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ANDREA LUEKER *Harbor Manager*
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June 27, 2017

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

Re: 2017-18 Port San Luis Harbor District Budget

Dear President Matakovich, Honorable Commissioners:

It is my pleasure to present the 2017-2018 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,

A handwritten signature in blue ink, appearing to read "Andrea Lueker", is positioned above the printed name.

Andrea Lueker
Harbor Manager



2017/18 Operating and Capital Budget

JULY 1, 2017-JUNE 30, 2018

Cover photo courtesy of Vincent Shay/Avila Beach Paddlesports





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, 2016**. 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, 2016

Jeffrey R. Emer

Executive Director



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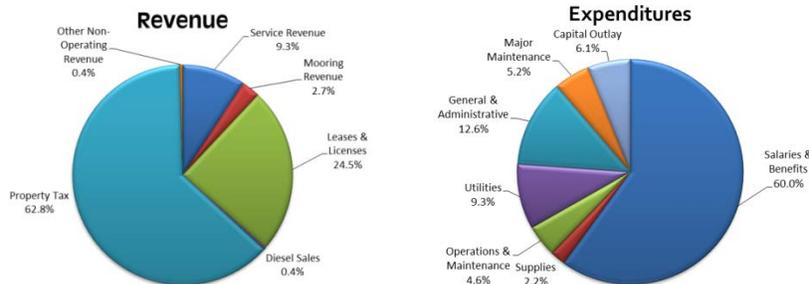
Budget at a Glance



Budgetary Highlights

Budget Summary		Comparison to 2016/17 Projections				
Operating Revenue	\$1,927,900	<input type="checkbox"/>	Increase	<input checked="" type="checkbox"/>	Decrease	4.4%
Non-Operating Revenue	3,310,800	<input checked="" type="checkbox"/>	Increase	<input type="checkbox"/>	Decrease	3.8%
Operating Expenditures	(4,684,200)	<input type="checkbox"/>	Increase	<input checked="" type="checkbox"/>	Decrease	3.3%
Major Maintenance and Capital Projects (net of grant funding)	(595,900)	<input checked="" type="checkbox"/>	Increase	<input type="checkbox"/>	Decrease	11.7%
Net Income (Loss)	(41,400)	<input checked="" type="checkbox"/>	Increase	<input type="checkbox"/>	Decrease	76.2%
Prior Year Specified Reserve Usage	209,800	<input type="checkbox"/>	Increase	<input checked="" type="checkbox"/>	Decrease	50.8%
Specified Reserve Funding	(85,000)	<input checked="" type="checkbox"/>	Increase	<input type="checkbox"/>	Decrease	240.0%
Increase (Decrease) in Operating Reserves	\$83,400	<input type="checkbox"/>	Increase	<input checked="" type="checkbox"/>	Decrease	63.3%

- The 2017/18 budget utilizes \$209,800 in prior year specified reserves to fund major maintenance and capital asset purchases and improvements. It places \$83,400 into operating reserves. Additionally, it places \$85,000 into specified reserves to fund the 2018 election and Harford Pier renovations.
- Operating revenue is budgeted to decrease 4.4% compared to 2016/17 projections. The budget does not include any fee increases for the District's enterprise activities. Operating revenues are budgeted to remain relatively consistent with current year projections with the exception of lease revenue. The District is experiencing some lease uncertainty and therefore has budgeted corresponding revenues conservatively.
- Non-Operating Revenue is budgeted to increase 3.8% compared to 2016/17 projections primarily due to the increase in Property Tax revenues. See pages 35-37 for further detail on revenue.
- Operating expenditures are budgeted to decrease 3.3% compared to 2016/17 projections. This decrease is largely due to a decrease in Salaries, Wages and Benefits and also the funding of the 2016 election during the 2016/17 fiscal year. Salaries, Wages and Benefits are budgeted to decrease 5.2% from current year projections. The District paid off its Tax Revenue Anticipation Note related to pension benefits during the 2016/17 year. Additional detail on operating expenditures can be found on page 38.
- The District anticipates revenues exceeding operating expenditures by \$554,500 which will be used to fund a portion of Major Maintenance and Capital Projects costs of \$1,837,900. Additional major maintenance and capital project costs will be funded using \$209,800 in specified reserves and \$1,242,000 in anticipated grants. See pages 48-56 for further major maintenance and capital project detail.





Priorities and Issues

Mission Statement

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.”





Priorities and Issues (Cont.)

Following are District goals in support of the mission statement and the departments responsible for working to achieve these goals:

	Admin.	Fac.	HP
<ul style="list-style-type: none"> • Provide for commercial and recreational boating and fishing activities 			
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Determine funding mechanism for extension of the mobile hoist pier. * 	✓	✓	
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Work with Yacht Club to increase boating access. 	✓		✓
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Review and update mooring policies including: <ul style="list-style-type: none"> ▪ Skiff policies. ▪ Live-aboard policies. ▪ Seaworthiness ordinance. 	✓	✓	✓
<ul style="list-style-type: none"> <ul style="list-style-type: none"> ▪ Live-aboard policies. 	✓	✓	✓
<ul style="list-style-type: none"> <ul style="list-style-type: none"> ▪ Seaworthiness ordinance. 	✓	✓	✓
<ul style="list-style-type: none"> • Provide coastal related opportunities 			
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Continue progress on the Harbor Terrace Project. * 	✓	✓	
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Continue progress on the Avila Pier Rehabilitation project including formation of a 501(c)(3). * 	✓	✓	
<ul style="list-style-type: none"> • Be environmentally responsible 			
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Continue to maintain Clean Marinas certificate. 		✓	
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Continue to work with Division of Boating and Waterways to secure Surrendered and Abandoned Vessel Exchange (SAVE) funds. 	✓		✓
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Implement Best Management Practices for sewer system. * <ul style="list-style-type: none"> ▪ Implement Sewer System Management Plan. ▪ Implement grease trap inspections. ▪ Reduce Biochemical Oxygen demand (BOD) levels. 		✓	
<ul style="list-style-type: none"> <ul style="list-style-type: none"> ▪ Implement grease trap inspections. 		✓	
<ul style="list-style-type: none"> <ul style="list-style-type: none"> ▪ Reduce Biochemical Oxygen demand (BOD) levels. 		✓	
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Research options to increase energy efficiency. * 	✓	✓	✓
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Perform sea level rise analysis. 	✓		
<ul style="list-style-type: none"> • Provide a safe environment 			
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Research dock options for both District staff and members of the public. * <ul style="list-style-type: none"> ▪ Complete Harbor Patrol dock project. ▪ Refurbish utilities on the workdock. 	✓	✓	✓
<ul style="list-style-type: none"> <ul style="list-style-type: none"> ▪ Refurbish utilities on the workdock. 		✓	
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Design standardized policies for Harbor Patrol. 			✓
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Determine the vessel needs for the Harbor Patrol and begin the funding plan. 	✓		✓
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Determine the needs of Harbor Patrol in a ready room. 			✓
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Achieve and maintain a fully staffed Harbor Patrol Department. * 			✓

Key: Admin. – Administration and Business Department, **Fac.** – Facilities Department, **HP** – Harbor Patrol

* Indicates a Harbor Commission Priority Goal



Priorities and Issues (Cont.)

	Admin.	Fac.	HP
<ul style="list-style-type: none"> • Well-managed 			
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Continue ongoing work on creating efficiencies through technology. 	✓	✓	✓
<ul style="list-style-type: none"> <ul style="list-style-type: none"> <ul style="list-style-type: none"> ▪ Implement Human Resources software. 	✓		
<ul style="list-style-type: none"> • Obtain recognition as a District of Distinction. 	✓		
<ul style="list-style-type: none"> • Submit Budget Document to the Government Finance Officers Association (GFOA) for consideration of Distinguished Budget Award. 	✓		
<ul style="list-style-type: none"> • Submit Comprehensive Annual Financial Report (CAFR) to the Government Finance Officers Association (GFOA) for consideration of the Certificate of Achievement for Excellence in Financial Reporting. 	✓		
<ul style="list-style-type: none"> • Continue with professional development for staff and Commissioners. 	✓	✓	✓
<ul style="list-style-type: none"> • Negotiate mutually agreeable SEIU and HPOA Memorandums of Understanding. 	✓		
<ul style="list-style-type: none"> • Develop a Communication Plan to keep the public better informed.* 	✓		
<ul style="list-style-type: none"> • Financially sustainable 			
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Maintain and enhance existing infrastructure and equipment. 	✓	✓	✓
<ul style="list-style-type: none"> <ul style="list-style-type: none"> <ul style="list-style-type: none"> ▪ Pursue grant opportunities and additional income sources.* 	✓	✓	✓
<ul style="list-style-type: none"> <ul style="list-style-type: none"> <ul style="list-style-type: none"> ▪ Review funding mechanisms for replacement of the underground storage tank. 	✓	✓	
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Review parking management plan for implementation.* 	✓		
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Increase fees to offset costs, where reasonable and where all cost savings options have been explored, before reducing service levels. 	✓		
<ul style="list-style-type: none"> • Preserve marine heritage and character 			
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Harford Pier Project: <ul style="list-style-type: none"> ▪ Facilitate a Coastal Development Permit for future improvements to pier terminus.* 	✓	✓	
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Continue to support commercial fishing heritage. 	✓	✓	✓
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Negotiate Commercial Fisherman's lease agreement. 	✓		
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Continue Advocacy for: * <ul style="list-style-type: none"> ▪ Federal Breakwater Repair. 	✓		
<ul style="list-style-type: none"> <ul style="list-style-type: none"> <ul style="list-style-type: none"> ▪ Dredging and Regional Sediment Management. 	✓	✓	
<ul style="list-style-type: none"> <ul style="list-style-type: none"> <ul style="list-style-type: none"> ▪ Critical Harbor of Refuge. 	✓		
<ul style="list-style-type: none"> <ul style="list-style-type: none"> <ul style="list-style-type: none"> ▪ Coast Guard presence in Port. 	✓		✓
<ul style="list-style-type: none"> <ul style="list-style-type: none"> <ul style="list-style-type: none"> ▪ Denial of Marine Sanctuary application. 	✓		
<ul style="list-style-type: none"> <ul style="list-style-type: none"> <ul style="list-style-type: none"> ▪ Other matters of interest. 	✓		

Key: Admin. – Administration and Business Department, **Fac.** – Facilities Department, **HP** – Harbor Patrol

* Indicates a Harbor Commission Priority Goal



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:

Increases in ongoing revenues are expected to keep pace with increases in ongoing District expenses, subject to the impacts of the legislative factors mentioned below. The upward trend in enterprise revenues, specifically RV camping and parking revenues, has seemed to level out as of March 2017. Revenues for these items correlate with weather conditions, which make it difficult to predict.

Economic trends have stabilized over the last couple years. Property Tax revenues are expected to increase by 4.1% in 2017/18. According to data presented by the Bureau of Labor Statistics the Unemployment rates in the San Luis Obispo Area have decreased to 4.2% in January 2017 from a high of 10.5% in January of 2010.

Certain economic factors such as uncertainty in the stock market, low oil prices, and a weaker Chinese economy may lead to a downturn in the economy in the near future. This may lead to a decrease in disposable income and negatively impact the District's Enterprise Fund revenue which relies on recreational spending. In addition, the largest employer in San Luis Obispo County, Pacific Gas & Electric Co., announced the closure of the Diablo Canyon power plant by 2025. Diablo provides 1,500 head-of-household jobs locally, and the effect of its closure in 2025 is certainly not inconsequential. Additionally, the District receives approximately \$390,000 in tax revenues annually associated with the plant. Knowing the timeline of the plant's closure will allow the County and Harbor District to plan ways to make up lost tax dollars as well as allow those individuals employed at the plant plan for future employment.

Legislative Factors:

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 significantly impacts the District's Enterprise Fund and Government-wide Statement presentation beginning with the 2014/15 financial statements issued in March 2016. According to the most recent actuarial reports the unfunded portion of the net pension liability was \$2,791,198.

In December of 2016, CalPERS announced its plan to lower the discount rate from 7.5% to 7.0% over the next three years. Lowering the discount rate means that employers, like the District, that contract with CalPERS to administer their pension plans will see increases in their normal costs and unfunded actuarial liabilities in upcoming years.

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 2017 the required minimum contribution is \$128 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 as of July 1, 2013 estimated the District's unfunded liability at \$821,325.



Short-Term Factors Influencing Decisions (Cont.)

The Federal Patient Protection and Affordable 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 as Congress evaluates the repeal and replacement of the existing ACA. The District is projecting a double digit increase in its 2018 health insurance costs.

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 \$28,891 from 2006 thru 2012 for costs associated with Brown Act mandates.

On March 28, 2016 Governor Jerry Brown signed a bill that will raise the minimum wage from \$10 per hour to \$15 per hour by 2022. Governor Brown will have the power to postpone an annual increase if the economy experiences a downturn. There is no consensus on the impact the new bill will have on unemployment rates. This measure is expected to cost California government about \$4 billion dollars a year by 2022. This is not expected to affect the District in the short-term, but may require the District to increase hourly pay rates in the future for recruitment and retention purposes.

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, 2016 the District spent \$475,600, including grant funded projects, and recorded depreciation expense of \$688,800. This was possible due to use of \$60,700 in grant funds from the Surrendered and Abandoned Vessel Exchange (SAVE) funds from the Division of Boating and Waterways along with other small grants. For fiscal year ending June 30, 2018 the District has budgeted \$1,837,900 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. Grant funding is budgeted to be \$1,242,000 for the 2017/18 fiscal year.

The District made the decision to close the Avila Pier in June of 2015 due to safety concerns. The District worked with an outside consultant to complete a Feasibility Study in early 2017 to determine the viability of replacing the Avila Pier as it is currently configured, and the potential for funding the project through a myriad of options and the time frame. The completed study provided the Board of Commissioners with recommendations, which they approved in March 2017. During the 2017/18 fiscal year, the Board will work on prioritizing the recommendations and determining a path forward.

A 2016 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 that there will be regulatory changes for the ocean outfall that would require treatment plant upgrades. 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.



Short-Term Factors Influencing Decisions (Cont.)

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.

The Final Budget is presented to the Harbor Commission at the June Board of Commissioners 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.

	January	February	March	April	May	June	July
Staff compares current year projections with budgeted amounts	X	X					
Mid-year 2016/17 Budget review at Harbor Commissioner meeting		X					
Harbor Commission approves 2017/18 budget calendar		X					
Harbor Commission reviews first draft of 2017/18 Budget, provides input			X				
First draft of 2017/18 Budget updated per Harbor Commission direction			X	X			
Harbor Commission reviews and adopts Preliminary 2017/18 Budget, provides input				X			
Staff posts Public Notice of adoption of Preliminary 2017/18 Budget, Public hearing to adopt changes to Fee Schedule, Public hearing for adoption of Final Budget				X			
Staff revises 2017/18 Preliminary Budget per Harbor Commission direction				X	X		
Updates on issues affecting Preliminary 2017/18 Budget at Harbor Commission meeting					X		
Public Hearing to adopt changes to Fee Schedule at Harbor Commission meeting					X		
Staff prepares Final 2017/18 budget					X	X	
Public Hearing to adopt Final 2017/18 Budget						X	
Final 2017/18 Budget transmitted as necessary to SLO County departments						X	X



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.

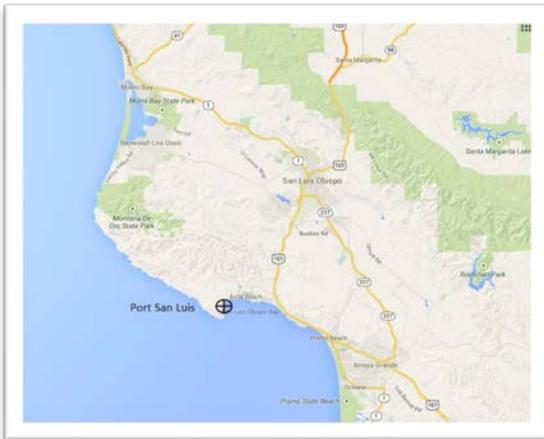
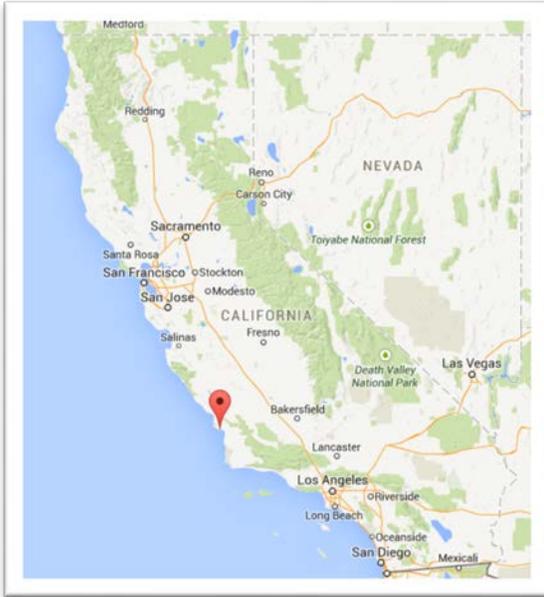


About Us



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	1,627
2000	247,878	797
1990	217,162	Not avail.
1980	155,435	Not avail.

*Source: US Census Bureau





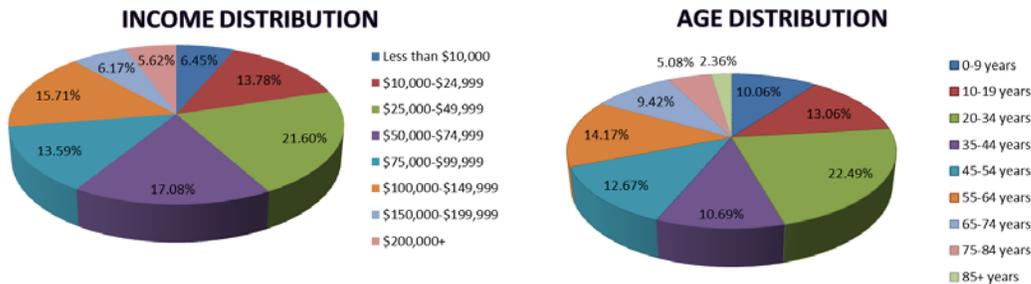
Where is Port San Luis (Cont.)?

Port San Luis is located in San Luis Obispo County. Due to its size, demographic information for the Harbor is not available. Information for the County is presented.

San Luis Obispo County is made up of seven cities as well as many unincorporated communities. The California Department of Finance estimated the population to be 280,101 as of January 1, 2017. This is a 0.6% increase from the January 1, 2016 estimates.

SLO County Population by City	
Arroyo Grande	17,736
Atascadero	30,900
Paso Robles	31,745
Grover Beach	13,438
Morro Bay	10,762
Pismo Beach	8,247
San Luis Obispo	46,724
Unincorporated	120,549
Total (Estimated)	280,101

*Source: California Department of Finance



*Source: US Census Bureau

The County's median household income is estimated at \$60,691 in 2015. This is less than the estimated median income for the State of California of \$64,500.

The median age of San Luis Obispo County residents was estimated at 39.3 years in 2015 as compared to 35.8 years in the state of California.



Where is Port San Luis (Cont.)?

Port San Luis is located in San Luis Obispo County. Due to its size, demographic information for the Harbor is not available. Information for the County is presented.

Demographic and Economic Statistics

Calendar Year	Population	Personal Income (in thousands)	Per Capital Personal Income	Unemployment Rate
2007	264,900	\$9,977,057	\$38,114	4.6%
2008	269,337	10,709,753	40,204	5.7%
2009	270,429	10,237,494	38,179	9.0%
2010	273,231	10,532,649	38,994	10.0%
2011	270,966	10,966,438	40,322	9.9%
2012	271,483	12,008,355	43,022	8.5%
2013	272,177	12,547,278	45,388	6.4%
2014	272,357	12,823,005	42,911	5.3%
2015	274,293	Not Avail.	Not Avail.	4.4%
2016	277,977	Not Avail.	Not Avail.	4.5%

*Sources: Employment Development Department, San Luis Obispo County Annual Financial Report

Principal Taxpayers (Fiscal Year 2017)

Taxpayer	Industry	Assessed Value (in thousands)	% of Total County Assessed Value
Pacific Gas & Electric	Utility	\$2,546,219	5.03%
Phillips 66 Company	Oil Refinery	149,256	0.29%
Beringer Wine Estate Co.	Winery	89,124	0.18%
CAP VIII – Mustang Village LLC	Apartments	88,660	0.18%
E&J Gallo Winery	Winery	78,324	0.15%
Martin Hotel Management Co. LLC	Hotel	66,471	0.13%
AT&T California	Telephone	62,531	0.12%
Pasquini Charles Jr. TRE ETAL	Multi-Property Owner	59,063	0.12%
Firestone Walker LLC	Brewery	56,396	0.11%
Brodiaea Inc.	Land Management	45,866	0.09%
Total Top 10 Taxpayers		\$3,241,910	6.40%

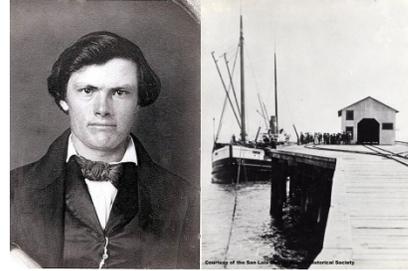
*Source: County of San Luis Obispo Property Tax "2016-17 Property Tax Perspective"



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 continues to be an important regional destination for recreational fishers, who use the District's facilities for launching trailer-able boats to fish for rockfish, salmon, sea bass and other species depending on season and presence of fish. The Port also hosts a very active commercial fishing industry that continues its significant rebound from its low point in 2005 of \$870,000 in landings to 2015 of 2,280,000 landings, an almost three fold increase. The top species landed in the Port are Brown Rockfish, Gopher Rockfish, Cabazon, Dungeness and Rock Crab. The Port has commissioned a Commercial Fishing Economic Impact to be completed in the upcoming year that will provide further data on the important industry.

