

Portland International Jetport

(An Enterprise Fund of the City of Portland, Maine)

Financial Statements

For the years ended June 30, 2017 and 2016



PORTLAND INTERNATIONAL JETPORT
(An Enterprise Fund of the City of Portland, Maine)

Financial Statements
For the years ended June 30, 2017 and 2016

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Independent Auditor's Report

City Council
City of Portland, Maine

Report on the Financial Statements

We have audited the accompanying financial statements of the Portland International Jetport, an enterprise fund of the City of Portland, Maine, as of and for the years ended June 30, 2017 and 2016 and the related notes to the financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Portland International Jetport's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Portland International Jetport as of June 30, 2017 and 2016 and respective changes in financial position and cash flows thereof and the budgetary comparison for the Portland International Jetport for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in the notes, the financial statements of the Portland International Jetport are intended to present the financial position, the changes in financial position, and cash flows of only that portion of, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Portland, Maine that is attributable to the transactions of the Jetport. They do not purport to, and do not present fairly the financial position of the City of Portland, Maine as of June 30, 2017 and 2016, the changes in its financial position, or where applicable, its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the Jetport's financial statements. The schedules (schedules 1-16) are presented for purposes of additional analysis and are not a required part of the financial statements.

The schedules have not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on them.



February 12, 2018
South Portland, Maine

PORTLAND INTERNATIONAL JETPORT
(An Enterprise Fund of the City of Portland, Maine)
Statements of Net Position
June 30, 2017 and 2016

	2017	2016
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 20,494,460	\$ 21,446,955
Accounts receivable	3,153,473	3,100,730
Allowance for uncollectible accounts	(69,600)	(55,000)
Due from other governments	6,205,738	1,340,104
Inventories	326,859	308,135
Prepaid expenses	1,392,217	1,454,752
Total current assets	\$ 31,503,147	\$ 27,595,676
Noncurrent assets:		
Restricted cash and cash equivalents	\$ 14,596,974	\$ 14,839,512
Capital assets:		
Land	13,313,235	13,313,235
Buildings and improvements	176,685,060	176,526,424
Improvements other than buildings	129,239,510	128,975,670
Machinery and equipment	18,544,479	18,484,901
Construction in progress	5,918,934	683,247
Less accumulated depreciation	(162,086,714)	(153,454,062)
Net capital assets	\$ 181,614,505	\$ 184,529,415
Total noncurrent assets	\$ 196,211,479	\$ 199,368,927
Total assets	\$ 227,714,626	\$ 226,964,603
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of pension resources	\$ 1,148,911	\$ 345,864
Deferred outflows of refunding bonds	1,423,413	-
Total deferred outflows of resources	\$ 2,572,324	\$ 345,864
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 2,447,260	\$ 910,479
Accrued liabilities	3,208,145	3,186,609
Compensated absences	274,673	280,785
Claims and judgments	91,355	101,992
Total current liabilities	\$ 6,021,432	\$ 4,479,865
Noncurrent liabilities:		
Due within one year	\$ 3,202,897	\$ 1,969,919
Due in more than one year	119,686,672	120,237,085
Total noncurrent liabilities	\$ 122,889,569	\$ 122,207,004
Total liabilities	\$ 128,911,001	\$ 126,686,869
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of pension resources	\$ 161,165	\$ 294,394
Total deferred inflows of resources	\$ 161,165	\$ 294,394
NET POSITION		
Net investment in capital assets	\$ 76,066,253	\$ 78,811,682
Restricted for:		
Operating maintenance	4,245,032	3,686,163
Unrestricted	20,903,499	17,831,359
Total net position	\$ 101,214,783	\$ 100,329,204

See accompanying notes to financial statements.

PORTLAND INTERNATIONAL JETPORT
(An Enterprise Fund of the City of Portland, Maine)
Statements of Revenues, Expenses, and Changes in Net Position
For the years ended June 30, 2017 and 2016

	2017	2016
Operating revenues:		
Charges for services	\$ 21,934,310	\$ 21,363,450
Total operating revenues	\$ 21,934,310	\$ 21,363,450
Operating expenses:		
Personnel services	\$ 5,000,280	\$ 4,812,333
Contractual services	6,814,606	6,706,375
Supplies and materials	807,642	689,682
Rentals	14,686	40,838
Utilities	1,391,041	1,407,204
Maintenance	1,798,495	1,740,540
Depreciation	8,915,723	8,952,733
Insurance	104,169	104,245
Total operating expenses	\$ 24,846,641	\$ 24,453,950
Operating loss	\$ (2,912,331)	\$ (3,090,500)
Nonoperating revenues (expenses):		
Passenger facility charges	\$ 3,742,493	\$ 3,504,626
Loss on disposal of property	(1,057)	(18,495)
Interest and other revenue	109,860	175,502
Interest and other expenses	(5,151,332)	(5,549,417)
Total nonoperating revenues (expenses)	\$ (1,300,036)	\$ (1,887,784)
Income (loss) before contributions	\$ (4,212,367)	\$ (4,978,284)
Capital contributions	5,097,942	5,188,818
Change in net position	\$ 885,575	\$ 210,534
Net position, beginning of year	\$ 100,329,208	\$ 100,118,670
Net position, end of year	\$ 101,214,783	\$ 100,329,204

See accompanying notes to financial statements.

PORTLAND INTERNATIONAL JETPORT
(An Enterprise Fund of the City of Portland, Maine)
Statements of Cash Flows
For the years ended June 30, 2017 and 2016

	2017	2016
Cash flows from operating activities:		
Receipts from customers and users	\$ 21,848,595	\$ 21,545,614
Payments to suppliers	(9,202,376)	(9,980,113)
Payments to employees	(5,060,016)	(4,751,671)
Net cash provided by operating activities	\$ 7,586,203	\$ 6,813,830
Cash flows from capital and related financing activities:		
Contributed capital	\$ 279,881	\$ 6,956,237
Passenger facility charges	3,742,493	3,360,360
Proceeds from sale of refunding bonds	24,155,671	-
Acquisition and construction of capital assets	(5,841,675)	(5,189,872)
Principal paid on bond maturities	(1,095,000)	(1,665,000)
Refunded bonds defeased	(24,609,699)	-
Interest payments on long-term debt	(5,522,771)	(5,867,597)
Net cash used by capital and related financing activities	\$ (8,891,100)	\$ (2,405,872)
Cash flows from investing activities:		
Interest income	\$ 109,860	\$ 175,502
Net cash provided by investing activities	\$ 109,860	\$ 175,502
Net increase (decrease) in cash and cash equivalents	\$ (1,195,034)	\$ 4,583,460
Cash and cash equivalents, beginning of year	36,286,467	31,703,007
Cash and equivalents, at end of year (including \$14,596,974 and \$14,839,512, respectively, reported in restricted accounts)	\$ 35,091,434	\$ 36,286,467
Reconciliation of operating loss to net cash provided by operating activities:		
Operating loss	\$ (2,912,331)	\$ (3,090,500)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation	8,915,723	8,952,733
Change in deferred inflows and outflows-pension	158,308	401,164
Change in operating assets and liabilities:		
Accounts receivable	(38,143)	119,326
Due from other governments	(47,573)	62,838
Prepaid expenses	62,535	62,535
Inventories	(18,724)	(9,020)
Accounts payable	1,536,781	228,921
Accrued liabilities	(53,622)	36,163
Compensated absences	(6,113)	33,499
Claims and judgments	(10,638)	16,171
Total adjustments	\$ 10,498,534	\$ 9,904,330
Net cash provided by operating activities	\$ 7,586,203	\$ 6,813,830
Noncash investing, capital, and financing activities:		
Disposal of capital assets	\$ 284,127	\$ 280,636
Accumulated depreciation on capital assets dispositions	283,066	262,141

See accompanying notes to financial statements.

PORTLAND INTERNATIONAL JETPORT
Schedule of Revenues, Expenditures and Encumbrances
Budget and Actual (Budget Basis)
For the Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	(Budget Basis) Amounts	
Revenues				
Charges for services	\$ 21,657,437	\$ 21,657,437	\$ 21,934,310	\$ 276,873
Interest and other revenue	120,000	120,000	162,226	42,226
Total revenues	\$ 21,777,437	\$ 21,777,437	\$ 22,096,536	\$ 319,099
Expenditures and encumbrances				
Personnel services	\$ 4,937,135	\$ 4,934,965	\$ 5,000,280	\$ (65,315)
Administrative services	1,725,338	1,719,771	458,664	1,261,107
Contractual services	4,373,917	4,571,967	4,461,511	110,456
Maintenance and repairs	987,575	1,242,270	1,204,154	38,116
Rentals	39,623	15,957	14,686	1,271
Insurance	140,992	140,992	104,169	36,823
Supplies and materials	708,354	837,275	807,642	29,633
Utilities	1,317,277	1,350,457	1,391,041	(40,583)
Contributions	1,621,656	1,621,656	1,471,842	149,814
Capital outlay	1,670,500	1,504,044	819,669	684,375
Debt service	4,255,070	3,838,083	3,331,473	506,610
Total expenditures and encumbrances	\$ 21,777,437	\$ 21,777,437	\$ 19,065,128	\$ 2,712,309
Excess (deficiency) of revenues over (under) expenditures and encumbrances	\$ -	\$ -	\$ 3,031,408	\$ 3,031,408

Reconciliation from budgetary basis to GAAP basis:

	Revenues	Expenditures	Other Financing Sources (Uses)
Statement of Revenues, Expenses, and Changes in Net Position, Statement 2	\$ 25,786,664	\$ 29,999,030	\$ 5,097,942
Capital contributions and reimbursements	-	274,385	(5,097,942)
Passenger facility charges	(3,742,493)	-	-
Losses due to change in fair market value of investments	52,365	-	-
Capital expenditures expensed over useful life	-	(102,799)	-
Bond issuance costs expensed with debt maturities	-	(369,906)	-
Depreciation charges not budgeted	-	(8,915,723)	-
Debt service paid by passenger facility charges	-	(3,260,013)	-
Accrued interest on bonds	-	345,153	-
Bond principal payments	-	1,095,000	-
Statement of Revenues, Expenditures, and Encumbrances - Budget and Actual (Budget Basis), Statement 4	\$ 22,096,536	\$ 19,065,128	\$ -

See accompanying notes to financial statements.

PORTLAND INTERNATIONAL JETPORT
(An Enterprise Fund of the City of Portland, Maine)

Notes to Financial Statements

June 30, 2017 and 2016

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity - The Portland International Jetport (Jetport) is a quasi-municipal corporation purchased by the City of Portland (City) in 1936. Like many community airports, the Portland International Jetport had its beginnings as a flying fan's private field. The Jetport currently serves over 1.8 million passengers a year, served by five major airlines. These include: American, Delta, JetBlue, Southwest and United. The Jetport primarily serves southern Maine and its revenue is produced mainly through contracts and leases.

