



Six Months Ending
December 31, 2017
Financial Highlights
Unaudited Results

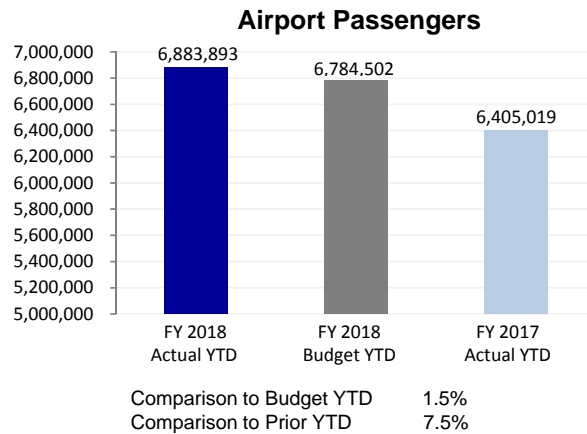
Board of Port Commissioners Meeting
March 8, 2018

Unaudited, Preliminary Numbers – Subject to Change

The information contained in this presentation is disclosed publicly for general information relating to the Port only. The information and figures herein include projections and forecasts that are based upon certain assumptions and involve known and unknown risks, uncertainties, and other factors that may cause actual results, performance or achievements to differ materially from those expressed or implied by such projections and forecasts. The information and figures herein are subject to change without notice after the date thereof, and may differ from the information and figures contained in the Port's final audited financial statements. The overall cost of the Port's capital projects is subject to change, and the variance from the cost estimates reflected herein could be material. The Port is not obligated to and does not plan to issue any updates or revisions to this presentation.

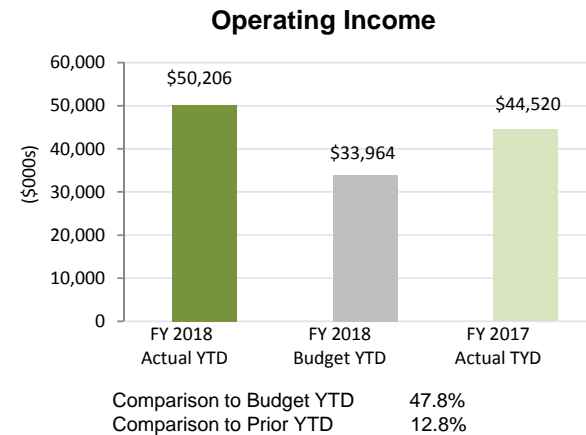
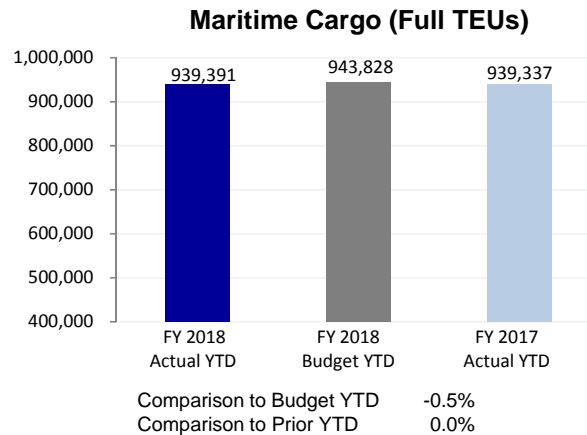
Unaudited, Preliminary Numbers – Subject to Change

For the first 6 months of FY 2018, Port performance has exceeded or met last year's performance and this year's budget/expectations.



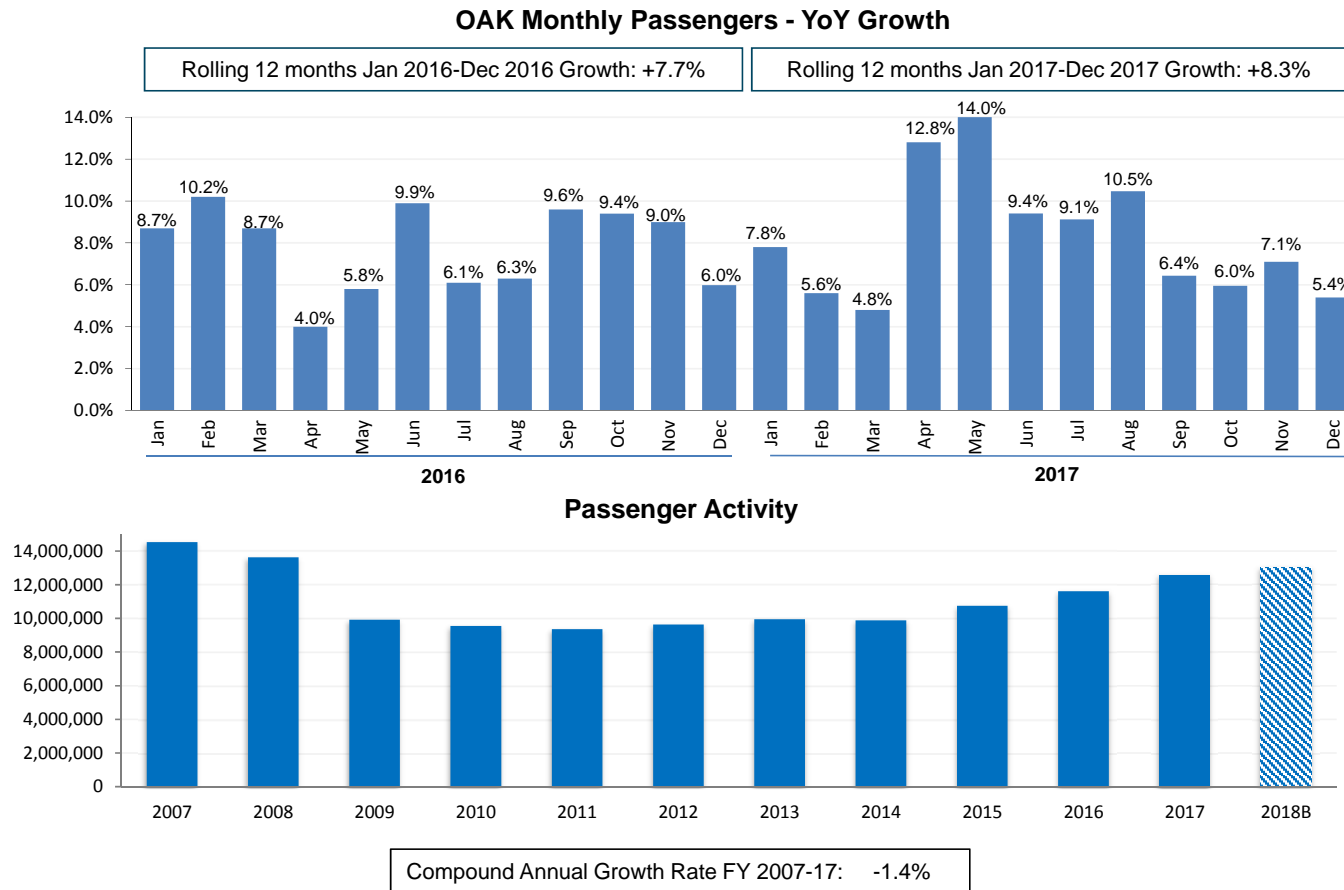
Operating Revenues (\$000s)

