

DUE DECEMBER 31

Pursuant to Public
Resources Code § 6306

Granted Public Trust Lands Standardized Reporting Form



Fiscal/Calendar Year: 2017-2018

Grantee Name: San Diego Unified Port District
Contact Person: Jeanette Sales
Contact Phone: 619-686-6267
Mailing Address: P.O. Box 120488
San Diego, CA 92112-0488

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 2017-2018

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, 2018 was \$172,893,259.

b.

Fixed Rent	\$	35,256,205
Concession Revenue		79,437,840
Storage Space Rental		3,961,595
Citations		1,028,978
Cruise Ship Passenger Fees		1,702,178
Dockage		2,459,565
Parking		9,916,765
Parking Meters		3,612,515
Parking - Concession		1,585,365
Park Usage Fees		1,120,858
Wharfage		11,856,353
Public Services Provided		18,091,892
Other		2,863,150
	\$	<u>172,893,259</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, 2018 was \$198,034,414.

b.

Real Estate operations	\$	28,609,138
Port as a Service		6,193,075
Maritime operations		17,557,429
Harbor Police		40,127,834
Other operating expenses		37,743,331
Depreciation and amortization		23,685,524
General and administrative expenses		44,118,083
	\$	<u>198,034,414</u>

- c. The Port's capital improvement expenditures for year ended June 30, 2018 exceeded \$250,000, and in FY 18/19 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 2018.

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 17/18 was \$461,315,730 and the ending balance of FY 17/18 was \$359,749,857.

Total District
For the Fiscal Year Ended June 30, 2018
 (Expenses shown before Internal Order and G&A Allocations and excluding Depreciation)

	Month				Actual	Fis Adj Bu		
	Actual	Adjusted Budget	Variance Fav/(Unfav)	%				
Operating Revenues								0 - C
Fixed Rent	2,952,200	2,848,084	104,116	3.7%	35,256,205	34		
Concession Revenue	7,405,518	7,213,357	192,161	2.7%	79,437,840	79	35,256,205.00	+
Storage Space Rental	57,274	296,000	(238,726)	(80.7)%	3,961,595	3	79,437,840.00	+
ACH Parking Facility Funding	18,542	18,538	4	0.0%	222,502		3,961,595.00	+
Aquaculture	-	200,000	(200,000)	(100.0)%	-		222,502.00	+
Other Rental Revenue	135,094	66,200	68,894	104.1%	775,723		3,961,595.00	+
RE Revenue from Rent Reduction	-	-	-	0.0%	(1)		775,723.00	+
Bunkering	513	4,400	(3,887)	(88.3)%	48,467		1,028,978.00	+
Advertising	20,514	130,449	(109,935)	(84.3)%	334,441	1	1,702,178.00	+
Citations	96,320	88,118	8,202	9.3%	1,028,978	1	2,459,565.00	+
Cruise Ship Passenger Fees	32,874	10,100	22,774	225.5%	1,702,178	1	9,916,765.00	+
Cruise Ship Passenger Security Charges	25,833	18,920	6,913	36.5%	998,671		9,916,765.00	+
Dockage	200,481	140,220	60,261	43.0%	2,459,565	2	3,612,515.00	+
Environmental Surcharge	-	200	(200)	(100.0)%	5,746		3,612,515.00	+
Permit & License Fees	172	80	92	115.0%	1,168		1,585,365.00	+
Parking	961,778	1,028,036	(66,258)	(6.4)%	9,916,765	10	1,120,858.00	+
Parking Meters	351,618	308,378	43,240	14.0%	3,612,515	3	1,120,858.00	+
Parking-Concession	148,633	176,993	(28,360)	(16.0)%	1,585,365	1	11,856,353.00	+
Park Usage Fees	466,141	96,655	369,486	382.3%	1,120,858	1	18,091,892.00	+
Piers & Floats	23,029	14,400	8,629	59.9%	213,718		170,030,109.00	+
Wharfage	931,323	1,187,800	(256,477)	(21.6)%	11,856,353	13	170,030,109.00	+
Miscellaneous Other Operating Revenue	(12,893)	5,976	(18,869)	(315.8)%	284,737			
Public Services Provided	1,890,426	1,671,492	218,934	13.1%	18,091,892	17	170,030,109.00	-
Utilities Furnished	5,627	2,500	3,127	125.1%	98,086		172,893,259.00	+
Reimbursed Cost/Cost Recovery	37,909	41,800	(3,891)	(9.3)%	384,511		172,893,259.00	+
Waived Fees	-	(1,800)	1,800	100.0%	(30,750)		2,863,150.00	+
Waived Fees-TAP	(488,745)	(84,069)	(404,676)	(481.4)%	(1,145,382)			
Partnership/Cost Sharing Reimbursement	32,771	60,336	(27,565)	(45.7)%	667,414			
Discounts Earned	317	-	317	0.0%	4,100			
Total Operating Revenues	15,293,270	15,543,163	(249,892)	(1.6)%	172,893,259	174		
Operating Expenses								
Salaries & Wages	4,862,042	4,564,850	(297,192)	(6.5)%	57,108,866		56,431,400	(677,466) (1.2)%
Burden	2,308,706	3,637,705	1,328,999	36.5%	34,839,359		36,864,300	2,024,941 5.5%
OPEB Annual Required Contribution (GASB 45)	442,500	442,500	-	0.0%	5,310,000		5,310,000	- 0.0%
Total Personnel	7,613,249	8,645,055	1,031,806	11.9%	97,258,226		98,605,700	1,347,474 1.4%
Non-Personnel								
Awards - Service	(88)	2,093	2,181	104.2%	3,497		3,100	(397) (12.8)%
Books & Periodicals	9,371	6,502	(2,869)	(44.1)%	77,250		71,300	(5,950) (8.3)%
Employee Recognition	10,314	7,939	(2,375)	(29.9)%	32,516		66,100	33,584 50.8%

