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June 23, 2015

Port San Luis Harbor District Board of Commissioners
3950 Avila Beach Dr.
P.O Box 249
Avila Beach, CA 93424

Re: 2015-16 Port San Luis Harbor District Budget

Dear President Barrow, Honorable Commissioners:

It is my pleasure to present the 2015-2016 Operating and Capital Improvement Budget for the Port San Luis Harbor District. This budget represents the District's financial plan for the upcoming fiscal year.

The purpose of the budget document is to provide a comprehensive picture of proposed operations for the budget year. The budget defines how we operate as a District and helps to set our priorities based on our goals and objectives. It provides the means to fund ongoing maintenance and improvements, as well as the training and equipment needs of the employees. The budget helps provide the most effective control by the Harbor Commission over the expenditure of public funds, while providing staff with the opportunity to highlight various issues within the District.

The budget is a result of a detailed review of the District's operations by the Harbor Commission, and District staff. It has been built on conservative financial principals reflecting the District's commitment to providing superior service while keeping expenditures to a minimum.

In addition to outlining the District's financial plan, this budget is the practical implementation of the goals in the District's mission statement, to 'serve the public' and to ensure a 'financially sustainable harbor that preserves our marine character and heritage'.

Respectfully submitted,

Steve McGrath
Harbor Manager



2015/16 Operating and Capital Budget

July 1, 2015-June 30, 2016



The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to **Port San Luis Harbor District, California** for its annual budget for the fiscal year beginning **July 1, 2014**. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Port San Luis Harbor District
California**

For the Fiscal Year Beginning

July 1, 2014

Executive Director



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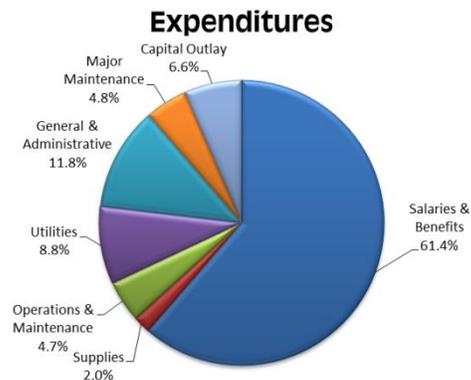
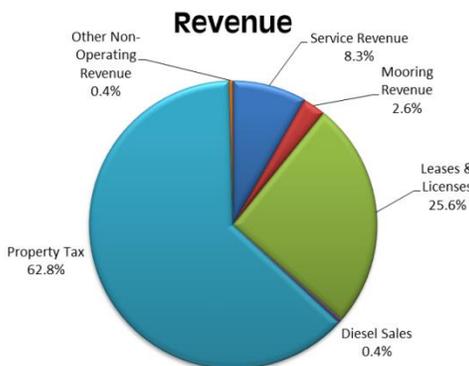
Budget at a Glance



Budgetary Highlights

Budget Summary		Comparison to 2014/15 Projections			
Operating Revenue	\$1,780,300	<input type="checkbox"/>	Increase	<input checked="" type="checkbox"/>	Decrease 3.6%
Non-Operating Revenue	3,054,400	<input checked="" type="checkbox"/>	Increase	<input type="checkbox"/>	Decrease 3.5%
Operating Expenditures	(4,572,700)	<input checked="" type="checkbox"/>	Increase	<input type="checkbox"/>	Decrease 6.1%
Major Maintenance and Capital Projects (net of grant funding)	(587,200)	<input type="checkbox"/>	Increase	<input checked="" type="checkbox"/>	Decrease 31.9%
Net Income (Loss)	(325,200)	<input type="checkbox"/>	Increase	<input checked="" type="checkbox"/>	Decrease 821.1%
Prior Year Specified Reserve Usage	370,200	<input checked="" type="checkbox"/>	Increase	<input type="checkbox"/>	Decrease 77.6%
Specified Reserve Funding	(45,000)	<input checked="" type="checkbox"/>	Increase	<input type="checkbox"/>	Decrease 100.0%
Increase (Decrease) in Operating Reserves	\$0	<input type="checkbox"/>	Increase	<input type="checkbox"/>	Decrease

- The 2015/16 budget is balanced and utilizes \$370,200 in prior year specified reserves to fund major maintenance and capital asset purchases and improvements. The budget places \$45,000 into future year specified reserves.
- Operating revenue is budgeted to decrease 3.6% compared to 2014/15 projections. Large lease assignment fees were received in 2014/15. The District does not anticipate receiving these in 2015/16.
- Non-Operating Revenue is budgeted to increase 3.5% compared to 2014/15 projections primarily due to the increase in Property Tax revenues. See pages 25-26 for further detail on revenue.
- Operating expenditures are budgeted to increase 6.1% compared to 2014/15 projections. The increase is largely due to an increase in Salaries, Wages and Benefits. The 2015/16 budget includes the funding of a previously authorized, but unfunded Harbor Patrol and Port Maintenance Worker position. Additional detail on operating expenditures can be found on page 27.
- The District anticipates revenues exceeding operating expenditures by \$262,000 which will be used to fund a portion of Major Maintenance and Capital Projects costs of \$2,365,700. Additional major maintenance and capital project costs will be funded using \$370,200 in specified reserves and \$1,778,500 in anticipated grants. See pages 36-43 for further major maintenance and capital project detail.





Priorities and Issues

The Harbor Commission adopted the following Mission Statement on February 25, 2014.

“To serve the public with an array of commercial and recreational boating, fishing, and coastal-related opportunities, while ensuring an environmentally responsible, safe, well-managed, and financially sustainable harbor that preserves our marine heritage and character.”

Following are District goals in support of the above mission statement:

- Provide for commercial and recreational boating and fishing activities:
 - Extend mobile-hoist pier.
 - Work with Yacht Club to extend water taxi hours.
 - Purchase new water taxi boat.
 - Update policy on skiff ladders.
- Provide coastal related opportunities
 - Harbor Terrace Project.
 - Avila pier rehabilitation project.
 - Determine use of old ice house building and obtain a Coastal Development Permit.
 - Determine use of lighthouse duplex.
- Be environmentally responsible
 - Maintain Clean Marinas certificate.
 - Continue to work with Division of Boating and Waterways to secure Abandoned Watercraft Abatement Funds and Vessel Turn-In Program funds.
 - Implement Best Management Practices for sewer system.
- Provide a safe environment
 - Continue with high standards of training for public safety personnel (Harbor Patrol).
 - Add a floating landing for use by Harbor Patrol.
- Well-managed
 - Continue work on creating efficiencies through technology.
 - Final implementation of the California Special District’s Association (CSDA) Transparency Certification.
 - Obtain recognition as a District of Distinction through CSDA.
 - Submit Budget Document to the Government Finance Officers Association (GFOA) for consideration of Distinguished Budget Award.
 - Negotiate a mutually agreeable Service Employee International Union (SEIU) agreement.
 - Continue with professional development and training opportunities for staff and Commissioners.
- Financially sustainable
 - Unfunded backlog of deferred maintenance is in the millions and is projected to grow. Aggressively pursue grant opportunities that can be used for preservation of existing infrastructure.
 - Complete first stage of parking management plan.
 - Increase fees to offset costs, where reasonable and where all cost savings options have been explored, before reducing service levels. All revenue producing facilities/functions at the District will strive to operate on a cost plus concept. District staff shall research fee increases with comparisons and recommendations to reduce expenses. (Fiscal Policy 3022).
 - Develop branded retail operations.



Priorities and Issues (Cont.)

- Preserve marine heritage and character.
 - Harford Pier Project:
 - Develop a Coastal Development Permit for future improvements to pier terminus.
 - Continue to support commercial fishing heritage.
 - Negotiate Commercial Fisherman's lease agreement.
 - Advocate for Breakwater repair, sediment management, and other matters of mutual federal and District interest.



Short-Term Factors Influencing Decisions

Factors influencing District decisions on a short-term basis include impact of outside economic and legislative factors, and limited internal resources available to support replacement of equipment and aging buildings and infrastructure.

Economic Factors:

The District continues to reach the budgetary goal of generating \$200,000 for Major Maintenance and Capital Projects. Increases in ongoing revenues are expected to keep pace with increases in ongoing District expenses. The upward trend in enterprise revenues, specifically RV camping and parking revenues, continued through February 2015. The revenue increase is partially explained by favorable weather conditions, which makes it difficult to predict.

In addition, the 2015/16 Property Tax revenues are expected to increase by 3.6%. This has allowed for the funding of one Harbor Patrol and one Port Maintenance Worker position which were cut during the most recent recession.

Mooring Patron numbers continue to decrease though the District does anticipate that this decrease will level off in 2015/16 as economic conditions continue to improve.

Legislative Factors:

The Public Employee's Pension Reform Act (PEPRA) became effective on January 1, 2013. The latest Actuarial Report issued on October 2013 for the period ended June 30, 2013 warned that future rate increases could be significant beginning in 2015/16. Also, CalPERS recently changed demographic assumptions and increased the average life expectancy. This is expected to increase retirement costs up to 5% for Miscellaneous employees and up to 9% for Safety employees.

The Governmental Accounting Standards Board (GASB) issued statement 68 on Accounting and Financial Reporting for Pensions which requires governments to record long-term liabilities in enterprise funds and government-wide statements. This will not affect the General Fund but will significantly impact the District's Enterprise Fund and Government-wide Statement presentation beginning with the 2014/15 financial statements issued in November 2015. A very preliminary estimate of District unfunded liabilities is \$3,000,000. CalPERS will be preparing actual calculations that should be available in June 2015.

The District currently contracts with CalPERS to provide employees with medical benefits. CalPERS requires that participating agencies contribute a certain dollar amount towards current employees and retirees. For calendar year 2015 the required minimum contribution is \$122 per month. The retiree contribution liability (also known as Other Post-Employment Benefits (OPEB)) is calculated by a Certified Public Accountant every three years. The most recent calculation was completed in May of 2014 and estimated the District's liability at \$821,325.

The Federal Patient Protection and Affordable Health Care Act (ACA) was signed into law on March 23, 2010 and established comprehensive health insurance reforms that will roll out over several years. The future financial impact is difficult to predict. District costs based on HMO premiums rose 10% in 2015 and the District is projecting another 10% increase in 2016.



Short-Term Factors Influencing Decisions (Cont.)

Propositions 4 and 1A constitutionally require the State of California to reimburse local agencies for costs directly associated with new state-mandated programs. When it defers these reimbursements, the state must eventually pay them back with interest. Two of the most common reimbursements owed to special districts include Brown Act and Public Records Act mandate. Under Governor Brown's long-range financial plan, local governments would be reimbursed for a portion of the mandated costs starting in fiscal year 2015/16. The State owes Port San Luis Harbor District \$24,428 from 2003 thru 2012 for costs associated with Brown Act mandates.

Limited Resources:

The District continues to postpone maintenance projects due to lack of funding and/or staffing. The District's fiscal goal policy (Policy #3022) is to be able to fund major maintenance and capital projects at the same rate that capital assets are depreciating. For fiscal year ending June 30, 2014 the District spent \$1,379,542, including grant funded projects, and recorded depreciation expense of \$688,399. This was possible due to use of \$540,755 in grant funds for the restoration of the historic Harford Pier and \$82,023 for the reconstruction of the Olde Port Beach restrooms, along with other small grants. For fiscal year ending June 30, 2016 the District has budgeted \$587,200 (net of grant funding) for major maintenance and capital assets. The District continues to be dependent on grant funds that can be used to restore and maintain current capital assets in order to meet the District's fiscal goal.

The Avila Pier was significantly damaged in storms in 1983 and largely rebuilt. Additionally, the base of the pier was rebuilt as a part of the Unocal funded clean-up of Avila Beach in 1998 – 2003. The balance of the pier is over 30 years old, and has suffered some level of deterioration of some of the piles. This will necessitate a multi-year program to replace piles that are damaged from the actions of the ocean and organisms that feed on the wood, plus replacement of missing piles. The 2015/16 budget includes \$1,100,000 for this project.

A 1968 agreement between the Harbor District and the Avila Beach Community Services District (ABCSD) entitles the Harbor District to 35% of the capacity of the wastewater treatment plant in Avila Beach; this entitlement comes with an obligation to fund 35% of related capital improvements. The ABCSD is anticipating the need for a significant upgrade to the plant to meet required standards for the effluent flow from the plant. The District would be obligated to participate in this project, which may cost in excess of \$1 million with the District's share at \$350,000. Options would include payment in full, grants to offset District share, and participation in a potential ABCSD low interest loan.

The District lets property and buildings for uses such as retail and wholesale seafood sales, restaurants, souvenir sales, Yacht Club use and use of a pier by Cal Poly for education and research. Some District buildings are past their useful life and need substantial improvements. Currently the District lets some of these buildings on a short-term basis until such improvements can be made. Without the funding for needed improvements reduction in lease income may occur.



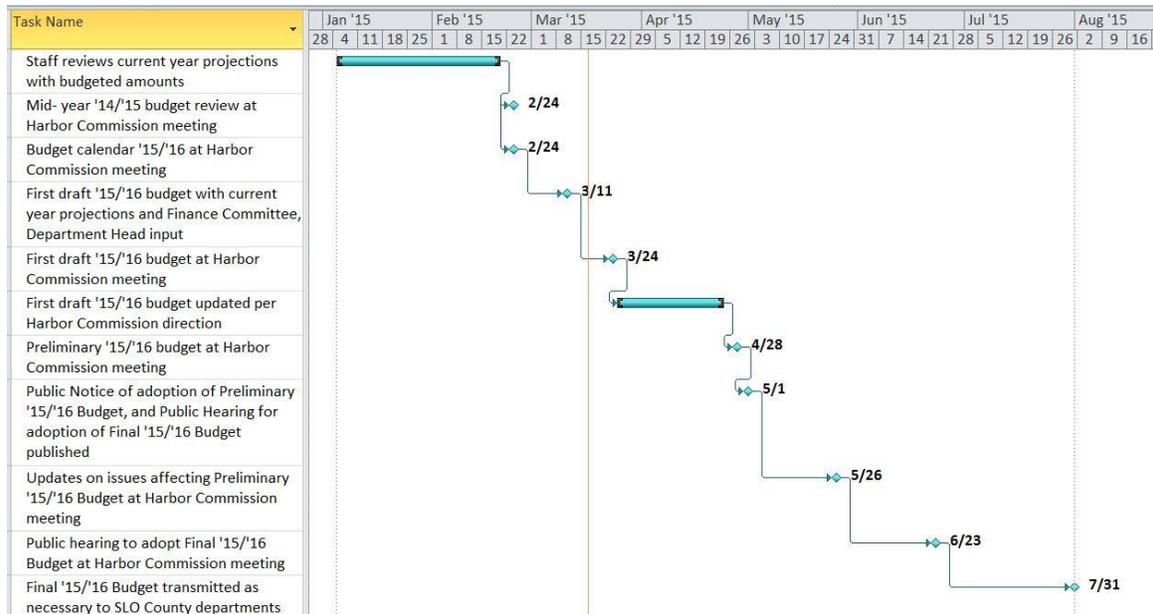
Budget Process

The District's budget process is governed by Policy 3020, Budget Preparation. The Budget is prepared annually by the Harbor Manager with the assistance of the Department Heads. In February, the Board of Commissioners approves the budget calendar for the next fiscal year's budget at the regularly scheduled Harbor Commission meeting. The Commission sets overall goals and priorities for the Harbor District with emphasis on the capital and special project budgets. The Commission also reviews the current year's budget and forecast at this time.

The first draft of the budget is presented at the Harbor Commission's March meeting. District staff receives direction from the Commission and presents the Preliminary budget at the April Harbor Commission meeting. The Preliminary Budget is adopted at the April meeting and a public notice is published pursuant to Section 6061 of Government Code stating the adoption of the Preliminary Budget.

At the Harbor Commission's May meeting, the Commissioners hear staff and public input on the Preliminary Budget. Based on this comment, Staff revises the Budget and presents it to the Harbor Commissioners at the June meeting. The Commissioners adopt the Final Budget for next Fiscal Year during a public hearing at this meeting. Members of the public are invited to comment during this meeting prior to the adoption of the Final Budget.

The Final Budget is reported to the San Luis Obispo County Board of Supervisors, County Auditor Controller, Secretary to the Board of Supervisors and the Chief Administrative Officer of the County before July 31st of each year.





Budget Process (Cont.)

Budget Adjustments:

The Harbor Commission level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is maintained at the fund, and budget category level, with more stringent control over major maintenance and capital assets, which are maintained at the line-item level. District staff requests approval from the Harbor Commission for budgetary transfers between budget category levels and any line-item additions to major maintenance and capital assets throughout the year.

Budget Review:

In February of each year a mid-year budget report is prepared and presented to the Harbor Commission for review. If it is anticipated that revenue projections will not be met or expenditures will exceed appropriations, corrective recommendations will accompany the report.

In August of each year, estimates of final fiscal year end results are calculated. Budgeted funding of specified reserves is adjusted accordingly. If the estimates are more favorable than budget, then additional specified reserves are recommended to the Harbor Commission and vice versa.

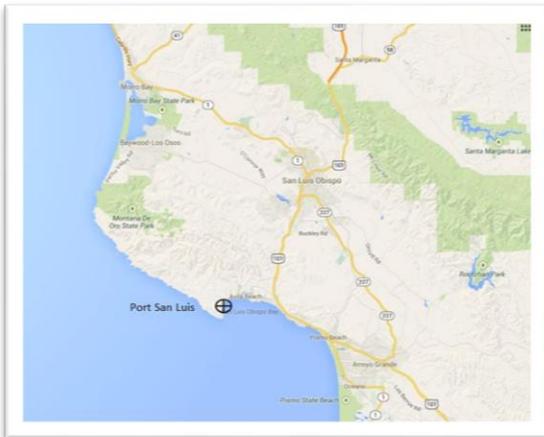
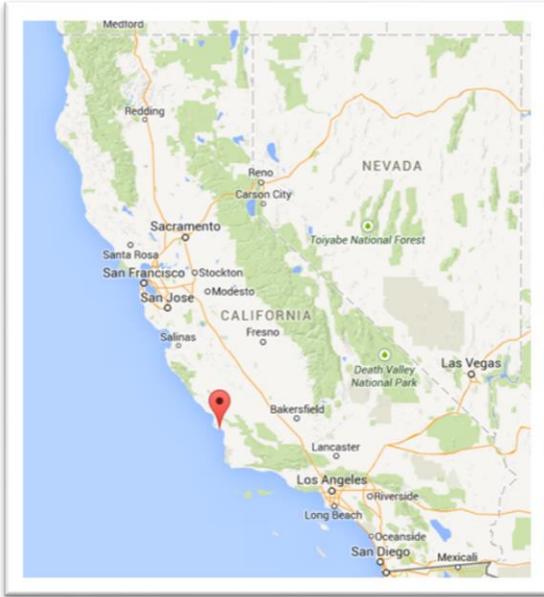


About Us



Where is Port San Luis?

Port San Luis is a Special District located on the California coast, about eight miles south of San Luis Obispo, just past the town of Avila Beach.



Population

Year	San Luis Obispo County	Avila Beach
2010	269,954	1,261
2000	247,878	797
1990	217,162	Not avail.
1980	155,435	Not avail.

*Source: US Census Bureau

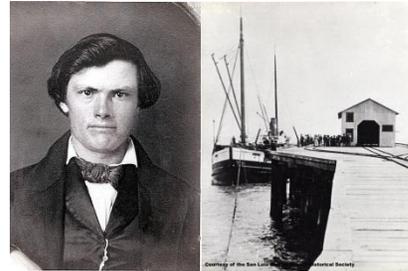




Our History

The Avila Beach area was used by the Spaniards and Portuguese many centuries ago. Richard Henry Dana also used the natural headlands to anchor up out of the wind, resupply and trade with the local Chumash Indians.

In 1873, John Harford built the Harford wharf. Using horses, he offloaded schooners and imported cargo from Los Angeles and San Francisco. He sold the goods in San Luis Obispo and northern Santa Barbara County. Ships carrying supplies, mail and passengers laid alongside the Harford Pier.



In 1876 the Marre Hotel was built at Port San Luis where passengers would rest up while waiting for passage on the next ship. The narrow gauge railroad was built in the 1880's, carrying both passengers and cargo. By 1913 the federal breakwater, funded by congressional action, had been built to provide a safe anchorage at the wharf. Cattle and agriculture goods were exported to Los Angeles and San Francisco, lumber and dry goods were imported to the area. The narrow gauge railroad ran out onto the wharf to carry cargo back and forth to market.



Local commerce fell on hard times at the onset of the Depression and the Port fell into disrepair. The railroad and pier was sold to Elton Tognazzini in 1942 for \$17,265.

In 1954 the citizens of southern San Luis Obispo County voted to create and fund a Harbor District for the Port San Luis Area. It was hoped that this action would provide for a method to fix up the old facilities and create some commerce for the south county. Five Harbor Commissioners were elected and the harbor was given new life.

In 1955 the State Legislature granted the Harbor District the area's tidelands in trust. Very few grants being given, this, indeed, was another chance to improve the Port's dilapidated facilities. Tognazzini sold his property, including the Harford Pier, to the Harbor District for \$500,000 in the late 1950's, using a loan from the State Department of Boating and Waterways. The District continued to grow, adding the site now known as Harbor Terrace in 1978, acquiring the beach, the pier and the parking lot in Avila Beach from the County in 1983, and the 30 acre home to the Point San Luis Lighthouse from the federal government in 1994.

