SANTA CRUZ PORT DISTRICT

APPROVED OPERATING BUDGET

FISCAL YEAR 2025

APRIL 1, 2024 - MARCH 31, 2025

TABLE OF CONTENTS

1. PORT DIRECTOR'S BUDGET MESSAGE..... 2
2. POLICY STATEMENTS..... 4
3. BUDGET USER GUIDE..... 6
4. FINANCIAL SUMMARIES
   - FY25 Budget Summary..... 7
   - General Fund Revenue Budget..... 8
   - General Fund Expenditure Budget..... 10
   - Expenditures by Department and Program..... 12
   - Debt Service..... 13
   - Fund Balance Overview and Projections..... 15
5. PERSONNEL PROFILE..... 16
6. DEPARTMENTS AND PROGRAMS
   - Administrative Services Department..... 18
   - Operations Department..... 21
   - Facilities Maintenance and Engineering Department..... 25
7. DREDGING EQUIPMENT..... 29
8. CAPITAL OUTLAY..... 30
9. CAPITAL IMPROVEMENT PROGRAM..... 31

Attachment A Debt Service Detail and Debt Service Coverage Ratios
Attachment B Revenue, Expense, and Non-Operating Summary Sheets
Attachment C Financial Policies
- Reserve Policy
- Investment Policy
- Unfunded Accrued Liability Policy (including CalPERS' Employer Contribution Rates)

Attachment D FY25 Fee Schedule

PORT DIRECTOR'S BUDGET MESSAGE

Honorable Chairman and Members of the Port Commission:

I am pleased to transmit to you the proposed budget and 5-Year Capital Improvement Plan (CIP) for the Santa Cruz Port District for the fiscal year beginning April 1, 2024, and ending March 31, 2025. While the Port District does not have a specific written policy governing budget development or administration, the FY25 budget is presented as a balanced budget, where operating revenues are equal to or exceed operating expenditures.

The Port District's annual budget is a key planning tool that serves as a policy document, financial plan, and operating guide for the public and harbor constituents. It is intended to demonstrate the District's strategic direction, sources of funding, and planned expenditures for the upcoming fiscal year.

The overall success of the harbor remains largely dependent on weather, ocean conditions, the health of the fishery, and other economic factors. In FY24, the Port District faced significant challenges after the Pacific Fishery Management Council announced its determination to close the 2023 ocean and river salmon fisheries in California based on the low abundance forecast of west coast salmon stock. This closure was the first of its kind since 2009.

While the closure negatively impacted some revenue categories like visitor berthing, launch, and fuel sales, the Port District proactively reduced expenses where feasible, and established a new investment account (CLASS Prime) to take advantage of market conditions and achieve higher yields on invested funds to offset unanticipated revenue reductions associated with the closure.

The FY25 budget accounts for financial challenges that may result from a second-year closure of the salmon fishery, as well as other economic factors such as ongoing supply chain challenges, historic inflation, and continuing escalations in annual insurance premium costs. Additionally, the proposed budget allocates resources to address ongoing priorities, which include building long-term financial sustainability, addressing key infrastructure needs, and strengthening community outreach.

Budget highlights are presented below:

- Operating revenues total $12,445,646 (increase of 7% over prior year).
- Operating expenditures totals $11,374,128 (increase of 5% over prior year).
- Capital Improvement Plan (CIP) contribution of $1,095,000, consisting of the following:
    - $750,000 contribution from the Operating Budget.
    - Assignment of $345,000 in Unallocated CIP Funds.

The Port District's Capital Improvement Plan aims to address critical infrastructure needs and ensure that the harbor's facilities meet operational and sustainability demands. As a result, the CIP proposes $5,272,000 million through FY29.

PORT DIRECTOR'S BUDGET MESSAGE (CONT.)

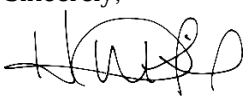
The FY25 CIP includes 25 projects, which advance the Port District's priorities by:

- Continuing to invest in and upgrade harbor infrastructure, including necessary pile sleeving, fuel dock equipment repair, critical paving, and ongoing building maintenance.
- Exploring new economic development opportunities, including a new destination restaurant site at 616 Atlantic Avenue and visitor serving accommodations at 7th Avenue and Brommer Street.
- Replacement of critical utility infrastructure, like the north harbor transformers and G-Dock sanitary sewer lift station.

At its regular public session of March 28, 2023, the Port Commission elected to review the annual fee schedule as part of the budget process. The draft FY25 fee schedule is included as Attachment D. While proposed fee schedule revisions are limited this year, the associated impacts have been incorporated into FY25 revenue projections.

As we navigate the upcoming fiscal year, staff will work to maximize resources, contain spending, and leverage resources for capital investments through grants and other partnerships when feasible. Recognition is given to all staff members and managers who have assisted in the development of this year's budget. Please be assured that extreme care and effort will be devoted to the effective administration of the FY25 budget to ensure sustained success well into the future.

Sincerely,



Holland MacLaurie
Port Director

POLICY STATEMENTS

RESERVE POLICY

The Port District's Reserve Policy, adopted in FY16 (included in Attachment C), states the Port Commission's intent to preserve capital to finance three months of operations, and to fund future capital improvements at a minimum level to ensure the sustainability of harbor infrastructure. The reserve funding goal was first achieved in the FY19 budget and since policy adoption, annual contributions have been budgeted at the level needed to meet the reserve funding goal. The only exception has been the FY21 budget when a programmed reserve fund contribution was suspended in response to anticipated revenue reductions due to the COVID-19 pandemic.

In FY23, the Port Commission approved resolution 22-28, authorizing a one-time expenditure from the Reserve Fund in the amount of $825,000 for the 2222 East Cliff Drive Deck Replacement Project. To restore the reserve fund to the desired funding level, the Commission determined that concession income derived from 2222 East Cliff Drive, Suites 200, 204, 208, 212, 216, and 220 will reimburse the Reserve Fund in an amount not less than $117,857 per annum for 7 years, beginning in Fiscal Year 24.

The Port Commission's annual funding goal for future capital improvements was initially set at $500,000 annually. The Commission has expressed a desire to increase the annual Capital Improvement Program ("CIP") funding goal from $500,000 to $750,000 annually, if practicable.

INVESTMENT POLICY

In FY19, the Port Commission adopted an investment policy (included as Attachment C), which provides direction to the Port Director on the prudent and beneficial investment of District funds in accordance with laws governing the investment of local agency funds.

UNFUNDED ACCRUED LIABLITY PENSION MANAGEMENT POLICY

The Port District's Unfunded Accrued Liability Pension Management Policy, adopted in FY23 (included in Attachment C), is intended to strategically address the existing and any future unfunded accrued liability (UAL) associated with the Port District's California Public Employees' Retirement System (CalPERS) pension plans. In accordance with guidance set forth in the policy, the Port District will pre-pay the entire UAL payment in the amount of approximately $461,281 by July 31, 2024, and include an additional discretionary payment in the amount of $20,000.

POLICY STATEMENTS (CONT.)

The Port District finances have historically been managed and reported in accordance with Generally Accepted Accounting Principles (GAAP), and with applicable statements published by the Government Accounting Standards Board (GASB). The Port District does not have specific written policies governing how the budget was to be created or administered. Budget administration and planning incorporates the following assumptions and practices first adopted in FY13:

1. **Balanced Budget**
   The Port District operates with a balanced budget where operating revenues are equal to or exceed operating expenditures. Imbalances to the budget that result from increased expenses, decreased revenues, or a combination of the two, will require a budget revision.

2. **Fixed Assets**
   Fixed (or capital) assets are tangible items individually valued at $5,000 or more. Examples of fixed assets would be vehicles, equipment, boats, etc. For accounting purposes, fixed assets with an estimated useful life of at least two years after acquisitions are capitalized.

3. **Capital Improvements**
   Capital improvements are physical assets, constructed or installed, with a useful life of ten years or longer and a cost of $25,000 or more. Services that ultimately result in such physical assets are also budgeted as capital improvements (e.g., engineering design, architectural services, etc.).

4. **Depreciation**
   Depreciation is reported annually as an operating expense (approximately $1.7 million projected in FY25). The full amount of annual depreciation has not been included in the operating budget.

5. **Appropriations**
   Appropriation balances may be transferred from one expenditure account to another within the operating budget without Port Commission approval. Capital improvement budgets are not considered to be part of any transferable appropriation balance. Any increase in total appropriations must be approved by the Port Commission.

6. **Reserves**
   Reserve funds are not available for use to offset any expenditures that exceed total appropriations. Reserves may only be used as approved by the Port Commission.

7. **Use of Restricted/Unrestricted Net Assets**
   When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, restricted net assets are applied first.

8. **Staffing Levels**
   The total number of full-time equivalent (FTE) employees shall be approved by the Port Commission.

BUDGET USER GUIDE

General Fund (i.e., operating) revenues and expenses are presented in the Financial Summaries. FY23 Actual, FY24 Budget and Projected Actual, and FY25 Proposed Budget figures are presented for comparison. Terms used in the Financial Summaries and in the program budgets that follow are defined below.

Capital Outlay

Expenses associated with acquiring capital (or "fixed") asset items individually valued at $5,000 or more. Examples of fixed assets would be vehicles, equipment, boats, etc.

Charges for Services

Revenues received as reimbursement to the Port District for the use of staff, equipment or other resources beyond the services included with other user fees or rents. Examples may include standby of marine rescue personnel for aquatics competitions, emergency response services and after-hours call back for fuel sales.

Debt Service

Principal and interest payments on loans.

Fines

Fines (or "bail amounts") for parking or other citations paid directly to the Port District.

Fuel Sales

Receipts at the fuel pump.

Intergovernmental Revenues

Funds received by the Port District from another government agency. Examples include dredging expenditure reimbursement received from the U.S. Army Corps of Engineers (USACE), contributions from the County of Santa Cruz for marine rescue services, and grants from state, federal or local government sources.

Other/Miscellaneous

Revenues shown as Other/Miscellaneous include sales of key fobs, merchandise, proceeds from lien sales or disposal of surplus items, etc.

Personnel Services

All costs associated with Port District staff compensation for regular and temporary employees, including payroll taxes, workers' compensation, unemployment insurance, pension, and employee benefits.

Rents

Rents encompass payments received by the Port District from its land-based tenants. Revenues are classified as either base rent, percentage rents or utility chargebacks as applicable.

Services and Supplies

Costs for all services provided to the Port District by contract or work order, utilities, insurance premiums, purchase of items not classified as fixed assets or "capital outlay," etc.

Transfers In/Out

Transfers between Port District funds (e.g. allocations to the Dredge Fund may involve a transfer from the General Fund, or any combination of those and other funds).

User Fees

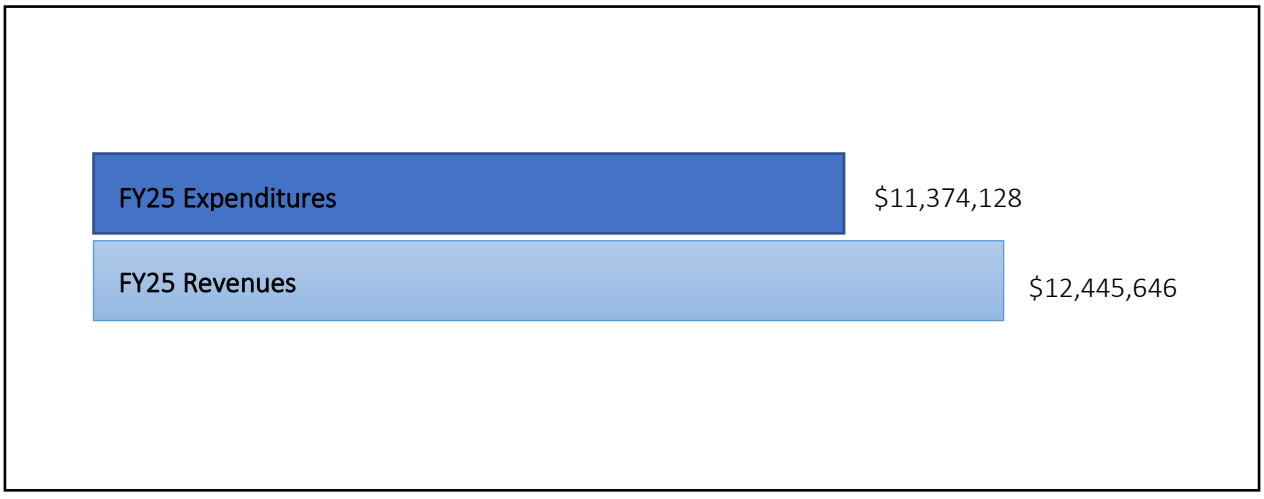
Fees established by the Port Commission for various uses of Port District facilities including boat slips, dry storage, RV, and general parking.

FY25 BUDGET SUMMARY

The FY25 budget is presented as a balanced budget. As a balanced budget, operating revenues are equal to or exceed operating expenditures. A summary of the FY25 General Fund budget is presented below:

FY25 REVENUES BY CATEGORY	
USER FEES	$7,641,396
RENTS	$2,237,000
CHARGES FOR SERVICE	$34,000
FINES	$110,000
FUEL SALES	$590,000
BOATYARD	$348,250
INTERGOVERNMENTAL	$575,000
GRANTS	$24,000
OTHER / MISCELLANEOUS	$886,000
TOTAL:	**$12,445,646**

FY25 EXPENDITURES BY CATEGORY	
PERSONNEL SERVICES	$4,840,885
SERVICES & SUPPLIES	$5,085,187
CAPITAL OUTLAY	$35,000
DEBT SERVICE	$1,413,056
OTHER LIABILITIES	$0
TOTAL:	**$11,374,128**



GENERAL FUND REVENUE BUDGET

The table below shows the distribution of estimated General Fund revenues for FY25, which total $12,445,646. This represents an increase of approximately 7% over FY24 budgeted revenues.