Last year Port San Luis successfully leased the former "ice house" on Harford Pier to a new Commercial Fishing Business – Wilcox Fisheries. Wilcox Fisheries, who predominantly targets hagfish, has continued to stabilize and grow this new business.

Recreation:

Recreation continues to play a very significant role in the use of the District's facilities, resulting in increased demand on District resources including, maintenance, Harbor Patrol and administrative staff. The District's beaches host hundreds of thousands of visitors annually for traditional beach activities as well as kayaking, paddle boarding, surfing, outrigger canoeing and boogie boarding. The restored 19th century Point San Luis Lighthouse, is another very popular destination, owned by Port San Luis Harbor District and restored, managed, and maintained by the Point San Luis Lighthouse Keepers, our non-profit partner. Visitors can access the Lighthouse by scheduled trolley trip and docent led hikes. Adventurous individuals can also access the Lighthouse by arriving on the popular Coast Guard Beach, walking up the stairs and self-touring the Lighthouse grounds.

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. With permits in place and a developer/operator identified the project is moving forward with the goal of a signed ground lease document by mid-summer 2017. The project timeline from signed lease to grand opening is a conservative 2 years. Once completed, Harbor Terrace will feature space for marine gear and boat storage, District uses and overnight accommodations, including the more rustic walk-in tent camping, to RV sites and self-contained cabins. The site will also feature commercial space and swimming pool. 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.

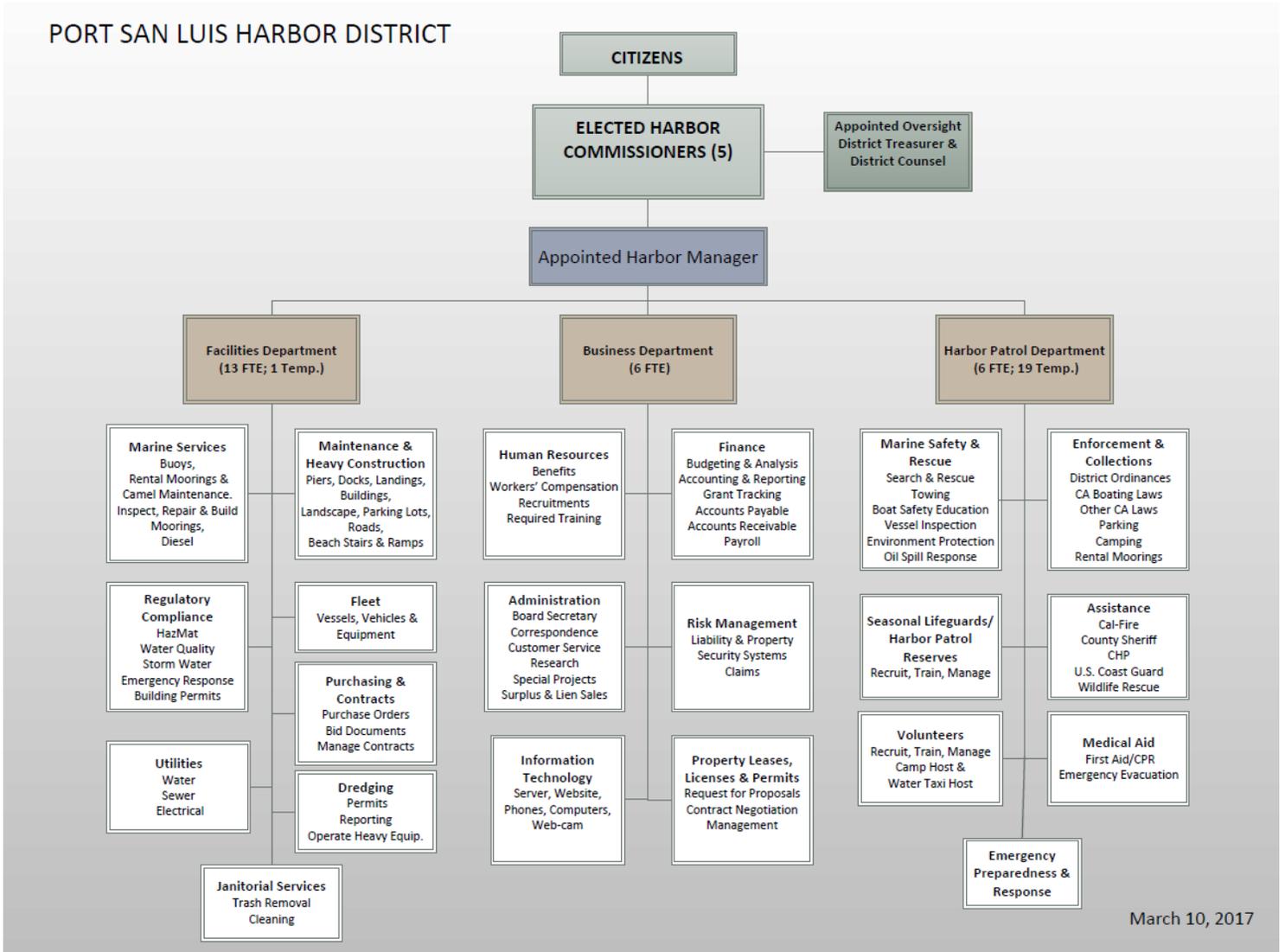


Port San Luis Today (Cont.)





Organizational Chart





Staffing Authorization

	<u>FY 2015/16</u>	<u>FY 2016/17</u>	<u>FY 2017/18</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)	1	1	1
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	6	6	6
Mooring Crew Workleader	1	1	1
Port Maintenance Worker Deckhand	1	1	1
Harbor Patrol Department			
Chief Harbor Patrol Officer	1	1	1
Supervising Harbor Patrol Officer	0	0	1
Harbor Patrol Officer	5	5	4
Harbor Patrol Reserves (20 hours per month)	0	4	4
Temporary Seasonal Workers			
Temporary Port Maintenance Worker	1	1	1
Lifeguards	15	15	15
TOTAL STAFFING	<u>42</u>	<u>46</u>	<u>46</u>

* The 2017/18 budget includes the addition of a new position, Supervising Harbor Patrol Officer, and the decrease of a Harbor Patrol Officer position. The ultimate goal in the staffing change is to create more structure in the department and provide an opportunity for additional leadership and upward mobility.



Department Summary

Administration and Business Department

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 Accounting Technician. 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, boat storage, 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.)

Administration and Business Department

Budget Summary

	2015/16 Actual	2016/17 Projected	2017/18 Budget	% Change from Projections
Wages	\$ 586,600	\$ 529,000	\$ 543,400	2.7%
Benefits & Payroll Taxes	428,300	325,700	318,100	-2.3%
Contract Labor	1,100	1,000	1,000	0.0%
Pension Obligation Debt	197,100	310,200	-	-100.0%

*The District paid off its pension obligation debt during the 2016/17 fiscal year.

Operating Indicators

	2012/13	2013/14	2014/15	2015/16
Recruitments opened	3	3	6	12
Lien sales conducted	4	2	1	0
RFP's released	4	5	5	6
Special event permits processed	65	55	64	61
Leases managed (as of June 30 th)	10	10	10	10
Licenses managed (as of June 30 th)	11	11	10	12
Claims filed against the District	6	1	1	0
Mooring patrons	164	154	154	153
Skiff storage patrons	51	50	50	47
Boat storage patrons	35	34	48	44
Gear storage patrons	12	13	14	13
Grants received	4	2	3	3
Amount of grants received	\$749,926	\$231,857	\$44,781	\$53,500



Department Summary (Cont.)

Administration and Business Department Goals (From pages 6-7)

	ST	LT	O
• Determine funding mechanism for the extension of the mobile hoist pier.		✓	
• Work with Yacht Club to increase boating access.			✓
• Review and update mooring policies including:			
○ Skiff policies.	✓		
○ Live-aboard policies.	✓		
○ Seaworthiness ordinance.	✓		
• Continue progress on the Harbor Terrace Project.	✓		
• Continue progress on the Avila Pier Rehabilitation project including formation of 501(c)(3).	✓		
• Continue to work with Division of Boating and Waterways to secure SAVE funds.			✓
• Research options to increase energy efficiency.			✓
• Perform sea level rise analysis.	✓		
• Research dock options for both District staff and members of the public.			
○ Complete Harbor Patrol dock project.	✓		
• Determine the vessel needs for the Harbor Patrol and begin the funding plan.	✓		
• Continue ongoing work on creating efficiencies through technology.			✓
○ Implement Human Resources software.	✓		
• Obtain recognition as a District of Distinction.	✓		
• Submit Budget Document to the GFOA for consideration of the Distinguished Budget Award.	✓		
• Submit CAFR to the GFOA for consideration of the Certificate of Achievement for Excellence in Financial Reporting.	✓		
• Continue with professional development for staff and Commissioners.			✓
• Negotiate mutually agreeable SEIU and HPOA Memorandums of Understanding.	✓		
• Develop a Communication Plan to keep the public better informed.	✓		
• Maintain and enhance existing infrastructure and equipment.			✓
○ Pursue grant opportunities and additional income sources.			✓
○ Review funding mechanisms for replacement of the underground storage tank.		✓	
• Review parking management plan for implementation.	✓		
• Increase fees to offset costs, where reasonable and where all cost savings options have been explored, before reducing service levels.			✓
• Facilitate a Coastal Development Permit for future improvements to pier terminus.		✓	
• Continue to support commercial fishing heritage.			✓
• Negotiate Commercial Fisherman's lease agreement.	✓		
• Continue Advocacy for:			
○ Federal Breakwater Repair.			✓
○ Dredging and Regional Sediment Management.			✓
○ Critical Harbor of Refuge.			✓
○ Coast Guard presence in Port.			✓
○ Denial of Marine Sanctuary application.			✓
○ Other matters of mutual interest.			✓

*Key: **ST** – Short-term (< 2 years), **LT** – Long-term (> 2 years), **O** – Ongoing



Department Summary (Cont.)

Facilities Department

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 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.)

Facilities Department

Budget Summary

	2015/16 Actual	2016/17 Projected	2017/18 Budget	% Change from Projections
Wages	\$ 764,800	\$ 822,800	\$ 875,400	6.4%
Benefits	431,800	481,300	513,000	6.6%
Contract Labor	25,800	14,300	19,500	36.4%

*Contract labor includes work crews from the California Men's Colony and vessel haul outs. During 2015/16, Contract labor also included \$13,400 in temporary Port Maintenance Worker wages as this position was previously hired through a staffing agency. The District has changed its practices and now hires the temporary Port Maintenance Worker as an employee, therefore these salaries are included in the Wages line item beginning in 2016/17. Monthly fees for the work crews are budgeted to be approximately \$300/month more than the 2016/17 projections.

Operating Indicators

	2012/13	2013/14	2014/15	2015/16
Dredge hours	655	467	520	493
Boats fueled	199	215	285	288
Invitations to Bid released	6	7	4	4
Major maintenance projects completed	10	7	7	9
Amount of major maintenance completed	\$309,572	\$116,176	\$179,320	\$244,573
Capital projects completed	10	18	10	9
Amount of capital projects completed	\$538,463	\$1,263,366	\$508,896	\$230,747
Grants received	2	3	3	1
Amount of grants received	\$34,200	\$248,400	\$19,764	\$4,000





Department Summary (Cont.)

Facilities Department Goals

(From pages 6-7)

	ST	LT	O
• Determine funding mechanism for the extension of the mobile hoist pier.		✓	
• Review and update mooring policies including:			
○ Skiff policies.	✓		
○ Live-aboard policies.	✓		
○ Seaworthiness ordinance.	✓		
• Continue progress on the Harbor Terrace Project.		✓	
• Continue progress on the Avila Pier Rehabilitation project including formation of 501(c)(3).		✓	
• Continue to maintain Clean Marinas Certificate.			✓
• Implement Best Management Practices for sewer system.			✓
○ Implement Sewer System Management Plan.			✓
○ Implement grease trap inspections.			✓
○ Reduce Biochemical Oxygen Demand (BOD) levels.			✓
• Research options to increase energy efficiency.			✓
• Research dock options for both District staff and members of the public.			
○ Complete Harbor Patrol dock project.	✓		
○ Refurbish utilities on the work dock.	✓		
• Continue ongoing work on creating efficiencies through technology.			✓
• Continue with professional development for staff and Commissioners.			✓
• Maintain and enhance existing infrastructure and equipment.			✓
○ Pursue grant opportunities and additional income sources.			✓
○ Review funding mechanisms for replacement of the underground storage tank.		✓	
• Harford Pier Project:			
○ Facilitate a Coastal Development Permit for future improvements to pier terminus.		✓	
• Continue to support commercial fishing heritage.			✓
• Continue Advocacy for:			
○ Dredging and Regional Sediment Management.			✓

*Key: **ST** – Short-term (< 2 years), **LT** – Long-term (> 2 years), **O** – Ongoing



Department Summary (Cont.)

Harbor Patrol Department

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 2017/18 budget includes the addition of a new position, Supervising Harbor Patrol Officer, and the decrease of a Harbor Patrol Officer position. The department includes one Chief Harbor Patrol Officer, one Supervising Harbor Patrol Officer, four full time Harbor Patrol officers, fifteen seasonal lifeguards, and four reserves.

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).

Harbor Patrol Reserve Program:

The Harbor Patrol reserve program is designed to enhance the capabilities and strengths of the Harbor Patrol department as well as provide a potential training ground for future permanent employees. Harbor Patrol Reserves may be used for special events, holidays, and weekends and to assist with Harbor Patrol staffing levels during training, sick/vacation coverage. They have the unique opportunity to train and work with career Harbor Patrol Officers in many of the aspects of the job. Some of these aspects include routine patrol, boater education and public relations, deck handling, emergency response and a multitude of other assignments. The program budget includes four reserves estimated to work 20 hours per month each.



Department Summary (Cont.)

Harbor Patrol Department

Budget Summary

	2015/16 Actual	2016/17 Projected	2017/18 Budget	% Change from Projections
Wages	\$ 505,600	\$ 543,300	\$ 537,600	-1.0%
Benefits	224,500	229,100	273,200	19.2%
Contract Labor	84,600	85,400	85,700	0.4%

* While the Department is budgeted to be fully staffed during the 2017/18 fiscal year, three of the six employees are new to their positions. Therefore, even though the Department is budgeted to be fully staffed, the employees are at lower ranges on the District salary schedules than their predecessors thus explaining the decrease in wages. The increase in benefits is a result of the full staffing levels budgeted throughout the 2017/18 fiscal year (6 benefitted employees in 2017/18 versus an average of 5.08 benefitted employees in 2016/17).

Harbor Patrol Operating Indicators

Fiscal Year	2012/13	2013/14	2014/15	2015/16
Agency to agency assistance	223	188	155	141
Wildlife rescues	117	75	109	64
Parking citations	473	741	483	583
Water taxi passengers	Not avail.	3,506	5,377	5,609
Avila parking lot spaces sold	62,716	69,923	84,353	79,591
RV camping nights sold	12,058	13,744	13,840	13,931
Grants received	0	1	0	1
Amount of grants received	\$0	\$11,759	\$0	\$2,950

Lifeguard Operating Indicators

Calendar Year	2013	2014	2015	2016
Rescues	20	26	26	17
Medical aids	159	171	74	102
Contacts for beach fire compliance	18	16	18	10
Contacts for dog law compliance	737	662	895	900
Contacts for alcohol compliance	939	516	684	935



Department Summary (Cont.)

Harbor Patrol Department Goals

(From pages 6-7)

	ST	LT	O
• Work with Yacht Club to increase boating access.			✓
• Review and update mooring policies including:			
○ Skiff policies.	✓		
○ Live-aboard policies.	✓		
○ Seaworthiness ordinance.	✓		
• Continue to work with Division of Boating and Waterways to secure SAVE funds.			✓
• Research options to increase energy efficiency.			✓
• Research dock options for both District staff and members of the public.			
○ Complete Harbor Patrol dock project.	✓		
• Design standardized policies for Harbor Patrol.	✓		
• Determine the vessel needs for the Harbor Patrol and begin the funding plan.	✓		
• Determine the needs of Harbor Patrol in a ready room.	✓		
• Achieve and maintain a fully staffed Harbor Patrol department.	✓		
• Continue ongoing work on creating efficiencies through technology.			✓
• Continue with professional development for staff and Commissioners.			✓
• Maintain and enhance existing infrastructure and equipment.			✓
○ Pursue grant opportunities and additional income sources.			✓
• Continue to support commercial fishing heritage.			✓
• Continue Advocacy for:			
○ Coast Guard presence in Port.			✓

*Key: **ST** – Short-term (< 2 years), **LT** – Long-term (> 2 years), **O** – Ongoing





Consolidated Budget



Consolidated Financial Schedule

	Capital Outlay			Total Budget
	General Fund	Fund	Enterprise Fund	
Revenues				
Charges for Services	\$ -	\$ -	\$ 486,500	\$ 486,500
Mooring Fees	-	-	140,900	140,900
Lease and License	-	-	1,280,900	1,280,900
Diesel Sales	-	-	19,600	19,600
Property Taxes	3,288,800	-	-	3,288,800
Interest	16,000	-	4,000	20,000
Other Financing Sources	-	-	-	-
Other Non-Operating Revenue	1,000	-	1,000	2,000
Grant Funding	-	238,800	1,003,200	1,242,000
Fund Transfer	(321,800)	321,800	-	-
Total Revenues	\$ 2,984,000	\$ 560,600	\$ 2,936,100	\$ 6,480,700
Expenditures by Category				
Salaries, Wages & Benefits	\$ 2,243,200	\$ -	\$ 923,700	\$ 3,166,900
Supplies	86,000	-	29,100	115,100
Operations & Maintenance	148,700	-	96,700	245,400
Utilities	289,400	-	201,800	491,200
General & Administrative	386,700	-	278,900	665,600
Major Maintenance	-	235,800	103,700	339,500
Capital Projects	-	324,800	1,173,600	1,498,400
Total Expenditures by Category	\$ 3,154,000	\$ 560,600	\$ 2,807,500	\$ 6,522,100
Expenditures by Function				
Administration	\$ 907,700	\$ -	\$ 676,600	\$ 1,584,300
Maintenance	1,271,800	-	841,600	2,113,400
Safety	974,500	-	12,000	986,500
Major Maintenance	-	235,800	103,700	339,500
Capital Projects	-	324,800	1,173,600	1,498,400
Total Expenditures by Function	\$ 3,154,000	\$ 560,600	\$ 2,807,500	\$ 6,522,100
Revenues less Expenditures	\$ (170,000)	\$ -	\$ 128,600	\$ (41,400)
Specified Reserve Usage	\$ 87,600	\$ -	\$ 122,200	\$ 209,800
Specified Reserve Funding	\$ (73,000)	\$ -	\$ (12,000)	\$ (85,000)
Increase/(Decrease) in Operating Reserves	\$ (155,400)	\$ -	\$ 238,800	\$ 83,400
Estimated Beginning Fund Balance as of July 1, 2017	\$ 1,117,100	\$ 83,500	\$ 1,747,400	\$ 2,948,000
Estimated Ending Fund Balance as of June 30, 2018	\$ 947,100	\$ 83,500	\$ 1,876,000	\$ 2,906,600
Percentage Change in Fund Balance	-15.2%	0.0%	7.4%	-1.4%



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 15.2%. The source of revenue for the General Fund is primarily property tax. Property tax revenue has increased slowly over the last few years with \$2,821,300 in revenue in 2008/09 versus 2017/18 expected property tax revenue of \$3,288,800 which is a 16.6% increase over the last ten years and an average of 1.66% per year. During the same period salaries and benefits have increased from \$1,503,400 in 2008/09 versus expected wages of \$2,243,200 in 2017/18 which is a 49.2% increase over the last ten years or 4.9% 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 7.4%. Enterprise Fund operating revenues in 2008/09 were \$1,276,300 versus \$1,927,900 expected in 2017/18 or a 51.1% increase. During the same period salaries and benefits have increased from \$609,800 in 2008/09 versus expected wages of \$923,700 in 2017/18 which is a 51.5% increase over the last ten years or 5.2% 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		
	2015/16 Actual	2016/17 Projected	2017/18 Budget	2015/16 Actual	2016/17 Projected	2017/18 Budget	2015/16 Actual	2016/17 Projected	2017/18 Budget	2015/16 Actual	2016/17 Projected	2017/18 Budget
Revenues												
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 537,300	\$ 482,400	\$ 486,500	\$ 537,300	\$ 482,400	\$ 486,500
Mooring Fees	-	-	-	-	-	-	130,300	140,900	140,900	130,300	140,900	140,900
Lease and License	-	-	-	-	-	-	1,371,300	1,373,400	1,280,900	1,371,300	1,373,400	1,280,900
Diesel Sales	-	-	-	-	-	-	22,000	19,600	19,600	22,000	19,600	19,600
Property Taxes	3,181,500	3,160,000	3,288,800	-	-	-	-	-	-	3,181,500	3,160,000	3,288,800
Interest	12,200	20,500	16,000	-	-	-	12,900	5,100	4,000	25,100	25,600	20,000
Other Financing Sources	-	2,400	-	-	-	-	-	300	-	-	2,700	-
Other Non-Operating Revenue	-	(1,000)	1,000	-	-	-	7,800	1,100	1,000	7,800	100	2,000
Grant Funding	-	-	-	70,000	31,800	238,800	8,800	18,500	1,003,200	78,800	50,300	1,242,000
Fund Transfer	(147,700)	(266,500)	(321,800)	283,000	266,500	321,800	(135,300)	-	-	-	-	-
Total Revenues	3,046,000	2,915,400	2,984,000	353,000	298,300	560,600	1,955,100	2,041,300	2,936,100	5,354,100	5,255,000	6,480,700
Expenditures by Category												
Salaries, Wages & Benefits	2,234,800	2,403,700	2,243,200	-	-	-	1,015,400	938,400	923,700	3,250,200	3,342,100	3,166,900
Supplies	73,500	85,100	86,000	-	-	-	26,800	25,100	29,100	100,300	110,200	115,100
Operations & Maintenance	170,800	146,200	148,700	-	-	-	108,900	89,800	96,700	279,700	236,000	245,400
Utilities	272,400	281,900	289,400	-	-	-	195,100	186,600	201,800	467,500	468,500	491,200
General & Administrative	285,800	461,900	386,700	-	-	-	208,800	226,700	278,900	494,600	688,600	665,600
Major Maintenance	-	-	-	191,300	122,600	235,800	53,500	58,300	103,700	244,800	180,900	339,500
Capital Projects	-	-	-	161,700	175,700	324,800	69,100	227,100	1,173,600	230,800	402,800	1,498,400
Total Expenditures by Category	3,037,300	3,378,800	3,154,000	353,000	298,300	560,600	1,677,600	1,752,000	2,807,500	5,067,900	5,429,100	6,522,100
Increase (Decrease)	8,700	(463,400)	(170,000)	-	-	-	277,500	289,300	128,600	286,200	(174,100)	(41,400)
Specified Reserve Usage	-	377,700	87,600	-	-	-	-	48,700	122,200	-	426,400	209,800
Specified Reserve Funding	(241,700)	(17,500)	(73,000)	-	-	-	(186,400)	(7,500)	(12,000)	(428,100)	(25,000)	(85,000)
Funding/(funded by) Operating Reserve	\$ (233,000)	\$ (103,200)	\$ (155,400)	\$ -	\$ -	\$ -	\$ 91,100	\$ 330,500	\$ 238,800	\$ (141,900)	\$ 227,300	\$ 83,400



District Revenue

The District generates a majority of its revenue through property taxes. For the 2017/18 fiscal year, property taxes are budgeted to bring in \$3,288,800. This amount is based on estimates received from the County of San Luis Obispo and is a 4.1% increase over 2016/17 projections.

