

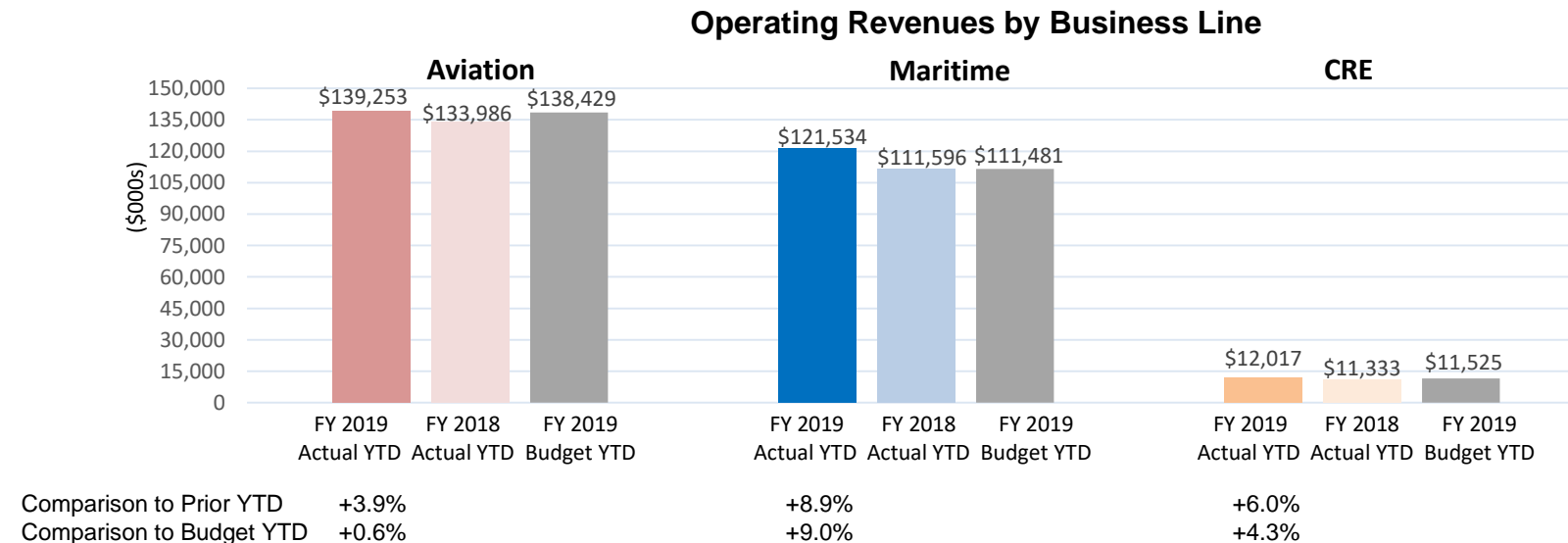
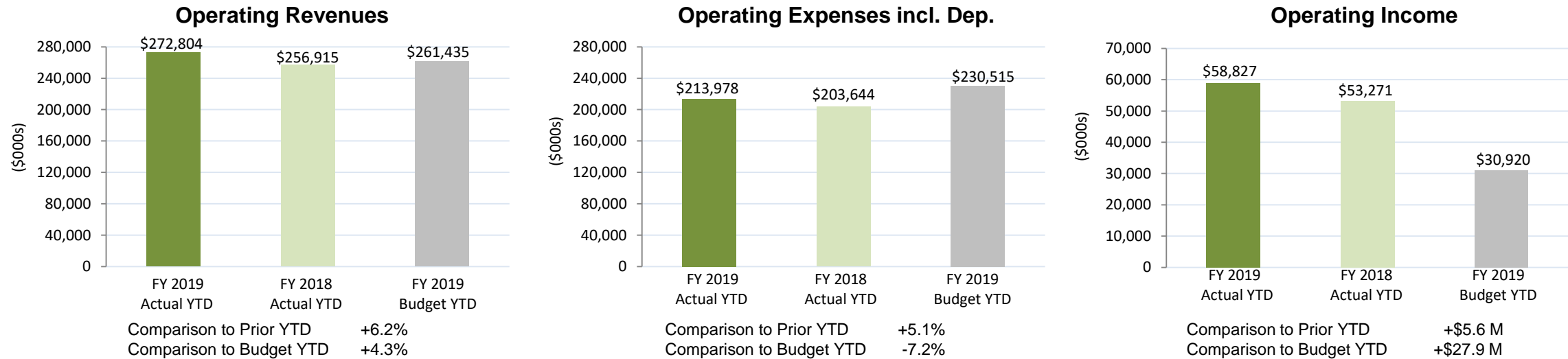


