

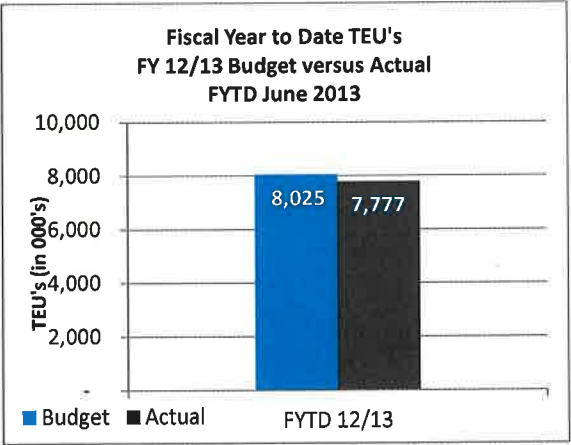
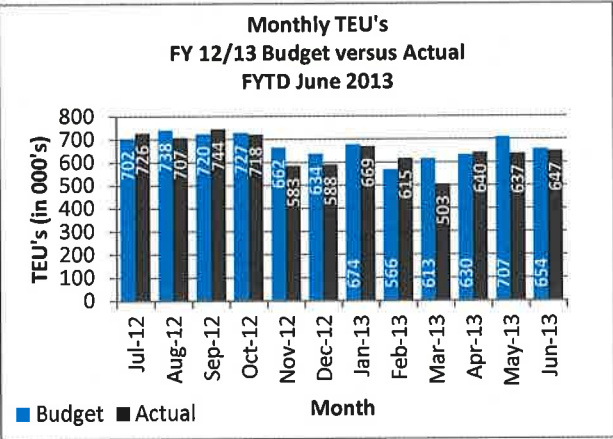
HARBOR DEPARTMENT OF THE CITY OF LOS ANGELES
TEU THROUGHPUT COMPARISON - FYTD JUNE 2013

Item #2

TEU

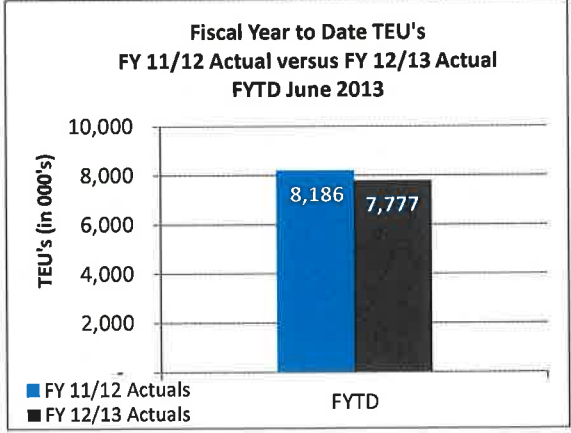
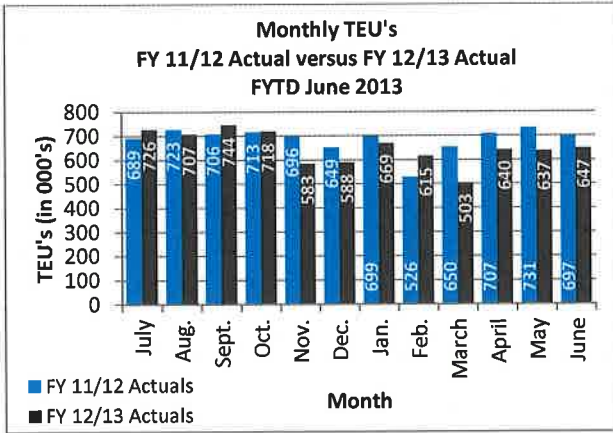
FY 12/13 Budget vs. FY 12/13 Actuals

Month	TEU's		% Δ	Δ
	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	-0.8%	↓
Feb-13	566	615	8.6%	↑
Mar-13	613	503	-17.9%	↓
Apr-13	630	640	1.7%	↑
May-13	707	637	-9.9%	↓
Jun-13	654	647	-1.1%	↓
FYTD 12/13	8,025	7,777	-3.1%	↓
FY 12/13 Budget	8,025			



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

Month	TEU's		% Δ	Δ
	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	-4.3%	↓
Feb.	526	615	17.0%	↑
March	650	503	-22.6%	↓
April	707	640	-9.5%	↓
May	731	637	-12.9%	↓
June	697	647	-7.2%	↓
FYTD	8,186	7,777	-5.0%	↓
FY 11/12 Actuals	8,186			



Harbor Department
Actual-to-Budget - Preliminary
Fiscal Year 2012/13 - YTD June 2013
(Data in thousands of \$, comments in millions of \$)

