



REVISED

Staff Report

TO: Board of Harbor Commissioners

FROM: Steve McGrath, General Manager
Glenn Lazof, Interim Director of Administrative Services

DATE: April 20, 2016

SUBJECT: Adoption of San Mateo County Harbor District Preliminary Budget
2016/17 Fiscal Year

Recommendation/Motion:

The Board of Commissioners may approve Resolution 12-16 adopting the 2016/17 Preliminary Budget as recommended by Staff, and as revised at this meeting.

Recommendation: Review the proposed Preliminary Budget for Fiscal Year 2016/17

Motion: Approve the 2016/17 Preliminary Budget and Adopt Resolution 12-16

Policy Implications:

Harbors and Navigation Code 6093 provides statutory requirements for budget development.

Fiscal Implications/Budget Status

This is this Commission's third opportunity to review of the proposed budget for the next fiscal year. The Final Budget will be brought to you for approval at the June 15, 2016 regular meeting. Staff will continue to bring additional budget updates and/or related items prior to adoption of the Final Budget; all changes requested will be considered at the time of adoption of the Final Budget.

Alternatives Considered:

This Preliminary Budget reflects staff recommendations and Commission direction to date.

Background/Discussion:

This Commission is charged with developing a budget in two stages: by adopting a preliminary budget prior to June 15 of each fiscal year (H&N 6093) and delivering a final budget to the County Board of Supervisors by August 1 of each year (H&N 6093.3).

Tracked changes in this report indicate the more significant changes since the "First Look" budget was presented at the March 25 regular meeting.

The Budget that this Commission adopts is the primary tool used to illustrate to the public how funds are received and spent, and where the priorities of this Commission are, especially related to capital and major maintenance projects. The document must be clear and understandable to the non-financial member of the public. In addition to the charts in this report, staff is preparing additional materials for your meeting.

Staff remains committed to developing an improved budget for the 2016/17 fiscal year that will address transparency concerns of both LAFCO and the Civil Grand Jury. The District's Budget goal is that 2017/18 FY Budget will be worthy of application to receive the Government Finance Officers Association for Distinguished Budget Presentation.

The Preliminary Budget to be approved for FY 2016/17 is a consolidated budget, shown below, in the Consolidated Summary Table under the Proposed Preliminary Budget 16 17 column. Revenues are projected on the low side, expenditures on the high side

**San Mateo County Harbor District
Consolidated Budget
Fiscal Year 2016/17 Preliminary Budget
Summary Annual Comparison**

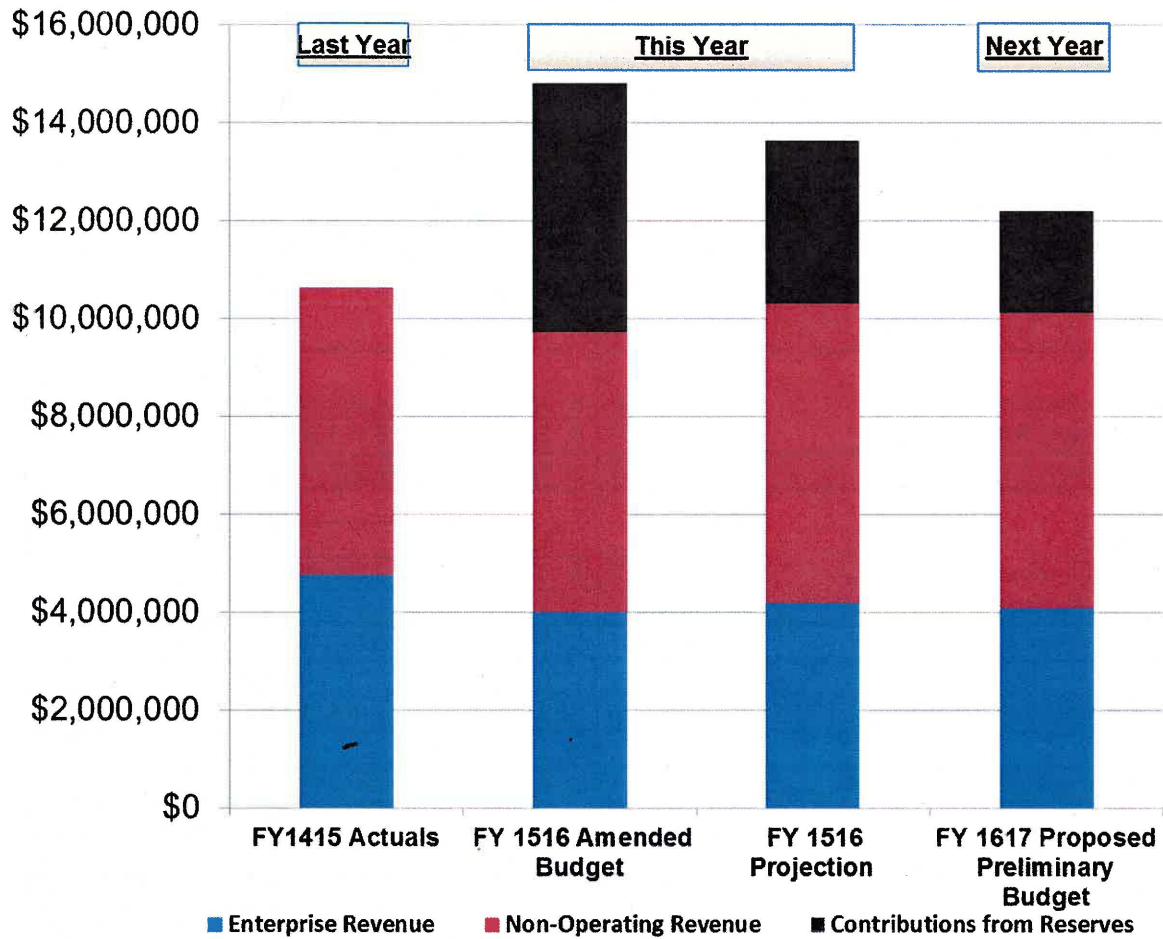
	FY 1415 Actuals	FY 1516 Amended Budget	FY 1516 Projection		FY 1617 Proposed Preliminary Budget
Revenue:					
Enterprise Revenues	\$ 4,747,627	\$ 4,004,433	\$ 4,194,026		\$ 4,078,500
Non Operating Revenue	\$ 5,853,653	\$ 5,701,429	\$ 6,113,090		\$ 6,026,890
Total Revenues:	\$ 10,601,281	\$ 9,705,862	\$ 10,307,116		\$ 10,105,390
Expense:					
Salaries and Benefits	\$ 4,303,919	\$ 4,277,995	\$ 3,820,608		\$ 4,591,513
Operating Excluding Personnel	\$ 3,095,642	\$ 3,207,786	\$ 2,910,795		\$ 3,403,493
Total Operating Expense	\$ 7,399,561	\$ 7,485,781	\$ 6,731,403		\$ 7,995,006
Net Operating Profit/(Loss)	\$ 3,201,720	\$ 2,220,081	\$ 3,575,714		\$ 2,110,385
Non - Operating Expense (Debt)	\$ 1,937,684	\$ 6,430,231	\$ 6,418,756		\$ -
Capital Expenditures	\$ 233,395	\$ 874,985	\$ 478,613		\$ 4,191,000
Total Expenditures	\$ 9,570,640	\$ 14,790,997	\$ 13,628,772		\$ 12,186,006
Increase (Reduction) to Reserves	\$ 1,030,641	\$ (5,085,135)	\$ (3,321,655)		\$ (2,080,615)
14/15 Fund Balance Adjustment*			1,204,194		
Total Reserves	\$ 16,396,802	\$ 11,225,055	\$ 14,192,729		\$ 12,048,514

* The Unassigned reserve has been increased to reflect the unaudited year end fund balance form FY 2015, and subsequent changes to the reserve projected for 2015/16 and 2016/17.

The first column above represents the addition of unaudited Fiscal Year 2014/15 actuals, as recorded in the Financial System. The FY 1516 Amended Budget is the current budget for 2015/16, followed by the 1516 projection. Updated projections will be considered as the final budget is prepared for adoption.

The last column is the staff recommended Preliminary Budget. Note that nearly half of the \$4,100,000 in Capital Projects is funded by the revenue in excess of operating expenses (operating net). Detail is attached at the end of this report.

