



**San Mateo County Harbor District
Final Budget
2020/21 Operating Budget and
Five-Year Capital Improvement Program**

Board of Commissioners:

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INTRODUCTION



Budget Snapshot

“The Harbor District provides fiscally and environmentally responsible stewardship of its maritime resources, emergency response, and public access.” The Harbor Commission adopted a strategic plan and continues to work toward the development of other long-range plans including an infrastructure restoration plan, and a master plan. The District is providing information to the general public and constituents on the District’s role in stewardship of Pillar Point Harbor and Oyster Point Marina through the implementation of a social media presence and outreach programs. On March 16, 2018 and again on May 26, 2020 the District received a “Transparency Certificate of Excellence” from the Special District Leadership Foundation (SDLF) in recognition of its outstanding efforts to promote transparency and good governance.

The goal of the District’s Budget Document is to ensure a compliant and transparent process that will promote stakeholder confidence and trust. The District’s financial decisions consider sustainability and fiscal responsibility to anticipate and prepare for future funding requirements as well as unforeseen and unexpected emergencies, disasters, and other events.

It is anticipated that the National State of Emergency due to the COVID-19 pandemic will reduce projected revenues for the foreseeable future. The 2020/21 Operating Budget and the five-year Capital Improvement Program (CIP) incorporates assumptions that revenues will decrease over the next five years. This assumption is based on historical financial information from the last recession, which encompassed the period between 2008-2013. In addition, it is anticipated that employee benefits costs and property & liability insurance costs will increase significantly.

This year, the District is fortunate to present an operating budget that includes sufficient revenue to fund the 2020/21 Fiscal Year (July 1, 2020 to June 30, 2021) expenditures and provide \$726,000 toward increasing the Working Capital balance. The Working Capital balance provides funds for the District’s Capital Improvement Program and funds a reserve account set aside to provide funds for unforeseen and unexpected emergencies, disasters, and other events.

The District updates the five-year CIP annually. This five-year plan presents projects and associated funding for assets including land acquisition, construction, purchase of software, preventative maintenance needs, and replacement of vessels and vehicles. The estimated Working Capital Balance available to fund the CIP is \$15,511,000. The District’s total funding needs for identified projects is estimated at \$44,666,000. This budget document prioritizes CIP projects based on available funding and the benefit the project provides to the safety, security, environmental, and public interest. Some projects that are currently approved will be postponed pending additional funding.

Budget Process

The District’s budget process is outlined in Policy 4.9.1. and Policy 4.9.2 of the Policy Handbook. Adoption of the Preliminary Budget and Final Budget is governed by Harbors and Navigation Code Section 6093 (et. seq.). Due to the COVID-19 pandemic and the impact that the shelter in place is having on the economy, the Budget Calendar needed to be adjusted. This year, a draft budget was agendized at the April Board meeting. The Preliminary Budget adopted at the June Board meeting, and the Final Budget was presented at a public special meeting at the end of July.

Following is the normal process:

Policy 4.9.1 outlines the District’s process for preparing the annual budget. The preparation begins mid-year (fiscal year) for the succeeding year’s budget. District Finance staff begins the



current fiscal year's mid-year performance to budget analysis. The Harbor Commission reviews the mid-year budget report in February. Having reviewed the current year's performance and identified budget issues and goals for the next fiscal year, staff prepares a first draft preliminary budget which is introduced to the Harbor Commission at a public meeting in March. A final preliminary budget is adopted in April. The Harbor Commission publishes a notice pursuant to Section 6061 of the Government Code stating that the adopted preliminary budget is available for public review. The public has at least 30 days to review and provide comment prior to the adoption of the final budget. The final budget is adopted in June.

Policy 4.9.2 establishes the level of appropriations authority for the District for a fiscal year. An appropriation authorizes the District to spend District resources. The Harbor Commissioners' approval of appropriations places a maximum limit of the amount of money that can be spent in any given Fiscal Year within the following expenditure classifications: 1) Salary and Benefits, 2) Operating Expenditures, 3) Non-Operating Expenditures, and 4) Capital Projects. The Harbor Commission may approve revisions to the appropriated amounts during the fiscal year.

The District is exempt from preparing a Board approved appropriation limit, set forth in the provisions of the California Constitutional Article XIII B, due to the provisions of Section 9 (c); "this section shall not apply to a district which existed on January 1, 1978, and that did not as of the 1977-78 fiscal year levy an ad valorem tax on property in excess of twelve and one-half cents (\$0.125) per one hundred dollars of assessed value."

Budget Report Presentation

The District has two distinct sections of the Budget Document: 1) the Operating Budget; and 2) the CIP. The Operating Budget presents on-going activities of the District for the Fiscal Year period. The CIP presents a plan for current and future capital asset costs and associated funding. Capital Improvements are typically carried out and paid for over several years. Consequently, a scheduling tool is required that forecasts anticipated needs and available funding several years into the future. District Policy 4.7.1 defines capital assets as assets with a cost of \$10,000 or greater and with a useful life of five (5) years or more.

Capital projects, grant-funded projects, or one-time funded multi-year projects automatically rollover any open purchase orders (encumbrances) and appropriations associated with those projects. The Capital Improvement Program section of this budget includes June 30, 2020 estimated encumbrance balances to be re-appropriated (page 56). The actual amount re-appropriated versus the estimated amount will vary.

The District's accounts and transactions are tracked on an accrual basis, which is the basis of accounting under generally accepted accounting principles (GAAP) for Enterprise Funds. Many other government entities track some or all accounts and transactions on a modified accrual basis under GAAP for Governmental Funds. Enterprise Fund financial statements report Net Position and focus on long-term economic resources while Governmental Fund financial statements report Fund Balance and focus on current economic resources. While the District's budget focuses on current economic resources, Fund Balance is not reported in the District's financial system because it does not use a Governmental Fund. To clarify and track the appropriate resources available, the nomenclature in the budget document refers to Working Capital. See page 32 for detail regarding Working Capital and the minimum Reserve Balance required per District Policy 4.4.3.



The District receives a portion of the property tax revenue collected in the County of San Mateo. The property tax revenue funds the Administration Department, public services provided by Pillar Point Harbor and Oyster Point Marina, and capital assets & capital improvement projects (page 16).

Priorities and Issues

The Mission Statement of the San Mateo County Harbor District is: “The Harbor District provides fiscally and environmentally responsible stewardship of its maritime resources, emergency response, and public access.” A strategic plan was adopted on December 18, 2019 and outlines the following goals:

- 1) Comprehensive, Long-Range Planning Guides District Actions and Decision-Making
- 2) Infrastructure Improvements Are Guided by Comprehensive Long-Term Planning
- 3) Provide Excellent Customer Service
- 4) Enhance Public Safety
- 5) Ensure That the Public Is Well Informed About the District
- 6) Ensure Good Governance and Administration
- 7) Ensure Fiscal Responsibility (Strong Finances and Financial Management)
- 8) Environmental Stewardship

The CIP Section of this document includes the Harbor Commission’s priorities as it relates to District projects. The District is working on an Implementation Plan to support the above goals.

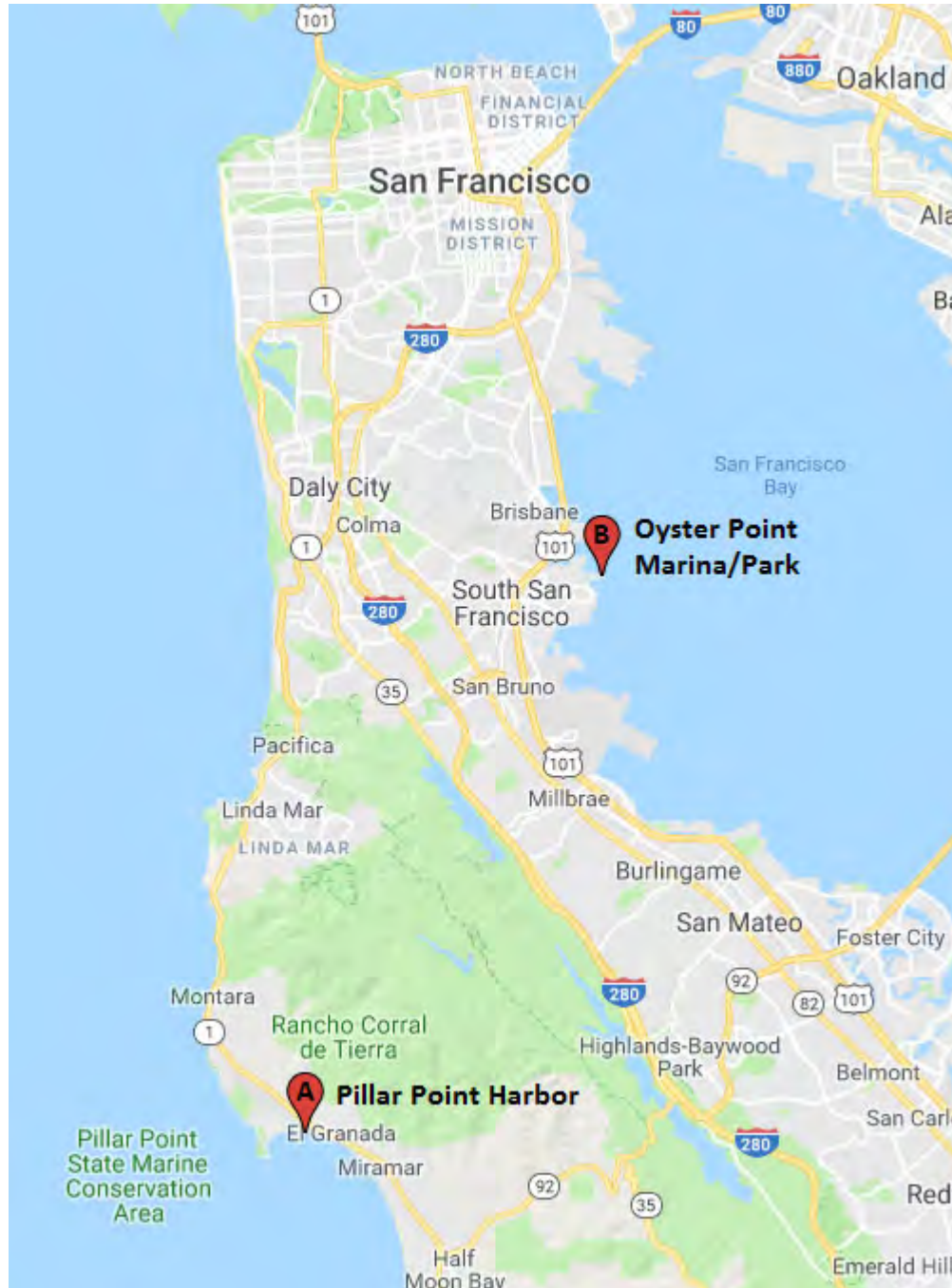


About Us



Where is San Mateo County Harbor District?

The San Mateo County Harbor District is in Northern California and manages and operates (A) Pillar Point Harbor located on the Pacific Ocean in the unincorporated area of Princeton, and (B) Oyster Point Marina/Park on San Francisco Bay located in the City of South San Francisco.

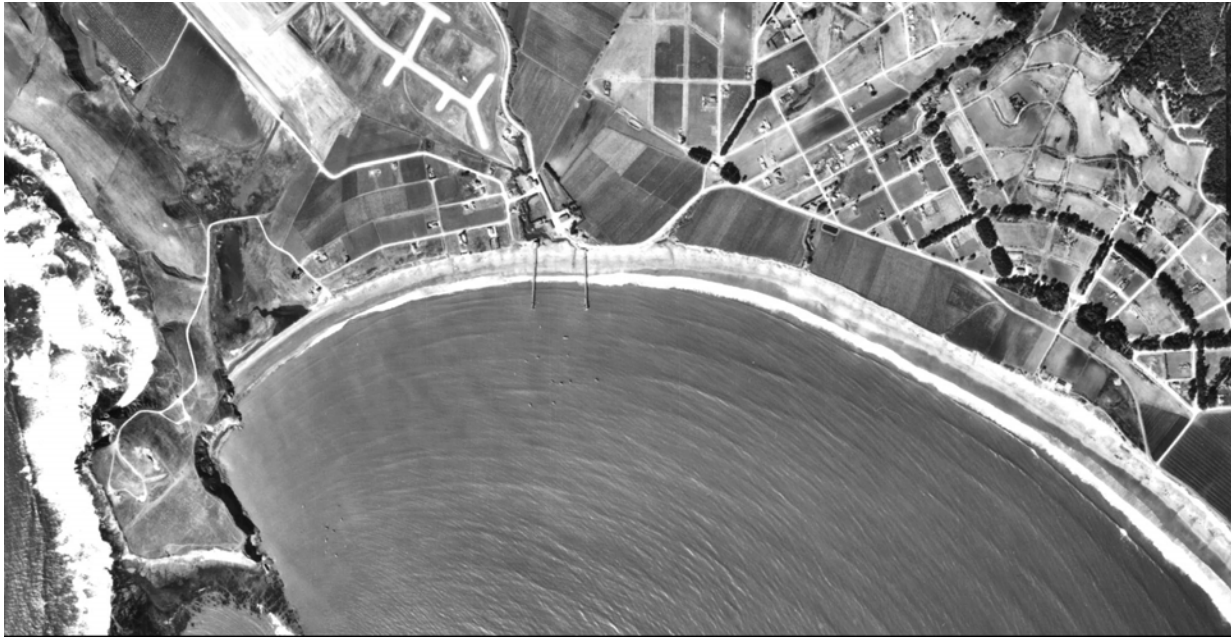




Our History

The San Mateo County Harbor District is an independent special district created by San Mateo County in 1933 by Resolution of the Board of Supervisors who established the entire area of the County of San Mateo as the District's boundaries.

