



PORT SAN LUIS, CA

2020/21

OPERATING AND CAPITAL BUDGET

July 1, 2020 – June 30, 2021

Port San Luis Harbor District
3950 Avila Beach Drive | PO Box 249
Avila Beach, CA 93424
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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, 2019. 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
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PRESENTED TO

**Port San Luis Harbor District
California**

For the Fiscal Year Beginning

July 1, 2019

Christopher P. Morill

Executive Director



Table of Contents

Budget at a Glance	3
Priorities and Issues	5
Short-Term Factors Influencing Decisions	8
Budget Process.....	12
About Us.....	14
Where is Port San Luis?	15
Our History.....	18
Port San Luis Today.....	19
Organizational Chart	21
Staffing Authorization	22
Department Summary	23
Consolidated Budget	29
Fund Structure	30
Consolidated Financial Schedule	31
Changes in Fund Balance	32
3 Year Consolidated Financial Schedule	33
District Revenue.....	34
District Expenditures.....	37
Debt.....	38
Consolidated Budget Summary	39
Consolidated Budget Detail	40
Major Maintenance, Capital Projects, and Deferred Projects.....	47
Unfunded Major Maintenance and Capital Projects	65
Specified Reserve Funding and Use	67
Reserve Trends.....	67
Budget by Fund	68
General Fund Budget Summary.....	69
General Fund Budget Detail.....	70
Enterprise Fund Budget Summary.....	75



Enterprise Fund Budget Detail.....	76
Our Future	83
Five Year Major Maintenance Plan.....	84
Five Year Capital Project Plan	85
Five Year Projections.....	86
Long-Term Goals and Strategies (Master Plan)	90
Policies and Definitions	98
District Policies and Guidelines.....	99
Basis of Budgeting.....	102
Glossary.....	103



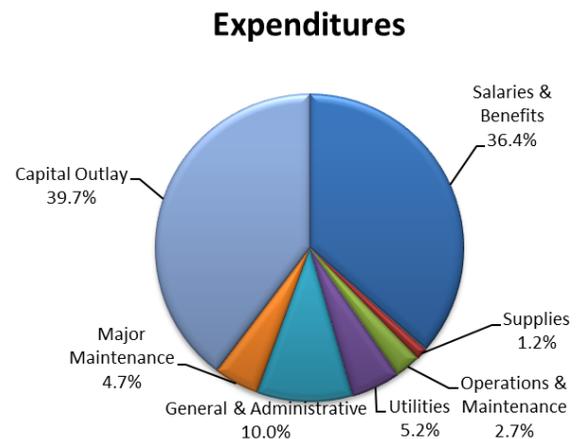
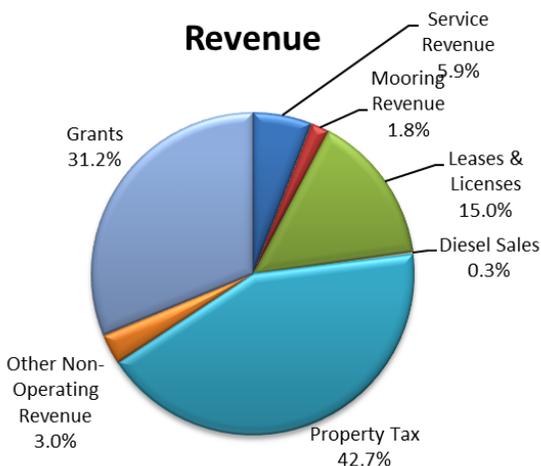
Budget at a Glance





Budget Summary 2020/21		Comparison to 2019/20 Projections				
Operating Revenue	\$2,073,100	<input checked="" type="checkbox"/>	Increase	<input type="checkbox"/>	Decrease	15.7%
Non-Operating Revenue	4,114,447	<input type="checkbox"/>	Increase	<input checked="" type="checkbox"/>	Decrease	-4.0%
Operating Expenditures	(5,727,786)	<input checked="" type="checkbox"/>	Increase	<input type="checkbox"/>	Decrease	10.5%
Major Maintenance and Capital Projects (net of grant funding)	(1,248,300)	<input checked="" type="checkbox"/>	Increase	<input type="checkbox"/>	Decrease	-14.37%
Net Income (Loss)	(788,539)	<input checked="" type="checkbox"/>	Increase	<input type="checkbox"/>	Decrease	339.91%
Prior Year Specified Reserve Usage	512,352	<input checked="" type="checkbox"/>	Increase	<input type="checkbox"/>	Decrease	16.0%
Specified Reserve Funding	(0)	<input type="checkbox"/>	Increase	<input checked="" type="checkbox"/>	Decrease	100%
Increase (Decrease) in Operating Reserves	(276,187)	<input type="checkbox"/>	Increase	<input checked="" type="checkbox"/>	Decrease	-345.6%

- The 2020/21 budget utilizes \$512,352 in prior year specified reserves to fund major maintenance, capital asset purchases and improvements, with a decrease to Operating reserves in the amount of \$276,187.
- Operating revenue is budgeted to increase 15.7% compared to 2019/20 projections. Operating revenues are budgeted to increase as the District moves into a slow recovery from COVID-19, a world-wide pandemic.
- Non-Operating Revenue is budgeted to decrease -4.0% compared to 2019/20 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 34-36 for further detail on revenue.
- Operating expenditures are budgeted to increase 10.5% compared to 2019/20 projections. This increase is largely due to an increase in Supplies and Sanitary products in response to COVID-19 pandemic. Additional detail on operating expenditures can be found on page 37.
- The District anticipates operating revenues exceeding operating expenditures by \$504,761, which will be used to fund a portion of Major Maintenance and Capital Project costs of \$4,055,300. Additional major maintenance and capital project costs will be funded using \$467,352 in specified reserves and \$2,807,000 in anticipated grants. See pages 45-61 for further major maintenance and capital project detail.





Priorities and Issues

Mission Statement

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

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

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:

Port San Luis Harbor District 2020-2021 Objectives and Goals (Adopted March 24, 2020)

Major Objectives and Goals for District - most important to accomplish, key targets of focus and resources

Objective #1 - Sustain and enhance the Harbor's finances -- provide for needed infrastructure, expand revenue sources, and pay down long-term liabilities.

Goal A - Complete a focused set of workshops on key topics driving financial health.

Goal B - Complete a budget with priorities for what we can accomplish.

Goal C - Work with lessees to identify possibilities to boost revenues.

Goal D - Develop focused plans for short-term parking, boatyard, and Harford Pier revenue opportunities.

Objective #2 - Maintain and enhance a boater friendly atmosphere at PSL for both commercial and recreational boaters.

Goal A - Identify ways to optimize boating access through improvements in parking management.

Goal B - Pursue grant or other funding opportunities to extend the dock.

Goal C - Sustain follow up on sediment management.

Objective #3 - Keep Harford Pier open and optimize use.

Goal A - Complete Harford Pier site plan and explore potential interest in expanding the pier and its uses and revenues.

Goal B - Resolve multiple needs and uses (fishing, restaurants, parking, walking).

Goals C - Pursue near-term opportunities to boost use and revenues (e.g. use of restrooms, refrigeration, table space, etc.).

Other Important Objectives and Goals - very important, find resources and complete as able

Objective #4 - Revitalize the Avila Pier.

Goal A - Pursue external funding for Avila Pier rebuild/rehabilitation.

Goal B - When receive funding for rebuilding, explore potential for revenue generating activities from the pier pursuant to the Master Plan.

Goal C - Explore near-term revenue opportunities (e.g. mobile vendors).

Objective #5 - Review Master Plan and identify targeted areas for revision to prepare for future changes (e.g. Harbor Terrace opening, Diablo closure, sea-level change, etc.).



Priorities and Issues (Cont'd)

Additional Objectives – pursue as resources permit

Objective #6 - Continue environmental stewardship efforts (e.g. Clean Marinas), explore passive solar designs, and evaluate opportunities to further reduce carbon footprint (e.g. solar panels in parking areas and canopy with potential tie-ins to water treatment plant).

Objective #7 - Continue advocacy and collaborative efforts with Coast Guard and other state and federal agencies to support commercial, recreational, and coastal-related activities.

Objective #8 - Enhance outreach with lessees—listen to needs, interests, and ideas—and demonstrate support for win-win solutions.

Objective #9 - Support high-performing staff – continue steps to maintain low turnover and good employee morale through compensation, staff growth, and positive engagement.

Objective #10 - Continue oversight and support for Harbor Terrace project for successful implementation.



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.

COVID-19 Pandemic

On March 19, 2020 California Governor Gavin Newsom issued an Executive Order N-33-20, in response to the COVID-19 Pandemic, which directed all residents to immediately heed the directives to stay home, except for those responsible and assigned to maintain operations of critical infrastructure sectors and other additional sectors (essential businesses) as designated by the State Public Health Officer.

The mandated closure of non-essential businesses and the Governor's stay-at-home order had and is foreseen, to have a financial impact on the revenues of the District. The FY 19/20 budget reported a decline in revenues due to the closure of District lessees and other revenue generating areas of the District. Additionally, the Harbor Commission approved on April 16, 2020 and reaffirmed on May 14, 2020, the District would waive 50% of base rents of District lessees for the months of March, April, and May 2020 and allow for the remaining rents to due to be repaid to the District over a 12 month time span. The financial impact to the District is estimated at \$40,500.

Property Tax revenues comprise the majority of the General Fund revenues and for FY 2020/21 and the estimated revenues do not reflect a decrease due to the COVID-19 Pandemic. However, it is anticipated there is a potential for a decline in Property Tax Revenues for FY 2021/21, based upon the current assessment and projections as provided by forecasting financial experts. Additionally, the slow growth of Property Tax past FY 2020/21 is anticipated, until further information is provided to state otherwise.

Economic Factors:

Increases in ongoing revenues are expected to keep pace with increases in ongoing District operating expenses, subject to the impacts of the legislative and COVID-19 Pandemic factors provided for in the previous section. Major Maintenance and Capital Projects are not fully funded from operations and may require the District to use Reserve Funds. The upward trend in enterprise revenues, specifically RV camping and parking revenues, continued through February 2020. Camping Revenues were strong through February 2020; however, due to the COVID-19 Pandemic, the District had to close camping to new reservations and issue full refunds, due to the Governor's Stay-at Home Order as well as the San Luis Obispo County Short Term Lodging Order, effective May 17, 2020, which reduced camping capacity to 50% occupancy. Additionally, the Harbor Terrace Campground is slated to open in Winter 2020, providing for additional revenues to the District, which will offset the closure of District camping sites located on Babe Lane and Overflow Camping. Revenues for these items correlate with weather conditions, which make it difficult to predict.

Economic trends have stabilized over the last couple years; however, due to the COVID-19 Pandemic, there will be financial impacts due to the closure of businesses during the Shelter-at-Home Order issued by the Governor. Economic indicators show a varied recovery period, based upon the industry. It is anticipated Restaurants/Hotels will experience a 7% decline, rebounding from a 60% drop in the Second Quarter of 2020 (SQ20), which could affect tourism revenues and a decline of visitors to the District.



Property Tax revenues are estimated to increase by 3.4% in 2020/21. According to data presented by the Bureau of Labor Statistics the Unemployment rates in the San Luis Obispo area, pre-COVID-19 Pandemic, were reported to be 3.8%, a net change of .7% in comparison to March 2019. Such factors have a positive impact on revenues but contribute to wage and operating cost increases. As of April 2020, San Luis Obispo County experienced 19,720 jobless claims due to the COVID-19 Pandemic business closures.

However, as the Governor moves forward with the Resiliency Roadmap Guidelines, those temporarily jobless should be able to return to their previous employment.

Certain economic factors such as uncertainty in the stock market, low oil prices, a weaker Chinese economy, and a slow return to full business functions, due to the COVID-19 Pandemic, 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 \$310,000 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, in conjunction with the Districts GovInvest Pension Liability Software, the unfunded portion of the net pension liability for all such activities was \$4,135,352.

Beginning July 1, 2021 CalPERS will begin the implementation of its new policy which will shorten the amortization period of new unfunded liabilities from 30 years to 20 years. The Discount Return Rate is estimated to be 7% (the projected investment return), which will result an increase in the Districts required contribution, with an estimated payoff date of June 30, 2039, if no changes are made in making additional contributions and previous liabilities are still calculated with a 30 year amortization schedule and new liabilities at the new 20 year amortization schedule.

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 2020, the required minimum contribution is \$139 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, utilizing the Districts GovInvest Software program, estimated the District's unfunded liability at \$1,608,181

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 \$402,200 for fiscal year 2020/21.



Propositions 4 and 1A constitutionally require the State of California to reimburse local agencies for costs directly associated with new state-mandated programs. When it defers these reimbursements, the state must eventually pay them back with interest. Two of the most common reimbursements owed to special districts include Brown Act and Public Records Act Mandate. Under Governor Brown's long-range financial plan, local governments would be reimbursed for a portion of the mandated costs starting in fiscal year 2015/16. The State owes Port San Luis Harbor District \$28,891 from 2006 thru 2012 for costs associated with Brown Act mandates.

On March 28, 2016, Governor Jerry Brown signed a bill that will raise the minimum wage from \$10 per hour to \$15 per hour by 2022. Governor 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, 2019, the District spent \$581,800, including grant funded projects, and recorded depreciation expense of \$533,700. This was possible due to use of \$40,492 in grant funds from the Surrendered and Abandoned Vessel Exchange (SAVE) funds from the Division of Boating and Waterways, \$8,392 from the Central California Joint Cable Fisheries Liaison Committee, \$25,007 Nuclear Power Plant, along with other grants. All such grants totaled \$83,089 in the aggregate. The District is projecting in fiscal year 2019/20 spending \$1,394,350 for major maintenance and capital projects and for fiscal year ending June 30, 2021, the District has budgeted \$4,055,300 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 \$2,807,000 for the 2020/21 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.

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.



The study was completed in FY 19/20, resulting in the ability for a defined scope of the project to be drafted, and currently the District is waiting for notification regarding the receiving of grant(s) for the project.

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 and CSDA 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.

Investment Resources:

The District relies on its investment reserves (specified reserves and operating reserves) to fund major maintenance and capital project budgets in budget cycles where operating reserves and grants are insufficient to cover the cost of all projects. Such reserves are invested in the Local Agency Investment Fund (LAIF) and the Franklin US Government Securities Fund ("Franklin"). Preservation of capital is a primary investment objective of these funds.

LAIF is a voluntary State investment pool administered by the Treasurer of the State of California into which cities, counties and other local governments invest their idle cash. The fund is managed by a professional investment staff.

The Franklin Fund has operated since 1983. The fund has invested substantially all its assets in Government National Mortgage Association securities, or Ginnie Maes (GNMAs). These securities carry a guarantee backed by the full faith and credit of the U.S. government as to timely payment of principal and interest.



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.

	2020	January	February	March	April	May	June	July
Harbor Commission and Staff attends Goal Setting Workshop		X						
Staff compares current year projections with budgeted amounts		X	X					
Mid-year 2019/20 Budget review at Harbor Commissioner meeting			February 25, 2020					
Harbor Commission approves 2020-21 budget calendar			February 25, 2020					
Harbor Commission attends Financial Workshop to review Major Maintenance & Capital Projects				March 12, 2020				
First draft of 2020/21 Budget updated per Harbor Commission direction						X		
Harbor Commission reviews Preliminary 2020/21 Budget at Workshop, provides input						May 14, 2020		
Staff posts Public Notice of Adoption of Preliminary 2020/21 Budget, Public hearing to adopt changes to Fee Schedule, Public hearing for adoption of Final Budget						May 26, 2020		
Staff revises 2020/21 Preliminary Budget per Harbor Commission direction					X	X		
Staff prepares Final 2020/21 budget						X	X	
Public Hearing to adopt Final 2020/21 Budget							June 23, 2020	
Final 2020/21 Budget transmitted as necessary to SLO County departments							X	X

Dates listed in **bold** 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.



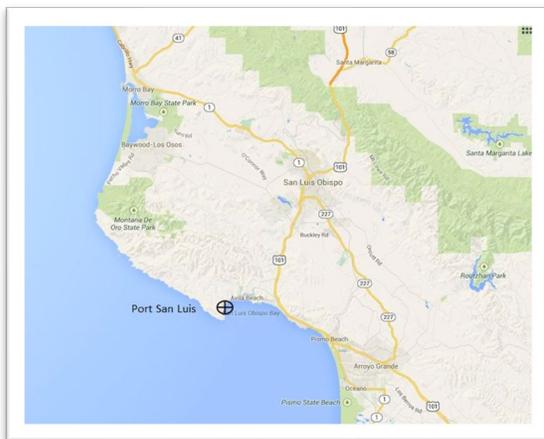
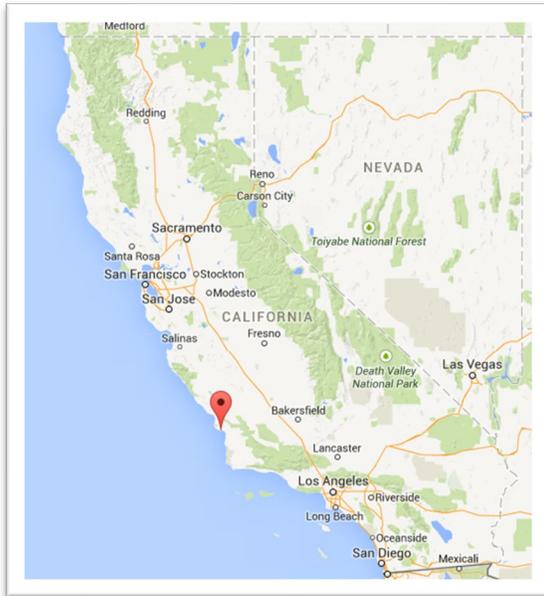
About Us





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
 US Census Bureau is currently conducting the 2020 Census updates and will be implemented into 2021-22 budget document.





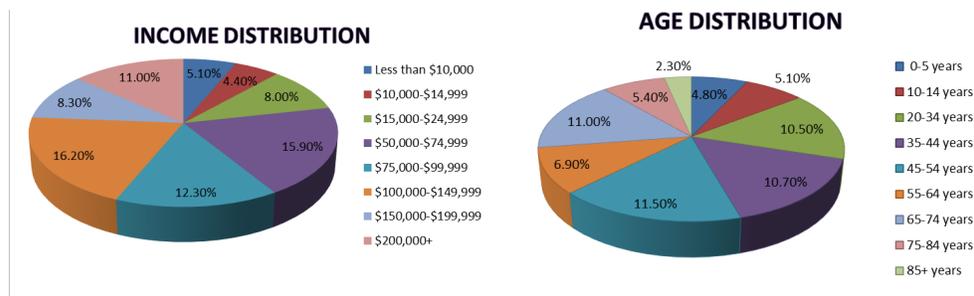
Where is Port San Luis? (Cont.)

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

San Luis Obispo County is made up of seven cities as well as many unincorporated communities. The California Department of Finance estimated the population to be 280,101 as of July 31, 2019. This is a 0.31% decrease from the January 1, 2018 estimates.

SLO County Population by City	
Arroyo Grande	17,876
Atascadero	30,057
Paso Robles	31,221
Grover Beach	13,214
Morro Bay	10,188
Pismo Beach	8,139
San Luis Obispo	45,920
Unincorporated	123,675
Total (Estimated)	280,101

*Source: California Department of Finance



*Source: US Census Bureau

The County's median household income was estimated at \$70,699 in 2019. This is less than the estimated median income for the State of California of \$71,228.

The median value of owner-occupied housing is estimated at \$537,900. This is more than estimated for the State of California of \$475,900. The median monthly owner cost with a mortgage is estimated at \$2,262, slightly lower than the State of California estimated at \$2,282.



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
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	279,210	Not Avail.	Not Avail.	3.6%
2018	280,048	Not Avail.	Not Avail.	3.2%
2019	280,101	Not Avail.	Not Avail.	2.9%

*Source: San Luis Obispo County Comprehensive Annual Financial Report

Principal Taxpayers

(Fiscal Year 2019)

Taxpayer	Industry	Assessed Value (in thousands)	% of Total County Assessed Value
Pacific Gas & Electric	Utility	\$2,578,306,919	4.58%
Phillips 66 Company	Oil Refinery	161,645,956	0.29%
Jamestown Premier SLO Court St. LP	Commercial	113,238,219	0.20%
Southern California Gas Company	Utility	108,816,385	0.19%
CAP VIII – Mustang Village LLC	Apartments	92,423,980	0.16%
AT&T California	Telephone	90,307,130	0.16%
Treasury Wine Estates Americas Co	Winery	90,051,875	0.16%
E&J Gallo Winery	Winery	76,338	0.14%
Sierra Vista Hospital	Hospital	80,002,356	0.14%
Firestone Walker LLC	Brewer	65,986	0.12%
Total Top 10 Taxpayers		\$3,429,474	6.42%

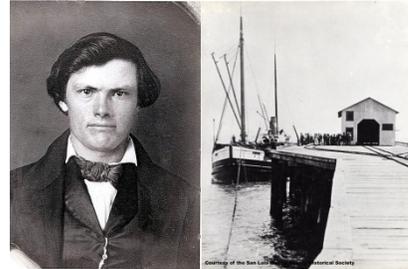
*Source: County of San Luis Obispo Property Tax "2018-19 Property Tax Perspective"



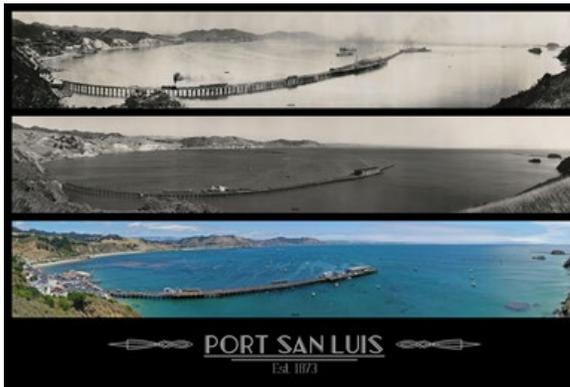
Our History

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 were 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 1950s, 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 2021, which will provide updated data for years 2017-2019.