The Harbor Commission has since sought to implement the original goal of the first Commission and vision of the Founding Fathers of the District. That is, to serve the public with an array of commercial and recreational boating, fishing, and coastal-related opportunities, while ensuring an environmentally responsible, safe, well-managed, and financially sustainable harbor that preserves our marine heritage and character. In the past ten years the Commission has concentrated more on environmental responsibilities, while maintaining a balance to serve the boating and general public.



Port San Luis Today

Fishing:

Port San Luis remains a regional destination for recreational fishers, who use the District's facilities for launching trailerable boats to fish for rockfish, salmon, sea bass and other species depending on season and presence of fish. Additionally, the commercial fishing industry has rebounded from its low point in 2005, and Port San Luis maintains its position as the California leader in landings of brown and gopher rockfish. This industry as a whole has seen a 134% increase in the value of fish landings at the dock from the low point in 2005 (\$870,000) to 2013 (\$2 million).

Recreation:

Recreation now plays a significant role in the use of the District's facilities, placing increased demand on staff resources, whether maintenance or public safety (Harbor Patrol). The District's beaches play host to hundreds of thousands of visitors annually, and enjoyment of active sports like kayaking and paddle boarding has exploded in popularity. Many visitors now also enjoy the restored 19th century Point San Luis Lighthouse, restored, managed, and maintained by the Point San Luis Lighthouse Keepers, a partner non-profit organization.

Development:

In 1978, the District purchased the site now known as Harbor Terrace, intending for the land to be financially and physically supportive of District operations. Finally, the many intermediate steps have been accomplished and the Harbor Terrace project is soon to be properly developed, with space for marine gear and boat storage, District uses and overnight accommodations, ranging from walk –in tent camping to RVs to self-contained cabins. While maintaining its essential functions in support of coastal dependent uses, the project will also increase visitor access to the District and the coast, and provide revenue to further support District operations.

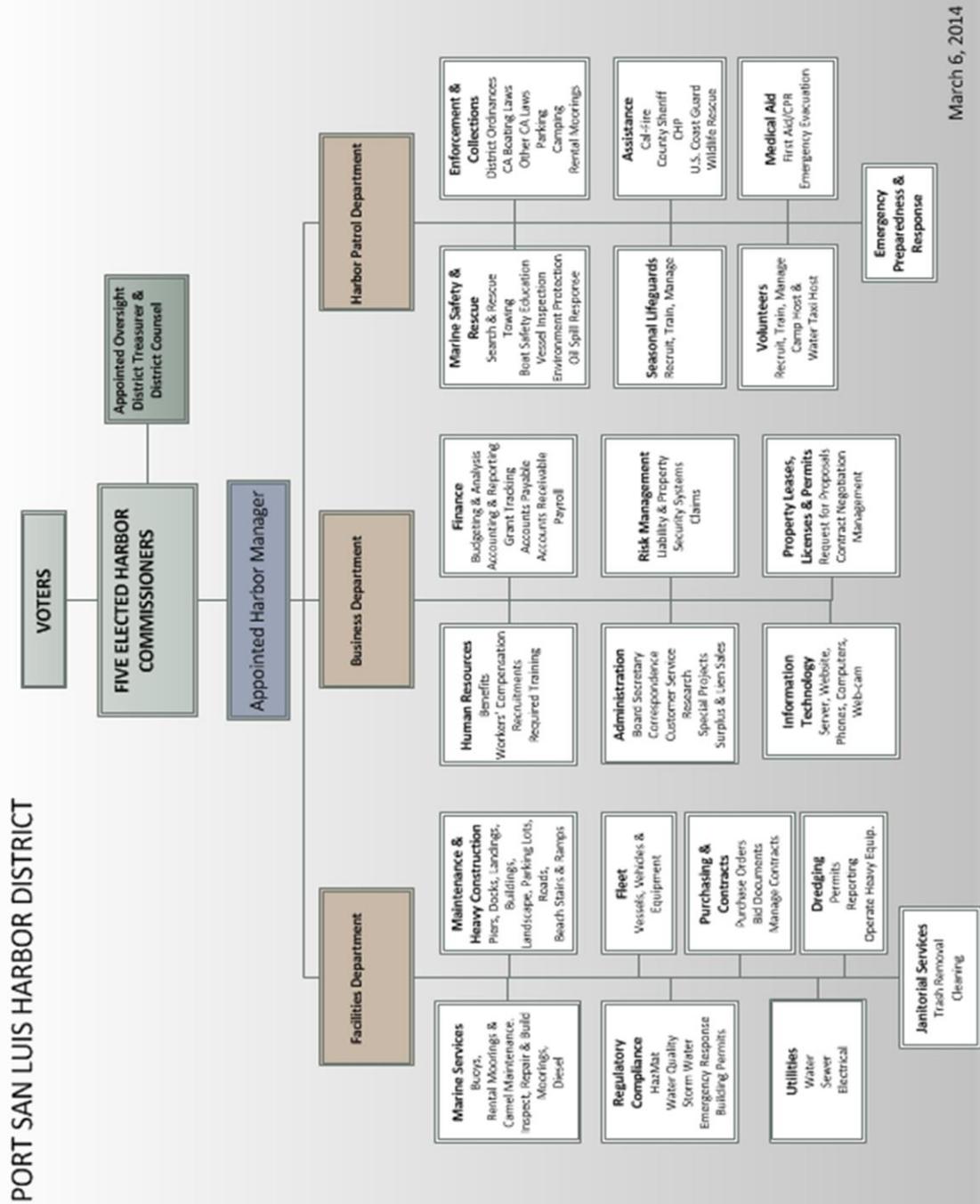


Port San Luis Today (Cont.)





Organizational Chart





Staffing Authorization

	<u>FY 2013/14</u>	<u>FY 2014/15</u>	<u>FY 2015/16</u>
Administration			
Harbor Manager	1	1	1
Business Department			
Business Manager	1	1	1
Accountant	1	1	1
Administrative Analyst	1	1	1
Support Services Coordinator	1	1	1
Administrative Secretary	1	1	1
Accounting Technician (30 hours per week)	75%	75%	75%
Facilities Department			
Facilities Manager	1	1	1
Planner/Analyst	1	1	1
Facilities Supervisor	1	1	1
Heavy Construction Leadworker	1	1	1
Utility Crew Leadworker	1	1	1
Port Maintenance Worker	5	5	6
Mooring Crew Workleader	1	1	1
Port Maintenance Worker Deckhand	1	1	1
Harbor Patrol Department			
Chief Harbor Patrol Officer	1	1	1
Harbor Patrol Officer	4	4	5
Temporary Seasonal Workers (April 1-September 30)			
Temporary Port Maintenance Worker	2	2	1
Lifeguards	15	15	15
TOTAL STAFFING	<u>40.75</u>	<u>40.75</u>	<u>41.75</u>

* The 2015/16 Budget includes the funding of one additional Harbor Patrol and one Port Maintenance Worker employee that were previously authorized but not funded.

** The 2015/16 Budget eliminated the funding of one temporary Port Maintenance Worker employee.



Department Summary

Administration and Business Departments

	2013/14 Actual	2014/15 Projected	2015/16 Budget	Percentage Change
Wages	\$ 530,700	\$ 550,000	\$ 559,000	1.6%
Benefits	\$ 260,700	\$ 262,400	\$ 319,550	21.8%
Contract Labor	\$ -	\$ -	\$ 300	100.0%
Pension obligation debt	\$ 490,000	\$ 180,000	\$ 197,100	9.5%

The Administration & Business Department includes five elected Harbor Commissioners, six full-time employees and one part-time employee. The department includes the following positions: Harbor Commissioner, Harbor Manager, Business Manager, Administrative Analyst, Support Services Coordinator, Administrative Secretary, Accountant, and Bookkeeper. Together, the Administration & Business Department performs a variety of different tasks including:

Elected Harbor Commissioners:

- Adopts a Mission Statement and establishes goals, objectives and priorities for the District.
- Appoints, evaluates, and terminates Harbor Manager.
- Adopts an annual budget.
- Adopts ordinances to provide legal foundation of District operations.
- Represents the District, stakeholders, and general public.
- Adopts policies.

Harbor Manager:

- Plans, organizes, coordinates, and directs the activities of Port San Luis consistent with Harbor Commission direction.
- Provides direction and leadership by setting organizational standards and objectives in conjunction with the Commission.
- Prepares, reviews, and makes recommendations regarding issues for Board consideration and action.
- Prepares and presents Grant requests.
- Oversees preparation of annual budget.
- Appoints, evaluates and terminates management staff.

Administration:

- Provides customer service.
- Prepares and maintains administrative paperwork regarding moorings, dry dock, skiff spaces, and gear storage.
- Provides highly responsible and complex administrative, secretarial, and clerical duties in support of management, staff, committees, and elected officials.

- Oversees and administers a variety of planning, projects, grants and contracts.
- Assists in Workers' Compensation and insurance compliance.
- Operates a radio base station.

Accounting/Finance:

- Prepares budget.
- Analyzes, reconciles and maintains financial records.
- Coordinates year-end audit including creation of financial statements.
- Performs complex bookkeeping tasks and clerical work as related to accounts receivable, collections, and accounts payable.
- Reconciles bank statements and prepares deposits.

Human Resources:

- Processes payroll.
- Manages human resources.
- Reviews all hiring and disciplinary decisions.
- Conducts staffing, organizational and budgetary studies and recommends modifications to increase effectiveness and efficiency.
- Insures compliance with all local, state and federal regulations and laws.

Policies and Procedures:

- Recommends and implements policy.
- Drafts and analyzes Board policy.
- Analyzes and develops procedures and processes.

Property Management:

- Develops and manages all leases and licenses on District property.



Department Summary (Cont.)

Facilities Department

	2013/14 Actual	2014/15 Projected	2015/16 Budget	Percentage Change
Wages	\$ 706,300	\$ 717,200	\$ 771,700	7.6%
Benefits	\$ 360,100	\$ 425,300	\$ 437,700	2.9%
Contract Labor	\$ 32,100	\$ 31,100	\$ 44,500	43.1%

The facilities department includes thirteen full-time employees and one temporary employee. The department includes the following positions: Facilities Manager, Facilities Supervisor, Planner, Heavy Construction Leadworker, Utility Crew Leadworker, Mooring Crew Leadworker, and Port Maintenance Workers. The 2015/16 budget reinstated the funding for one full time Port Maintenance Worker position that was previously unfunded and eliminating the funding for one temporary Port Maintenance Worker position. The Facilities Department is responsible for the development, construction, maintenance, and repair of port and harbor facilities, including the buildings, roads, parking lots, beaches, revetments, piers, docks, hoists, moorings, water distribution system, and wastewater collection system and performs a variety of tasks including:

Operations and Maintenance:

- Performs unskilled, semi-skilled, and skilled work as part of a work crew or independently in the maintenance and operation of the District.
- Troubleshoots and repairs electrical, water system and sewer system problems.
- Supervises the mechanical fabrication, maintenance and repair of equipment.
- Determines material required for job orders and requisitions materials and supplies as needed.
- Maintains inventories of supplies, equipment, materials, and tools.
- Implements and follows District safety programs.
- Performs annual dredging operations.
- Maintains, replaces, and rebuilds portions of the pier, docks and camels.
- Constructs and maintains shore-side facilities.
- Participates in storm preparedness operations and responds when necessary.

Mooring Operations:

- Operates, maintains, and repairs a work vessel engaged in the setting, repairing, and removing of mooring tackle.
- Constructs moorings to prescribed standards.

- Completes necessary paper work related to mooring operations.
- May respond to fires accessible from the water and engage in fire suppression using equipment aboard the work vessel.

Construction Management:

- Develops and manages projects including:
 - Selection of consultants.
 - Oversight of preparation of plans, specifications and bid documents.
 - Secures permits as necessary.
 - Releases Invitations for Bids, reviews results and recommends bid award to Harbor Commission.
- Prepares and presents Grant requests.

Regulatory Compliance:

- Ensures compliance with regulatory agencies, contract requirements, District policies and ordinances, and safety and operational plans.
- Secures all necessary operational permits and ensures compliance with same.
- Manages environmental and hazardous materials programs.



Department Summary (Cont.)

Harbor Patrol Department

	2013/14 Actual	2014/15 Projected	2015/16 Budget	Percentage Change
Wages	\$ 432,600	\$ 417,500	\$ 505,500	21.1%
Benefits	\$ 213,200	\$ 232,800	\$ 246,500	5.9%
Contract Labor	\$ 79,400	\$ 85,400	\$ 85,650	0.3%

In-line with the mission, goals, and strategic plan of the Harbor District, *to hold the waters and lands in trust for the public*, the Harbor Patrol department manages the public safety functions of the District. The 2015/16 budget includes the reinstatement of funding from five to six full-time positions. The department includes one Chief Harbor Patrol Officer, five full time Harbor Patrol officers, and fifteen seasonal lifeguards.

Public Safety:

- Manages the public safety functions of the District.
- Provides and leads the delivery of safety and security services to the users of the District by providing water and shore-side patrol.
- Provides safe conditions for the users of the public beach by providing careful watch over beach activity.
- Advises patrons of dangerous conditions and rules and regulations.
- Provides search, rescue, lifesaving and emergency medical services.
- Provides information to District tenants, users, and the general public.
- Cooperates with CalFire.
- Trains and supervises lifeguards.

Enforcement:

- Develops and implements enforcement programs and policies.

- Enforces laws, ordinances, safety regulations and District policies.
- Investigates and makes reports of incidents.

Administration:

- Maintains inventories of supplies, equipment, and firearms.
- Supervises day-to-day operations of Camp Host and Water Taxi Host volunteer programs.
- Prepares and presents Grant requests.
- Participates in storm preparedness operations and responds when necessary.

Emergency Preparedness and Response:

- Performs lead functions for District's role.
- Cooperates with Federal Emergency Management Agency (FEMA) and County Office of Emergency Services (OES), and Emergency Workers Exposure Control (EWEC).



Consolidated Budget



Consolidated Financial Schedule

	Capital Outlay		Enterprise Fund	Total Budget
	General Fund	Fund		
Revenues				
Charges for Services	\$ -	\$ -	\$ 400,000	\$ 400,000
Mooring Fees	-	-	123,700	123,700
Lease and License	-	-	1,237,000	1,237,000
Diesel Sales	-	-	19,600	19,600
Property Taxes	3,034,400	-	-	3,034,400
Interest	13,600	-	3,400	17,000
Other Financing Sources	-	-	-	-
Other Non-Operating Revenue	1,000	-	2,000	3,000
Grant Funding	-	1,350,000	428,500	1,778,500
Fund Transfer	(381,200)	381,200	-	-
Total Revenues	\$ 2,667,800	\$ 1,731,200	\$ 2,214,200	\$ 6,613,200
Expenditures by Category				
Salaries, Wages & Benefits	\$ 2,239,700	\$ -	\$ 927,800	\$ 3,167,500
Supplies	72,000	-	28,800	100,800
Operations & Maintenance	151,900	-	90,600	242,500
Utilities	282,600	-	172,800	455,400
General & Administrative	366,800	-	239,700	606,500
Major Maintenance	-	1,266,300	79,900	1,346,200
Capital Projects	-	464,900	554,600	1,019,500
Total Expenditures by Category	\$ 3,113,000	\$ 1,731,200	\$ 2,094,200	\$ 6,938,400
Expenditures by Function				
Administration	\$ 1,066,000	\$ -	\$ 676,800	\$ 1,742,800
Maintenance	1,155,300	-	769,600	1,924,900
Safety	891,700	-	13,300	905,000
Major Maintenance	-	1,266,300	79,900	1,346,200
Capital Projects	-	464,900	554,600	1,019,500
Total Expenditures by Function	\$ 3,113,000	\$ 1,731,200	\$ 2,094,200	\$ 6,938,400
Revenues less Expenditures	\$ (445,200)	\$ -	\$ 120,000	\$ (325,200)
Specified Reserve Usage	\$ 210,400	\$ -	\$ 159,800	\$ 370,200
Specified Reserve Funding	\$ (45,000)	\$ -	\$ -	\$ (45,000)
Increase/(Decrease) in Operating Reserves	\$ (279,800)	\$ -	\$ 279,800	\$ -
Estimated Beginning Fund Balance as of July 1, 2015	\$ 1,296,000	\$ 170,200	\$ 1,600,100	\$ 3,066,300
Estimated Ending Fund Balance as of June 30, 2016	\$ 850,800	\$ 170,200	\$ 1,720,100	\$ 2,741,100
Percentage Change in Fund Balance	-34.4%	0.0%	7.5%	-10.6%



Changes in Fund Balance

The General Fund balance continues to be depleted as the Enterprise fund balance increases. This is due to increased demands on public facilities such as public safety and maintenance of public areas including District piers, restrooms, and beaches. The Enterprise Fund revenues, specifically RV camping, Avila Lot parking, and Lease revenues, continue to outpace associated expense.

The Fund Balance for the General Fund is expected to decrease by 34.4%. The source of revenue for the General Fund is primarily property tax. Property tax revenue has remained flat over the last few years with \$2,821,300 in revenue in 2008/09 versus 2015/16 expected property tax revenue of \$3,034,400 which is a 7.6% increase over the last eight years and an average of 0.95% per year. During the same period salaries and benefits have increased from \$1,503,364 in 2008/09 versus expected wages of \$2,239,700 in 2015/16 which is a 49.0% increase over the last eight years or 6.1% per year. This is leading to the spending down of the Fund Balance in the General Fund.

In contrast, the Fund Balance for the Enterprise Fund is expected to increase by 7.5%. Enterprise Fund operating revenues in 2008/09 were \$1,276,299 versus \$1,780,300 expected in 2015/16 or a 39.5% increase. During the same period salaries and benefits have increased from \$609,751 in 2008/09 versus expected wages of \$927,800 in 2015/16 which is a 52.2% increase over the last eight years or 6.5% per year. The increase in revenues is leading to an accumulation of Fund Balance in the Enterprise Fund.

In the event that this trend continues, a cash transfer from the Enterprise Fund to the General Fund will be required.



3 Year Consolidated Financial Schedule

	General Fund			Capital Outlay Fund			Enterprise Fund			Consolidated		
	2013/14 Actual	2014/15 Projected	2015/16 Budget	2013/14 Actual	2014/15 Projected	2015/16 Budget	2013/14 Actual	2014/15 Projected	2015/16 Budget	2013/14 Actual	2014/15 Projected	2015/16 Budget
Revenues												
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 416,900	\$ 444,700	\$ 400,000	\$ 416,900	\$ 444,700	\$ 400,000
Mooring Fees	-	-	-	-	-	-	117,400	120,100	123,700	117,400	120,100	123,700
Lease and License	-	-	-	-	-	-	1,218,700	1,262,300	1,237,000	1,218,700	1,262,300	1,237,000
Diesel Sales	-	-	-	-	-	-	20,600	19,600	19,600	20,600	19,600	19,600
Property Taxes	2,832,900	2,929,800	3,034,400	-	-	-	-	-	-	2,832,900	2,929,800	3,034,400
Interest	12,000	13,900	13,600	-	-	-	6,700	3,500	3,400	18,700	17,400	17,000
Other Financing Sources	62,700	1,300	-	-	-	-	-	-	-	62,700	1,300	-
Other Non-Operating Revenue	-	1,000	1,000	-	-	-	4,900	2,100	2,000	4,900	3,100	3,000
Grant Funding	96,600	-	-	491,500	102,100	1,350,000	172,400	281,800	428,500	760,500	383,900	1,778,500
Fund Transfer	(369,250)	(214,900)	(381,200)	369,250	214,900	381,200	-	-	-	-	-	-
Total Revenues	2,634,950	2,731,100	2,667,800	860,750	317,000	1,731,200	1,957,600	2,134,100	2,214,200	5,453,300	5,182,200	6,613,200
Expenditures by Category												
Salaries, Wages & Benefits	2,194,900	2,071,600	2,239,700	-	-	-	910,200	830,100	927,800	3,105,100	2,901,700	3,167,500
Supplies	69,400	70,800	72,000	-	-	-	33,400	28,200	28,800	102,800	99,000	100,800
Operations & Maintenance	174,100	144,800	151,900	-	-	-	113,800	96,800	90,600	287,900	241,600	242,500
Utilities	236,400	271,100	282,600	-	-	-	148,800	162,500	172,800	385,200	433,600	455,400
General & Administrative	267,600	411,600	366,800	-	-	-	159,300	220,500	239,700	426,900	632,100	606,500
Major Maintenance	79,000	-	-	-	205,100	1,266,300	37,200	40,200	79,900	116,200	245,300	1,346,200
Capital Projects	178,100	-	-	787,900	111,900	464,900	297,400	471,900	554,600	1,263,400	583,800	1,019,500
Total Expenditures by Category	3,199,500	2,969,900	3,113,000	787,900	317,000	1,731,200	1,700,100	1,850,200	2,094,200	5,687,500	5,137,100	6,938,400
Increase (Decrease)	(564,550)	(238,800)	(445,200)	72,850	-	-	257,500	283,900	120,000	(234,200)	45,100	(325,200)
Specified Reserve Usage	270,600	118,000	210,400	-	-	-	10,200	90,500	159,800	280,800	208,500	370,200
Specified Reserve Funding	(45,200)	(48,900)	(45,000)	-	-	-	-	(19,100)	-	(45,200)	(68,000)	(45,000)
Funding/(funded by) Operating Reserve	\$ (339,150)	\$ (169,700)	\$ (279,800)	\$ 72,850	\$ -	\$ -	\$ 267,700	\$ 355,300	\$ 279,800	\$ 1,400	\$ 185,600	\$ -



District Revenue

The District generates a majority of its revenue through property taxes. For the 2015/16 fiscal year, property taxes are budgeted to bring in \$3,034,400. This amount is based on estimates received from the County of San Luis Obispo and is a 3.6% increase over 2014/15 projections.