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(000s)	Actual (Unaudited) FY 2012/13 (Fiscal YTD June 2013) (Based on Preliminary Results)	Adjusted Budget FY 2012/13 (Fiscal YTD June 2013)	Δ	Δ%	
Operating Revenues					
Shipping Services	347,875	347,498	377	0.1%	Primarily due to lower cargo volumes, offset by higher than budgeted space assignment revenues
Rentals	42,890	45,173	(2,283)	-5.1%	Lower gross receipts than budgeted
Royalties, fees and other revenues	6,563	5,420	1,143	21.1%	Primarily due to higher oil royalties \$0.4 and other revenues \$0.8 than budgeted
Clean Truck Program Revenues	1,409	500	909	181.8%	Primarily due to higher additional truck fees realized than budgeted
Total Operating Revenues	398,737	398,591	146	0.0%	Primarily due to lower average headcount 952 vs. 964 budgeted <\$1.4>, partially offset by higher overtime primarily for Port Police \$1.0
Operating Expenses					
Salaries & Benefits (Net)	108,546	108,935	(389)	-0.4%	Primarily due to lower sponsorships <\$0.2>, Public Relations (PR) promotional <\$0.2>, domestic/foreign trade representatives <\$0.1>, other promotional <\$0.1>
Marketing and Public Relations	3,033	3,614	(581)	-16.1%	Timing in prior year adjustments
Travel	1,114	925	189	20.4%	Primarily due to lower spending in InformationTechnology (IT) software & consulting <\$1.8>, cruise terminal operator <\$1.2>, PR/Graphics <\$0.5>, Police <\$1.2>, partially offset by net increase in others primarily due to lower capitalization \$1.2
Outside Services	31,723	35,217	(3,494)	-9.9%	Primarily due to lower spending in Construction & Maintenance (C&M) equipment fuels & operating materials <\$0.5>, Port Police materials & supplies <\$0.2>, Maintenance Improvement Program <\$1.1>, IT <\$1.1>, and others <\$1.4>
Materials & Supplies	6,347	7,748	(1,401)	-18.1%	Primarily disallowed Fire services costs <\$1.2>, lower City Attorney <\$1.3>, others <\$0.3>
City Services	33,393	36,150	(2,757)	-7.6%	Primarily due to higher level of capital spending
Allocations to Capital	(14,109)	(9,000)	(5,109)	56.8%	Primarily due to lower spending for community benefit payments <\$5.2>, litigation <\$1.0>, customer incentives <\$1.0>, telephone & utilities <\$0.9>, partially offset by higher pollution remediation \$6.6 and workers compensation provision \$1.5
Other Operating Expenses	32,928	33,090	(162)	-0.5%	Lower Clean Truck Program administration costs
Clean Truck Program Expenses*	931	2,200	(1,269)	-57.7%	
Total Operating Expenses	203,906	218,879	(14,973)	-6.8%	
Income Before Depreciation	194,831	179,712	15,119	8.4%	
Provision for Depreciation	108,037	98,601	9,436	9.6%	
Income from Operations	86,794	81,111	5,683	7.0%	
Non-Operating Revenue (interest income, grant receipts, etc.)	41,166	30,938	10,228	33.1%	
Non-Operating Expenses (bond issuance, interest expense, etc.)	15,286	28,605	(13,319)	46.6%	
Net Income	\$112,674	\$83,444	29,230	35.0%	

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

Primarily for:
\$11.6 Pollution remediation
\$5.4 Utilities
\$3.3 Insurance
\$3.1 Customer incentives
\$3.1 Provision for Workers Compensation
\$2.3 Taxes, permits, fees, others
\$1.4 Telephone
\$1.0 Equipment/other capitalization
\$0.6 Equipment rental and adjustments
\$0.5 Memberships, subscriptions, books
\$0.4 Litigation, settlements, claims
\$0.3 Cost of sales
<\$0.1> Provision for bad debt

Primarily for:
\$38.2 Interest expense, accruals, amortization
<\$38.9> Capitalized Interest
\$11.6 Federal grant pass-through disbursements
\$2.3 Capital work orders closed to expense
\$2.1 Bond/Commercial Paper Issuance/other costs

Primarily for:
\$16.0 Federal/State grant receipts
\$11.6 Federal/State pass-through receipts
\$7.9 Interest income
\$2.3 Settlements and rebates
\$1.6 ICTF Income
\$1.4 Environmental reimbursements
\$0.4 Other income

Primarily due to:
<\$9.1> Pass-through grant disbursements
<\$3.0> Higher capitalized interest
<\$2.3> Lower cost of commercial paper issuance
<\$1.1> Lower interest expense
Partially offset by higher
\$2.3 Capital work orders closed

Harbor Department
Year-to-Year Performance Report - Preliminary
YTD June 30, 2013 and 2012
 (Data in thousands of \$, comments in millions of \$)

