

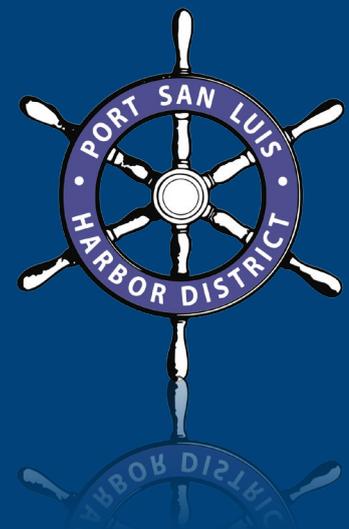


2019/20

Operating and Capital Budget

July 1, 2019 – June 30, 2020

Port San Luis Harbor District
3950 Avila Beach Drive | PO Box 249
Avila Beach, CA 93424
(805) 595-5400





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, 2018**. 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, 2018

Christopher P. Morrill

Executive Director



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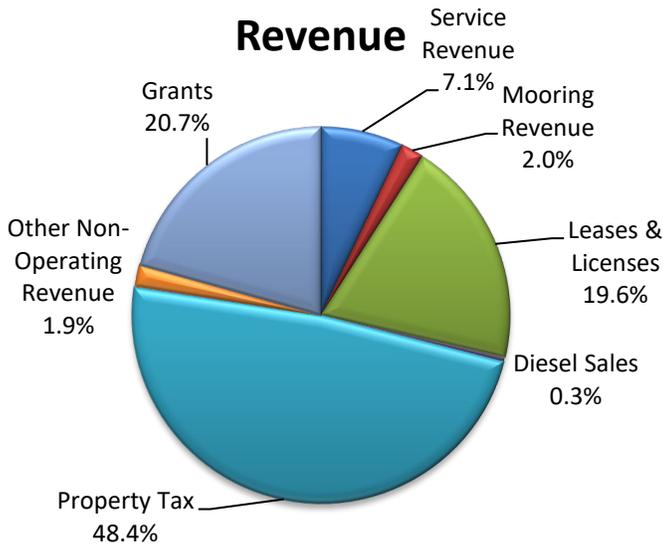
Budget at a Glance



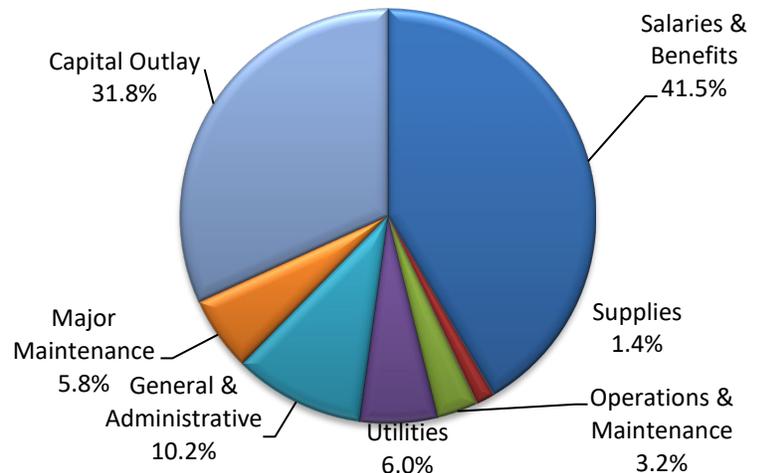
Budget Summary		Comparison to 2018/19 Projections				
Operating Revenue	\$2,238,500	<input checked="" type="checkbox"/>	Increase	<input type="checkbox"/>	Decrease	2.22%
Non-Operating Revenue	3,891,000	<input checked="" type="checkbox"/>	Increase	<input type="checkbox"/>	Decrease	5.26%
Operating Expenditures	(5,189,400)	<input checked="" type="checkbox"/>	Increase	<input type="checkbox"/>	Decrease	3.93%
Major Maintenance and Capital Projects (net of grant funding)	(1,526,300)	<input checked="" type="checkbox"/>	Increase	<input type="checkbox"/>	Decrease	81.06%
Net Income (Loss)	(586,200)	<input type="checkbox"/>	Increase	<input checked="" type="checkbox"/>	Decrease	-1262.03%
Prior Year Specified Reserve Usage	736,500	<input checked="" type="checkbox"/>	Increase	<input type="checkbox"/>	Decrease	141.55%
Specified Reserve Funding	(150,000)	<input checked="" type="checkbox"/>	Increase	<input type="checkbox"/>	Decrease	-
Increase (Decrease) in Operating Reserves	300	<input type="checkbox"/>	Increase	<input checked="" type="checkbox"/>	Decrease	-99.92%

- The 2019/20 budget utilizes \$736,500 in prior year specified reserves to fund major maintenance, capital asset purchases and improvements, with an increase to Operating reserves in the amount of \$300. Operating revenue is budgeted to increase 2.22% compared to 2018/19 projections. Operating revenues are budgeted to remain relatively consistent with current year projections.
- Non-Operating Revenue is budgeted to increase 5.26% compared to 2018/19 projections. Base property tax revenues are budgeted to increase 5.6% while unitary tax revenues are projected to decrease as the Diablo Canyon Power Plant begins the decommissioning process. See pages 32-34 for further detail on revenue.
- Operating expenditures are budgeted to increase 3.93% compared to 2018/19 projections. This increase is largely due to an increase in Salaries, Wages and Benefits. Additional detail on operating expenditures can be found on page 35.
- The District anticipates revenues exceeding operating expenditures by \$940,100 which will be used to fund a portion of Major Maintenance and Capital Projects costs of \$3,128,300. Additional major maintenance and capital project costs will be funded using \$736,500 in specified reserves and \$1,602,000 in anticipated grants. See pages 43-59 for further major maintenance and capital project detail.

Revenue



Expenditures





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.”

Value Statements

Port San Luis:

- Values honesty because it builds trust.
- Promotes respect and understanding of the Harbor District and surrounding community.
- Strives to carry out its mission responsibly, ethically, and with integrity.
- Protects and serves throughout our community and environment.
- Fosters a positive attitude through patience, gratitude and empathy.
- Takes a proactive approach by being resourceful, dependable, and responsive.





Priorities and Issues (Cont.)

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

MAJOR OBJECTIVES AND GOALS ADOPTED BY THE HARBOR COMMISSION MARCH 26, 2018

Objective #1: Keep Harbor Functional for Boaters

- **Goals**
 - Dredge the harbor with planning and preparation for timely execution included in the budget.
 - Continue participation in regional sediment management efforts.
 - Explore options to extend reach with mobile hoist or other means.

Objective #2: Expand Money Generating Opportunities to Support Harbor Operations that are Consistent with Affordability and Accessibility for the Public

- **Goals**
 - Continue oversight of Harbor Terrace project with site planning for harbor yard, trailer boat storage, and fishermen's gear storage.
 - Develop plan to repair terminus of Harford Pier with sequencing events to boost financial returns from Harford Pier redevelopment.
 - Develop, issue, and advertise RFP's for leases for available footprint.
 - Explore other financial opportunities, parking meters, to promote revenue and turnover.

Objective #3: Ensure Efficient and Effective Facilities to Deliver Critical District Services

- **Goals**
 - Assess needs of staff and facilities requirements, including updates for developments on Harford Pier and Harbor Terrace, and identification of opportunities for improvement.
 - Review District Master Plan to determine any needs for updates.

Objective #4: Plan for Long term Financial Sustainability

- **Goals**
 - Identify alternative scenarios for financial future of District to inform planning.

Objective #5: Establish Financial Sustainability for Avila Pier, Parking, and Uses

- **Goals**
 - Complete Avila Pier Community Meeting survey report and identify funding opportunities (grants, Friends of Avila Pier, solar panels on parking, etc.)
 - Decide on desired future of Avila Pier, parking, and use, including funding opportunities and partnerships.



Priorities and Issues (Cont.)

OTHER OBJECTIVES AND GOALS ADOPTED BY THE HARBOR COMMISSION MARCH 26, 2018

Objective #6: Attract and Retain Needed Staff Expertise and Encourage High Morale for Effective Performance.

- **Goals**
 - Continue efforts to motivate staff and complete negotiation of two contracts with fair terms.

Objective #7: Maintain a Safe, Boater Friendly/Accommodating Atmosphere for Commercial and Recreational Boaters (local and transient).

- **Goals**
 - Coordinate with Coast Guard, auxiliary or others to conduct boat safety inspection program
 - Review service needs and requests from boaters and identify opportunities to accommodate them.
 - Gain more active engagement and support from Coast Guard.

Objective #8: Ensure that all Facilities and Events Maintain a High Level of Safety for All Staff, Visitors.

- **Goals**
 - Track enforcement efforts (citations, misdemeanors, etc.) and complete ordinance change with District Attorney and County Counsel support.
 - Monitor use of District Harbor Patrol by other agencies.

Objective #9: Maintain and Nurture Productive Strategic Alliances between the County, City, State, and Federal Agencies, Organizations and the Community at Large to Benefit the District's Objectives.

- **Goals**
 - Implement communication plan (for example: social media, viewpoints, letters to editor, etc. to present role and results of District with public to increase understanding, use, and support

Objective #10: Ensure that Board Policies and Ordinances are Up to Date and Align with the Goals of the District.

- **Goals**
 - Complete review and revision of Harbor Patrol section through Lexipol.
 - Identify any other policies and ordinances that Board Members or Staff recommends for review.

Note: Schedule Goal Setting Workshop 1st Quarter 2020



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, continued through March 2019. 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 estimated to increase by 5.6% in 2019/20. According to data presented by the Bureau of Labor Statistics the Unemployment rates in the San Luis Obispo area have decreased significantly from a high of 10.5% in January of 2010 to 3.3% in March 2019. Such factors have a positive impact on revenues but contribute to wage and operating cost increases.

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 and filed for Chapter 11 Bankruptcy in January 2019. 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 power plant. Knowing the timeline of the plant's closure will 1) allow the County and Harbor District to plan ways to replace such tax revenue and/or adjust spending and services and 2) allow those individuals employed at Diablo to 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. Government-wide statements reflect general, capital and enterprise activity assets, liabilities and operations as stated on a modified accrual basis. According to the most recent actuarial reports, the unfunded portion of the net pension liability for all such activities was \$4,176,535.

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 \$136 per month. The retiree contribution liability (also known as Other Post-Employment Benefits (OPEB)) is calculated every three years through an actuarial valuation. The most recent valuation as of June 30, 2017 estimated the District's unfunded liability at \$1,483,705.



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 and as a result there have been continuous changes in the marketplace. In part, these ACA changes have resulted in a near double digit increases in health insurance costs, since its inception. In 2010, the health care cost to the District was \$275,500 and is projected to be \$438,000 for fiscal year 2019.

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. The newly elected Governor Gavin Newsome 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 identify more maintenance projects that cannot be completed 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, 2018, the District spent \$366,570, including grant funded projects, and recorded depreciation expense of \$622,105. This was possible due to use of \$4,800 in grant funds from the Surrendered and Abandoned Vessel Exchange (SAVE) funds from the Division of Boating and Waterways, \$10,800 from the Central California Joint Cable Fisheries Liaison Committee, \$10,000 in grant funds for Lexipol from PG&E, and \$35,000 for channel markers from the Division of Boating and Waterways, along with other grants. All such grants totaled \$116,604 in the aggregate. For fiscal year ending June 30, 2020, the District has budgeted \$3,128,300 for major maintenance and capital assets. The District continues to be dependent on grant funds that can be used to restore and maintain capital assets in order to meet the District's fiscal goal. Grant funding is budgeted to be \$1,602,00 for the 2019/20 fiscal year.

The District made the decision to close the Avila Pier in June of 2015 due to safety concerns identified in an inspection done by Shoreline Engineering, Inc. After closure, the District worked with an outside consultant, Netzel Grigsby, 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 and worked on during 2017/18 fiscal year, which included creation of a 501c3, Friends of Avila Pier (FOAP). Moving forward, prior to determining the specific project and embarking on fundraising, the Board of Commissioners' consensus in April 2018 was to have a study completed by an engineering firm/engineer to determine more specific costs for pier options including the current dimensions as well as a shorter pier and the cost for removal.



Short-Term Factors Influencing Decisions (Cont.)

In February 2019, engineering firm Moffatt & Nichol completed a load capacity study of the Avila Pier and provided preliminary recommendations for the repair of the pier, including the recommendation to reopen the pier to Bent 58. The Avila Pier was opened to Bent 58 in April 2019. The next phase for the Avila Pier rehabilitation project will be the completion of the inspection and assessment of all piles, the design drawings for immediate repair, and full repair design drawings. This phase has been funded in the 2019/20 budget.

A 2016 agreement between the Harbor District and the Avila Beach Community Services District (ABCSD) re-established the Harbor District's 35% capacity rights to 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 Wastewater Treatment Plan Alternatives Evaluation report has been completed, and the preliminary costs of the project is stated to be \$2.5 million. The District is obligated to participate in the project, and to date, the District's share will be \$850,000. However, the project amount will continue to be refined and may ultimately differ from the \$2.5 million initially identified. Payment options include using reserve funds, finding grants or participating in a low-interest loan from the State Revolving Fund (SRF) or from the United States Department of Agriculture (USDA). The SRF is a fund administered by the State of California to provide low-interest loans for investments in water and sanitation infrastructure including sewage treatment. The USDA provides low-interest, long-term loan funding for projects.

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 improvement 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 Major Maintenance and Capital Project Budget is presented at the Harbor Commission's April meeting. District staff receives direction from the Commission and presents the Preliminary Budget at the May Harbor Commission meeting. The Preliminary Budget is adopted at the May 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 Commissioner's meeting. The Commissioner's 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					
Harbor Commission attends Financial Workshop			March 12, 2019				
Mid-year 2018/19 Budget review at Harbor Commissioner meeting			March 26, 2019				
Harbor Commission attends Financial Workshop to review Major Maintenance & Capital Projects				April 11, 2019			
Harbor Commission reviews first draft of 2019/20 Major Maintenance & Capital Projects, provides input				April 23, 2019			
First draft of 2019/20 Budget updated per Harbor Commission direction				X	X		
Harbor Commission reviews and adopts Preliminary 2019/20 Budget, provides input					May 28, 2019		
Staff posts Public Notice of Adoption of Preliminary 2019/20 Budget, Public hearing to adopt changes to Fee Schedule, Public hearing for adoption of Final Budget					May 29, 2019		
Staff revises 2019/20 Preliminary Budget per Harbor Commission direction				X	X		
Staff prepares Final 2019/20 budget					X	X	
Public Hearing to adopt Final 2019/20 Budget						June 25, 2019	
Final 2019/20 Budget transmitted as necessary to SLO County departments							July 31, 2019

Dates listed in red are regularly scheduled Harbor Commission meetings. The public is welcome to attend and provide input. Meetings are held on the fourth Tuesday of every month at 6PM.



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.

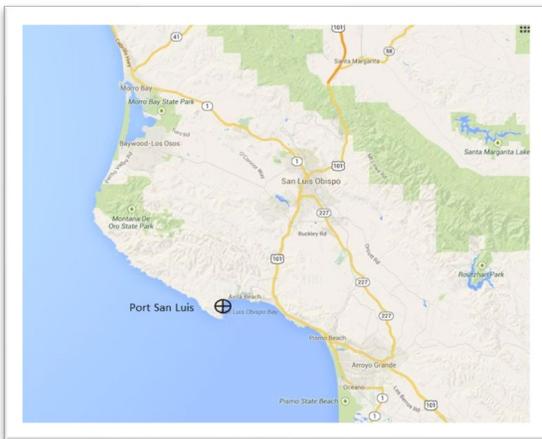
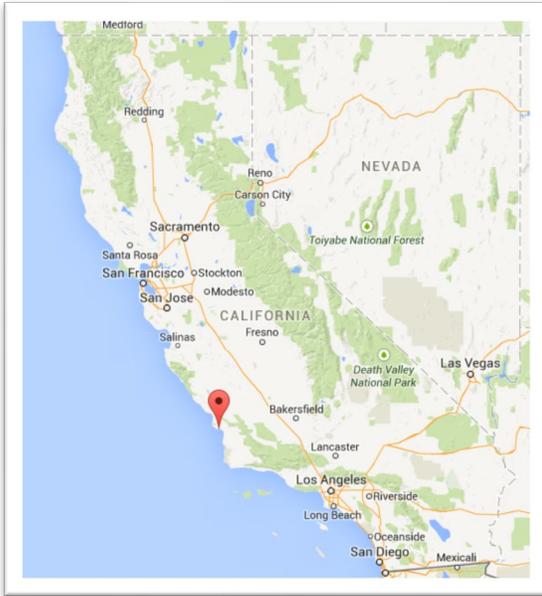


About Us



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





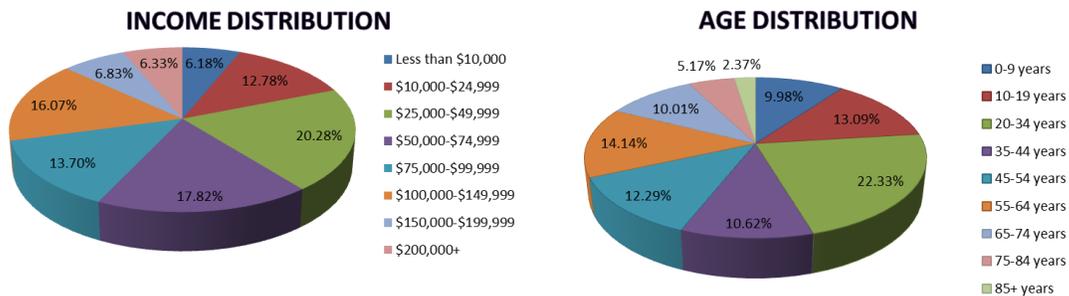
Where is Port San Luis? (Cont.)

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 284,010 as of January 1, 2019. This is a 0.03% increase from the January 1, 2018 estimates.

SLO County Population by City	
Arroyo Grande	17,876
Atascadero	30,405
Paso Robles	31,244
Grover Beach	13,533
Morro Bay	10,439
Pismo Beach	8,239
San Luis Obispo	46,802
Unincorporated	125,472
Total (Estimated)	284,010

*Source: California Department of Finance



*Source: US Census Bureau

The County's median household income is estimated at \$67,175 in 2017. This is more than the estimated median income for the State of California of \$67,169.

The median value of owner-occupied housing is estimated at \$499,800; this is more than estimated for the State of California of \$443,400. The median monthly owner cost with a mortgage is estimated at \$2,160, slightly lower than the State of California estimated at \$2,206.



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
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	43,698	8.5%
2013	272,177	12,547,278	45,388	6.4%
2014	272,357	12,823,005	45,947	5.3%
2015	274,293	14,034,209	49,873	4.4%
2016	277,977	Not Avail.	Not Avail.	4.5%
2017	280,101	Not Avail.	Not Avail.	3.6%
2018	284,010	Not Avail.	Not Avail.	3.1%

*Source: San Luis Obispo County Comprehensive Annual Financial Report

Principal Taxpayers (Fiscal Year 2018)

Taxpayer	Industry	Assessed Value (in thousands)	% of Total County Assessed Value
Pacific Gas & Electric	Utility	\$2,663,682	4.99%
Phillips 66 Company	Oil Refinery	137,197	0.26%
Jamestown Premier SLO Court St. LP	Commercial	111,018	0.21%
AT&T California	Telephone	109,458	0.20%
CAP VIII – Mustang Village LLC	Apartments	90,677	0.17%
E&J Gallo Winery	Winery	76,338	0.14%
Firestone Walker LLC	Brewer	65,986	0.12%
Pasquini Charles Jr. TRE ETAL	Multi-Property Owner	60,244	0.11%
Brodiaea Inc.	Land Management	57,716	0.11%
Dynegy Morro Bay LLC	Utility	57,158	0.11%
Total Top 10 Taxpayers		\$3,429,474	6.42%

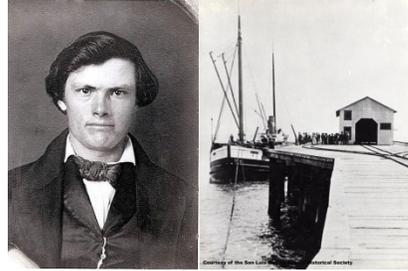
*Source: County of San Luis Obispo Property Tax "2017-18 Property Tax Perspective"



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:

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 a value of over \$2,700,000 in 2016, a more than threefold increase and the highest since 1998. Commercial fishing in Port San Luis reached approximately 977,000 pounds in 2016 and rose nearly 106% between 2013 and 2016. The top species landed in the Port are Brown Rockfish, Gopher Rockfish, Black and Yellow Rockfish, Cabazon and Dungeness Crab. Port San Luis was also the top port for Pacific Hagfish in California in 2016 landing 388,000 pounds. The Port has a completed Commercial Fishing Economic Impact Report in 2018 which is on their website and provides further data on the fisheries. The next Economic Impact Report is planned for 2020 which will provide updated data.