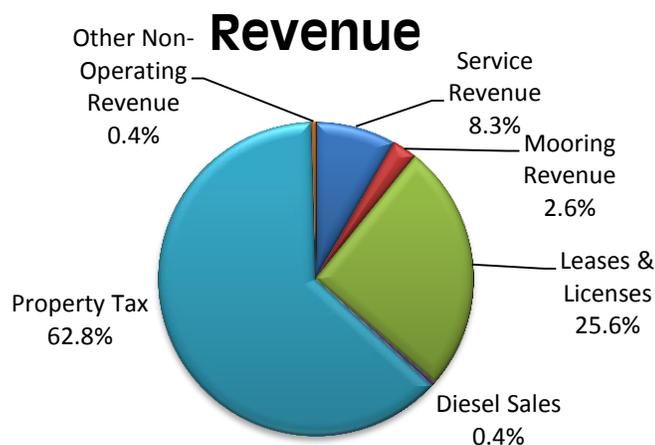
Leases, Licenses and RV camping revenue are the second largest revenue source. This amount is calculated based on current lease agreements and trends. For 2015/16 it is estimated that this will be \$1,237,000. Service revenue, including parking, citation and administrative revenues is budgeted to be \$400,000. The District assumed that 2015/16 revenues for these items would be in-line with 2014/15 projections but decreased administrative revenues; the District received a large lease assignment fee in 2014/15 and does not anticipate receiving another similar fee in the 2015/16 fiscal year.

The District has budgeted to receive \$123,700 from its mooring operations in 2015/16. This includes quarterly payments for permanent moorings and associated inspections and repair services, and daily rental mooring payments. This amount is a 3.0% increase from current year projections.

Port San Luis has its own diesel facility and offers fuel to boaters. This service is budgeted to bring in \$19,600 in revenue for the 2015/16 fiscal year. This is consistent with the 2014/15 projections.

Grant revenue is estimated to bring in \$1,778,500 in 2015/16. These funds are to be used towards abandoned vessel removal, the Front Street staircase, updates to the Master Plan, repowering of a Harbor Patrol boat and a new water taxi boat, repairs to the Avila and Harford Piers, extension of the Mobile Hoist Pier, and an upgrade to the fish cleaning station.

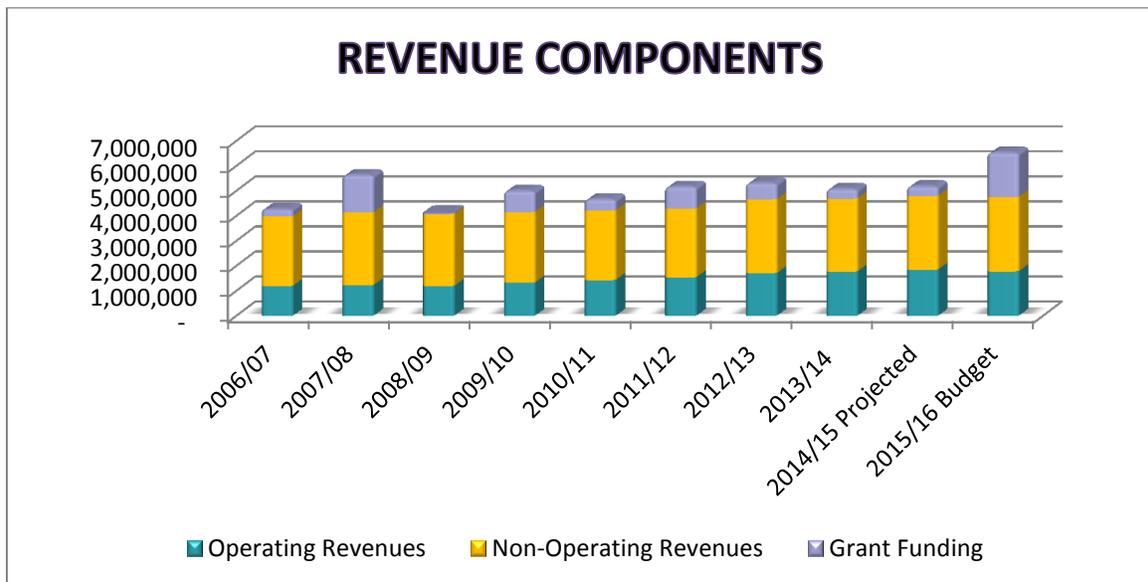
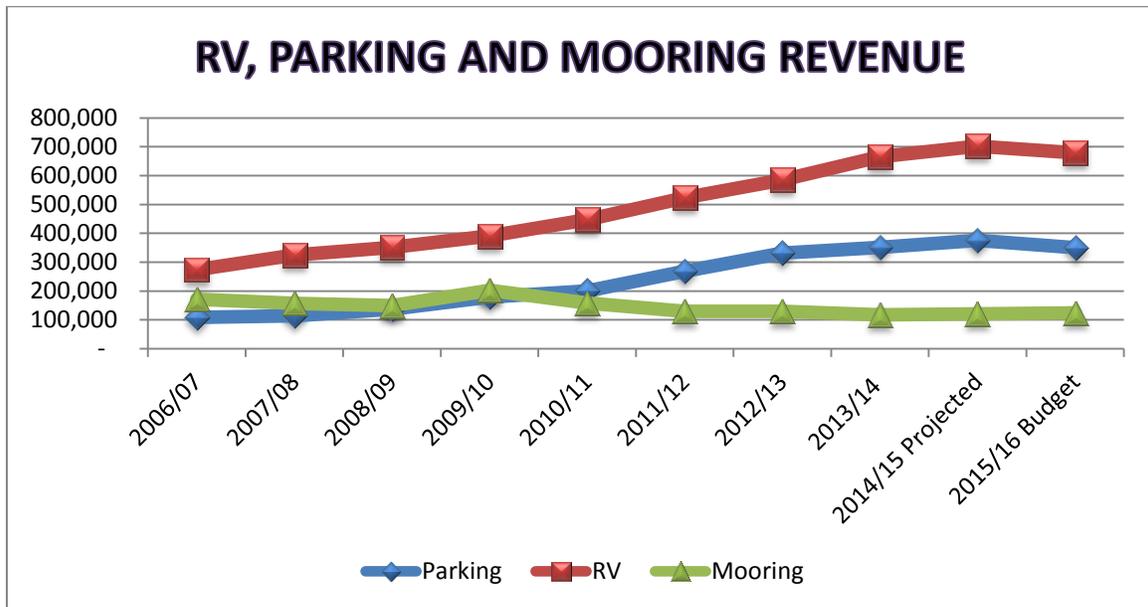
The chart below shows each of the major revenue sources in relation to the total revenue generated by the District for the fiscal year.





Recent Trends in Certain District Revenue Sources and Components of Revenue

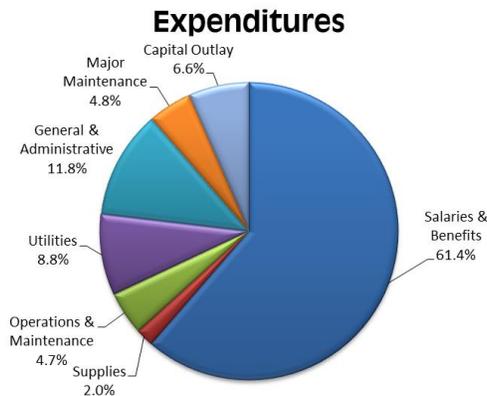
The charts below detail the recent trends in the District's revenue sources.





District Expenditures

Expenditures for the 2015/16 budget (*net of grant revenue*) are budgeted to be \$5,159,900. The following chart shows the percentage of funds spent on each major category of expenditure.



Salaries/Wages and Benefits are budgeted to be \$3,167,500. The budget includes the reinstatement of funding for one Harbor Patrol officer and one Port Maintenance Worker position while eliminating funding for one temporary Port Maintenance Worker. It includes annual cost of living and equity adjustments per the memoranda of understanding between the District and bargaining units, and managers' employment contracts. The budget also assumes that the Chief Harbor Patrol Officer position will be filled during the fiscal year. Health insurance premiums are expected to increase by 10% beginning January 2016. Costs associated with Compensated Absences are expected to increase due to anticipated retirements. The budget also includes a \$197,100 payment towards the District's Tax Revenue Anticipation Note which was used to fund a portion of the District's retirement liability.

Supplies are budgeted at \$100,800, a 1.8% increase from 2014/15 projections. This includes office, shop and RV camping supplies. Also included in this line item are uniforms for the maintenance crew, Harbor Patrol and lifeguards.

Operations & Maintenance costs are budgeted at \$242,500, a 0.4% increase from 2014/15 projections. Operations and maintenance expenditures include fuel, building and vehicle maintenance, signage, and beach maintenance among other things.

Utilities are budgeted to be \$455,400 or 5.0% above 2014/15 projections. The budget assumes a CPI increase in all major utilities and adds an additional \$12,000 associated with a potentially renegotiated agreement with the Avila Beach Community Services District for sewer services.

General and Administrative expenditures are budgeted to be \$606,500. Included in the 2015/16 budget is \$25,000 in treasurer fees, \$13,000 in parking enforcement fees, and \$65,000 in tax collection fees. The budget assumes a \$10,000 increase in legal fees over the current year budget as a placeholder for potential addition of District Counsel at Harbor Commission meetings and a 10% increase in property insurance based on information received for the District's insurance carrier. Additionally, the budget includes \$25,900 for consultants.

Detail on the major maintenance and capital projects can be found on pages 36-43.



Consolidated Budget Summary

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
REVENUES						
Service Revenue <i>(Avila Parking, Location Fees, Citations)</i>	\$ 371,700	\$ 416,900	\$ 432,500	\$ 444,700	\$ 400,000	\$ 400,000
Mooring Revenue <i>(Moorage Fees, Equipment Sales, Skiff Space, Exclusive of Labor and O&M)</i>	122,100	117,400	125,200	120,100	123,700	123,700
Leases & Licenses <i>(Leases, Licenses, RVs, Utility Reimbursement)</i>	1,090,300	1,218,700	1,187,800	1,262,300	1,237,000	1,237,000
Diesel Sales <i>(Exclusive of Labor, O&M and Permits)</i>	19,500	20,600	13,500	19,600	19,600	19,600
Total Operating Revenue	1,603,600	1,773,600	1,759,000	1,846,700	1,780,300	1,780,300
Non-Operating Revenue/(Expenditure) <i>(Property Tax, Interest)</i>	2,809,300	2,919,200	2,900,500	2,951,600	2,973,100	3,054,400
REVENUES	\$ 4,412,900	\$ 4,692,800	\$ 4,659,500	\$ 4,798,300	\$ 4,753,400	\$ 4,834,700
EXPENDITURES						
Salaries/Wages/Benefits <i>Less: Prior year reserve use</i>	\$ 3,102,800 (76,000)	\$ 3,105,100 (76,000)	\$ 2,930,700 -	\$ 2,901,700 -	\$ 3,105,400	\$ 3,167,500
Supplies	106,900	102,800	104,000	99,000	100,800	100,800
Operations & Maintenance	265,700	287,900	252,700	241,600	242,500	242,500
Utilities	379,100	385,200	439,700	433,600	455,400	455,400
General & Administrative <i>Budget Contingency</i> <i>Less: Prior year reserve use</i>	488,900 16,300 (20,300)	426,900 - (20,800)	587,900 46,300 (45,000)	585,800 46,300 (45,000)	492,200 95,100 -	509,800 96,700 -
OPERATING EXPENDITURES	\$ 4,263,400	\$ 4,211,100	\$ 4,316,300	\$ 4,263,000	\$ 4,491,400	\$ 4,572,700
NET INCOME BEFORE MAJOR MAINTENANCE & CAPITAL PROJECTS	\$ 149,500	\$ 481,700	\$ 343,200	\$ 535,300	\$ 262,000	\$ 262,000
Major Maintenance Expense <i>Less: Grants</i> <i>Prior year reserve use</i>	131,500 - (97,600)	116,200 (85,800) (17,000)	304,000 (75,000) (105,000)	245,300 (85,100) (51,700)	1,312,200 (1,100,000) (138,200)	1,346,200 (1,100,000) (172,200)
Capital Project Outlay <i>Less: Grants</i> <i>Prior year reserve use</i>	1,246,500 (519,500) (467,400)	1,263,400 (674,700) (167,000)	748,000 (399,000) (129,800)	583,800 (298,800) (111,800)	930,500 (653,500) (134,000)	1,019,500 (678,500) (198,000)
MAJOR MAINTENANCE AND CAPITAL PROJECTS	\$ 293,500	\$ 435,100	\$ 343,200	\$ 281,700	\$ 217,000	\$ 217,000
REVENUES less EXPENDITURES	\$ (144,000)	\$ 46,600	\$ -	\$ 253,600	\$ 45,000	\$ 45,000
Reserve Set Aside	\$ (90,000)	\$ (45,200)	\$ -	\$ (68,000)	\$ (45,000)	\$ (45,000)
Budget Transfer In/(Out)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Increase/(Decrease) in operating reserves	\$ (234,000)	\$ 1,400	\$ -	\$ 185,600	\$ -	\$ -



Consolidated Budget Detail

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Service Revenue						
Administration	\$ 10,000	\$ 23,500	\$ 15,000	\$ 40,000	\$ 20,000	\$ 20,000
Location Fees	-	-	-	-	-	-
Citations	18,000	28,500	20,000	21,600	20,000	20,000
Facilities Labor & Equipment	1,000	5,200	500	2,700	3,000	3,000
Avila Parking	290,000	351,500	342,000	375,000	350,000	350,000
Harbor Patrol & Lifeguards	7,700	8,200	10,000	5,400	7,000	7,000
Harbor Parking	-	-	-	-	-	-
Budget Transfer	45,000	-	45,000	-	-	-
Service Revenue	\$ 371,700	\$ 416,900	\$ 432,500	\$ 444,700	\$ 400,000	\$ 400,000

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Mooring Revenue						
Anchorage Fees	\$ 1,800	\$ 1,300	\$ 1,000	\$ 2,400	\$ 1,800	\$ 1,800
Work Dock Rental Fee	1,200	500	400	1,500	1,000	1,000
Equipment Rental- Moorings	19,900	17,200	15,600	16,000	16,000	16,000
Mooring Operations	97,000	100,000	106,000	109,400	109,400	109,400
Fisherman's Discount	(10,700)	(11,800)	(10,700)	(19,100)	(14,400)	(14,400)
Mooring Equipment Sales	31,900	28,000	31,900	23,100	23,100	23,100
Mooring Equipment COGS	(19,000)	(17,800)	(19,000)	(13,200)	(13,200)	(13,200)
Mooring Revenue	\$ 122,100	\$ 117,400	\$ 125,200	\$ 120,100	\$ 123,700	\$ 123,700

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Lease & License Revenue						
Harbor Terrace- Trailer Park	\$ 2,700	\$ 4,700	\$ -	\$ -	\$ -	\$ -
Commissions- Laundry	4,000	4,200	4,000	3,300	3,500	3,500
Coastal Gateway Room Rental	2,200	1,900	2,200	1,600	1,600	1,600
Memorial Plaque Program	-	1,000	-	-	-	-
Coin Showers	10,400	12,000	10,400	12,800	12,000	12,000
Harford Land Area- Leases	125,200	139,200	137,700	143,800	137,800	137,800
Piers-Leases	243,600	259,300	238,000	263,300	274,400	274,400
Piers- Licenses	9,100	15,000	12,800	19,100	16,800	16,800
Beaches-Leases	8,600	9,000	9,000	9,300	9,000	9,000
Beaches- Licenses	12,100	16,300	15,600	12,800	12,500	12,500
Boat & Gear Storage	45,200	46,800	48,600	48,600	48,600	48,600
Boat Washdown	800	1,300	1,500	900	1,000	1,000
Coin Hoist- Harford Pier	4,100	6,200	6,000	6,100	6,000	6,000
RVs- Babe Lane	148,200	168,000	166,000	172,100	172,100	172,100
RVs- Other than Babe Lane	423,800	497,500	505,000	530,000	506,200	506,200
Utilities Reimbursement	48,600	35,800	30,000	38,100	35,000	35,000
Miscellaneous Operating Income	1,700	500	1,000	500	500	500
Lease & License Revenue	\$ 1,090,300	\$ 1,218,700	\$ 1,187,800	\$ 1,262,300	\$ 1,237,000	\$ 1,237,000



Consolidated Budget Detail (Cont.)

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
<u>Diesel Sales Revenue</u>						
Diesel Sales	\$ 150,000	\$ 169,000	\$ 100,000	\$ 169,400	\$ 169,400	\$ 169,400
Diesel Cost of Goods Sold	(130,500)	(148,400)	(86,500)	(149,800)	(149,800)	(149,800)
Total Diesel Sales Revenue	\$ 19,500	20,600	13,500	\$ 19,600	\$ 19,600	\$ 19,600

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
<u>Non-Operating Revenue</u>						
Interest Income	\$ 18,000	\$ 18,700	\$ 18,000	\$ 17,400	\$ 17,000	\$ 17,000
Finance Charge Income	3,500	1,900	2,000	2,100	2,000	2,000
Tax Proceeds	2,734,800	2,832,900	2,839,500	2,929,800	2,953,100	3,034,400
Other Financing Sources	-	62,700	-	1,300	-	-
Misc. Non-Operating Inc. (Exp.)	-	3,000	1,000	1,000	1,000	1,000
Budget Transfer	53,000	-	40,000	-	-	-
Total Non-Operating Revenue	\$ 2,809,300	\$ 2,919,200	\$ 2,900,500	\$ 2,951,600	\$ 2,973,100	\$ 3,054,400



Consolidated Budget Detail (Cont.)

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Salaries/Wages/Benefits						
Wages - Commissioners	\$ 32,900	\$ 32,500	\$ 33,600	\$ 36,000	\$ 36,000	\$ 36,000
Wages - Employees	1,594,200	1,637,100	1,727,200	1,648,700	1,758,600	1,800,200
Health Insurance	357,200	330,900	286,700	321,600	381,800	400,800
Workers Compensation	89,800	81,600	147,300	149,500	81,000	84,800
Payroll Taxes	120,300	125,600	130,900	127,000	133,500	136,600
Pension Costs	231,900	242,200	261,200	259,000	301,300	303,800
Recruitment	2,600	3,600	14,500	15,900	5,800	5,800
Misc. Employee Benefits	6,700	5,400	5,400	7,000	6,000	6,000
Unemployment Self Insurance	3,500	-	1,000	-	1,000	1,000
Contract Labor	12,900	32,100	17,000	31,100	70,000	45,000
Contract Security	82,700	79,400	85,400	85,400	85,400	85,400
Compensated Absence	-	11,300	5,500	5,500	30,000	30,000
Other Post Employment Benefits	28,100	33,400	35,000	35,000	35,000	35,000
TRAN Payment to County	644,900	490,000	180,000	180,000	180,000	197,100
Budget Transfer	(104,900)	-	-	-	-	-
Total Salaries/Wages/Benefits	\$ 3,102,800	\$ 3,105,100	\$ 2,930,700	\$ 2,901,700	\$ 3,105,400	\$ 3,167,500

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Supplies						
Office	\$ 22,200	\$ 27,100	\$ 24,000	\$ 26,000	\$ 27,000	\$ 27,000
Shop	12,000	11,700	7,000	12,000	12,000	12,000
RV Camping	-	-	5,000	-	-	-
Sanitation	37,800	34,100	30,000	34,300	34,300	34,300
Harbor Patrol/Lifeguards	10,600	9,400	12,000	8,700	9,000	9,000
Mooring	6,800	7,600	5,000	5,000	5,000	5,000
Dredge	3,000	1,900	1,500	1,500	1,500	1,500
Clothing/Equipment	9,500	11,000	9,500	11,500	12,000	12,000
Budget Transfer	5,000	-	10,000	-	-	-
Total Supplies	\$ 106,900	\$ 102,800	\$ 104,000	\$ 99,000	\$ 100,800	\$ 100,800



Consolidated Budget Detail (Cont.)