The Jetport operates as a department of the City of Portland, Maine, the financial statements of which have been issued in a separate report dated February 12, 2018 for the year ended June 30, 2017.

These financial statements present only the Jetport's operations and are not intended to present fairly the financial position and results of operations of the City of Portland, Maine in conformity with accounting principles generally accepted in the United States of America. Certain disclosures relevant to both the City of Portland, Maine and the Jetport are omitted herein and have been disclosed in the City's basic financial statements.

Measurement Focus and Basis of Accounting - The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements. The Portland International Jetport's financial statements are reported using the *economic resources measurement focus* and *the accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The Jetport distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with ongoing operations. The principal operating revenues of the Jetport are charges to customers (airline carriers). Operating expenses include the cost of personnel, contractual services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

PORTLAND INTERNATIONAL JETPORT
Notes to Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

When both restricted and unrestricted resources are available for use, it is the Jetport's policy to use restricted resources first, then unrestricted resources as they are needed, except in instances in which restricted amounts must be maintained to comply with existing bond covenants.

Cash and Cash Equivalents - the Jetport's cash and cash equivalents consist of cash on hand, demand deposits, and cash equivalent investments (i.e., money market mutual funds). The Jetport's cash balance consists of \$20,494,460 and \$21,446,955 at June 30, 2017 and 2016, respectively, which is the Jetport's share of the City's pooled cash. This is in addition to \$14,596,974 and \$14,839,512 in funds reported in restricted accounts at June 30, 2017 and June 30, 2016. Classification as to credit risk, interest rate and custodial Risk is included in the City's basic financial statements.

Accounts Receivable - The Jetport provides credit to customers at the Jetport, such as airlines and vendors on-site. The Jetport uses the allowance method to account for uncollectible accounts receivable. The allowance for doubtful accounts is based on prior years' experience and management's analysis of possible bad debts. The Jetport accrues revenue for estimated services provided, but not yet billed as of the balance sheet dates.

Inventories and Prepaid Items - Inventories are valued at cost, using the first-in first-out (FIFO) method and consist of expendable supplies. The cost of such inventories are recorded as expenses when consumer rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements. The cost of prepaid items are recorded as expenses when consumed rather than when purchased.

Capital Assets - Capital assets, which include property, plant, equipment, and infrastructure assets, are defined by the Jetport as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The cost of normal repairs and maintenance that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed. The total interest expense incurred by the Jetport during the year ended June 30, 2017 and 2016 was \$5,151,332 and \$5,549,417, respectively, of which none was capitalized.

Property, plant, and equipment are depreciated using the straight-line method over the assets' useful lives, ranging from 3 to 50 years.

PORTLAND INTERNATIONAL JETPORT
Notes to Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Compensated Absences - Employees earn vacation and sick leave as they provide services. Pursuant to collective bargaining agreements, employees may accumulate (subject to certain limitations) unused sick leave, and upon retirement, termination or death, may be compensated for amounts up to 180 days at current rates of pay.

Vacation time is earned based on anniversary date and length of service in amounts ranging between two and four weeks per year. City employees are allowed to carry over vacation time earned up to a maximum of 240 hours for employees hired prior to 1979 and 160 hours for all other employees. Employees are paid for allowable accruals upon termination of employment.

Accumulated leave is recorded as an expense and liability as the benefits accrue to employees. Liabilities for compensated absences are recorded as other liabilities and accrued expenses.

Long-term Obligations - Long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums are deferred and amortized over the life of the bond using the straight-line method.

Pensions - For the purposes of measuring the net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions and pension expense information has been determined on the same basis as they are reported by the Maine Public Employees Retirement System (MainePERS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value. Further information regarding the net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions and pension expense can be obtained from the City's basic financial statements.

Deferred Outflows/Inflows of Resources - In addition to assets, the statement of net position will sometimes report a separate section of deferred outflows of resources. This separate financial element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Jetport has several such items in the statement of net position. These items are related to the recognition of the net pension liability and can include: differences between expected and actual experience, change in assumptions, the net difference between projected and actual earnings on pension plan investments, and changes in proportion and differences between the Jetport's contributions and proportionate share of contributions, and also Jetport pension contribution subsequent to the measurement date. The statement of net position also reports a deferred outflow of resources related to refunding bonds. This amount represents the difference between the reacquisition price and the net carrying amount of the refunded debt. It is being amortized over the remaining life of the bond.

PORTLAND INTERNATIONAL JETPORT
Notes to Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Jetport has several of these items. The statement of net position, reports items related to the recognition of the net pension liability, and can also include the items listed above, except for contributions subsequent to the measurement date.

Use of Estimates - Preparation of the Jetport's financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Income Taxes - The Jetport, as a fund of the City of Portland, qualifies as a tax exempt organization under the provisions of the Internal Revenue Code and, accordingly, its income is not subject to any state or federal income taxes.

Net Position Flow Assumptions - Sometimes the Jetport will fund outlays for a particular purpose from both restricted (bond or grant proceeds) and unrestricted resources. In order to calculate the amounts reported as restricted net position and unrestricted net position, a flow assumption must be made about the order in which the resources are considered to be applied. It is the entity's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

PORTLAND INTERNATIONAL JETPORT
Notes to Financial Statements

CAPITAL ASSETS

Summaries of changes in capital assets for the years ended June 30, 2017 and 2016 follow:

	Balance June 30, 2016	Increases	Decreases	Balance June 30, 2017
Capital assets, not being depreciated:				
Land	\$ 13,313,235	\$ -	\$ -	\$ 13,313,235
Construction in progress	683,247	5,818,229	(582,542)	5,918,934
Total capital assets, not being depreciated	<u>\$ 13,996,482</u>	<u>\$ 5,818,229</u>	<u>\$ (582,542)</u>	<u>\$ 19,232,169</u>
Capital assets, being depreciated:				
Buildings	\$ 176,526,424	\$ 158,636	\$ -	\$ 176,685,060
Improvements other than buildings	128,975,670	263,840	-	129,239,510
Machinery and equipment	18,484,901	343,705	(284,127)	18,544,479
Total capital assets, being depreciated	<u>\$ 323,986,995</u>	<u>\$ 766,182</u>	<u>\$ (284,127)</u>	<u>\$ 324,469,050</u>
Less accumulated depreciation for:				
Buildings	\$ (57,498,498)	\$ (4,917,604)	\$ -	\$ (62,416,102)
Improvements other than buildings	(85,927,847)	(3,149,331)	-	(89,077,178)
Machinery and equipment	(10,027,717)	(848,787)	283,070	(10,593,434)
Total accumulated depreciation	<u>\$ (153,454,062)</u>	<u>\$ (8,915,723)</u>	<u>\$ 283,070</u>	<u>\$ (162,086,714)</u>
Total capital assets being depreciated, net	<u>170,532,933</u>	<u>(8,149,541)</u>	<u>(1,057)</u>	<u>162,382,335</u>
Capital assets, net	<u>\$ 184,529,415</u>	<u>\$ (2,331,312)</u>	<u>\$ (583,599)</u>	<u>\$ 181,614,505</u>

PORTLAND INTERNATIONAL JETPORT
Notes to Financial Statements

CAPITAL ASSETS, CONTINUED

	Balance June 30, 2015	Increases	Decreases	Balance June 30, 2016
Capital assets, not being depreciated:				
Land	\$ 13,313,235	\$ -	\$ -	\$ 13,313,235
Construction in progress	170,965	4,966,299	(4,454,017)	683,247
Total capital assets, not being depreciated	<u>\$ 13,484,200</u>	<u>\$ 4,966,299</u>	<u>\$ (4,454,017)</u>	<u>\$ 13,996,482</u>
Capital assets, being depreciated:				
Buildings	\$ 176,526,424	\$ -	\$ -	\$ 176,526,424
Improvements other than buildings	125,486,950	3,488,720	-	128,975,670
Machinery and equipment	17,389,600	1,375,938	(280,637)	18,484,901
Total capital assets, being depreciated	<u>\$ 319,402,974</u>	<u>\$ 4,864,658</u>	<u>\$ (280,637)</u>	<u>\$ 323,986,995</u>
Less accumulated depreciation for:				
Buildings	\$ (52,524,474)	\$ (4,974,024)	\$ -	\$ (57,498,498)
Improvements other than buildings	(82,800,834)	(3,127,013)	-	(85,927,847)
Machinery and equipment	(9,438,163)	(851,696)	262,142	(10,027,717)
Total accumulated depreciation	<u>\$(144,763,471)</u>	<u>\$ (8,952,733)</u>	<u>\$ 262,142</u>	<u>\$(153,454,062)</u>
Total capital assets being depreciated, net	<u>174,639,503</u>	<u>(4,088,075)</u>	<u>(18,495)</u>	<u>170,532,933</u>
Capital assets, net	<u>\$ 188,123,703</u>	<u>\$ 878,224</u>	<u>\$ (4,472,512)</u>	<u>\$ 184,529,415</u>

Depreciation expense incurred at the Jetport totaled \$8,915,723 and \$8,952,733 for the fiscal years ended June 30, 2017 and 2016, respectively.