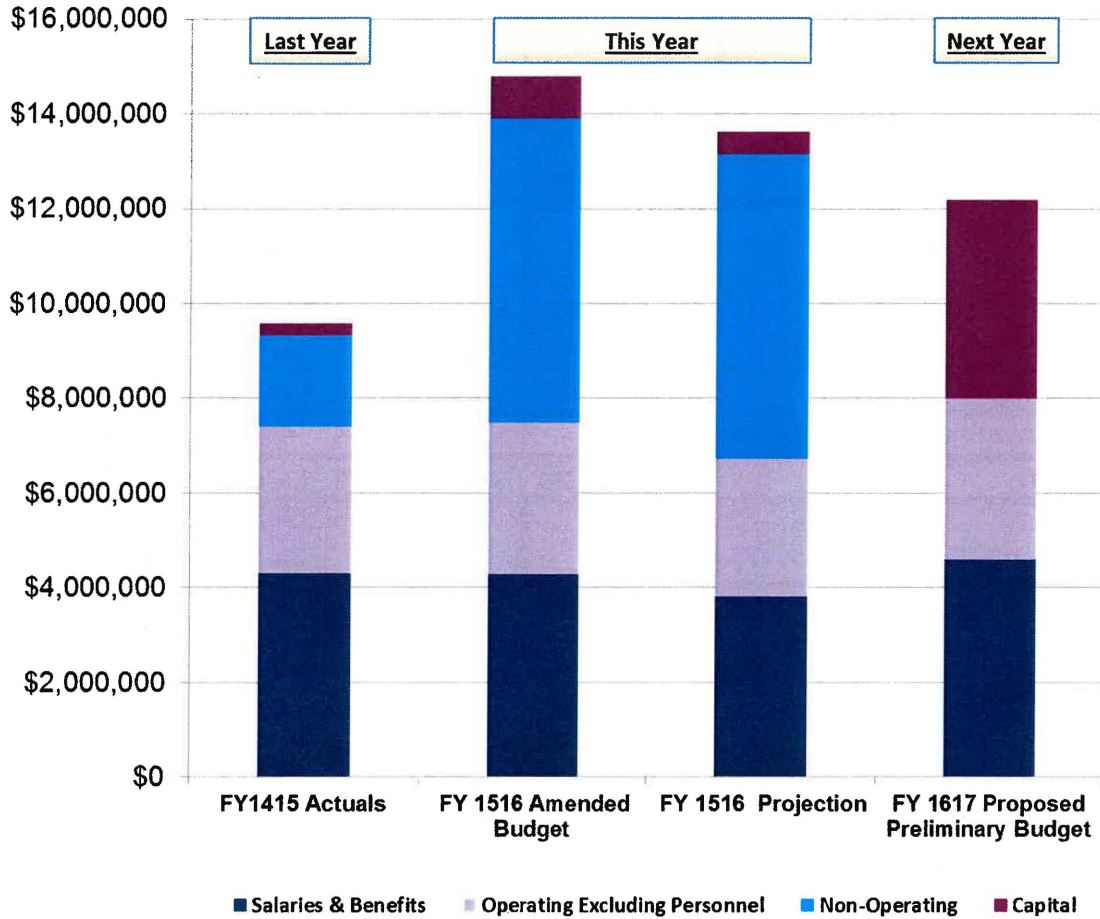
**San Mateo County Harbor District
Consolidated Sources of Funding
Fiscal Year 2016-2017 Preliminary Budget**



Above is a graph displaying the consolidated sources of funding (actual, projected, proposed) over a three year period.

Below is a graph displaying consolidated expenses over the same three year period. Note the blue disappears in the proposed budget, reflecting no loan payments for the first time in two decades.

San Mateo County Harbor District Consolidated Expenses including Capital 2016-2017 Preliminary Budget



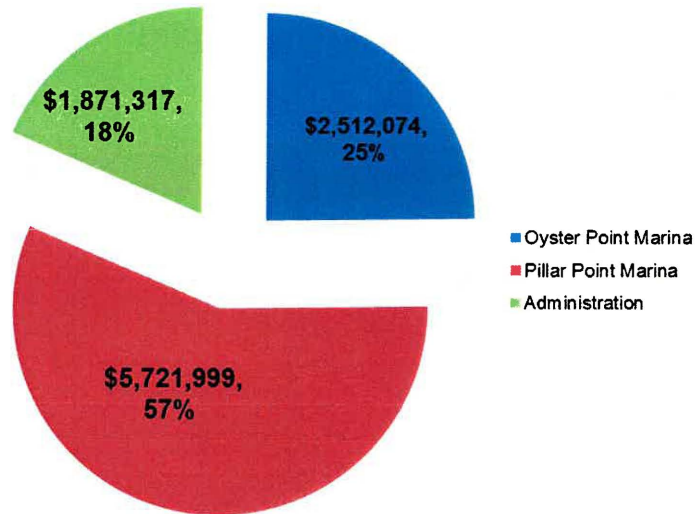
Below is the Budget Summary by Department; the full detail is at attached to the end of this report:

**San Mateo County Harbor District
Fiscal Year 2016/17 Preliminary Budget
Summary By Department**

	Total	OPM	PPH	Admin
Revenue				
Enterprise Revenues	\$ 4,078,500	\$ 1,582,159	\$ 2,496,341	\$ -
Non Operating Revenue	\$ 6,026,890	\$ 929,915	\$ 3,225,658	\$ 1,871,317
Total Revenues:	\$ 10,105,390	\$ 2,512,074	\$ 5,721,999	\$ 1,871,317
Expense				
Salaries and Benefits	\$ 4,591,513	\$ 1,423,192	\$ 1,873,881	\$ 1,294,441
Operating Excluding Personnel	\$ 3,403,493	\$ 660,219	\$ 1,172,661	\$ 1,570,612
Total Operating	\$ 7,995,006	\$ 2,083,411	\$ 3,046,542	\$ 2,865,053
Allocation of Enterprise Administration	\$ -	\$ 448,680	\$ 545,055	\$ (993,735)
Operating Net	\$ 2,110,385	\$ (20,017)	\$ 2,130,402	\$ 0
Capital Expenditures	\$ 4,191,000	\$ 643,000	\$ 3,548,000	\$ -
Total Expenditures	\$ 12,186,006	\$ 3,175,091	\$ 7,139,597	\$ 1,871,317
Increase (Reduction) to Reserves	\$ (2,080,615)	\$ (663,017)	\$ (1,417,598)	\$ 0

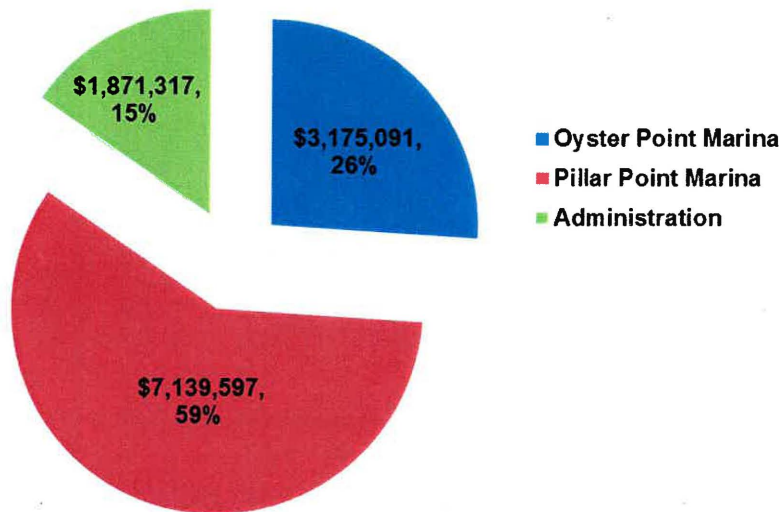
Below is a chart displaying the revenues by department.

Revenues by Department



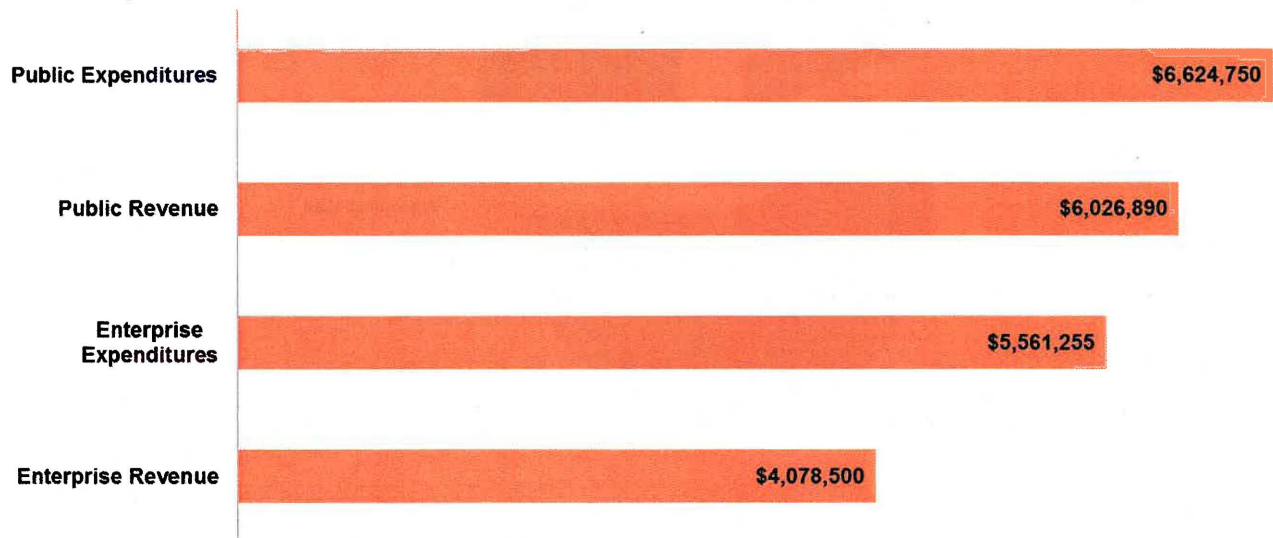
Below is a chart displaying the Expenditures by department.

Expenditures by Department



Below is a chart displaying the Public and Enterprise (P&E) Expenditures on a district wide basis.

