

**MINUTES  
REGULAR COMMISSION MEETING  
THE PORT OF PORTLAND  
October 12, 2016**

Following due notice to the public, the regular meeting of the Board of Commissioners of the Port of Portland was held at 9:30 a.m. in the Chinook conference room of the Port's administrative offices located at 7200 NE Airport Way.

An audio recording was made of these proceedings. The recording, and the full Commission agenda, is available on the Port's website: [www.portofportland.com](http://www.portofportland.com). The following written minutes constitute a summary of the proceedings.

**QUORUM**

Commissioners present were Jim Carter, President, presiding; Michael Alexander; Tom Chamberlain; Alice Cuprill-Comas; Bob Levy; Pat McDonald; Linda Pearce; Tom Tsuruta and Gary Young. Also present were Bill Wyatt, Executive Director, participating staff members and members of the public.

**MINUTES**

Commissioner Carter called for a motion to approve the minutes of the Regular Commission Meeting of September 14, 2016. Commissioner Chamberlain moved to approve the minutes. Commissioner Pearce seconded the motion, which was put to a voice vote. Commissioners Alexander, Carter, Chamberlain, Cuprill-Comas, Levy, McDonald, Pearce, Tsuruta and Young voted in favor of the motion.

**EXECUTIVE DIRECTOR'S REPORT**

Bill Wyatt addressed the Commission and audience. He said his formal Executive Director's report is attached to the packet that is sent out with the Commission materials prior to the meeting. He takes advantage of this opportunity to talk about things that have occurred over the course of the last month.

Mr. Wyatt's comments covered the following general topics:

- Recognized the new employees in the audience;
- Recognized the Port's monthly safety champions, provided evacuation instructions in the event of an emergency and asked Stan Watters for this month's safety message;
- Report out of the World Routes Conference in Chengdu, China;
- Celebrated PenAir's new service to Klamath Falls, which began October 5 with two flights per day Monday–Friday and once-a-day on the weekends;
- Cathay Pacific will launch new international air cargo service to Hong Kong on November 2 and 3;
- Hillsboro Air Fair is scheduled for October 22;

- Last meeting of the Hillsboro Airport Roundtable Exchange was held on October 6. Community engagement will continue with the upcoming Hillsboro Master Plan update, which is anticipated to begin in February 2017;
- The north runway was closed for the PDX Runway Run on September 24. Proceeds for the event were donated to the Boys & Girls Clubs of Portland Metropolitan Area; and
- In late September, the last round of upriver receptions was completed in Boardman and Lewiston. As part of the 125th anniversary events, the Port also hosted a reception in Pendleton.

Commissioner Carter called for a motion to approve the Executive Director's Report. Commissioner Chamberlain moved to approve the Executive Director's Report. Commissioner Alexander seconded the motion, which was put to a voice vote. Commissioners Alexander, Carter, Chamberlain, Cuprill-Comas, Levy, McDonald, Pearce, Tsuruta and Young voted in favor of the motion.

**CONSENT AGENDA**

No presentations were made for the following agenda items, which were brought before the Commission as the Consent Agenda.

Agenda Item No. 1

COMMISSION POLICY NO. 6.1.2 – INVESTMENTS

BE IT RESOLVED, That Port of Portland Commission Policy No. 6.1.2, *Investments*, dated October 12, 2016, is hereby adopted; and

BE IT FURTHER RESOLVED, That a copy of Commission Policy No. 6.1.2, *Investments*, shall be attached to the minutes of this meeting.