Construction commitments outstanding at June 30 include:

	2017	2016
Spent to date	\$ 3,831,970	\$ 4,121,321
Remaining Commitment	2,488,127	560,858

PORTLAND INTERNATIONAL JETPORT
Notes to Financial Statements

LONG-TERM DEBT

Changes in long-term liabilities for the years ended June 30, 2017 and 2016 are summarized as follows:

	<u>July 1, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2017</u>	<u>One Year</u>
Revenue bonds	\$ 118,320,000	\$ 20,695,000	\$ 24,255,000	\$ 114,760,000	\$ 2,700,000
Premium on bonds	2,237,244	3,460,671	312,690	5,385,225	502,897
Net pension liability	1,649,760	1,094,584	-	2,744,344	-
	<u>\$ 122,207,004</u>	<u>\$ 25,250,255</u>	<u>\$ 24,567,690</u>	<u>\$ 122,889,569</u>	<u>\$ 3,202,897</u>

	<u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2016</u>	<u>One Year</u>
Revenue bonds	\$ 119,985,000	\$ -	\$ 1,665,000	\$ 118,320,000	\$ 1,720,000
Premium on bonds	2,510,054	-	272,810	2,237,244	249,919
Net pension liability	802,439	847,321	-	1,649,760	-
	<u>\$ 123,297,493</u>	<u>\$ 847,321</u>	<u>\$ 1,937,810</u>	<u>\$ 122,207,004</u>	<u>\$ 1,969,919</u>

Purpose of Debt

The Jetport issues revenue bonds for the purpose of enlarging and improving its operations. The Jetport has also issued refunding bonds when there has been an economic gain. The refundings are structured as legal defeasances of the old debt and such debt has been removed from the Jetport's books. Revenue bonds payable for the years ended June 30, 2017 and 2016:

	<u>Stated Interest Rate Range</u>	<u>Face Value Outstanding June 30, 2017</u>	<u>Face Value Outstanding June 30, 2016</u>
General Airport Revenue Refunding Bonds, Series 2016 \$20,695,000 original principal, matures January 1, 2038	4%-5%	\$ 20,695,000	\$ -
General Airport Revenue Refunding Bonds, Series 2013 \$26,265,000 original principal, matures July 1, 2032	2%-5%	22,300,000	23,250,000
General Airport Revenue Bonds, Series 2010 \$72,310,000 original principal, matures January 1, 2040	4%-5%	71,765,000	71,910,000
General Airport Revenue Bonds, Series 2008	4%-4.75%	-	23,160,000
		<u>\$ 114,760,000</u>	<u>\$ 118,320,000</u>

PORTLAND INTERNATIONAL JETPORT
Notes to Financial Statements

LONG-TERM DEBT, CONTINUED

Requirements for the repayment of the revenue bonds are as follows:

Year ended June 30,	Principal	Interest	Total
2018	\$ 2,700,000	\$ 5,689,300	\$ 8,389,300
2019	3,065,000	5,568,475	8,633,475
2020	3,210,000	5,439,125	8,649,125
2021	3,390,000	5,288,225	8,678,225
2022	3,570,000	5,123,075	8,693,075
2023-2027	21,170,000	22,700,250	43,870,250
2028-2032	27,835,000	16,742,388	44,577,388
2033-2037	27,670,000	9,643,838	37,313,838
2038-2040	22,150,000	2,481,500	24,631,500
Totals	<u>\$ 114,760,000</u>	<u>\$ 78,676,175</u>	<u>\$ 193,436,175</u>

On September 20, 2016, the Portland Jetport issued \$20,695,000 of refunding revenue bonds with interest rates ranging from 4% to 5%. The proceeds of the bonds were used to refund 2008 revenue bonds in the amount of \$23,160,000. The net carrying amount of the old debt exceeded the reacquisition price by \$2,465,000. The City refinanced the debt in order to reduce its total debt service payments over the next 21 years by \$3,134,318 and obtain an economic gain (the difference between the present values of debt service payment on the old and new debt) of \$2,355,748.

Section 705 of the *General Certificate of Terms and Issuance of General Airport Revenue Bonds Portland International Jetport* require a minimum debt service coverage ratio of 125 percent. During fiscal years 2017 and 2016, the Jetport has complied with the requirements of all bond covenants.

	2017	2016
Operating revenue	\$ 21,934,310	\$ 21,363,450
Interest on investments - revenue fund	109,860	175,502
Maintenance and operating expenses	(15,930,917)	(15,501,217)
Net Revenues	<u>\$ 6,113,253</u>	<u>\$ 6,037,735</u>
Debt Service Coverage Ratio Calculation:		
Required Debt Service Fund Deposits	\$ 7,216,485	7,534,773
Less: PFCs Applied to Debt Service	(3,742,493)	(3,260,013)
	<u>\$ 3,473,992</u>	<u>4,274,760</u>
Debt service coverage ratio	176%	141%

PORTLAND INTERNATIONAL JETPORT
Notes to Financial Statements

OPERATING LEASES

The City of Portland is lessor for space in the Portland International Jetport. The leases are non-cancelable operating leases and may contain fixed minimums and/or annually adjusted rates. Rental incomes for such leases were \$20,986,926 and \$20,376,900 for the years ended June 30, 2017 and 2016, respectively. The future minimum lease payments are as follows:

	<u>2017</u>
2018	\$ 4,063,450
2019	4,063,737
2020	4,064,032
2021	4,053,902
2022	<u>4,053,902</u>
Total future minimum lease payments	<u>\$ 20,299,023</u>

The cost and carrying value of property leased, or held for lease under operating leases at June 30, 2017 was \$97,684,399 and \$64,462,284, respectively; and at June 30, 2016 was \$97,616,019 and \$67,124,285, respectively.

CAPITAL GRANTS

The City of Portland is the recipient of several airport development aid program capital grants for continuing projects at the Portland International Jetport. State, federal, and local grants were authorized in the amount of \$13,359,995 and \$24,371,159 at June 30, 2017 and 2016, respectively. At June 30, 2017 and June 30, 2016, \$10,932,361 and \$21,405,981 had been expended against these grants. Amounts due from federal and state governments related to these grants at June 30, 2017 and June 30, 2016 was \$6,145,598 and \$1,327,537.

PORTLAND INTERNATIONAL JETPORT
Net Position and Changes in Net Position

Last Ten Fiscal Years

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Operating revenues										
Terminal rentals	\$ 4,613,526	\$ 4,451,852	\$ 4,168,623	\$ 3,873,641	\$ 3,710,636	\$ 3,370,303	\$ 3,188,582	\$ 3,338,923	\$ 3,330,290	\$ 3,163,230
Landing fees	3,337,376	3,140,527	2,885,813	2,748,081	2,520,617	2,384,503	2,347,763	2,563,994	2,581,143	2,610,477
Ground rent	477,855	473,561	478,180	464,718	462,197	466,324	487,441	465,412	594,929	585,954
Parking	6,854,230	6,557,689	6,475,767	6,572,699	6,104,937	6,042,569	6,249,019	6,258,350	5,593,218	5,661,652
Rental cars	4,035,134	4,167,497	4,029,735	3,495,981	3,617,047	3,197,107	2,760,515	3,507,583	2,929,917	2,807,099
Aircraft deicing fluid recycling (1)	770,143	751,924	715,123	794,472	777,253	872,898	912,538	-	-	-
Concessions	1,417,219	1,329,767	1,363,563	1,067,754	1,255,682	1,158,693	891,203	885,310	895,328	878,183
Other	428,827	490,632	649,273	451,033	616,060	447,391	506,132	249,498	229,852	667,995
Total operating revenues	\$ 21,934,310	\$ 21,363,450	\$ 20,766,077	\$ 19,468,379	\$ 19,064,429	\$ 17,939,788	\$ 17,343,193	\$ 17,269,070	\$ 16,154,677	\$ 16,374,590
Nonoperating revenues										
Passenger facility charges	\$ 3,742,493	\$ 3,504,626	\$ 3,475,122	\$ 3,424,890	\$ 3,423,073	\$ 3,339,256	\$ 3,789,768	\$ 3,429,330	\$ 2,590,439	\$ 2,558,826
Interest	109,860	175,502	129,680	66,764	24,133	26,220	157,599	71,847	494,618	429,125
Other	-	-	-	-	116,848	-	-	-	6,333	125,898
Total nonoperating revenues	\$ 3,852,353	\$ 3,680,128	\$ 3,604,802	\$ 3,491,654	\$ 3,564,054	\$ 3,365,476	\$ 3,947,367	\$ 3,501,177	\$ 3,091,390	\$ 3,113,849
Total revenues	\$ 25,786,664	\$ 25,043,578	\$ 24,370,879	\$ 22,960,033	\$ 22,628,483	\$ 21,305,264	\$ 21,290,560	\$ 20,770,247	\$ 19,246,067	\$ 19,488,439
Operating expenses										
Personnel services	\$ 5,000,280	\$ 4,812,333	\$ 4,075,786	\$ 3,966,148	\$ 3,854,494	\$ 3,643,244	\$ 3,498,179	\$ 3,110,782	\$ 3,129,467	\$ 3,349,806
Contractual services	6,814,606	6,706,375	6,029,555	5,836,992	6,300,692	5,148,490	3,971,043	4,182,364	4,530,097	4,501,162
Supplies and materials	807,642	689,682	706,169	748,935	746,064	538,502	605,795	532,808	608,939	546,473
Rentals	14,686	40,838	39,555	11,807	12,037	11,259	11,918	14,453	11,169	310,543
Utilities	1,391,041	1,407,204	1,484,605	1,411,237	1,257,122	1,105,730	798,436	714,732	843,497	791,472
Maintenance	1,798,495	1,740,540	1,417,079	1,109,862	909,037	639,482	795,186	1,010,983	776,723	603,504
Depreciation	8,915,723	8,952,733	9,937,167	10,715,429	10,893,228	10,018,427	8,677,856	8,343,575	8,118,477	7,910,637
Other	104,169	104,245	128,528	124,455	124,531	611,117	609,612	557,418	509,639	734,297
Total operating expenses	\$ 24,846,641	\$ 24,453,950	\$ 23,818,444	\$ 23,924,865	\$ 24,097,205	\$ 21,716,251	\$ 18,968,025	\$ 18,467,115	\$ 18,528,008	\$ 18,747,894
Nonoperating expenses										
Capital asset retirement	\$ 1,057	\$ 18,495	\$ -	\$ -	\$ -	\$ 485,353	\$ 5,117	\$ 917	\$ -	\$ -
Interest expense	5,151,332	5,549,417	5,609,244	5,736,322	6,423,647	3,468,813	3,798,677	3,317,948	2,171,153	1,968,475
Other	-	-	460,671	-	-	-	-	-	-	-
Total nonoperating expenses	\$ 5,152,390	\$ 5,567,912	\$ 6,069,915	\$ 5,736,322	\$ 6,423,647	\$ 3,954,166	\$ 3,803,794	\$ 3,318,864	\$ 2,171,153	\$ 1,968,475
Total expenses	\$ 29,999,030	\$ 30,021,862	\$ 29,888,359	\$ 29,661,187	\$ 30,520,852	\$ 25,670,417	\$ 22,771,819	\$ 21,785,979	\$ 20,699,161	\$ 20,716,369
Transfers out (in)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (114,986)	\$ 114,986	\$ -	\$ -
Capital contributions	5,097,942	5,188,818	1,726,702	2,100,350	6,861,123	10,121,038	19,896,219	12,443,239	2,989,064	965,454
Change in net position	\$ 885,575	\$ 210,534	\$ (3,790,778)	\$ (4,600,804)	\$ (1,031,246)	\$ 5,755,885	\$ 18,529,946	\$ 11,312,521	\$ 1,535,970	\$ (262,476)
Net position at year-end										
Net investment in capital assets	\$ 76,066,253	\$ 78,811,682	\$ 65,628,649	\$ 73,078,592	\$ 82,538,428	\$ 79,493,563	\$ 68,070,921	\$ 63,535,259	\$ 57,806,352	\$ 54,434,484
Restricted	4,245,032	3,686,163	17,729,460	18,200,326	18,019,786	14,440,299	22,360,883	74,331,659	12,179,865	26,539,896
Unrestricted (deficit)	20,903,499	17,831,359	16,760,561	14,071,736	9,393,245	17,048,843	16,337,434	(49,627,625)	6,940,554	(5,583,579)
Total net position	\$ 101,214,783	\$ 100,329,204	\$ 100,118,670	\$ 105,350,654	\$ 109,951,459	\$ 110,982,705	\$ 106,769,238	\$ 88,239,293	\$ 76,926,771	\$ 75,390,801