Recreation:

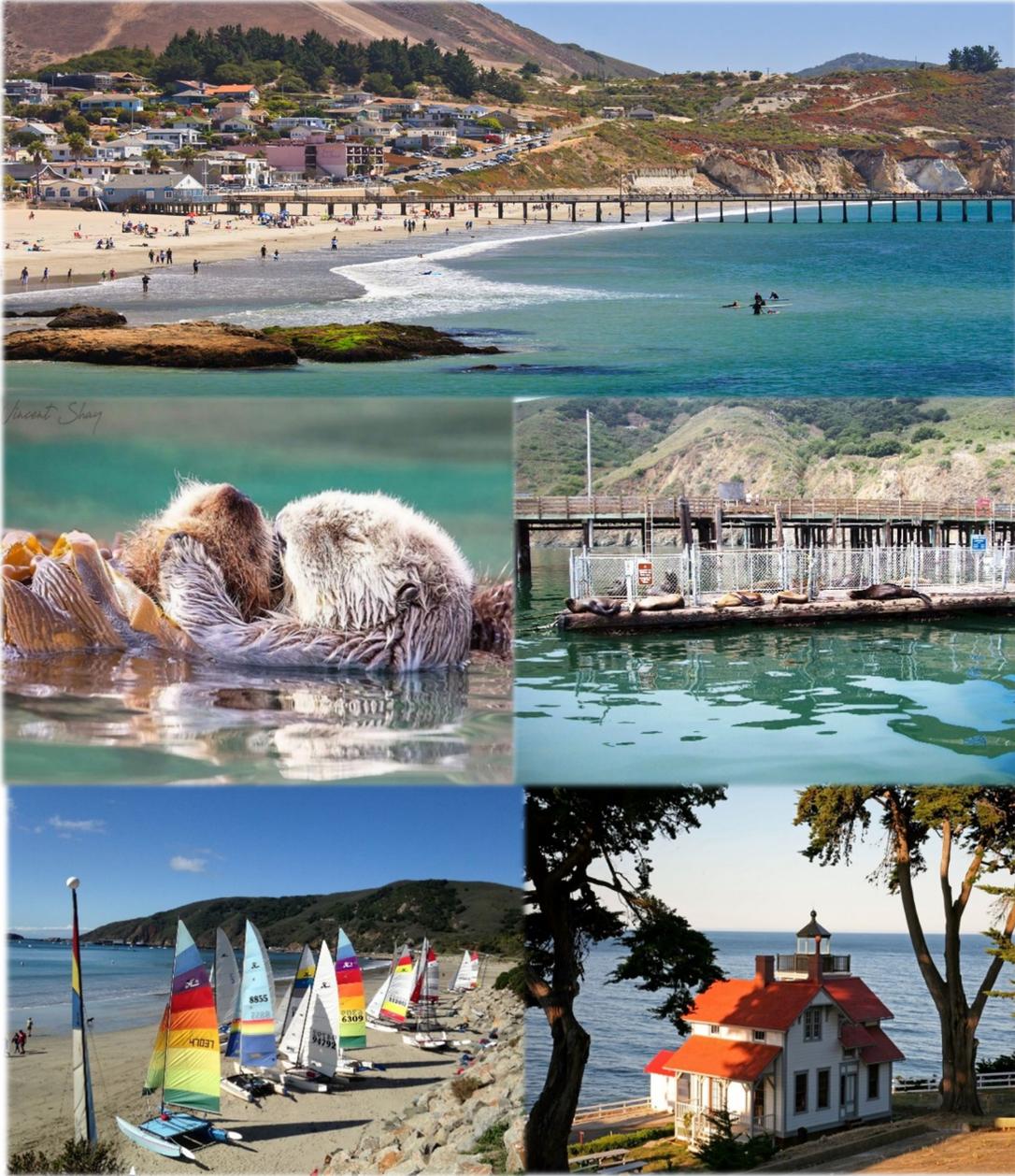
Recreation continues to play a very significant role in the use of the District's facilities, resulting in increased demand on District resources including maintenance, Harbor Patrol and administrative staff. The District's beaches host hundreds of thousands of visitors annually for traditional beach activities as well as kayaking, paddle boarding, surfing, outrigger canoeing and boogie boarding. The restored 19th century Point San Luis Lighthouse, another very popular destination, is 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:

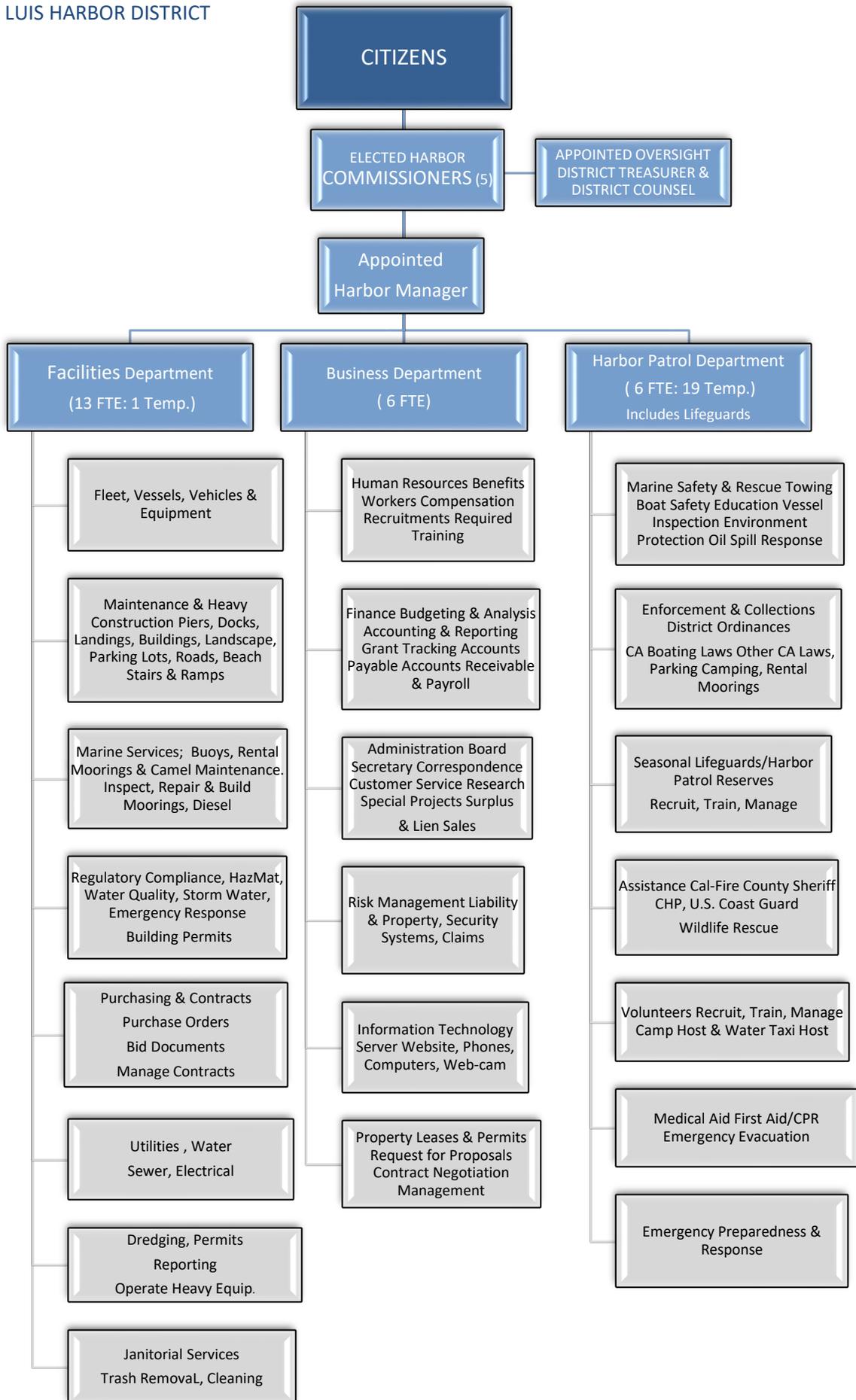
In 1978, the District purchased the site now known as Harbor Terrace, intending for the land to be financially and physically supportive of District operations. In early 2018, the District entered a 50-year ground lease for development/operation of the site. Groundbreaking is scheduled for early Summer 2019 with completion within the calendar year. 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, RV sites and self-contained cabins. The site will also feature commercial space and a swimming pool. While maintaining its essential functions in support of coastal dependent uses, the project will also increase visitor access to the Port and the coast and provide revenue to further support District operations.



Port San Luis Today (Cont.)



PORT SAN LUIS HARBOR DISTRICT





Staffing Authorization

	<u>FY 2017/18</u>	<u>FY 2018/19</u>	<u>FY 2019/20</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 Leadworker	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	1	1
Harbor Patrol Officer	5	4	4
Harbor Patrol Reserves (20 hours per month)	4	4	4
Temporary Seasonal Workers			
Temporary Port Maintenance Worker	1	1	1
Lifeguards	15	15	15
TOTAL STAFFING	<u>46</u>	<u>46</u>	<u>46</u>

* The 2019/20 budget does not include any changes in staffing levels.



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.
- Manages website and social media posts.

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.
- Ensures 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

	2017/18 Actual	2018/19 Projected	2019/20 Budget	% Change from Projections
Wages	\$ 530,610	535,900	\$ 551,000	2.82%
Benefits & Payroll Taxes	284,600	299,100	305,500	2.14%
Contract Labor	600	22,622	1,000	-95.58%
Pension Obligation Debt	-	-	-	-

* The District utilized a staffing agency in 2018/19 increasing Contract labor cost. Health insurance rates are budgeted to decrease 5% effective January 1, 2019. The District's pension liability payments are budgeted to increase 15.5% over 2018/19 projections. Worker's compensation rates are expected to increase 22% in 2019/20.

Operating Indicators

	2014/15	2015/16	2016/17	2017/18	2018/19
Recruitments opened	3	6	12	7	6
Lien sales conducted	2	1	0	1	0
RFP's released	5	5	6	3	3
Special event permits processed	55	64	61	59	50
Leases managed (as of June 30 th)	10	10	10	13	13
Licenses managed (as of June 30 th)	11	10	12	11	9
Claims filed against the District	1	1	0	2	1
Mooring patrons	154	154	153	148	161
Skiff storage patrons	50	50	47	50	55
Boat storage patrons	34	48	44	49	50
Gear storage patrons	13	14	13	15	15
Grants received	2	3	3	1	2
Amount of grants received	\$231,857	\$44,781	\$53,500	\$8,000	\$8,044



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 Analyst, 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 paperwork 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

	2017/18 Actual	2018/19 Projected	2019/20 Budget	% Change from Projections
Wages	870,782	840,205	\$ 875,400	4.19%
Benefits	485,401	506,531	511,400	0.96%
Contract Labor	8,673	1,447	10,000	591.09%

Operating Indicators

	2014/15	2015/16	2016/17	2017/18	2018/19
Dredge hours	467	520	492	535	439
Boats fueled	215	285	288	340	320
Invitations to Bid released	7	4	4	6	5
Major maintenance projects completed	7	7	9	6	9
Amount of major maintenance completed	\$116,176	\$179,320	\$244,573	\$138,991	\$345,300
Capital projects completed	18	10	9	12	9
Amount of capital projects completed	\$1,263,366	\$508,896	\$230,747	\$505,924	\$527,700
Grants received	3	3	1	2	2
Amount of grants received	\$248,400	\$19,764	\$4,000	\$116,600	\$30,000





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 department includes one Chief Harbor Patrol Officer, one Supervising Harbor Patrol Officer, four full time Harbor Patrol officers, fifteen seasonal lifeguards, and four Harbor Patrol 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.

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 and 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.

- 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).



Department Summary (Cont.)

Harbor Patrol Department

Budget Summary

	2017-18 Actual	2018/19 Projected	2019/20 Budget	% Change from Projections
Wages	\$545,050	\$ 537,600	\$ 566,974	5.46%
Benefits	235,953	265,937	260,562	2.02%
Contract Labor	107,275	114,675	105,000	-8.44%

Harbor Patrol Operating Indicators

Fiscal Year	2014/15	2015/16	2016/17	2017/18	2018/19
Agency to agency assistance	188	155	141	161	168
Wildlife rescues	75	109	64	32	30
Parking citations	741	483	583	339	256
Water taxi passengers	3,506	5,377	5,609	5,731	4869
Avila parking lot spaces sold	69,923	84,353	79,591	70,174	81,162
RV camping nights sold	13,744	13,840	13,931	13,827	13,681
Grants received	1	0	1	2	1
Amount of grants received	\$11,759	\$0	\$2,950	\$15,864	10,000

Lifeguard Operating Indicators

Calendar Year	2016	2015	2016	2017	2018
Rescues	26	26	17	7	12
Medical aids	171	74	102	78	75
Contacts for beach fire compliance	16	18	10	3	1
Contacts for dog law compliance	662	895	900	928	794
Contacts for alcohol compliance	516	684	935	735	785





Consolidated Budget



Consolidated Financial Schedule

	Capital Outlay			
	General Fund	Fund	Enterprise Fund	Total Budget
Revenues				
Charges for Services	\$ -	\$ -	\$ 547,200	\$ 547,200
Mooring Fees	-	-	152,800	152,800
Lease and License	-	-	1,513,800	1,513,800
Diesel Sales	-	-	24,700	24,700
Property Taxes	3,745,000	-	-	3,745,000
Interest	18,000	-	27,000	45,000
Other Financing Sources	-	-	-	-
Other Non-Operating Revenue	100,000	-	1,000	101,000
Grant Funding	-	98,800	1,503,200	1,602,000
Fund Transfer	(1,237,140)	1,237,140	-	-
Total Revenues	\$ 2,625,860	\$ 1,335,940	\$ 3,769,700	\$ 7,731,500
Expenditures by Category				
Salaries, Wages & Benefits	\$ 2,459,800	\$ -	\$ 993,200	\$ 3,453,000
Supplies	89,600	-	29,900	119,500
Operations & Maintenance	181,100	-	87,300	268,400
Utilities	321,300	-	178,900	500,200
General & Administrative	513,300	-	335,000	848,300
Major Maintenance	-	356,050	126,950	483,000
Capital Projects	-	979,890	1,665,410	2,645,300
Total Expenditures by Category	\$ 3,565,100	\$ 1,335,940	\$ 3,416,660	\$ 8,317,700
Expenditures by Function				
Administration	\$ 1,053,200	\$ -	\$ 734,500	\$ 1,787,700
Maintenance	1,415,800	-	875,800	2,291,600
Safety	1,096,100	-	14,000	1,110,100
Major Maintenance	-	356,050	126,950	483,000
Capital Projects	-	979,890	1,665,410	2,645,300
Total Expenditures by Function	\$ 3,565,100	\$ 1,335,940	\$ 3,416,660	\$ 8,317,700
Revenues less Expenditures	\$ (939,240)	\$ -	\$ 353,040	\$ (586,200)
Specified Reserve Usage	\$ 484,920	\$ -	\$ 251,580	\$ 736,500
Specified Reserve Funding	\$ (112,500)	\$ -	\$ (37,500)	\$ (150,000)
Increase/(Decrease) in Operating Reserves	\$ (566,820)	\$ -	\$ 567,120	\$ 300
Estimated Beginning Fund Balance as of July 1, 2019	\$ 1,407,400	\$ (4,387)	\$ 2,567,100	\$ 3,970,113
Estimated Ending Fund Balance as of June 30, 2020	\$ 468,160	\$ (4,387)	\$ 2,920,140	\$ 3,383,913
Percentage Change in Fund Balance	-66.7%	0.0%	13.8%	-14.8%



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 66.7%. The source of revenue for the General Fund is primarily property tax. Property tax revenue has increased over the last few years with \$2,780,200 in revenue in 2009/10 versus 2019/20 expected property tax revenue of \$3,745,000 which is a 34.7% increase over the last ten years. During the same period salaries and benefits have increased from \$1,795,500 in 2009/10 versus expected wages of \$2,459,800 in 2019/20 which is a 37.00% increase over the last ten years. These trends, coupled with increased maintenance costs on aging infrastructure, are 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 13.8%. Enterprise Fund operating revenues in 2009/10 were \$1,327,900 versus \$2,238,500 expected in 2019/20 or a 68.47% increase. During the same period salaries and benefits have increase from \$754,500 in 2009/10 versus expected wages of \$993,200 in 2019/20 which is a 31.72% increase over the last ten years. The increase in revenues over aggregate operating and improvement cost 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		
	2017/18 Actual	2018/19 Projected	2019/20 Budget	2017/18 Actual	2018/19 Projected	2019/20 Budget	2017/18 Actual	2018/19 Projected	2019/20 Budget	2017/18 Actual	2018/19 Projected	2019/20 Budget
Revenues												
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 563,434	\$ 564,685	\$ 547,200	\$ 563,434	\$ 564,685	\$ 547,200
Mooring Fees	-	-	-	-	-	-	146,240	146,000	152,800	146,240	146,000	152,800
Lease and License	-	-	-	-	-	-	1,545,100	1,453,100	1,513,800	1,545,100	1,453,100	1,513,800
Diesel Sales	-	-	-	-	-	-	25,485	26,100	24,700	25,485	26,100	24,700
Property Taxes	3,505,000	3,641,000	3,745,000	-	-	-	-	-	-	3,505,000	3,641,000	3,745,000
Interest	12,100	36,243	18,000	-	-	-	44,523	14,758	27,000	56,623	51,000	45,000
Other Financing Sources	21,100	-	-	-	-	-	-	-	-	21,100	-	-
Other Non-Operating Revenue	-	577	100,000	-	-	-	2,763	4,034	1,000	2,763	4,611	101,000
Grant Funding	79,600	-	-	35,000	30,000	98,800	2,000	-	1,503,200	116,600	30,000	1,602,000
Fund Transfer	(93,062)	(444,750)	(1,237,140)	93,062	444,750	1,237,140	-	-	-	-	-	-
Total Revenues	3,524,738	3,233,069	2,625,860	128,062	474,750	1,335,940	2,329,545	2,208,676	3,769,700	5,982,345	5,916,496	7,731,500
Expenditures by Category												
Salaries, Wages & Benefits	2,223,400	2,367,500	2,459,800	-	-	-	978,800	945,300	993,200	3,202,200	3,312,800	3,453,000
Supplies	82,700	92,600	89,600	-	-	-	29,401	29,900	29,900	112,101	122,500	119,500
Operations & Maintenance	159,100	157,500	181,100	-	-	-	87,600	83,500	87,300	246,700	241,000	268,400
Utilities	294,000	305,000	321,300	-	-	-	165,390	173,100	178,900	459,390	478,100	500,200
General & Administrative	423,200	474,600	513,300	-	-	-	266,548	364,200	335,000	689,748	838,800	848,300
Major Maintenance	101,200	-	-	-	218,000	356,050	46,400	127,200	126,950	147,600	345,200	483,000
Capital Projects	33,060	-	-	121,740	256,750	979,890	64,200	270,900	1,665,410	219,000	527,650	2,645,300
Total Expenditures by Category	3,316,660	3,397,200	3,565,100	121,740	474,750	1,335,940	1,638,339	1,994,100	3,416,660	5,076,739	5,866,050	8,317,700
Increase (Decrease)	208,078	(164,131)	(939,240)	6,322	-	-	691,206	214,576	353,040	905,606	50,446	(586,200)
Specified Reserve Usage	77,685	106,650	484,920	-	-	-	52,083	198,250	251,580	129,768	304,900	736,500
Specified Reserve Funding	(101,700)	-	(112,500)	-	-	-	(48,300)	-	(37,500)	(150,000)	-	(150,000)
Funding/(funded by) Operating Reserve	\$ 184,063	\$ (57,481)	\$ (566,820)	\$ 6,322	\$ -	\$ -	\$ 694,989	\$ 412,826	\$ 567,120	\$ 885,374	\$ 355,346	\$ 300



District Revenue

The District generates a majority of its revenue through property taxes. For the 2019/20 fiscal year, property taxes are budgeted to bring in \$3,745,000. This amount is based on estimates received from the County of San Luis Obispo and includes a projected 5.6% increase in base property taxes.

Lease, License and RV camping revenue are the second largest revenue source. This amount is calculated based on current lease agreements and trends. For 2019/20 it is estimated that this will be \$1,513,800. This is a 4.18% increase from 2018/19 projections. The development of the Harbor Terrace project could impact RV camping revenues as construction begins though the impact is unknown at this time. The 2019/20 budget assumes a slight impact to RV camping revenues during the 2019/20 fiscal year.

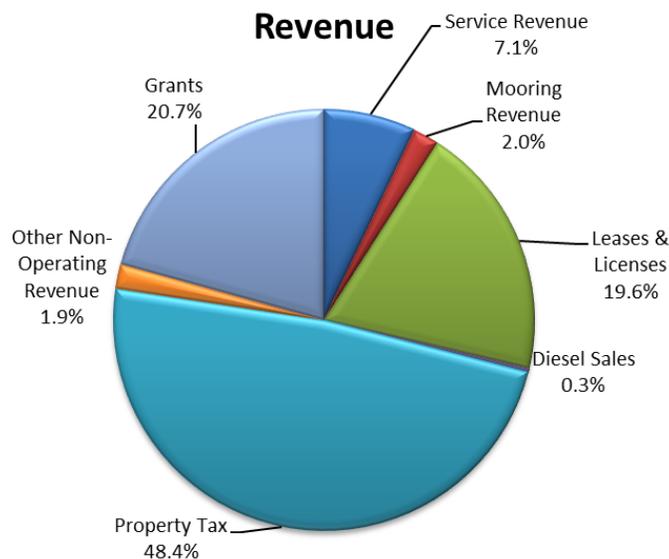
Service revenue, including parking, citation and administrative revenues is budgeted to be \$547,200. The District assumed that 2019/20 revenues for these items would be in-line with 2018/19 projections.

The District has budgeted to receive \$152,800 from its mooring operations in 2019/20. This amount is calculated based on 2018/19 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 \$24,700 in revenue for the 2019/20 fiscal year. This is consistent with prior year actual revenues.

Grant revenue is budgeted to bring in \$1,602,000 in 2019/20. These funds are to be used towards abandoned vessel removal, 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.