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 was held in January 2020, with completion in late 2020/early 2021. 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.



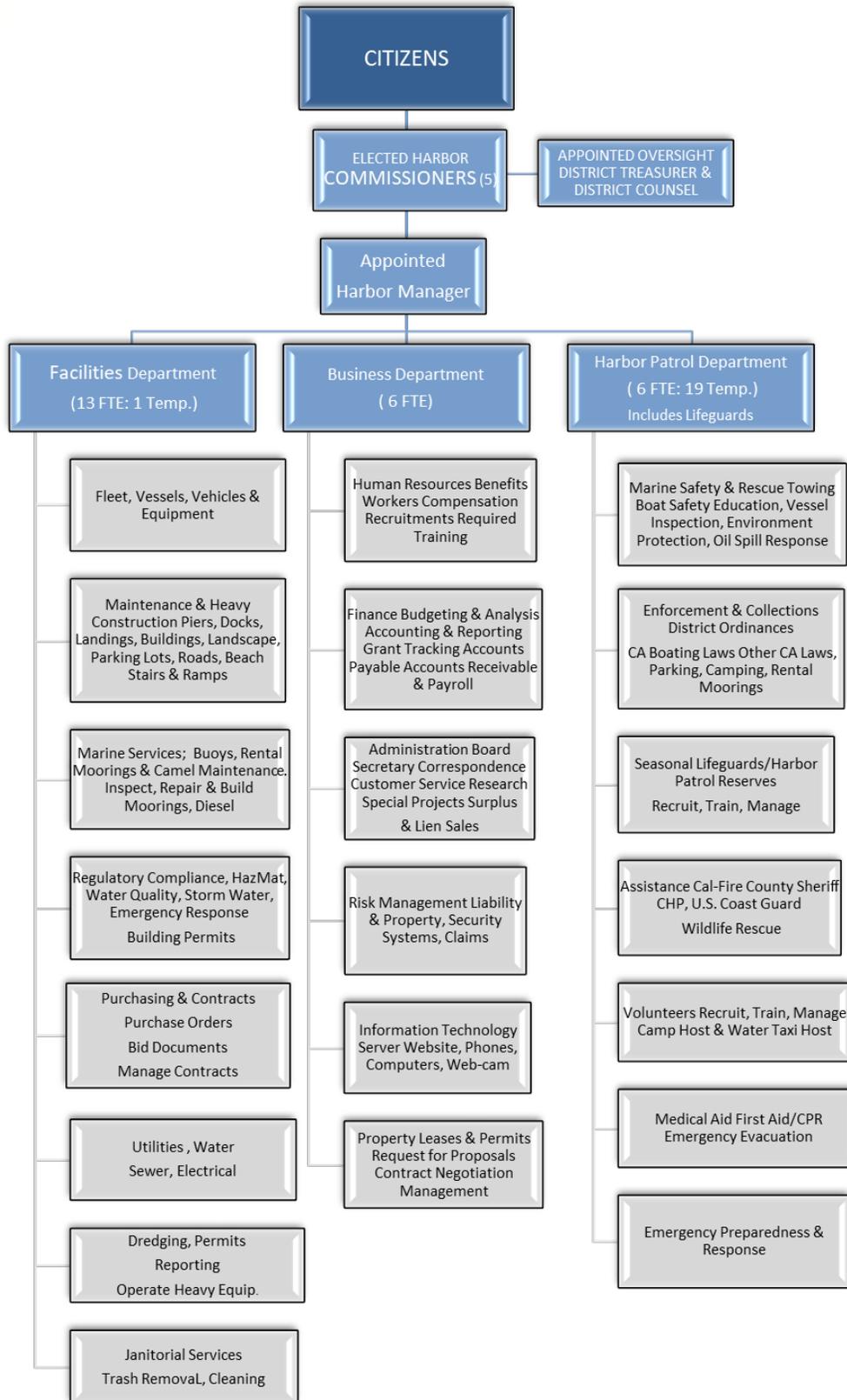
Port San Luis Today (Cont.)

Beautiful Beaches, Marine Wildlife, Port San Luis Lighthouse, RV Camping and much more for the public to enjoy.





Organizational Chart





Staffing Authorization

	FY 2018/19	FY 2019/20	FY 2020/21
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	1	1	1
Facilities Department			
Facilities Manager	1	1	1
Planner/Analyst	1	1	1
Facilities Supervisor	1	1	1
Heavy Construction Lead Worker	1	1	1
Utility Crew Lead Worker	1	1	1
Port Maintenance Worker	6	6	6
Mooring Crew Lead Worker	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	46	46	46

* The 2020/21 budget does not include any changes in staffing levels.



Department Summary

Administration and Business 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 Administration & Business Department includes five elected Harbor Commissioners, seven full-time employees. 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 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.
- Process payroll

Human Resources:

- 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

	2018/19 Actual	2019/20 Projected	2020/21 Budget	% Change from Projections
Wages	\$529,848	\$546,417	\$592,966	8.52%
Benefits & Payroll Taxes	\$333,520	\$377,906	\$381,300	0.9%
Contract Labor	22,622	1,000	1,000	0%

* The District utilized a staffing agency in 2018/19 increasing Contract labor cost.

Operating Indicators

	2015/16	2016/17	2017/18	2018/19	2019/20
Recruitments opened	6	12	7	6	7
Lien sales conducted	1	0	1	0	1
RFP's released	5	6	3	3	3
Special event permits processed	64	61	59	50	23
Leases managed (as of June 30 th)	10	10	13	13	12
Licenses managed (as of June 30 th)	10	12	11	9	12
Claims filed against the District	1	0	2	1	2
Mooring patrons	154	153	148	161	162
Skiff storage patrons	50	47	50	55	57
Boat storage patrons	48	44	49	50	0
Gear storage patrons	14	13	15	15	13
Grants received	3	3	1	2	1
Amount of grants received	\$44,781	\$53,500	\$8,000	\$8,044	\$12,000

* Boat Storage was closed in 2019/20 and will reopen in 2020/21 when Harbor Terrace Project is complete.



Department Summary (Cont.)

Facilities 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 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.)

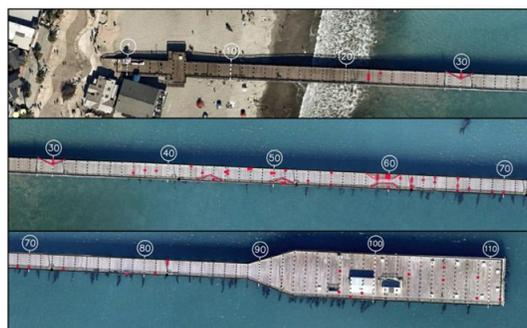
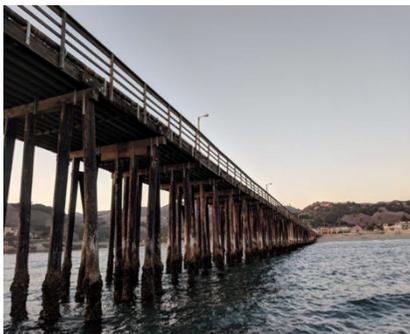
Facilities Department

Budget Summary

	2018/19 Actual	2019/20 Projected	2020/21 Budget	% Change from Projections
Wages	\$840,719	\$867,009	\$939,500	8.36%
Benefits & Payroll Taxes	533,291	604,391	611,000	1.09%
Contract Labor	13,232	24,000	14,000	-41.67%

Operating Indicators

	2015/16	2016/17	2017/18	2018/19	2019/20
Dredge hours	520	492	535	439	600
Boats fueled	285	288	340	320	250est.
Invitations to Bid released	4	4	6	5	4
Major maintenance projects completed	7	9	6	9	12
Amount of major maintenance completed	\$179,320	\$244,573	\$138,991	\$345,300	\$341,800
Capital projects completed	10	9	12	9	6
Amount of capital projects completed	\$508,896	\$230,747	\$505,924	\$527,700	\$1,056,000
Grants received	3	1	2	2	3
Amount of grants received	\$19,764	\$4,000	\$116,600	\$30,000	\$302,850





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.

- Investigates and makes reports of incidents.

Administration:

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

Emergency Preparedness and Response:

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

Harbor Patrol Reserve Program:

The Harbor Patrol Reserve Program is designed to enhance the capabilities and strengths of the Harbor Patrol department as well as provide a potential training ground for future permanent employees. Harbor Patrol Reserves may be used for special events, holidays, and weekends and to assist with Harbor Patrol staffing levels during training 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.



Department Summary (Cont.)

Harbor Patrol Department

Budget Summary

	2018/19 Actual	2019/20 Projected	2020/21 Budget	% Change from Projections
Wages	\$584,594	\$602,874	\$651,600	8.08%
Benefits & Payroll Taxes	\$275,392	\$311,903	\$314,800	0.93%
Contract Labor	114,675	115,000	119,000	3.48%

Harbor Patrol Operating Indicators

Fiscal Year	2015/16	2016/17	2017/18	2018/19	2019/20
Agency to agency assistance	155	141	161	168	147
Wildlife rescues	109	64	32	30	84
Parking citations	483	583	339	256	398
Water taxi passengers	5,377	5,609	5,731	4869	2792
Avila parking lot spaces sold	84,353	79,591	70,174	81,162	47,406
RV camping nights sold	13,840	13,931	13,827	13,681	8,482
Grants received	0	1	2	1	2
Amount of grants received	\$0	\$2,950	\$15,864	10,000	\$246,000

Lifeguard Operating Indicators

Calendar Year	2015	2016	2017	2018	2019
Rescues	26	17	7	12	19
Medical aids	74	102	78	75	54
Contacts for beach fire compliance	18	10	3	1	0
Contacts for dog law compliance	895	900	928	794	942
Contacts for alcohol compliance	684	935	735	785	759



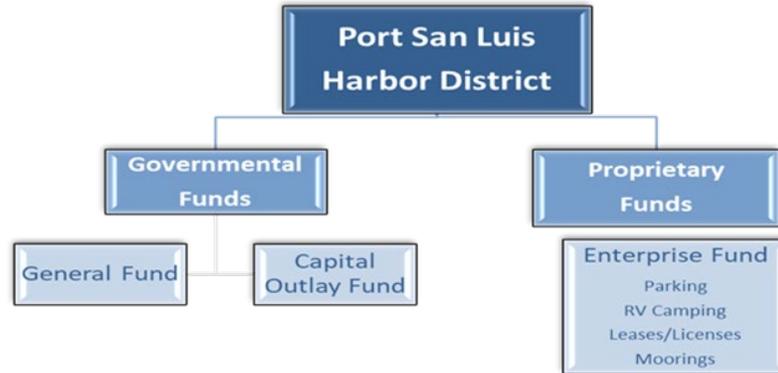


Consolidated Budget





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



Consolidated Financial Schedule

Port San Luis Harbor District Budget Summary by Fund For the Fiscal Year Ending June 30, 2021				
	Capital Outlay		Enterprise Fund	Total Budget
	General Fund	Fund		
Revenues				
Charges for Services	\$ -	\$ -	\$ 530,700	\$ 530,700
Mooring Fees	-	-	164,900	164,900
Lease and License	-	-	1,352,800	1,352,800
Diesel Sales	-	-	24,700	24,700
Property Taxes	3,840,859	-	-	3,840,859
Interest	32,000	-	48,000	80,000
Other Financing Sources	191,588	-	-	191,588
Other Non-Operating Revenue	1,000	-	1,000	2,000
Grant Funding	-	1,446,700	1,360,300	2,807,000
Fund Transfer	(800,790)	800,790	-	-
Total Revenues	\$ 3,264,657	\$ 2,247,490	\$ 3,482,400	\$ 8,994,547
Expenditures by Category				
Salaries, Wages & Benefits	\$ 2,675,300	\$ -	\$ 1,030,900	\$ 3,706,200
Supplies	94,300	-	32,000	126,300
Operations & Maintenance	185,500	-	87,400	272,900
Utilities	338,500	-	186,100	524,600
General & Administrative	642,000	-	455,786	1,097,786
Major Maintenance	-	209,400	127,600	337,000
Capital Projects	-	2,038,090	1,680,210	3,718,300
Total Expenditures by Category	\$ 3,935,600	\$ 2,247,490	\$ 3,599,996	\$ 9,783,086
Revenues less Expenditures	\$ (670,943)	\$ -	\$ (117,596)	\$ (788,539)
Specified Reserve Usage	245,485	0	266,867	512,352
Specified Reserve Funding	0	0	0	0
Increase/(Decrease) in Operating Reserves	\$ (425,458)	\$ -	\$ 149,271	\$ (276,187)
Estimated Beginning Fund Balance as of July 1, 2020	\$ 1,192,258	\$ (19,261)	\$ 3,352,552	\$ 4,525,549
Estimated Ending Fund Balance as of June 30, 2021	\$ 521,315	\$ (19,261)	\$ 3,234,956	\$ 3,737,010



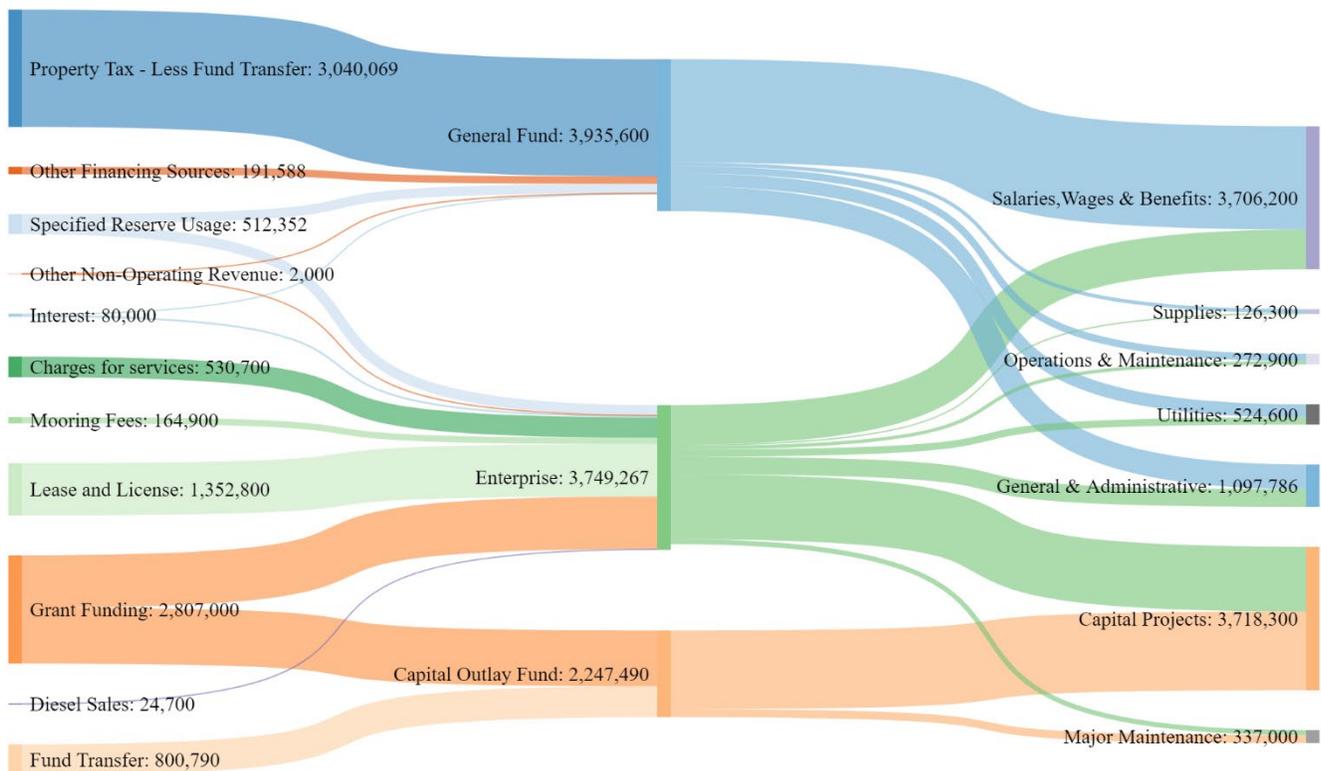
Changes in Fund Balance

The General Fund Balance continues to be depleted approximately \$670,943 and the Enterprise fund balance is budgeted to decrease by \$117,596. 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 operating expenses and provide for the majority of its major maintenance and capital projects.

The Fund Balance for the General Fund is expected to decrease by 56.3%. 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 2020/21 expected property tax revenue of \$3,840,859, which is a 38.15% increase over the last eleven years. During the same period, salaries and benefits have increased from \$1,795,500 in 2009/10 versus expected wages of \$2,675,300 in 2020/21, which is a 49.00% increase over the last eleven 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.

The Fund Balance for the Enterprise Fund is expected to decrease by 3.5%. Enterprise Fund operating revenues in 2009/10 were \$1,327,900 versus \$2,073,100 expected in 2020/21, or a 56.12% increase. During the same period, salaries and benefits have increased from \$754,500 in 2009/10 versus expected wages of \$1,030,900 in 2020/21, which is a 36.63% increase over the last eleven 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.



*Graph does not reflect Increase/Decrease in Operating Reserves



3 Year Consolidated Financial Schedule

Port San Luis Harbor District Three Year Consolidated and Fund Financial Schedule												
	General Fund			Capital Outlay Fund			Enterprise Fund			Consolidated		
	2018/19 Actual	2019/20 Projected	2020/21 Budget	2018/19 Actual	2019/20 Projected	2020/21 Budget	2018/19 Actual	2019/20 Projected	2020/21 Budget	2018/19 Actual	2019/20 Projected	2020/21 Budget
Revenues												
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 581,291	\$ 450,779	\$ 530,700	\$ 581,291	\$ 450,779	\$ 530,700
Mooring Fees	-	-	-	-	-	-	145,820	152,800	164,900	145,820	152,800	164,900
Lease and License	-	-	-	-	-	-	1,526,578	1,179,464	1,352,800	1,526,578	1,179,464	1,352,800
Diesel Sales	-	-	-	-	-	-	15,752	8,182	24,700	15,752	8,182	24,700
Property Taxes	3,692,758	3,715,100	3,840,859	-	-	-	-	-	-	3,692,758	3,715,100	3,840,859
Interest	82,106	36,243	32,000	-	-	-	54,737	43,758	48,000	136,843	80,000	80,000
Other Financing Sources	21,939	-	191,588	-	-	-	-	383,176	-	21,939	383,176	191,588
Other Non-Operating Revenue	-	101,100	1,000	-	-	-	7,217	5,000	1,000	7,217	106,100	2,000
Grant Funding	-	-	-	90,178	268,850	1,446,700	2,904	34,000	1,360,300	93,082	302,850	2,807,000
Fund Transfer	(28,957)	(743,210)	(800,790)	28,957	743,210	800,790	-	-	-	-	-	-
Total Revenues	3,767,846	3,109,233	3,264,657	119,135	1,012,060	2,247,490	2,334,300	2,257,158	3,482,400	6,221,281	6,378,451	8,994,547
Expenditures by Category												
Salaries, Wages & Benefits	2,370,448	2,524,508	2,675,300	-	-	-	963,300	971,992	1,030,900	3,333,759	3,496,500	3,706,200
Supplies	92,000	79,762	94,300	-	-	-	33,932	22,738	32,000	125,932	102,500	126,300
Operations & Maintenance	402,800	182,300	185,500	-	-	-	162,115	85,200	87,400	564,915	267,500	272,900
Utilities	322,600	315,950	338,500	-	-	-	172,199	171,180	186,100	494,799	487,130	524,600
General & Administrative	427,800	488,400	642,000	-	-	-	353,122	302,319	455,786	780,922	790,719	1,097,786
Major Maintenance	-	-	-	227,050	259,010	209,400	92,529	79,340	127,600	319,580	338,350	337,000
Capital Projects	-	-	-	150,300	753,050	2,038,090	111,958	302,950	1,680,210	262,258	1,056,000	3,718,300
Total Expenditures by Category	3,615,648	3,590,920	3,935,600	377,351	1,012,060	2,247,490	1,889,155	1,935,719	3,599,996	5,882,164	6,538,699	9,783,086
Increase (Decrease)	152,198	(481,687)	(670,943)	(258,215)	-	-	445,146	321,439	(117,596)	339,117	(160,248)	(788,539)
Specified Reserve Usage	77,685	296,695	245,485	-	-	-	52,083	145,050	266,867	129,768	441,700	512,352
Specified Reserve Funding	(101,700)	(112,500)	-	-	-	-	(48,300)	(37,500)	-	(150,000)	(150,000)	-
Funding/(funded by) Operating Reserve	\$ 128,183	\$ (297,492)	\$ (425,458)	\$ (258,215)	\$ -	\$ -	\$ 448,929	\$ 428,989	\$ 149,271	\$ 318,885	\$ 131,452	\$ (276,187)



District Revenue

The District generates a majority of its revenue through property taxes. For the 2020/21 fiscal year, property taxes are budgeted to bring in \$3,840,859. This amount is based on estimates received from the County of San Luis Obispo and includes a projected 3.4% increase in base property taxes.