(1) FY2011 was the first year of deicing fluid recapture and recycling

PORTLAND INTERNATIONAL JEI/PORT
Principal Revenue Sources and Revenues Per Enplaned Passenger
Last Ten Fiscal Years

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Airline revenues										
Terminal rentals	\$ 4,225,910	\$ 4,065,548	\$ 3,772,520	\$ 3,534,855	\$ 3,449,588	\$ 3,107,859	\$ 2,832,787	\$ 3,111,289	\$ 3,133,664	\$ 2,931,820
Landing fees	3,128,272	2,936,436	2,675,449	2,562,568	2,361,034	2,219,774	2,169,353	2,391,335	2,355,973	2,302,651
Total airline revenues	\$ 7,354,182	\$ 7,001,983	\$ 6,447,969	\$ 6,097,423	\$ 5,810,622	\$ 5,327,633	\$ 5,002,140	\$ 5,502,624	\$ 5,489,637	\$ 5,234,471
Percentage of total revenues	28.52%	27.96%	26.46%	26.56%	25.68%	25.01%	23.49%	26.49%	28.52%	26.86%
Cargo revenues										
Landing fees	\$ 209,104	\$ 204,092	\$ 210,364	\$ 185,512	\$ 159,583	\$ 164,729	\$ 178,410	\$ 133,215	\$ 225,170	\$ 307,826
Ramp rent	71,552	70,152	72,026	67,479	72,091	69,836	72,338	65,946	64,301	56,118
Ground rent	45,598	44,701	43,292	40,193	43,015	42,155	44,414	40,221	39,241	34,735
Total cargo revenues	\$ 326,254	\$ 318,945	\$ 325,682	\$ 293,184	\$ 274,689	\$ 276,720	\$ 295,162	\$ 239,382	\$ 328,712	\$ 398,680
Percentage of total revenues	1.27%	1.27%	1.34%	1.28%	1.21%	1.30%	1.39%	1.15%	1.71%	2.05%
Nonairline revenues										
Parking	\$ 6,854,230	\$ 6,557,689	\$ 6,475,767	\$ 6,572,699	\$ 6,104,937	\$ 6,042,569	\$ 6,249,019	\$ 6,258,350	\$ 5,593,218	\$ 5,661,652
Rental cars	4,035,134	4,167,497	4,029,735	3,495,981	3,617,047	3,197,107	2,859,355	3,478,966	2,929,917	2,807,099
Concessions	1,417,219	1,329,767	1,363,563	1,067,754	1,255,682	1,158,693	891,203	885,310	895,328	878,183
Aircraft deicing fluid recycling (1)	770,143	751,924	715,123	794,472	777,253	872,898	912,538	-	-	-
Ground rent	432,257	428,860	434,888	424,525	419,182	424,169	474,843	387,861	491,387	495,101
Terminal rent	387,616	386,305	396,103	338,785	261,048	262,444	195,898	192,710	196,626	231,410
Other	357,275	420,480	577,247	383,554	543,969	377,555	463,035	323,867	229,852	667,993
Total nonairline revenues	\$ 14,253,874	\$ 14,042,522	\$ 13,992,426	\$ 13,077,770	\$ 12,979,118	\$ 12,335,435	\$ 12,045,891	\$ 11,527,064	\$ 10,336,328	\$ 10,741,439
Percentage of total revenues	55.28%	56.07%	57.41%	56.96%	57.36%	57.90%	56.58%	55.50%	53.71%	55.12%
Nonoperating revenues										
Passenger facility charges	\$ 3,742,493	\$ 3,504,626	\$ 3,475,122	\$ 3,424,890	\$ 3,423,073	\$ 3,339,256	\$ 3,789,768	\$ 3,429,330	\$ 2,590,439	\$ 2,558,826
Interest	109,860	175,502	129,680	66,764	24,133	26,220	157,599	71,847	494,618	429,125
Other	-	-	-	-	116,848	-	-	-	6,333	125,898
Total nonoperating revenues	\$ 3,852,353	\$ 3,680,128	\$ 3,604,802	\$ 3,491,654	\$ 3,564,054	\$ 3,365,476	\$ 3,947,367	\$ 3,501,177	\$ 3,091,390	\$ 3,113,849
Percentage of total revenues	14.94%	14.69%	14.79%	15.21%	15.75%	15.80%	18.54%	16.86%	16.06%	15.98%
Total revenues	\$ 25,786,664	\$ 25,043,578	\$ 24,370,879	\$ 22,960,031	\$ 22,628,483	\$ 21,305,264	\$ 21,290,560	\$ 20,770,247	\$ 19,246,067	\$ 19,488,439
Enplaned passengers (excluding charters)	912,913	876,250	842,784	843,148	818,541	824,165	849,076	858,687	861,585	869,626
Total revenue per enplaned passenger	\$ 28.25	\$ 28.58	\$ 28.92	\$ 27.23	\$ 27.64	\$ 25.85	\$ 25.07	\$ 24.19	\$ 22.34	\$ 21.26
Airline revenue per enplaned passenger	\$ 8.06	\$ 7.99	\$ 7.65	\$ 7.23	\$ 7.10	\$ 6.46	\$ 5.89	\$ 6.41	\$ 6.37	\$ 6.02

(1) FY2011 was the first year of deicing fluid recapture and recycling

PORTLAND INTERNATIONAL JETPORT
Changes in Cash and Cash Equivalents
Last Ten Fiscal Years

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Cash flows from operating activities										
Receipts from customers and users	\$ 21,848,595	\$ 21,545,614	\$ 20,804,816	\$ 19,494,240	\$ 19,045,317	\$ 17,570,830	\$ 17,297,017	\$ 17,131,693	\$ 16,912,025	\$ 17,853,505
Payments to suppliers	(9,202,376)	(9,980,113)	(10,629,035)	(8,233,341)	(10,063,783)	(9,726,904)	(9,536,796)	(6,832,878)	(7,673,183)	(7,512,540)
Payments to employees	(5,060,016)	(4,751,671)	(4,324,548)	(3,936,395)	(3,873,483)	(3,647,365)	(3,477,842)	(3,282,966)	(3,101,192)	(3,195,234)
Net cash provided (used) by operating activities	\$ 7,586,203	\$ 6,813,830	\$ 5,851,233	\$ 7,324,504	\$ 5,108,051	\$ 4,196,561	\$ 4,282,379	\$ 7,015,849	\$ 6,137,650	\$ 7,145,731
Cash flows from noncapital financing activities										
Transfers to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 114,986	\$ (114,986)	\$ -	\$ -
Net cash provided (used) by noncapital financing activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 114,986	\$ (114,986)	\$ -	\$ -
Cash flows from capital and related financing activities										
Contributed capital	\$ 279,881	\$ 6,956,237	\$ 4,724,657	\$ 2,625,220	\$ 16,506,617	\$ 10,782,816	\$ 11,751,997	\$ 4,204,540	\$ 2,989,064	\$ 965,454
Passenger facility charges	3,742,493	3,360,360	3,374,105	3,505,456	3,423,073	3,339,256	3,789,768	3,429,330	2,590,439	2,558,826
Proceeds from sale of revenue bonds	-	-	-	-	-	-	-	72,310,000	-	26,420,000
Proceeds from sale of refunding bonds	24,155,671	-	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-	-	700,000	-	-
Acquisition and construction of capital assets	(5,841,675)	(5,189,872)	(1,572,999)	(3,919,096)	(7,941,008)	(30,145,788)	(62,596,684)	(18,181,705)	(24,584,443)	(5,542,896)
Nonoperating deposits:										
Beginning of year	-	-	-	-	-	(300,623)	(623)	-	-	-
End of year	-	-	-	-	-	623	300,623	-	-	-
Acquisition of other noncurrent assets	-	-	-	-	-	-	-	(1,889,314)	-	(1,238,630)
Principal paid on bond maturities	(1,095,000)	(1,665,000)	(1,615,000)	(1,865,000)	(3,430,000)	(1,380,000)	(1,402,738)	(962,332)	(932,323)	(902,323)
Principal paid on note payable, line-of-credit	-	-	-	-	-	-	(845,000)	(3,715,000)	(2,540,000)	(1,990,000)
Cash used in bond refinancing	-	-	-	-	(100,997)	-	-	-	-	-
Refunding bonds defeased	(24,609,699)	-	-	-	-	-	-	-	-	-
Interest paid on debt	(5,522,771)	(5,867,597)	(5,919,772)	(5,770,788)	(4,191,994)	(3,496,239)	(2,642,834)	(2,701,644)	(1,625,410)	(1,950,130)
Nonoperating, other	-	-	(460,671)	-	-	-	-	(916)	6,333	12,217
Net cash provided (used) by capital and related financing activities	\$ (8,891,100)	\$ (2,405,872)	\$ (1,469,680)	\$ (5,424,208)	\$ 4,265,691	\$ (21,199,955)	\$ (51,645,491)	\$ 53,192,959	\$ (24,096,340)	\$ 18,332,518

PORTLAND INTERNATIONAL JETPORT
Changes in Cash and Cash Equivalents
Last Ten Fiscal Years