Eight Months Ending
February 28, 2019
Financial Highlights
Unaudited Results

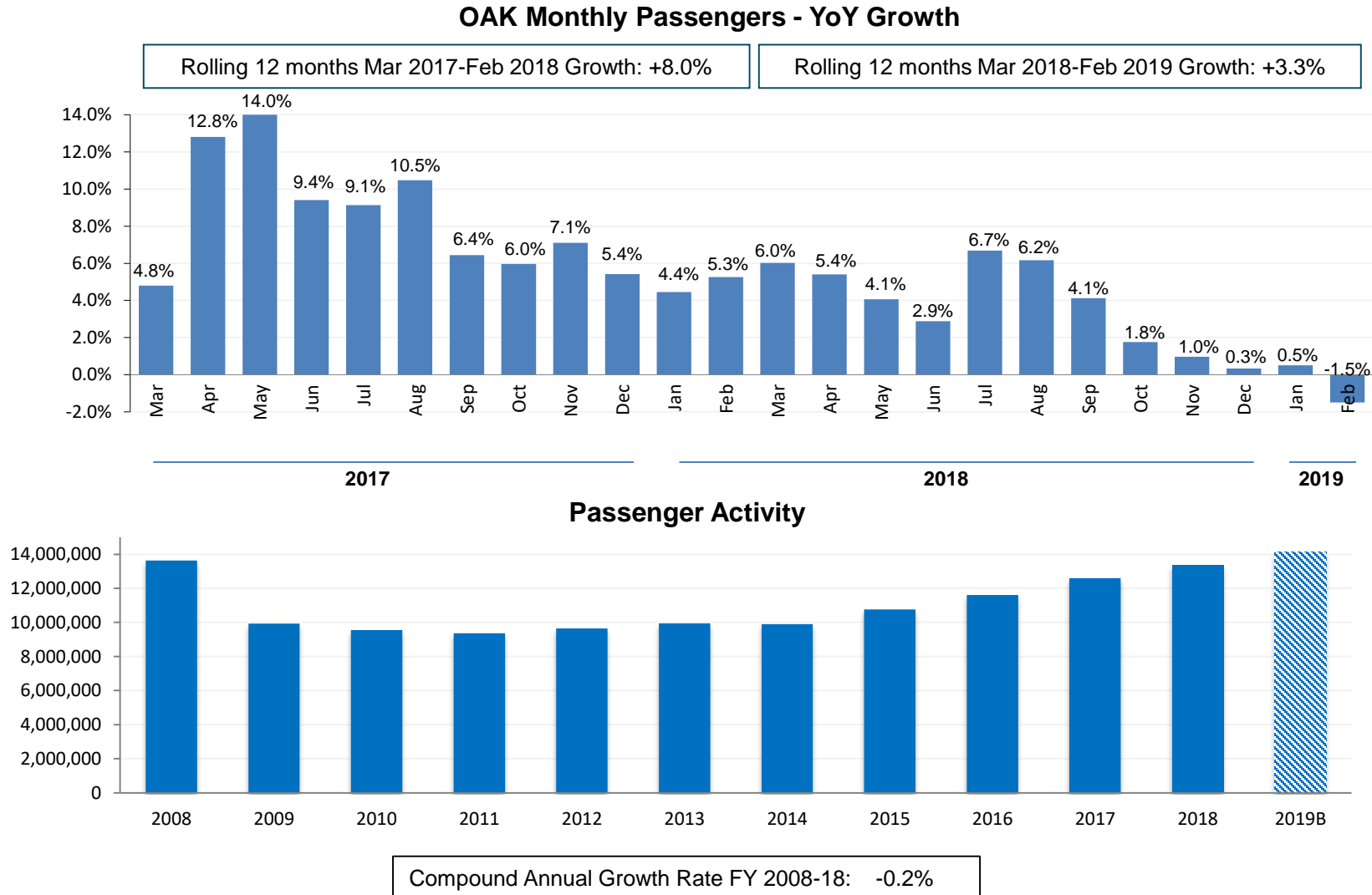
Board of Port Commissioners Meeting
April 25, 2019

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.

For the first 8 months of FY 2019, Port-wide financial performance has exceeded last year's performance and this year's budget/expectations.



For the first 8 months of FY 2019, passenger growth was 2.6%, which is lagging the budget / expectations.



Aviation Revenues

(\$000s)

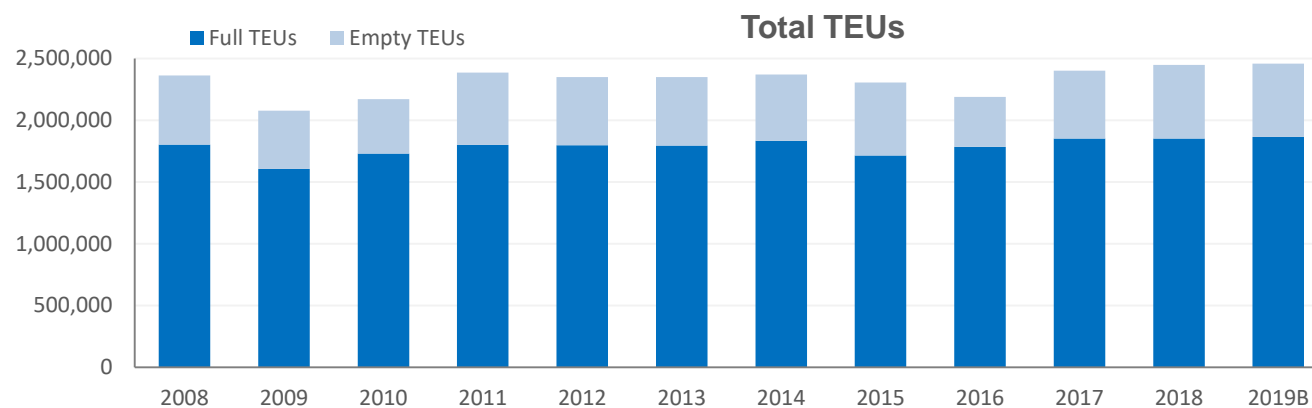
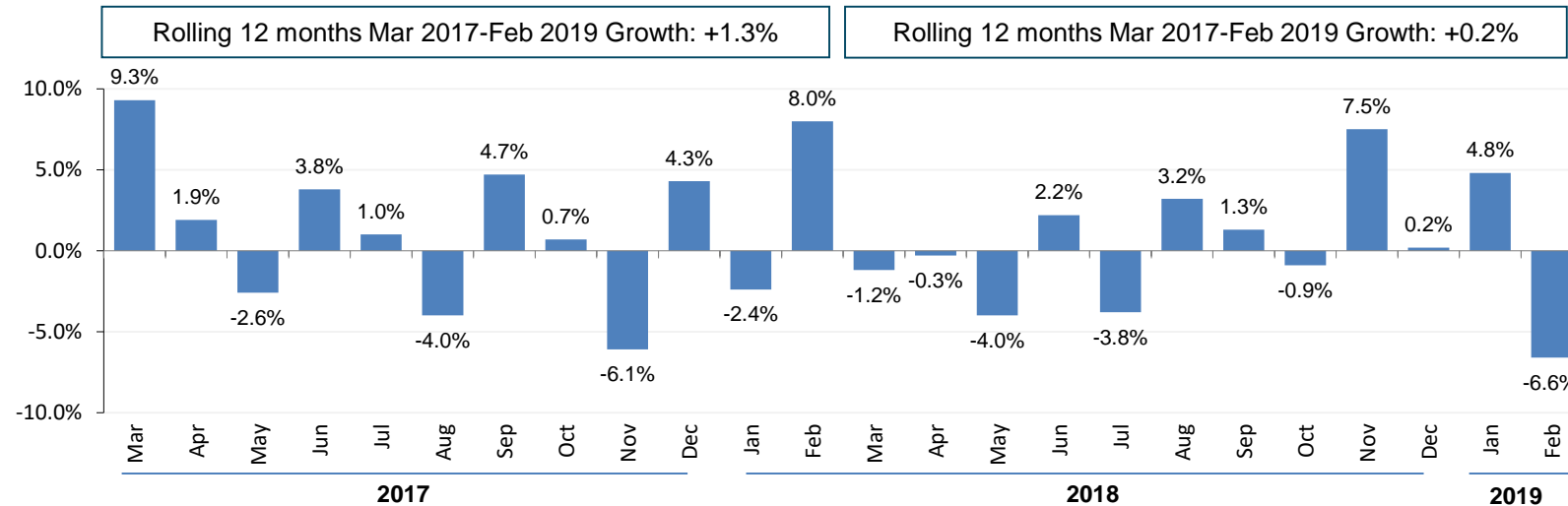
| Aviation Revenue Breakdown | Unaudited 8 Months Ended Feb 2019 | Comparison to 8 Months Ended Feb 2019 Budget | | Comparison to 8 Months Ended Feb 2018 Actual | |
|-------------------------------------|---|--|-------------|--|-------------|
| | \$ | \$ | % | \$ | % |
| Passenger Airline Revenue | | | | | |
| Terminal Rental ⁽¹⁾ | \$39,814 | \$778 | 2.0% | \$3,097 | 8.4% |
| Landing Fees (excl. Cargo Airlines) | 16,880 | (911) | (5.1) | 159 | 0.9 |
| Total Airline Revenues | 56,693 | (133) | (0.2) | 3,256 | 6.1 |
| Parking | 22,988 | (689) | (2.9) | (197) | (0.9) |
| Lease Rentals | 20,409 | (987) | (4.6) | 168 | 0.8 |
| Rental Car | 8,202 | 202 | 2.5 | 241 | 3.0 |
| Landing Fees - Cargo Airline | 7,831 | 473 | 6.4 | 278 | 3.7 |
| Concessions | 6,983 | 387 | 5.9 | (65) | (0.9) |
| Ground Access | 6,077 | 625 | 11.5 | 1,383 | 29.5 |
| Other ⁽²⁾ | 5,532 | 687 | 14.2 | 179 | 3.3 |
| Utility Sales | 2,870 | 569 | 24.7 | (55) | (1.9) |
| Aviation Fueling | 1,669 | (309) | (15.6) | 81 | 5.1 |
| Total Operating Revenues | \$139,253 | \$824 | 0.6% | \$5,267 | 3.9% |

