

**Harbor Department**  
**Actual-to-Budget**  
**Fiscal Year 2012/13 - January**  
(Data in thousands of \$, comments in millions of \$)

(000s)	Actual (Unaudited) FY 2012/13 (Fiscal YTD Jan 2013) (Based on Preliminary Results)	Adopted Budget FY 2012/13 (Fiscal YTD Jan 2013)	Δ	Δ%	
<b>Operating Revenues</b>					
Shipping Services	199,781	205,641	(5,860)	-2.8%	Primarily due to lower volumes at one terminal due to shift in business to POLB and downward rate adjustment to a tenant's TEU rates given higher projected volumes
Rentals	28,347	28,935	(588)	-2.0%	Timing of gross receipts
Royalties, fees and other revenues	3,336	3,303	33	1.0%	Primarily due to higher tenant accommodation services than budgeted
Clean Truck Program Revenues	458	291	167	57.4%	Primarily due to higher additional truck fees realized than budgeted
<b>Total Operating Revenues</b>	<b>231,922</b>	<b>238,170</b>	<b>(6,248)</b>	<b>-2.6%</b>	
<b>Operating Expenses</b>					
Salaries & Benefits (Net)	64,614	63,126	1,488	2.4%	Primarily due to timing in capitalization, which when applied is projected to result in \$.5 in lower Salaries & Benefits due to lower average headcount 953 vs. 954 budgeted
Marketing and Public Relations	1,932	2,233	(301)	-13.5%	Primarily due to timing of payments for foreign trade representation <\$0.2> and lower sponsorships/promotional <\$0.1>
Travel	556	508	48	9.4%	Primarily due to timing of payments in Remediation <\$1.3>, Real Estate <\$1.2>, IT <\$1.1>, Maintenance Improvement <\$1.1>, Public Relations <\$0.3>, Others <\$1.4>, capitalization adjustment <\$1.3>, partially offset by Environmental Services \$1.6, Hiring Hall \$0.9
Outside Services	12,734	17,670	(4,936)	-27.9%	Primarily due to timing in payments for Port Police materials & supplies <\$0.3> and Construction & Maintenance equipment fuels <\$0.2>, partially offset by higher spending in other divisions \$0.1
Materials & Supplies	3,636	4,012	(376)	-9.4%	Primarily due to timing in Fire payments
City Services	19,181	21,141	(1,960)	-9.3%	Primarily due to higher level of capital spending
Allocations to Capital	(8,321)	(5,250)	(3,071)	58.5%	Primarily due to lower spending for Community Mitigation <\$5.8>, timing in payments for insurance <\$0.8>, customer incentives <\$0.3>, and timing in equipment capitalization adjustment <\$15.1>
Other Operating Expenses	(3,999)	18,588	(22,587)	-121.5%	Primarily due to timing
Clean Truck Program Expenses*	606	1,160	(554)	-47.8%	Higher level of completed capital projects
<b>Total Operating Expenses</b>	<b>90,939</b>	<b>123,188</b>	<b>(32,249)</b>	<b>-26.2%</b>	
<b>Income Before Depreciation</b>	<b>140,983</b>	<b>114,982</b>	<b>26,001</b>	<b>22.6%</b>	
Provision for Depreciation	60,543	57,516	3,027	5.3%	
<b>Income from Operations</b>	<b>80,440</b>	<b>57,466</b>	<b>22,974</b>	<b>40.0%</b>	
Non-Operating Revenue (Interest Income, grant receipts, etc.)	11,422	18,047	(6,625)	-36.7%	Primarily due to: <\$7.7> Timing of pass-through grant receipts <\$1.2> Other Federal grant receipts <\$1.1> Timing in ICTF Income Partially offset by \$2.4 Higher reimbursements and other income \$0.9 Interest Income
Non-Operating Expenses (bond issuance, interest expense, etc.)	3,610	16,686	(13,076)	78.4%	Primarily due to: <\$11.2> Timing of pass-through grant disbursements <\$1.4> Lower cost of commercial paper issuance <\$0.5> Lower Interest expense <\$0.7> Timing in adjustments and other expenses Partially offset by \$0.4 Capital work orders closed to expense \$0.3 Capitalized interest \$0.1 Bond issuance expense
<b>Net Income</b>	<b>\$88,252</b>	<b>\$58,827</b>	<b>29,425</b>	<b>50.0%</b>	

\*Includes expenses for incentives and administrative costs (Other Operating Expenses).

