

Portland International Jetport

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

Financial Statements

For the years ended June 30, 2018 and 2017



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

Financial Statements
For the years ended June 30, 2018 and 2017

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Certified Public Accountants and Business Consultants

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, 2018 and 2017 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.

City Council
City of Portland, Maine
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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, 2018 and 2017 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, 2018 and 2017, the changes in its financial position, or where applicable, its cash flows for the years 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 25, 2019, except for the note pertaining to debt service coverage ratio on page 12, as to which the date is March 11, 2019
South Portland, Maine

Statement 1

PORTRLAND INTERNATIONAL JETPORT
(An Enterprise Fund of the City of Portland, Maine)
Statements of Net Position
June 30, 2018 and 2017

	2018	2017	Restated
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 19,104,659	\$ 20,494,460	
Accounts receivable	3,334,538	3,153,473	
Allowance for uncollectible accounts	(28,000)	(69,600)	
Due from other governments	5,316,371	6,205,738	
Inventories	354,183	326,859	
Prepaid expenses	1,329,681	1,392,217	
Total current assets	<u>\$ 29,411,432</u>	<u>\$ 31,503,147</u>	
Noncurrent assets:			
Restricted cash and cash equivalents	\$ 15,267,425	\$ 14,596,974	
Capital assets:			
Land	13,313,235	13,313,235	
Buildings and improvements	177,807,154	176,685,060	
Improvements other than buildings	136,924,191	129,239,510	
Machinery and equipment	16,751,537	18,544,479	
Construction in progress	3,142,365	5,918,934	
Less accumulated depreciation	(169,148,840)	(162,086,714)	
Net capital assets	<u>\$ 178,789,642</u>	<u>\$ 181,614,505</u>	
Total noncurrent assets	<u>\$ 194,057,067</u>	<u>\$ 196,211,479</u>	
Total assets	<u>\$ 223,468,498</u>	<u>\$ 227,714,625</u>	
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of pension resources	\$ 464,469	\$ 1,148,911	
Deferred outflows of other postemployment benefits	8,358	3,906	
Deferred outflows of refunding bonds	1,312,035	1,423,413	
Total deferred outflows of resources	<u>\$ 1,784,862</u>	<u>\$ 2,576,230</u>	
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 2,669,544	\$ 2,447,260	
Accrued liabilities	3,200,712	3,208,145	
Current portion of long-term debt	3,637,213	3,202,897	
Compensated absences	260,762	274,673	
Claims and judgments	233,030	91,355	
Total current liabilities	<u>\$ 10,001,261</u>	<u>\$ 9,224,329</u>	
Noncurrent liabilities:			
Long-term debt due in more than one year	115,594,834	119,939,684	
Total noncurrent liabilities	<u>\$ 115,594,834</u>	<u>\$ 119,939,684</u>	
Total liabilities	<u>\$ 125,596,095</u>	<u>\$ 129,164,013</u>	
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of pension resources	\$ 174,557	\$ 161,165	
Deferred inflows of other postemployment benefits	62,330	-	
Total deferred inflows of resources	<u>\$ 236,887</u>	<u>\$ 161,165</u>	
NET POSITION			
Net investment in capital assets	\$ 80,751,952	\$ 76,066,253	
Restricted for:			
Operating maintenance	4,504,408	4,245,032	
Unrestricted	14,164,018	20,654,393	
Total net position	<u>\$ 99,420,378</u>	<u>\$ 100,965,677</u>	

See accompanying notes to financial statements.

Statement 2

PORLAND 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, 2018 and 2017

	2018	2017
		Restated
Operating revenues:		
Charges for services	\$ 22,896,385	\$ 21,934,310
Total operating revenues	<u>\$ 22,896,385</u>	<u>\$ 21,934,310</u>
Operating expenses:		
Personnel services	\$ 5,237,079	\$ 5,249,386
Contractual services	7,453,281	6,814,606
Supplies and materials	825,813	807,642
Rentals	18,759	14,686
Utilities	1,371,558	1,391,041
Maintenance	2,728,300	1,798,495
Depreciation	9,025,634	8,915,723
Insurance	100,229	104,169
Total operating expenses	<u>\$ 26,760,654</u>	<u>\$ 25,095,747</u>
Operating income (loss)	<u>\$ (3,864,269)</u>	<u>\$ (3,161,437)</u>
Nonoperating revenues (expenses):		
Passenger facility charges	\$ 4,081,370	\$ 3,742,493
Loss on disposal of property	(66,975)	(1,057)
Interest and other revenue	378,399	109,860
Interest and other expenses	(5,144,424)	(5,151,332)
Total nonoperating revenues (expenses)	<u>\$ (751,630)</u>	<u>\$ (1,300,036)</u>
Income (loss) before contributions	<u>\$ (4,615,899)</u>	<u>\$ (4,461,473)</u>
Capital contributions	<u>3,070,600</u>	<u>5,097,942</u>
Change in net position	<u>\$ (1,545,299)</u>	<u>\$ 636,469</u>
Net position, beginning of year, as restated	<u>\$ 100,965,677</u>	<u>\$ 100,329,208</u>
Net position, end of year	<u>\$ 99,420,378</u>	<u>\$ 100,965,677</u>

See accompanying notes to financial statements.

Statement 3

PORTRLAND INTERNATIONAL JETPORT
(An Enterprise Fund of the City of Portland, Maine)
Statements of Cash Flows
For the years ended June 30, 2018 and 2017

	2018	2017
Cash flows from operating activities:		
Receipts from customers and users	\$ 22,882,943	\$ 21,848,595
Payments to suppliers	(12,301,754)	(9,202,376)
Payments to employees	(5,220,138)	(5,060,016)
Net cash provided by operating activities	<u>\$ 5,361,051</u>	<u>\$ 7,586,203</u>
Cash flows from capital and related financing activities:		
Contributed capital	\$ 4,026,696	\$ 279,881
Passenger facility charges	3,932,286	3,742,493
Proceeds from sale of refunding bonds	-	24,155,671
Acquisition and construction of capital assets	(6,012,992)	(5,841,675)
Principal paid on bond maturities	(2,700,000)	(1,095,000)
Refunded bonds defeased	-	(24,609,699)
Interest payments on long-term debt	(5,577,922)	(5,522,771)
Net cash used by capital and related financing activities	<u>\$ (6,331,932)</u>	<u>\$ (8,891,100)</u>
Cash flows from investing activities:		
Interest income	\$ 251,531	\$ 109,860
Net cash provided by investing activities	<u>\$ 251,531</u>	<u>\$ 109,860</u>
Net increase (decrease) in cash and cash equivalents	\$ (719,350)	\$ (1,195,034)
Cash and cash equivalents, beginning of year	<u>35,091,434</u>	<u>36,286,467</u>
Cash and equivalents, at end of year (including \$15,267,425 and \$14,596,974, respectively, reported in restricted accounts)	<u>\$ 34,372,084</u>	<u>\$ 35,091,434</u>
Reconciliation of operating loss to net cash provided by operating activities:		
Operating loss	\$ (3,864,269)	\$ (3,161,437)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation	9,025,634	8,915,723
Change in deferred inflows and outflows-pension	52,318	158,308
Change in deferred inflows and outflows-OPEB	(4,243)	249,106
Change in operating assets and liabilities:		
Accounts receivable	(73,582)	(38,143)
Due from other governments	60,140	(47,573)
Prepaid expenses	62,536	62,535
Inventories	(27,324)	(18,724)
Accounts payable	(28,775)	1,536,781
Accrued liabilities	30,852	(53,622)
Compensated absences	(13,910)	(6,113)
Claims and judgments	141,675	(10,638)
Total adjustments	<u>\$ 9,225,321</u>	<u>\$ 10,747,640</u>
Net cash provided by operating activities	<u>\$ 5,361,051</u>	<u>\$ 7,586,203</u>
Noncash investing, capital, and financing activities:		
Disposal of capital assets	\$ 2,030,485	\$ 284,127
Accumulated depreciation on capital assets dispositions	1,963,509	283,066

See accompanying notes to financial statements.

