

DUE DECEMBER 31

Pursuant to Public
Resources Code § 6306

Granted Public Trust Lands Standardized Reporting Form



Fiscal/Calendar Year: 2016-2017

Grantee Name: San Diego Unified Port District
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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)

The District is comprised of a single enterprise 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.

Please see the audited Basic Financial Statements page 40-42.

2. Revenue

- a. What was the gross revenue received or generated from trust land or trust assets during the past fiscal year? Please see attachment

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

3. Expenses

- a. What was the total expenditure of funds received or generated from trust land or assets during the past fiscal year? Please see attachment

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

- 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?

Please see attachment

- 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.

None

4. Beginning and Ending Balance

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

Please see attachment

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.

San Diego Unified Port District

Attachment to

Granted Public Trust Lands Standardized Reporting Form

Fiscal Year 2016-2017

Question #2:

a. Please see "Statements of Revenues, Expenses, and Changes in Net Position" on page 42 of the audited Basic Financial Statements. The total operating revenue for year ended June 30, 2017 was \$170,365,831.

b.

Fixed Rent	\$	35,988,341
Concession Revenue		77,756,720
Storage Space Rental		4,395,850
Other Rental Revenue		1,062,069
Citations		1,026,548
Cruise Ship Passenger Fees		1,389,814
Dockage		2,151,785
Parking		10,083,720
Parking Meters		2,692,452
Parking - Concession		1,153,724
Wharfage		11,563,854
Public Services Provided		17,923,660
Others		3,177,294
	\$	<u>170,365,831</u>

Question #3:

a. Please see "Statements of Revenues, Expenses, and Changes in Net Position" on page 42 of the audited Basic Financial Statements. The total operating expense for year ended June 30, 2017 was \$188,339,137.

b.

Real Estate operations	\$	26,400,376
Port as a Service		6,184,253
Maritime operations		17,208,175
Harbor Police		39,200,868
Other operating expenses		35,858,311
Depreciation and amortization		23,447,360
General and administrative expenses		40,039,794
	\$	<u>188,339,137</u>

- c. The Port's capital improvement expenditures for year ended June 30, 2017 exceeded \$250,000, and in FY 17/18 it is anticipated they will exceed this amount again. See Management's Discussion and Analysis page 28 for a list of the major capital projects during fiscal year 2017.

Question #4:

Please see "Statement of Revenues, Expenses, and Changes in Net Position" on page 42 of the audited Basic Financial Statements. The beginning balance of FY 16/17 was \$477,369,390 and the ending balance of FY 16/17 was \$461,315,730.

SAN DIEGO UNIFIED PORT DISTRICT
 Statements of Net Position
 June 30, 2017 and June 30, 2016

ASSETS	2017	2016
Current assets:		
Cash and cash equivalents	\$ 43,851,046	\$ 50,231,949
Investments	84,630,508	67,033,049
Accounts receivable, net of allowance	17,058,630	17,560,338
Other current assets	1,486,137	1,595,216
Total current assets	147,026,321	136,420,552
Noncurrent assets:		
Restricted assets:		
Restricted cash and investments:		
Deposits and other miscellaneous	11,390,222	10,182,596
Escrow accounts:		
South Bay Power Plant remediation and other miscellaneous	1,362,629	1,361,139
Workers' compensation collateral	3,316,297	2,804,902
Series 2004 and 2013 Bonds:		
Debt service reserve funds held by trustee	3,377,517	3,377,926
Total restricted assets	19,446,665	17,726,563
Other noncurrent assets:		
Cash and investments designated for specific capital projects and commitments	2,178,874	841,090
Other noncurrent assets	1,638,756	1,646,423
Total other noncurrent assets	3,817,630	2,487,513
Capital assets:		
Nondepreciable assets:		
Land	246,693,697	246,688,798
Construction-in-progress	22,962,190	14,276,823
Depreciable assets:		
Land improvements	7,650,334	7,650,334
Building and structures	578,750,099	577,027,746
Machinery and equipment	95,466,648	88,315,656
Roads and parking lots	120,802,496	120,646,645
Intangible assets	3,779,151	3,563,633
Total capital assets	1,076,104,615	1,058,169,635
Less accumulated depreciation and amortization	(534,643,890)	(511,501,985)
Capital assets, net	541,460,725	546,667,650
Total noncurrent assets	564,725,020	566,881,726
Total assets	711,751,341	703,302,278
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amount on bond refunding	145,643	157,696
Deferred outflows - pension contributions made subsequent to the measurement date	14,600,000	16,918,957
Deferred outflows - difference between actual and expected experience, assumption changes, and net difference between projected and actual earnings on plan investments	34,549,564	3,048,224
Deferred outflows - POB contributions made subsequent to the measurement date and impact from assumption changes	408,303	—
Total deferred outflows	49,703,510	20,124,877
Total assets and deferred outflows of resources	\$ 761,454,851	\$ 723,427,155

See accompanying notes to the basic financial statements.