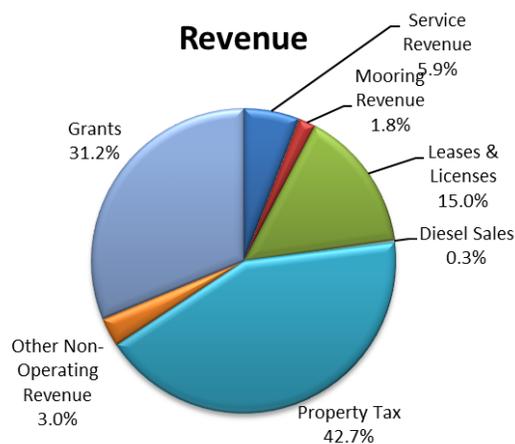
Lease, License, and RV camping revenue are the second largest revenue source. This amount is calculated based on current lease agreements and trends. Early in 2019/20, fees were increased for RV camping and paid parking. This factor, along with 2018/19 actuals, were used for conservative budgeting of revenues. The District experienced a decrease in revenue due to the closure of RV camping, paid parking lots, and a reduction of rents for the months of March, April, and May 2020 due to the Stay at Home Order relating to COVID-19 Pandemic, and the closure of two lease businesses. With the grand opening of Stage 1 of the Harbor Terrace project in the fall of 2020/21, along with the approval by the Coastal Commission to continue operating two additional camp locations previously scheduled to close, the 2020/21 budget assumes a slight increase to RV camping revenues during the 2020/21 fiscal year.

Service revenue, including parking, citation, and administrative revenues, is budgeted to be \$530,700. The District assumed a slow recovery from COVID-19. The District has budgeted to receive \$164,900 from its mooring operations in 2020/21. This amount is an increase of 7.9% from 2019/20 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 2020/21 fiscal year. This is an increase from \$8,182 projected in 2019/20 or 7.9%. The District experienced a decrease in revenue in 2019/20 due to restrictions and closure of recreational boating and charter fishing from the COVID-19 Pandemic.

Grant revenue is budgeted to bring in \$2,807,000 in 2020/21. These funds are to be used towards abandoned vessel removal, Avila Pier Rehabilitation, Harbor Terrace Gear Storage, and a Mobile Hoist Pier Extension. 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.

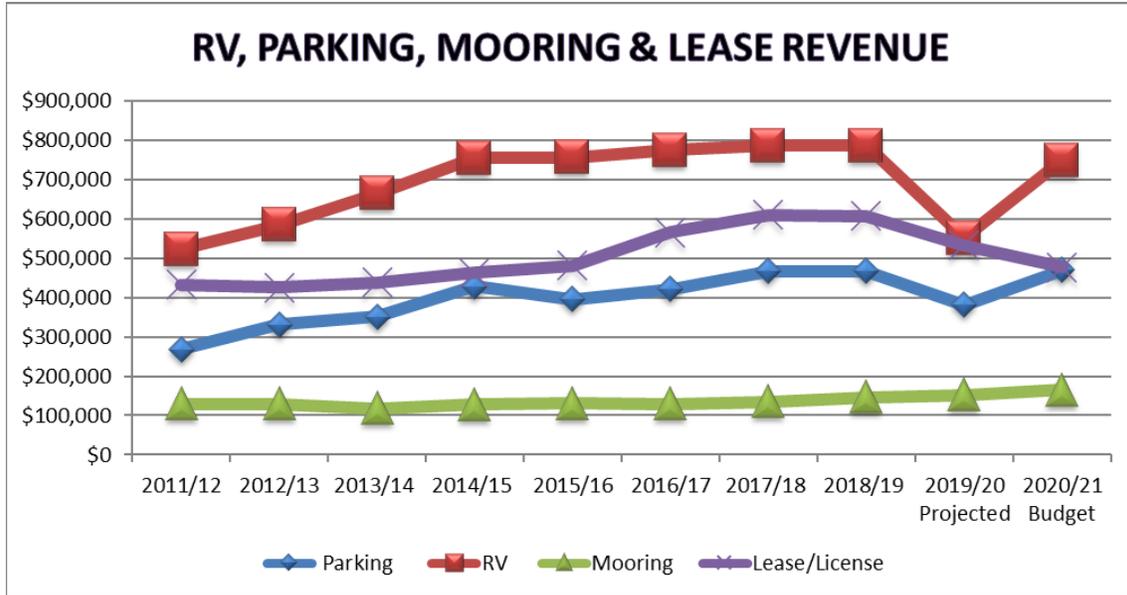
The chart below shows each of the major revenue sources in relation to the total revenue generated by the District for the fiscal year.





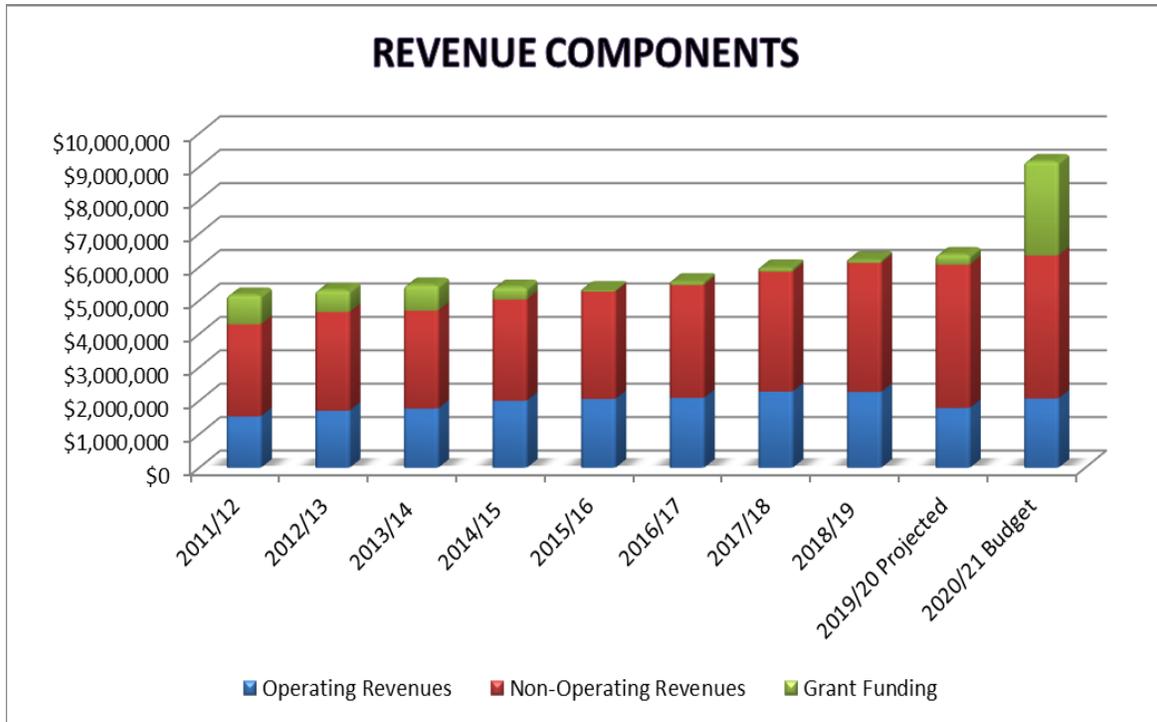
Recent Revenue Trends

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





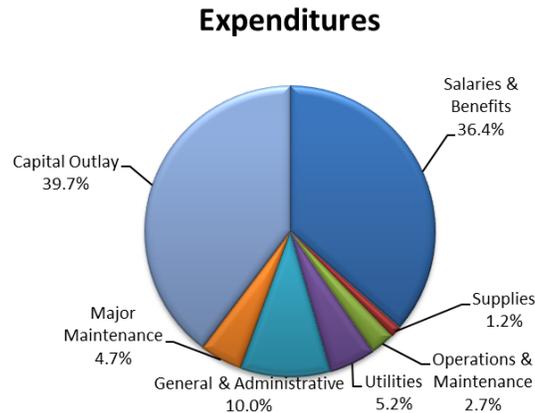
Recent Revenue Trends (Cont.)





District Expenditures

Expenditures for the 2020/21 budget are budgeted to be \$8,317,700. The following chart shows the percentage of funds spent on each major category of expenditure.



Salaries/Wages and Benefits are budgeted to be \$3,696,200. 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 decrease from \$435,000 to \$402,200 a savings of \$32,800 beginning January 2021. The District is also budgeting to see an increase in pension costs as the District's portion of its unfunded liability continues to grow each year.

Supplies are budgeted at \$126,300, a 23.2% increase from 2019/20 projections. This includes new sanitary disinfecting protocol and supplies associated with COVID-19 Pandemic, also included is office, shop, and RV camping supplies. Additionally, included in this line item are uniforms for the maintenance crew, Harbor Patrol, and lifeguards.

Operations & Maintenance costs are budgeted at \$272,900, a 2.0% increase from 2019/20 projections. Operations and Maintenance expenditures include fuel, building and vehicle maintenance, signage, and beach maintenance among other things.

Utilities are budgeted to be \$524,600, a 7.7% increase from 2019/20 projections. This includes increases in sewer, water, and telephone expenses.

General and Administrative expenditures are budgeted to be \$1,107,786. Included in the 2020/21 budget is \$95,000 for election costs, \$50,000 Coastal Conservancy payment attributed to Harbor Terrace project along with \$40,000 in treasurer fees, \$75,000 in legal fees, \$16,000 in parking enforcement fees, and \$55,000 in tax collection fees. The District Property/Liability Insurance rates are expected to increase by 34.18% The budget does not include any new changes in authorized or funded positions.

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.

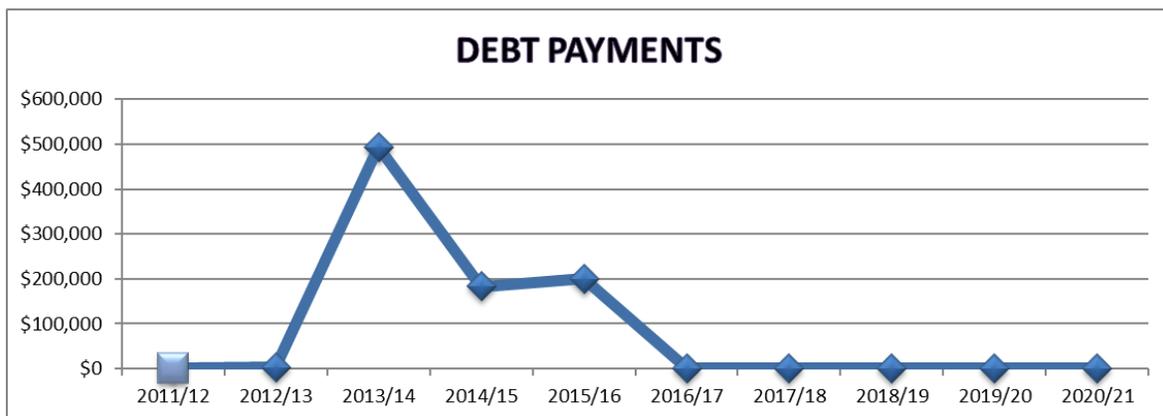
Detail on the major maintenance and capital projects can be found on pages 45-66.



Debt

The District did not have any debt outstanding as of July 1, 2020, excluding our PERS and OPEB obligations identified on page 9, Legislative Factors. The District does not project to issue new debt during the 2019/20 or 2020/21 and, therefore, does not have any budgeted expenditures related to debt in the 2020/21 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 District has identified in our Short Term Goals page 10 the obligation to fund 35% related capital improvements to the Avila Beach Community Service District wastewater treatment plant, this project will begin in 2021/22.

The chart below shows the District's historical debt payments as well as the budgeted payments for the 2020/21 fiscal year.





Consolidated Budget Summary

	Last Year 2018/19		Current Year 2019/20		2020/21		% Change from 2019/20 Projections
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget	
REVENUES							
Service Revenue <i>(Avila Parking, Location Fees, Citations)</i>	\$ 511,400	\$ 581,291	\$ 547,200	\$ 450,779	\$ 530,700	\$ 530,700	17.7%
Mooring Revenue <i>(Moorage Fees, Equipment Sales, Skiff Space, Exclusive of Labor and O&M)</i>	146,300	145,820	152,800	152,800	164,900	164,900	7.9%
Leases & Licenses <i>(Leases, Licenses, RVs, Utility Reimbursement)</i>	1,493,600	1,526,578	1,513,770	1,179,464	1,352,800	1,352,800	14.7%
Diesel Sales <i>(Exclusive of Labor, O&M and Permits)</i>	24,700	15,752	24,700	8,182	24,700	24,700	201.9%
Total Operating Revenue	2,176,000	2,269,442	2,238,470	1,791,225	2,073,100	2,073,100	15.7%
Non-Operating Revenue/(Expenditure) <i>(Property Tax, Interest)</i>	3,507,600	3,858,757	3,891,000	4,284,376	4,114,447	4,114,447	-4.0%
EXPENDITURES							
Salaries/Wages/Benefits <i>Less: Prior year reserve use (135,300)</i>	\$ 3,345,600	\$ 3,333,759	\$ 3,453,000	\$ 3,496,500	\$ 3,696,200	\$ 3,706,200	5.7%
Supplies	127,900	125,932	119,500	102,500	126,300	126,300	23.2%
Operations & Maintenance <i>Less: Prior year reserve use</i>	430,400	564,915	303,224	267,500	272,900	272,900	2.0%
Utilities	551,025	494,799	500,225	487,130	524,600	524,600	7.7%
General & Administrative <i>Budget Contingency</i> <i>Less: Prior year reserve use</i>	748,632 101,768 (90,000)	780,922 - -	727,800 120,533 -	790,719 - -	987,286 120,500 (45,000)	977,286 120,500 (45,000)	24.9% -100.0%
OPERATING EXPENDITURES	\$ 5,080,025	\$ 5,300,327	\$ 5,224,282	\$ 5,144,349	\$ 5,682,786	\$ 5,682,786	10.5%
NET INCOME BEFORE MAJOR MAINTENANCE & CAPITAL PROJECTS	\$ 603,575	\$ 827,872	\$ 905,188	\$ 931,252	\$ 504,761	\$ 504,761	-45.8%
Major Maintenance Expense <i>Less: Grants</i> <i>Prior year reserve use</i>	364,000 (42,000) (87,000)	319,580 (58,082) (22,088)	483,000 (42,000) (205,500)	338,350 (42,000) (125,100)	397,000 (62,000) (144,500)	337,000 (62,000) (144,500)	17.3% 47.6% 15.5%
Capital Project Outlay <i>Less: Grants</i> <i>Prior year reserve use</i>	2,152,000 (1,175,000) (122,800)	262,258 (35,000) (107,680)	2,717,300 (1,560,000) (531,000)	1,056,000 (260,850) (316,600)	2,358,300 (1,495,000) (322,852)	3,718,300 (2,745,000) (322,852)	123.3% 473.1% 2.0%
MAJOR MAINTENANCE AND CAPITAL PROJECTS	\$ 1,089,200	\$ 358,987	\$ 861,800	\$ 649,800	\$ 730,948	\$ 780,948	12.5%
REVENUES less EXPENDITURES	\$ (485,625)	\$ 468,885	\$ 43,388	\$ 281,452	\$ (226,187)	\$ (276,187)	-180.4%
Reserve Set Aside	\$ -	\$ (150,000)	\$ (150,000)	\$ (150,000)	\$ -	\$ -	100.0%
Budget Transfer In/(Out)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Increase/(Decrease) in operating reserves	\$ (485,625)	\$ 318,885	\$ (106,612)	\$ 131,452	\$ (226,187)	\$ (276,187)	-272.1%



Consolidated Budget Detail

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Service Revenue						
Administration	20,000	35,776	30,000	10,827	20,000	20,000
Branded Merchandise	1,700	1,302	1,700	1,700	1,700	1,700
Branded Merchandise COGS	(1,000)	(1,558)	(1,000)	(1,000)	(1,000)	(1,000)
Citations	18,000	29,204	22,000	29,000	30,000	30,000
Facilities Labor & Equipment	3,500	10,969	3,500	4,000	5,000	5,000
Avila Parking	464,200	467,185	486,000	381,252	470,000	470,000
Harbor Patrol & Lifeguards	5,000	38,413	5,000	25,000	5,000	5,000
Harbor Parking	-	-	-	-	-	-
Budget Transfer	-	-	-	-	-	-
Service Revenue	\$ 511,400	\$ 581,291	\$ 547,200	\$ 450,779	\$ 530,700	\$ 530,700

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Mooring Revenue						
Anchorage Fees	\$ 1,200	\$ 1,215	\$ 1,200	\$ 1,200	\$ 1,300	\$ 1,300
Work Dock Rental Fee	1,000	2,067	1,000	1,000	1,100	1,100
Equipment Rental- Moorings	24,200	23,176	25,300	25,300	27,500	27,500
Mooring Operations	113,900	116,230	119,300	119,300	127,600	127,600
Fisherman's Discount	(14,400)	(14,975)	(14,400)	(14,400)	(14,500)	(14,500)
Mooring Equipment Sales	47,300	42,919	47,300	47,300	50,600	50,600
Mooring Equipment COGS	(26,900)	(24,812)	(26,900)	(26,900)	(28,700)	(28,700)
Mooring Revenue	\$ 146,300	\$ 145,820	\$ 152,800	\$ 152,800	\$ 164,900	\$ 164,900



Consolidated Budget Detail (Cont.)

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Lease & License Revenue						
Commissions- Laundry	\$ 3,600	\$ 2,657	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
Coastal Gateway Room Rental	3,000	5,140	3,500	2,631	3,000	\$ 3,000
Coin Showers	18,000	20,690	19,000	19,000	21,000	\$ 21,000
Harford Land Area- Leases	175,400	179,905	179,300	152,932	180,200	\$ 180,200
Piers-Leases	355,100	360,693	351,100	321,562	244,300	\$ 244,300
Piers- Licenses	37,300	43,356	40,900	36,900	31,900	\$ 31,900
Beaches-Leases	9,300	10,987	9,900	9,900	10,000	\$ 10,000
Beaches- Licenses	12,900	12,328	11,800	11,800	10,800	\$ 10,800
Boat & Gear Storage	56,500	47,116	50,000	25,000	50,000	\$ 50,000
Boat Washdown	2,600	2,523	2,600	1,500	2,600	\$ 2,600
Coin Hoist- Harford Pier	4,500	4,349	4,500	3,500	4,500	\$ 4,500
Harbor Terrace RV Resort	-	-	-	-	250,000	\$ 250,000
RVs- Babe Lane	191,200	205,202	539,670	3,130	-	\$ -
RVs- Other than Babe Lane	592,700	580,769	265,000	548,709	500,000	\$ 500,000
Utilities Reimbursement	31,000	50,856	32,000	38,000	40,000	\$ 40,000
Miscellaneous Operating Income	500	7	500	900	500	500
Lease & License Revenue	\$ 1,493,600	\$ 1,526,578	\$ 1,513,770	\$ 1,179,464	\$ 1,352,800	\$ 1,352,800

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Diesel Sales Revenue						
Diesel Sales	\$ 130,000	\$ 201,689	\$ 130,000	\$ 110,900	\$ 130,000	\$ 130,000
Diesel Cost of Goods Sold	(105,300)	(185,937)	(105,300)	(102,718)	(105,300)	(105,300)
Total Diesel Sales Revenue	\$ 24,700	15,752	24,700	\$ 8,182	\$ 24,700	\$ 24,700

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Non-Operating Revenue						
Interest Income	\$ 35,000	\$ 136,843	\$ 45,000	\$ 80,000	\$ 80,000	\$ 80,000
Finance Charge Income	1,000	3,055	1,000	5,000	1,000	\$ 1,000
Tax Proceeds	3,471,600	3,692,758	3,745,000	3,715,100	3,840,859	\$ 3,840,859
Other Financing Sources	-	21,939	-	383,176	191,588	\$ 191,588
Misc. Non-Operating Inc. (Exp.)	-	4,162	100,000	101,100	1,000	\$ 1,000
Budget Transfer	-	-	-	-	-	-
Total Non-Operating Revenue	\$ 3,507,600	\$ 3,858,757	\$ 3,891,000	\$ 4,284,376	\$ 4,114,447	\$ 4,114,447



Consolidated Budget Detail (Cont.)