(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.

For the first 8 months of FY 2019, full TEU growth was 0.7%, which is consistent with the budget / expectations.

Monthly Full TEUs - YoY Change



| | Full TEUs | Total TEUs |
|---|-----------|------------|
| Compound Annual Growth Rate FY 2008-18: | 0.3% | 0.4% |

| | FY 2019 YTD |
|--------------|--------------|
| Full Exports | (4.9%) |
| Full Imports | 6.3% |
| Full TEUs | 0.7% |
| Empty TEUs | 23.7% |
| Total TEUs | 6.3% |

Maritime Revenues

(\$000s)

| Maritime Revenue Breakdown | Unaudited 8 Months Ended Feb 2019 \$ | Comparison to 8 Months Ended Feb 2019 Budget Better / (Worse) \$ % | | Comparison to 8 Months Ended Feb 2018 Actual Better / (Worse) \$ % | |
|---|---|--|-------|--|-------|
| Marine Terminal Revenue | | | | | |
| Minimum Annual Guarantee (MAG) | \$60,282 | \$124 | 0.2% | \$7,402 | 14.0% |
| Revenues in excess of MAG | 26,247 | 3,707 | 16.4 | (774) | (2.9) |
| Miscellaneous Terminal Rentals ⁽¹⁾ | 780 | (61) | (7.3) | 588 | 306.0 |
| Total Terminal Revenues | 87,309 | 3,769 | 4.5 | 7,215 | 9.0 |
| Space Assignment | 16,467 | 3,270 | 24.8 | (915) | (5.3) |
| Utility Sales | 9,818 | 1,502 | 18.1 | 2,475 | 33.7 |
| Ancillary Services | 5,193 | 564 | 12.2 | 393 | 8.2 |
| Oakland International Gateway | 2,747 | 947 | 52.6 | 770 | 38.9 |
| Total Operating Revenues | 121,534 | 10,053 | 9.0% | 9,938 | 8.9% |

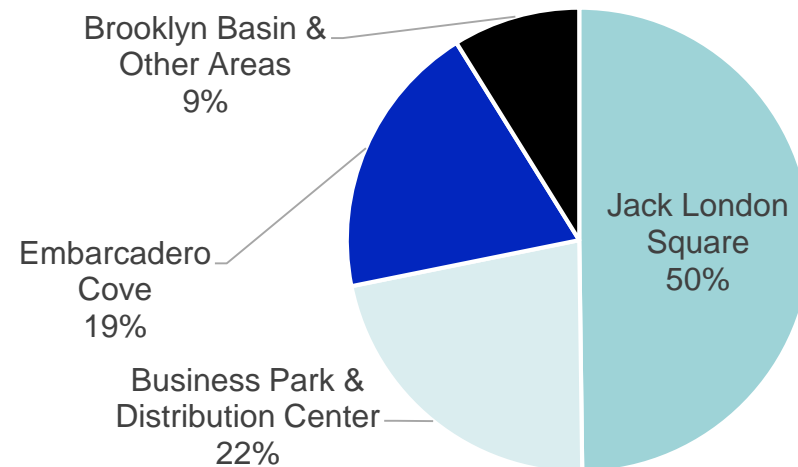
(1) Includes bunkering fuel and water lease.

CRE Revenues

(\$000s)

| CRE Revenue Breakdown | Unaudited 8 Months Ended Feb 2019 \$ | Comparison to 8 Months Ended Feb 2019 Budget Better / (Worse) | | Comparison to 8 Months Ended Feb 2018 Actual Better / (Worse) | |
|---------------------------------|---|--|-------------|--|-------------|
| | | \$ | % | \$ | % |
| Space Rental | \$9,579 | \$368 | 6.6% | \$544 | 6.0% |
| Parking | 1,887 | 179 | 8.2 | 151 | 8.7 |
| Miscellaneous Revenue | 484 | (54) | (2.1) | (11) | (2.3) |
| Utilities | 68 | (0) | (0.3) | 0 | 0.0 |
| Total Operating Revenues | \$12,017 | \$492 | 4.3% | \$684 | 6.0% |

Revenue By Area



Operating Expenses

(\$000s)