SAN DIEGO UNIFIED PORT DISTRICT
 Statements of Net Position
 June 30, 2017 and June 30, 2016

LIABILITIES	2017	2016
Current liabilities:		
Accounts payable	\$ 19,469,276	\$ 14,997,550
Accrued liabilities	7,748,565	7,907,116
Current portion of accrued leave	4,985,282	4,593,502
Deposits and other short-term liabilities	2,181,862	2,602,227
Accrued interest payable, Series 2004 and 2013 Bonds	515,546	539,479
Notes payable, current portion	2,519,765	2,391,092
Bonds payable, current portion	1,880,000	1,795,000
Total current liabilities	39,300,296	34,825,966
Noncurrent liabilities:		
Liabilities - payable from restricted assets:		
South Bay Power Plant remediation and Lane Field Mitigation	4,062,629	4,061,139
Other long-term liabilities:		
Notes payable to SDCRAA, net of current portion	33,242,085	35,043,779
Bonds payable, net of current portion	31,186,697	33,358,371
Unearned revenue	6,960,039	7,274,746
Civic San Diego loan advance - NEVP, net of current portion	2,190,859	2,908,931
Other long-term liabilities	288,625	32,409
Accrued leave, net of current portion	1,488,412	1,293,526
Net OPEB obligation	45,533,321	39,946,115
Net pension liability - GASB 68	132,639,262	80,591,608
Net POB liability - GASB 73	2,125,159	—
Total other long-term liabilities	255,654,459	200,449,485
Total noncurrent liabilities	259,717,088	204,510,624
Total liabilities	299,017,384	239,336,590
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows - net difference between projected and actual earnings on pension investments and net difference between actual and expected experience	1,121,737	6,721,175
Total liabilities and deferred inflows of resources	300,139,121	246,057,765
NET POSITION		
Net investment in capital assets	502,477,653	504,229,416
Restricted for other projects and grants	8,325,624	7,357,368
Unrestricted	(49,487,547)	(34,217,394)
Total net position	461,315,730	477,369,390
Total liabilities, deferred inflows of resources, and net position	\$ 761,454,851	\$ 723,427,155

See accompanying notes to the basic financial statements.

SAN DIEGO UNIFIED PORT DISTRICT
 Statements of Revenues, Expenses, and Changes in Net Position
 Fiscal Years Ended June 30, 2017 and June 30, 2016

	2017	2016
Operating revenues:		
Real Estate operations	\$ 96,430,104	\$ 102,746,982
Port as a Service	15,226,785	—
Maritime operations	39,214,404	37,365,254
Harbor Police	16,085,476	16,834,920
Other operating revenues	3,409,062	3,340,521
Total operating revenues	170,365,831	160,287,677
Operating expenses:		
Direct expenses:		
Real Estate operations	26,400,376	27,623,213
Port as a Service	6,184,253	—
Maritime operations	17,208,175	18,334,341
Harbor Police	39,200,868	35,007,326
Other operating expenses	35,858,311	8,266,688
Depreciation and amortization	23,447,360	22,721,000
General and administrative expenses	40,039,794	33,948,676
Total operating expenses	188,339,137	145,901,244
Income/(loss) from operations	(17,973,306)	14,386,433
Nonoperating revenues (expenses):		
Interest income	1,345,670	758,904
Settlement income	1,924,795	1,424,560
Net increase (decrease) in the fair value of investments	(389,332)	92,005
Interest expense	(3,398,581)	(3,517,592)
Financial assistance other	(578,853)	(9,498)
Other nonoperating expenses	(782,911)	(433,128)
Other nonoperating revenues	3,087,566	5,614,647
Nonoperating revenues (expenses), net	1,208,354	3,929,898
Income/(loss) before capital contributions	(16,764,952)	18,316,331
Capital grants and contributions	2,457,611	1,662,506
Change in net position	(14,307,341)	19,978,837
Net position, beginning of year, as previously reported	477,369,390	457,390,553
Cumulative effect of change in accounting principle	(1,746,319)	—
Net position, beginning of year, as restated	475,623,071	—
Net position, end of year	\$ 461,315,730	\$ 477,369,390

See accompanying notes to the basic financial statements.