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Operations & Maintenance						
Building/Facility	\$ 23,000	\$ 30,100	\$ 22,500	\$ 18,200	\$ 22,500	\$ 22,500
Vandalism	2,000	1,300	2,000	2,000	2,000	2,000
Office machines	-	100	-	-	-	-
Dredge	6,200	16,600	10,000	10,000	10,000	10,000
Electronic Equipment	4,100	9,100	5,000	5,000	5,000	5,000
Vehicles & Equipment	18,700	28,900	18,700	18,700	18,700	18,700
Crane	2,700	1,000	2,000	8,300	4,000	4,000
Coastal Gateway Costs	3,500	1,900	2,000	1,000	2,000	2,000
Patrol Boats	6,000	5,600	12,000	6,500	12,000	12,000
LCM	2,000	1,100	2,000	1,000	1,500	1,500
Boatyard Maintenance	800	-	800	8,300	2,000	2,000
Camp Host	2,000	1,100	1,000	1,000	1,000	1,000
Water Taxi Host	3,400	2,300	3,400	4,200	3,500	3,500
Signs	5,200	7,900	4,500	4,500	4,500	4,500
Road/Revetment	9,000	700	9,000	9,000	9,000	9,000
General Maintenance	16,000	(4,400)	11,000	14,600	12,000	12,000
Trailer Park	-	30,200	-	-	-	-
Sport Launch	1,100	6,700	2,000	2,000	2,000	2,000
Beaches	10,000	13,700	10,000	14,400	14,000	14,000
Public Hoist	2,000	12,700	2,000	2,000	2,000	2,000
Tools	3,600	3,900	7,000	7,000	7,000	7,000
Fuel	50,500	48,200	52,800	44,200	48,000	48,000
Piers	18,100	27,200	22,000	22,000	22,000	22,000
Ice/Diesel Facility	6,200	9,900	8,800	8,800	8,500	8,500
Lighthouse	1,200	6,900	7,500	7,500	7,500	7,500
Water & Sewer System	22,300	12,600	7,600	7,600	7,600	7,600
Storm Water	2,000	-	1,000	1,000	1,000	1,000
Fire Protection	8,600	1,300	8,600	5,600	6,000	6,000
Dock & Landing	7,200	11,000	7,200	7,200	7,200	7,200
Memorial Plaque Program	300	300	300	-	-	-
Budget Transfer	28,000	-	10,000	-	-	-
Total Operations & Maintenance	\$ 265,700	\$ 287,900	\$ 252,700	\$ 241,600	\$ 242,500	\$ 242,500



Consolidated Budget Detail (Cont.)

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Utilities						
Electricity	\$ 52,800	\$ 60,000	\$ 57,000	\$ 54,000	\$ 57,900	\$ 57,900
Telephone/Communications	18,700	20,100	19,600	21,400	23,100	23,100
Gas	2,400	3,000	3,100	2,100	2,900	2,900
Sewer	54,600	47,100	51,400	57,800	67,700	67,700
Trash	50,800	53,900	57,500	67,800	68,000	68,000
Haz Mat Disposal	4,000	5,900	2,500	4,300	4,300	4,300
Water - Lopez	159,600	165,700	189,400	189,600	199,100	199,100
Water/Sewer - Avila	26,200	29,500	29,200	36,600	32,400	32,400
Budget Transfer	10,000	-	30,000	-	-	-
Total Utilities	\$ 379,100	\$ 385,200	\$ 439,700	\$ 433,600	\$ 455,400	\$ 455,400

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
General & Administrative						
Advertising & Promotion	\$ 5,000	\$ 4,000	\$ 5,000	\$ 2,700	\$ 3,000	\$ 3,000
Travel, Meals, Lodging	13,100	17,000	13,100	16,000	16,000	16,000
Education/Training	13,000	6,500	13,000	13,000	13,200	13,200
Dues & Subscriptions	11,000	13,500	13,200	14,200	14,600	14,600
Legal Advertising	2,400	2,600	2,400	2,400	2,400	2,400
Cash (Over) / Short	-	(300)	-	-	-	-
Capital Lease Payment - Principal	2,300	2,300	2,500	2,500	2,700	2,700
Capital Lease Payment - Interest	800	700	500	500	300	300
Bank Charges/Merchant Fees	11,400	19,200	20,000	30,000	30,000	30,000
Bad Debts/Returned Checks	7,200	14,400	7,200	7,200	7,200	7,200
Consultants	29,100	29,900	25,100	25,100	25,900	25,900
Legislative Advocacy	8,400	8,400	8,400	8,400	8,400	8,400
Computers & Equipment	7,000	5,100	7,000	5,200	5,200	5,200
Parking	7,800	12,500	13,600	12,800	13,000	13,000
Legal Fees	60,000	46,000	50,000	80,000	60,000	60,000
Audits	9,500	9,500	9,800	9,800	10,500	10,500
Tax Collection Fees	65,000	64,100	65,000	65,000	65,000	65,000
Treasurer Fees	25,000	12,700	25,000	25,000	25,000	25,000
Permits	6,600	7,100	8,900	8,900	7,400	7,400
Elections	-	-	95,000	73,000	-	-
Property Insurance	151,300	132,800	137,800	137,800	151,600	151,600
Cities Redevelopment	30,000	1,600	12,000	27,900	12,000	29,600
Bonds	800	800	800	800	800	800
LAFCO Fees	14,200	13,700	14,600	14,600	15,000	15,000
Board Discretionary Fund	2,500	2,300	2,500	2,500	2,500	2,500
Harbor Mgr. Discretionary Fund	500	500	500	500	500	500
Budget Contingency Fund	16,300	-	46,300	46,300	95,100	96,700
Budget Transfer	5,000	-	35,000	-	-	-
Total General & Administrative	\$ 505,200	\$ 426,900	\$ 634,200	\$ 632,100	\$ 587,300	\$ 606,500



Consolidated Budget Detail (Cont.)

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Major Maintenance/ Special Projects						
Abandoned Vessel	\$ -	\$ 16,400	\$ 75,000	\$ 75,000	\$ 50,000	\$ 50,000
Avila Pier	-	-	60,000	68,600	1,100,000	1,100,000
Coastal Gateway	12,500	3,500	-	-	-	-
Diesel Components	-	2,600	-	-	-	-
Dredge Pump	-	-	5,000	5,000	10,000	10,000
Dredging Permitting	17,000	14,000	-	-	-	-
Energy Efficient Lighting	-	-	14,000	-	-	14,000
Harbor Patrol Landing	20,000	-	-	-	-	-
Mooring Costs/ LCM	7,000	8,500	35,000	12,700	40,000	40,000
Office Flooring	-	-	-	-	7,200	7,200
Pier Maintenance	50,000	46,200	55,000	55,000	55,000	55,000
Repave Parking Lots	25,000	25,000	25,000	25,000	25,000	25,000
Revetment	-	-	-	-	25,000	25,000
Water Tank	-	-	35,000	4,000	-	20,000
Budget Transfer	-	-	-	-	-	-
Special Projects	\$ 131,500	\$ 116,200	\$ 304,000	\$ 245,300	\$ 1,312,200	\$ 1,346,200
Specified Reserve Use	\$ (97,600)	\$ (17,000)	\$ (105,000)	\$ (51,700)	\$ (138,200)	\$ (172,200)
Operating Reserve Use	(33,900)	(13,400)	(124,000)	(108,500)	(74,000)	(74,000)
Grant Funding	-	(85,800)	(75,000)	(85,100)	(1,100,000)	(1,100,000)
Total Funding	\$ (131,500)	\$ (116,200)	\$ (304,000)	\$ (245,300)	\$ (1,312,200)	\$ (1,346,200)



Consolidated Budget Detail (Cont.)

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Capital Project Outlay						
Avila Seawall Lighting	-	-	9,000	-	-	-
Backhoe Replacement	-	-	-	-	12,000	12,000
Channel Markers	30,000	30,200	-	-	-	-
Copy Machine	10,800	10,800	-	-	-	-
Dock	-	-	-	-	20,000	20,000
Dock Access Ramp	-	-	-	-	15,000	15,000
Dredging Pump/Hose	65,000	63,800	-	-	-	-
Dredge Pipe	-	-	-	-	5,000	5,000
Fish Cleaning Station	-	-	-	-	-	25,000
Fire Systems	30,000	29,600	25,000	-	-	25,000
Front St. Staircase	-	-	-	-	18,500	18,500
Gear Storage	-	500	-	-	-	-
Harbor Patrol Boat Engines	13,300	13,300	-	-	15,000	15,000
Harbor Patrol Boat	-	-	-	-	100,000	100,000
Harbor Patrol Landing	-	-	39,000	-	-	39,000
Harbor Terrace	-	-	30,000	30,000	30,000	30,000
Harbor Office Remodel/HVAC	35,000	23,400	-	-	-	-
Harford Pier Lease Site/Restrooms	-	-	20,000	20,000	-	-
Harford Pier & Warehouse	369,000	605,600	150,000	38,700	100,000	100,000
Ice House	21,900	21,900	-	-	20,000	20,000
Lifeguard Towers	-	-	-	-	25,000	25,000
Lighthouse Duplex	19,600	18,800	-	-	50,000	50,000
Lighthouse Road	18,500	19,000	-	-	-	-
Master Plan Update	-	-	-	-	35,000	35,000
Mobile Hoist Pier	150,000	25,700	375,000	375,000	365,000	365,000
Olde Port Beach Restrooms	156,900	180,200	-	-	-	-
Parking	-	-	15,000	5,100	25,000	25,000
Replace Rescue Vehicle	36,800	36,800	-	-	-	-
Sewer Lift Station	25,000	2,400	-	-	-	-
Sewage Treatment Plant	75,000	21,300	75,000	75,000	75,000	75,000
Spill Response Trailer	-	-	-	30,000	-	-
Trailer Park Closure	150,000	122,400	-	-	-	-
Trash Truck	39,700	37,700	-	-	-	-
Water Taxi Boat	-	-	-	-	20,000	20,000
Website	-	-	10,000	10,000	-	-
Budget Transfer	-	-	-	-	-	-
Total Capital Project Outlay	\$ 1,246,500	\$ 1,263,400	\$ 748,000	\$ 583,800	\$ 930,500	\$ 1,019,500
Specified Reserve Use	\$ (467,400)	\$ (167,000)	\$ (129,800)	\$ (111,800)	\$ (134,000)	\$ (198,000)
Operating Reserve Use	(259,600)	(421,700)	(219,200)	(173,200)	(143,000)	(143,000)
Grant Funding	(519,500)	(674,700)	(399,000)	(298,800)	(653,500)	(678,500)
Total Funding	\$ (1,246,500)	\$ (1,263,400)	\$ (748,000)	\$ (583,800)	\$ (930,500)	\$ (1,019,500)



Major Maintenance



Abandoned Vessel
Removal \$50,000

Division of Boating and Waterways Funded project to aid in the removal, storage and disposal of abandoned vessels. No effect on future operating costs.

Grant Funding: \$50,000
Specified Reserve Funding: \$0
Operating Revenue Funding: \$0



Avila Pier \$1,100,000

Repair bents 10 thru 70. No effect on future operating costs.

Grant Funding: \$1,050,000
Specified Reserve Funding: \$0
Operating Revenue Funding: \$50,000



Dredge Pump \$10,000

Annual pump maintenance. Recurring annual expense. No effect on future operating costs.

Grant Funding: \$0
Specified Reserve Funding: \$10,000
Operating Revenue Funding: \$0



Energy Efficient Lighting
\$14,000

Upgrade to energy efficient lighting. Reduction in future operating costs though the amount is unknown at this time,

Grant Funding: \$0
Specified Reserve Funding: \$14,000
Operating Revenue Funding: \$0



Major Maintenance (Cont.)



Harford Pier Lumber
\$55,000

Lumber and to replace pier pilings. Recurring annual expense. No effect on future operating costs.

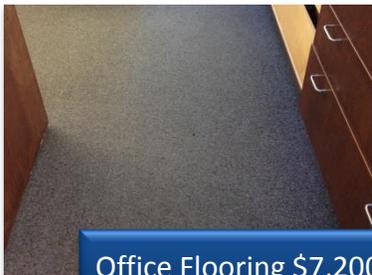
Grant Funding: \$0
Specified Reserve Funding: \$55,000
Operating Revenue Funding: \$0



Mooring Capital Costs
\$40,000

Repairs and maintenance to vessel used to inspect and repair patron moorings (LCM). Recurring annual expenditure. No effect on future operating costs.

Grant Funding: \$0
Specified Reserve Funding: \$40,000
Operating Revenue Funding: \$0



Office Flooring \$7,200

New flooring for Harbor and Harbor Patrol offices. No effect on future operating costs.

Grant Funding: \$0
Specified Reserve Funding: \$7,200
Operating Revenue Funding: \$0



Parking Lot Maintenance
\$25,000

Maintenance yard parking lot maintenance, could include repaving, sealing, restriping, etc. No effect on future operating costs.

Grant Funding: \$0
Specified Reserve Funding: \$1,000
Operating Revenue Funding: \$24,000



Major Maintenance (Cont.)



Revetment \$25,000

Repair to the concrete area at trailer boat sport launch jetty and other areas where revetment has been undermined or has sloughed off. No effect on future operating costs.

Grant Funding: \$0
Specified Reserve Funding: \$25,000
Operating Revenue Funding: \$0



Water Tank \$20,000

Preparation of bid documents and estimate for water tank coating. No effect on future operating costs.

Grant Funding: \$0
Specified Reserve Funding: \$20,000
Operating Revenue Funding: \$0



Capital Projects



Backhoe Replacement
\$12,000

Lease of new backhoe. Current backhoe was purchased in August 1988. Expense would be ongoing over a 10 year period. Could result in maintenance savings though the amount is unknown at this time.

Grant Funding: \$0
Specified Reserve Funding: \$12,000
Operating Revenue Funding: \$0



Front St. Staircase
\$18,500

Engineering study to prepare plans and specifications for demolition and replacement. No effect on future operating costs.

Grant Funding: \$18,500
Specified Reserve Funding: \$0



Harbor Patrol Boat Engine
\$15,000

New motor for Boat III. No effect on future operating costs.

Grant Funding: \$0
Specified Reserve Funding: \$12,000
Operating Revenue Funding: \$3,000



Harbor Patrol Boat
\$100,000

Repower Boat I. No effect on future operating costs.

Grant Funding: \$100,000
Specified Reserve Funding: \$0
Operating Revenue Funding: \$0



Capital Projects (Cont.)



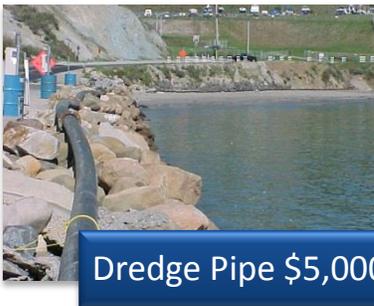
Replace existing trailer boat dock. No effect on future operating costs.

Grant Funding: \$0
Specified Reserve Funding: \$0
Operating Revenue Funding: \$20,000



Additional trailer boat dock access ramp. No effect on future operating costs.

Grant Funding: \$15,000
Specified Reserve Funding: \$0
Operating Revenue Funding: \$0



Pipe replacement. Occurs every 5 years. No effect on future operating costs.

Grant Funding: \$0
Specified Reserve Funding: \$5,000
Operating Revenue Funding: \$0



Upgrade fish cleaning station on Harford Pier. Effect on future operating costs is unknown at this time.

Grant Funding: \$25,000
Specified Reserve Funding: \$0
Operating Revenue Funding: \$0



Capital Projects (Cont.)



Fireline Repairs \$25,000

Maintenance to Harford Pier fireline system. No effect on future operating costs.

Grant Funding: \$0
Specified Reserve Funding: \$25,000
Operating Revenue Funding: \$0



Harbor Patrol Landing \$39,000

New landing for use by Harbor Patrol and water taxi.

Grant Funding: \$0
Specified Reserve Funding: \$39,000
Operating Revenue Funding: \$0



Harbor Terrace \$30,000

Consultants, legal, marketing, etc. for Harbor Terrace project. Project is expected to begin producing revenue in the 2017/18 fiscal year.

Grant Funding: \$0
Specified Reserve Funding: \$30,000
Operating Revenue Funding: \$0



Harford Pier \$100,000

Continued maintenance and redevelopment of Harford Pier. No effect on future operating costs.

Grant Funding: \$100,000
Specified Reserve Funding: \$0
Operating Revenue Funding: \$0



Capital Projects (Cont.)



Design and permitting costs based on Harbor Commission direction. Project could result in additional revenues for the District though estimates an unknown at this point.

Grant Funding: \$0
Specified Reserve Funding: \$0
Operating Revenue Funding: \$20,000



Lifeguard tower for Olde Port Beach. No effect on future operating costs.

Grant Funding: \$0
Specified Reserve Funding: \$0
Operating Revenue Funding: \$25,000



Based on Harbor Commission direction for use. Rehabilitate existing space. Project could result in additional revenues for the District as early as 2016/17 though estimates are unknown at this point.

Grant Funding: \$0
Specified Reserve Funding: \$0
Operating Revenue Funding: \$50,000



Consulting fees to update the Master Plan. No effect on future operating costs.

Grant Funding: \$35,000
Specified Reserve Funding: \$0
Operating Revenue Funding: \$0



Capital Projects (Cont.)



Mobile Hoist Pier
Extension \$365,000

Pier extension engineering and construction. No effect on future operating costs.

Grant Funding: \$365,000
Specified Reserve Funding: \$0
Operating Revenue Funding: \$0



Parking Plan
Implementation \$25,000

Implementation of first phase parking plan to include a paid parking program. Plan implementation would increase District revenues beginning in fiscal year 2016/17 by approximately \$50,000.

Grant Funding: \$0
Specified Reserve Funding: \$0
Operating Revenue Funding: \$25,000



Sewer Treatment Plant
\$75,000

Avila Beach Community Services District capital improvements. The District has a 35% share per 1968 agreement. Recurring annual expenditure. No effect on future operating costs.

Grant Funding: \$0
Specified Reserve Funding: \$75,000
Operating Revenue Funding: \$0



Water Taxi Boat
Replacement \$20,000

Replacement of water taxi boat. No effect on future operating costs.

Grant Funding: \$20,000
Specified Reserve Funding: \$0
Operating Revenue Funding: \$0



Deferred Major Maintenance and Capital Projects

Due to budgetary constraints, certain major maintenance and capital projects were not able to be included in the 2015/16 budget or funded in the next five years. The following projects are deferred until sometime after June 30, 2020 unless additional funding becomes available. Estimate of costs have not been escalated for probable increase in such costs.

- Electronic Board Meetings \$7,300: Included tablets for Commissioners and Staff to facilitate electronic Board meetings.
- Electronic Documents \$10,000: Included the scanning of the contents of approximately twenty file boxes.
- Harbor Office Remodel \$265,000: Complete remodel of main office. Originally included in the 5 year Capital Improvement Plan (CIP) in the 2016/17, 2017/18, and 2018/19 fiscal years.
- Harford Pier Roof \$65,000: Reroof and replace flashings on flat portion of Harford Pier canopy. Originally included in the 2016/17 fiscal year on the CIP.



Specified Reserve Funding and Use

Description	7/1/2014 Balance	2014/15 Projections			2015/16 Budget			2015/16 Notes
		Reserve Funding*	Reserve Use	Proj. 6/30/15 Balance	Reserve Funding	Reserve Use	Est. Ending Balance	
LCM Maintenance Fund	\$ 178,600		\$ (12,700)	\$ 165,900		\$ (40,000)	\$ 125,900	LCM maintenance
Building Improvement	45,000	29,000		74,000		(46,200)	27,800	Office flooring (\$7,200), Harbor Patrol landing (\$39,000)
Coastal Gateway	17,400			17,400			17,400	
Computer	15,300		(10,000)	5,300			5,300	
Crane	23,000			23,000			23,000	
Dredge	76,900		(54,800)	22,100		(15,000)	7,100	Dredge pump (\$10,000), Dredge pipe (\$5,000)
Election	45,000		(45,000)	-	45,000		45,000	
Equipment	16,500		(5,000)	11,500		(11,500)	-	Backhoe replacement
Facilities	153,200	39,000	(70,000)	122,200		(120,000)	2,200	Revetment (\$25,000), Harford Pier Lumber (\$55,000), Parking lot (\$1,000), Energy efficient lighting (\$14,000), Fire systems (\$25,000)
Hoist	12,000		(12,000)	-			-	
Other Post Employment Benefits	69,000			69,000			69,000	
Commissioner Discretionary Funds	960			960			960	
Safety Equipment	12,000			12,000		(12,000)	-	Harbor Patrol boat engine
Harbor Terrace	140,000		(30,000)	110,000		(30,000)	80,000	Harbor Terrace
Utility Replacement	60,000			60,000		(35,000)	25,000	ABCSD capital projects
Vehicle Replacement	500			500		(500)	-	Backhoe replacement
Waste Treatment Plant	40,000			40,000		(40,000)	-	ABCSD capital projects
Water Tank	-	31,000		31,000		(20,000)	11,000	Water tank coating
Total Specified Reserves	\$ 905,360	\$ 99,000	\$ (239,500)	\$ 764,860	\$ 45,000	\$ (370,200)	\$ 439,660	
Total Operating Reserves	2,115,800	185,600	-	2,301,400	-	-	2,301,400	

Notes:

- 2014/15 Projections include reserve funding equal to the projected increase/decrease in reserves for the fiscal year. This schedule assumes this will go into the operating reserve though the ultimate decision lies with the Harbor Commission.
- 2014/15 Projections includes the reclassification of \$31,000 from facilities reserves to a new water tank reserve.
- Per District policy, at least \$1.3M in operating reserves is required for cash flow purposes.
- On 6/30/15, a portion of the operating reserves will be earmarked for CalPERS long term retirement obligations pursuant to recent legislation requirements.