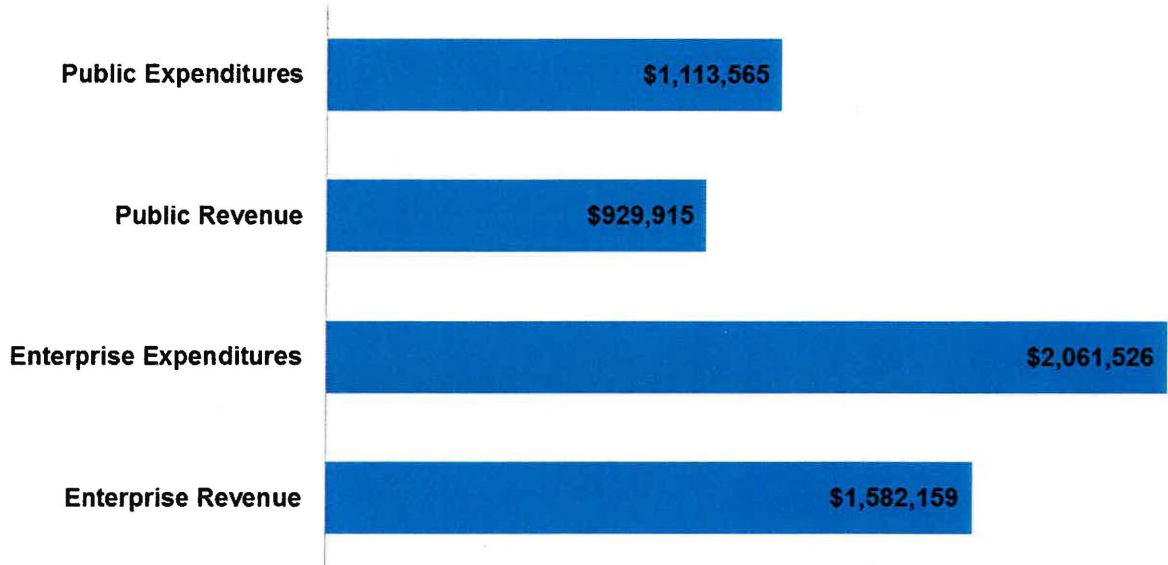
Consolidated P&E Including Capital



- Property Tax Revenue is apportioned to OPM and PPM to backfill the Public, or non-enterprise activity costs
- Property Tax Revenue is inadequate to cover all Public Functions especially when Capital Expenditures are included.
- The shortfall is allocated to the two departments (PPH and OPM) which have Capital Expenditures.

Below is a graph demonstrating Oyster Point Revenues and Expenditure with the Public and Enterprise Expense allocation

Oyster Point P&E Including Capital



Below is a graph demonstrating Pillar Point Revenues and Expenditure with the Public and Enterprise Expense allocation.

Pillar Point P&E Including Capital



Below is a graph demonstrating Administration Revenues and Expenditure with the Public and Enterprise Expense allocation. There are no enterprise revenues or expenses in the Administrative Function. The objective is that Administrative expenses associated with enterprise activities would be supported by enterprise revenues.

Administrative cost of enterprise functions are reallocated to the enterprise functions at Pillar Point Harbor and Oyster Point Marina. The allocation is pro-rated to OPM and PPH based on the relative size of Enterprise operating expenses in each.

Administration P&E

Public Expenditures		\$1,871,317
Public Revenue		\$1,871,317
Enterprise Expenditures	\$-	
Enterprise Revenue	\$-	

The Budget Summary demonstrating Public and Enterprise functional projections and the full detail are attached to the end of this report.

Budget Detail Notes

Revenues:

Berth, Boat Wash, Dock Boxes, Expense Reimbursement, Late Fees, and Live aboard Fees: These revenues were all coming in ahead of budget at mid-year. For this Preliminary Budget, the projections for next year are increased conservatively below current year projections; these will be adjusted upward if the trend continues.

DBW Abandoned Vessel Grant; /Other Grants: The mid-year did not reflect reimbursements pending of approximately \$50,000. This revenue item should net out to 90% of our actual vessel removal expenditures, which is currently running at about \$90,000 a year. Staff is also projecting that we will receive grant funding for the two Oil Spill Trailers to be purchased in 2016/17.

Event Application, Permits, Parking Fines, Hoist fees, Interest Income, Mooring fees, and Special Events: These revenues are coming in below 2015/16 budget projections. These are conservatively budgeted at a 15/16 straight line to actual projection for next year.

Laundry Revenue: Laundry Room at Oyster Point was opened after Mid-year, therefore projection at straight line for current year is conservative. If increased revenue from Oyster Point is material, future proposals will reflect.

Miscellaneous Reimbursement: Reduction from current year to compensate for one time windfall (from Coastside water \$114,461) last fall. The refund from El Granada Community Services District (\$44,072) was not received until after midyear, but it is reflected in 15/16 projection.

Rents and Concessions: Conservatively, 2016/17 is proposed at less than the straight line actual projection. Next year's projection also assumes that we would receive at least minimum base rent for the Oyster Point Bait Shop and that the Commission will reduce unloading un-loading fees up to \$3 a ton for wet fish.

Interest Income: Reduced proportionately (\$16,000) to reflect the lower balance in investment fund as a result of DBW loan pay off.

State Mandated Cost: Holding at this year's budget until more information is available.

Property Tax: This revenue includes Educational Revenue Augmentation Funds (ERAF) and ongoing revenues which resulted from the dissolution of Redevelopment Agencies in San Mateo County. Staff's conservative projection is for 3.8% increase per year for property tax and ERAF, and projecting stability in funding from the Redevelopment Property Tax Trust, although higher increases are projected by the County Tax office.

Expenditures

PERSONNEL COST ASSUMPTIONS: Pay and benefits projections for 2016/17 reflect approved contracts, or pending contract discussions, insofar as the Status is known to Interim Director of Administrative Services as of April 11. Any actual temporary under-filling or backfilling would create salary savings.

Retirement: The District received 2016/17 PERS rates and unfunded liability payments shortly after the First Look budget was prepared. The new PEPRA rate increased to 6.555% from 6.237%, for non PEPRA the rate went from 9.4% to 9.498%. Total payment for unfunded liability for both plans went down slightly from \$291,210 to \$290,286. The net impact was a cost increase of approximately \$2,000 for the year.

Medical Insurance: Assume current rates, plans, and participation, recent district positions in collective bargaining and for now, assumption of a 10% rate increase in January. This projection will continue to be refined as employee agreements are finalized.

Salaries and Wages: Includes projected step increases for current employees and assumes that active vacant positions will be filled on July 1, 2016. Housing and vehicle allowances are included in this line item.

Social Security and Medicare: Reflects that regular hire positions will replace temporary hires, which in turn reduces Social Security costs.

Unemployment Insurance: Our claims history has been minimal, but we wish to keep the projection conservative.

Workers Compensation: There is a large reduction in cost, relative to "First Look", based on at least one lower quote that has been obtained.

Position Control is displayed at the end of this report.

OPERATING EXPENDITURES:

Bad Debts: Collections have been substantially improved allowing us to reduce this expense. The projection for 2015/16 will be adjusted to reflect the projected bad debt write off for current year.Claims Settlement: None anticipated for 2016/17.

Collection Services – Conservative reduction projected.

Computer Software: The District has postponed normal software purchases until after resolution of the IT contract and resolution of server issues, therefore slow rate of spending during first half of 2015/16 is not expected to continue.

Computer Hardware: Equipment with a unit cost less than \$10,000

Contract Services: Professional Services - We can plan reduction due to completion of the GM recruitment, and our current recruitments are an efficient combination of RGS and in house activities. It is assumed that contracted interim placements (Interim Administrative Services Director by the end of August, Robert Half Finance Professionals (Finance), end of October will be replaced by regular hires early in the new fiscal year. The remaining amount will cover RGS HR support through the year, at a savings over a full time HR Director, while transitioning away from other RGS

administrative support by the end of September. Line item also includes funds for Auditors Fees. This includes a one-time expense for a consultant to assist with processing an operation and maintenance permit application with the Coastal Commission and other agencies, and \$75,000 for an ADA survey as directed in previous CIP discussion. This has been reduced \$38,000 since "Second Look".

Contract Services – Legal Counsel: Staff's projection for legal expenses for the current fiscal year has been reduced from the "First Look" budget from to \$383,000. We are projecting the same \$383,000, amount for legal expenses in 2016/17. This reflects recent trends and will allow a \$25,000 increase to represent a focus on issues at our Harbors, particularly regarding documented boats. Staff will continue to monitor this positive trend, and further adjustments may be recommended for the Final Budget.

Professional Service IT: AppRiver charges and the Caspian IT contract, plus a provision for out of scope projects, such as searches required for PRA responses, and realigning our telecommunications for cost savings and efficiencies.

Insurance: We are seeking quotes from current vendor and JPA's. 2015/16 amount placeholder,

Elections: Assume that four seats are up in November. County Elections has recently estimated the cost of the 2016 election to be \$600,000, This is a major impact; this amount represents almost 18% of our operating expense.

Operating Supplies: Cautiously reducing in response to lower 2015/16 projection.

Personnel Administration: Recruitment and negotiation costs for are included in 2015/16. Line item reflects only ADP Payroll system charges going forward, contracted professional services costs are contained in that line item.

Repairs and Maintenance: Cautiously reducing closer to 2015/16 projection.

Non-Operating:

Principal and Interest– Cal Boating. Reflects pay off of the DBW loan

Capital Assets: (Over \$10,000 unit cost.)

Computer Hardware: No Capital Assets purchases are planned. The prior year amounts should not have been booked to Capital Asset accounts.

Projects not completed this year will be rolled into next year, subject to the CIP, in subsequent budget proposals.

Pillar Point Dredging – Increased to \$200,000 per Commission direction.