Primarily for:  
\$3.7 Utilities  
\$2.0 Insurance  
\$1.4 Provision for Workers Compensation  
\$1.2 Customer Incentives  
\$1.0 Taxes, permits, fees  
\$0.6 Telephone  
\$0.3 Cost of sales  
\$0.3 Memberships, subscriptions, books  
\$0.3 Equipment rental and adjustments  
\$0.2 Litigation, settlements, claims  
<\$15.1> Equipment capitalization adjustment (to be reversed)

Primarily for:  
\$1.7 Interest expense (net of \$20.7 capitalized interest)  
\$1.2 Bond/Commercial paper issuance costs  
\$0.9 Federal grant pass-thru disbursements  
\$0.4 Capital work orders closed to expense  
<\$0.7> Clearing adjustments (to be reversed)

Primarily for:  
\$4.5 Interest Income  
\$4.4 Federal pass-through receipts  
\$2.0 Settlements and rebates  
\$0.5 Other

**Harbor Department**  
**Year-to-Year Performance Report**  
**YTD January 31, 2013 and 2012**  
 (Data in thousands of \$, comments in millions of \$)

(000s)	Actual (Unaudited) FY 2012/13 (Fiscal YTD)	Actual FY 2011/12 (Fiscal YTD)	Δ	Δ%	
<b>Operating Revenues</b>					
Shipping Services	199,781	212,701	(12,920)	-6.1%	Primarily due to lower volumes at one terminal due to shift in business to POLB and downward rate adjustment to a tenant's TEU rates given higher projected volumes
Rentals	28,347	28,511	(164)	-0.6%	Primarily due to adjustments in accordance with permit terms
Royalties, fees and other revenues	3,336	3,949	(613)	-15.5%	Primarily due to timing of environmental remediation reimbursements and other vessel fees
Clean Truck Program Revenues	458	2,273	(1,815)	-79.9%	Collection of "dirty" truck fees ended in Dec. 2011
<b>Total Operating Revenues</b>	<b>231,922</b>	<b>247,434</b>	<b>(15,512)</b>	<b>-6.3%</b>	Primarily due to timing and posting of capitalization, higher salaries and benefits due to MOU adjustments; average headcount 953 vs. 955 last fiscal year
<b>Operating Expenses</b>					
Salaries & Benefits (Net)	64,614	59,855	4,759	8.0%	Primarily due to higher business promotional for outreach programs, such as Trade Connect, etc.
Marketing and Public Relations	1,932	1,832	100	5.5%	Timing in adjustments
Travel	556	492	64	13.0%	Increase primarily due to higher environmental services \$2.0, hiring hall \$0.9, building maintenance \$0.7, Port Security services \$0.7, computer software \$0.4, partially offset by lower cruise terminal operator fees <\$1.3>, dredging <\$1.0>, capitalization adjustment <\$1.3>
Outside Services	12,734	11,722	1,012	8.6%	
Materials & Supplies	3,636	3,000	636	21.2%	Primarily due to higher parts & materials for Construction & Maintenance \$0.1 and Maintenance Improvement Program \$0.1, timing in procurement card adjustments \$0.2
City Services	19,181	17,765	1,416	8.0%	
Allocations to Capital	(8,321)	(5,154)	(3,167)	61.4%	Timing in payment to Recreation & Parks
Other Operating Expenses	(3,999)	8,584	(12,583)	-146.6%	
Clean Truck Program Expenses*	806	213	393	184.5%	Primarily due to higher level of capital spending
<b>Total Operating Expenses</b>	<b>90,939</b>	<b>98,309</b>	<b>(7,370)</b>	<b>-7.5%</b>	
<b>Income Before Depreciation</b>	<b>140,983</b>	<b>149,125</b>	<b>(8,142)</b>	<b>-5.5%</b>	Decrease primarily due to timing in capital equipment adjustments <\$15.1>, lower telephone <\$0.7> and memberships, subscriptions, books <\$0.1>, partially offset by increases in \$0.7 Provision for workers compensation \$0.5 Insurance \$0.5 Utilities \$0.2 Litigation, claims, settlements \$0.5 Other expenses
Provision for Depreciation	60,543	57,359	3,184	5.6%	
<b>Income from Operations</b>	<b>80,440</b>	<b>91,766</b>	<b>(11,326)</b>	<b>-12.3%</b>	Primarily due to higher program admin costs
Non-Operating Revenue (Interest Income, grant receipts, etc.)	11,422	10,593	829	7.8%	Higher level of completed capital projects
Non-Operating Expenses (Bonds/Notes Interest Expense, etc.)	3,610	16,421	(12,811)	-78.0%	Increase primarily due to \$2.2 Settlements & reimbursements, partially offset by <\$1.4> Federal grants & pass-through receipts
<b>Net Income</b>	<b>\$88,252</b>	<b>\$85,938</b>	<b>2,314</b>	<b>2.7%</b>	Decrease primarily due to: <\$8.6> Loss on sale of asset (POLA High School) in FY 2012 <\$3.8> Federal grant pass-through disbursements <\$1.1> Capital work orders closed to expense <\$0.7> Timing in adjustments Partially offset by: \$1.6 Interest expense

\*Includes expenses for incentives and administrative costs (Other Operating Expenses) and legal services (Outside Services).

