environmental Quality Act, permits issued by numerous regulatory agencies including the Regional Water Quality Control Board and the Bay Conservation and Development Commission, and settlement agreements. The majority of these obligations have been met, and monitoring and reporting are ongoing.

A summary of the Port's environmental liability accounts, net of the estimated recoveries, included as Environmental and other liability on the statements of net position at June 30, 2022 and 2021, is as follows:

Obligating Event	2022 Liability, net of recovery	Estimated Recovery
Pollution poses an imminent danger to the public or environment	$ 1,198	$ -
Identified as responsible to clean-up pollution	12,126	179
Begins or legally obligates to clean-up or post clean-up activities	1,049	-
Total by Obligating Event	$ 14,373	$ 179

Obligating Event	2021 Liability, net of recovery	Estimated Recovery
Pollution poses an imminent danger to the public or environment	$ 1,353	$ 409
Identified as responsible to clean-up pollution	13,226	5
Begins or legally obligates to clean-up or post clean-up activities	1,171	-
Total by Obligating Event	$ 15,750	$ 414

The environmental liability accounts in the summary tables are listed by the initial obligating event. Due to new information, the obligating event may change from the initial obligating event. Examples of obligating events include: 1) the Port is named, or evidence indicates that it will be named, by a regulator such as the Department of Toxic Substances Control or the Regional Water Quality Control Board, as a responsible party or potentially responsible party for remediation; or 2) the Port has commenced, or legally obligates itself to commence, clean-up activities, monitoring or operation and maintenance of the remediation effort (e.g., by undertaking a soil and groundwater pre-development investigation).

Environmental (continued)

Methods and Assumptions

The Port measured the environmental liabilities for pollution remediation sites on Port-owned property using the Expected Cash Flow technique. The measurements are based on the current value of the outlays expected to be incurred. The cash flow scenarios include each component which can be reasonably estimated for outlays such as testing, monitoring, legal services and indirect outlays for Port labor instead of ranges of all components. Reasonable estimates of ranges of possible cash flows are limited from a single scenario to a few scenarios. Data used to develop the cash flow scenarios is obtained from outside consultants, Port staff, and the Port's outside legal counsel.

Changes to estimates will be made when new information becomes available. Estimates for the pollution remediation sites will be developed when the following benchmarks or changes in estimated outlays occur:

- Receipt of an administrative order.
- Participation, as a responsible party or a potentially responsible party, in the site assessment or investigation.
- Completion of a corrective measure's feasibility study.
- Issuance of an authorization to proceed.
- Remediation design and implementation, through and including operation and maintenance and post-remediation monitoring.
- Change in the remediation plan or operating conditions, including but not limited to type of equipment, facilities and services that will be used and price increases.
- Changes in technology.
- Changes in legal or regulatory requirements.

Recoveries

The environmental liabilities balances listed on the prior page have been reduced by estimated future recoveries. In calculating the estimated future recoveries, Port staff and outside legal counsel reviewed and applied the requirements of GASB 49 for accounting for recoveries. For example, if a Port tenant has a contract obligation to reimburse the Port for certain pollution remediation costs, or if an insurance carrier has paid money on a certain claim and the Port is pursuing additional costs from the insurance carrier associated with the claim, then a recovery was estimated. If an insurance carrier has not yet acknowledged coverage, then a recovery was not estimated.

Litigation

The Port at various times is a defendant in various lawsuits arising in the normal course of business, including constructing public improvements or construction related claims for unspecified amounts. The ultimate disposition of these suits and claims is not known and the Port's insurance may cover a portion of any losses, if incurred. Port management may make provision for probable losses if deemed appropriate on the advice of legal counsel.

Lease Terminal Loss Contingency

On February 1, 2016, Outer Harbor Terminal, LLC (formerly Ports America Outer Harbor Terminal, LLC) (OHT) filed for Chapter 11 bankruptcy protection. At that time OHT held a 50-year lease with the Port to operate at Berths 20-24, a month to month lease to operate Berth 25/26 (including crane maintenance), and a separate lease to operate and maintain cranes at Berths 20-24. On February 20, 2016, the Port reached a settlement agreement with OHT by which the Port would let OHT out of its lease obligations. This agreement was subsequently approved by the bankruptcy court. This event returned property to the Port that needed significant repairs and deferred maintenance. As of June 30, 2021, the Port decided to cease immediate maintenance and repairs at the Outer Harbor Terminal due to priorities of other projects and limited personnel resources. The land will remain leased on a short-term basis for auxiliary operational needs until long-term development plans are established. The remaining balance of $16,597 was recorded as a gain on lease termination for the year ended June 30, 2021.

Grants

Certain grants that the Port receives are subject to audit and financial acceptance by the granting agency based upon reviews of costs incurred and submitted for reimbursement or demonstrated Port match. The Port's management does not believe that such audits will have a material impact on the financial statements.

14. Insurance

The Port purchases insurance on certain risk exposures including but not limited to property, automobiles liability, airport liability, umbrella liability, environmental liability, fidelity, fiduciary liability, and public official's liability. Port deductibles for the various insured programs range from $10 to $1,000 each claim. The Port is self-insured for other general liability and liability/litigation-type claims, workers' compensation of the Port's employees and most first party exposures. During fiscal years 2022 and 2021, the Port carried excess insurance over $1,000 for the self-insured general liability and workers' compensation exposures. There have been no claim payments related to these programs that exceeded insurance limits in the last three years.

(dollar amounts in thousands)

Workers' Compensation

Changes in the reported liability, which is included as part of environmental and other, follows:

Workers' compensation liability at June 30, 2019	$ 13,184
Current year changes in estimates	(3,059)
Claim payments	(1,263)
Workers' compensation liability at June 30, 2020	8,862
Current year changes in estimates	3,595
Claim payments	(1,867)
Workers' compensation liability at June 30, 2021	10,590
Current year changes in estimates	2,554
Claim payments	(2,242)
Workers' compensation liability at June 30, 2022	$ 10,902

The workers' compensation liability of $10,902 at June 30, 2022 is based upon an actuarial study performed as of June 30, 2022 that assumed a probability level of 80% and a discount rate of 0.00%. The workers' compensation liability balance of $10,590 at June 30, 2021 is based upon an actuarial study performed as of June 30, 2021 that assumed a probability level of 80% and a discount rate of 0.00%.

Capital Improvement Projects

The Port maintains an Owner Controlled Insurance Program (OCIP) and Owner Protective Professional Indemnity Insurance Program (OPPI) for contractors and consultants working on Port Capital Improvement Projects (CIP).

OCIP provides general liability insurance and workers' compensation insurance for contractors working on CIP projects. The Port is responsible for payment of the deductible/self-insured retention, which is currently $250 for each general liability and workers' compensation claim.

The OPPI protects the Port from the potential error and omission of consultants working on Port CIP projects. Consultants must meet minimum insurance requirements of $1,000 to $2,000. If minimum insurance is not provided or the consultants do not respond, the Port would be responsible for a $100 self-insured retention. There is no actuarial forecast for this coverage.