Oyster Point Bait Shop Building Repairs- Added per CIP Discussions

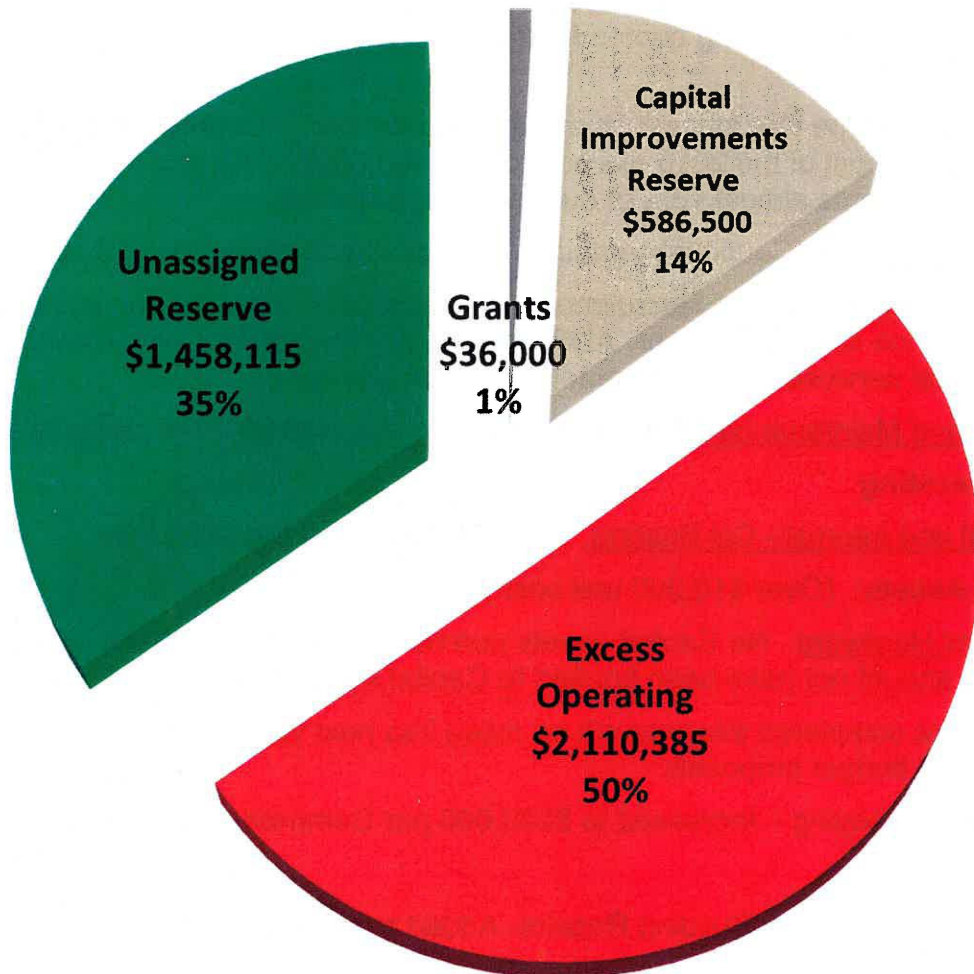
Oyster Point Asphalt Slurry Seal/Gravel: Reflects project completion in the current 2015/16.

Johnson Pier Deck and Piling Replacement - Added per CIP Discussions

West Trail – Increased to \$150,000 per Commission direction.

Fish Buyers Roof: -PPH: Reflects project completion in the current 20015/16.

**San Mateo County Harbor District
Capital Improvements 2016/17
Preliminary Budget Source of Funding
Total \$4,191,000**

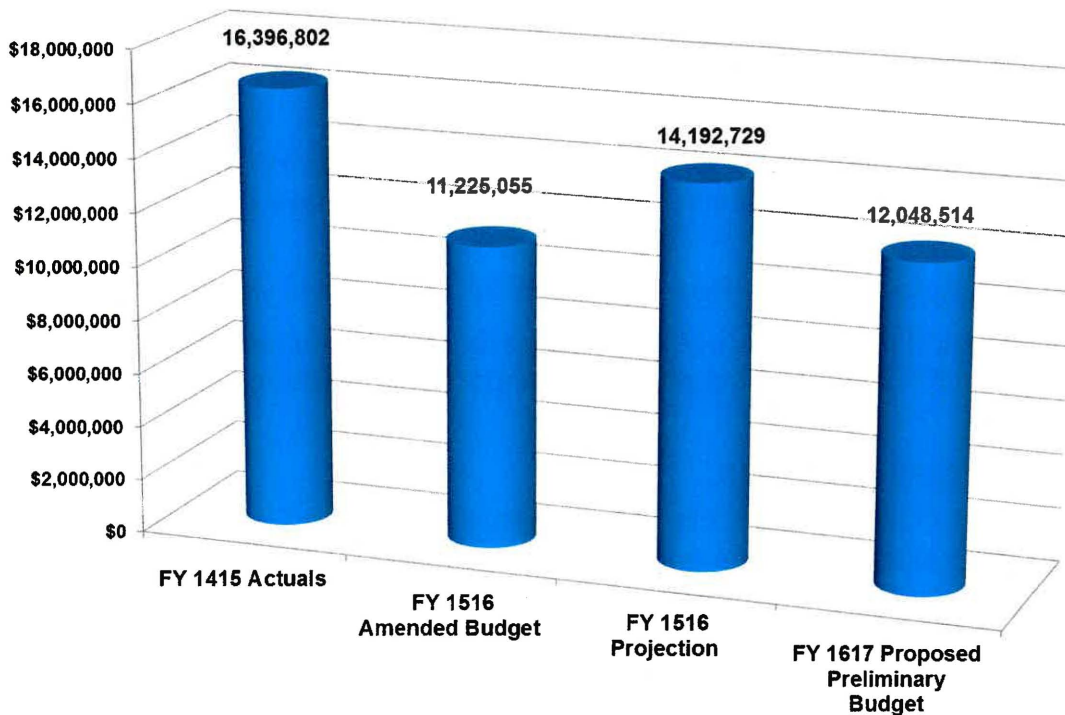


Reserves: The District has built up large reserves due to past underinvestment in known Capital needs.¹ The reserves shown in the preliminary budget reflect the staff recommended policy, but will be adjusted to reflect the final policy as it is finally adopted by this Commission .

Reserves in the Preliminary Budget for 2016/17 are 119% of projected annual revenues, the unassigned reserves alone are 59% of projected expenditures.²

Staff will bring to the Finance Committee a Reserves Policy that will establish and maintain needed reserves in a manner balanced with District priorities including financial responsibility. Regardless of designation, per recently adopted budget policy, any expenditure from reserves must be approved by the Board of Commissioners.

San Mateo County Harbor District Total Reserves 2016-2017 Preliminary Budget



¹ A projection of completion of the CIP through fiscal year 2021, using excess operating net (actual and projected) at the average of 2014/15-2016/17, leaves reserves at 130% of current revenues on June 30, 2021, with no additional grants or financial support received from other agencies.

² By comparison, San Mateo County projected a reserve of 12.4% for fiscal year 2016/17, the last year of the two year budget recommended on June 24, 2015.

Restricted for Debt Service - DBW Loan Collateral: Funds redirected to Loan Pay Off in the 2015/16 fiscal year.

Committed Emergency Reserve: Staff knows of no basis for a reserve of this size, especially in light of the security afforded by the large unassigned reserve.

Committed Reserve for District Office: Staff is no longer recommending elimination of this reserve.

Committed Capital Improvement Projects Reserve: Proposed to expend on catching up on several years of deferred Capital Improvements going forward. Future reserve policy will re-establish based on life of District Assets and Strategic Plan.

Assigned Reserve for Encumbrances: Normally such a reserve represents funds allocated for outstanding purchase orders as of June 30, 2016. The orders would be those that have been placed but not received, and funds are available for the purchase. This reserve is not necessary at this time, if unfilled purchase orders are in existence on June 30, 2016, we plan to have sufficient appropriations in the 2016/17 budget to cover the amount due on receipt of the goods, or completion of the work. The balance has been moved to unassigned reserve.

Assigned for Payable Liability: Basis for projection is yearend 2014/15 Accounts Payable.

Assigned for Customer Deposits and Pre-Payments: Basis for projection is year-end 2014/15 Customer Pre-Paids and Deposits: Corrections have been made to 15/16 Projection

Termination Accrual Liability Reserve: Basis for projection is yearend 2014/15

The Unassigned reserve has been increased to reflect the unaudited year end fund balance from FY 2015, and subsequent changes to the reserve projected for 2015/16 and 2016/17

Summary/Recommendation:

The Board of Commissioners may approve Resolution 12-16 adopting the P2016/17 Preliminary Budget as recommended by Staff, and as revised at this meeting.