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Salaries/Wages/Benefits						
Wages - Commissioners	\$ 36,000	\$ 36,000	\$ 36,000	\$ 36,000	\$ 36,000	\$ 36,000
Wages - Employees	1,987,700	1,955,161	2,066,300	2,016,300	2,184,100	2,184,100
Health Insurance	427,800	358,597	438,000	435,000	402,200	402,200
OPEB Expense		43,954				0
Workers Compensation	127,400	113,383	122,000	122,000	133,800	133,800
Payroll Taxes	156,600	148,643	162,700	157,700	171,800	171,800
Pension Costs	427,000	484,357	437,500	498,000	567,000	567,000
Recruitment	6,000	5,923	6,000	10,000	6,000	6,000
Misc. Employee Benefits	6,000	7,093	6,000	10,000	7,300	7,300
Unemployment Self Insurance	1,000	1,553	1,000	25,000	2,500	12,500
Contract Labor	20,900	39,237	1,000	25,000	15,000	15,000
Contract Security	96,200	111,292	115,000	115,000	119,000	119,000
Compensated Absence	11,700	9,905	11,500	11,500	11,500	11,500
Other Post Employment Benefits	21,400	18,663	35,000	35,000	25,000	25,000
TRAN Payment to County	-	-	-	-	-	-
Salaries, Wages & Benefits						
Contingency	19,900	-	15,000	-	15,000	15,000
Budget Transfer	-	-	-	-	-	-
Total Salaries/Wages/Benefits	\$ 3,345,600	\$ 3,333,759	\$ 3,453,000	\$ 3,496,500	\$ 3,696,200	\$ 3,706,200

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Supplies						
Office	\$ 21,800	\$ 29,368	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Shop	9,000	17,007	8,500	8,500	11,000	11,000
RV Camping	-	-	-	-	-	-
Sanitation	37,000	39,546	37,000	37,000	40,000	40,000
Harbor Patrol/Lifeguards	12,000	11,572	12,000	12,000	12,000	12,000
Mooring	2,700	5,081	3,200	4,500	4,500	4,500
Dredge	1,000	9,595	1,000	1,000	1,000	1,000
Clothing/Equipment	14,500	13,762	14,500	14,500	14,500	14,500
Supply Contingency	29,900	-	18,300	-	18,300	18,300
Budget Transfer	-	-	-	-	-	-
Total Supplies	\$ 127,900	\$ 125,932	\$ 119,500	\$ 102,500	\$ 126,300	\$ 126,300



Consolidated Budget Detail (Cont.)

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
<u>Operations & Maintenance</u>						
Building/Facility	\$ 20,400	\$ 26,074	\$ 22,500	\$ 22,500	\$ 25,000	\$ 25,000
Vandalism	1,000	388	1,000	1,000	1,000	1,000
Dredge	8,000	45,340	10,000	10,000	10,000	10,000
Electronic Equipment	5,000	4,312	5,500	5,000	6,000	6,000
Vehicles & Equipment	16,700	17,184	17,700	25,000	19,500	19,500
Crane	4,000	4,807	5,000	5,000	5,000	5,000
Coastal Gateway Costs	2,000	5,822	2,500	4,000	3,000	3,000
Patrol Boats	12,000	20,471	22,000	22,000	20,000	20,000
LCM	1,500	11,768	1,500	1,500	1,500	1,500
Boatyard Maintenance	1,000	2,871	1,000	1,000	1,000	1,000
Camp Host	1,000	19	1,000	1,000	1,000	1,000
Water Taxi Host	5,000	901	4,000	1,000	1,000	1,000
Signs	5,000	1,267	5,000	5,000	5,000	5,000
Road/Revetment	8,000	3,279	8,000	6,000	8,000	8,000
General Maintenance	18,000	147,801	15,000	15,000	15,000	15,000
Sport Launch	2,000	3,416	29,249	11,000	2,000	2,000
Beaches	10,000	12,330	10,000	10,000	10,000	10,000
Public Hoist	2,000	6,995	2,000	1,000	2,000	2,000
Tools	6,000	5,811	6,000	5,000	6,000	6,000
Fuel	37,000	41,284	45,000	45,000	51,000	51,000
Piers	22,000	159,886	22,000	22,000	22,000	22,000
Ice/Diesel Facility	8,000	8,792	8,000	8,000	8,000	8,000
Lighthouse	7,500	2,287	15,125	15,000	7,500	7,500
Water & Sewer System	6,000	9,360	13,000	13,000	11,000	11,000
Storm Water	1,000	1,678	2,000	3,000	3,000	3,000
Fire Protection	195,400	18,321	4,750	4,000	4,000	4,000
Dock & Landing	5,000	2,451	6,100	5,500	6,100	6,100
Operations & Maintenance						
Contingency	19,900	-	18,300	-	18,300	18,300
Budget Transfer	-	-	-	-	-	-
Total Operations & Maintenance	\$ 430,400	\$ 564,915	\$ 303,224	\$ 267,500	\$ 272,900	\$ 272,900



Consolidated Budget Detail (Cont.)

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Utilities						
Electricity	\$ 107,000	\$ 60,286	\$ 61,600	\$ 61,600	\$ 64,600	\$ 64,600
Telephone/Communications	25,900	26,472	22,800	26,005	25,000	25,000
Gas	4,500	2,630	2,900	2,900	2,700	2,700
Sewer	96,425	88,899	62,625	62,625	75,000	75,000
Trash	92,300	50,922	62,800	62,800	60,000	60,000
Haz Mat Disposal	5,000	8,878	5,000	5,000	5,000	5,000
Water - Lopez	136,700	213,555	229,200	229,200	231,000	231,000
Water/Sewer - Avila	63,300	43,157	35,000	37,000	43,000	43,000
Utility Contingency	19,900	-	18,300	-	18,300	18,300
Budget Transfer	-	-	-	-	-	-
Total Utilities	\$ 551,025	\$ 494,799	\$ 500,225	\$ 487,130	\$ 524,600	\$ 524,600

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
General & Administrative						
Advertising & Promotion	\$ 4,932	\$ 2,023	\$ 2,700	\$ 1,700	\$ 2,700	\$ 2,700
Travel, Meals, Lodging	30,000	19,299	33,500	25,000	35,000	25,000
Education/Training	12,600	14,383	14,500	14,500	16,000	16,000
Dues & Subscriptions	37,100	48,783	39,700	58,000	46,500	46,500
Legal Advertising	2,400	2,376	2,200	2,200	2,200	2,200
Cash (Over) / Short	-	5	-	(81)	-	0
Capital Lease Payment - Principal	-	-	-	-	-	0
Capital Lease Payment - Interest	-	-	-	-	-	0
SCC/Red Tail Loan payments	-	-	-	-	-	0
Bank Charges/Merchant Fees	38,000	56,631	35,000	45,000	35,000	35,000
Bad Debts/Returned Checks	5,000	49,314	7,200	7,200	7,500	7,500
Consultants	33,100	119,579	41,800	41,800	41,800	41,800
Legislative Advocacy	8,400	8,400	8,400	8,400	8,400	8,400
Computers & Equipment	4,200	4,784	17,400	21,000	18,500	18,500
Parking	18,000	16,013	14,000	14,000	16,000	16,000
Legal Fees	74,200	114,686	66,000	85,000	75,000	75,000
Audits	10,000	10,080	11,000	11,000	11,000	11,000
Tax Collection Fees	65,000	53,674	55,000	55,000	55,000	55,000
Treasurer Fees	33,000	38,285	32,000	40,000	40,000	40,000
Permits	19,000	1,594	6,000	4,000	6,200	6,200
Elections	90,000	468	-	-	95,000	95,000
Property Insurance	180,000	165,897	191,000	220,000	295,186	295,186
Cities Redevelopment	15,000	9,184	85,000	87,200	87,200	87,200
Bonds	800	-	800	800	800	800
LAFCO Fees	20,000	18,064	18,300	21,000	21,000	21,000
Coastal Conservancy	25,000	25,000	25,000	25,000	50,000	50,000
Board Discretionary Fund	2,500	1,900	2,500	2,500	2,500	2,500
Harbor Mgr. Discretionary Fund	500	500	500	500	500	500
Contingency	19,900	-	18,300	-	18,300	18,300
Budget Contingency Fund	101,768	-	120,533	-	120,500	120,500
Less: Prior year reserve use	-	-	-	-	(45,000)	(45,000)
Total General & Administrative	\$ 850,400	\$ 780,922	\$ 848,333	\$ 790,719	\$ 1,062,786	\$ 1,052,786



Consolidated Budget Detail (Cont.)

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
<u>Major Maintenance/ Special Projects</u>						
Abandoned Vessel	\$ 30,000	\$ 75,972	\$ 30,000	\$ 30,000	\$ (G) 50,000	\$ 50,000
Avila Beach Restroom Refurbishment	-	-	12,500	12,500	-	-
Avila Pier	50,000	44,816	125,000	125,000	60,000	-
Boom Truck	10,000	1,021	10,000	1,200	-	-
Dredging Pump	25,000	27,185	12,000	19,550	10,000	10,000
District Buildings-Maintenance	-	-	40,000	20,000	20,000	20,000
Electronic Documents	20,000	2,406	20,000	5,000	-	-
Hoist	10,000	-	-	-	-	-
Heavy Equipment Maintenance	-	-	-	-	24,500	24,500
Lift Station Maintenance	20,000	18,334	20,000	20,000	10,000	10,000
Mooring Capital Costs/ LCM	40,000	11,430	40,000	12,100	32,000	32,000
Harford/Avila Pier Lumber & Materials	102,000	101,268	85,000	57,000	108,000	108,000
Parking Lot Maintenance	32,000	31,950	30,000	-	24,000	24,000
Revetment	15,000	-	50,000	30,000	35,000	35,000
Water Tank	10,000	5,197	8,500	6,000	23,500	23,500
Budget Transfer	-	-	-	-	-	-
Special Projects	\$ 364,000	\$ 319,580	\$ 483,000	\$ 338,350	\$ 397,000	\$ 337,000
Specified Reserve Use	\$ (87,000)	\$ (22,088)	\$ (205,500)	\$ (125,100)	\$ (144,500)	\$ (144,500)
Operating Reserve Use	(235,000)	(239,409)	(235,500)	(171,250)	(190,500)	(130,500)
Grant Funding	(42,000)	(58,082)	(42,000)	(42,000)	(62,000)	(62,000)
Total Funding	\$ (364,000)	\$ (319,580)	\$ (483,000)	\$ (338,350)	\$ (397,000)	\$ (337,000)

Note: (G) = Grant Funding - Full or Partial



Consolidated Budget Detail (Cont.)

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Capital Project Outlay						
Avila Pier Rehabilitation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (G) 1,310,000
Digital Radio Upgrade	-	-	-	-	10,000.00	10,000.00
Ice House - Seatrain	-	-	-	44,000	-	0
Harbor Terrace Rack Storage	10,000	-	10,000	-	10,000	10,000
Crane	110,000	43,729	64,500	131,000	-	0
Crane Cab Refurbishment	-	-	-	-	10,000	10,000
Dredge Hose	-	-	-	-	20,000	20,000
Facilities Vehicle	15,000	13,694	-	-	-	0
Harford Pier Site Plan	-	-	-	-	-	50,000
Harford Pier Canopy	-	-	120,000	95,000	120,000	120,000
Harford Pier Redevelopment	-	-	-	-	-	0
Harford Pier Water & Fireline Systems	25,000	17,263	15,000	10,000	5,000	5,000
Harbor Patrol Boat	150,000	-	440,000	440,000	-	0
Harbor Patrol Boat Engines	-	-	-	-	-	0
Harbor Patrol Boat 2	-	-	60,000	-	30,000	30,000
Harbor Patrol Equipment Replacement	-	-	-	-	5,500	5,500
Harbor Patrol Vehicle Replacement	-	-	40,000	41,000	-	0
Harbor Terrace	59,000	35,672	127,800	75,000	82,800	82,800
Harbor Terrace: District Use Area	76,000	1,674	70,000	6,000	70,000	70,000
Harbor Terrace: Gear Storage	60,000	7,589	35,000	35,000	(G) 95,000	95,000
Harbor Terrace: Project Monitoring	-	-	-	-	45,000	45,000
District Staff Landing	75,000	9,300	65,000	33,000	25,000	25,000
Lift	75,000	69,750	-	-	-	0
Mobile Hoist Pier	1,300,000	-	1,300,000	-	(G) 1,300,000	1,300,000
Message Board - Electronic	-	17,531	-	-	-	0
Parking Pay Station-Plan Implementation	40,000	-	60,000	25,000	30,000	30,000
Sea Level Rise Analysis	75,000	-	50,000	40,000	-	0
Sewage Treatment Plant	75,000	41,335	75,000	75,000	75,000	75,000
Skiff	7,000	4,721	-	-	-	0
Underground Storage Tank	-	-	175,000	-	425,000	425,000
Water Meter Replacement	-	-	10,000	6,000	-	0
Budget Transfer	-	-	-	-	-	-
Total Capital Project Outlay	\$ 2,152,000	\$ 262,258	\$ 2,717,300	\$ 1,056,000	\$ 2,358,300	\$ 3,718,300
Specified Reserve Use	\$ (122,800)	\$ (107,680)	\$ (531,000)	\$ (316,600)	\$ (322,852)	\$ (322,852)
Operating Reserve Use	(854,200)	(119,578)	(626,300)	(478,550)	(540,448)	(650,448)
Grant Funding	(1,175,000)	(35,000)	(1,560,000)	(260,850)	(1,495,000)	(2,745,000)
Total Funding	\$ (2,152,000)	\$ (262,258)	\$ (2,717,300)	\$ (1,056,000)	\$ (2,358,300)	\$ (3,718,300)

Note: (G) = Grant Funding - Full or Partial



Major Maintenance

	Project Title: Abandoned Vessel Removal		
	Description: Removal, storage, and disposal of abandoned vessels.		
Amount: \$50,000			
Funding Source:	<input type="checkbox"/> Operating Revenue	<input checked="" type="checkbox"/> Grant Revenue – Division of Boating and Waterways \$50,000	<input type="checkbox"/> Specified Reserves
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.			
Timeline for Project: The VTIP Grant is a grant that remains in effect through September 30, 2021. The District is able to utilize the funds for this grant throughout the term of the grant. The amount of funds utilized annually is dependent upon the number of vessels destroyed or salvaged from the harbor.			
Departments: Business Department, Facilities Department, Harbor Patrol			
Relation to District Objectives: This project achieves the District’s Major Goal #2 to <i>Maintain and enhance a boater friendly atmosphere at Port San Luis Harbor District for both commercial and recreational boaters.</i>			

	Project Title: Dredge Pump Maintenance		
	Description: Annual maintenance on the District’s dredge pump including rewinding the motor.		
Amount: \$10,000			
Funding Source:	<input type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue	<input checked="" type="checkbox"/> Specified Reserves – Dredge Reserve \$10,000
Cost considerations: This project is a recurring annual project. The District’s dredge pump requires annual maintenance prior to dredge season. Budget for new pump in 2026-27.			
Timeline for Project: This is an annual project.			
Departments: Facilities Department			
Relation to District Objectives: This project achieves the District’s Major Goal #2 to <i>Maintain and enhance a boater friendly atmosphere at Port San Luis Harbor District for both commercial and recreational boaters.</i>			



Major Maintenance (Cont.)

	Project Title: Pier & Lumber & Materials		
	Description: Lumber and materials for annual maintenance to the Harford Pier and Avila Pier.		
Amount: \$108,000			
Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$73,000	<input type="checkbox"/> Grant Revenue	<input checked="" type="checkbox"/> Specified Reserves - \$10,000 Building Reserve, \$25,000 Facilities Reserve
<p>Cost considerations: This project is a recurring annual project. This project purchases up to 15,000 board feet of lumber, to maintain and repair materials for the Harford Pier and Avila Pier. It will not result in additional operating costs.</p> <p>Timeline for Project: The lumber and materials will be used for maintenance and projects during the fiscal year.</p> <p>Departments: Facilities Department</p> <p>Relation to District Objectives: This project achieves the District's Major Goal #2 & #3 <i>to Maintain and enhance a boater friendly atmosphere at Port San Luis Harbor District for both commercial and recreational boaters; Keep Harford Pier open and optimize use</i></p>			

	Project Title: District Buildings-Maintenance & Improvements		
	Description: Repair and maintenance on District Buildings (repair roof, walls, etc.).		
Amount: \$20,000			
Funding Source:	<input type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue	<input checked="" type="checkbox"/> Specified Reserves \$20,000 Facilities Reserve
<p>Cost considerations: This project will maintain an existing asset. It will not result in additional operating costs.</p> <p>Timeline for Project: The planned repair and maintenance to District buildings to be completed during the fiscal year.</p> <p>Departments: Facilities Department</p> <p>Relation to District Objectives #1: <i>Sustain and enhance the Harbor's finances -- provide for needed infrastructure, expand revenue sources, and pay down long-term liabilities.</i></p>			



Major Maintenance (Cont.)

	Project Title: Heavy Equipment Maintenance		
	Description: Annual Maintenance to Reach Lift, Boom Truck, and Crane		
	Amount: \$24,500		
Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$24,500	<input type="checkbox"/> Grant Revenue	<input type="checkbox"/> Specified Reserves
Cost considerations: This project maintains three existing assets. It will not result in additional operating costs.			
Timeline for Project: The annual maintenance will be completed in the fiscal year.			
Departments: Facilities Department			
Relation to District Objectives: This project achieves the District's Major Goal #2 #3: <i>Maintain and enhance a boater friendly atmosphere at Port San Luis Harbor District for both commercial and recreational boaters; Keep Harford Pier open and optimize use.</i>			

	Project Title: Sewer Lift Station Maintenance		
	Description: Lift Station 3 upgrades		
	Amount: \$10,000		
Funding Source:	<input checked="" type="checkbox"/> Operating Revenue – \$10,000	<input type="checkbox"/> Grant Revenue	<input type="checkbox"/> Specified Reserves-
Cost considerations: Upgrade Lift Station #3 with a SCADA system (supervisory control and data acquisition). Allows capability to remotely view and control lift station levels and send alert if there is a power outage or pump failure.			
Timeline of Project: This project is the final step for the Lift Station #3 upgrades project.			
Departments: Facilities Department			
Relation to District Objectives #1: <i>Sustain and enhance the Harbor's finances -- provide for needed infrastructure, expand revenue sources, and pay down long-term liabilities.</i>			



Major Maintenance (Cont.)

	Project Title: Mooring Capital Costs		
	Description: Repairs and maintenance to the District's mooring boat (LCM).		
Amount: \$32,000			
Funding Source:	<input type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue	<input checked="" type="checkbox"/> Specified Reserves – LCM Reserve \$32,000
Cost considerations: This project is a recurring annual project. This project maintains an existing asset. It will not result in additional operating costs.			
Timeline of Project: This project will be completed during the fiscal year.			
Departments: Facilities Department			
Relation to District Objectives: This project achieves the District's Major Goal #2: <i>Maintain and enhance a boater friendly atmosphere at Port San Luis Harbor District for both commercial and recreational boaters.</i>			

	Project Title: Parking Lot Maintenance		
	Description: Repaving, sealing, and restriping of the Avila Beach Parking Lot		
Amount: \$24,000			
Funding Source:	<input type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue	<input checked="" type="checkbox"/> Specified Reserves – \$24,000 Facilities Reserve
Cost considerations: District staff has a parking lot maintenance plan and current plan is for 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.			
Timeline of Project: This project will be completed during the fiscal year.			
Departments: Facilities Department			
Relation to District Objectives #1: <i>Sustain and enhance the Harbor's finances -- provide for needed infrastructure, expand revenue sources, and pay down long-term liabilities.</i>			



Major Maintenance (Cont.)

