FINANCIAL CONSIDERATIONS FOR PUBLIC PORTS
HUEMAE (YNEMA)

Top 11% of US Ports
For containerized and non-containerized Cargo

Original Port Boundary 1937 (320 acres)
Wharf No. One Reacquisition 1947/1961
City - Port Redevelopment 1961
Wharf No 2. Acquisition 1983
NCEL Acquisition 1994
Sunkist Site Acquisition 2000
Port Governance

- Created in 1937 by an Act of the Legislature
- Special District – California Harbors & Navigation Code
- Board of 5 Elected Commissioners
- City of Oxnard
  Population 200,000
- City of Port Hueneme
  Population 22,500

We get the job done. The Port has a flexible, “can do” attitude, with an open door policy and easy access to Port management and decision makers.
Vision

To operate as a self-supporting Port that enforces the principles of sound public stewardship maximizing the potential of maritime-related commerce and regional economic benefit.

Mission

To be the preferred port for specialized cargo and provide the maximum possible economic and social benefits to our community and industries served.
Why Hueneme?
• Main Channel Depth: 35 FT
• 120 Acre Terminal
• 24 Acre Terminal (Joint Use)
• 130 Acre Navy Out-lease
• 294 Acres Backland

• 6 Deep Draft Berths: 4,250 LF
• 1 Shallow Draft: 320 LF
• Refrigerated Storage: 256,000 Sq. Ft.
• 299 On-dock Reefer Plugs
Port Overview
Our Customers Make Us Thrive

Vehicle Brands
- BMW, Mini Cooper, Rolls Royce, Volvo, Land Rover, Jaguar, Maserati, Ford, Hyundai, Kia, Aston Martin, Mitsubishi, General Motors, Honda, Toyota, Nissan, Tesla

Ro-Ro/High and Heavy Products
- Caterpillar, John Deere, New Holland, Case, Hyster, Specialized Construction and Mining Equipment

Military Cargo
- Liberty Logistics

Auto
- BMW
- GAPS
- WWLA

Fresh Produce
- Chiquita (Cool Carriers)
- Del Monte

Offshore Oil Industry
- DCOR
- EXXON Mobil
- Freeport McMoran
- Irwin Industries

Liquid Bulk
- Yara North America

Fish
- Oxnard Unloading Services

Specialized Project Cargo Customers
We Make Cargo Move

An Active Auto Port
We Make Cargo Move

Vital Economic Engine
Economic Engine for the County

$1.1 Billion Total Economic Activity

$312 Million
Re-Spending & Consumption
$304 Million
Direct Business Revenue
$496 Million
Related Business Output

10,226 Total Direct, Induced, Indirect and Related Jobs.

2,394
Direct Jobs
2,876
Induced Jobs
669
Related Jobs

$69 Million in State and Local Taxes From Maritime Activity.

$33 Million
State of CA
$16 Million
Ventura County Municipalities
$5 Million
Other CA
$15 Million
State & Local
EXAMINING THE ROLE OF FINANCE

A SERVICE DEPARTMENT

“ASSETS = LIABILITIES + OWNERS EQUITY”

SAFEGUARD THE ASSETS OF THE ENTITY

A NUISANCE IN GOOD TIMES / ATTENTION GETTERS IN BAD TIMES

FINANCE PROFESSIONALS AT CONFERENCE

LYNN ANGERSTEIN
Port of Corpus Christi

ROBERT DEANGELIS
Port of San Diego

JOANNE DYKEMAN
Halifax Port Authority

LORRIE TAYLOR
Port of Orange

TIM FINLEY
Port of Houston Authority

MARCELLUS PHILLIP
St. Christopher Air & Sea Ports Authority
EXAMINING THE ROLE OF FINANCE

ACCOUNTING
The History Recorders
Accounts Payable
Accounts Receivable (Billing/Collections)
Payroll (Make Friends with them-VIP’s)
General Ledger
Financial Reporting

FINANCE / TREASURY
Present Day Needs
Analyst
Forecast
Show me (AKA FIND ME!!) the Money!

BUDGETING
The Planners
Financial Modeling
Predictors (The Keepers of the Crystal Ball)
EXAMINING THE ROLE OF FINANCE

SELECTING THE RIGHT CFO FOR YOU AND YOUR PORT

UNDERSTAND YOUR ORGANIZATION’S CULTURE
UNDERSTAND YOUR CURRENT NEEDS
KNOW YOUR OWN SKILLS

WHERE AND HOW TO LOOK
LOOK INSIDE AND OUTSIDE
THE LARGER THE PORT THE LARGER THE SEARCH
SEARCH FIRMS, SHOULD I? OR NOT?

THE INTERVIEW
WHAT ARE YOU GOING TO ASK?
WHAT IS MOST IMPORTANT TO YOU AND YOUR PORT?
COVERING THE BASES
EXERCISE # 1

PORT OF RANCHO BERNARDO

ANNUAL REVENUE $25M
ASSETS $75M
DEBT SERVICE $3M YR
UNRESTRICTED RESERVES $5.5M
PORT EMPLOYEES = 42
FINANCE DEPT = 5

DETERMINE TOP 3 INTERVIEW QUESTIONS
EXERCISE # 2

PORT OF RANCHO BERNARDO

- ANNUAL REVENUE $25M
- ASSETS $75M
- DEBT SERVICE $3M YR
- 50% RETIRES 2020 REM BAL 2024
- UNRESTRICTED RESERVES $5.5M
- PORT EMPLOYEES = 42
- FINANCE DEPT = 5

IDENTIFY TOP 3 FUNDING SOURCES
REAL WORLD PROBLEM/SOLUTION..................
$11,000,000 Shore Power Project
PORT RESERVES

**The Challenge:**
- Unrestricted Reserves $6M
- Legislated Borrowing Power $1M
- Revenue Bond Debt Balance $24M
- Grant 50% share underestimated @ $4.5M
- California Air Board Deadline looming

**Funding Strategy**
- $ 4.5M CA Air Resources Board (SCAQMD)
- $ 0.5M Ventura County Air Board
- $ 1.5M New Markets Tax Credits
- $ 4.5M Port Reserves
- $11.0M FUNDED
RESOURCES: AAPA’s Port Planning and Investment Toolkit

The Toolkit Modules can be used to help Ports:

- Evaluate port conditions
- Define problems
- Plan thoroughly
- Navigate the preplanning process
- Engage private partners
- Present actionable needs to administrators
- Access available funding
- Complete project

**Funding Strategy module**

- Approach for Development of a Financial Plan
- Commercial Bank Financing
- Credit Debt Profile
- Debt Implementation and Management
- Debt Profile
- Debt Refunding for Savings
- Debt Transaction Management
- Financial Model
- Funding Strategy Checklist
- Grant Funding and Government Loan Programs
- Identify Structural Alternatives
- Port Asset Backed Debt
- Port Concession Evaluation Model
- Port Profile
- Port System Net Operating Revenue Bonds
- Post Issuance Compliance
- Project Due Diligence Profile
- Public-Private Partnerships
- Rating Agency Considerations
THANK YOU

Enjoy your Conference, someone’s doing your job for you while you’re away from the office......