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.



1943 Aerial View of Pillar Point Harbor

In 1977, the District took over operation of Oyster Point Marina/Park from the City of South San Francisco. A Joint Powers Agreement was executed, giving the District authority to improve and complete construction of a recreational marina. Full build-out was accomplished during the 1980s.



San Mateo County Harbor District Today

The San Mateo County Harbor District operates two harbors. Pillar Point Harbor is located in the unincorporated community of Princeton in Half Moon Bay approximately twenty-five miles south of the City of San Francisco. The harbor is a 369-berth commercial fishing harbor that also supports sport fishing and recreational boating.



Oyster Point Marina/Park consists of a 408-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 2018 Memorandum of Understanding with South San Francisco, which owns the facility.





SECTION ONE- 2020/21 OPERATING BUDGET



Operating Budget at a Glance



Budgetary Highlights

The District's revenue streams will be slightly above on-going expenditures. The Operating Budget for Fiscal Year (FY) 2020/21 is projected to add \$726,000 to the working capital balance which is a large decrease from the 2019/20 projection of \$3,103,000. Working capital is used to fund the Capital Improvement Program as well as unforeseen and unexpected emergencies, disasters, and other events.

2020/21 Operating Budget Summary		Comparison to 2019/20 Projections	
Operating Revenues	\$ 4,114,000	\$ 4,140,000	-0.63%
Non-Operating Revenues	7,944,000	8,047,000	-1.28%
Total Revenues	12,058,000	12,187,000	-1.06%
Salaries/Wages/Benefits Expenditures	6,818,000	5,970,000	14.20%
Non-Personnel Expenditures	3,385,000	3,114,000	8.70%
Total Expenditures	10,203,000	9,084,000	12.32%
Total Revenues less Expenditures	1,855,000	3,103,000	-40.22%
Election Expense	(1,129,000)	-	n.a.
Working Capital Increase	\$ 726,000	\$ 3,103,000	-76.60%

- Operating Revenues are budgeted to decrease by 0.63% due to a large construction project impacting the ability to rent berth/slip at Oyster Point Marina, the elimination of overnight parking fees of Pillar Point Harbor, and an anticipated economic downturn due to the COVID-19 pandemic.
- Non-Operating Revenues are budgeted to decrease by 1.28% due to an anticipated decrease in interest earnings. Property taxes are expected to remain stable for the 2020/21 fiscal year.
- Salaries/Wages and Benefit Expenditures are projected to increase by 14.20% due to filling of vacant positions in the second half of Fiscal Year 2019/20 along with 5% salary/wage increases and 25% benefit cost increases.
- Non-Personnel Expenditures are budgeted to increase by 8.70% due to expected increase in the majority of the costs of 5% except for 40% increase in Property & Liability insurance costs and tripling of bad debt expense to be used for uncollectible receivable write-offs.
- The FY 2020/21 Budget includes \$1,129,000 in biennial election costs. The FY 2019/20 projection does not anticipate any one-time or biennial expenditures.



Short-Term Factors Influencing Decisions

Short-term factors influencing the District's decisions include impact of outside economic and legislative factors, environmental issues, and aging infrastructure.

Economic Factors:

This budget has been forecasted in an unprecedented State of Emergency due to the COVID-19 pandemic. The National Unemployment rate increased from 3.5% in February 2020 to 11.1% in June 2020, a 317% increase. The budget was developed using financial trends in 2008-2013, the last time there was an economic recession. The recession that we are facing today may be worse or better than the predictions included in this budget document.

The Public Employees' Pension is managed by California Public Employees' Retirement System (CalPERS). As of June 30, 2019, the District reported a net pension liability (NPL) of \$4,831,495 compared to June 30, 2018 NPL of \$5,012,108. Multiple variables (e.g. expected rate of return on investments, expected inflationary rates, average life-span, and expected number of vested employees) impact the calculation of the NPL. CalPERS retirement costs are remaining stable due to new employees being hired under lower retirement benefit formulas. This reduction is being offset by a lowering of the discount rate (long-term interest rate) assumption which will be reduced from 7.25% in 2019/20 to 7.00% in 2020/21. It is difficult to predict the impact that economic and market conditions may have on the NPL and future retirement costs of the District. A 1.00% decrease in the discount rate results in an increase in the NPL of approximately \$2,400,000 or 49.7%. The District has budgeted a 10% increase in retirement costs.

The District has one month-to-month lease for a restaurant in the "tenant row" building at Pillar Point. In addition, there is one lease that is expected to go month-to-month in October of this year. Short-term agreements may impact future revenues.

State & Federal Budgets & Actions:

Pacific Gas & Electric Company (PG&E) filed for Chapter 11 bankruptcy protection in wake of the billions of dollars in liabilities associated with the 2017 and 2018 California wildfires. PG&E emerged from Chapter 11 bankruptcy and a plan was confirmed by the Bankruptcy Court on June 20, 2020. This issue may not impact the District as originally assumed in the preparation of the Preliminary Budget.

The County of San Mateo allocates property tax to Cities and Special Districts using formulas determined by the State of California. In 1978, Proposition 13 was voted in to limit the increase of property tax assessments to 1% of market value; and the assessment can increase by a maximum of 2% per year. If properties are sold below the current assessed market value, property tax revenue decreases. The five-year projection of property tax revenues anticipates a 1% reduction each year, starting in Fiscal Year 2022/23.

The County uses the TEETER plan (first enacted in 1949) which means the County allocates property tax based on property tax billed instead of property tax collected. Therefore, increases in uncollected property tax due to the COVID-19 pandemic should have no impact on the District's property tax revenues.

In 1991/92 the State shifted property tax revenues from Counties, Cities, and Special Districts to School Districts by implementing an Educational Revenue Augmentation Fund (ERAF). San Mateo is unique and has excess ERAF which is distributed back to municipalities within the



County. Currently, the State of California is in talks with Counties who have excess ERAF. The State is in the process of requesting changes to excess ERAF calculations beginning in the 2017/18 Fiscal Year. The County has been setting aside monies each fiscal year in anticipation of the State mandated change to the ERAF calculation. The County has set aside \$505,520 that will either be paid to the State or the District based on outcome of talks with the State. As the excess ERAF is not certain, it has not been incorporated into the FY 2020/2021 budget.

The State continues to have affordable housing and homeless issues. Lack of affordable housing may affect the District's ability to attract and retain qualified candidates. According to the 2019 State Department of Housing and Urban Development report, \$90,450 for a single individual is categorized as low income. Housing costs continued to increase throughout the area through March 2020. It is difficult to predict the impact that the COVID-19 pandemic will have on affordable housing and homeless issues. There is currently a prohibition against eviction proceedings which is set to expire on July 28, 2020. Once this is lifted, the homeless population may grow.

The economy, on a federal level, was recovering slowly yet unevenly from the 2008 recession due to expansionary monetary policies. This included holding interest rates at lower bounds by buying large amounts of financial assets to increase the money supply (quantitative easing). In addition, trade tensions may have an ongoing negative impact on business investments and in turn negatively impact economic growth. The recovery of the Federal government has an even bigger battle due to the economic fallout from COVID-19. The Federal government provided \$2.6 trillion dollars to support businesses and individuals impacted by shelter in place orders.

The COVID-19 pandemic has put tremendous stress on the economy and on governmental agencies. States across the nation are planning for service level reductions in order to balance their budgets. With the extra pressure placed on Federal, State and Local governments, it is anticipated that the District will have a harder time securing grant funding sources.

Environmental Issues:

The District is investigating, developing, and advocating for the implementation of strategies to mitigate the impacts of climate change on District-managed properties. Projects that are included in the Five-Year Capital Improvement Program section (pages 31-56) and are associated with climate change include the West Trail Shoreline Protection and Restoration of Surfers Beach.

Other Factors:

The District's Infrastructure is aging and will require replacement. For fiscal year ended June 30, 2019 the District had approximately \$46 million in depreciable assets with accumulated depreciation of \$29 million. About 64% of the District's total assets have been depreciated. In FY 2018/19 the District recorded \$1,111,023 in depreciation expense in its Audited Financial Statements. The five-year CIP section of this budget document includes a plan to replace a portion of the District's infrastructure. Many of the projects in the CIP section do not have identified funding. The District is temporarily deferring unfunded projects until revenues increase, expenditures decrease, and/or other funding sources are identified. In the event that economic conditions improve earlier than anticipated, the Harbor Commission may approve funding of additional projects.

In 2018, the District entered into a Memorandum of Understanding (MOU) with the City of South San Francisco (SSF) to manage the Oyster Point Marina property owned by SSF. The MOU's initial term is fifteen years. The MOU will automatically renew for two additional periods of ten



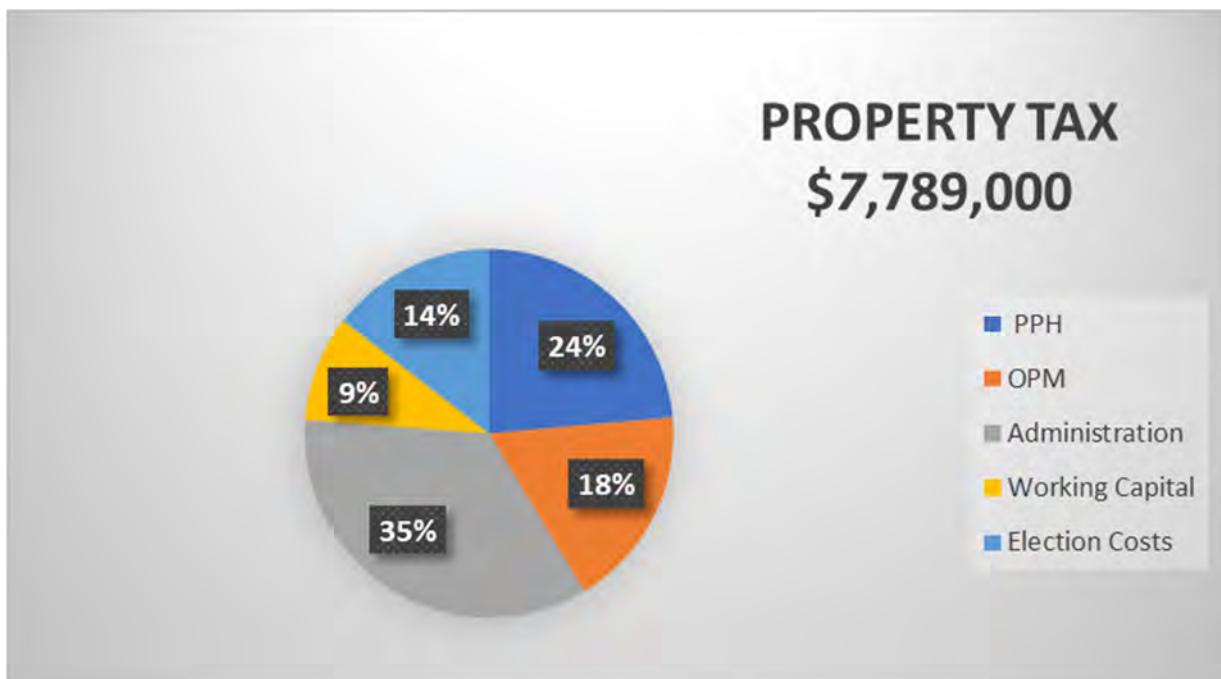
years each, unless notice is given by the District to SSF to discontinue the MOU. The MOU requires that the District make significant Capital Improvements during specified timelines. These projects are included in the Capital Improvement Program Section (pages 31-56).

Public and Enterprise Services

The District's transactions are accounted for in an Enterprise Fund which includes three departments- Administration, Pillar Point Harbor (PPH), and Oyster Point Marina (OPM). PPH and OPM generate operating revenue from berth rentals, liveaboard fees, boat launch fees, property rentals and permit fees. This revenue is used to offset costs associated with these activities.

All District property is for the enjoyment of the public. In addition to providing the public with boating facilities, the District provides 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 restrooms and public outreach and education. These public services and activities serve a broad segment of San Mateo County's population and visitors.

