

SAN MATEO COUNTY HARBOR DISTRICT
FINAL OPERATING AND CAPITAL BUDGET
FISCAL YEAR 2018/19

**“To assure the public is provided with clean, safe, well-managed,
financially sound and environmentally pleasant marinas.”**

BOARD OF COMMISSIONERS:

Virginia Chang Kiraly, President
Robert Bernardo, Vice President
Edmundo Larenas, Secretary
Tom Mattusch, Treasurer
Sabrina Brennan, Commissioner

This Page Intentionally Blank



FINAL OPERATING AND CAPITAL BUDGET FISCAL YEAR 2018/19 Table of Contents

	Page
1. Background and Outlook	5
2. Summary – Annual Comparison	13
3. Consolidated Budget	21
4. Consolidated Budget by Department	25
5. Public vs. Enterprise	31
6. Capital Expenditures	39
7. Reserves	43
8. Staffing Authority	47
9. Capital Improvement Projects – 5 Yr. Plan	51

This Page Intentionally Blank



FINAL OPERATING AND CAPITAL BUDGET FISCAL YEAR 2018/19

Background and Outlook

This Page Intentionally Blank



SAN MATEO COUNTY HARBOR DISTRICT FINAL OPERATING AND CAPITAL BUDGET FISCAL YEAR 2018/19

BOARD OF COMMISSISONERS:

Virginia Chang Kiraly, President
Robert Bernardo, Vice President
Edmundo Larenas, Secretary
Tom Mattusch, Treasurer
Sabrina Brennan, Commissioner

STAFF:

Steve McGrath, General Manager
John Moren, Director of Operations
Anita Pyle, Director of Administrative Services
Boomer Henthorne, Accounting Manager
David Doyle, Accountant

BACKGROUND

Harbor District's Scope of Operations:

The San Mateo County Harbor District is an independent special district created by San Mateo County in 1933 “to assure the public is provided with clean, safe, well-managed, financially sound and environmentally pleasant marinas”. The District is governed by a five-member Board of Harbor Commissioners (Board) and its jurisdiction is coterminous with that of San Mateo County.

The District presently operates two harbors. Pillar Point Harbor, located in the unincorporated community of Princeton on Half Moon Bay approximately twenty-five miles south of the City of San Francisco, is a 369-berth commercial fishing harbor that also supports sport fishing and recreational boating. Oyster Point Marina/Park consists of a 455-berth recreational marina, public beach and bayside park located in the City of South San Francisco. The District operates Oyster Point Marina/Park under a Joint Powers Agreement with South San Francisco, which owns the facility.

In 1948, the District created a harbor of safe refuge for the fishing fleet at Pillar Point per the State of California Harbors and Navigation Code Section 70.5. A federal breakwater was built by the Army Corps of Engineers in 1959-61, with an extension in 1967. The District constructed the harbor's docks and berths in the 1980s, along with a second, inner breakwater to provide further protection. This later work was financed by loans from the California Department of Boating and Waterways (DBW), now a Division of the State Parks Department.

In 1977, the District assumed operational control over the City of South San Francisco's Oyster Point Marina/Park. A Joint Powers Agreement was executed, giving the District the authority to improve and complete construction of a 600-berth recreational marina. Full build-out was accomplished during the 1980s again with loans from DBW. On Board action on April 6, 2016, all DBW loans were paid off in their entirety, three and a half years early.

The District operates both as an **enterprise agency** (generating revenue through fees) and as a provider of **public services** (non-revenue generating services that are made available to the public). Enterprise revenue is generated primarily from berth rentals, live aboard fees, boat launch fees, property rentals, and permit fees all of which go toward operational expenses. These enterprise revenues and expenses are shown in this Final Budget.

In addition, the District contributes substantial resources, both monetary and staff time, towards providing services and maintaining several public facilities and activities. Including:

- Coastal Trail access and maintenance
- Beach access
- Public fishing piers
- Park and landscape maintenance
- Public parking
- Trash removal
- Bay Trail access and maintenance
- Search and rescue operations
- Toxic environmental clean-up
- Public events
- Public restrooms
- Public education and outreach

These public services and activities serve a broad segment of San Mateo County's population and visitors. 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 special districts within San Mateo County, to offset the costs of providing these popular facilities and services. The District has partnered with the federal government on addressing beach erosion and repair of the Coastal Trail. These projects have significant community interest and affect a wide range of visitors to Pillar Point Harbor. These public revenues and expenses are shown in this Final Budget.

In addition to operational responsibilities at Pillar Point Harbor and Oyster Point Marina/Park, the District assists other agencies including the City of San Francisco with vessel traffic control during major events and the US Coast Guard out of Yerba Buena Island in San Francisco Bay with search and rescue operations. Oyster Point Marina/Park also assists San Mateo County communities having San Francisco Bay shorelines with water transit-related emergency preparation and response. Lastly, the District hopes to join

the municipalities of San Mateo County in addressing the challenges of climate change, specifically adapting to sea level rise.

DISTRICT FINANCIAL HIGHLIGHTS

Capital Improvements:

The Harbor District continues to maintain and enhance its harbor, water and land-based facilities. Upon periodic review of facility conditions, the District continues to update its schedule of capital improvement and repair needs in coordination with the budget process. The Fiscal Year 2018/19 Budget proposes an ambitious program of capital improvements, with over \$7.2 million worth of projects at Pillar Point Harbor, and \$2.1 million at Oyster Point Marina/Park. Capital improvements exceeding \$31 million are projected over the next five years.

Within the course of a fiscal year, capital projects may be either in the planning/design stage, planning/design and construction commenced, or construction completed. This FY 2018/19 Final Budget incorporates all three kinds of projects.

Elections:

This Budget reflects a biennial appropriation for election costs, mitigated by the establishment of an off-year reserve fund for 50% of the anticipated costs. While there has been discussion of a change in how District elections are conducted, this budget anticipates commissioners will be elected 'at large' in November 2018.

SHORT TERM FACTORS INFLUENCING DECISIONS

Short term factors influencing the District's decisions and projections include both internal and external factors, some of which are outside the control of the District.

Oyster Point Marina/Park:

The Joint Powers Agreement with the City of South San Francisco expires in 2026. In 2018 a proposed research and development project, resulting in a large-scale office development, will be breaking ground at Oyster Point. The Harbor District is engaged in discussions with South San Francisco to chart the District's role in the future management of the Marina and landside responsibilities.

This development is at the west end of the site, and with termination of the assigned leases, revenue has been affected, and reflected in this budget. There will be an impact on tenants, which may affect occupancy, in addition to impacts that we cannot currently anticipate.

For budget purposes, the assumption is that planning for capital projects will commence, and construction may begin.

In 2017, the District and the City of South San Francisco executed an implementation agreement regarding the transfer and termination of leases, but additionally provided for funds for the replacement of the fuel system, dependent on the formation by the City of a Community Facilities District (CFD). The budget assumes the formation of the District, the expenditure and reimbursement of funds for the initial improvements to the fuel system. Should the CFD not be formed, the District may elect to replace the fuel system at its cost or cease fuel services. Decommissioning of the system is then responsibility of the City.

Staffing:

The District is beginning the new fiscal year with one vacancy in Administration (Sr. Administrative Analyst) and two in Operations (Harbor Worker and Project Coordinator). Otherwise, the District is fully staffed, including positions long filled by temporary or interim positions. The Staffing Authority (Page 47) reflects the two additional positions added to the budget in Fiscal Year 2018/19.

The District has negotiated and executed 5-year contracts with both Operating Engineers Local Union 3 (OE3) and Teamsters Union Local No. 856. Impacts of these negotiations, which would take effect starting July 2018, are reflected in this FY2018/19 Final Budget.

Ordinances:

Staff will continue recommended revisions to District ordinances. Specifically, Staff will be reviewing the bail schedule for citations issued by the Harbor Patrol. Some of these citation amounts are outdated and have not kept up with mandatory distributions to San Mateo County and the State of California. Others may be insufficient to deter violations.

Leases:

Staff will be reviewing leases, with the aim of achieving compliance with the terms and conditions of each lease and proper payment of rents due.

BUDGET HIGHLIGHTS

What is a Budget?

A budget is an itemized summary of estimated revenues and expenditures for a given period of time. The District operates on a fiscal year, commencing July 1st and ending on June 30th. This budget represents staff's best estimate of the expenditures needed to operate and maintain District facilities for Fiscal Year 2018/19 (FY18/19).

However, 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 costs considered essential to the successful operation of the District for the year. It is subject to amendment, when circumstances warrant, e.g., responding to unanticipated emergency events, such as storm damage to facilities or a toxic spill. When unexpected or unplanned events occur, staff requests the Commission to amend the original adopted budget.

Estimated Revenue:

Total revenue for FY18/19 is projected to be \$13.1 million. This figure is composed of projected revenues from harbor users (Enterprise Revenue) of \$4.8 million and revenue from property taxes, interest and grants (Public Revenue) projected to be \$8.3 million. Total revenues are conservatively projected to exceed the FY17/18 adopted budget by 19%.

Estimated Expenses:

Expenditures for FY18/19 are projected to be \$19.7 million. Of this amount, operating expenditures are projected to be \$9.3 million and expenditures related to Capital Improvement Projects are projected to be \$10.4 million.