Lease, License and RV camping revenue are the second largest revenue source. This amount is calculated based on current lease agreements and trends. For 2017/18 it is estimated that this will be \$1,280,900. This is a 6.7% decrease from 2016/17 projections. The District is experiencing some uncertainty with some of its lessees, thus revenue related to these leases is budgeted conservatively. Service revenue, including parking, citation and administrative revenues is budgeted to be \$486,500. The District assumed that 2017/18 revenues for these items would be in-line with 2016/17 projections.

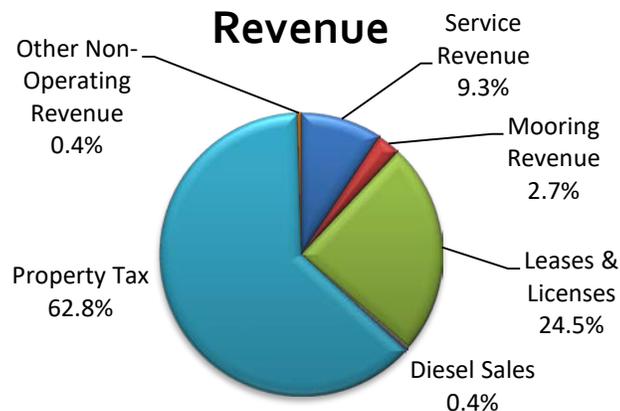
The District has budgeted to receive \$140,900 from its mooring operations in 2017/18 which is consistent with 2016/17 projections. This includes quarterly payments for permanent moorings and associated inspections and repair services, and daily rental mooring payments.

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 2017/18 fiscal year. This is consistent with 2016/17 projections.

The budget does not include any increases in District fees.

Grant revenue is budgeted to bring in \$1,242,000 in 2017/18. These funds are to be used towards abandoned vessel removal, Lighthouse Road maintenance, a Harbor Patrol boat, the extension of the mobile hoist pier, and a sea-level rise analysis. The District has historically received funds to help cover expenditures related to dog waste bags as well as assistance with costs related to Washington DC lobbying efforts. Projected grant revenue for these two items have been included in the budget as well.

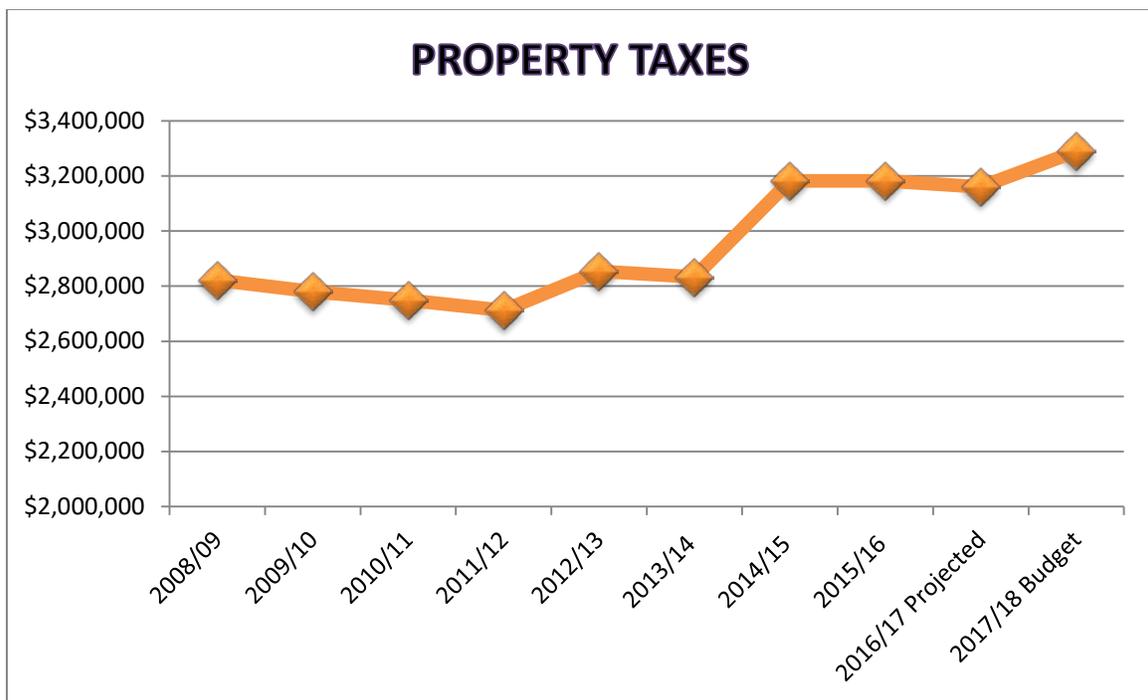
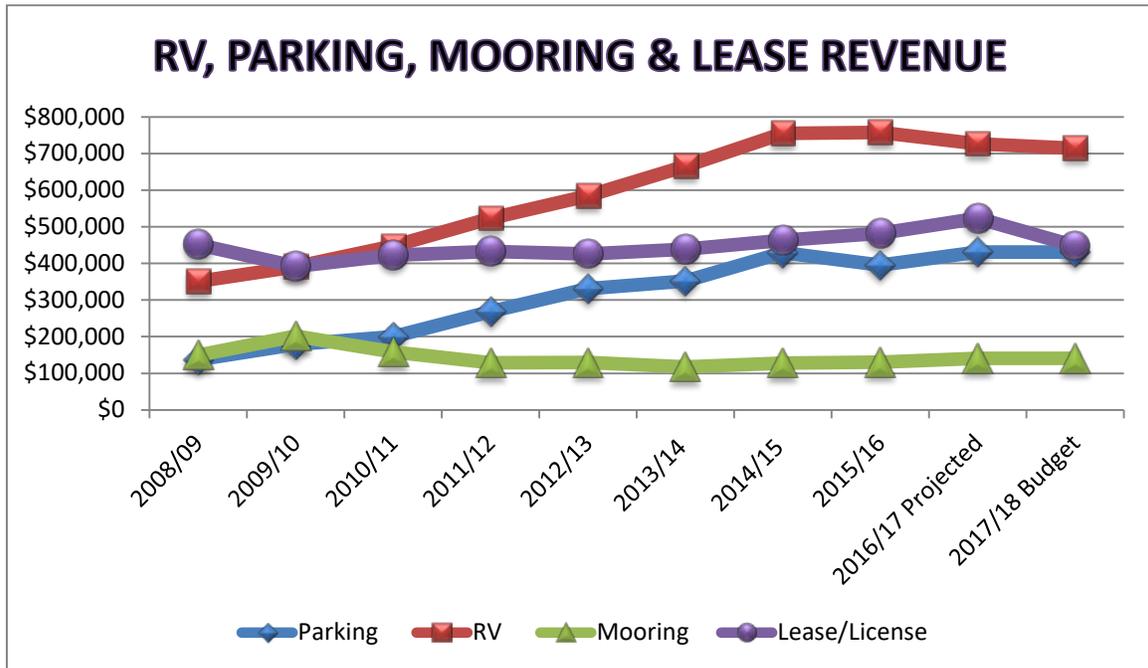
The chart below shows each of the major revenue sources in relation to the total revenue generated by the District for the fiscal year.





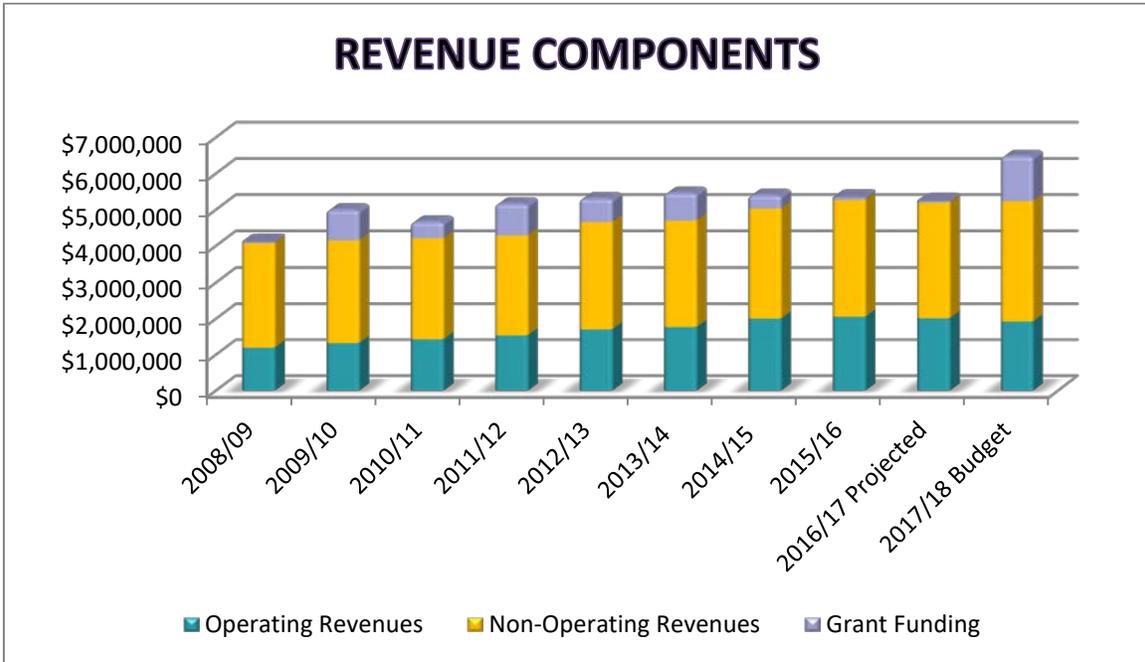
Recent Revenue Trends

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





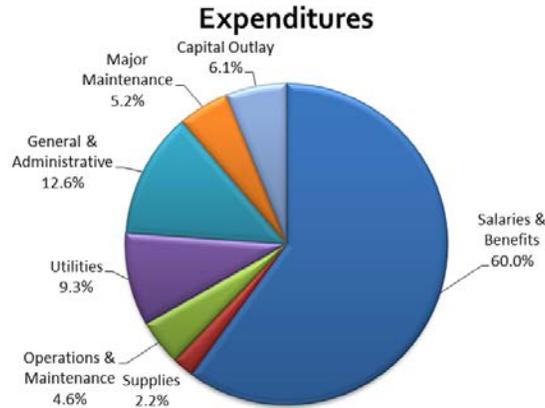
Recent Revenue Trends (Cont.)





District Expenditures

Expenditures for the 2017/18 budget (*net of grant revenue*) are budgeted to be \$5,280,100. The following chart shows the percentage of funds spent on each major category of expenditure.



Salaries/Wages and Benefits are budgeted to be \$3,166,900. The budget includes annual cost of living adjustments per the memoranda of understanding between the District and bargaining units, and managers' employment contracts and assumes the District returns to a full staffing level. Additionally, a new Supervising Harbor Patrol Officer has been added while a Harbor Patrol Officer position has been removed. Health insurance premiums are expected to increase by 15% beginning January 2018. The District is also budgeting to see an increase in pension costs as the District's portion of its unfunded liability continues to grow each year.

Supplies are budgeted at \$115,100, a 4.4% increase from 2016/17 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 \$245,400, a 4.0% increase from 2016/17 projections. Operations and maintenance expenditures include fuel, building and vehicle maintenance, signage, and beach maintenance among other things.

Utilities are budgeted to be \$491,200. The District saw an increase in its water costs related to a true-up of prior year expenditures from the County of San Luis Obispo.

General and Administrative expenditures are budgeted to be \$665,600. Included in the 2017/18 budget is \$30,000 in treasurer fees, \$65,900 in legal fees, \$12,000 in parking enforcement fees, and \$65,000 in tax collection fees. The District's property insurance rates are budgeted to increase by 10%. The District had to pay fees related to the 2016 election during the 2016/17 fiscal year, these will not be incurred during the 2017/18 fiscal year. Additionally, the 2016/17 budget included \$45,000 in consulting fees for the Avila Pier PR efforts. The 2017/18 budget assumes consulting fees will return to prior levels.

After completing a thorough review of the District's policies, it was determined that District Policy #3020 requires the placement of 1.75% of general and enterprise fund revenues into contingency funds spread out over all of the above-listed expense categories. This budget includes a new contingency line item in each category of expenditures to comply with this requirement.

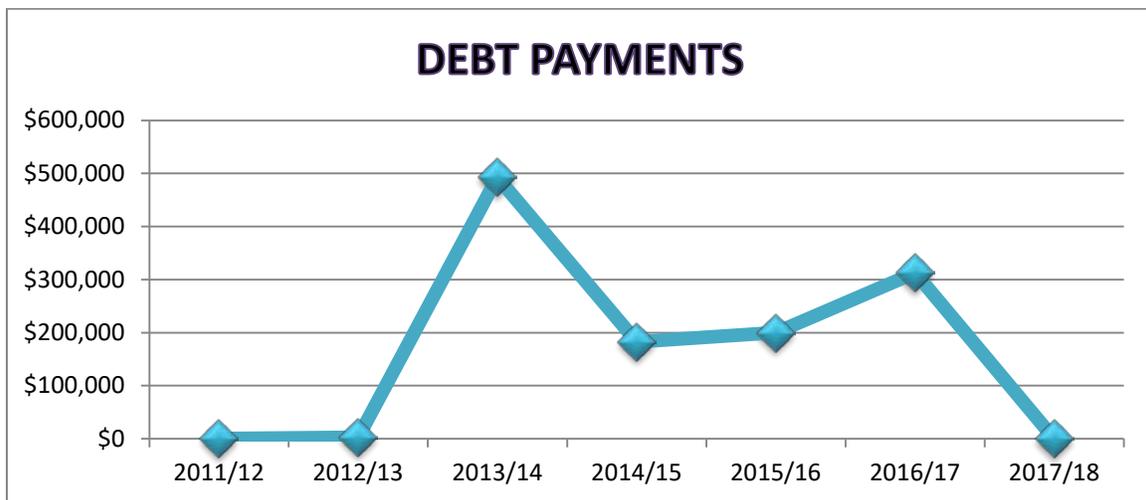
Detail on the major maintenance and capital projects can be found on pages 48-56.



Debt

As of July 1, 2017, the District had an outstanding debt balance of \$306,459 which included a Tax Revenue Anticipation Note related to District pension liabilities, and a capital lease for the District's phone system. During the 2016/17 fiscal year, the District was successful in paying off both liabilities and therefore does not have any budgeted expenditures related to debt in the 2017/18 fiscal year.

The chart below shows the District's historical debt payments as well as the budgeted payments for the 2017/18 fiscal year.





Consolidated Budget Summary

	Last Year 2015/16		Current Year 2016/17		2017/18		% Change from 2016/17 Projections
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget	
REVENUES							
Service Revenue <i>(Avila Parking, Location Fees, Citations)</i>	\$ 400,000	\$ 537,300	\$ 521,000	\$ 482,400	\$ 486,500	\$ 486,500	0.8%
Mooring Revenue <i>(Moorage Fees, Equipment Sales, Skiff Space, Exclusive of Labor and O&M)</i>	123,700	130,300	140,900	140,900	140,900	140,900	0.0%
Leases & Licenses <i>(Leases, Licenses, RVs, Utility Reimbursement)</i>	1,237,000	1,371,300	1,292,900	1,373,400	1,280,900	1,280,900	-6.7%
Diesel Sales <i>(Exclusive of Labor, O&M and Permits)</i>	19,600	22,000	19,600	19,600	19,600	19,600	0.0%
Total Operating Revenue	1,780,300	2,060,900	1,974,400	2,016,300	1,927,900	1,927,900	-4.4%
Non-Operating Revenue/(Expenditure) <i>(Property Tax, Interest)</i>	3,054,400	3,214,400	3,182,200	3,188,400	3,310,800	3,310,800	3.8%
REVENUES	\$ 4,834,700	\$ 5,275,300	\$ 5,156,600	\$ 5,204,700	\$ 5,238,700	\$ 5,238,700	0.7%
EXPENDITURES							
Salaries/Wages/Benefits <i>Less: Prior year reserve use</i>	\$ 3,167,500	\$ 3,250,200	\$ 3,450,600	\$ 3,342,100	\$ 3,158,800	\$ 3,166,900	-5.2%
Supplies	100,800	100,300	113,100	110,200	115,100	115,100	4.4%
Operations & Maintenance <i>Less: Prior year reserve use</i>	279,000	279,700	245,500	236,000	245,400	245,400	4.0%
Utilities	477,800	467,500	465,100	468,500	468,700	491,200	4.8%
General & Administrative <i>Budget Contingency</i>	554,800	494,600	677,700	688,600	560,800	560,800	-18.6%
<i>Less: Prior year reserve use</i>	22,100	-	26,800	-	104,800	104,800	
<i>Less: Prior year reserve use</i>	-	-	(90,000)	(90,000)	-	-	-100.0%
OPERATING EXPENDITURES	\$ 4,602,000	\$ 4,592,300	\$ 4,753,500	\$ 4,619,500	\$ 4,653,600	\$ 4,684,200	1.4%
NET INCOME BEFORE MAJOR MAINTENANCE & CAPITAL PROJECTS	\$ 232,700	\$ 683,000	\$ 403,100	\$ 585,200	\$ 585,100	\$ 554,500	-5.2%
Major Maintenance Expense <i>Less: Grants</i>	1,362,200	244,800	224,300	180,900	339,500	339,500	87.7%
<i>Prior year reserve use</i>	(1,116,900)	(76,100)	(30,000)	(31,800)	(67,000)	(67,000)	110.7%
	(172,200)	-	(85,000)	(56,700)	(87,000)	(87,000)	53.4%
Capital Project Outlay <i>Less: Grants</i>	1,181,800	230,800	822,400	402,800	1,458,500	1,498,400	272.0%
<i>Prior year reserve use</i>	(678,500)	(2,700)	(383,500)	(18,500)	(1,175,000)	(1,175,000)	6251.4%
	(274,000)	-	(185,800)	(143,800)	(66,900)	(122,800)	-14.6%
MAJOR MAINTENANCE AND CAPITAL PROJECTS	\$ 302,400	\$ 396,800	\$ 362,400	\$ 332,900	\$ 402,100	\$ 386,100	16.0%
REVENUES less EXPENDITURES	\$ (69,700)	\$ 286,200	\$ 40,700	\$ 252,300	\$ 183,000	\$ 168,400	-33.3%
Reserve Set Aside	\$ (45,000)	\$ (428,100)	\$ -	\$ (25,000)	\$ (85,000)	\$ (85,000)	240.0%
Budget Transfer In/(Out)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Increase/(Decrease) in operating reserves	\$ (114,700)	\$ (141,900)	\$ 40,700	\$ 227,300	\$ 98,000	\$ 83,400	-63.3%



Consolidated Budget Detail

	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Service Revenue						
Administration	\$20,000	\$98,300	\$30,000	\$17,300	\$20,000	\$20,000
Location Fees	-	-	-	-	-	-
Branded Merchandise	-	-	-	4,100	8,200	8,200
Merchandise COGS	-	-	-	(2,300)	(4,600)	(4,600)
Citations	20,000	31,100	22,000	21,200	22,000	22,000
Facilities Labor & Equipment	3,000	4,700	3,000	3,000	3,000	3,000
Avila Parking	350,000	395,100	459,000	430,900	430,900	430,900
Harbor Patrol & Lifeguards	7,000	8,100	7,000	8,200	7,000	7,000
Harbor Parking	-	-	-	-	-	-
Budget Transfer	-	-	-	-	-	-
Total Service Revenue	\$400,000	\$537,300	\$521,000	\$482,400	\$486,500	\$486,500

	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Mooring Revenue						
Anchorage Fees	\$1,800	\$1,600	\$2,000	\$2,000	\$2,000	\$2,000
Work Dock Rental Fee	1,000	1,000	1,000	1,000	1,000	1,000
Equipment Rental-Moorings	16,000	19,700	23,100	23,100	23,100	23,100
Mooring Operations	109,400	100,400	108,800	108,800	108,800	108,800
Fisherman's Discount	(14,400)	(12,900)	(14,400)	(14,400)	(14,400)	(14,400)
Mooring Equipment Sales	23,100	50,500	47,300	47,300	47,300	47,300
Mooring Equipment COGS	(13,200)	(30,000)	(26,900)	(26,900)	(26,900)	(26,900)
Total Mooring Revenue	\$123,700	\$130,300	\$140,900	\$140,900	\$140,900	\$140,900



Consolidated Budget Detail (Cont.)