Attachments:

Preliminary Budget
Resolution 12-16



**PRELIMINARY OPERATING AND CAPITAL BUDGET
2016/17 FISCAL YEAR**

CONSOLIDATED

**San Mateo County Harbor District
Consolidated Budget
Fiscal Year 2016/17 Preliminary Budget
Consolidated Detail Annual Comparison**

	FY 1415 Actuals	FY 1516 Amended Budget	FY 1516 Projection	FY 1617 Proposed Preliminary Budget
Revenues:				
Enterprise Revenues				
Berth Rental	2,641,370.84	2,561,583	2,769,538	2,666,000
Boat Wash	11,359	9,600	13,298	12,000
County Parking Fines	8,602	8,350	7,818	7,800
DBW-Abandoned Vessel Grant; Other Grants	29,098	160,000	70,000	117,000
Dock Boxes	7,850	8,000	7,540	7,500
Event Application	7,700	11,850	1,900	1,900
Event Permit	11,915	11,400	6,790	6,800
Hoist Fees	5,016	5,500	320	300
Late Fees	10,859	11,000	16,010	13,000
Launching Fees	123,196	116,000	117,332	116,500
Laundry Revenue - Web	7,121	5,500	7,368	7,400
Live Aboard	296,395	285,000	300,976	293,000
Mooring Fees	37,661	41,000	31,762	31,500
Asset Disposal	766,647	-	-	-
Special Events Revenues	-	34,200	17,314	17,000
Rents & Concessions	782,837	735,450	826,060	780,800
Enterprise Revenue Subtotal	4,747,627	4,004,433	4,194,026	4,078,500
Other Operating Revenue				
Interest Income	99,749	76,500	57,773	42,000
Miscellaneous Revenue	65,259	37,300	181,800	31,400
State Mandated Cost	35,876	87,629	202,544	87,629
Tax Revenues	5,652,769	5,500,000	5,670,973	5,865,861
Other Operating Revenue Subtotal	5,853,653	5,701,429	6,113,090	6,026,890
Total Revenues:	10,601,281	9,705,862	10,307,116	10,105,390

FY 1415 Actuals

FY 1516 Amended
Budget

FY 1516 Projection

FY 1617
Proposed
Preliminary
Budget**Expenses**

	FY 1415 Actuals	FY 1516 Amended Budget	FY 1516 Projection	FY 1617 Proposed Preliminary Budget
Salaries/Benefits:				
Health Insurance-Medical Cost	653,959	711,736	626,463	687,785
Life Insurance/ Disability/ EAP	41,894	49,175	44,008	55,236
Retirement	226,734	606,267	523,439	566,204
Salaries and Wages (Incl Housing and Vehicl Allow)	2,513,901	2,713,178	2,238,447	2,969,591
Social Security / Medicare	44,982	41,295	62,495	47,651
Post Employee Benefit	621,945	400	192,450	157,997
Unemployment Insurance Tax	18,388	4,000	-	14,408
Workers' Compensation Ins.	182,117	151,944	133,306	92,641
Total (Salaries/Benefits)	\$ 4,303,919	\$ 4,277,995.00	3,820,608	4,591,513
Operating Expenses				
Advertising & Promotion	19,882	21,700	25,554	21,700
Auto Mileage	2,224	2,400	1,023	2,400
Bad Debts	43,036	140,000	-	60,000
Bank Service Charges	4,865	5,250	4,824	5,000
Claims Settlement	-	68,200	135,576	-
Collection SVC Expense	12,655	16,000	4,601	10,000
Computer-Software	-	13,500	2,364	13,500
Computer - Hardware (below \$10K)	-	-	19,700	8,500
Contractual Serv- Professional	468,480	524,880	772,000	362,662
Contractual-Retained Counsel	433,552	465,361	383,000	383,000
Contractural Services - IT	33,492	70,300	60,200	63,700
Credit Card Fees	32,027	25,200	30,979	31,000
Employee Appreciation Dinner	4,149	5,000	-	-
Employee Recognition	66	600	-	-
Equipment Rent	27,674	24,657	16,433	16,500
Handling Fees for Citations	-	1,400	1,532	1,500
Insurance Premiums	261,528	289,135	289,135	289,000
LAFCO Fees	6,182	7,500	7,500	7,500
Land Vehicles-Fuel	8,682	11,500	7,468	9,500
Launch Ramp Fish Disposal	3,040	3,300	2,432	2,900
Memberships, Dues & Subscript.	17,724	18,150	17,142	17,150
Miscellaneous Expenses	19,616	3,500	3,421	3,500
Elections	513,378	-	-	600,000
Office Furniture & Fixtures	-	4,000	4,000	4,000
Office Rental - Admin	92,241	85,800	84,300	87,900

	FY 1415 Actuals	FY 1516 Amended Budget	FY 1516 Projection	FY 1617 Proposed Preliminary Budget
Office Supplies	23,836	25,000	22,112	22,100
Oil Clean-Up Supplies	884	3,500	7,445	7,500
Operating Supplies	57,693	80,000	48,814	70,000
Patrol Boat - Fuel	6,814	6,900	6,718	6,900
Permits/License Fees	2,233	2,900	50	1,500
Personnel Admin	42,048	25,070	32,966	16,500
Postage	8,793	10,500	9,265	10,000
Property Tax Admin. Costs	46,437	29,000	25,817	26,000
Removal of Hazardous Materials	-	5,000	5,062	5,100
Repairs & Maintenance	177,689	469,343	182,000	469,781
Relocation Expense	19,625	-	-	-
Sewer Fees	46,687	47,500	47,500	47,500
Special Events	7,873	13,000	1,666	13,000
Training Prof Development	17,212	45,000	7,299	45,000
Travel Conf & Mtg	13,123	13,200	10,730	13,200
Uniform Related Expenses	15,911	16,500	14,240	16,500
Utilities	456,564	468,040	538,927	539,000
Vessel Destruction	147,728	140,000	77,000	93,000
Total Operating (Excluding Wages)	\$ 3,095,642	\$ 3,207,786	\$ 2,910,795	\$ 3,403,493
Operating Net (Deficit)	\$ 3,201,720	\$ 2,220,081	\$ 3,575,714	\$ 2,110,385
Non-Operating:				
Depreciation Expense		0		
Interest Expense-Cal Boating	272,573	485,487	485,487	0
Principal-Cal Boating	1,665,111	5,944,744	5,933,269	0
Correcting JE Acct	-	0	0	0
Total (Non-Operating)	\$ 1,937,684	\$ 6,430,231	\$ 6,418,756	\$ -
Capital Expenditures:				
Prior Period Exp Acct	-	6,085.00	-	-
Computer-Hardware	5,124	6,750	-	-
Dredging Services (PPH and OPM)	-	70,000.00	-	230,000
Paystations	2,524	22,150	20,865	-
Oil spill trailers 2 PPH and OPM	-	-	-	36,000
Bait Shop Building	-	-	-	60,000
Maint. Bldg. settling; develop and implement solution OPM	-	-	-	20,000
Paving maintenance and replacement OPM	-	-	-	100,000
Replacement Truck OPM	-	-	-	40,000
Transformers on Docks 1 - 6 (OPM)	-	-	-	250,000

	FY 1415 Actuals	FY 1516 Amended Budget	FY 1516 Projection	FY 1617 Proposed Preliminary Budget
Landscaping; tree replacement OPM	-	5,000.00	-	10,000
Paving /storm water at new r/room bldg. OPM	-	-	-	40,000
Replacement of docks 12, 13, 14 OPM	-	125,000.00	-	75,000
Dock Repair West End OPM	27,410	-	-	-
OPM Asphalt Slurry Seal/Gravel	-	-	56,758	-
OPM Dock 12	-	50,000	-	-
Tidal Design - Flood Control	-	25,000	25,000	-
Trash Compactor	0	40,000	30,865	0
Dock fingers PPH	-	-	-	600,000
Electrical Underground (replace non-traffic covers and rings) PPH	-	-	-	75,000
Fishing Pier Rip Rap PPH	-	-	-	25,000
Flow Meters (required) on sewer lift stations PPH	-	-	-	50,000
Light Pole Retrofits to LED Energy Savings PPH	-	-	-	150,000
Patrol Boat Maintenance	-	120,000	120,000	350,000
Paving maintenance and replacement PPH	-	-	-	200,000
Pier Deck and Piling Replacement	-	-	-	250,000
Replace H Dock then additional commercial docks PPH	-	-	-	75,000
Replace water (domestic) to floats from pier, including flex lines PPH	-	-	-	10,000
Replacement truck and cart PPH	-	-	-	40,000
Romeo Pier Study/Renovation	-	50,000	50,000	600,000
PPH West Trail Repairs	40	100,000	100,000	150,000
Enlarge sidewalks at commercial area. Overall PPH site plan	-	-	-	150,000
Harbor Office Remodel (ADA, Services) PPH	-	50,000.00	-	50,000
Johnson Pier Work Dock area - addtl space (portion of TIGER) PPH	-	-	-	100,000
Launch Ramp Restroom (and design/permit) PPH	-	35,000	-	50,000
New trench drains at boat ramp area PPH Specs	-	-	-	40,000
Piling replacement at sales dock PPH	-	-	-	20,000
Storm drain box replacements PPH	-	-	-	60,000
Utility upgrades (water, electricity); pier PPH	-	-	-	150,000
Feasibility Study Expand PPH 71 Berths	152,663	-	-	-
Fish Buyer Roof	-	-	27,000	-
Fishing Pier Repair Project	28,946	100,000	-	100,000
HoistReplacement	-	-	48,125	-
Launch Ramp Maintenance	-	10,000	-	10,000
Mooring Replacements	16,495	25,000	-	25,000
PPH Lessee Sidewalk	-	35,000	-	-
Sewer Repairs	193	-	-	-
Total (Capital Expenditures)	\$ 233,395	\$ 874,985	\$ 478,613	\$ 4,191,000
Total All Expenses:	\$ 9,570,640	\$ 14,790,997	\$ 13,628,772	\$ 12,186,006

	FY 1415 Actuals	FY 1516 Amended Budget	FY 1516 Projection		FY 1617 Proposed Preliminary Budget
Increase (Reduction) to Reserves	\$ 1,030,641	\$ (5,085,135)	\$ (3,321,655)		\$ (2,080,615)
Reserves					
Restricted for Debt Service -DBW Loan Collateral	1,701,349	0	-		-
Debt Service Liability -DBW Loan Payment due 12/31/2015	1,393,094	-	-		-
Committed for Emergency Reserve	1,619,464	1,619,464	1,619,464		-
Committed Reserve for District Office	1,526,218	1,526,217	1,526,217		1,526,217
Committed Capital Asset Replacement Reserve	586,500	586,500	586,500		-
Assigned for Encumbrances	431,217	500,000	500,000		-
Assigned for Payable Liability	251,873	300,000	300,000		458,134
Assigned for Customer Deposits and Pre-Payments	547,940	500,000	500,000		533,657
Assigned for Unfunded Termination Benefit Liability	4,315,710	3,795,197	3,795,197		3,594,992
Unassigned	4,023,438	2,397,677	5,365,351		5,935,514
Total All Reserves:	\$ 16,396,802	\$ 11,225,055	\$ 14,192,729		\$ 12,048,514



SAN MATEO COUNTY HARBOR DISTRICT

**PRELIMINARY OPERATING AND CAPITAL BUDGET
2016/17 FISCAL YEAR**



SAN MATEO COUNTY HARBOR DISTRICT PRELIMINARY OPERATING AND CAPITAL BUDGET FOR THE 2016/17 FISCAL YEAR

BOARD OF COMMISSISONERS:

Tom Mattusch, President
Virginia Chang Kiraly, Vice-President
Robert Bernardo, Secretary
Pietro Parravano, Treasurer
Sabrina Brennan, Commissioner

STAFF:

Steve McGrath, General Manager
Glenn Lazof, Interim Director of Administrative Services

BACKGROUND

Harbor District's Scope of Operations:

The District was founded in 1933 with boundaries coterminous with the County of San Mateo.