Agenda Item No. 2

APPROVAL OF ADJUSTMENTS TO THE APPROPRIATION LEVELS FOR FISCAL YEAR 2016-17

BE IT RESOLVED, That in accordance with ORS 294.463, the Port of Portland Commission finds the need to adjust appropriations within the General Fund in the amounts shown on Exhibit A, and for the purposes shown on Exhibit B, incorporated by this reference, to provide for payment of a recruitment incentive supporting Cathay Pacific direct air cargo service to Hong Kong that was not anticipated at the time the Fiscal Year 2016-17 Budget was adopted; and

BE IT FURTHER RESOLVED, That copies of Exhibit A, Schedule of Appropriations Fiscal Year 2016-17; and Exhibit B, Explanation of Changes to Fund Appropriations Fiscal Year 2016-17, shall be included in the minutes of this meeting; and

BE IT FURTHER RESOLVED, That the Budget Officer is authorized to execute the necessary documents on behalf of the Port of Portland Commission in a form approved by counsel.

Following the reading of the titles of the Consent Agenda, Commissioner Carter called for a motion to approve the Executive Director's recommendations. Commissioner Tsuruta moved that the Executive Director's recommendations be approved. Commissioner Young seconded the motion, which was put to a voice vote. Commissioners Alexander, Carter, Chamberlain, Cuprill-Comas, Levy, McDonald, Pearce, Tsuruta and Young voted in favor of the motion.

### **ACTION ITEMS**

#### **Agenda Item No. 3**

#### **GROUND LEASE – MAC VENTURE LLC – PORTLAND INTERNATIONAL AIRPORT**

This agenda item requested approval to enter into a ground lease with MAC Venture LLC (dba Mecham Air Center) for approximately 5.3 acres of real property for the construction and operation of large business aircraft hangars at Portland International Airport.

Matthew Hoffman presented the Executive Director's recommendations as follows:

BE IT RESOLVED, That approval is granted to enter into a ground lease with MAC Venture LLC for approximately 5.3 acres of land for construction and operation of aircraft hangars at Portland International Airport, consistent with the terms presented to the Commission; and

BE IT FURTHER RESOLVED, That the Executive Director or his designee is authorized to execute the necessary documents on behalf of the Port of Portland Commission in a form approved by counsel.

Commissioner Carter called for a motion to approve the Executive Director's recommendations. Commissioner Young moved that the Executive Director's recommendations be approved. Commissioner Levy seconded the motion, which was put to a voice vote. Commissioners Alexander, Carter, Chamberlain, Cuprill-Comas, Levy, McDonald, Pearce, Tsuruta and Young voted in favor of the motion.

#### **Agenda Item No. 4**

#### **PERSONAL SERVICES CONTRACT AMENDMENT – TERMINAL BALANCING CONCOURSE E EXTENSION – PORTLAND INTERNATIONAL AIRPORT**

This agenda item requested approval to amend an existing personal services contract with Hennebery Eddy Architects in the amount of \$14,000,000, to facilitate additional design services for the revised, expanded version of the Terminal Balancing Concourse E Extension Project at Portland International Airport.

Dan Gilkison presented the Executive Director's recommendations as follows:

BE IT RESOLVED, That approval is given to amend the personal services contract with Hennebery Eddy Architects for the design services portion of the Terminal Balancing Concourse E Extension project at Portland International Airport, consistent with the terms presented to the Commission;

BE IT FURTHER RESOLVED, That the Executive Director or his designee is authorized to execute the necessary documents on behalf of the Port of Portland Commission in a form approved by counsel.

Commissioner Carter called for a motion to approve the Executive Director’s recommendations. Commissioner Chamberlain moved that the Executive Director’s recommendations be approved. Commissioner Tsuruta seconded the motion, which was put to a voice vote. Commissioners Alexander, Carter, Chamberlain, Cuprill-Comas, Levy, McDonald, Pearce, Tsuruta and Young voted in favor of the motion.

Agenda Item No. 5

DISCUSSION OF FISCAL YEAR 2015-16 EXECUTIVE DIRECTOR PERFORMANCE AND ADOPTION OF FISCAL YEAR 2016-2017 EXECUTIVE DIRECTOR PERFORMANCE CRITERIA

Prior to requesting approval of the Fiscal Year 2016-2017 Executive Director Performance Criteria, Commissioner Carter reviewed Mr. Wyatt’s performance for Fiscal Year 2015-2016. He provided a brief overview of Mr. Wyatt’s goals and objectives for the year, as well as his accomplishments. He gave Mr. Wyatt a consistently exceeds performance rating and a three-percent salary adjustment.