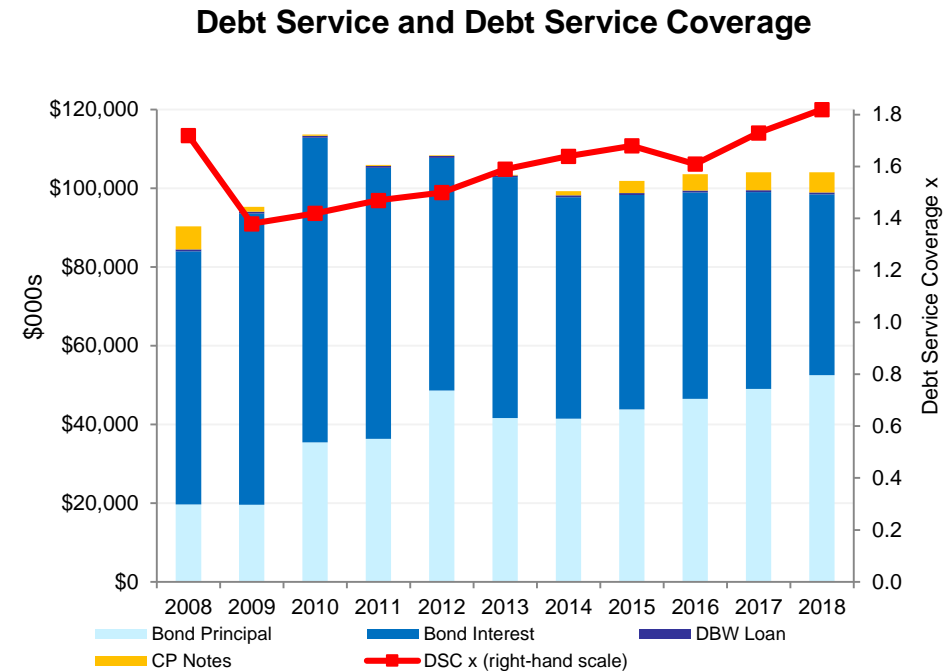
| | Unaudited 8 Months Ended Feb 2019 \$ | Comparison to 8 Months Ended Feb 2019 Budget Better / (Worse) \$ % | | Comparison to 8 Months Ended Feb 2018 Actual Better / (Worse) \$ % | |
|--------------------------------------|---|--|-------------|--|---------------|
| | | | | | |
| Personnel Costs | \$75,935 | \$2,319 | 3.0% | (3,989) | (5.5%) |
| Contractual Services | 47,716 | 12,054 | 20.2 | (1,281) | (2.8) |
| General & Administrative | 8,988 | 3,403 | 27.5 | (216) | (2.5) |
| Supplies | 3,833 | (991) | (34.9) | (641) | (20.1) |
| Utility Cost of Sales | 4,755 | 584 | 10.9 | (376) | (8.6) |
| Departmental Credits | (3,607) | (2,435) | (40.3) | (1,504) | (29.4) |
| Operating Expenses excl. Dep. | \$137,620 | \$14,934 | 9.8 | (\$8,006) | (6.2) |
| Depreciation | 76,357 | 1,604 | 2.1 | (2,327) | (3.1) |
| Total Operating Expenses | \$213,978 | \$16,538 | 7.2% | (\$10,333) | (5.1%) |

The Port's debt service payments are budgeted to total \$112.8 million in FY 2019.

(\$000s)

| Type of Debt | FY 2019 Debt Service | Outstanding Debt as of 2/28/19 ⁽¹⁾ |
|--|----------------------|---|
| Bonds | \$92,731 | \$855,355 |
| Department of Boating & Waterways Loan | 458 | 3,902 |
| Commercial Paper Notes | 19,608 | 98,075 |
| Total | \$112,797 | \$957,332 |

(1) Outstanding bonds are scheduled to be fully repaid in FY 2033. Includes \$645 thousand defeasance of Series 2012 P Bonds on 9/5/18.



- ❑ **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 (excluding repayments of outstanding CP Notes). Net revenues is operating revenues less operating expenses (excluding depreciation).

General Fund and Restricted Cash Balance

(\$000s)

| General Fund | Unaudited Feb 2019 | Unaudited Feb 2018 | Unaudited June 2018 |
|-------------------|-----------------------|-----------------------|------------------------|
| Debt Service Fund | 45,825 | 45,113 | 41,250 |
| Other | 303,020 | 239,804 | 254,452 |
| Total | \$348,845 | \$257,514 | \$284,917 |

| Restricted | Unaudited Feb 2019 | Unaudited Feb 2018 | Unaudited June 2018 |
|--------------------------------|-----------------------|-----------------------|------------------------|
| Board Reserves | 74,402 | 72,456 | 72,456 |
| Passenger Facility Charges | 8,656 | 4,444 | 13 |
| Customer Facility Charges | 3,652 | 4,829 | 5,142 |
| Contractor Retention in Escrow | 916 | 4,520 | 2,376 |
| Trustee Held Bond Reserves | 58,648 | 58,699 | 58,545 |
| Total | \$146,275 | \$144,948 | \$138,531 |

Note: Totals may not add due to rounding.

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PORT OF OAKLAND

Unaudited
Financial Results

February 28, 2019

- 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
FEBRUARY 28, 2019, 2018 AND JUNE 30, 2018**

**UNAUDITED
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| | Unaudited 02/28/19 | Audited 06/30/18 | Unaudited 02/28/18 |
|---|-------------------------------|------------------------------|-------------------------------|
| Unrestricted Cash: | | | |
| Board Reserves | \$ 74,402,003 | \$ 72,455,762 | \$ 72,455,762 |
| General Fund: | | | |
| Debt Service Fund | 45,824,789 | 41,249,944 | 45,113,319 |
| Other | 303,020,405 | 254,451,630 | 239,804,087 |
| Sub-total | <u>348,845,194</u> | <u>295,701,574</u> | <u>284,917,406</u> |
| Sub-total | <u>423,247,197</u> | <u>368,157,336</u> | <u>357,373,168</u> |
| Restricted Cash & Investments: | | | |
| Bond Reserves/Trustee Deposits (a) | 58,648,241 | 58,544,548 | 58,699,069 |
| Passenger Facility Charges | 8,656,279 | 12,608 | 4,443,739 |
| Customer Facility Charges | 3,652,319 | 5,141,837 | 4,828,910 |
| Other (b) | <u>916,442</u> | <u>2,375,879</u> | <u>4,520,389</u> |
| Sub-total | <u>71,873,280</u> | <u>66,074,872</u> | <u>72,492,107</u> |
| TOTAL | <u>\$ 495,120,477</u> | <u>\$ 434,232,208</u> | <u>\$ 429,865,275</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
FEBRUARY 28, 2019, 2018 AND JUNE 30, 2018**