Lease & License Revenue	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Commissions- Laundry	\$3,500	\$4,800	\$4,000	\$2,700	\$4,000	\$4,000
Coastal Gateway Room Rental	1,600	6,500	2,200	4,800	4,000	4,000
Coin Showers	12,000	18,300	13,500	19,500	18,000	18,000
Harford Land Area- Leases	137,800	149,600	141,500	164,800	165,500	165,500
Piers- Leases	274,400	279,900	284,900	302,300	230,800	230,800
Piers- Licenses	16,800	30,400	28,400	33,100	28,300	28,300
Beaches- Leases	9,000	9,300	9,300	9,300	9,300	9,300
Beaches- Licenses	12,500	12,900	13,200	13,500	13,200	13,200
Boat & Gear Storage	48,600	57,500	51,100	53,000	51,100	51,100
Boat Washdown	1,000	1,800	1,000	2,600	2,000	2,000
Coin Hoist	6,000	5,600	6,000	4,900	5,000	5,000
RVs- Babe Lane	172,100	190,700	178,100	196,600	190,000	190,000
RVs- Other than Babe Lane	506,200	566,500	524,200	529,300	524,200	524,200
Utilities Reimbursement	35,000	36,600	35,000	36,800	35,000	35,000
Miscellaneous Operating Income	500	900	500	200	500	500
Total Lease & License Revenue	\$1,237,000	\$1,371,300	\$1,292,900	\$1,373,400	\$1,280,900	\$1,280,900

Diesel Sales	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Diesel Sales	\$169,400	\$121,600	\$169,400	\$169,400	\$169,400	\$169,400
Diesel Cost of Goods Sold	(149,800)	(99,600)	(149,800)	(149,800)	(149,800)	(149,800)
Total Diesel Sales	\$19,600	\$22,000	\$19,600	\$19,600	\$19,600	\$19,600

Non-Operating Revenue	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Interest Income	\$17,000	\$25,100	\$17,000	\$25,600	\$20,000	\$20,000
Finance Charge Income	2,000	900	1,500	1,100	1,000	1,000
Tax Proceeds	3,034,400	3,181,500	3,160,000	3,160,000	3,288,800	3,288,800
Other Financing Sources	-	-	2,700	2,700	-	-
Misc. Non-Operating Inc. (Exp.)	1,000	6,900	1,000	(1,000)	1,000	1,000
Budget Transfer	-	-	-	-	-	-
Total Non-Operating Revenue	\$3,054,400	\$3,214,400	\$3,182,200	\$3,188,400	\$3,310,800	\$3,310,800



Consolidated Budget Detail (Cont.)

Salaries, Wages & Benefits	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Commissioner Wages	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000
Employee Wages	1,800,200	1,821,000	1,843,600	1,859,100	1,914,200	1,920,400
Health Insurance	400,800	379,400	460,900	387,900	405,500	405,500
Workers Compensation	84,800	85,600	101,600	101,600	92,600	92,900
Payroll Taxes	136,600	137,400	138,800	140,200	149,000	149,500
Pension Costs	303,800	432,800	346,200	322,400	377,300	378,400
Recruitment	5,800	26,400	5,800	12,000	6,000	6,000
Misc. Employee Benefits	6,000	6,000	6,000	6,000	6,000	6,000
Unemployment Self Insurance	1,000	-	1,000	1,000	1,000	1,000
Contract Labor	45,000	26,900	45,000	15,300	20,800	20,800
Contract Security	85,400	84,600	85,400	85,400	85,400	85,400
Compensated Absence	30,000	-	30,000	30,000	11,700	11,700
Other Post-Employment Benefits	35,000	17,000	35,000	35,000	35,000	35,000
Tax Revenue Anticipation Note	197,100	197,100	315,300	310,200	-	-
Salaries, Wages & Benefits Contingency	-	-	-	-	18,300	18,300
Total Salaries, Wages & Benefits	\$3,167,500	\$3,250,200	\$3,450,600	\$3,342,100	\$3,158,800	\$3,166,900

Supplies	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Office	\$27,000	\$21,300	\$27,600	\$27,600	\$21,800	\$21,800
Shop	12,000	8,300	12,000	12,000	9,000	9,000
Sanitation	34,300	37,700	36,000	36,000	37,000	37,000
Harbor Patrol /Lifeguards	9,000	8,500	16,000	13,700	12,000	12,000
Mooring	5,000	8,300	1,000	3,400	1,500	1,500
Dredge	1,500	100	4,000	1,000	1,000	1,000
Clothing/Equipment	12,000	16,100	16,500	16,500	14,500	14,500
Supply Contingency	-	-	-	-	18,300	18,300
Total Supplies	\$100,800	\$100,300	\$113,100	\$110,200	\$115,100	\$115,100



Consolidated Budget Detail (Cont.)

Operations & Maintenance	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Building/Facility	\$22,500	\$50,300	\$25,400	\$25,400	\$21,900	\$21,900
Vandalism	2,000	-	2,000	2,000	1,000	1,000
Dredge	10,000	10,600	10,000	10,000	10,000	10,000
Electronic Equipment	5,000	3,800	7,700	5,000	4,000	4,000
Vehicles & Equipment	18,700	20,800	19,200	19,200	16,700	16,700
Crane	20,500	23,700	4,000	4,000	4,000	4,000
Coastal Gateway	2,000	900	2,000	2,000	1,000	1,000
Patrol Boats	12,000	17,800	15,000	15,000	12,000	12,000
LCM	1,500	400	1,500	1,500	1,500	1,500
Boatyard Maintenance	2,000	-	2,000	2,000	1,000	1,000
Camp Host	1,000	300	1,000	1,000	1,000	1,000
Water Taxi Host	3,500	5,000	3,500	5,200	5,000	5,000
Signs	4,500	4,500	4,500	6,800	5,000	5,000
Road/Revetment	9,000	6,600	9,000	9,000	8,000	8,000
General Maintenance	12,000	26,500	15,000	15,000	15,000	15,000
Sport Launch	22,000	18,800	2,000	1,000	2,000	2,000
Beaches	14,000	9,400	12,000	10,700	10,000	10,000
Public Hoist	2,000	2,400	2,000	2,000	2,000	2,000
Tools	7,000	8,400	5,000	6,300	6,000	6,000
Fuel	48,000	30,300	43,000	33,700	37,000	37,000
Piers	22,000	16,800	22,000	24,300	22,000	22,000
Ice/Diesel Facility	8,500	6,800	9,000	9,000	8,000	8,000
Lighthouse	7,500	3,600	7,500	7,500	7,500	7,500
Water & Sewer System	7,600	2,900	7,600	6,800	13,000	13,000
Storm Water	1,000	-	1,000	1,000	1,000	1,000
Fire Protection	6,000	9,100	5,400	4,700	5,400	5,400
Dock & Landing	7,200	-	7,200	5,900	6,100	6,100
Operations & Maintenance Contingency	-	-	-	-	18,300	18,300
Total Operations & Maintenance	\$279,000	\$279,700	\$245,500	\$236,000	\$245,400	\$245,400



Consolidated Budget Detail (Cont.)

	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Utilities						
Electricity	\$57,900	\$60,200	\$62,500	\$69,100	\$66,800	\$66,800
Telephone	23,100	22,600	24,300	24,500	22,800	22,800
Gas	2,900	2,100	2,900	2,600	2,300	2,300
Sewer	83,100	59,300	62,500	69,200	59,700	59,700
Trash	68,000	59,400	74,600	64,500	56,700	56,700
Haz Mat Disposal	4,300	2,600	4,300	4,300	4,300	4,300
Water – Lopez	199,100	224,800	200,000	199,800	206,700	229,200
Water/Sewer – Avila	32,400	36,500	34,000	34,500	31,100	31,100
Utility Contingency	-	-	-	-	18,300	18,300
Budget Transfer	7,000	-	-	-	-	-
Total Utilities	\$477,800	\$467,500	\$465,100	\$468,500	\$468,700	\$491,200

	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
General & Administrative						
Advertising & Promo.	3,000	\$2,200	\$3,000	\$1,900	\$3,000	\$3,000
Travel, Meals, Lodging	16,000	18,800	33,000	23,300	30,000	30,000
Education/Training	13,200	12,800	14,100	10,300	11,400	11,400
Dues & Subscriptions	14,600	10,000	17,700	17,700	16,800	16,800
Legal Advertising	2,400	1,700	2,400	1,800	2,400	2,400
Cash (Over) / Short	-	100	-	100	-	-
Capital Lease - Principal	2,700	2,700	2,400	2,400	-	-
Capital Lease - Interest	300	300	100	100	-	-
Bank Charges	30,000	32,900	35,000	36,800	33,000	33,000
Bad Debt	7,200	4,200	7,200	5,100	7,200	7,200
Consultants	70,900	16,900	70,100	70,100	28,300	28,300
Legislative Advocacy	8,400	8,400	8,400	8,400	8,400	8,400
Computers & Equip.	5,200	6,300	5,400	3,400	4,200	4,200
Parking	13,000	11,000	19,300	19,300	12,000	12,000
Legal Fees	60,000	104,700	60,000	83,000	65,900	65,900
Audits	10,500	9,100	10,500	10,500	11,000	11,000
Tax Collection Fees	65,000	59,000	65,000	65,000	65,000	65,000
Treasurer Fees	25,000	26,500	30,000	33,200	30,000	30,000
Permits	7,400	5,600	7,700	9,500	6,300	6,300
Elections	-	-	95,000	95,000	-	-
Property Insurance	151,600	128,500	156,600	156,600	172,300	172,300
Cities Redevelopment	29,600	13,700	15,000	15,000	15,000	15,000
Bonds	800	800	800	800	800	800
LAFCO Fees	15,000	15,700	16,000	16,300	16,500	16,500
Board Dis. Funds	2,500	2,200	2,500	2,500	2,500	2,500
Harbor Manager Dis. Funds	500	500	500	500	500	500
G&A Contingency	-	-	-	-	18,300	18,300
Budget Contingency	22,100	-	26,800	-	104,800	104,800
Total General & Administrative	\$576,900	\$494,600	\$704,500	\$688,600	\$665,600	\$665,600



Consolidated Budget Detail (Cont.)

	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Major Maintenance						
Abandoned Vessel	\$50,000	\$59,400	\$30,000	\$30,000	\$30,000	\$30,000
Avila Pier	1,100,000	60,200	-	-	45,000	45,000
ADA Modifications	-	-	-	-	17,500	17,500
Boom Truck	-	-	-	-	10,000	10,000
Dredge Pump	11,200	11,100	11,500	11,500	12,000	12,000
Energy Efficient Lighting	14,000	4,400	-	-	-	-
Electronic Documents	-	-	-	-	10,000	10,000
Lighthouse Road	-	-	-	-	25,000	25,000
Lift Station Maintenance	-	-	27,800	27,700	20,000	20,000
Mooring Costs/LCM	40,000	14,200	40,000	11,700	40,000	40,000
Office Flooring	7,200	1,900	-	-	-	-
Pier Maintenance	65,000	60,200	65,000	65,000	65,000	65,000
Repave Parking Lots	29,800	28,600	25,000	10,000	40,000	40,000
Revetment	25,000	-	25,000	25,000	25,000	25,000
Water Tank	20,000	4,800	-	-	-	-
Total Major Maintenance	\$1,362,200	\$244,800	\$224,300	\$180,900	\$339,500	\$339,500
Major Maintenance Funding						
Specified Reserve Use	\$172,200	\$ -	\$85,000	\$56,700	\$87,000	\$87,000
Operating Reserve Use	73,100	168,700	109,300	92,400	185,500	185,500
Grant Funding	1,116,900	76,100	30,000	31,800	67,000	67,000
Total Funding	\$1,362,200	\$244,800	\$224,300	\$180,900	\$339,500	\$339,500



Consolidated Budget Detail (Cont.)

	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Capital Projects						
Backhoe Replacement	\$101,700	\$101,600	\$ -	\$ -	\$ -	\$ -
Crane	-	-	25,000	15,000	10,000	10,000
Dock	20,000	-	20,000	20,000	-	-
Dock Access Ramp	15,000	-	-	-	-	-
Dredge Pipe	5,000	-	-	-	-	-
Fish Cleaning Station	25,000	-	-	-	-	-
Fire Systems	13,800	7,400	25,000	15,000	10,000	10,000
Front St. Staircase	18,500	-	-	-	-	-
Gear Storage	-	-	-	-	25,000	25,000
Harbor Patrol Boat	100,000	-	-	-	150,000	150,000
Harbor Patrol Boat Engines	22,800	22,700	-	-	18,000	18,000
Harbor Terrace	106,000	10,300	45,000	45,000	30,000	85,900
Harford Pier & Warehouse	100,000	-	-	-	-	-
Hoist	-	-	55,000	55,000	-	-
Ice House	20,000	5,200	-	-	-	-
District Staff Landing	39,000	-	39,000	20,000	19,000	19,000
Lifeguard Towers	25,000	22,100	-	-	-	-
Lighthouse Duplex	50,000	1,800	40,000	25,000	-	-
Master Plan Update	35,000	-	-	-	-	-
Message Board	-	-	-	-	16,000	-
Mobile Hoist Pier	365,000	44,600	365,000	-	1,000,000	1,000,000
Parking	25,000	-	12,000	12,000	25,000	25,000
Rescue Vehicle	-	-	30,700	30,700	-	-
Sea Level Rise Analysis	-	-	-	-	75,000	75,000
Sewage Treatment Plant	75,000	15,100	75,000	75,000	75,000	75,000
Trailer Boat Launch	-	-	40,000	40,000	5,500	5,500
Vehicle Replacement	-	-	10,000	9,400	-	-
Water Taxi Boat	20,000	-	40,700	40,700	-	-
Total Capital Projects	\$1,181,800	\$230,800	\$822,400	\$402,800	\$1,458,500	\$1,498,400
Capital Project Funding						
Specified Reserve Use	\$274,000	\$ -	\$185,800	\$143,800	\$66,900	\$122,800
Operating Reserve Use	229,300	228,100	253,100	240,500	216,600	200,600
Grant Funding	678,500	2,700	383,500	18,500	1,175,000	1,175,000
Total Funding	\$1,181,800	\$230,800	\$822,400	\$402,800	\$1,458,500	\$1,498,400



Major Maintenance

	Project Title: Abandoned Vessel Removal		
	Description: Removal, storage and disposal of abandoned vessels.		
	Amount: \$30,000		
	Funding Source:	<input type="checkbox"/> Operating Revenue	<input checked="" type="checkbox"/> Grant Revenue – Division of Boating and Waterways
<p>Cost considerations: The District would be responsible for a 10% match that would be absorbed in the operating budget. This project could save costs in the future as vessels that are identified as falling into disrepair can be destroyed before they sink and cause environmental damage.</p> <p>Relation to District priorities: This project achieves the District's goal stating: <i>Continue to work with Division of Boating and Waterways to secure Surrendered and Abandoned Vessel Exchange funds.</i></p>			

	Project Title: ADA Modifications		
	Description: Modifications in Avila Beach at the ADA beach access ramp.		
	Amount: \$17,500		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue
<p>Cost considerations: This project would not result in additional operating costs to the Harbor District. It is in response to prior claims against the District and therefore could help reduce the District's liabilities for future claims.</p> <p>Relation to District priorities: This project relates to the District's goal stating: <i>Provide a safe environment.</i></p>			

	Project Title: Avila Pier Rehabilitation		
	Description: Completion of initial steps in the rehabilitation project.		
	Amount: \$45,000		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue
<p>Cost considerations: This project would include a review of the recommendations approved by the Board in March 2017 and work toward those recommendations which may include scope definition, grant research, funding review, etc. This project would move this rehabilitation project forward and would not result in additional operating costs at this time.</p> <p>Relation to District priorities: This project achieves the District's goal stating: <i>Continue progress on the Avila Pier Rehabilitation Project including formation of a 501(c)(3).</i></p>			



Major Maintenance (Cont.)

	Project Title: Boom Truck		
	Description: Maintenance and repairs to the boom truck.		
	Amount: \$10,000		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$5,000	<input type="checkbox"/> Grant Revenue
Cost considerations: This project maintains an existing asset. It will not result in additional operating costs.			
Relation to District priorities: This project achieves the District's goal stating: <i>Maintain and enhance existing infrastructure and equipment.</i>			

	Project Title: Dredge Pump Maintenance		
	Description: Annual maintenance on the District's dredge pump.		
	Amount: \$12,000		
	Funding Source:	<input type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue
Cost considerations: This project is a recurring annual project. The District's dredge pump requires annual maintenance prior to dredge season. The project will not result in future operating costs.			
Relation to District priorities: This project achieves the District's goal stating: <i>Maintain and enhance existing infrastructure and equipment.</i>			

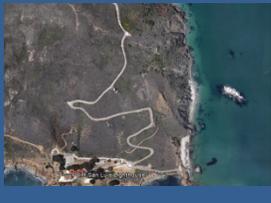
	Project Title: Electronic Documents		
	Description: Conversion of approximately 20 file boxes into an electronic format.		
	Amount: \$10,000		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue
Cost considerations: While this project would begin the process of converting documents into an electronic format, it would only be the first piece of the puzzle. It is estimated that the District has upwards of 200 boxes that ultimately would need to be converted in future fiscal years. After the boxes have been converted, there would be an additional cost to have the contents destroyed (estimated at \$300 for the first 20 boxes). Additionally, some staff time would be needed up front to help create a filing system for the electronic documents. The ultimate goal would be that this would help save time in the future by making it easier to locate documents.			
Relation to District priorities: This project achieves the District's goal stating: <i>Continue work on creating efficiencies through technology.</i>			



Major Maintenance (Cont.)

	Project Title: Harford Pier Lumber		
	Description: Lumber for annual maintenance to the Harford Pier.		
	Amount: \$65,000		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$55,000	<input type="checkbox"/> Grant Revenue
Cost considerations: This project is a recurring annual project. This project purchases up to 15,000 board feet of lumber and up to forty, forty-five foot long piles to maintain the Harford Pier. It will not result in additional operating costs.			
Relation to District priorities: This project achieves the District's goal stating: <i>Maintain and enhance existing infrastructure and equipment.</i>			

	Project Title: Sewer Lift Station Maintenance		
	Description: Panel upgrades to lift stations 1 & 2.		
	Amount: \$20,000		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue
Cost considerations: This project would replace the existing panels. There is no impact on future operating costs by doing the project.			
Relation to District priorities: This project achieves the District's goal stating: <i>Maintain and enhance existing infrastructure and equipment.</i>			

	Project Title: Lighthouse Road Maintenance		
	Description: Maintenance on Lighthouse Road.		
	Amount: \$25,000		
	Funding Source:	<input type="checkbox"/> Operating Revenue	<input checked="" type="checkbox"/> Grant Revenue – PG&E
Cost considerations: This project maintains an existing asset. It will not result in additional operating costs.			
Relation to District priorities: This project achieves the District's goal stating: <i>Maintain and enhance existing infrastructure and equipment.</i>			



Major Maintenance (Cont.)