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PORT OF OAKLAND

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

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Port of Oakland

(A Component Unit of the City of Oakland)
Required Supplementary Information (Unaudited)
Schedule of Proportionate Share of the Net Pension Liability*
(dollar amounts in thousands)

City of Oakland CalPERS Miscellaneous Unit - Pension Plan

Fiscal year	2022	2021	2020	2019	2018	2017	2016	2015
Measurement date	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
Proportion of the net pension liability	22.85%	23.29%	23.84%	24.20%	24.80%	25.00%	25.00%	24.86%
Covered payroll (measurement period)(1)	$ 58,496	$ 61,374	$ 58,104	$ 54,813	$ 54,114	$ 53,400	$ 50,093	$ 48,524
Proportionate share of net pension liability	$ 137,879	$ 217,954	$ 215,522	$ 203,202	$ 219,306	$ 200,186	$ 172,915	$ 160,287
Proportionate share of net pension liability as a percentage of covered payroll	235.71%	355.12%	370.92%	370.72%	405.27%	374.88%	345.19%	330.33%
Plan fiduciary net position	$ 2,434,692	$ 2,016,394	$ 1,960,494	$ 1,883,680	$ 1,787,314	$ 1,651,356	$ 1,693,857	$ 1,704,213
Total pension liability	$ 3,038,001	$ 2,952,224	$ 2,864,529	$ 2,723,357	$ 2,671,613	$ 2,452,219	$ 2,385,421	$ 2,348,972
Plan fiduciary net position as a percentage of total pension liability	80.14%	68.30%	68.44%	69.17%	66.90%	67.34%	71.01%	72.55%

Notes:

*Historical information is required only for measurement periods for which GASB 68 is applicable. Fiscal year ended June 30, 2015 was the first year of implementation. Future years' information, up to ten years, will be displayed as information becomes available.

Benefit changes - The figures above do not include any liability impact that may have resulted from plan changes which occurred after the valuation date. This applies for voluntary benefit changes as well as any offers of Two Year Additional Service Credit (a.k.a Golden Handshakes).

Change in assumptions -
Discount rate was changed as follows:
Fiscal year 2015 - 7.5%, net of administrative expenses
Fiscal year 2016 through 2017 - 7.65%, without reduction for pension plan administrative expenses.
Fiscal year 2018 through 2021 - 7.15%

(1) The Port's pension plan is administered through CalPERS. Contributions are based on a measure of pay, therefore, covered payroll (the payroll on which contributions to a pension plan are based) is used as the measure of payroll.

Port of Oakland
(A Component Unit of the City of Oakland)
Required Supplementary Information (Unaudited)
Schedule of Pension Contributions*
For the year ended June 30
(dollar amounts in thousands)

City of Oakland CalPERS Miscellaneous Unit - Pension Plan

Fiscal year	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution (ADC)	$ 27,389	$ 25,787	$ 24,588	$ 21,832	$ 19,253	$ 18,906	$ 15,989	$ 14,735
Contributions in relation to the ADC	(27,389)	(25,787)	(24,588)	(21,832)	(19,253)	(18,906)	(15,989)	(14,735)
Contribution deficiency/(excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll (for the fiscal year)(1)	$ 59,357	$ 58,496	$ 61,374	$ 58,104	$ 54,813	$ 54,114	$ 53,400	$ 50,093
Contributions as a percentage of covered payroll	46.14%	44.08%	40.06%	37.57%	35.12%	34.94%	29.94%	29.42%

Notes:

*Historical information is required only for measurement periods for which GASB 68 is applicable. Fiscal year ended June 30, 2015 was the first year of implementation. Future years' information, up to ten years, will be displayed as information becomes available.

Methods and assumptions used to determine contributions:
ADC for each fiscal year was established by an actuarial valuation report for the fiscal years as follows:

ADC for fiscal year	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Actuarial valuation date	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012

Actuarial cost method	Entry Age Normal
Asset valuation method	In fiscal years 2022-2016 the market value of assets was used. In fiscal year 2015 the actuarial value of assets was used.
Inflation	In fiscal year 2022, 2.50% compounded annually. In fiscal year 2020, 2.625% compounded annually. In fiscal years 2015-2019, 2.75% compounded annually.
Salary increases	Varies by entry age and services
Payroll growth	In fiscal year 2022, 2.75% compounded annually. In fiscal year 2021, 3.0% compounded annually. In fiscal years 2015 - 2020, 3% compounded annually.
Investment Rate of return	In fiscal year 2021, 7.00%, net of administrative expenses, including inflation. In fiscal year 2020, 7.375%, net of administrative expenses, including inflation. In fiscal year 2019, 7.35%, net of administrative expenses, including inflation. In fiscal year 2018 through 2015, 7.50%, net of administrative expenses, including inflation.
Retirement age	In fiscal year 2021, the probabilities of retirement are based on the 2017 CalPERS Experience Study for the period 1997 to 2015. In fiscal year 2020 through 2017, the probabilities of retirement are based on the 2014 CalPERS Experience Study for the period 1997 to 2011. In fiscal year 2016 and 2015, the probabilities of retirement are based on the 2010 CalPERS Experience Study for the period 1997 to 2007.
Mortality	In fiscal year 2021 and 2020, post-retirement mortality rates included 15 years of projected ongoing mortality improvement 90% of Scale MP 2016 published by the Society of Actuaries. In fiscal year 2019 through 2017, the probabilities of retirement are based on the 2014 CalPERS Experience Study for the period 1997 to 2011. Pre-retirement and Post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries. In fiscal year 2016 and 2015, the probabilities of retirement are based on the 2010 CalPERS Experience Study for the period 1997 to 2007. Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

(1) The Port's pension plan is administered through CalPERS. Contributions are based on a measure of pay, therefore, covered payroll (the payroll on which contributions to a pension plan are based) is used as the measure of payroll.

Port of Oakland

(A Component Unit of the City of Oakland)
Required Supplementary Information (Unaudited)
Schedule of Changes in the Net OPEB Liability and Related Ratios*
For the measurement period ended June 30
(dollar amounts in thousands)

Measurement Period	2021	2020	2019	2018	2017
Total OPEB Liability					
Service cost	$ 4,636	$ 4,416	$ 4,621	$ 4,329	$ 4,055
Interest on the total OPEB liability	12,158	11,793	11,995	11,521	11,089
Actual and expected experience difference	(10,433)	-	(3,665)	-	-
Changes in assumptions	(724)	(896)	(6,179)	-	-
Changes in benefit terms	-	-	-	-	-
Benefit payments	(10,313)	(9,941)	(9,193)	(9,045)	(9,000)
Net change in total OPEB liability	(4,676)	5,372	(2,421)	6,805	6,144
Total OPEB liability - beginning	180,554	175,182	177,603	170,798	164,654
Total OPEB liability - ending (a)	$ 175,878	$ 180,554	$ 175,182	$ 177,603	$ 170,798
Plan Fiduciary Net Position					
Contributions - employer	$ 14,513	$ 14,141	$ 14,693	$ 14,542	$ 15,400
Net investment income	26,194	3,143	4,821	5,351	5,773
Benefits payments	(10,313)	(9,941)	(9,193)	(9,045)	(9,000)
Administrative expense	(54)	(44)	(38)	(35)	(22)
Net change in plan fiduciary net position	30,340	7,299	10,283	10,816	12,151
Plan fiduciary net position - beginning	95,319	88,020	77,737	66,921	54,770
Plan fiduciary net position - ending (b)	$ 125,659	$ 95,319	$ 88,020	$ 77,737	$ 66,921
Net OPEB liability - ending (a) - (b)	$ 50,219	$ 85,235	$ 87,162	$ 99,866	$ 103,877
Plan fiduciary net position as a percentage of the total OPEB liability	71.45%	52.79%	50.24%	43.77%	39.18%
Covered-employee payroll (for the measurement period)[1]	$ 61,112	$ 66,473	$ 63,359	$ 61,326	$ 58,516
Net OPEB liability as a percentage of covered-employee payroll	82.18%	128.22%	137.57%	162.84%	177.52%

Note:

*Historical information is required only for measurement periods for which GASB 75 is applicable. The year ended June 30, 2018 was the first year of implementation. Future years' information, up to ten years, will be displayed as information becomes available.