Mr. Wyatt provided comments in response to his performance review.

This agenda item requested Commission approval of the Fiscal Year 2016-2017 Executive Director Performance Criteria.

Commissioner Carter presented his recommendation as follows:

BE IT RESOLVED, That the Port of Portland Commission adopt the Executive Director Performance Criteria to be used for Fiscal Year 2016-2017.

Commissioner Carter called for a motion to approve the Executive Director’s recommendations. Commissioner Tsuruta moved that the Executive Director’s recommendations be approved. Commissioner Pearce seconded the motion, which was put to a voice vote. Commissioners Alexander, Carter, Chamberlain, Cuprill-Comas, Levy, McDonald, Pearce, Tsuruta and Young voted in favor of the motion.

The meeting adjourned at 10:38 a.m.

\_\_\_\_\_  
President

\_\_\_\_\_  
Assistant Secretary

\_\_\_\_\_  
Date Signed

## **PORT OF PORTLAND COMMISSION POLICY**

### **INVESTMENTS Policy No. 6.1.2**

Adopted Commission Meeting of October 12, 2016

The Port of Portland's investment program shall be operated in conformance with Oregon Revised Statutes and applicable Federal Law. Specifically, this investment policy is written in conformance with ORS 294.035; 294.040; 294.052; 294.135; 294.145; and 294.810. All funds within the scope of this policy are subject to regulations established by the State of Oregon. Any revisions or extensions of these sections of the ORS shall be assumed to be part of this Investment Policy immediately upon being enacted.

#### **Objectives**

The primary objective of the Port of Portland investment program is preservation of capital. Consistent with that objective and the cash flow needs of the Port the investment portfolio shall be managed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into consideration the safety and liquidity needs of the portfolio. Although return consists of both principal return and income return, this policy discourages active trading and turnover of investments. Investments should generally be held to maturity.

Authority to manage investments within the scope of this policy and operate the investment program in accordance with established written procedures and internal controls is granted to Assistant Treasurers and the Cash and Investment Program Manager. No person may engage in an investment transaction except as provided under the terms of this policy.

#### **Investment Types**

The Port may invest its funds in securities or investments subject to ORS 294.035, 294.040, and 294.810, with the following restrictions:

Time certificates of deposit with any issuer will not exceed 30 percent of the net capital of such issuer, based on their most currently published financial report and shall be held in qualified Oregon depositories in accordance with ORS Chapter 295.

Banker's acceptances guaranteed by a qualified financial institution shall not exceed 30 percent of the net capital of such institution, based on their most currently published financial report.

No more than 5 percent of municipal bond funds shall be placed with any single issuing authority other than the State of Oregon or one of its agencies. However to the extent that any reserve or construction funds exist and are also subject to yield restrictions by U.S. Treasury regulations or code, such funds may be invested in municipal bonds and no more than 20 percent of such funds shall be placed with any single issuing authority other than the State of Oregon or one of its agencies.

Repurchase agreements shall not exceed a term of 30 days. Collateral provided to the Port under a repurchase agreement shall be deposited with the Port's custodian bank(s), marked to the market daily and maintained at a minimum level in conformance with ORS 294.035 (3)(j).

Repurchase agreements may be entered into with authorized dealers or institutions when a master repurchase agreement or specific written contract governs the transaction. In no case will the total of such agreements with any firm exceed 10 percent of their equity (based on their most recently published financial report).