SAN DIEGO UNIFIED PORT DISTRICT
 Statements of Net Position
 June 30, 2018 and June 30, 2017

ASSETS	2018	2017
Current assets:		
Cash and cash equivalents	\$ 44,588,857	\$ 43,851,046
Investments	75,416,702	84,630,508
Accounts receivable, net of allowance	23,904,762	17,058,630
Other current assets	1,424,831	1,486,137
Total current assets	145,335,152	147,026,321
Noncurrent assets:		
Restricted assets:		
Restricted cash and investments:		
Deposits and other miscellaneous	11,524,394	11,390,222
Escrow accounts:		
South Bay Power Plant remediation and other miscellaneous	1,371,034	1,362,629
Workers' compensation collateral	3,322,775	3,316,297
Series 2004 and 2013 Bonds:		
Debt service reserve funds held by trustee	3,391,269	3,377,517
Total restricted assets	19,609,472	19,446,665
Other noncurrent assets:		
Cash and investments designated for specific capital projects and commitments	6,297,482	2,178,874
Other noncurrent assets	36,089	1,638,756
Total other noncurrent assets	6,333,571	3,817,630
Capital assets:		
Nondepreciable assets:		
Land	252,801,338	246,693,697
Construction-in-progress	31,110,174	22,962,190
Depreciable assets:		
Land improvements	7,650,334	7,650,334
Building and structures	592,003,724	578,750,099
Machinery and equipment	99,391,139	95,466,648
Roads and parking lots	122,533,924	120,802,496
Intangible assets	4,105,368	3,779,151
Total capital assets	1,109,596,001	1,076,104,615
Less accumulated depreciation and amortization	(557,734,651)	(534,643,890)
Capital assets, net	551,861,350	541,460,725
Total noncurrent assets	577,804,393	564,725,020
Total assets	723,139,545	711,751,341
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amount on bond refunding	133,590	145,643
Pension contributions made subsequent to the measurement date	17,700,000	14,600,000
Difference between actual and expected experience, assumption changes, and net difference between projected and actual earnings on plan investments for pension	9,734,753	34,549,564
POB contributions made subsequent to the measurement date and impact from assumption changes	763,899	408,303
Total deferred outflows of resources	28,332,242	49,703,510
Total assets and deferred outflows of resources	\$ 751,471,787	\$ 761,454,851

See accompanying notes to the basic financial statements.

