

**DUE DECEMBER 31**

Pursuant to Public  
Resources Code § 6306

# Granted Public Trust Lands Standardized Reporting Form



**Fiscal/Calendar Year:** 2016-17

**Grantee Name:** Port of Oakland  
**Contact Person:** David Zolezzi  
**Contact Phone:** 510-627-1548  
**Mailing Address:** 530 Water Street, 2nd Floor  
Oakland, CA 94607

(Please see the attached  
supplement for responses  
to the questions below.)

## 1. Funds

- a. Is a separate fund maintained for trust assets, liabilities, revenues and expenditures?

YES  NO

If "No", under what fund are they accounted for? If "Yes," please list the name(s) of the fund(s)

Yes - Port Revenue Fund

- b. Are separate financial statements prepared for the trust?

YES  NO

If "No," in which financial statements are they included? (Name of the document(s) and the applicable page number(s)) If "Yes," describe the organization of the separate financial statement.

No - CAFR (see attached)

## 2. Revenue

- a. What was the gross revenue received or generated from trust land or trust assets during the past fiscal year? \$358,707,000

- b. Please list all sources of revenue and the amount of revenue generated from each source (e.g. permits, rentals, percentage of lease) (see attached)

## 3. Expenses

- a. What was the total expenditure of funds received or generated from trust land or assets during the past fiscal year? \$295,041,000

- b. What expenses were allocated or charged directly to the trust? Please list the source of the expenditure and the amount expended. (see attached)

- c. Have there been any capital improvements over \$250,000 within the current fiscal year? Are any capital improvements over \$250,000 expected in the next fiscal year?

Yes and Yes.

- d. Describe any other disposition of trust funds or assets or any other disposition of the trust lands or trust assets themselves. Include any internal funds that were transferred to other grantees, to the management of another entity or under the management of another political subdivision of the grantee per an agreement, settlement, or Memorandum of Understanding.

(see attached )

## 4. Beginning and Ending Balance

Please list the beginning and ending balances for the tidelands trust fund(s) for this past fiscal year.

Beginning - \$296.5 million    Ending - \$329.5 million (see attached)

**For all questions, please give the page number where the information can be found in your accompanying financial document. Please use additional pages as necessary.**

# Granted Public Trust Lands Standardized Reporting Form

## Port of Oakland – Fiscal Year 2016-17 Responses (Supplement)

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### Response to Question #1a:

Yes, funds earned and expended on Port of Oakland operations are accounted for separately, in a fund entitled the “Port Revenue Fund”.

### Response to Question #1b:

Yes, every fiscal year financial statements are prepared for the Port, which are audited and conform to generally accepted accounting principles.

### Response to Question #2a:

Please see “Statements of Revenues, Expenses and Changes in Net Position” on page 20 of the Port’s Comprehensive Annual Financial Report for the Years Ended June 30, 2017 and 2016 (“FY 2016-17 CAFR”). These audited financial statements list Port operating revenue as \$358,707,000 for FY 2016-17.

### Response to Question #2b:

Please see “Statements of Revenues, Expenses and Changes in Net Position” on page 20 of the FY 2016-17 CAFR. As noted above, Port operating revenue for 2016-17 was \$358,707,000. The figure is broken down into the Port’s three main areas of operation, and is further categorized by revenue type.

### Response to Question #3a:

Please see “Statements of Revenues, Expenses and Changes in Net Position” on page 20 of the Port’s FY 2016-17 CAFR. These audited financial statements list Port operating expense as \$295,041,000.

### Response to Question #3b:

Please see “Statements of Revenues, Expenses and Changes in Net Position” on page 20 of the Port’s FY 2016-17 CAFR. As noted above, Port operating expense for 2016-17 was \$295,041,000. The figure is broken down into the Port’s three main areas of operation, and is further categorized by expenditure type.

# Granted Public Trust Lands Standardized Reporting Form

## Port of Oakland – Fiscal Year 2016-17 Responses (Supplement)

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### Response to Question #3c:

The Port's capital improvement expenditures in 2016-17 exceeded \$250,000, and in FY 2017-18 it is anticipated that they will again exceed this amount. Below is a link to the Port's web page for financial documents, where the FY 2017-18 Budget Summary may be accessed.