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Cash flows from investing activities										
Purchase of investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (14,868,762)
Proceeds from sale and maturity of investments	-	-	-	-	-	-	-	-	13,250,017	1,667,770
Interest income	109,860	175,502	129,680	66,764	24,134	26,220	157,599	71,847	494,618	542,806
Net cash provided (used) by investing activities	\$ 109,860	\$ 175,502	\$ 129,680	\$ 66,764	\$ 24,134	\$ 26,220	\$ 157,599	\$ 71,847	\$ 13,744,635	\$ (12,658,186)
Net increase (decrease) in cash and cash equivalents	\$ (1,195,034)	\$ 4,583,460	\$ 4,511,233	\$ 1,967,060	\$ 9,397,876	\$ (16,977,174)	\$ (47,090,527)	\$ 60,165,669	\$ (4,214,055)	\$ 12,820,063
Cash and cash equivalents, beginning of year	36,286,467	31,703,007	27,191,774	25,224,714	15,826,838	32,804,012	79,894,539	19,728,870	23,942,925	11,122,862
Cash and cash equivalents, end of year	\$35,091,434	\$36,286,467	\$31,703,007	\$27,191,774	\$25,224,714	\$15,826,838	\$32,804,012	\$79,894,539	\$19,728,870	\$23,942,925
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:										
Operating income (loss)	\$ (2,912,331)	\$ (3,090,500)	\$ (3,052,367)	\$ (4,456,487)	\$ (5,032,776)	\$ (4,261,816)	\$ (1,624,832)	\$ (1,198,044)	\$ (2,373,331)	\$ (2,373,304)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:										
Depreciation and amortization	\$ 8,915,723	\$ 8,952,733	\$ 9,937,167	\$ 10,715,429	\$ 10,893,228	\$ 10,018,427	\$ 8,677,856	\$ 8,343,574	\$ 8,118,477	\$ 7,910,637
Loss on disposal of assets	-	-	4,112	-	-	1,497,800	5,116	6,516	-	-
Change in deferred inflows and outflows-pension	158,308	401,164	(244,081)	-	-	-	-	-	-	-
Change in operating assets and liabilities:										
Accounts receivable	(38,143)	119,326	(36,666)	25,862	(19,112)	(368,958)	(20,722)	(136,461)	(262,430)	(445,744)
Prepaid expenses	62,535	62,535	62,536	85,036	(22,500)	-	-	-	-	-
Inventories	(18,724)	(9,020)	(75,245)	58,366	(26,822)	(1,014)	(106,815)	16,944	(162,296)	(18,849)
Due from other governments	(47,573)	62,838	-	-	-	-	-	-	1,019,778	1,924,659
Accounts payable	1,536,781	228,921	(762,991)	873,604	(687,219)	(2,867,792)	(2,880,749)	159,128	(102,681)	(82,646)
Deferred revenue	-	-	-	-	-	169,305	-	-	-	-
Accrued liabilities	(53,622)	36,163	(6,199)	29,753	(18,989)	(4,121)	228,850	(172,184)	28,275	154,572
Compensated absences	(6,113)	33,499	1,518	-	-	-	-	-	-	-
Claims and judgments	(10,638)	16,171	23,449	(7,059)	22,241	14,730	3,675	(3,624)	(128,142)	76,406
Total adjustments	\$10,498,534	\$ 9,904,330	\$ 8,903,600	\$11,780,991	\$10,140,827	\$ 8,458,377	\$ 5,907,211	\$ 8,213,893	\$ 8,510,981	\$ 9,519,035
Net cash provided (used) by operating activities	\$ 7,586,203	\$ 6,813,830	\$ 5,851,233	\$ 7,324,504	\$ 5,108,051	\$ 4,196,561	\$ 4,282,379	\$ 7,015,849	\$ 6,137,650	\$ 7,145,731
Noncash investing, capital, and financing activities:										
Disposal of capital assets	284,127	\$ 280,636	\$ 818,680	\$ 154,449	\$ 321,724	\$ 2,526,986	\$ 59,582	\$ 173,642	\$ 25,199	\$ 2,464,549
Accumulated depreciation on capital asset dispositions	283,066	262,141	814,568	154,449	321,724	1,029,186	54,466	167,127	25,199	2,464,549
Premium on refunding of revenue bonds	3,460,671	-	-	-	3,105,166	-	-	-	-	-
Refunding debt issued	20,695,000	-	-	-	25,265,000	-	-	-	-	-
Outstanding debt refunded	23,160,000	-	-	-	27,725,000	-	-	-	-	-

PORTLAND INTERNATIONAL JEIPIPORT

Revenue Rates

Last Ten Fiscal Years

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Landing fee (per 1,000 lbs MGLW)	\$2.74	\$2.83	\$2.89	\$2.81	\$2.47	\$2.33	\$2.15	\$2.35	\$2.13	\$2.42
Landing fee surcharge (per 1,000 lbs MGLW) for non-signatory airlines: 25% add-on to landing fee	\$0.69	\$0.71	\$0.72	\$0.70	\$0.62	\$0.58	\$0.54	\$0.59	\$0.53	\$0.61
Apron fees (per sq. foot)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Annual terminal rental rates (per sq. foot)										
- Exclusive use	\$30.44	\$29.17	\$27.77	\$25.36	\$26.20	\$23.32	\$34.85	\$35.82	\$36.48	\$36.15
- Common use	\$30.44	\$29.25	\$27.86	\$25.37	\$26.20	\$22.31	\$47.26	\$47.80	\$48.16	\$46.84
- Outbound baggage	(b) \$41.43	\$38.88	\$34.50	\$36.08	\$24.17	\$42.11	n/a	n/a	n/a	n/a
- Public / concessions use	\$30.44	\$29.12	\$27.91	\$25.38	\$26.21	\$21.78	\$47.25	\$47.80	\$48.17	\$46.90
Terminal renovations surcharge (per enplanement)										
- PFC (Passenger Facility Charge)	(a) \$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$3.00
Annual loading bridge rental (per bridge)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

(a) \$4.50 PFC became effective March 1, 2009.

(b) Outbound baggage fees began October 2011.

PORTLAND INTERNATIONAL JETPORT
Ratios of Outstanding Debt, Debt Service, and Debt Limits
 Last Ten Fiscal Years

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Outstanding Debt per Enplaned Passenger										
Outstanding debt by type:										
Revenue bonds	\$ 50,070,000	\$ 53,630,000	\$ 55,295,000	\$ 56,910,000	\$ 58,775,000	\$ 62,605,000	\$ 63,985,000	\$ 65,310,000	\$ 58,495,000	\$ 59,270,000
Revenue bonds (PFC funded)	64,690,000	64,690,000	64,690,000	64,690,000	64,690,000	64,690,000	64,690,000	64,690,000	-	-
General obligation bonds	-	-	-	-	-	-	-	77,738	235,070	392,393
Total outstanding debt	\$ 114,760,000	\$ 118,320,000	\$ 119,985,000	\$ 121,600,000	\$ 123,465,000	\$ 127,295,000	\$ 128,675,000	\$ 130,077,738	\$ 58,730,070	\$ 59,662,393
Outstanding debt per enplaned passenger	\$ 126.49	\$ 135.03	\$ 142.37	\$ 144.22	\$ 150.84	\$ 154.45	\$ 151.55	\$ 151.48	\$ 68.17	\$ 68.61
Debt Service										
Principal	\$ 1,720,000	\$ 1,665,000	\$ 1,615,000	\$ 1,865,000	\$ 1,435,000	\$ 1,380,000	\$ 1,402,738	\$ 962,332	\$ 932,323	\$ 902,323
Interest	\$ 5,496,485	\$ 5,867,597	\$ 5,919,773	\$ 5,669,004	\$ 6,175,145	\$ 6,201,344	\$ 5,100,563	\$ 2,674,714	\$ 2,753,110	\$ 1,545,993
Total debt service	\$ 7,216,485	\$ 7,532,597	\$ 7,534,773	\$ 7,534,004	\$ 7,610,145	\$ 7,581,344	\$ 6,503,301	\$ 3,637,046	\$ 3,685,433	\$ 2,448,316
Ratio of debt service to total expenses	24.06%	25.09%	25.21%	25.40%	24.93%	29.53%	28.56%	16.69%	17.80%	11.82%
Net debt service per enplaned passenger	\$ 7.95	\$ 8.60	\$ 8.94	\$ 8.94	\$ 9.30	\$ 9.20	\$ 7.66	\$ 4.24	\$ 4.28	\$ 2.82
Debt Limit Information (in thousands)										
Assessed value per State (in thousands)	\$ 8,501,550	\$ 7,996,350	\$ 7,707,200	\$ 7,551,450	\$ 7,552,150	\$ 7,659,250	\$ 7,909,900	\$ 8,196,900	\$ 8,283,450	\$ 8,289,850
Debt limit - 3% of assessed value (in thousands)	\$ 255,047	\$ 239,891	\$ 231,216	\$ 226,544	\$ 226,565	\$ 229,778	\$ 237,297	\$ 245,907	\$ 248,504	\$ 248,696
Debt applicable to the limit (in thousands)	-	-	-	-	-	-	-	78	235	392
Debt margin (in thousands)	\$ 255,047	\$ 239,891	\$ 231,216	\$ 226,544	\$ 226,565	\$ 229,778	\$ 237,297	\$ 245,829	\$ 248,268	\$ 248,303
Debt margin as a percentage of debt limit	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	99.97%	99.91%	99.84%
Debt margin per enplaned passenger	\$ 281.12	\$ 273.77	\$ 274.35	\$ 268.69	\$ 276.79	\$ 278.80	\$ 279.48	\$ 286.29	\$ 288.15	\$ 285.53

See Schedule 11 for enplanement data.

PORTLAND INTERNATIONAL AIRPORT
Pledged Revenue Coverage
Last Ten Fiscal Years

	Budget Basis									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Net Revenues										
Total Revenues	\$ 22,044,170	\$ 21,538,952	\$ 20,812,634	\$ 19,510,175	\$ 19,087,157	\$ 17,939,788	\$ 17,343,193	\$ 17,269,070	\$ 16,479,552	\$ 16,502,828
Maintenance and operating expenses (1)	15,930,917	15,501,217	13,881,277	13,209,436	13,203,977	12,183,177	10,290,170	10,123,540	10,258,721	10,492,597
Net revenues	6,113,253	6,037,735	6,931,357	6,300,739	5,883,180	5,756,611	7,053,023	7,145,530	6,220,831	6,010,231
Less: Debt service	3,473,992	4,027,971	4,059,651	4,109,114	4,187,073	4,269,621	4,164,104	3,643,981	3,536,836	2,290,404
Capital outlay	526,926	708,016	630,361	1,102,372	730,450	1,595,441	749,336	951,017	249,202	1,222,442
Net remaining revenues	\$ 2,112,335	\$ 1,301,748	\$ 2,241,345	\$ 1,089,253	\$ 965,657	\$ (108,451)	\$ 2,139,583	\$ 2,550,532	\$ 2,434,793	\$ 2,497,385
Debt Service - Revenue Bonds										
Principal	\$ 1,720,000	\$ 1,665,000	\$ 1,615,000	\$ 1,865,000	\$ 1,435,000	\$ 1,380,000	\$ 1,325,000	\$ 835,000	\$ 805,000	\$ 775,000
Interest	5,496,485	5,867,597	5,919,773	5,669,004	6,175,146	6,228,877	4,469,110	2,808,981	2,731,836	1,515,404
Less: Pledged Passenger Facilities Charges (2)	(3,742,493)	(3,504,626)	(3,475,122)	(3,424,890)	(3,423,073)	(3,339,256)	(1,630,006)	-	-	-
Total Debt Service	\$ 3,473,992	\$ 4,027,971	\$ 4,059,651	\$ 4,109,114	\$ 4,187,073	\$ 4,269,621	\$ 4,164,104	\$ 3,643,981	\$ 3,536,836	\$ 2,290,404
Debt Service Coverage Ratio Calculation										
Net revenues	\$ 6,113,253	\$ 6,037,735	\$ 6,931,357	\$ 6,300,739	\$ 5,883,180	\$ 5,756,611	\$ 7,053,023	\$ 7,145,530	\$ 6,220,831	\$ 6,010,231
Debt service	3,473,992	4,027,971	4,274,760	4,109,114	4,187,073	4,269,621	4,164,104	3,643,981	3,536,836	2,290,404
Debt service coverage ratio	1.76	1.50	1.62	1.53	1.41	1.35	1.69	1.96	1.76	2.62

(1) Excludes debt service expenditures and current years' budget basis encumbrances, includes prior years' payments of prior years' encumbrances
(2) To measure compliance with revenue bond requirements, passenger facility charges are pledged to the payment of debt service and are not included in total revenues.