	Project Title: Revetment & Jetty		
	Description: Complete the repair plan for the trailer boat sport launch jetty and other areas where the revetment has been undermined and sloughed off.		
	Amount: \$35,000		
Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$35,000	<input type="checkbox"/> Grant Revenue	<input type="checkbox"/> Specified Reserves
<p>Cost considerations: The Harbor District has completed surveying the revetment on the east side of Harford Pier and the jetty in the 2019/20 FY. Funding in the 2020/21 FY will provide a repair plan so that the Harbor District can apply for grant funding for a large project to replace, repair, or improve the revetment and jetty.</p>			
Timeline of Project: This is the repair plan phase of a multi-phased project.			
Departments: Facilities Department			
Relation to District Objectives: This project achieves the District's Major Goal #2 <i>to Maintain and enhance a boater friendly atmosphere at Port San Luis Harbor District for both commercial and recreational boaters.</i>			

	Project Title: Water Tank		
	Description: Begin work on identified repairs needed		
	Amount: \$23,500		
Funding Source:	<input type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue	<input checked="" type="checkbox"/> Specified Reserves Water Tank - \$23,500
<p>Cost considerations: The water tank underwent inspection FY19/20; therefore, the next phase in the project is for the water tank to undergo coating and repairs.</p>			
Timeline of Project: This project will be completed during the fiscal year.			
Departments: Facilities Department			
Relation to District Objectives #1: <i>Sustain and enhance the Harbor's finances -- provide for needed infrastructure, expand revenue sources, and pay down long-term liabilities.</i>			



Capital Projects

	Project Title: Avila Pier Rehabilitation		
	Description: Avila Pier Rehabilitation Project – Continued Project Support		
	Amount: \$1,310,000		
Funding Source:	<input checked="" type="checkbox"/> Operating Revenue \$60,000	<input checked="" type="checkbox"/> Grant Revenue -TBD pending grants DBW, CC, WC \$1,250,000	<input type="checkbox"/> Specified Reserves
<p>Cost consideration: Per the grant applications, majority of the District’s match is in-kind, but some funding will be needed to support the project and allow flexibility if in-kind contributions are not sufficient. Budgeting for the rehabilitation continues to demonstrate the District’s commitment to the project.</p>			
<p>Timeline for Project: This is dependent upon the grant funding received. This project has been in effect since June 2015.</p>			
<p>Departments: Facilities Department</p>			
<p>Relation to District Objectives: This project achieves the District’s Other Important Goals: #4: <i>Revitalize the Avila Pier.</i></p>			

	Project Title: Digital Radio Upgrade		
	Description: Handheld P25 Digital Radios - The P25 capable radios will ensure future compatibility with SLO County radio networks when changed to digital frequencies.		
	Amount: \$10,000		
Funding Source:	<input type="checkbox"/> Operating Revenue	<input checked="" type="checkbox"/> Grant Revenue - \$10,000	<input type="checkbox"/> Specified Reserves
<p>Cost considerations: The project is critical to address identified public safety issues.</p>			
<p>Timeline of Project: The acquisition of the radios will occur during the fiscal year. This is not an ongoing project.</p>			
<p>Departments: Harbor Patrol Department</p>			
<p>Relation to District Objectives: This project achieves the District’s Major Goal #2 <i>to Maintain and enhance a boater friendly atmosphere at Port San Luis Harbor District for both commercial and recreational boaters.</i></p>			



Capital Projects (Cont.)

	Project Title: Harbor Terrace - Lumber Storage		
	Description: Harbor Yard storage to compensate for footprint reduction and increase organization; related to Harbor Terrace development		
Amount: \$10,000			
Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$10,000	<input type="checkbox"/> Grant Revenue	<input type="checkbox"/> Specified Reserves – Facilities
Cost considerations: Lumber storage on Harbor Terrace. Harbor Yard storage to compensate for footprint reduction and increase organization. Related to Harbor Terrace development.			
Timeline of Project: The acquisition of this capital asset will take place during the fiscal year.			
Departments: Facilities Department			
Relation to District Objectives: This project achieves the District’s Major Goals #1 and #3: <i>Sustain and enhance the Harbor’s finances – provide for needed infrastructure, expand revenue sources, and pay down long-term liabilities; Keep Harford Pier open and optimize use.</i>			

	Project Title: Harford Pier Site Plan		
	Description: Harford Pier Redevelopment Site Planning Process		
Amount: \$50,000			
Funding Source:	<input checked="" type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue	<input type="checkbox"/> Specified Reserves - Facilities Reserve
Cost considerations: Hire outside Consultant to coordinate a Site Planning process for the Harford Pier Redevelopment.			
Timeline of Project: This is the first phase in a multi-phase project and will be completed during the fiscal year.			
Departments: Facilities Department			
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>			



Capital Projects (Cont.)

	Project Title: Harford Pier Canopy		
	Description: Harford Pier Canopy and Pile Survey		
Amount: \$120,000			
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 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. This project is a continuation from FY19.</p> <p>Timeline of Project: This is the first phase in a multi-phase project and will be completed during the fiscal year.</p> <p>Departments: Facilities Department</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: Harbor Patrol Equipment Replacement		
	Description: Harbor Patrol 9mm GLOCK Model 45		
Amount: \$5,500			
Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$5,500	<input type="checkbox"/> Grant Revenue	<input type="checkbox"/> Specified Reserves - Facilities Reserve
<p>Cost considerations: District Subject Matter Expert's recommendations to replace the Department's current .40 S&W GLOCK Model 22 with 9mm GLOCK Model 45 and associated costs. Associated costs will include DSME approved holsters, sights, and ammunition.</p> <p>Timeline of Project: The acquisition of the equipment will occur during the fiscal year.</p> <p>Departments: Harbor Patrol Department</p> <p>Relation to District Objectives: This project achieves the District's Major Goal #2: <i>Maintain and enhance a boater friendly atmosphere at Port San Luis Harbor District for both commercial and recreational boaters.</i></p>			



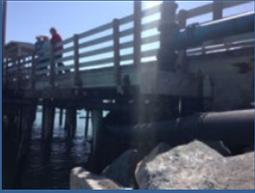
Capital Projects (Cont.)

	Project Title: Crane Cab Refurbishment		
	Description: Remove crane cab corrosion		
	Amount: \$10,000		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$10,000	<input type="checkbox"/> Grant Revenue
<p>Cost considerations: The crane has been repowered and the stabilizer hydraulic rams have been rebuilt. However, the crane cab corrosion has not been repaired. The repair will extend the life of this capital asset.</p>			
<p>Timeline of Project: This project will be completed during the fiscal year.</p>			
<p>Departments: Facilities Department</p>			
<p>Relation to District Objectives: This project achieves the District's Major Goal #3 and Other Important Goal #4: <i>Keep Harford Pier open and optimize use; Revitalize the Avila Pier.</i></p>			

	Project Title: Dredge Hose		
	Description: Replace Dredge Hose		
	Amount: \$20,000		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$20,000	<input type="checkbox"/> Grant Revenue
<p>Cost considerations: Replace Dredge Hose. This project maintains an existing asset. It will not result in additional operational costs.</p>			
<p>Timeline of Project: The replacement of the Dredge Hose will occur during the fiscal year.</p>			
<p>Departments: Facilities Department</p>			
<p>Relation to District Objectives: This project achieves the District's Major Goal #1: <i>Sustain and enhance the District's finances, provide for needed infrastructure, expand revenue sources, and pay down long-term liabilities.</i></p>			



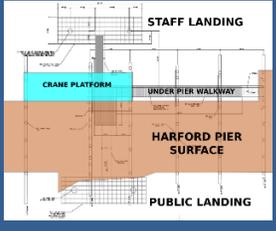
Capital Projects (Cont.)

	Project Title: Harford Pier Fireline Repairs		
	Description: Maintenance to the Harford Pier water/fire line system.		
Amount: \$5,000			
Funding Source:	<input type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue	<input checked="" type="checkbox"/> Specified Reserves - \$5,000 Facilities Reserve
Cost considerations: This project maintains an existing asset. It will not result in additional operating costs.			
Timeline of Project: This project will occur during the fiscal year.			
Departments: Facilities Department			
Relation to District Objectives: This project achieves the District's Major Goal #3: Keep Harford Pier open and optimize use.			

	Project Title: Harbor Patrol Boat #2		
	Description: Replacement of sponsons		
Amount: \$30,000			
Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$30,000	<input type="checkbox"/> Grant Revenue	<input type="checkbox"/> Specified Reserves
Cost considerations: Replace current inflatable collar with a new-collar system to extend the usable life of the vessel.			
Timeline of Project: This project will be completed during the fiscal year.			
Departments: Harbor Patrol Department			
Relation to District Objectives: This project achieves the District's Other Objectives #2: <i>Maintain and enhance a boater-friendly atmosphere at PSL for both commercial and recreational boaters.</i>			



Capital Projects (Cont.)

	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: \$25,000			
Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$25,000	<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.			
Timeline of Project: This is a continuation of an ongoing project.			
Departments: Facilities Department and Harbor Patrol Department			
Relation to District Objectives: This project achieves the District's <i>Major Goal #1: Sustain and enhance the District's finances, provide for needed infrastructure, expand revenue sources, and pay down long-term liabilities.</i>			

	Project Title: Harbor Terrace		
	Description: Funding for unforeseen expenses related to the development that have yet been accounted for or determined. While the District does not intend to use this funding, it is likely there will be some unaccounted expenses that are not the developer's responsibility and will need to be covered by the District. Any expenses over \$5,000 will be presented to the Harbor Commission for approval.		
Amount: \$82,800			
Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$58,748	<input type="checkbox"/> Grant Revenue	<input checked="" type="checkbox"/> Specified Reserves – \$24,052 Harbor Terrace Reserve
Cost considerations: It is anticipated that the project will begin to produce revenue for the District during the 2020/21 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 94			
Timeline for Project: This is a continuation of an ongoing project and will be completed when the Harbor Terrace site has been developed by RedTail, LLC.			
Departments: Facilities Department			
Relation to District Objectives: This project achieves the District's <i>Major Goal #1 to sustain and enhance the District's finances, provide for needed infrastructure, expand revenue sources, and pay down long-term liabilities.</i>			



Capital Projects (Cont.)

	Project Title: Harbor Terrace Project Monitoring		
	Description: Consultants and construction monitoring,		
Amount: \$45,000			
Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$45,000	<input type="checkbox"/> Grant Revenue	<input type="checkbox"/> Specified Reserves
<p>Cost considerations: Funding costs associated with the District's need for consultants and construction monitoring, to ensure compliance.</p>			
<p>Timeline of Project: This is a continuation of an ongoing project and will be completed when the Harbor Terrace site has been developed by RedTail, LLC.</p>			
Departments: Facilities Department			
<p>Relation to District Objectives: This project achieves the District's <i>Major Goal #1 and Additional Goals #10: Sustain and enhance the District's finances, provide for needed infrastructure, expand revenue sources, and pay down long-term liabilities; Continue oversight and support for Harbor Terrace project for successful implementation.</i></p>			

	Project Title: Harbor Terrace: Gear Storage		
	Description: Infrastructure for new gear storage area (concrete, drainage, lighting, security, etc.) and relocation.		
Amount: \$95,000			
Funding Source:	<input type="checkbox"/> Operating Revenue	<input checked="" type="checkbox"/> Grant Revenue - \$60,000	<input checked="" type="checkbox"/> Specified Reserves - \$35,000 Facilities Reserve
<p>Cost considerations: Infrastructure for new gear storage area (concrete, drainage, lighting, security, etc.). This project replaces the current gear storage area and is a continuation project from FY19. District staff does not anticipate that this project will result in additional operating costs.</p>			
<p>Timeline of Project: This is a continuation of an ongoing project and will be completed during the fiscal year.</p>			
Departments: Facilities Department			
<p>Relation to District Objectives: This project achieves the District's <i>Major Goal #1: Sustain and enhance the District's finances, provide for needed infrastructure, expand revenue sources, and pay down long-term liabilities.</i></p>			



Capital Projects (Cont.)

	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 type="checkbox"/> Operating Revenue	<input type="checkbox"/> Grant Revenue	<input checked="" type="checkbox"/> Specified Reserves - \$70,000 Facilities Reserve	
Cost considerations: This project constructs a new use area for the Harbor District including paved portions, sea trains, etc. It is estimated to cost approximately \$5,000 per year to maintain.				
Timeline of Project: This is a continuation of an ongoing project and will be completed during the fiscal year.				
Departments: Facilities Department				
Relation to District Objectives: This project achieves the District's <i>Major Goal #1: Sustain and enhance the District's finances, provide for needed infrastructure, expand revenue sources, and pay down long-term liabilities.</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 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.				
Timeline of Project: This project is dependent upon the awarding of grant funding and will occur only if grant funding is obtained.				
Departments: Facilities Department				
Relation to District Objectives: This project achieves the District's Major Objective #1: <i>Maintain and enhance a boater-friendly atmosphere at PSL for both commercial and recreational boaters.</i>				



Capital Projects (Cont.)

	Project Title: Parking Plan Implementation – Harford Landing & Harford Pier		
	Description: Purchase of a parking machine to begin implementation of the Parking Management Plan in the Harford Landing area lot and Harford Pier.		
Amount: \$30,000			
Funding Source:	<input checked="" type="checkbox"/> Operating Revenue - \$30,000	<input type="checkbox"/> Grant Revenue	<input type="checkbox"/> Specified Reserves
<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. Funding would be used for the purchase and installation of a solar-powered pay station on Harford Pier, associated signage, and designation of paid spaces on Harford Pier and Landing, as the implementation has been previously approved by the Harbor Commission.</p>			
<p>Timeline of Project: Implementation of the project will occur during the fiscal year.</p>			
<p>Departments: Business Department, Facilities Department, and Harbor Patrol Department</p>			
<p>Relation to District Objectives: This project achieves the District’s Major Objective #1 and #3: <i>Sustain and enhance the Harbor’s finances – provide for needed infrastructure, expand revenue sources, and pay down long-term liabilities; Keep Harford Pier open and optimize use.</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 - \$36,200	<input type="checkbox"/> Grant Revenue	<input checked="" type="checkbox"/> Specified Reserves - \$38,800 Utility Reserve
<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>Timeline of Project: The District will pay its proportionate share during the fiscal year.</p>			
<p>Department: Facilities Department</p>			
<p>Relation to District Objectives: This project achieves the District’s Other Important Goal #6: <i>Continue environmental stewardship effort, explore passive solar designs, and evaluate opportunities to further reduce carbon footprint (e.g. solar panels in parking areas and canopy with potential tie-ins to Water Treatment Plant.)</i></p>			



Capital Projects (Cont.)

	Project Title: Underground Storage Tank Replacement		
	Description: Preparation of bid documents and replacement of the UST.		
	Amount: \$425,000		
	Funding Source:	<input checked="" type="checkbox"/> Operating Revenue – \$150,000	<input checked="" type="checkbox"/> Grant Revenue - \$125,000
<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. This project is continuation of a FY19 funded project.</p> <p>Timeline of Project: This is the first phase in a multi-phased project.</p> <p>Departments: Facilities Department</p> <p>Relation to District Objectives: This project achieves the District's Major Objective #5: <i>Review Master Plan and identify targeted areas for revision to prepare for future changes</i></p>			



Deferred Projects - Will Review for Possible Funding During FY 20/21

	Project Title: Air Compressor		
	Description: Air Compressor		
	Amount: \$40,000		
	Funding Source:	<input type="checkbox"/> Operating Revenue –	<input type="checkbox"/> Grant Revenue
<p>Cost considerations: The air compressor is used for pile driving. Currently, they are rented on an as-needed basis. The District intention was to purchase a used, Tier 4 compressor.</p>			
<p>Timeline of Project: This project is unfunded for FY 20/21</p>			
<p>Departments: Facilities Department</p>			
<p>Relation to District Objectives #3 and Other Important Goal #4: Keep Harford Pier open and optimize use; Revitalize the Avila Pier.</p>			

	Project Title: Harford Pier Redevelopment		
	Description: Harford Pier Redevelopment		
	Amount: \$200,000		
	Funding Source:	<input type="checkbox"/> Operating Revenue –	<input type="checkbox"/> Grant Revenue
<p>Cost considerations: Funding of this project would be used for the potential demolition and reconstruction of the west side. This project is further dependent upon the approval of the Harbor Commission and California Coastal Commission.</p>			
<p>Timeline of Project: This project is unfunded for FY 20/21</p>			
<p>Departments: Facilities Department</p>			
<p>Relation to District Objectives #1 and #3: <i>Sustain and enhance the Harbor's finances -- provide for needed infrastructure, expand revenue sources, and pay down long-term liabilities; Keep Harford Pier open and optimize use.</i></p>			



Deferred Projects (Cont.)

	Project Title: Harbor Patrol Boat Engines		
	Description: Harbor Patrol Boat Engines		
Amount: \$20,000			
Funding Source:	<input type="checkbox"/> Operating Revenue –	<input type="checkbox"/> Grant Revenue	<input type="checkbox"/> Specified Reserves-
<p>Cost considerations: Funding for this project is typically done on an annual basis; however, due to the economic challenges from the COVID-19 pandemic, funding for this project was removed. This project may come before the Harbor Commission if one of the Harbor Patrol vessels experiences engine failure.</p>			
Timeline of Project: This project is unfunded for FY 20/21			
Departments: Harbor Patrol Department			
Relation to District Objectives #2: <i>Maintain and enhance a boater-friendly atmosphere at PSL for both commercial and recreational boaters.</i>			

	Project Title: Parking Enforcement Technology		
	Description: Parking System Upgrade		
Amount: \$80,000			
Funding Source:	<input type="checkbox"/> Operating Revenue –	<input type="checkbox"/> Grant Revenue	<input type="checkbox"/> Specified Reserves-
<p>Cost considerations: Funding would be used to purchase software and equipment that would increase the usability of the permitted parking system for the public and enforcement of the parking related Code of Ordinances by Harbor Patrol. Based upon a conservative estimate, the District could experience at least a 20% increase in revenue from parking citations issued as well as experience more public compliance with paid parking program.</p>			
Timeline of Project: This project is unfunded for FY 20/21			
Departments: Harbor Patrol Department			
Relation to District Objectives #1: <i>Sustain and enhance the Harbor's finances -- provide for needed infrastructure, expand revenue sources, and pay down long-term liabilities.</i>			



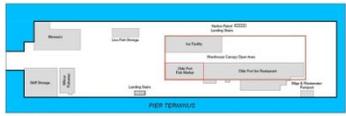
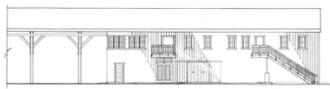
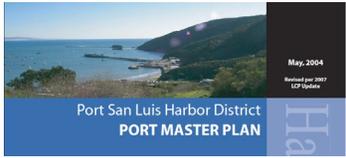
Deferred Projects (Cont.)

	Project Title: Polaris (UTV)		
	Description: Polaris (UTV)		
	Amount: \$10,000		
	Funding Source:	<input type="checkbox"/> Operating Revenue –	<input type="checkbox"/> Grant Revenue
<p>Cost considerations: The Polaris UTV would serve a variety of uses and transportation for areas of the Port, including off-road areas. The UTV may be used for daily operations, incident response, material support, skiff hauling, and may be used to shuttle patrons to the boat launch. The UTV will serve many functions and will help fill the gap of the staff vehicle vacancy.</p>			
<p>Timeline of Project: This project is unfunded for FY 20/21</p>			
<p>Departments: Business Department, Facilities Department, and Harbor Patrol Department</p>			
<p>Relation to District Objectives #2 and Additional Goal #10: <i>Maintain and enhance a boater-friendly atmosphere at PSL for both commercial and recreational boaters; Continue oversight and support for Harbor Terrace project for successful implementation.</i></p>			



Unfunded Major Maintenance and Capital Projects

Due to budgetary constraints, certain major maintenance and capital projects were included in the 2019/20 budget or funded in the next five years. The following projects are deferred until funding becomes available. The Unfunded Projects listed below were reviewed by the Harbor Commission at the March 12, 2020 Major Maintenance & Capital Projects Workshop and were determined to remain unfunded. 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).