	FY24 BUDGET	FY24 PROJECTION	FY25 BUDGET
User Fees	$7,101,275	$7,593,217	$7,641,396
Rents	2,189,400	2,257,912	2,237,000
Charges for Service	32,000	35,253	34,000
Fines	98,000	142,838	110,000
Fuel Sales	810,000	543,786	590,000
Boatyard	356,250	326,338	348,250
Intergovernmental	575,000	575,000	575,000
Grants	24,000	36,052	24,000
Other / Misc.	170,000	1,192,005	886,000
TOTAL:	**$11,659,875**	**$12,702,383**	**$12,445,646**

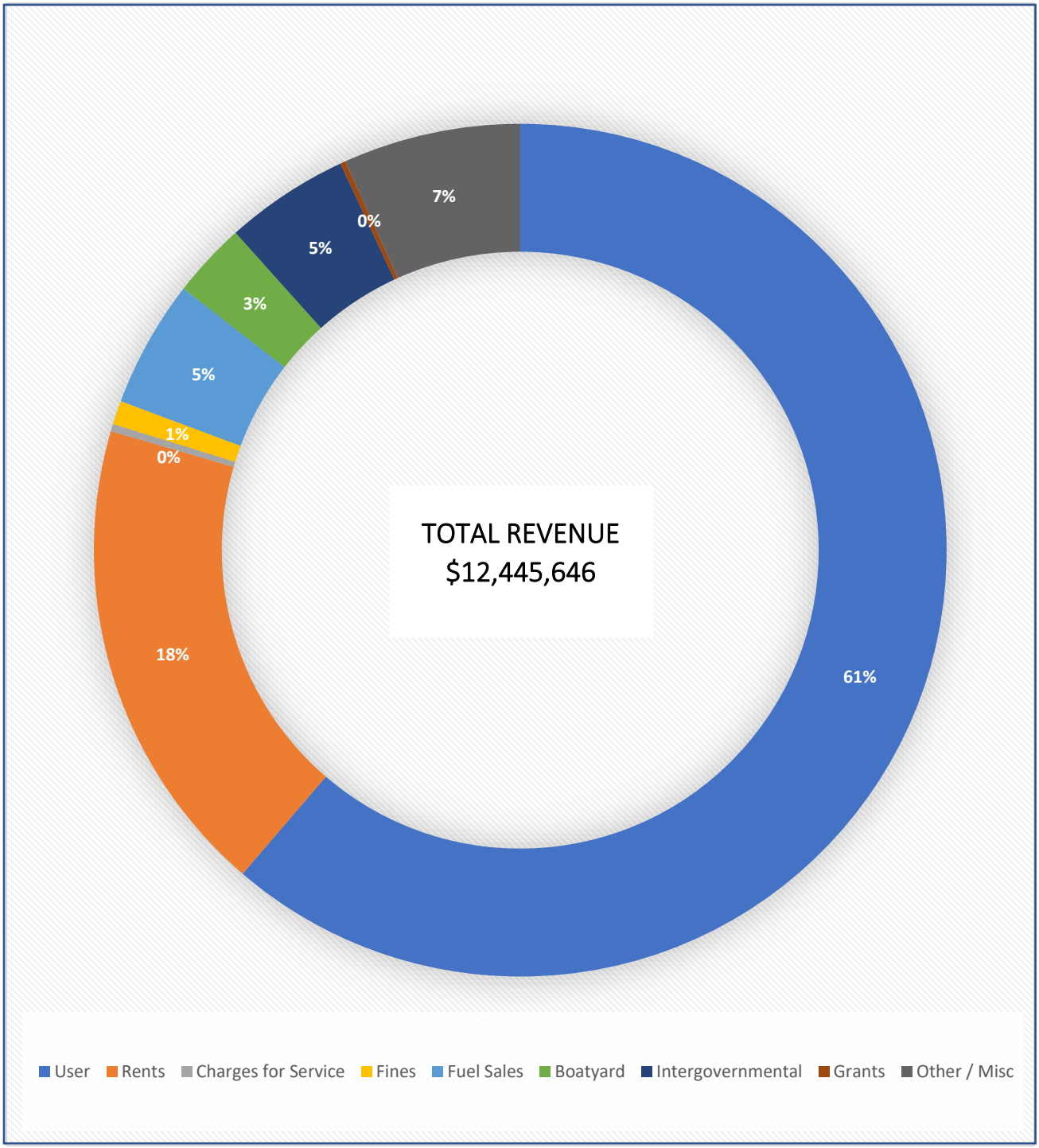
- Projected revenue for FY24 is anticipated to exceed budgeted figures by approximately 9% due to the following:
    - Increased interest earnings of approximately $657,000.

FISCAL YEAR REVENUE HIGHLIGHTS

    - Receipt of $345,818 in easement funds for the Murray Street Bridge Seismic Retrofit Project.
    - Parking revenue continues to outpace budget.
    - RV Park revenue continues to outpace budget (implementation of online reservation system).
    - Citation revenue continues to outpace budget.
- FY25 budget includes $525,000 in reimbursement from the U.S. Army Corps of Engineers. [1]
- FY25 budget anticipates an increase in interest earnings of $585,000.
- FY25 budget anticipates the potential closure of the 2024 commercial and recreational salmon season. As a result, revenue projections for various categories like visitor berthing, launch, and fuel sales are tempered.

[1] The Port District's $525,000 reimbursement for operation and maintenance of the federal entrance channel pends enactment of FY25 federal appropriations, which is estimated to occur by March 2024, unless additional continuing resolutions are passed to prevent a government shutdown. Uncertainty regarding the availability of funds does exist, however the potential for not receiving the annual reimbursement is anticipated to be minimal.

FY25 OPERATING REVENUES BY CATEGORY



GENERAL FUND EXPENDITURE BUDGET

The table below shows the distribution of estimated General Fund expenditures for FY25, which total $11,374,128. This represents an increase of approximately 5% over FY24 budgeted expenditures.

	FY24 BUDGET	FY24 PROJECTION	FY25BUDGET
Personnel Services	$4,689,646	$4,323,184	$4,840,885
Services & Supplies	4,724,106	4,986,113	5,085,187
Capital Outlay	69,500	66,458	35,000
Debt Service Payments	1,365,818	1,365,818	1,413,056
Other Liabilities	0	0	0
TOTAL:	**$10,849,070**	**$10,741,573**	**$11,374,128**

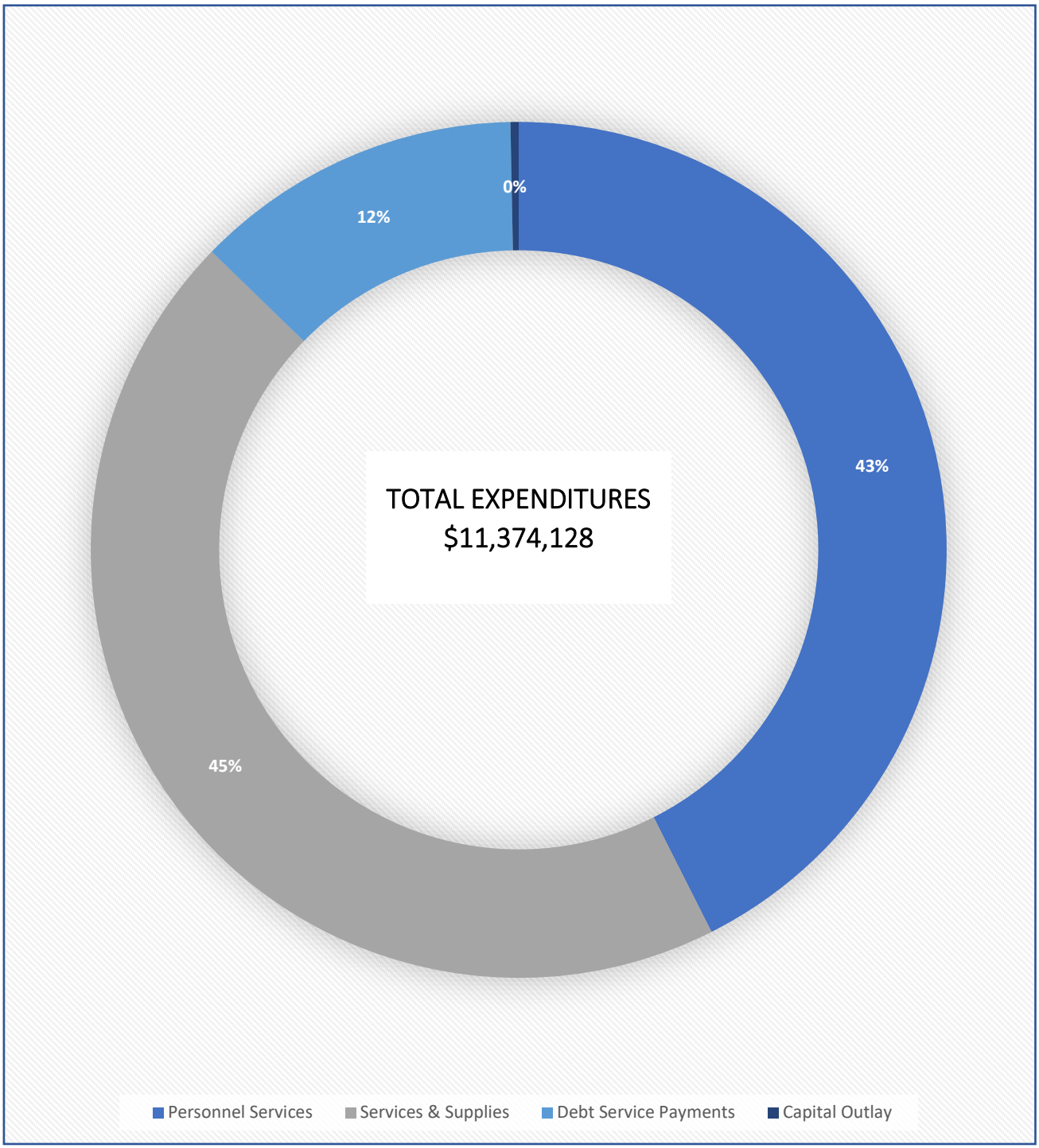
FISCAL YEAR EXPENDITURE HIGHLIGHTS

- Projected salary and benefit costs (Personnel Services) for FY24 will be less than budget by approximately 8% due to a vacancy in the Administrative Services department (1 Administrative Services Manager).
- Personnel Services costs are anticipated to increase in FY25 by approximately 3% due to negotiated contract increases, health premium increases, CalPERS-related pension costs, and the addition of one provisional Harbor Maintenance Worker employee.
- Projected employer pension expenses in FY25 will total approximately $740,087, which represents 16% of the anticipated Personnel Services expenditures.
    - Of that pension expense total, $20,000 is allocated for an additional discretionary payment to CalPERS to assist in proactively reducing the District's unfunded accrued liability (UAL).
- FY25 Services and Supplies costs are proposed at a level that is approximately 7.5% higher than FY24. This increase is primarily related to escalating insurance premium costs[2].
- FY25 Capital Outlay costs include:
    - $35,000 – New / Used Truck (Docks, Piers, & Marine Structures)
- In FY25, there are no identified expenditures noted as "Other Liabilities."

The expenditure summary in FY25 (and previous budget years) does not include transfers to the Dredge Fund. Fund transfers are included in the budget as Non-Operating Expenditures. In FY25, the budgeted fund transfer to the Dredge Fund is $152,000.

[2] Insurance premium costs for FY25 are estimated to increase to $1,552,821. This represents an approximate 13.5% increase over actual FY24 costs, and a 99.5% increase over actual FY23 costs.

FY25 OPERATING EXPENDITURES BY CATEGORY



EXPENDITURES BY DEPARTMENT AND PROGRAM

Department and Program	FY 23 Actual	FY 24 Budget	FY 24 Projected	FY 25 Budget
100 Administrative Services Department				
110 Administration	$ 775,663	$889,563	$860,990	$925,649
120 Finance & Purchasing	184,082	239,618	206,738	247,146
130 Property Management	686,548	842,315	881,911	994,396
140 Environmental & Permitting	145,694	189,158	163,162	189,885
190 Port Commission Support	55,714	78,653	87,626	76,149
Department Total	**$ 1,847,700**	**$ 2,239,308**	**$ 2,200,427**	**$ 2,433,226**
200 Operations Department				
210 Harbor Patrol	$ 806,716	$863,451	$801,974	$884,261
220 Marina Management	542,950	611,835	606,731	632,832
230 Rescue Services	107,901	144,756	132,713	153,813
240 Parking	388,937	384,271	406,126	408,710
250 Events	22,570	33,179	20,305	33,829
280 Fuel Services	805,611	516,338	535,548	522,860
500 Boatyard	364,794	408,535	364,705	431,225
Department Total	**$ 3,039,479**	**$ 2,962,365**	**$ 2,868,101**	**$ 3,067,531**
300 Facilities Maintenance & Engineering				
310 Docks, Piers & Other Marine Structures	$ 502,199	$679,068	$759,134	$856,979
320 Utilities Maintenance	103,387	109,072	100,942	110,463
330 Building Maintenance	387,536	465,185	483,617	495,429
340 Grounds Maintenance	909,108	865,519	826,981	873,575
350 Aeration Program	37,457	59,229	58,448	60,599
360 Fishery Support	12,013	17,024	13,233	17,496
390 Capital Projects	394,446	363,503	357,318	313,229
400 Dredging Operations	1,503,074	1,653,480	1,641,094	1,697,545
Department Total	**$ 3,849,220**	**$ 4,212,080**	**$ 4,240,768**	**$ 4,425,315**

Total Operating Budget	**$ 8,736,399**	**$ 9,413,753**	**$ 9,309,297**	**$ 9,926,072**

Note: Interest expense for debt service is included in Program 390-Capital Projects above.

DEBT SERVICE

The tables below detail the repayment of revenue bond issues and other long-term financing utilized by the Port District. FY25 debt service payments (including principal and interest) total $1,718,498, which is $2,637 less than FY24. A higher portion of the annual payment is being applied to the principal balance in FY25.