Pillar Point Harbor in Princeton, the 6th largest commercial fishing harbor in the State, was designated by the State of California Harbors and Navigation Code Section 70.5 as a harbor of safe refuge, along with other harbors lining the coastline of California. The District began to create Pillar Point Harbor as a harbor of refuge for the commercial fishing fleet and other vessels in the late 1940s. After the Army Corps of Engineers built the federal breakwater in 1959-61, major harbor developments in the 1980s were financed by loans from the California Department of Boating and Waterways ("DBW"), now a Division of the State Parks Department. On Board action on April 6, 2016, all these loans have now been paid off in their entirety, three and a half years early.

In 1977, the District took over operations of the City of South San Francisco's Oyster Point Marina/Park under a Joint Powers Agreement and completed that marina's development with more DBW loans through the 1980s. The District's loan balance for the DBW funds totaled \$19.77 million in 1997. On Board action on April 6, 2016, all these loans have now been paid off in their entirety, three and a half years early.

The District operates as an enterprise agency, receiving operational revenues from berth rents, live aboard fees, small boat launch fees, lease rents, and other fees and charges toward meeting operational expenses. These enterprise revenues and expenses are shown in this preliminary budget.

In addition, the District contributes substantial resources towards providing services and maintenance of a number of public facilities and activities.

These include:

- Coastal trail access and maintenance;
- Beach access;
- Public fishing piers
- Park and landscape maintenance
- Public parking
- Free Wi-Fi
- Trash Removal
- Bay trail access and maintenance;
- Search and Rescue Operations
- Toxic Environmental Clean-up
- Public events
- Public restrooms
- Public Education

These non-enterprise public services and activities serve a broader segment of the County population and visitors than just boaters. The District receives no direct revenues from the public for these facilities or services. Rather the District uses its share of the property tax revenue paid to all special districts within the County to offset these costs to continue to provide these popular facilities and services. Examples include partnering with the federal government on addressing federal beach erosion and also repair of a popular well-used shoreline trail. Both projects have significant community interest and affect a wide range of visitors to the Pillar Point Harbor area. These public revenues and expenses are shown in this preliminary budget.

In addition to operational responsibilities at Pillar Point Harbor in Princeton and Oyster Point Marina/Park in South San Francisco, the District also assists other agencies both within and outside the County, including the City of San Francisco for vessel traffic control assistance during major events and Search and Rescue operations in conjunction with the US Coast Guard out of Yerba Buena Island in San Francisco Bay. Oyster Point Marina/Park, in addition to bay-side Search and Rescue activities, it may assist County communities having San Francisco Bay shorelines with water transit-related emergency preparation and response. Lastly, the District may join with the County and its municipalities in addressing the challenges of adapting to sea level rise.

DISTRICT FINANCIAL HIGHLIGHTS

Debt Retirement: At its meeting of April 6, 2016, this Commission voted to direct staff to arrange for early retirement of all debt with the Division of Boating and Waterways. This was completed on April 13, 2016, saving the District in excess of \$500,000 in interest payments over the course of the loan.

Capital Improvements: The Harbor District continues to maintain and enhance its harbor, water and land based facilities based on review of periodic facilities condition surveys. The District continues to update its schedule of capital improvements and repairs needed in coordination with the District's budget process.

The 2016/17 Preliminary Budget proposes an ambitious program of capital improvements and major maintenance, in excess of \$3.4 million at Pillar point Harbor, and in excess of \$600,000 at Oyster Point Marina.

BUDGET HIGHLIGHTS

What is a Budget? The District's budget is Staff's best estimate of the expenditures needed to operate and maintain District facilities for the upcoming fiscal year. It is an itemized summary of estimated revenues and expenditures for a given period, in this case, Fiscal Year 2016-17. But the budget is more than just a projection of receipts and disbursements: It is a working document of a financial plan for the Harbor Commission and the public that identifies the operating costs considered essential to the successful operation of the District for that given period. It is subject to amendment, when circumstances warrant, e.g., responding to unanticipated emergency events, such as storm damage to facilities caused by a natural or human-made disaster, such as a major storm or a toxic spill. When unexpected or unplanned events occur, as happens during the fiscal year, Staff requests the Commission to amend the original adopted budget.

Estimated Revenue: Total revenue for Fiscal Year 2016-17 is projected to be \$10,105,390. This is composed of projected revenues from harbor users of \$4,078,500, and represents a minimal increase over last year's budget.

Non-Operating Revenues for FY 2016-17 are projected to be \$6,026,890, of which property taxes and ERAF are the majority.

Estimated Expenses: Combined Expenditures for FY2016-17 are projected to be \$12,249,606. Of this amount, operating expenditures are projected to be \$8,058,606, and capital project outlays are projected to be \$4,191,000, consisting largely of repair and replacement projects for both Oyster Point Marina/Park and Pillar Point Harbor, along with design and permitting costs for a handful of future projects. These projects are funded in part by net revenue, and in part by a reduction in reserves by \$2,144,215, for a projected reserve balance at June 30, 2017 of \$11,794,583. This assumes that staff is successful in completing a very ambitious program of capital improvements, that costs are, in aggregate, as estimated, and that no grant funds are awarded to offset District costs. For the first time in many years, the budget does not include principal and interest payments on debt to the Division of Boating and Waterways.

FUTURE OUTLOOK

The future outlook for the District is sound. The District has eliminated its debt. The District will expand its efforts to seek ways to increase and diversify its revenues, to respond more cost-effectively to the opportunities and challenges arising from Pillar Point Harbor's growing importance as a regional coastal destination and activity center, to continue to work closely with the City of South San Francisco to promote development opportunities at the Oyster Point Marina/Park. In addition, both harbors will continue their activities to maintain their respective Clean Marina Certifications, as well as expand activities with the San Mateo County Resource Conservation District to further identify and address the upland sources and causes of water quality impacts.

With its County-wide jurisdiction, the Harbor District will work with all County and public entities to continue to address the serious sea level challenges facing San Mateo County.

With this Preliminary Budget for 2016-17, staff has, for the first time, identified and allocated revenues and expenses to both enterprise and non-enterprise, or public functions. This process will continue to be refined to properly reflect the revenue and cost associated with providing services.

All-in-all, the District is poised to continue to enhance harbor and public use areas for the benefit of all County and non-County residents who come to enjoy all the harbors, parks and shoreline areas the District offers.

ACKNOWLEDGEMENTS

Preparation of the Budget, as always, has been a team effort of the Commissioners, management and staff.



**PRELIMINARY OPERATING AND CAPITAL BUDGET
2016/17 FISCAL YEAR**

BY DEPARTMENT

**2016 2017 Preliminary Budget
By Department**

	Adminstration (Includes Commission)	Oyster Point Marina	Pillar Point Marina	Consolidated
Revenues:				
Enterprise Revenues				
Berth Rental	-	984,699	1,681,301	2,666,000
Boat Wash	-	4,160	7,840	12,000
County Parking Fines	-	462	7,338	7,800
DBW-Abandoned Vessel Grant; Other Grants	-	72,270	44,730	117,000
Dock Boxes	-	6,450	1,050	7,500
Event Application	-	150	1,750	1,900
Event Permit	-	85	6,715	6,800
Hoist Fees	-	-	300	300
Late Fees	-	4,782	8,218	13,000
Launching Fees	-	22,607	93,893	116,500
Laundry Revenue - Web	-	1,850	5,550	7,400
Live Aboard	-	165,760	127,240	293,000
Mooring Fees	-	-	31,500	31,500
Asset Disposal	-	-	-	-
Special Events Revenues	-	-	17,000	17,000
Rents & Concessions	-	318,884	461,916	780,800
Enterprise Revenue Subtotal	\$ -	\$ 1,582,159	\$ 2,496,341	\$ 4,078,500
Other Operating Revenue				
Interest Income	42,000	-	-	42,000
Miscellaneous Revenue	845	5,791	24,764	31,400
State Mandated Cost	87,629	-	-	87,629
Tax Revenues	1,740,843	924,124	3,200,894	5,865,861
Other Operating Revenue Subtotal	\$ 1,871,317	\$ 929,915	\$ 3,225,658	\$ 6,026,890
Total Revenues:	\$ 1,871,317	\$ 2,512,074	\$ 5,721,999	\$ 10,105,390