PORTLAND INTERNATIONAL JETPORT
Population in the Air Trade Area
Last Ten Calendar Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Percentage Change 2014-2015	2015-2016
PRIMARY TRADE AREA												
State of Maine												
Androscoggin County	106,815	106,877	106,539	107,702	107,398	107,609	107,604	107,440	107,233	107,319	-0.19%	0.08%
Cumberland County	275,374	276,047	278,559	281,674	282,401	283,921	285,456	287,797	289,977	292,041	0.76%	0.71%
Kennebec County	120,839	120,959	121,090	122,151	121,935	121,853	121,164	121,112	119,980	120,569	-0.93%	0.49%
Knox County	40,781	40,686	40,801	39,736	39,708	39,668	39,550	39,676	39,855	39,744	0.45%	-0.28%
Lincoln County	34,800	34,628	34,576	34,457	34,224	34,180	34,088	34,170	33,969	34,216	-0.59%	0.73%
Oxford County	56,734	56,741	56,244	57,833	57,695	57,481	57,277	57,238	57,202	57,217	-0.06%	0.03%
Sagadahoc County	36,387	36,332	36,391	35,293	35,207	35,191	35,013	35,045	35,149	35,273	0.30%	0.35%
	671,730	672,270	674,200	678,846	678,568	679,903	680,152	682,478	683,365	686,379	0.13%	0.44%
SECONDARY TRADE AREA												
State of Maine												
Aroostook County	72,047	71,676	71,488	70,981	71,482	70,868	70,055	69,447	68,628	67,959	-1.18%	-0.97%
Franklin County	29,927	29,857	29,735	29,650	30,746	30,630	30,495	30,296	29,991	30,001	-1.01%	0.03%
Hancock County	53,278	53,137	53,447	53,269	54,578	54,558	54,845	54,696	54,659	54,419	-0.07%	-0.44%
Penobscot County	148,784	148,651	149,419	148,761	153,786	153,746	153,364	153,414	152,692	151,806	-0.47%	-0.58%
Piscataquis County	17,180	16,961	16,795	16,874	17,419	17,290	17,124	17,026	16,931	16,843	-0.56%	-0.52%
Somerset County	51,658	51,377	50,947	50,900	52,028	51,910	51,706	51,163	51,113	50,915	-0.10%	-0.39%
Waldo County	38,511	38,342	38,287	38,359	38,745	38,820	38,940	39,051	39,155	39,364	0.27%	0.53%
Washington County	32,751	32,499	32,107	31,932	32,637	32,462	32,190	31,808	31,625	31,450	-0.58%	-0.55%
York County	201,341	201,686	201,876	201,564	198,199	199,005	199,431	200,710	201,169	202,343	0.23%	0.58%
	645,477	644,186	644,101	642,290	649,620	649,289	648,150	647,611	645,963	645,100	-0.25%	-0.13%
TOTAL PRIMARY AND SECONDARY TRADE AREA												
	1,317,207	1,316,456	1,318,301	1,321,136	1,328,188	1,329,192	1,328,302	1,330,089	1,329,328	1,331,479	-0.06%	0.16%
State of Maine	1,317,207	1,316,456	1,318,301	1,321,136	1,328,188	1,329,192	1,328,302	1,330,089	1,329,328	1,331,479	-0.06%	0.16%
United States	301,621,157	304,059,724	307,006,550	309,050,816	311,591,917	313,914,040	316,128,839	318,857,056	321,069,839	323,405,935	0.69%	0.73%

Source: U.S. Census Bureau

PORTLAND INTERNATIONAL JETPORT
Top 50 Private Employers in the Primary & Secondary Trade Areas
As of December 2016

<u>Employer</u>	<u>Location</u>	<u>Employment</u>		<u>Product or Service</u>
			<u>Range</u>	
MaineHealth	Statewide		8,501 to 9,000	General medical and surgical hospitals
Hannaford Bros Co.	Statewide		8,001 to 8,500	Supermarkets and other grocery stores
Wal Mart / Sam's Club	Statewide		7,001 to 7,500	Warehouse Clubs and Supercenters
Bath Iron Works Corporation	Bath		5,501 to 6,000	Ship building and repairing
L.L. Bean, Inc.	Statewide		4,501 to 5,000	Electronic Shopping and Mail-Order Houses
Eastern Maine Medical Center	Statewide		4,001 to 4,500	General medical and surgical hospitals
Maine General Medical Center	Statewide		3,501 to 4,000	General medical and surgical hospitals
Central Maine Healthcare Corp.	Lewiston		3,001 to 3,500	General medical and surgical hospitals
T D Bank N A	Statewide		3,001 to 3,500	Commercial banking
UNUM Provident	Portland		3,001 to 3,500	Direct life insurance carriers
Shaw's Supermarkets, Inc.	Statewide		2,001 to 2,500	Supermarkets and other grocery stores
MaineHealth	Statewide		2,001 to 2,500	General medical and surgical hospitals
Pratt & Whitney Aircraft Group	North Berwick		1,501 to 2,000	Aircraft engine and engine parts mfg.
St. Mary's Regional Medical Ctr	Statewide		1,501 to 2,000	General medical and surgical hospitals
Mercy Hospital	Portland		1,001 to 1,500	General medical and surgical hospitals
University of New England	Statewide		1,001 to 1,500	Colleges and universities
Home Depot USA Inc.	Statewide		1,001 to 1,500	Home centers
Goodwill Industries of Northern N E	Statewide		1,001 to 1,500	Vocational rehabilitation services
Mid Coast Hospital	Brunswick		1,001 to 1,500	General medical and surgical hospitals
The Jackson Laboratory	Bar Harbor		1,001 to 1,500	Research and Development in Biotechnology
Circle K	Statewide		1,001 to 1,500	Gasoline stations with convenience stores
Lowe's Home Centers LLC	Statewide		1,001 to 1,500	Home centers
S D Warren	Statewide		1,001 to 1,500	Paper, except newsprint, mills
Bowdoin College	Brunswick		1,001 to 1,500	Colleges and universities
Rite Aid of Maine Inc.	Statewide		1,001 to 1,500	Pharmacies and drug stores
Idexx Laboratories Inc.	Westbrook		1,001 to 1,500	Pharmaceutical preparation manufacturing
Maine Behavioral Healthcare	Statewide		1,001 to 1,500	Psychiatric and substance abuse hospitals
St Joseph Hospital Inc.	Bangor		1,001 to 1,500	General medical and surgical hospitals
Bonney Staffing Center Inc.	Statewide		1,001 to 1,500	Temporary help services
York Hospital	Statewide		1,001 to 1,500	General medical and surgical hospitals
Aroostook Medical Center	Statewide		1,001 to 1,500	General medical and surgical hospitals
Penobscot Bay Medical Center	Statewide		1,001 to 1,500	General medical and surgical hospitals
Sunday River Skiway	Statewide		1,001 to 1,500	Skiing facilities
UPS Solutions	Statewide		501 to 1,000	Couriers and express delivery services
Athena Health Inc.	Belfast		501 to 1,000	Office administrative services
Bank of America NA	Statewide		501 to 1,000	Commercial banking
Bates College	Lewiston		501 to 1,000	Colleges and universities
EMHS	Brewer		501 to 1,000	Office administrative services
Perrier Group-Poland Spring	Statewide		501 to 1,000	Bottled water manufacturing
Central Maine Power Co	Statewide		501 to 1,000	Electric power distribution
Colby College	Waterville		501 to 1,000	Colleges and universities
New Balance Athletic Shoe Inc.	Statewide		501 to 1,000	Footwear manufacturing
Dead River Company	Statewide		501 to 1,000	Fuel dealers
Spurwink Services Incorporated	Statewide		501 to 1,000	Residential mental and substance abuse care
Mardens Inc.	Statewide		501 to 1,000	Department Stores
Bangor Savings Bank	Statewide		501 to 1,000	Savings institutions
Sugarloaf Mountain Corp	Statewide		501 to 1,000	Skiing facilities
North Country Assoc Inc	Statewide		501 to 1,000	Nursing care facilities, skilled nursing
Charter Communications LLC	Statewide		501 to 1,000	Wired Telecommunications Carriers
C N Brown Co	Statewide		501 to 1,000	Fuel dealers

Source: Maine Department of Labor Center for Workforce Research and Information

PORTLAND INTERNATIONAL JETPORT
Registered Students at Colleges and
Universities in the Primary Trade Area
As of December 2016

<u>Name</u>	<u>County</u>	<u>Total Students</u>	<u>Status</u>
Bates College	Androscoggin	1,780	Private
Bowdoin College	Cumberland	1,806	Private
Central Maine Community College	Androscoggin	3,025	Public
Colby College	Kennebec	1,879	Private
Kaplan University	Cumberland, Androscoggin	1,315	Private
Maine College of Art	Cumberland	488	Private
Maine College of Health Professions	Androscoggin	169	Private
Saint Joseph's College	Cumberland	2,102	Private
Southern Maine Community College	Cumberland	5,932	Public
Thomas College	Kennebec	1,375	Private
University of Maine Augusta	Kennebec	4,416	Public
University of New England	Cumberland, York	8,263	Private
University of Southern Maine	Cumberland	7,855	Public
York County Community College	Cumberland	1,827	Public

Source: National Center for Education Statistics

PORTLAND INTERNATIONAL JETPORT
Jetport Employees
Last Ten Fiscal Years

Full-time-Equivalent Employees as of Fiscal Year-End

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Administration	10	10	8	8	8	9	9	9	9	9
Airfield	17	15	16	17	17	17	17	17	17	17
Security / Comm. Center	7.5	12	11	11	10	10	10	10	9	9
Terminal	16	12	13	13	12	11	10	10	10	9
Total Employees	50.5	49	48	49	47	47	46	46	45	44

NOTES:

1. Control tower not staffed by Jetport personnel.
2. Loading bridges not staffed by Jetport personnel.
3. Janitorial services are contracted out to a private operator.
4. Parking management services are contracted out to a private operator.
5. Police officers and ARFF employees are provided by City of Portland's Police and Fire Departments and costs are reimbursed by the Jetport
6. Vehicles and equipment are the responsibility of Airfield employees; some work is contracted out to a private operator.