	Unaudited 6 Months Ended Dec 2017	Comparison to 6 Months Ended Dec 2017 Budget Better/(Worse)	Comparison to 6 Months Ended Dec 16 Actual Better/(Worse)
Aviation	\$102,112	\$2,236 2.2%	\$7,714 8.2%
Maritime	89,090	4,460 5.3%	4,108 4.8%
CRE	8,618	78 0.9%	60 0.7%
Total	\$199,819	\$6,774 3.5%	\$11,882 6.3%



Unaudited, Preliminary Numbers – Subject to Change

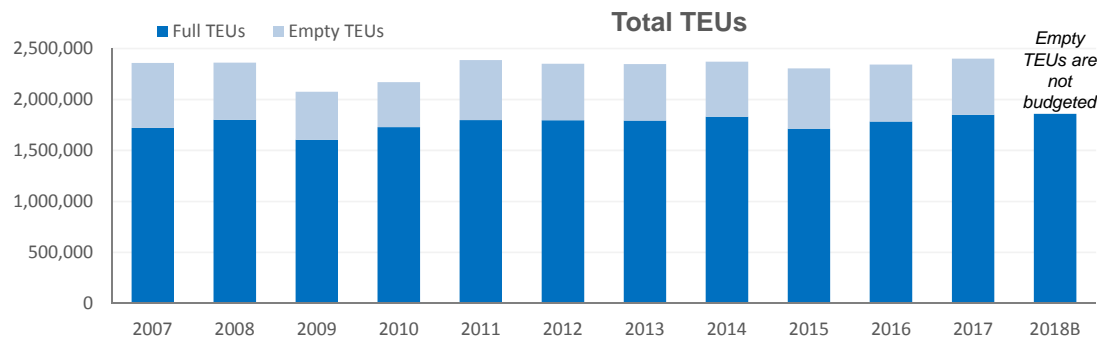
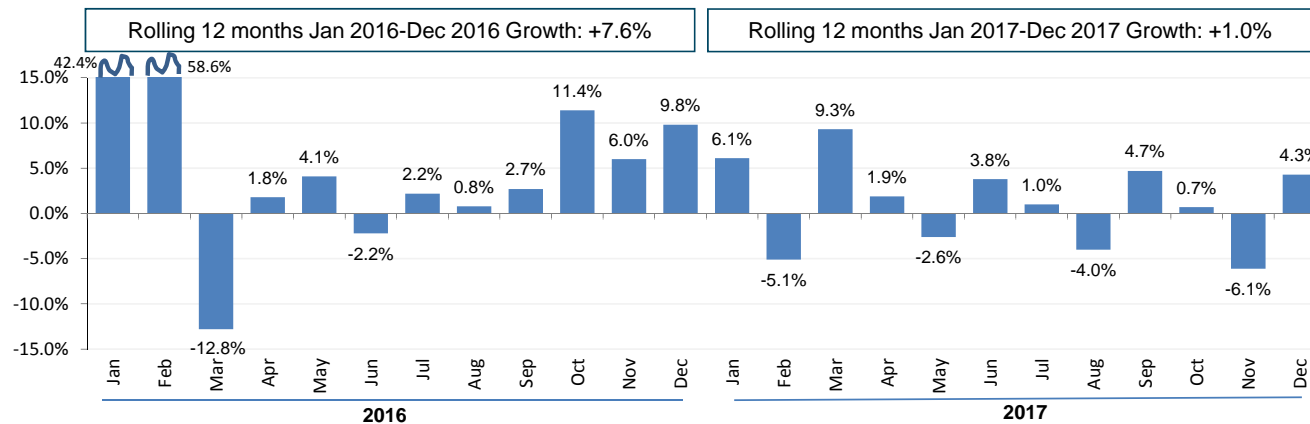
For the first 6 months of FY 2018, passenger growth was 7.5%.



Unaudited, Preliminary Numbers – Subject to Change

For the first 6 months of FY 2018, full and total TEU growth was 0.0% and 1.6%, respectively.

Monthly Full TEUs - YoY Change



	Full TEUs	Total TEUs
Compound Annual Growth Rate FY 2007-17:	0.7%	0.2%

	FY 2018 YTD
Full Exports	(4.2%)
Full Imports	4.6%
Full TEUs	0.0%
Empty TEUs	7.1%
Total TEUs	1.6%

Unaudited, Preliminary Numbers – Subject to Change

Aviation Revenues

(\$000s)

Aviation Revenue Breakdown	Unaudited 6 Months Ended Dec 2017 \$	Comparison to 6 Months Ended Dec 2017 Budget Better / (Worse)		Comparison to 6 Months Ended Dec 2016 Actual Better / (Worse)	
		\$	%	\$	%
Passenger Airline Revenue					
Terminal Rental ⁽¹⁾	\$27,726	\$1,116	4.2%	\$4,206	17.9%
Landing Fees (excl. Cargo Airlines)	12,855	176	1.4	1,134	9.7
Total Airline Revenues	40,581	1,292	3.3	5,340	15.2
Parking	17,409	(236)	(1.3)	284	1.7
Lease Rentals	15,083	(390)	(2.5)	114	0.8
Rental Car	6,081	436	7.7	(1,470)	(19.5)
Landing Fees - Cargo Airline	5,753	394	7.4	619	12.1
Concessions	5,676	391	7.4	908	19.1
Other ⁽²⁾	4,107	778	23.4	984	31.5
Ground Access	4,020	(132)	(3.2)	931	30.1
Utility Sales	2,231	90	4.2	35	1.6
Aviation Fueling	1,171	(386)	(24.8)	(31)	(2.6)
Total Operating Revenues	\$102,112	\$2,236	2.2%	\$7,714	8.2%

(1) Includes passenger airline rentals only. Non-airline terminal rental revenues are classified under "Other".

(2) Includes non-airline terminal revenues, miscellaneous revenues, and other field revenue, offset by bad debt.

Unaudited, Preliminary Numbers – Subject to Change

Maritime Revenues

(\$000s)

Maritime Revenue Breakdown	Unaudited 6 Months Ended Dec 2017 \$	Comparison to 6 Months Ended Dec 2017 Budget Better / (Worse)		Comparison to 6 Months Ended Dec 2016 Actual Better / (Worse)	
		\$	%	\$	%
Marine Terminal Revenue					
Minimum Annual Guarantee (MAG)	\$39,626	\$0	0.0%	(\$792)	(2.0%)
Revenues in excess of MAG	25,607	3,664	16.7	2,343	10.1
Miscellaneous Terminal Rentals ⁽¹⁾	174	136	356.4	(9)	(5.1)
Total Terminal Revenues	65,407	3,800	6.2	1,542	2.4
Space Assignment	13,117	(300)	(2.2)	1,608	14.0
Utility Sales	5,631	900	19.0	805	16.7
Ancillary Services	3,472	(24)	(0.7)	217	6.7
Oakland International Gateway	1,463	81	5.8	(149)	(9.2)
Other ⁽²⁾	-	5	n/a	84	n/a
Total Operating Revenues	\$89,090	\$4,460	5.3%	\$4,108	4.8%

(1) Includes bunkering fuel and water lease.