Budget by Fund



General Fund Budget Summary

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Amended Budget	Actual	Budget	Projected	Preliminary Budget	Final Budget
REVENUES						
Service Revenue <i>(Avila Parking, Location Fees, Citations)</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Mooring Revenue <i>(Moorage Fees, Equipment Sales, Skiff Space, Exclusive of Labor and O&M)</i>	-	-	-	-	-	-
Leases & Licenses <i>(Leases, Licenses, RVs, Utility Reimbursement)</i>	-	-	-	-	-	-
Diesel Sales <i>(Exclusive of Labor, O&M and Permits)</i>	-	-	-	-	-	-
Total Operating Revenue	-	-	-	-	-	-
Non-Operating Revenue/(Expenditure) <i>(Property Tax, Interest)</i>	2,784,200	2,907,600	2,894,900	2,946,000	2,967,700	3,049,000
REVENUES	\$ 2,784,200	\$ 2,907,600	\$ 2,894,900	\$ 2,946,000	\$ 2,967,700	\$ 3,049,000
EXPENDITURES						
Salaries/Wages/Benefits <i>Less: Prior year reserve use</i>	\$ 2,177,100 (76,000)	\$ 2,194,900 (76,000)	\$ 2,077,100 -	\$ 2,071,600 -	\$ 2,201,500	\$ 2,239,700
Supplies	76,500	69,400	72,600	70,800	72,000	72,000
Operations & Maintenance	154,700	174,100	150,300	144,800	151,900	151,900
Utilities	223,300	236,400	271,100	271,100	282,600	282,600
General & Administrative <i>Budget Contingency</i> <i>Less: Prior year reserve use</i>	319,100 11,300 (14,200)	267,600 - (14,700)	381,900 45,800 (45,000)	388,400 23,200 (45,000)	300,800 47,600 -	318,400 48,400 -
OPERATING EXPENDITURES	2,871,800	2,851,700	2,953,800	2,924,900	3,056,400	3,113,000
NET INCOME BEFORE MAJOR MAINTENANCE & CAPITAL PROJECTS	(87,600)	55,900	(58,900)	21,100	(88,700)	(64,000)
Major Maintenance Expense <i>Less: Grants</i> <i>Prior year reserve use</i>	95,000 - (48,200)	79,000 (78,100) (12,900)	226,000 (75,000) (52,500)	205,100 (75,000) (37,000)	1,242,300 (1,100,000) (75,500)	1,266,300 (1,100,000) (99,500)
Capital Project Outlay <i>Less: Grants</i> <i>Prior year reserve use</i>	795,300 (329,000) (368,200)	966,000 (510,000) (167,000)	209,700 (114,000) (42,000)	111,900 (27,100) (36,000)	399,000 (225,000) (70,000)	464,900 (250,000) (110,900)
MAJOR MAINTENANCE AND CAPITAL PROJECTS	\$ 144,900	\$ 277,000	\$ 152,200	\$ 141,900	\$ 170,800	\$ 170,800
REVENUES less EXPENDITURES	\$ (232,500)	\$ (221,100)	\$ (211,100)	\$ (120,800)	\$ (259,500)	\$ (234,800)
Reserve Set Aside	\$ (45,000)	\$ (45,200)	\$ -	\$ (48,900)	\$ (45,000)	\$ (45,000)
Budget Transfer In/(Out)	\$ (154,900)	\$ -	\$ -	\$ -	\$ -	\$ -
Increase/(Decrease) in operating reserves	\$ (432,400)	\$ (266,300)	\$ (211,100)	\$ (169,700)	\$ (304,500)	\$ (279,800)



General Fund Budget Detail

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
<u>Non-Operating Revenue</u>						
Interest Income	\$ 14,400	\$ 12,000	\$ 14,400	\$ 13,900	\$ 13,600	\$ 13,600
Finance Charge Income	-	-	-	-	-	-
Tax Proceeds	2,734,800	2,832,900	2,839,500	2,929,800	2,953,100	3,034,400
Other Financing Sources	-	62,700	-	1,300	-	-
Misc. Non-Operating Income	-	-	1,000	1,000	1,000	1,000
Budget Transfer	35,000	-	40,000	-	-	-
Total Non-Operating Revenue	\$ 2,784,200	\$ 2,907,600	\$ 2,894,900	\$ 2,946,000	\$ 2,967,700	\$ 3,049,000

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
<u>Salaries/Wages/Benefits</u>						
Wages - Commissioners	\$ 19,800	\$ 19,500	\$ 20,200	\$ 21,600	\$ 21,600	\$ 21,600
Wages - Employees	1,122,500	1,161,000	1,228,600	1,177,800	1,256,300	1,286,100
Health Insurance	252,900	232,700	202,400	229,300	272,200	285,700
Workers Compensation	65,600	54,900	107,800	110,400	59,800	62,600
Payroll Taxes	84,900	88,800	93,300	88,300	95,500	97,700
Pension Costs	170,200	27,700	128,800	133,600	163,800	156,700
Recruitment	2,300	3,500	12,200	15,400	5,600	5,600
Misc. Employee Benefits	4,500	3,700	3,700	4,800	4,100	4,100
Unemployment Self Insurance	2,500	-	1,000	-	1,000	1,000
Contract Labor	9,100	25,800	13,700	25,000	56,200	36,100
Contract Security	82,700	79,400	85,400	85,400	85,400	85,400
Compensated Absence	-	-	-	-	-	-
Other Post Employment Benefits	-	7,900	-	-	-	-
TRAN Payment to County	490,000	490,000	180,000	180,000	180,000	197,100
Budget Transfer	(129,900)	-	-	-	-	-
Total Salaries/Wages/Benefits	\$ 2,177,100	\$ 2,194,900	\$ 2,077,100	\$ 2,071,600	\$ 2,201,500	\$ 2,239,700

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
<u>Supplies</u>						
Office	\$ 14,300	\$ 16,400	\$ 14,800	\$ 15,800	\$ 16,400	\$ 16,400
Shop	8,200	3,100	5,000	5,700	5,700	5,700
RV Camping	-	-	-	-	-	-
Sanitation	34,400	31,000	27,300	31,200	31,200	31,200
Harbor Patrol/Lifeguards	10,600	9,400	12,000	8,700	9,000	9,000
Mooring	1,000	1,100	700	800	700	700
Dredge	-	300	200	200	200	200
Clothing/Equipment	8,000	8,100	7,600	8,400	8,800	8,800
Budget Transfer	-	-	5,000	-	-	-
Total Supplies	\$ 76,500	\$ 69,400	\$ 72,600	\$ 70,800	\$ 72,000	\$ 72,000



General Fund Budget Detail (Cont.)

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Operations & Maintenance						
Building/Facility	\$ 15,200	\$ 21,800	\$ 14,600	\$ 13,200	\$ 16,300	\$ 16,300
Vandalism	1,200	800	1,200	1,200	1,200	1,200
Office machines	-	100	-	-	-	-
Dredge	900	7,300	1,500	1,500	1,500	1,500
Electronic Equipment	2,900	8,200	3,200	4,500	4,500	4,500
Vehicles & Equipment	11,200	17,100	12,500	11,100	11,100	11,100
Crane	1,900	700	1,400	5,800	2,800	2,800
Coastal Gateway Costs	1,000	300	300	200	300	300
Patrol Boats	6,000	5,600	12,000	6,500	12,000	12,000
LCM	300	200	300	200	200	200
Boatyard Maintenance	-	-	-	-	-	-
Camp Host	300	200	200	200	200	200
Water Taxi Host	500	300	500	600	500	500
Signs	3,600	3,300	3,000	1,900	1,900	1,900
Road/Revetment	6,100	200	5,500	4,900	4,900	4,900
General Maintenance	9,200	(6,200)	6,400	7,100	5,800	5,800
Trailer Park	-	18,400	-	-	-	-
Sport Launch	200	1,000	300	300	300	300
Beaches	7,000	9,000	7,000	10,100	9,800	9,800
Public Hoist	400	7,600	500	1,200	1,200	1,200
Tools	2,200	2,400	3,200	4,300	4,300	4,300
Fuel	34,800	33,800	35,500	30,900	33,600	33,600
Piers	12,700	22,000	14,000	17,800	17,800	17,800
Ice/Diesel Facility	900	1,500	1,300	1,300	1,300	1,300
Lighthouse	1,200	6,900	7,500	7,500	7,500	7,500
Water & Sewer System	15,600	8,800	5,300	5,300	5,300	5,300
Storm Water	1,400	-	700	700	700	700
Fire Protection	6,600	1,200	6,000	5,400	5,800	5,800
Dock & Landing	1,100	1,600	1,100	1,100	1,100	1,100
Memorial Plaque Program	300	-	300	-	-	-
Budget Transfer	10,000	-	5,000	-	-	-
Total Operations & Maintenance	\$ 154,700	\$ 174,100	\$ 150,300	\$ 144,800	\$ 151,900	\$ 151,900



General Fund Budget Detail (Cont.)

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Utilities						
Electricity	\$ 21,300	\$ 26,100	\$ 22,100	\$ 23,500	\$ 25,200	\$ 25,200
Telephone/Communications	10,000	13,000	13,400	13,800	14,900	14,900
Gas	1,400	1,700	1,700	1,200	1,600	1,600
Sewer	37,400	33,000	36,000	40,500	47,400	47,400
Trash	36,700	42,800	36,900	53,800	54,000	54,000
Haz Mat Disposal	800	3,400	1,000	2,500	2,500	2,500
Water - Lopez	85,800	89,000	101,800	101,800	106,900	106,900
Water/Sewer - Avila	24,900	27,400	28,200	34,000	30,100	30,100
Budget Transfer	5,000	-	30,000	-	-	-
Total Utilities	\$ 223,300	\$ 236,400	\$ 271,100	\$ 271,100	\$ 282,600	\$ 282,600

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
General & Administrative						
Advertising & Promotion	\$ 2,900	\$ 2,400	\$ 3,200	\$ 1,600	\$ 1,800	\$ 1,800
Travel, Meals, Lodging	8,200	10,200	8,300	9,600	9,600	9,600
Education/Training	9,800	5,700	10,200	11,400	11,600	11,600
Dues & Subscriptions	6,900	8,400	8,300	8,800	9,100	9,100
Legal Advertising	1,400	1,500	1,400	1,400	1,400	1,400
Cash (Over) / Short	-	(200)	-	-	-	-
Capital Lease Payment - Principal	2,300	2,300	2,500	2,500	2,700	2,700
Capital Lease Payment - Interest	800	700	500	500	300	300
Bank Charges/Merchant Fees	1,700	2,900	3,000	4,500	4,500	4,500
Bad Debts/Returned Checks	1,100	-	-	-	-	-
Consultants	16,900	18,400	16,600	15,400	15,900	15,900
Legislative Advocacy	5,000	5,000	5,000	5,000	5,000	5,000
Computers & Equipment	4,200	3,100	4,200	3,100	3,100	3,100
Parking	-	-	-	-	-	-
Legal Fees	36,000	27,600	20,000	32,000	24,000	24,000
Audits	5,700	5,700	5,900	5,900	6,300	6,300
Tax Collection Fees	65,000	64,100	65,000	65,000	65,000	65,000
Treasurer Fees	15,000	7,600	15,000	15,000	15,000	15,000
Permits	3,900	5,000	6,200	6,200	5,200	5,200
Elections	-	-	95,000	73,000	-	-
Property Insurance	90,800	79,700	82,700	82,700	91,000	91,000
Cities Redevelopment	30,000	1,600	12,000	27,900	12,000	29,600
Bonds	500	500	500	500	500	500
LAFCO Fees	14,200	13,700	14,600	14,600	15,000	15,000
Board Discretionary Fund	1,500	1,400	1,500	1,500	1,500	1,500
Harbor Mgr. Discretionary Fund	300	300	300	300	300	300
Budget Contingency Fund	11,300	-	45,800	23,200	47,600	48,400
Budget Transfer	(5,000)	-	-	-	-	-
Total General & Administrative	\$ 330,400	\$ 267,600	\$ 427,700	\$ 411,600	\$ 348,400	\$ 366,800



General Fund Budget Detail (Cont.)

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
<u>Major Maintenance/ Special Projects</u>						
Abandoned Vessel	\$ -	\$ 16,400	\$ 75,000	\$ 75,000	\$ 50,000	\$ 50,000
Avila Pier	-	-	60,000	68,600	1,100,000	1,100,000
Coastal Gateway	10,600	3,000	-	-	-	-
Diesel Components	-	-	-	-	-	-
Dredge Pump	-	-	3,500	3,500	7,000	7,000
Dredging Permitting	11,900	9,800	-	-	-	-
Energy Efficient Lighting	-	-	14,000	-	-	14,000
Harbor Patrol Landing	20,000	-	-	-	-	-
Mooring Costs/ LCM	-	-	-	-	-	-
Office Flooring	-	-	-	-	4,300	4,300
Pier Maintenance	35,000	32,300	38,500	38,500	38,500	38,500
Repave Parking Lots	17,500	17,500	17,500	17,500	17,500	17,500
Revetment	-	-	-	-	25,000	25,000
Water Tank	-	-	17,500	2,000	-	10,000
Budget Transfer	-	-	-	-	-	-
Special Projects	\$ 95,000	\$ 79,000	\$ 226,000	\$ 205,100	\$ 1,242,300	\$ 1,266,300
Specified Reserve Use	\$ (48,200)	\$ (12,900)	\$ (52,500)	\$ (37,000)	\$ (75,500)	\$ (99,500)
Operating Reserve Use	(46,800)	12,000	(98,500)	(93,100)	(66,800)	(66,800)
Grant Funding	-	(78,100)	(75,000)	(75,000)	(1,100,000)	(1,100,000)
Total Funding	\$ (95,000)	\$ (79,000)	\$ (226,000)	\$ (205,100)	\$ (1,242,300)	\$ (1,266,300)



General Fund Budget Detail (Cont.)

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Capital Project Outlay						
Avila Seawall Lighting	-	-	9,000	-	-	-
Backhoe Replacement	-	-	-	-	8,400	8,400
Channel Markers	4,500	30,200	-	-	-	-
Copy Machine	10,800	10,800	-	-	-	-
Dock	-	-	-	-	16,000	16,000
Dock Access Ramp	-	-	-	-	12,000	12,000
Dredging Pump/Hose	9,800	9,600	-	-	-	-
Dredge Pipe	-	-	-	-	800	800
Fish Cleaning Station	-	-	-	-	-	25,000
Fire Systems	30,000	20,700	17,500	-	-	17,500
Front St. Staircase	-	-	-	-	18,500	18,500
Gear Storage	-	-	-	-	-	-
Harbor Patrol Boat Engines	13,300	13,300	-	-	15,000	15,000
Harbor Patrol Boat	-	-	-	-	100,000	100,000
Harbor Patrol Landing	-	-	23,400	-	-	23,400
Harbor Terrace	-	-	30,000	30,000	30,000	30,000
Harbor Office Remodel/HVAC	21,000	14,000	-	-	-	-
Harford Pier Lease Site/Restrooms	-	-	-	-	-	-
Harford Pier & Warehouse	210,000	423,900	105,000	27,100	70,000	70,000
Ice House	21,900	21,900	-	-	10,000	10,000
Lifeguard Towers	-	-	-	-	25,000	25,000
Lighthouse Duplex	19,600	18,800	-	-	50,000	50,000
Lighthouse Road	18,500	19,000	-	-	-	-
Master Plan Update	-	-	-	-	24,500	24,500
Mobile Hoist Pier	-	-	-	-	-	-
Olde Port Beach Restrooms	156,900	180,200	-	-	-	-
Parking	-	-	-	-	-	-
Replace Rescue Vehicle	36,800	36,800	-	-	-	-
Sewer Lift Station	15,000	1,400	-	-	-	-
Sewage Treatment Plant	37,500	5,300	18,800	18,800	18,800	18,800
Spill Response Trailer	-	-	-	30,000	-	-
Trailer Park Closure	150,000	122,400	-	-	-	-
Trash Truck	39,700	37,700	-	-	-	-
Water Taxi Boat	-	-	-	-	-	-
Website	-	-	6,000	6,000	-	-
Budget Transfer	-	-	-	-	-	-
Total Capital Project Outlay	\$ 795,300	\$ 966,000	\$ 209,700	\$ 111,900	\$ 399,000	\$ 464,900
Specified Reserve Use	\$ (368,200)	\$ (167,000)	\$ (42,000)	\$ (36,000)	\$ (70,000)	(110,900)
Operating Reserve Use	(98,100)	(289,000)	(53,700)	(48,800)	(104,000)	(104,000)
Grant Funding	(329,000)	(510,000)	(114,000)	(27,100)	(225,000)	\$ (250,000)
Total Funding	\$ (795,300)	\$ (966,000)	\$ (209,700)	\$ (111,900)	\$ (399,000)	\$ (464,900)



Enterprise Fund Budget Summary

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Amended Budget	Actual	Budget	Projected	Preliminary Budget	Final Budget
REVENUES						
Service Revenue <i>(Avila Parking, Location Fees, Citations)</i>	\$ 371,700	\$ 416,900	\$ 432,500	\$ 444,700	\$ 400,000	\$ 400,000
Mooring Revenue <i>(Moorage Fees, Equipment Sales, Skiff Space, Exclusive of Labor and O&M)</i>	122,100	117,400	125,200	120,100	123,700	123,700
Leases & Licenses <i>(Leases, Licenses, RVs, Utility Reimbursement)</i>	1,090,300	1,218,700	1,187,800	1,262,300	1,237,000	1,237,000
Diesel Sales <i>(Exclusive of Labor, O&M and Permits)</i>	19,500	20,600	13,500	19,600	19,600	19,600
Total Operating Revenue	1,603,600	1,773,600	1,759,000	1,846,700	1,780,300	1,780,300
Non-Operating Revenue/(Expenditure) <i>(Property Tax, Interest)</i>	25,100	11,600	5,600	5,600	5,400	5,400
REVENUES	\$ 1,628,700	\$ 1,785,200	\$ 1,764,600	\$ 1,852,300	\$ 1,785,700	\$ 1,785,700
EXPENDITURES						
Salaries/Wages/Benefits <i>Less: Prior year reserve use</i>	\$ 925,700	\$ 910,200	\$ 853,600	\$ 830,100	\$ 903,900	\$ 927,800
Supplies	30,400	33,400	31,400	28,200	28,800	28,800
Operations & Maintenance	111,000	113,800	102,400	96,800	90,600	90,600
Utilities	155,800	148,800	168,600	162,500	172,800	172,800
General & Administrative <i>Budget Contingency</i>	169,800	159,300	206,000	197,400	191,400	191,400
	5,000	-	500	23,100	47,500	48,300
<i>Less: Prior year reserve use</i>	(6,100)	(6,100)	-	-	-	-
OPERATING EXPENDITURES	1,391,600	1,359,400	1,362,500	1,338,100	1,435,000	1,459,700
NET INCOME BEFORE MAJOR MAINTENANCE & CAPITAL PROJECTS	237,100	425,800	402,100	514,200	350,700	326,000
Major Maintenance Expense <i>Less: Grants</i> <i>Prior year reserve use</i>	36,500	37,200	78,000	40,200	69,900	79,900
	-	(7,700)	-	(10,100)	-	-
	(49,400)	(4,100)	(52,500)	(14,700)	(62,700)	(72,700)
Capital Project Outlay <i>Less: Grants</i> <i>Prior year reserve use</i>	451,200	297,400	538,300	471,900	531,500	554,600
	(190,500)	(164,700)	(285,000)	(271,700)	(428,500)	(428,500)
	(99,200)	-	(87,800)	(75,800)	(64,000)	(87,100)
MAJOR MAINTENANCE AND CAPITAL PROJECTS	\$ 148,600	\$ 158,100	\$ 191,000	\$ 139,800	\$ 46,200	\$ 46,200
REVENUES less EXPENDITURES	\$ 88,500	\$ 267,700	\$ 211,100	\$ 374,400	\$ 304,500	\$ 279,800
Reserve Set Aside	\$ (45,000)	\$ -	\$ -	\$ (19,100)	\$ -	\$ -
Budget Transfer In/(Out)	\$ 154,900	\$ -	\$ -	\$ -	\$ -	\$ -
Increase/(Decrease) in operating reserves	\$ 198,400	\$ 267,700	\$ 211,100	\$ 355,300	\$ 304,500	\$ 279,800



Enterprise Fund Budget Detail

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Service Revenue						
Administration	\$ 10,000	\$ 23,500	\$ 15,000	\$ 40,000	\$ 20,000	\$ 20,000
Location Fees	-	-	-	-	-	-
Citations	18,000	28,500	20,000	21,600	20,000	20,000
Facilities Labor & Equipment	1,000	5,200	500	2,700	3,000	3,000
Avila Parking	290,000	351,500	342,000	375,000	350,000	350,000
Harbor Patrol & Lifeguards	7,700	8,200	10,000	5,400	7,000	7,000
Pier Parking	-	-	-	-	-	-
Budget Transfer	45,000	-	45,000	-	-	-
Total Service Revenue	\$ 371,700	\$ 416,900	\$ 432,500	\$ 444,700	\$ 400,000	\$ 400,000

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Mooring Revenue						
Anchorage Fees	\$ 1,800	\$ 1,300	\$ 1,000	\$ 2,400	\$ 1,800	\$ 1,800
Work Dock Rental Fee	1,200	500	400	1,500	1,000	1,000
Equipment Rental- Moorings	19,900	17,200	15,600	16,000	16,000	16,000
Mooring Operations	97,000	100,000	106,000	109,400	109,400	109,400
Fisherman's Discount	(10,700)	(11,800)	(10,700)	(19,100)	(14,400)	(14,400)
Mooring Equipment Sales	31,900	28,000	31,900	23,100	23,100	23,100
Mooring Equipment COGS	(19,000)	(17,800)	(19,000)	(13,200)	(13,200)	(13,200)
Mooring Revenue	\$ 122,100	\$ 117,400	\$ 125,200	\$ 120,100	\$ 123,700	\$ 123,700

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Leases & Licenses Revenue						
Harbor Terrace- Trailer Park	\$ 2,700	\$ 4,700	\$ -	\$ -	\$ -	\$ -
Commissions- Laundry	4,000	4,200	4,000	3,300	3,500	3,500
Coastal Gateway Room Rental	2,200	1,900	2,200	1,600	1,600	1,600
Memorial Plaque Program	-	1,000	-	-	-	-
Coin Showers	10,400	12,000	10,400	12,800	12,000	12,000
Harford Land Area- Leases	125,200	139,200	137,700	143,800	137,800	137,800
Piers-Leases	243,600	259,300	238,000	263,300	274,400	274,400
Piers- Licenses	9,100	15,000	12,800	19,100	16,800	16,800
Beaches-Leases	8,600	9,000	9,000	9,300	9,000	9,000
Beaches- Licenses	12,100	16,300	15,600	12,800	12,500	12,500
Boat & Gear Storage	45,200	46,800	48,600	48,600	48,600	48,600
Boat Washdown	800	1,300	1,500	900	1,000	1,000
Coin Hoist- Harford Pier	4,100	6,200	6,000	6,100	6,000	6,000
RVs- Babe Lane	148,200	168,000	166,000	172,100	172,100	172,100
RVs- Other than Babe Lane	423,800	497,500	505,000	530,000	506,200	506,200
Utilities Reimbursement	48,600	35,800	30,000	38,100	35,000	35,000
Miscellaneous Operating Income	1,700	500	1,000	500	500	500
Total Leases & Licenses Revenue	\$ 1,090,300	\$ 1,218,700	\$ 1,187,800	\$ 1,262,300	\$ 1,237,000	\$ 1,237,000



Enterprise Fund Budget Detail (Cont.)