Statement 4

PORTRLAND INTERNATIONAL JETPORT
(An Enterprise Fund of the City of Portland, Maine)
Schedule of Revenues, Expenditures, and Encumbrances
Budget and Actual (Budget Basis)
For the Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts (Budget Basis)	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 22,575,684	\$ 22,575,684	\$ 22,896,230	\$ 320,546
Intergovernmental revenue	116,800	116,800	126,868	10,068
Interest and other revenue	175,000	175,000	260,170	85,170
Total revenues	\$ 22,867,484	\$ 22,867,484	\$ 23,283,268	\$ 415,783
Expenditures and encumbrances				
Personnel services	\$ 5,345,069	\$ 5,357,360	\$ 4,995,203	\$ 362,157
Administrative services	1,539,303	1,551,208	671,648	879,560
Contractual services	4,816,376	4,859,620	4,931,720	(72,100)
Maintenance and repairs	1,098,530	1,102,457	1,260,828	(158,371)
Rentals	64,775	50,139	18,759	31,380
Insurance	174,100	174,100	128,944	45,156
Supplies and materials	833,118	895,035	825,813	69,222
Minor capital items	8,000	8,000	-	8,000
Utilities	1,417,126	1,408,574	1,371,558	37,016
Contributions	1,658,733	1,658,733	1,692,090	(33,357)
Capital outlay	1,773,066	1,662,970	1,783,792	(120,822)
Debt service	4,139,288	4,139,288	4,139,288	1
Total expenditures and encumbrances	\$ 22,867,484	\$ 22,867,484	\$ 21,819,643	\$ 1,047,842
Excess (deficiency) of revenues over (under) expenditures and encumbrances	\$ -	\$ -	\$ 1,463,625	\$ 1,463,625

Reconciliation from budgetary basis to GAAP basis:

	Revenues	Expenditures	Other Financing
			Sources (Uses)
Statement of Revenues, Expenses, and Changes in Net Position, Statement 2	\$ 27,356,154	\$ 31,972,053	\$ 3,070,600
Capital contributions and reimbursements	-	-	(3,070,600)
Passenger facility charges	(4,081,370)	-	-
Unbudgeted revenues	8,484	-	-
Losses on disposal of assets	-	(66,975)	-
Change in workers compensation liability	-	(165,086)	-
Change in allowance for doubtful accounts	-	41,600	-
Capital expenditures expensed over useful life	-	(38,664)	-
Bond issuance costs expensed with debt maturities	-	(173,913)	-
Depreciation charges not budgeted	-	(9,025,634)	-
Pension charges not budgeted	-	(52,318)	-
OPEB charges not budgeted	-	4,243	-
Debt service paid by passenger facility charges	-	(3,260,013)	-
Accrued interest on bonds	-	544,876	-
Bond principal payments	-	1,710,000	-
FY18 encumbrances	-	329,473	-
Statement of Revenues, Expenditures, and Encumbrances - Budget and Actual (Budget Basis), Statement 4	\$ 23,283,268	\$ 21,819,643	\$ -

PORTRLAND INTERNATIONAL JETPORT

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

Notes to Financial Statements

June 30, 2018 and 2017

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 25, 2019 for the year ended June 30, 2018.

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.

PORLAND 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 \$19,104,659 and \$20,494,460 at June 30, 2018 and 2017, respectively, which is the Jetport's share of the City's pooled cash. This is in addition to \$15,267,425 and \$14,596,974 in funds reported in restricted accounts at June 30, 2018 and June 30, 2017. 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 Expenses - 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 consumed 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 estimated minimum useful life in excess of two years with an initial, individual cost as follows:

Type of Asset	Cost
Land	ALL
Land improvements	\$ 20,000
Machinery and equipment	20,000
Buildings, building improvements, and leasehold improvements	50,000
Improvements other than buildings	100,000

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.

PORLAND INTERNATIONAL JETPORT
Notes to Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Major outlays for capital assets and improvements are capitalized as projects are constructed. The City has implemented GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, and interest incurred during the construction phase of capital assets is not 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, 2018 and 2017 was \$5,144,424 and \$5,151,332, 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.

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 and Other Postemployment Benefits - For the purposes of measuring the net pension and net OPEB liabilities, deferred outflows of resources, deferred inflows of resources, and expenses related to pensions and other postemployment benefits have 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, the net liability for other postemployment benefits, related deferred outflows of resources, related deferred inflows of resources, and related expenses can be obtained from the City's basic financial statements.

PORLAND INTERNATIONAL JETPORT
Notes to Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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 net liability for other postemployment benefits, 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 contributions 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.

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 the net liability for other postemployment benefits, 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.

PORLAND INTERNATIONAL JETPORT
Notes to Financial Statements

CAPITAL ASSETS

Summaries of changes in capital assets for the years ended June 30, 2018 and 2017 follow:

	Balance June 30, 2017	Increases	Decreases	Balance June 30, 2018
Capital assets, not being depreciated:				
Land	\$ 13,313,235	\$ -	\$ -	\$ 13,313,235
Construction in progress	<u>5,918,934</u>	<u>3,309,943</u>	<u>(6,086,514)</u>	<u>3,142,364</u>
Total capital assets, not being depreciated	<u>\$ 19,232,169</u>	<u>\$ 3,309,943</u>	<u>\$ (6,086,514)</u>	<u>\$ 16,455,599</u>
Capital assets, being depreciated:				
Buildings and improvements	\$ 176,685,060	\$ 1,122,094	\$ -	\$ 177,807,154
Improvements other than buildings	<u>129,239,510</u>	<u>8,806,775</u>	<u>(1,122,094)</u>	<u>136,924,191</u>
Machinery and equipment	<u>18,544,479</u>	<u>237,542</u>	<u>(2,030,485)</u>	<u>16,751,537</u>
Total capital assets, being depreciated	<u>\$ 324,469,050</u>	<u>\$ 10,166,412</u>	<u>\$ (3,152,579)</u>	<u>\$ 331,482,882</u>
Less accumulated depreciation for:				
Buildings and improvements	\$ (62,416,102)	\$ (4,908,914)	\$ -	\$ (67,325,016)
Improvements other than buildings	<u>(89,077,178)</u>	<u>(3,269,496)</u>	<u>-</u>	<u>(92,346,674)</u>
Machinery and equipment	<u>(10,593,434)</u>	<u>(847,224)</u>	<u>1,963,509</u>	<u>(9,477,149)</u>
Total accumulated depreciation	<u>\$ (162,086,714)</u>	<u>\$ (9,025,634)</u>	<u>\$ 1,963,509</u>	<u>\$ (169,148,839)</u>
Total capital assets being depreciated, net	<u>162,382,335</u>	<u>1,140,778</u>	<u>(1,189,070)</u>	<u>162,334,043</u>
Capital assets, net	<u>\$ 181,614,505</u>	<u>\$ 4,450,721</u>	<u>\$ (7,275,583)</u>	<u>\$ 178,789,643</u>

For the fiscal year ended June 30, 2018, the City reclassified \$1,122,094 of Jetport assets from improvements other than buildings to buildings and improvements.

PORLAND INTERNATIONAL JETPORT
Notes to Financial Statements

CAPITAL ASSETS, CONTINUED

	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 and improvements	\$ 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 and improvements	\$ (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>

Depreciation expense incurred at the Jetport totaled \$9,025,634 and \$8,915,723 for the fiscal years ended June 30, 2018 and 2017, respectively.

Construction commitments outstanding at June 30 include:

	2018	2017
Spent to date	\$ 4,702,941	\$ 3,831,970
Remaining Commitment	7,446,747	2,488,127

PORTRLAND INTERNATIONAL JETPORT
Notes to Financial Statements

LONG-TERM DEBT

Changes in long-term liabilities for the years ended June 30, 2018 and 2017 are summarized as follows:

	<u>July 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2018</u>	<u>One Year</u>
	Restated				
Revenue bonds	\$ 114,760,000	\$ -	\$ 2,700,000	\$ 112,060,000	\$ 3,065,000
Premium on bonds	5,385,226	-	502,897	4,882,329	572,213
Net pension liability	2,744,344	-	645,517	2,098,827	-
Net OPEB liability	253,012	-	62,121	190,891	-
	<u>\$ 123,142,582</u>	<u>\$ -</u>	<u>\$ 3,910,535</u>	<u>\$ 119,232,047</u>	<u>\$ 3,637,213</u>

	<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	2,237,245	3,460,671	312,690	5,385,226	502,897
Net pension liability	1,649,760	1,094,584	-	2,744,344	-
	<u>\$ 122,207,005</u>	<u>\$ 25,250,255</u>	<u>\$ 24,567,690</u>	<u>\$ 122,889,570</u>	<u>\$ 3,202,897</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, 2018 and 2017:

	Stated Interest Rate Range	Face Value Outstanding June 30, 2018	Face Value Outstanding June 30, 2017
General Airport Revenue Refunding Bonds, Series 2016 \$20,695,000 original principal, matures January 1, 2038	4%-5%	\$ 20,125,000	\$ 20,695,000
General Airport Revenue Refunding Bonds, Series 2013 \$26,265,000 original principal, matures July 1, 2032	2%-5%	21,315,000	22,300,000
General Airport Revenue Bonds, Series 2010 \$72,310,000 original principal, matures January 1, 2040	4%-5%	70,620,000	71,765,000
		<u>\$112,060,000</u>	<u>\$114,760,000</u>

PORTRLAND 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
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	3,780,000	4,943,075	8,723,075
2024-2028	22,365,000	21,633,625	43,998,625
2029-2033	29,390,000	15,335,075	44,725,075
2034-2038	27,185,000	8,282,200	35,467,200
2039-2040	16,105,000	1,374,000	17,479,000
Totals	<u>\$ 112,060,000</u>	<u>\$ 72,986,875</u>	<u>\$ 185,046,875</u>

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 2018 and 2017, the Jetport has complied with the requirements of all bond covenants.