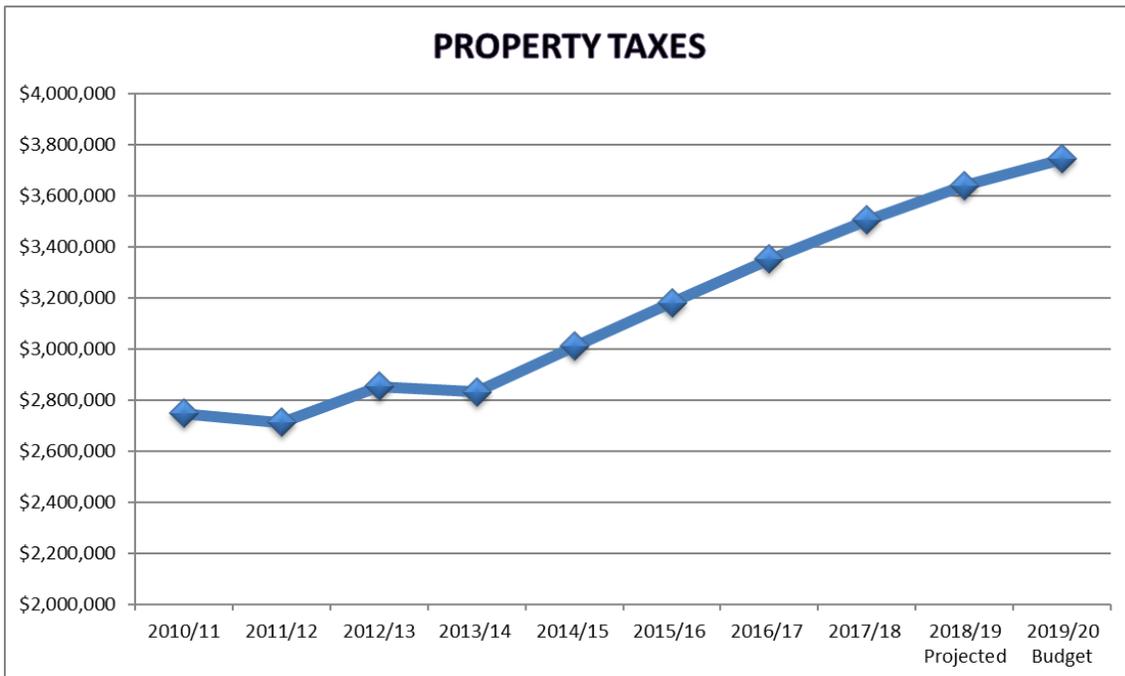
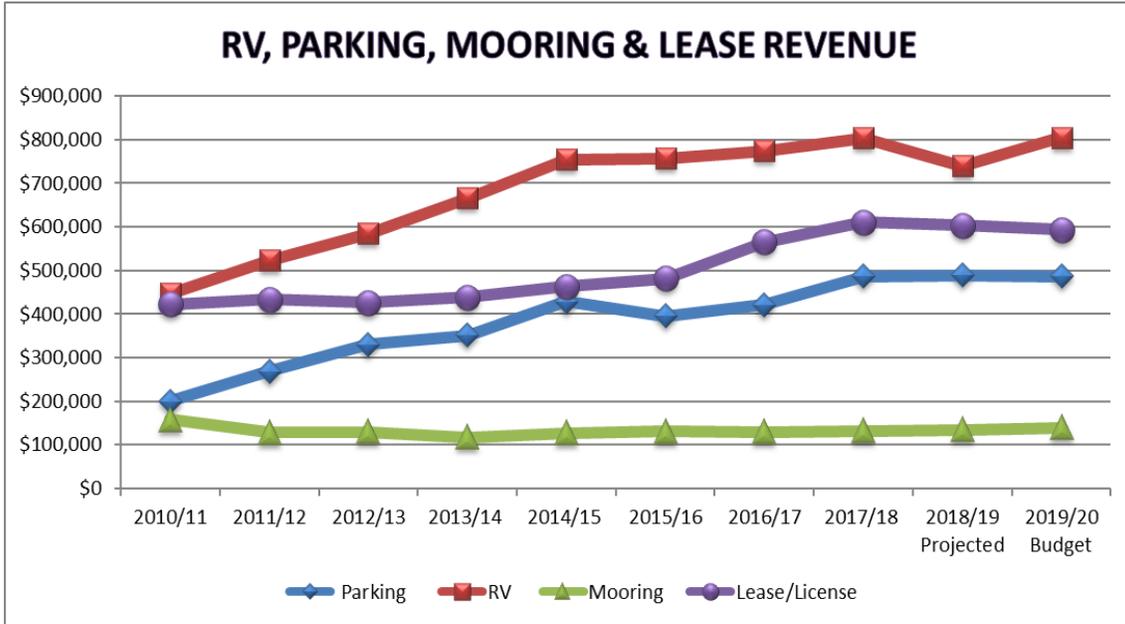
The chart below shows each of the major revenue sources in relation to the total revenue generated by the District for the fiscal year.





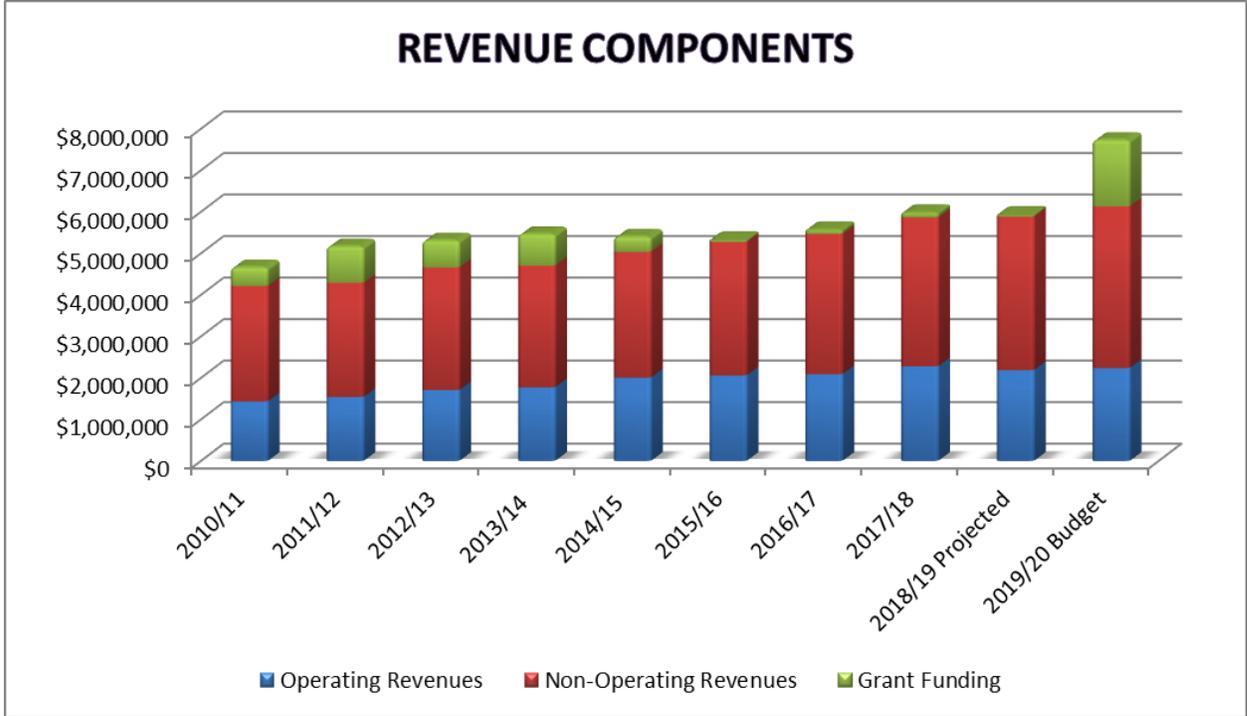
Recent Revenue Trends

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





Recent Revenue Trends (Cont.)

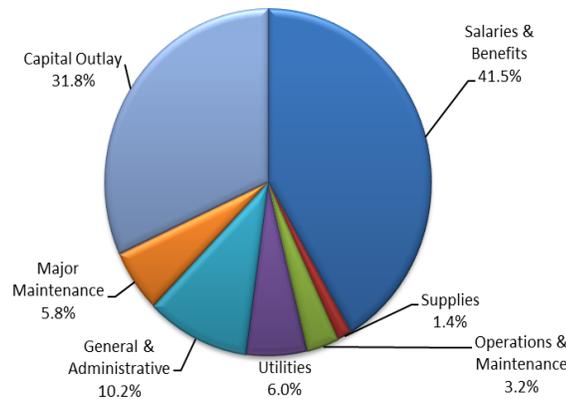




District Expenditures

Expenditures for the 2019/20 budget are budgeted to be \$8,317,700. The following chart shows the percentage of funds spent on each major category of expenditure.

Expenditures



Salaries/Wages and Benefits are budgeted to be \$3,453,000. 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 is at a full staffing level. Health insurance premiums are expected to increase by 10% beginning January 2020. 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. Worker's Compensation rates are expected to increase by 22%. The budget does not include any new changes in authorized or funded positions.

Supplies are budgeted at \$119,500, a 2.45% decrease from 2018/19 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 \$268,350, a 11.35% increase from 2018/19 projections. Operations and Maintenance expenditures include fuel, building and vehicle maintenance, signage, and beach maintenance among other things.

Utilities are budgeted to be \$500,225 a 4.63% decrease from 2018/19 projections. 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 during the 2018/19 fiscal year. The budget assumes costs revert to prior year levels with estimated 5% rate increases.

General and Administrative expenditures are budgeted to be \$848,300. Included in the 2019/20 budget is \$32,000 in treasurer fees, \$66,000 in legal fees, \$14,000 in parking enforcement fees, and \$55,000 in tax collection fees. The District's property insurance rates are budgeted to increase by 10%.

District Policy #3020 requires the placement of 1.75% of general and enterprise fund revenues into contingency funds spread out over all the above-listed expense categories. Additionally, 2% of revenues are required to be placed into an overall budget contingency line item used by the Harbor Commission for unusual budget circumstances or emergencies. This item is included in the General and Administrative expenditures described above.

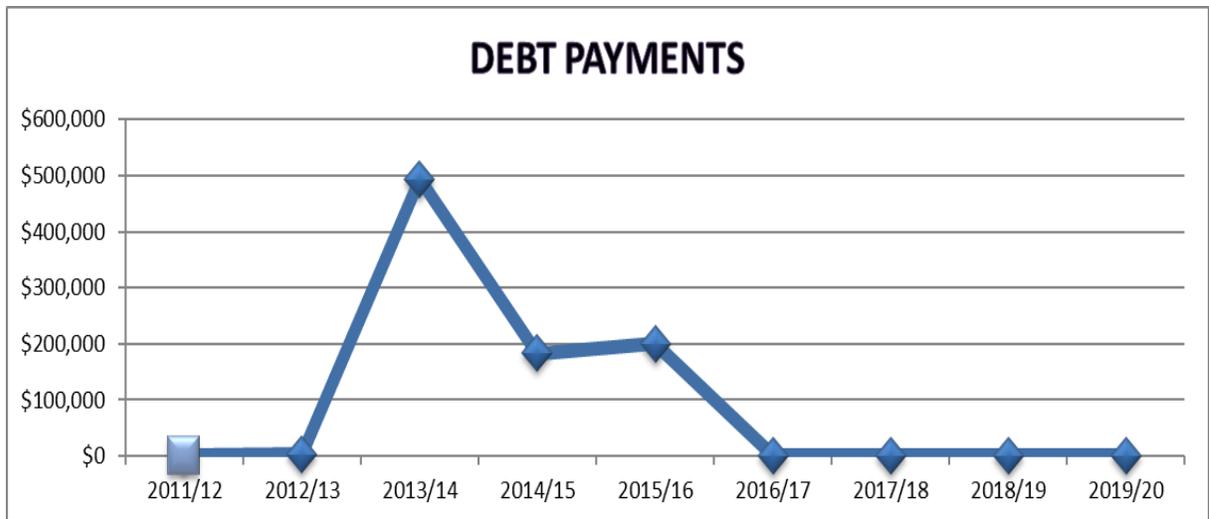
Detail on the major maintenance and capital projects can be found on pages 43-59.



Debt

The District did not have any debt outstanding as of July 1, 2019 excluding our PERS and OPEB obligations. The District does not project to issue new debt during the 2018/19 or 2019/20 therefore does not have any budgeted expenditures related to debt in the 2019/20 fiscal year. Based on our current investment resources, we have been able to service our debt and anticipate continuing to service any new debt obligations, without impacting our ability to meet our district goals.

The chart below shows the District's historical debt payments as well as the budgeted payments for the 2019/20 fiscal year.





Consolidated Budget Summary

	Last Year 2017/18		Current Year 2018/19		2019/20		% Change from 2018/19 Projections
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget	
REVENUES							
Service Revenue <i>(Avila Parking, Location Fees, Citations)</i>	\$ 486,500	\$ 563,434	\$ 511,400	\$ 564,685	\$ 547,200	\$ 547,200	-3.1%
Mooring Revenue <i>(Moorage Fees, Equipment Sales, Skiff Space, Exclusive of Labor and O&M)</i>	140,900	146,240	146,300	146,000	152,800	152,800	4.7%
Leases & Licenses <i>(Leases, Licenses, RVs, Utility Reimbursement)</i>	1,280,900	1,545,100	1,493,600	1,453,100	1,513,770	1,513,800	4.2%
Diesel Sales <i>(Exclusive of Labor, O&M and Permits)</i>	19,600	25,485	24,700	26,100	24,700	24,700	-5.4%
Total Operating Revenue	1,927,900	2,280,259	2,176,000	2,189,885	2,238,470	2,238,500	2.2%
Non-Operating Revenue/(Expenditure) <i>(Property Tax, Interest)</i>	3,310,800	3,585,503	3,507,600	3,696,585	3,891,000	3,891,000	5.3%
REVENUES	\$ 5,238,700	\$ 5,865,763	\$ 5,683,600	\$ 5,886,469	\$ 6,129,470	\$ 6,129,500	4.1%

EXPENDITURES							
Salaries/Wages/Benefits <i>Less: Prior year reserve use</i>	\$ 3,166,900 <i>(135,300)</i>	\$ 3,202,211	\$ 3,345,600	\$ 3,312,800	\$ 3,453,000	\$ 3,453,000	4.2%
Supplies	115,100	112,101	117,900	122,500	119,500	119,500	-2.4%
Operations & Maintenance <i>Less: Prior year reserve use</i>	245,400 -	246,700	240,400 -	241,000 -	268,350	268,400	11.4%
Utilities	491,200	459,390	475,900	478,100	500,225	500,200	4.6%
General & Administrative <i>Budget Contingency</i>	594,286 28,404	689,748 -	732,800 113,700	725,100 113,700	727,800 120,533	727,800 120,500	0.4%
<i>Less: Prior year reserve use</i>	<i>(90,000)</i>	-	-	-	-	-	-100.0%
OPERATING EXPENDITURES	\$ 4,415,990	\$ 4,710,150	\$ 5,026,300	\$ 4,993,200	\$ 5,189,408	\$ 5,189,400	3.9%

NET INCOME BEFORE MAJOR MAINTENANCE & CAPITAL PROJECTS	\$ 822,710	\$ 1,155,613	\$ 657,300	\$ 893,269	\$ 940,062	\$ 940,100	5.2%
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Major Maintenance Expense <i>Less: Grants</i> <i>Prior year reserve use</i>	339,500 <i>(67,000)</i> <i>(87,000)</i>	147,600 <i>(81,600)</i> <i>(22,088)</i>	327,000 <i>(42,000)</i> <i>(107,000)</i>	345,300 <i>(30,000)</i> <i>(133,300)</i>	508,000 <i>(42,000)</i> <i>(100,500)</i>	483,000 <i>(42,000)</i> <i>(205,500)</i>	39.9% 40.0% 54.2%
Capital Project Outlay <i>Less: Grants</i> <i>Prior year reserve use</i>	1,539,208 <i>(1,175,000)</i> <i>(122,800)</i>	219,000 <i>(35,000)</i> <i>(107,680)</i>	2,057,000 <i>(1,475,000)</i> <i>(151,600)</i>	527,700 <i>-</i> <i>(171,600)</i>	2,662,500 <i>(1,560,000)</i> <i>(403,500)</i>	2,645,300 <i>(1,560,000)</i> <i>(531,000)</i>	401.3% 100.0% 209.4%
MAJOR MAINTENANCE AND CAPITAL PROJECTS	\$ 426,908	\$ 120,232	\$ 608,400	\$ 538,100	\$ 1,064,500	\$ 789,800	46.8%

REVENUES less EXPENDITURES	\$ 395,802	\$ 1,035,381	\$ 48,900	\$ 355,169	\$ (124,438)	\$ 150,300	-57.7%
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Reserve Set Aside	\$ -	\$ (150,000)	\$ (85,000)	\$ -	\$ (150,000)	\$ (150,000)	100.0%
Budget Transfer In/(Out)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Increase/(Decrease) in operating reserves	\$ 395,802	\$ 885,381	\$ (36,100)	\$ 355,169	\$ (274,438)	\$ 300	-99.9%



Consolidated Budget Detail

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Service Revenue						
Administration	20,000	32,888	20,000	30,191	30,000	30,000
Branded Merchandise	8,200	2,039	1,700	1,638	1,700	1,700
Branded Merchandise COGS	(4,600)	(1,372)	(1,000)	(1,013)	(1,000)	(1,000)
Citations	22,000	15,171	18,000	22,937	22,000	22,000
Facilities Labor & Equipment	3,000	18,290	3,500	3,608	3,500	3,500
Avila Parking	430,900	486,971	464,200	488,979	486,000	486,000
Harbor Patrol & Lifeguards	7,000	9,446	5,000	18,345	5,000	5,000
Harbor Parking	-	-	-	-	-	-
Budget Transfer	-	-	-	-	-	-
Service Revenue	\$ 486,500	\$ 563,434	\$ 511,400	\$ 564,685	\$ 547,200	\$ 547,200

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Mooring Revenue						
Anchorage Fees	\$ 2,000	\$ 981	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200
Work Dock Rental Fee	1,000	714	1,000	700	1,000	1,000
Equipment Rental- Moorings	23,100	26,431	24,200	24,200	25,300	25,300
Mooring Operations	108,800	114,376	113,900	113,900	119,300	119,300
Fisherman's Discount	(14,400)	(14,552)	(14,400)	(14,400)	(14,400)	(14,400)
Mooring Equipment Sales	47,300	50,475	47,300	47,300	47,300	47,300
Mooring Equipment COGS	(26,900)	(32,186)	(26,900)	(26,900)	(26,900)	(26,900)
Mooring Revenue	\$ 140,900	\$ 146,240	\$ 146,300	\$ 146,000	\$ 152,800	\$ 152,800



Consolidated Budget Detail (Cont.)

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
<u>Lease & License Revenue</u>						
Commissions- Laundry	\$ 4,000	\$ 3,641	\$ 3,600	\$ 4,200	\$ 4,000	\$ 4,000
Coastal Gateway Room Rental	4,000	3,147	3,000	3,400	3,500	3,500
Coin Showers	18,000	20,758	18,000	19,100	19,000	19,000
Harford Land Area- Leases	165,500	190,471	175,400	175,000	179,300	179,300
Piers-Leases	230,800	357,378	355,100	365,200	351,100	351,100
Piers- Licenses	28,300	39,791	37,300	44,300	40,900	40,900
Beaches-Leases	9,300	10,300	9,300	9,300	9,900	9,900
Beaches- Licenses	13,200	12,502	12,900	9,100	11,800	11,800
Boat & Gear Storage	51,100	62,923	56,500	43,800	50,000	50,000
Boat Washdown	2,000	2,729	2,600	2,600	2,600	2,600
Coin Hoist- Harford Pier	5,000	4,946	4,500	4,600	4,500	4,500
Harbor Terrace RV Resort	-	-	-	-	539,670	539,670
RVs- Babe Lane	190,000	199,278	191,200	135,100	-	-
RVs- Other than Babe Lane	524,200	604,535	592,700	604,600	265,000	265,000
Utilities Reimbursement	35,000	32,176	31,000	32,300	32,000	32,000
Miscellaneous Operating Income	500	531	500	500	500	500
Lease & License Revenue	\$ 1,280,900	\$ 1,545,105	\$ 1,493,600	\$ 1,453,100	\$ 1,513,770	\$ 1,513,770

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
<u>Diesel Sales Revenue</u>						
Diesel Sales	\$ 169,400	\$ 146,250	\$ 130,000	\$ 162,800	\$ 130,000	\$ 130,000
Diesel Cost of Goods Sold	(149,800)	(120,765)	(105,300)	(136,700)	(105,300)	(105,300)
Total Diesel Sales Revenue	\$ 19,600	25,485	24,700	\$ 26,100	\$ 24,700	\$ 24,700

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
<u>Non-Operating Revenue</u>						
Interest Income	\$ 20,000	\$ 56,658	\$ 35,000	\$ 51,000	\$ 45,000	\$ 45,000
Finance Charge Income	1,000	1,367	1,000	1,700	1,000	1,000
Tax Proceeds	3,288,800	3,505,000	3,471,600	3,641,000	3,745,000	3,745,000
Other Financing Sources	-	21,083	-	-	-	-
Misc. Non-Operating Inc. (Exp.)	1,000	1,396	-	2,885	100,000	100,000
Budget Transfer	-	-	-	-	-	-
Total Non-Operating Revenue	\$ 3,310,800	\$ 3,585,503	\$ 3,507,600	\$ 3,696,585	\$ 3,891,000	\$ 3,891,000



Consolidated Budget Detail (Cont.)