(2) Includes non-terminal revenue and delinquency charges, offset by bad debt.

Unaudited, Preliminary Numbers – Subject to Change

CRE Revenues

(\$000s)

CRE Revenue Breakdown	Unaudited 6 Months Ended Dec 2017 \$	Comparison to 6 Months Ended Dec 2017 Budget Better / (Worse)		Comparison to 6 Months Ended Dec 2016 Actual Better / (Worse)	
		\$	%	\$	%
Jack London Square	\$4,325	(\$7)	(0.2%)	\$73	1.7%
Business Park & Distribution Center	1,790	(29)	(1.6)	(192)	(9.7)
Embarcadero Cove	1,660	98	6.3	247	17.5
Brooklyn Basin and Other Areas	792	17	2.3	(68)	(7.9)
Utility Sales	51	(2)	(3.1)	0	0.0
Total Operating Revenues	\$8,618	\$78	0.9%	\$60	0.7%

Unaudited, Preliminary Numbers – Subject to Change

Operating Expenses

(\$000s)

	Unaudited 6 Months Ended Dec 2017 \$	Comparison to 6 Months Ended Dec 2017 Budget Better / (Worse)		Comparison to 6 Months Ended Dec 2016 Actual Better / (Worse)	
		\$	%	\$	%
Personnel Costs	\$54,023	\$1,834	3.3%	(1,782)	(3.4%)
Contractual Services	34,767	4,621	11.7	(3,740)	(12.1)
General & Administrative	6,386	2,573	28.7	(44)	(0.7)
Supplies	2,341	(198)	(9.3)	(101)	(4.5)
Utility Cost of Sales	3,375	167	4.7	(238)	(7.6)
Departmental Credits	(3,986)	(657)	(14.2)	702	21.4
Operating Expenses excl. Dep.	\$96,907	\$8,339	7.9	(\$5,203)	(5.7)
Depreciation	52,707	1,128	2.1	(994)	(1.9)
Total Operating Expenses	\$149,614	\$9,467	6.0%	(\$6,197)	(4.3%)

Unaudited, Preliminary Numbers – Subject to Change

The Port's debt service payments are anticipated to total \$104.8 million in FY 2018.

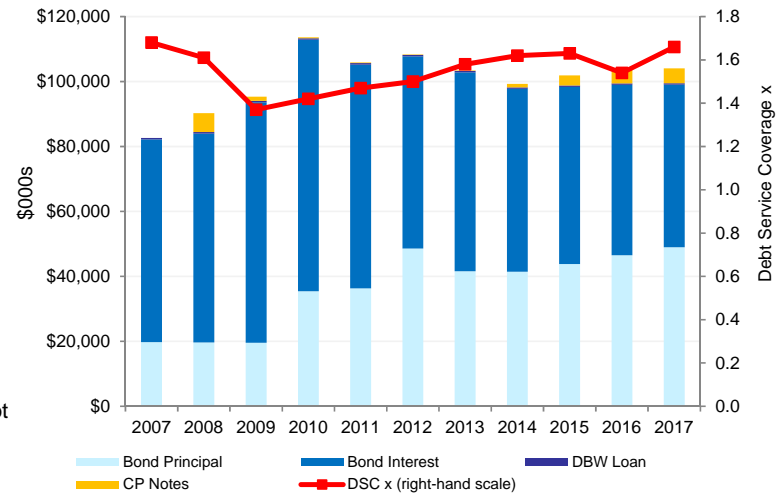
(\$000s)

Type of Debt	FY 2018 Debt Service Anticipated ⁽¹⁾	Outstanding Debt as of 12/31/17 ⁽²⁾
Bonds	\$98,582	\$907,965
Department of Boating & Waterways Loan	458	4,172
Commercial Paper Notes	5,715	105,370
Total	\$104,755	\$1,017,507

(1) As a result of the Port's 2017 refunding, anticipated FY 2018 bond debt service has been reduced by \$1.9 million in comparison to the original budget.

(2) Outstanding bonds are scheduled to be fully repaid in FY 2033.

Debt Service and Debt Service Coverage



- ❑ **Debt Service Coverage (DSC)** measures the Port's ability to meet day-to-day operating costs and debt service payments and resiliency to weather downturns in the economy and Port businesses. DSC is net revenues divided by debt service (including repayment of \$4 million of outstanding CP Notes). Net revenues is operating revenues less operating expenses, excluding depreciation.

Unaudited, Preliminary Numbers – Subject to Change

General Fund and Restricted Cash Balance (\$000s)

General Fund	Unaudited Dec 2017	Unaudited Dec 2016	Audited June 2017
Debt Service Fund	29,655	30,758	45,378
Other	227,859	224,445	213,388
Total	\$257,514	\$255,203	258,766

Restricted	Unaudited Dec 2017	Unaudited Dec 2016	Audited June 2017
Board Reserves	72,456	70,689	70,689
Passenger Facility Charges	6,241	56	9,348
Customer Facility Charges	5,850	9,445	9,248
Contractor Retention in Escrow	4,864	3,230	3,772
Trustee Held Bond Reserves	58,125	57,977	57,987
Total	\$147,537	\$141,397	\$151,045

Unaudited, Preliminary Numbers – Subject to Change

Capital Expenses

(\$000s)