	2018	2017
Operating revenue	\$ 22,896,385	\$ 21,934,310
Interest on investments - revenue fund	378,399	109,860
Maintenance and operating expenses	<u>(17,735,020)</u>	<u>(15,930,917)</u>
Net Revenues	<u>\$ 5,539,764</u>	<u>\$ 6,113,253</u>

Debt Service Coverage Ratio Calculation:

Required Debt Service Fund Deposits	\$ 8,389,300	7,216,485
Less: Debt Service Supported by PFC's	<u>(4,250,013)</u>	<u>(3,260,013)</u>
	<u>\$ 4,139,287</u>	<u>3,956,472</u>

Debt service coverage ratio	134%	155%
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PORLAND 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 \$22,008,486 and \$20,986,926 for the years ended June 30, 2018 and 2017, respectively. The future minimum lease payments are as follows:

	<u>2018</u>
2019	\$ 4,753,737
2020	4,754,032
2021	4,743,902
2022	4,743,902
2023	<u>4,743,902</u>
Total future minimum lease payments	<u>\$ 23,739,475</u>

The cost and carrying value of property leased, or held for lease under operating leases at June 30, 2018 was \$97,684,399 and \$61,749,580, respectively; and at June 30, 2017 was \$97,684,399 and \$64,462,284, 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 \$18,989,699 and \$13,359,995 at June 30, 2018 and 2017, respectively. At June 30, 2018 and June 30, 2017, \$14,002,961 and \$10,932,361 had been expended against these grants. Amounts due from federal and state governments related to these grants at June 30, 2018 and June 30, 2017 was \$5,316,371 and \$6,145,598.

PORLAND INTERNATIONAL JETPORT
Notes to Financial Statements

RESTATEMENT OF NET POSITION

The City has implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, beginning in the fiscal year ending June 30, 2018. The adoption of this new standard required the calculation of outstanding liabilities and related deferred inflows and outflows of resources as of June 30, 2017 and, consequently, a restatement of the net position of the jetport enterprise fund as summarized below:

Net position as previously reported, June 30, 2017	\$ 101,214,783
Implementation of GASB No. 75	(249,106)
Net position, June 30, 2017, as restated	<u>\$ 100,965,677</u>

NEW PRONOUNCEMENTS

For the fiscal year ended June 30, 2018, the City has implemented GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*; and GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*.

PORTRLAND INTERNATIONAL JETPORT
Net Position and Changes in Net Position
Last Ten Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Operating revenues										
Terminal rentals	\$ 4,717,376	\$ 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
Landing fees	3,419,318	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
Ground rent	459,294	477,855	473,561	478,180	464,718	462,197	466,324	487,441	465,412	594,929
Parking	7,039,830	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
Rental cars	4,602,266	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
Aircraft deicing fluid recycling (1)	757,268	770,143	751,924	715,123	794,472	777,253	872,898	912,538	-	-
Concessions	1,498,975	1,417,219	1,329,767	1,363,563	1,067,754	1,255,682	1,158,693	891,203	885,310	895,328
Other	402,057	428,827	490,632	649,273	451,033	616,060	447,391	506,132	249,498	229,852
Total operating revenues	\$ 22,896,385	\$ 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
Nonoperating revenues										
Passenger facility charges	\$ 4,081,370	\$ 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
Interest	378,399	109,860	175,502	129,580	-	-	24,133	26,220	157,599	71,847
Other	-	-	-	-	-	116,848	-	-	-	6,333
Total nonoperating revenues	\$ 4,459,769	\$ 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
Total revenues	\$ 27,356,154	\$ 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
Operating expenses										
Personnel services	\$ 5,237,079	\$ 5,249,386	\$ 4,812,333	\$ 4,075,786	\$ 3,966,148	\$ 3,854,494	\$ 3,643,244	\$ 3,498,179	\$ 3,110,782	\$ 3,129,467
Contractual services	7,453,281	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
Supplies and materials	825,813	807,642	689,682	706,169	748,935	746,064	538,502	605,795	532,808	608,939
Rentals	18,759	14,686	40,838	39,555	11,807	12,037	11,259	11,918	14,453	11,169
Utilities	1,371,558	1,391,041	1,407,204	1,484,605	1,411,237	1,257,122	1,105,730	798,436	714,732	843,497
Maintenance	2,728,300	1,798,495	1,740,540	1,417,079	1,109,862	909,037	639,482	795,186	1,010,983	776,723
Depreciation	9,025,634	8,915,723	8,937,167	10,715,429	10,893,228	10,018,427	8,677,856	8,343,575	8,118,477	-
Other	100,229	104,169	104,245	128,328	124,455	124,531	611,117	609,612	557,418	509,639
Total operating expenses	\$ 26,760,654	\$ 25,095,747	\$ 24,453,950	\$ 23,818,444	\$ 23,924,865	\$ 24,097,205	\$ 21,716,251	\$ 18,968,025	\$ 18,467,115	\$ 18,528,008
Nonoperating expenses										
Capital asset retirement	\$ 66,975	\$ 1,057	\$ 18,495	\$ 5,549,417	\$ 5,609,244	\$ 5,736,322	\$ 6,423,647	\$ 485,353	\$ 5,117	\$ 917
Interest expense	5,144,424	5,151,332	-	-	460,671	-	-	3,468,813	3,798,677	3,317,948
Other	-	-	-	-	-	-	-	-	-	2,171,153
Total nonoperating expenses	\$ 5,211,399	\$ 5,152,390	\$ 5,67,912	\$ 6,069,915	\$ 5,736,322	\$ 6,423,647	\$ 3,954,166	\$ 3,803,794	\$ 3,318,864	\$ 2,171,153
Total expenses	\$ 31,972,053	\$ 30,248,136	\$ 30,021,862	\$ 29,888,359	\$ 29,661,187	\$ 30,520,852	\$ 25,670,417	\$ 22,771,819	\$ 21,785,979	\$ 20,699,161
Transfers out (in)										
Capital contributions	\$ 3,070,600	\$ 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
Change in net position	\$ (1,545,299)	\$ 636,469	\$ 210,534	\$ (3,790,778)	\$ (4,600,804)	\$ (1,031,246)	\$ 5,755,885	\$ 18,529,946	\$ 11,312,521	\$ 1,535,970
Net position at year-end										
Net investment in capital assets	\$ 80,751,952	\$ 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
Restricted	4,504,408	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
Unrestricted (deficit)	14,164,018	20,654,393	17,831,359	16,760,561	14,071,736	9,393,245	17,048,843	16,337,434	(49,627,623)	6,940,54
Total net position	\$ 99,420,378	\$ 100,965,677	\$ 100,329,204	\$ 100,118,670	\$ 105,350,654	\$ 109,951,459	\$ 110,982,705	\$ 106,769,238	\$ 88,239,293	\$ 76,926,771