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Salaries/Wages/Benefits						
Wages - Commissioners	\$ 36,000	\$ 57,600	\$ 36,000	\$ 36,000	\$ 36,000	\$ 36,000
Wages - Employees	1,920,400	1,890,271	1,987,700	1,953,400	2,066,300	2,066,300
Health Insurance	405,500	373,869	427,800	410,300	438,000	438,000
Workers Compensation	92,900	85,757	127,400	127,400	122,000	122,000
Payroll Taxes	149,500	144,753	156,600	148,600	162,700	162,700
Pension Costs	378,400	470,392	427,000	454,400	437,500	437,500
Recruitment	6,000	12,907	6,000	6,000	6,000	6,000
Misc. Employee Benefits	6,000	5,667	6,000	6,000	6,000	6,000
Unemployment Self Insurance	1,000	151	1,000	1,000	1,000	1,000
Contract Labor	20,800	9,399	20,900	20,900	1,000	1,000
Contract Security	85,400	107,275	96,200	98,100	115,000	115,000
Compensated Absence	11,700	952	11,700	11,700	11,500	11,500
Other Post Employment Benefits	35,000	43,218	21,400	19,100	35,000	35,000
TRAN Payment to County	-	-	-	-	-	-
Salaries, Wages & Benefits						
Contingency	18,300	-	19,900	19,900	15,000	15,000
Budget Transfer	-	-	-	-	-	-
Total Salaries/Wages/Benefits	\$ 3,166,900	\$ 3,202,211	\$ 3,345,600	\$ 3,312,800	\$ 3,453,000	\$ 3,453,000

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Supplies						
Office	\$ 21,800	\$ 23,368	\$ 21,800	\$ 23,400	\$ 25,000	\$ 25,000
Shop	9,000	11,487	9,000	14,800	8,500	8,500
RV Camping	-	-	-	-	-	-
Sanitation	37,000	40,761	37,000	37,000	37,000	37,000
Harbor Patrol/Lifeguards	12,000	12,067	12,000	12,000	12,000	12,000
Mooring	1,500	5,074	2,700	2,800	3,200	3,200
Dredge	1,000	1,144	1,000	1,000	1,000	1,000
Clothing/Equipment	14,500	18,200	14,500	14,500	14,500	14,500
Supply Contingency	18,300	-	19,900	17,000	18,300	18,300
Budget Transfer	-	-	-	-	-	-
Total Supplies	\$ 115,100	\$ 112,101	\$ 117,900	\$ 122,500	\$ 119,500	\$ 119,500



Consolidated Budget Detail (Cont.)

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Operations & Maintenance						
Building/Facility	\$ 21,900	\$ 40,645	\$ 20,400	\$ 20,400	\$ 22,500	\$ 22,500
Vandalism	1,000	-	1,000	1,000	1,000	1,000
Dredge	10,000	6,221	8,000	8,000	10,000	10,000
Electronic Equipment	4,000	4,618	5,000	5,000	5,500	5,500
Vehicles & Equipment	16,700	13,368	16,700	16,700	17,700	17,700
Crane	4,000	1,918	4,000	4,800	5,000	5,000
Coastal Gateway Costs	1,000	2,360	2,000	4,900	2,500	2,500
Patrol Boats	12,000	20,626	12,000	22,800	22,000	22,000
LCM	1,500	155	1,500	1,500	1,500	1,500
Boatyard Maintenance	1,000	76	1,000	2,900	1,000	1,000
Camp Host	1,000	473	1,000	200	1,000	1,000
Water Taxi Host	5,000	3,698	5,000	1,500	4,000	4,000
Signs	5,000	11,218	5,000	5,000	5,000	5,000
Road/Revetment	8,000	3,234	8,000	6,000	8,000	8,000
General Maintenance	15,000	28,595	18,000	18,000	15,000	15,000
Sport Launch	2,000	4,763	2,000	2,000	2,000	2,000
Beaches	10,000	12,325	10,000	9,400	10,000	10,000
Public Hoist	2,000	16,400	2,000	1,200	2,000	2,000
Tools	6,000	3,647	6,000	5,500	6,000	6,000
Fuel	37,000	36,163	37,000	36,200	45,000	45,000
Piers	22,000	11,458	22,000	20,700	22,000	22,000
Ice/Diesel Facility	8,000	9,245	8,000	14,300	8,000	8,000
Lighthouse	7,500	8,723	7,500	500	7,500	7,500
Water & Sewer System	13,000	2,811	6,000	5,700	13,000	13,000
Storm Water	1,000	24	1,000	1,700	2,000	2,000
Fire Protection	5,400	3,935	5,400	3,600	4,750	4,750
Dock & Landing	6,100	-	5,000	5,000	6,100	6,100
Operations & Maintenance Contingency	18,300	-	19,900	16,500	18,300	18,300
Budget Transfer	-	-	-	-	-	-
Total Operations & Maintenance	\$ 245,400	\$ 246,697	\$ 240,400	\$ 241,000	\$ 268,350	\$ 268,350



Consolidated Budget Detail (Cont.)

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Utilities						
Electricity	\$ 66,800	\$ 57,535	\$ 73,300	\$ 74,700	\$ 61,600	\$ 61,600
Telephone/Communications	22,800	22,240	21,100	27,200	22,800	22,800
Gas	2,300	2,313	2,500	2,600	2,900	2,900
Sewer	59,700	50,606	48,500	45,000	62,625	62,625
Trash	56,700	62,480	64,400	69,900	62,800	62,800
Haz Mat Disposal	4,300	4,210	4,300	4,300	5,000	5,000
Water - Lopez	229,200	229,197	213,600	213,600	229,200	229,200
Water/Sewer - Avila	31,100	30,809	28,300	28,300	35,000	35,000
Utility Contingency	18,300	-	19,900	12,500	18,300	18,300
Budget Transfer	-	-	-	-	-	-
Total Utilities	\$ 491,200	\$ 459,390	\$ 475,900	\$ 478,100	\$ 500,225	\$ 500,225

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
General & Administrative						
Advertising & Promotion	\$ 3,000	\$ 1,096	\$ 3,000	\$ 2,700	\$ 2,700	\$ 2,700
Travel, Meals, Lodging	30,000	17,176	30,000	30,000	33,500	33,500
Education/Training	11,400	10,840	12,600	12,600	14,500	14,500
Dues & Subscriptions	16,800	16,360	23,200	26,200	39,700	39,700
Legal Advertising	2,400	1,518	2,400	2,400	2,200	2,200
Cash (Over) / Short	-	(62)	-	(81)	-	-
Capital Lease Payment - Principal	-	-	-	-	-	-
Capital Lease Payment - Interest	-	-	-	-	-	-
SCC/Red Tail Loan payments	-	-	-	-	-	-
Bank Charges/Merchant Fees	33,000	41,114	38,000	47,800	35,000	35,000
Bad Debts/Returned Checks	7,200	1,676	5,000	31,700	7,200	7,200
Consultants	35,300	15,829	33,100	33,100	41,800	41,800
Legislative Advocacy	8,400	8,400	8,400	8,400	8,400	8,400
Computers & Equipment	10,200	4,850	4,200	4,200	17,400	17,400
Parking	12,000	14,576	18,000	14,800	14,000	14,000
Legal Fees	95,536	230,124	74,200	91,700	66,000	66,000
Audits	11,000	9,430	10,000	10,000	11,000	11,000
Tax Collection Fees	65,000	50,332	65,000	53,700	55,000	55,000
Treasurer Fees	30,000	48,808	33,000	34,100	32,000	32,000
Permits	6,300	15,408	19,000	1,500	6,000	6,000
Elections	-	-	90,000	-	-	-
Property Insurance	172,300	144,174	180,000	173,300	191,000	191,000
Cities Redevelopment	15,000	10,976	15,000	80,200	85,000	85,000
Bonds	800	769	800	800	800	800
LAFCO Fees	16,500	19,004	20,000	18,100	18,300	18,300
Coastal Conservancy	9,150	25,000	25,000	25,000	25,000	25,000
Board Discretionary Fund	2,500	2,050	2,500	2,500	2,500	2,500
Harbor Mgr. Discretionary Fund	500	300	500	500	500	500
Contingency	-	-	19,900	19,900	18,300	18,300
Budget Contingency Fund	28,404	-	113,700	113,700	120,533	120,533
Budget Transfer	-	-	-	-	-	-
Total General & Administrative	\$ 622,690	\$ 689,748	\$ 846,500	\$ 838,819	\$ 848,333	\$ 848,333



Consolidated Budget Detail (Cont.)

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Major Maintenance/ Special Projects						
Abandoned Vessel	\$ 30,000	\$ 5,003	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Avila Beach Restroom Refurbishment	-	-	-	-	12,500	12,500
Avila Pier	45,000	6,009	50,000	50,000	150,000	125,000
ADA Modifications	17,500	705	-	2,000	-	-
Boom Truck	10,000	2,055	10,000	10,000	10,000	10,000
Dredging Pump	12,000	11,480	25,000	25,000	12,000	12,000
District Buildings-Maintenance	-	-	-	-	40,000	40,000
Electronic Documents	10,000	1,005	20,000	20,000	20,000	20,000
Lighthouse Road Maintenance	25,000	22,600	-	-	-	-
Lift Station Maintenance	20,000	-	20,000	20,000	20,000	20,000
Mooring Capital Costs/ LCM	40,000	8,552	40,000	40,000	40,000	40,000
Harford/Avila Pier Maintenance	65,000	62,504	75,000	101,268	85,000	85,000
Parking Lot Maintenance	40,000	27,625	32,000	32,000	30,000	30,000
Revetment	25,000	-	15,000	15,000	50,000	50,000
Water Tank	-	-	10,000	-	8,500	8,500
Budget Transfer	-	-	-	-	-	-
Special Projects	\$ 339,500	\$ 147,537	\$ 327,000	\$ 345,268	\$ 508,000	\$ 483,000
Specified Reserve Use	\$ (87,000)	\$ (22,088)	\$ (107,000)	\$ (133,300)	\$ (100,500)	\$ (205,500)
Operating Reserve Use	(185,500)	(43,849)	(178,000)	(181,968)	(365,500)	(235,500)
Grant Funding	(67,000)	(81,600)	(42,000)	(30,000)	(42,000)	(42,000)
Total Funding	\$ (339,500)	\$ (147,537)	\$ (327,000)	\$ (345,268)	\$ (508,000)	\$ (483,000)



Consolidated Budget Detail (Cont.)

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Capital Project Outlay						
Channel Markers	\$ 4,400	\$ 39,399	-	-	\$ -	\$ -
Harbor Terrace Rack Storage	-	-	10,000	10,000	10,000	10,000
Crane	10,000	5,072	50,000	50,000	12,500	12,500
Harford Pier Canopy	-	-	-	-	120,000	120,000
Harford Pier Pile Survey & Analysis	-	-	-	-	-	-
Harford Pier Water & Fireline Systems	17,008	17,025	25,000	25,000	15,000	15,000
Harbor Patrol Boat	150,000	-	150,000	-	400,000	400,000
Harbor Patrol Boat Engines	18,000	27,609	-	450	20,000	20,000
Harbor Patrol Boat 2	-	-	-	-	60,000	60,000
Harbor Terrace	85,900	50,348	45,000	45,000	145,000	127,800
Harbor Terrace: District Use Area	-	-	70,000	70,000	70,000	70,000
Harbor Terrace: Gear Storage	25,000	-	60,000	60,000	35,000	35,000
Hoist	8,400	8,383	-	-	-	-
District Staff Landing	37,300	40,791	75,000	39,000	65,000	65,000
Lifeguard Towers	-	-	-	-	-	-
Lighthouse Duplex	-	-	-	-	-	-
Lift	-	-	75,000	75,000	-	-
Mobile Hoist Pier	1,000,000	-	1,300,000	-	1,300,000	1,300,000
Message Board - Electronic	-	-	-	17,531	-	-
Parking Pay Station-Plan Implementation	25,000	-	40,000	40,000	60,000	60,000
Rescue Vehicle	-	-	-	-	-	-
Sea Level Rise Analysis	75,000	-	75,000	-	50,000	50,000
Sewage Treatment Plant	75,000	22,242	75,000	75,000	75,000	75,000
Skiff	-	-	7,000	7,000	-	-
Trailer Boat Launch	8,200	8,167	-	-	-	-
Underground Storage Tank	-	-	-	-	175,000	175,000
Vehicle Replacement Program	-	-	-	13,694	40,000	40,000
Water Meter Replacement	-	-	-	-	10,000	10,000
Budget Transfer	-	-	-	-	-	-
Total Capital Project Outlay	\$ 1,539,208	\$ 219,035	\$ 2,057,000	\$ 527,676	\$ 2,662,500	\$ 2,645,300
Specified Reserve Use	\$ (122,800)	\$ (107,680)	\$ (151,600)	\$ (171,600)	\$ (403,500)	\$ (531,000)
Operating Reserve Use	(241,408)	(76,351)	(430,400)	(356,076)	(699,000)	(554,300)
Grant Funding	(1,175,000)	(35,004)	(1,475,000)	-	(1,560,000)	(1,560,000)
Total Funding	\$ (1,539,208)	\$ (219,035)	\$ (2,057,000)	\$ (527,676)	\$ (2,662,500)	\$ (2,645,300)



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	<input type="checkbox"/> Specified Reserves
<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 Objectives: This project achieves the District's Major Objective #1: <i>Keep Harbor functional for boaters.</i></p>			

	Project Title: Avila Pier Rehabilitation		
	Description: Avila Pier Rehabilitation Project – Continued Project Support		
	Amount: \$125,000		
Funding Source:	<input checked="" type="checkbox"/> Operating Revenue \$80,000	<input type="checkbox"/> Grant Revenue	<input checked="" type="checkbox"/> Specified Reserves \$45,000 – Avila Pier Reserve
<p>Cost considerations: Completion of the inspection of all piles, design drawings for immediate repair, and full design drawings. This project will align the District to then pursue the larger repair which will eventually enable full access and restoration capacity.</p> <p>Relation to District Objectives: This project achieves the District's Other Major Objective #5: <i>Establish financial sustainability for Avila Pier, parking, and uses.</i></p>			

	Project Title: Avila Pier Restroom Refurbishment		
	Description: Restroom partition replacement project.		
	Amount: \$12,500		
Funding Source:	<input type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue	<input checked="" type="checkbox"/> Specified Reserves - Facilities Reserve
<p>Cost considerations: The funds will be used for the partition replacement and other necessary repairs for the restrooms located at the base of Avila Pier. The partitions were last replaced in 2000 and need replacement due to wear from use.</p> <p>Relation to District Objectives: This project achieves the District's Major Objective #3: <i>Ensure efficient and effective facilities to deliver critical District services.</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	<input type="checkbox"/> Grant Revenue
Cost considerations: This project maintains an existing asset. It will not result in additional operating costs.			
Relation to District Objectives: This project achieves the District's Major Objective #3: <i>Ensure efficient and effective facilities to deliver critical District services.</i>			

	Project Title: District Buildings – Maintenance & Improvements		
	Description: Repair roof and repainting of exterior of the Icehouse (Wilcox Fisheries lease site)		
	Amount: \$40,000		
	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 Objectives: This project achieves the District's Major Objective #3: <i>Ensure efficient and effective facilities to deliver critical District services.</i>			

	Project Title: Dredge Pump Maintenance		
	Description: Annual maintenance on the District's dredge pump including rewinding the motor.		
	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 Objectives: This project achieves the District's Major Objective #1: <i>Keep Harbor functional for boaters.</i>			



Major Maintenance (Cont.)

	Project Title: Electronic Documents		
	Description: Conversion of approximately 40 file boxes into an electronic format.		
	Amount: \$20,000		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue
<p>Cost considerations: It is estimated that the District has upwards of 200 boxes that ultimately would need to be converted to electronic format 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 20 boxes). Additionally, some staff time would be needed up front to help create a filing system for the electronic documents. This would help save time in the future by making it easier to locate documents.</p> <p>Relation to District Objectives: This project achieves the District's Major Objective #2: <i>Expand money generating opportunities to support Harbor operations that are consistent with affordability and accessibility for the public.</i></p>			

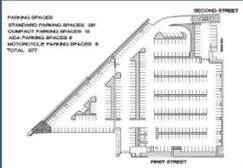
	Project Title: Avila Pier & Harford Pier Lumber & Materials		
	Description: Lumber and materials for annual maintenance to the Harford Pier and Avila Pier.		
	Amount: \$85,000		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$75,000	<input type="checkbox"/> Grant Revenue
<p>Cost considerations: This project is a recurring annual project. This project purchases up to 15,000 board feet of lumber and up to forty, to maintain and repair materials for the Harford Pier and Avila Pier. It will not result in additional operating costs.</p> <p>Relation to District Objectives: This project achieves the District's Major Objective #2 & #3: <i>Expand money generating opportunities to support Harbor operations that are consistent with affordability and accessibility to the public; Ensure efficient and effective facilities to deliver critical District services.</i></p>			

	Project Title: Sewer Lift Station Maintenance		
	Description: Alarms and Monitoring of Lift Stations 1, 2, & 3.		
	Amount: \$20,000		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue – \$12,500	<input type="checkbox"/> Grant Revenue
<p>Cost considerations: This project would be for the alarms and monitoring of Lift Stations 1, 2, & 3. Adding alarms of collection system will prevent spills from entering and contaminating water ways.</p> <p>Relation to District Objectives: This project achieves the District's Major Objective #3: <i>Ensure efficient and effective facilities to deliver critical District services.</i></p>			



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
<p>Cost considerations: This project is a recurring annual project. This project maintains an existing asset. It will not result in additional operating costs.</p> <p>Relation to District Objectives: This project achieves the District's Major Objectives #1 & #2: <i>Keep Harbor functional for boaters; Expand money generating opportunities to support Harbor operations that are consistent with affordability and accessibility to the public.</i></p>			

	Project Title: Parking Lot Maintenance		
	Description: Repaving, sealing and restriping of the Avila Beach Parking Lot.		
	Amount: \$30,000		
	Funding Source:	<input type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue
<p>Cost considerations: District staff has a parking lot maintenance plan and 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.</p> <p>Relation to District Objectives: This project achieves the District's Major Objective #2: <i>Expand money generating opportunities to support Harbor operations that are consistent with affordability and accessibility for the public.</i></p>			



Major Maintenance (Cont.)

	Project Title: Revetment & Jetty		
	Description: Prepare construction and bid documents for the repair of the trailer boat sport launch jetty and other areas where the revetment has been undermined and sloughed off.		
	Amount: \$50,000		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue
<p>Cost considerations: This project will include an assessment of the data to be collected in the approved scan (FY18), creating a repair plan, and preparing construction documents to be used for bidding and grant applications. This project maintains an existing asset. It will not result in additional operating costs.</p> <p>Relation to District Objectives: This project achieves the District's Major Objective #1: <i>Keep Harbor functional for boaters.</i></p>			

	Project Title: Water Tank		
	Description: Develop the repair and public bid documents for the Water Tank		
	Amount: \$8,500		
	Funding Source:	<input type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue
<p>Cost considerations: Every 4 years the Harbor District has the water tank inspected. The year following the inspection, the identified repairs are made.</p> <p>Relation to District Objectives: This project achieves the District's Major Objective #2 & #3: <i>Expand money generating opportunities to support Harbor operations that are consistent with affordability and accessibility to the public; Ensure efficient and effective facilities to deliver critical District services.</i></p>			



Capital Projects

	Project Title: Crane			
	Description: Annual maintenance and repairs to the Crane			
	Amount: \$12,500			
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$2,500	<input type="checkbox"/> Grant Revenue	<input checked="" type="checkbox"/> Specified Reserves – \$10,000 Equipment Reserves
	<p>Cost considerations: This project maintains an existing asset. It will not result in additional operating costs.</p> <p>Relation to District Objectives: This project achieves the District’s Major Objective #1: <i>Keep Harbor functional for boaters.</i></p>			

	Project Title: Harford Pier Fireline Repairs			
	Description: Maintenance to the Harford Pier water/fire line system.			
	Amount: \$15,000			
	Funding Source:	<input type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue	<input checked="" type="checkbox"/> Specified Reserves Facilities Reserve
	<p>Cost considerations: This project maintains an existing asset. It will not result in additional operating costs.</p> <p>Relation to District Objectives: This project achieves the District’s Major Objective #2: <i>Expand money generating opportunities to support Harbor operations that are consistent with affordability and accessibility for the public.</i></p>			



Capital Projects (Cont.)