**UNAUDITED
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| | Unaudited 02/28/19 | Audited 06/30/18 | Unaudited 02/28/18 |
|---|-------------------------|-------------------------|-------------------------|
| ASSETS | | | |
| CURRENT ASSETS: | | | |
| Cash and cash equivalents | | | |
| Designated | \$ 74,402,003 | \$ 72,455,762 | \$ 72,455,762 |
| Undesignated | 348,845,194 | 295,701,574 | 284,917,406 |
| Accounts receivable (less allowance) (02/19 \$540,000; 06/18 \$540,000; 02/18 \$515,959) | 32,523,008 | 47,501,050 | 33,592,601 |
| Restricted deposits with fiscal agent for current debt service | 19,360 | 26,789 | 8,108 |
| Accrued interest receivable | 330,376 | 330,376 | - |
| Prepaid expenses and other assets | 7,273,857 | 3,663,299 | 6,607,182 |
| Total current assets | 463,393,798 | 419,678,851 | 397,581,059 |
| RESTRICTED CASH AND INVESTMENTS: | | | |
| Bond funds and other | 59,545,323 | 60,893,638 | 63,211,350 |
| Passenger facility charges | 8,656,279 | 12,608 | 4,443,739 |
| Customer facility charges | 3,652,319 | 5,141,837 | 4,828,910 |
| Total restricted cash and investments | 71,853,921 | 66,048,083 | 72,483,999 |
| PROPERTY, PLANT AND EQUIPMENT: | | | |
| Land improvements | 542,483 | 542,483 | 542,483 |
| Buildings and improvements | 987,483,444 | 986,180,713 | 966,253,507 |
| Container cranes | 159,197,264 | 155,697,264 | 148,697,264 |
| Systems and structures | 2,135,691,503 | 2,116,925,742 | 2,125,396,754 |
| Intangibles - depreciable | 13,843,567 | 13,843,567 | 13,843,567 |
| Other equipment | 105,925,827 | 103,536,713 | 97,903,383 |
| | 3,402,684,088 | 3,376,726,482 | 3,352,636,959 |
| Less accumulated depreciation | (1,877,849,568) | (1,802,842,709) | (1,765,482,437) |
| | 1,524,834,520 | 1,573,883,773 | 1,587,154,522 |
| Land | 523,382,116 | 523,382,116 | 523,382,116 |
| Intangibles - nondepreciable | 25,852,647 | 25,852,647 | 25,852,647 |
| Construction in progress | 39,127,552 | 41,451,199 | 56,817,556 |
| Total property, plant and equipment | 2,113,196,836 | 2,164,569,735 | 2,193,206,841 |
| OTHER ASSETS | 30,602,278 | 30,296,796 | 30,867,493 |
| DEFERRED OUTFLOWS - PENSION CONTRIBUTIONS | 63,384,404 | 63,384,404 | 56,311,079 |
| TOTAL ASSETS | \$ 2,742,431,235 | \$ 2,743,977,869 | \$ 2,750,450,471 |
| LIABILITIES AND NET POSITION | | | |
| CURRENT LIABILITIES: | | | |
| Accounts payable and accrued expenses | \$ 40,631,231 | \$ 54,190,092 | \$ 55,458,843 |
| Liability to City of Oakland | 8,009,972 | 8,674,684 | 10,446,905 |
| Unearned income-current portion | 6,481,529 | 8,085,774 | 9,643,569 |
| Payable from restricted assets: | | | |
| Accrued interest payable | 14,372,697 | 7,568,413 | 14,905,930 |
| Current maturities of long-term debt | 54,066,503 | 59,136,625 | 16,486,945 |
| Retentions on construction contracts | 2,844,810 | 4,434,732 | 6,748,852 |
| Total current liabilities | 126,406,742 | 142,090,320 | 113,691,045 |
| LONG-TERM LIABILITIES: | | | |
| Long-term debt | 948,669,334 | 993,223,189 | 1,052,089,572 |
| Unearned income | 26,267,789 | 26,117,789 | 27,491,068 |
| Environmental liabilities and other | 49,855,875 | 50,884,464 | 47,534,751 |
| Net pension liabilities | 326,618,147 | 326,618,147 | 204,078,476 |
| Deferred inflows - Non-pension contributions | 4,057,068 | 4,057,068 | 20,809,319 |
| Total long-term liabilities | 1,355,468,214 | 1,400,900,657 | 1,352,003,185 |
| NET POSITION: | | | |
| Reserved retained earnings: | | | |
| Grants from government agencies | 440,875,863 | 434,216,028 | 446,530,120 |
| Passenger facility charges | 300,624,380 | 285,279,569 | 292,867,881 |
| Customer facility charges | 21,037,399 | 17,437,773 | 20,661,512 |
| 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 | 528,745,846 | 494,780,731 | 555,423,937 |
| Total net position | 1,260,556,280 | 1,200,986,892 | 1,284,756,241 |
| TOTAL LIABILITIES AND NET POSITION | \$ 2,742,431,235 | \$ 2,743,977,869 | \$ 2,750,450,471 |

**PORT OF OAKLAND
ACTUAL VS. BUDGET REVENUE AND EXPENSES
EIGHT MONTHS ENDED FEBRUARY 28, 2019**

**UNAUDITED
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| Division | Actual 02/28/19 | Budget 02/28/19 | \$ Variance | % Variance | Actual 02/28/18 |
|---------------------------------------|----------------------|----------------------|----------------------|---------------|----------------------|
| <u>Operating Revenues</u> | | | | | |
| Aviation | \$ 139,253,305 | \$ 138,429,410 | \$ 823,895 | 0.6% | \$ 133,986,254 |
| Maritime | 121,533,707 | 111,480,870 | 10,052,837 | 9.0% | 111,596,055 |
| CRE | 12,017,377 | 11,525,047 | 492,329 | 4.3% | 11,332,909 |
| Total Operating Revenue | 272,804,389 | 261,435,327 | 11,369,061 | 4.3% | 256,915,218 |
| <u>Operating Expenses</u> | | | | | |
| Aviation | (64,609,189) | (71,531,161) | 6,921,972 | 9.7% | (62,049,353) |
| Maritime | (7,229,181) | (7,732,757) | 503,576 | 6.5% | (6,330,438) |
| CRE | (4,492,912) | (4,465,353) | (27,558) | -0.6% | (4,114,706) |
| Engineering & Environmental | (22,524,002) | (27,265,360) | 4,741,358 | 17.4% | (21,110,265) |
| Utilities Cost of Sales | (4,754,774) | (5,339,194) | 584,420 | 10.9% | (4,378,916) |
| Executive | (3,544,982) | (3,945,481) | 400,499 | 10.2% | (3,032,645) |
| Board of Port Commissioners | (281,421) | (352,956) | 71,535 | 20.3% | (258,667) |
| Audit Services | (765,987) | (969,060) | 203,073 | 21.0% | (769,741) |
| Port Attorney | (3,183,549) | (3,448,188) | 264,639 | 7.7% | (2,694,312) |
| Finance & Administration | (12,357,658) | (13,926,831) | 1,569,174 | 11.3% | (12,234,204) |
| Non-Departmental Expenses | (17,367,711) | (19,456,870) | 2,089,160 | 10.7% | (17,395,095) |
| Absorption of Labor and Overhead to | | | | | |
| Capital Assets | 3,491,145 | 5,878,944 | (2,387,800) | -40.6% | 4,754,520 |
| Depreciation & Amortization | (76,357,354) | (77,961,030) | 1,603,677 | 2.1% | (74,030,647) |
| Total Operating Expenses | (213,977,574) | (230,515,298) | 16,537,724 | 7.2% | (203,644,468) |
| Operating Income (A) | 58,826,815 | 30,920,029 | 27,906,786 | 90.3% | 53,270,751 |
| <u>Non-Operating Items</u> | | | | | |
| Interest Income | 6,495,099 | 3,019,286 | 3,475,813 | 115.1% | 2,650,015 |
| Interest Expense | (24,720,542) | (24,972,139) | 251,597 | 1.0% | (27,337,773) |
| Passenger Facility Charges (PFCs) | 15,344,811 | 17,959,748 | (2,614,937) | -14.6% | 16,647,664 |
| Customer Facility Charges (CFCs) | 3,599,626 | 3,664,360 | (64,734) | -1.8% | 3,658,070 |
| Abandoned/Demolished Capital Assets | - | (310,000) | 310,000 | 100.0% | - |
| Other Income (Expenses) | (3,175,218) | (3,114,796) | (60,422) | -1.9% | (1,658,654) |
| CFC Reimbursements Expense | (3,461,038) | (3,238,000) | (223,038) | -6.9% | (3,296,161) |
| Grant Reimbursable Costs | - | (28,000) | 28,000 | 100.0% | - |
| (B) | (5,917,262) | (7,019,542) | 1,102,280 | 15.7% | (9,336,840) |
| Change in Net Position before | | | | | |
| Capital Contributions (A+B) | 52,909,553 | 23,900,487 | 29,009,066 | | 43,933,910 |
| <u>Capital Contributions</u> | | | | | |
| Grants from Government Agencies | 6,659,835 | 8,306,600 | (1,646,765) | -19.8% | 39,086,439 |
| (C) | 6,659,835 | 8,306,600 | (1,646,765) | -19.8% | 39,086,439 |
| CHANGE IN NET POSITION (A+B+C) | \$ 59,569,388 | \$ 32,207,087 | \$ 27,362,301 | 85.0% | \$ 83,020,349 |