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

Schedule 2

PORTRLAND INTERNATIONAL JETPORT
Principal Revenue Sources and Revenues Per Enplaned Passenger
Last Ten Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Airline revenues										
Terminal rentals	\$ 4,311,074	\$ 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
Landing fees	3,178,164	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
Total airline revenues	\$ 7,489,238	\$ 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
Percentage of total revenues	27.38%	28.52%	27.96%	26.46%	26.56%	25.68%	25.01%	23.49%	26.49%	28.52%
Cargo revenues										
Landing fees	\$ 241,155	\$ 209,104	\$ 204,092	\$ 210,364	\$ 185,512	\$ 159,583	\$ 164,729	\$ 178,410	\$ 133,215	\$ 225,170
Ramp rent	72,505	71,552	70,152	72,026	67,479	72,091	69,836	72,338	65,946	64,301
Ground rent	49,260	45,598	44,701	43,292	40,193	43,015	42,155	44,414	40,221	39,241
Total cargo revenues	\$ 362,920	\$ 326,254	\$ 318,945	\$ 325,682	\$ 293,184	\$ 274,689	\$ 276,720	\$ 295,162	\$ 239,382	\$ 328,712
Percentage of total revenues	1.33%	1.27%	1.27%	1.34%	1.28%	1.21%	1.30%	1.39%	1.15%	1.71%
Nonairline revenues										
Parking	\$ 7,039,830	\$ 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
Rental cars	4,602,266	4,055,134	4,167,497	4,029,735	3,495,981	3,617,047	3,197,107	2,859,355	3,478,966	2,929,917
Concessions	1,498,975	1,417,219	1,329,767	1,363,563	1,067,754	1,255,982	1,158,693	891,203	885,310	895,328
Aircraft deicing fluid recycling (1)	757,268	770,143	751,924	715,123	794,472	777,253	872,898	912,538	-	-
Ground rent	410,034	432,257	428,860	434,888	424,525	419,182	424,169	474,843	387,861	491,387
Terminal rent	406,302	387,616	386,305	396,103	338,785	261,048	262,444	195,898	192,710	196,626
Other	329,551	357,275	420,480	577,247	383,554	543,969	377,555	463,035	323,867	229,852
Total nonairline revenues	\$ 15,044,227	\$ 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
Percentage of total revenues	54.99%	55.28%	56.07%	57.41%	56.96%	57.36%	57.90%	56.58%	55.50%	53.71%
Nonoperating revenues										
Passenger facility charges	\$ 4,081,370	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
Interest	378,399	109,860	175,502	129,680	66,764	24,133	26,220	157,599	71,847	494,618
Other	-	-	-	-	-	116,848	-	-	-	6,333
Total nonoperating revenues	\$ 4,459,769	\$ 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
Percentage of total revenues	16.30%	14.94%	14.69%	14.79%	15.21%	15.75%	15.80%	18.54%	16.86%	16.06%
Total revenues	\$ 27,356,154	\$ 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
Enplaned passengers (excluding charters)	969,683	912,913	876,250	842,784	843,148	818,541	824,165	849,076	858,687	861,585
Total revenue per enplaned passenger	\$ 28.21	\$ 28.25	\$ 28.58	\$ 28.92	\$ 27.23	\$ 27.64	\$ 25.85	\$ 25.07	\$ 24.19	\$ 22.34
Airline revenue per enplaned passenger	\$ 7.72	\$ 8.06	\$ 7.99	\$ 7.65	\$ 7.23	\$ 7.10	\$ 6.46	\$ 5.89	\$ 6.41	\$ 6.37

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

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

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Cash flows from operating activities										
Receipts from customers and users	\$ 22,882,943	\$ 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
Payments to suppliers	(12,301,754)	(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)
Payments to employees	(5,220,138)	(5,060,016)	(4,751,671)	(4,324,548)	(3,956,395)	(3,873,483)	(3,647,365)	(3,477,842)	(3,282,966)	(3,101,192)
Net cash provided (used) by operating activities	\$ 5,361,051	\$ 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
Cash flows from noncapital financing activities										
Transfers to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net cash provided (used) by noncapital financing activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash flows from capital and related financing activities										
Contributed capital	\$ 4,026,696	\$ 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
Passenger facility charges	3,932,286	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
Proceeds from sale of revenue bonds	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of refunding bonds	-	24,155,671	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-	-	-
Acquisition and construction of capital assets	(6,012,992)	(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)
Nonoperating deposits:										
Beginning of year	-	-	-	-	-	-	(300,623)	(623)	-	-
End of year	-	-	-	-	-	-	623	300,623	-	-
Acquisition of other noncurrent assets	-	-	-	-	-	-	-	-	(1,889,314)	-
Principal paid on bond matures	(2,700,000)	(1,095,000)	(1,665,000)	(1,615,000)	(1,865,000)	(3,450,000)	(1,380,000)	(1,402,738)	(962,332)	(932,323)
Principal paid on note payable, line-of-credit	-	-	-	-	-	-	(845,000)	(3,715,000)	(2,540,000)	-
Cash used in bond refinancing	-	(24,609,699)	-	-	-	(100,997)	-	-	-	-
Refunding bonds defeated	(5,577,922)	(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)
Interest paid on debt	-	-	-	-	-	-	-	-	-	-
Nonoperating, other	-	-	-	-	-	-	-	(916)	6,333	-
Net cash provided (used) by capital and related financing activities	\$ (6,331,932)	\$ (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)

Schedule 3, Continued

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

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Cash flows from investing activities:										
Proceeds from sale and maturity of investments	\$ 251,531	\$ 109,860	\$ 175,502	\$ 129,680	\$ 66,764	\$ 24,134	\$ 26,220	\$ 157,599	\$ 71,847	\$ 13,250,017
Interest income	\$ (719,350)	\$ (1,195,037)	\$ 4,583,460	\$ 4,511,233	\$ 1,967,060	\$ 9,397,876	\$ (16,977,174)	\$ (47,090,527)	\$ 60,165,669	\$ (4,214,055)
Net cash provided (used) by investing activities	<u>\$ 35,091,434</u>	<u>36,286,467</u>	<u>31,703,007</u>	<u>27,191,774</u>	<u>25,224,714</u>	<u>15,826,838</u>	<u>32,804,012</u>	<u>79,894,539</u>	<u>19,728,870</u>	<u>23,942,925</u>
Net increase (decrease) in cash and cash equivalents	<u>\$ 34,372,084</u>	<u>\$ 35,091,430</u>	<u>\$ 36,286,467</u>	<u>\$ 31,703,007</u>	<u>\$ 27,191,774</u>	<u>\$ 25,224,714</u>	<u>\$ 15,826,838</u>	<u>\$ 32,804,012</u>	<u>\$ 79,894,539</u>	<u>\$ 19,728,870</u>
Cash and cash equivalents, beginning of year										
Cash and cash equivalents, end of year										
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:										
Operating income (loss)	\$ (3,864,269)	\$ (3,161,437)	\$ (3,090,500)	\$ (3,052,367)	\$ (4,456,487)	\$ (5,032,776)	\$ (4,261,816)	\$ (1,624,832)	\$ (1,198,044)	\$ (2,373,331)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:										
Depreciation and amortization	\$ 9,025,634	\$ 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
Loss on disposal of assets	-	-	-	4,112	-	-	1,497,800	5,116	6,516	-
Change in deferred inflows and outflows-pension	52,318	158,308	401,164	(244,081)	-	-	-	-	-	-
Change in deferred inflows and outflows-OPEB	(4,243)	249,106	-	-	-	-	-	-	-	-
Change in operating assets and liabilities:										
Accounts receivable	(73,582)	(38,143)	119,326	(36,666)	25,862	(19,112)	(368,958)	(20,722)	(136,461)	(262,430)
Prepaid expenses	62,536	62,535	62,535	62,536	85,036	(22,500)	-	-	-	-
Inventories	(27,324)	(18,724)	(9,020)	(75,245)	58,366	(26,822)	(1,014)	(106,815)	16,944	(162,296)
Due from other governments	60,140	(47,573)	62,838	-	-	-	-	-	-	1,019,778
Accounts payable	(28,775)	1,536,781	228,921	(762,991)	873,604	(687,219)	(2,867,792)	(2,880,749)	159,128	(102,681)
Deferred revenue	-	-	-	-	-	-	169,305	-	-	-
Accrued liabilities	30,852	(53,622)	36,163	(6,199)	29,753	(18,989)	(4,121)	228,850	(172,184)	28,275
Compensated absences	(13,910)	(6,113)	33,499	1,518	-	-	-	-	-	-
Claims and judgments	141,675	(10,638)	16,171	23,449	(7,059)	22,241	14,730	3,675	(3,624)	(128,142)
Total adjustments	<u>\$ 9,225,321</u>	<u>\$ 10,747,640</u>	<u>\$ 9,904,330</u>	<u>\$ 8,903,600</u>	<u>\$ 11,780,991</u>	<u>\$ 10,140,827</u>	<u>\$ 8,458,377</u>	<u>\$ 5,907,211</u>	<u>\$ 8,213,893</u>	<u>\$ 8,510,981</u>
Net cash provided (used) by operating activities	<u>\$ 5,361,051</u>	<u>\$ 7,586,203</u>	<u>\$ 6,813,830</u>	<u>\$ 5,851,233</u>	<u>\$ 7,324,504</u>	<u>\$ 5,108,051</u>	<u>\$ 4,196,561</u>	<u>\$ 4,282,379</u>	<u>\$ 7,015,849</u>	<u>\$ 6,137,650</u>
Noncash investing, capital, and financing activities:										
Disposal of capital assets	\$ 2,030,485	\$ 284,127	\$ 280,636	\$ 818,680	\$ 154,449	\$ 321,724	\$ 2,526,986	\$ 59,582	\$ 173,642	\$ 25,199
Accumulated depreciation on capital asset dispositions	1,963,509	283,066	262,141	814,568	154,449	321,724	1,029,186	54,466	167,127	25,199
Premium on refunding of revenue bonds	-	3,460,671	-	20,695,000	-	-	-	-	-	-
Refunding debt issued	-	-	-	23,160,000	-	-	-	27,725,000	-	-
Outstanding debt refunded	-	-	-	-	-	-	-	-	-	-