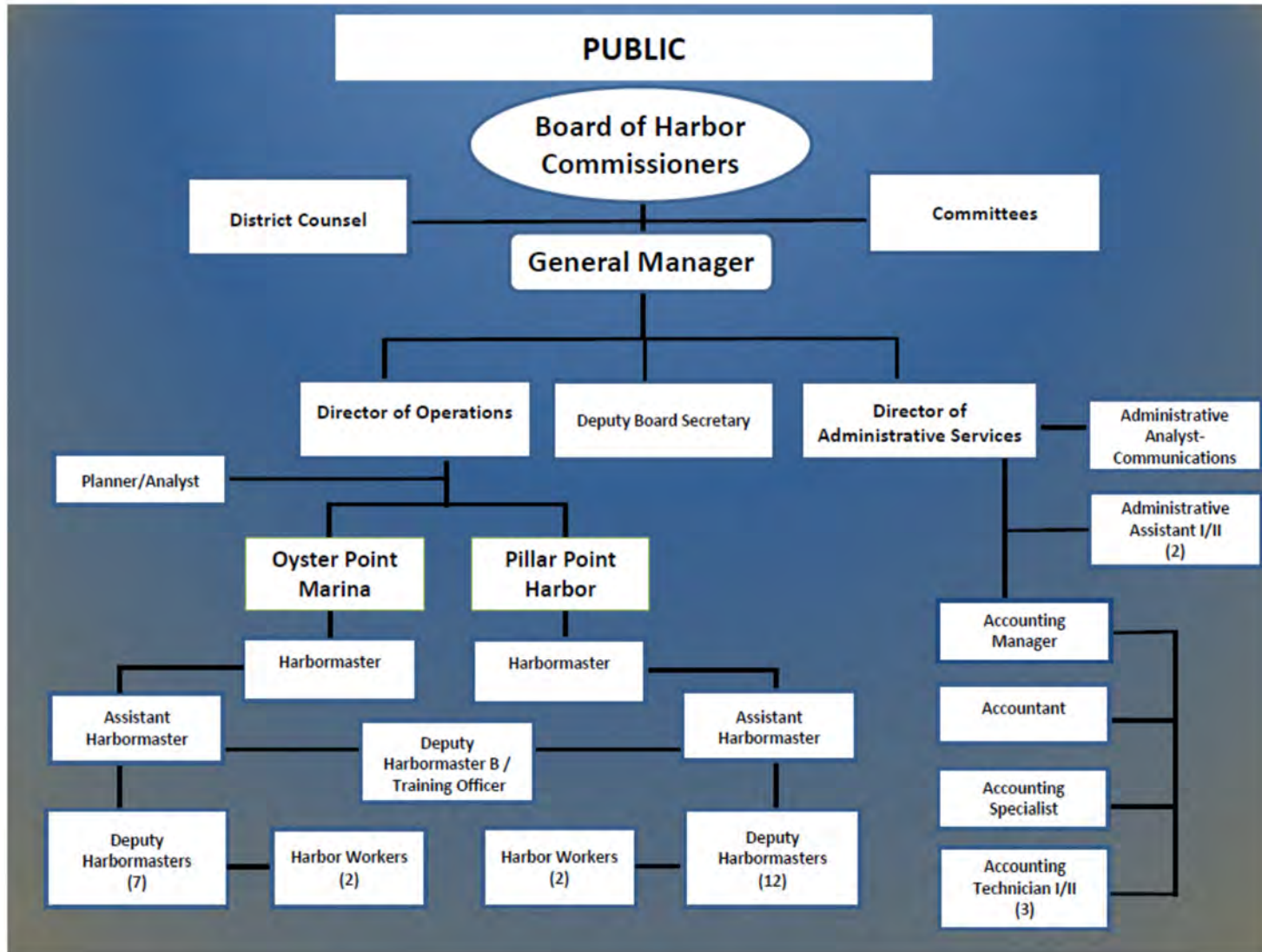
The District receives Property Tax Revenue from San Mateo County property owners. Property Tax Revenue is used to fund the Administration Department, any operating deficits associated with the costs of providing public services at PPH and OPM, and a portion of the Capital Improvement Program. For FY 2020/21, the District estimates that \$1,380,000 will be used for OPM public operations, \$1,839,000 for PPH public operations, \$3,844,000 for administrative functions (\$155,000 of administrative functions funded by interest income), and \$726,000 towards funding the Capital Improvement Program for a total of \$7,789,000 of anticipated Property Tax Revenue.





For Fiscal Year 2020/21 the Capital Asset projected costs of \$3,045,733 (detail on pages 31-56) are funded by grants in the amount of \$172,518 and property tax of \$2,373,215. All projects are for the benefit of the public such as, West Trail erosion protection, additional ADA public restroom facilities, and Surfers Beach restoration.

Organizational Chart



Staffing Authorization

<u>Classification/Position Title</u>	<u>Actual 2018/19</u>	<u>Revised Budget 2019/20</u>	<u>Proposed Budget 2020/21</u>	<u>*Status as of 6/2/2020</u>
<u>Administration Department</u>				
General Manager	1	1	1	Active
Director of Operations	1	1	1	Active
Director of Admin. Services	1	1	1	Active
Accountant	1	1	1	Active
Accounting Specialist	-	1	-	Vacant/Delete
Accounting Tech I & II	1	1	1	Active
Accounting Manager	1	1	1	Active
Admin. Analyst- Communications	1	1	1	Active
Administrative Assistant I & II	2	2	2	Active
Deputy Secretary	1	1	1	Active
Planner Analyst	1	1	1	Active
Total Administration	11	12	11	
<u>Pillar Point Harbor</u>				
Harbormaster	1	1	1	Active
Assistant Harbormaster	1	1	1	Active
Deputy Harbormaster A&B	10	12	12	11 Active/1 Vacant
Deputy Harbormaster/Training Officer	1	1	1	Active
Harbor Worker B	2	2	2	Active
Accounting Tech I & II	1	1	1	Active
Total Pillar Point Harbor	16	18	18	
<u>Oyster Point Marina</u>				
Harbormaster	1	1	1	Active
Assistant Harbormaster	1	1	1	Active
Deputy Harbormaster A&B	6	7	7	Active
Harbor Worker B	2	2	2	1 Active/1 Vacant
Accounting Tech I & II	1	1	1	Active
Total Oyster Point Marina	11	12	12	
Total Full-Time Equivalent Positions	38	42	41	

* Active positions are funded and filled. Vacant positions are funded but not filled.
Deleted positions are not funded and not filled.



Budget Schedules



Basis of Budgeting vs. Accounting

The basis of budgeting and accounting refers to the method of recognition of revenue and expenses in financial and budgetary reporting. The District's budgets are prepared on a modified cash flow basis which projects the District's cash inflows and outflows over the course of a fiscal year (July 1 through June 30) excluding physical and intangible assets such as depreciation.

Revenues are recognized as they are received and accounted for while obligations for expenditures are recognized when a commitment is made through an encumbered purchase order or actual expense.

The District's accounts and transactions are tracked on an accrual basis, which is the basis of accounting under generally accepted accounting principles (GAAP) for Enterprise Funds. An Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises—where the intent of the governing body is that the costs (expenses, including depreciation) of goods or services to the general public on a continuing basis are financed or recovered primarily through user charges.

Under this method, all assets and liabilities associated with operations are included on the balance sheet, revenues are recorded when earned, and expenses are recorded at the time commitments are incurred. Depreciation and amortization are handled differently in budgetary reporting and in financial reporting. In budgetary reporting, depreciation and amortization are excluded, and the repayment of the principal on debt as expense is included. In financial reporting, depreciation and amortization are included, and the repayment of the principal on debt as expense is excluded. This table illustrates the differences between the budget and accounting basis described above.

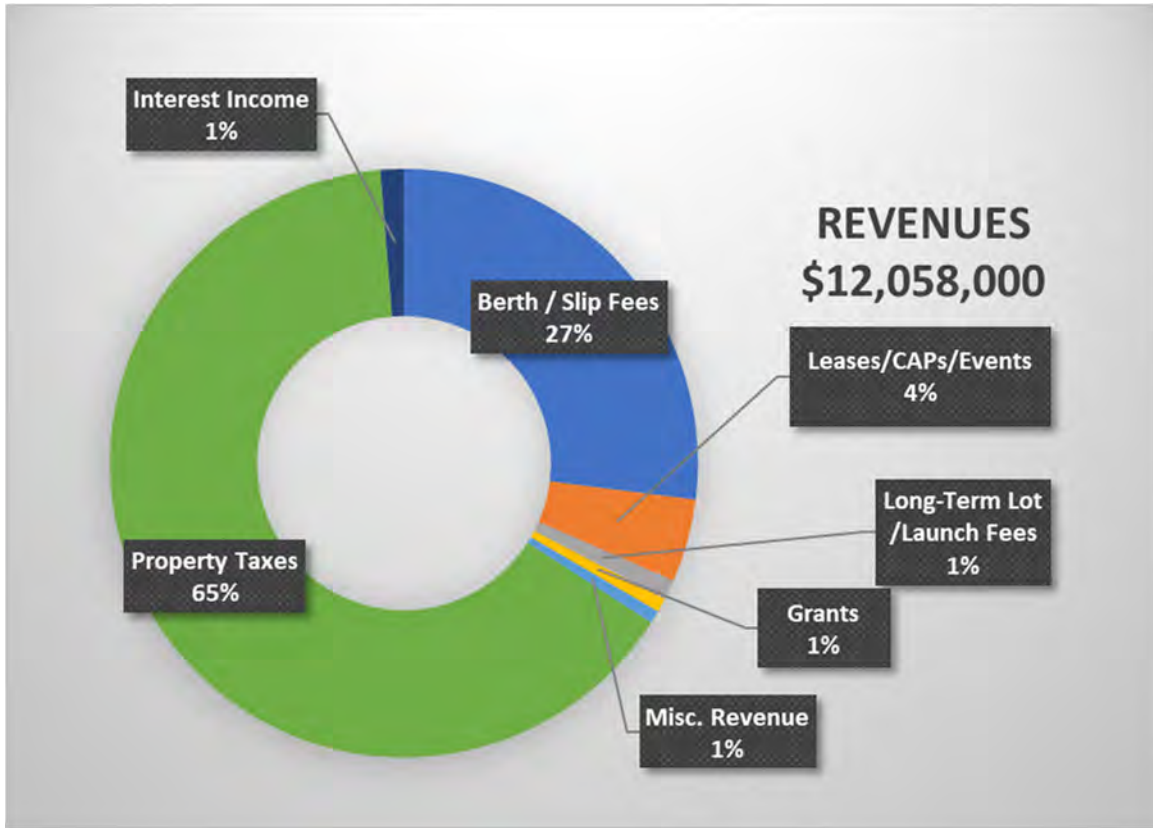
	BUDGETARY	ACCOUNTING
Basis	Modified Cash Flow	Accrual
Revenue	Recognized when received and accounted for	Recorded when earned
Obligations (Expenditures/ Expense)	Recognized when a commitment is made through encumbrance or expense	Recorded at the time commitments are incurred
Depreciation and Amortization	Excluded	Included
Repayment of Principal on Debt	Included	Excluded

Three-Year Comparative Financial Schedule

	Fiscal Year 2018/19		Fiscal Year 2019/20		Fiscal Year 2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Operating Revenues:						
Berth / Slip Fees	\$ 3,327,000	\$ 3,371,484	\$ 3,320,000	\$ 3,254,000	\$ 3,254,000	\$ 3,254,000
Leases and CAPs	611,000	564,693	552,000	521,000	521,000	521,000
Long-Term Lot /Launch Fees	250,000	219,613	250,000	179,000	133,000	133,000
Events	52,000	34,775	22,000	29,000	28,000	28,000
Grants & Reimbursements	475,000	231,781	200,000	74,000	92,000	92,000
Other Operating Revenue	100,000	110,974	97,000	83,000	86,000	86,000
Total Operating Revenues	4,815,000	4,533,320	4,441,000	4,140,000	4,114,000	4,114,000
Non-Operating Revenues:						
Property Taxes	7,140,000	7,830,769	7,785,000	7,789,000	7,789,000	7,789,000
Interest Income	186,245	364,360	275,000	255,000	155,000	155,000
Misc. Rev./Exp.	10,000	6,047	4,000	3,000	-	-
Grants & Reimbursements	-	-	-	-	-	-
Total Non-Operating Revenues	7,336,245	8,201,176	8,064,000	8,047,000	7,944,000	7,944,000
Total Revenues	\$ 12,151,245	\$ 12,734,496	\$ 12,505,000	\$ 12,187,000	\$ 12,058,000	\$ 12,058,000
Operating Expenditures:						
Salaries/Wages/Benefits Expenditures						
Salaries & Wages	\$ 3,306,141	\$ 3,048,932	\$ 4,097,000	\$ 4,097,000	\$ 4,477,000	\$ 4,477,000
Benefits-Current Employees	1,727,008	1,700,860	1,663,000	1,663,000	2,068,000	2,068,000
Benefits-Retired/Former Emp	152,157	162,791	210,000	210,000	273,000	273,000
Salary/Wages/Benefits Sub-total	5,185,306	4,912,583	5,970,000	5,970,000	6,818,000	6,818,000
Non-Personnel Expenditures						
Payments to Other Agencies	70,000	73,619	75,000	75,000	77,000	77,000
Utilities	506,000	358,890	396,000	396,000	497,000	497,000
Contract Services	611,500	669,919	496,000	579,000	371,000	371,000
Legal	484,400	475,520	351,000	351,000	364,000	364,000
Property/Liability Insurance	114,200	107,075	114,000	114,000	184,000	184,000
Repairs & Maint- Routine	277,700	388,216	409,000	409,000	421,000	421,000
Office/Equipment Rentals	98,400	95,100	115,000	115,000	118,000	118,000
Information Technology	167,700	131,815	217,000	224,000	211,000	211,000
Financial Service Fees	73,300	70,415	78,000	78,000	79,000	79,000
Operating Expenses	184,600	259,804	305,000	305,000	314,000	314,000
Travel and Training	56,300	49,728	157,000	157,000	174,000	174,000
Advertising and Promotion	20,400	36,491	43,000	43,000	44,000	44,000
Personnel Administration	17,100	11,813	46,000	46,000	47,000	47,000
Vessel Destruction	200,000	159,420	212,000	76,000	92,000	92,000
Memberships & Subscriptions	20,300	18,313	23,000	23,000	24,000	24,000
Claims Settlement	275,000	274,928	100,000	30,000	100,000	100,000
Bad Debts	101,600	80,328	88,000	88,000	264,000	264,000
Miscellaneous Expend.	16,700	5,141	5,000	5,000	4,000	4,000
Non-Personnel Expend Sub-total	3,295,200	3,266,535	3,230,000	3,114,000	3,385,000	3,385,000
Total Operating Expenditures	\$ 8,480,506	\$ 8,179,118	\$ 9,200,000	\$ 9,084,000	\$ 10,203,000	\$ 10,203,000
Revenues less Expenditures	\$ 3,670,739	\$ 4,555,378	\$ 3,305,000	\$ 3,103,000	\$ 1,855,000	\$ 1,855,000
One-time Revenues(Expenditures)						
Election Costs (every other year)	\$ (830,000)	\$ (859,313)	\$ -	\$ -	\$ (1,129,000)	\$ (1,129,000)
Non-Operating Grants & Reimbu	1,000,000	-	-	-	-	-
CalPERS Liability Payment	(2,300,000)	(2,300,000)	-	-	-	-
Increase(Decrease) to Working Capital	\$ 1,540,739	\$ 1,396,065	\$ 3,305,000	\$ 3,103,000	\$ 726,000	\$ 726,000