PORT OF OAKLAND
Actual vs. Budget Expenses by Category
Eight Months Ended February 28, 2019

UNAUDITED
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| | <u>Actual</u> <u>02/28/19</u> | <u>Budget</u> <u>02/28/19</u> | <u>\$</u> <u>Variance</u> | <u>%</u> <u>Variance</u> |
|----------------------------------|----------------------------------|----------------------------------|------------------------------|-----------------------------|
| <u>Operating Expenses</u> | | | | |
| Personnel Services | \$ (75,934,938) | \$ (78,254,398) | \$ 2,319,460 | 3.0% |
| Contractual Services | (47,715,996) | (59,769,542) | 12,053,546 | 20.2% |
| Supplies | (3,833,051) | (2,842,330) | (990,721) | -34.9% |
| General and Administrative | (8,988,349) | (12,390,873) | 3,402,524 | 27.5% |
| Utilities Cost of Sales | (4,754,774) | (5,339,194) | 584,420 | 10.9% |
| Departmental Credits | 3,606,887 | 6,042,069 | (2,435,182) | -40.3% |
| Subtotal | (137,620,220) | (152,554,268) | 14,934,048 | 9.8% |
| Depreciation & Amortization | (76,357,354) | (77,961,030) | 1,603,676 | 2.1% |
| Total Operating Expenses | \$ (213,977,574) | \$ (230,515,298) | \$ 16,537,724 | 7.2% |

Port of Oakland
Actual vs. Budget Aviation Revenue
For the Eight Months Ended February 28, 2019

UNAUDITED
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| | ACTUAL 02/28/19 | BUDGET 02/28/19 | \$ VARIANCE | % VARIANCE |
|----------------------------------|----------------------------------|----------------------------------|------------------------------|-----------------------------|
| TERMINAL RENT | \$ 31,785,658 | \$ 31,466,036 | \$ 319,622 | 1.0% |
| TERMINAL CONCESSIONS | 6,982,935 | 6,596,426 | 386,509 | 5.9% |
| OTHER TERMINAL REVENUE (a) | 10,585,248 | 10,085,385 | 499,863 | 5.0% |
| TERMINAL RENTALS & CONCESSIONS | <u>49,353,841</u> | <u>48,147,847</u> | <u>1,205,994</u> | 2.5% |
| PARKING | 22,987,626 | 23,676,846 | (689,220) | -2.9% |
| GROUND ACCESS | 6,076,695 | 5,451,226 | 625,469 | 11.5% |
| RENTAL CAR REVENUE | 8,201,803 | 8,000,000 | 201,803 | 2.5% |
| PARKING, RAC AND GROUND ACCESS | <u>37,266,124</u> | <u>37,128,072</u> | <u>138,052</u> | 0.4% |
| OTHER AIRPORT RENTALS (b) | 20,409,311 | 21,396,059 | (986,748) | -4.6% |
| LANDING FEES | 24,710,532 | 25,148,678 | (438,146) | -1.7% |
| OTHER FIELD REVENUE (c) | 2,739,710 | 2,247,388 | 492,322 | 21.9% |
| AVIATION FUELING | 1,668,527 | 1,977,571 | (309,044) | -15.6% |
| MISCELLANEOUS REVENUE (d) | 235,249 | 82,462 | 152,787 | 185.3% |
| UTILITIES REVENUE | <u>2,870,011</u> | <u>2,301,333</u> | <u>568,678</u> | 24.7% |
| TOTAL AVIATION OPERATING REVENUE | 139,253,305 | 138,429,410 | 823,895 | 0.6% |
| BAD DEBT RESERVE | <u>-</u> | <u>-</u> | <u>-</u> | 0.0% |
| TOTAL AVIATION REVENUE | <u><u>\$ 139,253,305</u></u> | <u><u>\$ 138,429,410</u></u> | <u><u>\$ 823,895</u></u> | 0.6% |

(Continued)

Port of Oakland
Actual vs. Budget Aviation Revenue
For the Eight Months Ended February 28, 2019

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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 Eight Months Ended February 28, 2019

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| | ACTUAL 02/28/19 | BUDGET 02/28/19 | \$ VARIANCE | % VARIANCE |
|---|----------------------------------|----------------------------------|------------------------------|-----------------------------|
| MARINE TERMINAL RENT | \$ 87,308,659 | \$ 83,539,354 | \$ 3,769,305 | 4.5% |
| RAIL TERMINAL RENT | 2,747,280 | 1,799,790 | 947,490 | 52.6% |
| LEASE RENT (a) (d) | 5,684,939 | 9,491,644 | (3,806,705) | -40.1% |
| SPACE ASSIGNMENT RENT (b) (d) | 10,782,205 | 3,705,641 | 7,076,564 | 191.0% |
| PARKING/CONTAINER DEPOT RENT (c) | 5,192,737 | 4,628,985 | 563,752 | 12.2% |
| UTILITIES REVENUE | 9,817,887 | 8,315,456 | 1,502,431 | 18.1% |
| TOTAL MARITIME OPERATING REVENUE | 121,533,707 | 111,480,870 | 10,052,837 | 9.0% |
| BAD DEBT RESERVE | - | - | - | 0.0% |
| TOTAL MARITIME REVENUE | \$ 121,533,707 | \$ 111,480,870 | \$ 10,052,837 | 9.0% |

(a) Lease Rent consists of land and facility rent from non-marine/rail terminal tenants with agreements terms that are typically longer than 1 year.