LONG TERM DEBT BALANCES						
	Maturity Date	Interest Rate	Balance 3/31/23	Principal Reductions	Balance 3/31/2024	Current Portion
2013A Bonds	2/1/2030	3.090%	$ 6,904,336	$ 896,853	$ 6,007,483	$ 924,782
2013B Bonds (Taxable)	11/1/2026	4.740%	610,799	249,833	360,966	261,310
2018A Rev. Obligation	8/1/2033	3.500%	1,310,726	105,285	1,205,441	109,003
2018B Rev. Obligation	8/1/2033	3.500%	1,198,376	96,261	1,102,115	99,659
497 Lake Avenue	12/1/2041	4.000%	928,982	17,586	911,396	18,303
Total Long-Term Debt			$ 10,953,219	$ 1,365,818	$ 9,587,401	$ 1,413,057

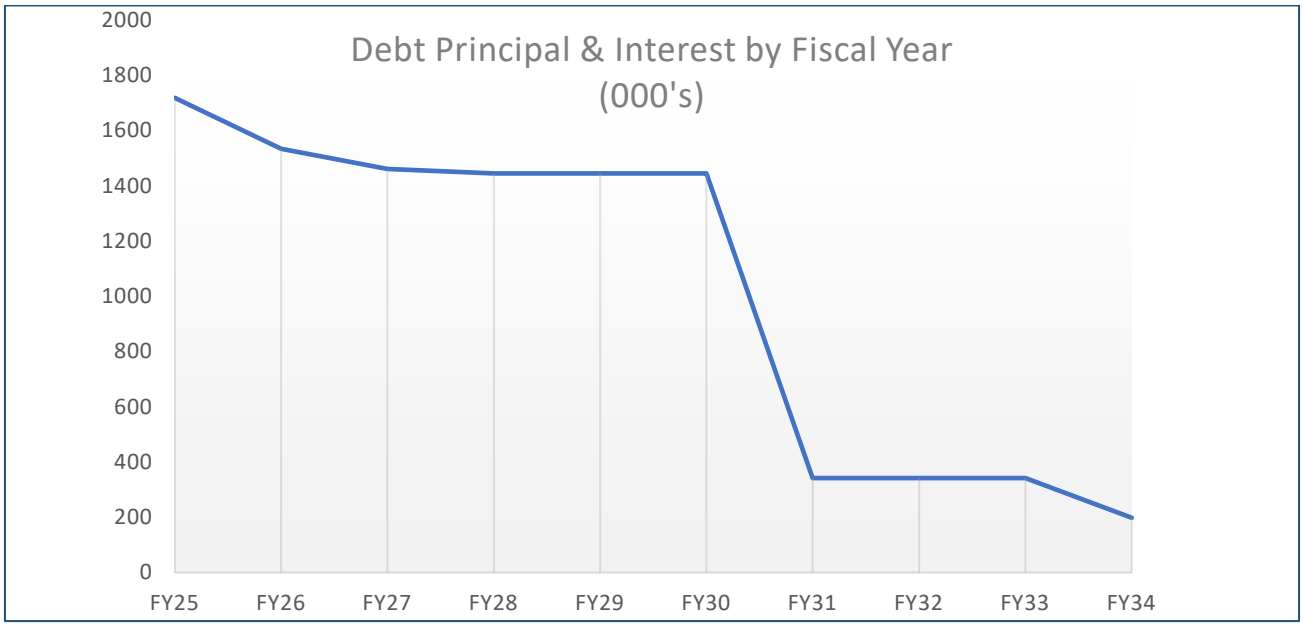
PROJECTED DEBT SERVICE PAYMENTS FOR THE 5 YEARS FY25-FY29 (PRINCIPAL & INTEREST)					
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
2013A Bonds	$ 1,103,269	$ 1,103,269	$ 1,103,269	$ 1,103,269	$ 1,103,269
2013B Bonds (Taxable)	273,187	88,611	15,288	0	0
2018A Rev. Obligation	150,248	150,247	150,247	150,248	150,247
2018B Rev. Obligation	137,369	137,368	137,369	137,369	137,369
497 Lake Avenue	54,425	54,425	54,425	54,425	54,425
Total Annual Debt Service	$ 1,718,498	$ 1,533,920	$ 1,460,598	$ 1,445,311	$ 1,445,310

PURPOSE OF EXISTING DEBT:

- **2013A Bonds:** Structured to finance (i) the Refunding of Prior Tax-Exempt Obligations, (ii) the cost of a new dredge, (iii) a surety bond for a debt service reserve fund (the "Reserve Fund"), and (iv) all related costs of issuance.
- **2013B Bonds:** Structured to finance (i) the Refunding of the Prior Taxable Obligations, (ii) the outstanding balance of the District's OE3 pension obligation, and (iii) all related costs of issuance.
- **2018A Rev. Obligation:** Structured to finance (i) the Santa Cruz Harbor Pile Replacement Project
- **2018B Rev. Obligation:** Structured to finance (i) the Santa Cruz Harbor Seawall Replacement Project
- **497 Lake Avenue** Structured to finance (i) the purchase of a commercial property carrying a professional administrative zoning status located at 497 Lake Avenue, Santa Cruz, CA.

DEBT SERVICE (CONT.)

The table below illustrates the District's principal and interest payments for the period FY25 to FY34. The Port District will achieve significant cost savings in FY31, assuming no additional borrowing occurs.



The Port District is required to maintain adequate coverage for debt service for the life of its Series 2013 and Series 2018 loans. Debt Service Ratio (DSR) covenants required the District to prescribe and collect fees and charges for services at least equal to 125% of its debt service after operating and maintenance expenses for the fiscal year. Debt Service Coverage Ratios (DSRs) for FY22 and FY23 (audited), FY24 (budgeted), FY24 (projected) and FY25 (budget) are presented below and provided in more detail in Attachment A:

DEBT SERVICE COVERAGE PROJECTION

	FY22 *(Audited)*	**FY23** *(Audited)*	**FY24** *(Budget)*	**FY24** *(Projected)*	**FY25** *(Budget)*
Debt Service Coverage Ratio	**2.74X**	**2.85X**	**1.54X**	**2.10X**	**1.55X**
Required Ratio	1.25X	1.25X	1.25X	1.25X	1.25X

FUND BALANCE PROJECTIONS

Listed below are descriptions of the Port District's major funds and projected balances as of March 31, 2024.

General Fund

The General Fund is the primary operating fund of the Port District. This fund is used to account for all financial transactions and resources, except those required or requested in another fund. The projected General Fund balance as of March 31, 2024, is estimated to total $27,731,229.

Dredge Fund

The Dredge Fund is the primary funding source for identified priorities and equipment replacement / repair needs for the dredge operation. The projected Dredge Fund balance as of March 31, 2024, is estimated to total $127,757.

Reserve Fund

The Reserve Fund accounts for resources restricted to expenditures for specified purposes (i.e., unforeseen emergencies or extraordinary circumstances). The Port District strives to hold in reserve an amount equal to 25% of the District's annual operating expenses. The projected Reserve Fund balance as of March 31, 2024, is estimated to total 1,596,295 ($825,000 draw on reserves was utilized in FY23).

Capital Improvement Fund

The Capital Improvement Fund accounts for all financial resources used for the acquisition or construction of major capital improvement projects. The projected Capital Improvement Fund balance as of March 31, 2024, is estimated to total $6,799,471.

Election Fund

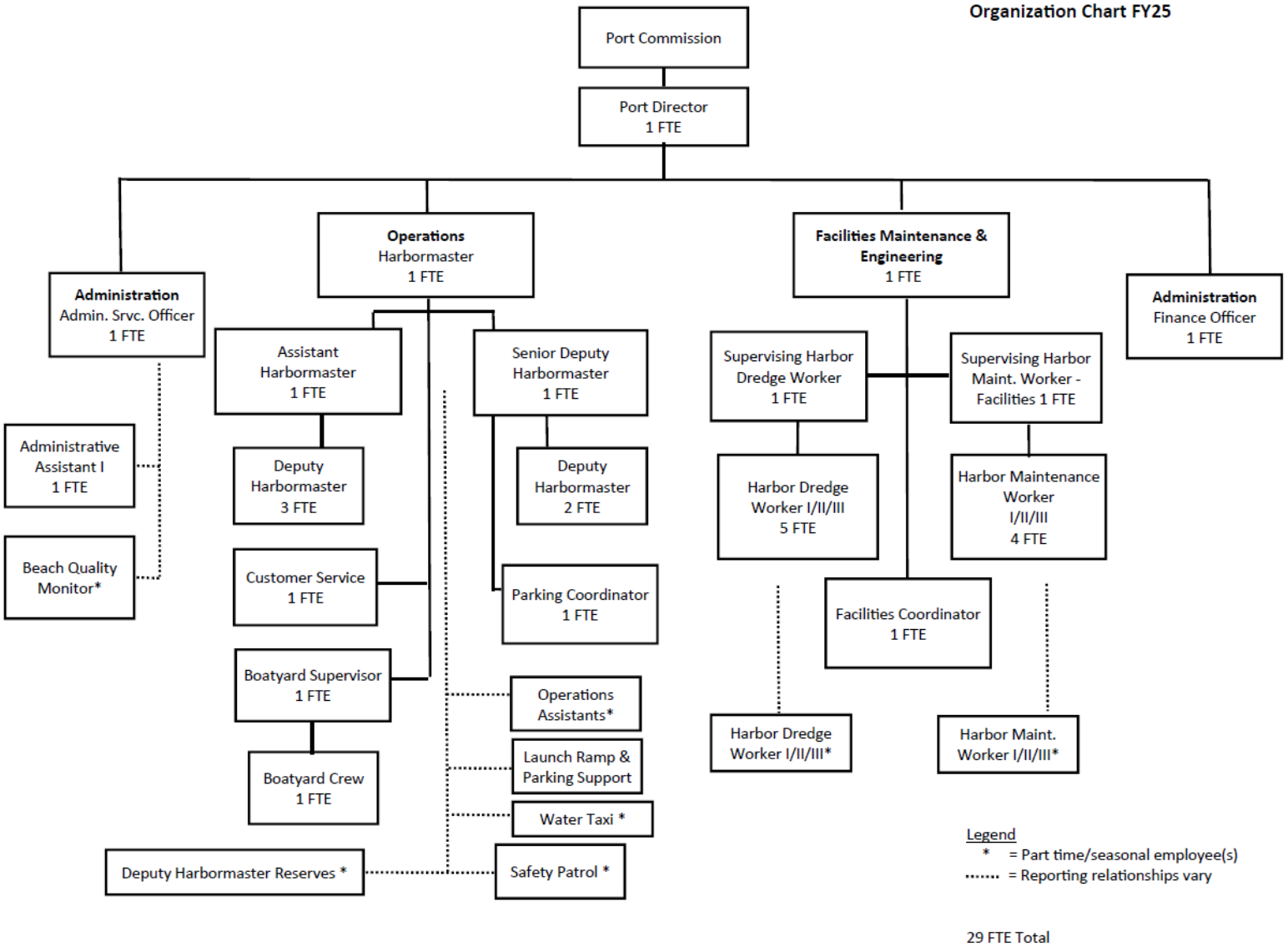
The Election Fund is the primary funding source for biennial Port Commission election expenses. The projected Election Fund balance as of March 31, 2024, is estimated to total $122,500. This fund has historically carried a balance of $200,000, which was reduced to $150,000 in FY24 (and beyond) due to election expense savings associated with the transition from at-large to district-based elections.

PNC Reserve Fund

The PNC Reserve Fund accounts for restricted funds held as a condition of the District's debt refunding efforts completed in FY14. The projected PNC Reserve Fund balance as of March 31, 2024, is estimated to total 1,029,566.

PERSONNEL PROFILE

The Port District's organization chart for FY25 is presented below. Positions shown with an associated FTE (full-time equivalent) number are regular, permanent positions assigned to each department. Positions shown with an asterisk and no FTE number are part-time temporary and/or seasonal workers.



FTE EMPLOYEE COUNTY BY FISCAL YEAR

FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
27	29	29	29	28	29	29	29

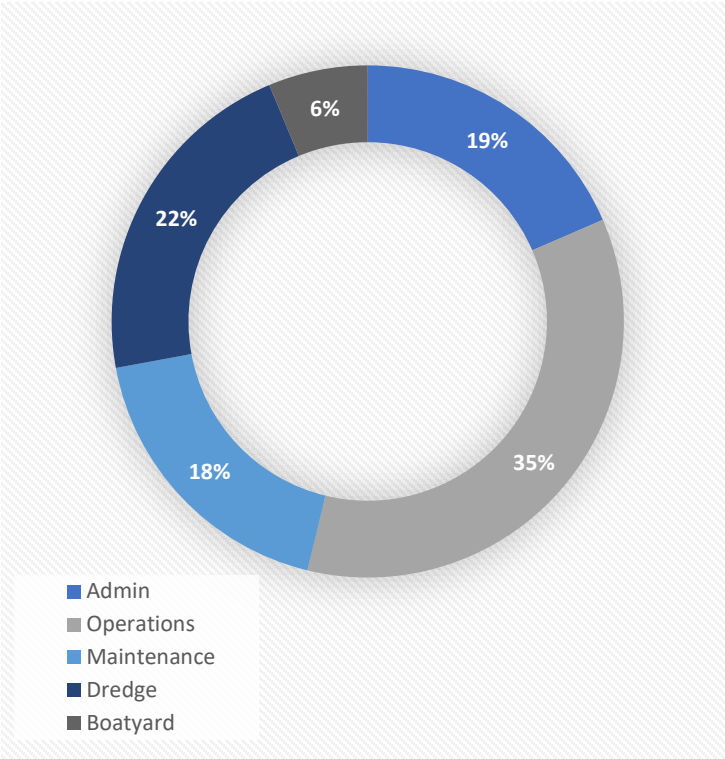
PERSONNEL PROFILE (CONT.)

The table below shows year-over-year salary and benefit cost comparisons for all employees (regular FTE and temporary/seasonal). Overall, Personnel Services costs in FY25 are approximately 3% higher than FY24. This increase is primarily due to negotiated contract increases, workers' compensation premium increases, CalPERS-related pension costs, and the addition of one provisional Harbor Maintenance Worker employee.

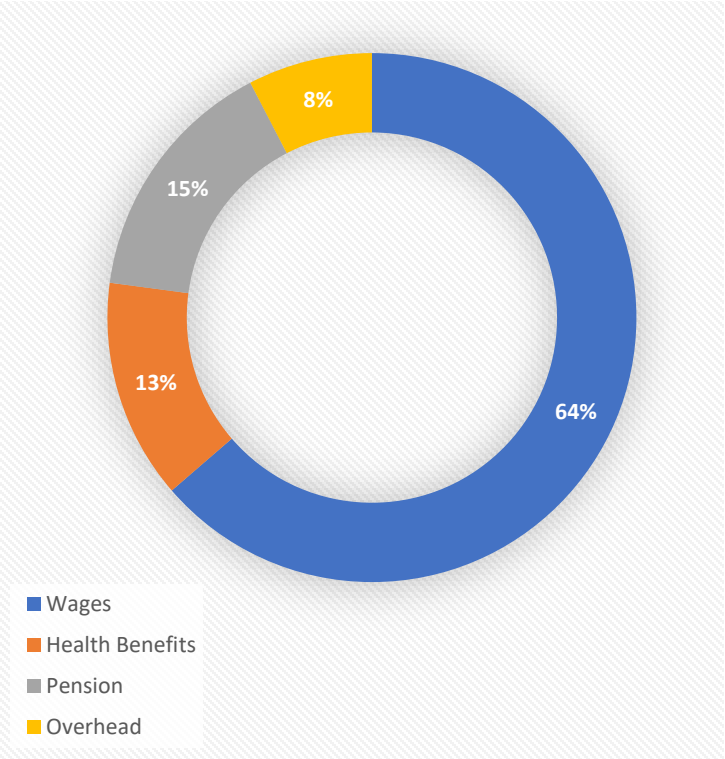
SALARIES & BENEFITS BUDGET

	FY24 BUDGET	FY24 PROJECTION	FY25 BUDGET
Administrative Services	$866,468	$732,060	$895,806
Operations [3]	1,642,102	1,552,351	1,707,837
Boatyard [4]	290,281	250,044	304,043
Facilities Maint. & Eng.	872,172	787,991	886,367
Dredging [5]	1,018,623	1,000,738	1,046,832
TOTAL:	$4,689,646	$4,323,184	$4,840,885

FY25 SALARIES & BENEFITS BY DEPARTMENT



FY25 PERSONNEL COST BY CATEGORY



[3] The Customer Services Representative position is budgeted in Administration, but labor has been allocated to the Operations Department (Marina Management).
[4] The Boatyard is shown separately for additional clarity, but is overseen by the Operations Department.
[5] The Dredging Operation is shown separately for additional clarity, but is overseen by Facilities Maintenance and Engineering.