(1) The Port's OPEB plan is administered through the California Employer's Retiree Benefit Trust. Contributions are not based on a measure of pay, therefore, covered-employee payroll (the payroll of employees that are provided with OPEB through the OPEB Plan) is used as the measure of payroll.

Port of Oakland

(A Component Unit of the City of Oakland)
Required Supplementary Information (Unaudited)
Schedule of OPEB Contributions*
For the year ended June 30
(dollar amounts in thousands)

Fiscal Year	**2022**	**2021**	**2020**	**2019**	**2018**
Actuarially Determined Contribution (ADC)	$ 8,815	$ 12,350	$ 12,149	$ 13,310 $	$ 13,203
Contribution in relation to the ADC	(10,148)	(14,418)	(14,145)	(14,894)	(14,732)
Contribution deficiency/(excess)	$ (1,333)	$ (2,068)	$ (1,996)	$ (1,584) $	$ (1,529)
Covered-employee payroll (for the fiscal year)[1]	$ 61,097	$ 61,112	$ 66,473	$ 63,359	$ 61,326
Contributions as a percentage of covered-employee payroll	16.61%	23.59%	21.28%	23.51%	24.02%

Notes:

*Historical information is required only for measurement periods for which GASB 75 is applicable. Fiscal year ended June 30, 2018 was the first year of implementation. Future years' information, up to ten years, will be displayed as information becomes available.

Methods and assumptions used to determine contributions:

ADC for fiscal year	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Actuarial valuation date	6/30/2021	6/30/2019	6/30/2019	6/30/2017	6/30/2017

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	30 year level dollar amount on a "closed" basis
Asset Valuation Method	Market Value of Assets
Inflation	2.75%
Payroll Growth	CalPERS salary scale for Miscellaneous employees hired at age 30
Investment Rate of Return	6.75% net of investment expense
Healthcare Cost Trend Rates	- Medical 5.5% in 2022, decreasing to 4.25% in 2072 and later years - Dental and vision 5% in 2022, decreasing to 3% in 2023 and later years - Medicare Part B 8.50% in 2022, decreasing to 4.25% in 2050 and later years
Retirement Age and Mortality	Based upon the CalPERS 2014 valuation experience study. CalPERS mortality rates include 15 years of projected on-going improvement using 90 percent of Scale MP-2016.

(1) The Port's OPEB plan is administered through the California Employer's Retiree Benefit Trust. Contributions are not based on a measure of pay, therefore, covered-employee payroll (the payroll of employees that are provided with OPEB through the OPEB Plan) is used as the measure of payroll.

OTHER SUPPLEMENTARY INFORMATION

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Port of Oakland

(A Component Unit of the City of Oakland)
Supplementary Information - Schedule of Revenues and Expenses by Business Line
For the years ended June 30, 2022 and 2021
(dollar amounts in thousands)

	2022				2021			
	Aviation	Maritime	Commercial Real Estate	Total	Aviation	Maritime	Commercial Real Estate	Total
Operating revenues:								
Lease rentals - terminal	$ 53,535	$ 128,573	$ -	$ 182,108	$ 51,996	$ 127,601	$ -	$ 179,597
Lease rentals - other	32,974	32,092	11,938	77,005	32,279	29,836	12,362	74,477
Parking fees and ground access	47,271	6,411	1,997	55,679	22,905	7,992	996	31,893
Landing fees	43,415	-	-	43,415	33,657	-	-	33,657
Terminal concessions	5,776	-	-	5,776	3,558	-	-	3,558
Utility sales	3,498	22,236	102	25,836	3,081	18,697	102	21,880
Rail terminal rent	-	4,338	-	4,338	-	3,899	-	3,899
Fueling	4,123	-	-	4,123	2,174	-	-	2,174
Other	3,067	600	63	3,729	2,455	84	465	3,004
Total operating revenues	193,659	194,250	14,100	402,009	152,105	188,109	13,925	354,139
Operating expenses:								
Personnel services, materials, services, supplies, and other	50,990	14,826	4,051	69,867	47,134	17,391	4,385	68,910
Maintenance and engineering	26,944	21,386	794	49,124	31,031	24,488	904	56,423
Marketing and public relations	3,560	1,432	279	5,271	3,535	873	515	4,923
Administration and general services	9,028	6,555	2,727	18,310	9,642	6,846	2,426	18,914
Utilities	6,341	17,036	530	23,907	5,749	11,511	544	17,804
Security, police and fire	27,398	1,806	1,009	30,213	31,528	2,187	1,195	34,910
Depreciation	55,571	51,964	2,046	109,581	55,931	54,531	2,393	112,855
Total operating expenses	179,832	115,005	11,436	306,273	184,550	117,827	12,362	314,739
Operating income/(loss)	13,827	79,245	2,664	95,736	(32,445)	70,282	1,563	39,400
Non-operating revenues (expenses):								
Interest income	-	17,029	4,175	21,204	-	9	498	507
Interest expense	(3,111)	(13,080)	(431)	(16,622)	(3,869)	(22,204)	(173)	(26,246)
Customer facility charges revenue	3,155	-	-	3,155	2,181	-	-	2,181
Customer facility charges expenses	(2,549)	-	-	(2,549)	(3,906)	-	-	(3,906)
Passenger facility charges revenue	19,363	-	-	19,363	10,913	-	-	10,913
Other income	-	-	-	-	513	8,112	182	8,807
Other expense	(938)	(5,341)	(30)	(6,309)	(1,308)	(2,794)	(180)	(4,282)
Gain on lease termination	-	-	-	-	-	16,597	-	16,597
Operating grant income	46,717	110	-	46,827	9,667	436	-	10,103
Gain/(loss) on disposal of capital assets	127	(3,354)	-	(3,227)	(6)	(86)	(31)	(123)
Total non-operating revenues (expenses), net	62,764	(4,636)	3,714	61,842	14,185	70	296	14,551
Increase in net position before capital contributions	76,591	74,609	6,378	157,578	(18,260)	70,352	1,859	53,951
Capital contributions - Grants from government agencies	17,931	1,809	-	19,740	23,083	1,273	-	24,356
Increase in net position	$ 94,522	$ 76,418	$ 6,378	$ 177,318	$ 4,823	$ 71,625	$ 1,859	$ 78,307

Note: The Port maintains three revenue divisions Aviation, Maritime, and Commercial Real Estate, and records expenses directly related to those operations. In addition, the Port annually allocates indirect expenses to these divisions based on an expense allocation methodology. Allocated expenses include general operating expenses, maintenance and engineering, marketing and public relations, and administration and general services.

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PORT OF OAKLAND

STATISTICAL SECTION
(Unaudited)

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PORT OF OAKLAND
(A Component Unit of the City of Oakland)

Statistical Section

This part of the annual comprehensive financial report for the Port of Oakland presents detailed information as a context for understanding the financial statements, note disclosures, and required supplementary information.

Contents **Schedule**

Financial Trends

These schedules contain trend information to help the reader understand how the Port's financial performance and well-being has changed over time. The schedules are presented from the Enterprise Fund perspective. Schedules included are:

Revenue Capacity

These schedules contain information to help the reader assess the Port's major revenue sources, the Aviation Division and Maritime Division.