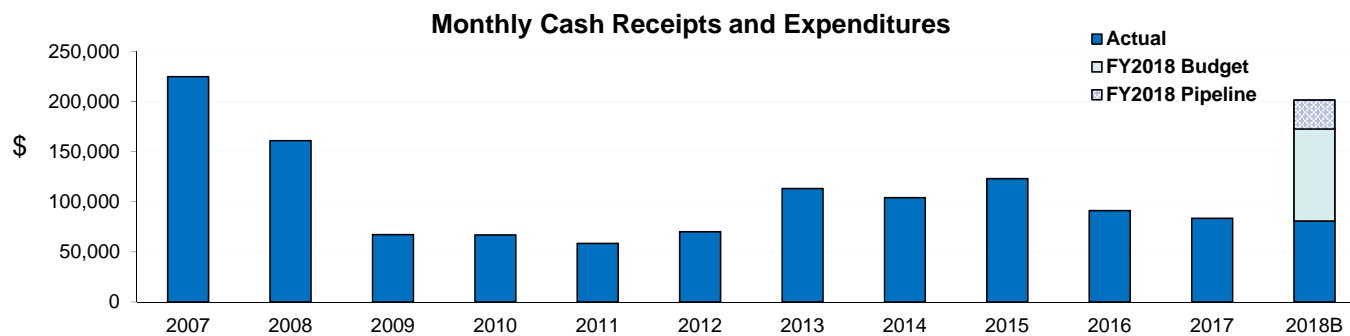
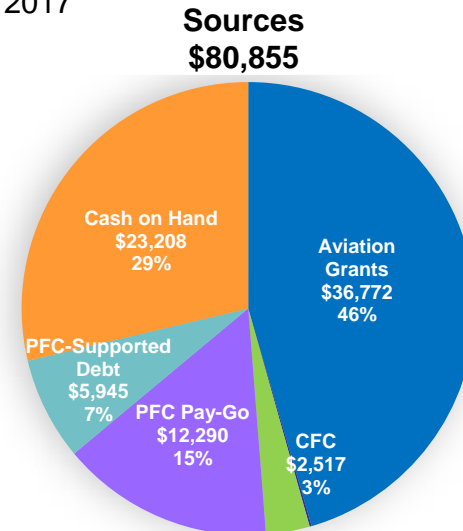
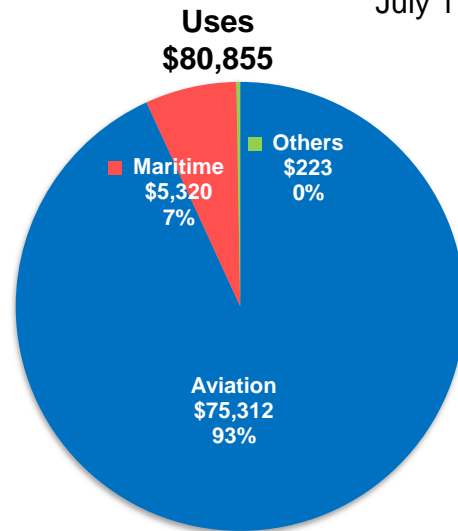
Major Capital Projects In Progress	Expenditures July 1 – Dec 31 2017	
Runway 12-30 Rehabilitation	\$48,732	} 84%
International Arrivals Building Renovations	10,956	
Terminal 1 Renovations	8,572	
Seaport Logistics Center	3,558	
Rental Car Site Improvements (RAC)	2,482	
Runway Safety Area	803	
Future Mitigation Credits	787	
Airfield Perimeter Dike	573	
TSA Recapitalization	483	
Crane Raising	467	
PARC System Upgrade	452	
Other Projects	2,990	
Total	\$80,855	

Unaudited, Preliminary Numbers – Subject to Change

Capital Expenses

(\$000s)

July 1 – December 31, 2017



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PORT OF OAKLAND

Unaudited
Financial Results

December 31, 2017

- Cash Recap
- Statements of Net Position
- YTD Revenue & Expenses (Actual vs. Budget)
- YTD Expenses by Category (Actual vs. Budget)
- Aviation Revenue (Actual vs. Budget)
- Maritime Revenue (Actual vs. Budget)
- CRE Revenue (Actual vs. Budget)
- Activity Summary Report
- YTD Revenue & Expenses Variance Explanations

**PORT OF OAKLAND
CASH
DECEMBER 31, 2017, 2016 AND JUNE 30, 2017**

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	<u>Unaudited 12/31/17</u>	<u>Audited 06/30/17</u>	<u>Unaudited 12/31/16</u>
Unrestricted Cash:			
Board Reserves	\$ 72,455,762	\$ 70,689,386	\$ 70,689,386
General Fund:			
Debt Service Fund	29,654,991	45,377,634	30,758,384
Other	227,859,397	213,388,349	224,445,011
Sub-total	<u>257,514,388</u>	<u>258,765,983</u>	<u>255,203,395</u>
Sub-total	<u>329,970,150</u>	<u>329,455,369</u>	<u>325,892,781</u>
Restricted Cash & Investments:			
Bond Reserves/Trustee Deposits (a)	58,125,393	57,986,896	57,977,430
Passenger Facility Charges	6,241,191	9,348,447	55,503
Customer Facility Charges	5,850,098	9,248,325	9,445,316
Other (b)	<u>4,864,358</u>	<u>3,771,881</u>	<u>3,229,479</u>
Sub-total	<u>75,081,041</u>	<u>80,355,549</u>	<u>70,707,728</u>
TOTAL	<u><u>\$ 405,051,191</u></u>	<u><u>\$ 409,810,918</u></u>	<u><u>\$ 396,600,509</u></u>

(a) Funds on deposit with the Bond Trustee. Reserve Funds are only available for debt service as specified in the Trust Indenture. Other amounts may include upcoming debt service payments deposited with the Trustee and IRS rebate amounts.

(b) Escrow accounts related to the Port's capital program.