DEPARTMENTS AND PROGRAMS

ADMINISTRATIVE SERVICES DEPARTMENT

The Administrative Services Department is comprised of the following programs:

- Administration
- Finance and Purchasing
- Property Management
- Environmental and Permitting
- Port Commission Support

The table below summarizes the distribution of expenditures by category and program for the Administrative Services Department. Individual program details are also provided.

EXPENDITURE SUMMARY

Expenditure by Category	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Personnel Services	$686,106	$866,468	$732,060	$895,806	3.4%
Services & Supplies	1,161,594	1,372,840	1,468,367	1,537,421	12.0%
Capital Outlay	0	0	0	0	-
Total Expenditures	**$1,847,700**	**$2,239,308**	**$2,200,427**	**$2,433,226**	**8.7%**

Expenditure by Program	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Administration	$775,662	$889,563	$860,990	$925,649	4.1%
Finance & Purchasing	184,082	239,618	206,738	247,146	3.1%
Property Mgmt.	686,548	842,315	881,911	994,396	18.1%
Enviro & Permitting	145,694	189,158	163,162	189,885	0.4%
Port Comm. Support	55,714	78,653	87,626	76,149	-3.2%
Total Expenditures	**$1,847,700**	**$2,239,308**	**$2,200,427**	**$2,433,226**	**8.7%**

PROGRAM HIGHLIGHTS:

Projected salary and benefit costs (Personnel Services) for FY24 will be less than budget by approximately 8% due to a vacancy in the department (Administrative Services Manager position).

FY25 Services and Supplies within the Administrative Services Department are anticipated to increase 12% over the prior fiscal year. This significant increase is due to escalating insurance premium costs, of which approximately 35% of the total estimated premium is paid from the Property Management program.

ADMINISTRATION

Administration encompasses the daily oversight of all Port District operations and programs, long-term planning, budget preparation, human resources and benefits management, website maintenance, customer service, public outreach and promotional activities, coordination with local and regional governments and organizations, and various activities undertaken by the Port Director and Administrative Services staff.

Expenditure	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Personnel Services	$428,162	$505,692	$440,548	$523,008	3.4%
Services & Supplies	347,500	$383,871	420,442	402,641	4.9%
Capital Outlay	0	0	0	0	-
Total Expenditures	**$775,662**	**$889,563**	**$860,990**	**$925,649**	**4.1%**

FINANCE & PURCHASING

Finance and purchasing activities include accounting for all Port District assets, revenues, and expenses, administering payroll using an outside payroll processing contractor, preparing budget monitoring and quarterly reports, contracting for services, preparing for, and participating in annual outside audits of Port District financial statements, performing tenant-related audits, and tracking grant-related expenditures and reimbursements. Finance and purchasing staff perform ongoing work to develop and refine purchasing procedures and financial reporting for transparency purposes.

Expenditure	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Personnel Services	$140,783	$185,218	$157,338	$191,746	3.5%
Services & Supplies	43,299	$54,400	$49,400	$55,400	1.8%
Capital Outlay	0	0	0	0	-
Total Expenditures	**$184,082**	**$239,618**	**$206,738**	**$247,146**	**3.1%**

PROPERTY MANAGEMENT

Property management activities include serving as the primary contact for landside tenants, negotiating new and revised leases and easements, advertising space available for rent, monitoring rental payments and applying rent adjustments. Utilities, garbage service and sanitary district charges for the District's rental properties are included as expenses in this program. Revenues for utility, garbage and sanitary district charges paid by tenants through the Port District are included in Rents. Utility charges paid directly by the tenant to the service provider are not included in the operating budget.

Expenditure	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Personnel Services	$12,377	$31,596	$16,499	$32,867	4.0%
Services & Supplies	674,171	810,719	865,413	961,530	18.6%[6]
Capital Outlay	0	0	0	0	-
Total Expenditures	**$686,548**	**$842,315**	**$881,911**	**$994,396**	**18.1%**

[6] Significant increase is attributed to escalating insurance premium costs.

ENVIRONMENTAL & PERMITTING

The environmental and permitting work includes managing the beach quality monitoring and hydrogen sulfide protocol during dredging activities, negotiating new permits and amendments with the Army Corps of Engineers, US Environmental Protection Agency, California Coastal Commission, Regional Water Quality Control Board, Monterey Bay National Marine Sanctuary, Monterey Bay Unified Air Pollution Control District and other agencies for dredging and disposal operations and permitting for other construction activities, stormwater management and environmental programs. Environmental and permitting oversees the harbor's Clean Marina Program.

Expenditure	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Personnel Services	$53,940	$77,208	$59,799	$78,935	2.2%
Services & Supplies	91,754	111,950	103,363	110,950	-0.9%
Capital Outlay	0	0	0	0	-
Total Expenditures	**$145,694**	**$189,158**	**$163,162**	**$189,885**	**0.4%**

PORT COMMISSION SUPPORT

Activities that provide staff support for the Port Commission include developing meeting agendas, staff reports and minutes; coordinating with the County Elections Department and ensuring compliance with the Brown Act; intergovernmental relations and adopted Port Commission policies and procedures.

Expenditure	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Personnel Services	$50,497	$66,753	$57,876	$69,249	3.7%
Services & Supplies	5,217	11,900	29,750	6,900	-42.0%[7]
Capital Outlay	0	0	0	0	-
Total Expenditures	**$55,714**	**$78,653**	**$87,626**	**$76,149**	**-3.2%**

[7] Decrease is attributed to the elimination CVRA expenses, as the transition to by-district elections was completed in 2023.

DEPARTMENTS AND PROGRAMS

OPERATIONS DEPARTMENT

The Operations Department is comprised of the following programs:

- Harbor Patrol
- Marina Management
- Rescue Services
- Parking Services
- Events
- Fuel Services
- Boatyard

The table below summarizes the distribution of expenditures by category and program for the Operations Department. Individual program details are also provided.

EXPENDITURE SUMMARY

Expenditure by Category	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Personnel Services	$1,692,830	$1,932,383	$1,802,396	$2,011,881	4.1%
Services & Supplies	1,346,649	$1,029,982	1,065,706	1,055,651	2.5%
Capital Outlay	0	24,500	0		-
Total Expenditures	**$3,039,479**	**$2,962,365**	**$2,868,101**	**$3,067,531**	**3.6%**

Expenditure by Program	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Harbor Patrol	$806,716	$863,451	$801,974	$884,261	2.4%
Marina Management	542,950	611,835	606,731	632,832	3.4%
Rescue Services	107,901	144,756	132,713	153,813	6.3%
Parking Services	388,937	384,271	406,126	408,710	6.4%
Events	22,570	33,179	20,305	33,829	2.0%
Fuel Services	805,611	516,338	535,548	522,860	1.3%
Boatyard	364,794	408,535	364,705	431,225	5.6%
Total Expenditures	**$3,039,479**	**$2,962,365**	**$2,868,101**	**$3,067,531**	**3.6%**

PROGRAM HIGHLIGHTS:

FY25 Services and Supplies within the Operations Department are anticipated to increase 3.6% over the prior fiscal year. This increase is due to escalating insurance premium costs, which are spread across the Harbor Patrol, Marina Management, Rescue Services, Fuel Services, and Boatyard programs.

HARBOR PATROL

Harbor Patrol, with limited assistance from contract operators, currently provides security and enforcement of Port District ordinances, California Harbors and Navigation, Penal and Vehicle Codes. Deputy Harbormasters provide site security and traffic control, make arrests, prepare incident reports, and provide mutual aid response to other law enforcement agencies. In addition to law enforcement duties, deputy Harbormasters perform vessel search and rescue services, and a wide range of program management and customer services.

Expenditure	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Personnel Services	$669,557	$713,480	$664,399	$740,969	3.9%
Services & Supplies	137,159	149,971	137,574	143,292	-4.5%[8]
Capital Outlay	0	24,500	$23,940	0	-
Total Expenditures	**$806,716**	**$863,451**	**$801,974**	**$884,261**	**2.4%**

MARINA MANAGEMENT

Deputy Harbormaster and Operations staff manage and assigns berths and dry storage space, monitor docks and dry storage areas for safety, staff the front counter 362 days per year, administer invoicing and payment processes, monitor vessel use and confirm current registration, perform vessel serviceability checks and electrolysis checks on an as needed basis, manage the waiting list, develop delinquency reports, conduct lien sales, and provide customer service.

Expenditure	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Personnel Services	$484,509	$562,907	$553,326	$575,976	2.3%
Services & Supplies	58,441	48,928	53,405	56,856	16.2%[9]
Capital Outlay	0	0	0	0	-
Total Expenditures	**$542,950**	**$611,835**	**$606,731**	**$632,832**	**3.4%**

RESCUE SERVICES

Rescue services are provided by Harbor Patrol using one of two patrol vessels (Zodiac patrol vessel *Scout* and the new 36' Moose patrol vessel, *PB Kinnamon*). Rescues are typically conducted under the Coastal Incident Response Plan (CIRP) in coordination with City, County and State resources.

Expenditure	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Personnel Services	$54,787	$75,627	$62,191	$77,257	2.2%
Services & Supplies	53,114	69,129	70,522	76,556	10.7%[10]
Capital Outlay	0	0	0	0	-
Total Expenditures	**$107,901**	**$144,756**	**$132,713**	**$153,813**	**6.3%**

[8] Decrease is attributed to the reduction in contracted security patrol.
[9] Significant increase is attributed to escalating insurance premium costs.
[10] Significant increase is attributed to escalating insurance premium costs.

PARKING SERVICES

Parking services encompass oversight and daily maintenance of the automated concession parking lot equipment serving 2222 East Cliff Drive, the Crow's Nest and its Beach Market, Café El Palomar, the SUP Shack, and Harbor Beach; beach parking permit sales, slip licensee and employee parking permits, launch ramp parking, and permits, shuttle van and water taxi services, and parking ordinance enforcement. The Parking Coordinator and Harbor Patrol provide parking services with assistance from part-time/temporary staff.

Expenditure	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Personnel Services	$205,293	$217,271	$213,318	$236,610	8.9%[11]
Services & Supplies	183,644	167,000	192,808	172,100	3.1%
Capital Outlay	0	0	0	0	-
Total Expenditures	**$388,937**	**$384,271**	**$406,126**	**$408,710**	**6.4%**

EVENTS

This program is jointly managed by Operations and Administrative Services, and comprises permitting, transportation and security for special events hosted by the Port District, the Crow's Nest Thursday night beach barbecues, beach volleyball tournaments, regattas, and other special events.

Expenditure	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Personnel Services	$16,688	$25,679	$15,705	$26,829	4.5%
Services & Supplies	5,882	$7,500	4,600	7,000	-6.7%
Capital Outlay	0	0	0	0	-
Total Expenditures	**$22,570**	**$33,179**	**$20,305**	**$33,829**	**2.0%**

FUEL SERVICES

The Port District took over operation and maintenance of the harbor's fuel dock in July 2010. The program is managed by Deputy Harbormaster staff. Recurring program costs include staff, fuel purchases, taxes, storage tank fees and maintenance, inspections, insurance, credit card fees, regulatory compliance and spill prevention equipment and supplies.

Expenditure	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Personnel Services	$34,746	$47,138	$43,413	$50,196	6.5%
Services & Supplies	770,865	$469,200	492,136	472,664	0.7%
Capital Outlay	0	0	0	0	-
Total Expenditures	**$805,611**	**$516,338**	**$535,548**	**$522,860**	**1.3%**

[11] Part-time / temporary wages in the Parking program have been marginally increased.

BOATYARD

The Port District took over staffing, operation, and maintenance of the boatyard in 2014. Recurring program costs include personnel, spill prevention equipment, supplies, stormwater filtration costs, and equipment maintenance and fuel. The boatyard is not projected to require significant proceeds to support expenditures in FY25.

Expenditure	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Personnel Services	$227,251	$290,281	$250,044	$304,043	4.7%
Services & Supplies	137,543	$118,253	114,661	127,181	7.5%
Capital Outlay	0	0	0	0	-
Total Expenditures	**$364,794**	**$408,535**	**$364,705**	**$431,225**	**5.6%**

DEPARTMENTS AND PROGRAMS

FACILITIES MAINTENANCE & ENGINEERING DEPARTMENT

The Facilities Maintenance and Engineering Department is comprised of the following programs:

- Docks, Pier, and Marine Structures (DP&M)
- Utilities Maintenance
- Building Maintenance
- Grounds Maintenance
- Aeration Program
- Fishery Support
- Capital Projects
- Dredge Operations

The table below summarizes the distribution of expenditures by category and program for the Facilities Maintenance and Engineering Department. Individual program details are also provided.

EXPENDITURE SUMMARY

Expenditure by Category	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Personnel Services	$1,777,488	$1,890,795	$1,788,728	$1,933,199	2.2%
Services & Supplies	2,070,841	$2,321,285	2,452,040	2,492,116	7.4%
Capital Outlay	177,577	188,000	147,996	187,000	-0.5%
Total Expenditures	**$3,848,329**	**$4,212,080**	**$4,240,768**	**$4,425,315**	**5.1%**

Expenditure by Program	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
DP&M	$502,199	$679,068	$759,134	$856,979	26.2%
Utilities Maint.	103,387	109,072	100,942	110,463	1.3%
Building Maint.	387,536	465,185	483,617	495,429	6.5%
Grounds Maint.	908,217	865,519	826,981	873,575	0.9%
Aeration Program	37,457	59,229	58,448	60,599	2.3%
Fishery Support	12,013	17,024	13,233	17,496	2.8%
Capital Projects	394,446	363,503	357,318	313,229	-13.8%
Dredge Operations	1,503,074	1,653,480	1,641,094	1,697,545	2.7%
Total Expenditures	**$3,848,329**	**$4,212,080**	**$4,240,768**	**$4,425,315**	**5.1%**

PROGRAM HIGHLIGHTS:

FY24 Services and Supplies within the Facilities Maintenance and Engineering Department are anticipated to increase 5.1% over the prior fiscal year. This increase is due to escalating insurance premium costs, of which approximately 39% of the total estimated premium is paid from the Docks, Piers, and Marine Structures program (this allocation may change in subsequent budget years).