(b) Space Assignment Rent consists of land and facility rent from non-marine/rail terminal tenants with agreements terms that are typically month to month or less than 1 year.

(c) Parking/Container Depot Rent only consists of such facilities that are Port owned and operated.

(d) Facilities include a variety of maritime ancillary services such as transloading, crossdocking, near-dock support yards and vessel layup.

Port of Oakland
Actual vs. Budget CRE Revenue
For the Eight Months Ended February 28, 2019

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| | ACTUAL 02/28/19 | BUDGET 02/28/19 | \$ VARIANCE | % VARIANCE |
|---------------------------------------|----------------------------------|----------------------------------|------------------------------|-----------------------------|
| SPACE RENTAL | | | | |
| Land | \$ 1,044,055 | \$ 988,932 | \$ 55,123 | 5.6% |
| Building with Land | 408,207 | 408,209 | (2) | 0.0% |
| Warehouse Lease | 1,210,320 | 1,209,049 | 1,271 | 0.1% |
| Hotel | 2,564,659 | 2,489,305 | 75,354 | 3.0% |
| Restaurant | 1,232,811 | 1,191,486 | 41,325 | 3.5% |
| Retail | 1,515,892 | 1,432,008 | 83,884 | 5.9% |
| Office Lease | 1,584,768 | 1,475,524 | 109,244 | 7.4% |
| Marinas Revenue | 18,181 | 16,684 | 1,497 | 9.0% |
| Subtotal | 9,578,893 | 9,211,197 | 367,696 | 4.0% |
| PARKING REVENUE | | | | |
| Parking Revenue - Parking Lot Revenue | 1,886,798 | 1,707,994 | 178,804 | 10.5% |
| Subtotal | 1,886,798 | 1,707,994 | 178,804 | 10.5% |
| MISCELLANEOUS REVENUE | | | | |
| Miscellaneous Revenue (a) | 77,244 | 109,321 | (32,077) | -29.3% |
| Billboard Advertising Revenue | 406,627 | 428,536 | (21,909) | -5.1% |
| Delinquency Charge | - | - | - | 100.0% |
| Subtotal | 483,871 | 537,857 | (53,986) | -10.0% |
| UTILITIES REVENUE | 67,815 | 68,000 | (185) | -0.3% |
| TOTAL CRE OPERATING REVENUE | 12,017,377 | 11,525,047 | 492,329 | 4.3% |
| BAD DEBT RESERVE | - | - | - | 0.0% |
| TOTAL CRE REVENUE | \$ 12,017,377 | \$ 11,525,047 | \$ 492,329 | 4.3% |

(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 Eight Months Ended February 28, 2019

UNAUDITED
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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 | 1,318,052 | 1,306,138 | 11,914 | 0.9% | 1,235,511 | 82,541 | 6.7% |
| August | 1,302,300 | 1,286,530 | 15,770 | 1.2% | 1,226,648 | 75,652 | 6.2% |
| September | 1,127,927 | 1,158,891 | (30,964) | -2.7% | 1,083,301 | 44,626 | 4.1% |
| October | 1,161,056 | 1,184,828 | (23,772) | -2.0% | 1,140,921 | 20,135 | 1.8% |
| November | 1,121,937 | 1,162,528 | (40,591) | -3.5% | 1,111,124 | 10,813 | 1.0% |
| December | 1,090,069 | 1,196,857 | (106,788) | -8.9% | 1,086,388 | 3,681 | 0.3% |
| January | 954,160 | 1,040,756 | (86,596) | -8.3% | 949,323 | 4,837 | 0.5% |
| February | 881,204 | 969,778 | (88,574) | -9.1% | 894,529 | (13,325) | -1.5% |
| March | | | | | | | |
| April | | | | | | | |
| May | | | | | | | |
| June | | | | | | | |
| Year to Date | 8,956,705 | 9,306,306 | (349,601) | -3.8% | 8,727,745 | 228,960 | 2.6% |
| Aircraft Landing Weights * (000 lbs) | | | | | | | |
| July | 1,029,991 | 1,051,920 | (21,929) | -2.1% | 964,788 | 65,203 | 6.8% |
| August | 1,050,019 | 1,085,254 | (35,235) | -3.2% | 1,000,732 | 49,287 | 4.9% |
| September | 930,560 | 959,681 | (29,121) | -3.0% | 912,995 | 17,565 | 1.9% |
| October | 979,803 | 1,007,392 | (27,589) | -2.7% | 954,911 | 24,892 | 2.6% |
| November | 953,229 | 989,137 | (35,908) | -3.6% | 942,173 | 11,056 | 1.2% |
| December | 1,032,437 | 1,075,286 | (42,849) | -4.0% | 1,042,427 | (9,990) | -1.0% |
| January | 903,320 | 946,848 | (43,528) | -4.6% | 908,153 | (4,833) | -0.5% |
| February | 797,766 | 853,856 | (56,090) | -6.6% | 801,931 | (4,165) | -0.5% |
| March | | | | | | | |
| April | | | | | | | |
| May | | | | | | | |
| June | | | | | | | |
| Year to Date | 7,677,125 | 7,969,374 | (292,249) | -3.7% | 7,528,110 | 149,015 | 2.0% |

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

Port of Oakland
Activity Summary Report
For the Eight Months Ended February 28, 2019