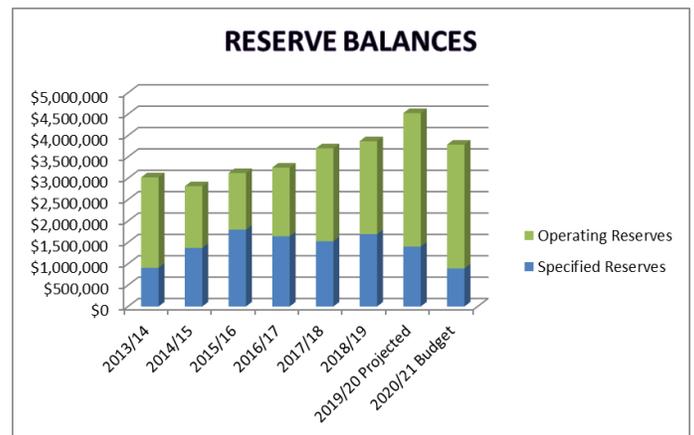
Specified Reserve Funding and Use

Reserve Description	Consolidated Budget				Notes
	2019/20 Projected Ending Balance	Reserve Funding	Reserve Use	Ending Balance	
Avila Pier	\$ -	\$ -	\$ -	\$ -	
Building Improvement	35,000	-	(10,000)	25,000	Harford and Avila Pier Lumber & Materials 10k
Coastal Gateway	17,400	-	-	17,400	
Computer	15,300	-	-	15,300	
Crane	7,900	-	-	7,900	
Commissioner Discretionary Funds	1,310	-	-	1,310	
Dredge	28,420	-	(10,000)	18,420	Annual Maintenance for Dredge Pump
Election	45,000	-	(45,000)	-	2020/21 Election
Equipment	1,112	-	-	1,112	
Facilities	758,097	-	(329,000)	429,097	Harford and Avila Pier Lumber & Materials 25k, Live Fish Storage Building 20k, Avila Parking Lot 24k, Fireline maintenance 5k, Harbor Terrace Gear Storage 35k, Harbor Terrace Maintenance Yard & Impound 70k, Underground Storage Tank 150k
Harbor Terrace	24,052	-	(24,052)	-	Harbor Terrace District Use -Infrastructure for District
Harford Pier	-	-	-	-	
Harbor Patrol Vessel Replacement	-	-	-	-	
Hoist	58,700	-	-	58,700	
LCM Maintenance Fund	216,723	-	(32,000)	184,723	Repair and Maintenance to LCM mooring boat
Other Post Employment Benefits	69,000	-	-	69,000	
Safety Equipment	-	-	-	-	
TRAN	-	-	-	-	
Utility Replacement	68,300	-	(38,800)	29,500	Funding for future Waste Water Treatment Plant 35% Share
Vehicle Replacement	-	-	-	-	
Water Tank	25,000	-	(23,500)	1,500	Water Tank coating and repairs
Sewer Treatment Plant	30,000	-	-	30,000	
Total Specified Reserves	\$ 1,401,314	\$ -	\$ (512,352)	\$ 888,962	
Unassigned Fund Balance (Operating Reserve)	\$ 3,143,300		\$ (226,201)	\$ 2,917,079	

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 \$2.9 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

Port San Luis Harbor District
2020/21 Preliminary Budget General Fund
Rounded to Nearest Hundred

	Last Year 2018/19		Current Year 2019/20		2020/21		% Change from 2019/20 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>	3,492,600	3,796,803	3,869,850	3,852,444	4,065,447	4,065,447	5.5%
EXPENDITURES							
Salaries/Wages/Benefits <i>Less: Prior year reserve use</i>	\$ 2,396,300 (135,300)	\$ 2,370,448 -	\$ 2,481,600 -	\$ 2,524,508 -	\$ 2,665,300 -	\$ 2,675,300 -	6.0%
Supplies	93,700	92,000	88,400	79,762	94,300	94,300	18.2%
Operations & Maintenance <i>Less: Prior year reserve use</i>	346,700 -	402,800 -	192,600 -	182,300 -	185,500	185,500	1.8%
Utilities	365,000	322,600	321,100	315,950	338,500	338,500	7.1%
General & Administrative <i>Budget Contingency</i> <i>Less: Prior year reserve use</i>	471,000 50,884 (90,000)	427,800 - -	453,000 60,267 -	488,400 - -	585,600 60,300 (45,000)	581,700 60,300 (45,000)	19.1% 100.0% -100.0%
OPERATING EXPENDITURES	3,498,284	3,615,648	3,596,967	3,590,920	3,884,500	3,890,600	8.3%
NET INCOME BEFORE MAJOR MAINTENANCE & CAPITAL PROJECTS	(5,684)	181,155	272,884	261,524	180,947	174,847	33.1%
Major Maintenance Expense <i>Less: Grants</i> <i>Prior year reserve use</i>	224,550 (39,900) (27,500)	227,050 (55,178) (4,883)	348,300 (38,800) (121,450)	259,010 (38,800) (81,425)	269,400 (57,200) (83,300)	209,400 (57,200) (83,300)	-19.2% 47.4% 2.3%
Capital Project Outlay <i>Less: Grants</i> <i>Prior year reserve use</i>	556,800 (175,000) (60,100)	150,300 (35,000) (72,802)	1,024,000 (60,000) (363,495)	753,050 (230,050) (215,270)	688,090 (139,500) (117,185)	2,038,090 (1,389,500) (117,185)	170.6% 0.0% -45.6%
MAJOR MAINTENANCE AND CAPITAL PROJECTS	\$ 478,850	\$ 209,487	\$ 788,555	\$ 446,515	\$ 560,305	\$ 600,305	34.4%
REVENUES less EXPENDITURES	\$ (484,534)	\$ (28,332)	\$ (515,672)	\$ (184,991)	\$ (379,358)	\$ (425,458)	-130.0%
Reserve Set Aside	\$ -	\$ (101,700)	\$ (112,500)	\$ (112,500)	\$ -	\$ -	-100.0%
Budget Transfer In/(Out)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Increase/(Decrease) in operating reserves	\$ (484,534)	\$ (130,032)	\$ (628,172)	\$ (297,491)	\$ (379,358)	\$ (425,458)	-43.0%



General Fund Budget Detail

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
<u>Non-Operating Revenue</u>						
Interest Income	\$ 21,000	\$ 82,106	\$ 24,850	\$ 36,243	\$ 32,000	\$ 32,000
Finance Charge Income	-	-	-	-	-	-
Tax Proceeds	3,471,600	3,692,758	3,745,000	3,715,100	3,840,859	3,840,859
Other Financing Sources	-	21,939	-	-	191,588	191,588
Misc. Non-Operating Income (Exp)	-	-	100,000	101,100	1,000	1,000
Budget Transfer	-	-	-	-	-	-
Total Non-Operating Revenue	\$ 3,492,600	\$ 3,796,803	\$ 3,869,850	\$ 3,852,443	\$ 4,065,447	\$ 4,065,447

	Last Year 2018/19		Current Year 2019/20		2020/21	
	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	1,435,119	1,411,626	1,499,438	1,463,200	1,584,900	1,584,900
Health Insurance	301,171	252,452	313,637	311,489	288,000	288,000
OPEB Expense	-	-	-	-	-	-
Workers Compensation	94,786	84,357	91,695	91,695	100,600	100,600
Payroll Taxes	113,065	107,320	118,149	114,518	124,800	124,800
Pension Costs	296,765	336,628	304,024	346,066	394,000	394,000
Recruitment	4,200	4,146	4,400	7,000	4,200	4,200
Misc. Employee Benefits	4,100	4,908	4,300	6,917	5,000	5,000
Unemployment Self Insurance	1,000	1,553	1,000	25,000	2,500	12,500
Contract Labor	18,325	34,568	881	22,023	13,200	13,200
Contract Security	96,200	111,292	115,000	115,000	119,000	119,000
Compensated Absence	-	-	-	-	-	-
Other Post Employment Benefits	-	-	-	-	-	-
TRAN Payment to County	-	-	-	-	-	-
Salaries, Wages & Benefits Contingency	9,950	-	7,500	-	7,500	7,500
Budget Transfer	-	-	-	-	-	-
Total Salaries/Wages/Benefits	\$ 2,396,281	\$ 2,370,450	\$ 2,481,623	\$ 2,524,508	\$ 2,665,300	\$ 2,675,300

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
<u>Supplies</u>						
Office	\$ 12,927	\$ 17,415	\$ 14,834	\$ 13,884	\$ 14,800	\$ 14,800
Shop	6,570	12,415	6,203	6,203	8,000	8,000
RV Camping	-	-	-	-	-	-
Sanitation	33,781	36,105	33,300	33,800	36,500	36,500
Harbor Patrol/Lifeguards	12,000	11,572	12,000	12,000	12,000	12,000
Mooring	405	762	480	675	700	700
Dredge	150	1,439	100	200	100	100
Clothing/Equipment	12,963	12,303	12,300	13,000	13,000	13,000
Supply Contingency	14,950	-	9,150	-	9,200	9,200
Budget Transfer	-	-	-	-	-	-
Total Supplies	\$ 93,746	\$ 92,013	\$ 88,367	\$ 79,762	\$ 94,300	\$ 94,300



General Fund Budget Detail (Cont.)

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Operations & Maintenance						
Building/Facility	\$ 16,136	\$ 20,625	\$ 17,803	\$ 17,800	\$ 19,800	\$ 19,800
Vandalism	1,000	388	600	1,000	1,000	1,000
Dredge	1,200	6,801	1,500	1,500	1,500	1,500
Electronic Equipment	4,585	3,954	4,600	4,600	5,500	5,500
Vehicles & Equipment	8,901	9,159	12,100	13,300	10,400	10,400
Crane	2,800	3,365	2,800	3,500	3,500	3,500
Coastal Gateway Costs	300	873	300	600	500	500
Patrol Boats	12,000	20,471	22,000	22,000	20,000	20,000
LCM	200	1,765	200	200	200	200
Boatyard Maintenance	-	-	-	-	-	-
Camp Host	200	-	200	200	200	200
Water Taxi Host	750	135	600	200	200	200
Signs	4,440	1,125	4,440	4,400	4,400	4,400
Road/Revetment	4,024	1,650	5,600	3,000	4,000	4,000
General Maintenance	14,922	122,527	12,435	12,400	12,400	12,400
Sport Launch	300	512	4,387	1,700	300	300
Beaches	10,000	12,330	7,000	10,000	10,000	10,000
Public Hoist	1,200	1,049	200	200	300	300
Tools	3,192	3,092	3,400	2,700	3,200	3,200
Fuel	29,156	32,532	35,460	35,500	40,200	40,200
Piers	15,400	125,990	15,400	15,400	15,400	15,400
Ice/Diesel Facility	1,387	6,154	1,200	1,200	1,200	1,200
Lighthouse	7,500	2,287	15,125	15,000	7,500	7,500
Water & Sewer System	4,200	6,552	9,100	9,100	7,700	7,700
Storm Water	700	1,175	1,400	2,100	2,100	2,100
Fire Protection	191,492	17,954	4,655	3,900	3,900	3,900
Dock & Landing	750	368	915	800	900	900
Operations & Maintenance						
Contingency	9,950	-	9,150	-	9,200	9,200
Budget Transfer	-	-	-	-	-	-
Total Operations & Maintenance	\$ 346,685	\$ 402,831	\$ 192,570	\$ 182,300	\$ 185,500	\$ 185,500



General Fund Budget Detail (Cont.)

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Utilities						
Electricity	\$ 52,965	\$ 29,842	\$ 30,492	\$ 30,500	\$ 32,000	\$ 32,000
Telephone/Communications	15,980	16,333	14,068	16,000	15,400	15,400
Gas	3,501	2,046	2,256	2,300	2,100	2,100
Sewer	64,701	59,651	42,021	42,100	50,400	50,400
Trash	73,563	40,585	50,052	50,100	47,800	47,800
Haz Mat Disposal	3,500	6,214	3,500	3,500	3,500	3,500
Water - Lopez	81,610	127,492	136,832	136,800	137,900	137,900
Water/Sewer - Avila	59,249	40,395	32,760	34,600	40,200	40,200
Utility Contingency	9,950	-	9,150	50	9,200	9,200
Budget Transfer	-	-	-	-	-	-
Total Utilities	\$ 365,019	\$ 322,559	\$ 321,131	\$ 315,950	\$ 338,500	\$ 338,500

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
General & Administrative						
Advertising & Promotion	\$ 2,382	\$ 977	\$ 1,304	\$ 800	\$ 1,300	\$ 1,300
Travel, Meals, Lodging	11,580	7,449	12,931	9,600	13,500	9,600
Education/Training	10,521	12,010	12,108	12,100	13,400	13,400
Dues & Subscriptions	21,852	28,732	23,383	34,200	27,400	27,400
Legal Advertising	1,440	1,426	1,320	1,300	1,300	1,300
Cash (Over) / Short	-	-	-	-	-	-
Capital Lease Payment - Principal	-	-	-	-	-	-
Capital Lease Payment - Interest	-	-	-	-	-	-
SCC/Red Tail Loan payments	-	-	-	-	-	-
Bank Charges/Merchant Fees	5,700	8,495	5,250	6,800	5,300	5,300
Bad Debts/Returned Checks	-	-	-	-	-	-
Consultants	29,459	106,426	37,202	37,200	37,200	37,200
Legislative Advocacy	5,000	140	5,000	5,000	5,000	5,000
Computers & Equipment	3,259	3,712	13,502	16,300	14,300	14,300
Parking	-	-	-	-	-	-
Legal Fees	29,680	45,874	26,400	34,000	30,000	30,000
Audits	6,000	6,048	6,600	6,600	6,600	6,600
Tax Collection Fees	65,000	53,674	55,000	55,000	55,000	55,000
Treasurer Fees	19,800	22,971	19,200	24,000	24,000	24,000
Permits	14,041	1,178	4,434	3,000	4,600	4,600
Elections	90,000	468	-	-	95,000	95,000
Property Insurance	108,000	99,538	114,600	132,000	132,000	132,000
Cities Redevelopment	15,000	9,184	85,000	87,200	87,200	87,200
Bonds	500	-	500	500	500	500
LAFCO Fees	20,000	18,064	18,300	21,000	21,000	21,000
Coastal Conservancy	-	-	-	-	-	-
Board Discretionary Fund	1,500	1,140	1,500	1,500	1,500	1,500
Harbor Mgr. Discretionary Fund	300	300	300	300	300	300
Contingency	9,950	-	9,150	-	9,200	9,200
Budget Contingency Fund	50,884	-	60,267	-	60,300	60,300
Less: Prior year reserve use	-	-	-	-	(45,000)	(45,000)
Total General & Administrative	\$ 521,848	\$ 427,805	\$ 513,251	\$ 488,400	\$ 600,900	\$ 597,000



General Fund Budget Detail (Cont.)

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
	Major Maintenance/ Special Projects					
Abandoned Vessel	\$ 30,000	\$ 75,972	\$ 30,000	\$ 30,000	\$ 50,000	\$ 50,000
Avila Beach Restroom Refurbishment	-	-	8,750	8,750	-	-
Avila Pier	50,000	44,816	125,000	125,000	60,000	-
Boom Truck	3,000	306	3,000	360	-	-
Dredging Pump	3,750	4,078	1,800	-	1,500	1,500
District Buildings-Maintenance	-	-	28,000	14,000	14,000	14,000
Electronic Documents	12,000	1,444	12,000	3,000	-	-
Hoist	7,000	-	-	-	-	-
Heavy Equipment Maintenance	-	-	-	-	2,250	2,250
Lift Station Maintenance	5,000	4,583	5,000	5,000	2,500	2,500
Mooring Capital Costs/ LCM	-	-	-	-	-	-
Harford/Avila Pier Lumber & Materials	71,400	70,888	59,500	39,900	75,600	75,600
Parking Lot Maintenance	22,400	22,365	21,000	-	16,800	16,800
Revetment	15,000	-	50,000	30,000	35,000	35,000
Water Tank	5,000	2,599	4,250	3,000	11,750	11,750
Budget Transfer	-	-	-	-	-	-
Special Projects	\$ 224,550	\$ 227,050	\$ 348,300	\$ 259,010	\$ 269,400	\$ 209,400
Specified Reserve Use	\$ (27,500)	\$ (4,883)	\$ (121,425)	\$ (81,425)	\$ (83,300)	\$ (83,300)
Operating Reserve Use	(157,150)	(166,989)	(188,075)	(138,785)	(128,900)	(68,900)
Grant Funding	(39,900)	(55,178)	(38,800)	(38,800)	(57,200)	(57,200)
Total Funding	\$ (224,550)	\$ (227,050)	\$ (348,300)	\$ (259,010)	\$ (269,400)	\$ (209,400)



General Fund Budget Detail (Cont.)

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Capital Project Outlay						
Avila Pier Rehabilitation					\$ -	\$ 1,310,000
Digital Radio Upgrade	-	-	-	-	10,000.00	10,000.00
Ice House - Seatrain				30,800	-	\$ -
Harbor Terrace Rack Storage	7,000	-	7,000	-	7,000	7,000
Crane	77,000	30,610	19,350	39,300	-	-
Crane Cab Refurbishment	-	-	-	-	3,000	3,000
Dredge Hose	-	-	-	-	20,000	20,000
Facilities Vehicle	4,500	4,108	-	-	-	-
Harford Pier Site Plan	-	-	-	-	-	40,000
Harford Pier Canopy	-	-	96,000	76,000	96,000	96,000
Harford Pier Redevelopment	-	-	-	-	-	-
Harford Pier Water & Fireline Systems	17,500	12,084	10,500	7,000	3,500	3,500
Harbor Patrol Boat	150,000	-	440,000	440,000	-	-
Harbor Patrol Boat Engines	-	-	-	-	-	-
Harbor Patrol Boat 2	-	-	60,000	-	30,000	30,000
Harbor Patrol Equipment Replacement	-	-	-	-	5,500	5,500
Harbor Patrol Vehicle Replacement	-	-	40,000	41,000	-	-
Harbor Terrace	17,700	10,701	38,340	22,500	24,840	24,840
Harbor Terrace: District Use Area	53,200	1,172	49,000	4,200	49,000	49,000
Harbor Terrace: Gear Storage	60,000	7,589	35,000	24,500	66,500	66,500
Harbor Terrace: Project Monitoring					31,500	31,500
District Staff Landing	75,000	9,300	65,000	33,000	25,000	25,000
Lift	52,500	48,825	-	-	-	-
Mobile Hoist Pier	-	-	-	-	-	-
Message Board - Electronic	-	12,272	-	-	-	-
Parking Pay Station-Plan Implementation	-	-	-	-	-	-
Sea Level Rise Analysis	18,750	-	12,500	10,000	-	-
Sewage Treatment Plant	18,750	10,334	18,800	18,750	18,750	18,750
Skiff	4,900	3,305	-	-	-	-
Underground Storage Tank	-	-	122,500	-	297,500	297,500
Water Meter Replacement	-	-	10,000	6,000	-	-
Budget Transfer	-	-	-	-	-	-
Total Capital Project Outlay	\$ 556,800	\$ 150,300	\$ 1,023,990	\$ 753,050	\$ 688,090	\$ 2,038,090
Specified Reserve Use	\$ (60,100)	\$ (72,802)	\$ (363,495)	\$ (215,270)	\$ (117,185)	\$ (117,185)
Operating Reserve Use	(321,700)	(42,498)	(600,495)	(307,730)	(431,405)	(531,405)
Grant Funding	(175,000)	(35,000)	(60,000)	(230,050)	(139,500)	(1,389,500)
Total Funding	\$ (556,800)	\$ (150,300)	\$ (1,023,990)	\$ (753,050)	\$ (688,090)	\$ (2,038,090)



Enterprise Fund Budget Summary

	Last Year 2018/19		Current Year 2019/20		2020/21		% Change from 2019/20 Projections
	Amended Budget	Actual	Budget	Projected	Preliminary Budget	Final Budget	
REVENUES							
Service Revenue <i>(Avila Parking, Location Fees, Citations)</i>	\$ 511,400	\$ 581,291	\$ 547,200	\$ 450,779	\$ 530,700	\$ 530,700	17.7%
Mooring Revenue <i>(Moorage Fees, Equipment Sales, Skiff Space, Exclusive of Labor and O&M)</i>	146,300	145,820	152,800	152,800	164,900	164,900	7.9%
Leases & Licenses <i>(Leases, Licenses, RVs, Utility Reimbursement)</i>	1,493,600	1,526,578	1,513,770	1,179,464	1,352,800	1,352,800	14.7%
Diesel Sales <i>(Exclusive of Labor, O&M and Permits)</i>	24,700	15,752	24,700	8,182	24,700	24,700	201.9%
Total Operating Revenue	2,176,000	2,269,442	2,238,470	1,791,225	2,073,100	2,073,100	15.7%
Non-Operating Revenue/(Expenditure) <i>(Property Tax, Interest)</i>	15,000	61,954	21,150	431,934	49,000	49,000	-88.7%
EXPENDITURES							
Salaries/Wages/Benefits <i>Less: Prior year reserve use</i>	\$ 949,300	\$ 963,300	\$ 971,400	\$ 971,992	\$ 1,030,900	\$ 1,030,900	6.1%
Supplies	34,200	33,932	31,100	22,738	32,000	32,000	40.7%
Operations & Maintenance <i>Less: Prior year reserve use</i>	83,700	162,115	110,600	85,200	87,400	87,400	2.6%
Utilities	186,000	172,199	179,125	171,180	186,100	186,100	8.7%
General & Administrative <i>Budget Contingency</i>	277,600	353,122	274,800	302,319	401,700	395,586	30.9%
<i>Less: Prior year reserve use</i>	50,884	-	60,267	-	60,200	60,200	100.0%
<i>Less: Prior year reserve use</i>	-	-	-	-	-	-	0.0%
OPERATING EXPENDITURES	1,581,684	1,684,668	1,627,292	1,553,429	1,798,300	1,792,186	15.4%
NET INCOME BEFORE MAJOR MAINTENANCE & CAPITAL PROJECTS	609,316	646,728	632,329	669,729	323,800	329,914	-50.7%
Major Maintenance Expense <i>Less: Grants</i>	139,450	92,529	134,700	79,340	127,600	127,600	60.8%
<i>Prior year reserve use</i>	(2,100)	(2,904)	(3,200)	(3,200)	(4,800)	(4,800)	0.0%
<i>Prior year reserve use</i>	(59,500)	(17,205)	(84,100)	(43,700)	(61,200)	(61,200)	40.0%
Capital Project Outlay <i>Less: Grants</i>	1,595,200	111,958	1,693,310	302,950	1,670,210	1,680,210	454.6%
<i>Prior year reserve use</i>	(1,000,000)	-	(1,500,000)	(30,800)	(1,355,500)	(1,355,500)	100.0%
<i>Prior year reserve use</i>	(62,700)	(34,878)	(167,505)	(101,350)	(205,667)	(205,667)	102.9%
MAJOR MAINTENANCE AND CAPITAL PROJECTS	\$ 610,350	\$ 149,500	\$ 73,205	\$ 203,240	\$ 170,643	\$ 180,643	-11.1%
REVENUES less EXPENDITURES	\$ (1,034)	\$ 497,229	\$ 559,124	\$ 466,489	\$ 153,157	\$ 149,271	-68.0%
Reserve Set Aside	\$ -	\$ (48,300)	\$ (37,500)	\$ (37,500)	\$ -	\$ -	100.0%
Budget Transfer In/(Out)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Increase/(Decrease) in operating reserves	\$ (1,034)	\$ 448,929	\$ 521,624	\$ 428,989	\$ 153,157	\$ 149,271	-65.2%



Enterprise Fund Budget Detail (Cont.)