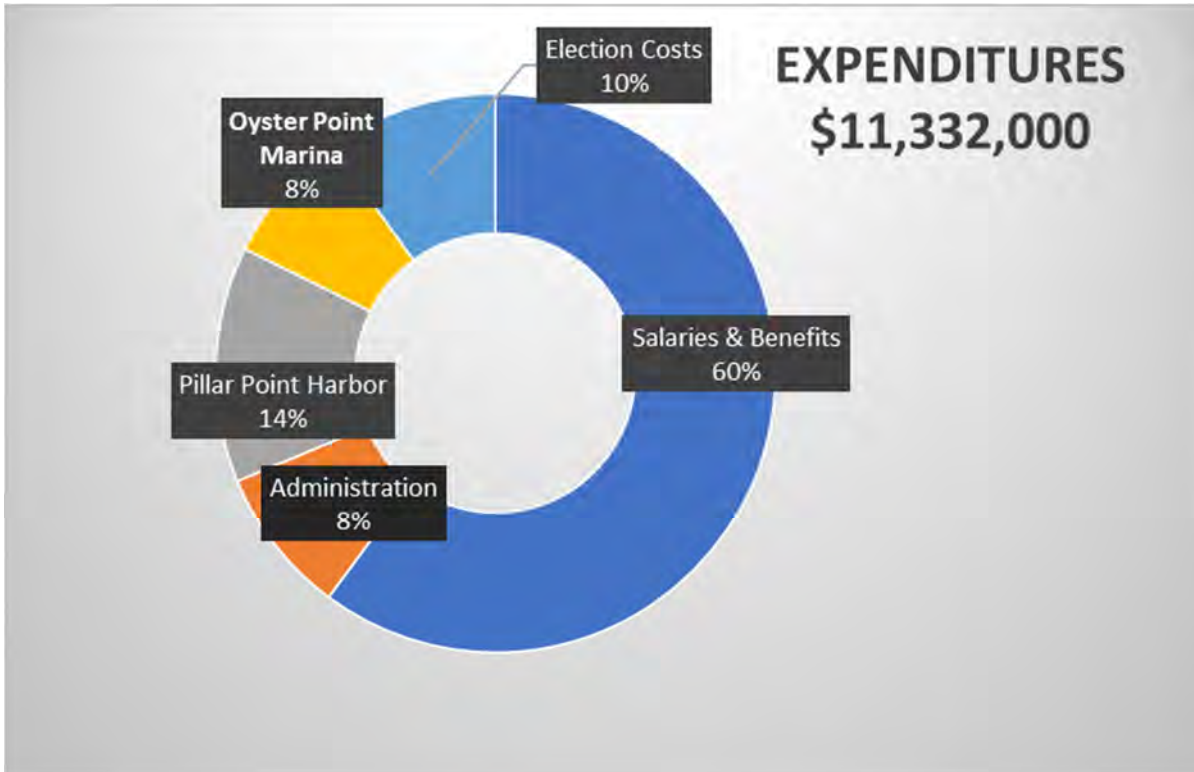


District Revenue





District Expenditures



The above chart shows the percentage of expenditures spent on Salaries/Wages & Benefits, Election Costs, and Non-Personnel Expenditures for each of the three District departments.

Budget by Department



Department Summary

Administration Department-

The Administration Department includes five elected Harbor Commissioners and 11 full-time positions and are responsible for the following duties and tasks:

Elected Harbor Commissioners:

- Adopts a Mission Statement and establishes goals, objectives, and priorities for the District.
- Appoints, evaluates, and terminates General Manager.
- Adopts an annual budget.
- Adopts ordinances to provide legal foundation of District operations.
- Represents the District, stakeholders, and general public.
- Adopts policies.

General Manager:

- Plans, organizes, coordinates and directs the activities of the District.
- Prepares, reviews, and makes recommendations regarding issues for Board consideration and action.
- Appoints, evaluates and terminates management staff.
- Oversees preparation of annual budget.
- Provides direction and leadership by setting organizational standards and objectives.

Administration & Operations:

- Responsible for administrative, business, and fiscal functions, including finance/accounting, human resources, purchasing, information technology, risk management, contract management, public information, grant management, and real property management.

Operations:

- Responsible for operations and maintenance of the District's two marinas, develops and implements sound management approaches for the publicly owned land and facilities under lease, and generates optimal utilization of marine recreational operations and activities at the marinas.
- Plans and coordinates capital projects, maintenance work, and environmental compliance reporting.
- Manages construction projects.



Department Summary- continued

Pillar Point Harbor Department and Oyster Point Marina Department-

The Pillar Point Harbor Department includes 18 full-time positions and the Oyster Point Marina Department includes 12 full-time positions and are responsible for the following at their respective locations:

- Serve the public by providing berthing and support for pleasure and commercial craft.
- Ensure that the harbor/marina is maintained in safe and clean condition.
- Act as a liaison with outside agencies including but not limited to California Division of Boating and Waterways, U.S. Coast Guard, local law enforcement, yacht clubs, and other groups who may use District facilities.
- Plan, evaluate, and direct the maintenance of docks, piers, vehicles, vessels and equipment.
- Respond to emergency and/or severe weather situations to protect the public, staff, vessels, District assets, and other property as necessary.
- Enforce District ordinances and policies, and State of California boating laws.
- Provide information and other customer service to tenants, lessees and harbor visitors.



Administration

	Fiscal Year 2018/19		Fiscal Year 2019/20		Fiscal Year 2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Non-Operating Revenues:						
Property Taxes	\$ 7,140,000	\$ 7,830,769	\$ 7,785,000	\$ 7,789,000	\$ 7,789,000	\$ 7,789,000
Interest Income	186,245	364,360	275,000	255,000	155,000	155,000
Miscellaneous Revenues	-	5,090	-	2,000	-	-
Total Non-Operating Revenues	7,326,245	8,200,219	8,060,000	8,046,000	7,944,000	7,944,000
Total Revenues	\$ 7,326,245	\$ 8,200,219	\$ 8,060,000	\$ 8,046,000	\$ 7,944,000	\$ 7,944,000
Operating Expenditures:						
Salaries/Wages/Benefits Expenditures						
Salaries & Wages	\$ 1,000,397	\$ 875,200	\$ 1,072,000	\$ 1,072,000	\$ 1,301,000	\$ 1,301,000
Benefits-Current Employees	475,574	409,995	400,000	400,000	576,000	576,000
Benefits-Retired/Former Emp	16,635	14,950	21,000	21,000	27,000	27,000
Salary/Benefits Sub-total	1,492,606	1,300,145	1,493,000	1,493,000	1,904,000	1,904,000
Non-Personnel Expenditures						
Payments to Other Agencies	70,000	73,619	75,000	75,000	77,000	77,000
Contract Services	236,500	273,466	232,000	315,000	100,000	100,000
Legal	279,000	101,625	211,000	184,000	190,000	190,000
Property/Liability Insurance	61,800	47,482	53,000	53,000	85,000	85,000
Repairs & Maint- Routine	3,400	907	4,000	4,000	4,000	4,000
Office/Equipment Rentals	98,400	95,100	115,000	115,000	118,000	118,000
Information Technology	93,800	65,041	95,000	95,000	98,000	98,000
Financial Service Fees	700	380	1,000	1,000	1,000	1,000
Operating Expenses	25,100	27,700	32,000	32,000	33,000	33,000
Travel and Training	39,900	25,169	100,000	100,000	103,000	103,000
Advertising and Promotion	4,400	11,471	15,000	15,000	15,000	15,000
Personnel Administration	15,100	5,241	20,000	20,000	21,000	21,000
Memberships & Subscriptions	19,500	17,221	20,000	20,000	21,000	21,000
Claims Settlement	275,000	274,928	100,000	30,000	100,000	100,000
Miscellaneous Expend.	-	4	1,000	1,000	-	-
Non-Personnel Expend Sub-total	1,222,600	1,019,354	1,074,000	1,060,000	966,000	966,000
Total Expenditures	\$ 2,715,206	\$ 2,319,499	\$ 2,567,000	\$ 2,553,000	\$ 2,870,000	\$ 2,870,000
Revenues less Expenditures	\$ 4,611,039	\$ 5,880,720	\$ 5,493,000	\$ 5,493,000	\$ 5,074,000	\$ 5,074,000
One-time Revenues(Expenditures)						
Election Costs (every other year)	\$ (830,000)	\$ (859,313)	\$ -	\$ -	\$ (1,129,000)	\$ (1,129,000)
CalPERS Liability Payment	(667,000)	(667,000)	-	-	-	-
Increase(Decrease) to Working Capital	\$ 3,114,039	\$ 4,354,407	\$ 5,493,000	\$ 5,493,000	\$ 3,945,000	\$ 3,945,000



Pillar Point Harbor

	Fiscal Year 2018/19		Fiscal Year 2019/20		Fiscal Year 2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Operating Revenues:						
Berth / Slip Fees	\$ 1,950,000	\$ 2,064,800	\$ 2,009,000	\$ 2,009,000	\$ 2,009,000	\$ 2,009,000
Leases and CAPs	509,000	444,055	430,000	402,000	402,000	402,000
Long-Term Lot /Launch Fees	234,378	190,394	234,000	160,000	107,000	107,000
Events	50,000	34,775	20,000	28,000	28,000	28,000
Grants & Reimbursements	138,300	118,730	138,300	63,000	41,000	41,000
Other Operating Revenue	74,100	77,225	67,000	56,000	56,000	56,000
Total Operating Revenues	2,955,778	2,929,979	2,898,300	2,718,000	2,643,000	2,643,000
Non-Operating Revenues:						
Miscellaneous Revenues	10,000	-	4,000	1,000	-	-
Total Non-Operating Revenues	4,000	-	4,000	1,000	-	-
Total Revenues	\$ 2,959,778	\$ 2,929,979	\$ 2,902,300	\$ 2,719,000	\$ 2,643,000	\$ 2,643,000
Operating Expenditures:						
Salaries/Wages/Benefits Expenditures						
Salaries & Wages	\$ 1,327,486	\$ 1,309,838	1,788,000	\$ 1,788,000	\$ 1,877,000	\$ 1,877,000
Benefits-Current Employees	774,065	787,404	770,000	770,000	907,000	907,000
Benefits-Retired/Former Emp	77,000	90,457	116,000	116,000	151,000	151,000
Salary/Benefits Sub-total	2,178,551	2,187,699	2,674,000	2,674,000	2,935,000	2,935,000
Non-Personnel Expenditures						
Utilities	336,200	279,916	288,000	288,000	297,000	297,000
Contract Services	184,000	173,010	168,000	168,000	173,000	173,000
Legal	92,000	325,792	68,000	95,000	100,000	100,000
Property/Liability Insurance	23,300	28,058	29,000	29,000	46,000	46,000
Repairs & Maint- Routine	169,100	285,464	294,000	294,000	303,000	303,000
Information Technology	40,600	34,279	50,000	84,000	68,000	68,000
Financial Service Fees	43,900	44,443	48,000	48,000	48,000	48,000
Operating Expenses	104,700	154,101	193,000	193,000	199,000	199,000
Travel and Training	4,700	13,329	44,000	44,000	45,000	45,000
Advertising and Promotion	8,000	20,997	21,000	21,000	21,000	21,000
Personnel Administration	500	4,445	22,000	22,000	22,000	22,000
Vessel Destruction	138,300	108,076	146,000	62,000	41,000	41,000
Memberships & Subscriptions	400	788	2,000	2,000	2,000	2,000
Bad Debts	90,200	43,186	60,000	60,000	180,000	180,000
Miscellaneous Expend.	500	2,273	2,000	2,000	2,000	2,000
Non-Personnel Expend Sub-total	1,236,400	1,518,157	1,435,000	1,412,000	1,547,000	1,547,000
Total Expenditures	\$ 3,414,951	\$ 3,705,856	\$ 4,109,000	\$ 4,086,000	\$ 4,482,000	\$ 4,482,000
Revenues less Expenditures	\$ (512,651)	\$ (775,877)	\$ (1,206,700)	\$ (1,367,000)	\$ (1,839,000)	\$ (1,839,000)
One-time Revenues(Expenditures)						
Non-Operating Grants & Reimburs	1,000,000	-	-	-	-	-
CalPERS Liability Payment	(938,400)	(938,400)	-	-	-	-
Increase(Decrease) to Working Capital	\$ (451,051)	\$ (1,714,277)	\$ (1,206,700)	\$ (1,367,000)	\$ (1,839,000)	\$ (1,839,000)