## Diversification

The portfolio will be diversified so that the par value for each of the security classes shown shall not exceed the maximum position indicated as a percentage of the portfolio:

|  |                                  |
|--|----------------------------------|
| U.S. Treasury Obligations  | 100% maximum                     |
| U.S. Agency Obligations (GSE) (but no single Agency position shall exceed 30% of the portfolio)            | 100% maximum                     |
| Corporate Indebtedness (subject to ORS 294.035)  | 35% maximum                      |
| Time Certificates of Deposit (TCD)   | 30% maximum                      |
| Bankers Acceptances (subject to ORS 294.035(D))  | 30% maximum                      |
| Repurchase Agreements Under 30 days  | 50% maximum                      |
| Municipal Debt Obligations (subject to ORS 294.035)<br>(No single issuer shall exceed 5% of the portfolio) | 15% maximum                      |
| Oregon Short Term Fund (subject to ORS 294.810)  | As allowed under Oregon Statutes |

Investments in Bankers Acceptances, TCD's and other Corporate Indebtedness of any single company or qualified financial institution shall not, in the aggregate, exceed 5 percent of the portfolio. Where appropriate exposures will be limited by security type; maturity; issuance; issuer, and security type. Investments must have a rating from at least one of the following nationally recognized statistical ratings organizations: Moody's Investors Service; Standard & Poor's; or Fitch Ratings Service, ratings should be investment level ratings and not issuer level ratings (see ORS 294.035).

If the portfolio falls outside of compliance with adopted investment policy guidelines or is being managed inconsistently with this policy, designated staff shall bring the portfolio back into compliance in a prudent manner as soon as feasible. Due to fluctuations in the portfolio balance, maximum percentages for a particular issuer or investment type may be exceeded at a point in time subsequent to the original purchase date. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.

## Investment Maturity

Since the Port's operating cash needs are generated through operating revenues rather than tax receipts, the Port has more flexibility in structuring maturities than is typical for a municipal district dependent primarily on tax resources. Investments will be timed to meet projected cash requirements unless a shorter maturity is desirable. Funds may be invested to a maximum maturity of five years from the date of settlement.

The portfolio will be structured to meet the following minimum maturities:

- Two years and under, 55 percent of par value
- Three years and under, 75 percent of par value
- Five years and under, 100 percent of par value

In all cases, the "Prudent Person Standard" shall apply to investment decisions. The only exceptions to the maximum maturity shown shall be cases where the Port is using the security as collateral on an operating agreement or in instances where the Port is purchasing its own bonds in the marketplace to lower outstanding debt.

## **Authorized Dealers and Financial Institutions**

The Port may purchase or sell securities subject to the provisions of this policy through any of the following:

- Banks, savings and loans, and mutual savings banks authorized to do business in Oregon (not simply loan production offices).
- Primary security dealers as designated by the Federal Reserve Bank of New York and Oregon secondary dealers.
- Primary agency selling group members as designated by the U.S. agency involved.

Financial institutions utilized as depositories must be qualified Oregon Depositories pursuant to ORS Chapter 295.

## **Safekeeping**

All trades of marketable securities will be executed (cleared and settled) by delivery vs. payment (DVP). All securities will be evidenced by safekeeping receipts in the name of the Port of Portland. Securities acquired through repurchase agreements with the Port's custodian bank(s) may be held by the custodian bank(s). In all cases, payment shall be made only upon delivery.

## **Reporting Requirements**

Quarterly, staff will provide the Commission with portfolio reports showing: portfolio diversification, yield and benchmarking comparisons, maturity distribution, and investment allocation, or any other report or information as the Commission may request. The Commission has review authority over the investment program.

## **Renewal**

This policy shall be reviewed annually by the Commission.