Reserves:

Capital improvements are funded in part by net operating revenue, and in part by a reduction in reserves of \$6.5 million for a projected reserve balance at June 30, 2019 of \$10.6 million. This reserve projection assumes:

- 1) Staff is successful in completing the ambitious capital improvements plan;
- 2) Revenues do not exceed the conservative projections reflected in the budget;
- 3) 100% of projected operating expenditures are expended.

OUTLOOK

The financial outlook for the District is sound. The District has ZERO debt and is seeking new ways to increase revenues, such as through grants. This will allow the District to respond cost-effectively to the opportunities and challenges arising from Pillar Point Harbor's growing reputation as a coastal tourist destination. The District will continue to work closely with the City of South San Francisco to promote development opportunities at Oyster Point Marina/Park.

The District is focused on providing the public with clean and environmentally pleasant facilities. Both harbors will continue to maintain their respective "Clean Marina" certifications and plan to work 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 other public entities to continue to address the serious climate change challenges facing San Mateo County, specifically sea level rise.

With this Final Budget for FY18/19, staff has for the third year, identified and allocated revenues and expenses to both enterprise (revenue generating) and public (non-revenue generating) 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 San Mateo residents and visitors alike who come to enjoy the harbors, parks and shoreline areas the District is proud to maintain and offer.

ACKNOWLEDGEMENTS

Preparation of the Final Budget has been a team effort of the Commissioners, Management and Staff.



FINAL OPERATING AND CAPITAL BUDGET FISCAL YEAR 2018/19

Summary – Annual Comparison

This Page Intentionally Blank

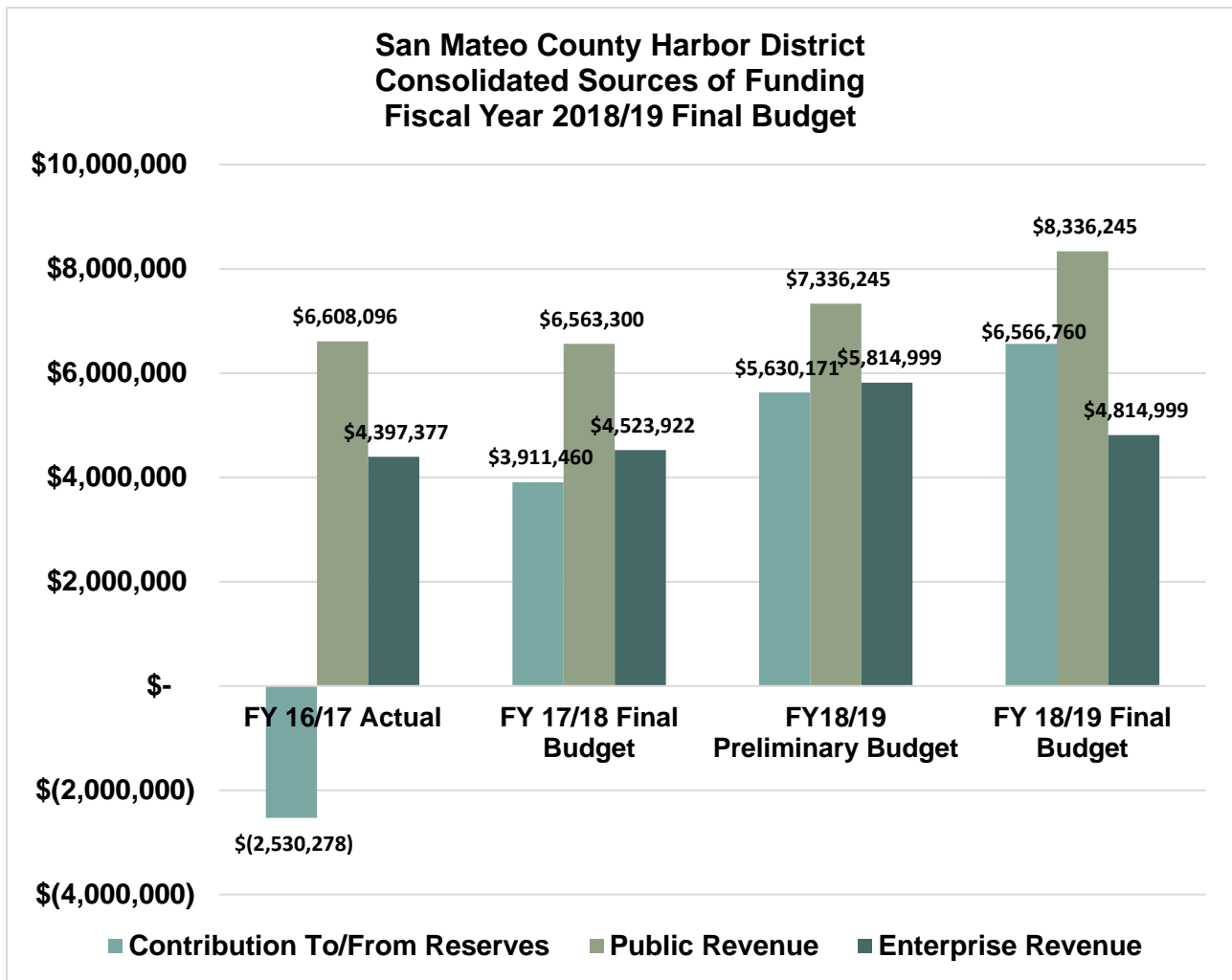
The chart below shows how the FY18/19 Final Budget compares to budgets of previous fiscal years. The column furthest to the right represents the percentage change from the FY18/19 Preliminary Budget to the FY18/19 Final Budget.

	FY 16/17 Actual	FY 17/18 Final Budget	FY 18/19 Preliminary Budget	FY 18/19 Final Budget	Variance From Preliminary
REVENUE:					
Enterprise Revenues	\$4,397,377	\$4,523,922	\$5,814,999	\$4,814,999	-17%
Public Revenues	\$6,608,096	\$6,563,300	\$7,336,245	\$8,336,245	14%
Total Revenues:	\$11,005,474	\$11,087,221	\$13,151,244	\$13,151,244	0%
EXPENSES:					
Salaries and Benefits	\$4,133,072	\$4,969,482	\$5,133,715	\$5,450,305	6%
Non-Personnel Expense	\$3,426,645	\$2,539,700	\$3,760,200	\$3,860,199	3%
Total Operating Expenses	\$7,559,717	\$7,509,182	\$8,893,915	\$9,310,505	5%
Net Operating	\$3,445,756	\$3,578,040	\$4,257,329	\$3,840,740	-10%
Capital Expenditures	\$915,478	\$7,489,500	\$9,887,500	\$10,407,500	5%
Total Expenditures	\$8,475,196	\$14,998,682	\$18,781,415	\$19,718,005	5%
Increase (Reduction) to Reserves	\$2,530,278	\$(3,911,460)	\$(5,630,171)	\$(6,566,760)	17%
Total Reserves	\$17,447,445	\$13,407,363	\$11,526,597	\$10,590,008	-8%

This Page Intentionally Blank

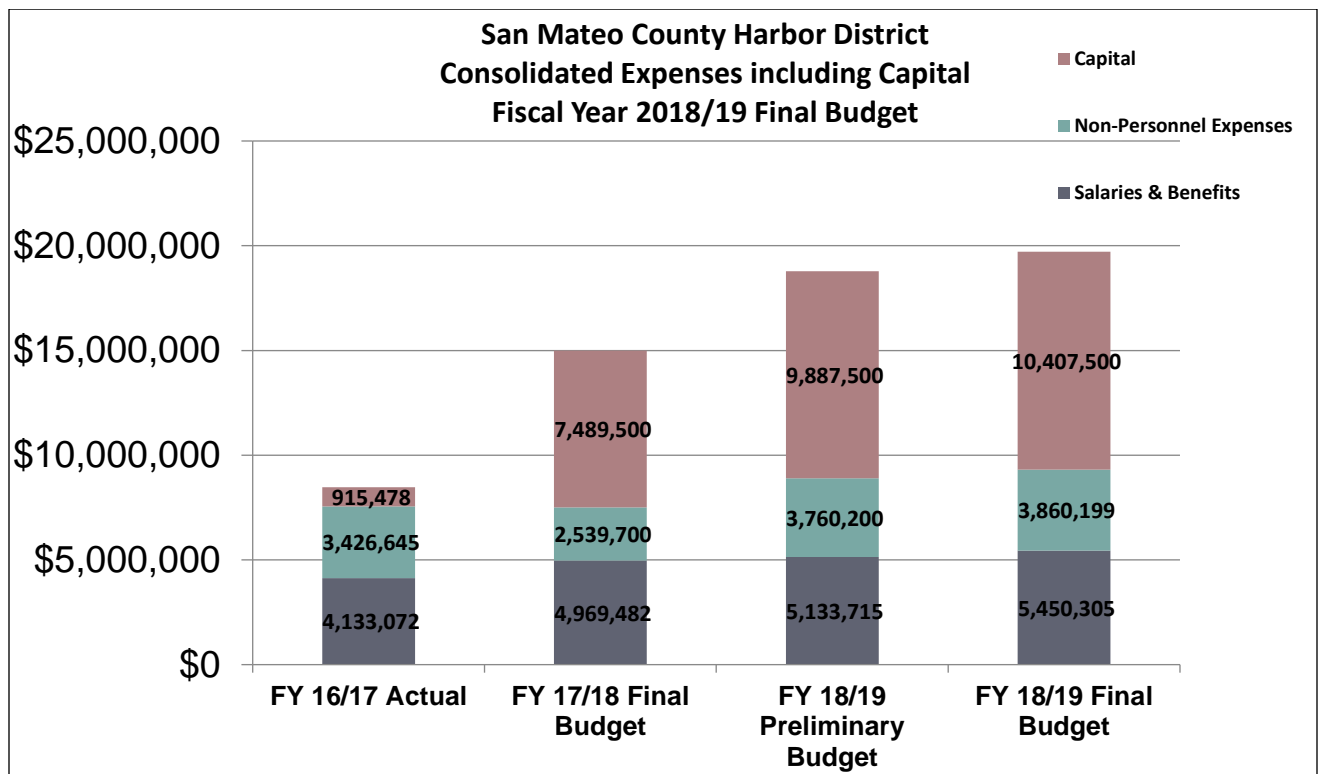
The chart below reflects Sources of Funding (Enterprise Revenue, Public Revenue, and Contribution To/From reserves) for the three years.