	Project Title: Mooring Capital Costs		
	Description: Repairs and maintenance to the District's mooring boat (LCM).		
	Amount: \$40,000		
	Funding Source:	<input type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue
Cost considerations: This project is a recurring annual project. This project maintains an existing asset. It will not result in additional operating costs.			
Relation to District priorities: This project achieves the District's goal stating: <i>Maintain and enhance existing infrastructure and equipment.</i>			

	Project Title: Parking Lot Maintenance		
	Description: Repaving, sealing and restriping the parking area adjacent to the maintenance yard in the Harford land area parking lot.		
	Amount: \$40,000		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$25,000	<input type="checkbox"/> Grant Revenue
Cost considerations: District staff has divided its parking areas into 5 sections. The current plan is to do annual maintenance on the parking lots, rotating through each section so that each is redone every 5 years. There is no impact on future operating costs by doing the project.			
Relation to District priorities: This project achieves the District's goal stating: <i>Maintain and enhance existing infrastructure and equipment.</i>			

	Project Title: Revetment		
	Description: Repair to the concrete area at the trailer boat sport launch jetty and other areas where the revetment has been undermined and sloughed off.		
	Amount: \$25,000		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$20,000	<input type="checkbox"/> Grant Revenue
Cost considerations: This project maintains an existing asset. It will not result in additional operating costs.			
Relation to District priorities: This project achieves the District's goal stating: <i>Maintain and enhance existing infrastructure and equipment.</i>			



Capital Projects

	Project Title: Crane Cab Rehabilitation		
	Description: Rebuild stabilizer hydraulic rams.		
	Amount: \$10,000		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$2,100	<input type="checkbox"/> Grant Revenue
Cost considerations: This project maintains an existing asset. It will not result in additional operating costs.			
Relation to District priorities: This project achieves the District's goal stating: <i>Maintain and enhance existing infrastructure and equipment.</i>			

	Project Title: Fireline Repairs		
	Description: Maintenance to the Harford Pier fireline system.		
	Amount: \$10,000		
	Funding Source:	<input type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue
Cost considerations: This project maintains an existing asset. It will not result in additional operating costs.			
Relation to District priorities: This project achieves the District's goal stating: <i>Maintain and enhance existing infrastructure and equipment.</i>			

	Project Title: Gear Storage		
	Description: Access repairs to the gear storage area.		
	Amount: \$25,000		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue
Cost considerations: There are no expectations of long term maintenance resulting from this project.			
Relation to District priorities: This project achieves the District's goal stating: <i>Maintain and enhance existing infrastructure and equipment.</i>			



Capital Projects (Cont.)

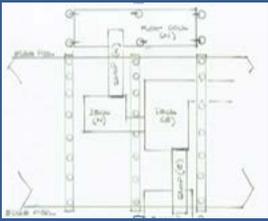
	Project Title: Harbor Patrol Boat Engine		
	Description: Replacement engine for boat II.		
	Amount: \$18,000		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue
<p>Cost considerations: This engine would replace an existing engine that is already being maintained. There is no expectation of additional annual maintenance costs on this engine therefore there is no impact on future operating costs by doing the project.</p> <p>Relation to District priorities: This project achieves the District's goals stating: <i>Maintain and enhance existing infrastructure and equipment.</i></p>			

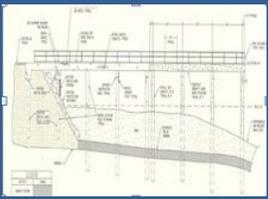
	Project Title: Harbor Patrol Boat		
	Description: To be determined after an assessment of vessel needs is completed.		
	Amount: \$150,000		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$50,000	<input checked="" type="checkbox"/> Grant Revenue - \$100,000 Division of Boating and Waterways (to be solicited)
<p>Cost considerations: The Harbor Patrol Department will be assessing their vessel needs and determining the number of vessels needed and what specific capabilities each vessel must have to best meet the needs of the Department, and boating public/commercial fishing fleet. After the assessment is complete, the Department will share the information with the Board and request the appropriate funding.</p> <p>Relation to District priorities: This project achieves the District's goals stating: <i>Determine the vessel needs for the Harbor Patrol and begin the funding plan.</i></p>			



Capital Projects (Cont.)

	Project Title: Harbor Terrace		
	Description: Consultants, legal, marketing, and management for the Harbor Terrace project.		
	Amount: \$85,900		
Funding Source:	<input type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue	<input checked="" type="checkbox"/> Specified Reserves – Harbor Terrace Reserve
<p>Cost considerations: Budgeted funds for this project include expenditures for continued negotiations of the ground lease and other associated costs. It is anticipated that the project will begin produce revenue for the District during the 2019/20 fiscal year. This project would not increase operating costs as it would be run by a third party. For more information on the project, see page 88.</p>			
<p>Relation to District priorities: This project achieves the District's goal stating: <i>Continue progress on the Harbor Terrace Project.</i></p>			

	Project Title: Staff Landing		
	Description: New landing for use by Harbor Patrol, LCM, District skiffs and water taxi.		
	Amount: \$19,000		
Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$10,000	<input type="checkbox"/> Grant Revenue	<input checked="" type="checkbox"/> Specified Reserves – \$9,000 Building Reserve
<p>Cost considerations: This project would create a new landing. Annual maintenance to this landing is estimated at \$1,000 per year. The landing would provide a safer way for employees to board their vessels during a variety of ocean and weather conditions. Use of this landing could result in fewer worker's compensation liabilities.</p>			
<p>Relation to District priorities: This project achieves the District's goal stating: <i>Provide a safe environment, Complete Harbor Patrol dock project.</i></p>			

	Project Title: Mobile Hoist Pier Extension		
	Description: Pier extension, engineering and construction.		
	Amount: \$1,000,000		
Funding Source:	<input type="checkbox"/> Operating Revenue	<input checked="" type="checkbox"/> Grant Revenue – TIGER grant (to be solicited)	<input type="checkbox"/> Specified Reserves
<p>Cost considerations: Annual maintenance costs as a result of the extension are estimated at \$9,000 per year. The District has explored the possibility of this project being funded through the Rural TIGER Federal Grant Program. If this competitive Federal Grant Program is funded, this project could qualify for funding.</p>			
<p>Relation to District priorities: This project achieves the District's goal stating: <i>Extend mobile hoist pier.</i></p>			



Capital Projects (Cont.)

	Project Title: Parking Plan Implementation		
	Description: Purchase of a parking meter to begin implementation of the Parking Management Plan in the Harford land area lot.		
Amount: \$25,000			
Funding Source:	<input checked="" type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue	<input type="checkbox"/> Specified Reserves
Cost considerations: Annual maintenance on the parking meters is estimated at \$1,100 per year. Additionally, the plan would result in additional enforcement efforts by the District's Harbor Patrol department. The goal would be to increase the District's parking and citation revenues by \$50,000 per year.			
Relation to District priorities: This project achieves the District's goal stating: <i>Review parking management plan for implementation.</i>			

	Project Title: Sea Level Rise Analysis		
	Description: Sea level rise analysis pursuant to AB 691. Analysis is due January 1, 2019.		
Amount: \$75,000			
Funding Source:	<input type="checkbox"/> Operating Revenue	<input checked="" type="checkbox"/> Grant Revenue – source unknown (to be solicited)	<input type="checkbox"/> Specified Reserves
Cost considerations: Depending on the results of the analysis, the District could have additional future operating costs. The amount of these costs is unknown until the analysis is performed.			
Relation to District priorities: This project achieves the District's goal stating: <i>Perform sea level rise analysis.</i>			

	Project Title: Sewer Treatment Plant		
	Description: District's 35% share of the Avila Beach Community Services District capital improvements.		
Amount: \$75,000			
Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$65,000	<input type="checkbox"/> Grant Revenue	<input checked="" type="checkbox"/> Specified Reserves - \$10,000 Utility Reserve
Cost considerations: The Avila Beach Community Services District owns, operates and maintains existing wastewater treatment and disposal facilities that presently serve the District. Pursuant to this agreement, the District is responsible for its proportionate share of capital expenditures at the wastewater treatment plant. These projects could have an effect on future operating costs though the amounts are difficult to estimate.			
Relation to District priorities: This project achieves the District's goal stating: <i>Maintain and enhance existing infrastructure and equipment.</i>			



Capital Projects (Cont.)

	Project Title: Trailer Boat Hoist Crane		
	Description: Preparation of Repair and Public Bid documents for a trailer boat hoist crane recoating project to be completed in 2018/19.		
	Amount: \$5,500		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue
<p>Cost considerations: The project is the first step in a two-step process. This would create the bid documents for the larger project to be completed in 2018/19. The second part of the project is estimated to cost \$29,500.</p> <p>Relation to District priorities: This project achieves the District's goal stating: <i>Maintain and enhance existing infrastructure and equipment.</i></p>			



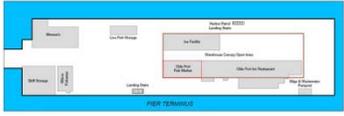
Unfunded Major Maintenance and Capital Projects

Due to budgetary constraints, certain major maintenance and capital projects were not able to be included in the 2017/18 budget or funded in the next five years. The following projects are deferred until funding becomes available. Estimates of costs have not been escalated for probable increase in such costs.

	<p>Avila Pier: Rehabilitation of Avila Pier. Pier was closed in June of 2015 based on structural engineering recommendations. Cost is dependent on scope of project.</p> <p>Note: The District has \$45,000 in the 2017/18 budget to begin progress on this project. See page 48 for more details on the 2017/18 project. Additional information on the pier can be found on page 90.</p>
	<p>Electronic Board Meetings \$7,300: Tablets for Commissioners and Staff to facilitate electronic Board meetings.</p>
	<p>Front St. Staircase \$93,500: Includes \$18,500 for engineering and \$75,000 for demolition and replacement of the staircase.</p>
	<p>Harbor Office Remodel \$265,000: Complete remodel of main office over a three year period.</p>



Unfunded Major Maintenance and Capital Projects (Cont.)

	<p>Harford Pier Redevelopment: Cost is dependent on scope of project.</p>
<p>HARFORD PIER, AVILA BEACH, CA</p> 	<p>Harford Pier Roof \$65,000: Reroof and replace flashings on flat portion of Harford Pier canopy.</p>
	<p>Master Plan Updates \$35,000: Updates to the Harbor District Master Plan. Master Plan was last updated in 2004.</p>
	<p>Message Board \$16,000: Changeable message board used to educate the public about potential hazards and current conditions.</p>
	<p>Staff pool vehicle \$12,000: Additional vehicle for use by staff on business-related travel. (Note: photo is a sample of a possible vehicle, vehicle-type would be determined once funding is identified).</p>



Specified Reserve Funding and Use

Reserve Description	Consolidated Budget				Notes
	2016/17 Projected Ending Balance	Reserve Funding	2017/18 Budgeted Reserve Use	Ending Balance	
Avila Pier	\$ -	\$ -	\$ -	\$ -	
Building Improvement	54,000	-	(19,000)	35,000	Harford Pier lumber (\$10,000), Staff landing (\$9,000)
Coastal Gateway	17,400	-	-	17,400	
Computer	15,300	-	-	15,300	
Crane	8,000	-	(7,900)	100	Crane cab refurbishment
Commissioner Discretionary Funds	960	-	-	960	
Dredge	66,900	-	(12,000)	54,900	Dredge Pump
Election	-	45,000	-	45,000	
Equipment	16,500	-	(5,000)	11,500	Boom truck
Facilities	703,450	-	(30,000)	673,450	Parking lot maintenance (\$15,000), Revetment (\$5,000), Fireline (\$10,000)
Harbor Terrace	95,000	-	(85,900)	9,100	
Harford Pier	-	40,000	-	40,000	New reserve for the development of the pier terminus
Hoist	58,700	-	-	58,700	
LCM Maintenance Fund	166,900	-	(40,000)	126,900	
Other Post Employment Benefits	69,000	-	-	69,000	
Safety Equipment	12,000	-	-	12,000	
Utility Replacement	41,200	-	(10,000)	31,200	Sewer treatment plant capital projects
Vehicle Replacement	500	-	-	500	
Water Tank	31,000	-	-	31,000	
Waste Treatment Plant	40,000	-	-	40,000	
Total Specified Reserves	\$ 1,396,810	\$ 85,000	\$ (209,800)	\$ 1,272,010	

Unassigned Fund Balance \$ 1,551,200 \$ 83,400 \$ - \$ 1,634,600
(Operating Reserve)

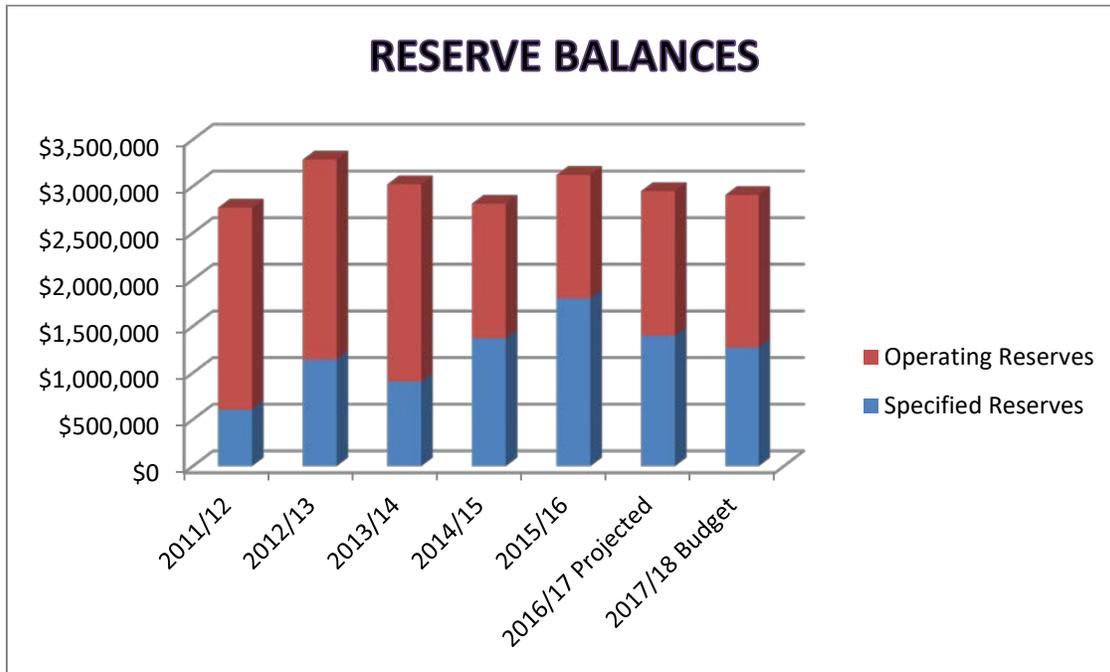
Notes:

• Per District policy, at least \$1.3M in operating reserves is required for cash flow purposes.

☐2016/17 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.



Reserve Trends



For budget purposes the District differentiates Specified Reserves from Operating (Unspecified Reserves). Specified Reserves are designated per board action or by District Ordinance (LCM reserve). The designation of reserves generally occurs in August of each year and is equal to the actual available unused fund balance from the previous fiscal year. The Operating Reserve is not designated for a particular purpose. Per District policy, \$1.3 million of the \$2.1 million available in Operating Reserves should not be appropriated due to District cash flow needs. The other \$.7 million acts as the District's emergency reserve and may be used for such items as stabilization of District staffing during economic downturns and/or revenue stream losses, and one-time unanticipated expenses.



Budget by Fund



General Fund Budget Summary

	Last Year 2015/16		Current Year 2016/17		2017/18		% Change from 2016/17 Projections
	Amended Budget	Actual	Budget	Projected	Preliminary Budget	Final Budget	
REVENUES							
Service Revenue <i>(Avila Parking, Location Fees, Citations)</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Mooring Revenue <i>(Moorage Fees, Equipment Sales, Skiff Space, Exclusive of Labor and O&M)</i>	-	-	-	-	-	-	0.0%
Leases & Licenses <i>(Leases, Licenses, RVs, Utility Reimbursement)</i>	-	-	-	-	-	-	0.0%
Diesel Sales <i>(Exclusive of Labor, O&M and Permits)</i>	-	-	-	-	-	-	0.0%
Total Operating Revenue	-	-	-	-	-	-	0.0%
Non-Operating Revenue/(Expenditure) <i>(Property Tax, Interest)</i>	3,049,000	3,193,700	3,177,000	3,181,900	3,305,800	3,305,800	3.9%
REVENUES	\$ 3,049,000	\$ 3,193,700	\$ 3,177,000	\$ 3,181,900	\$ 3,305,800	\$ 3,305,800	3.9%
EXPENDITURES							
Salaries/Wages/Benefits <i>Less: Prior year reserve use</i>	\$ 2,240,600	\$ 2,234,800	\$ 2,502,200	\$ 2,403,700	\$ 2,207,600	\$ 2,243,200	-6.7%
Supplies	72,100	73,500	84,000	85,100	86,000	86,000	1.1%
Operations & Maintenance <i>Less: Prior year reserve use</i>	168,400	170,800	154,600	146,200	148,700	148,700	1.7%
Utilities	291,500	272,400	289,000	281,900	277,300	289,400	2.7%
General & Administrative <i>Budget Contingency</i>	363,400	285,800	463,800	461,900	334,300	334,300	-27.6%
<i>Less: Prior year reserve use</i>	12,100	-	25,300	-	52,400	52,400	100.0%
<i>Less: Prior year reserve use</i>	-	-	(90,000)	(90,000)	-	-	-100.0%
OPERATING EXPENDITURES	3,148,100	3,037,300	3,293,600	3,152,900	3,106,300	3,154,000	0.0%
NET INCOME BEFORE MAJOR MAINTENANCE & CAPITAL PROJECTS	(99,100)	156,400	(116,600)	29,000	199,500	151,800	-423.4%
Major Maintenance Expense <i>Less: Grants</i>	1,274,100	191,300	133,100	122,600	235,800	235,800	92.3%
<i>Prior year reserve use</i>	(1,116,900)	(70,000)	(30,000)	(31,800)	(63,800)	(63,800)	100.6%
<i>Prior year reserve use</i>	(99,500)	-	(31,500)	(31,500)	(27,500)	(27,500)	-12.7%
Capital Project Outlay <i>Less: Grants</i>	630,600	161,700	223,700	175,700	340,800	324,800	84.9%
<i>Prior year reserve use</i>	(250,000)	-	-	-	(175,000)	(175,000)	0.0%
<i>Prior year reserve use</i>	(186,900)	-	(158,500)	(120,300)	(60,100)	(60,100)	-50.0%
MAJOR MAINTENANCE AND CAPITAL PROJECTS	\$ 251,400	\$ 283,000	\$ 136,800	\$ 114,700	\$ 250,200	\$ 234,200	104.2%
REVENUES less EXPENDITURES	\$ (350,500)	\$ (126,600)	\$ (253,400)	\$ (85,700)	\$ (50,700)	\$ (82,400)	3.9%
Reserve Set Aside	\$ (45,000)	\$ (241,700)	\$ -	\$ (17,500)	\$ (73,000)	\$ (73,000)	-100.0%
Budget Transfer In/(Out)	\$ -	\$ 135,300	\$ -	\$ -	\$ -	\$ -	0.0%
Increase/(Decrease) in operating reserves	\$ (395,500)	\$ (233,000)	\$ (253,400)	\$ (103,200)	\$ (123,700)	\$ (155,400)	-50.6%



General Fund Budget Detail

Non-Operating Revenue	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Interest Income	\$13,600	\$12,200	\$13,600	\$20,500	\$16,000	\$16,000
Finance Charge Income	-	-	-	-	-	-
Tax Proceeds	3,034,400	3,181,500	3,160,000	3,160,000	3,288,800	3,288,800
Other Financing Sources	-	-	2,400	2,400	-	-
Misc. Non-Operating Inc. (Exp.)	1,000	-	1,000	(1,000)	1,000	1,000
Budget Transfer	-	-	-	-	-	-
Total Non-Operating Revenue	\$3,049,000	\$3,193,700	\$3,177,000	\$3,181,900	\$3,305,800	\$3,305,800

Salaries, Wages & Benefits	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Commissioner Wages	\$21,600	\$21,600	\$21,600	\$21,600	\$21,600	\$21,600
Employee Wages	1,281,300	1,307,900	1,334,000	1,324,100	1,334,000	1,367,700
Health Insurance	283,900	264,600	324,600	276,600	289,100	289,100
Workers Compensation	62,400	58,100	75,600	74,700	68,000	68,300
Payroll Taxes	97,400	98,700	100,000	99,900	106,000	106,500
Pension Costs	164,700	147,300	198,900	185,200	268,400	269,500
Recruitment	5,600	19,300	5,600	8,800	4,400	4,400
Misc. Employee Benefits	4,100	4,300	4,100	4,300	4,300	4,300
Unemployment Self Insurance	1,000	-	1,000	1,000	1,000	1,000
Contract Labor	36,100	21,100	36,100	11,900	16,200	16,200
Contract Security	85,400	84,600	85,400	85,400	85,400	85,400
Compensated Absence	-	-	-	-	-	-
Other Post-Employment Benefits	-	10,200	-	-	-	-
Tax Revenue Anticipation Note	197,100	197,100	315,300	310,200	-	-
Salaries, Wages & Benefits Contingency	-	-	-	-	9,200	9,200
Total Salaries, Wages & Benefits	\$2,240,600	\$2,234,800	\$2,502,200	\$2,403,700	\$2,207,600	\$2,243,200



General Fund Budget Detail (Cont.)