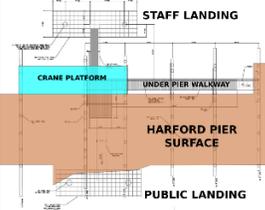
	Project Title: Harbor Patrol Boat			
	Description: To be determined after an assessment of vessel needs is completed.			
	Amount: \$400,000			
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$38,000; \$100,000 surplus sale revenue	<input checked="" type="checkbox"/> Grant Revenue - \$200,000 to be solicited	<input checked="" type="checkbox"/> Specified Reserves - \$50,000 HP Vessel Replacement; \$12,000 Safety Equipment
<p>Cost considerations: During FY 17/18, the Harbor Patrol Department assessed their vessel needs and determined the specific capabilities each vessel must have to best meet the needs of the Department and boating public/commercial fishing fleet. The funding approved in the FY17-18 budget is again requested for FY 19/20 for matching funds for grant applications. Staff anticipates a new vessel will be funded with a combination of grant funding, funds from the surplus of Boat 1 and these matching funds.</p> <p>Relation to District Objectives: This project achieves the District's Other Objectives #7 & #8: <i>Maintain a safe, boater friendly/accommodating atmosphere for commercial and recreational boaters (local and transient); Ensure that all facilities and events maintain a high level of safety for all staff, visitors.</i></p>				

	Project Title: Harbor Patrol Boat Engines			
	Description: Replacement of Harbor Patrol Boat Engines			
	Amount: \$20,000			
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$20,000	<input type="checkbox"/> Grant Revenue -	<input type="checkbox"/> Specified Reserves
<p>Cost considerations: Annually, this item is funded to ensure there are funds available if a Harbor Patrol boat experiences engine failure. This project maintains an existing asset. It will not result in additional operational costs.</p> <p>Relation to District Objectives: This project achieves the District's Other Objectives #7 & #8: <i>Maintain a safe, boater friendly/accommodating atmosphere for commercial and recreational boaters (local and transient); Ensure that all facilities and events maintain a high level of safety for all staff, visitors.</i></p>				



Capital Projects (Cont.)

	Project Title: Harbor Patrol Boat #2		
	Description: Replacement of sponsons		
	Amount: \$60,000		
Funding Source:	<input type="checkbox"/> Operating Revenue	<input checked="" type="checkbox"/> Grant Revenue - \$60,000	<input type="checkbox"/> Specified Reserves
Cost considerations: The purchase of sponsons will only take place if grant funding is received.			
Relation to District Objectives: This project achieves the District's Other Objectives #7 & #8: <i>Maintain a safe, boater friendly/accommodating atmosphere for commercial and recreational boaters (local and transient); Ensure that all facilities and events maintain a high level of safety for all staff, visitors.</i>			

	Project Title: District Staff Landing		
	Description: Staff landing for use by Harbor Patrol, LCM, District skiffs and water taxi on the west side of the Harford Pier.		
	Amount: \$65,000		
Funding Source:	<input checked="" type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue	<input type="checkbox"/> Specified Reserves
Cost considerations: This project would create a new landing. Annual maintenance to this landing is estimated at \$1,000 per year. Installation would allow for more public use of the east side floating dock and predominately Public Safety/District use on the west side.			
Relation to District Objectives: This project achieves the District's Major Objective #3: <i>Ensure efficient and effective facilities to deliver critical District services.</i>			

	Project Title: Harbor Terrace		
	Description: Consultants, construction monitoring, legal, and marketing for the Harbor Terrace project.		
	Amount: \$45,000		
Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$26,400	<input type="checkbox"/> Grant Revenue	<input checked="" type="checkbox"/> Specified Reserves – \$18,600 Harbor Terrace Reserve
Cost considerations: Budgeted funds for this project include expenditures for construction monitoring, legal, and marketing. It is anticipated that the project will begin to 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 89.			
Relation to District Objectives: This project achieves the District's Major Objective #2: <i>Expand money generating opportunities to support Harbor operations that are consistent with affordability and accessibility for the public.</i>			



Capital Projects (Cont.)

	Project Title: Harbor Terrace: Gear Storage		
	Description: Infrastructure for new gear storage area (concrete, drainage, lighting, security, etc.) Amount: \$35,000		
Funding Source:	<input type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue	<input checked="" type="checkbox"/> Specified Reserves - Facilities Reserve
Cost considerations: This project replaces the current gear storage area and is a continuation project from FY18. District staff does not anticipate that this project will result in additional operating costs.			
Relation to District Objectives: This project achieves the District's Major Objective #2: <i>Expand money generating opportunities to support Harbor operations that are consistent with affordability and accessibility for the public.</i>			

	Project Title: Harbor Terrace: Harbor District Use Area		
	Description: Infrastructure for District-use area including pavement, sea trains, etc. Amount: \$70,000		
Funding Source:	<input checked="" type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue	<input type="checkbox"/> Specified Reserves
Cost considerations: This project constructs a new use area for the Harbor District. This is a continuation project from FY18. It is estimated to cost approximately \$5,000 per year to maintain.			
Relation to District Objectives: This project achieves the District's Major Objective #2: <i>Expand money generating opportunities to support Harbor operations that are consistent with affordability and accessibility for the public.</i>			

	Project Title: Harbor Terrace Project		
	Description: Infrastructure for District-use area including pavement, sea trains, etc. Amount: \$82,800		
Funding Source:	<input type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue	<input checked="" type="checkbox"/> Specified Reserves – \$82,800 Harbor Terrace Reserves
Cost considerations: Funding for this project is for unforeseen expenses related to the development of Harbor Terrace that has yet been identified or determined.			
Relation to District Objectives: This project achieves the District's Major Objective #2: <i>Expand money generating opportunities to support Harbor operations that are consistent with affordability and accessibility for the public.</i>			



Capital Projects (Cont.)

	Harbor Yard - Lumber and Pile Storage		
	Description: Harbor Yard storage to compensate for footprint reduction and increase organization, related to Harbor Terrace development.		
Amount: \$10,000			
Funding Source:	<input type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue	<input checked="" type="checkbox"/> Specified Reserves – Facilities
Cost considerations: District staff does not anticipate this project to result in additional operating costs. This is a continuing project and was funded in FY18; however, due to the delay in the groundbreaking of the Harbor Terrace project, this was not able to be completed.			
Relation to District Objectives: This project achieves the District's Major Objective #2: <i>Expand money generating opportunities to support Harbor operations that are consistent with affordability and accessibility for the public.</i>			

	Harford Pier Canopy		
	Description: Assessment of Harford Pier Canopy		
Amount: \$120,000			
Funding Source:	<input type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue	<input checked="" type="checkbox"/> Specified Reserves - Facilities Reserve
Cost considerations: This project will allow for the completion of an assessment of the roof. Additional funds will likely be needed for the canopy, but that will not be determined until the completion of the assessment.			
Relation to District Objectives: This project achieves the District's Major Objective #3: <i>Ensure efficient and effective facilities to deliver critical District services.</i>			

	Project Title: Mobile Hoist Pier Extension		
	Description: Pier extension, engineering and construction.		
Amount: \$1,300,000			
Funding Source:	<input type="checkbox"/> Operating Revenue	<input checked="" type="checkbox"/> Grant Revenue – BUILD (formerly TIGER grant) application submitted, SLOCOG grant received	<input type="checkbox"/> Specified Reserves
Cost considerations: Annual maintenance costs as a result of the extension are estimated at \$9,000 per year. The District continues to explore Federal Grants, such as the BUILD Federal Grant Program. If this competitive Federal Grant Program is funded, this project could qualify for funding. The District has secured a \$200,000 match from SLOCOG for this project.			
Relation to District Objectives: This project achieves the District's Major Objective #1: <i>Keep Harbor functional for boaters.</i>			



Capital Projects (Cont.)

	Project Title: Parking Pay Stations		
	Description: Technological Upgrades for Parking Machines or Additional Pay Station (Avila Parking Lot)		
	Amount: \$30,000		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue
<p>Cost considerations: Annual maintenance on the parking meters is estimated at \$5,000 per year. \$25,000 will be used for technological upgrades or a fourth pay station.</p> <p>Relation to District Objectives: This project achieves the District's Major Objective #2: <i>Expand money generating opportunities to support Harbor operations that are consistent with affordability and accessibility for the public.</i></p>			

	Project Title: Parking Plan Implementation		
	Description: Purchase of a parking machine to begin implementation of the Parking Management Plan in the Harford land area lot.		
	Amount: \$30,000		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue
<p>Cost considerations: Annual maintenance on the parking machines is estimated at \$1,100 per year plus an annual service fee of roughly \$1,500. 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.</p> <p>Relation to District Objectives: This project achieves the District's Major Objective #2: <i>Expand money generating opportunities to support Harbor operations that are consistent with affordability and accessibility for the public.</i></p>			



Capital Projects (Cont.)

	Project Title: Sea Level Rise Analysis		
	Description: Sea level rise analysis pursuant to AB 691.		
	Amount: \$50,000		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue
<p>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.</p> <p>Relation to District Objectives: This project achieves the District's Major Objective #3: <i>Ensure efficient and effective facilities to deliver critical District services.</i></p>			

	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 - \$57,900	<input type="checkbox"/> Grant Revenue
<p>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.</p> <p>Relation to District Objectives: This project achieves the District's Major Objective #3: <i>Ensure efficient and effective facilities to deliver critical District services.</i></p>			

	Project Title: Underground Storage Tank Replacement		
	Description: Preparation of bid documents and replacement of the UST.		
	Amount: \$175,000		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$25,000	<input type="checkbox"/> Grant Revenue
<p>Cost considerations: The District is required to replace the underground storage tank by 2025. Funding for this project would allow for the preparation of the bid documents and the replacement of the underground storage tank. The FY19 budget includes the placement of \$125,000 into the Facilities Reserve for this project.</p> <p>Relation to District Objectives: This project achieves the District's Major Objective #3: <i>Ensure efficient and effective facilities to deliver critical District services.</i></p>			



Capital Projects (Cont.)

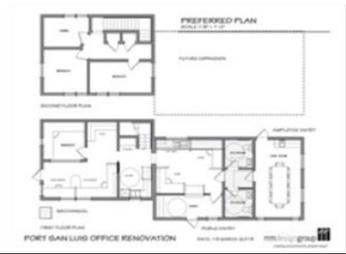
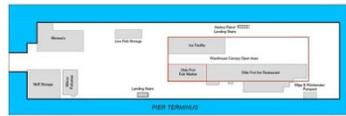
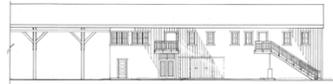
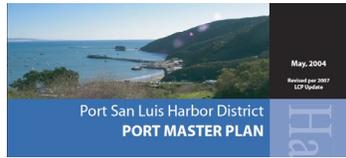
	Project Title: Vehicle (Fleet) Replacement Program		
	Description: Replacement of Harbor Patrol F250		
	Amount: \$40,000		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue – \$39,500	<input type="checkbox"/> Grant Revenue
<p>Cost considerations: Continuation of implementation of Vehicle Replacement (Fleet). Existing asset (Harbor Patrol F250) will be replaced and repurposed to the Facilities Department, which will replace the Ford Expedition. Future operating costs will be standard vehicle maintenance to maintain the asset. (Note: photo is a sample of a possible vehicle)</p>			
<p>Relation to District Objectives: This project achieves the District's Major Objective #3: <i>Ensure efficient and effective facilities to deliver critical District services.</i></p>			

	Project Title: Water Meter Replacement		
	Description: Replacement of District water meters		
	Amount: \$10,000		
	Funding Source:	<input type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue
<p>Cost considerations: This project will allow for the replacement of the District's outdated water meters to continue. Replacing outdated water meters will ensure the District is recovering actual costs of water usage from the District's lessees and allow for accurate monitoring of water usage.</p>			
<p>Relation to District Objectives: This project achieves the District's Major Objective #3: <i>Ensure efficient and effective facilities to deliver critical District services.</i></p>			



Unfunded Major Maintenance and Capital Projects

Due to budgetary constraints, certain major maintenance and capital projects were included in the 2018/19 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>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>
	<p>Harford Pier Redevelopment: The planning and direction for this project began in May 2017 with Board of Commissioners direction provided in August 2017. The short-term goals, as directed at the August 10, 2017 Harford Planning Pier Terminus Planning Workshop, have begun.</p>
<p>HARFORD PIER, AVILA BEACH, CA</p> 	<p>Harford Pier Canopy to be Determined: Reroof and replace flashings on flat portion of Harford Pier Canopy. Assessment of Canopy funded in FY19/20 budget. After assessment is completed, the District is expected to have the information necessary to determine cost of repair.</p>
	<p>Master Plan Updates \$35,000: Updates to the Harbor District Master Plan. Master Plan was last updated in 2004.</p>
	<p>Lifeguard Tower \$15,000: New lifeguard tower for Avila Beach.</p>



Unfunded Major Maintenance and Capital Projects (Cont.)



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).



Specified Reserve Funding and Use

Reserve Description	Consolidated Budget				Notes
	2018/19 Projected Ending Balance	Reserve Funding	2019/20 Budgeted Reserve Use	Ending Balance	
Avila Pier	\$ 45,000	\$ -	\$ (45,000)	\$ -	Phase 1 Rehabilitation Project
Building Improvement	37,700	-	(10,000)	27,700	Harford and Avila Pier Lumber & Materials
Coastal Gateway	17,400	-	-	17,400	
Computer	15,299	-	-	15,299	
Crane	7,900	-	-	7,900	
Commissioner Discretionary Funds	710	-	-	710	
Dredge	51,900	-	(12,000)	39,900	Annual Maintenance for Dredge Pump
Election	-	-	-	-	
Equipment	16,500	-	(10,000)	6,500	Crane Annual Maintenance
Facilities	666,450	150,000	(422,500)	393,950	Avila Beach Restroom \$12,500, Distrist Building \$40k, Parking Lot \$30k, Harbor Terrace Rack, \$10k, Harford Pier Canopy \$120k, Harford Pier Water/Fireline \$15k, Harbor Terrace Gear Storage \$35k, Underground Storage \$150k, Water Meter \$10k
Harbor Terrace	101,400	-	(101,400)	-	Development cost \$82,800, consultants, legal, accounting, monitoring, etc. \$18,600
Harford Pier	-	-	-	-	
Hoist	58,700	-	-	58,700	
LCM Maintenance Fund	138,600	-	(40,000)	98,600	Repair and Maintenance to mooring boat
Other Post Employment Benefits	69,000	-	-	69,000	
Safety Equipment	12,000	-	(12,000)	-	Harbor Patrol Boat 1 Replacement
Pension Liability	-	-	-	-	
Utility Replacement	27,100	-	(7,500)	19,600	Sewer Treatment Plan \$17,100, Lift Station \$7,500
Vehicle Replacement	500	-	(500)	-	Harbor Patrol Truck Replacement
Water Tank	31,000	-	(8,500)	22,500	Develop Repair & Public Bid documents
Sewer Treatment Plant	40,000	-	(17,100)	22,900	Funding for future Waste Water Treatment Plant 35% Share
Total Specified Reserves	\$ 1,337,160	\$ 150,000	\$ (686,500)	\$ 800,660	
Proposed Harbor Patrol Vessel Replacement 2018/19	50,000	-	(50,000)	-	Propose NEW Harbor Patrol Repair & Replacement Reserve
Total Specified Reserves (Proposed New)	1,387,160	150,000	(736,500)	800,660	

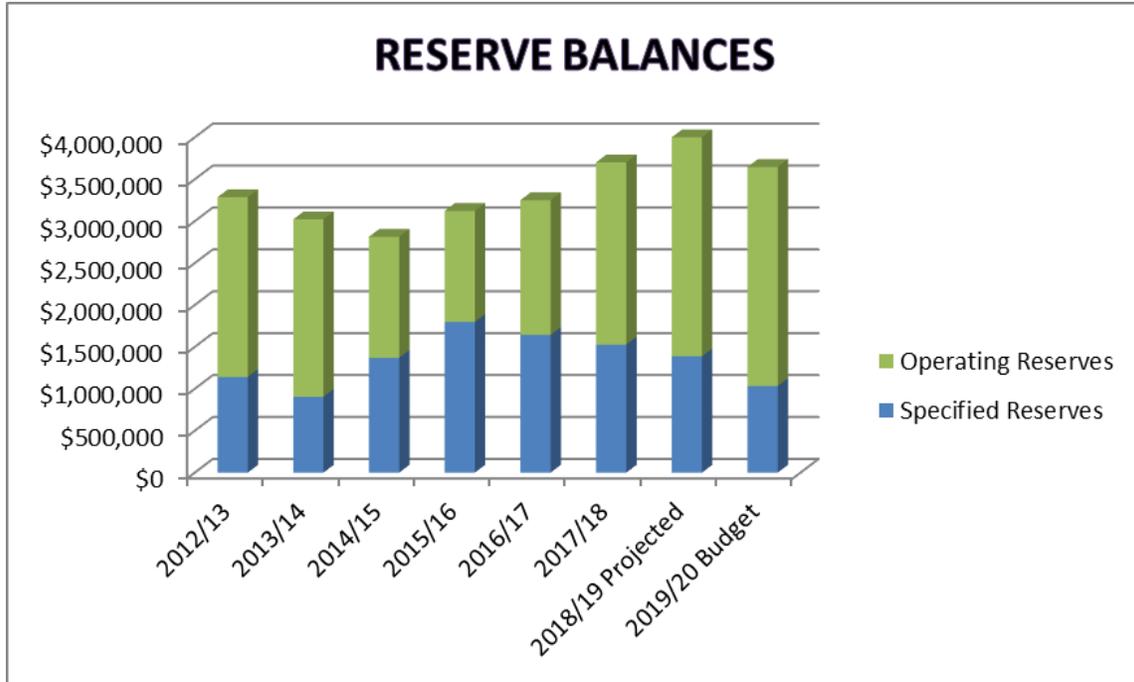
Unassigned Fund Balance (Operating Reserve) \$ 2,612,700 \$ 300 \$ - \$ 2,613,000

Notes:

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



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 \$2.6 million available in Operating Reserves should not be appropriated due to District cash flow needs. The other \$ 1.3 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 2017/18		Current Year 2018/19		2019/20		% Change from 2018/19 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>	3,303,200	3,538,200	3,496,450	3,677,820	3,863,000	3,863,000	5.0%
REVENUES	\$ 3,303,200	\$ 3,538,200	\$ 3,496,450	\$ 3,677,820	\$ 3,863,000	\$ 3,863,000	5.0%
EXPENDITURES							
Salaries/Wages/Benefits <i>Less: Prior year reserve use</i>	\$ 2,246,200 <i>(135,300)</i>	\$ 2,223,400 -	\$ 2,514,600 -	\$ 2,367,500 -	\$ 2,459,900 -	\$ 2,459,800 -	3.9%
Supplies	87,800	82,700	87,600	92,600	89,600	89,600	-3.2%
Operations & Maintenance <i>Less: Prior year reserve use</i>	157,400 -	159,100 -	157,600 -	157,500 -	181,100 -	181,100 -	15.0%
Utilities	312,300	294,000	302,100	305,000	321,300	321,300	5.3%
General & Administrative <i>Budget Contingency</i> <i>Less: Prior year reserve use</i>	353,200 14,202 <i>(90,000)</i>	423,200 - -	468,500 56,850 -	417,750 56,850 -	453,000 60,300 -	453,000 60,300 -	8.4% 100.0% -100.0%
OPERATING EXPENDITURES	2,945,802	3,182,400	3,587,250	3,397,200	3,565,200	3,565,100	4.9%
NET INCOME BEFORE MAJOR MAINTENANCE & CAPITAL PROJECTS	357,398	355,800	(90,800)	280,620	297,800	297,900	-6.2%
Major Maintenance Expense <i>Less: Grants</i> <i>Prior year reserve use</i>	235,800 <i>(63,800)</i> <i>(27,500)</i>	101,200 <i>(79,600)</i> <i>(4,883)</i>	202,650 <i>(38,800)</i> <i>(33,100)</i>	218,000 <i>(30,000)</i> <i>(62,450)</i>	381,050 <i>(38,800)</i> <i>(70,700)</i>	356,050 <i>(38,800)</i> <i>(121,425)</i>	63.3% 29.3% 94.4%
Capital Project Outlay <i>Less: Grants</i> <i>Prior year reserve use</i>	344,530 <i>(175,000)</i> <i>(60,100)</i>	154,800 <i>(35,000)</i> <i>(72,802)</i>	484,700 <i>(175,000)</i> <i>(46,800)</i>	256,750 - <i>(44,200)</i>	985,050 <i>(60,000)</i> <i>(294,400)</i>	979,890 <i>(60,000)</i> <i>(363,495)</i>	281.7% 0.0% 722.4%
MAJOR MAINTENANCE AND CAPITAL PROJECTS	\$ 253,930	\$ 63,715	\$ 393,650	\$ 338,100	\$ 902,200	\$ 752,220	122.5%
REVENUES less EXPENDITURES	\$ 103,468	\$ 292,085	\$ (484,450)	\$ (57,480)	\$ (604,400)	\$ (454,320)	-690.4%
Reserve Set Aside	\$ -	\$ (101,700)	\$ (73,000)	\$ -	\$ (112,500)	\$ (112,500)	-100.0%
Budget Transfer In/(Out)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Increase/(Decrease) in operating reserves	\$ 103,468	\$ 190,385	\$ (557,450)	\$ (57,480)	\$ (716,900)	\$ (566,820)	-886.1%



General Fund Budget Detail

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
<u>Non-Operating Revenue</u>						
Interest Income	\$ 14,200	\$ 12,135	\$ 24,850	\$ 36,243	\$ 18,000	\$ 18,000
Finance Charge Income	-	-	-	-	-	-
Tax Proceeds	3,288,800	3,505,000	3,471,600	3,641,000	3,745,000	3,745,000
Other Financing Sources	-	21,083	-	-	-	-
Misc. Non-Operating Income (Exp)	200	-	-	577	100,000	100,000
Budget Transfer	-	-	-	-	-	-
Total Non-Operating Revenue	\$ 3,303,200	\$ 3,538,217	\$ 3,496,450	\$ 3,677,819	\$ 3,863,000	\$ 3,863,000

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
<u>Salaries/Wages/Benefits</u>						
Wages - Commissioners	\$ 21,600	\$ 21,600	\$ 21,600	\$ 21,600	\$ 21,600	\$ 21,600
Wages - Employees	1,373,086	1,388,705	1,421,206	1,398,500	1,479,400	1,479,400
Health Insurance	284,661	264,319	427,800	288,059	308,100	308,100
Workers Compensation	68,374	62,130	93,766	93,766	90,000	90,000
Payroll Taxes	106,893	104,983	111,969	106,214	116,500	116,500
Pension Costs	269,421	241,804	304,024	323,500	311,500	311,500
Recruitment	4,200	8,612	4,400	4,200	4,200	4,200
Misc. Employee Benefits	4,100	3,748	4,300	4,200	4,200	4,100
Unemployment Self Insurance	1,000	106	1,000	1,000	1,000	1,000
Contract Labor	18,325	7,662	18,400	18,400	900	900
Contract Security	85,400	107,275	96,200	98,100	115,000	115,000
Compensated Absence	-	-	-	-	-	-
Other Post Employment Benefits	-	12,454	-	-	-	-
TRAN Payment to County	-	-	-	-	-	-
Salaries, Wages & Benefits Contingency	9,150	-	9,950	9,950	7,500	7,500
Budget Transfer	-	-	-	-	-	-
Total Salaries/Wages/Benefits	\$ 2,246,210	\$ 2,223,399	\$ 2,514,615	\$ 2,367,490	\$ 2,459,900	\$ 2,459,800



General Fund Budget Detail (Cont.)