Note: Since expenditures were lower than revenues in FY16/17, \$2.5M was added to the reserves rather than used for funding.



This Page Intentionally Blank

The following chart displays consolidated expenses over the same three-year period.



This Page Intentionally Blank



**FINAL OPERATING AND CAPITAL BUDGET
FISCAL YEAR 2018/19**

Consolidated Budget

San Mateo County Harbor District FY 2018/19 Final Budget Consolidated Detail – Annual Comparison					
	FY 16/17 Actual	FY 17/18 Final Budget	FY 18/19 Prelim. Budget	FY 18/19 Final Budget	% Change
REVENUES:					
Enterprise Revenues					
Berth / Slip Fees (includes Liveaboard)	3,206,454	3,449,215	3,327,000	3,327,000	0%
Leases and CAPs	737,382	589,000	611,000	611,000	0%
Dist RV Lot & Launch Fees	201,057	245,706	250,000	250,000	0%
Events	55,507	30,000	52,000	52,000	0%
Reimbursements (Rel. to Enterprise Proj)	92,955	110,000	1,475,000	475,000	N/A
Misc. Enterprise Fees	104,022	100,000	100,000	100,000	0%
Enterprise Revenue Subtotal	\$4,397,377	\$4,523,922	\$5,814,999	\$4,814,999	-17%
Public Revenue					
Tax Revenue	6,415,569	6,500,000	7,140,000	7,140,000	0%
Reimbursements frm Grants (Public Proj)	-	-	-	1,000,000	N/A
Interest Income	137,914	53,300	186,245	186,245	0%
Misc. Other Rev	54,613	10,000	10,000	10,000	0%
Public Revenue Subtotal	\$6,608,096	\$6,563,300	\$7,336,245	\$8,336,245	14%
Total Revenues:	\$11,005,474	\$11,087,221	\$13,151,244	\$13,151,244	0%
EXPENSES:					
Salaries/Benefits:					
Salaries and Wages	2,504,659	3,140,514	3,390,085	3,571,140	5%
Benefits - Current Employee	1,449,516	1,638,759	1,591,473	1,727,008	9%
Benefits - Retired/Former Emp	178,897	190,209	152,157	152,157	0%
Salaries/Benefits Subtotal	\$4,133,072	\$4,969,482	\$5,133,715	\$5,450,305	6%
Non-Personnel Expenses:					
Pymts To Other Agencies (Incl. Election)	812,157	69,000	900,000	900,000	0%
Utilities	421,097	435,000	506,000	506,000	0%
Contract Services	789,214	423,000	511,500	611,500	20%
Legal	418,359	484,000	484,400	484,400	0%
Property / Liability Insurance	109,880	114,000	114,200	114,200	0%
Repairs & Maint - Routine	147,421	209,500	277,700	277,700	0%
Office / Equipment Rents	102,551	124,000	106,200	106,200	0%
IT	159,852	156,000	167,700	167,700	0%
Financial Service Fees	53,916	61,200	73,300	73,300	0%
Operating Expenses	177,012	156,000	176,800	176,800	0%
Travel and Training	49,438	57,000	56,300	56,300	0%
Advertising and Promotion	11,651	16,000	20,400	20,400	0%
Personnel Administration	6,566	28,000	17,100	17,100	0%
Vessel Destruction	52,300	110,000	200,000	200,000	0%
Memberships& Subscriptions	15,965	10,000	20,300	20,300	0%
Claims Settlement	4,140	10,000	10,000	10,000	0%
Bad Debts	86,104	50,000	101,600	101,600	0%
Miscellaneous Expenses	9,024	27,000	16,700	16,700	0%
Loan Interest	-	-	-	-	
Non-Personnel Expenses Subtotal:	\$3,426,645	\$2,539,700	\$3,760,200	\$3,860,200	3%
Total Operating Expenses:	\$7,559,717	\$7,509,182	\$8,893,915	\$9,310,504	5%
Operating Net (Deficit)	\$3,445,756	\$3,578,040	\$4,257,329	\$3,840,740	-10%

San Mateo County Harbor District FY 2018/19 Final Budget Consolidated Detail – Annual Comparison				
	FY 16/17 Actual	FY 17/18 Final Budget	FY 18/19 Preliminary Budget	FY 18/19 Final Budget
CAPITAL PROJECTS:				
Pillar Point Harbor				
1. Truck	50,319	-	-	-
2. Oil Spill Trailers	35,000	-	-	-
3. Signs-Interpretative	25,000	25,000	-	-
4. Light Pole Retrofits	-	275,000	-	-
5. Paving – Maint & Replace	-	25,000	400,000	400,000
6. Utility Upgrades (Transformers)	7,253	-	-	-
7. Johnson Pier Repairs (Terminus)	-	250,000	200,000	200,000
8. West Trail Repairs	146,102	100,000	1,250,000	1,250,000
9. Johnson Pier (H, G, F, D, E Docks)	11,492	1,515,000	2,000,000	2,000,000
10. Launch Ramp Restroom (combined w/ Launch Ramp Repl)	-	100,000	-	375,000
11. Harbor Office Remodel	-	25,000	120,000	120,000
12. Patrol Boat Maintenance	277,298	200,000	-	-
13. Fishing Pier Repairs Project	-	500,000	450,000	450,000
14. Mooring Replacements	16,813	20,000	-	-
15. Launch Ramp Maintenance/Launch Ramp Restroom	-	100,000	375,000	375,000
16. Dredging Services (Launch Ramp Dredging/Surfers Beach)	27,042	100,000	800,000	920,000
17. Romeo Pier Demolition	29,436	1,500,000	-	-
18. Sidewalk Improvements, Promenade, Parking Lots	65,734	750,000	650,000	650,000
19. Laundry, public and tenant restroom Eng/ Design	-	25,000	600,000	600,000
20. PPH Office Roof Replacement Harbormaster Building	-	-	75,000	75,000
21. Surfers Beach Restroom Project	-	-	-	250,000
Oyster Point Marina				
1. Truck	50,299	-	-	-
2. Paving maintenance	90,088	-	-	-
3. Bait shop Building	5,006	60,000	52,500	52,500
4. Transformers Dock 1-6	7,253	-	-	-
5. Dredging Services	3,700	501,500	-	-
6. Harbormaster/ Maintenance Building	-	15,000	-	-
7. Dock 12 Design/Engineering	34,946	1,355,000	1,355,000	1,355,000
8. 40,000 sq ft Parcel Planning	-	25,000	25,000	25,000
9. Culvert Catch Basin	20,000	20,000	-	-
10. Fuel Dock Replacement (Design Engineer & Construction)	-	-	475,000	475,000
11. Paving Maint/Pkng Lot Imp	-	-	200,000	200,000
Administration				
1. Admin Office Improvements	12,697	3,000	-	150,000
2. Enterprise Resource Planning System	-	-	860,000	860,000
Total Capital Expenditures:	\$915,478	\$7,489,500	\$9,887,500	\$10,407,500