## SCHEDULE OF APPROPRIATIONS - FISCAL YEAR 2016-17

|                                    | ADOPTED<br>BUDGET<br>June 28, 2016 | CHANGES TO<br>APPROPRIATIONS<br>October 12, 2016 | REVISED<br>APPROPRIATIONS<br>October 12, 2016 |
|------------------------------------|------------------------------------|--|---|
| <b>GENERAL FUND</b>                |                                    |  |   |
| Beginning Balance                  | \$ 97,152,163                      |  | \$ 97,152,163                                 |
| Operating Revenue                  | 79,468,053                         |  | 79,468,053                                    |
| Interest on Investments/Other      | 2,829,327                          | \$ 250,000                                       | 3,079,327                                     |
| Service Reimbursements             | 43,210,451                         |  | 43,210,451                                    |
| Transfers from Other Funds         | 3,643,802                          |  | 3,643,802                                     |
| <b>Total Resources</b>             | <b>\$ 226,303,796</b>              | <b>\$ 250,000</b>                                | <b>\$ 226,553,796</b>                         |
| Administration                     | \$ 55,136,262                      |  | \$ 55,136,262                                 |
| Marine                             | 19,138,085                         |  | 19,138,085                                    |
| Industrial Development             | 5,071,061                          |  | 5,071,061                                     |
| Navigation                         | 11,687,029                         |  | 11,687,029                                    |
| General Aviation                   | 2,851,836                          |  | 2,851,836                                     |
| Sub Total                          | 93,884,273                         | -  | 93,884,273                                    |
| Service Reimbursements             | 387,267                            |  | 387,267                                       |
| System Development Charges/Other   | 5,000                              | \$ 500,000                                       | 505,000                                       |
| Long-Term Debt Payments            | 12,068,244                         |  | 12,068,244                                    |
| Other Environmental                | 9,237,783                          |  | 9,237,783                                     |
| Cash Transfers to Other Funds      | 13,147,316                         |  | 13,147,316                                    |
| Contingency                        | 97,573,913                         | (250,000)  | 97,323,913                                    |
| <b>Total Requirements</b>          | <b>\$ 226,303,796</b>              | <b>\$ 250,000</b>                                | <b>\$ 226,553,796</b>                         |
| <b>AIRPORT REVENUE FUND</b>        |                                    |  |   |
| Beginning Balance                  | \$ 88,098,918                      |  | \$ 88,098,918                                 |
| Operating Revenue                  | 228,230,930                        |  | 228,230,930                                   |
| Interest on Investments            | 938,177                            |  | 938,177                                       |
| Service Reimbursements             | 1,883,588                          |  | 1,883,588                                     |
| Transfers from Other Funds         | 160,000                            |  | 160,000                                       |
| <b>Total Resources</b>             | <b>\$ 319,311,615</b>              | <b>\$ -</b>                                      | <b>\$ 319,311,615</b>                         |
| Operating Expenditures             | \$ 98,087,414                      |  | \$ 98,087,414                                 |
| System Development Charges / Other | 5,000                              |  | 5,000   |
| Service Reimbursements             | 27,048,777                         |  | 27,048,777                                    |
| Cash Transfers to Other Funds      | 99,429,508                         |  | 99,429,508                                    |
| Contingency                        | 94,740,916                         |  | 94,740,916                                    |
| <b>Total Requirements</b>          | <b>\$ 319,311,615</b>              | <b>\$ -</b>                                      | <b>\$ 319,311,615</b>                         |
| <b>BOND CONSTRUCTION FUND</b>      |                                    |  |   |
| Beginning Balance                  | \$ 10,000,000                      |  | \$ 10,000,000                                 |
| Interest Income/Other              | 207,553                            |  | 207,553                                       |
| Federal/State Grants/Other         | 5,945,913                          |  | 5,945,913                                     |
| Property Tax                       | 11,430,000                         |  | 11,430,000                                    |
| Transfers from Other Funds         | 29,520,316                         |  | 29,520,316                                    |
| <b>Total Resources</b>             | <b>\$ 57,103,782</b>               | <b>\$ -</b>                                      | <b>\$ 57,103,782</b>                          |