PORT OF OAKLAND
STATEMENTS OF NET POSITION
DECEMBER 31, 2017, 2016 AND JUNE 30, 2017

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	Unaudited 12/31/17	Audited 06/30/17	Unaudited 12/31/16
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents			
Designated	\$ 72,455,762	\$ 70,689,386	\$ 70,689,386
Undesignated	257,514,388	258,765,983	255,203,395
Accounts receivable (less allowance) (12/17 \$515,959; 06/17 \$647,000; 12/16 \$1,066,936)	37,700,368	31,231,137	29,911,677
Restricted deposits with fiscal agent for current debt service	194	3	7
Accrued interest receivable	966,352	203,184	161,305
Prepaid expenses and other assets	9,475,171	4,155,418	1,901,404
Total current assets	<u>378,112,235</u>	<u>365,045,112</u>	<u>357,867,173</u>
RESTRICTED CASH AND INVESTMENTS:			
Bond funds and other	62,989,557	61,758,774	61,206,902
Passenger facility charges	6,241,191	9,348,447	55,503
Customer facility charges	5,850,098	9,248,325	9,445,316
Total restricted cash and investments	<u>75,080,847</u>	<u>80,355,546</u>	<u>70,707,722</u>
PROPERTY, PLANT AND EQUIPMENT:			
Land improvements	542,483	542,483	539,450
Buildings and improvements	852,272,530	852,272,530	852,256,173
Container cranes	148,697,264	148,697,264	148,697,264
Systems and structures	2,061,219,079	2,061,219,079	1,951,305,287
Intangibles - depreciable	13,843,567	13,843,567	13,843,567
Other equipment	97,817,164	99,979,602	97,475,911
	<u>3,174,392,087</u>	<u>3,176,554,525</u>	<u>3,064,117,651</u>
Less accumulated depreciation	<u>(1,744,198,707)</u>	<u>(1,694,202,892)</u>	<u>(1,639,660,554)</u>
	1,430,193,379	1,482,351,833	1,424,457,097
Land	523,382,116	523,382,116	523,375,695
Intangibles - nondepreciable	25,852,647	25,852,647	25,852,647
Construction in progress	221,747,970	143,255,830	201,731,993
Total property, plant and equipment	<u>2,201,176,112</u>	<u>2,174,842,427</u>	<u>2,175,417,432</u>
OTHER ASSETS	30,665,298	30,208,761	30,936,655
DEFERRED OUTFLOWS - PENSION CONTRIBUTIONS	56,311,079	56,311,079	16,386,265
TOTAL ASSETS	<u><u>\$ 2,741,345,571</u></u>	<u><u>\$ 2,706,762,924</u></u>	<u><u>\$ 2,651,315,246</u></u>
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Accounts payable and accrued expenses	\$ 57,254,254	\$ 63,407,888	\$ 55,353,327
Liability to City of Oakland	8,685,694	10,197,226	5,112,619
Unearned income-current portion	4,698,475	5,402,661	6,506,943
Payable from restricted assets:			
Accrued interest payable	7,465,751	8,319,358	8,354,831
Current maturities of long-term debt	18,119,067	57,151,003	53,783,193
Retentions on construction contracts	7,448,363	6,037,251	5,501,761
Total current liabilities	<u>103,671,604</u>	<u>150,515,386</u>	<u>134,612,673</u>
LONG-TERM LIABILITIES:			
Long-term debt	1,055,421,541	1,054,479,729	1,066,258,740
Unearned income	27,341,068	27,341,068	28,592,723
Environmental liabilities and other	48,157,803	47,803,055	46,978,174
Net pension liabilities	204,078,476	204,078,476	177,204,362
Deferred inflows - Non-pension contributions	20,809,319	20,809,319	11,562,689
Total long-term liabilities	<u>1,355,808,206</u>	<u>1,354,511,646</u>	<u>1,330,594,688</u>
NET POSITION:			
Reserved retained earnings:			
Grants from government agencies	445,400,291	408,444,846	427,161,850
Passenger facility charges	289,084,283	276,220,217	295,530,148
Customer facility charges	17,305,848	17,003,442	16,961,779
Port equity:			
City of Oakland	(58,477,544)	(58,477,544)	(58,477,544)
Appraisal surplus	3,004,335	3,004,335	3,004,335
Land conveyed to Port	24,746,000	24,746,000	24,746,000
Retained earnings	560,802,547	530,794,595	477,181,316
Total net position	<u>1,281,865,761</u>	<u>1,201,735,891</u>	<u>1,186,107,885</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 2,741,345,571</u></u>	<u><u>\$ 2,706,762,924</u></u>	<u><u>\$ 2,651,315,246</u></u>

**PORT OF OAKLAND
ACTUAL VS. BUDGET REVENUE AND EXPENSES
SIX MONTHS ENDED DECEMBER 31, 2017**

**UNAUDITED
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Division	Actual 12/31/17	Budget 12/31/17	\$ Variance	% Variance	Actual 12/31/16
Operating Revenues					
Aviation	\$ 99,880,992	\$ 97,735,751	\$ 2,145,241	2.2%	\$ 92,201,545
Maritime	83,458,821	79,898,226	3,560,595	4.5%	80,156,516
CRE	8,566,740	8,487,130	79,610	0.9%	8,506,704
Utilities	7,912,911	6,924,500	988,411	14.3%	7,072,581
Total Operating Revenue	199,819,465	193,045,607	6,773,858	3.5%	187,937,345
Operating Expenses					
Aviation	(46,396,895)	(49,284,718)	2,887,822	5.9%	(42,800,623)
Maritime	(4,783,547)	(5,716,110)	932,563	16.3%	(5,121,075)
CRE	(3,035,868)	(3,187,676)	151,808	4.8%	(2,970,484)
Engineering & Environmental	(15,971,246)	(18,236,661)	2,265,415	12.4%	(14,596,554)
Utilities Cost of Sales	(3,375,488)	(3,542,500)	167,012	4.7%	(3,137,097)
Executive	(2,262,984)	(3,000,009)	737,026	24.6%	(2,186,264)
Board of Port Commissioners	(204,165)	(290,985)	86,820	29.8%	(248,568)
Audit Services	(606,725)	(734,508)	127,783	17.4%	(675,245)
Port Attorney	(2,006,258)	(2,433,421)	427,163	17.6%	(1,939,874)
Finance & Administration	(9,203,854)	(9,908,179)	704,325	7.1%	(7,386,026)
Non-Departmental Expenses	(12,748,205)	(13,374,416)	626,211	4.7%	(13,674,229)
Absorption of Labor and Overhead to					
Capital Assets	3,688,410	4,463,186	(774,776)	-17.4%	3,031,950
Depreciation & Amortization	(52,707,123)	(53,835,140)	1,128,017	2.1%	(51,712,979)
Total Operating Expenses	(149,613,947)	(159,081,137)	9,467,190	6.0%	(143,417,068)
Operating Income (A)	50,205,518	33,964,470	16,241,047	47.8%	44,520,278
Non-Operating Items					
Interest Income	2,012,915	1,153,016	859,899	74.6%	911,612
Interest Expense	(20,992,706)	(23,488,061)	2,495,355	10.6%	(24,155,299)
Passenger Facility Charges (PFCs)	12,864,066	13,048,520	(184,454)	-1.4%	11,866,333
Customer Facility Charges (CFCs)	2,853,614	3,120,725	(267,111)	-8.6%	3,013,633
Other Income (Expenses)	(1,217,775)	299,222	(1,516,997)	507.0%	(1,043,487)
Gain on Lease Termination	-	-	-	0.0%	5,525,773
CFC Reimbursements Expense ⁽¹⁾	(2,551,207)	(2,547,000)	(4,207)	-0.2%	(2,356,068)
(B)	(7,031,093)	(8,413,579)	1,382,485	16.4%	(6,237,503)
Change in Net Position before					
Capital Contributions (A+B)	43,174,424	25,550,892	17,623,533		38,282,774
Capital Contributions					
Grants from Government Agencies	36,955,446	48,682,337	(11,726,891)	-24.1%	5,279,266
(C)	36,955,446	48,682,337	(11,726,891)	-24.1%	5,279,266
CHANGE IN NET POSITION (A+B+C)	\$ 80,129,870	\$ 74,233,229	\$ 5,896,641	7.9%	\$ 43,562,040

(1) Prior year CFC reimbursed expenses were reclassified for comparative purposes.