Schedule 4

PORLAND INTERNATIONAL JETPORT
Revenue Rates
Last Ten Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Landing fee (per 1,000 lbs MGLW)	\$3.05	\$2.74	\$2.83	\$2.89	\$2.81	\$2.47	\$2.33	\$2.15	\$2.35	\$2.13
Landing fee surcharge (per 1,000 lbs MGLW) for non-signatory airlines: 25% add-on to landing fee	\$0.76	\$0.69	\$0.71	\$0.72	\$0.70	\$0.62	\$0.58	\$0.54	\$0.59	\$0.53
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	\$30.83	\$30.44	\$29.17	\$27.77	\$25.36	\$26.20	\$23.32	\$34.85	\$35.82	\$36.48
- Common use	\$30.83	\$30.44	\$29.25	\$27.86	\$25.37	\$26.20	\$22.31	\$47.26	\$47.80	\$48.16
- Outbound baggage	(b) \$46.20	\$41.43	\$38.88	\$34.50	\$36.08	\$24.17	\$42.11	n/a	n/a	n/a
- Public / concessions use	\$30.83	\$30.44	\$29.12	\$27.91	\$25.38	\$26.21	\$21.78	\$47.25	\$47.80	\$48.17
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	\$4.50
Annual loading bridge rental (per bridge)	n/a									

(a) \$4.50 PFC became effective March 1, 2009.
(b) Outbound baggage fees began October 2011.

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

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Outstanding Debt per Enplaned Passenger										
Outstanding debt by type:										
Revenue bonds	\$ 48,360,000	\$ 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
Revenue bonds (PFC funded)	63,700,000	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	-	-	-	-	-	-	-	-	-	235,070
Total outstanding debt	\$ 112,060,000	\$ 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
Outstanding debt per enplaned passenger										
Debt Service										
Principal	\$ 2,700,000	\$ 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
Interest	5,689,300	5,496,485	5,867,597	5,919,773	5,69,004	6,175,145	6,201,344	5,100,563	2,674,714	2,753,110
Total debt service	\$ 8,389,300	\$ 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
Ratio of debt service to total expenses	26.24%	24.06%	25.09%	25.21%	25.40%	24.93%	29.53%	28.56%	16.69%	17.80%
Net debt service per enplaned passenger	\$ 8.65	\$ 7.90	\$ 8.60	\$ 8.94	\$ 8.94	\$ 9.30	\$ 9.20	\$ 7.66	\$ 4.24	\$ 4.28
Debt Limit Information (in thousands)										
Assessed value per State (in thousands)	\$ 9,049,500	\$ 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
Debt limit - 3% of assessed value (in thousands)	\$ 271,485	\$ 255,047	\$ 239,891	\$ 231,216	\$ 226,544	\$ 226,565	\$ 229,778	\$ 237,297	\$ 245,907	\$ 248,504
Debt applicable to the limit (in thousands)	-	-	-	-	-	-	-	-	-	235
Debt margin (in thousands)	\$ 271,485	\$ 255,047	\$ 239,891	\$ 231,216	\$ 226,544	\$ 226,565	\$ 229,778	\$ 237,297	\$ 245,829	\$ 248,268
Debt margin as a percentage of debt limit	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	99.97%
Debt margin per enplaned passenger	\$ 279.97	\$ 279.38	\$ 273.77	\$ 274.35	\$ 268.69	\$ 276.79	\$ 278.80	\$ 279.48	\$ 286.29	\$ 288.15

PORTLAND INTERNATIONAL AIRPORT										
Pledged Revenue Coverage										
Last Ten Fiscal Years										
Budget Basis										
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Net Revenues										
Total Revenues	\$ 23,274,784	\$ 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
Maintenance and operating expenses (1)	17,735,020	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
Net revenues	<u>5,539,764</u>	<u>6,113,253</u>	<u>6,037,735</u>	<u>6,931,357</u>	<u>6,300,739</u>	<u>5,883,180</u>	<u>5,756,611</u>	<u>7,053,023</u>	<u>7,145,530</u>	<u>6,220,831</u>
Less: Debt service										
Capital outlay	4,139,287	3,956,472	4,272,584	4,274,760	4,273,991	4,350,133	4,348,864	4,164,104	3,643,981	3,536,836
	<u>1,365,482</u>	<u>526,926</u>	<u>708,016</u>	<u>630,361</u>	<u>1,102,372</u>	<u>730,450</u>	<u>1,595,441</u>	<u>749,336</u>	<u>951,017</u>	<u>249,202</u>
Net remaining revenues	<u>\$ 34,994</u>	<u>\$ 1,629,855</u>	<u>\$ 1,057,135</u>	<u>\$ 2,026,236</u>	<u>\$ 924,376</u>	<u>\$ 802,597</u>	<u>\$ (187,694)</u>	<u>\$ 2,139,583</u>	<u>\$ 2,550,532</u>	<u>\$ 2,434,793</u>
Debt Service - Revenue Bonds										
Principal	\$ 2,700,000	\$ 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
Interest	5,689,300	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
Less: Debt service supported by Passenger Facility Charges (2)	(4,250,013)	(3,260,013)	(3,260,013)	(3,260,013)	(3,260,013)	(3,260,013)	(3,260,013)	(1,630,006)		
Debt Service Supported by Net Revenues	<u>\$ 4,139,287</u>	<u>\$ 3,956,472</u>	<u>\$ 4,272,584</u>	<u>\$ 4,274,760</u>	<u>\$ 4,273,991</u>	<u>\$ 4,350,133</u>	<u>\$ 4,348,864</u>	<u>\$ 4,164,104</u>	<u>\$ 3,643,981</u>	<u>\$ 3,536,836</u>
Debt Service Coverage Ratio Calculation										
Net revenues	\$ 5,539,764	\$ 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
Debt service	\$ 4,139,287	\$ 3,956,472	\$ 4,272,584	\$ 4,274,760	\$ 4,273,991	\$ 4,350,133	\$ 4,348,864	\$ 4,164,104	\$ 3,643,981	\$ 3,536,836
Debt service coverage ratio	1.34	1.55	1.41	1.62	1.47	1.35	1.32	1.69	1.96	1.76

(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.