## SCHEDULE OF APPROPRIATIONS - FISCAL YEAR 2016-17

|   | ADOPTED<br>BUDGET<br>June 28, 2016 | CHANGES TO<br>APPROPRIATIONS<br>October 12, 2016 | REVISED<br>APPROPRIATIONS<br>October 12, 2016 |
|---|------------------------------------|--|---|
| Capital Outlay                              | \$ 42,897,228                      |  | \$ 42,897,228                                 |
| Service Reimbursements                      | 4,196,554                          |  | 4,196,554                                     |
| Cash Transfers to Other Funds               | 10,000                             |  | 10,000  |
| Contingency                                 | 10,000,000                         |  | 10,000,000                                    |
| <b>Total Requirements</b>                   | <b>\$ 57,103,782</b>               | <b>\$ -</b>                                      | <b>\$ 57,103,782</b>                          |
| <b>AIRPORT CONSTRUCTION FUND</b>            |                                    |  |   |
| Beginning Balance                           | \$ 73,165,919                      |  | \$ 73,165,919                                 |
| Interest Income/ Other                      | 879,993                            |  | 879,993                                       |
| Federal / State Grants                      | 13,468,126                         |  | 13,468,126                                    |
| Bond and Other Debt Proceeds                | 100,000,000                        |  | 100,000,000                                   |
| Transfers from Other Funds                  | 66,589,560                         |  | 66,589,560                                    |
| <b>Total Resources</b>                      | <b>\$ 254,103,598</b>              | <b>\$ -</b>                                      | <b>\$ 254,103,598</b>                         |
| Capital Outlay                              | \$ 128,346,199                     |  | \$ 128,346,199                                |
| Bond Issue Costs/Other                      | 1,500,000                          |  | 1,500,000                                     |
| Service Reimbursements                      | 13,461,440                         |  | 13,461,440                                    |
| Cash Transfers to Other Funds               | 5,500,000                          |  | 5,500,000                                     |
| Contingency                                 | 105,295,959                        |  | 105,295,959                                   |
| <b>Total Requirements</b>                   | <b>\$ 254,103,598</b>              | <b>\$ -</b>                                      | <b>\$ 254,103,598</b>                         |
| <b>AIRPORT REVENUE BOND FUND</b>            |                                    |  |   |
| Beginning Balance                           | \$ 29,927,943                      |  | \$ 29,927,943                                 |
| Bond and Other Debt Proceeds                | 7,500,000                          |  | 7,500,000                                     |
| Interest Income                             | 45,849                             |  | 45,849  |
| Transfers from Other Funds                  | 54,938,168                         |  | 54,938,168                                    |
| <b>Total Resources</b>                      | <b>\$ 92,411,960</b>               | <b>\$ -</b>                                      | <b>\$ 92,411,960</b>                          |
| Debt Service                                | \$ 55,084,017                      |  | \$ 55,084,017                                 |
| Unappropriated Ending Balance               | 37,427,943                         |  | 37,427,943                                    |
| <b>Total Requirements</b>                   | <b>\$ 92,511,960</b>               | <b>\$ -</b>                                      | <b>\$ 92,511,960</b>                          |
| <b>PASSENGER FACILITY CHARGE (PFC) FUND</b> |                                    |  |   |
| Beginning Balance                           | \$ 62,879,641                      |  | \$ 62,879,641                                 |
| Passenger Facility Charge                   | 34,354,746                         |  | 34,354,746                                    |
| Interest and Other                          | 56,263                             |  | 56,263  |
| <b>Total Resources</b>                      | <b>\$ 97,290,650</b>               | <b>\$ -</b>                                      | <b>\$ 97,290,650</b>                          |
| Bond Fees                                   | \$ 50,225                          |  | \$ 50,225                                     |
| Cash Transfers to Other Funds               | 24,931,418                         |  | 24,931,418                                    |
| Contingency                                 | 72,309,007                         |  | 72,309,007                                    |
| <b>Total Requirements</b>                   | <b>\$ 97,290,650</b>               | <b>\$ -</b>                                      | <b>\$ 97,290,650</b>                          |