[Important financial documents produced by the Port of Oakland](#)

### Response to Question #3d:

The Port of Oakland (Port), pursuant to a Memorandum of Understanding (MOU) between the Port and the City of Oakland (City) dated July 1, 1983, as amended and supplemented, reimburses the City for the operation and maintenance of Lake Merritt (a tidelands grant area). The reimbursement includes the costs for grounds and facilities maintenance, security, algae control and recreational services. The amount paid is limited to the lesser of actual costs or a maximum amount set forth in the MOU that adjusts each year by CPI. In FY 2017, the reimbursement to the City for Lake Merritt expenses was \$1,091,819.

In the course of normal business, the Port also periodically disposes, donates or sells miscellaneous obsolete, worn-out and broken property as well as capital equipment. In FY 2017, disposed equipment consisted of miscellaneous property, for which the Port received \$164,430.

### Response to Question #4:

Please see "Statements of net Position" on page 18 of the Port's FY 2016-17 CAFR. The beginning and ending balances in the Port Revenue Fund are listed as the "Unrestricted Cash equivalents". At the end of 2016-17 this amount was \$329.5 million, while at the end of 2015-16 (or the beginning of 2016-17) it was \$296.5 million.

**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, 2017 and 2016  
(dollar amounts in thousands)

	2017			2016	
	Aviation	Maritime	Commerical Real Estate	Total	Total
<b>Operating revenues:</b>					
Lease rentals - terminal	\$ 50,521	\$ 108,710	\$ -	\$ 159,231	\$ 158,260
Lease rentals - other	30,505	23,260	13,235	67,000	59,505
Parking fees and ground access	40,867	6,916	2,645	50,428	45,736
Landing fees	33,261	-	-	33,261	29,209
Terminal concessions	24,563	-	-	24,563	23,408
Utility sales	4,359	9,741	102	14,202	14,353
Fueling	2,422	-	-	2,422	2,336
Other	4,159	2,750	691	7,600	5,230
<b>Total operating revenues</b>	<b>190,657</b>	<b>151,377</b>	<b>16,673</b>	<b>358,707</b>	<b>338,037</b>
<b>Operating expenses:</b>					
Materials, contract services, supplies, and other	75,592	16,329	6,552	98,473	98,572
Maintenance	28,104	17,926	624	46,654	39,490
Advertising and promotion	4,530	1,899	380	6,809	5,514
Administration	16,160	12,518	1,976	30,654	30,468
Cost of utility sales	1,912	4,182	102	6,196	7,113
Depreciation	50,293	53,448	2,514	106,255	104,077
<b>Total operating expenses</b>	<b>176,591</b>	<b>106,302</b>	<b>12,148</b>	<b>295,041</b>	<b>285,234</b>
<b>Operating income</b>	<b>14,066</b>	<b>45,075</b>	<b>4,525</b>	<b>63,666</b>	<b>52,803</b>
<b>Non-operating revenues (expenses):</b>					
Interest income	518	1,557	638	2,713	2,149
Interest expense	(9,023)	(37,757)	(915)	(47,695)	(49,889)
Customer facility charges revenue	6,010	-	-	6,010	5,939
Customer facility charges expenses	(4,531)	-	-	(4,531)	(4,307)
Passenger facility charges	24,520	-	-	24,520	22,929
Other income (expense), net	(150)	(1,751)	57	(1,844)	3,744
Grant income	232	769	-	1,001	1,419
Grant expenses	(232)	(769)	-	(1,001)	(1,419)
Gain on long term lease termination	-	5,526	-	5,526	35,200
Loss on disposal of capital assets	(126)	(2,743)	-	(2,869)	(629)
<b>Total non-operating revenue (expenses), net</b>	<b>17,218</b>	<b>(35,168)</b>	<b>(220)</b>	<b>(18,170)</b>	<b>15,136</b>
<b>Increase in net position before capital contributions</b>	<b>31,284</b>	<b>9,907</b>	<b>4,305</b>	<b>45,496</b>	<b>67,939</b>
<b>Capital contributions -</b>					
Grants from government agencies	11,184	2,510	-	13,694	34,849
<b>Increase in net position</b>	<b>\$ 42,468</b>	<b>\$ 12,417</b>	<b>\$ 4,305</b>	<b>59,190</b>	<b>102,788</b>
<b>Net position, beginning of the year</b>				<b>1,142,546</b>	<b>1,039,758</b>
<b>Net position, end of the year</b>				<b>\$ 1,201,736</b>	<b>\$ 1,142,546</b>

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