Expenses				
Salaries/Benefits:				
Health Insurance-Medical Cost	210,243	148,059	329,482	687,785
Life Insurance/ Disability/ EAP	19,460	14,574	21,202	55,236
Retirement	161,518	163,654	241,032	566,204
Salaries and Wages (Incl Housing and Vehicl Allow)	930,582	821,903	1,217,106	2,969,591
Social Security / Medicare	17,730	11,684	18,237	47,651
Post Employee Benefit	(56,632)	225,351	(10,722)	157,997
Unemployment Insurance Tax	4,133	4,399	5,876	14,408
Workers' Compensation Ins.	7,406	33,567	51,668	92,641
Total (Salaries/Benefits)	\$ 1,294,441	\$ 1,423,192	\$ 1,873,881	\$ 4,591,513
Operating Expenses				
Advertising & Promotion	8,332	5,875	7,493	21,700
Auto Mileage	282	282	1,835	2,400
Bad Debts	-	44,800	15,200	60,000
Bank Service Charges	600	2,240	2,160	5,000
Claims Settlement	-	-	-	-
Collection SVC Expense	-	4,329	5,671	10,000
Computer-Software	6,500	2,500	4,500	13,500
Computer - Hardware (below \$10K)	4,092	1,574	2,833	8,500
Contractual Serv- Professional	237,662	62,500	62,500	362,662
Contractual-Retained Counsel	309,255	31,554	42,190	383,000
Contractual Services - IT	46,278	6,222	11,200	63,700
Credit Card Fees	12,829	-	18,171	31,000
Employee Appreciation Dinner	-	-	-	-
Employee Recognition	-	-	-	-
Equipment Rent	7,081	4,127	5,291	16,500
Handling Fees for Citations	1,500	-	-	1,500
Insurance Premiums	105,265	76,556	107,179	289,000
LAFCO Fees	7,500	-	-	7,500
Land Vehicles-Fuel	-	3,298	6,202	9,500
Launch Ramp Fish Disposal	-	-	2,900	2,900

	Administration (Includes Commission)	Oyster Point Marina	Pillar Point Marina	Consolidated
Memberships, Dues & Subscript.	16,720	177	253	17,150
Miscellaneous Expenses	3,500	-	-	3,500
Elections	600,000	-	-	600,000
Office Furniture & Fixtures	4,000	-	-	4,000
Office Rental - Admin	87,900	-	-	87,900
Office Supplies	14,565	3,572	3,962	22,100
Oil Clean-Up Supplies	-	-	7,500	7,500
Operating Supplies	-	18,457	51,543	70,000
Patrol Boat - Fuel	-	1,091	5,809	6,900
Permits/License Fees	452	-	1,048	1,500
Personnel Admin	6,010	4,371	6,119	16,500
Postage	4,526	3,301	2,173	10,000
Property Tax Admin. Costs	26,000	-	-	26,000
Removal of Hazardous Materials	-	2,550	2,550	5,100
Repairs & Maintenance	-	144,619	325,162	469,781
Relocation Expense	-	-	-	-
Sewer Fees	-	-	47,500	47,500
Special Events	-	7,879	5,121	13,000
Training Prof Development	35,029	4,605	5,366	45,000
Travel Conf & Mtg	12,019	446	735	13,200
Uniform Related Expenses	-	5,893	10,607	16,500
Utilities	12,714	155,090	371,196	539,000
Vessel Destruction	-	62,310	30,690	93,000
Total Operating (Excluding Wages)	\$ 1,570,612	\$ 660,219	\$ 1,172,661	\$ 3,403,493
Allocation of Enterprise Administration	\$ (993,735)	\$ 448,680	\$ 545,055	\$ -
Operating Net (Deficit)	\$ 0	\$ (20,017)	\$ 2,130,402	\$ 2,110,385
Capital Expenditures:				
Computer-Hardware	-	-	-	-
Dredging Services (PPH and OPM)	-	30,000.00	200,000.00	230,000
Oil spill trailers 2 PPH and OPM	-	18,000.00	18,000.00	36,000
Bait Shop Building	-	60,000.00	-	60,000
Maint. Bldg. settling; develop and implement solution OPM	-	20,000.00	-	20,000
Paving maintenance and replacement OPM	-	100,000.00	-	100,000
Replacement Truck OPM	-	40,000.00	-	40,000
Transformers on Docks 1 - 6 (OPM)	-	250,000.00	-	250,000
Landscaping; tree replacement OPM	-	10,000.00	-	10,000
Paving /storm water at new r/room bldg. OPM	-	40,000.00	-	40,000
Replacement of docks 12, 13, 14 OPM	-	75,000.00	-	75,000
Dock fingers PPH	-	-	600,000	600,000
Electrical Underground (replace non-traffic covers and rings) PPH	-	-	75,000	75,000
Fishing Pier Rip Rap PPH	-	-	25,000	25,000
Flow Meters (required) on sewer lift stations PPH	-	-	50,000	50,000
Light Pole Retrofits to LED Energy Savings PPH	-	-	150,000	150,000
Patrol Boat Maintenance	-	-	350,000	350,000
Paving maintenance and replacement PPH	-	-	200,000	200,000
Pier Deck and Piling Replacement	-	-	250,000	250,000
Replace H Dock then additional commercial docks PPH	-	-	75,000	75,000
Replace water (domestic) to floats from pier, including flex lines PPH	-	-	10,000	10,000
Replacement truck and cart PPH	-	-	40,000	40,000
Romeo Pier Study/Renovation	-	-	600,000	600,000
PPH West Trail Repairs	-	-	150,000	150,000
Enlarge sidewalks at commercial area. Overall PPH site plan	-	-	150,000	150,000
Harbor Office Remodel (ADA, Services) PPH	-	-	50,000	50,000
Johnson Pier Work Dock area - addtl space (portion of TIGER) PPH	-	-	100,000	100,000
Launch Ramp Restroom (and design/permit) PPH	-	-	50,000	50,000
New trench drains at boat ramp area PPH Specs	-	-	40,000	40,000
Piling replacement at sales dock PPH	-	-	20,000	20,000
Storm drain box replacements PPH	-	-	60,000	60,000
Utility upgrades (water, electricity); pier PPH	-	-	150,000	150,000
Feasibility Study Expand PPH 71 Berths	-	-	-	-
Fish Buyer Roof	-	-	-	-
Fishing Pier Repair Project	-	-	100,000	100,000
HoistReplacement	-	-	-	-
Launch Ramp Maintenance	-	-	10,000	10,000
Mooring Replacements	-	-	25,000	25,000

	Adminstration (Includes Commission)	Oyster Point Marina	Pillar Point Marina	Consolidated
PPH Lessee Sidewalk				-
Sewer Repairs				-
Total (Capital Expenditures)	\$ -	\$ 643,000	\$ 3,548,000	\$ 4,191,000
Total All Expenses:	\$ 1,871,318	\$ 3,175,091	\$ 7,139,597	\$ 12,186,006
Increase (Reduction) to Reserves	\$ 0	\$ (663,017)	\$ (1,417,598)	\$ (2,080,615)



**PRELIMINARY OPERATING AND CAPITAL BUDGET
2016/17 FISCAL YEAR**

PUBLIC/ENTERPRISE

**San Mateo County Harbor District
Fiscal Year 2016/17 Preliminary Budget
Public and Enterprise Summary**

	Total		Consolidated	Oyster Point		Pillar Point		Admin	
	Public	Enterprise	Total	Public	Enterprise	Public	Enterprise	Public	Enterprise
Enterprise Revenues	\$ -	\$ 4,078,500	\$ 4,078,500	\$ -	\$ 1,582,159	\$ -	\$ 2,496,341	\$ -	\$ -
Other Operating Revenue	\$ 6,026,890	\$ -	\$ 6,026,890	\$ 929,915	\$ -	\$ 3,225,658	\$ -	\$ 1,871,317	\$ -
Total Revenues:	\$ 6,026,890	\$ 4,078,500	\$ 10,105,390	\$ 929,915	\$ 1,582,159	\$ 3,225,658	\$ 2,496,341	\$ 1,871,317	\$ -
Expense:									
Salaries and Benefits	\$ 2,561,513	\$ 2,030,000	\$ 4,591,514	\$ 715,768	\$ 707,424	\$ 1,106,943	\$ 766,938	\$ 738,802	\$ 555,639
Operating Excluding Personnel	\$ 2,002,782	\$ 1,400,709	\$ 3,403,492	\$ 267,328	\$ 392,891	\$ 602,939	\$ 569,722	\$ 1,132,515	\$ 438,097
Total Operating Expenses	\$ 4,564,296	\$ 3,430,710	\$ 7,995,005	\$ 983,096	\$ 1,100,315	\$ 1,709,883	\$ 1,336,659	\$ 1,871,317	\$ 993,735
Allocation of Enterprise Administration	\$ -	\$ -	\$ -	\$ -	\$ 448,680	\$ -	\$ 545,055	\$ -	\$ (993,735)
Net Operating (Profit/Loss)	\$ 1,462,595	\$ 647,790	\$ 2,110,385	\$ (53,182)	\$ 33,164	\$ 1,515,776	\$ 614,626	\$ 0	\$ -
Capital Expenditures	\$ 2,060,454	\$ 2,130,546	\$ 4,191,000	\$ 130,469	\$ 512,531	\$ 1,929,985	\$ 1,618,015	\$ -	\$ -
Total Expenditures	\$ 6,624,750	\$ 5,561,255	\$ 12,186,005	\$ 1,113,565	\$ 2,061,526	\$ 3,639,868	\$ 3,499,729	\$ 1,871,317	\$ -
Increase (Reduction) to Reserves	\$ (597,860)	\$ (1,482,755)	\$ (2,080,615)	\$ (183,651)	\$ (479,367)	\$ (414,210)	\$ (1,003,389)	\$ 0	\$ -