This Page Intentionally Blank



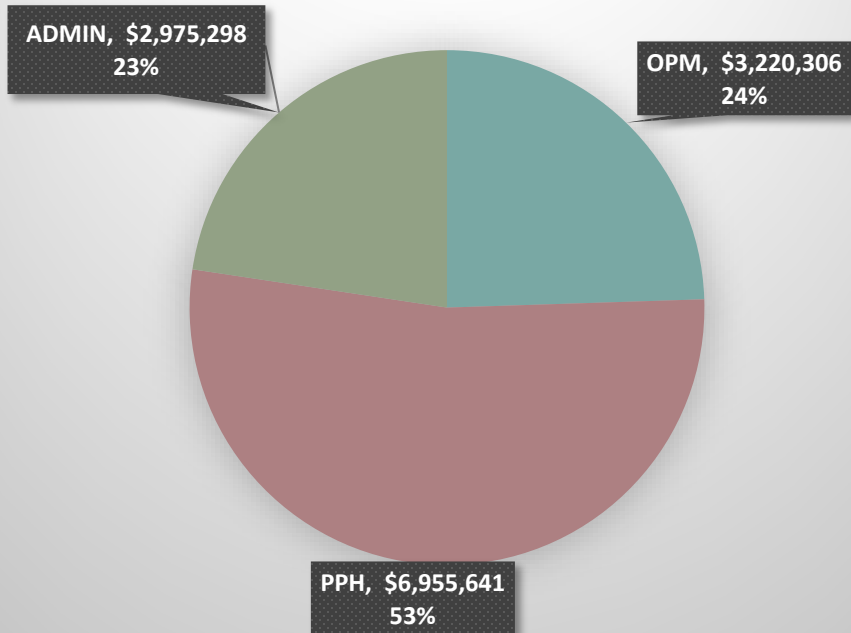
FINAL OPERATING AND CAPITAL BUDGET FISCAL YEAR 2018/19

Consolidated Budget by Department

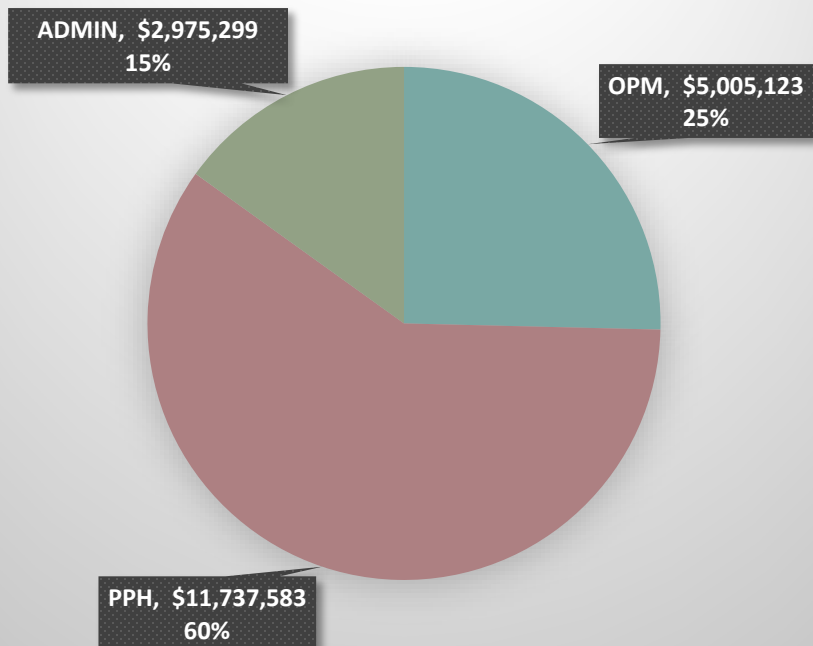
**San Mateo County Harbor District
FY 2018/19 Final Budget
Summary by Department**

	Total	OPM	PPH	Admin
Revenue				
Enterprise Revenues	\$ 4,814,999	\$ 1,997,522	\$ 2,817,477	\$ -
Public Revenue (Taxes, Grants & Interest)	\$ 8,336,245	\$ 1,222,784	\$ 4,138,163	\$ 2,975,298
Total Revenues:	\$ 13,151,245	\$ 3,220,306	\$ 6,955,641	\$ 2,975,298
Expenses				
Salaries and Benefits	\$ 5,450,305	\$ 1,579,149	\$ 2,278,551	\$ 1,592,606
Non-Personnel Expenses	\$ 3,860,199	\$ 836,200	\$ 1,236,399	\$ 1,787,600
Total Operating Expenses	\$ 9,310,504	\$ 2,415,349	\$ 3,514,950	\$ 3,380,206
Allocation of Ent. Revenue to Admin.	\$ -	\$ 482,275	\$ 932,633	\$ (1,414,908)
Operating Net	\$ 3,840,740	\$ 322,683	\$ 2,508,059	\$ 1,010,000
Capital Expenditures	\$ 10,407,500	\$ 2,107,500	\$ 7,290,000	\$ 1,010,000
Total Expenditures	\$ 19,718,005	\$ 5,005,123	\$ 11,737,583	\$ 2,975,299
Increase/Reduction to Reserves	\$ (6,566,759)	\$ (1,784,817)	\$ (4,781,942)	-

Revenues by Department



Expenditures by Department



**San Mateo County Harbor District
Fiscal Year 2018/19 Final Budget
by Department**

	Administration (Includes Commission)	Oyster Point Marina	Pillar Point Harbor	Consolidated
ENTERPRISE REVENUE				
Berth / Slip Fees (includes Liveaboard Rent)	-	1,377,000	1,950,000	3,327,000
Leases and CAPs	-	102,000	509,000	611,000
Dist RV Lot & Launch Fees	-	15,622	234,378	250,000
Events	-	2,000	50,000	52,000
Reimbursements (Related to "Enterprise" Projects)	-	475,000	-	475,000
Misc. Enterprise Fees	-	25,900	74,100	100,000
PUBLIC REVENUE:				
Tax Revenue	2,789,053	1,161,084	3,189,863	7,140,000
Reimbursements from grants (Related to Public Proj.)		61,700	938,300	1,000,000
Interest Income	186,245	-	-	186,245
Misc. Other Rev	-	-	10,000	10,000
TOTAL REVENUE	\$2,975,298	\$3,220,306	\$6,955,641	\$13,151,245
PERSONNEL EXPENSES				
Salaries and Wages	1,100,397	1,043,258	1,427,486	3,571,140
Benefits - Current Employee	475,574	477,369	774,065	1,727,008
Benefits - Retired/Former Emp	16,635	58,522	77,000	152,157
NON-PERSONNEL EXPENSES				
Payments to Other Agencies (Incl. Election Cost)	900,000	-	-	900,000
Utilities	-	169,800	336,200	506,000
Contract Services	236,500	191,000	184,000	511,500
Legal	279,000	113,400	92,000	484,400
Property / Liability Insurance	61,800	29,100	23,300	114,200
Repairs & Maint - Routine	3,400	105,200	169,100	277,700
Office / Equipment Rents	98,400	3,400	4,400	106,200
IT	93,800	33,300	40,600	167,700
Financial Service Fees	700	28,700	43,900	73,300
Operating Expenses	25,100	51,400	100,300	176,800
Travel and Training	39,900	11,700	4,700	56,300
Advertising and Promotion	4,400	8,000	8,000	20,400
Personnel Administration	15,100	1,500	500	17,100
Vessel Destruction	-	61,700	138,300	200,000
Memberships & Subscriptions	19,500	400	400	20,300
Claims Settlement	10,000	-	-	10,000
Bad Debts	-	11,400	90,200	101,600
Miscellaneous Expenses	-	16,200	500	16,700
Total Operating Expenses	\$ 3,380,206	\$ 2,415,349	\$ 3,514,950	\$ 9,310,504
Allocation of Ent. Revenue to Administration	\$ (1,414,908)	\$ 482,275	\$ 932,633	\$ 0
Net Operating	\$ 1,010,000	\$ 322,683	\$ 2,508,059	\$ 3,840,740

**San Mateo County Harbor District
Fiscal Year 2018/19 Final Budget
Capital Improvement Projects for FY 2018/19 by Department**

	Administration (Includes Commission)	Oyster Point Marina	Pillar Point Harbor	Consolidated
Capital Expenditures:				
Pillar Point Harbor				
Paving Maint. & Replace (Project #5)			400,000	400,000
Johnson Pier Repairs (Project #7)			200,000	200,000
West Trail Repairs (Project #8)			1,250,000	1,250,000
Dock Replacement (H Dock) (Project #9)			2,000,000	2,000,000
Harbor Office Remodel (Project #11)			120,000	120,000
Fishing Pier Repairs Project (Project #13)			450,000	450,000
Launch Ramp Maintenance/Launch Ramp Restroom (Project #15)			375,000	375,000
Dredging Svcs(Launch Ramp Dredging/Surfers Beach) (Project #16)			920,000	800,000
Sidewalk Improvements, Promenade, Parking Lots (Project #18)			650,000	650,000
Laundry, public and tenant restroom Eng/ Design (Project #19)			600,000	600,000
PPH Office Roof Replacement Harbormaster Bldg. (Project #21)			75,000	75,000
Surfers Beach Restroom Project			250,000	250,000
Oyster Point Marina				
Bait Shop Building (Project #3)		52,500		52,500
Dock 12 (Project #7)		1,355,000		1,355,000
40,000 sq ft Parce1 (Project #8)		25,000		25,000
Fuel Dock Replacement (Design Engineer & Construction) (Project #10)		475,000		475,000
Paving Maint/Pkng Lot Imp (Project #11)		200,000		200,000
Administration				
Enterprise Resource Planning System (Project #2)	860,000			860,000
Administration Bldg - Remodel	150,000			150,000
Total Capital Expenditures:	\$ 1,010,000	\$ 2,107,500	\$ 7,290,000	\$ 10,407,500
Total Expenditures:	\$ 2,975,299	\$ 5,005,123	\$ 11,737,583	\$ 19,718,005
Contribution To/From Reserves:	\$ -	\$ (1,784,817)	\$ (4,781,942)	\$ (6,566,759)