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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 | 153,636 | 160,740 | (7,104) | -4.4% | 159,656 | (6,020) | -3.8% |
| August | 160,014 | 156,091 | 3,923 | 2.5% | 155,039 | 4,975 | 3.2% |
| September | 155,540 | 154,538 | 1,002 | 0.6% | 153,496 | 2,044 | 1.3% |
| October | 161,249 | 163,738 | (2,489) | -1.5% | 162,634 | (1,385) | -0.9% |
| November | 160,649 | 150,386 | 10,263 | 6.8% | 149,372 | 11,277 | 7.5% |
| December | 159,446 | 160,273 | (827) | -0.5% | 159,193 | 253 | 0.2% |
| January | 157,243 | 151,037 | 6,206 | 4.1% | 150,019 | 7,224 | 4.8% |
| February | 137,814 | 148,572 | (10,758) | -7.2% | 147,571 | (9,757) | -6.6% |
| March | | | | | | | |
| April | | | | | | | |
| May | | | | | | | |
| June | | | | | | | |
| Year to Date | 1,245,592 | 1,245,377 | 215 | 0.0% | 1,236,980 | 8,611 | 0.7% |
| Vessel Calls | | | | | | | |
| July | 137 | 137 | 0 | 0.0% | 137 | 0 | 0.0% |
| August | 138 | 138 | 0 | 0.0% | 138 | 0 | 0.0% |
| September | 126 | 134 | (8) | -6.0% | 134 | (8) | -6.0% |
| October | 132 | 133 | (1) | -0.8% | 133 | (1) | -0.8% |
| November | 125 | 128 | (3) | -2.3% | 128 | (3) | -2.3% |
| December | 122 | 139 | (17) | -12.2% | 140 | (18) | -12.9% |
| January | 132 | 134 | (2) | -1.5% | 134 | (2) | -1.5% |
| February | 112 | 124 | (12) | -9.7% | 124 | (12) | -9.7% |
| March | | | | | | | |
| April | | | | | | | |
| May | | | | | | | |
| June | | | | | | | |
| Year to Date | 1,024 | 1,067 | (43) | -4.0% | 1,068 | (44) | -4.1% |

** Loaded TEUs does not include restows/shifts

Port of Oakland
Revenue Actual vs. Budget Variance
Eight Months Ended February 28, 2019

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OPERATING REVENUE

Port Operating Revenue = **\$272.8 million**
Variance to Budget (\$) = **\$11.4 million (better)**
Variance to Budget (%) = **4.3% (better)**

Aviation - \$139.3 million

Better than budget by \$0.8 million or 0.6%

- Higher general aviation landing fees (\$0.6 million)
- Higher TNC revenue (\$0.6 million)
- Higher electricity revenue at the airport (\$0.6 million)
- Higher customs room use (\$0.5 million)
- Higher in-flight catering and ground handling revenue (net \$0.5 million)
- Higher cargo carrier landing fees (\$0.5 million)
- Higher concessions revenue primarily for restaurant/bar revenue reflecting the timing of the new food & beverage program and higher newsstands revenues (\$0.4 million)
- Higher terminal rents (\$0.3 million)
- Higher car rental revenues (\$0.2 million)
- Higher delinquency charges (\$0.1 million)
- Lower passenger landing fees (-\$1.5 million)
- Lower hangar rent (-\$0.9 million)
- Lower parking revenues (-\$0.7 million)
- Lower fueling rent at OFFC (-\$0.3 million)

Maritime - \$121.5 million

Better than budget by \$10.1 million or 9.0%

- Higher than budgeted over MAG activity (net \$3.7 million)
- Higher combined space assignment and lease revenue (net \$3.3 million)
- Higher over MAG rail rent (\$0.9 million)
- Higher electrical capacity charge (\$0.7 million)
- Higher truck parking revenue (\$0.6 million)
- Higher shore power maintenance fees (\$0.5 million)
- Higher shore power and vessel commissioning revenue (net \$0.3 million)

Commercial Real Estate - \$12.0 million

Better than budget by \$0.5 million or 4.3%

- Higher parking revenue at JLS (\$0.2 million)
- Higher office rent (\$0.1 million)
- Higher retail rent (\$84k)
- Higher hotel rent (\$75k)
- Higher land rent (\$55k)
- Higher restaurant rent (\$41k)
- Lower miscellaneous revenue (-\$32k)
- Lower billboard revenue (-\$22k)

Port of Oakland
Expense Actual vs. Budget Variance
Eight Months Ended February 28, 2019

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EXPENSES by CATEGORY

Port Operating Expenses* = \$137.6 million
Variance to Budget (\$) = \$14.9 million (better)
Variance to Budget (%) = 9.8% (better)

Personnel Services - \$75.9 million

Better than budget by \$2.3 million or 3.0%

- 461 FTEs as of 2/28/19 vs. budgeted 507 FTEs (with vacancy factor of 25 FTEs)
- Open headcount savings (\$3.3 million) - *Various divisions*
- Lower retiree medical expense (\$0.6 million) - *Non-departmental*
- Lower medical premiums (\$0.3 million) - *Various divisions*
- Lower continuing education/training/seminar (\$0.2 million) - *Various divisions*
- Lower professional development (\$0.1 million) - *Various divisions*
- Higher overtime and temporary help (-\$1.8 million) - *Aviation, Engineering, Finance*
- Higher vacation/sick leave accrual (-\$0.5 million) - *Non-departmental*

Contractual Services - \$47.7 million

Better than budget by \$12.1 million or 20.2%

- Lower consulting, computer systems, and environmental costs (net \$4.5 million) - *Various divisions*
- Lower maintenance and repairs (net \$3.9 million) - *Engineering and Aviation*
- Lower parking and ground transportation (\$1.5 million) - *Aviation, Maritime, and CRE*
- Lower maintenance dredging (\$1.2 million) - *Engineering*
- Lower security costs (\$0.6 million) - *Aviation*
- Lower Airport Rescue and Firefighting (\$0.5 million) - *Aviation*
- Higher 530 Water St. operating costs (-\$0.1 million) - *CRE*

Supplies - \$3.8 million

Worse than budget by \$1.0 million or -34.9% - *Aviation and Engineering*

General and Administrative - \$9.0 million

Better than budget by \$3.4 million or 27.5%

- Lower legal contingency (\$1.2 million) - *Non-departmental*
- Lower special events, dues & registrations, and exhibits & displays (net \$0.7 million) - *Various*
- Lower cooperative marketing expenses (\$0.5 million) - *Aviation*
- Lower pollution remediation (\$0.5 million) - *Non-departmental*
- Lower travel (\$0.2 million) - *Various*
- Lower Port-use utilities (\$0.2 million) - *Non-departmental*
- Lower insurance (\$0.1 million) - *Finance*

Utilities Cost of Sales - \$4.7 million

Better than budget by \$0.6 million or 10.9%

- Lower wholesale electricity rates in maritime (\$0.5 million) and shore power (\$0.1 million)

Departmental Credits - (\$3.6) million

- Worse than budget by \$2.4 million or -40.3% due to less direct labor charged to capital projects from maritime design, airport facilities maintenance, cranes, airport construction, and environmental.

* 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.