Aviation operating revenues are principal customers, landed weight, and landing fees. Schedules included are:

Aviation Division:

Maritime operating revenues are principal customers, revenue per TEU, and container trends. Schedules included are:

Maritime Division:

Debt Capacity

These schedules present information to help the reader assess the affordability of the Port's current levels of outstanding debt and the Port's ability to issue additional debt in the future. Details regarding outstanding debt can be found in the Notes of Financial Statements. Schedules included are:

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City of Oakland's financial activities take place. Schedules included are:

Operating Information

These schedules contain information about the Port's operations and resources to help the reader understand how the Port's financial information relates to the services it provides and the activities it performs. Schedules included are:

Port of Oakland

(A Component Unit of the City of Oakland)
Net Position by Components
Last Ten Fiscal Years
(dollar amounts in thousands)

	2022 [3]	2021	2020	2019	2018 [1]	2017	2016	2015 [2]	2014	2013
Net position:										
Net investment in capital assets	$ 1,227,661	$ 1,165,696	$ 1,169,486	$ 1,155,256	$ 1,155,086	$ 1,106,547	$ 1,097,049	$ 1,053,882	$ 986,959	$ 944,974
Restricted for:										
Construction	27,248	13,872	6,275	9,035	10,457	22,392	14,840	12,066	10,072	14,178
Other purposes	22,175	10,487	-	-	-	-	-	-	-	-
Unrestricted	282,012	198,169	134,156	99,395	35,444	72,797	30,657	(26,190)	113,160	69,267
Total net position	$ 1,559,096	$ 1,388,224	$ 1,309,917	$ 1,263,686	$ 1,200,987	$ 1,201,736	$ 1,142,546	$ 1,039,758	$ 1,110,191	$ 1,028,419

Notes:

(1) The beginning balance decreased $84,505 due to the adoption of GASB 75.

(2) The beginning balance decreased $182,324 due to the adoption of GASB 68.

(3) The beginning balance decreased $6,446 due to the adoption of GASB 87.

Port of Oakland

(A Component Unit of the City of Oakland)
Statements of Revenues, Expenses and Changes in Net Position
Last Ten Fiscal Years
(dollar amounts in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Operating revenues:										
Aviation	$ 193,659	$ 152,105	$ 186,589	$ 208,022	$ 204,293	$ 190,657	$ 173,067	$ 162,135	$ 157,220	$ 150,871
Maritime	194,250	188,109	172,740	170,976	159,458	151,377	148,772	158,684	152,657	151,869
Commercial real estate	14,100	13,925	16,586	17,999	17,260	16,673	16,198	15,768	13,163	12,778
Total operating revenues	402,009	354,139	375,915	396,997	381,011	358,707	338,037	336,587	323,040	315,518
Operating expenses:										
Aviation	179,832	184,550	201,087	201,920	193,377	176,591	165,344	161,489	153,989	150,461
Maritime	115,005	117,827	120,890	115,691	111,365	106,302	107,135	100,609	96,605	87,683
Commercial real estate	11,436	12,362	13,385	13,342	12,835	12,148	12,755	13,324	12,991	11,713
Total operating expenses [1]	306,273	314,739	335,362	330,953	317,577	295,041	285,234	275,422	263,585	249,857
Operating income	95,736	39,400	40,553	66,044	63,434	63,666	52,803	61,165	59,455	65,661
Non-operating revenues (expenses):										
Interest income	21,204	507	11,013	13,363	5,109	2,713	2,149	1,783	1,373	1,095
Interest expense	(16,622)	(26,246)	(34,162)	(36,604)	(39,695)	(47,695)	(49,889)	(51,636)	(53,977)	(59,598)
Customer facility charges revenue	3,155	2,181	3,890	5,421	5,525	6,010	5,939	6,253	5,625	5,387
Customer facility charges expenses [2]	(2,549)	(3,906)	(4,741)	(5,440)	(4,678)	(4,531)	(4,307)	(4,137)	(4,219)	-
Passenger facility charges	19,363	10,913	16,285	25,819	25,903	24,520	22,929	21,478	19,698	19,924
Operating grant income	46,827	10,103	-	454	324	1,001	1,419	3,874	-	-
Grant expenses	-	-	-	(454)	(324)	(1,001)	(1,419)	(3,874)	-	-
Other income (expenses)	(6,309)	4,525	8,632	(3,278)	(22,009)	(1,844)	3,744	3,176	(2,727)	3,668
Gain on lease termination	-	16,597	-	-	-	5,526	35,200	-	-	-
Gain (loss) on disposal of capital assets	(3,227)	(123)	(2,616)	(10,864)	(5)	(2,869)	(629)	84	(3,791)	12,052
Total net non-operating revenues (expenses)	61,842	14,551	(1,699)	(11,583)	(29,850)	(18,170)	15,136	(22,999)	(38,018)	(17,472)
Change in net position before capital contributions	157,578	53,951	38,854	54,461	33,584	45,496	67,939	38,166	21,437	48,189
Capital contributions:										
Grants from government agencies	19,740	24,356	7,377	8,238	50,172	13,694	34,849	73,725	60,335	37,896
Total capital contributions	19,740	24,356	7,377	8,238	50,172	13,694	34,849	73,725	60,335	37,896
Change in net position	177,318	78,307	46,231	62,699	83,756	59,190	102,788	111,891	81,772	86,085
Net position, beginning of the year	1,381,778 [5]	1,309,917	1,263,686	1,200,987	1,117,231 [3]	1,142,546	1,039,758	927,867 [4]	1,028,419	942,334
Net position, end of the year	$ 1,559,096	$ 1,388,224	$ 1,309,917	$ 1,263,686	$ 1,200,987	$ 1,201,736	$ 1,142,546	$ 1,039,758	$ 1,110,191	$ 1,028,419

Notes:

(1) Total operating expenses includes depreciation.

(2) Beginning in fiscal year 2016, expenses reimbursed by CFCs have been reclassified from operating to non-operating expenses. For comparative purposes, fiscal year 2014 and 2015 operating expenses have been restated to conform with fiscal year 2016 presentation.

(3) The beginning net position balance in fiscal year 2018 decreased $84,505 due to the adoption of GASB 75.

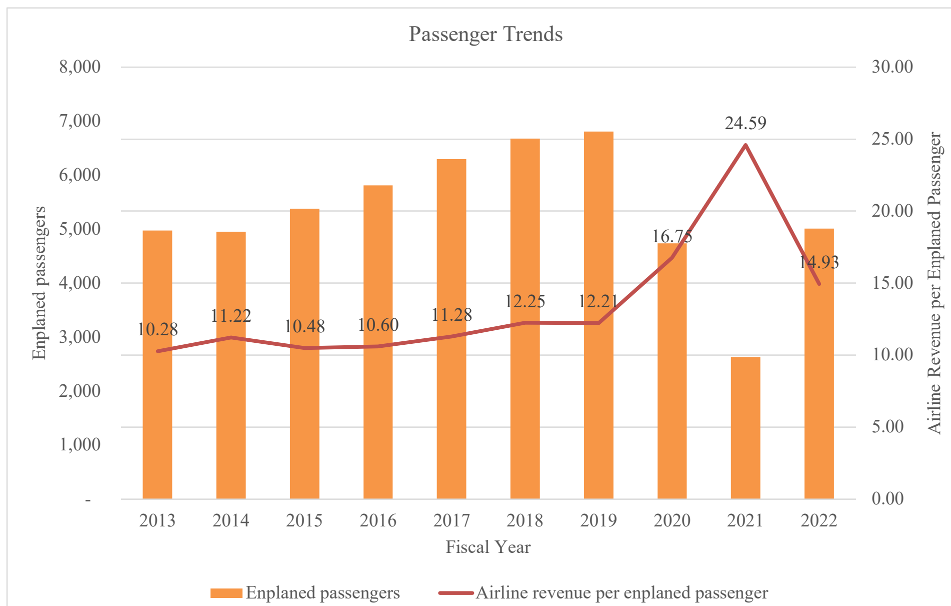
(4) The beginning net position balance in fiscal year 2015 decreased $182,324 due to the adoption of GASB 68.