PORT OF OAKLAND
Actual vs. Budget Expenses by Category
Six Months Ended December 31, 2017

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	<u>Actual</u> <u>12/31/17</u>	<u>Budget</u> <u>12/31/17</u>	<u>\$</u> <u>Variance</u>	<u>%</u> <u>Variance</u>
<u>Operating Expenses</u>				
Personnel Services	\$ (54,022,564)	\$ (55,856,652)	\$ 1,834,088	3.3%
Contractual Services	(34,767,216)	(39,388,282)	4,621,066	11.7%
Supplies	(2,341,231)	(2,142,914)	(198,317)	-9.3%
General and Administrative	(6,386,225)	(8,958,758)	2,572,533	28.7%
Utilities Cost of Sales	(3,375,488)	(3,542,500)	167,012	4.7%
Departmental Credits	3,985,900	4,643,110	(657,210)	-14.2%
Subtotal	(96,906,824)	(105,245,997)	8,339,173	7.9%
Depreciation & Amortization	(52,707,123)	(53,835,140)	1,128,017	2.1%
Total Operating Expenses	\$ (149,613,947)	\$ (159,081,137)	\$ 9,467,190	6.0%

Port of Oakland
Actual vs. Budget Aviation Revenue
For the Six Months Ended December 31, 2017

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	ACTUAL 12/31/17	BUDGET 12/31/17	\$ VARIANCE	% VARIANCE
TERMINAL RENT	\$ 22,315,578	\$ 21,578,410	\$ 737,168	3.4%
TERMINAL CONCESSIONS	11,945,503	11,122,150	823,353	7.4%
OTHER TERMINAL REVENUE (a)	7,201,242	6,732,896	468,346	7.0%
TERMINAL RENTALS & CONCESSIONS	41,462,324	39,433,457	2,028,867	5.1%
PARKING	17,832,969	18,037,122	(204,153)	-1.1%
GROUND ACCESS	3,596,088	3,759,591	(163,503)	-4.3%
PARKING AND GROUND ACCESS	21,429,057	21,796,713	(367,656)	-1.7%
OTHER AIRPORT RENTALS (b)	15,082,842	15,473,508	(390,666)	-2.5%
LANDING FEES	18,608,700	18,039,021	569,679	3.2%
OTHER FIELD REVENUE (c)	2,015,848	1,374,222	641,626	46.7%
AVIATION FUELING	1,171,017	1,556,984	(385,967)	-24.8%
MISCELLANEOUS REVENUE (d)	111,204	61,846	49,358	79.8%
TOTAL AVIATION OPERATING REVENUE	99,880,992	97,735,751	2,145,241	2.2%
BAD DEBT RESERVE	-	-	-	0.0%
TOTAL AVIATION REVENUE	\$ 99,880,992	\$ 97,735,751	\$ 2,145,241	2.2%

(Continued)

Port of Oakland
Actual vs. Budget Aviation Revenue
For the Six Months Ended December 31, 2017

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(a) Other Terminal Revenue

This category includes primarily terminal use fees for charter/itinerant airlines, baggage carousel/conveyor fees, customs room usage, identification badge sales & fingerprinting, and vending machine sales not associated with concession tenants.

(b) Other Airport Rentals

This category includes rental of land (e.g., vehicle/aircraft parking, rights-of-way); billboards; buildings; hangar and hangar areas; commercial filming; tank farm fuel fees; as well as cargo building, land, and apron rental.

(c) Other Field Revenue

This category includes plane storage, in-flight catering, ground handling, and cargo handling revenue.

(d) Miscellaneous Revenue

This category includes one-time and recurring revenues that are usually not directly related to Airport operations. The majority of miscellaneous revenue is associated with the Port's Materials Management Program and janitorial services provided by the Port at TSA's Airport offices. Other revenue may include, for example, payments for the rental of Airport conference rooms.

Port of Oakland
Actual vs. Budget Maritime Revenue
For the Six Months Ended December 31, 2017

**UNAUDITED
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	ACTUAL 12/31/17	BUDGET 12/31/17	\$ VARIANCE	% VARIANCE
MARINE TERMINAL RENT	\$ 65,673,415	\$ 61,864,159	\$ 3,809,256	6.2%
RAIL TERMINAL RENT	1,463,102	1,382,490	80,612	5.8%
OTHER RENT (a)	16,322,304	16,776,577	(454,273)	-2.7%
TOTAL MARITIME OPERATING REVENUE	83,458,821	80,023,226	3,435,595	4.3%
BAD DEBT RESERVE	-	(125,000)	125,000	100.0%
TOTAL MARITIME REVENUE	<u>\$ 83,458,821</u>	<u>\$ 79,898,226</u>	<u>\$ 3,560,595</u>	4.5%

(a) **Other Rent**

This category primarily includes land and facility rental revenue from non-marine/rail terminal tenants.
Examples include: truck parking and transloading tenants.

Port of Oakland
Actual vs. Budget CRE Revenue
For the Six Months Ended December 31, 2017

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	ACTUAL 12/31/17	BUDGET 12/31/17	\$ VARIANCE	% VARIANCE
SPACE RENTAL				
Land	\$ 573,839	\$ 548,951	\$ 24,888	4.5%
Building with Land	300,133	289,650	10,483	3.6%
Warehouse Lease	875,462	852,300	23,162	2.7%
Hotel	1,919,841	1,907,621	12,220	0.6%
Restaurant	936,012	944,367	(8,355)	-0.9%
Retail	1,116,521	1,043,464	73,057	7.0%
Office Lease	1,143,839	1,138,379	5,460	0.5%
Marinas Revenue	11,854	11,334	520	4.6%
Subtotal	6,877,501	6,736,066	141,435	2.1%
PARKING REVENUE				
Parking Revenue - Parking Lot Revenue	1,309,305	1,372,356	(63,051)	-4.6%
Subtotal	1,309,305	1,372,356	(63,051)	-4.6%
MISCELLANEOUS REVENUE				
Miscellaneous Revenue (a)	49,452	82,414	(32,962)	-40.0%
Billboard Advertising Revenue	330,364	296,294	34,070	11.5%
Delinquency Charge	118	-	118	100.0%
Subtotal	379,934	378,708	1,226	0.3%
TOTAL CRE OPERATING REVENUE	8,566,740	8,487,130	79,610	0.9%
BAD DEBT RESERVE	-	-	-	0.0%
TOTAL CRE REVENUE	\$ 8,566,740	\$ 8,487,130	\$ 79,610	0.9%

(a) Miscellaneous Revenue

This category includes recurring and one-time revenues that are not part of the Space Rental revenue category. Examples include: easements, antennae and bank teller machines on/in Port-owned buildings, and ancillary development-related transactions.

Port of Oakland
Activity Summary Report
For the Six Months Ended December 31, 2017

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	Actual	Budget	Variance to Budget	Variance to Budget (%)	Prior Year Actual	Variance to Prior Year Actual	Variance to Prior Year Actual (%)
AVIATION ACTIVITY							
Total Passengers							
July	1,235,511	1,214,607	20,904	1.7%	1,132,191	103,320	9.1%
August	1,226,648	1,196,373	30,275	2.5%	1,110,385	116,263	10.5%
September	1,083,301	1,077,678	5,623	0.5%	1,017,790	65,511	6.4%
October	1,140,921	1,101,798	39,123	3.6%	1,076,759	64,162	6.0%
November	1,111,124	1,081,061	30,063	2.8%	1,037,378	73,746	7.1%
December	1,086,388	1,112,984	(26,596)	-2.4%	1,030,516	55,872	5.4%
January							
February							
March							
April							
May							
June							
Year to Date	6,883,893	6,784,502	99,391	1.5%	6,405,019	478,874	7.5%
Aircraft Landing Weights * (000 lbs)							
July	964,788	922,551	42,237	4.6%	885,580	79,208	8.9%
August	1,000,732	948,269	52,463	5.5%	904,922	95,810	10.6%
September	912,995	905,329	7,666	0.8%	835,597	77,398	9.3%
October	954,911	938,503	16,408	1.7%	864,185	90,726	10.5%
November	942,173	919,777	22,396	2.4%	848,187	93,986	11.1%
December	1,042,427	1,067,477	(25,050)	-2.3%	978,980	63,447	6.5%
January							
February							
March							
April							
May							
June							
Year to Date	5,818,026	5,701,907	116,119	2.0%	5,317,451	500,575	9.4%

* Includes passenger and air cargo carriers. Excludes non-revenue passenger flights.