	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Supplies						
Office	\$16,500	\$13,000	\$16,700	\$16,800	\$13,300	\$13,300
Shop	5,700	3,100	5,700	7,500	5,600	5,600
Sanitation	31,200	34,000	32,800	32,400	33,300	33,300
Harbor Patrol /Lifeguards	9,000	8,500	16,000	13,700	12,000	12,000
Mooring	700	1,200	100	500	200	200
Dredge	200	-	600	200	100	100
Clothing/Equipment	8,800	13,700	12,100	14,000	12,300	12,300
Supply Contingency	-	-	-	-	9,200	9,200
Total Supplies	\$72,100	\$73,500	\$84,000	\$85,100	\$86,000	\$86,000

	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Operations & Maintenance						
Building/Facility	\$16,300	\$30,200	\$18,400	\$15,300	\$13,200	\$13,200
Vandalism	1,200	-	1,200	1,200	600	600
Dredge	1,500	1,600	1,500	1,500	1,500	1,500
Electronic Equipment	4,500	3,800	7,000	5,000	4,000	4,000
Vehicles & Equipment	11,100	15,100	11,400	13,900	12,100	12,100
Crane	19,300	21,600	2,800	2,800	2,800	2,800
Coastal Gateway	300	100	300	300	200	200
Patrol Boats	12,000	17,800	15,000	15,000	12,000	12,000
LCM	200	100	200	200	200	200
Boatyard Maintenance	-	-	-	-	-	-
Camp Host	200	-	200	200	200	200
Water Taxi Host	500	-	500	800	800	800
Signs	1,900	3,400	1,900	5,200	3,800	3,800
Road/Revetment	4,900	4,600	4,900	6,300	5,600	5,600
General Maintenance	5,800	11,900	7,200	6,800	6,800	6,800
Sport Launch	300	2,800	300	200	300	300
Beaches	9,800	5,400	8,400	7,500	7,000	7,000
Public Hoist	1,200	200	1,200	200	200	200
Tools	4,300	4,800	3,100	3,600	3,400	3,400
Fuel	33,600	22,400	30,100	24,900	27,300	27,300
Piers	17,800	10,200	17,800	17,000	15,400	15,400
Ice/Diesel Facility	1,300	1,000	1,400	1,400	1,200	1,200
Lighthouse	7,500	3,600	7,500	7,500	7,500	7,500
Water & Sewer System	5,300	1,800	5,300	3,900	7,400	7,400
Storm Water	700	-	700	700	700	700
Fire Protection	5,800	8,400	5,200	3,900	4,400	4,400
Dock & Landing	1,100	-	1,100	900	900	900
Operations & Maintenance Contingency	-	-	-	-	9,200	9,200
Total Operations & Maintenance	\$168,400	\$170,800	\$154,600	\$146,200	\$148,700	\$148,700



General Fund Budget Detail (Cont.)

	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Electricity	\$25,200	\$24,500	\$27,200	\$28,100	\$27,200	\$27,200
Telephone	14,900	14,800	15,700	16,000	14,900	14,900
Gas	1,600	1,000	1,600	1,300	1,100	1,100
Sewer	51,300	33,500	43,800	48,400	41,800	41,800
Trash	54,000	41,700	59,200	45,300	39,800	39,800
Haz Mat Disposal	2,500	1,800	2,500	3,000	3,000	3,000
Water – Lopez	106,900	120,800	107,400	107,400	111,100	123,200
Water/Sewer – Avila	30,100	34,300	31,600	32,400	29,200	29,200
Supply Contingency	-	-	-	-	9,200	9,200
Budget Transfer	5,000	-	-	-	-	-
Total Utilities	\$291,500	\$272,400	\$289,000	\$281,900	\$277,300	\$289,400

General & Administrative	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Advertising	\$1,800	\$1,300	\$1,800	\$1,100	\$1,800	\$1,800
Travel, Meals, Lodging	9,600	11,700	19,800	14,500	18,600	18,600
Education/Training	11,600	8,700	12,400	7,000	7,800	7,800
Dues & Subscriptions	9,100	6,100	11,000	10,700	10,200	10,200
Legal Advertising	1,400	1,000	1,400	1,100	1,400	1,400
Cash (Over) / Short	-	-	-	-	-	-
Capital Lease - Principal	2,700	2,700	2,400	2,400	-	-
Capital Lease - Interest	300	300	100	100	-	-
Bank Charges	4,500	4,900	5,300	5,500	5,000	5,000
Bad Debt	-	-	-	-	-	-
Consultants	60,900	9,500	60,400	59,200	15,400	15,400
Legislative Advocacy	5,000	5,000	5,000	5,000	5,000	5,000
Computers & Equip.	3,100	3,900	3,200	2,100	2,600	2,600
Parking	-	-	-	-	-	-
Legal Fees	24,000	45,900	24,000	33,200	26,400	26,400
Audits	6,300	5,500	6,300	6,300	6,600	6,600
Tax Collection Fees	65,000	59,000	65,000	65,000	65,000	65,000
Treasurer Fees	15,000	8,000	18,000	19,900	18,000	18,000
Permits	5,200	3,700	5,400	6,200	4,100	4,100
Elections	-	-	95,000	95,000	-	-
Property Insurance	91,000	77,100	94,000	94,000	103,400	103,400
Cities Redevelopment	29,600	13,700	15,000	15,000	15,000	15,000
Bonds	500	500	500	500	500	500
LAFCO Fees	15,000	15,700	16,000	16,300	16,500	16,500
Board Dis. Funds	1,500	1,300	1,500	1,500	1,500	1,500
Harbor Manager Dis. Funds	300	300	300	300	300	300
Budget Contingency	12,100	-	25,300	-	52,400	52,400
G&A Contingency	-	-	-	-	9,200	9,200
Total General & Administrative	\$375,500	\$285,800	\$489,100	\$461,900	\$386,700	\$386,700



General Fund Budget Detail (Cont.)

	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Major Maintenance						
Abandoned Vessel	\$50,000	\$59,400	\$30,000	\$30,000	\$30,000	\$30,000
Avila Pier	1,100,000	60,200	-	-	45,000	45,000
ADA Modifications	-	-	-	-	17,500	17,500
Boom Truck	-	-	-	-	7,000	7,000
Dredge Pump	7,800	1,700	8,100	8,100	1,800	1,800
Energy Efficient Lighting	14,000	4,400	-	-	-	-
Electronic Documents	-	-	-	-	6,000	6,000
Lighthouse Road	-	-	-	-	25,000	25,000
Lift Station Maintenance	-	-	7,000	7,000	5,000	5,000
Mooring Costs/LCM	-	-	-	-	-	-
Office Flooring	4,300	1,100	-	-	-	-
Pier Maintenance	45,500	42,100	45,500	45,500	45,500	45,500
Repave Parking Lots	17,500	20,000	17,500	7,000	28,000	28,000
Revetment	25,000	-	25,000	25,000	25,000	25,000
Water Tank	10,000	2,400	-	-	-	-
Total Major Maintenance	\$1,274,100	\$191,300	\$133,100	\$122,600	\$235,800	\$235,800
Major Maintenance Funding						
Specified Reserve Use	\$99,500	\$ -	\$31,500	\$31,500	\$27,500	\$27,500
Operating Reserve Use	57,700	121,300	71,600	59,300	144,500	144,500
Grant Funding	1,116,900	70,000	30,000	31,800	63,800	63,800
Total Funding	\$1,274,100	\$191,300	\$133,100	\$122,600	\$235,800	\$235,800



General Fund Budget Detail (Cont.)

	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Capital Projects						
Backhoe Replacement	\$98,100	\$93,200	\$ -	\$ -	\$ -	\$ -
Boom Truck	-	-	-	-	-	-
Crane	-	-	17,500	10,500	7,000	7,000
Dock	16,000	-	16,000	16,000	-	-
Dock Access Ramp	12,000	-	-	-	-	-
Dredge Pipe	800	-	-	-	-	-
Fish Cleaning Station	25,000	-	-	-	-	-
Fire Systems	9,700	5,200	17,500	10,500	7,000	7,000
Front St. Staircase	18,500	-	-	-	-	-
Gear Storage	-	-	-	-	-	-
Harbor Patrol Boat	100,000	-	-	-	150,000	150,000
Harbor Patrol Boat Engines	22,800	22,700	-	-	18,000	18,000
Harbor Terrace	106,000	10,300	30,000	30,000	30,000	30,000
Harford Pier & Warehouse	70,000	-	-	-	-	-
Hoist	-	-	-	-	-	-
Ice House	10,000	2,600	-	-	-	-
District Staff Landing	23,400	-	39,000	20,000	19,000	19,000
Lifeguard Towers	25,000	22,100	-	-	-	-
Lighthouse Duplex	50,000	1,800	40,000	25,000	-	-
Master Plan Update	24,500	-	-	-	-	-
Message Board	-	-	-	-	16,000	-
Mobile Hoist Pier	-	-	-	-	-	-
Parking	-	-	12,000	12,000	-	-
Rescue Vehicle	-	-	30,700	30,700	-	-
Sea Level Rise Analysis	-	-	-	-	75,000	75,000
Sewage Treatment Plant	18,800	3,800	18,800	18,800	18,800	18,800
Trailer Boat Launch	-	-	-	-	-	-
Vehicle Replacement	-	-	-	-	-	-
Water Taxi Boat	-	-	2,200	2,200	-	-
Total Capital Projects	\$630,600	\$161,700	\$223,700	\$175,700	\$340,800	\$324,800
Capital Project Funding						
Specified Reserve Use	\$186,900	\$ -	\$158,500	\$120,300	\$60,100	\$60,100
Operating Reserve Use	193,700	161,700	65,200	55,400	105,700	89,700
Grant Funding	250,000	-	-	-	175,000	175,000
Total Funding	\$630,600	\$161,700	\$223,700	\$175,700	\$340,800	\$324,800



Enterprise Fund Budget Summary

	Last Year 2015/16		Current Year 2016/17		2017/18		% Change from 2016/17 Projections
	Amended Budget	Actual	Budget	Projected	Preliminary Budget	Final Budget	
REVENUES							
Service Revenue <i>(Avila Parking, Location Fees, Citations)</i>	\$ 400,000	\$ 537,300	\$ 521,000	\$ 482,400	\$ 486,500	\$ 486,500	0.8%
Mooring Revenue <i>(Moorage Fees, Equipment Sales, Skiff Space, Exclusive of Labor and O&M)</i>	123,700	130,300	140,900	140,900	140,900	140,900	0.0%
Leases & Licenses <i>(Leases, Licenses, RVs, Utility Reimbursement)</i>	1,237,000	1,371,300	1,292,900	1,373,400	1,280,900	1,280,900	-6.7%
Diesel Sales <i>(Exclusive of Labor, O&M and Permits)</i>	19,600	22,000	19,600	19,600	19,600	19,600	0.0%
Total Operating Revenue	1,780,300	2,060,900	1,974,400	2,016,300	1,927,900	1,927,900	-4.4%
Non-Operating Revenue/(Expenditure) <i>(Property Tax, Interest)</i>	5,400	20,700	5,200	6,500	5,000	5,000	-23.1%
REVENUES	\$ 1,785,700	\$ 2,081,600	\$ 1,979,600	\$ 2,022,800	\$ 1,932,900	\$ 1,932,900	-4.4%
EXPENDITURES							
Salaries/Wages/Benefits <i>Less: Prior year reserve use</i>	\$ 926,900	\$ 1,015,400	\$ 948,400	\$ 938,400	\$ 951,200	\$ 923,700	-1.6%
Supplies	28,700	26,800	29,100	25,100	29,100	29,100	15.9%
Operations & Maintenance <i>Less: Prior year reserve use</i>	110,600	108,900	90,900	89,800	96,700	96,700	7.7%
Utilities	186,300	195,100	176,100	186,600	191,400	201,800	8.1%
General & Administrative <i>Budget Contingency</i>	191,400	208,800	213,900	226,700	226,500	226,500	-0.1%
<i>Less: Prior year reserve use</i>	10,000	-	1,500	-	52,400	52,400	100.0%
<i>Less: Prior year reserve use</i>	-	-	-	-	-	-	0.0%
OPERATING EXPENDITURES	1,453,900	1,555,000	1,459,900	1,466,600	1,547,300	1,530,200	4.3%
NET INCOME BEFORE MAJOR MAINTENANCE & CAPITAL PROJECTS	331,800	526,600	519,700	556,200	385,600	402,700	-27.6%
Major Maintenance Expense <i>Less: Grants</i>	88,100	53,500	91,200	58,300	103,700	103,700	77.9%
<i>Prior year reserve use</i>	-	(6,100)	-	-	(3,200)	(3,200)	0.0%
	(72,700)	-	(53,500)	(25,200)	(59,500)	(59,500)	136.1%
Capital Project Outlay <i>Less: Grants</i>	551,200	69,100	598,700	227,100	1,117,700	1,173,600	416.8%
<i>Prior year reserve use</i>	(428,500)	(2,700)	(383,500)	(18,500)	(1,000,000)	(1,000,000)	5305.4%
	(87,100)	-	(27,300)	(23,500)	(6,800)	(62,700)	166.8%
MAJOR MAINTENANCE AND CAPITAL PROJECTS	\$ 51,000	\$ 113,800	\$ 225,600	\$ 218,200	\$ 151,900	\$ 151,900	-30.4%
REVENUES less EXPENDITURES	\$ 280,800	\$ 412,800	\$ 294,100	\$ 338,000	\$ 233,700	\$ 250,800	-25.8%
Reserve Set Aside	\$ -	\$ (186,400)	\$ -	\$ (7,500)	\$ (12,000)	\$ (12,000)	100.0%
Budget Transfer In/(Out)	\$ -	\$ (135,300)	\$ -	\$ -	\$ -	\$ -	0.0%
Increase/(Decrease) in operating reserves	\$ 280,800	\$ 91,100	\$ 294,100	\$ 330,500	\$ 221,700	\$ 238,800	-27.7%



Enterprise Fund Budget Detail

	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Service Revenue						
Administration	\$20,000	\$98,300	\$30,000	\$17,300	\$20,000	\$20,000
Location Fees	-	-	-	-	-	-
Branded Merchandise	-	-	-	4,100	8,200	8,200
Merchandise COGS	-	-	-	(2,300)	(4,600)	(4,600)
Citations	20,000	31,100	22,000	21,200	22,000	22,000
Facilities Labor & Equipment	3,000	4,700	3,000	3,000	3,000	3,000
Avila Parking	350,000	395,100	459,000	430,900	430,900	430,900
Harbor Patrol & Lifeguards	7,000	8,100	7,000	8,200	7,000	7,000
Harbor Parking	-	-	-	-	-	-
Total Service Revenue	\$400,000	\$537,300	\$521,000	\$482,400	\$486,500	\$486,500

	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Mooring Revenue						
Anchorage Fees	\$1,800	\$1,600	\$2,000	\$2,000	\$2,000	\$2,000
Work Dock Rental Fee	1,000	1,000	1,000	1,000	1,000	1,000
Equipment Rental-Moorings	16,000	19,700	23,100	23,100	23,100	23,100
Mooring Operations	109,400	100,400	108,800	108,800	108,800	108,800
Fisherman's Discount	(14,400)	(12,900)	(14,400)	(14,400)	(14,400)	(14,400)
Mooring Equipment Sales	23,100	50,500	47,300	47,300	47,300	47,300
Mooring Equipment COGS	(13,200)	(30,000)	(26,900)	(26,900)	(26,900)	(26,900)
Total Mooring Revenue	\$123,700	\$130,300	\$140,900	\$140,900	\$140,900	\$140,900



Enterprise Fund Budget Detail (Cont.)

Lease & License Revenue	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Commissions- Laundry	\$3,500	\$4,800	\$4,000	\$2,700	\$4,000	\$4,000
Coastal Gateway Room Rental	1,600	6,500	2,200	4,800	4,000	4,000
Coin Showers	12,000	18,300	13,500	19,500	18,000	18,000
Harford Land Area-Leases	137,800	149,600	141,500	164,800	165,500	165,500
Piers-Leases	274,400	279,900	284,900	302,300	230,800	230,800
Piers- Licenses	16,800	30,400	28,400	33,100	28,300	28,300
Beaches-Leases	9,000	9,300	9,300	9,300	9,300	9,300
Beaches- Licenses	12,500	12,900	13,200	13,500	13,200	13,200
Boat & Gear Storage	48,600	57,500	51,100	53,000	51,100	51,100
Boat Washdown	1,000	1,800	1,000	2,600	2,000	2,000
Coin Hoist	6,000	5,600	6,000	4,900	5,000	5,000
RVs- Babe Lane	172,100	190,700	178,100	196,600	190,000	190,000
RVs- Other than Babe Lane	506,200	566,500	524,200	529,300	524,200	524,200
Utilities Reimbursement	35,000	36,600	35,000	36,800	35,000	35,000
Miscellaneous Operating Income	500	900	500	200	500	500
Total Lease & License Revenue	\$1,237,000	\$1,371,300	\$1,292,900	\$1,373,400	\$1,280,900	\$1,280,900

Diesel Sales	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Diesel Sales	\$169,400	\$121,600	\$169,400	\$169,400	\$169,400	\$169,400
Diesel Cost of Goods Sold	(149,800)	(99,600)	(149,800)	(149,800)	(149,800)	(149,800)
Total Diesel Sales	\$19,600	\$22,000	\$19,600	\$19,600	\$19,600	\$19,600

Non-Operating Revenue	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Interest Income	\$3,400	\$12,900	\$3,400	\$5,100	\$4,000	\$4,000
Finance Charge Income	2,000	900	1,500	1,100	1,000	1,000
Tax Proceeds	-	-	-	-	-	-
Other Financing Sources	-	-	300	300	-	-
Misc. Non-Operating Inc. (Exp.)	-	6,900	-	-	-	-
Total Non-Operating Revenue	\$5,400	\$20,700	\$5,200	\$6,500	\$5,000	\$5,000



Enterprise Fund Budget Detail (Cont.)

Salaries, Wages & Benefits	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Commissioner Wages	\$14,400	\$14,400	\$14,400	\$14,400	\$14,400	\$14,400
Employee Wages	518,900	513,100	509,600	535,000	580,200	552,700
Health Insurance	116,900	114,800	136,300	111,300	116,400	116,400
Workers Compensation	22,400	27,500	26,000	26,900	24,600	24,600
Payroll Taxes	39,200	38,700	38,800	40,300	43,000	43,000
Pension Costs	139,100	285,500	147,300	137,200	108,900	108,900
Recruitment	200	7,100	200	3,200	1,600	1,600
Misc. Employee Benefits	1,900	1,700	1,900	1,700	1,700	1,700
Unemployment Self Insurance	-	-	-	-	-	-
Contract Labor	8,900	5,800	8,900	3,400	4,600	4,600
Contract Security	-	-	-	-	-	-
Compensated Absence	30,000	-	30,000	30,000	11,700	11,700
Other Post-Employment Benefits	35,000	6,800	35,000	35,000	35,000	35,000
Tax Revenue Anticipation Note	-	-	-	-	-	-
Salaries, Wages & Benefit Contingency	-	-	-	-	9,100	9,100
Total Salaries, Wages & Benefits	\$926,900	\$1,015,400	\$948,400	\$938,400	\$951,200	\$923,700

Supplies	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Office	\$10,500	\$8,300	\$10,900	\$10,800	\$8,500	\$8,500
Shop	6,300	5,200	6,300	4,500	3,400	3,400
RV Camping	-	-	-	-	-	-
Sanitation	3,100	3,700	3,200	3,600	3,700	3,700
Harbor Patrol /Lifeguards	-	-	-	-	-	-
Mooring	4,300	7,100	900	2,900	1,300	1,300
Dredge	1,300	100	3,400	800	900	900
Clothing/Equipment	3,200	2,400	4,400	2,500	2,200	2,200
Supply Contingency	-	-	-	-	9,100	9,100
Total Supplies	\$28,700	\$26,800	\$29,100	\$25,100	\$29,100	\$29,100



Enterprise Fund Budget Detail (Cont.)

Operations & Maintenance	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Building/Facility	\$6,200	\$20,100	\$7,000	\$10,100	\$8,700	\$8,700
Vandalism	800	-	800	800	400	400
Dredge	8,500	9,000	8,500	8,500	8,500	8,500
Electronic Equipment	500	-	700	-	-	-
Vehicles & Equipment	7,600	5,700	7,800	5,300	4,600	4,600
Crane	1,200	2,100	1,200	1,200	1,200	1,200
Coastal Gateway	1,700	800	1,700	1,700	800	800
Patrol Boats	-	-	-	-	-	-
LCM	1,300	300	1,300	1,300	1,300	1,300
Boatyard Maintenance	2,000	-	2,000	2,000	1,000	1,000
Camp Host	800	300	800	800	800	800
Water Taxi Host	3,000	5,000	3,000	4,400	4,200	4,200
Signs	2,600	1,100	2,600	1,600	1,200	1,200
Road/Revetment	4,100	2,000	4,100	2,700	2,400	2,400
General Maintenance	6,200	14,600	7,800	8,200	8,200	8,200
Sport Launch	21,700	16,000	1,700	800	1,700	1,700
Beaches	4,200	4,000	3,600	3,200	3,000	3,000
Public Hoist	800	2,200	800	1,800	1,800	1,800
Tools	2,700	3,600	1,900	2,700	2,600	2,600
Fuel	14,400	7,900	12,900	8,800	9,700	9,700
Piers	4,200	6,600	4,200	7,300	6,600	6,600
Ice/Diesel Facility	7,200	5,800	7,600	7,600	6,800	6,800
Lighthouse	-	-	-	-	-	-
Water & Sewer System	2,300	1,100	2,300	2,900	5,600	5,600
Storm Water	300	-	300	300	300	300
Fire Protection	200	700	200	800	1,000	1,000
Dock & Landing	6,100	-	6,100	5,000	5,200	5,200
Operations & Maintenance Contingency	-	-	-	-	9,100	9,100
Total Operations & Maintenance	\$110,600	\$108,900	\$90,900	\$89,800	\$96,700	\$96,700



Enterprise Fund Budget Detail (Cont.)