Schedule 7

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Percentage Change	
											2015-2016	2016-2017
PRIMARY TRADE AREA												
State of Maine	106,877	106,539	107,702	107,398	107,609	107,604	107,440	107,233	107,319	107,651	0.08%	0.31%
Androscoggin County	276,047	278,559	281,674	282,401	283,921	285,456	287,797	289,977	292,041	292,500	0.71%	0.16%
Cumberland County	120,959	121,090	122,151	121,935	121,853	121,164	121,112	119,980	120,569	121,821	0.49%	1.04%
Kennebec County	40,686	40,801	39,736	39,708	39,668	39,550	39,676	39,855	39,744	39,790	-0.28%	0.12%
Knox County	34,628	34,576	34,457	34,224	34,180	34,088	34,170	33,969	34,216	34,204	0.73%	-0.04%
Lincoln County	56,741	56,244	57,833	57,695	57,481	57,277	57,238	57,202	57,217	57,439	0.03%	0.39%
Oxford County	36,332	36,391	35,293	35,207	35,191	35,013	35,045	35,149	35,273	35,392	0.35%	0.34%
PRIMARY TRADE AREA	672,270	674,200	678,846	679,903	680,152	682,478	683,365	686,379	688,797	688,797	0.44%	0.35%
SECONDARY TRADE AREA												
State of Maine	71,676	71,488	70,981	71,482	70,868	70,055	69,447	68,628	67,959	67,653	-0.97%	-0.45%
Aroostook County	29,857	29,735	29,650	30,746	30,630	30,495	30,296	29,991	30,001	29,988	0.03%	-0.04%
Franklin County	53,137	53,447	53,269	54,578	54,558	54,845	54,696	54,419	54,497	54,497	-0.44%	0.14%
Hancock County	148,651	149,419	148,761	153,786	153,746	153,364	153,414	152,692	151,806	151,957	-0.58%	0.10%
Penobscot County	16,961	16,795	16,874	17,419	17,290	17,124	17,026	16,931	16,843	16,773	-0.52%	-0.42%
Piscataquis County	51,377	50,947	50,900	52,028	51,910	51,706	51,163	51,113	50,915	50,626	-0.39%	-0.57%
Somerset County	38,342	38,287	38,359	38,745	38,820	38,940	39,051	39,155	39,364	39,832	0.53%	1.19%
Waldo County	32,499	32,107	31,932	32,637	32,462	32,190	31,808	31,625	31,450	31,593	-0.55%	0.45%
Washington County	201,686	201,876	201,564	198,199	199,005	199,431	200,710	201,169	202,343	204,191	0.58%	0.91%
SECONDARY TRADE AREA	644,186	644,101	642,290	649,620	649,289	648,150	647,611	645,963	645,100	647,110	-0.13%	0.31%
TOTAL PRIMARY AND SECONDARY TRADE AREA												
State of Maine	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	1,335,907	0.16%	0.33%
United States	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	325,719,178	0.73%	0.72%

Source: U.S. Census Bureau

Schedule 8

PORLAND INTERNATIONAL JETPORT
Top 50 Private Employers in the Primary & Secondary Trade Areas
As of December 2017

<u>Employer</u>	<u>Location</u>	<u>Range</u>	<u>Employment</u>	<u>Product or Service</u>
MaineHealth	Statewide	9,001 to 9,500		General medical and surgical hospitals
Hannaford Bros Co.	Statewide	7,501 to 8,000		Supermarkets and other grocery stores
Wal Mart / Sam's Club	Statewide	6,501 to 7,000		Warehouse Clubs and Supercenters
L.L. Bean, Inc.	Statewide	6,501 to 7,000		Electronic Shopping and Mail-Order Houses
Bath Iron Works Corporation	Bath	5,501 to 6,000		Ship building and repairing
Eastern Maine Medical Center	Statewide	4,001 to 4,500		General medical and surgical hospitals
Maine General Medical Center	Statewide	3,001 to 3,500		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	2,501 to 3,000		Direct life insurance carriers
Shaw's Supermarkets, Inc.	Statewide	2,501 to 3,000		Supermarkets and other grocery stores
Southern Maine Health Care	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
University of New England	Statewide	1,001 to 1,500		Colleges and universities
Mercy Hospital	Portland	1,001 to 1,500		General medical and surgical hospitals
Home Depot USA Inc.	Statewide	1,001 to 1,500		Home centers
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
Goodwill Industries of Northern N E	Statewide	1,001 to 1,500		Vocational rehabilitation services
UPS Solutions	Statewide	1,001 to 1,500		Couriers and express delivery services
S D Warren	Statewide	1,001 to 1,500		Paper, except newsprint, mills
Bowdoin College	Brunswick	1,001 to 1,500		Colleges and universities
Idexx Laboratories Inc.	Westbrook	1,001 to 1,500		Pharmaceutical preparation manufacturing
Rite Aid of Maine Inc.	Statewide	1,001 to 1,500		Pharmacies and drug stores
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
Athena Health Inc.	Belfast	501 to 1,000		Office administrative services
Bank of America NA	Statewide	501 to 1,000		Commercial banking
EMHS	Brewer	501 to 1,000		Office administrative services
Bates College	Lewiston	501 to 1,000		Colleges and universities
Colby College	Waterville	501 to 1,000		Colleges and universities
Wex LLC	South Portland	501 to 1,000		Financial transaction processing and clearing
Central Maine Power Co	Statewide	501 to 1,000		Electric power distribution
Perrier Group-Poland Spring	Waterville	501 to 1,000		Bottled water manufacturing
Target Corporation	Statewide	501 to 1,000		Department Stores
New Balance Athletic Shoe Inc.	Statewide	501 to 1,000		Footwear manufacturing
Mardens Inc.	Statewide	501 to 1,000		Residential mental and substance abuse care
Bangor Savings Bank	Statewide	501 to 1,000		Savings institutions
T Mobile USA Inc	Oakland	501 to 1,000		Telemarketing and other contact centers
Cianbro Corporation	Pittsfield	501 to 1,000		Highway, street, and bridge construction
Martins Point Health Care Inc	Statewide	501 to 1,000		Offices of physicians, except mental health
Dead River Company	Statewide	501 to 1,000		Fuel dealers
Idexx Distribution Inc	Westbrook	501 to 1,000		Other professional equip. merchant wholesaler

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

Schedule 9

PORTLAND INTERNATIONAL JETPORT
Registered Students at Colleges and
Universities in the Primary Trade Area
As of December 2017

<u>Name</u>	<u>County</u>	<u>Total Students</u>	<u>Status</u>
Bates College	Androscoggin	1,787	Private
Bowdoin College	Cumberland	1,816	Private
Central Maine Community College	Androscoggin	2,945	Public
Colby College	Kennebec	1,917	Private
Kaplan University	Cumberland, Androscoggin	1,096	Private
Maine College of Art	Cumberland	517	Private
Maine College of Health Professions	Androscoggin	188	Private
Saint Joseph's College	Cumberland	2,291	Private
Southern Maine Community College	Cumberland	5,972	Public
Thomas College	Kennebec	1,802	Private
University of Maine Augusta	Kennebec	4,014	Public
University of New England	Cumberland, York	8,281	Private
University of Southern Maine	Cumberland	7,794	Public
York County Community College	Cumberland	1,708	Public

Source: National Center for Education Statistics

Schedule 10

PORTRLAND INTERNATIONAL JETPORT
Jetport Employees
Last Ten Fiscal Years

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

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Administration	10	10	10	8	8	8	9	9	9	9
Airfield	17	17	15	16	17	17	17	17	17	17
Security / Comm. Center	14.5	7.5	12	11	11	10	10	10	10	9
Terminal	11	16	12	13	13	12	11	10	10	10
Total Employees	<u>52.5</u>	<u>50.5</u>	<u>49</u>	<u>48</u>	<u>49</u>	<u>47</u>	<u>47</u>	<u>46</u>	<u>46</u>	<u>45</u>

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.