Port of Oakland
Activity Summary Report
For the Six Months Ended December 31, 2017

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	Actual	Budget	Variance to Budget	Variance to Budget (%)	Prior Year Actual	Variance to Prior Year Actual	Variance to Prior Year Actual (%)
MARITIME ACTIVITY							
Loaded (Full) TEUs**							
July	159,656	158,297	1,359	0.9%	158,058	1,598	1.0%
August	155,039	161,794	(6,755)	-4.2%	161,487	(6,448)	-4.0%
September	153,497	152,536	961	0.6%	146,629	6,868	4.7%
October	162,634	161,622	1,012	0.6%	161,475	1,159	0.7%
November	149,372	156,257	(6,885)	-4.4%	159,091	(9,719)	-6.1%
December	159,193	153,322	5,871	3.8%	152,597	6,596	4.3%
January							
February							
March							
April							
May							
June							
Year to Date	939,391	943,828	(4,437)	-0.5%	939,337	54	0.0%
Vessel Calls							
July	137	153	(16)	-10.5%	153	(16)	-10.5%
August	138	156	(18)	-11.5%	157	(19)	-12.1%
September	134	145	(11)	-7.6%	139	(5)	-3.6%
October	133	145	(12)	-8.3%	140	(7)	-5.0%
November	128	140	(12)	-8.6%	141	(13)	-9.2%
December	140	143	(3)	-2.1%	136	4	2.9%
January							
February							
March							
April							
May							
June							
Year to Date	810	882	(72)	-8.2%	866	(56)	-6.5%

** Loaded TEUs does not include restows/shifts

Port of Oakland
Revenue Actual vs. Budget Variance
Six Months Ended December 31, 2017

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OPERATING REVENUE

Port Operating Revenue = **\$199.8 million**
Variance to Budget (\$) = **\$6.8 million (better)**
Variance to Budget (%) = **3.5% (better)**

Aviation - \$99.9 million

Better than budget by \$2.1 million or 2.2%

- Higher terminal rents (\$0.7 million)
- Higher customs room use (\$0.5 million)
- Higher in-flight catering and ground handling revenue (net \$0.6 million)
- Higher car rental revenues due to new contract (\$0.4 million)
- Higher landing fees (\$0.6 million)
- Higher concessions revenue primarily for restaurant/bar and newsstands revenues of \$0.4 million reflecting higher passenger traffic
- Lower hangar rent (-\$0.3 million)
- Lower parking revenue (-\$0.1 million)
- Lower fueling rent at OFFC and retail fueling (net -\$0.4 million)
- Lower land rent at rental car center (-\$0.1 million)
- Lower ground transportation fees (-\$0.2 million)

Maritime - \$83.4 million

Better than budget by \$3.5 million or 4.5%

- Higher than budgeted over MAG activity at two marine terminals (net \$3.7 million)
- Higher other terminal revenue (\$0.1 million)
- Lower space assignment revenue (\$0.3 million)
- Lower truck parking revenue (-\$0.1 million)

Commercial Real Estate - \$8.6 million

Better than budget by \$80k or 0.9%

- Higher retail rents (\$73k)
- Higher rents from warehouse and land (net \$59k)
- Higher billboards revenue (\$34k)
- Higher rents from hotel and offices (net \$18k)
- Lower parking revenue at JLS (-\$63k)
- Lower miscellaneous revenue (-\$33k)
- Lower restaurant rent in JLS (-\$8k)

Utilities - \$7.9 million

Better than budget by \$1.0 million or 14.3%

- Higher shore power electricity usage (\$0.7 million)
- Higher electricity usage in maritime area due to additional cargo volume (\$0.3 million)

Port of Oakland
Expense Actual vs. Budget Variance
Six Months Ended December 31, 2017

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EXPENSES by CATEGORY

Port Operating Expenses* = \$96.9 million
Variance to Budget (\$) = \$8.3 million (better)
Variance to Budget (%) = 7.9% (better)

Personnel Services - \$54.0 million

Better than budget by \$1.8 million or 3.3%

- 452 FTEs as of 12/31/17 vs. budgeted 477 FTEs (502 FTEs with vacancy factor of 25 FTEs)
- Open headcount savings (\$2.8 million) - *Various divisions*
- Lower workers' compensation (\$0.5 million) - *Non-departmental*
- Lower retiree medical expense (\$0.4 million) - *Non-departmental*
- Lower professional development (\$0.1 million) - *Various divisions*
- Lower medical premiums (\$0.1 million) - *Various divisions*
- Lower continuing education/training/seminar (\$0.1 million) - *Various divisions*
- Higher pension costs due to timing (\$0.4 million) - *Various divisions*
- Higher overtime and temporary help (-\$1.8 million) - *Aviation, Engineering, Finance*

Contractual Services - \$34.8 million

Better than budget by \$4.6 million or 11.7%

- Lower legal, consulting, and computer systems (net \$1.9 million) - *Various divisions*
- Lower parking and ground transportation (\$0.8 million) - *Aviation, CRE, and Maritime*
- Lower crane maintenance and major maritime maintenance (net \$0.7 million) - *Engineering*
- Lower security costs (\$0.5 million) - *Maritime, Aviation*
- Lower Alameda County Sheriff (\$0.4 million) - *Aviation*
- Lower maintenance & repairs (\$0.3 million)

Supplies - \$2.3 million

Worse than budget by \$0.2 million or -9.3% - *Aviation*

General and Administrative - \$6.4 million

Better than budget by \$2.6 million or 28.7%

- Lower marketing and exhibits & displays (\$0.9 million) - *Aviation*
- Lower legal contingency (\$0.7 million) - *Non-departmental*
- Lower sponsorships, community outreach, and special events (net \$0.2 million) - *Executive*
- Lower Port-wide contingency (\$0.2 million) - *Non-departmental and Maritime*
- Lower travel (\$0.2 million) - *Various*
- Lower pollution remediation and miscellaneous income (net \$0.2 million) - *Various*
- Lower Port-use utilities (\$0.1 million) - *Non-departmental*

Utilities Cost of Sales - \$3.4 million

Better than budget by \$0.2 million or 4.7%

- Lower electricity in the maritime area (net \$303k) and at the Airport (\$32k) partially offset by higher shore power usage (-\$155k) and water (-\$13k)

Departmental Credits - (\$4.0) million

Worse than budget by \$0.6 million or -14.2% due to less direct labor charged to capital projects from airport facilities maintenance, environmental project planning, and design specifications

* Excludes depreciation & amortization

General Notes:

- "Revenue divisions" are collectively Aviation, Maritime, Commercial Real Estate (CRE)
- Where applicable, primary source of variance by division is noted after each item.
- In general, the Port's annual budget is seasonally adjusted. However, certain line items that cannot be seasonally adjusted with any level of predictability (e.g. legal contingency) and are simply allocated equally over 12 months.