DOCKS, PIERS, AND MARINE STRUCTURES

Activities in this program include maintenance and repairs of existing docks and piers; routine maintenance of piles and appurtenant equipment; maintenance of floats, seawalls, cranes, jetties, gates, brow piers and gangways.

Expenditure	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Personnel Services	$137,827	$165,085	$150,270	$170,823	3.5%
Services & Supplies	364,372	$513,983	608,864	686,157	33.5%[12]
Capital Outlay	0	0	0	35,000	-
Total Expenditures	**$502,199**	**$679,068**	**$759,134**	**$856,979**	**26.2%**

UTILITIES MAINTENANCE

Utility maintenance includes repairs to landside and dock electrical and plumbing facilities; operation and maintenance of seven sanitary sewer lift stations; maintenance of parking lot, dock, and storage area lighting; and storm drain inspections and cleaning.

Expenditure	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Personnel Services	$79,135	$76,322	$73,003	$79,713	4.4%
Services & Supplies	24,252	$32,750	27,939	30,750	-6.1%
Capital Outlay	0	0	0	0	-
Total Expenditures	**$103,387**	**$109,072**	**$100,942**	**$110,463**	**1.3%**

BUILDING MAINTENANCE

There are 26 buildings housing over 40 tenants, harbor administration, operations and maintenance functions, restrooms and miscellaneous storage facilities throughout the harbor. Activities include the full spectrum of repairs, paint, carpet, roofing, HVAC, elevator service, alarm maintenance and cleaning/custodial services.

Expenditure	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Personnel Services	$115,498	$146,507	$126,266	$146,574	0.0%
Services & Supplies	272,038	$318,678	357,351	348,855	9.5%[13]
Capital Outlay	0	45,000	$42,518	0	-
Total Expenditures	**$387,536**	**$465,185**	**$483,617**	**$495,429**	**6.5%**

[12] Significant increase is attributed to escalating insurance premium costs.
[13] Increase is attributed to escalating custodial costs (labor and supplies).

GROUNDS MAINTENANCE

Harbor property encompasses approximately nine landside acres that attract thousands of visitors each year. Activities include maintenance of landscaped areas, parking lots and meters, signs, fences, walkways, and commemorative plazas; litter collection, control, and transport; recycling services; pressure washing of docks, street sweeping, and fish table cleaning and maintenance.

Expenditure	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Personnel Services	$446,896	$437,519	$401,538	$440,575	0.7%
Services & Supplies	461,321	$428,000	425,443	433,000	1.2%
Capital Outlay	0	0	0	0	-
Total Expenditures	**$908,217**	**$865,519**	**$826,981**	**$873,575**	**0.9%**

AERATION PROGRAM

This program involves the annual installation of 24 electric powered aerators mounted in strategic locations throughout the harbor to respond to high fish count and low dissolved oxygen events. The harbor had experienced devastating fish kills, primarily schools of anchovies, in years past, requiring costly cleanup and repair operations. The current aeration program is a joint effort between the Facilities Maintenance and Engineering Department and the Harbor Patrol to monitor fish populations and dissolved oxygen levels, and be prepared to respond quickly to ameliorate poor conditions and prevent another kill.

Expenditure	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Personnel Services	$14,658	$28,229	$24,180	$29,599	4.9%
Services & Supplies	22,799	$31,000	34,268	31,000	0.0%
Capital Outlay	0	0	0	0	-
Total Expenditures	**$37,457**	**$59,229**	**$58,448**	**$60,599**	**2.3%**

FISHERY SUPPORT

The commercial fishing fleet, resident fish buyer and the facilities that support their activities are supported by the Port District. The FY25 budget includes funding for maintenance of the hoists, working with commercial fishermen on landings administration, and for updating policies associated with the fishery.

Expenditure	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Personnel Services	$12,013	$13,524	$11,033	$13,996	3.5%
Services & Supplies	0	$3,500	$2,200	$3,500	0.0%
Capital Outlay	0	0	0	0	-
Total Expenditures	**$12,013**	**$17,024**	**$13,233**	**$17,496**	**2.8%**

CAPITAL PROJECTS

This program provides staffing to develop and manage the Port District's Capital Improvement Program. Work in this section may involve preliminary engineering, such as site inspections or concept development, grant applications, and other work in support of capital projects. Capital projects recommended for FY25 are detailed in the Capital Improvement Program later in this report.

Expenditure	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Personnel Services	$36	$4,986	$1,701	$5,088	2.0%
Services & Supplies	394,410	$358,517	355,617	308,141	-14.1%[14]
Capital Outlay	0	0	0	0	-
Total Expenditures	**$394,446**	**$363,503**	**$357,318**	**$313,229**	**-13.8%**

DREDGING OPERATIONS

Activities involve annual dredging of the federal entrance channel and selected areas of the inner-harbor, primarily the north harbor where sedimentation from Arana Gulch most impacts depths. Also included are maintenance and repairs to the dredges *Twin Lakes* and *Squirt* and other equipment required to perform dredging (e.g., crane, submersible pump, dozer, forklift, pipe welder, and anchors). The U.S. Army Corps of Engineers provides support for the dredging by reimbursing 35% of the average operations and maintenance costs. The Port District is currently being reimbursed $525,000/year.

Expenditure	FY23 Actual	FY24 Budget	FY24 Projection	FY25 Budget	% Change
Personnel Services	$972,113	$1,018,623	$1,000,738	$1,046,832	5.6%
Services & Supplies	530,961	$634,857	640,357	650,713	5.2%
Capital Outlay	177,557	143,000	147,996	152,000	-
Transfers Out	-177,557	-143,000	-147,996	-152,000	-
Total Expenditures	**$1,503,074**	**$1,653,480**	**$1,641,094**	**$1,697,545**	**5.5%**

[14] Decrease is attributed to a reduction in interest expense in the amount of approximately $50,000.

DREDGE FUND

The table below details identified priorities and equipment replacement / repair needs for the dredge operation in FY25. A total contribution to the Dredge Fund in the amount of $152,000 is proposed for FY25.

ASSET	ITEM	IDENTIFIED NEED
TWIN LAKES	Christmas Tree Upper End	30,000
	Spare Parts Replacement	25,000
		$55,000
DAUNTLESS	Transmission Rebuild	25,000
		$25,000
SQUIRT	Overhaul (Aftercooler, Turbo, Cylinders, Duplex Strainer)	37,000
		$37,000
MISCELLANEOUS	Offshore Disposal Pipeline	10,000
	Unspecified Allowance	25,000
		$35,000
	Total FY25Dredge Fund Contribution:	**$152,000**

At the conclusion of FY24, the remaining Dredge Fund balance is anticipated to total approximately $127,757, and is allocated as follows:

- Snorkel Elbow Replacement (*Twin Lakes): $*23,550
- Cab Roof Replacement (*Dauntless):* $10,000
- Electrical System Rewiring *(Dauntless):* $15,000
- Skagit Winch Rebuild (*Miscellaneous):* $45,000[15]
- Unspecified Allowance (*Miscellaneous): $64,207*[16]

Historical Dredge Fund Contributions

FY19	FY20	FY21	FY22	FY23	FY24	FY25
$378,258	$145,956	$416,091	$272,762	$191,151	$143,000	$152,000

[15] Includes reallocation of $30,000 from previously funded *Dauntless* Deck project.
[16] Small balances that remain after a project has been completed / closed out are absorbed into the Unspecified Allowance.

CAPITAL OUTLAY

The following capital outlay items are included in the FY25 budget:

DEPARTMENT	REQUEST	IDENTIFIED NEED
Docks, Piers, & Marine	Replacement Truck	$35,000
	Total:	**$35,000**

SANTA CRUZ PORT DISTRICT

FIVE-YEAR
CAPITAL IMPROVEMENT PLAN

FISCAL YEAR 2025 - FISCAL YEAR 2029

CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program and fund balance propose $750,000 in new funding for capital improvement projects in FY25, and assignment of $345,000 in existing Unallocated CIP Funds[17] in support of identified projects.

The proposed 5-Year Capital Improvement Program follows.

[17] The Port District received approximately $345,000 for permanent and temporary construction easements related to the City's ongoing Murray Street Bridge Seismic Retrofit Project. This funding was received and recognized in FY24 and allocated by the Commission to the CIP Reserve Fund (Unallocated CIP) on October 24, 2023.

INTRODUCTION

This 5-year Capital Improvement Plan (CIP) presents the Santa Cruz Port District's plan for development, maintenance, improvement, and acquisition of infrastructure assets to benefit Santa Cruz Harbor's users, businesses, and visitors. It is intended to serve as a guidance document for planning, scheduling, and implementing capital improvements and planning projects over the next 5 years.

The 5-year CIP serves as a tool for prioritizing and selecting future projects, and provides an overview of works in progress. The CIP highlights the District's investments in infrastructure development and maintenance (i.e., capital improvements) and other significant capital expenditures. Studies of less than $5,000, and capital expenditures for equipment, vehicles and vessels are typically not included in the CIP, though there are exceptions (e.g., previous water taxi and patrol vessel procurements).

CAPITAL IMPROVEMENT PLAN DEVELOPMENT

Annual updating of the 5-year CIP is an integral part of the budget process. The CIP is presented with the budget to provide time for review by the public and the Port Commission prior to consideration and incorporation into the final budget.

Prior to FY13, many capital improvements were budgeted and completed within line items in the operating budget, such as Pavement Repairs (F006), Building Restoration (F011), Restroom Building Rehabilitation (F012) and Dock Upgrades(F008). Those items are now presented as separate projects within the 5-year CIP with recommended funding amounts for ongoing rehabilitation and repair.

Each year, the Commission will adopt an updated 5-year CIP that will include prioritized short and long-term projects. The prioritized list will be used by staff in the development of the annual operating budget. The 5-year CIP will be published in advance of and discussed during a public meeting prior to adoption of the annual budget.

FUNDING THE CAPITAL IMPROVEMENT PLAN

Each year, funding is allocated to various large and small projects within the CIP. Non-specific CIP funding is contained in the Unallocated CIP Funds (F099), which is also referred to as the CIP Reserve Fund.

In FY16, the Port Commission adopted a Reserve Policy, which established funding goals for reserves and for the 5-year CIP. The Commission initially elected to contribute $500,000 to the CIP fund each year, whenever practicable. The CIP fund would be allowed to grow over time so that large-scale projects could be planned and accomplished without impacting either the Reserve Fund or operations. In February 2020, the Commission increased the CIP funding goal to $750,000 annually, whenever practicable.

In FY25, the increased funding goal of $750,000 is attainable. As a result, a $750,000 contribution is proposed in conjunction with utilizing $345,000 of Unallocated CIP Funds to establish funding in the amount of $1,095,000 for identified project needs.

PROJECT DEVELOPMENT AND SELECTION PROCESS

The projects proposed in the FY25 CIP were derived from a variety of sources, including recommendations from Port District staff, Commission and public input, and projects identified in the Port District Priorities for 2024.

Although not typically included as capital improvements, planning studies may be included in the CIP as part of the planning effort. Studies of less than $5,000 or capital expenditures for vehicles, equipment and vessels are typically funded in the operating budget.

A summary of proposed FY25 projects is included below:

- Fourteen (14) previously identified projects are proposed for funding in FY25.
- One (1) project is proposed for closeout (i.e., removal from the list) – 2222 East Cliff Drive Deck
- No new projects are proposed for funding in FY25, although funding for the future purchase of a floating barge to facilitate in-house pile replacement work is included in F005 (Piling Replacement).

A CIP Summary sheet outlining projects and funding levels is included as Appendix A. Not including the CIP Reserve Fund, the Fund Balance projection as of April 1, 2024, has 25 identified projects with some level of available funding.

PROPOSED PROJECTS

Several of the proposed projects in this CIP address ongoing infrastructure or facility maintenance needs and are typically programmed on an annual basis. Examples include Pavement Repairs (F006), Building Restoration (F011), and Restroom Building Rehabilitation (F012).

The following attachments provide additional detail regarding future funding needs and project descriptions:

- Appendix B: Capital Improvement Plan Detail – 5-year funding projections
- Appendix C: Capital Improvement Plan Detail – Project Descriptions (funded and unfunded)

ENVIRONMENTAL REVIEW

The development of this 5-year plan is not a project, as defined in the California Environmental Quality Act (CEQA), and an environmental review is not required for its adoption. Individual projects listed herein may be subject to CEQA and environmental reviews will be conducted during project implementation.

CAPITAL IMPROVEMENT PLAN DETAIL

APPENDIX A – CIP SUMMARY

The table below summarizes FY24 CIP funding contributions, including mid-year transfers to individual funds.

CIP FUNDING SUMMARY	
Beginning Balance as of April 1, 2023	**$4,194,925**
Transfer In – Pile Replacement Project (PC Approval 5/23/23)	$160,000
Transfer In – City of Santa Cruz Easement Funds (PC Approval 10/24/23)	$4,749,000
Total:	**$9,103,925**
Anticipated FY24 Expenditures through March 31, 2024	($2,304,454)
	$6,799,471

CAPITAL IMPROVEMENT PLAN DETAIL

APPENDIX A – CIP SUMMARY (CONT.)

The table below summarizes the FY25 CIP funding contributions (and reallocations) and details projected balances for individual funds as of April 1, 2024.