(5) The beginning net position balance in fiscal year 2022 decreased $6,446 due to the adoption of GASB 87.

Port of Oakland

(A Component Unit of the City of Oakland)
Principal Revenue Sources and Airline Revenue per Enplaned Passenger
Last Ten Fiscal Years
(dollar amounts in thousands
except for Airline Revenue per Enplaned Passengers)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Aviation revenues:										
Terminal rental [1]	$ 49,668	$ 48,039	$ 60,891	$ 59,705	$ 56,064	$ 47,555	$ 41,719	$ 36,194	$ 35,657	$ 31,232
Landing fees (excludes cargo airlines)	25,078	16,595	18,443	23,441	25,724	23,492	19,876	20,136	19,903	19,902
Total airline revenues	74,746	64,634	79,334	83,146	81,788	71,047	61,595	56,330	55,560	51,134
Concessions [3] [4]	5,776	3,558	7,056	9,930	22,775	24,563	23,408	22,019	20,845	20,104
Parking and ground access [3]	47,271	22,905	41,442	56,231	43,400	40,867	36,826	33,349	31,848	30,548
Lease rentals	33,030	32,279	33,505	31,614	30,790	30,505	29,836	28,572	26,635	26,779
Landing fees--cargo airlines	16,413	15,577	11,058	11,512	11,277	9,770	9,333	9,647	9,449	8,860
Aviation fueling	4,123	2,174	2,313	2,582	2,414	2,422	2,335	2,940	3,914	3,918
Utility sales	3,498	3,081	3,489	4,120	4,301	4,359	4,257	4,201	4,212	5,324
Other [2] [4]	8,802	7,897	8,392	8,887	7,548	7,124	5,475	5,077	4,758	4,205
Total revenues	$ 193,659	$ 152,105	$ 186,589	$ 208,022	$ 204,293	$ 190,657	$ 173,065	$ 162,135	$ 157,221	$ 150,872
Enplaned passengers	5,007	2,628	4,736	6,808	6,677	6,296	5,812	5,374	4,950	4,973
Airline revenue per enplaned passenger	$ 14.93	$ 24.59	$ 16.75	$ 12.21	$ 12.25	$ 11.28	$ 10.60	$ 10.48	$ 11.22	$ 10.28



Notes:
(1) Terminal rentals are for airlines only. Non-airline terminal rental revenues are classified under "Other".
(2) Includes non-airline terminal revenues, miscellaneous revenues and other field revenue.
(3) Beginning in fiscal year 2019, Car Rental revenue is recorded with Parking & Ground Access revenue. In 2018 and prior Car Rental revenue was reported with Concessions revenue.
(4) Beginning in fiscal 2019, Tenant Infrastructure Fee revenue is reported with Other revenues. In 2018 and prior Tenant Infrastructure Fee was reported as Concessions revenue.

Port of Oakland

(A Component Unit of the City of Oakland)
Aviation Statistics - South Airport
Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
PASSENGERS										
Enplaned	5,007,299	2,627,875	4,735,801	6,807,835	6,676,712	6,296,349	5,812,058	5,374,187	4,949,628	4,973,107
Deplaned	4,996,557	2,595,006	4,757,836	6,807,936	6,680,091	6,297,022	5,802,787	5,380,369	4,940,643	4,977,749
Total	10,003,856	5,222,881	9,493,637	13,615,771	13,356,803	12,593,371	11,614,845	10,754,556	9,890,271	9,950,856
FREIGHT (in 000 lb)										
Inbound	606,897	586,737	624,894	654,577	651,641	582,548	575,796	581,482	563,601	529,605
Outbound	593,495	568,246	610,244	662,614	658,541	592,279	605,329	594,450	571,474	543,928
Total	1,200,392	1,154,983	1,235,138	1,317,191	1,310,182	1,174,827	1,181,125	1,175,932	1,135,075	1,073,533
TOTAL AIR CARGO (in 000 lb) (Freight & mail)	1,217,574	1,163,789	1,246,477	1,329,820	1,320,948	1,183,119	1,190,372	1,188,335	1,147,454	1,087,140
LANDED WEIGHT (in 000 lb) (1)										
Passenger carriers	5,900,152	4,056,894	6,026,349	7,746,063	7,833,331	7,347,655	6,670,725	6,247,035	5,946,026	6,090,830
Cargo carriers	3,847,789	3,795,663	3,646,975	3,651,806	3,519,152	3,136,160	3,173,690	2,978,823	2,832,982	2,691,589
Total	9,747,941	7,852,557	9,673,324	11,397,869	11,352,483	10,483,815	9,844,415	9,225,858	8,779,008	8,782,419
AIRCRAFT MOVEMENTS	206,033	166,592	77,220	121,631	120,518	112,763	112,037	104,592	100,384	102,470
PARKING										
Number of stalls (2)	6,888	6,907	6,907	6,805	6,895	6,898	6,898	6,878	6,621	6,516
Average revenue per stall	$ 4,489	$ 1,950	$ 3,230	$ 4,797	$ 4,883	$ 4,856	$ 4,544	$4,203	$ 4,016	$ 3,900

Notes:
Oakland International Airport is comprised of the North and South Field. North Field handles general aviation and South Field handles commercial passengers and freight airlines.

(1) Includes non-revenue flights.
(2) Available parking stalls are increased or decreased due to market demand or to make space available for construction projects.

Port of Oakland

(A Component Unit of the City of Oakland)
Top Ten Individual Sources of Aviation Revenue
Fiscal Year 2022 and Fiscal Year 2013
(dollar amounts in thousands)

Fiscal Year 2022	Revenue	Percent of Total Aviation Revenue	Fiscal Year 2013	Revenue	Percent of Total Aviation Revenue
On-Airport Public Parking (1)	$ 30,921	16.0%	Southwest Airlines	$ 35,549	23.6%
Southwest Airlines	26,550	13.7%	On-Airport Public Parking (2)	25,241	16.7%
Federal Express Corporation	25,010	12.9%	Federal Express Corp.	18,226	12.1%
United Parcel Service	6,344	3.3%	Avis Budget Group, Inc.	5,941	3.9%
Signature Flight Support Acquisition Co. LLC	5,936	3.1%	HMS Host Corporation	5,430	3.6%
Avis Budget Group, Inc.	3,482	1.8%	Hertz Corporation	4,810	3.2%
Delta Airlines	3,436	1.8%	United Parcel Service	4,174	2.8%
Spirit Airlines	3,269	1.7%	DTG Operations, Inc.	3,550	2.4%
Enterprise Rent-A-Car	2,846	1.5%	Alaska Airlines	3,046	2.0%
Hawaiian Airlines	2,837	1.5%	Jet Blue Airways	2,791	1.8%

Notes:
(1) Operated by LAZ Parking, beginning December 1, 2012
(2) Operated by Ampco Parking Oakland Airport Management LLC until December 1, 2012 and LAZ Parking California LLC after December 1, 2012

Port of Oakland

(A Component Unit of the City of Oakland)
Schedule of Airline Rates and Charges
Last Ten Fiscal Years