Oyster Point Marina

	Fiscal Year 2018/19		Fiscal Year 2019/20		Fiscal Year 2020/21	
	Revised Budget	Actual	Revised Budget	Projected	Preliminary Budget	Final Budget
Operating Revenues:						
Berth / Slip Fees	\$ 1,377,000	\$ 1,306,684	\$ 1,311,000	\$ 1,245,000	\$ 1,245,000	\$ 1,245,000
Leases and CAPs	102,000	120,638	122,000	119,000	119,000	119,000
Long-Term Lot /Launch Fees	15,622	29,219	16,000	19,000	26,000	26,000
Events	2,000	-	2,000	1,000	-	-
Grants & Reimbursements	336,700	113,051	61,700	11,000	51,000	51,000
Other Operating Revenue	25,900	33,749	30,000	27,000	30,000	30,000
Total Operating Revenues	1,859,222	1,603,341	1,542,700	1,422,000	1,471,000	1,471,000
Non-Operating Revenues:						
Misc. Rev./(Exp.)	-	957	-	-	-	-
Total Non-Operating Revenues	-	957	-	-	-	-
Total Revenues	\$ 1,859,222	\$ 1,604,298	\$ 1,542,700	\$ 1,422,000	\$ 1,471,000	\$ 1,471,000
Operating Expenditures:						
Salaries/Wages/Benefits Expenditures						
Salaries & Wages	\$ 978,258	\$ 863,894	\$ 1,237,000	\$ 1,237,000	\$ 1,299,000	\$ 1,299,000
Benefits-Current Employees	477,369	503,461	493,000	493,000	585,000	585,000
Benefits-Retired/Former Emp	58,522	57,384	73,000	73,000	95,000	95,000
Salary/Benefits Sub-total	1,514,149	1,424,739	1,803,000	1,803,000	1,979,000	1,979,000
Non-Personnel Expenditures						
Utilities	169,800	78,974	108,000	108,000	200,000	200,000
Contract Services	191,000	223,443	96,000	96,000	98,000	98,000
Legal	113,400	48,103	72,000	72,000	74,000	74,000
Property/Liability Insurance	29,100	31,535	32,000	32,000	53,000	53,000
Repairs & Maint- Routine	105,200	101,845	111,000	111,000	114,000	114,000
Information Technology	33,300	32,495	72,000	45,000	45,000	45,000
Financial Service Fees	28,700	25,592	29,000	29,000	30,000	30,000
Operating Expenses	54,800	78,003	80,000	80,000	82,000	82,000
Travel and Training	11,700	11,230	13,000	13,000	26,000	26,000
Advertising and Promotion	8,000	4,023	7,000	7,000	8,000	8,000
Personnel Administration	1,500	2,127	4,000	4,000	4,000	4,000
Vessel Destruction	61,700	51,344	66,000	14,000	51,000	51,000
Memberships & Subscriptions	400	304	1,000	1,000	1,000	1,000
Bad Debts	11,400	37,142	28,000	28,000	84,000	84,000
Miscellaneous Expend.	16,200	2,864	2,000	2,000	2,000	2,000
Non-Personnel Expend Sub-total	836,200	729,024	721,000	642,000	872,000	872,000
Total Expenditures	\$ 2,350,349	\$ 2,153,763	\$ 2,524,000	\$ 2,445,000	\$ 2,851,000	\$ 2,851,000
Revenues less Expenditures	\$ (491,127)	\$ (549,465)	\$ (981,300)	\$ (1,023,000)	\$ (1,380,000)	\$ (1,380,000)
One-time Revenues(Expenditures)						
CalPERS Liability Payment	(694,600)	(694,600)	-	-	-	-
Increase(Decrease) to Working Capital	\$ (1,185,727)	\$ (1,244,065)	\$ (981,300)	\$ (1,023,000)	\$ (1,380,000)	\$ (1,380,000)



SECTION TWO- FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM



Five-Year Forecasts

CIP COST ESTIMATES		FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
Pillar Point Harbor		\$ 2,623,362	\$ 2,020,733	\$ 3,100,000	\$ 60,000	\$ 926,000	\$ 46,000
Oyster Point Marina		66,000	215,000	1,600,000	2,750,000	100,000	2,000,000
Administration		-	810,000	460,000	60,000	60,000	60,000
TOTAL		\$ 2,689,362	\$ 3,045,733	\$ 5,160,000	\$ 2,870,000	\$ 1,086,000	\$ 2,106,000
FUNDING SOURCES		FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2023/24
FEMA Funding		\$ 408,622	\$ 27,000	\$ -	\$ -	\$ -	\$ -
DBW Grant		73,000	-	800,000	-	-	-
OPC Grant		27,300	145,518	-	-	-	-
MTC Grant		-	-	298,000	-	-	-
Working Capital		2,180,440	2,873,215	4,062,000	2,870,000	1,086,000	2,106,000
TOTAL		\$ 2,689,362	\$ 3,045,733	\$ 5,160,000	\$ 2,870,000	\$ 1,086,000	\$ 2,106,000
SOURCES (USES)		FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
Working Capital- Beginning Balance		\$ 17,304,863	\$ 18,940,404	\$ 17,430,208	\$ 13,322,058	\$ 10,345,811	\$ 9,491,982
Operating Revenue		4,140,000	4,114,000	4,073,000	4,032,000	4,032,000	4,032,000
Non-Operating Revenue		8,047,000	7,944,000	7,944,000	7,864,560	7,785,914	7,708,055
Salaries/Wages & Benefits		(5,970,000)	(6,818,000)	(7,158,900)	(7,516,845)	(7,667,182)	(7,820,526)
Non-Personnel Expenditures		(3,114,000)	(3,385,000)	(3,554,250)	(3,731,963)	(3,918,561)	(4,114,489)
Election Costs		-	(1,129,000)	-	(754,000)	-	(1,129,000)
Annual Increase in Working Capital		3,103,000	726,000	1,303,850	(106,248)	232,172	(1,323,959)
Working Capital used for CIP		(2,180,440)	(2,873,215)	(4,062,000)	(2,870,000)	(1,086,000)	(2,106,000)
Encumbrances		712,981	1,350,000	-	-	-	-
Encumbrances Released		-	(712,981)	(1,350,000)	-	-	-
TOTAL ENDING WORKING CAPITAL		\$ 18,940,404	\$ 17,430,208	\$ 13,322,058	\$ 10,345,811	\$ 9,491,982	\$ 6,062,023
MINIMUM REQUIRED RESERVES		\$ 2,271,000	\$ 3,115,250	\$ 2,678,288	\$ 3,189,202	\$ 2,896,436	\$ 3,548,254

Working Capital

The five-year Working Capital projection assumes the following: 1) Operating Revenues will decrease 1% for the next two years, then stay the same for the next three years, 2) Non-Operating Revenues will decrease due to expected drop in interest income, then beginning in 2022/23 there will be a decrease of Property Tax Revenue of 1% for the next three years, 3) Salary/Wages will increase by 5% & Benefits will increase by 25% in 2020/21 and then 5% for the next four years; and 4) Non-Personnel Expenditures will increase 5% each year after 2020/21.

The FY 2020/21, FY 2022/23, and FY 2024/25 include estimates of the biennial election costs. This cost in FY 2022/23 is expected to be less than the other two years due to the District holding elections for two districts in 2022/23 and three districts in the other two years.

Encumbrances are a reserve of funds set aside for a particular contract. See page 56 for details.

CAPITAL IMPROVEMENT PROJECTS

The CIP projects have been prioritized based on the following considerations: 1) Is the project required by legal obligations or other agreements? 2) Does the project have high public or environmental benefit? 3) Does the project enhance safety or provide district-wide benefits? 4) cost of project. A public forum was held May 14, 2020, encouraging the public and stakeholders to learn more about the CIP priorities, ask questions and provide input by participating in the



District's Virtual Community Forum (VCF). In addition, the public had an opportunity to fill out an online survey to rate the projects that they would like to see completed. Following are the projects that have been determined to have the highest priority using the above criteria:

- 1) Tenant Row/Ketch Joanne Tenant Row Restrooms (legally required)
- 2) RV Park Restroom and Greenspace Improvements (legally required to comply with Coastal Development Permit)
- 3) Oyster Point Marina Survey Docks 1-6 (required by agreement)
- 4) Oyster Point Marina Replace Docks 12, 13 & 14 (required by agreement)
- 5) Surfers Beach Restoration/Harbor Dredge Project (environmental benefit, uniform depth for PPH anchorage/ramp)
- 6) West Trail Shoreline Protection (environmental benefit, enhance safety, access to Mavericks Beach)
- 7) Enterprise Planning Resource System (network safety/security and provides District wide benefits)
- 8) Replacement of Vessels and Vehicles (enhances safety)
- 9) Master Plan (provides District-wide benefits)


The following projects were completed or mostly completed in Fiscal Year 2019/20 and are included to show estimated costs for Fiscal Year 2019/20. These projects will have minimal or no impact to the five-year CIP.

- 1) Fishing Pier Repair & Access Walkway Rehabilitation (completed)
- 2) Harbor Master Building Office Alternations (90-95% complete)
- 3) Johnson Pier Timber Piling Platform Repair (completed)
- 4) Launch Ramp Dredge (completed except for cost to store sand)

The following Capital Improvement Projects will be completed once funding sources are identified.

- 1) Pillar Point Harbor Replace Dock G, F or E
- 2) Johnson Pier Reconfiguration, H-Dock & Fuel Dock Replacement
- 3) Pillar Point Harbor Parking Lot Improvements
- 4) Pillar Point Harbor Launch Ramp Restroom/ Boat Wash
- 5) Pillar Point Habitat Restoration
- 6) Pillar Point Coastal Trail Improvement
- 7) Oyster Point Marina 40,000 Square Foot Parcel Building
- 8) Construction of Administration Building
- 9) Signage/Wayfinding Program

Five-Year CIP Detail- Funded Projects

PROJECT TITLE: TENANT ROW/KETCH JOANNE ADA RESTROOMS								
Project Location:	Pillar Point Harbor	Status:	Not started					
Initial Funding:	n.a.	Account Number:	n.a.					
Estimated Completion:	Winter 2021							
DESCRIPTION:	Replace restrooms to be ADA compliant.							
JUSTIFICATION:	To provide adequate public restroom facilities.							
STRATEGIC GOAL/OPERATING IMPACT:	1) Comprehensive Long-Range Planning Guides District 2) Infrastructure Improvements are Guided by Comprehensive Long-Term Planning.							
<i>Not expected to increase operating costs.</i>								
Expenditures	Prior Years	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	Total ALL FY
Design/ Engineering	\$ -	\$ 50,000	\$ -	\$ -	\$ -		\$ -	\$ 50,000
Construction	-	-	350,000	-	-	-	-	350,000
TOTAL	\$ -	\$ 50,000	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000
Source(s) of Funds								
Working Capital	\$ -	\$ 50,000	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000
TOTAL	\$ -	\$ 50,000	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000



PROJECT TITLE: RV PARK RESTROOM

Project Location:	Pillar Point Harbor	Status:	Design/Engineering
Initial Funding:	4/11/2019	Account Number:	920-000
Estimated Completion:	Summer 2021		

DESCRIPTION:
 Build a public restroom, outdoor shower, and ADA parking adjacent to Surfers' Beach and K&N RV lot. The addition of a public restroom, along with other improvements, will allow the District to secure a CDP for the RV lot. An RFP for design/engineering closed 10/7/19. Proposals are in review.

JUSTIFICATION:
 This project will provide needed public restrooms and other amenities.

STRATEGIC GOAL/OPERATING IMPACT:
 1) Comprehensive Long-Range Planning Guides District Actions and Decision-Making
 2) Infrastructure Improvements are Guided by Comprehensive Long-Term Planning.
Expected to increase operating costs.



Expenditures	Prior Years	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	Total ALL FY
Design/Engineering	\$ 10,133	\$ 2,867	\$ 248,215	\$ -	\$ -	\$ -	\$ -	\$ 261,215
Construction	-	-	-	350,000	-	-	-	350,000
Maintenance & Operating Cost	-	-	-	-	10,000	10,000	10,000	30,000
TOTAL	\$ 10,133	\$ 2,867	\$ 248,215	\$ 350,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 641,215

Source(s) of Funds								
MTC Grant	\$ -	\$ -		\$ 298,000	\$ -	\$ -	\$ -	\$ 298,000
Working Capital	10,133	2,867	248,215	52,000	10,000	10,000	10,000	343,215
TOTAL	\$ 10,133	\$ 2,867	\$ 248,215	\$ 52,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 641,215



PROJECT TITLE: EVALUATE DOCKS 1-6

Project Location:	Oyster Point Marina	Status:	Not started
Initial Funding:	n.a.	Account Number:	n.a.
Estimated Completion:	December 2023		

DESCRIPTION:
 The City of South San Francisco entered into an agreement with the District to manage the OPM. As part of the agreement, the District must evaluate dock 16.

JUSTIFICATION:
 Docks are over 30 years old and need to be replaced.

STRATEGIC GOAL/OPERATING IMPACT:
 1) Comprehensive Long-Range Planning Guides District Actions and Decision-Making; .
 2) Infrastructure Improvements are Guided by Comprehensive Long-Term Planning



Not expected to impact operating costs/revenues.

Expenditures	Prior Years	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	Total ALL FY
Evaluation Cost	\$ -	\$ -	\$ -	\$ -	\$ 100,000		\$ -	\$ 100,000
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000

Source(s) of Funds								
Working Capital	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000



PROJECT TITLE: REPLACE DOCK 12, 13 & 14

Project Location:	Oyster Point Marina	Status:	Not started
Initial Funding:	n.a.	Account Number:	n.a.
Estimated Completion:	December 2024		

DESCRIPTION:

The City of South San Francisco entered into an agreement with the District to manage the OPM. As part of the agreement, the District must replace docks 12, 13, & 14 by 12/31/2024.

