

FOR IMMEDIATE RELEASE

Contact: Theresa Adams Lopez
(310) 732-3507

PORT OF LOS ANGELES' FY 2006-2007 BUDGET INCLUDES \$33 MILLION FOR PORT SECURITY INITIATIVES

SAN PEDRO, Calif. - The Port of Los Angeles' \$848.5 million fiscal year 2006/2007 [budget](#) includes more than \$33 million for safety and security initiatives.

Included in the budget are \$2.5 million for the design of Joint Container Inspection Facility, \$8 million for a port-wide security surveillance system, and \$22.6 million in federally-funded grants for port-wide security deterrents.

"We are serious about protecting the people, community and commerce at the Port of Los Angeles," said Geraldine Knatz, Ph.D., executive director of the Port. "We have some of the nation's best security personnel on board, and continue working to make our Port one of the safest in the country."

Specific plans and programs for the coming year include: emergency plan updates; emergency response training and exercises; business recovery planning; enhancements to the Department Operations Center; Port-wide security identification and access control system; waterside security surveillance system; passenger complex screening and a perimeter security system; waterborne perimeter security barriers; and other facility security enhancements.

Effective July 1, the FY 2006/2007 budget contains an Operating Budget of \$258 million, a Capital Budget of \$311 million and \$42 million in future year commitments. This amount includes \$82 million related to land and property acquisitions. Operating Revenues for 2006/2007 are anticipated to reach \$409 million, an increase of \$26.2 million, or 7 percent, over last year's budget.

-more-



425 S. Palos Verdes Street

San Pedro, CA 90731

Tel: 310/732-3508

After 5:00 p.m.:

310/732-3500

PORT 2006/2007 BUDGET

2-2-2

Operating Expenses are estimated at \$207 million, an increase of \$42 million, or 25.1 percent, from last year's budget primarily due to outside services costs for environmental, engineering & legal services, additional City services costs and expenses such as provisions for debt exposure and wharf and ground maintenance improvements.

The Department expects to support the proposed capital spending through available operating resources and the issuance of \$150 million in commercial paper. The Port's strong financial stability has resulted in continued AA ratings by all three rating agencies, the highest of any port without taxing authority.

New in this budget are the creation of several key divisions: Internal Audit, to provide assessments to management on Port policy and procedure effectiveness; Economic Development, to analyze and quantify in a timely manner the economic impacts of Port-related projects; and Goods Movement, to develop business outreach programs aimed at fostering opportunities for local companies to engage and participate in the broad arena of regional and international business opportunities anchored by the Port.

Details of the budget may be found on the Port's website at www.portoflosangeles.org.

The Port of Los Angeles is America's premier port and a recipient of two Environmental Protection Agency awards in 2006. As the leading container port in the nation and a critical hub in the international supply chain, the Port generates 259,000 regional jobs and \$8.4 billion in annual wages and tax revenues. A proprietary department of the City of Los Angeles, the Port is self-supporting and does not receive taxpayer dollars. High priority is placed on responsible growth initiatives combined with high security, environmental stewardship and community outreach. The Port of Los Angeles - A cleaner port. A brighter future.

#