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Budget	Actual	Budget	Projected	Preliminary Budget	Final Budget
<u>Diesel Sales Revenue</u>						
Diesel Sales	\$ 150,000	\$ 169,000	\$ 100,000	\$ 169,400	\$ 169,400	\$ 169,400
Diesel Cost of Goods Sold	(130,500)	(148,400)	(86,500)	(149,800)	(149,800)	(149,800)
Total Diesel Sales Revenue	\$ 19,500	20,600	13,500	\$ 19,600	\$ 19,600	\$ 19,600

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
<u>Non-Operating Revenue</u>						
Interest Income	\$ 3,600	\$ 6,700	\$ 3,600	\$ 3,500	\$ 3,400	\$ 3,400
Finance Charge Income	3,500	1,900	2,000	2,100	2,000	2,000
Tax Proceeds	-	-	-	-	-	-
Other Financing Sources	-	-	-	-	-	-
Misc. Non-Operating Income	-	3,000	-	-	-	-
Budget Transfer	18,000	-	-	-	-	-
Total Non-Operating Revenue	\$ 25,100	\$ 11,600	\$ 5,600	\$ 5,600	\$ 5,400	\$ 5,400



Enterprise Fund Budget Detail (Cont.)

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Salaries/Wages/Benefits						
Wages - Commissioners	\$ 13,100	\$ 13,000	\$ 13,400	\$ 14,400	\$ 14,400	\$ 14,400
Wages - Employees	471,700	476,100	498,600	470,900	502,300	514,100
Health Insurance	104,300	98,200	84,300	92,300	109,600	115,100
Workers Compensation	24,200	26,700	39,500	39,100	21,200	22,200
Payroll Taxes	35,400	36,800	37,600	38,700	38,000	38,900
Pension Costs	61,700	214,500	132,400	125,400	137,500	147,100
Recruitment	300	100	2,300	500	200	200
Misc. Employee Benefits	2,200	1,700	1,700	2,200	1,900	1,900
Unemployment Self Insurance	1,000	-	-	-	-	-
Contract Labor	3,800	6,300	3,300	6,100	13,800	8,900
Contract Security	-	-	-	-	-	-
Compensated Absence	-	11,300	5,500	5,500	30,000	30,000
Other Post Employment Benefits	28,100	25,500	35,000	35,000	35,000	35,000
TRAN Payment to County	154,900	-	-	-	-	-
Budget Transfer	25,000	-	-	-	-	-
Total Salaries/Wages/Benefits	\$ 925,700	\$ 910,200	\$ 853,600	\$ 830,100	\$ 903,900	\$ 927,800

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Supplies						
Office	\$ 7,900	\$ 10,700	\$ 9,200	\$ 10,200	\$ 10,600	\$ 10,600
Shop	3,800	8,600	2,000	6,300	6,300	6,300
RV Camping	-	-	5,000	-	-	-
Sanitation	3,400	3,100	2,700	3,100	3,100	3,100
Harbor Patrol/Lifeguards	-	-	-	-	-	-
Mooring	5,800	6,500	4,300	4,200	4,300	4,300
Dredge	3,000	1,600	1,300	1,300	1,300	1,300
Clothing/Equipment	1,500	2,900	1,900	3,100	3,200	3,200
Budget Transfer	5,000	-	5,000	-	-	-
Total Supplies	\$ 30,400	\$ 33,400	\$ 31,400	\$ 28,200	\$ 28,800	\$ 28,800



Enterprise Fund Budget Detail (Cont.)

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Operations & Maintenance						
Building/Facility	\$ 7,800	\$ 8,300	\$ 7,900	\$ 5,000	\$ 6,200	\$ 6,200
Vandalism	800	500	800	800	800	800
Office machines	-	-	-	-	-	-
Dredge	5,300	9,300	8,500	8,500	8,500	8,500
Electronic Equipment	1,200	900	1,800	500	500	500
Vehicles & Equipment	7,500	11,800	6,200	7,600	7,600	7,600
Crane	800	300	600	2,500	1,200	1,200
Coastal Gateway Costs	2,500	1,600	1,700	800	1,700	1,700
Patrol Boats	-	-	-	-	-	-
LCM	1,700	900	1,700	800	1,300	1,300
Boatyard Maintenance	800	-	800	8,300	2,000	2,000
Camp Host	1,700	900	800	800	800	800
Water Taxi Host	2,900	2,000	2,900	3,600	3,000	3,000
Signs	1,600	4,600	1,500	2,600	2,600	2,600
Road/Revetment	2,900	500	3,500	4,100	4,100	4,100
General Maintenance	6,800	1,800	4,600	7,500	6,200	6,200
Trailer Park	-	11,800	-	-	-	-
Sport Launch	900	5,700	1,700	1,700	1,700	1,700
Beaches	3,000	4,700	3,000	4,300	4,200	4,200
Public Hoist	1,600	5,100	1,500	800	800	800
Tools	1,400	1,500	3,800	2,700	2,700	2,700
Fuel	15,700	14,400	17,300	13,300	14,400	14,400
Piers	5,400	5,200	8,000	4,200	4,200	4,200
Ice/Diesel Facility	5,300	8,400	7,500	7,500	7,200	7,200
Lighthouse	-	-	-	-	-	-
Water & Sewer System	6,700	3,800	2,300	2,300	2,300	2,300
Storm Water	600	-	300	300	300	300
Fire Protection	2,000	100	2,600	200	200	200
Dock & Landing	6,100	9,400	6,100	6,100	6,100	6,100
Memorial Plaque Program	-	300	-	-	-	-
Budget Transfer	18,000	-	5,000	-	-	-
Total Operations & Maintenance	\$ 111,000	\$ 113,800	\$ 102,400	\$ 96,800	\$ 90,600	\$ 90,600



Enterprise Fund Budget Detail (Cont.)

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Utilities						
Electricity	\$ 31,500	\$ 33,900	\$ 34,900	\$ 30,500	\$ 32,700	\$ 32,700
Telephone/Communications	8,700	7,100	6,200	7,600	8,200	8,200
Gas	1,000	1,300	1,400	900	1,300	1,300
Sewer	17,200	14,100	15,400	17,300	20,300	20,300
Trash	14,100	11,100	20,600	14,000	14,000	14,000
Haz Mat Disposal	3,200	2,500	1,500	1,800	1,800	1,800
Water - Lopez	73,800	76,700	87,600	87,800	92,200	92,200
Water/Sewer - Avila	1,300	2,100	1,000	2,600	2,300	2,300
Budget Transfer	5,000	-	-	-	-	-
Total Utilities	\$ 155,800	\$ 148,800	\$ 168,600	\$ 162,500	\$ 172,800	\$ 172,800

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
General & Administrative						
Advertising & Promotion	\$ 2,100	\$ 1,600	\$ 1,800	\$ 1,100	\$ 1,200	\$ 1,200
Travel, Meals, Lodging	4,900	6,800	4,800	6,400	6,400	6,400
Education/Training	3,200	800	2,800	1,600	1,600	1,600
Dues & Subscriptions	4,100	5,100	4,900	5,400	5,500	5,500
Legal Advertising	1,000	1,100	1,000	1,000	1,000	1,000
Cash (Over) / Short	-	(100)	-	-	-	-
Capital Lease Payment - Principal	-	-	-	-	-	-
Capital Lease Payment - Interest	-	-	-	-	-	-
Bank Charges/Merchant Fees	9,700	16,300	17,000	25,500	25,500	25,500
Bad Debts/Returned Checks	6,100	14,400	7,200	7,200	7,200	7,200
Consultants	12,200	11,500	8,500	9,700	10,000	10,000
Legislative Advocacy	3,400	3,400	3,400	3,400	3,400	3,400
Computers & Equipment	2,800	2,000	2,800	2,100	2,100	2,100
Parking	7,800	12,500	13,600	12,800	13,000	13,000
Legal Fees	24,000	18,400	30,000	48,000	36,000	36,000
Audits	3,800	3,800	3,900	3,900	4,200	4,200
Tax Collection Fees	-	-	-	-	-	-
Treasurer Fees	10,000	5,100	10,000	10,000	10,000	10,000
Permits	2,700	2,100	2,700	2,700	2,200	2,200
Elections	-	-	-	-	-	-
Property Insurance	60,500	53,100	55,100	55,100	60,600	60,600
Cities Redevelopment	-	-	-	-	-	-
Bonds	300	300	300	300	300	300
LAFCO Fees	-	-	-	-	-	-
Board Discretionary Fund	1,000	900	1,000	1,000	1,000	1,000
Harbor Mgr. Discretionary Fund	200	200	200	200	200	200
Budget Contingency Fund	5,000	-	500	23,100	47,500	48,300
Budget Transfer	10,000	-	35,000	-	-	-
Total General & Administrative	\$ 174,800	\$ 159,300	\$ 206,500	\$ 220,500	\$ 238,900	\$ 239,700



Enterprise Fund Budget Detail (Cont.)

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Major Maintenance/ Special Projects						
Abandoned Vessel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Avila Pier	-	-	-	-	-	-
Coastal Gateway	1,900	500	-	-	-	-
Diesel Components	-	2,600	-	-	-	-
Dredge Pump	-	-	1,500	1,500	3,000	3,000
Dredging Permitting	5,100	4,200	-	-	-	-
Energy Efficient Lighting	-	-	-	-	-	-
Harbor Patrol Landing	-	-	-	-	-	-
Mooring Costs/ LCM	7,000	8,500	35,000	12,700	40,000	40,000
Office Flooring	-	-	-	-	2,900	2,900
Pier Maintenance	15,000	13,900	16,500	16,500	16,500	16,500
Repave Parking Lots	7,500	7,500	7,500	7,500	7,500	7,500
Revetment	-	-	-	-	-	-
Water Tank	-	-	17,500	2,000	-	10,000
Budget Transfer	-	-	-	-	-	-
Special Projects	\$ 36,500	\$ 37,200	\$ 78,000	\$ 40,200	\$ 69,900	\$ 79,900
Specified Reserve Use	\$ (49,400)	\$ (4,100)	\$ (52,500)	\$ (14,700)	\$ (62,700)	\$ (72,700)
Operating Reserve Use	12,900	(25,400)	(25,500)	(15,400)	(7,200)	(7,200)
Grant Funding	-	(7,700)	-	(10,100)	-	-
Total Funding	\$ (36,500)	\$ (37,200)	\$ (78,000)	\$ (40,200)	\$ (69,900)	\$ (79,900)



Enterprise Fund Budget Detail (Cont.)

	Last Year 2013/14		Current Year 2014/15		2015/16	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Capital Project Outlay						
Avila Seawall Lighting	-	-	-	-	-	-
Backhoe Replacement	-	-	-	-	3,600	3,600
Channel Markers	25,500	-	-	-	-	-
Copy Machine	-	-	-	-	-	-
Dock	-	-	-	-	4,000	4,000
Dock Access Ramp	-	-	-	-	3,000	3,000
Dredging Pump/Hose	55,200	54,200	-	-	-	-
Dredge Pipe	-	-	-	-	4,200	4,200
Fish Cleaning Station	-	-	-	-	-	-
Fire Systems	-	8,900	7,500	-	-	7,500
Front St. Staircase	-	-	-	-	-	-
Gear Storage	-	500	-	-	-	-
Harbor Patrol Boat Engines	-	-	-	-	-	-
Harbor Patrol Boat	-	-	-	-	-	-
Harbor Patrol Landing	-	-	15,600	-	-	15,600
Harbor Terrace	-	-	-	-	-	-
Harbor Office Remodel/HVAC	14,000	9,400	-	-	-	-
Harford Pier Lease Site/Restrooms	-	-	20,000	20,000	-	-
Harford Pier & Warehouse	159,000	181,700	45,000	11,600	30,000	30,000
Ice House	-	-	-	-	10,000	10,000
Lifeguard Towers	-	-	-	-	-	-
Lighthouse Duplex	-	-	-	-	-	-
Lighthouse Road	-	-	-	-	-	-
Master Plan Update	-	-	-	-	10,500	10,500
Mobile Hoist Pier	150,000	25,700	375,000	375,000	365,000	365,000
Olde Port Beach Restrooms	-	-	-	-	-	-
Parking	-	-	15,000	5,100	25,000	25,000
Replace Rescue Vehicle	-	-	-	-	-	-
Sewer Lift Station	10,000	1,000	-	-	-	-
Sewage Treatment Plant	37,500	16,000	56,200	56,200	56,200	56,200
Spill Response Trailer	-	-	-	-	-	-
Trailer Park Closure	-	-	-	-	-	-
Trash Truck	-	-	-	-	-	-
Water Taxi Boat	-	-	-	-	20,000	20,000
Website	-	-	4,000	4,000	-	-
Budget Transfer	-	-	-	-	-	-
Total Capital Project Outlay	\$ 451,200	\$ 297,400	\$ 538,300	\$ 471,900	\$ 531,500	\$ 554,600
Specified Reserve Use	\$ (99,200)	\$ -	\$ (87,800)	\$ (75,800)	\$ (64,000)	\$ (87,100)
Operating Reserve Use	(161,500)	(132,700)	(165,500)	(124,400)	(39,000)	(39,000)
Grant Funding	(190,500)	(164,700)	(285,000)	(271,700)	(428,500)	(428,500)
Total Funding	\$ (451,200)	\$ (297,400)	\$ (538,300)	\$ (471,900)	\$ (531,500)	\$ (554,600)



Our Future



Five Year Major Maintenance Plan

Description	2015/16	2016/17	2017/18	2018/19	2019/20	Notes
Abandoned Vessel	\$ 50,000	\$ -	\$ -	\$ -	\$ -	Removal, storage & disposal of abandoned vessels
Grant Funding	(50,000)	-	-	-	-	Division of Boating and Waterways
Avila Pier	1,100,000	150,000	-	-	-	Repair bents 10 through 70.
Grant Funding	(1,050,000)	(150,000)	-	-	-	Grants to be solicited
Dredging Pump	10,000	10,000	10,000	10,000	10,000	Annual pump maintenance, Budget for new pump in 2022
Dredge Reserve Use	(10,000)	-	(7,100)	-	-	Dredge reserve
Energy Efficient Lighting	14,000	-	-	-	-	Upgrade to energy efficient lighting.
Facilities Reserve Use	(14,000)	-	-	-	-	Facilities reserve
Lighthouse Road Maintenance	-	-	25,000	-	-	Maintenance on Lighthouse Road
Grant Funding	-	-	(25,000)	-	-	PG&E mitigation funds
Harford Pier Lumber	55,000	50,000	50,000	65,000	65,000	Lumber to replace pilings on pier, increased to adjust for increasing lumber costs
Facilities Reserve Use	(55,000)	-	-	-	-	Facilities reserve
Building Reserve Use	-	-	(6,800)	-	(18,200)	Building improvement reserve
Mooring Capital Costs	40,000	40,000	40,000	40,000	40,000	Repairs and maintenance to mooring boat
LCM Reserve Use	(40,000)	(40,000)	(40,000)	(31,000)	(14,900)	LCM maintenance reserve
Office Flooring	7,200	-	-	-	-	Replace flooring in Harbor and Harbor Patrol offices.
Building Reserve Use	(7,200)	-	-	-	-	Building improvement reserve
Parking Lot Maintenance	25,000	25,000	-	25,000	25,000	Parking lot maintenance, repaving, sealing, restriping, etc., Maintenance yard in 15/16.
Facilities Reserve Use	(1,000)	-	-	-	-	Facilities reserve
Revetment	25,000	-	25,000	25,000	-	Repair to the concrete area at trailer boat sport launch jetty and other areas where revetment has been undermined or has sloughed off.
Facilities Reserve Use	(25,000)	-	(5,000)	-	-	Facilities reserve
Water Tank	20,000	-	-	35,000	-	Preparation of bid documents and estimate for water tank coating.
Water Tank Reserve Use	(20,000)	-	-	-	-	Facilities reserve
Total	\$ 74,000	\$ 85,000	\$ 66,100	\$ 169,000	\$ 106,900	



Five Year Capital Project Plan

Description	2015/16	2016/17	2017/18	2018/19	2019/20	Notes
Backhoe	12,000	12,000	12,000	12,000	12,000	Replace after 25 years, purchased in August '88, Estimated lease payments over 10 year period, Look into loans for equipment as an alternative
Equipment Reserve Use	(11,500)	-	-	-	-	Equipment reserve use
Vehicle Reserve Use	(500)	-	-	-	-	Vehicle replacement reserve
Boom truck	-	12,500	12,500	12,500	12,500	Purchased November '99, purchase or lease, Estimated lease payments over 10 year period, Look into loans for equipment as an alternative
Dump truck	-	-	-	10,000	10,000	Purchased October '98, assumes 10 year lease
Fish Cleaning Station	25,000	-	-	-	-	Upgrade the fish cleaning station
Grant Funding	(25,000)	-	-	-	-	Grants to be solicited
Front St. Staircase	18,500	-	-	-	-	Engineering study to prepare plans and specifications for demolition and replacement.
Grant Funding	(18,500)	-	-	-	-	Grants to be solicited
Harbor Patrol Boat Engines	15,000	-	-	-	-	Boat 3 motor
Safety Reserve Use	(12,000)	-	-	-	-	Safety equipment reserve
Harbor Patrol Boat	100,000	-	-	-	-	Repair Boat 1
Grant Funding	(100,000)	-	-	-	-	Grants to be solicited
Dock	20,000	-	-	-	-	Replace existing trailer boat dock.
Dock Access Ramp	15,000	-	-	-	-	Additional trailer boat dock access ramp.
Grant Funding	(15,000)	-	-	-	-	Grants to be solicited
Dredge Hose	-	-	20,000	-	-	Replace Hose every four years
Dredge Pipe	5,000	-	-	-	-	Replace Pipe every five years
Dredge Reserve Use	(5,000)	-	-	-	-	Dredge reserve
Fireline Repairs	25,000	25,000	-	-	-	Maintenance to pier fireline system.
Facilities Reserve Use	(25,000)	-	-	-	-	Facilities reserve
Harbor Patrol Landing	39,000	-	-	-	-	New landing for use by Harbor Patrol and water taxi
Building Reserve Use	(39,000)	-	-	-	-	Building improvement reserve
Harbor Terrace	30,000	-	-	-	-	Consultants, legal, accounting, marketing
Harbor Terrace Reserve Use	(30,000)	-	-	-	-	Harbor Terrace reserve
Harford Pier & Warehouse	100,000	100,000	1,000,000	100,000	100,000	Continued maintenance and redevelopment of Pier.
Grant Funding	(100,000)	(100,000)	(1,000,000)	(100,000)	(100,000)	Grants to be solicited
Ice House	20,000	-	-	-	-	Design and permitting costs based on Board's direction.
Lifeguard Towers	25,000	-	-	25,000	25,000	Olde Port Beach tower in 2015/16
Lighthouse Duplex	50,000	-	-	-	-	Rehabilitate existing space based on Harbor Commission direction.
Master Plan Update	35,000	-	-	-	-	Consulting fees to update Master Plan.
Grant Funding	(35,000)	-	-	-	-	Grants to be solicited
Mobile Hoist Pier Extension	365,000	-	-	-	-	Pier extension engineering and construction.
Grant Funding	(365,000)	-	-	-	-	Grants to be solicited
Parking Pay Station	-	-	-	15,000	15,000	Avila pay station, to be replaced every 5 years.
Parking Plan Implementation	25,000	25,000	-	-	-	Phase I in 2015/16, Phase II in 2016/17.
Sewer Treatment Plant	75,000	75,000	75,000	75,000	75,000	Avila Beach Community Services District capital improvements, 35% share per agreement.
Utility Reserve Use	(35,000)	(25,000)	-	-	-	Utility reserve
Waste Treatment Reserve Use	(40,000)	-	-	-	-	Waste treatment plant reserve use
Rescue Vehicle	-	-	40,000	-	-	Replace Ford Ranger
Water Taxi Boat	20,000	-	-	-	-	Replacement of water taxi boat.
Grant Funding	(20,000)	-	-	-	-	Grants to be solicited
Total	\$ 143,000	\$ 124,500	\$ 159,500	\$ 149,500	\$ 149,500	



Five Year Projections

	2015/16	2016/17	2017/18	2018/19	2019/20
Operating Revenues	\$ 1,780,300	\$ 1,867,800	\$ 2,057,100	\$ 2,103,400	\$ 2,150,900
Non-Operating Revenues	3,054,400	3,113,100	3,173,100	3,234,300	3,296,700
Total Revenues	4,834,700	4,980,900	5,230,200	5,337,700	5,447,600
Operating Expenditures	(4,572,700)	(4,797,100)	(4,906,700)	(5,043,200)	(5,128,100)
Net Available for Major Maintenance and Capital Projects	262,000	183,800	323,500	294,500	319,500
Major Maintenance and Capital Projects	(2,365,700)	(524,500)	(1,309,500)	(449,500)	(389,500)
Grant Funding	1,778,500	250,000	1,025,000	100,000	100,000
Reserve Funding (Use)	\$ (325,200)	\$ (90,700)	\$ 39,000	\$ (55,000)	\$ 30,000
Specified Reserve Funding (Use)	\$ (325,200)	\$ (110,000)	\$ (13,900)	\$ (76,000)	\$ 11,900
Operating Reserve Funding (Use)	\$ -	\$ 19,300	\$ 52,900	\$ 21,000	\$ 18,100

Operating Revenue:

- Service revenue is projected to increase 3% per year. The District has seen consistent growth in its revenues generated from the Avila Beach parking lot. Implementation of the parking program is projected to generate \$50,000 in revenue in 2016/17 and \$100,000 per year beginning in 2017/18.
- Boating related revenues (moorings, diesel sales, etc.) are projected to remain consistent over the next five years. The District has seen a slight decrease in mooring revenue since 2010 but expects this will level off.
- Leases and licenses are projected to increase 2% per year, consistent with recent CPI increases.
- The District anticipates that the new Harbor Terrace campground will begin producing revenues in 2017/18.