JUSTIFICATION:

Docks are over 30 years old and need to be replaced.

STRATEGIC GOAL/OPERATING IMPACT:

- 1) Comprehensive Long-Range Planning Guides District Actions and Decision-Making.
- 2) Infrastructure Improvements are Guided by Comprehensive Long-Term Planning.



Not expected to impact operating costs/revenues.

Expenditures	Prior Years	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	Total ALL FY
Design/ Engineering	\$ -	\$ -	\$ 200,000	\$ 200,000	\$ -	\$ 100,000	\$ -	\$ 500,000
Construction	-	-		1,400,000	2,600,000	-	2,000,000	6,000,000
TOTAL	\$ -	\$ -	\$ 200,000	\$ 1,600,000	\$ 2,600,000	\$ 100,000	\$ 2,000,000	\$ 6,500,000

Source(s) of Funds

Working Capital	\$ -	\$ -	\$ 200,000	\$ 1,600,000	\$ 2,600,000	\$ 100,000	\$ 2,000,000	\$ 6,500,000
TOTAL	\$ -	\$ -	\$ 200,000	\$ 1,600,000	\$ 2,600,000	\$ 100,000	\$ 2,000,000	\$ 6,500,000



PROJECT TITLE: SURFERS BEACH RESTORATION

Project Location:	Pillar Point Harbor	Status:	Technical Specs & Permitting in Progress
Initial Funding:	11/16/2017	Account Number:	912-500
Estimated Completion:	Summer 2021		

DESCRIPTION:
To address coastal erosion and public access at Surfers Beach by using sand in the boat launch area to replenish the beach.

JUSTIFICATION:
Sediment is building up inside the outer breakwater and needs to be moved; simultaneously coastal erosion is occurring to the adjacent Surfers Beach area outside of the breakwater. Securing permitting to move the sand would be beneficial to both areas.

STRATEGIC GOAL/OPERATING IMPACT:
1) Comprehensive Long-Range Planning Guides District Actions and Decision-Making.
2) Environmental Stewardship
Not expected to impact operating costs/revenues.



Expenditures	Prior Years	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	Total ALL FY
Design/ Engineering	\$ 59,990	\$ 109,872	\$ 145,518	\$ -	\$ -	\$ -	\$ -	\$ 315,380
Eel Grass Remediation			500,000					500,000
Construction	-	-	-	2,000,000	-	-	-	2,000,000
TOTAL	\$ 59,990	\$ 109,872	\$ 645,518	\$ 2,000,000	\$ -	\$ -	\$ -	\$ 2,815,380

Source(s) of Funds								
OPC Grant	\$ 47,700	\$ 27,300	\$ 145,518	\$ -	\$ -	\$ -	\$ -	\$ 220,518
DBW Grant	-	-	-	800,000	-	-	-	800,000
Working Capital	12,290	82,572	500,000	1,200,000	-	-	-	1,794,862
TOTAL	\$ 59,990	\$ 109,872	\$ 645,518	\$ 2,000,000	\$ -	\$ -	\$ -	\$ 2,815,380



PROJECT TITLE: WEST TRAIL SHORELINE PROTECTION

Project Location:	Pillar Point Harbor	Status:	Design, Engineering & Permitting
Initial Funding:	4/4/2016	Account Number:	930-200
Estimated Completion:	Summer 2021		

DESCRIPTION:

Evaluate alternatives to prevent further trail erosion with an emphasis on a Living Shoreline with minimal hard armoring, re-line concrete swale, and stabilize adjacent hillside with planting of native vegetation.

JUSTIFICATION:

The West Trail and adjacent bluffs have sustained substantial erosion.

STRATEGIC GOAL/OPERATING IMPACT:

- 1) Comprehensive Long-Range Planning Guides District Actions and Decision-Making
- 2) Infrastructure Improvements are Guided by Comprehensive Long-Term Planning.
- 3) Environmental Stewardship

Not expected to impact operating costs/revenues.



Expenditures	Prior Years	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	Total ALL FY
Design/Engineering	\$ 491,532	\$ 560,421	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,051,953
Construction	-	-	750,000	750,000	-	-	-	1,500,000
TOTAL	\$ 491,532	\$ 560,421	\$ 750,000	\$ 750,000	\$ -	\$ -	\$ -	\$ 2,551,953

Source(s) of Funds

Working Capital	\$ 491,532	\$ 560,421	\$ 750,000	\$ 750,000	\$ -	\$ -	\$ -	\$ 2,551,953
TOTAL	\$ 491,532	\$ 560,421	\$ 750,000	\$ 750,000	\$ -	\$ -	\$ -	\$ 2,551,953



PROJECT TITLE: ENTERPRISE RESOURCE PLANNING SYSTEM

Project Location:	District-wide	Status:	In process of comparing software systems
Initial Funding:	n.a.	Account Number:	n.a.
Estimated Completion:	Summer 2022		

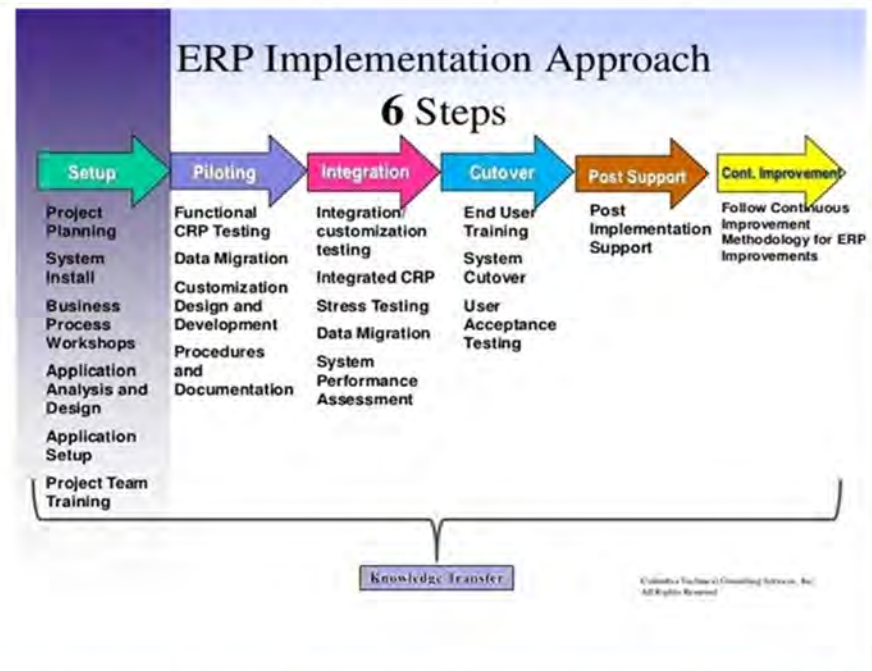
DESCRIPTION:
 Replace District's financial systems for improved business processes and automation. In addition, current A/R system is on an operating system that is no longer supported. Includes temporary employees and work space.

JUSTIFICATION:
 The District's current financial systems are antiquated and need to be replaced with a more robust and automated system(s).

STRATEGIC GOAL(S)/OPERATING IMPACT:

- 1) Ensure That the Public is Well Informed About the District
- 2) Ensure Good Governance and Administration
- 3) Ensure Fiscal Responsibility.

Expected to increase operating costs.



Expenditures	Prior Years	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	Total ALL FY
Software	\$ -	\$ -	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 300,000
Train / Implement	-	-	400,000	400,000	-	-	-	800,000
TOTAL	\$ -	\$ -	\$ 460,000	\$ 460,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 1,100,000

Source(s) of Funds								
Working Capital	\$ -	\$ -	\$ 460,000	\$ 460,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 1,100,000
TOTAL	\$ -	\$ -	\$ 460,000	\$ 460,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 1,100,000



PROJECT TITLE: VESSEL & VEHICLE REPLACEMENT

Project Location:	PPH & OPM	Status:	n.a.
Initial Funding:	n.a.	Account Number:	n.a.
Estimated Completion:	on-going		

DESCRIPTION:
Replacement of Vehicles, Vessels and Other Equipment.

JUSTIFICATION:
Replacement or major maintenance or repowering of assets are necessary once an asset has reached its useful life.

STRATEGIC GOAL/OPERATING IMPACT:
1) Comprehensive, Long-Range Planning Guides District Actions and Decision Making.



Not expected to impact operating costs/revenues.

Expenditures	Prior Years	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	Total ALL FY
Vehicles	n/a	\$ 79,000		\$ -	\$ 100,000	\$ -	\$ -	\$ 179,000
Vessels/ Electronics	n/a	110,000		-	-	900,000	36,000	1,046,000
Golf/Dump Cart	n/a	-	15,000	-	-	16,000	-	31,000
TOTAL	\$ -	\$ 189,000	\$ 15,000	\$ -	\$ 100,000	\$ 916,000	\$ 36,000	\$ 1,256,000

Source(s) of Funds								
DBW Grant	n/a	\$ 73,000			-			\$ 73,000
Working Capital	n/a	116,000	15,000	-	100,000	916,000	36,000	1,183,000
TOTAL	\$ -	\$ 189,000	\$ 15,000	\$ -	\$ 100,000	\$ 916,000	\$ 36,000	\$ 1,256,000



PROJECT TITLE: MASTER PLAN

Project Location:	District-wide	Status:	Not started
Initial Funding:	n.a.	Account Number:	n.a.
Estimated Completion:	Winter 2021		

DESCRIPTION:

Develop a comprehensive Master Plan to guide future capital improvement projects and development of land and water.

JUSTIFICATION:

To balance resource protection, coastal access, sustainable development, coastal dependent business, active and passive public recreation.

STRATEGIC GOAL/OPERATING IMPACT:

- 1) Comprehensive Long-Range Planning Guides District Actions and Decision-Making.
- 2) Infrastructure Improvements are Guided by Comprehensive Long-Term Planning.



Not expected to increase operating costs.

Expenditures	Prior Years	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	Total ALL FY
Design/Engineering	\$ -	\$ -	\$ 350,000	\$ -	\$ -		\$ -	\$ 350,000
Construction	-	-	-	-	-	-	-	-
TOTAL	\$ -	\$ -	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ 350,000

Source(s) of Funds								
Working Capital	\$ -	\$ -	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ 350,000
TOTAL	\$ -	\$ -	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ 350,000



Five-Year CIP Detail- Completed or Nearly Completed

PROJECT TITLE: FISHING PIER REPAIR AND ACCESS WALKWAY REHABILITATION

Project Location:	Pillar Point Harbor	Status:	Complete
Initial Funding:	10/18/2017	Account Number:	912-001
Estimated Completion:	April 2020		

DESCRIPTION:

Replace rip rap, decking and safety hand railings.

JUSTIFICATION:

The Fishing Pier has suffered substantial erosion in places along its breakwater foundation support. The rip rap must be replaced before structural damage occurs. The repairs will be completed to be in compliance with ADA.

STRATEGIC GOAL(S)/OPERATING IMPACT:

1) Comprehensive Long-Range Planning Guides District Actions and Decision-Making

2) Infrastructure Improvements are Guided by Comprehensive Long-Term Planning.

Not expected to impact operating costs/revenues.



Expenditures	Prior Years	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	Total ALL FY
Design/ Engineering	\$ 80,658	\$ 15,242	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 95,900
Construction	-	567,656		-	-	-	-	567,656
TOTAL	\$ 80,658	\$ 582,898	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 663,556

Source(s) of Funds

Working Capital	80,658	582,898	-	-	-	-	-	663,556
TOTAL	\$ 80,658	\$ 582,898	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 663,556



PROJECT TITLE: HARBORMASTER BUILDING OFFICE ALTERATIONS

Project Location:	Pillar Point Harbor	Status:	Construction underway
Initial Funding:	12/20/2017	Account Number:	940-051
Estimated Completion:	June 2020		

DESCRIPTION:

This project will improve workplace safety and public access and ensure ADA compliance.

JUSTIFICATION:

Current floor plan and front entry configuration is not ADA compliant, lacks open connectivity between work stations, and is not best suited for security concerns.

STRATEGIC GOAL/OPERATING IMPACT:

1) Comprehensive Long-Range Planning Guides District Actions and Decision-Making

2) Infrastructure Improvements are Guided by Comprehensive Long-Term Planning.

Not expected to impact operating costs/revenues.



Expenditures	Prior Years	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	Total ALL FY
Design/ Engineering	\$ 36,615	\$ 24,685	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 61,300
Construction	-	473,600	-	-	-	-	-	473,600
TOTAL	\$ 36,615	\$ 498,285	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 534,900

Source(s) of Funds

Working Capital	\$ 36,615	\$ 498,285	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 534,900
TOTAL	\$ 36,615	\$ 498,285	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 534,900



PROJECT TITLE: JOHNSON PIER TIMBER PLATFORM PILING REPAIR

Project Location:	Pillar Point Harbor	Status:	Completed
Initial Funding:	3/20/2019	Account Number:	899-000
Estimated Completion:	April 2020		

DESCRIPTION:
 Stabilize a portion of Johnson Pier until the reconfiguration construction of the Pier can take place. (See Johnson Pier Reconfiguration, H-Dock & Fuel Dock Project)

JUSTIFICATION:
 The wood/timber pilings supporting the Johnson Pier "Work Dock Land" have succumbed to decades of wood boring marine organisms and some of the wooden/timber structural pilings have been compromised and are in poor condition. District's design/engineering consultant determined that sleeving the compromised structural pilings are necessary to regain the structural integrity of the timber platform.