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Leases & Licenses Revenue						
Commissions- Laundry	\$ 3,600	\$ 2,657	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
Coastal Gateway Room Rental	3,000	5,140	3,500	2,631	3,000	3,000
Coin Showers	18,000	20,690	19,000	19,000	21,000	21,000
Harford Land Area- Leases	175,400	179,905	179,300	152,932	180,200	180,200
Piers-Leases	355,100	360,693	351,100	321,562	244,300	244,300
Piers- Licenses	37,300	43,356	40,900	36,900	31,900	31,900
Beaches-Leases	9,300	10,987	9,900	9,900	10,000	10,000
Beaches- Licenses	12,900	12,328	11,800	11,800	10,800	10,800
Boat & Gear Storage	56,500	47,116	50,000	25,000	50,000	50,000
Boat Washdown	2,600	2,523	2,600	1,500	2,600	2,600
Coin Hoist- Harford Pier	4,500	4,349	4,500	3,500	4,500	4,500
Harbor Terrace RV Resort	-	-	-	-	250,000	250,000
RVs- Babe Lane	191,200	205,202	539,670	3,130	-	-
RVs- Other than Babe Lane	592,700	580,769	265,000	548,709	500,000	500,000
Utilities Reimbursement	31,000	50,856	32,000	38,000	40,000	40,000
Miscellaneous Operating Income	500	7	500	900	500	500
Total Leases & Licenses Revenue	\$ 1,493,600	\$ 1,526,578	\$ 1,513,770	\$ 1,179,464	\$ 1,352,800	\$ 1,352,800

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Budget	Actual	Budget	Projected	Preliminary Budget	Final Budget
Diesel Sales Revenue						
Diesel Sales	\$ 130,000	\$ 201,689	\$ 130,000	\$ 110,900	\$ 130,000	\$ 130,000
Diesel Cost of Goods Sold	(105,300)	(185,937)	(105,300)	(102,718)	(105,300)	(105,300)
Total Diesel Sales Revenue	\$ 24,700	15,752	24,700	\$ 8,182	\$ 24,700	\$ 24,700

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Non-Operating Revenue						
Interest Income	\$ 14,000	\$ 54,737	\$ 20,150	\$ 43,758	\$ 48,000	\$ 48,000
Finance Charge Income	1,000	3,055	1,000	5,000	1,000	1,000
Tax Proceeds	-	-	-	-	-	-
Other Financing Sources	-	-	-	383,176	-	-
Misc. Non-Operating Income (Exp.)	-	4,162	-	-	-	-
Budget Transfer	-	-	-	-	-	-
Total Non-Operating Revenue	\$ 15,000	\$ 61,954	\$ 21,150	\$ 431,934	\$ 49,000	\$ 49,000



Enterprise Fund Budget Detail (Cont.)

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
<u>Operations & Maintenance</u>						
Building/Facility	\$ 4,264	\$ 5,449	\$ 4,697	\$ 4,700	\$ 5,200	\$ 5,200
Vandalism	-	-	400	-	-	-
Dredge	6,800	38,539	8,500	8,500	8,500	8,500
Electronic Equipment	415	358	900	400	500	500
Vehicles & Equipment	7,799	8,025	5,600	11,700	9,100	9,100
Crane	1,200	1,442	2,200	1,500	1,500	1,500
Coastal Gateway Costs	1,700	4,948	2,200	3,400	2,500	2,500
Patrol Boats	-	-	-	-	-	-
LCM	1,300	10,003	1,300	1,300	1,300	1,300
Boatyard Maintenance	1,000	2,871	1,000	1,000	1,000	1,000
Camp Host	800	19	800	800	800	800
Water Taxi Host	4,250	766	3,400	800	800	800
Signs	560	142	560	600	600	600
Road/Revetment	3,976	1,630	2,400	3,000	4,000	4,000
General Maintenance	3,078	25,274	2,565	2,600	2,600	2,600
Sport Launch	1,700	2,904	24,862	9,300	1,700	1,700
Beaches	-	-	3,000	-	-	-
Public Hoist	800	5,945	1,800	800	1,700	1,700
Tools	2,808	2,720	2,600	2,300	2,800	2,800
Fuel	7,844	8,752	9,540	9,500	10,800	10,800
Piers	6,600	33,896	6,600	6,600	6,600	6,600
Ice/Diesel Facility	6,613	2,638	6,800	6,800	6,800	6,800
Lighthouse	-	-	-	-	-	-
Water & Sewer System	1,800	2,808	3,900	3,900	3,300	3,300
Storm Water	300	503	600	900	900	900
Fire Protection	3,908	366	95	100	100	100
Dock & Landing	4,250	2,084	5,185	4,700	5,200	5,200
Operations & Maintenance						
Contingency	9,950	-	9,150	-	9,100	9,100
Budget Transfer	-	-	-	-	-	-
Total Operations & Maintenance	\$ 83,715	\$ 162,083	\$ 110,654	\$ 85,200	\$ 87,400	\$ 87,400



Enterprise Fund Budget Detail (Cont.)

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Utilities						
Electricity	\$ 54,035	\$ 30,445	\$ 31,108	\$ 31,100	\$ 32,600	\$ 32,600
Telephone/Communications	9,920	10,139	8,732	10,005	9,600	9,600
Gas	999	584	644	600	600	600
Sewer	31,724	29,248	20,604	20,525	24,600	24,600
Trash	18,737	10,337	12,748	12,700	12,200	12,200
Haz Mat Disposal	1,500	2,663	1,500	1,500	1,500	1,500
Water - Lopez	55,090	86,063	92,368	92,400	93,100	93,100
Water/Sewer - Avila	4,051	2,762	2,240	2,400	2,800	2,800
Utility Contingency	9,950	-	9,150	(50)	9,100	9,100
Budget Transfer	-	-	-	-	-	-
Total Utilities	\$ 186,006	\$ 172,240	\$ 179,094	\$ 171,180	\$ 186,100	\$ 186,100

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
General & Administrative						
Advertising & Promotion	\$ 2,550	\$ 1,046	\$ 1,396	\$ 900	\$ 1,400	\$ 1,400
Travel, Meals, Lodging	18,420	11,850	20,569	15,400	21,500	15,400
Education/Training	2,079	2,373	2,393	2,400	2,600	2,600
Dues & Subscriptions	15,248	20,051	16,317	23,800	19,100	19,100
Legal Advertising	960	950	880	900	900	900
Cash (Over) / Short	-	5	-	(81)	-	-
Capital Lease Payment - Principal	-	-	-	-	-	-
Capital Lease Payment - Interest	-	-	-	-	-	-
SCC/Red Tail Loan payments	-	-	-	-	-	-
Bank Charges/Merchant Fees	32,300	48,136	29,750	38,200	29,700	29,700
Bad Debts/Returned Checks	5,000	49,314	7,200	7,200	7,500	7,500
Consultants	3,641	13,154	4,598	4,600	4,600	4,600
Legislative Advocacy	3,400	8,260	3,400	3,400	3,400	3,400
Computers & Equipment	941	1,072	3,898	4,700	4,200	4,200
Parking	18,000	16,013	14,000	14,000	16,000	16,000
Legal Fees	44,520	68,812	39,600	51,000	45,000	45,000
Audits	4,000	4,032	4,400	4,400	4,400	4,400
Tax Collection Fees	-	-	-	-	-	-
Treasurer Fees	13,200	15,314	12,800	16,000	16,000	16,000
Permits	4,959	416	1,566	1,000	1,600	1,600
Elections	-	-	-	-	-	-
Property Insurance	72,000	66,359	76,400	88,000	163,186	163,186
Cities Redevelopment	-	-	-	-	-	-
Bonds	300	-	300	300	300	300
LAFCO Fees	-	-	-	-	-	-
Coastal Conservancy	25,000	25,000	25,000	25,000	50,000	50,000
Board Discretionary Fund	1,000	760	1,000	1,000	1,000	1,000
Harbor Mgr. Discretionary Fund	200	200	200	200	200	200
Contingency	9,950	-	9,150	-	9,100	9,100
Budget Contingency Fund	50,884	-	60,267	-	60,200	60,200
Less: Prior year reserve use	-	-	-	-	-	-
Total General & Administrative	\$ 328,552	\$ 353,117	\$ 335,082	\$ 302,319	\$ 461,886	\$ 455,786



Enterprise Fund Budget Detail (Cont.)

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
<u>Major Maintenance/ Special Projects</u>						
Abandoned Vessel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Avila Beach Restroom Refurbishment	-	-	3,750	3,750	-	-
Avila Pier	-	-	-	-	-	-
Boom Truck	7,000	715	7,000	840	-	-
Dredging Pump	21,250	23,107	10,200	19,550	8,500	8,500
District Buildings-Maintenance	-	-	12,000	6,000	6,000	6,000
Electronic Documents	8,000	962	8,000	2,000	-	-
Hoist	3,000	-	-	-	-	-
Heavy Equipment Maintenance	-	-	-	-	22,250	22,250
Lift Station Maintenance	15,000	13,750	15,000	15,000	7,500	7,500
Mooring Capital Costs/ LCM Harford/Avila Pier Lumber & Materials	40,000	11,430	40,000	12,100	32,000	32,000
Parking Lot Maintenance	9,600	9,585	9,000	-	7,200	7,200
Revetment	-	-	-	-	-	-
Water Tank	5,000	2,599	4,250	3,000	11,750	11,750
Budget Transfer	-	-	-	-	-	-
Special Projects	\$ 139,450	\$ 92,529	\$ 134,700	\$ 79,340	\$ 127,600	\$ 127,600
Specified Reserve Use	\$ (59,500)	\$ (17,205)	\$ (84,075)	\$ (43,675)	\$ (61,200)	\$ (61,200)
Operating Reserve Use	(77,850)	(72,420)	(47,425)	(32,465)	(61,600)	(61,600)
Grant Funding	(2,100)	(2,904)	(3,200)	(3,200)	(4,800)	(4,800)
Total Funding	\$ (139,450)	\$ (92,529)	\$ (134,700)	\$ (79,340)	\$ (127,600)	\$ (127,600)



Enterprise Fund Budget Detail (Cont.)

	Last Year 2018/19		Current Year 2019/20		2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Capital Project Outlay						
Avila Pier Rehabilitation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Digital Radio Upgrade	-	-	-	-	-	-
Ice House - Seatrain	-	-	-	13,200	-	-
Harbor Terrace Rack Storage	3,000	-	3,000	-	3,000	3,000
Crane	33,000	13,119	45,150	91,700	-	-
Crane Cab Refurbishment	-	-	-	-	7,000	7,000
Dredge Hose	-	-	-	-	-	-
Facilities Vehicle	10,500	9,586	-	-	-	-
Harford Pier Site Plan	-	-	-	-	-	10,000
Harford Pier Canopy	-	-	24,000	19,000	24,000	24,000
Harford Pier Redevelopment	-	-	-	-	-	-
Harford Pier Water & Fireline Systems	7,500	5,179	4,500	3,000	1,500	1,500
Harbor Patrol Boat	-	-	-	-	-	-
Harbor Patrol Boat Engines	-	-	-	-	-	-
Harbor Patrol Boat 2	-	-	-	-	-	-
Harbor Patrol Equipment Replacement	-	-	-	-	-	-
Harbor Patrol Vehicle Replacement	-	-	-	-	-	-
Harbor Terrace	41,300	24,970	89,460	52,500	57,960	57,960
Harbor Terrace: District Use Area	22,800	502	21,000	1,800	21,000	21,000
Harbor Terrace: Gear Storage	-	-	-	10,500	28,500	28,500
Harbor Terrace: Project Monitoring	-	-	-	-	13,500	13,500
District Staff Landing	-	-	-	-	-	-
Lift	22,500	20,925	-	-	-	-
Mobile Hoist Pier	1,300,000	-	1,300,000	-	1,300,000	1,300,000
Message Board - Electronic	-	5,259	-	-	-	-
Parking Pay Station-Plan Implementation	40,000	-	60,000	25,000	30,000	30,000
Sea Level Rise Analysis	56,250	-	37,500	30,000	-	-
Sewage Treatment Plant	56,250	31,001	56,200	56,250	56,250	56,250
Skiff	2,100	1,416	-	-	-	-
Underground Storage Tank	-	-	52,500	-	127,500	127,500
Water Meter Replacement	-	-	-	-	-	-
Budget Transfer	-	-	-	-	-	-
Total Capital Project Outlay	\$ 1,595,200	\$ 111,958	\$ 1,693,310	\$ 302,950	\$ 1,670,210	\$ 1,680,210
Specified Reserve Use	\$ (62,700)	\$ (34,878)	\$ (167,505)	\$ (101,330)	\$ (205,667)	\$ (205,667)
Operating Reserve Use	(532,500)	(77,080)	(25,805)	(170,820)	(109,043)	(119,043)
Grant Funding	(1,000,000)	-	(1,500,000)	(30,800)	(1,355,500)	(1,355,500)
Total Funding	\$ (1,595,200)	\$ (111,958)	\$ (1,693,310)	\$ (302,950)	\$ (1,670,210)	\$ (1,680,210)



Our Future





Five Year Major Maintenance Plan

Major Maintenance Costs						
Description	2020/21	2021/22	2022/23	2023/24	2024/25	Notes
Abandoned Vessel	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	Removal, storage & disposal of abandoned vessels
<i>Grant Funding</i>	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	<i>Division of Boating and Waterways</i>
<i>Grant Funding</i>	-	(50,000)	(50,000)	(50,000)	(50,000)	<i>Pending grants: \$1.25 million Wildlife Conservation; \$250,000 Coastal Conservancy; DBW tier 1-\$200,000 & tier-2-\$1.5 million</i>
Dredging Pump	10,000	15,000	15,000	15,000	15,000	Annual maintenance on the District's dredge pump including rewinding the motor; Budget for new pump in 2026/27.
<i>Dredge Reserve Use</i>	(10,000)	(9,900)	-	-	-	<i>Dredge reserve</i>
Pier Lumber & Materials	108,000	105,000	115,000	125,000	125,000	Lumber to replace pilings on pier; increased to adjust for increasing lumber costs
<i>Building & Facilities Reserve Use</i>	(35,000)	(5,000)	-	-	-	<i>Building improvement reserve \$10,000; Facilities reserve \$25,000</i>
District Buildings-Maintenance & Improvements	20,000	-	-	-	-	Repair and maintenance on District Buildings and Live Fish Storage building (repair roof, walls); Live Fish Storage work is contingent upon successful negotiations of Operating Agreement
<i>Facilities Reserve Use</i>	(20,000)	-	-	-	-	<i>Facilities reserve</i>
Heavy Equipment Maintenance	24,500					Reach Lift, Boom Truck, Crane annual maintenance
Lift Station Maintenance	10,000	-	-	-	-	Lift Station 3 Upgrades
Lighthouse Road Maintenance	-	25,000	-	-	-	Maintenance on Lighthouse Road
<i>Grant Funding</i>	-	(25,000)	-	-	-	<i>PG&E grant funds</i>
Mooring Capital Costs	32,000	40,000	40,000	40,000	40,000	Repairs and maintenance to LCM Mooring Boat.
<i>LCM Reserve Use</i>	(32,000)	(40,000)	(8,100)	(8,100)	(8,100)	<i>LCM maintenance reserve</i>
Parking Lot Maintenance	24,000	25,000	25,000	25,000	25,000	2020 Avila Beach parking lot, maintenance, repaving, sealing, restriping, etc.
<i>Facilities Reserve Use</i>	(24,000)	(25,000)	(25,000)	(25,000)	(25,000)	<i>Facilities reserve</i>
Revetment	35,000	-	-	-	-	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	23,500	20,000	20,000	20,000	20,000	Coating and repairs
<i>Water Tank Reserve Use</i>	(23,500)					<i>Watertank reserve</i>
<i>Additional Projected Special Project Grant Funding</i>	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	<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 Operating Reserves Funded	\$ 130,500	\$ 63,100	\$ 119,900	\$ 129,900	\$ 129,900	



Five Year Capital Project Plan

Capital Projects & Asset Replacement (vehicles, equipment, etc)						
Description	2020/21	2021/22	2022/23	2023/24	2024/25	Notes
Avila Pier	1,310,000	50,000	50,000	50,000	50,000	Avila Pier rehabilitation.
Grant Funding	(1,250,000)	-	-	-	-	State of California, Wildlife Conservation Board
Digital Radio Upgrade	\$ 10,000	-	-	-	-	Handheld P25 Digital Radios
Grant Funding	(10,000)	-	-	-	-	Grant to be solicited
Boom Truck	-	25,000	25,500	25,000	25,000	Purchase or lease of new boom truck
Equipment Reserve use	-	(4,000)	-	-	-	Equipment reserve
Harbor Terrace Lumber Storage	10,000	-	-	-	-	Lumber storage on Harbor Terrace. Harbor Yard storage to compensate for footprint reduction and increase organization. Related to Harbor Terrace development
Harbor Patrol Equipment Replacement	5,500	-	-	-	-	9mm Glock Model 45 replace current 40 Glock Model 22
Harford Pier Site Plan	50,000	-	-	-	-	Hire outside consultant to coordinate a Site Planning process for the Harford Pier Redevelopment
Harford Pier Canopy	120,000	-	-	-	-	Canopy Assessment and Repairs
Harford Pier Redevelopment	-	300,000	-	-	-	Reconstruction of westside pier
Crane Cab Refurbishment	10,000	-	-	-	-	Remove crane cab corrosion
Dredge Hose	20,000	-	-	-	20,000	Replace hose every four years
Dredge Pipe	-	5,000	-	-	-	Replace pipe every five years
Dump Truck	-	20,000	20,000	20,000	20,000	Purchased October '98, assumes 10 year lease
Harford Pier Water & Fire Line	5,000	60,000	-	-	-	Maintenance to pier fireline system. 21/22 complete flange bolts
Facilities Reserve Use	(5,000)	(60,000)	-	-	-	Facilities reserve
Harbor Patrol Boat Engines	-	20,000	-	20,000	-	New engine every other year
Harbor Patrol Boat 2	30,000	-	-	-	225,000	Replace current inflatable collar with a new collar system to extend the usable life of the vessel
Grant Funding	-	-	-	-	-	Grant to be solicited
District Staff Landing	25,000	-	-	-	-	Westside landing for multiple users
Harbor Terrace	82,800	-	-	-	-	Harbor Terrace District Use - Infrastructure for District
Harbor Terrace Reserve Use	(24,052)	-	-	-	-	Harbor Terrace reserve
Harbor Terrace: Project Monitoring	45,000	-	-	-	-	Consultants, construction monitoring, marketing, etc.
Harbor Terrace: Gear Storage	95,000	-	-	-	-	Infrastructure for new gear storage area (concrete, drainage, lighting, security, etc.)
Facilities Reserve Use	(35,000)	-	-	-	-	Facilities reserve
Grant Funding	(60,000)	-	-	-	-	Grant to be solicited
Harbor Terrace: Harbor District Use Area	70,000	-	-	-	-	Infrastructure for new District-use area (paved portions, sea trains, etc.)
Facilities Reserve Use	(70,000)	-	-	-	-	Facilities reserve
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 Plan Implementation Pay Station	30,000	-	-	-	-	Purchase of Parking Machine to begin implementation to Harford landing area lot
Sewer Treatment Plant	75,000	150,000	150,000	150,000	150,000	Avila Beach Community Services District capital improvements, 35% share per agreement. Seek Funding 2021-22
Utility Reserve Use	(38,800)	(1,200)	-	-	-	Utility 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	425,000	-	-	-	-	State Water Board requires the replacement of all single walled USTS by 2025. Continue project from 2019-20
Grant	(125,000)	-	-	-	-	Grants to be solicited.
Facilities Reserve Use	(150,000)	-	-	-	-	Facilities reserve
Vehicle Replacement Program	-	45,000	-	50,000	-	2021/22 Replace Harbor Patrol Dodge. Repurpose F250 to Facilities Department
Vehicle Reserve Use	-	-	-	-	-	Vehicle reserve
Total Operating Reserves Funded	\$ 650,448	\$ 642,300	\$ 275,000	\$ 315,000	\$ 490,000	



Five Year Projections

	2020/21	2021/22	2022/23	2023/24	2024/25
Operating Revenues	\$ 2,073,100	\$ 2,298,200	\$ 2,587,100	\$ 2,264,500	\$ 2,388,300
Non-Operating Revenues	4,114,447	4,224,700	4,338,400	4,455,700	4,576,600
Total Revenues	6,187,547	6,522,900	6,925,500	6,720,200	6,964,900
Operating Expenditures	(5,727,786)	(5,852,800)	(6,187,300)	(6,301,600)	(6,653,800)
Net Available for Major Maintenance and Capital Projects	459,761	670,100	738,200	418,600	311,100
Major Maintenance and Capital Projects	(4,055,300)	(490,000)	(540,000)	(715,000)	(385,000)
Grant Funding	2,807,000	42,000	55,000	42,000	42,000
Reserve Funding (Use)	\$ (788,539)	\$ 222,100	\$ 253,200	\$ (254,400)	\$ (31,900)
Specified Reserve Use	\$ (512,352)	\$ (145,100)	\$ (33,100)	\$ (78,100)	\$ (33,100)
Specified Reserve Funding	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Reserve Funding (Use)	\$ (276,187)	\$ 367,200	\$ 286,300	\$ (176,300)	\$ 1,200

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 \$50,000 per year beginning in 2020/21.
- Boating related revenues (moorings, diesel sales, etc.) are projected to increase 5% every 5 years. The 2020/21 budget includes a CPI fee increase for moorings, gear storage, and boat storage.
- The budget assumes a slow increase in 2020/21 camping revenues as our State moves into a COVID-19 recovery stage with the lifting of a Shelter at Home order. The District anticipates that the new Harbor Terrace campground will open Fall/Winter of the 2020/21 fiscal year. The projections include a two-year approval by the Coastal Commission 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 3.0% per year. Unitary taxes are projected to decrease at a rate of \$30,100 per year as the Diablo Canyon Nuclear Power Plant is decommissioned.
- Investment income is projected to decrease in 2020/21 as the District spends down cash, but then increase during the remaining years as cash balances grow.
- The District is currently receiving Senate Bill 1090 funds in the amount of \$191,588.10 annually that will continue through 2025/26.