PORLAND INTERNATIONAL JETPORT
Schedule of Enplanement Data
Last Ten Fiscal Years

AIRLINE	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Air Canada / Air Alliance	-	-	-	-	-	4,095	5,838	6,463	1,004	-
AirTran	-	-	-	-	-	67,349	94,721	99,466	110,154	96,618
Continental Airlines										
Colgan / Continental Connection	-	-	-	-	-	6,147	44,389	73,130	74,304	68,881
Continental Express / ExpressJet	-	-	-	-	-	55,418	33,056	8,676	12,813	14,512
Trans State Airlines	-	-	-	-	-	95	1,412	-	-	-
Delta	95,270	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
Chautauqua	-	-	-	9,167	24,446	3,176	17,151	14,925	563	-
Comair	-	-	-	-	-	344	6,209	19,044	13,965	26,354
Compass	-	-	74	-	4,815	9,048	-	2,713	2,538	-
Endeavor Air	103,954	62,479	56,689	55,025	17,115	-	-	-	-	-
ExpressJet	15,087	34,646	31,670	20,325	7,064	9,367	-	-	-	-
Freedom Air	-	-	-	-	-	-	-	-	-	38,732
Go Jet	26,378	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	172	610	22,063	18,288	8,675	21,307	6,905	721	-	-
Skywest Airlines	7,067	1,546	-	-	-	-	-	-	-	-
Elite Airways	7,671	8,008	2,964	-	-	-	-	-	-	-
JetBlue	88,193	92,826	98,298	99,730	102,522	99,925	104,272	116,839	135,571	143,235
Northwest	-	-	-	-	-	-	-	-	-	65
Comair	-	-	-	-	-	-	-	805	4,608	-
Mesaba	-	-	-	-	-	-	-	-	3,090	49,089
Pinnacle	-	-	-	-	-	-	-	23,955	47,435	6,034
Southwest	150,167	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	96,194	75,954	47,034	43,605	45,593	42,009	50,134	41,704	26,882	-
Air Wisconsin	19,742	40,538	54,615	59,737	49,131	54,497	65,584	70,642	82,891	105,579
Chautauqua	-	-	-	-	80	-	-	-	48	11,024
Envoy	7,302	-	-	-	-	-	-	-	-	-
Mesa	-	-	-	2,456	330	-	-	1,210	-	9,409
Piedmont	25,016	17,714	2,215	-	-	363	12,717	10,126	1,848	1,975
PSA Express	73,384	54,257	55,428	379	1,187	43	-	904	2,253	1,776
Republic Airlines	45,334	66,883	91,418	129,478	131,801	123,752	112,659	126,088	146,453	110,536
Trans State Airlines	9,739	3,046	-	-	-	-	-	-	-	-
United Airlines	35,330	7,974	-	-	-	-	-	-	-	-
Air Wisconsin	17,148	-	-	-	-	34,555	-	-	-	291
Atlantic Southeast Airlines	-	-	-	-	-	-	-	22,107	2,304	-
Commute Air	32,424	11,597	-	-	-	-	-	-	-	-
ExpressJet	36,820	79,365	65,903	34,175	59,303	-	32,895	822	-	-
Go Jet	4,221	9,456	26,657	30,519	20,472	26,803	18,619	38,253	79,389	73,916
Mesa	13,746	28,954	25,827	23,522	28,834	7,724	30,487	54,645	36,955	47,052
Republic Airlines	35,793	28,584	26,600	62,989	54,431	11,464	-	-	-	-
Shuttle America	-	3,368	25,441	8,473	-	-	-	-	-	-
Skywest	10,083	-	-	-	-	-	-	-	-	-
Trans State Airlines	13,448	12,999	3,123	2,885	9,407	25,219	16,256	-	2,126	-
Subtotal	969,683	912,913	876,250	842,784	843,148	818,541	824,165	849,076	858,687	861,585
Charters and Unscheduled Flights	966	1,424	148	730	1,156	963	1,045	911	971	905
Local Total	<u>970,649</u>	<u>914,337</u>	<u>876,398</u>	<u>843,514</u>	<u>844,304</u>	<u>819,504</u>	<u>825,210</u>	<u>849,987</u>	<u>859,658</u>	<u>862,490</u>
Total for United States (000)'s	(a)	856,287	830,079	800,087	760,847	738,616	731,130	725,262	711,264	695,912
Local Market Share of US Total	(b)	0.107%	0.106%	0.105%	0.111%	0.111%	0.113%	0.117%	0.121%	0.124%

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

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

Schedule 12

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

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	Average	Annual Change
Majors / Nationals	4,612	4,071	3,636	3,471	3,572	4,989	4,456	3,517	3,311	3,152	4.80%	
Regionals / Commuters	9,534	9,316	9,217	8,472	8,817	8,466	10,483	11,345	11,861	13,155	-3.33%	
Cargo	1,559	1,540	1,581	1,523	1,505	1,637	1,725	1,850	1,733	1,946	-4.17%	
Total	<u>15,705</u>	<u>14,927</u>	<u>14,434</u>	<u>13,466</u>	<u>13,894</u>	<u>15,092</u>	<u>16,664</u>	<u>16,712</u>	<u>16,905</u>	<u>18,253</u>	<u>-2.07%</u>	

Note: General Aviation operations not documented by Jetport.

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

Passenger Airlines	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Air Canada / Air Alliance	-	-	-	-	-	403	681	670	87	-
AirTran	-	-	-	-	-	769	1,095	1,082	1,200	1,057
Continental Airlines	-	-	-	-	-	1,257	-	-	-	-
Colgan / Continental Connection	-	-	-	-	-	111	823	1,333	1,335	-
Continental Express / ExpressJet	-	-	-	-	-	-	800	194	297	532
Trans State Airlines	-	-	-	-	-	2	39	-	-	-
Delta	731	803	756	752	849	1,052	803	635	221	107
Atlantic Southeast Airlines	-	-	-	-	-	-	-	58	231	640
Chautauqua	-	-	-	200	529	70	376	362	13	-
Comair	-	-	-	-	-	7	140	406	970	627
Compass	-	-	1	-	72	159	-	50	38	-
Endeavor	1,906	1,185	939	893	340	-	-	-	-	-
ExpressJet	260	589	537	366	143	162	-	-	-	-
Freedom Air	-	-	-	-	-	-	-	-	-	1,042
Go Jet	391	283	131	252	546	403	154	-	-	-
Mesaba	-	-	-	-	-	-	-	2	1	-
Pinnacle	-	-	-	-	466	1,008	1,394	857	402	46
Shuttle America	4	10	493	397	152	348	140	15	-	-
Sky West	106	23	-	-	-	-	-	-	-	-
Elite Air	252	95	95	-	-	-	-	-	-	-
jetBlue	1,219	1,272	1,272	1,257	1,287	1,314	1,347	1,415	1,598	1,822
Northwest	-	-	-	-	-	-	-	-	-	1
Comair	-	-	-	-	-	-	-	17	74	-
Mesaba	-	-	-	-	-	-	-	-	42	810
Pinnacle	-	-	-	-	-	-	-	520	1,071	139
Starlink	-	-	-	-	-	-	-	-	158	165
Southwest	1,205	1,232	1,104	1,075	1,013	223	-	-	-	-
Twin Cities Air Service	-	-	-	-	-	100	191	192	61	-
U.S. Airways	891	669	409	387	423	374	530	385	292	-
Air Wisconsin	453	966	1,305	1,366	1,164	1,360	1,728	1,887	2,352	2,935
Chautauqua	-	-	-	-	-	-	-	-	-	394
Colgan	-	-	-	-	-	-	-	-	-	1,313
Envoy	179	-	-	-	-	-	-	-	-	-
Mesa	-	-	-	38	6	-	-	17	-	123
Piedmont	605	450	67	-	-	15	574	452	80	98
PSA Express	1,405	1,018	1,037	6	20	1	4	16	98	459
Republic Airlines	733	1,135	1,441	1,983	1,982	2,088	1,987	2,051	2,304	1,786
Trans State Airlines	247	-	-	-	-	-	-	-	-	-
United Airlines	314	82	-	-	-	-	-	-	-	-
Air Wisconsin	384	-	-	-	-	-	-	-	-	-
Atlantic Southeast Airlines	-	-	-	-	-	-	99	556	63	-
Chautauqua	-	-	-	-	2	-	-	-	-	-
Commut Air	738	270	-	-	-	-	-	-	-	-
ExpressJet	771	1,898	1,501	791	1,418	833	766	17	-	-
Go-Jet	64	148	423	499	341	466	318	706	1,429	1,303
Mesa	222	473	407	420	504	139	538	948	676	892
Republic Airlines	583	407	448	1,022	893	194	-	-	-	-
Sky West	149	-	-	-	-	-	-	-	-	-
Shuttle America	-	59	414	145	-	-	-	-	-	-
Trans State Airlines	317	291	69	70	215	575	388	-	69	6
Charters & Unscheduled Flights	17	29	4	24	26	22	24	19	10	10
Subtotal	14,146	13,387	12,853	11,943	12,391	13,455	14,939	14,862	15,172	16,307
Cargo Carriers										
AIRNOW	-	-	-	-	-	-	-	-	-	2
DHL/Airborne Express	-	-	-	-	-	-	-	-	-	112
Federal Express	350	308	307	323	318	310	316	308	309	462
Wiggins	1,209	1,232	1,274	1,200	1,187	1,327	1,409	1,542	1,424	1,370
Subtotal	1,559	1,540	1,581	1,523	1,505	1,637	1,725	1,850	1,733	1,946
Total	15,705	14,927	14,434	13,466	13,896	15,092	16,664	16,712	16,905	18,253