CITY OF PORTLAND, MAINE
PORTLAND INTERNATIONAL JETPORT
Schedule of Enplanement Data
Last Ten Fiscal Years

AIRLINE	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Air Canada / Air Alliance	-	-	-	-	4,095	5,838	6,463	1,004	-	-
AirTran	-	-	-	-	67,349	94,721	99,466	110,154	96,618	102,187
Continental Airlines										
Colgan / Continental Connection	-	-	-	-	6,147	44,389	73,130	74,304	68,881	1,303
Continental Express / ExpressJet	-	-	-	-	55,418	33,056	8,676	12,813	14,512	66,843
Trans State Airlines	-	-	-	-	95	1,412	-	-	-	-
Delta	106,069	102,962	100,639	110,974	125,867	101,601	75,435	27,881	12,850	-
Atlantic Southeast Airlines	-	-	-	-	-	-	3,672	15,799	40,638	63,687
Chautauqua	-	-	9,167	24,446	3,176	17,151	14,925	563	-	29,683
Comair	-	-	-	-	344	6,209	19,044	13,965	26,354	54,748
Compass	-	74	-	4,815	9,048	-	2,713	2,538	-	-
Endeavor Air	62,479	56,689	55,025	17,115	-	-	-	-	-	-
ExpressJet	34,646	31,670	20,325	7,064	9,367	-	-	-	-	-
Freedom Air	-	-	-	-	-	-	-	-	38,732	-
Go Jet	17,416	6,702	14,332	29,409	20,515	8,125	-	-	-	-
Mesaba	-	-	-	-	-	-	94	59	-	-
Pinnacle	-	-	-	20,620	43,615	60,356	35,920	26,563	2,468	-
Shuttle America	610	22,063	18,288	8,675	21,307	6,905	721	-	-	-
Skywest Airlines	1,546	-	-	-	-	-	-	-	-	-
Elite Airways	8,008	2,964	-	-	-	-	-	-	-	-
JetBlue	92,826	98,298	99,730	102,522	99,925	104,272	116,839	135,571	143,235	147,971
Northwest	-	-	-	-	-	-	-	-	65	14,678
Comair	-	-	-	-	-	-	805	4,608	-	-
Mesaba	-	-	-	-	-	-	-	3,090	49,089	23,583
Pinnacle	-	-	-	-	-	-	23,955	47,435	6,034	15,717
Southwest	148,624	130,567	127,060	116,939	25,411	-	-	-	-	-
Starlink Aviation	-	-	-	-	-	-	-	945	551	-
Twin Cities Air Service	-	-	-	-	433	779	717	246	-	-
U.S. Airways / American Airlines	75,954	47,034	43,605	45,593	42,009	50,134	41,704	26,882	-	-
Air Wisconsin	40,538	54,615	59,737	49,131	54,497	65,584	70,642	82,891	105,579	97,891
Chautauqua	-	-	-	80	-	-	-	48	11,024	9,765
Colgan	-	-	-	-	-	-	-	-	-	7,797
Mesa	-	-	2,456	330	-	-	1,210	-	9,409	19,969
Piedmont	17,714	2,215	-	-	363	12,717	10,126	1,848	1,975	-
PSA Express	54,257	55,428	379	1,187	43	-	904	2,253	1,776	-
Republic Airlines	66,883	91,418	129,478	131,801	123,752	112,659	126,088	146,453	110,536	94,325
Trans State Airlines	3,046	-	-	-	-	-	-	-	-	-
United Airlines	7,974	-	-	-	-	-	-	-	-	-
Air Wisconsin	-	-	-	-	34,555	-	-	-	291	-
Atlantic Southeast Airlines	-	-	-	-	-	-	22,107	2,304	-	-
Commuter Air	11,597	-	-	-	-	-	-	-	-	-
ExpressJet	79,365	65,903	34,175	59,303	-	32,895	822	-	-	-
Go Jet	9,456	26,657	30,519	20,472	26,803	18,619	38,253	79,389	73,916	86,879
Mesa	28,954	25,827	23,522	28,834	7,724	30,487	54,645	36,955	47,052	31,691
Republic Airlines	28,584	26,600	62,989	54,431	11,464	-	-	-	-	-
Shuttle America	3,368	25,441	8,473	-	-	-	-	-	-	-
Trans State Airlines	12,999	3,123	2,885	9,407	25,219	16,256	-	2,126	-	909
Subtotal	912,913	876,250	842,784	843,148	818,541	824,165	849,076	858,687	861,585	869,626
Charters and Unscheduled Flights	1,424	148	730	1,156	963	1,045	911	971	905	1,023
Local Total	914,337	876,398	843,514	844,304	819,504	825,210	849,987	859,658	862,490	870,649
Total for United States (000)'s	(a)	830,079	800,087	760,847	738,616	731,130	725,262	711,264	695,912	734,154
Local Market Share of US Total	(b)	0.106%	0.105%	0.111%	0.111%	0.113%	0.117%	0.121%	0.124%	0.119%

(a) Source - Jetport's fiscal year enplanement data

(b) Source - Federal Aviation Administration calendar year enplanement data

PORTLAND INTERNATIONAL JETPORT
Takeoff and Landing Operations Summary
Last Ten Fiscal Years

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	Average Annual Change
Majors / Nationals	4,071	3,636	3,471	3,572	4,989	4,456	3,517	3,311	3,152	2,960	8.59%
Regionals / Commuters	9,316	9,217	8,472	8,817	8,466	10,483	11,345	11,861	13,155	13,194	-3.65%
Cargo	1,540	1,581	1,523	1,505	1,637	1,725	1,850	1,733	1,946	2,422	-4.73%
Total	14,927	14,434	13,466	13,894	15,092	16,664	16,712	16,905	18,253	18,576	-2.03%

Note: General Aviation operations not documented by Jetport.

PORTLAND INTERNATIONAL JETPORT
Takeoff and Landing Operations by Airline or Cargo Carrier
Last Ten Fiscal Years

Passenger Airlines	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Air Canada / Air Alliance	-	-	-	-	403	681	670	87	-	-
AirTran	-	-	-	-	769	1,095	1,082	1,200	1,057	1,159
Continental Airlines	-	-	-	-	1,257	-	-	-	-	-
Commutair	-	-	-	-	-	-	-	-	-	-
Colgan / Continental Connection	-	-	-	-	111	823	1,333	1,335	-	-
Continental Express / ExpressJet	-	-	-	-	-	800	194	297	532	1,586
Trans State Airlines	-	-	-	-	2	39	-	-	-	-
Delta	803	756	752	849	1,052	803	635	221	107	-
Atlantic Southeast Airlines	-	-	-	-	-	-	58	231	640	995
Chautauqua	-	-	200	529	70	376	362	13	-	-
Comair	-	-	-	-	7	140	406	970	627	1,348
Compass	-	1	-	72	159	-	50	38	-	-
Endeavor	1,185	939	893	340	-	-	-	-	-	-
ExpressJet	589	537	366	143	162	-	-	-	-	-
Freedom Air	-	-	-	-	-	-	-	-	1,042	778
Go Jet	283	131	252	546	403	154	-	-	-	-
Mesaba	-	-	-	-	-	-	2	1	-	-
Pinnacle	-	-	-	466	1,008	1,394	857	402	46	-
Shuttle America	10	493	397	152	348	140	15	-	-	-
Sky West	23	-	-	-	-	-	-	-	-	-
Elite Air	95	95	-	-	-	-	-	-	-	-
jetBlue	1,272	1,272	1,257	1,287	1,314	1,347	1,415	1,598	1,822	1,628
Northwest	-	-	-	-	-	-	-	-	1	173
Comair	-	-	-	-	-	-	17	74	-	-
Mesaba	-	-	-	-	-	-	-	42	810	434
Pinnacle	-	-	-	-	-	-	520	1,071	139	373
Starlink	-	-	-	-	-	-	-	158	165	-
Southwest	1,232	1,104	1,075	1,013	223	-	-	-	-	-
Twin Cities Air Service	-	-	-	-	100	191	192	61	-	-
U.S. Airways	669	409	387	423	374	530	385	292	-	-
Air Wisconsin	966	1,305	1,366	1,164	1,360	1,728	1,887	2,352	2,935	2,741
Chautauqua	-	-	-	-	-	-	-	-	394	351
Colgan	-	-	-	-	-	-	-	-	1,313	19
Mesa	-	-	38	6	-	-	17	-	123	264
Piedmont	450	67	-	-	15	574	452	80	98	325
PSA Express	1,018	1,037	6	20	1	4	16	98	459	-
Republic Airlines	1,135	1,441	1,983	1,982	2,088	1,987	2,051	2,304	1,786	1,704
United Airlines	82	-	-	-	-	-	-	-	-	-
Atlantic Southeast Airlines	-	-	-	-	-	99	556	63	-	-
Chautauqua	-	-	-	2	-	-	-	-	-	-
Commut Air	270	-	-	-	-	-	-	-	-	-
ExpressJet	1,898	1,501	791	1,418	833	766	17	-	-	-
Go-Jet	148	423	499	341	466	318	706	1,429	1,303	1,637
Mesa	473	407	420	504	139	538	948	676	892	600
Republic Airlines	407	448	1,022	893	194	-	-	-	-	-
Shuttle America	59	414	145	-	-	-	-	-	-	-
Trans State Airlines	291	69	70	215	575	388	-	69	6	28
Charters & Unscheduled Flights	29	4	24	26	22	24	19	10	10	11
Subtotal	13,387	12,853	11,943	12,391	13,455	14,939	14,862	15,172	16,307	16,154
Cargo Carriers										
AIRNOW	-	-	-	-	-	-	-	-	2	282
DHL/Airborne Express	-	-	-	-	-	-	-	-	112	256
Federal Express	308	307	323	318	310	316	308	309	462	530
Wiggins	1,232	1,274	1,200	1,187	1,327	1,409	1,542	1,424	1,370	1,354
Subtotal	1,540	1,581	1,523	1,505	1,637	1,725	1,850	1,733	1,946	2,422
Total	14,927	14,434	13,466	13,896	15,092	16,664	16,712	16,905	18,253	18,576