Rates & Charges for Period:[1]	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Landing Fees (per 1,000 lbs. MGLW) [2]										
Basic Landing Rate	$ 4.25	$ 4.09	$ 3.02	$ 3.14	$ 3.19	$ 3.13	$ 2.94	$ 3.24	$ 3.33	$ 3.29
Terminal Space Rental (per square foot per year)										
Type 1 - Ticket Counter	$ 315.14	$ 350.71	$ 387.88	$ 354.12	$ 335.77	$ 299.90	$ 268.00	$ 241.62	$ 242.93	$ 211.56
Type 2 - Office Space	283.63	315.64	349.08	318.71	302.20	269.91	241.20	217.46	218.64	190.40
Type 3 - Baggage Space [3]	252.11	280.57	310.30	283.30	268.62	239.92	214.40	193.30	194.34	169.24
Type 4 - Baggage Make-Up	220.60	245.50	271.51	247.88	235.04	209.93	187.60	169.13	170.06	148.10
Type 5 - Ticket Counter (Others)	157.57	175.36	193.93	177.06	167.89	149.95	134.00	120.81	121.47	105.78
Type 6 - Office Space (Others)	155.18	157.82	174.54	159.35	151.09	134.96	120.60	108.73	109.32	95.21
Type 7 - Baggage Make-Up (Others)	110.30	122.75	135.76	123.84	117.52	104.97	93.80	84.57	85.03	74.05
Primary Holdroom, Loading Bridge Rental (per holdroom per month)										
Holdroom, Loading Bridge	$ 60,989	$ 65,371	$ 72,009	$ 65,005	$ 61,651	$ 56,491	$ 54,479	$ 46,794	$ 46,835	$ 41,907

Notes:
(1) Rates and charges are established at the beginning of each fiscal year and calculated using budgeted expenses for the forthcoming fiscal year.
(2) MGLW - Maximum Gross Landing Weight
(3) The baggage claim requirement is calculated by multiplying the Type 3 rate by the square footage of the baggage claim areas. The requirement is distributed among all airlines based on the number of enplaned passengers.

Port of Oakland

(A Component Unit of the City of Oakland)
Principal Revenue Sources and Maritime Revenue per TEU
Last Ten Fiscal Years
(dollar amounts in thousands)

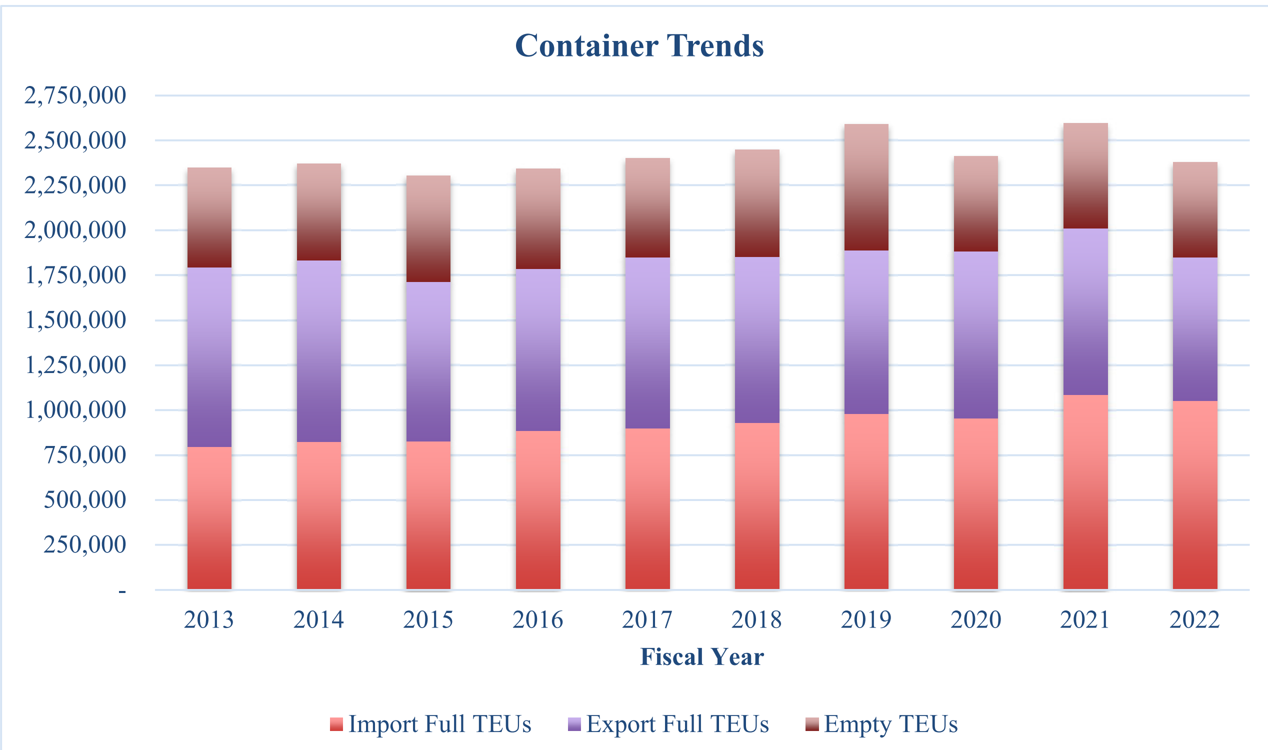
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Maritime revenues:										
Lease rentals - terminal	$ 128,573	$ 127,601	$ 122,672	$ 120,550	$ 112,526	$ 108,710	$ 113,864	$ 133,689	$ 134,845	$ 139,415
Lease rentals - other	37,143	29,836	26,309	23,963	25,198	23,260	17,335	12,984	8,665	6,518
Parking fees [(2)]	6,411	7,992	7,745	8,046	7,422	6,916	6,137	-	-	-
Rail terminal rent [(3)]	4,338	3,899	2,492	3,979	3,173	3,065	-	-	-	-
Other revenues	(4,451)	84	415	54	150	(315)	1,443	2,571	3,313	1,921
Utility sales	22,236	18,697	13,107	14,384	10,989	9,741	9,993	9,440	5,834	4,015
	$ 194,250	$ 188,109	$ 172,740	$ 170,976	$ 159,458	$ 151,377	$ 148,772	$ 158,684	$ 152,657	$ 151,869
Full TEUs	1,849,380 [(1)]	2,010,590 [(1)]	1,885,303	1,888,381	1,852,216	1,850,296	1,784,387	1,713,809	1,832,559	1,793,749
Maritime revenue per Full TEU	$ 105.04	$ 93.56	$ 91.62	$ 90.54	$ 86.09	$ 81.81	$ 83.37	$ 92.59	$ 83.30	$ 84.67

Notes:
(1) Subject to change pending completion of operational audits.
(2) Prior to fiscal year 2016 parking fees were reported as part of lease rentals - terminal revenue
(3) Prior to fiscal year 2017, rail terminal rent was reported as other revenue.

Port of Oakland

(A Component Unit of the City of Oakland)
Maritime Division - Container Trends
Last Ten Fiscal Years

	Full TEUs						
Fiscal Year	Import	%	Export	%	Total Full	Empty TEUs	Total TEUs
2022	1,053,011	57%	796,369	43%	1,849,380 (2)	527,880	2,377,259
2021	1,086,259	54%	924,331	46%	2,010,590 (2)	584,265	2,594,855
2020	955,420	51%	929,884	49%	1,885,303 (3)	528,361	2,413,664
2019	979,602	52%	908,778	48%	1,888,381	701,367	2,589,748
2018	929,841	50%	922,375	50%	1,852,216	596,252	2,448,468
2017	898,674	49%	951,622	51%	1,850,296	550,698	2,400,994
2016	884,186	50%	900,201	50%	1,784,387	558,294	2,342,681
2015	827,141	48%	886,668 (1)	52%	1,713,809	590,736	2,304,545
2014	824,310	45%	1,008,249	55%	1,832,559	538,146	2,370,705
2013	794,511	44%	999,238	56%	1,793,749	554,155	2,347,904



Notes:

(1) Decrease in full container exports was driven by a strengthening U.S. dollar, impacts of the drought on California agriculture, and cargo diverted from the west coast during labor disruptions.