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

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
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
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
Trans State Airlines	-	-	-	-	-	85	1,659	-	-	-
Delta	97,698	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
Chautauqua	-	-	-	8,510	23,700	2,978	15,998	15,701	4,778	-
Comair	-	-	-	-	-	369	8,228	21,419	46,515	29,602
Compass	-	-	75	-	5,373	11,830	-	3,748	2,850	-
Endeavor	128,785	73,515	65,916	64,308	18,668	-	-	-	-	-
ExpressJet	17,790	39,347	35,747	23,549	7,367	9,283	-	-	-	-
Freedom Air	-	-	-	-	-	-	-	-	-	45,556
Go Jet	27,544	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	291	729	21,557	18,795	11,130	25,509	10,110	1,104	-	-
Sky West	7,515	1,671	-	-	-	-	-	-	-	-
Elite Airways	13,564	12,733	5,425	-	-	-	-	-	-	-
jetBlue	118,831	116,762	123,700	122,381	125,343	128,272	132,467	149,789	174,668	188,370
Northwest	-	-	-	-	-	-	-	-	-	99
Comair	-	-	-	-	-	-	-	799	-	-
Mesaba	-	-	-	-	-	-	-	-	3,154	58,302
Pinnacle	-	-	-	-	-	-	-	24,440	50,337	6,533
Southwest	157,219	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	116,425	91,992	56,335	52,034	58,872	51,127	65,340	53,062	11,024	-
Air Wisconsin	21,291	45,402	61,335	64,202	54,708	63,920	81,216	88,689	110,544	137,945
Chautauqua	-	-	-	-	-	-	-	-	42,549	16,763
Colgan	-	-	-	-	-	-	-	-	-	81,406
Envoy	8,530	-	-	-	-	-	-	-	-	-
Mesa	-	-	-	2,793	441	-	-	1,250	-	9,041
Piedmont	26,408	19,643	2,925	-	-	509	19,502	15,330	2,678	3,363
PSA Express	93,777	71,298	69,012	282	1,269	47	188	912	4,062	2,135
Republic	54,936	85,070	107,060	146,907	136,621	154,880	142,791	152,188	171,621	132,486
Trans State Airlines	10,782	3,579	-	-	-	-	-	-	-	-
United	52,631	10,722	-	-	-	-	-	-	-	-
Air Wisconsin	18,048	-	-	-	-	-	-	2,810	-	-
Atlantic Southeast Airlines	-	-	-	-	-	-	4,653	26,132	2,961	-
Chautauqua	-	-	-	-	85	-	-	-	-	-
Commut Air	31,122	81,998	-	-	-	-	-	-	-	-
ExpressJet	38,497	83,042	64,283	35,096	62,892	35,068	33,663	744	-	-
Go-Jet	4,288	9,916	28,341	33,433	22,847	31,222	21,306	47,302	95,743	87,301
Mesa	14,874	31,691	27,269	28,140	33,768	9,313	36,046	63,516	43,211	57,403
Republic	42,355	29,828	30,028	63,364	55,366	12,028	-	-	-	-
Shuttle America	-	4,266	29,937	10,485	-	-	-	-	-	-
Sky West	11,155	-	-	-	-	-	-	-	-	-
Trans State Airlines	13,897	12,775	2,979	2,981	9,107	24,466	16,509	-	2,936	255
Charters & Unscheduled Flights	2,262	3,663	388	2,328	2,522	2,262	2,589	1,891	1,133	1,030
Subtotal	1,130,514	1,109,213	984,098	932,245	931,211	963,553	994,635	1,018,052	1,064,600	1,046,461
Cargo Carriers										
AIRNOW	-	-	-	-	-	-	-	-	-	85
DHL/Airborne Express	-	-	-	-	-	-	-	-	59,352	11,423
Federal Express	72,653	61,436	60,786	64,065	63,468	59,257	59,331	57,162	14,285	77,552
Wiggins	11,350	11,393	13,735	11,036	10,945	12,001	12,761	14,156	-	12,516
Subtotal	84,003	72,829	74,521	75,101	74,413	71,258	72,092	71,318	73,637	101,576
Total	1,214,517	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

Schedule 15

PORLAND INTERNATIONAL JETPORT
Primary Origin and Destination Passenger Markets
Calendar Years 2017 & 2016

CY 2017				CY 2016			
<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	206,807	1	New York LGA/JFK/EWR	SH	195,962
2	Washington DCA/IAD/BWI	SH	206,534	2	Washington DCA/IAD/BWI	SH	185,259
3	Atlanta	MH	78,645	3	Atlanta	MH	75,421
4	Orlando	MH	65,684	4	Orlando	MH	72,113
5	Fort Lauderdale MIA/FLL/PBI	MH	63,352	5	Fort Lauderdale MIA/FLL/PBI	MH	58,301
6	Philadelphia	SH	54,700	6	Philadelphia	SH	53,796
7	Tampa	MH	49,389	7	Tampa	MH	51,173
8	Chicago	MH	48,335	8	Chicago	MH	47,221
9	Charlotte	MH	47,430	9	Charlotte	MH	46,281
10	San Francisco SFO/OAK/SJC	LH	41,483	10	San Francisco SFO/OAK/SJC	LH	38,236
11	Denver	LH	36,987	11	Denver	LH	38,181
12	Los Angeles LAX/SNA/ONT/BUR/LGB	LH	36,075	12	Los Angeles LAX/SNA/ONT/BUR/LGB	LH	37,628
13	Fort Myers	MH	36,020	13	Fort Myers	MH	29,093
14	Detroit	MH	28,730	14	Detroit	MH	27,293
15	Raleigh/Durham	MH	27,794	15	Raleigh/Durham	MH	25,354
16	Phoenix	LH	27,100	16	Phoenix	LH	25,164
17	Minneapolis	MH	27,094	17	Minneapolis	MH	24,080
18	Jacksonville	MH	26,912	18	Jacksonville	MH	22,823
19	San Diego	LH	21,651	19	San Diego	LH	22,755
20	Las Vegas	LH	21,478	20	Las Vegas	LH	22,362
21	Nashville	MH	20,482	21	Nashville	MH	20,186
22	New Orleans	MH	20,153	22	New Orleans	MH	18,531
23	Dallas/Forth Worth	MH	20,010	23	Dallas/Forth Worth	MH	18,001
24	Seattle/Tacoma	LH	19,251	24	Seattle/Tacoma	LH	17,979
25	Austin	MH	17,719	25	Austin	MH	17,462

Notes:

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

Schedule 16

PORLAND INTERNATIONAL JETPORT
Capital Asset Information
As of June 30, 2018

Location:	3 miles west of downtown Portland, Maine																																									
Area:	769 acres																																									
Elevation	74 ft.																																									
Airport Code:	PWM																																									
Runways:	11/29 18/36	7,200 ft. x 150 ft. CAT III ILS / GPS / LAHSO 6,100 ft. x 150 ft. GPS / LAHSO																																								
Terminal:	<table border="0"> <tbody> <tr> <td>Exclusive Use</td> <td>28,766</td> <td>sq. ft.</td> </tr> <tr> <td>Common Use</td> <td>134,887</td> <td>sq. ft.</td> </tr> <tr> <td>Public / City</td> <td>79,649</td> <td>sq. ft.</td> </tr> <tr> <td>Vendor Space</td> <td>21,594</td> <td>sq. ft.</td> </tr> <tr> <td>Mechanical</td> <td>15,957</td> <td>sq. ft.</td> </tr> <tr> <td>Vacant</td> <td>13,501</td> <td>sq. ft.</td> </tr> <tr> <td>Total</td> <td>294,354</td> <td>sq. ft.</td> </tr> </tbody> </table>			Exclusive Use	28,766	sq. ft.	Common Use	134,887	sq. ft.	Public / City	79,649	sq. ft.	Vendor Space	21,594	sq. ft.	Mechanical	15,957	sq. ft.	Vacant	13,501	sq. ft.	Total	294,354	sq. ft.																		
Exclusive Use	28,766	sq. ft.																																								
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Number of loading bridges	10																																									
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 Lighting Vault Salt & Sand Shed	34,046 3,026 5,625	sq. ft. sq. ft. sq. ft.																																							
Apron:	Commercial Airlines Cargo Airlines FBO	175,906 81,000 541,500	sq. ft. sq. ft. sq. ft.																																							
Parking:	Spaces Assigned:	Short-term Long-term North Lot & Discount Lot Employee Lot Car Rental Ready Spaces	180 2,325 548 576 238																																							
		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																																									