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Supplies						
Office	\$ 12,927	\$ 14,026	\$ 12,927	\$ 13,884	\$ 14,800	\$ 14,800
Shop	6,570	3,595	6,570	10,775	6,200	6,200
RV Camping	-	-	-	-	-	-
Sanitation	33,781	37,166	33,300	33,800	33,800	33,800
Harbor Patrol/Lifeguards	12,000	12,067	12,000	12,000	12,000	12,000
Mooring	225	761	405	422	500	500
Dredge	150	172	100	200	100	100
Clothing/Equipment	12,963	14,957	12,300	13,000	13,000	13,000
Supply Contingency	9,150	-	9,950	8,500	9,200	9,200
Budget Transfer	-	-	-	-	-	-
Total Supplies	\$ 87,766	\$ 82,744	\$ 87,552	\$ 92,581	\$ 89,600	\$ 89,600

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Operations & Maintenance						
Building/Facility	\$ 17,323	\$ 25,039	\$ 16,100	\$ 16,100	\$ 17,800	\$ 17,800
Vandalism	1,000	-	600	1,000	1,000	1,000
Dredge	1,500	933	1,200	1,200	1,500	1,500
Electronic Equipment	3,668	4,289	4,600	4,600	5,000	5,000
Vehicles & Equipment	8,901	10,479	12,100	8,900	9,400	9,400
Crane	2,800	1,342	2,800	3,365	3,500	3,500
Coastal Gateway Costs	150	1,652	300	700	400	400
Patrol Boats	12,000	20,626	12,000	22,800	22,000	22,000
LCM	200	23	200	200	200	200
Boatyard Maintenance	-	11	-	-	-	-
Camp Host	200	-	200	-	200	200
Water Taxi Host	750	-	800	200	600	600
Signs	4,440	7,280	3,800	4,400	4,400	4,400
Road/Revetment	4,024	2,264	5,600	3,000	4,000	4,000
General Maintenance	7,200	16,985	14,900	14,900	12,400	12,400
Sport Launch	300	714	300	300	300	300
Beaches	10,000	10,716	7,000	9,400	10,000	10,000
Public Hoist	1,200	2,273	200	200	300	300
Tools	3,192	2,553	3,400	2,900	3,200	3,200
Fuel	29,156	28,607	27,300	28,500	35,500	35,500
Piers	15,400	8,160	15,400	14,500	15,400	15,400
Ice/Diesel Facility	1,387	1,387	1,200	2,100	1,200	1,200
Lighthouse	7,500	8,723	7,500	500	7,500	7,500
Water & Sewer System	9,100	2,259	4,200	4,000	9,100	9,100
Storm Water	700	17	700	1,200	1,400	1,400
Fire Protection	5,200	2,783	4,400	3,500	4,700	4,700
Dock & Landing	915	-	800	800	900	900
Operations & Maintenance Contingency	9,150	-	9,950	8,250	9,200	9,200
Budget Transfer	-	-	-	-	-	-
Total Operations & Maintenance	\$ 157,356	\$ 159,115	\$ 157,550	\$ 157,515	\$ 181,100	\$ 181,100



General Fund Budget Detail (Cont.)

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Utilities						
Electricity	\$ 33,066	\$ 42,333	\$ 36,284	\$ 37,000	\$ 30,500	\$ 30,500
Telephone/Communications	14,068	14,073	13,019	16,800	14,100	14,100
Gas	1,789	1,788	1,945	2,000	2,300	2,300
Sewer	40,059	35,424	32,544	30,200	42,100	42,100
Trash	45,190	45,731	51,327	55,700	50,100	50,100
Haz Mat Disposal	3,010	2,466	3,000	3,000	3,500	3,500
Water - Lopez	136,832	123,194	127,519	127,500	136,800	136,800
Water/Sewer - Avila	29,110	28,950	26,500	26,500	32,700	32,700
Utility Contingency	9,150	-	9,950	6,300	9,200	9,200
Budget Transfer	-	-	-	-	-	-
Total Utilities	\$ 312,274	\$ 293,959	\$ 302,087	\$ 305,000	\$ 321,300	\$ 321,300
	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
General & Administrative						
Advertising & Promotion	\$ 1,800	\$ 707	\$ 1,800	\$ 1,300	\$ 1,300	\$ 1,300
Travel, Meals, Lodging	11,580	10,602	18,600	11,600	12,900	12,900
Education/Training	9,519	9,523	10,521	10,500	12,100	12,100
Dues & Subscriptions	9,896	10,331	13,665	15,400	23,400	23,400
Legal Advertising	1,440	911	1,400	1,400	1,300	1,300
Cash (Over) / Short	-	-	-	-	-	-
Capital Lease Payment - Principal	-	-	-	-	-	-
Capital Lease Payment - Interest	-	-	-	-	-	-
SCC/Red Tail Loan payments	-	-	-	-	-	-
Bank Charges/Merchant Fees	4,950	6,167	5,700	7,200	5,300	5,300
Bad Debts/Returned Checks	-	107	-	-	-	-
Consultants	31,417	7,559	29,459	29,500	37,200	37,200
Legislative Advocacy	5,000	140	5,000	5,000	5,000	5,000
Computers & Equipment	7,915	2,910	2,600	3,300	13,500	13,500
Parking	-	14,576	-	-	-	-
Legal Fees	38,214	138,074	29,680	36,700	26,400	26,400
Audits	6,600	5,658	6,000	6,000	6,600	6,600
Tax Collection Fees	65,000	50,332	65,000	53,700	55,000	55,000
Treasurer Fees	18,000	29,285	19,800	20,500	19,200	19,200
Permits	4,656	9,242	14,041	1,100	4,400	4,400
Elections	-	-	90,000	-	-	-
Property Insurance	103,380	86,504	108,000	104,000	114,600	114,600
Cities Redevelopment	15,000	10,976	15,000	80,200	85,000	85,000
Bonds	500	461	500	500	500	500
LAFCO Fees	16,500	19,004	20,000	18,100	18,300	18,300
Coastal Conservancy	-	8,750	-	-	-	-
Board Discretionary Fund	1,500	1,230	1,500	1,500	1,500	1,500
Harbor Mgr. Discretionary Fund	300	180	300	300	300	300
Contingency	-	-	9,950	9,950	9,200	9,200
Budget Contingency Fund	14,202	-	56,850	56,850	60,300	60,300
Budget Transfer	-	-	-	-	-	-
Total General & Administrative	\$ 367,369	\$ 423,230	\$ 525,366	\$ 474,600	\$ 513,300	\$ 513,300



General Fund Budget Detail (Cont.)

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Major Maintenance/ Special Projects						
Abandoned Vessel	\$ 30,000	\$ 5,003	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Avila Beach Restroom Refurbishment	-	-	-	-	12,500	12,500
Avila Pier	45,000	6,009	50,000	50,000	150,000	125,000
ADA Modifications	17,500	705	-	2,000	-	-
Boom Truck	7,000	1,439	7,000	7,000	7,000	7,000
Dredging Pump	1,800	1,722	3,750	3,750	1,800	1,800
District Buildings-Maintenance	-	-	-	-	28,000	28,000
Electronic Documents	6,000	603	12,000	12,000	12,000	12,000
Lighthouse Road Maintenance	25,000	22,600	-	-	-	-
Lift Station Maintenance	5,000	-	5,000	5,000	5,000	5,000
Mooring Capital Costs/ LCM	-	-	-	-	-	-
Harford/Avila Pier Maintenance	45,500	43,753	52,500	70,888	59,500	59,500
Parking Lot Maintenance	28,000	19,338	22,400	22,400	21,000	21,000
Revetment	25,000	-	15,000	15,000	50,000	50,000
Water Tank	-	-	5,000	-	4,250	4,250
Budget Transfer	-	-	-	-	-	-
Special Projects	\$ 235,800	\$ 101,170	\$ 202,650	\$ 218,038	\$ 381,050	\$ 356,050
Specified Reserve Use	\$ (27,500)	\$ (4,883)	\$ (33,100)	\$ (62,450)	\$ (70,700)	\$ (121,425)
Operating Reserve Use	(144,500)	(16,688)	(130,800)	(125,588)	(271,550)	(195,825)
Grant Funding	(63,800)	(79,599)	(38,800)	(30,000)	(38,800)	(38,800)
Total Funding	\$ (235,800)	\$ (101,170)	\$ (202,700)	\$ (218,038)	\$ (381,050)	\$ (356,050)



General Fund Budget Detail (Cont.)

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Capital Project Outlay						
Channel Markers	\$ 1,125	\$ 39,399	\$ -	\$ -	\$ -	\$ -
Harbor Terrace Rack Storage	-	-	7,000	7,000	7,000	7,000
Crane	7,000	3,550	35,000	35,000	8,750	8,750
Harford Pier Canopy	-	-	-	-	96,000	96,000
Harford Pier Pile Survey & Analysis	-	-	-	-	-	-
Harford Pier Water & Fireline Systems	11,900	11,917	17,500	17,500	10,500	10,500
Harbor Patrol Boat	150,000	-	150,000	-	400,000	400,000
Harbor Patrol Boat Engines	18,000	27,609	-	450	20,000	20,000
Harbor Patrol Boat 2	-	-	-	-	60,000	60,000
Harbor Terrace	25,770	17,622	-	13,500	43,500	38,340
Harbor Terrace: District Use Area	-	-	49,000	49,000	49,000	49,000
Harbor Terrace: Gear Storage	25,000	-	-	-	-	-
Hoist	5,885	8,383	-	-	-	-
District Staff Landing	37,300	40,791	75,000	39,000	65,000	65,000
Lifeguard Towers	-	-	-	-	-	-
Lighthouse Duplex	-	-	-	-	-	-
Lift	-	-	52,500	52,500	-	-
Mobile Hoist Pier	-	-	-	-	-	-
Message Board - Electronic	-	-	-	12,272	-	-
Parking Pay Station-Plan Implementation	25,000	-	-	-	-	-
Rescue Vehicle	-	-	-	-	-	-
Sea Level Rise Analysis	18,750	-	75,000	-	50,000	50,000
Sewage Treatment Plant	18,800	5,561	18,800	18,800	18,800	18,800
Skiff	-	-	4,900	4,900	-	-
Trailer Boat Launch	-	-	-	-	-	-
Underground Storage Tank	-	-	-	-	122,500	122,500
Vehicle Replacement Program	-	-	-	6,847	24,000	24,000
Water Meter Replacement	-	-	-	-	10,000	10,000
Budget Transfer	-	-	-	-	-	-
Total Capital Project Outlay	\$ 344,530	\$ 154,831	\$ 484,700	\$ 256,769	\$ 985,050	\$ 979,890
Specified Reserve Use	\$ (60,100)	\$ (72,802)	\$ (46,800)	\$ (44,215)	\$ (294,400)	\$ (363,495)
Operating Reserve Use	(125,700)	(47,029)	(262,900)	(212,554)	(630,650)	(556,395)
Grant Funding	(175,000)	(35,000)	(175,000)	-	(60,000)	(60,000)
Total Funding	\$ (360,800)	\$ (154,831)	\$ (484,700)	\$ (256,769)	\$ (985,050)	\$ (979,890)



Enterprise Fund Budget Summary

	Last Year 2017/18		Current Year 2018/19		2019/20		% Change from 2018/19 Projections
	Amended Budget	Actual	Budget	Projected	Preliminary Budget	Final Budget	
REVENUES							
Service Revenue <i>(Avila Parking, Location Fees, Citations)</i>	\$ 486,500	\$ 563,434	\$ 511,400	\$ 564,685	\$ 547,200	\$ 547,200	-3.1%
Mooring Revenue <i>(Moorage Fees, Equipment Sales, Skiff Space, Exclusive of Labor and O&M)</i>	140,900	146,240	146,300	146,000	152,800	152,800	4.7%
Leases & Licenses <i>(Leases, Licenses, RVs, Utility Reimbursement)</i>	1,280,900	1,545,100	1,493,600	1,453,100	1,513,800	1,513,800	4.2%
Diesel Sales <i>(Exclusive of Labor, O&M and Permits)</i>	19,600	25,485	24,700	26,100	24,700	24,700	-5.4%
Total Operating Revenue	1,927,900	2,280,259	2,176,000	2,189,885	2,238,500	2,238,500	2.2%
Non-Operating Revenue/(Expenditure) <i>(Property Tax, Interest)</i>	7,600	47,286	11,150	18,792	28,000	28,000	49.0%
REVENUES	\$ 1,935,500	\$ 2,327,545	\$ 2,187,150	\$ 2,208,676	\$ 2,266,500	\$ 2,266,500	2.6%
EXPENDITURES							
Salaries/Wages/Benefits <i>Less: Prior year reserve use</i>	\$ 920,700	\$ 978,800	\$ 831,000	\$ 945,300	\$ 993,100	\$ 993,200	5.1%
Supplies	27,300	29,401	30,300	29,900	29,900	29,900	0.0%
Operations & Maintenance <i>Less: Prior year reserve use</i>	88,000	87,600	82,800	83,500	87,300	87,300	4.6%
Utilities	178,900	165,390	173,800	173,100	178,900	178,900	3.4%
General & Administrative <i>Budget Contingency</i>	241,100	266,548	264,300	307,350	274,767	274,800	-10.6%
<i>Less: Prior year reserve use</i>	14,202	-	56,850	56,850	60,233	60,200	100.0%
<i>Less: Prior year reserve use</i>	-	-	-	-	-	-	0.0%
OPERATING EXPENDITURES	1,470,202	1,527,739	1,439,050	1,596,000	1,624,200	1,624,300	1.8%
NET INCOME BEFORE MAJOR MAINTENANCE & CAPITAL PROJECTS	465,298	799,806	748,100	612,676	642,300	642,200	4.8%
Major Maintenance Expense <i>Less: Grants</i>	103,700	46,400	124,350	127,200	126,950	126,950	-0.2%
<i>Prior year reserve use</i>	(3,200)	(2,000)	(3,200)	-	(3,200)	(3,200)	0.0%
<i>Prior year reserve use</i>	(59,500)	(17,205)	(73,900)	(70,850)	(29,800)	(84,075)	18.7%
Capital Project Outlay <i>Less: Grants</i>	1,194,678	64,200	1,572,300	270,900	1,677,450	1,665,410	514.8%
<i>Prior year reserve use</i>	(1,000,000)	-	(1,300,000)	-	(1,500,000)	(1,500,000)	100.0%
<i>Prior year reserve use</i>	(62,700)	(34,878)	(104,800)	(127,400)	(109,100)	(167,505)	31.5%
MAJOR MAINTENANCE AND CAPITAL PROJECTS	\$ 172,978	\$ 56,517	\$ 214,750	\$ 199,850	\$ 162,300	\$ 37,580	-81.2%
REVENUES less EXPENDITURES	\$ 292,320	\$ 743,289	\$ 533,350	\$ 412,826	\$ 480,000	\$ 604,620	46.5%
Reserve Set Aside	\$ -	\$ (48,300)	\$ (12,000)	\$ -	\$ (37,500)	\$ (37,500)	100.0%
Budget Transfer In/(Out)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Increase/(Decrease) in operating reserves	\$ 292,320	\$ 694,989	\$ 521,350	\$ 412,826	\$ 442,500	\$ 567,120	37.4%



Enterprise Fund Budget Detail

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
<u>Service Revenue</u>						
Administration	\$ 20,000	\$ 32,888	\$ 20,000	\$ 30,191	\$ 30,000	\$ 30,000
Branded Merchandise	8,200	2,039	8,200	1,638	1,700	1,700
Branded Merchandise COGS	(4,600)	(1,372)	(4,600)	(1,013)	(1,000)	(1,000)
Citations	22,000	15,171	22,000	22,937	22,000	22,000
Facilities Labor & Equipment	3,000	18,290	3,000	3,608	3,500	3,500
Avila Parking	430,900	486,971	430,900	488,979	486,000	486,000
Harbor Patrol & Lifeguards	7,000	9,446	7,000	18,345	5,000	5,000
Pier Parking	-	-	-	-	-	-
Budget Transfer	-	-	-	-	-	-
Total Service Revenue	\$ 486,500	\$ 563,434	\$ 486,500	\$ 564,685	\$ 547,200	\$ 547,200

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
<u>Mooring Revenue</u>						
Anchorage Fees	\$ 2,000	\$ 981	\$ 2,000	\$ 1,200	\$ 1,200	\$ 1,200
Work Dock Rental Fee	1,000	714	1,000	700	1,000	1,000
Equipment Rental- Moorings	23,100	26,431	23,100	24,200	25,300	25,300
Mooring Operations	108,800	114,376	108,800	113,900	119,300	119,300
Fisherman's Discount	(14,400)	(14,552)	(14,400)	(14,400)	(14,400)	(14,400)
Mooring Equipment Sales	47,300	50,475	47,300	47,300	47,300	47,300
Mooring Equipment COGS	(26,900)	(32,186)	(26,900)	(26,900)	(26,900)	(26,900)
Mooring Revenue	\$ 140,900	\$ 146,240	\$ 140,900	\$ 146,000	\$ 152,800	\$ 152,800



Enterprise Fund Budget Detail (Cont.)

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Leases & Licenses Revenue						
Commissions- Laundry	\$ 4,000	\$ 3,641	\$ 3,600	\$ 4,200	\$ 4,000	\$ 4,000
Coastal Gateway Room Rental	4,000	3,147	3,000	3,400	3,500	3,500
Coin Showers	18,000	20,758	18,000	19,100	19,000	19,000
Harford Land Area- Leases	165,500	190,471	175,400	175,000	179,300	179,300
Piers-Leases	230,800	357,378	355,100	365,200	351,100	351,100
Piers- Licenses	28,300	39,791	37,300	44,300	40,900	40,900
Beaches-Leases	9,300	10,300	9,300	9,300	9,900	9,900
Beaches- Licenses	13,200	12,502	12,900	9,100	11,800	11,800
Boat & Gear Storage	51,100	62,923	56,500	43,800	50,000	50,000
Boat Washdown	2,000	2,729	2,600	2,600	2,600	2,600
Coin Hoist- Harford Pier	5,000	4,946	4,500	4,600	4,500	4,500
Harbor Terrace RV Resort	-	-	-	-	539,670	539,670
RVs- Babe Lane	190,000	199,278	191,200	135,100	-	-
RVs- Other than Babe Lane	524,200	604,535	592,700	604,600	265,000	265,000
Utilities Reimbursement	35,000	32,176	31,000	32,300	32,000	32,000
Miscellaneous Operating Income	500	531	500	500	500	500
Total Leases & Licenses Revenue	\$ 1,280,900	\$ 1,545,105	\$ 1,493,600	\$ 1,453,100	\$ 1,513,770	\$ 1,513,770

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Budget	Actual	Budget	Projected	Preliminary Budget	Final Budget
Diesel Sales Revenue						
Diesel Sales	\$ 169,400	\$ 146,250	\$ 130,000	\$ 162,800	\$ 130,000	\$ 130,000
Diesel Cost of Goods Sold	(149,800)	(120,765)	(105,300)	(136,700)	(105,300)	(105,300)
Total Diesel Sales Revenue	\$ 19,600	25,485	24,700	\$ 26,100	\$ 24,700	\$ 24,700

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Non-Operating Revenue						
Interest Income	\$ 5,800	\$ 44,523	\$ 10,150	\$ 14,758	\$ 27,000	\$ 27,000
Finance Charge Income	1,000	1,367	1,000	1,726	1,000	1,000
Tax Proceeds	-	-	-	-	-	-
Other Financing Sources	-	-	-	-	-	-
Misc. Non-Operating Income (Exp.)	800	1,396	-	2,308	-	-
Budget Transfer	-	-	-	-	-	-
Total Non-Operating Revenue	\$ 7,600	\$ 47,286	\$ 11,150	\$ 18,792	\$ 28,000	\$ 28,000



Enterprise Fund Budget Detail (Cont.)