(000s)	Actual (Unaudited) FY 2012/13 (Fiscal YTD) <small>(Based on Preliminary Results)</small>	Actual FY 2011/12 (Fiscal YTD)	Δ	Δ%	
Operating Revenues					
Shipping Services	347,875	357,717	(9,842)	-2.8%	Primarily due to lower TEU volumes at one terminal
Rentals	42,890	43,143	(253)	-0.6%	Primarily due to lower land rental <\$1.3>, partially offset by higher wharf/building rental \$1.1
Royalties, fees and other revenues	6,563	5,678	885	15.6%	Primarily due to higher permits and other fees \$0.5 and oil lease royalties \$0.4
Clean Truck Program Revenues	1,409	3,250	(1,841)	-56.6%	Collection of "dirty" truck fees ended in Dec. 2011
Total Operating Revenues	398,737	409,788	(11,051)	-2.7%	Primarily due to higher salaries and benefits due to MOU adjustments and higher benefits \$2.8 and higher overtime \$0.8; average headcount 952 vs. 954 last fiscal year
Operating Expenses					
Salaries & Benefits (Net)	108,546	104,910	3,636	3.5%	Primarily due to lower promotional and org. & event sponsorship
Marketing and Public Relations	3,033	3,380	(347)	-10.3%	Timing in prior year adjustments
Travel	1,114	991	123	12.4%	Increase primarily due to higher hiring hall \$2.4, Construction & Maintenance (C&M) maintenance services \$0.7, timing in capitalization \$1.2, partially offset by lower cruise terminal operator fees <\$1.0>, lower Port Police security projects <\$1.1>
Outside Services	31,723	29,426	2,297	7.8%	
Materials & Supplies	6,347	6,717	(370)	-5.5%	
City Services	33,393	34,058	(665)	-2.0%	Primarily for lower general and administrative equipment and supplies
Allocations to Capital	(14,109)	(11,822)	(2,287)	19.3%	
Other Operating Expenses	32,928	31,356	1,572	5.0%	Primarily for lower Fire services costs (disallowed costs)
Clean Truck Program Expenses*	931	790	141	17.8%	
Total Operating Expenses	203,906	199,806	4,100	2.1%	Primarily due to higher level of capital spending
Income Before Depreciation	194,831	209,982	(15,151)	-7.2%	Primarily due to \$5.3 Pollution remediation \$1.7 Timing in equipment capitalization \$0.5 Utilities \$0.4 Litigation Partially offset by <\$4.4> Provision for Workers Compensation <\$1.5> Taxes, assessments, permits, fees, inventory adjustments, cost of sales, other <\$0.5> Provision for bad debt
Provision for Depreciation	108,037	100,485	7,552	7.5%	
Income from Operations	86,794	109,497	(22,703)	-20.7%	
Non-Operating Revenue (Interest Income, grant receipts, etc.)	41,166	25,504	15,662	61.4%	Primarily due to \$2.0 In repayments in Clean Truck Program incentives received last fiscal year, partially offset by lower program admin costs <\$1.9>
Non-Operating Expenses (Bonds/Notes Interest Expense, etc.)	15,286	33,064	(17,778)	-53.8%	Higher level of completed capital projects
Net Income	\$112,674	\$101,937	10,737	10.5%	Increase primarily due to higher \$13.3 Federal/State grant Receipts \$5.7 Federal/State pass-through grant receipts \$1.3 Environmental reimbursements \$0.7 Settlements & rebates \$0.5 Other Partially offset by lower <\$3.4> Solar Incentive program rebates <\$2.1> Interest Income <\$0.3> ICTF Investment Income

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

Primarily for:
 \$11.6 Pollution remediation
 \$5.4 Utilities
 \$3.3 Insurance
 \$3.1 Customer incentives
 \$3.1 Provision for Workers Compensation
 \$2.3 Taxes, permits, fees, others
 \$1.4 Telephone
 \$1.0 Equipment/other capitalization
 \$0.6 Equipment rental and adjustments
 \$0.5 Memberships, subscriptions, books
 \$0.4 Litigation, settlements, claims
 \$0.3 Cost of sales
 <\$0.1>Provision for bad debt

Primarily for:
 \$38.2 Interest expense, accruals, amortization
 <\$38.9>Capitalized interest
 \$11.6 Federal grant pass-through disbursements
 \$2.3 Capital work orders closed to expense
 \$2.1 Bond/Commercial Paper Issuance/other costs

Primarily for:
 \$16.0 Federal/State grant receipts
 \$11.6 Federal/State pass-through receipts
 \$7.9 Interest Income
 \$2.3 Settlements and rebates
 \$1.6 ICTF income
 \$1.4 Environmental reimbursements
 \$0.4 Other Income

Decrease primarily due to:
 <\$8.6> Loss on sale of asset (POLA High School) in FY 2012
 <\$8.3> Higher capitalization of interest due to one-time adjustment in FY 2013 as a result of accounting rule change
 <\$3.0> ACTA shortfall
 <\$2.9> Interest expense
 <\$0.7> Other
 Partially offset by
 \$5.7 Federal/State pass-through grant disbursements