STRATEGIC GOAL/OPERATING IMPACT:
 1) Comprehensive Long-Range Planning Guides District Actions and Decision-Making
 2) Infrastructure Improvements are Guided by Comprehensive Long-Term Planning.
Not expected to impact operating costs/revenues.



Expenditures	Prior Years	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	Total ALL FY
Design/ Engineering	\$ 17,662	\$ 24,638	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42,300
Construction	-	38,253	-	-	-	-	-	38,253
TOTAL	\$ 17,662	\$ 62,891	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,553

Source(s) of Funds								
Working Capital	17,662	62,891	-	-	-	-	-	80,553
TOTAL	\$ 17,662	\$ 62,891	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,553



PROJECT TITLE: LAUNCH RAMP DREDGE

Project Location:	Pillar Point Harbor	Status:	Dredge Completed/ continue storing sand
Initial Funding:	1/18/2017	Account Number:	940-089
Estimated Completion:	December 2020		

DESCRIPTION:

A severe storm event in 2017 caused part of the boat launch ramps to be covered in sand very rapidly. The cost of the removal of debris/sediment and storage of the sand to be used to replenish Surfers Beach/West Trail was deemed to be qualified for FEMA/CalOES funding.

JUSTIFICATION:

The Boat Launch Ramp contains six lanes. The sand accumulation caused two of the six lanes to become nonoperational. This has led to long waiting periods to launch boats.

STRATEGIC GOAL/OPERATING IMPACT:

- 1) Comprehensive Long-Range Planning Guides District Actions and Decision-Making
- 2) Infrastructure Improvements are Guided by Comprehensive Long-Term Planning.

Not expected to impact operating costs/revenues.



Expenditures	Prior Years	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	Total ALL FY
Design/Engineering	\$ 103,777	\$ 10,141	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 113,918
Dredging	-	344,481	-	-	-	-	-	344,481
Storage	-	54,000	27,000	-	-	-	-	81,000
TOTAL	\$ 103,777	\$ 408,622	\$ 27,000	\$ -	\$ -	\$ -	\$ -	\$ 539,399

Source(s) of Funds

FEMA/ CalOES	\$ 103,777	\$ 408,622	\$ 27,000	\$ -	\$ -	\$ -	\$ -	\$ 539,399
TOTAL	\$ 103,777	\$ 408,622	\$ 27,000	\$ -	\$ -	\$ -	\$ -	\$ 539,399



Projects Postponed - Funding To Be Identified

PROJECT TITLE: REPLACE DOCK G, F, E			
Project Location:	Pillar Point Harbor	Status:	Not started
Initial Funding:	n.a.	Account Number:	n.a.
Estimated Completion:	based on available funding		

DESCRIPTION:
Docks have exceeded their service life and need to be replaced. There is currently available funding for one of the three docks.

JUSTIFICATION:
Docks are over 30 years old and need to be replaced.

STRATEGIC GOAL/OPERATING IMPACT:
1) Comprehensive Long-Range Planning Guides District Actions and Decision-Making.
2) Infrastructure Improvements are Guided by Comprehensive Long-Term Planning.

Not expected to impact operating costs.



Expenditures	Prior Years	FY 19-20	Future Year Estimates					Total ALL FY
Design/Engineering	\$ -	\$ -	\$ -	\$ 200,000	\$ 200,000	\$ 200,000	\$ -	\$ 600,000
Construction	-	-	-	-	3,000,000	3,000,000	3,000,000	9,000,000
TOTAL	\$ -	\$ -	\$ -	\$ 200,000	\$ 3,200,000	\$ 3,200,000	\$ 3,000,000	\$ 9,600,000
Source(s) of Funds								
Not Funded	\$ -	\$ -	\$ -	\$ 200,000	\$ 3,200,000	\$ 3,200,000	\$ 3,000,000	\$ 9,600,000
TOTAL	\$ -	\$ -	\$ -	\$ 200,000	\$ 3,200,000	\$ 3,200,000	\$ 3,000,000	\$ 9,600,000



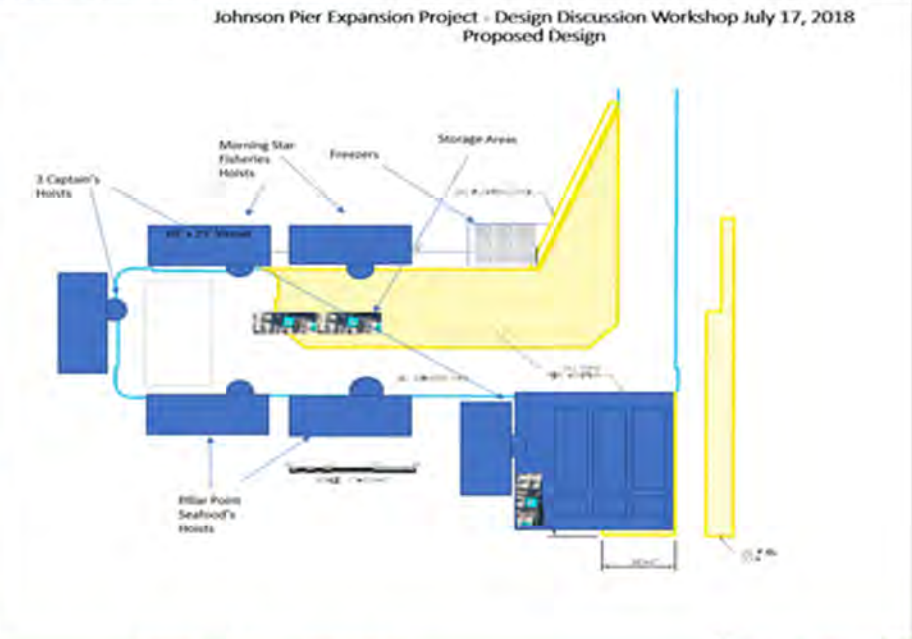
PROJECT TITLE: JOHNSON PIER RECONFIGURATION, H-DOCK, & FUEL DOCK REPLACEMENT

Project Location:	Pillar Point Harbor	Status:	Design/Engineering & Permitting
Initial Funding:	3/15/2017	Account Number:	912-003
Estimated Completion:	based on available funding		

DESCRIPTION:
 Replace & Expand Johnson Pier & H-Dock and reconfigure fuel dock.

JUSTIFICATION:
 To achieve the goals of safety and to efficiently operate the pier terminus for the benefit of the commercial fishing industry and its customers, H-Dock has exceeded its service life and needs replacement. In addition, PPH operates at 98% of its capacity and the plan would add 21 additional slips to H-Dock. The fuel dock would need to be reconfigured for the expansion.

STRATEGIC GOAL/OPERATING IMPACT:
 1) Comprehensive Long-Range Planning Guides District Actions and Decision-Making.
 2) Infrastructure Improvements are Guided by Comprehensive Long-Term Planning.
Expected to increase revenues as shown below.



Expenditures	Prior Years	FY 19-20	Future Year Estimates					Total ALL FY
			2021	2022	2023	2024	2025	
Design/Engineering	\$ 117,615	\$ 224,506	\$ 1,119,580	\$ -	\$ -	\$ -	\$ -	\$ 1,461,701
Construction	-	-	-	7,000,000	7,000,000	-	-	14,000,000
TOTAL	\$ 117,615	\$ 224,506	\$ 1,119,580	\$ 7,000,000	\$ 7,000,000	\$ -	\$ -	\$ 15,461,701

Source(s) of Funds								
Additional Revenue Generated	\$ -	\$ -	\$ -	\$ -	\$ 133,000	\$ 137,000	\$ 141,000	\$ 411,000
Working Capital	117,615	224,506						342,121
Not Funded			1,119,580	7,000,000	6,867,000	(137,000)	(141,000)	14,708,580
TOTAL	\$ 117,615	\$ 224,506	\$ 1,119,580	\$ 7,000,000	\$ 7,000,000	\$ -	\$ -	\$ 15,461,701



PROJECT TITLE: PARKING LOT IMPROVEMENTS

Project Location:	Pillar Point Harbor	Status:	Not Started
Initial Funding:	n.a.	Account Number:	909-000
Estimated Completion:	based on available funding		

DESCRIPTION:

Slurry & stripe parking Lots B, C1, C2, & C3. Include additional crosswalks, and install EV stations.

JUSTIFICATION:

Maintenance on parking lots will extend the life of the asphalt, added crosswalks will improve pedestrian safety, and EV stations will provide a public service & support climate friendly traffic.

STRATEGIC GOAL/OPERATING IMPACT:

- 1) Comprehensive Long-Range Planning Guides District Actions and Decision-Making.
- 2) Infrastructure Improvements are Guided by Comprehensive Long-Term Planning.
- 3) Environmental Stewardship

Not expected to impact operating costs/revenues.



Expenditures	Prior Years	FY 19-20	Future Year Estimates					Total ALL FY
Design/								
Engineering	\$ -	\$ -	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ 80,000
Construction	-	-	-	600,000	-	-	-	600,000
TOTAL	\$ -	\$ -	\$ 80,000	\$ 600,000	\$ -	\$ -	\$ -	\$ 680,000

Source(s) of Funds									
Not Funded	\$ -	\$ -	\$ 80,000	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ 680,000
TOTAL	\$ -	\$ -	\$ 80,000	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ 680,000



PROJECT TITLE: LAUNCH RAMP RESTROOM/BOAT WASH

Project Location:	Pillar Point Harbor	Status:	n.a.
Initial Funding:	n.a.	Account Number:	n.a.
Estimated Completion:	based on available funding		

DESCRIPTION:
 Replace the public restroom at the boat launch area and the boat wash. The District plans on applying for a grant with DBW to fund this project.

JUSTIFICATION:
 The restrooms are over 20 years old and are in poor condition.

STRATEGIC GOAL/OPERATING IMPACT:
 1) Comprehensive Long-Range Planning Guides District Actions and Decision-Making.
 2) Infrastructure Improvements are Guided by Comprehensive Long-Term Planning.
Not expected to impact operating costs/revenues.



Expenditures	Prior Years	FY 19-20	Future Year Estimates					Total ALL FY
Design/ Engineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ 200,000
Construction	-	-	-	-	-	-	1,500,000	1,500,000
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 1,500,000	\$ 1,700,000

Source(s) of Funds								
Not Funded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 1,500,000	\$ 1,700,000
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 1,500,000	\$ 1,700,000



PROJECT TITLE: HABITAT RESTORATION

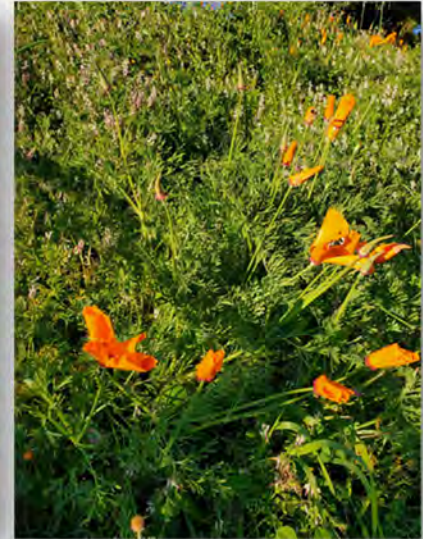
Project Location:	Pillar Point Harbor	Status:	Not started
Initial Funding:	n.a.	Account Number:	n.a.
Estimated Completion:	based on available funding		

DESCRIPTION:
Removal of invasive species and planting of native species.

JUSTIFICATION:
Environmentally responsible, drought tolerant, positive impact to ecosystem.

STRATEGIC GOAL/OPERATING IMPACT:
1) Comprehensive Long-Range Planning Guides District Actions and Decision-Making.
2) Environmental Stewardship.

Not expected to impact operating costs/revenues.



Expenditures	Prior Years	FY 19-20	Future Year Estimates				Total ALL FY	
Design/Engineering	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Construction	-	-	350,000	-	-	-	-	350,000
TOTAL	\$ -	\$ -	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000

Source(s) of Funds	Prior Years	FY 19-20	Future Year Estimates				Total ALL FY	
Not Funded	\$ -	\$ -	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000
TOTAL	\$ -	\$ -	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000



PROJECT TITLE: COASTAL TRAIL IMPROVEMENT

Project Location:	Pillar Point Harbor	Status:	Not started
Initial Funding:	n.a.	Account Number:	n.a.
Estimated Completion:	based on available funding		

DESCRIPTION:

Improve the portion of the Coastal Trail that goes through District property.

JUSTIFICATION:

Easy and clear routing will make the trail more accessible.

STRATEGIC GOAL/OPERATING IMPACT:

- 1) Comprehensive Long-Range Planning Guides District Actions and Decision-Making
- 2) Infrastructure Improvements are Guided by Comprehensive Long-Term Planning.

Not expected to impact operating costs/revenues.



Expenditures	Prior Years	FY 19-20	Future Year Estimates					Total ALL FY
Design/Engineering	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ 25,000
Construction	-	-	175,000	-	-	-	-	175,000
TOTAL	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000

Source(s) of Funds								
Not Funded	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000
TOTAL	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000



PROJECT TITLE: 40,000 SQUARE FOOT LOCATION

Project Location:	Oyster Point Marina	Status:	Not started
Initial Funding:	n.a.	Account Number:	n.a.
Estimated Completion:	based on available funding		

DESCRIPTION:

40,000 square foot location will be defined as part of the District's Master Plan and will direct development.

JUSTIFICATION:

Generate revenue and provide the public with marine/recreational amenities.