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Salaries/Wages/Benefits						
Wages - Commissioners	\$ 14,400	\$ 36,000	\$ 14,400	\$ 14,400	\$ 14,400	\$ 14,400
Wages - Employees	547,314	501,565	566,495	554,900	586,900	586,900
Health Insurance	120,839	109,550	-	122,282	129,900	129,900
Workers Compensation	24,526	23,627	33,634	33,634	32,000	32,000
Payroll Taxes	42,608	39,770	44,631	42,386	46,200	46,200
Pension Costs	108,979	228,588	122,976	130,900	126,000	126,000
Recruitment	1,800	4,295	1,600	1,800	1,800	1,800
Misc. Employee Benefits	1,900	1,919	1,700	1,800	1,800	1,900
Unemployment Self Insurance	-	45	-	-	-	-
Contract Labor	2,475	1,737	2,500	2,500	100	100
Contract Security	-	-	-	-	-	-
Compensated Absence	11,700	952	11,700	11,700	11,500	11,500
Other Post Employment Benefits	35,000	30,764	21,400	19,150	35,000	35,000
TRAN Payment to County	-	-	-	-	-	-
Salaries, Wages & Benefits Contingency	9,150	-	9,950	9,950	7,500	7,500
Budget Transfer	-	-	-	-	-	-
Total Salaries/Wages/Benefits	\$ 920,691	\$ 978,812	\$ 830,985	\$ 945,401	\$ 993,100	\$ 993,200

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Supplies						
Office	\$ 8,873	\$ 9,342	\$ 8,873	\$ 9,516	\$ 10,200	\$ 10,200
Shop	2,430	7,892	2,430	3,985	2,300	2,300
RV Camping	-	-	-	-	-	-
Sanitation	3,219	3,595	3,700	3,200	3,200	3,200
Harbor Patrol/Lifeguards	-	-	-	-	-	-
Mooring	1,275	4,313	2,295	2,390	2,700	2,700
Dredge	850	973	900	800	900	900
Clothing/Equipment	1,537	3,243	2,200	1,500	1,500	1,500
Supply Contingency	9,150	-	9,950	8,500	9,100	9,100
Budget Transfer	-	-	-	-	-	-
Total Supplies	\$ 27,334	\$ 29,358	\$ 30,348	\$ 29,891	\$ 29,900	\$ 29,900



Enterprise Fund Budget Detail (Cont.)

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Operations & Maintenance						
Building/Facility	\$ 4,577	\$ 15,605	\$ 4,300	\$ 4,300	\$ 4,700	\$ 4,700
Vandalism	-	-	400	-	-	-
Dredge	8,500	5,288	6,800	6,800	8,500	8,500
Electronic Equipment	332	329	400	400	500	500
Vehicles & Equipment	7,799	2,889	4,600	7,800	8,300	8,300
Crane	1,200	575	1,200	1,442	1,500	1,500
Coastal Gateway Costs	850	708	1,700	4,200	2,100	2,100
Patrol Boats	-	-	-	-	-	-
LCM	1,300	132	1,300	1,300	1,300	1,300
Boatyard Maintenance	1,000	64	1,000	2,900	1,000	1,000
Camp Host	800	473	800	200	800	800
Water Taxi Host	4,250	3,698	4,200	1,300	3,400	3,400
Signs	560	3,938	1,200	600	600	600
Road/Revetment	3,976	970	2,400	3,000	4,000	4,000
General Maintenance	7,800	11,611	3,100	3,100	2,600	2,600
Sport Launch	1,700	4,048	1,700	1,700	1,700	1,700
Beaches	-	1,608	3,000	-	-	-
Public Hoist	800	14,127	1,800	1,000	1,700	1,700
Tools	2,808	1,094	2,600	2,600	2,800	2,800
Fuel	7,844	7,556	9,700	7,700	9,500	9,500
Piers	6,600	3,298	6,600	6,200	6,600	6,600
Ice/Diesel Facility	6,613	7,858	6,800	12,200	6,800	6,800
Lighthouse	-	-	-	-	-	-
Water & Sewer System	3,900	552	1,800	1,700	3,900	3,900
Storm Water	300	7	300	500	600	600
Fire Protection	200	1,152	1,000	100	50	50
Dock & Landing	5,185	-	4,200	4,200	5,200	5,200
Operations & Maintenance Contingency	9,150	-	9,950	8,250	9,100	9,100
Budget Transfer	-	-	-	-	-	-
Total Operations & Maintenance	\$ 88,044	\$ 87,582	\$ 82,850	\$ 83,492	\$ 87,250	\$ 87,250



Enterprise Fund Budget Detail (Cont.)

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Utilities						
Electricity	\$ 33,734	\$ 15,202	\$ 37,017	\$ 37,700	\$ 31,100	\$ 31,100
Telephone/Communications	8,732	8,167	8,081	10,400	8,700	8,700
Gas	511	525	555	600	600	600
Sewer	19,641	15,182	15,957	14,800	20,525	20,525
Trash	11,510	16,749	13,073	14,200	12,700	12,700
Haz Mat Disposal	1,290	1,744	1,300	1,300	1,500	1,500
Water - Lopez	92,368	106,004	86,081	86,100	92,400	92,400
Water/Sewer - Avila	1,990	1,859	1,800	1,800	2,300	2,300
Utility Contingency	9,150	-	9,950	6,200	9,100	9,100
Budget Transfer	-	-	-	-	-	-
Total Utilities	\$ 178,926	\$ 165,431	\$ 173,813	\$ 173,100	\$ 178,925	\$ 178,925

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
General & Administrative						
Advertising & Promotion	\$ 1,200	\$ 389	\$ 1,200	\$ 1,400	\$ 1,400	\$ 1,400
Travel, Meals, Lodging	18,420	6,574	11,400	18,400	20,600	20,600
Education/Training	1,881	1,317	2,079	2,100	2,400	2,400
Dues & Subscriptions	6,905	6,029	9,535	10,800	16,300	16,300
Legal Advertising	960	607	1,000	1,000	900	900
Cash (Over) / Short	-	(62)	-	(81)	-	-
Capital Lease Payment - Principal	-	-	-	-	-	-
Capital Lease Payment - Interest	-	-	-	-	-	-
SCC/Red Tail Loan payments	-	-	-	-	-	-
Bank Charges/Merchant Fees	28,050	34,947	32,300	40,600	29,700	29,700
Bad Debts/Returned Checks	7,200	1,569	5,000	31,651	7,200	7,200
Consultants	3,883	8,270	3,641	3,600	4,600	4,600
Legislative Advocacy	3,400	8,260	3,400	3,400	3,400	3,400
Computers & Equipment	2,285	1,940	1,600	900	3,900	3,900
Parking	12,000	-	18,000	14,800	14,000	14,000
Legal Fees	57,322	92,050	44,520	55,000	39,600	39,600
Audits	4,400	3,772	4,000	4,000	4,400	4,400
Tax Collection Fees	-	-	-	-	-	-
Treasurer Fees	12,000	19,523	13,200	13,600	12,800	12,800
Permits	1,644	6,165	4,959	400	1,600	1,600
Elections	-	-	-	-	-	-
Property Insurance	68,920	57,669	72,000	69,300	76,400	76,400
Cities Redevelopment	-	-	-	-	-	-
Bonds	300	307	300	300	300	300
LAFCO Fees	-	-	-	-	-	-
Coastal Conservancy	9,150	16,250	25,000	25,000	25,000	25,000
Board Discretionary Fund	1,000	820	1,000	1,000	1,000	1,000
Harbor Mgr. Discretionary Fund	200	120	200	200	200	200
Contingency	-	-	9,950	9,950	9,100	9,100
Budget Contingency Fund	14,202	-	56,850	56,850	60,233	60,233
Budget Transfer	-	-	-	-	-	-
Total General & Administrative	\$ 255,321	\$ 266,518	\$ 321,134	\$ 364,170	\$ 335,033	\$ 335,033



Enterprise Fund Budget Detail (Cont.)

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Major Maintenance/ Special Projects						
Abandoned Vessel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Avila Beach Restroom Refurbishment	-	-	-	-	-	-
Avila Pier	-	-	-	-	-	-
ADA Modifications	-	-	-	-	-	-
Boom Truck	3,000	617	3,000	3,000	3,000	3,000
Dredging Pump	10,200	9,758	21,250	21,250	10,200	10,200
District Buildings-Maintenance	-	-	-	-	12,000	12,000
Electronic Documents	4,000	402	8,000	8,000	8,000	8,000
Lighthouse Road Maintenance	-	-	-	-	-	-
Lift Station Maintenance	15,000	-	15,000	15,000	15,000	15,000
Mooring Capital Costs/ LCM	40,000	8,552	40,000	40,000	40,000	40,000
Harford/Avila Pier Maintenance	19,500	18,751	22,500	30,380	25,500	25,500
Parking Lot Maintenance	12,000	8,288	9,600	9,600	9,000	9,000
Revetment	-	-	-	-	-	-
Water Tank	-	-	5,000	-	4,250	4,250
Budget Transfer	-	-	-	-	-	-
Special Projects	\$ 103,700	\$ 46,367	\$ 124,350	\$ 127,230	\$ 126,950	\$ 126,950
Specified Reserve Use	\$ (59,500)	\$ (17,205)	\$ (73,900)	\$ (70,850)	\$ (29,800)	\$ (84,075)
Operating Reserve Use	(41,000)	(27,161)	(47,200)	(56,380)	(93,950)	(39,675)
Grant Funding	(3,200)	(2,001)	(3,200)	-	(3,200)	(3,200)
Total Funding	\$ (103,700)	\$ (46,367)	\$ (124,300)	\$ (127,230)	\$ (126,950)	\$ (126,950)



Enterprise Fund Budget Detail (Cont.)

	Last Year 2017/18		Current Year 2018/19		2019/20	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Capital Project Outlay						
Channel Markers	\$ 3,275	\$ -	\$ -	\$ -	\$ -	\$ -
Harbor Terrace Rack Storage	-	-	3,000	3,000	3,000	3,000
Crane	3,000	1,522	15,000	15,000	3,750	3,750
Harford Pier Canopy	-	-	-	-	24,000	24,000
Harford Pier Pile Survey & Analysis	-	-	-	-	-	-
Harford Pier Water & Fireline Systems	5,108	5,107	7,500	7,500	4,500	4,500
Harbor Patrol Boat	-	-	-	-	-	-
Harbor Patrol Boat Engines	-	-	-	-	-	-
Harbor Patrol Boat 2	-	-	-	-	-	-
Harbor Terrace	60,130	32,726	45,000	31,500	101,500	89,460
Harbor Terrace: District Use Area	-	-	21,000	21,000	21,000	21,000
Harbor Terrace: Gear Storage	-	-	60,000	60,000	35,000	35,000
Hoist	2,515	-	-	-	-	-
District Staff Landing	-	-	-	-	-	-
Lifeguard Towers	-	-	-	-	-	-
Lighthouse Duplex	-	-	-	-	-	-
Lift	-	-	22,500	22,500	-	-
Mobile Hoist Pier	1,000,000	-	1,300,000	-	1,300,000	1,300,000
Message Board - Electronic	-	-	-	5,259	-	-
Parking Pay Station-Plan Implementation	-	-	40,000	40,000	60,000	60,000
Rescue Vehicle	-	-	-	-	-	-
Sea Level Rise Analysis	56,250	-	-	-	-	-
Sewage Treatment Plant	56,200	16,682	56,200	56,200	56,200	56,200
Skiff	-	-	2,100	2,100	-	-
Trailer Boat Launch	8,200	8,167	-	-	-	-
Underground Storage Tank	-	-	-	-	52,500	52,500
Vehicle Replacement Program	-	-	-	6,847	16,000	16,000
Water Meter Replacement	-	-	-	-	-	-
Budget Transfer	-	-	-	-	-	-
Total Capital Project Outlay	\$ 1,194,678	\$ 64,204	\$ 1,572,300	\$ 270,906	\$ 1,677,450	\$ 1,665,410
Specified Reserve Use	\$ (62,700)	\$ (34,878)	\$ (104,800)	\$ (127,385)	\$ (109,100)	\$ (167,505)
Operating Reserve Use	(115,708)	(29,326)	(167,500)	(143,521)	(68,350)	2,095
Grant Funding	(1,000,000)	-	(1,300,000)	-	(1,500,000)	(1,500,000)
Total Funding	\$ (1,178,408)	\$ (64,204)	\$ (1,572,300)	\$ (270,906)	\$ (1,677,450)	\$ (1,665,410)



Our Future



Five Year Major Maintenance Plan

Major Maintenance Costs						
Description	2019/20	2020/21	2021/22	2022/23	2023/24	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>
Avila Beach Restroom Refurbishment	12,500	-	-	-	-	2019/20 Base of Pier Restrooms: partition replacement
<i>Facilities Reserve Use</i>	<i>(12,500)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>Facilities reserve</i>
Avila Pier	125,000	50,000	50,000	50,000	50,000	Avila Pier rehabilitation. Study of pier \$125,000; \$25,000 for repair materials.
<i>Avila Pier Reserve Use</i>	<i>(45,000)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>Avila Pier reserve</i>
Boom Truck	10,000	-	-	-	-	Maintenance to the boom truck.
Dredging Pump	12,000	15,000	15,000	15,000	15,000	Budget for new pump in 2026/27.
<i>Dredge Reserve Use</i>	<i>(12,000)</i>	<i>(15,000)</i>	<i>(9,900)</i>	<i>-</i>	<i>-</i>	<i>Dredge reserve</i>
Electronic Documents	20,000	-	-	-	-	Scanning of approximately 40 file boxes.
Harford Pier Lumber	85,000	95,000	105,000	115,000	125,000	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>(5,000)</i>	<i>-</i>	<i>-</i>	<i>Building improvement reserve</i>
District Buildings-Maintenance & Improvements	40,000	-	-	-	-	Repair roof and repainting of Ice House (Wilcox Fisheries lease site)
<i>Facilities Reserve Use</i>	<i>(40,000)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>Facilities reserve</i>
Lift Station Maintenance	20,000	-	-	-	-	Alarms and Monitoring - Lift Stations 1,2,&3
<i>Utility Reserve Use</i>	<i>(7,500)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>Utility reserve</i>
Lighthouse Road Maintenance	-	-	25,000	-	-	Maintenance on Lighthouse Road
<i>Grant Funding</i>	<i>-</i>	<i>-</i>	<i>(25,000)</i>	<i>-</i>	<i>-</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>(8,100)</i>	<i>(8,100)</i>	<i>LCM maintenance reserve</i>
Parking Lot Maintenance	30,000	25,000	25,000	25,000	25,000	2019/20 Avila Beach parking lot, maintenance, repaving, sealing, restriping, etc. Parking lot maintenance, repaving, sealing, restriping, etc.
<i>Facilities Reserve Use</i>	<i>(30,000)</i>	<i>(25,000)</i>	<i>(25,000)</i>	<i>(25,000)</i>	<i>(25,000)</i>	<i>Facilities reserve</i>
Revetment	50,000	-	-	-	-	Repair to the concrete area at trailer boat sport launch jetty and other areas where revetment has been undermined or has sloughed off.
Water Tank	8,500	32,500	-	-	-	2019/20 develop Repair & Public Bid documents, 2020/21 coating and repairs.
<i>Water Tank Reserve Use</i>	<i>(8,500)</i>	<i>(23,500)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>Watertank reserve</i>
<i>Additional Projected Special Project Grant Funding</i>	<i>(12,000)</i>	<i>(12,000)</i>	<i>(12,000)</i>	<i>(12,000)</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	\$ 235,500	\$ 132,000	\$ 143,100	\$ 199,900	\$ 209,900	



Five Year Capital Project Plan

Capital Projects & Asset Replacement (vehicles, equipment, etc)						
Description	2019/20	2020/21	2021/22	2022/23	2023/24	Notes
Air Compressor	\$ -	\$ -	\$ 30,000	\$ -	\$ -	Portable air compressor.
Boom truck	-	25,000	25,000	25,500	25,000	Purchase or lease of new boom truck.
Equipment Reserve use	-	(7,500)	(4,000)	-	-	Equipment reserve
Harbor Terrace Rack Storage	10,000	-	-	-	-	Lumber storage on Harbor Terrace. Harbor Yard storage to compensate for footprint reduction and increase organization. Related to Harbor Terrace development.
Facilities Reserve Use	(10,000)	-	-	-	-	Facilities reserve
Harford Pier Canopy	120,000	250,000	-	-	-	Assessment and roof repairs 19/20; 20/21 Canopy repairs
Facilities Reserve Use	(120,000)	-	-	-	-	Facilities reserve
Crane	12,500	-	-	-	-	Repairs
Equipment Reserve use	(10,000)	-	-	-	-	Equipment reserve
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	-	Purchased October '98, assumes 10 year lease
Harford Pier Water & Fire Line	15,000	60,000	-	-	-	Maintenance to pier fireline system. 20/21 complete flange
Facilities Reserve Use	(15,000)	(60,000)	-	-	-	Facilities reserve
Harbor Patrol Boat Engines	20,000	-	20,000	-	-	New engine every other year
Harbor Patrol Boat 1	400,000	-	-	-	-	Replacement of HP Boat 1
Grant Funding	(200,000)	-	-	-	-	Grant to be solicited
Surplus Sale Revenue	(100,000)	-	-	-	-	Surplus sale revenue
Harbor Patrol Reserve Use	(50,000)	-	-	-	-	Harbor Patrol Vessel Repair & Replacement Reserve
Safety Equipment Reserve Use	(12,000)	-	-	-	-	Safety Equipment reserve
Harbor Patrol Boat 2	60,000	60,000	-	-	-	Sponsons
Grant Funding	(60,000)	-	-	-	-	Grant to be solicited
District Staff Landing	65,000	-	-	-	-	Westside landing
Harbor Terrace	127,800	-	-	-	-	Development cost, consultants, construction monitoring, legal, accounting, etc.
Harbor Terrace Reserve Use	(101,400)	-	-	-	-	Harbor Terrace reserve
Harbor Terrace: Gear Storage	35,000	-	-	-	-	Infrastructure for new gear storage area (concrete, drainage, lighting, security, etc.)
Facilities Reserve Use	(35,000)	-	-	-	-	Facilities reserve
Harbor Terrace: Harbor District Use Area	70,000	-	-	-	-	Infrastructure for new District-use area (paved portions, sea trains, etc.)
Lifeguard Towers	-	-	25,000	-	-	Avila Beach tower
Mobile Hoist Pier Extension	1,300,000	-	-	-	-	Pier extension engineering and construction.
Grant Funding	(1,300,000)	-	-	-	-	TIGER and other (pending) grants
Parking Pay Station	30,000	15,000	15,000	-	-	Technological Upgrades for Parking Machines or Additional Pay Station (Avila Parking Lot)
Parking Plan Implementation Pay Station	30,000	-	-	-	-	Phase I in 2017/18, Phase II in 2018/19.
Sea Level Rise Analysis	50,000	-	-	-	-	Pursuant to AB 691, assessment due 7/1/19.
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	(17,100)	-	-	-	-	Utility reserve
Waste Treatment Reserve Use	-	(38,800)	(1,200)	-	-	Waste treatment reserve
Water Meter Replacement	10,000	-	-	-	-	Replacement of District water meters.
Facilities Reserve Use	(10,000)	-	-	-	-	Facilities reserve
Trailer Boat Hoist Crane	-	-	7,500	29,500	-	Recoating project, 21/22 develop Repair & Public Bid documents, 22/23 coating and repairs.
Underground Storage Tank Replacement	175,000	-	-	-	-	Preparation of bid documents and replacement of the UST. Documents will assist in grant application processes.
Facilities Reserve Use	(150,000)	-	-	-	-	Facilities reserve
Vehicle Replacement Program	40,000	-	45,000	-	-	2019/20 Replace HP F250, 2021/22 Replace HP Dodge. F250 will be repurposed to the Facilities Department*
Vehicle Reserve Use	(500)	-	-	-	-	Vehicle reserve
Total	\$ 454,300	\$ 423,700	\$ 257,300	\$ 150,000	\$ 100,000	



Five Year Projections

	2019/20	2020/21	2021/22	2022/23	2023/24
Operating Revenues	\$ 2,238,500	\$ 2,497,600	\$ 2,716,600	\$ 2,587,900	\$ 2,621,900
Non-Operating Revenues	3,891,000	3,960,200	4,047,800	4,138,900	4,231,500
Total Revenues	6,129,500	6,457,800	6,764,400	6,726,800	6,853,400
Operating Expenditures	(5,189,400)	(5,675,100)	(5,856,800)	(6,185,600)	(6,378,500)
Net Available for Major Maintenance and Capital Projects	940,100	782,700	907,600	541,200	474,900
Major Maintenance and Capital Projects	(3,128,300)	(527,500)	(425,000)	(385,000)	(385,000)
Grant Funding	1,602,000	42,000	55,000	42,000	42,000
Reserve Funding (Use)	\$ (586,200)	\$ 297,200	\$ 537,600	\$ 198,200	\$ 131,900
Specified Reserve Use	\$ (736,500)	\$ (204,800)	\$ (33,100)	\$ (78,100)	\$ (33,100)
Specified Reserve Funding	\$ 150,000	\$ -	\$ -	\$ -	\$ -
Operating Reserve Funding (Use)	\$ 300	\$ 502,000	\$ 570,700	\$ 276,300	\$ 165,000

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 a Harford Land Area parking program is projected to generate an additional \$100,000 per year beginning in 2020/21.
- Boating related revenues (moorings, diesel sales, etc.) are projected to increase 5% every 5 years. The 2019/20 budget includes a fee increase therefore the next projected fee increase is expected to occur July 1, 2023.
- 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 2019/20 fiscal year. The budget assumes continued increase in camping revenues during the construction with revenue generation from the project beginning in 2020/21. 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:

- Base property taxes are projected to increase at a rate of 5.6% per year. Unitary taxes are projected to decrease at a rate of \$30,100 per year when the Diablo Canyon Nuclear Power Plant begins decommissioning.
- Investment income is projected to decrease in 2019/20 as the District spends down cash, but then increase during the remaining years as cash balances grow.