FY 2017-18 CAPITAL IMPROVEMENT PLAN (CIP)

SUMMARY FOR THE QUARTER ENDING 12/31/17

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(\$ Thousands)

Total Planned Budget = \$201.7

Actual Capital Expenditures in Comparison to Planned Budget = 40%

71% of Expenditures funded with Grants, PFCs, and PFC-eligible CP Notes

EXPENDITURE SUMMARY

Divisions	Expenditures 7/1/17 - 12/31/17	Total Approved Budget	Remaining Approved Budget	Remaining Pipeline Budget	FY 17-18 CIP	5 Year CIP ¹
	[A]	[B]	[B-A]	[C]	[B +C]	
Aviation	75,312	131,519	56,207	20,634	152,153	379,093
Maritime	5,320	38,808	33,488	8,055	46,863	126,072
CRE	28	1,883	1,855	226	2,109	6,458
Support	194	543	348	0	543	1,343
Total	80,855	172,753	91,898	28,915	201,668	512,966

FUNDING SUMMARY

Funding Source	Funding Sources 7/1/17 - 12/31/17	FY 17-18 Total Approved Budget	5 Year CIP ¹
Aviation Grants ²	36,772	53,328	102,754
Maritime Grants/Other	123	10,701	12,077
PFC Pay-Go	12,290	22,788	49,483
Debt Proceeds (PFC)	5,945	24,287	24,287
CFCs	2,517	2,000	13,000
Cash	23,208	88,564	311,364
Total	80,855	201,668	512,966

¹ 5-Year CIP includes FY 2017-18 through FY 2021-22.

² Includes grant eligible costs for which reimbursement by the granting agencies is pending. Reimbursement timing lags vary by grant.

FY 2017 - 2018 CAPITAL IMPROVEMENT PLAN SUMMARY

Expenditure By Division and Projects

For the Quarter Ending 12/31/17

(\$ Thousands)

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DIVISIONS	Expenditures 7/1/17-12/31/17	FY17-18 Total Approved	FY17-18 Remaining Approved	FY17-18 Remaining Pipeline	FY17-18 CIP	5YR CIP
	[A]	[B]	[B-A]	[C]	[B+C]	
AVIATION						
Airfield						
Runway 12/30 Rehabilitation	48,742	59,600	10,858	0	59,600	61,869
Perimeter Dike Improvements	573	1,732	1,159	4,068	5,800	46,350
Taxiway Improvements	82	300	218	0	300	36,840
Apron Hangar Improvements	0	0	0	0	0	17,480
Terminal 1 GSE Electrification	37	4,145	4,108	0	4,145	4,800
Other Projects	1,654	5,690	4,036	1,123	6,813	19,226
Subtotal Airfield	51,087	71,467	20,380	5,191	76,658	186,565
Terminal						
Terminal 1 Renovation & Retrofit	8,572	17,000	8,428	4,115	21,115	39,620
International Arrivals Building Upgrades	10,956	21,200	10,244	500	21,700	26,700
Terminal 2 Projects	561	12,303	11,742	2,737	15,040	42,323
Subtotal Terminal	20,089	50,503	30,414	7,352	57,855	108,643
Leased Area ¹	2,482	1,000	(1,482)	0	1,000	15,413
Ground Access and Parking						
PARC System Upgrade	452	3,757	3,304	121	3,878	5,749
Airport Drive	0	2	2	0	2	4,702
Other Projects	5	0	(5)	1,640	1,640	6,490
Subtotal Ground Access & Parking	458	3,759	3,301	1,761	5,520	16,941
Security	62	1,584	1,522	2,585	4,169	16,364
Utilities	288	574	286	3,225	3,799	24,099
Facilities Maintenance	0	0	0	520	520	5,640
Other	846	2,632	1,786	0	2,632	5,428
TOTAL AVIATION	75,312	131,519	56,207	20,634	152,153	379,093

¹ Project schedule delayed in FY17 due to unforeseen conditions; current expenditures remain within Board approved project budget; additional budget may be requested in FY18.

FY 2017 - 2018 CAPITAL IMPROVEMENT PLAN SUMMARY

Expenditure By Division and Projects For the Quarter Ending 12/31/17

(\$ Thousands)

DRAFT

DIVISIONS	Expenditures 7/1/17-12/31/17	FY17-18 Total Approved	FY17-18 Remaining Approved	FY17-18 Remaining Pipeline	FY17-18 CIP	5YR CIP
	[A]	[B]	[B-A]	[C]	[B+C]	
MARITIME						
Marine Terminals						
Wharf Upgrades for 18K TEU Vessels ²	305	3,271	2,966	0	3,271	5,500
Wharf Pile Stabilization Program	0	50	50	700	750	2,750
Other Projects	212	2,050	1,838	0	2,050	5,300
Subtotal Marine Terminals	517	5,371	4,854	700	6,071	13,550
Cranes	467	7,620	7,153	0	7,620	15,100
Security	125	75	(50)	1,025	1,100	7,200
Seaport Logistics Center	3,558	5,550	1,992	1,000	6,550	25,050
Dredging	0	0	0	1,000	1,000	2,000
Utilities	44	850	806	0	850	27,800
Roadway	364	1,800	1,436	3,000	4,800	14,400
Rail Infrastructure at Maritime Support Center (Cool Port)	246	15,300	15,054	0	15,300	12,500
Other Projects	0	2,242	2,242	1,330	3,572	8,472
TOTAL MARITIME	5,320	38,808	33,488	8,055	46,863	126,072
COMMERCIAL REAL ESTATE						
Jack London Square	0	0	0	95	95	664
Embarcadero Cove	0	1,558	1,558	40	1,598	1,598
Business Park	0	0	0	91	91	603
Other	28	325	297	0	325	3,593
TOTAL COMMERCIAL REAL ESTATE	28	1,883	1,855	226	2,109	6,458
SUPPORT						
Equipment and Systems	194	543	348	0	543	1,343
TOTAL SUPPORT	194	543	348	0	543	1,343
TOTAL	80,855	172,753	91,898	28,915	201,668	512,966

² FY18 CIP increased \$1M due to unexpected costs for crane raising-related work; project cost and scope remain within Board approved project budget.