Project Name	No.	Beginning Balance April 1, 2024	FY24 Projected Expenditures	FY24 Mid-Year Changes	FY25 Proposed Reallocation	FY25 Funding Contribution	Projected Balance April 1, 2025
CF Marine Services Center	F003	10,000					$10,000
Harbor Security Upgrades	HO01	12,223	(12,223)			12,000	$12,000
Sanitary Sewer Lift Stations	F004	342,081	(2,543)			20,000	$359,538
Piling Replacement	F005	615,000	(1,200,000)	585,000		50,000	$50,000
Pavement Repairs	F006	152,716	(67,184)			215,000	$300,532
Dock Upgrades	F008	82,097		(50,000)	(15,000)		$17,097
Pier Rehabilitation	F009	13,958	(4,137)			5,000	$14,821
Building Restoration	F011	202,181	(73,970)			125,000	$253,211
Restroom Building Rehabilitation	F012	298,509				18,000	$316,509
Sidewalk & Plaza Restoration	F013	33,000		(15,000)			$18,000
Storm Drain System	F014	30,000					$30,000
Water & Sewer System	F015	44,139		(25,000)			$19,139
Parking Pay Station	F018	19			(19)		-
Aeration System Upgrades	F019	31,304					$31,304
Ice Machine	F020	19,222					$19,222
West Jetty Walkway	J001	799.25				20,000	$20,799
7th and Brommer Recon	F021	113,063	(3,774)				$109,289
SH Revetment & Seawall	F022	35,460	(12,395)			80,000	$103,065
Murray Street Bridge	F024	235,586	(69,168)	4,403,182			$4,569,600
Unallocated CIP Funds	F099	157,191		190,879	(344,981)		$3,089
Aldo's Seawall Replacement	F027	188,441	(12,750)	(180,000)		50,000	$45,691
Parking Upgrades	F028	70,311	(70,250)	(61)			-
Harborwide Refuse Study	F039	5,000					$5,000
Embankment Assessment	F042	75,042	(22,487)			10,000	$62,554
Fuel System Upgrades	F043	88,539				25,000	$113,539
NH Transformer	F045	309,080	(46,480)			355,000	$617,600
2222 EC Deck Replacement	F046	819,493	(707,092)		(112,401)		Close Out
Twin Lakes Haul	F047	210,473				110,000	$320,473
TOTAL:		$4,194,925	($2,304,454)	$4,909,000	($472,401)	$1,095,000	$7,422,071

CAPITAL IMPROVEMENT PLAN DETAIL

APPENDIX B – 5-YEAR FUNDING PROJECTIONS

Projects within the Capital Improvement Program are categorized into one of the six following categories:

- Docks, Piers & Marine Structures
- Buildings
- Landside Infrastructure
- Utility Systems
- Planning Projects & Studies
- Miscellaneous Projects

A summary of FY25 Priority Projects is outlined below:

- Installation of Additional Security Cameras
- Replacement of G-Dock Sanitary Sewer Lift Station
- Critical Pile Sleeving
- Renovation of I-Dock Restroom & Shower Facility
- Repainting 2222 East Cliff Drive
- Concession Parking Lot Paving
- Fuel System Upgrades
- Replacement of 6 North Harbor Transformers

The tables below summarize anticipated funding needs for each identified project / project category for the period FY25 to FY29. The proposed FY25 CIP contribution totals $1,095,000, (comprised of $345,000 in Unallocated CIP Funds and $750,000 from the operating budget).

DOCKS, PIERS & MARINE STRUCTURES

	FY25	FY26	FY27	FY28	FY29	Total
Piling Replacement	50,000	600,000	125,000	125,000	125,000	**$1,025,000**
Dock Upgrades	-	20,000		125,000	50,000	**$195,000**
Pier Rehabilitation	5,000	15,000	-	50,000	-	**$70,000**
BY Marine Ways Upgrades	-		40000	85,000	-	**$125,000**
	$55,000	**$635,000**	**$165,000**	**$385,000**	**$175,000**	**$1,415,000**

NOTABLE FY25 DOCKS, PIERS & MARINE STRUCTURE PROJECTS

- Set aside funding for purchase of a floating barge for in-house pile driving.
- Sleeve 6 previously identified piles (2 at boatyard marine ways, 4 at fishery).

BUILDINGS

	FY25	FY26	FY27	FY28	FY29	Total
Building Restoration	30,000	75,000	25,000	75,000	25,000	**$240,000**
Restroom Rehabilitation	18,000	75,000	100,000	250,000	75,000	**$518,000**
2222 East Cliff Repaint	55,000	-	-	-	10000	**$65,000**
2218 East Cliff Roof [19]	30,000	-	-	-	-	**$30,000**
Lighthouse Repaint	-	75,000	-	-	-	**$75,000**
Elevator Replacement	10,000	10,000	-	10,000	-	**$20,000**
	$143,000	**$235,000**	**$125,000**	**$335,000**	**$110,000**	$948,000

NOTABLE FY25 BUILDING PROJECTS

- Renovation of I-Dock restroom and shower facility.
- Repaint 2222 East Cliff Drive
- Set aside for future elevator replacement needs.

LANDSIDE INFRASTRUCTURE

	FY25	FY26	FY27	FY28	FY29	Total
Pavement Repairs	215,000	75,000	200,000	75,000	200,000	**$750,000**
Parking Pay Stations	-	5,000	-	25,000	-	**$30,000**
Parking Upgrades	-	5,000	5,000	5,000	5,000	**$20,000**
Sidewalk and Plaza Restoration	-	-	15,000	25,000	-	**$40,000**
	$215,000	**$85,000**	**$220,000**	**$130,000**	**$205,000**	$840,000

NOTABLE FY25 LANDSIDE INFRASTRUCTURE PROJECTS

- Repaving of concession parking lot.
- Beach Plaza foot wash restoration.

[18] Previous funding for this project in the amount of $30,000 is allocated in the Building Restoration fund balance.
[19] Previous funding for this project in the amount of $60,000 is allocated in the Building Restoration fund balance.

UTILITY SYSTEMS

	FY25	FY26	FY27	FY28	FY29	Total
Sanitary Sewer Upgrades	20,000	25,000	200,000	75,000	200,000	**$520,000**
Fuel System Upgrades	25,000	85,000	-	25,000	-	**$135,000**
Aeration Syst. Upgrades	-	10,000	-	10,000	-	**$20,000**
Storm Drain Maintenance	-	-	5,000	-	5,000	**$10,000**
Water & Sewer Maint.	-	-	-	-	-	**$0**
NH Transformers[20]	355,000	-	-	-	-	**$355,000**
	$400,000	**$120,000**	**$205,000**	**$110,000**	**$205,000**	**$1,040,000**

NOTABLE FY25 LANDSIDE INFRASTRUCTURE PROJECTS

- Replacement of G-Dock sanitary sewer lift station.
- Fuel System upgrades (fuel hoses and electrical upgrades)
- Replacement of 6 tsunami-damaged transformers in the north harbor.
- Motor replacement for multiple aerators.

PLANNING PROJECTS & STUDIES

	FY25	FY26	FY27	FY28	FY29	Total
616 Atlantic Avenue	50,000	TBD	TBD	TBD	TBD	-
West Side Master Plan	-	-	85,000	-	-	**$85,000**
7th & Brommer Site	TBD	TBD	TBD	TBD	TBD	**$0**
SH Revetment. & Seawall	80,000	TBD	TBD	TBD	TBD	**$80,000**
Harbor Wi-Fi	-	-	25,000	5,000	5,000	**$35,000**
East Side Embankment	10,000	TBD	TBD	TBD	TBD	**$10,000**
Arana Gulch Grade Control Feasibility Study	-	85,000	-	-	-	**$85,000**
	$140,000	**$85,000**	**$110,000**	**$5,000**	**$5,000**	**$345,000**

NOTABLE FY25 PLANNING PROJECTS AND STUDIES

- Continued planning for design of a new restaurant building at 616 Atlantic Avenue
- Continued planning for the repair and replacement of the west side seawall (SH Revetment & Seawall)
- Contract for engineering services to determine repair/replacement options for the storm-damaged east side embankment.

[20] Additional funding in the amount of approximately $400,000 will be required to complete the North Harbor Transformer project in FY25. As part of the FY25 budget process, the Port Commission may elect to utilize prior year proceeds to cover the funding shortfall. If the Commission is not interested in designating prior year proceeds toward this project as part of the budget process, an unanticipated expenditure request will be presented at the time of contract award.

MISCELLANEOUS PROJECTS

	FY25	FY26	FY27	FY28	FY29	Total
Refuse / Recycling Study	-	-	-	-	-	**$0**
Harbor Security Upgrades	12,000	12,000	-	15,000	-	**$39,000**
West Jetty Walkway	20,000	TBD	TBD	TBD	TBD	**$20,000**
Twin Lakes Haul	110,000	200,000	300,000	-	-	**$610,000**
Unallocated CIP	-	-	-	-	-	**$0**
	$142,000	**$212,000**	**$300,000**	**$15,000**	**$0**	**$669,000**

NOTABLE FY25 PLANNING PROJECTS AND STUDIES

- Installation of additional security cameras.
- Set-aside funding for *Twin Lakes* haulout.
- Temporary repair of storm-damaged West Jetty Walkway (pending legal and Commission review).

TOTAL 5-YEAR CIP FUNDING NEEDS

	FY25	FY26	FY27	FY28	FY29	Total
Docks, Piers & Structures	$55,000	$635,000	$165,000	$385,000	$175,000	$1,415,000
Buildings	$143,000	$235,000	$125,000	$335,000	$110,000	$948,000
Landside Infrastructure	$215,000	$85,000	$220,000	$130,000	$205,000	$855,000
Utility Systems	$400,000	$120,000	$205,000	$110,000	$205,000	$1,040,000
Planning Project/Studies	$140,000	$85,000	$110,000	$5,000	$5,000	$345,000
Miscellaneous Projects	$142,000	$212,000	$300,000	$15,000	$0	$669,000
	$1,095,000	**$1,372,000**	**$1,125,000**	**$980,000**	**$700,000**	**$5,272,000**

CAPITAL IMPROVEMENT PLAN DETAIL
APPENDIX C – PROJECT DESCRIPTIONS
FUNDED PROJECTS

F003	CF HARBOR SECURITY MARINE SERVICES CENTER
Status:	*Project on Hold*
This project would involve improvements to the facilities located at 493 and 495 Lake Avenue, buildings that currently house H&H Fresh Fish, Johnny's Harborside Restaurant, and the Santa Cruz Harbor Boatyard. The first phase of the project will involve outreach and preliminary planning for ice production and storage, evaluation of the expansion potential for the restaurant facility, and potential upgrades to serve the commercial fishery. Additional work will involve identification of funding sources/partners, and use of the boatyard during the City of Santa Cruz's upcoming Murray Street Bridge Rehabilitation project.	

HO01	HARBOR SECURITY UPGRADES
Status:	*Ongoing – funding recommended in FY25 for acquisition of additional security cameras.*
This project was approved to provide for increased security systems throughout the harbor to reduce unauthorized uses, and to improve monitoring and law enforcement capabilities. Cameras and recording devices with remote monitoring capabilities have been installed at key locations and expansion of the camera system is recommended. Previously completed projects include restroom door and gate rekeying in FY16, FY17 and FY19, and acquisition of electronic system components in FY19. Fabrication of dock gates to support the new electronic key system were funded as separate project (Dock Upgrades F008). Security cameras were installed in FY20, FY21, FY22, FY23 and FY24 Additional funding planned in FY25 is for additional cameras.	

F004	SANITARY SEWER LIFT STATIONS
Status:	*Ongoing – funding recommended in FY25.*
This project consist of priority tasks previously identified for replacing the lift station control panels and performing ultrasound inspections of existing steel tubing, replacing, or relining existing tanks and upgrading access to pumps for maintenance. A comprehensive assessment of the nine existing sanitary sewer lift stations was performed in FY22. As a result of that assessment, construction documents for upgrades or replacements as required were drafted in FY23. Replacement of the G-Dock lift station was placed out to bid in FY24, however all bids received exceeded the Engineer's Estimate and were rejected. The project will be rebid in early FY25.	

F005	PILING REPLACEMENT
Status:	*Ongoing - funding recommended in FY25.*
The Port District maintains approximately 700 piles to support its docks and piers. Over the last 6 years, approximately 275 piles have been repaired and/or replaced. $50,000 in set aside funding is requested in FY25 to facilitate the purchase of a floating barge for in-house pile repair and replacement work. Staff recommends that upon receipt of pending FEMA disaster relief funds (approximately $550,000), the Commission allocate the funds to this program to assist with the purchase of the barge.	

F006	PAVEMENT REPAIRS
Status:	*Ongoing – funding recommended in FY25.*
Ongoing project to maintain, resurface and restripe harbor parking lots and roads. Funding in FY25 is requested to repave and restripe the entirety of the concession parking lot.	

F008	DOCK UPGRADES
Status:	*Ongoing – no funding recommended in FY25.*

The 30 distinct docks that make up the Santa Cruz Harbor provide berthing for over 800 vessels, fulfilling the mission of being a federal and state harbor of refuge. This funding provides for small projects involving repairs or upgrades to the existing docks and appurtenant structures such as gates, brow piers, ramps, etc.

No work is anticipated to occur in FY25. As a result, $15,000 is proposed to be transferred from Dock Upgrades to Pavement Repairs.

F009	PIER REHABILITATION
Status:	*Ongoing – funding recommended in FY25.*

The harbor's three piers require periodic inspection and maintenance to ensure they remain safe for public access and serviceable for their various uses. This ongoing project provides periodic funding for inspections, repairs, and upkeep.

In 2020, 10 piles supporting the east public pier were deemed to be in critical condition and in need of repair. In FY21, a repair project was completed in which 3 of the 10 piles were jacketed and filled with cementitious grout. Of the remaining piles, 4 were programmed for repair in FY22, and 3 were scheduled for repair in FY23. The planned project in FY22 was delayed, and as a result, 7 east public pier piles were jacketed in FY23 by in-house crews, which resulted in considerable cost savings.

Two piles supporting the boatyard marine ways and four piles supporting the fishery pier will be jacketed by in-house crews in FY25.

F011	BUILDING RESTORATION
Status:	*Ongoing – funding recommended in FY25.*

Projects to be programmed on an annual basis include minor improvements that extend the useful life of systems and equipment in District-owned buildings that are rented out to various tenants.

Future projects (FY25 and beyond) re-roofing the concession lot restroom structure; roofing repairs at 2218 East Cliff Drive; exterior painting of 2222 East Cliff Drive; and other necessary maintenance and repair projects.

F012	RESTROOM BUILDING REHABILITATION
Status:	*Ongoing – funding recommended in FY25.*

FY25 funding and ongoing funding recommended to facilitate phased rehabilitation of restroom facilities.

Projects are planned on an annual basis to extend the useful life of the District's 11 restroom buildings. After 4 of the 11 restroom buildings sustained flood damage as a result of the January 2022 tsunami, expediting repair work in FY23 was initiated. In FY24, City and Coastal Commission permits were secured for the demolition and replacement of the I-Dock restroom and shower facility. The project will be placed out to bid in early FY25.

F013	SIDEWALK AND PLAZA RESTORATION
Status:	*Ongoing – Project planned in FY25.*

No major restoration of sidewalks or plazas was completed in FY24. No additional funding is recommended in FY25, however repair to the foot wash station located at the Beach Plaza is planned.