Non-Operating Revenue:

- Property taxes are projected to increase at a rate of 2% per year.
- Investment income is projected to decrease as the District spends down cash.

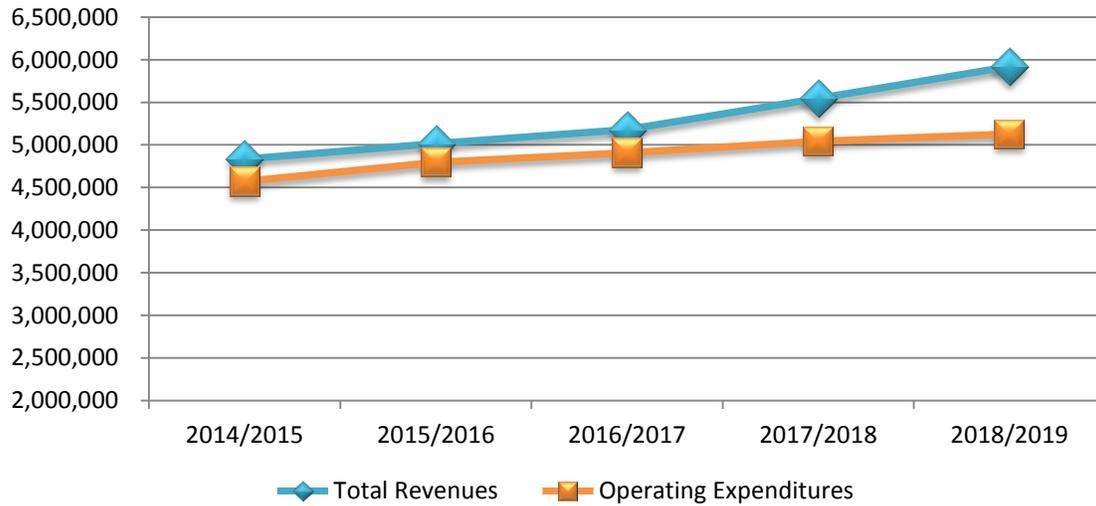
Operating Expenditures:

- Salaries, Wages and Benefits:
 - Wages are projected to increase at a rate of 3% per year, consistent with negotiated employment contracts.
 - Health insurance and worker's compensation insurance are projected to increase 5% per year.
 - Pension costs are projected to rise 10% per year as the District is required to fund a portion of its unfunded pension liability with CalPERS.
 - The District will have the Tax Revenue Anticipation Note (TRAN) paid off in 2017/18 (see debt schedule on page 80).
- Supplies and Operations and Maintenance expenditures are projected to increase 2% per year.
- Utilities are projected to increase 3% per year.
- General and Administrative expenditures are projected to increase at a rate of 2% per year with the exception of the following line items:
 - Phone system capital lease will be paid off in 2016/17 (see debt schedule on page 80).
 - Parking enforcement is projected to increase 3%, consistent with parking revenue growth.
 - Cities redevelopment fees, bonds and discretionary funds are projected to remain consistent.



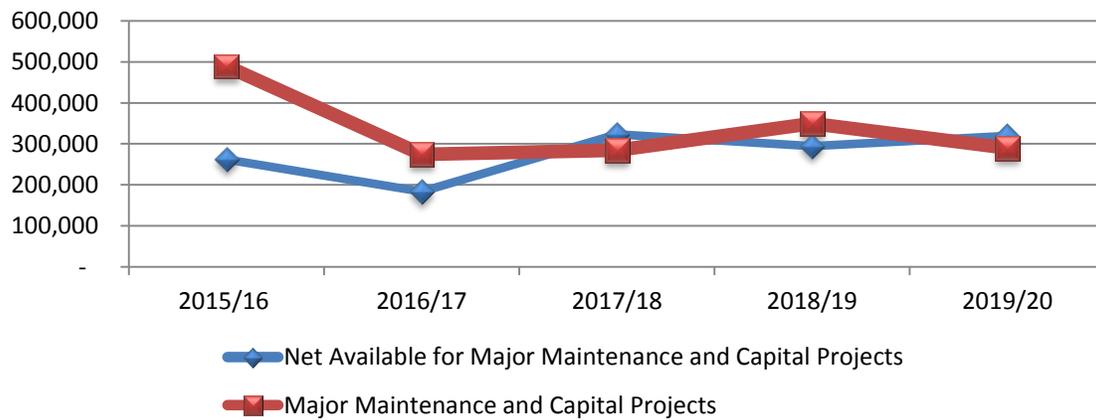
Five Year Projections (Cont.)

PROJECTED REVENUE VS. EXPENDITURES



The difference between the projected revenue and operating expenditures is used to fund major maintenance and capital projects. Detail on the projected capital projects can be found on pages 62 and 63.

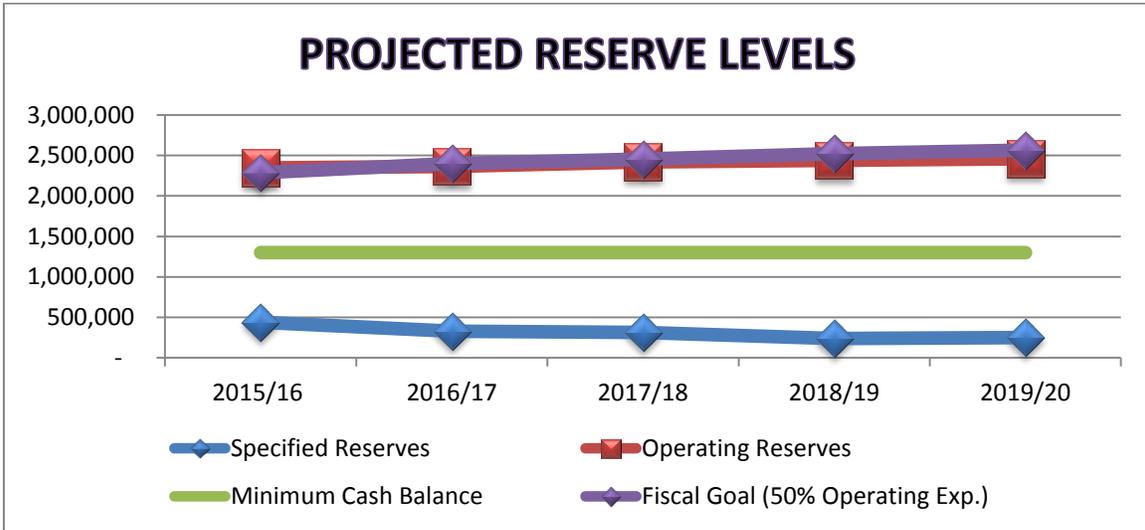
NET AVAILABLE FOR CAPITAL PROJECTS VS. PROJECTED CAPITAL PROJECTS



The difference between the net available for capital projects and the projected capital projects represents an increase or decrease in reserves.



Five Year Projections (Cont.)





Long-Term Goals and Strategies (Master Plan)

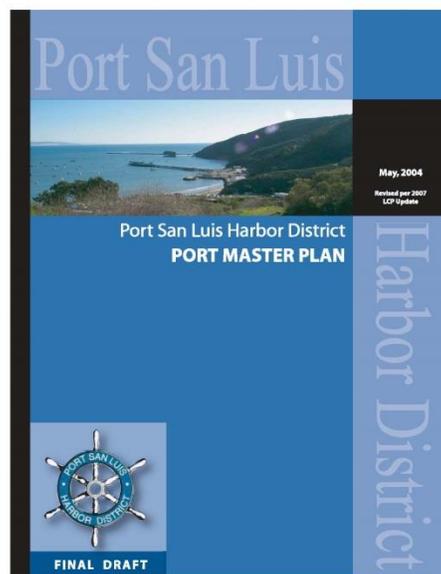
Port San Luis should be a harbor with protected, maintained, and enhanced resources that balances the environmental, social, and economic needs of the District and the various user groups. (Chapter 3 of the Port San Luis Master Plan)

The Master Plan for the Harbor District identifies the following five objectives:

1. Meet Coastal Act priorities for the harbor, especially the protection of coastal-dependent and coastal-related activities, visitor serving and waterfront recreation opportunities, and public access to the waterfront.
2. Promote and facilitate the orderly and beneficial development and use of District lands, facilities, and resources.
3. Provide land and water uses that are beneficial to residents of San Luis Obispo County and the people of the State of California.
4. Increase revenue-producing opportunities to support the Harbor District's public and enterprise functions.
5. Enhance and maintain the maritime character of the harbor.

In order to meet the above-objectives, the Master Plan identifies the Action Items for Open Water, Access Improvements, the Harford Pier, Harford Landing, Beach and Bluff Planning, Harbor Terrace, the Lightstation, and Avila Beach, Pier and Parking Lot. These items are addressed on the following pages.

In addition to the current Master Plan Action Items, multiple federal and state agencies are making projections about the extent and effect of sea level rise over the next one hundred years. The National research Council estimates 1.5" – 12" over the next 15 years, and 16.5" to 65" over the next 85 years. These estimates will need to be addressed in any update to the District's Master Plan, and in the planning for any near shore improvements, as well as parking lot elevation.





Long-Term Goals and Strategies (Cont.)

Access Improvements

1. *Coordinate Access Improvement Efforts:* Improve the safety and convenience of access routes for automobiles, pedestrians, cyclists and others traveling to and from Port properties.
2. *Encourage Improved Connections:* Work with the County to extend continuous pedestrian paths and bike lanes between Avila Beach and the Harford Pier.
3. *Implement Parking Program:* Implement a parking program for peak season periods to mitigate conflicts among Port users. Plan should include measures to direct traffic, coordinate and operate a shuttle to parking areas, and set appropriate fees. [In-process].

Open Water

1. *Launch Areas Shoaling Solution:* Execute necessary actions to eliminate or reduce the frequency and scope of maintenance dredging and provide more consistent boating access at the boat launching facilities. [The 2015/16 budget includes \$365,000 to refurbish the mobile hoist pier, caps and retaining wall.]

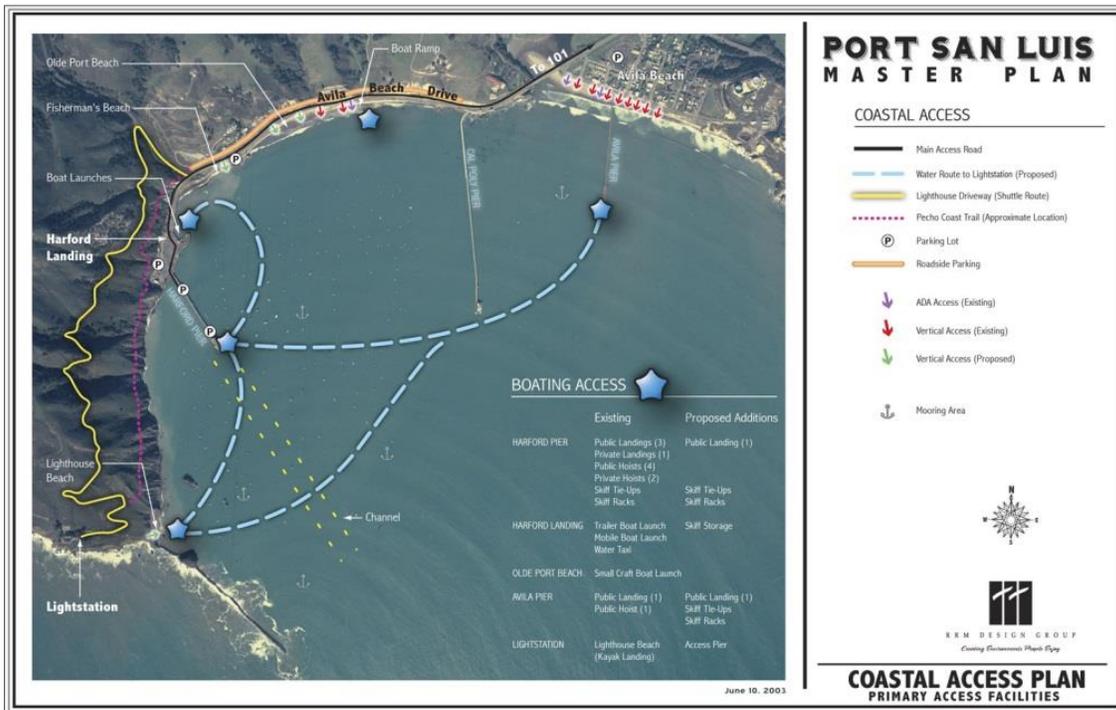


FIGURE 19



Long-Term Goals and Strategies (Cont.)

Harford Pier

1. *Rehabilitation*: Rehabilitate the entire pier through a phased approach.
2. *West Walkway*: Rebuild the width of the pier stem (from the shoreline to the terminus) up to 20 feet westward to increase the pier drive and add a pedestrian walkway.
3. *Pier Roadway*: Install fire grates during the reconstruction of the pier roadway.
4. *Pod 1*: Expand and improve lease spaces for use by coastal dependent uses. Add a public restroom facility.
5. *Visitor Landing*: Add a fixed landing with ladders, gangway, and access stairway to accommodate visiting boaters on the north side of the pier.
6. *Skiff Tie-ups*: Add skiff tie-ups (and ladders) along the pier.
7. *Hoist #3 Area*: Convert to skiff rack storage.
8. *Skiff Racks*: Add skiff racks on the pier terminus.
9. *Existing Harbor Office Space*: If Harbor Offices are consolidated and relocated, consider moving Harbor Patrol office to old Administration Building freeing up Harbor Patrol office as a new lease space.
10. *Rehabilitate Warehouse (Canopy)*: Rehabilitate warehouse structure. [*\$285,000 spent in 2011/12, \$642,000 spent 2012/13 - 2013/14, \$38,700 projected to be spent in 2014/15, \$100,000 included in 2015/16 budget.*]
11. *Opportunity Site under Warehouse (Canopy)*: Accommodate additional coastal uses.

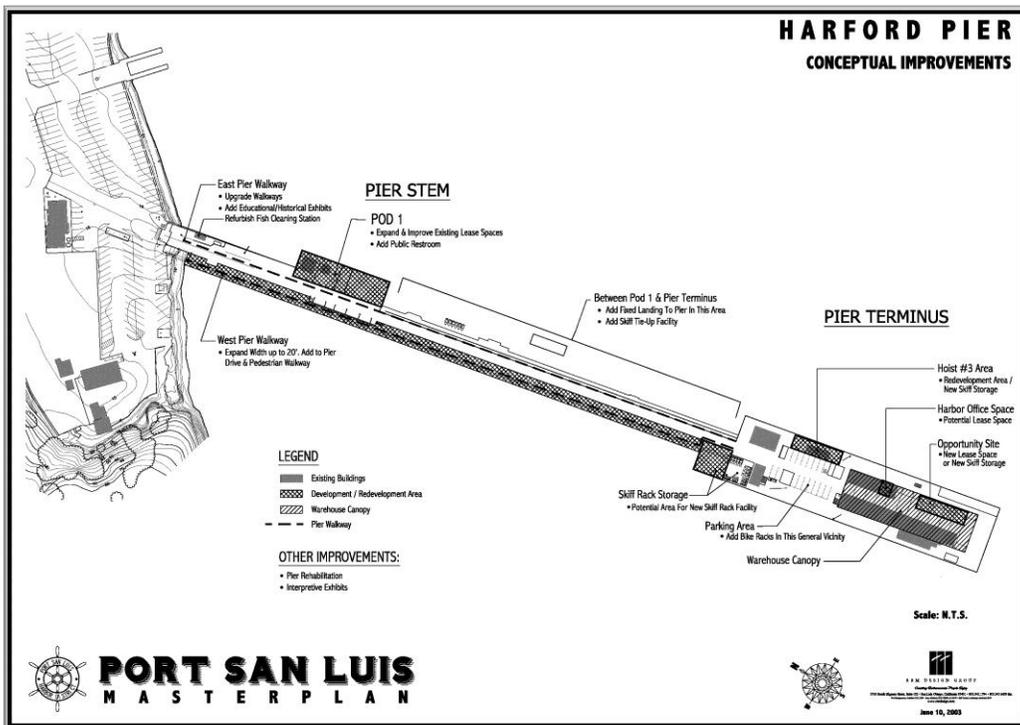


FIGURE 12



Long-Term Goals and Strategies (Cont.)

Harford Landing

1. *Waterfront Pedestrian Path*: Improve the paths along the revetment from the far west end of the parking lot, along the shoreline, and past the trailer boat launch to connect Harford Landing to other Port properties.
2. *Interpretive Exhibits*: Add interpretive stations at key locations including information on the marine environment, cultural resources and history of the harbor. [*Started, exhibits placed in front of Coastal Gateway building and on Harford Pier.*]
3. *Mobile Boat Hoist*: Upgrade the existing concrete pier with steel guide rails and guard handrails. Extend the pier seaward. Ad riprap to the area to dissipate wave energy. [CEQA study is complete. Engineering and specifications are underway. \$375,000 is projected to be spent 2014/15 phase 1 of the project, \$365,000 included in 2015/16 budget for extension.]
4. *Skiff Storage*: Add skiff storage somewhere near existing trailer boat launch or in the east parking lot area.
5. *Administration Building*: If Harbor Offices are consolidated and relocated, consider converting part of the bottom floor of the building into a Visitor and/or Information Center. The top floor has potential as additional lease space.
6. *Bike Storage*: Provide bike racks to encourage bike transportation.
7. *Central Pedestrian Path*: Improve the paths along the revetment from the far west end of the parking lot, along the shoreline, and past the trailer boat launch to connect Harford Landing to other Port properties.
8. *Maintenance Complex*: If Harbor Offices are consolidated and relocated, consider converting the buildings and yard into additional lease space.
9. *Scuba Diving and Kayak Stage Area*: Provide a scuba and kayak launch area with amenities such as launch pad, outdoor shower, benches and stairs or ramp to the water.
10. *West Parking Lot Elevation*: Raise elevation of west parking lot to reduce effects of wave action and storm surges.
11. *Jetty*: Create permanent seating structures for visitors.

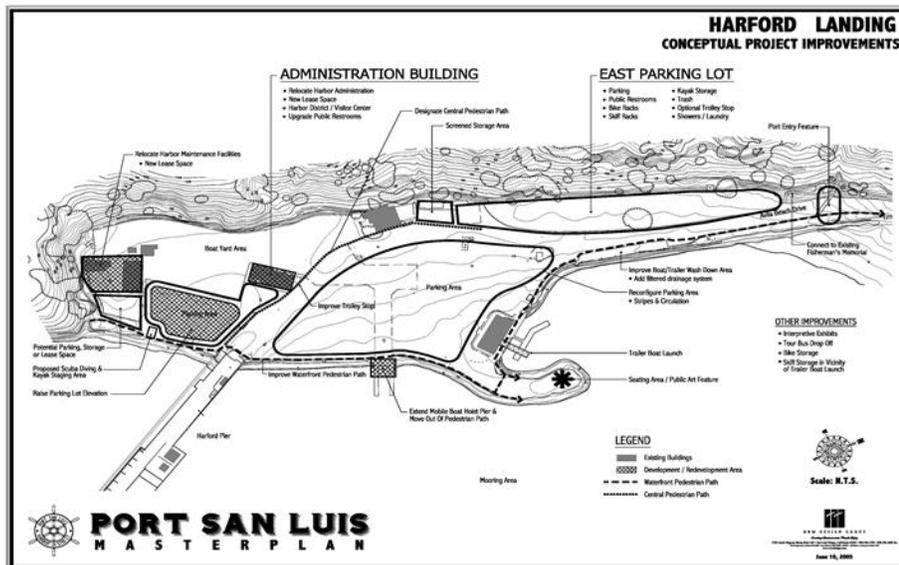


FIGURE 13



Long-Term Goals and Strategies (Cont.)