## SCHEDULE OF APPROPRIATIONS - FISCAL YEAR 2016-17

|  | ADOPTED<br>BUDGET<br>June 28, 2016 | CHANGES TO<br>APPROPRIATIONS<br>October 12, 2016 | REVISED<br>APPROPRIATIONS<br>October 12, 2016 |
|--|------------------------------------|--|---|
| <b>PASSENGER FACILITY CHARGE (PFC) BOND FUND</b> |                                    |  |   |
| Beginning Balance                                | \$ 14,350,601                      |  | \$ 14,350,601                                 |
| Interest Income                                  | 62,611                             |  | 62,611  |
| Cash Transfers from Other Funds                  | 14,916,395                         |  | 14,916,395                                    |
| <b>Total Resources</b>                           | <u>\$ 29,329,607</u>               | <u>\$ -</u>                                      | <u>\$ 29,329,607</u>                          |
| Debt Service                                     | \$ 14,979,006                      |  | \$ 14,979,006                                 |
| Unappropriated Ending Balance                    | 14,350,601                         |  | 14,350,601                                    |
| <b>Total Requirements</b>                        | <u>\$ 29,329,607</u>               | <u>\$ -</u>                                      | <u>\$ 29,329,607</u>                          |
| <b>CUSTOMER FACILITY CHARGE (CFC) FUND</b>       |                                    |  |   |
| Beginning Balance                                | \$ 21,859,953                      |  | \$ 21,859,953                                 |
| Customer Facility Charge                         | 16,404,262                         |  | 16,404,262                                    |
| Interest and Other                               | 135,000                            |  | 135,000                                       |
| <b>Total Resources</b>                           | <u>\$ 38,399,215</u>               | <u>\$ -</u>                                      | <u>\$ 38,399,215</u>                          |
| Bank Fees/Other                                  | \$ 115,000                         |  | \$ 115,000                                    |
| Cash Transfers to Other Funds                    | 26,850,000                         |  | 26,850,000                                    |
| Contingency                                      | 11,434,215                         |  | 11,434,215                                    |
| <b>Total Requirements</b>                        | <u>\$ 38,399,215</u>               | <u>\$ -</u>                                      | <u>\$ 38,399,215</u>                          |
| <b>TOTAL - ALL FUNDS</b>                         | <u>\$ 1,114,354,223</u>            | <u>\$ 250,000</u>                                | <u>\$ 1,114,604,223</u>                       |
| <b>Less Unappropriated Ending Balances:</b>      |                                    |  |   |
| Airport Revenue Bond Fund                        | \$ 37,427,943                      |  | \$ 37,427,943                                 |
| Passenger Facility Charge (PFC) Bond Fund        | 14,350,601                         |  | 14,350,601                                    |
| Subtotal Unappropriated Ending Balance           | 51,778,544                         | -  | 51,778,544                                    |
| <b>TOTAL APPROPRIATIONS</b>                      | <u>\$ 1,062,575,679</u>            | <u>\$ 250,000</u>                                | <u>\$ 1,062,825,679</u>                       |

**PORT OF PORTLAND  
EXPLANATION OF CHANGES TO APPROPRIATIONS - FISCAL YEAR 2016-17**

|                                   | <u>AMOUNT OF<br/>INCREASE/(DECREASE)</u> | <u>REASON FOR CHANGE</u>   |
|-----------------------------------|--|--|
| <b>GENERAL FUND</b>               |  |  |
| <b>Resources</b>                  |  |  |
| Interest on Investments/<br>Other | \$ 250,000                               | Grant from the State of Oregon Strategic Reserve Fund - State of Oregon share of recruitment incentive package supporting Cathay Pacific direct air cargo service to Asia. |
| <b>Total Resources</b>            | \$ 250,000                               |  |
| <b>Total Requirements</b>         |  |  |
| System Development                | \$ 500,000                               | Recruitment incentive supporting Cathay Pacific direct air cargo service to Asia.  |
| Charges/Other                     | \$ (250,000)                             | General Fund share of recruitment incentive package supporting Cathay Pacific direct air cargo service to Asia.  |
| Contingency                       | \$ (250,000)                             | General Fund share of recruitment incentive package supporting Cathay Pacific direct air cargo service to Asia.  |
| <b>Total Requirements</b>         | \$ (250,000)                             |  |