Public And Enterprise Functional Detail 2016/17 Fiscal Year

	Total		Oyster Point		Pillar Point		Administration	
	Public	Enterprise	Public	Enterprise	Public	Enterprise	Public	Enterprise
Revenues:								
Enterprise Revenues								
Berth Rental	-	2,666,000	-	984,699	-	1,681,301	-	-
Boat Wash	-	12,000	-	4,160	-	7,840	-	-
County Parking Fines	-	7,800	-	462	-	7,338	-	-
DBW-Abandoned Vessel Grant; Other Grants	-	117,000	-	72,270	-	44,730	-	-
Dock Boxes	-	7,500	-	6,450	-	1,050	-	-
Event Application	-	1,900	-	150	-	1,750	-	-
Event Permit	-	6,800	-	85	-	6,715	-	-
Expense Reimbursement	-	-	-	-	-	-	-	-
Hoist Fees	-	300	-	-	-	300	-	-
Late Fees	-	13,000	-	4,782	-	8,218	-	-
Launching Fees	-	116,500	-	22,607	-	93,893	-	-
Laundry Revenue - Web	-	7,400	-	1,850	-	5,550	-	-
Live Aboard	-	293,000	-	165,760	-	127,240	-	-
Mooring Fees	-	31,500	-	-	-	31,500	-	-
Asset Disposal	-	-	-	-	-	-	-	-
Special Events Revenues	-	17,000	-	-	-	17,000	-	-
Rents & Concessions	-	780,800	-	318,884	-	461,916	-	-
Enterprise Revenue Subtotal	-	4,078,500	-	1,582,159	-	2,496,341	-	-
Other Operating Revenue								
Interest Income	42,000	-	-	-	-	-	42,000	-
Miscellaneous Revenue	31,400	-	5,791	-	24,764	-	845	-
State Mandated Cost	87,629	-	-	-	-	-	87,629	-
Tax Revenues	5,865,861	-	924,124	-	3,200,894	-	1,740,843	-
Other Operating Revenue Subtotal	6,026,890	-	929,915	-	3,225,658	-	1,871,317	-
Total Revenues:	6,026,890	4,078,500	929,915	1,582,159	3,225,658	2,496,341	1,871,317	-

Expenses									
Salaries/Benefits:									
Health Insurance-Medical Cost	405,861	281,923	74,464	73,596	194,633	134,850	136,765	73,478	
Life Insurance/ Disability/ EAP	30,901	24,335	7,330	7,244	12,524	8,677	11,047	8,413	
Retirement	312,737	253,467	82,307	81,347	142,383	98,649	88,047	73,471	
Salaries and Wages (Incl Housing and Vehicl Allow)	1,678,315	1,291,276	413,361	408,542	718,972	498,134	545,983	384,600	
Social Security / Medicare	26,836	20,815	5,876	5,808	10,773	7,464	10,187	7,543	
Post Employee Benefit	47,286	110,711	113,336	112,015	(6,334)	(4,388)	(59,716)	3,084	
Unemployment Insurance Tax	7,936	6,471	2,212	2,187	3,471	2,405	2,253	1,880	
Workers' Compensation Ins.	51,640	41,002	16,882	16,685	30,522	21,147	4,236	3,170	
Total (Salaries/Benefits)	2,561,513	2,030,000	715,768	707,424	1,106,943	766,938	738,802	555,639	
Operating Expenses									
Advertising & Promotion	11,581	10,119	2,955	2,920	4,085	3,408	4,542	3,790	
Auto Mileage	1,296	1,104	142	140	1,001	835	154	128	

	Total		Oyster Point		Pillar Point		Administration	
	Public	Enterprise	Public	Enterprise	Public	Enterprise	Public	Enterprise
Capital Expenditures:								
Dredging Services (PPH and OPM)	-	230,000	-	30,000	-	200,000	-	-
Oil spill trailers 2 PPH and OPM	-	36,000	-	18,000	-	18,000	-	-
Bait Shop Building	-	60,000	-	60,000	-	-	-	-
Maint. Bldg. settling; develop and implement solution OPM	10,059	9,941	10,059	9,941	-	-	-	-
Paving maintenance and replacement OPM	50,293	49,707	50,293	49,707	-	-	-	-
Replacement Truck OPM	20,117	19,883	20,117	19,883	-	-	-	-
Transformers on Docks 1 - 6 (OPM)	-	250,000	-	250,000	-	-	-	-
Landscaping; tree replacement OPM	10,000	-	10,000	-	-	-	-	-
Paving /storm water at new r/room bldg. OPM	40,000	-	40,000	-	-	-	-	-
Replacement of docks 12, 13, 14 OPM	-	75,000	-	75,000	-	-	-	-
Dock fingers PPH	-	600,000	-	-	-	600,000	-	-
Electrical Underground (replace non-traffic covers and rings) PPH	44,304	30,696	-	-	44,304	30,696	-	-
Fishing Pier Rip Rap PPH	25,000	-	-	-	25,000	-	-	-
Flow Meters (required) on sewer lift stations PPH	29,536	20,464	-	-	29,536	20,464	-	-
Light Pole Retrofits to LED Energy Savings PPH	88,608	61,392	-	-	88,608	61,392	-	-
Patrol Boat Maintenance	206,753	143,247	-	-	206,753	143,247	-	-
Paving maintenance and replacement PPH	200,000	-	-	-	200,000	-	-	-
Pier Deck and Piling Replacement	147,681	102,319	-	-	147,681	102,319	-	-
Replace H Dock then additional commercial docks PPH	-	75,000	-	-	-	75,000	-	-
Replace water (domestic) to floats from pier, including flex lines PPH	-	10,000	-	-	-	10,000	-	-
Replacement truck and cart PPH	23,629	16,371	-	-	23,629	16,371	-	-
Romeo Pier Study/Renovation	600,000	-	-	-	600,000	-	-	-
PPH West Trail Repairs	150,000	-	-	-	150,000	-	-	-
Enlarge sidewalks at commercial area. Overall PPH site plan	-	150,000	-	-	-	150,000	-	-
Harbor Office Remodel (ADA, Services) PPH	29,536	20,464	-	-	29,536	20,464	-	-
Johnson Pier Work Dock area - addtl space (portion of TIGER) PPH	59,072	40,928	-	-	59,072	40,928	-	-
Launch Ramp Restroom (and design/permit) PPH	50,000	-	-	-	50,000	-	-	-
New trench drains at boat ramp area PPH Specs	40,000	-	-	-	40,000	-	-	-
Piling replacement at sales dock PPH	11,814	8,186	-	-	11,814	8,186	-	-
Storm drain box replacements PPH	35,443	24,557	-	-	35,443	24,557	-	-
Utility upgrades (water, electricity); pier PPH	88,608	61,392	-	-	88,608	61,392	-	-
Fishing Pier Repair Project	100,000	-	-	-	100,000	-	-	-
Launch Ramp Maintenance	-	10,000	-	-	-	10,000	-	-
Mooring Replacements	-	25,000	-	-	-	25,000	-	-
Total (Capital Expenditures)	\$ 2,060,454	\$ 2,130,546	\$ 130,469	\$ 512,531	\$ 1,929,985	\$ 1,618,015	\$ -	\$ -
Total All Expenses:	\$ 6,624,751	\$ 5,561,255	\$ 1,113,565	\$ 2,061,526	\$ 3,639,868	\$ 3,499,729	\$ 1,871,317	\$ -
Increase (Reduction) to Reserves	\$ (597,861)	\$ (1,482,755)	\$ (183,651)	\$ (479,367)	\$ (414,210)	\$ (1,003,389)	\$ 0	\$ -



**PRELIMINARY OPERATING AND CAPITAL BUDGET
2016/17 FISCAL YEAR**

POSITION CONTROL

Position Control

Classification/Position	# of Position	Status
GENERAL MANAGER	1	Active
DIRECTOR OF OPERATIONS	1	Vacant
DIRECTOR OF ADMIN. SERVICES	1	Vacant
HARBOR MASTER	2	Active
FINANCE DIRECTOR	0	Inactive
TBD SR Finance Position	1	TBD
HUMAN RESOURCE MANAGER	0	Inactive
PLANNER ANALYST	1	Vacant
ADMINISTRATIVE ANALYST	1	Vacant
ACCOUNTANT	1	Active
ACCOUNTING SPECIALIST	0	Inactive
DEPUTY SECRETARY	1	Vacant
ACCOUNTING TECH	3	2 Vacant
ADM ASST 2	1	Vacant
ADMINISTRATIVE ASSISTANT 1	0.75	Vacant
OFFICE ASSISTANT	0	Inactive
PROJECT COORDINATOR	0	Inactive
DEPUTY HARBORMASTER B	10	Active
DEPUTY HARBORMASTER A	5	Active
HARBOR WORKER C Lead MTC	2	Active
HARBOR WORKER B	2	1 Vacant
HARBOR WORKER A-Lifeguard	0	Inactive
Total	33.75	
Admin	8.75	
Core	25	

of Positions is the number of positions funded in the proposed budget

Active position, is funded and currently filled by a regular position

Vacant is funded but not currently filled

Inactive, not funded not filled

TBD Funded, but further Commission Approval required