This Page Intentionally Blank



FINAL OPERATING AND CAPITAL BUDGET FISCAL YEAR 2018/19

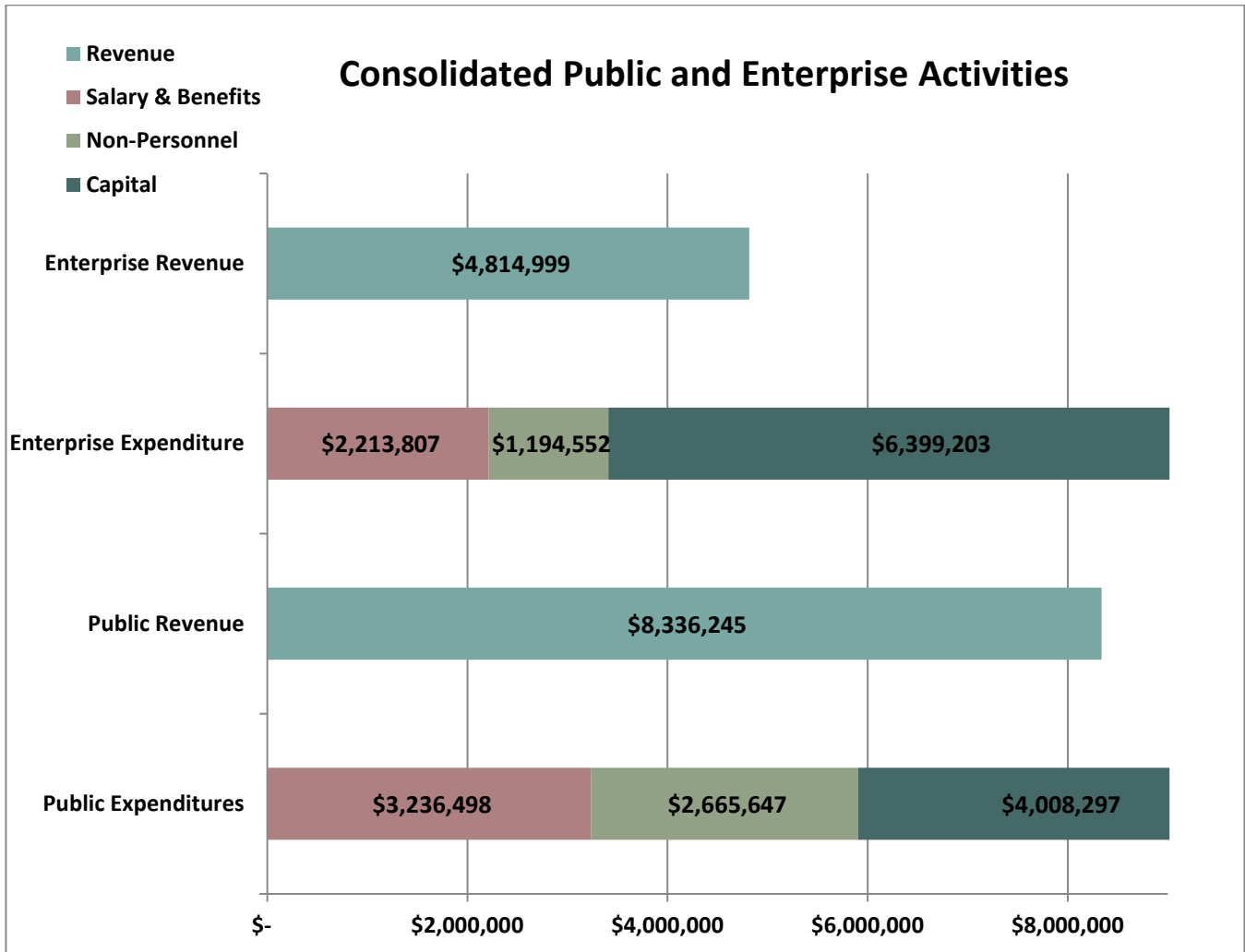
Public vs. Enterprise

The chart below reflects the public and enterprise summary of the District's Budget.
 Note: Operating revenues exceed operating expenses by a substantial amount. These revenues provide a substantial contribution to the District's aggressive capital improvement plans for FY18/19.

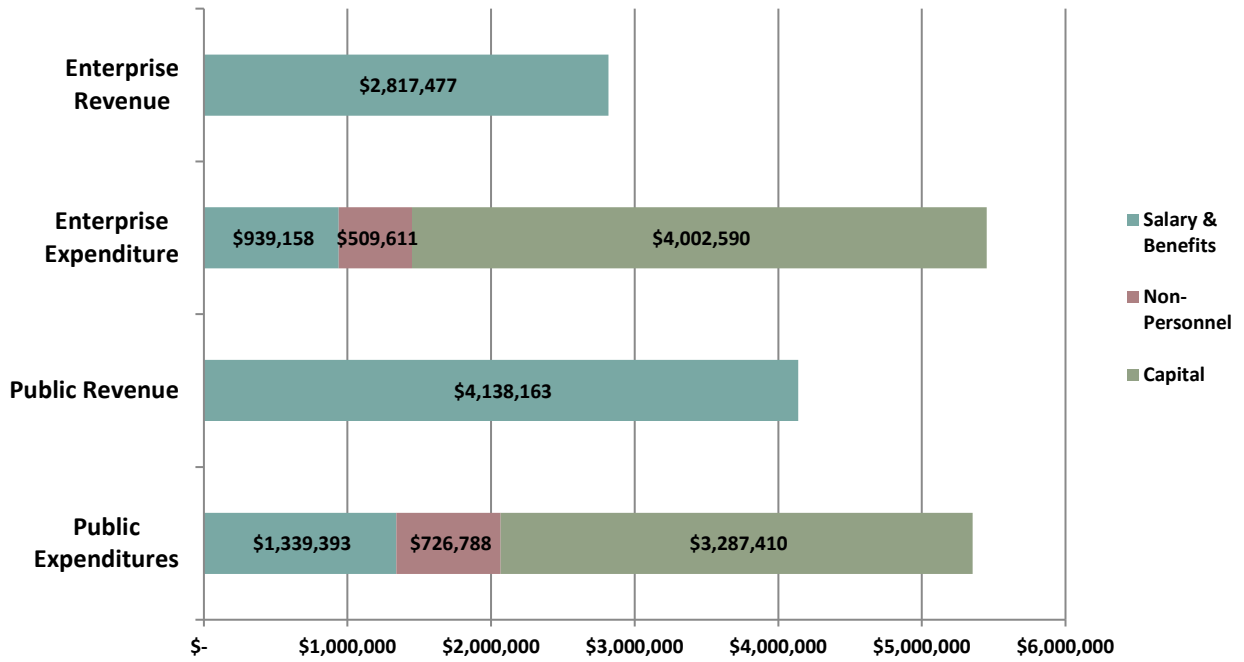
**San Mateo County Harbor District
 FY 2018/19 Final Budget
 Public and Enterprise Summary**

	Total		Consolidated	Oyster Point		Pillar Point		Admin	
	Public	Enterprise	Total	Public	Enterprise	Public	Enterprise	Public	Enterprise
Revenue									
Enterprise Revenue	-	4,814,999	4,814,999	-	1,997,522	-	2,817,477	-	-
Public Revenue	8,336,245	-	8,336,245	1,222,784	-	4,138,163	-	2,975,298	-
Total Revenue	\$8,336,245	\$4,814,999	\$13,151,245	\$1,222,784	\$1,997,522	\$4,318,163	\$2,817,477	\$2,975,298	-
Expense									
Salaries & Benefits	3,236,498	2,213,807	5,450,305	950,132	629,017	1,339,393	939,158	946,974	645,632
Non-Personnel Expense	2,665,647	1,194,552	3,860,200	511,087	325,114	726,788	509,611	1,427,773	359,827
Total Operating Expenses	\$5,902,146	\$3,408,359	\$9,310,505	\$1,461,219	\$954,131	\$2,066,181	\$1,448,769	\$2,374,746	\$1,005,459
Allocation of Ent. Rev. to Admin.	-	-	-	-	482,275	-	932,633	-	(1,414,908)
Net Operating	\$2,434,100	\$1,406,639	\$3,840,739	\$(238,435)	\$561,116	\$2,071,982	\$436,075	\$600,553	\$409,447
Capital Expenditure	\$4,008,297	\$6,399,203	\$10,407,500	\$120,335	\$1,987,165	\$3,287,410	\$4,002,590	\$600,553	\$409,447
Total Expenditure	\$9,910,442	\$9,807,563	\$19,718,006	\$1,581,553	\$3,423,571	\$5,353,590	\$6,383,992	\$2,975,299	-
Increase/Reduction to Reserves	\$(1,574,197)	\$(4,992,564)	\$(6,566,760)	\$(358,769)	\$(1,426,049)	\$(1,215,427)	\$(3,566,515)	-	-