SAN DIEGO UNIFIED PORT DISTRICT
 Statements of Net Position
 June 30, 2018 and June 30, 2017

LIABILITIES	2018	2017
Current liabilities:		
Accounts payable	\$ 19,341,537	\$ 19,469,276
Accrued liabilities	9,060,446	7,748,565
Current portion of accrued leave	5,425,403	4,985,282
Deposits and other short-term liabilities	2,333,055	2,181,862
Accrued interest payable, Series 2004 and 2013 Bonds	482,646	515,546
Notes payable, current portion	2,648,763	2,519,765
Bonds payable, current portion	1,980,000	1,880,000
Total current liabilities	41,271,850	39,300,296
Noncurrent liabilities:		
Liabilities - payable from restricted assets:		
South Bay Power Plant remediation and mitigation fees	4,378,534	4,062,629
Other long-term liabilities:		
Notes payable to SDCRAA, net of current portion	31,338,762	33,242,085
Bonds payable, net of current portion	28,904,263	31,186,697
Unearned revenue	6,647,817	6,960,039
Civic San Diego loan advance - NEVP, net of current portion	1,615,184	2,190,859
Other long-term liabilities	248,280	288,625
Accrued leave, net of current portion	1,336,060	1,488,412
Net OPEB obligation - GASB 45	ò	45,533,321
Net pension liability - GASB 68	126,486,965	132,639,262
Net POB liability - GASB 73	2,777,354	2,125,159
Total OPEB liability - GASB 75	136,291,850	ò
Total other long-term liabilities	335,646,535	255,654,459
Total noncurrent liabilities	340,025,069	259,717,088
Total liabilities	381,296,919	299,017,384
DEFERRED INFLOWS OF RESOURCES		
Net difference between projected and actual earnings on plan investments and net difference between actual and expected experience - Pension	5,922,711	1,121,737
Changes in assumptions - POB	128,104	ò
Differences between expected and actual experience and impact from assumption changes - OPEB	4,374,196	ò
Total deferred inflows of resources	10,425,011	1,121,737
Total liabilities and deferred inflows of resources	\$ 391,721,930	\$ 300,139,121
NET POSITION		
Net investment in capital assets	515,619,351	502,477,653
Restricted for other projects and grants	8,865,501	8,325,624
Unrestricted	(164,734,995)	(49,487,547)
Total net position	\$ 359,749,857	\$ 461,315,730

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, 2018 and June 30, 2017

	2018	2017
Operating revenues:		
Real Estate	\$ 97,720,206	\$ 96,430,104
Port as a Service	16,582,851	15,226,785
Maritime	39,304,489	39,214,404
Harbor Police	16,192,019	16,085,476
Other operating revenues	3,093,694	3,409,062
Total operating revenues	172,893,259	170,365,831
Operating expenses:		
Direct expenses:		
Real Estate	28,609,138	26,400,376
Port as a Service	6,193,075	6,184,253
Maritime	17,557,429	17,208,175
Harbor Police	40,127,834	39,200,868
Other operating expenses	37,743,331	35,858,311
Depreciation and amortization	23,685,524	23,447,360
General and administrative expenses	44,118,083	40,039,794
Total operating expenses	198,034,414	188,339,137
Loss from operations	(25,141,155)	(17,973,306)
Nonoperating revenues (expenses):		
Interest income	1,875,492	1,345,670
Settlement income	5,927,807	1,924,795
Net decrease in the fair value of investments	(136,290)	(389,332)
Interest expense	(3,161,542)	(3,398,581)
Financial assistance other	(121,648)	(578,853)
Other nonoperating expenses	(55,863)	(782,911)
Other nonoperating revenues	2,946,840	3,087,566
Nonoperating revenues (expenses), net	7,274,796	1,208,354
Loss before capital grants and contributions	(17,866,359)	(16,764,952)
Capital grants and contributions	8,684,864	2,457,611
Change in net position	(9,181,495)	(14,307,341)
Net position, beginning of year, as previously reported	461,315,730	477,369,390
Cumulative effect of change in accounting principles	(92,384,378)	(1,746,319)
Net position, beginning of year, as restated	368,931,352	475,623,071
Net position, end of year	\$ 359,749,857	\$ 461,315,730

See accompanying notes to the basic financial statements.