STRATEGIC GOAL/OPERATING IMPACT:

- 1) Comprehensive Long-Range Planning Guides District Actions and Decision-Making.
- 2) Infrastructure Improvements are Guided by Comprehensive Long-Term Planning.
This will more than likely increase revenues and will be defined at board direction in accordance with the master plan.



Expenditures	Prior Years	FY 19-20	Future Year Estimates				Total ALL FY	
Design/Engineering	\$ -	\$ -	\$ -			\$ 100,000	\$ -	\$ 100,000
Construction	-	-	-			-	2,000,000	2,000,000
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 2,000,000	\$ 2,100,000

Source(s) of Funds								
Not Funded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 2,000,000	\$ 2,100,000
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 2,000,000	\$ 2,100,000



PROJECT TITLE: CONSTRUCTION OF ADMINISTRATION BUILDING

Project Location:	El Granada	Status:	Design/Engineering Proposals in review
Initial Funding:	n.a.	Account Number:	n.a.
Estimated Completion:	based on available funding		

DESCRIPTION:

Develop new District Administrative offices with community center meeting space that is ADA compliant.

JUSTIFICATION:

Create permanent presence and eliminate lease payments.

STRATEGIC GOAL/OPERATING IMPACT:

- 1) Comprehensive Long-Range Planning Guides District Actions and Decision-Making.
 - 2) Infrastructure Improvements are Guided by Comprehensive Long-Term Planning.
- Maintenance and possibly borrowing costs are expected to be funded by current lease payments.*



Expenditures	Prior Years	FY 19-20	Future Year Estimates					Total ALL FY
Design/Engineering	\$ -			\$ -	\$ -	\$ 180,000	\$ -	\$ 180,000
Construction	-	-	-	-	-	2,000,000	-	2,000,000
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,180,000	\$ -	\$ 2,180,000

Source(s) of Funds								
Not Funded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,180,000	\$ -	\$ 2,180,000
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,180,000	\$ -	\$ 2,180,000



PROJECT TITLE: SIGNAGE/WAYFINDING PROGRAM

Project Location:	OPM & PPH	Status:	not started
Initial Funding:	n.a.	Account Number:	n.a.
Estimated Completion:	based on available funding		

DESCRIPTION:
 Programmatic plan for new aesthetically pleasing interpretive signage/wayfinding consistent with ADA guidelines. This will be in accordance with the Master Plan.

JUSTIFICATION:
 Wayfinding Signage that is clear, consistent, aesthetically pleasing, and ADA compliant.

- STRATEGIC GOAL/OPERATING IMPACT:**
- 1) Comprehensive Long-Range Planning Guides District Actions and Decision-Making
 - 2) Provide Excellent Customer Service
 - 3) Environmental Stewardship

Not expected to impact operating costs/revenues.



Expenditures	Prior Years	FY 19-20	Future Year Estimates						Total ALL FY
Design/ Engineering/ Construction	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000

Source(s) of Funds	Prior Years	FY 19-20	Future Year Estimates						Total ALL FY
Not Funded	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000



CIP Appropriations & Estimated Encumbrance Re-appropriations

Capital Improvement Projects typically take longer than one fiscal period to complete. The Harbor Commission approves capital project contracts for design/engineering services and construction throughout the fiscal year. Finance staff sets aside District resources to fund the contract by entering an encumbrance (purchase order) into the accounting system. At the end of a fiscal year there are open contracts for projects that have not been completed. The last column of the following list represents the **estimated** outstanding balance \$712,981 of each of the projects listed. Upon adoption of the Final Capital Improvement Program, **the Harbor Commission approves the re-appropriation of the actual encumbrance amount outstanding.**

For example, the design/engineering phase of the West Trail Erosion Protection Project may be completed by June 30, 2020 and the actual open amount may be \$0 instead of \$200,166. The Harbor Commission's approval for re-appropriation of encumbrances for this project in FY 2020/21 would be \$0.

In addition, **with the adoption of the CIP, the Harbor Commission approves appropriations of \$200,000.** The appropriations will be used at the discretion of the General Manager of any contracts or purchase of vehicles/vessels that meet the definition of a Capital Asset and are within the General Manager's purchasing authority of \$25,000.

All other CIP appropriations will be approved when the Harbor Commission approves a CIP contract.

Estimated Encumbrances to be Re-appropriated or Released

Project	Approval Date(s)	Contractor	Original Contract	Change Orders	Total Contract	Estimated Spending thru 6/30/20	Estimated Encumbrance Re-appropriation
West Trail Erosion Protection	04/04/16 11/01/17 04/17/19	GHD, Inc	\$184,086	\$249,722 \$618,145	\$1,051,953	\$851,787	\$200,166
Surfers Beach Replenishment	11/07/15 04/17/19 04/15/20	Damitz	\$50,000	\$56,000 \$64,500	\$170,500	\$102,850	\$67,650
Surfers Beach Replenishment	09/19/18	Environmental Science	\$105,000	-	\$105,000	\$72,218	\$32,782
Surfers Beach Replenishment	10/9/18 04/11/19	Kinetic Labs	\$24,800	\$15,080	\$39,880	\$35,543	\$4,337
Johnson Pier Pile Repairs	03/20/19	Moffatt & Nichol	\$42,300	-	\$42,300	\$29,892	\$12,408
Johnson Pier Pile Repairs	12/18/19	DRS Marine Inc	\$38,253	-	\$38,253	\$34,775	\$3,478
PPH RV Park Restroom	04/11/19	John Matthews Architects	\$13,000	-	\$13,000	\$10,132	\$2,868
PPH RV Park Restroom	4/15/20	Questa Engineering	\$248,215	-	\$248,215	-	\$248,215
PPH Office Remodel	12/20/17 12/18/19 06/4/20	John Matthews Architects	\$34,100	\$20,000 \$7,200	\$61,300	\$53,147	\$8,153
PPH Office Remodel	12/18/19 4/2/2020	CWS Construction	\$413,600	\$60,000	\$473,600	\$368,409	\$105,191
Johnson Pier & H-Dock Replacement Postponed	03/15/17 03/20/19	Moffatt & Nichol Release Encumbrance	\$143,700	\$1,318,000	\$1,461,700	\$224,506	\$1,237,194 \$(1,237,194)



Launch Ramp Dredge	01/18/18	Moffatt & Nichol	\$24,900	-	\$24,900	\$24,900	-	
Launch Ramp Dredge	01/18/17 04/17/19	Damitz	\$13,993	\$47,700	\$61,693	\$60,675	\$1,018	
Launch Ramp Dredge	6/19/19	Dixon Marine	\$344,481		\$344,481	\$344,481	-	
Fishing Pier Rehab	10/18/17 11/25/19	Moffatt & Nichol	\$82,600	- \$13,300	\$95,900	\$87,489	\$8,411	
Fishing Pier Rehab	08/21/19 12/18/19 01/01/20	Valentine Corp.	\$427,369	\$97,550 \$42,737	\$567,656	\$550,927	\$16,729	
ADA Tenant Row Restroom	12/31/19 02/19/20	John Matthews Architects	\$10,000	\$11,000	\$21,000	\$19,425	\$1,575	
Administration Building	Committed Reserve Balance to be Released						218,486 (218,486)	
TOTAL ESTIMATED RE-APPROPRIATION								\$712,981



SECTION THREE- POLICIES & DEFINITIONS



District Policies and Guidelines

Reserve Policy

The District's reserve policy establishes a minimum level at which the District's reserve balance is to be maintained. The District believes that sound financial management principles include anticipating and preparing for future funding requirements as well as unforeseen and unexpected emergencies, disasters, and/or other events. The limits defined in the District's Reserve Policy is intended to "maintain a prudent level of financial resources to protect against reducing service levels or raising fees because of the temporary revenue shortfalls or unpredicted one-time expenditures" (recommended Practice 4.1 of the National Advisory Council on State and Local Budgeting). In addition, this policy is intended to document the appropriate Reserve level to protect the District's credit worthiness.

The term "Reserve" in this instance refers only to the portion of Working Capital that is intended to provide stability and respond to unplanned events or opportunities. The term "Working Capital" is an accounting term defined as current assets less current liabilities in Enterprise funds.

The District will maintain a minimum of 25% of annual operating budget appropriations, adjusted to include 50% of biennial appropriations (e.g. election costs) or \$3,115,250 for 2020/21 Budget Year per Reserve Policy 4.4.3.

Investment Policy

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

- **Safety:** Safety of principal is the foremost objective of the investment program. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of the capital in the overall portfolio. To attain this objective, diversification is required so that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.
- **Liquidity:** The investment portfolio will remain sufficiently liquid to enable the District to meet all the operating requirements, which might be reasonably anticipated.
- **Return on Investments:** The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.



Debt Management Policy, Capacity, and Issuance

The District will be fiscally prudent and in compliance with state and federal law. California Harbors and Navigation Code Section 6077 prescribes that the bonded indebtedness of the District not exceed 15% of the assessed value of property within the District. To issue bonds that require additional property tax assessments, the bond proposition must pass with two-thirds of the voting electors approving such proposition. Since the District's boundaries are the same as the San Mateo County's boundaries, the District uses the County's gross assessed value of property for July 1, 2019 through June 30, 2020, of about \$240.5 billion (per County's Tax Rate Book), making the debt limit approximately \$36.1 billion.



Definitions & Abbreviations

Accrual Accounting: A method of accounting that recognizes expenses when incurred and revenues when earned, rather than when payment is made or received.

Americans with Disability Act (ADA): A federal law designed to prohibit discrimination against any "qualified individual with a disability".

Adopted Budget: The budget that is approved and enacted by the Harbor Commission on or before June 30th.

Appropriation: The allocation of funding for Salaries/Wages & Benefits expenditures, Non-Personnel expenditures, and for Capital Project expenditures. A budgetary term used for Harbor Commission approved expenditures.

Balanced Budget: A balanced budget exists when total projected revenues are equal to, or greater than, total projected operating expenditures.

California Coastal Commission (CCC): California State agency with regulatory oversight over land use and public access in the California coastal zone.

California Coastal Development Permit (CDP): A development permit issued by the CCC in the coastal zone.

California Division of Boating and Waterways (DBW): A division of the State of California Parks Department which provides funding for Harbor and Marina activities.

California Office of Emergency Services (CalOES): California Governor's Office agency that oversees and coordinates emergency preparedness, response, recovery, and homeland security activities within the state.

California Public Employees' Retirement System (CalPERS): The nation's largest public pension fund that delivers retirement and health care benefits to the District employees, retirees, and their beneficiaries.

Capital Asset: Assets such as land, structures, improvements, furniture and/or equipment, vehicles, vessels that are expected to last and/or be used for more than one year. The District defines capital assets as a value of \$10,000 or more and a useful life of 5 years or more.

Capital Improvement Program (CIP): The District's plan for current and future projects related to the acquisition, expansion, or rehabilitation of land, buildings, equipment, and other public infrastructure.

Depreciation: Depreciation Expense is recorded in the District's Audited Financial Reports on an annual basis. This amount represents an allocation of an asset's original cost over the life of the asset. Accumulated depreciation is the accumulation of annual expense of an asset from the time asset was acquired up to a single point in the asset's useful life.

Federal Aviation Administration (FAA): A federal government agency that regulates all aspects of civil aviation in the nation.

Federal Emergency Management Agency (FEMA): A part of the U.S. Department of Homeland Security that provides funding to help people before, during, and after disasters.

Generally Accepted Accounting Principles (GAAP): GAAP is a combination of authoritative standards (set by policy boards) and the commonly accepted ways of recording and reporting accounting information. GAAP improves the clarity of the communication of financial information.



Governmental Fund: Funds generally used to account for tax-supported activities. The District records property tax revenue in the Enterprise Fund.

Encumbrances: Commitments related to unfilled contracts for goods and services including purchase orders.

Encumbrance Accounting: Purpose is to prevent further expenditure of funds in light of commitments already made.

Enterprise Funds: Funds to account for services that are provided to the public on a user charge basis, similar to the operation of a commercial business. The District accounts for financial transactions in an Enterprise Fund. Focuses on long-term economic resources.

ERAF: Education Revenue Augmentation Fund.

Expenditures: Term used for money going out from a governmental entity to pay for the services or functions and facilities that the entity provides to the public. It is used for modified accrual accounting while the term Expense is used for full accrual accounting.

Fiscal Year (FY): A 12-month period of time to which the annual budget applies. The District's fiscal year begins on July 1st and ends on June 30th.

Memorandum of Understanding (MOU): Generally used to describe a written agreement between two government entities or between a government entity and an employee union.

Metropolitan Transportation Commission (MTC): Bay Area metropolitan planning organization for nine-counties designated by the Federal Government and regional transportation planning agency designated by the State Government. Provides funding for capital improvement projects.

Net Pension Liability (NPL): The amount by which the total pension liability exceeds the pension plan's net assets.

Net Position: The residual of all other financial statement elements presented in a statement of financial position.

Operating Budget: Focuses on one fiscal year and on-going activities of the District.

Oyster Point Marina (OPM): A recreational marina, public beach, and bayside park located in the City of South San Francisco. The District operates OPM under a Memorandum of Understanding with South San Francisco, which owns the facility.

Pillar Point Harbor (PPH): A commercial fishing harbor that also supports sport fishing and recreational boating located in and adjacent to the Pacific Ocean. PPH is owned and operated by the District.

Special District Leadership Foundation (SDLF): A California 501 (c) (3) organization formed to promote and recognize excellence in the governance and management of special districts.

Working Capital: Working Capital is an Enterprise Fund's functional equivalent of unrestricted fund balance in a Governmental Fund. Working Capital is calculated as Current Assets minus Current Liabilities equals Working Capital.