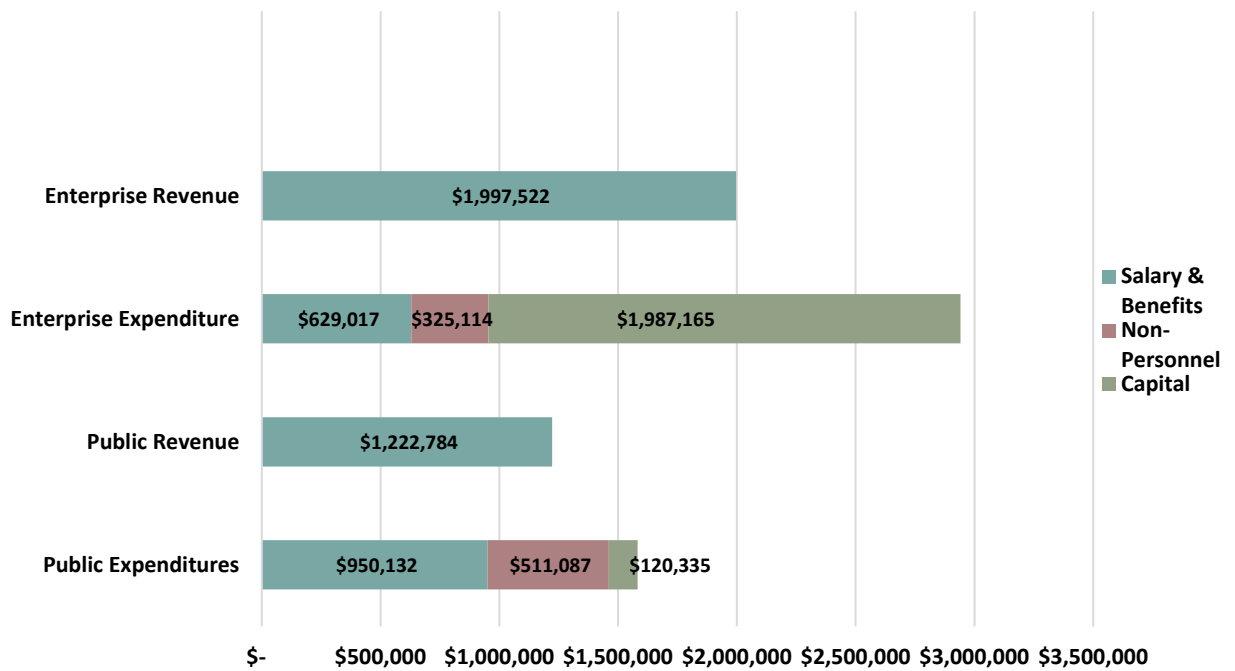
Public and Enterprise (P&E) Expenditures for Entire District:



Pillar Point Harbor Public and Enterprise Activities



Oyster Point Marina Public and Enterprise Activities



**Public and Enterprise Functional Detail
FY 2018/19 Final Budget
Revenues**

	Total		Oyster Point		Pillar Point		Administration	
	Public	Enterprise	Public	Enterprise	Public	Enterprise	Public	Enterprise
Revenues:								
Enterprise Revenues								
Berth / Slip Fees (includes Liveaboard Rent)	-	3,327,000	-	1,377,000	-	1,950,000	-	-
Leases and CAPs	-	611,000	-	102,000	-	509,000	-	-
Dist RV Lot & Launch Fees	-	250,000	-	15,622	-	234,378	-	-
Events	-	52,000	-	2,000	-	50,000	-	-
Reimbursements (Related to Enterprise Projects)	-	475,000	-	536,700	-	-	-	-
Misc. Enterprise Fees	-	100,000	-	25,900	-	74,100	-	-
Enterprise Revenue Subtotal	-	\$4,814,999	-	\$1,997,522	-	\$2,817,477	-	-
Public Revenue								
Tax Revenue	7,140,000	-	1,161,084	-	3,189,863	-	2,789,053	-
Interest Income	186,245	-	-	-	-	-	186,245	-
Misc. Other Rev	10,000	-	-	-	10,000	-	-	-
Reimbursements (Public Projects)	1,000,000	-	61,700	-	938,300	-	-	-
Public Revenue Subtotal	\$8,336,245	-	\$1,222,784	-	\$4,138,163	-	\$2,975,298	-
Total Revenues:	\$8,336,245	\$4,814,999	\$1,222,784	\$1,997,522	\$4,138,163	\$2,817,477	\$2,975,298	-

Allocation of property taxes and public functions of the Harbor District:

- Property Tax Revenue is first used to offset functions of the Administration Department.
- Remaining Property Tax revenue is apportioned to OPM and PPH to fund the activity costs based on each of these Departments' proportion of public operating expenditures.
- For FY18/19 the result more than covers public functions at OPM. Remaining property tax is allocated to PPH to provide additional backfill for the public services provided at that site.

**Public and Enterprise Functional Detail
FY 2018/19 Final Budget**

	Total		Oyster Point		Pillar Point		Administration	
	Public	Enterprise	Public	Enterprise	Public	Enterprise	Public	Enterprise
Personnel Expenses								
Salaries and Wages	2,121,117	1,450,023	627,701	415,557	839,114	588,372	654,303	446,094
Benefits - Current Employee	1,025,015	701,992	287,220	190,149	455,016	319,049	282,779	192,795
Benefits - Retired/Former Emp	90,365	61,792	35,211	23,311	45,263	31,737	9,891	6,744
Personnel Subtotal	\$3,236,498	\$2,213,807	\$950,132	\$629,017	\$1,339,393	\$939,158	\$946,974	\$645,632
Non-Personnel Expenses								
Payments To Other Agencies (Incl. Election Cost)	900,000	-	-	-	-	-	900,000	-
Utilities	299,791	206,208	102,164	67,636	197,627	138,573	-	-
Contract Services	363,704	207,796	114,920	76,080	108,160	75,840	140,624	95,876
Legal	288,204	196,195	68,230	45,170	54,080	37,920	165,895	113,105
Property / Liability Insurance	67,952	46,248	17,509	11,591	13,696	9,604	36,747	25,053
Repairs & Maint - Routine	172,686	105,014	71,263	33,938	99,401	69,698	2,022	1,379
Financial Service Fees	43,490	29,810	17,268	11,432	25,805	18,094	416	284
Operating Expenses	104,810	71,990	30,926	20,474	58,959	41,341	14,925	10,175
Travel and Training	33,527	22,773	7,040	4,661	2,763	1,937	23,725	16,175
Advertising and Promotion	12,133	8,268	4,813	3,187	4,703	3,298	2,616	1,784
Personnel Administration	10,175	6,925	903	598	294	206	8,979	6,121
Vessel Destruction	118,420	81,580	37,123	24,577	81,296	57,004	-	-
Memberships & Subscriptions	12,070	8,229	241	159	235	165	11,595	7,905
Claims Settlement	5,946	4,054	-	-	-	-	5,946	4,054
Bad Debts	59,881	41,719	6,859	4,541	53,022	37,178	-	-
Miscellaneous Expenses	10,041	6,659	9,747	6,453	294	206	-	-
Subtotal Non-Personnel Expenses	\$2,665,646	\$1,194,552	\$511,087	\$325,114	\$726,788	\$509,611	\$1,427,773	\$359,827
Total Operating Expenses	\$5,902,145	\$3,408,359	\$1,461,219	\$954,131	\$2,066,181	\$1,448,769	\$2,374,746	\$1,005,459
Allocation of Enterprise Rev. to Admin.	-	-	-	482,275	-	932,633	-	(1,414,908)
Operating Net (Deficit)	2,434,101	1,406,640	(238,435)	561,116	2,071,982	436,075	600,552	409,449

**Public and Enterprise Functional Detail
FY 2018/19 Final Budget
Capital Projects**

	Total		Oyster Point		Pillar Point		Administration	
	Public	Enterprise	Public	Enterprise	Public	Enterprise	Public	Enterprise
CAPITAL PROJECTS								
<u>PPH</u> Paving Maintenance & Replacement	400,000				400,000			
Johnson Pier Repairs (Terminus)	117,565	82,435			117,565	82,435		
West Trail Repairs	1,250,000				1,250,000			
Johnson Pier (H, G, F, D, E Docks)		2,000,000				2,000,000		
Harbor Office Remodel	70,539	49,461			70,539	49,461		
Fishing Pier Repairs Project	450,000				450,000			
Launch Ramp Maint/ Restroom	220,435	154,565			220,435	154,565		
Dredging Services/ Launch Ramp (incl. Surfers Beach)		1,170,000				1,170,000		
Sidewalk Improvements, Promenade/Pkg Lots	382,087	267,913			382,087	267,913		
Laundry, public and tenant restroom Engineering/Design	352,696	247,304			352,696	247,304		
PPH Office Roof Replacement Harbormaster Bldg.	44,087	30,913			44,087	30,913		
<u>OPM</u> Bait Shop Building		52,500		52,500				
Dock 12,13,14,17 40,000 sq. ft. parcel		1,355,000		1,355,000				
Fuel Dock Replacement (Design)		25,000		25,000				
		475,000		475,000				
Paving Maintenance/ Parking Lot	120,335	79,665	120,335	79,665				
<u>ADMINISTRATION</u> Enterprise Resource Planning System	511,362	348,638					511,362	348,638
Admin Office Remodel	89,191	60,809					89,191	60,809
Total (Capital Expenditures)	\$4,008,297	\$6,399,203	\$120,335	\$1,987,165	\$3,287,410	\$4,002,590	\$600,553	\$409,447