F014	STORM DRAIN SYSTEM
Status:	*Ongoing – no funding recommended in FY25.*
This ongoing project involves maintenance, repairs and cleaning of the harbor's storm drainpipes, inlets and catch basins, and upgrades needed to comply with the State of California Industrial Stormwater Permit.	
F015	WATER & SEWER SYSTEMS
Status:	*Ongoing – no funding recommended in FY25.*
This ongoing project funds upgrades, improvements and major replacement / repair to the harbor's water and sewer services.	
F018	PARKING PAY STATION UPGRADES
Status:	*Ongoing – no funding recommended in FY25.*
This ongoing project funds replacement of the aging parking meters with pay stations throughout the harbor, beginning on the west side. Future projects anticipate pay station replacement and rehabilitation.	
F019	AERATION SYSTEM UPGRADES
Status:	*Ongoing – Project planned in FY25.*
Annual maintenance of the aerator motors and floats is performed as part of the Aeration program. This project differs from the annual program as it provides for replacement of aerators worked beyond their rated capacity. Motors on multiple aerators will be overhauled in FY25.	
F020	ICE MACHINE
Status:	*Ongoing – no funding recommended in FY25.*
This project was initially funded to add cold storage and/or an ice delivery system to serve the commercial fishing fleet following replacement of the former Sunwell ice system. The resident buyer has a concept for improving ice production and delivery which may be an appropriate use of this funding subject to Port Commission review and approval.	
J001	WEST JETTY WALKWAY
Status:	*Ongoing - funding recommended in FY25.*
A Phase 1 project to complete resurfacing of the west jetty walkway was completed in 2012, utilizing grant funding provided by the Coastal Conservancy. FY25 funding, in the amount of $20,000, will effectuate a temporary repair to the southern portion of the jetty walking path, which was damaged during various storm events in 2023. The Army Corps of Engineers anticipates performing a more extensive repair to the damaged section, pending availability of federal funds.	
F021	7th & BROMMER RECON
Status:	*Ongoing – no funding recommended in FY25.*
Site assessment and engineering work for future development of the Port District's property in the area of 7th and Brommer, and coordination and interface with other opportunities in the area to ensure Port District and community interests are served. Site assessment of the Port District-owned parcel on northwest parcel was initiated in FY21 and continues. A marketing and feasibility study to consider opportunities that may be available to the Port District on County-owned property located on the southwest corner of 7th and Brommer is ongoing.	

F022	SOUTH HARBOR REVETMENT & SEAWALL
Status:	*Ongoing – funding recommended in FY25.*

Originally funded in FY15, this project was for engineering assessment and recommendations involving the seawall along the harbor's west side. The seawall at 616 Atlantic Avenue was replaced in FY20 and is similar vintage to the west side seawall. FY23 funding initiated a comprehensive engineering assessment of the seawall including a dive inspection. Additional funding is needed to initiate and undertake replacement of the seawall.

F024	MURRAY STREET BRIDGE
Status:	*Ongoing – no funding recommended in FY25.*

Funding for this project will be made available by the City of Santa Cruz upon completion of necessary right-of-way certifications. In FY23, the Port District received a draw of escrow funding in the amount of $400,000 to cover project related costs for the preliminary design and replacement of FF, Rowing, and Boatyard Docks. In FY24, the Port District initiated a draw of remaining escrow funding in the amount of $4,749,000, of which $345,818 was allocated to the Unallocated CIP and $4,403,182 was allocated to this program (F024).

Port District coordination with the City of Santa Cruz on the Murray Street bridge reconstruction project. Contract services for engineering oversight and legal counsel will be needed.

F027	ALDO'S SEAWALL REPLACEMENT PROJECT
Status:	*Ongoing – funding recommended in FY25.*

Construction of a new seawall was completed by Granite Construction in FY20. The project was partially funded by financing obtained in FY19. All loan funding has been expended. Approximately $188,441 remained in the CIP following project close-out, to provide funding for any future District costs associated with accessway improvements and Tenant reconstruction of the restaurant structure. In FY24, $180,000 was reallocated to Pile Replacement (F005). Funding in FY25 is recommended to complete design work for the replacement of a new restaurant building at the site.

F028	PARKING UPGRADES
Status:	*Ongoing – no funding recommended in FY25.*

The Santa Cruz Harbor Parking Management Plan completed during FY16 included several recommendations for upgrading ADA parking facilities throughout the harbor. This project involves assessing current inventory and adding new accessible spaces in key locations.

In FY21 one additional ADA space was added in the concession parking lot and existing spaces were relocated and reconfigured to bring them to current ADA standards. In FY22, funding to assess necessary upgrades to bring the path of travel between the concession lot public restroom and the beach plaza / concession area to current standards was completed. In FY24, the work to complete the necessary path of travel upgrades was completed.

F039	HARBORWIDE REFUSE / RECYCLING STUDY
Status:	*Ongoing – no funding recommended in FY25.*

A harborwide refuse and recycling study was completed in FY23. Allocated funding is intended to address recommended improvements, like new/improved receptacles along the beach plaza.

F042	EMBANKMENT ASSESSMENT
Status:	*Ongoing – funding recommended in FY25.*

The embankment area at the site of the crane pad on the east access road adjacent to *Twin Lakes'* off-season mooring has visible erosion, which was accelerated further by the January 2022 tsunami and again by the January 2023 winter storms. Funding was designated in FY22 to inspect the area, assess the significance of the erosion, and develop a repair plan suitable to support the crane and associated activities. A comprehensive assessment was completed in FY22, and an additional review of the area was performed by engineers after the tsunami and 2023 storm events.

Since considerable erosion occurred during the January and December 2023 storm events, funding in FY25 will be required to determine adequate repair / replacement options. The crane pad is currently compromised and cannot be used at full capacity.

F043	FUEL SYSTEM UPGRADES
Status:	*Ongoing – funding recommended in FY25.*

The Santa Cruz Port District operates a full-service fuel dock 7 days a week. Ensuring that adequate funding is available for future equipment repair is critical to ensuring a serviceable operation.

In FY25, the Port District will facilitate replacement of all four hose reels and perform necessary electrical upgrades to the panel feeding the dock.

F045	NORTH HARBOR TRANSFORMER
Status:	*Ongoing – funding recommended in FY25.*

As a result of the January 15, 2022, tsunami, 6 electrical transformers in the north harbor were submerged and damaged. Replacement is required. In FY23, the Commission allocated $207,000 to facilitate the design and replacement of the transformers. Design work was completed, and the project was placed out to bid in FY24. No bids were received for the project. The project will be rebid in FY25.

F046	2222 EAST CLIFF DECK REPLACEMENT – CLOSE OUT
Status:	*Project Complete.*

In October 2022, the Commission allocated $825,000 from the reserve fund to facilitate the repair and replacement of the second story deck at 2222 East Cliff Drive. The project was completed under budget in FY24. As a result, the project is being recommended for closeout, with the remaining $112,401 being returned to the Reserve Fund.

F046	TWIN LAKES HAUL
Status:	*Ongoing – funding recommended in FY25.*

The District's dredge, *Twin Lakes,* has been in service for approximately 8 years. Bi-annual inspections are routinely performed by a contracted third party knowledgeable in dredge operations and equipment. A recommendation has been made to haul the dredge (for comprehensive inspection and maintenance) within the next 1-2 years. FY25 funding is recommended as a partial set-aside.

UNFUNDED PROJECTS

WIFI SYSTEM

This project involves design and installation of a Wi-Fi system available to harbor customers and tenants. Installation costs are presumed to be borne by a Wi-Fi vendor to be selected through a public bidding process, though there are numerous other options researched by Port District staff which may impact the type of service provided, installation costs, ongoing monthly costs, vendor-provided support, maintenance and customer service, fee-based upgrade options, etc.

A feasibility study by an outside consultant is recommended to identify and assess available options. Any Wi-Fi system should include comprehensive vendor-provided support as a top priority. Should the Commission direct staff to pursue the project following completion of a feasibility study, subsequent development of an RFP for installation of a Wi-Fi system by a qualified consultant is recommended.

ARANA GULCH GRADE CONTROL STRUCTURE FEASIBILITY STUDY

This project would involve developing a grant proposal to fund engineering design and construction of several sediment-reduction measures in Arana Gulch, upstream of the north harbor. Work on this project commenced in FY 11 with a preliminary application submitted on the Port District's behalf. The application process was suspended because the Port District is not eligible to serve as lead agency for the grant and cooperative agreements had not been executed with the City of Santa Cruz and the County of Santa Cruz for extraterritorial work sponsored by the Port District.

WEST SIDE MASTER PLAN

Master Plan study to follow reconstruction of a new restaurant at 616 Atlantic Avenue for the purposes of completing accessible public improvements along the walkway and jetty area between AA Dock and Walton Lighthouse, as envisioned in the 2008 West Jetty Walkway project. The West Side Master Plan needs to seamlessly tie in access to any future replacement of the SH Revetment and Seawall (F022).

ELECTRIC VEHICLE CHARGING STATION

Identification of location(s) for placement of electric vehicle charging station(s) throughout the harbor, including assessment of power requirements and ongoing utility costs and maintenance.

ATTACHMENT A – DEBT SERVICE DETAIL & COVERAGE RATIOS

Santa Cruz Port District
Historical Revenues and Expenses
Debt Service Coverage Projection

	2022 *Audited*	2023 *Audited*	2024 *Budgeted*	2024 *Projected*	2025 *Budgeted*
Operating Revenues					
Charges for berthing and services	$ 8,864,120	$ 9,060,943	$ 8,786,475	$ 8,779,970	$ 8,853,646
Rent and concessions	$ 2,023,819	$ 2,111,024	$ 2,054,400	$ 2,112,856	$ 2,097,000
Total Operating Revenues	$ 10,887,939	$ 11,171,967	$ 10,840,875	$ 10,892,826	$ 10,950,646
Operating Expenses					
Depreciation and Amortization	$ 2,187,657	$ 2,184,840	$ -	$ 1,680,020	
CalPERS Net Pension Liability (Non-cash)	$ 805,728	$ (1,010,262)	$ -		
OPEB Liability (Non-cash)	$ 101,318	$ 95,254	$ -		
Dredging Operations	$ 1,324,630	$ 1,503,071	$ 1,653,480	$ 1,641,094	$ 1,697,545
Administrative Services	$ 663,892	$ 902,926	$ 889,563	$ 860,990	$ 925,649
Grounds	$ 790,109	$ 909,106	$ 865,519	$ 826,981	$ 873,575
Fuel Services	$ 740,950	$ 805,610	$ 516,338	$ 535,548	$ 522,860
Harbor Patrol	$ 712,258	$ 806,715	$ 863,451	$ 801,974	$ 884,261
Property Management	$ 669,573	$ 686,549	$ 842,315	$ 881,911	$ 994,396
Marina Management	$ 495,234	$ 542,949	$ 611,835	$ 606,731	$ 632,832
Buildings	$ 321,331	$ 387,540	$ 465,185	$ 483,617	$ 495,429
Parking Services	$ 352,771	$ 388,936	$ 384,271	$ 406,126	$ 408,710
Docks, Piers, Marine Structures	$ 320,346	$ 502,201	$ 679,068	$ 759,134	$ 856,979
Debt issuance costs	$ -	$ -	$ -		
Finance & Purchasing	$ 183,581	$ 184,083	$ 239,618	$ 206,738	$ 247,146
Environmental & Permitting	$ 95,646	$ 145,693	$ 189,158	$ 163,162	$ 189,885
Utilities	$ 97,358	$ 103,385	$ 109,072	$ 100,942	$ 110,463
Aeration	$ 49,913	$ 37,456	$ 59,229	$ 58,448	$ 60,599
Rescue Services	$ 104,968	$ 107,898	$ 144,756	$ 132,713	$ 153,813
Boatyard Operations	$ 326,087	$ 364,793	$ 408,535	$ 364,705	$ 431,225
Port Commission Support	$ 107,746	$ 55,713	$ 78,653	$ 87,626	$ 76,149
Capital Projects	$ 54	$ 36	$ 8,186	$ 1,899	$ 7,788
Events	$ 13,111	$ 22,570	$ 33,179	$ 20,305	$ 33,829
Fishery Support	$ 8,588	$ 12,014	$ 17,024	$ 13,233	$ 17,496
Tsunami Expense	$ 187,859	$ 10,486	$ -		
Total Expenses	$ 10,660,708	$ 9,749,562	$ 9,058,436	$ 10,633,898	$ 9,620,631
Non-Operating Revenue (Expenses)					
County revenues for public services	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000
Grants and Other Income	$ 619,189	$ 1,359,112	$ 24,000	$ 36,052	$ 24,000
Dredging Reimbursement USACE	$ 665,000	$ 525,000	$ 525,000	$ 525,000	$ 525,000
Interest Income	$ 30,375	$ 228,918	$ 125,000	$ 782,222	$ 710,000
Interest Expense	$ (410,652)	$ (394,410)	$ (355,317)	$ (355,419)	$ (305,441)
Other Income (Expenses)	$ 83,001	$ 605,227	$ 95,000	$ 288,283	$ 186,000
Total Non-Operating Income (Expenses)	$ 1,036,913	$ 2,373,847	$ 463,683	$ 1,326,138	$ 1,189,559
Debt Service Coverage Calculation					
(+) Gross Revenues	$ 10,887,939	$ 11,171,967	$ 10,840,875	$ 10,892,826	$ 10,950,646
(-) Maintenance and operating expenses	$ (10,660,708)	$ (9,749,562)	$ (9,058,436)	$ (10,633,898)	$ (9,620,631)
(+) Depreciation and Amortization	$ 2,187,657	$ 2,184,840	$ -	$ 1,680,020	$ -
(+) CalPERS Unfunded Liability (Non-cash)	$ 805,728	$ (1,010,262)	$ -	$ -	$ -
(+) OPEB Liability (Non-cash)	$ 101,318	$ 95,254	$ -	$ -	$ -
(=) Net Operating Income	$ 3,321,934	$ 2,692,237	$ 1,782,439	$ 1,938,948	$ 1,330,015
(+) Interest Income	$ 30,375	$ 228,918	$ 125,000	$ 782,222	$ 710,000
(+) Non-operating Income	$ 83,001	$ 605,227	$ 95,000	$ 288,283	$ 186,000
(+) Grants	$ 669,189	$ 1,409,112	$ 74,000	$ 86,052	$ 74,000
(+) Dredging Reimbursement USACE	$ 665,000	$ 525,000	$ 525,000	$ 525,000	$ 525,000
(=) Net Revenues Available for Debt Service	$ 4,769,499	$ 5,460,494	$ 2,601,439	$ 3,620,505	$ 2,825,015
(+) Current Portion Long Term Debt	$ 1,329,940	$ 1,366,974	$ 1,329,940	$ 1,365,818	$ 1,413,056
(+) Interest Expense	$ 410,652	$ 394,410	$ 355,317	$ 355,419	$ 305,441
(=) Total Debt Service	$ 1,740,592	$ 1,761,384	$ 1,685,257	$ 1,721,237	$ 1,718,498
Debt Service Coverage Ratio (DSCR)	**2.74x**	**3.1x**	**1.54x**	**2.1x**	**1.64x**
Required DSCR	1.25x	1.25x	1.25x	1.25x	1.25x