	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Electricity	\$32,700	\$35,700	\$35,300	\$41,000	\$39,600	\$39,600
Telephone	8,200	7,800	8,600	8,500	7,900	7,900
Gas	1,300	1,100	1,300	1,300	1,200	1,200
Sewer	31,800	25,800	18,700	20,800	17,900	17,900
Trash	14,000	17,700	15,400	19,200	16,900	16,900
Haz Mat Disposal	1,800	800	1,800	1,300	1,300	1,300
Water – Lopez	92,200	104,000	92,600	92,400	95,600	106,000
Water/Sewer – Avila	2,300	2,200	2,400	2,100	1,900	1,900
Utility Contingency	-	-	-	-	9,100	9,100
Budget Transfer	2,000	-	-	-	-	-
Total Utilities	\$186,300	\$195,100	\$176,100	\$186,600	\$191,400	\$201,800

	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Advertising	\$1,200	\$900	\$1,200	\$800	\$1,200	\$1,200
Travel, Meals, Lodging	6,400	7,100	13,200	8,800	11,400	11,400
Education/Training	1,600	4,100	1,700	3,300	3,600	3,600
Dues & Subscriptions	5,500	3,900	6,700	7,000	6,600	6,600
Legal Advertising	1,000	700	1,000	700	1,000	1,000
Cash (Over) / Short	-	100	-	100	-	-
Capital Lease - Principal	-	-	-	-	-	-
Capital Lease - Interest	-	-	-	-	-	-
Bank Charges	25,500	28,000	29,700	31,300	28,000	28,000
Bad Debt	7,200	4,200	7,200	5,100	7,200	7,200
Consultants	10,000	7,400	9,700	10,900	12,900	12,900
Legislative Advocacy	3,400	3,400	3,400	3,400	3,400	3,400
Computers & Equip.	2,100	2,400	2,200	1,300	1,600	1,600
Parking	13,000	11,000	19,300	19,300	12,000	12,000
Legal Fees	36,000	58,800	36,000	49,800	39,500	39,500
Audits	4,200	3,600	4,200	4,200	4,400	4,400
Tax Collection Fees	-	-	-	-	-	-
Treasurer Fees	10,000	18,500	12,000	13,300	12,000	12,000
Permits	2,200	1,900	2,300	3,300	2,200	2,200
Elections	-	-	-	-	-	-
Property Insurance	60,600	51,400	62,600	62,600	68,900	68,900
Cities Redevelopment	-	-	-	-	-	-
Bonds	300	300	300	300	300	300
LAFCO Fees	-	-	-	-	-	-
Board Dis. Funds	1,000	900	1,000	1,000	1,000	1,000
Harbor Manager Dis. Funds	200	200	200	200	200	200
Budget Contingency	10,000	-	1,500	-	52,400	52,400
G&A Contingency	-	-	-	-	9,100	9,100
Total General & Administrative	\$201,400	\$208,800	\$215,400	\$226,700	\$278,900	\$278,900



Enterprise Fund Budget Detail (Cont.)

	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Abandoned Vessel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Avila Pier	-	-	-	-	-	-
ADA Modifications	-	-	-	-	-	-
Boom Truck	-	-	-	-	3,000	3,000
Dredge Pump	3,400	9,400	3,400	3,400	10,200	10,200
Energy Efficient Lighting	-	-	-	-	-	-
Electronic Documents	-	-	-	-	4,000	4,000
Lighthouse Road	-	-	-	-	-	-
Lift Station Maintenance	-	-	20,800	20,700	15,000	15,000
Mooring Costs/LCM	40,000	14,200	40,000	11,700	40,000	40,000
Office Flooring	2,900	800	-	-	-	-
Pier Maintenance	19,500	18,100	19,500	19,500	19,500	19,500
Repave Parking Lots	12,300	8,600	7,500	3,000	12,000	12,000
Revetment	-	-	-	-	-	-
Water Tank	10,000	2,400	-	-	-	-
Total Major Maintenance	\$88,100	\$53,500	\$91,200	\$58,300	\$103,700	\$103,700
Major Maintenance Funding						
Specified Reserve Use	\$72,700	\$ -	\$53,500	\$25,200	\$59,500	\$59,500
Operating Reserve Use	15,400	47,400	37,700	33,100	41,000	41,000
Grant Funding	-	6,100	-	-	3,200	3,200
Total Funding	\$88,100	\$53,500	\$91,200	\$58,300	\$103,700	\$103,700



Enterprise Fund Budget Detail (Cont.)

Capital Projects	Last Year 2015/16		Current Year 2016/17		2017/18	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Backhoe Replacement	\$3,600	\$8,400	\$ -	\$ -	\$ -	\$ -
Boom Truck	-	-	-	-	-	-
Crane	-	-	7,500	4,500	3,000	3,000
Dock	4,000	-	4,000	4,000	-	-
Dock Access Ramp	3,000	-	-	-	-	-
Dredge Pipe	4,200	-	-	-	-	-
Fish Cleaning Station	-	-	-	-	-	-
Fire Systems	4,100	2,200	7,500	4,500	3,000	3,000
Fisherman's Beach Access	-	-	-	-	-	-
Front St. Staircase	-	-	-	-	-	-
Gear Storage	-	-	-	-	25,000	25,000
Harbor Patrol Boat	-	-	-	-	-	-
Harbor Patrol Boat Engines	-	-	-	-	-	-
Harbor Terrace	-	-	15,000	15,000	-	55,900
Harford Pier & Warehouse	30,000	-	-	-	-	-
Hoist	-	-	55,000	55,000	-	-
Ice House	10,000	2,600	-	-	-	-
District Staff Landing	15,600	-	-	-	-	-
Lifeguard Towers	-	-	-	-	-	-
Lighthouse Duplex	-	-	-	-	-	-
Master Plan Update	10,500	-	-	-	-	-
Message Board	-	-	-	-	-	-
Mobile Hoist Pier	365,000	44,600	365,000	-	1,000,000	1,000,000
Parking	25,000	-	-	-	25,000	25,000
Rescue Vehicle	-	-	-	-	-	-
Sea Level Rise Analysis	-	-	-	-	-	-
Sewage Treatment Plant	56,200	11,300	56,200	56,200	56,200	56,200
Trailer Boat Launch	-	-	40,000	40,000	5,500	5,500
Vehicle Replacement	-	-	10,000	9,400	-	-
Water Taxi Boat	20,000	-	38,500	38,500	-	-
Total Capital Projects	\$551,200	\$69,100	\$598,700	\$227,100	\$1,117,700	\$1,173,600
Capital Project Funding						
Specified Reserve Use	\$87,100	\$ -	\$27,300	\$23,500	\$6,800	\$62,700
Operating Reserve Use	35,600	66,400	187,900	185,100	110,900	110,900
Grant Funding	428,500	2,700	383,500	18,500	1,000,000	1,000,000
Total Funding	\$551,200	\$69,100	\$598,700	\$227,100	\$1,117,700	\$1,173,600



Our Future



Five Year Major Maintenance Plan

Description	2017/18	2018/19	2019/20	2020/21	2021/22	Notes
Abandoned Vessel	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	Removal, storage & disposal of abandoned vessels
<i>Grant Funding</i>	<i>(30,000)</i>	<i>(30,000)</i>	<i>(30,000)</i>	<i>(30,000)</i>	<i>(30,000)</i>	<i>Division of Boating and Waterways</i>
ADA Modifications	17,500	-	-	-	-	ADA modifications in Avila Beach
Avila Pier	45,000	-	-	-	-	Avila Pier rehabilitation
Boom Truck	10,000	-	-	-	-	Maintenance to the boom truck.
<i>Equipment Reserve Use</i>	<i>(5,000)</i>	-	-	-	-	<i>Equipment reserve</i>
Dredging Pump	12,000	12,000	12,000	12,000	75,000	Annual pump maintenance, New pump in 2022
<i>Dredge Reserve Use</i>	<i>(12,000)</i>	<i>(12,000)</i>	<i>(12,000)</i>	<i>(12,000)</i>	<i>(18,900)</i>	<i>Dredge reserve</i>
Electronic Documents	10,000	10,000	-	-	-	Scanning of approximately 20 file boxes
Harford Pier Lumber	65,000	75,000	85,000	95,000	105,000	Lumber to replace pilings on pier, increased to adjust for increasing lumber costs
<i>Building Reserve Use</i>	<i>(10,000)</i>	<i>(10,000)</i>	<i>(10,000)</i>	<i>(15,000)</i>	-	<i>Building improvement reserve</i>
Lift Station Maintenance	20,000	20,000	-	-	-	Lift stations 1&2 panel upgrades.
Lighthouse Road Maintenance	25,000	-	-	-	-	Maintenance on Lighthouse Road
<i>Grant Funding</i>	<i>(25,000)</i>	-	-	-	-	<i>PG&E grant mitigation funds</i>
Mooring Capital Costs	40,000	40,000	40,000	40,000	40,000	Repairs and maintenance to mooring boat.
<i>LCM Reserve Use</i>	<i>(40,000)</i>	<i>(40,000)</i>	<i>(40,000)</i>	<i>(40,000)</i>	<i>(40,000)</i>	<i>LCM maintenance reserve</i>
Parking Lot Maintenance	40,000	25,000	25,000	25,000	25,000	Parking lot maintenance, repaving, sealing, restriping, etc. Harford Land Area.
<i>Facilities Reserve Use</i>	<i>(15,000)</i>	-	-	-	-	<i>Facilities reserve. Staff will recommend placing remaining 2016/17 funds into a reserve to help fund this project in 2017/18.</i>
Revetment	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.
<i>Facilities Reserve Use</i>	<i>(5,000)</i>	<i>(5,000)</i>	-	-	-	<i>Facilities reserve</i>
Water Tank	-	-	7,500	32,500	-	2019/20 develop Repair & Public Bid documents, 2020/21 coating and repairs.
<i>Water Tank Reserve Use</i>	-	-	<i>(7,500)</i>	<i>(23,500)</i>	-	<i>Water tank reserve</i>
<i>Additional Projected Special Project Grant Funding</i>	<i>(12,000)</i>	-	-	-	-	<i>\$8,000 for CMANC Washington DC from the Central California Joint Cable Fisheries Liaison Committee, \$4,000 for Mutt Mitts from the Avila Beach Civic Association.</i>
Total	\$ 185,500	\$ 140,000	\$ 100,000	\$ 114,000	\$ 186,100	



Five Year Capital Project Plan

Description	2017/18	2018/19	2019/20	2020/21	2021/22	Notes
Boom truck	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	Purchase or lease of new boom truck.
Crane	10,000	-	-	-	-	Cab rehabilitation, rebuild stabilizer hydraulic rams
Crane reserve use	(7,900)	-	-	-	-	Crane reserve, 2016/17 project that will not be complete prior to the end of the fiscal year. Staff will recommend placing budgeted funds into a reserve to cover this project in 2017/18.
Dredge Hose	-	20,000	-	-	-	Replace hose every four years
Dredge Pipe	-	-	-	5,000	-	Replace Pipe every five years
Dump truck	-	20,000	20,000	20,000	20,000	Purchased October '98, assumes 10 year lease
Fireline Repairs	10,000	-	-	-	-	Maintenance to pier fireline system.
Facilities Reserve Use	(10,000)	-	-	-	-	Facilities reserve, 2016/17 project that will not be complete prior to the end of the fiscal year. Staff will recommend placing budgeted funds into a reserve to cover this project in 2017/18.
Gear Storage	25,000	-	-	-	-	Access repairs
Harbor Patrol Boat Engines	18,000	-	18,000	-	18,000	New engine every other year
Harbor Patrol Boat	150,000	-	-	-	-	Replace boat 1
Grant Funding	(100,000)	-	-	-	-	DBW to be solicited
Harbor Terrace	85,900	-	-	-	-	Consultants, legal, accounting, marketing
Harbor Terrace Reserve Use	(85,900)	-	-	-	-	Harbor Terrace reserve
Landing	19,000	-	-	-	-	New landing for use by Harbor Patrol and water taxi
Building Reserve Use	(9,000)	-	-	-	-	Building improvement reserve, 2016/17 project that will not be complete prior to the end of the fiscal year. Staff will recommend placing budgeted funds into a reserve to cover this project in 2017/18.
Lifeguard Towers	-	25,000	25,000	-	-	Avila Beach towers in 2018/19 and 2019/20.
Mobile Hoist Pier Extension	1,000,000	-	-	-	-	Pier extension engineering and construction.
Grant Funding	(1,000,000)	-	-	-	-	Grants to be solicited - TIGER grant
Parking Pay Station	-	15,000	15,000	-	-	Avila pay stations, to be replaced every 5 years.
Parking Plan Implementation Pay Station	25,000	25,000	-	-	-	Phase I in 2017/18, Phase II in 2018/19.
Sea Level Rise Analysis	75,000	-	-	-	-	Pursuant to AB 691, assessment due 1/1/19.
Grant Funding	(75,000)	-	-	-	-	Grants to be solicited
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	(10,000)	(10,000)	(10,000)	(10,000)	-	Utility reserve
Trailer Boat Hoist Crane	5,500	29,500	-	-	-	Recoating project, 17/18 develop Repair & Public Bid documents, 18/19 coating and repairs
Total	\$ 200,600	\$ 224,500	\$ 168,000	\$ 115,000	\$ 138,000	



Five Year Projections

	2017/18	2018/19	2019/20	2020/21	2021/22
Operating Revenues	\$1,927,900	\$1,840,500	\$2,204,200	\$2,325,800	\$2,472,400
Non-Operating Revenues	3,310,800	3,404,500	3,507,100	3,612,800	3,721,700
Total Revenues	\$5,238,700	\$5,245,000	\$5,711,300	\$5,938,600	\$6,194,100
Operating Expenditures	(4,684,200)	(4,982,200)	(5,117,400)	(5,451,800)	(5,662,000)
Net Available for Major Maintenance and Capital Projects	\$554,500	\$262,800	\$593,900	\$486,800	\$532,100
Major Maintenance and Capital Projects	(1,837,900)	(471,500)	(377,500)	(359,500)	(413,000)
Grant Funding	1,242,000	30,000	30,000	30,000	30,000
Reserve Funding (Use)	(\$41,400)	(\$178,700)	\$246,400	\$157,300	\$149,100
<i>Specified Reserve Use</i>	<i>(\$209,800)</i>	<i>(\$122,000)</i>	<i>(\$79,500)</i>	<i>(\$145,500)</i>	<i>(\$58,900)</i>
<i>Specified Reserve Funding</i>	<i>\$85,000</i>	<i>\$ -</i>	<i>\$45,000</i>	<i>\$ -</i>	<i>\$45,000</i>
<i>Operating Reserve Funding (Use)</i>	<i>\$83,400</i>	<i>(\$56,700)</i>	<i>\$280,900</i>	<i>\$302,800</i>	<i>\$163,000</i>

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 2018/19 and \$100,000 per year beginning in 2019/20.
- Boating related revenues (moorings, diesel sales, etc.) are projected to increase 5% every 5 years. The last fee increase was implemented July 1, 2016 therefore the next projected fee increase is expected to occur July 1, 2021.
- 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 construction during the 2018/19 fiscal year. The budget assumes a decrease in camping revenues during the construction with revenue generation from the project beginning in 2019/20. The projections assume that the District is permitted to continue camping operations on Nobi Point and Woodyard during the initial years of the Harbor Terrace project until the revenue can be stabilized.

Non-Operating Revenue:

- Property taxes are projected to increase at a rate of 3% per year.
- Investment income is projected to decrease in 2018/19 as the District spends down cash, but then increase during the remaining years as cash balances grow.



Five Year Projections (Cont.)

Operating Expenditures:

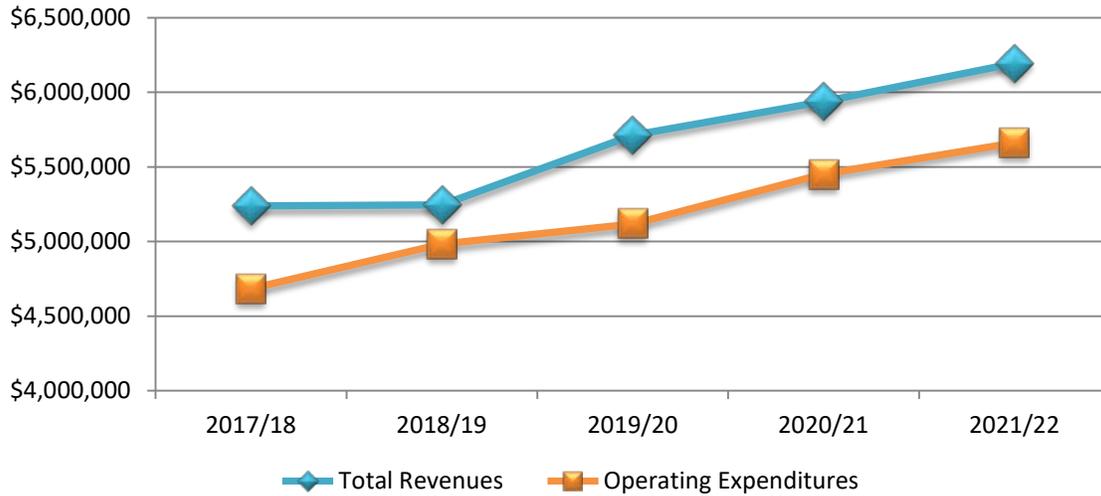
- Salaries, Wages and Benefits:
 - Wages are projected to increase at a rate of 3% per year, consistent with negotiated employment contracts.
 - Health insurance is projected to increase 10% per year while worker's compensation insurance is budgeted to increase 5% per year.
 - Pension costs are projected to rise 10% in 2018/19, 12% in 2019/20, 15% in 2020/21 and 17% in 2021/22. In December of 2016, CalPERS announced its plan to lower the discount rate from 7.5% to 7.0% over the next three years. Lowering the discount rate means that employers, like the District, that contract with CalPERS to administer their pension plans will see increases in their normal costs and unfunded actuarial liabilities in upcoming years.
- 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:
 - Parking enforcement is projected to increase 3%, consistent with parking revenue growth.
 - Tax collection fees are projected to increase 3%, consistent with projected tax revenue increases.
 - Property insurance is projected to increase 5% per year.
 - Cities redevelopment fees, legislative advocacy, bonds and discretionary funds are projected to remain consistent.

Major Maintenance and Capital Projects: Detail on the projected major maintenance and capital projects is found on pages 77-78.



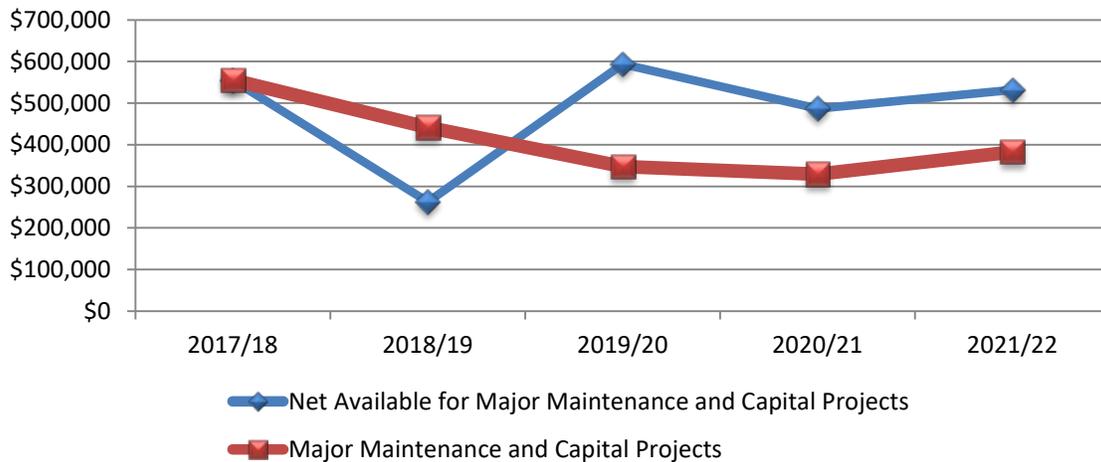
Five Year Projections (Cont.)

PROJECTED REVENUE VS. OPERATING 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 77 and 78.

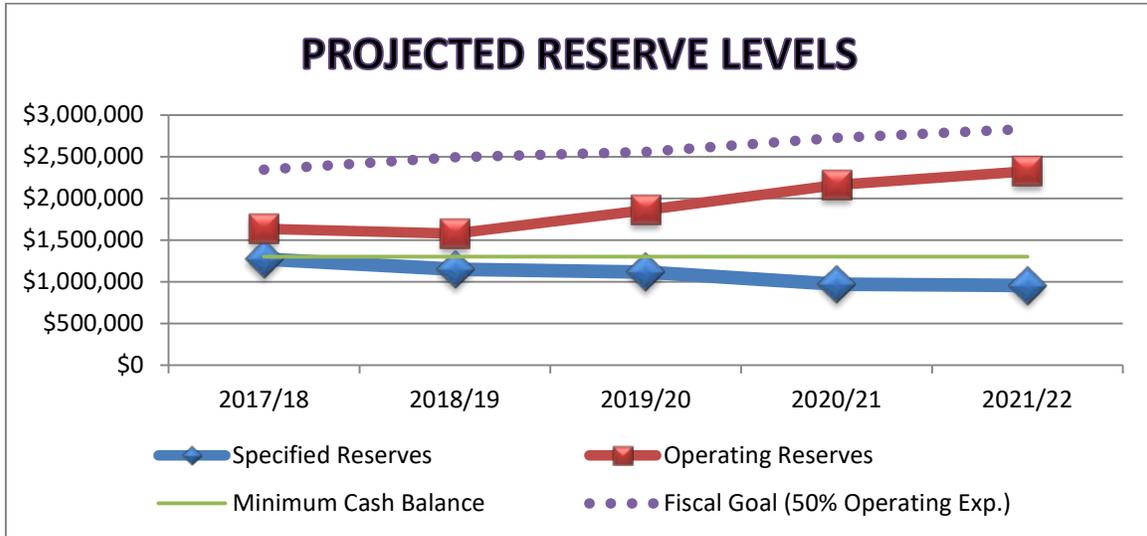
NET AVAILABLE FOR CAPITAL PROJECTS VS. PROJECTED CAPITAL PROJECTS



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.)