This Page Intentionally Blank



FINAL OPERATING AND CAPITAL BUDGET FISCAL YEAR 2018/19

Capital Expenditures

This Page Intentionally Blank

**San Mateo County Harbor District
FY 2018/19 Final Budget
Capital Projects
Consolidated Detail – Annual Comparison**

	FY 16/17 Actual	FY 17/18 Final Budget	FY 18/19 Preliminary Budget	FY 18/19 Final Budget
CAPITAL PROJECTS:				
Pillar Point Harbor				
1. Truck	50,319	-	-	-
2. Oil Spill Trailers	35,000	-	-	-
3. Signs-Interpretative	25,000	25,000	-	-
4. Light Pole Retrofits	-	275,000	-	-
5. Paving – Maint & Replace	-	25,000	400,000	400,000
6. Utility Upgrades (Transformers)	7,253	225,000	-	-
7. Johnson Pier Repairs (Terminus)	-	25,000	200,000	200,000
8. West Trail Repairs	146,102	100,000	1,250,000	1,250,000
9. Johnson Pier (H, G, F, D, E Docks)	11,492	1,515,000	2,000,000	2,000,000
10. Launch Ramp Restroom (combined w/ Launch Ramp Repl)	-	100,000	-	-
11. Harbor Office Remodel	-	25,000	120,000	120,000
12. Patrol Boat Maintenance	277,298	200,000	-	-
13. Fishing Pier Repairs Project		500,000	450,000	450,000
14. Mooring Replacements	16,813	20,000	-	-
15. Launch Ramp Maintenance/Launch Ramp Restroom	-	100,000	375,000	375,000
16. Dredging Services (Launch Ramp Dredging/Surfers Beach)	27,042	100,000	800,000	920,000
17. Romeo Pier Demolition	29,436	1,500,000	-	-
18. Sidewalk Improvements, Promenade, Parking Lots	65,734	750,000	650,000	650,000
19. Laundry, public and tenant restroom Eng/ Design	-	25,000	600,000	600,000
20. PPH Office Roof Replacement Harbormaster Building	-	-	75,000	75,000
21. Surfers Beach Restroom Project	-	-	-	250,000
Oyster Point Marina				
1. Truck:	50,299	-	-	-
2. Paving Maintenance	90,088	-	-	-
3. Bait Shop Building	5,006	60,000	52,500	52,500
4. Transformers Dock 1-6	7,253	-	-	-
5. Dredging Services	3,700	501,500	-	-
6. Harbormaster/ Maintenance Building	-	15,000	-	-
7. Dock 12 Design/Engineering	34,946	1,355,000	1,355,000	1,355,000
8. 40,000 sq ft Parcel Planning	-	25,000	25,000	25,000
9. Culvert Catch Basin	20,000	20,000	-	-
10. Fuel Dock Replacement (Design Engineer & Construction)	-	-	475,000	475,000
11. Paving Maint/Parking Lot Improvements	-	-	200,000	200,000
Administration				
1. Admin Office Improvements	12,697	3,000	-	150,000
2. Enterprise Resource Planning System	-	-	860,000	860,000
Total Capital Expenditures:	\$915,478	\$7,489,500	\$9,887,500	\$10,407,500

This Page Intentionally Blank



FINAL OPERATING AND CAPITAL BUDGET FISCAL YEAR 2018/19

Reserves

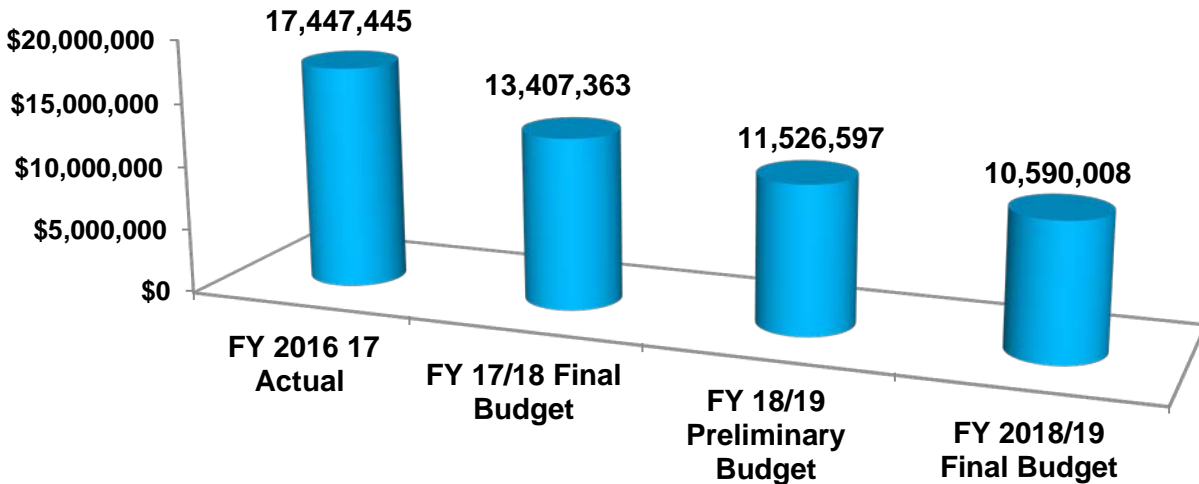
This Page Intentionally Blank

Reserves

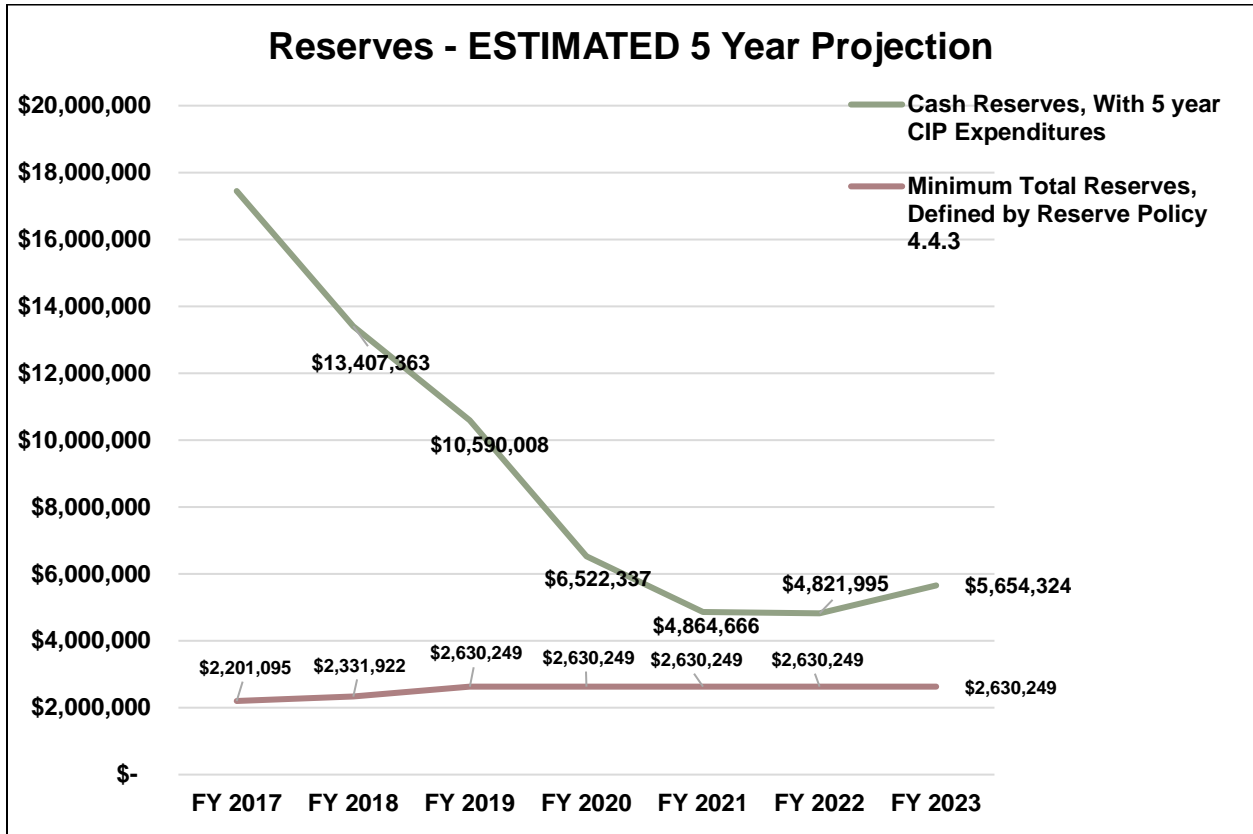
San Mateo County Harbor District
 FY 2018/19 Final Budget
 Consolidated Detail – Annual Comparison

	FY 16/17 Actual	FY 17/18 Final Budget	FY 18/19 Preliminary Budget	FY 18/19 Final Budget	% Change
Reserves					
Committed for Emergency Reserve*	1,619,464		-	-	NA
Committed Reserve for District Office	1,526,217	1,526,217	1,526,217	1,526,217	0%
Assigned Reserve for Vehicle/ Vessel Assets	-	14,117	62,463	62,463	0%
Capital Asset Replacement Reserve	586,500	4,010	37,849	37,849	0%
Election Reserve	-	375,000	-	-	0%
Assigned for Encumbrances	500,000	-	-	-	N/A
Assigned for Payable Liability	300,000	-	-	-	N/A
Assigned for Customer Deposits and Pre-Payments	500,000	516,208	580,135	580,135	0%
Assigned for Funded Termination Benefit Liability	3,795,197	3,690,808	3,495,000	3,495,000	0%
Unassigned	8,620,067	7,281,003	5,824,933	4,888,343	-16%
Total All Reserves:	\$17,447,445	\$13,407,363	\$ 11,526,597	\$ 10,590,008	-8%

Total Reserves Over 3 Years



The chart below is an estimated projection of how much the District would have in reserves over a 5-yr. period, with the 5-yr. Capital Improvement Plan. Please note: These figures are estimates and make no guarantee of actual reserve funds.



The above table includes following assumptions:

- Operating Net remains approx. \$4.2M annually for each year
- Includes election expenses on alternating years
- Minimum Total Reserves per Policy 4.4.3 are required to be 20% of annual revenue projections.