(2) Subject to change pending completion of operational audits.

(3) Prior FY data revised as of June 30, 2021 due to audits.

Port of Oakland

(A Component Unit of the City of Oakland)
Top Ten Individual Sources of Maritime Revenue by Alphabetical Order
Fiscal Year 2022 and Fiscal Year 2013

Fiscal Year 2022	Fiscal Year 2013
BNSF Railway Company	BNSF Railway Company
ConGlobal Industries	Eagle Marine Services, Ltd
Everport Terminal Services, Inc.	Evergeen Marine Corp. (Taiwan) Ltd
GSC Logistics, Inc.	GSC Logistics, Inc.
Impact Transportation	Ports America Outer Harbor Terminal, LLC
Pacific Coast Container, Inc.	Shippers Transport Express, Inc.
Shippers Transport Express, Inc.	SSA Terminals, LLC and SSA Terminals (Oakland), LLC (ombined)
SSA Terminals, LLC	Total Terminals International, LLC
TraPac, LLC	TraPac, Inc.
Truck Parking [1]	Truck Parking[1]

The Port of Oakland terminal tenants compete against each other for business. The Port feels disclosure of revenue by tenant would give advantages or disadvantages to certain tenants and therefore revenue and percent of total maritime revenue have been excluded from this report.

Note:
(1) Operated by Ampco System Parking, Inc.

Port of Oakland

(A Component Unit of the City of Oakland)
Net Pledged Revenues and Debt Service Coverage Calculation
Last Ten Fiscal Years
(dollar amounts in thousands)

	2022 [7]	2021	2020	2019	2018	2017	2016 [6]	2015 [6]	2014	2013
Operating Revenues	$ 402,009	$ 354,139	$ 375,915	$ 396,997	$ 381,011	$ 358,707	$ 338,037	$ 336,587	$ 323,040	$ 315,518
Operating Expenses	306,273	314,739	335,362	330,953	317,577	295,041	285,234	275,422	263,585	249,857
Less: Depreciation Expense	(109,581)	(112,855)	(113,983)	(114,921)	(112,032)	(106,255)	(104,077)	(101,759)	(99,259)	(98,234)
Less: CFC and Grant Reimbursed Operating Expense [1]	(9,389)	(10,103)	-	-	-	-	-	-	(736)	(5,197)
Adjusted Operating Expenses	187,303	191,781	221,379	216,032	205,545	188,786	181,157	173,663	163,590	146,426
Adjusted Operating Income	214,706	162,358	154,536	180,965	175,466	169,921	156,880	162,924	159,450	169,092
Gross Interest Earned [2]	21,204	507	11,013	13,363	5,109	2,713	2,149	1,783	1,373	1,095
Less: Interest Earned on PFC and CFC Funds	(64)	(16)	(248)	(224)	(153)	(82)	(47)	(42)	(54)	(59)
Adjusted Interest Income	21,140	491	10,765	13,139	4,956	2,631	2,102	1,741	1,319	1,036
Net Pledged Revenues Available for Debt Service	$ 235,846	$ 162,849	$ 165,301	$ 194,104	$ 180,422	$ 172,552	$ 158,982	$ 164,665	$ 160,769	$ 170,128
Debt Service										
Senior Bonds [3]	$ 33,569	$ 48,033	$ 47,185	$ 46,133	$ 45,293	$ 44,365	$ 48,193	$ 50,150	$ 48,069	$ 68,263
Senior Bonds, DBW Loan, and Intermediate Bonds[3]	70,520	71,071	93,160	93,188	98,902	99,454	98,880	98,197	98,191	107,268
Debt Service Coverage Ratio										
Senior Lien [4]	7.03	3.39	3.50	4.21	3.98	3.89	3.30	3.28	3.34	2.49
Intermediate Lien [5]	3.34	2.29	1.77	2.08	1.82	1.73	1.61	1.68	1.64	1.59

Notes:
(1) Beginning in fiscal year 2016, expenses reimbursed by CFCs have been reclassified from operating to non-operating expenses. For comparative purposes, fiscal year 2014 and 2015 operating expenses have been restated to conform with fiscal year 2016 presentation. The Debt Service Coverage Ratios in fiscal year 2014 and 2015 do not change.
(2) Starting in fiscal year 2011, the amortization of bond premium is no longer included in Gross Interest Earned.
(3) In fiscal year 2021 and fiscal year 2022, Senior and Intermediate Lien Debt Service is less $13.4 million and $11.8 million, respectively. These amounts were paid from grants and other debt proceeds, which are exluded from the caculation of debt service coverage.
(4) Senior Lien Debt Service Coverage Ratio is calculated by dividing Net Pledged Revenues Available for Debt Service by Senior Bonds Debt Service.
(5) Intermediate Lien Debt Service Coverage Ratio is calculated by dividing Net Pledged Revenues Available for Debt Service by Senior Bonds, DBW Loan, and Intermediate Bonds Debt Service.
(6) Debt service has been adjusted to reflect the payment of accrued interest on two bond buyback transactions completed in fiscal year 2015 and fiscal year 2016, respectively.
(7) Starting in fiscal year 2022, reflects the implementation of GASB 87, which resulted in an increase of Intermediate Debt Service Coverage Ratio (DSCR) by .15x. In future years, the impact of GASB 87 may have the effect of reducing DSCR or increasing DSCR.

Port of Oakland

(A Component Unit of the City of Oakland)
Ratios of Debt Service
Last Ten Fiscal Years
(dollar amounts in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Debt Service										
Senior Revenue Bonds [1]										
Aviation	$ 6,728	$ 6,580	$ 4,938	$ 4,859	$ 4,785	$ 4,712	$ 4,988	$ 5,718	$ 6,550	$ 13,014
Maritime [3]	33,072	48,010	42,245	41,272	40,506	39,651	43,203	44,430	41,517	55,242
Commercial Real Estate	497	23	2	2	2	2	2	2	2	7
Total Senior Revenue Bonds Debt Service	40,297	54,613	47,185	46,133	45,293	44,365	48,193	50,150	48,069	68,263
Department of Boating & Waterways										
Commercial Real Estate	-	457	457	457	457	457	457	457	457	457
Intermediate Revenue Bonds										
Aviation	5,084	6,867	17,524	19,240	21,506	21,520	18,844	12,924	13,304	12,018
Maritime	36,695	21,719	24,783	23,745	27,674	29,183	28,018	32,894	34,568	25,289
Commercial Real Estate	255	862	3,211	3,613	3,972	3,928	3,367	1,771	1,792	1,241
Total Intermediate Revenue Bonds Debt Service	42,034	29,448	45,518	46,598	53,152	54,631	50,229	47,589	49,664	38,548
Commercial Paper										
Aviation	10,673	17,481 [4]	19,908 [4]	17,926 [4]	1,601	296	42	23	189	41
Maritime	5,061	78	4,421	4,638	3,534	4,317	4,103	3,069	897	115
Commercial Real Estate	-	-	-	-	-	-	-	-	-	-
Total Commercial Paper Debt Service [2]	15,734	17,559	24,329	22,564	5,135	4,613	4,145	3,092	1,086	156
Debt Service by Division										
Aviation	22,485	30,928	42,370	42,025	27,892	26,528	23,874	18,665	20,043	25,073
Maritime	74,828	69,807	71,449	69,655	71,714	73,151	75,324	80,393	76,982	80,646
Commercial Real Estate	752	1,342	3,670	4,072	4,431	4,387	3,826	2,230	2,251	1,705
Total Debt Service	$ 98,065	$ 102,077	$ 117,489	$ 115,752	$ 104,037	$ 104,066	$ 103,024	$ 101,288	$ 99,276	$ 107,424
Aviation Debt Service per Enplaned Passenger										
Enplaned passengers (in 000's)	5,007	2,628	4,736	6,807	6,677	6,296	5,812	5,374	4,950	4,973
Aviation Debt Service per Enplaned Passenger (not in 000's)	$ 4.49	$ 11.77	$ 8.95	$ 6.17	$ 4.18	$ 4.21	$ 4.11	$ 3.47	$ 4.05	$ 5.04

Notes:
(1) Senior Revenue Bond debt service is less capitalized interest.
(2) Includes principal payments of $1 million in 2014, $3 million in 2015, and $4 million in 2016 , 2017, and 2018, $20.9 million in 2019, $23.4 million in 2020, $17.4 million in 2021 and $15.6 million in 2022.
(3) Beginning in 2015, Maritime debt service on Senior Revenue Bonds includes the payment of accrued interest on bond defeasance transactions.
(4) In 2022, 2021, 2020 and 2019 Aviation commercial paper debt service includes $4.8 million, $2.9 million, $16.8 million, and $15.5 million, respectively, of payments funded with PFC revenue.