Harbor Terrace

1. *Overnight Visitor Serving Uses*
2. *Water Tank Engineering Study*: Analyze water system requirements to determine the appropriate tank size required to meet fire authority requirements.
3. *Infrastructure and Services*: Improve the site with water, sewer, electric, cable TV, and telephone services. Install a storm water drainage capture and filtration system.
4. *Roadwork*: Improve existing road network and provide a main site access drive.
5. *Pedestrian Circulation and Connections*: Provide a network of pathways to facilitate on and off-site pedestrian circulation. This network should connect with an at-grade crossing at Avila Beach Drive and connect Harbor Terrace to the beach.
6. *Park and Open Space*: Create a park and other common open space area for visitors.
7. *Sustainable Design Demonstration Project*: Demonstrate innovative sustainable design practices and solutions throughout the site such as environmentally sensitive and energy conserving site and building design techniques. Inform people of the solutions used.
8. *Boat Trailer Parking*: Improve and relocate (if necessary) the boat trailer parking.
9. *District Laydown and Storage*: Improve and relocate, if necessary, Harbor District laydown and storage area.
10. *Harbor Offices*: Relocate and consolidate Harbor Administrative Offices and Operations to the Harbor Terrace site.

Project Status: Currently, in a cooperative agreement with the State Coastal Conservancy (SCC), the District is seeking a Coastal Development Permit (CDP) for the development of Harbor Terrace with revenue generating visitor serving uses. The project has received unanimous approval from both the County Planning Commission and the Board of Supervisors. Staff is unaware at this time if an appeal will be filed with the Coastal Commission. Several factors will affect budget planning:

1. Any revenue from a developed project will be offset by loss of existing revenue from both bluff top and Harbor Terrace camping.
2. Any revenue from a developed project will be offset in the early years by revenue sharing with the SCC to the extent of their funding of the entitlement process (estimated at \$400,000). Revenue participation will continue for the balance of thirty years at 1.5% of District revenue from the project.
3. Detailed pro-forma projections of net revenue increases are being developed as a part of the existing entitlement project. Generation of revenue from the project is expected no earlier than 2017.





Long-Term Goals and Strategies (Cont.)

Lightstation

1. *Parking and Staging:* Create flexible parking and staging areas at Harbor Terrace. Consider satellite parking or special event parking at Harford Landing, Avila Beach lot, or other appropriate locations.
2. *Lightstation Pier:* Replace the former pier at Coastguard Beach. [*Feasibility study complete.*]
3. *Lightstation Water Access Route:* Explore feasibility and funding options for establishing a water taxi and/or ferry between public piers and lighthouse pier.
4. *Lightstation Connections:* Promote multi-modal access to the Lightstation (e.g., trail, shuttle, water taxi, kayak) and provide connections between the Lightstation and other Port properties.
5. *Lightstation Education:* Include information about the historical value of the Point San Luis Lighthouse with interpretive exhibits and displays near the main harbor area.

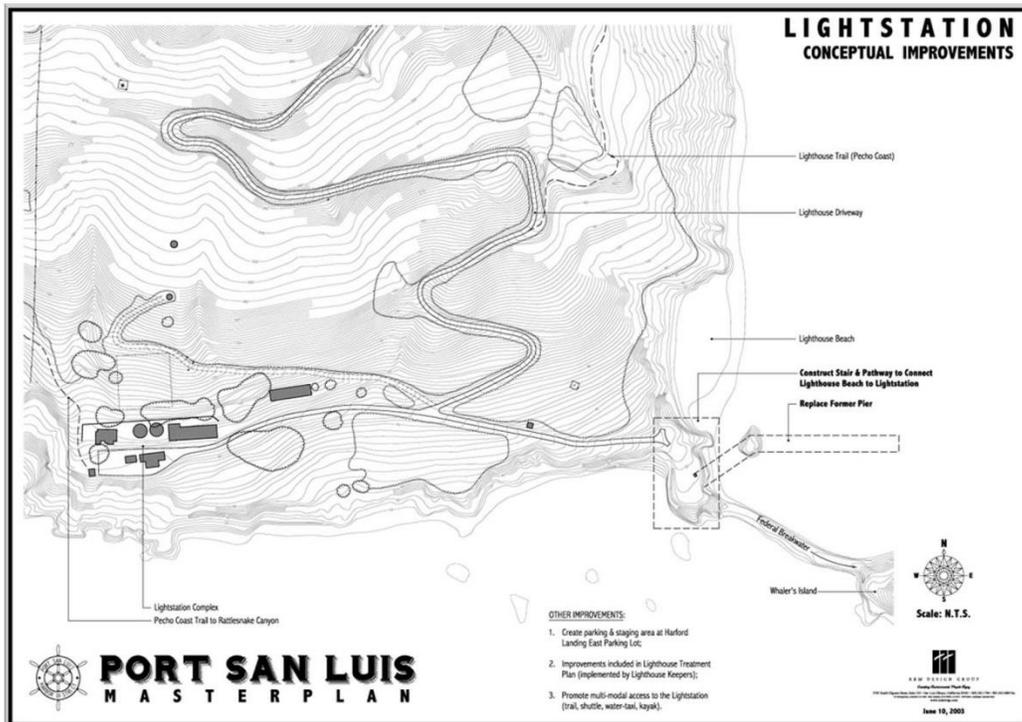


FIGURE 16



Long-Term Goals and Strategies (Cont.)

Avila Beach, Pier and Parking Lot

1. *Avila Beach Stairway*: Replace the old existing concrete stairway at the east end of the beach. [Stairs are currently closed due to unsafe conditions].
2. *Interpretive Exhibits*: Add interpretive exhibits including information on the marine environment, cultural resources and history of the harbor.
3. *Skiff Racks*: Construct skiff racks to facilitate boating access.
4. *Skiff Tie-ups*: Add skiff tie-ups (and ladders) along the pier. [Ongoing project].
5. *Opportunity Site*: Reserve First Street frontage of the parking lot for the accommodation of new lease space opportunities.
6. *Additional Development*: End of Pier, 6,000 square feet coastal dependent and public access.

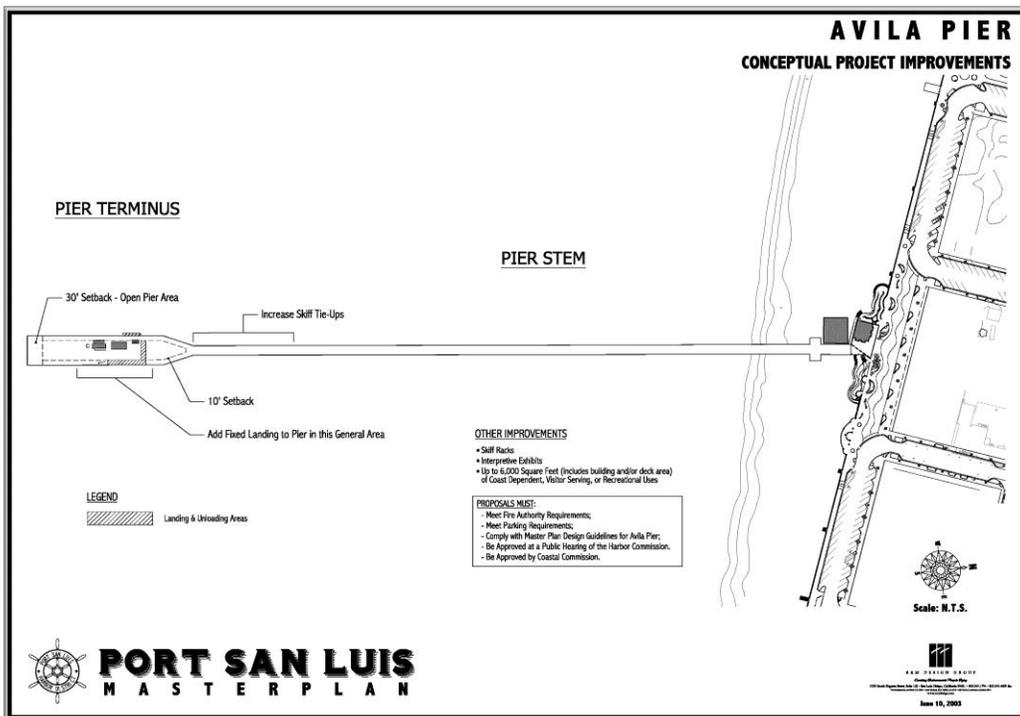


FIGURE 17



Policies and Definitions



District Policies and Guidelines

The following District policies and guidelines direct the preparation of the annual budget process.

Financial Planning and Accountability:

1. *Accountability/Transparency:* Information about how public monies are spent and the outcomes they achieve are to be clear, transparent and understandable.
2. *Balanced budget/Fiscal Stability:* A structurally balanced budget (ongoing revenues equal to ongoing expenditures) for the combined General Fund, Capital Projects Fund and Enterprise Fund will be presented to the Harbor Commission at a scheduled public hearing.
3. *Identify & Mitigate Future Risk:* The Harbor Manager will identify issues, events and circumstances which pose significant risks and present strategies to reduce the impact of those risks.
4. *Contingency Funds:* Budget procedures state that the District should place 2% of revenues (not including grant revenues) into an overall budget contingency line item to be used by the Harbor Commission for unusual budget circumstances or emergencies.

Major Maintenance & Capital Purchases and Improvement Policies:

1. *Funding:* The District should provide at least \$200,000 annually to fund capital purchases and improvements and ongoing major maintenance of existing facilities. One-time increases in revenues or unanticipated budgetary savings should be set-aside in specified reserves to fund major maintenance and capital purchases and improvements (collectively “projects”). The District policy goal is to annually fund projects equal to annual depreciation expense or approximately \$680,000. District staff will aggressively seek grants to fund projects.
2. *Budget Planning:* District staff will present to the Harbor Commission on an annual basis a five-year plan for project costs and funding needs. The development of the capital improvement budget will be incorporated into the development of the operating budget. Annually, an inventory of capital assets and condition of those assets will be presented to the Harbor Commission.
3. *Priority:* The following guidelines will provide a hierarchy of funding priorities for the review of the 2015/16 budget:
 - Projects that ensure the safety of the general public and District employee’s safety.
 - Major maintenance and capital assets that have been deemed to be in ‘poor’ condition and are essential to the operations of the District.
 - Projects that have the capacity to earn profits that can be used to offset costs for essential operations.
 - Projects that will greatly improve the service to the public and are used in the essential operation of the District.
 - Non-essential projects.

As stated in the District’s budget procedures and guidelines projects shall meet a majority of the following criteria to be considered in the budget process:

- The project’s ability to increase District revenue.
- The availability of total or partial grant funding for the proposed project.
- The amount of required maintenance that will be necessary when the project is complete.
- The availability of staff and funding to support project management and construction.
- The inclusion of deadlines or mandates by other agencies concerning the project.
- The coastal dependency of the project.



District Policies and Guidelines (Cont.)

- If the project has not been completed, the possibility of being completed during the next fiscal year.
- The economic feasibility of the project.
- The project is critical to address identified public safety issues.
- The project provides remediation of environmental impacts, hazards or degradation.

Debt Management Policy, Capacity, and Issuance

The District will be fiscally prudent and in compliance with state and federal law. California Harbors and Navigation Code Section 6077 prescribes that the bonded indebtedness of the District not exceed 15% of the assessed value of property within the District. To issue bonds that require additional property tax assessments, the bond proposition must pass with two-thirds of the voting electors approving such proposition. The District's gross assessed value of property for July 1, 2013 through June 30, 2014, is above \$18.6 billion (per County's Tax Rate Book) , making the debt limit approximately \$2.8 billion.

Fund Balance Policy

The District's fund balance policy establishes a minimum level at which fund balance is to be maintained. The District believes that sound financial management principles require that sufficient funds be retained by the District to provide a stable financial base at all times. To retain this stable financial base, the District needs to maintain fund balance sufficient to fund cash flows of the District and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. The limits defined in the District's Fiscal Goals Policy is intended to "maintain a prudent level of financial resources to protect against reducing service levels or raising fees because of temporary revenue shortfalls or unpredicted one-time expenditures" (recommended Practice 4.1 of the National Advisory Council on State and Local Budgeting).

The District's goal is to establish and maintain an operating reserve (aka unassigned fund balance) equal to 50% of the District's operating expenditures (Policy 3020) by 2018/19 fiscal year-end. Using 2015/16 estimated expenditures the operating reserve should equal \$2.2 million. The reserve shall never be lower than \$1.3 million to ensure that District cash flow needs are met.

Investment Policy

The District's Investment Policy is in compliance with California Government Code 53600. When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives of the investment activities, in priority order, shall be:

- **Safety:** Safety of principal is the foremost objective of the investment program. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.
- **Liquidity:** The investment portfolio will remain sufficiently liquid to enable the District to meet all operating requirements, which might be reasonably anticipated.
- **Return on Investments:** The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.



Basis of Budgeting

The General Fund and Capital Outlay Fund are budgeted using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. Measurable means that the amounts can be estimated, or otherwise determined. Available means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period. Exchange transactions are recognized as revenues in the period in which they are earned (i.e. the related goods or services are provided). Debt service expenditures as well as expenditures related to compensated absences and judgments are recorded only when payment is due.

The Enterprise Fund is budgeted using a combination of the modified accrual basis of accounting and full accrual accounting. Full accrual accounting recognizes changes to revenues and expenses when an underlying event occurs regardless of the timing of the related cash. The Enterprise Fund budgets capital assets on a modified accrual basis. Compensated Absences and Other Post-Employment Benefits are budgeted using full accrual accounting.

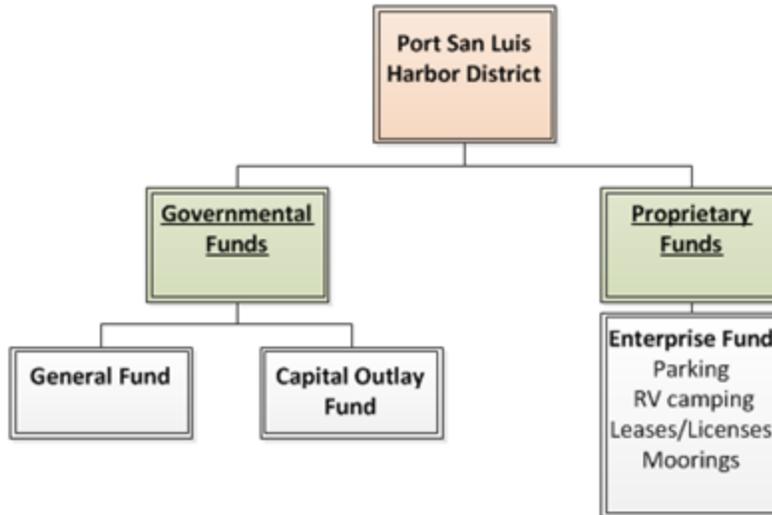
Accounting Basis

The accounting basis refers to the method in which the District's revenues and expenses are reported in the annual audited financial statements. For the most part, the accounting basis conforms to the budgeting basis of accounting with the exception of the following:

- In the budgeting basis for the Enterprise Fund, only current assets are reported. In the accounting basis, all assets are reported, including capital assets and accumulated depreciation.



Fund Structure



General Fund - The General Fund is the District's primary operating fund. The General Fund is used to account for all revenues and expenditures necessary to carry out the basic governmental activities of the District that are not accounted for through other funds. For the District, the General Fund includes such activities as public protection, public ways and facilities, and recreational services.

Capital Outlay Fund - The Capital Outlay Fund is used to account for financial resources to be used for the acquisition or construction of major capital assets and facilities for general fund related activities (other than those financed by enterprise funds).

Enterprise Fund - The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of goods or services to the general public on a continuing basis are financed or recovered primarily through user charges.

Department	General Fund	General Fund Activities	Capital Outlay Fund	Capital Outlay Fund Activities	Enterprise Fund	Enterprise Fund Activities
Administration and Business Department	✓	Administration, Human resources, AR/AP, Audit, Payroll, Board Secretary	✓	Project planning and approval, Grant management	✓	Fee setting, Special event processing, Moorings, Revenue reconciliation
Facilities Department	✓	Janitorial, Hazardous Material, Fleet maintenance, Heavy construction	✓	Project planning and tracking	✓	Diesel fuel, Mooring inspections and repairs, RV camping maintenance
Harbor Patrol	✓	Marine safety, Public safety, Enforcement, Boater education, Medical aid	✓	Project planning and tracking	✓	Parking lot patrol and citation issuance



Debt

Tax Revenue Anticipation Note (TRAN): On January 22, 2013 the District entered into a Note Purchase Contract with San Luis Obispo County Treasurer in an amount not to exceed \$1,200,000. The Note is in the form of a Tax Revenue Anticipation Note (TRAN) which pledges property tax revenues for payment of principal and interest on the Note. The principal amount borrowed of \$1,116,378 was used to pay-down side fund retirement liabilities with CalPERS. The Note's annual interest rate is 2.60% versus the side fund retirement liability interest rate of 7.5% previously paid by the District to CalPERS. Interest payments are due annually on January 31 and the principal payment is due on January 30, 2018.

On October 1, 2013 and January 31, 2014 the District prepaid a portion of the Principal due in the amount of \$460,676 and \$4,255 respectively. This year's budget includes an appropriation to pay down an additional \$184,402 in principal. The outstanding principal balance July 1, 2015 is \$488,339. The following table presents the projected pay down amounts:

Year Ending June 30	General Fund Principal Due	General Fund Interest Due
2014	\$464,931	\$25,069
2015	163,108	16,892
2016	184,402	12,698
2017	189,198	7,902
2018	114,739	2,983
Total	\$1,116,378	\$65,544

Capital Lease: On March 6, 2012, the District entered into a capital lease agreement with Avaya Financial Services for a new phone system. The lease carries an interest rate of 7.99% with 60 monthly payments of \$251.18. The outstanding principal balance as of July 1, 2015 is \$5,230. The following table presents the projected pay down amounts:

Year Ending June 30	General Fund Principal Due	General Fund Interest Due
2012	\$337	\$165
2013	2,121	893
2014	2,297	717
2015	2,487	527
2016	2,693	321
2017	2,537	97
Total	\$12,472	\$2,720



Glossary

Budget Contingency – Per District policy, 2% of all revenues are placed into a contingency line item to be used by the Harbor Commission for unusual budget circumstances or emergencies.

Capital Expenditures - Land, improvements to land, easements, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure (e.g. roads), and all other tangible or intangible assets that are used in operations and have initial useful lives extending beyond a single reporting period. The capital asset threshold is \$5,000 (individual original acquisition cost of an asset).

Fund Balance - Fund balance refers to the difference between assets and liabilities. The Enterprise Fund, General Fund and Capital Project Fund have Fund Balance for budgetary purposes. For financial reporting purposes the Enterprise Fund and Government-wide statements report Net Position instead of Fund Balance. Fund balances for financial reporting purposes are classified as follows:

Nonspendable Fund Balance (not part of budgetary fund balance) - represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance (not part of budgetary fund balance) - represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance (included in Operating Reserves for budgetary purposes) - represents amounts that can only be used for a specific purpose because of a formal action by the District's governing board. Committed amounts cannot be used for any other purpose unless the governing board remove's those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the governing board. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation. *The District sets aside 25 % of moorage profit for mooring work (LCM) maintenance and eventual replacement per District Ordinance.*

Assigned Fund Balance (a.k.a. Specified Reserves for budgetary purposes) - represents amounts which the District intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the governing board or by an official or body to which the governing board delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service, or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purpose of the District.

Unassigned Fund Balance (a.k.a. Operating Reserves for budgetary purposes) - represents amounts which are unconstrained in that they may be spent for any purpose. The general fund must have a positive unassigned fund balance.



Glossary (Cont.)

When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

Master Plan Definitions:

Open Water: The 520-acre harbor area, mostly used for navigation and mooring purposes. The Open Water Area also includes the shoreline from Point San Luis to Shell Beach, a 2400-foot rubble mound breakwater, and areas around three piers.

Harford Pier: The “backbone” of Port San Luis Harbor, Harford Pier is an historic working pier that serves commercial and recreation fishing and boating, and is a primary focus of Port activities.

Harford Landing: An 8.7-acre site at the base of Harford Pier that provides supportive land area to coastal-dependent and coastal-related uses at the main harbor, as well as serves visitor needs on the waterfront. Harford Landing is comprised of parking, launching facilities, a boatyard, and several buildings.

Harbor Terrace: 32-acre hillside property overlooking San Luis Obispo Bay along Avila Beach Drive that is currently used as storage area for boat owners, fishermen, and the Harbor District. Development of Harbor Terrace is a primary long-term objective of the Harbor District.

Beach and Bluffs: A linear strip of land seaward of the County right-of-way of Avila Beach Drive, which provides recreational opportunities including coastal access, beach-oriented activities, informal parking, and ocean views.

Lightstation: A 25-acre site that includes the historic Point San Luis Lighthouse and several other buildings, served by a private road and trail with controlled public access.

Avila Beach, Pier and Parking Lot: The Avila Beach and Pier make up the “front porch” of the Avila community and primarily support recreational water-oriented activities. The Avila Parking Lot is located one block north of the beach and serves the parking needs of beach and pier users.