**FINAL OPERATING AND CAPITAL BUDGET
FISCAL YEAR 2018/19**

Staffing Authority

This Page Intentionally Blank

FY 2018/19 Staffing Authority

Proposed Classification/Position	# of Positions		Status
	Final 17/18 Budget	Final 18/19 Budget	
GENERAL MANAGER	1	1	Active
DIRECTOR OF OPERATIONS	1	1	Active
DIRECTOR OF ADMIN. SERVICES	1	1	Active
ACCOUNTANT	1	1	Active
ACCOUNTING SPECIALIST	0	1	Active
ACCOUNTING TECH 1/2*	3	3	Active
ACCOUNTING MANAGER	1	1	Active
ADMINISTRATIVE ASSISTANT 1/2	2	2	Active
ADMINISTRATIVE ANALYST	1	0	Inactive
SR. ADMINISTRATIVE ANALYST	0	1	Vacant
ASSISTANT HARBORMASTER	2	2	Active
DEPUTY HARBORMASTER A&B	15	15	Active
DEPUTY SECRETARY	1	1	Active
FINANCE DIRECTOR	0	0	Inactive
HARBOR WORKER A-Lifeguard	0	0	Inactive
HARBOR WORKER B	4	4	Active
HARBOR WORKER C (Lead Maint.)	2	2	Active
HUMAN RESOURCE MANAGER	0	0	Inactive
OFFICE ASSISTANT	0	0	Inactive
PLANNER ANALYST	1	1	Active
PROJECT COORDINATOR	0	1	Active
Total	36	38	
Admin	8.75	10	
Core	27.25	28	

- # of positions: number of positions funded in the FY18/19 Final budget
- Active position: funded and currently filled by a regular position
- Vacant: funded but not currently filled
- Inactive: not funded, not filled

This Page Intentionally Blank



FINAL OPERATING AND CAPITAL BUDGET

Capital Improvement Projects – 5 Yr. Plan FY18/19 – FY22/23

This Page Intentionally Blank

5 Year Capital Improvement Plan

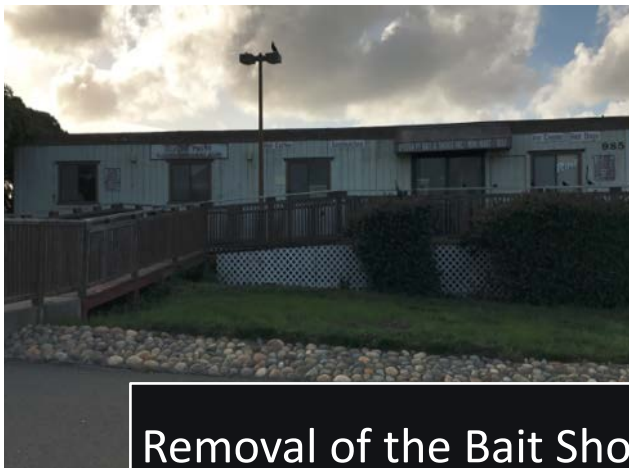
	FY 18/19 Final Budget	FY 19/20	FY 20/21	FY 21/22	FY 22/23
CAPITAL PROJECTS:					
Pillar Point Harbor					
Light Pole Retrofits		275,000			
Paving – Maintenance & Replacement	400,000				
Johnson Pier Repairs (Terminus)	200,000	1,050,000	2,000,000	1,000,000	
Johnson Pier (H, G, F, D, E Docks)	2,000,000	1,800,000	1,900,000	2,000,000	2,100,000
West Trail Repairs	1,250,000	2,000,000			
Harbor Office Remodel	120,000				
Fishing Pier Repairs Project	450,000				
Launch Ramp Maintenance/Launch Ramp Restroom	375,000		250,000		
Dredging Services (Launch Ramp Dredging/Surfers Beach)	920,000		250,000		
Sidewalk Improvements, Promenade, Parking Lots	650,000				
Laundry, public and tenant restroom Eng/ Design	600,000				
PPH Office Roof Replacement Harbormaster Building	75,000				
Surfers Beach Restroom Project	250,000				
Pillar Point Harbor Total:	\$7,290,000	\$5,125,000	\$4,400,000	\$3,000,000	\$2,100,000
Oyster Point Marina					
Bait Shop Building	52,500				
Docks 12, 13, 14, 7	1,355,000	1,425,000	1,100,000	1,000,000	
Dredging Services				150,000	
Harbormaster/ Maintenance Building/Replacement			400,000		
40,000 Sq. Ft Parcel Planning	25,000	1,000,000			
Fuel Dock Replacement (Design Engineer & Construction)	475,000	775,000			1,250,000
Paving Maintenance/Parking Lot Improvements	200,000				75,000
Guide Piles throughout – Maintenance & Extension				150,000	
Electric Dump Cart/Golf Cart			15,000		
Oyster Point Marina Total:	\$2,107,500	\$3,200,000	\$1,515,000	\$1,300,000	\$1,325,000
Administration					
Enterprise Resource Planning System	860,000				
Administration Bldg - Remodel	150,000				
Administration Total:	\$1,010,000				
Total Capital Expenditures:	\$10,407,500	\$8,325,000	\$5,915,000	\$4,300,000	\$3,425,000

This Page Intentionally Blank

Some of the Capital Improvement Projects Planned for Oyster Point Marina:

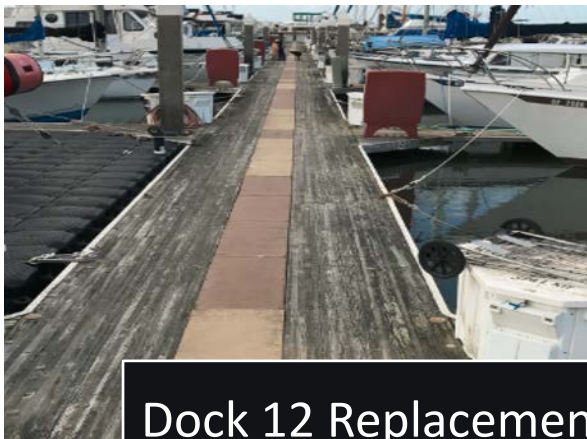


Oyster Point Marina



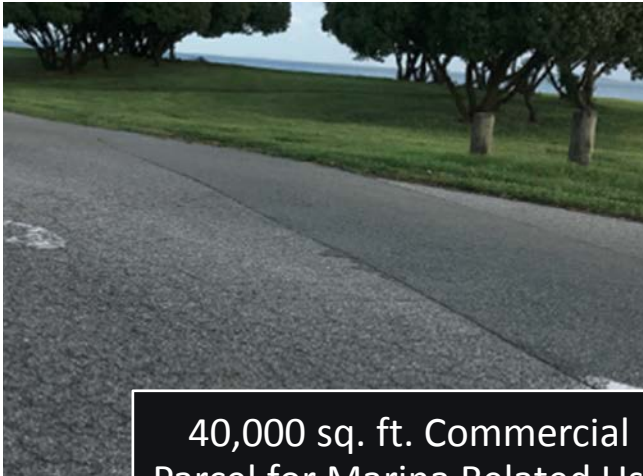
Removal of the Bait Shop

The Bait Shop portable building and surrounding walkways are in very poor condition. The building is over 20 years old and has outlived its serviceable life. An RFP will be brought to Board for consideration to accept proposals for a marine related business on this site. FY 18/19- \$52K.



Dock 12 Replacement

Dock 12 is of timber construction and due to its age is in poor condition, has outlived its serviceable life. Docks 8 and 11 have already been replaced, Dock 12 will be prioritized as the next to be replaced. FY 18/19- \$1.3M.



40,000 sq. ft. Commercial Parcel for Marina Related Use

In accordance with the 2011 Joint Powers Agreement modification, the District is entitled to 40k sq. ft. of development for District use when the Development Project conveyance occurs. The District anticipates a need for professional planning, specifications and engineering to help develop this parcel to its full potential. FY 18/19-\$25K.

Some of the Capital Improvement Projects Planned for Pillar Point Harbor:



Pillar Point Harbor



Sidewalk Improvements and ADA Compliance

The sidewalk will be widened for ADA compliance. ADA compliant ramps will be installed in new sidewalk along Johnson Pier Rd. Accessible parking and large, wide, crosswalks will ensure safe passage for all. Currently working with consultant CSG for project design and engineering. FY 18/19- \$650K.



Fishing Pier Repair

The PPH Fishing Pier has suffered substantial erosion in places along its breakwater foundation support. Rip rap must be replaced before structural damage occurs. The decking and safety hand railings around the circumference of the pier will also be repaired and/or replaced to become ADA compliant. FY 18/19- \$450K.



Launch Ramp Restroom Restoration

The restrooms at the PPH launch ramp are over 20 years old and are in poor condition. This restroom building is of modular construction and due to its poor condition, it is most cost effective to replace the entire building. A DBW LR Facilities Grant has been applied for, results to be published mid-September. FY 18/19- \$375K.



West Trail Erosion Protection

The PPH West Trail has sustained substantial erosion, culvert under the trail has already been replaced. Alternative for final shoreline protection being finalized for CDP submission. FY 18/19- \$1.2M.



Johnson Pier H-Dock Replacement

The PPH H-Dock has outlived its serviceable life. The dock has been repaired multiple times over the years and needs replacement. Consultant is currently working on design, engineering and permitting for the demolition and replacement. FY 18/19-\$2M.