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 \$3.7 Utilities  
 \$2.0 Insurance  
 \$1.4 Provision for Workers Compensation  
 \$1.2 Customer Incentives  
 \$1.0 Taxes, permits, fees  
 \$0.6 Telephone  
 \$0.3 Cost of sales  
 \$0.3 Memberships, subscriptions, books  
 \$0.3 Equipment rental and adjustments  
 \$0.2 Litigation, settlements, claims  
 <\$15.1> Equipment capitalization adjustment (to be reversed)

Primarily for:  
 \$1.7 Interest expense (net of \$20.7 capitalized interest)  
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 <\$0.7> Clearing adjustments (to be reversed)

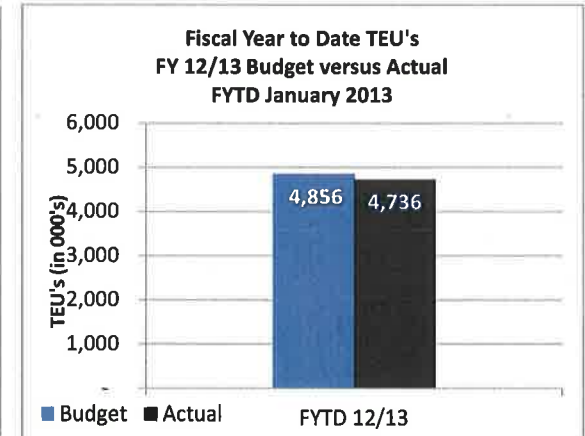
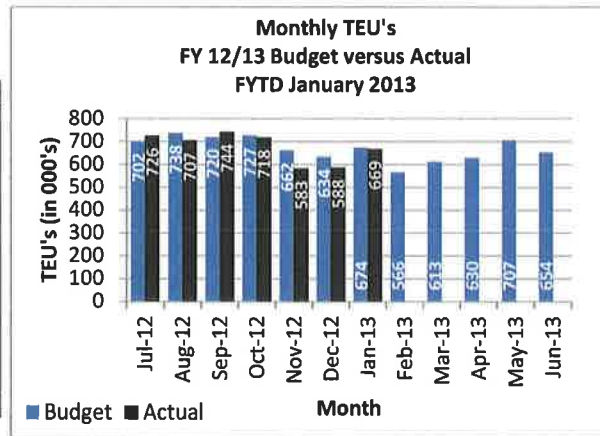
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HARBOR DEPARTMENT OF THE CITY OF LOS ANGELES  
TEU THROUGHPUT COMPARISON - FYTD JANUARY 2013

TEU

FY 12/13 Budget vs. FY 12/13 Actuals

(in 000's)	TEU's		% Δ	Δ	
	Month	FY 12/13 Budget			FY 12/13 Actuals
Jul-12		702	726	3.5%	↑
Aug-12		738	707	-4.2%	↓
Sep-12		720	744	3.4%	↑
Oct-12		727	718	-1.2%	↓
Nov-12		662	583	-11.9%	↓
Dec-12		634	588	-7.2%	↓
Jan-13		674	669	-0.7%	↓
Feb-13	566				
Mar-13	613				
Apr-13	630				
May-13	707				
Jun-13	654				
FYTD 12/13		4,856	4,736	-2.5%	↓
FY 12/13 Budget	8,025				



FY 11/12 Actuals vs. FY 12/13 Actuals

(in 000's)	TEU's		% Δ	Δ	
	Month	FY 11/12 Actuals			FY 12/13 Actuals
July		689	726	5.5%	↑
Aug.		723	707	-2.3%	↓
Sept.		706	744	5.5%	↑
Oct.		713	718	0.8%	↑
Nov.		696	583	-16.2%	↓
Dec.		649	588	-9.4%	↓
Jan.		699	669	-4.2%	↓
Feb.	526				
March	650				
April	707				
May	731				
June	697				
FYTD		4,874	4,736	-2.8%	↓
FY 11/12 Actuals	8,186				