Five Year Projections (Cont.)

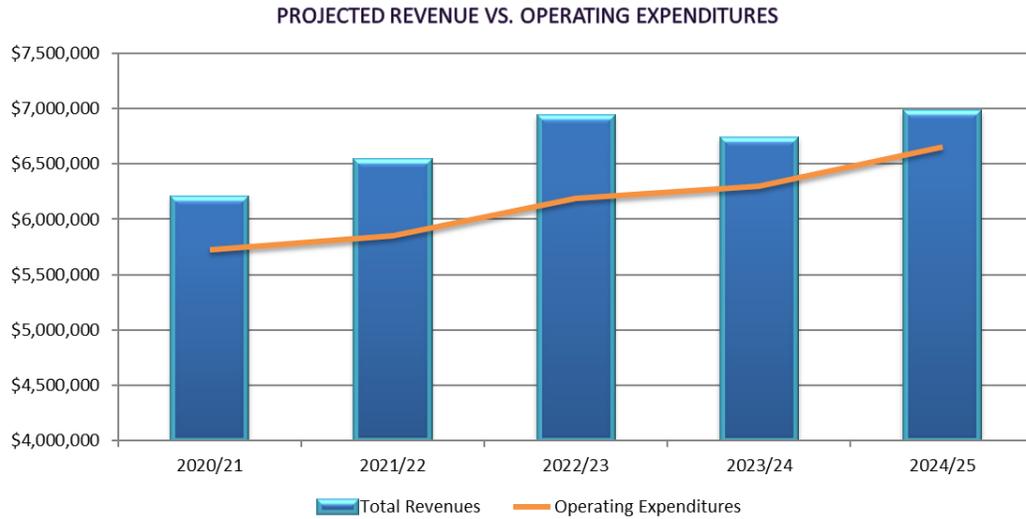
Operating Expenditures:

- 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 per year consistent with the most recent information received from CalPERS and calculations from new GovInvest Software. In December 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.

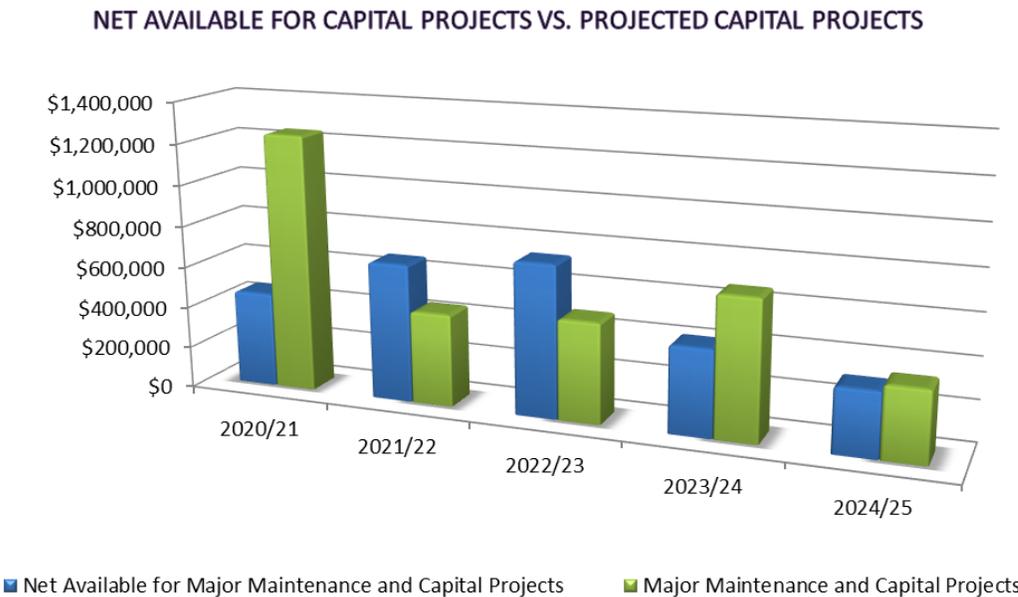
Major Maintenance and Capital Projects: Detail on the projected major maintenance and capital projects is found on pages 45-61.



Five Year Projections (Cont.)



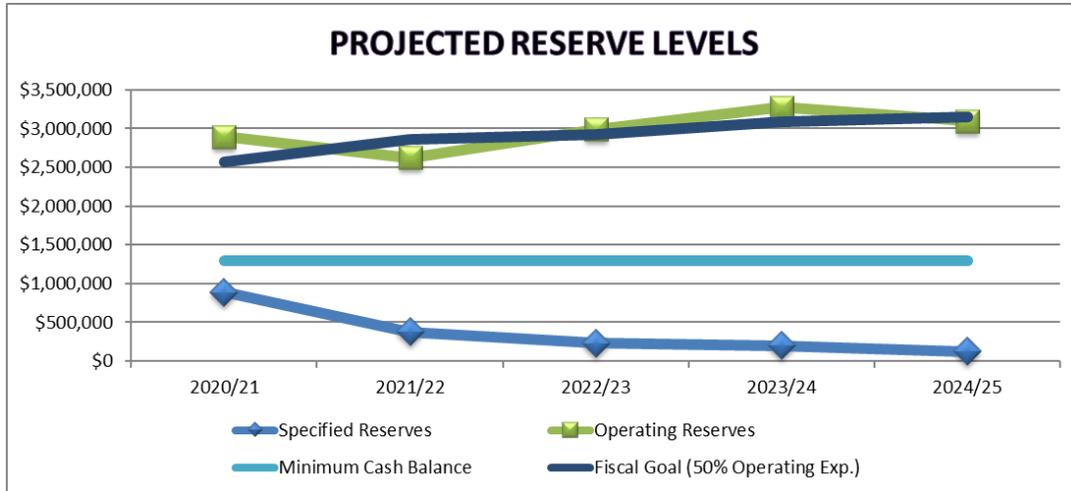
The revenues continue to outpace the operating expenditures and the difference between the projected revenue and operating expenditures is used to fund major maintenance and capital projects. Detail on the projected capital projects can be found on pages 52-60.



The difference between the net available for capital projects and the projected capital projects represents an increase or decrease in reserves. During the budgeting process The District evaluates the need for the use of reserves for major maintenance and capital project.



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)

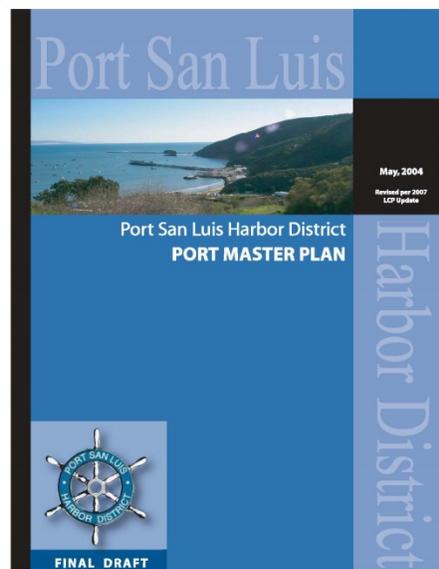
Port San Luis should be a harbor with protected, maintained, and enhanced resources that balances the environmental, social, and economic needs of the District and the various user groups. (Chapter 3 of the Port San Luis Master Plan)

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 2020/21 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 2020/21 budget includes \$1,300,000 to extend the mobile hoist pier.]

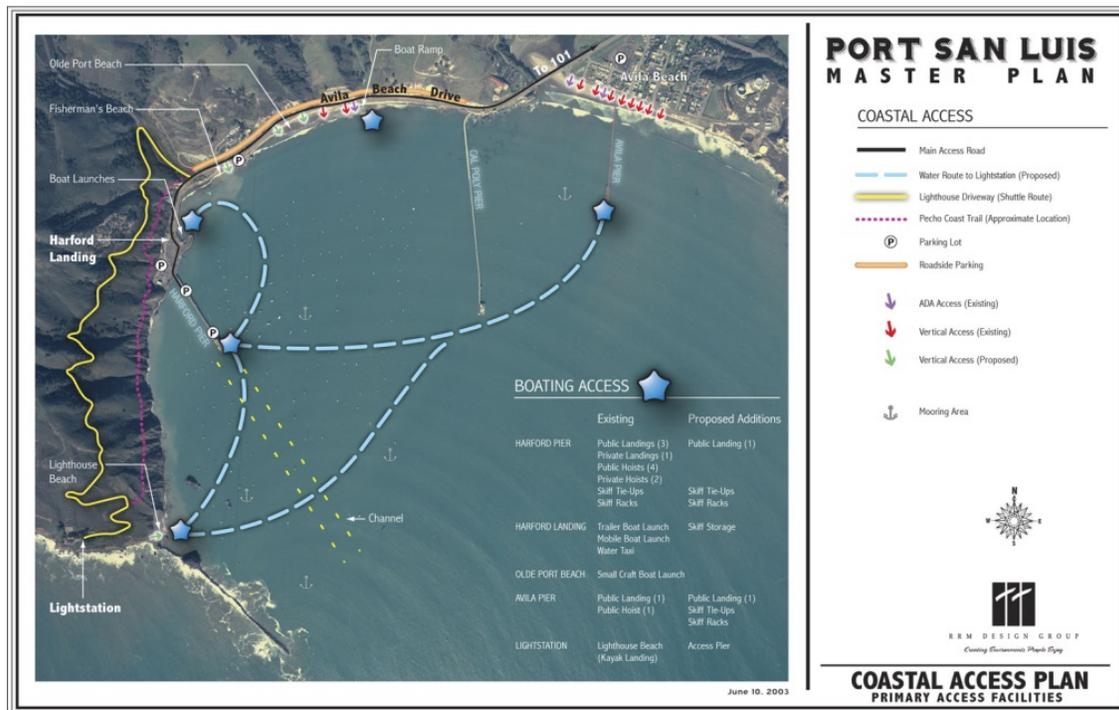


FIGURE 19

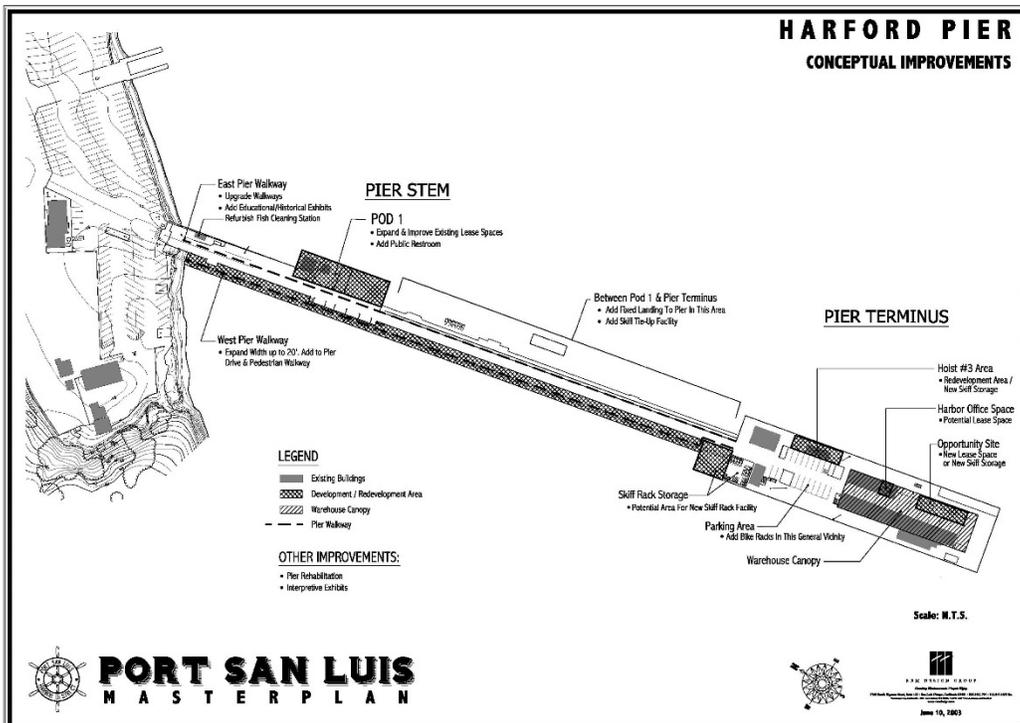


Long-Term Goals and Strategies (Cont.)

(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.





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 2020/21 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.

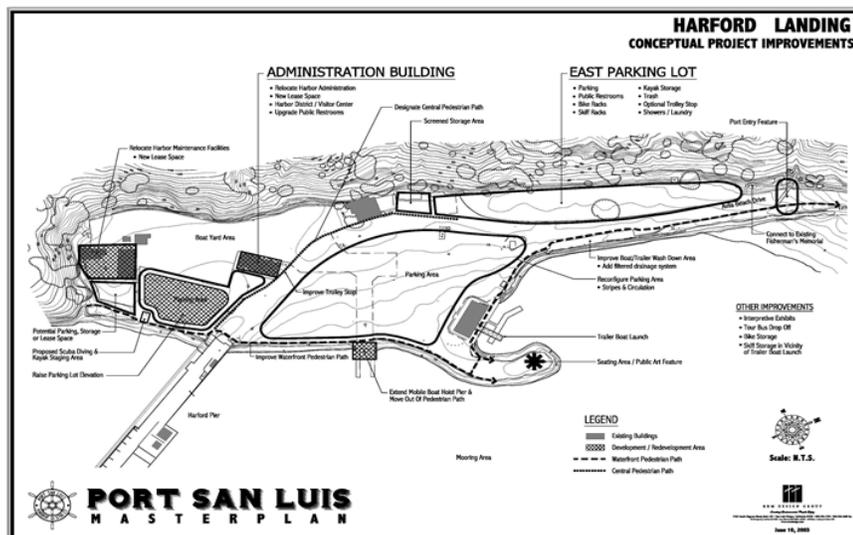


FIGURE 13



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)

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.

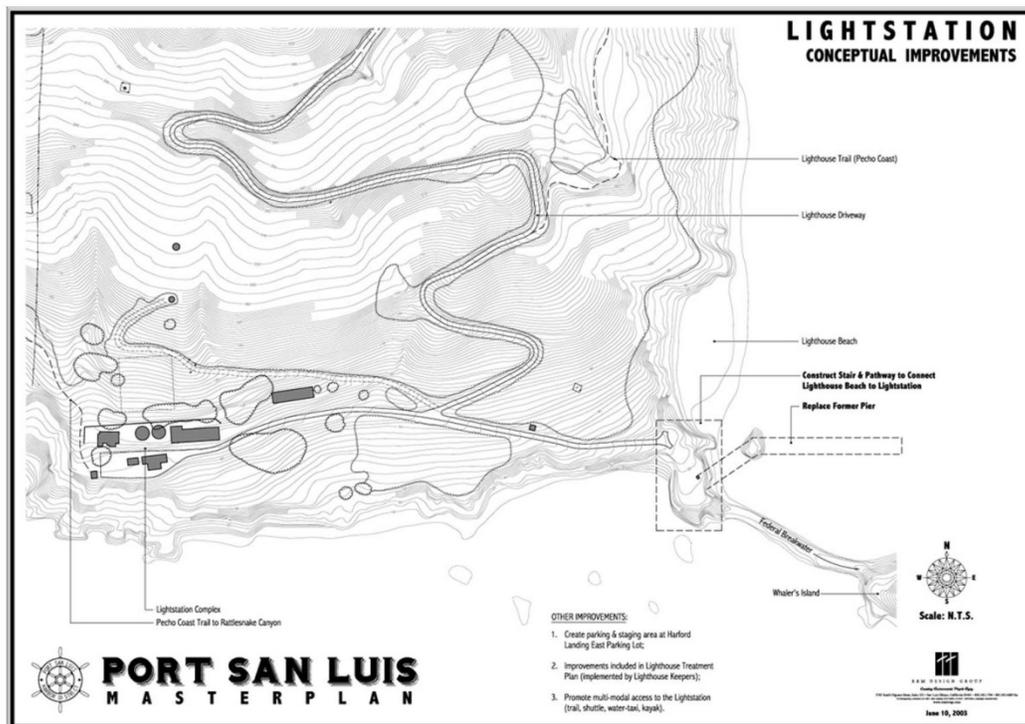


FIGURE 16



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 64].
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 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. In FY19, Avila Pier rehabilitation project completed the inspection and assessment of the piles. The design drawings for immediate repair, and full repair design drawings is expected to be completed at 2019/20 fiscal year end. This phase has been funded in the 2020/21 budget.

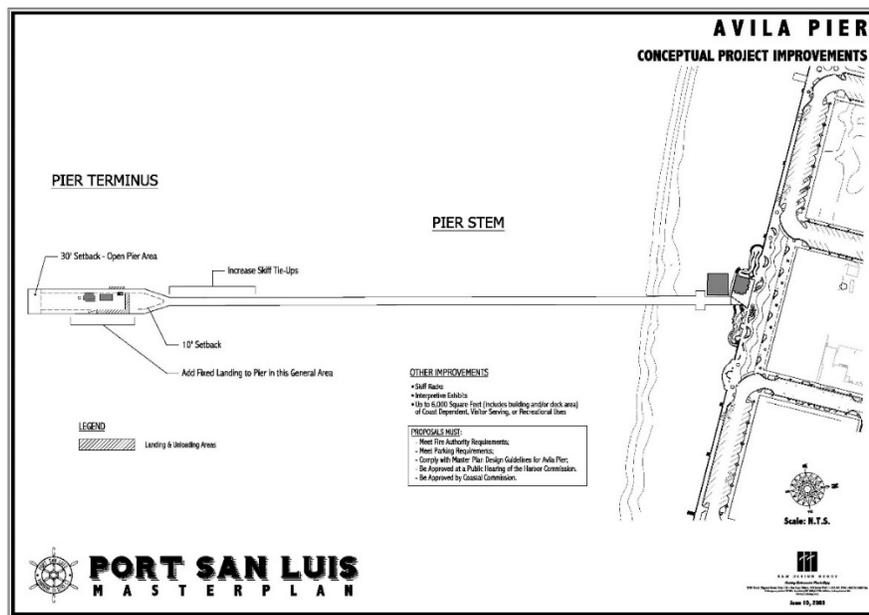


FIGURE 17



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 \$533,700 in 2019/20. 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 2020/21 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 2020/21 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 2020/21 fiscal year-end. Using 2020/21 estimated expenditures the operating reserve should be approximately \$2.9 million. The reserve shall never be lower than \$1.3 million to ensure that District cash flow needs are met.

Investment Policy

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

- **Safety:** Safety of principal is the foremost objective of the investment program. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.
- **Liquidity:** The investment portfolio will remain sufficiently liquid to enable the District to meet all operating requirements, which might be reasonably anticipated.



District Policies and Guidelines (Cont.)

- **Return on Investments:** The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.



Basis of Budgeting

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

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

Accounting Basis

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

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



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.

Investment Resources – The District relies on its investment reserves (specified reserves and operating reserves) to fund major maintenance and capital project budgets in a budget cycles where operating reserves and grants are insufficient to cover the cost of all projects. Such reserves are invested in the Local Agency Investment Fund (LAIF) and the Franklin US Government Securities Fund ("Franklin"). Preservation of capital is a primary investment objective of these funds.



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 use



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>

LAIF: Local Agency Investment Fund is a voluntary State investment pool administered by the Treasurer of the State of California into which cities and other local governmental entities may invest idle funds. ... LAIF staff has managed to achieve exceptional yields over the life of the investment pool considering its emphasis on safety and liquidity. <http://www.treasurer.ca.gov>

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>