Five Year Projections (Cont.)

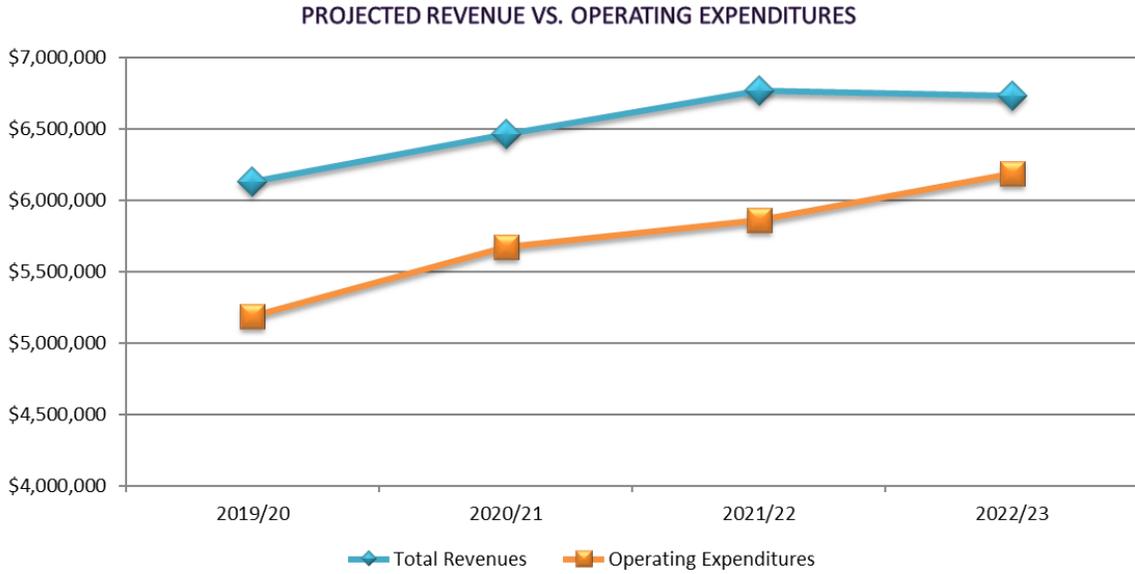
Operating Expenditures:

- 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 6.7% per year.
 - Pension costs are projected to rise at an average rate of 11.75% per year consistent with the most recent information received from CalPERS. In December of 2016, CalPERS announced its plan to lower the discount rate from 7.5% to 7.0% over a three-year period. 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.

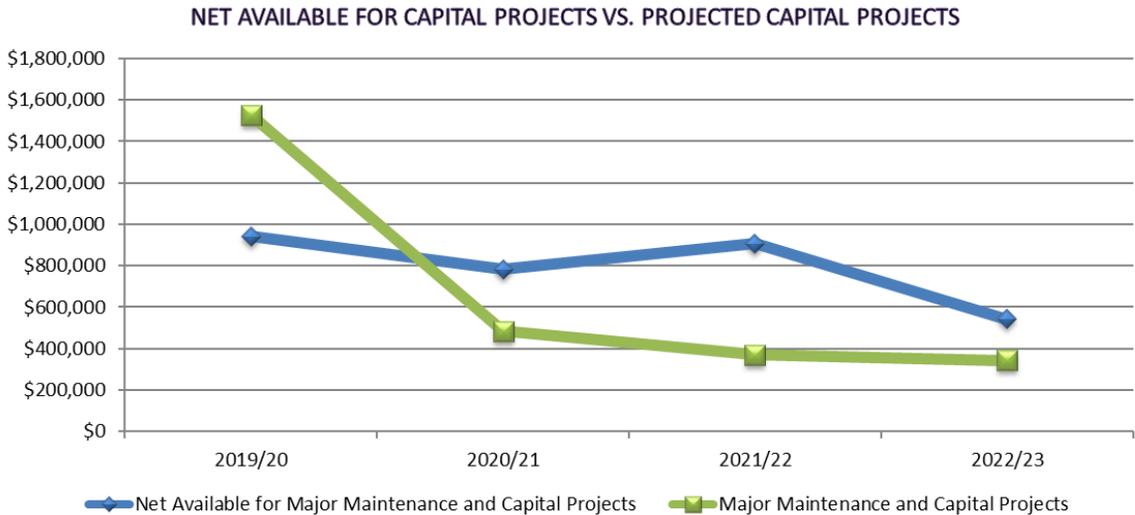
Major Maintenance and Capital Projects: Detail on the projected major maintenance and capital projects is found on pages 77-79.



Five Year Projections (Cont.)



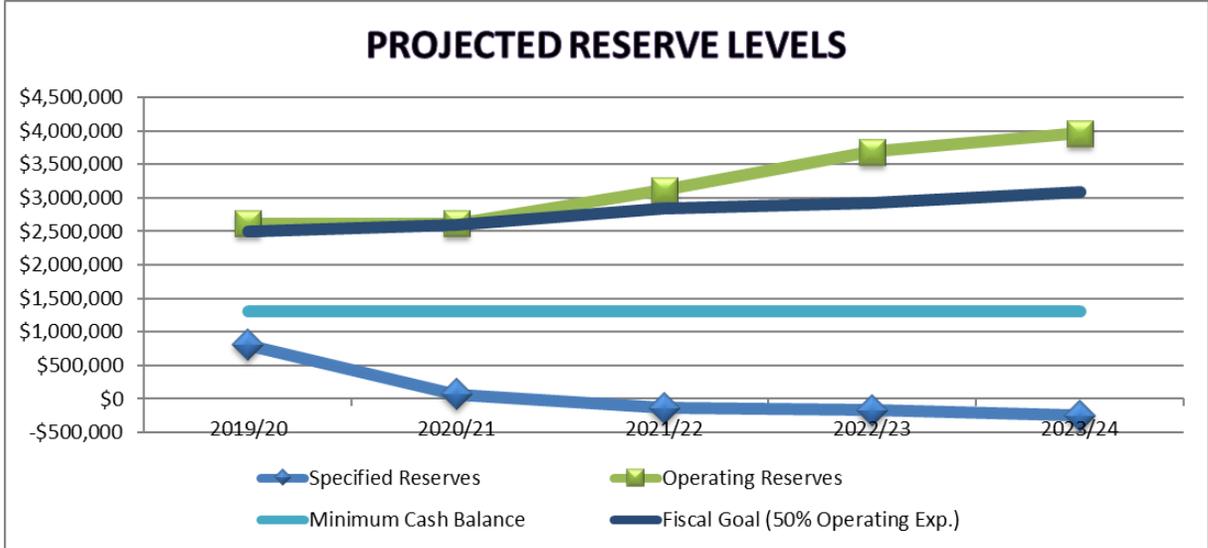
The difference between the projected revenue and operating expenditures is used to fund major maintenance and capital projects. Detail on the projected capital projects can be found on page 77.



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-Term Goals and Strategies (Master Plan)

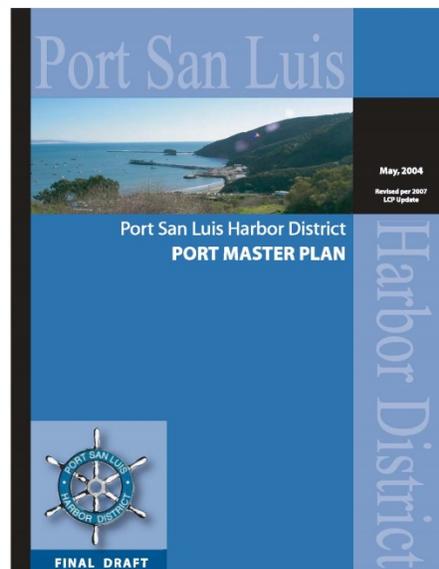
Port San Luis should be a harbor with protected, maintained, and enhanced resources that balances the environmental, social, and economic needs of the District and the various user groups. (Chapter 3 of the Port San Luis Master Plan)

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

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

In order to meet the above objectives, the Master Plan identifies the Action Items for Open Water, Access Improvements, the Harford Pier, Harford Landing, Beach and Bluff Planning, Harbor Terrace, the Light Station, 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 2019/20 budget includes \$30,000 to continue 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 2019/20 budget includes \$1,300,000 to extend the mobile hoist pier.]

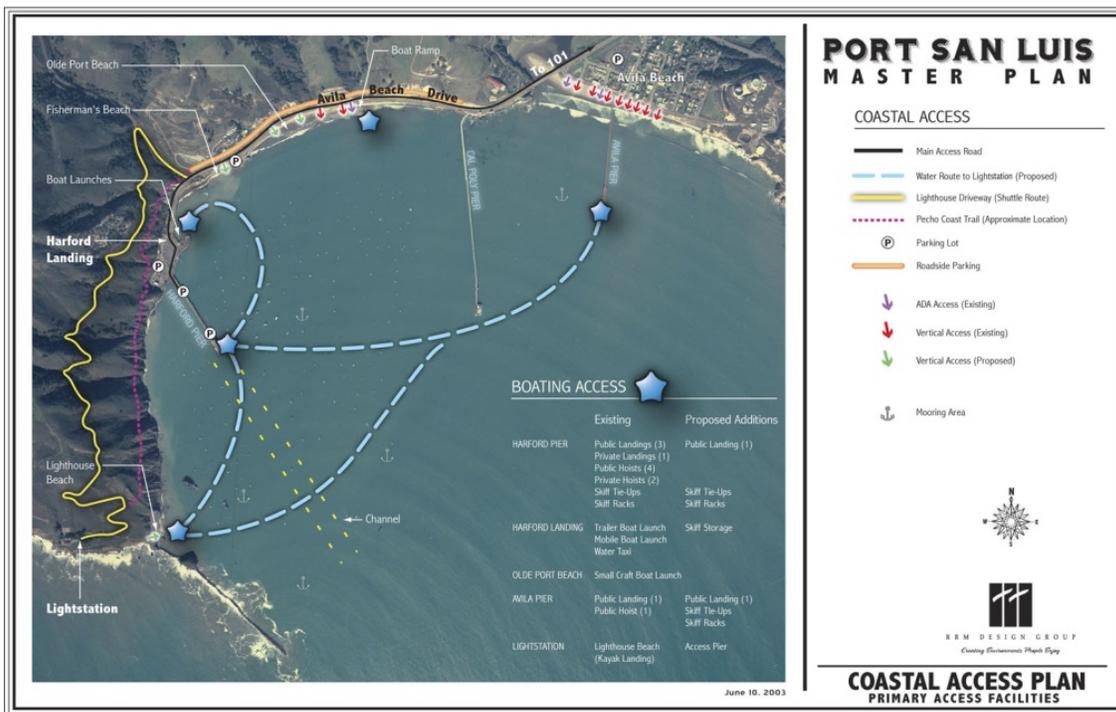


FIGURE 19



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.

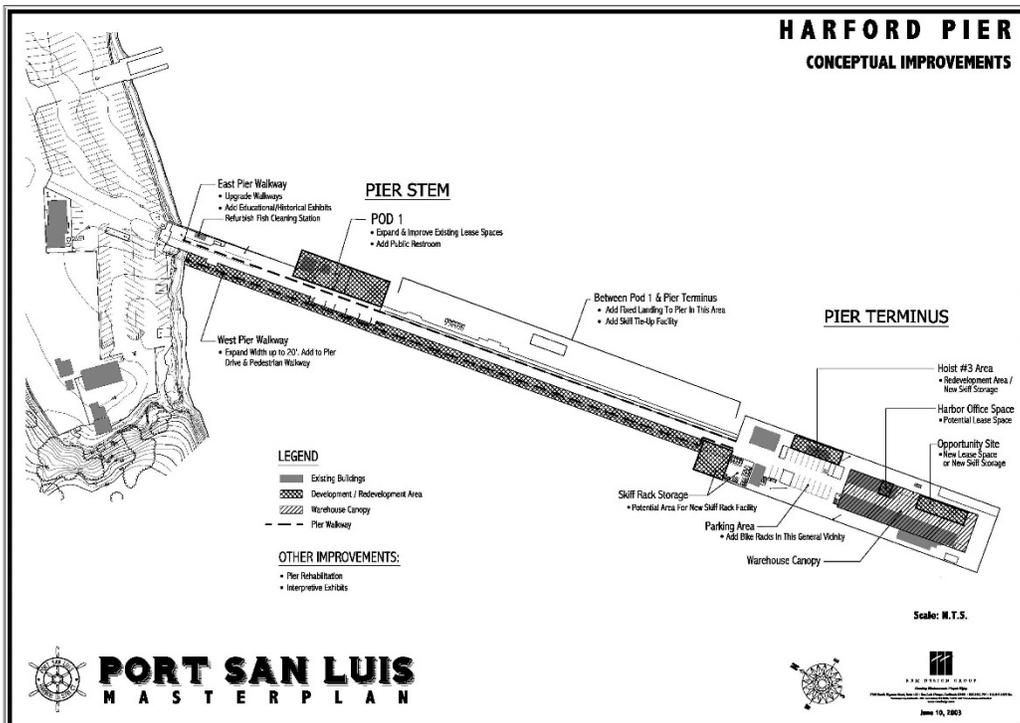


FIGURE 12



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. \$1,300,000 included in 2019/20 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.

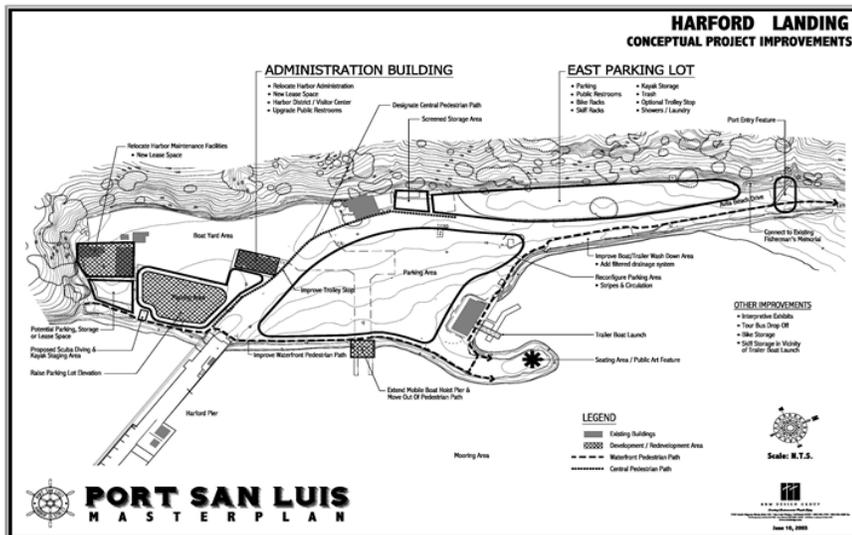


FIGURE 13



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: In early 2018, the District entered into a 50 year ground lease for development/operation of the Harbor Terrace site. The project was then granted substantial conformance in March 2018 in regard to a revised site plan. Ground breaking is scheduled for Summer 2019 with completion anticipated in Spring 2020.





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.

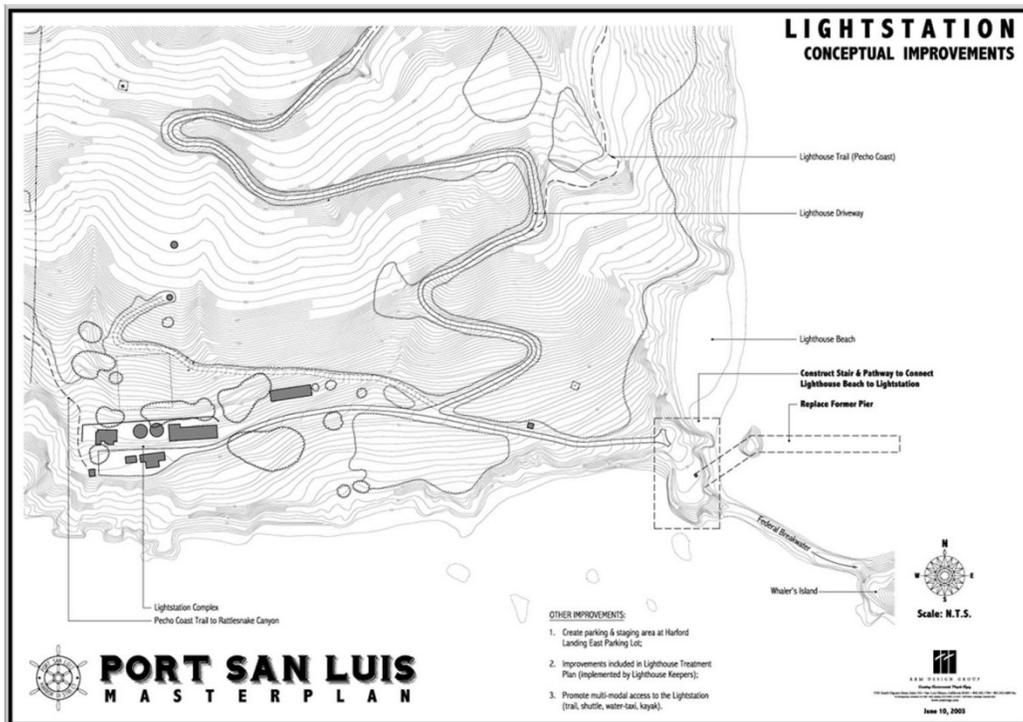


FIGURE 16



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; Project is listed as an unfunded project on page 58].
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 identified in an inspection done by Shoreline Engineering, Inc. After closure, the District worked with an outside consultant, Netzel Grigsby 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 and worked on during the 2017/18 fiscal year. Creation of a Friend of Avila Pier (FOAP) and confirming a plan for the Pier were all accomplished. In February 2019, engineering firm Moffatt & Nichol completed a load capacity study of the Avila Pier and provided preliminary recommendations for the repair of the pier, including the recommendation to reopen the pier to Bent 58. The Avila Pier was opened to Bent 58 in April 2019. The next phase for the Avila Pier rehabilitation project will be the completion of the inspection and assessment of all piles, the design drawings for immediate repair, and full repair design drawings. This phase has been funded in the 2019/20 budget.

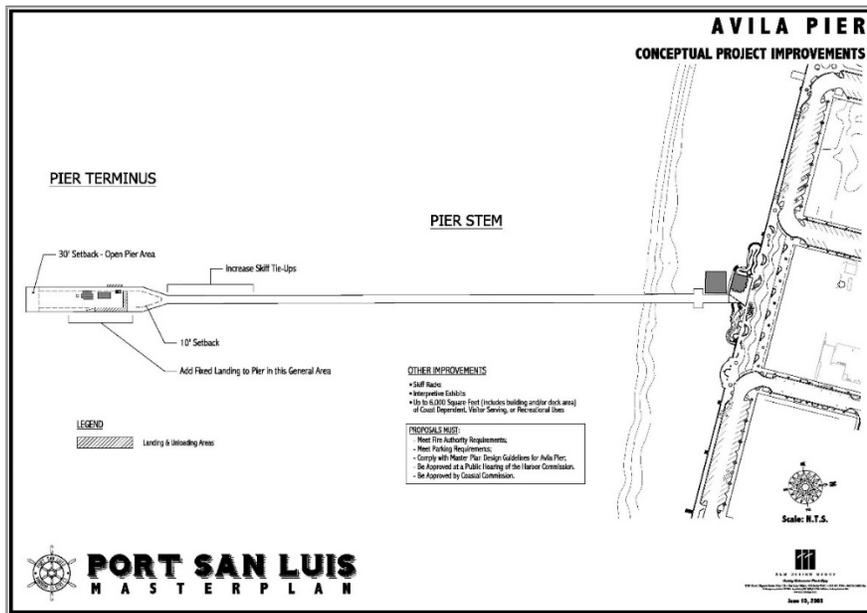


FIGURE 17



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 \$696,500 in 2017/18. 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 2019/20 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, 2016 through June 30, 2017, is above \$22.1 billion (per County's Tax Rate Book), making the debt limit approximately \$3.3 billion. The District does not have and does not intend to issue debt during the 2019/20 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 2019/20 fiscal year-end. Using 2019/20 estimated expenditures the operating reserve should be approximately \$2.5million. 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.

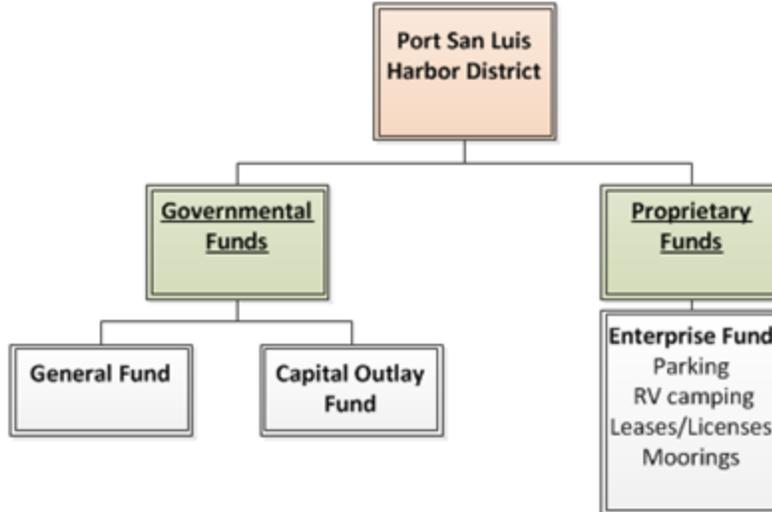
Accounting Basis

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:

Non spendable 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 2,400-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 recreational 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: A 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.

Light Station: 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>