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. The reserve shall never be lower than \$1.3 million to ensure that District cash flow needs are met.



Long-Terms Goals and Strategies (Master Plan)

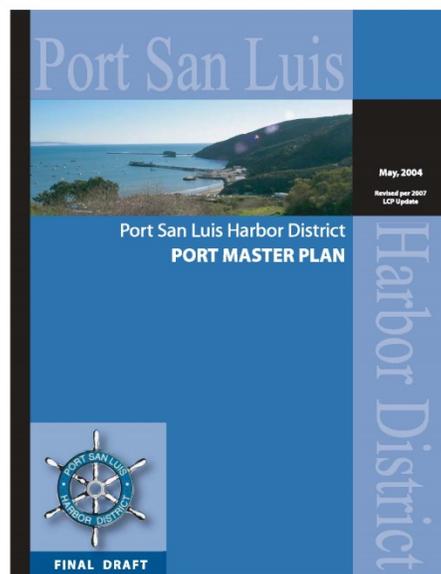
Port San Luis should be a harbor with protected, maintained, and enhanced resources that balances the environmental, social, and economic needs of the District and the various user groups. (Chapter 3 of the Port San Luis Master Plan)

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.)

(From the Port San Luis Master Plan)

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. [The 2017/18 budget includes \$25,000 to begin this 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 2017/18 budget includes \$1,000,000 to extend the mobile hoist pier.]

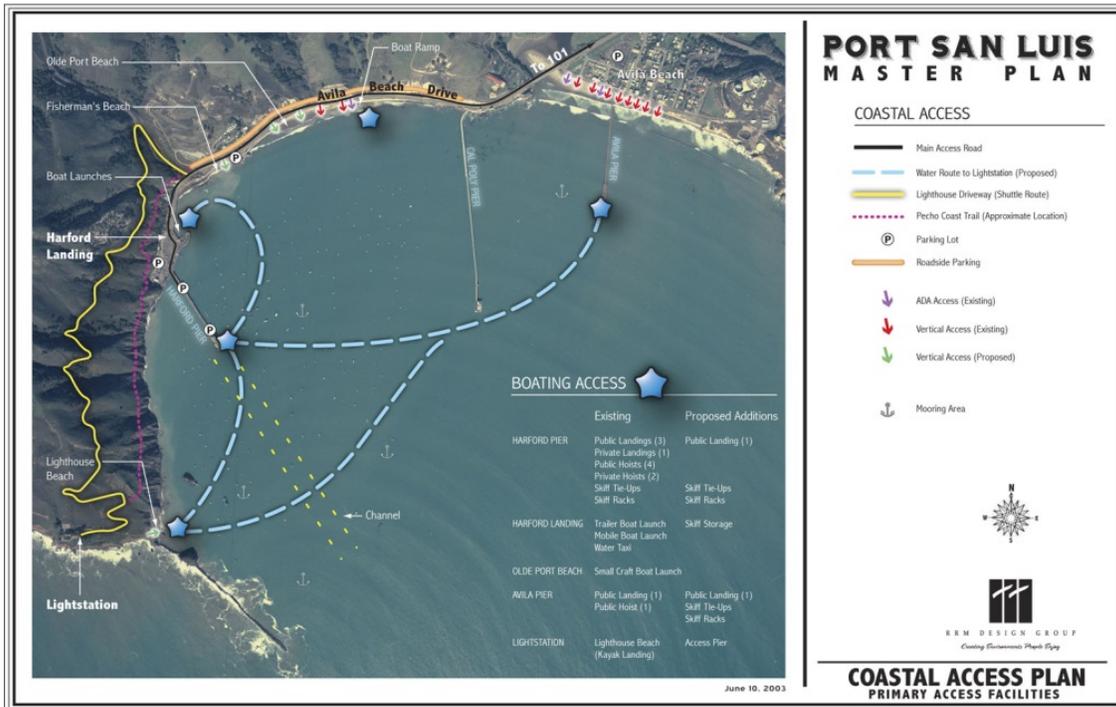


FIGURE 19



Long-Term Goals and Strategies (Cont.)

(From the Port San Luis Master Plan)

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.
11. *Opportunity Site under Warehouse (Canopy)*: Accommodate additional coastal uses. [The 2017/18 budget includes the placement of \$40,000 into specified reserves for this project.]

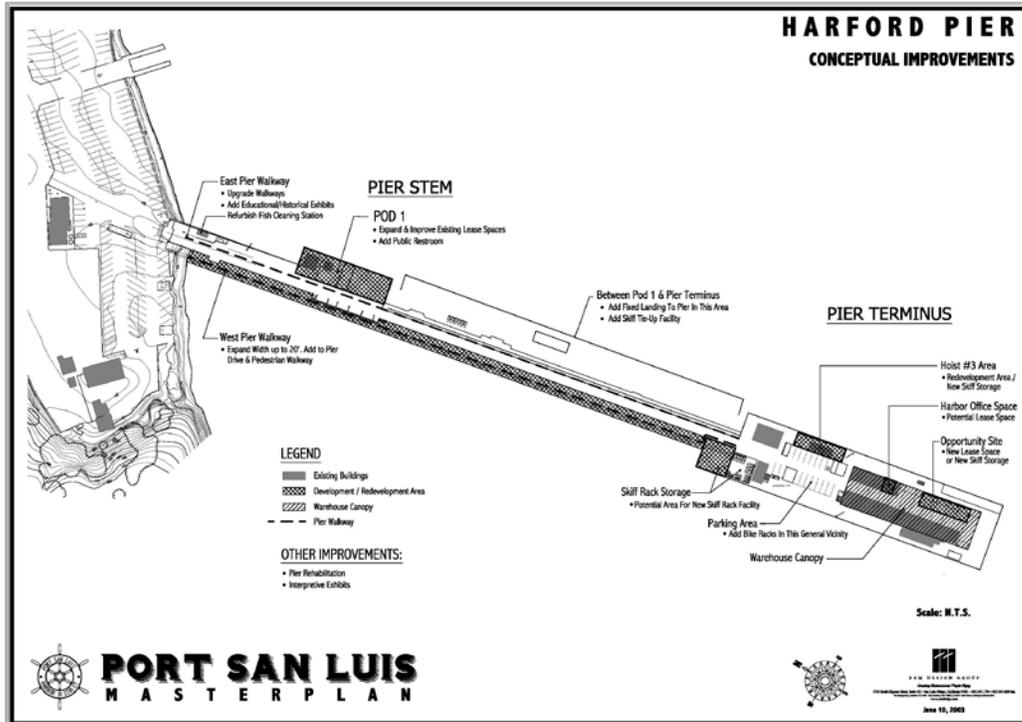


FIGURE 12



Long-Term Goals and Strategies (Cont.)

(From the Port San Luis Master Plan)

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. Add riprap to the area to dissipate wave energy. *[CEQA study is complete. \$1,000,000 included in 2017/18 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. *[Currently included on the Unfunded Major Maintenance and Capital Project list.]*
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.

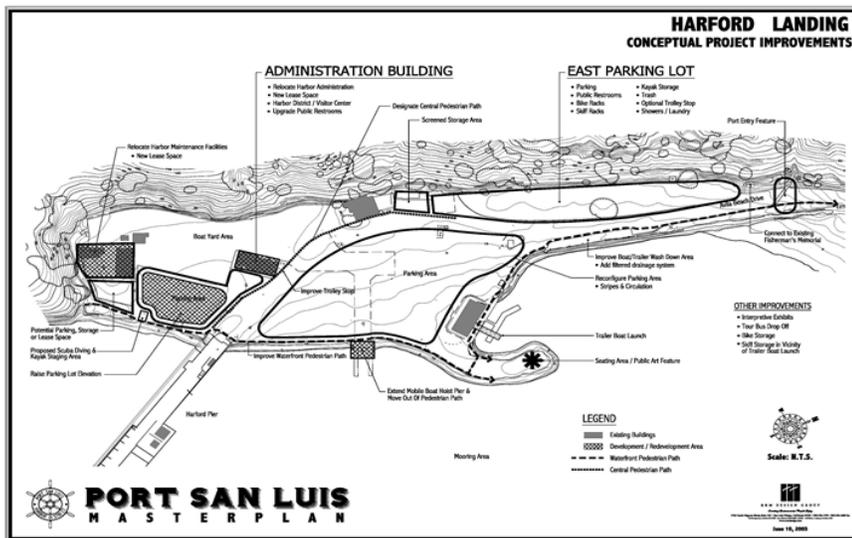


FIGURE 13



Long-Term Goals and Strategies (Cont.)

(From the Port San Luis Master Plan)

Beach and Bluff Planning

1. *Nobi Point*: Improve Nobi Point (the eastern overlook) to create an automobile parking and viewing area.
2. *Woodyard*: With new visitor developments at Harbor Terrace, improve Woodyard (the western overlook) to serve as a pedestrian waterfront destination and a gateway between upland properties and the beaches. Improve this area as a mini-park with pedestrian amenities.
3. *Beach Stairways*: Add stairways to serve Olde Port and Fisherman's Beaches.
4. *Shoreline Connection*: Work with the County to extend continuous pedestrian paths and bike lanes between Avila Beach and the Harford Pier.



FIGURE 14



Long-Term Goals and Strategies (Cont.)

(From the Port San Luis Master Plan)

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.

Current Project Status: A Coastal Development Permit was granted for the development of the project and the District has entered into an Exclusive Right to Negotiate (ERN) with Red Tail Acquisitions, LLC to develop and operate the site. Both parties are working on terms for the Disposition and Development Agreement (DDA) and Ground Lease as well as some reviewing options for minor changes to the site plan that more closely followings the existing grades and may result in a lower impact development with less excavation and fewer RV sites.





Long-Term Goals and Strategies (Cont.)

(From the Port San Luis Master Plan)

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.

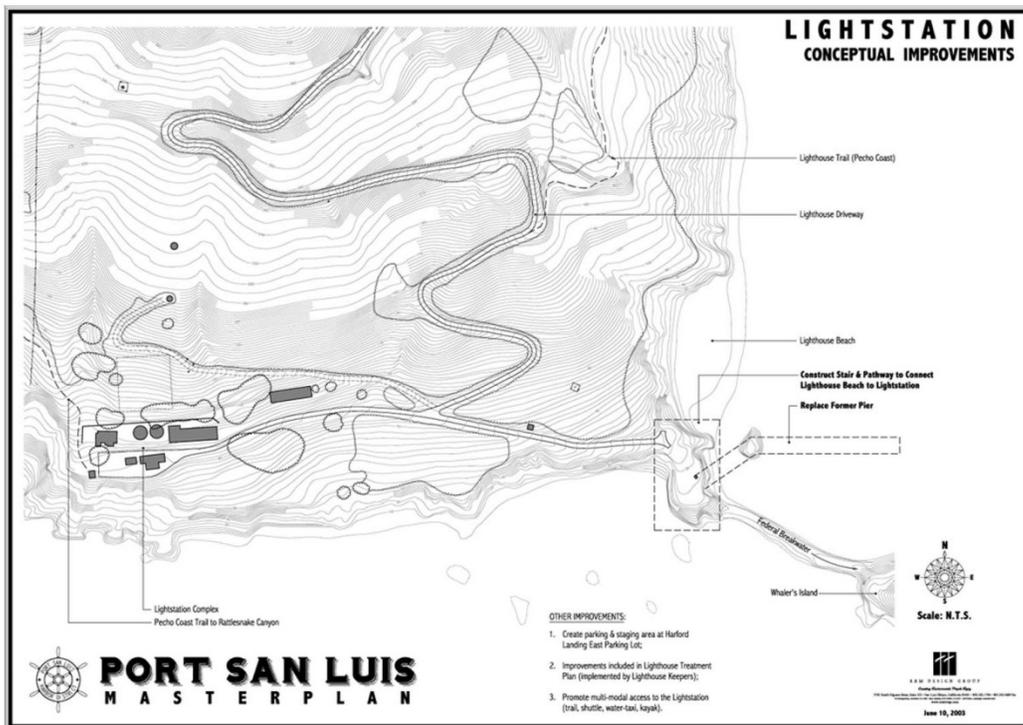


FIGURE 16



Long-Term Goals and Strategies (Cont.)

(From the Port San Luis Master Plan)

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.

Note: The District made the decision to close the Avila Pier in June of 2015 due to safety concerns. The District worked with an outside consultant to complete a Feasibility Study in early 2017 to determine the viability of replacing the Avila Pier as it is currently configured, and the potential for funding the project through a myriad of options and the time frame. The completed study provided the Board of Commissioners with recommendations for a path forward which they will discuss and consider later in 2017.

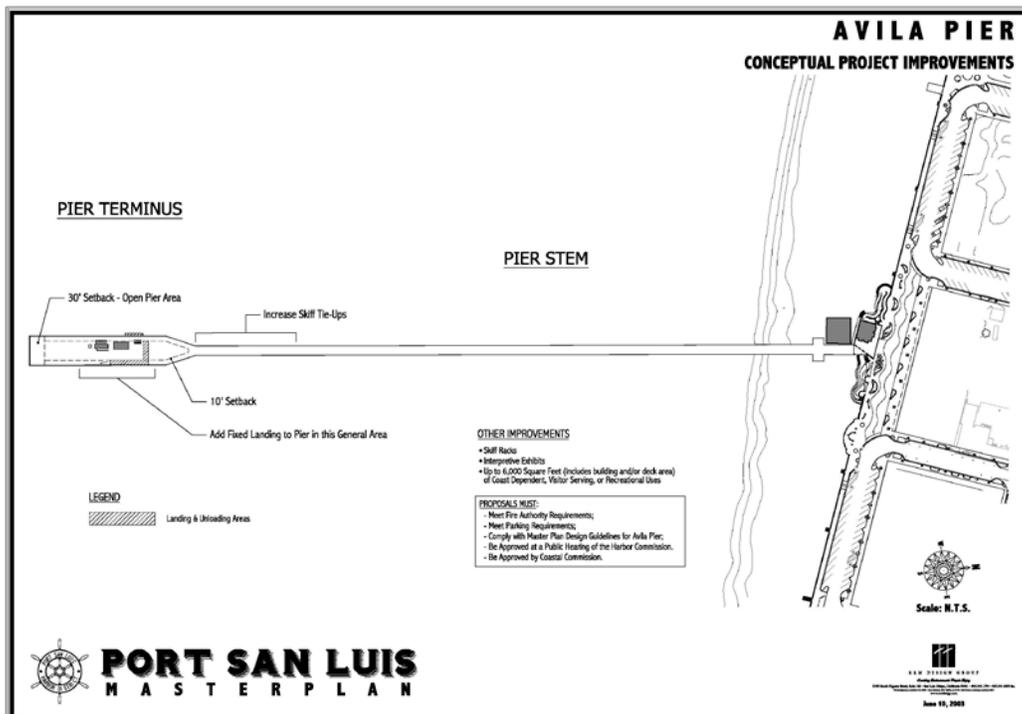


FIGURE 17



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. The Preliminary Budget will be adopted prior to June 15th each year and the Final Budget shall be adopted prior to June 30th.
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:* District policy states 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. The District shall place an additional 1.75% of revenues into budget contingency accounts spread out over all major expense categories.

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 \$688,800 in 2016/17. 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 2017/18 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.



District Policies and Guidelines (Cont.)

- 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.
- 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, 2015 through June 30, 2016, is above \$20.9 billion (per County's Tax Rate Book) , making the debt limit approximately \$3.1 billion. The District does not have and does not intend to issue debt during the 2017-18 fiscal year.

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 2017/18 estimated expenditures the operating reserve should equal \$2.3 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.



District Policies and Guidelines (Cont.)

- **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.

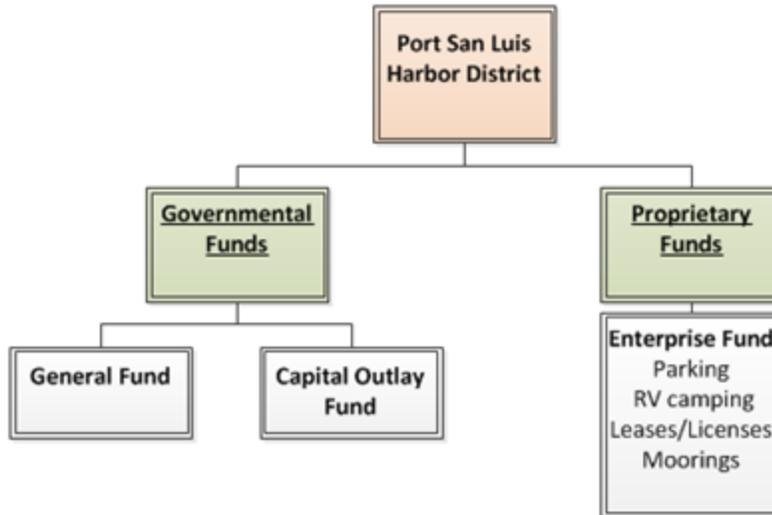
Accounting Basis

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



Glossary

Budget – A financial plan for a specified period of time that matches projected revenues and planned expenditures to municipal services, goals and objectives.

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. The District shall place an additional 1.75% of revenues into budget contingency accounts spread out over all major expense categories.

Budget and Fiscal Policies – General and specific guidelines adopted by the Harbor Commission that govern financial plan preparation and administration.

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).

Capital Project Funds – Fund type used to account for financial resources used in acquiring or building major capital facilities other than those financed by the Proprietary Fund.

Department – A major organizational unit of the District that has been assigned overall management responsibility for an operation or a group of related operations within a functional area.

Enterprise Funds – Fund type used to account for operations that are financed and operated in a manner similar to private sector enterprises and it is the District's intent that the costs (including depreciation) of providing goods or services to the general public be financed or recovered primarily through user charges.

Fiscal Year – The beginning and ending period for recording financial transactions. The District has specified July 1 to June 30 as its fiscal year.

Fund – An accounting entity that records all financial transactions for specific activities or government functions. The three generic fund types used by the District are: General Fund, Capital Project Fund, and Enterprise Fund.

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).



Glossary (Cont.)

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.

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.

General Fund – The primary operating fund of the District, all revenues that are not allocated by law or contractual agreement to a specific fund are accounted for in the General fund. Except for subvention or grant revenues restricted for specific uses, General fund resources can be utilized for any legitimate governmental purpose.

Operating Budget – The portion of the budget that pertains to daily operations and delivery of basic governmental services.



Glossary (Cont.)

Master Plan Definitions (in order of appearance in Master Plan):

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.



Glossary (Cont.)

Acronyms:

ABCSD: Avila Beach Community Services District, a community services district providing services including water, sewer, fire protection, and street lighting services, and other miscellaneous items to the Avila Beach community. <http://avilabeachcsd.org>

ACA: The Patient Protection and Affordable Care Act, a federal statute signed into law in March 2010 as a part of the healthcare reform agenda of the Obama administration.

CDP: Coastal Development Permit, the regulatory mechanism by which proposed developments in the coastal zone are brought into compliance with the policies of Chapter 3 of the Coastal Act.

CPI: Consumer Price Index, a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food and medical care.

CSDA: California Special Districts Association, a not-for-profit association to promote good governance and improved core local services through professional development, advocacy, and other services for all types of independent special districts. <http://www.csda.net>

FEMA: Federal Emergency Management Agency, a federal agency that coordinates the response to disasters in the United States. <http://www.fema.gov>

GASB: Governmental Accounting Standards Board, the independent, private-sector organization that establishes accounting and financial reporting standards for U.S. state and local governments that follow Generally Accepted Accounting Principles. <http://www.gasb.org>

GFOA: Government Finance Officers Association, a professional association of state, provincial and local finance officers in the United States and Canada. <http://www.gfoa.org>

LCM: Landing Craft Mechanized, the District's work boat.

OES: San Luis Obispo County Office of Emergency Services, an agency committed to serving the public before, during and after times of emergency by promoting effective coordination between agencies, and encouraging preparedness of the public and organizations involved in emergency response. <http://www.slocounty.ca.gov/OES.htm>

SCC: California State Coastal Conservancy, a State agency established to protect and improve natural lands and waterways, help people get to and enjoy the outdoors, and sustain local economies along the length of California's coast and around San Francisco Bay. <http://scc.ca.gov>

SEIU: Service Employee International Union, labor union representing the District's miscellaneous employees. <http://www.seiulocal620.org>

TRAN: Tax Revenue Anticipation Note, note issued by states or municipalities to finance current operations before tax revenues are received. When the issuer collects the taxes, the proceeds are then used to retire debt.