PORTLAND INTERNATIONAL JETPORT
Airline Landed Weights (in thousands of pounds)
Last Ten Fiscal Years

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Scheduled Air Carriers										
Air Canada / Air Alliance	-	-	-	-	6,696	11,305	11,140	1,451	-	-
AirTran	-	-	-	-	80,288	115,008	116,464	119,392	110,624	66,144
Continental										
Colgan / Continental Connection	-	-	-	-	6,882	51,026	82,616	82,708	-	-
Commutair	-	-	-	-	-	-	-	-	-	-
Continental Express / ExpressJet	-	-	-	-	55,142	34,787	8,098	12,437	16,244	67,432
Trans State Airlines	-	-	-	-	85	1,659	-	-	-	-
Delta	103,699	102,689	104,051	118,692	148,247	113,100	82,539	28,730	13,910	-
Atlantic Southeast Airlines	-	-	-	-	-	-	3,959	16,925	42,856	66,305
Chautauqua	-	-	8,510	23,700	2,978	15,998	15,701	4,778	-	-
Comair	-	-	-	-	369	8,228	21,419	46,515	29,602	63,396
Compass	-	75	-	5,373	11,830	-	3,748	2,850	-	-
Endeavor	73,515	65,916	64,308	18,668	-	-	-	-	-	-
ExpressJet	39,347	35,747	23,549	7,367	9,283	-	-	-	-	-
Freedom Air	-	-	-	-	-	-	-	-	45,556	34,274
Go Jet	19,366	8,809	16,884	36,582	27,001	10,318	-	-	-	-
Mesaba	-	-	-	-	-	-	94	75	-	-
Pinnacle	-	-	-	21,902	47,376	65,518	41,010	30,190	3,456	-
Shuttle America	729	21,557	18,795	11,130	25,509	10,110	1,104	-	-	-
Sky West	1,671	-	-	-	-	-	-	-	-	-
Elite Airways	12,733	5,425	-	-	-	-	-	-	-	-
jetBlue	116,762	123,700	122,381	125,343	128,272	132,467	149,789	174,668	188,370	175,799
Northwest	-	-	-	-	-	-	-	-	99	17,375
Comair	-	-	-	-	-	-	799	-	-	-
Mesaba	-	-	-	-	-	-	-	3,154	58,302	31,301
Pinnacle	-	-	-	-	-	-	24,440	50,337	6,533	17,531
Southwest	156,506	140,288	131,722	123,956	28,068	-	-	-	-	-
Starlink	-	-	-	-	-	-	-	1,599	1,781	-
Twin Cities Air Service	-	-	-	-	685	1,308	1,306	329	-	-
U.S. Airways	91,992	56,335	52,034	58,872	51,127	65,340	53,062	11,024	-	-
Air Wisconsin	45,402	61,335	64,202	54,708	63,920	81,216	88,689	110,544	137,945	128,827
Chautauqua	-	-	-	-	-	-	-	42,549	16,763	14,935
Colgan	-	-	-	-	-	-	-	-	81,406	1,178
Mesa	-	-	2,793	441	-	-	1,250	-	9,041	19,404
Piedmont	19,643	2,925	-	-	509	19,502	15,330	2,678	3,363	11,140
PSA Express	71,298	69,012	282	1,269	47	188	912	4,062	2,135	-
Republic	85,070	107,060	146,907	136,621	154,880	142,791	152,188	171,621	132,486	125,086
Trans State Airlines	3,579	-	-	-	-	-	-	-	-	-
United	10,722	-	-	-	-	-	-	-	-	-
Air Wisconsin	-	-	-	-	-	-	2,810	-	-	-
Atlantic Southeast Airlines	-	-	-	-	-	4,653	26,132	2,961	-	-
Chautauqua	-	-	-	85	-	-	-	-	-	-
Commut Air	81,998	-	-	-	-	-	-	-	-	-
ExpressJet	83,042	64,283	35,096	62,892	35,068	33,663	744	-	-	-
Go-Jet	9,916	28,341	33,433	22,847	31,222	21,306	47,302	95,743	87,301	109,679
Mesa	31,691	27,269	28,140	33,768	9,313	36,046	63,516	43,211	57,403	39,400
Republic	29,828	30,028	63,364	55,366	12,028	-	-	-	-	-
Shuttle America	4,266	29,937	10,485	-	-	-	-	-	-	-
Trans State Airlines	12,775	2,979	2,981	9,107	24,466	16,509	-	2,936	255	1,191
Charters & Unscheduled Flights	3,663	388	2,328	2,522	2,262	2,589	1,891	1,133	1,030	1,176
Subtotal	1,109,213	984,098	932,245	931,211	963,553	994,635	1,018,052	1,064,600	1,046,461	991,573
Cargo Carriers										
AIRNOW	-	-	-	-	-	-	-	-	85	3,558
DHL/Airborne Express	-	-	-	-	-	-	-	59,352	11,423	26,099
Federal Express	61,436	60,786	64,065	63,468	59,257	59,331	57,162	14,285	77,552	89,593
Wiggins	11,393	13,735	11,036	10,945	12,001	12,761	14,156	-	12,516	12,327
Subtotal	72,829	74,521	75,101	74,413	71,258	72,092	71,318	73,637	101,576	131,577
Total	1,182,042	1,058,619	1,007,346	1,005,624	1,034,811	1,066,727	1,089,370	1,138,237	1,148,037	1,123,150

PORTLAND INTERNATIONAL JETPORT
Primary Origin and Destination Passenger Markets
Calendar Years 2016 & 2015

CY 2016				CY 2015			
<u>Rank</u>	<u>Market</u>	<u>Trip Length (1)</u>	<u>Total O & D Passengers</u>	<u>Rank</u>	<u>Market</u>	<u>Trip Length (1)</u>	<u>Total O & D Passengers</u>
1	New York LGA/JFK/EWR	SH	195,962	1	Washington DCA/IAD/BWI	SH	181,309
2	Washington DCA/IAD/BWI	SH	185,259	2	New York LGA/JFK/EWR	SH	181,199
3	Atlanta	MH	75,421	3	Orlando	MH	77,133
4	Orlando	MH	72,113	4	Atlanta	MH	70,489
5	Fort Lauderdale MIA/FLL/PBI	MH	58,301	5	Fort Lauderdale MIA/FLL/PBI	MH	60,478
6	Philadelphia	SH	53,796	6	Philadelphia	SH	53,262
7	Tampa	MH	51,173	7	Chicago	MH	52,733
8	Chicago	MH	47,221	8	Tampa	MH	48,325
9	Charlotte	MH	46,281	9	Charlotte	MH	43,110
10	San Francisco SFO/OAK/SJC	LH	38,236	10	Los Angeles LAX/SNA/ONT/BUR/LGB	LH	38,811
11	Denver	LH	38,181	11	Denver	LH	34,602
12	Los Angeles LAX/SNA/ONT/BUR/LGB	LH	37,628	12	San Francisco SFO/OAK/SJC	LH	34,389
13	Fort Myers	MH	29,093	13	Fort Myers	MH	30,803
14	Detroit	MH	27,293	14	Detroit	MH	25,076
15	Raleigh/Durham	MH	25,354	15	Phoenix	LH	24,216
16	Phoenix	LH	25,164	16	Raleigh / Durham	MH	23,268
17	Minneapolis	MH	24,080	17	Las Vegas	LH	22,427
18	Jacksonville	MH	22,823	18	San Diego	LH	21,988
19	San Diego	LH	22,755	19	Minneapolis	MH	21,426
20	Las Vegas	LH	22,362	20	Houston IAH/HOU	MH	21,400
21	Nashville	MH	20,186	21	Jacksonville	MH	20,726
22	New Orleans	MH	18,531	22	Nashville	MH	20,679
23	Dallas/Forth Worth	MH	18,001	23	New Orleans	MH	19,370
24	Seattle/Tacoma	LH	17,979	24	Dallas/FortWorth	MH	18,797
25	Austin	MH	17,462	25	Seattle/Tacoma	LH	17,918

Notes:

(1) SH = Short Haul = 0 to 600 miles MH = Medium Haul = 601 to 1,800 miles LH = Long Haul = over 1,800 miles

PORTLAND INTERNATIONAL JETPORT
Capital Asset Information
As of June 30, 2017

Location:	3 miles west of downtown Portland, Maine		
Area:	840 acres		
Elevation	74 ft.		
Airport Code:	PWM		
Runways:	11/29	7,200 ft. x 150 ft.	CAT III ILS / GPS / LAHSO
	18/36	6,100 ft. x 150 ft.	GPS / LAHSO
Terminal:	Exclusive Use	28,244.9	sq. ft.
	Common Use	134,887.4	sq. ft.
	Public / City	79,649.3	sq. ft.
	Vendor Space	21,594.0	sq. ft.
	Mechanical	15,956.5	sq. ft.
	Vacant	14,022.3	sq. ft.
	Total	<u>294,354.4</u>	sq. ft.
	Number of passenger gates:		10
	Number of loading bridges		12
	Number of Concessionaires in Terminal		2
	- HMS Host (Food & Beverage services)		
	- Paradies (Newstands / Gift Shops)		
	Number of Rental Car agencies on Airport		7
	- Alamo		
	- Avis		
	- Budget		
	- Dollar		
	- Enterprise		
	- Hertz		
	- National		
Other Buildings:	Maintenance Building	34,046	sq. ft.
	Lighting Vault	3,026	sq. ft.
	Salt & Sand Shed	5,625	sq. ft.
Apron:	Commercial Airlines	175,906	sq. ft.
	Cargo Airlines	81,000	sq. ft.
	FBO	541,500	sq. ft.
Parking:	Spaces Assigned:		
	Short-term		180
	Long-term		2,325
	North Lot & Discount Lot		548
	Employee Lot		576
	Car Rental Ready Spaces		<u>238</u>
	Total		3,867
Cargo:	N/A - all buildings are owned by 3rd party developers, who pay ground leases only.		
Tower:	ASR-9 5:45 am - 12:00 am, 7 days/week		
International:	Customs / Immigration services available upon request		
Full-Service FBOs:	NorthEast Airmotive MAC Jets		