Port of Oakland

(A Component Unit of the City of Oakland)
Outstanding Debt by Debt Type
Last Ten Fiscal Years
(dollar amounts in thousands)

Fiscal Year	Senior Bonds	Intermediate Bonds	Department of Boating & Waterways	Commercial Paper	Total
2022	$ 331,785	$ 349,239	$ -	$ 42,535	$ 723,559
2021	373,709	393,378	-	58,175	825,262
2020	628,110	200,248	3,621	75,585	907,564
2019	648,410	240,871	3,903	84,470	977,654
2018	667,591	282,079	4,173	105,355	1,059,198
2017	689,841	328,508	4,431	97,841	1,120,621
2016	705,315	367,607	4,678	84,586	1,162,186
2015	724,566	400,899	4,914	74,398	1,204,777
2014	745,382	430,345	5,140	77,398	1,258,265
2013	762,025	460,681	5,357	78,398	1,306,461
2012	803,761	478,977	5,564	87,268	1,375,570

Port of Oakland

(A Component Unit of the City of Oakland)
Demographic and Economic Statistics for the City of Oakland
Last Ten Calendar Years

Year	Population(1)	Personal Income ($000s)(2)	Per Capita Personal Income(3)	School Enrollment(4)	Unemployment Rate (%)(5)
2022	424,464	$ 48,009,913	$ 111,050	46,600	3.5
2021	435,514	48,009,913	111,050	48,704	7.7
2020	432,327	48,009,913	111,050	49,588	10.5
2019	429,932	45,360,302	104,921	50,202	3.4
2018	428,750	43,094,688	100,236	50,231	3.5
2017	427,493	39,944,451	93,165	49,760	4.2
2016	424,717	37,289,279	87,228	49,098	4.9
2015	419,490	35,098,292	82,639	48,077	5.9
2014	414,065	30,030,179	76,355	47,194	7.3
2013	409,180	29,504,121	71,255	46,486	9.0

Source and Notes:
(1) California Department of Finance.
(2) US Department of Commerce, Bureau of Economic Analysis. Data are available only for the San Francisco-Oakland-Hayward Metropolitan Statistical Area (MSA) and have been adjusted by the proportion of the population within the City of Oakland. Data are not yet available for 2021 and 2022; 2020 data are reported for these years instead.
(3) US Department of Commerce, Bureau of Economic Analysis. Data are presented for the San Francisco-Oakland-Hayward Metropolitan Statistial Area. Data are not yet available for 2021 and 2022; 2020 data are reported for these years instead.
(4) California Department of Education.
(5) California Employment Development Department. Annual data are not yet available for 2022, but June 2022 data is reported above. Prior year data have been updated based on annual unemployment rates.

Port of Oakland

(A Component Unit of the City of Oakland)

Principal Employers in the City of Oakland - FY 2022 vs FY 2013

	2022			2013		
Employer	Number of Employees	Rank	Percentage of Total Employment	Number of Employees	Rank	Percentage of Total Employment
Kaiser Permananente Medical Group, Kaiser Founduation Hospitals and Health Plan	11,500 +	1	5.7%	10,914	1	5.8%
County of Alameda	8,000 +	2	4.0%	6,218	4	3.3%
Oakland Unified School District	5,000 +	3	2.5%	7,664	2	4.1%
City of Oakland	4,000 +	4	2.0%	5,082	5	2.7%
State of California	3,500 +	5	1.7%	7,480	3	4.0%
San Francisco Bay Area Rapid Transit District	3,500 +	6	1.7%	N/A		N/A
United Pacel Service	2,500 +	7	1.2%	N/A		N/A
Alameda County Medical Center	2,500 +	8	1.2%	N/A		N/A
Southwest Airlines	2,000 +	9	1.0%	2,100	9	1.1%
Children Hospital & Research Center	2,000 +	10	1.0%	2,600	7	1.4%
Alta-Bates Summit Medical Center	N/A		N/A	3,623	6	1.9%
Peralta Community College District	N/A		N/A	1,420	10	0.8%
Internal Revenue Service	N/A		N/A	2,500	8	1.3%

Source: City of Oakland Economic & Workforce Development Department.

Note: Percent of total employment is based on June 2022 empoyment of 200,700 and 2013 annual employment of 187,800 as reported by the California Employment Development Department.

Port of Oakland

(A Component Unit of the City of Oakland)
Actual Employee Count by Division
Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Aviation	219	220	239	239	233	236	232	222	236	233
Maritime	65 [4]	64 [4]	20	17	20	18	20 [1]	68	69	69
Commercial Real Estate	8	8	8	7	8	8	8	8	8	7
Engineering & Environmental[3]	- [4]	- [4]	105	111	106	105	102 [1]	57	54	50
Operations Office[3]	73	72	-	-	-	-	-	-	-	-
Financial Services & Administration [2]	44	42	51	54	56	57	58	56	54	59
Others	35	36	37	39	37	37	39	41	37	38
Total	444	442	460	467	460	461	459	452	458	456

Source:
Port of Oakland Records

Notes:
(1) In fiscal year 2016, Harbor Facilities was moved to the Engineering Division from the Maritime Division.
(2) Financial Services & Administration Division consists of Human Resources, Enterprise Business Systems, and Financial Services.
(3) Operations Office consists of Engineering, Environmental, Information Technology, and Operations Office
(4) In fiscal year 2021, Harbor Facilities was moved back to Maritime Division.

Port of Oakland

(A Component Unit of the City of Oakland)
Capital Assets Information
Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Aviation facilities										
Paved airport runways	4	4	4	4	4	4	4	4	4	4
Total length of runways (in feet)	25,038	25,038	25,038	25,038	25,038	25,038	25,038	25,038	25,038	25,038
Area of airport (in acres)	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600
Parking stalls (1)	6,888	6,907	6,907	6,805	6,895	6,898	6,898	6,878	6,621	6,516
Harbor facilities										
Miles of waterfront	19	19	19	19	19	19	19	19	19	19
Berthing length at wharves (in feet)	25,100	25,100	25,100	25,100	25,100	25,100	25,100	25,100	25,100	25,100
Maritime terminal area (in acres)	779	779	779	779	779	779	779	779	779	779
Commercial Real Estate										
Owned acreage	837	837	837	837	837	837	837	837	837	837
Parking stalls(1)	1,309	1,309	1,309	1,333	1,333	1,333	1,429	1,429	1,429	1,429

Source:
Port of Oakland Records

Note:
(1) Available parking stalls are increased or decreased due to market demand or to make space available for construction projects.