ATTACHMENT B – REVENUE, EXPENSE, & NON-OP SUMMARY SHEET

Santa Cruz Port District
FY25 BUDGET
February 27, 2024

Category	Account	Description	FY24 BUDGET	FY24 PRJXN	FY25 BUDGET
		OPERATING INCOME			
User	000-000-000-0000-4000	Slip Rent Permanent	$5,030,700	$5,034,073	$5,181,621
User	000-000-000-0000-4002	Slip Rent Visitors	$210,000	$236,584	$215,000
User	000-000-000-0000-4003	Annual Slip Rent Discount	($1,225)	($1,225)	($1,225)
Conc Rent	000-000-000-0000-4006	Tenant Concession Rent	$2,054,400	$2,112,856	$2,097,000
Conc Rent	000-000-000-0000-4008	Misc. Tenant Rent (Sewer)	$135,000	$145,057	$140,000
User	000-000-000-0000-4010	Launch Fees	$155,000	$156,335	$155,000
User	000-000-000-0000-4012	Liveaboard	$75,000	$107,067	$92,500
User	000-000-000-0000-4014	Catamaran Storage	$26,000	$28,630	$26,000
User	000-000-000-0000-4016	North Harbor Dry Storage	$195,000	$207,420	$200,000
User	000-000-000-0000-4018	7th Ave Dry Storage	$122,000	$127,417	$125,000
User	000-000-000-0000-4020	Waiting List	$120,000	$147,152	$135,000
User	000-000-000-0000-4024	Slip Leave Option	$3,000	$3,500	$3,000
User	000-000-000-0000-4026	Partnership Fees	$30,000	$32,506	$30,000
User	000-000-000-0000-4028	Sublease Fees	$35,000	$36,037	$35,000
User	000-000-000-0000-4030	Variable/Utility Fees	$207,250	$244,880	$235,000
User	000-000-000-0000-4032	Late Fees	$50,000	$49,996	$50,000
Fines	000-000-000-0000-4036	Citations	$98,000	$142,838	$110,000
Other / Misc	000-000-000-0000-4040	Credit Card Convenience Charges	$22,000	$28,735	$24,000
User (Pkg)	000-000-000-0000-4100	Parking - Concession Lot	$880,000	$914,298	$910,000
User (Pkg)	000-000-000-0000-4102	Parking - Launch Area			
User (Pkg)	000-000-000-0000-4104	Parking - Southwest			
User (Pkg)	000-000-000-0000-4106	Parking - North			
User (Pkg)	000-000-000-0000-4108	Parking - Southeast			
User (Pkg)	000-000-000-0000-4118	Meter Permits			
User (Pkg)	000-000-000-0000-4120	Slip Renter Parking Permits	$26,000	$33,930	$28,000
User	000-000-000-0000-4122	RV Parking	$195,000	$226,146	$215,000
Fuel	000-000-000-0000-4200	Fuel Sales Gasoline	$345,000	$280,711	$285,000
Fuel	000-000-000-0000-4202	Fuel Sales Diesel	$465,000	$263,075	$305,000
User	000-000-000-0000-4210	Wash Rack	$6,500	$8,472	$6,500
BY	000-000-000-0000-4220	Boatyard Retail	$16,500	$15,532	$16,500
BY	000-000-000-0000-4225	Boatyard Labor	$750	$1,867	$750
BY	000-000-000-0000-4230	Boatyard Rental	$3,000	$2,260	$3,000
BY	000-000-000-0000-4235	Boatyard Misc.	$32,000	$34,544	$32,000
BY	000-000-000-0000-4240	Lay Days/Storage	$140,000	$101,955	$130,000
BY	000-000-000-0000-4245	Vessel Haulout	$132,000	$130,349	$132,000
BY	000-000-000-0000-4250	Vessel Berthing	$32,000	$39,832	$34,000
	000-000-000-0000-4299	Unallocated Revenue			
		OPERATING INCOME	**$10,840,875**	**$10,892,826**	**$10,950,646**

Santa Cruz Port District
FY25 BUDGET
February 27, 2024

Category	Account	Description	FY24 BUDGET	FY24 PRJXN	FY25 BUDGET
		EXPENSE SUMMARY BY PROGRAM			
		Administrative Services (110)	$889,563	$860,990	$925,649
		Finance & Purchasing (120)	$239,618	$206,738	$247,146
		Property Management (130)	$842,315	$881,911	$994,396
		Environmental & Permitting (140)	$189,158	$163,162	$189,885
		Port Commission Support (190)	$78,653	$87,626	$76,149
		Harbor Patrol (210)	$863,451	$801,974	$884,261
		Marina Management (220)	$611,835	$606,731	$632,832
		Rescue Services (230)	$144,756	$132,713	$153,813
		Parking Services (240)	$384,271	$406,126	$408,710
		Events (250)	$33,179	$20,305	$33,829
		Fuel Services (280)	$516,338	$535,548	$522,860
		Docks, Piers, Marine Structures (310)	$679,068	$759,134	$856,979
		Utilities (320)	$109,072	$100,942	$110,463
		Buildings (330)	$465,185	$483,617	$495,429
		Grounds (340)	$865,519	$826,981	$873,575
		Aeration (350)	$59,229	$58,448	$60,599
		Fishery Support (360)	$17,024	$13,233	$17,496
		Capital Projects (390)	$363,503	$357,318	$313,229
		Dredging Operations (400)	$1,653,480	$1,641,094	$1,697,545
		Boatyard Operations (500)	$408,535	$364,705	$431,225
		OPERATING EXPENSES	**$9,413,753**	**$9,309,297**	**$9,926,072**
		OPERATING PROFIT	**$1,427,122**	**$1,583,529**	**$1,024,574**
		NON OPERATING INCOME/(EXPENSE)			
Other / Misc	000-000-000-0000-4300	Harbor Services Charge	$10,000	$6,500	$10,000
Other / Misc	000-000-000-0000-4308	Interest Income	$125,000	$782,222	$710,000
Other / Misc	000-000-000-0000-4310	Other Income	$85,000	$406,199	$176,000
Intergov	000-000-000-0000-4375	USACE Reimbursement	$525,000	$525,000	$525,000
Grants	000-000-000-0000-4400	Grants - State			
Grants	000-000-000-0000-4405	Grants - DBAW	$12,000	$24,052	$12,000
Intergov	000-000-000-0000-4406	County Rescue Contribution	$50,000	$50,000	$50,000
Grants	000-000-000-0000-4408	Waste Oil Grant	$12,000	$12,000	$12,000
Other / Misc	000-000-000-0000-4500	Gain/(Loss) on Asset Disposal		$3,940	
	000-000-000-0000-4600	Cash Over/Under		($356)	
		Election Expense		($128,000)	
		Principal Debt Payments	($1,365,818)	($1,365,818)	($1,413,056)
		Capital Improvement Program	($500,000)	($2,300,000)	($750,000)
		Capitalized Expenses & DIF	($212,500)	($362,450)	($187,000)
		Depreciation		($1,680,020)	
		NET INCOME/(LOSS)	**$167,804**	**($2,443,201)**	**$169,517**
		FY24 INCOME PROJECTION NET OF DEPRECIATION / CAP			
		Capital Improvement Program		$2,300,000	
		Capitalized Expenses / Dredge Intermediate Fu		$362,450	
		Depreciation		$1,680,020	
		PROJECTED NET INCOME FY24		**$1,899,269**	
		FY25 Projected Reserve Fund Contribution			($240,481)
		FY25 Projected Election Fund Contribution			($27,500)

Santa Cruz Port District
FY25 BUDGET
February 27, 2024

Category	Account	Description	FY24 BUDGET	FY24 PRJXN	FY25 BUDGET
		ADMINISTRATIVE SERVICES (110)			
	100-100-110-0000-5000	Salaries - Regular	$314,128	$236,399	$320,767
	100-100-110-0000-5005	Salaries - Overtime	$500	$250	$500
	100-100-110-0000-5010	Wages - Part Time/Temporary	$5,000	$19,016	$3,000
	100-100-110-0000-5020	Salaries - Vacation Pay	$6,000	$8,672	$6,000
	100-100-110-0000-5025	Salaries - Holiday Pay		$252	
	100-100-110-0000-5055	Unemployment Insurance (SUI)	$2,266	$2,200	$2,186
	100-100-110-0000-5060	FICA Medicare/Social Security	$20,217	$18,500	$20,486
	100-100-110-0000-5075	Auto Allowance	$2,400	$2,400	$2,400
	100-100-110-0000-5105	Workers' Compensation	$10,443	$9,893	$10,620
	100-100-110-0000-5110	CalPERS Employer Share	$35,590	$32,220	$37,250
	100-100-110-0000-5112	CalPERS Unfunded Liability	$53,992	$53,469	$61,181
	100-100-110-0000-5115	Health Insurance	$50,850	$52,733	$54,310
	100-100-110-0000-5120	Dental Insurance	$3,351	$3,115	$3,351
	100-100-110-0000-5125	Long Term Disability/Life/AD&D	$956	$1,429	$956
	100-100-110-0000-5200	Printing & Newsletter	$14,000	$11,028	$14,000
	100-100-110-0000-5202	Legal Notices	$1,000	$500	$1,000
	100-100-110-0000-5204	Advertising	$3,000	$3,000	$3,000
	100-100-110-0000-5206	Postage	$10,500	$8,486	$10,500
	100-100-110-0000-5208	Promotional Expense	$11,000	$12,500	$1,500
	100-100-110-0000-5214	Office Supplies	$14,300	$12,500	$14,000
	100-100-110-0000-5217	Supplies	$1,000	$350	$1,000
	100-100-110-0000-5240	Miscellaneous Employee Training	$2,000	$1,000	$2,000
	100-100-110-0000-5242	Pre-Employment Physicals	$1,000	$500	$1,000
	100-100-110-0000-5256	Equipment Rental	$500		$500
	100-100-110-0000-5262	Insurance Premiums	$56,571	$67,763	$77,641
	100-100-110-0000-5264	Insurance Claims	$5,000	$3,464	$5,000
	100-100-110-0000-5266	Memberships, Dues, Subscriptions	$14,000	$13,083	$14,000
	100-100-110-0000-5268	Meetings & Training	$5,000	$5,800	$5,000
	100-100-110-0000-5282	Bank Service Charges	$15,000	$14,234	$15,000
	100-100-110-0000-5284	Credit Card Fees	$41,000	$43,564	$43,000
	100-100-110-0000-5288	Employee Recognition	$3,000	$3,465	$3,000
	100-100-110-0000-5290	Miscellaneous Expenses	$1,000	$750	$1,000
	100-100-110-0000-5310	Telephone & Alarms	$22,000	$11,110	$12,000
	100-100-110-0000-5415	Miscellaneous Professional Services	$12,000	$9,600	$12,000
	100-100-110-0000-5416	Legal Consultation	$35,000	$63,586	$35,500
	100-100-110-0000-5420	Technical Services	$21,000	$22,753	$30,000
	100-100-110-0000-5425	Contract Services	$16,000	$30,900	$22,000
	100-100-110-0000-5450	Other Services	$12,000	$1,500	$12,000
	100-100-110-0000-5465	Software License & Application	$31,000	$29,956	$31,000
	100-100-110-0000-5470	LAFCO Assessment	$14,000	$11,836	$14,000
	100-100-110-0000-5500	Mileage Reimbursement	$1,000	$500	$1,000
	100-100-110-0000-5510	Meetings & Seminars	$3,000	$1,500	$3,000
	100-100-110-0000-5694	Office Equipment R&M	$10,000	$5,500	$10,000
	100-100-110-0000-5698	Equipment/Equipment R&M	$8,000	$6,800	$8,000
	100-100-110-SD23-5000	2023 Winter Storms Debris Removal Labor		$3,914	
	100-100-110-SO23-5000	2023 Winter Storms Labor		$18,999	
		TOTAL ADMINISTRATIVE SERVICES	**$889,563**	**$860,990**	**$925,649**

Santa Cruz Port District
FY25 BUDGET
February 27, 2024

Category	Account	Description	FY24 BUDGET	FY24 PRJXN	FY25 BUDGET
		FINANCE & PURCHASING (120)			
	100-100-120-0000-5000	Salaries - Regular	$123,407	$98,869	$126,016
	100-100-120-0000-5005	Salaries - Overtime	$500		$500
	100-100-120-0000-5010	Wages - Part Time/Temporary	$1,000	$2,000	$1,000
	100-100-120-0000-5055	Unemployment Insurance (SUI)	$957	$682	$924
	100-100-120-0000-5060	FICA Medicare/Social Security	$8,810	$6,936	$8,924
	100-100-120-0000-5105	Workers' Compensation	$4,413	$4,181	$4,488
	100-100-120-0000-5110	CalPERS Employer Share	$9,259	$8,382	$9,691
	100-100-120-0000-5112	CalPERS Unfunded Liability	$14,046	$13,910	$15,916
	100-100-120-0000-5115	Health Insurance	$21,006	$20,689	$22,468
	100-100-120-0000-5120	Dental Insurance	$1,416	$1,317	$1,416
	100-100-120-0000-5125	Long Term Disability/Life/AD&D	$404	$372	$404
	100-100-120-0000-5214	Office Supplies	$750	$750	$750
	100-100-120-0000-5266	Memberships, Dues, Subscriptions	$500	$250	$500
	100-100-120-0000-5268	Meetings & Training	$2,000	$500	$1,000
	100-100-120-0000-5272	Software	$500		$500
	100-100-120-0000-5290	Miscellaneous Expenses	$1,000	$500	$1,000
	100-100-120-0000-5420	Technical Services	$2,000	$1,500	$2,000
	100-100-120-0000-5460	Accounting & Auditing	$46,000	$45,000	$48,000
	100-100-120-0000-5465	Software License & Application	$500	$250	$500
	100-100-120-0000-5500	Mileage Reimbursement	$150	$150	$150
	100-100-120-0000-5698	Equipment/Equipment R&M	$1,000	$500	$1,000
		TOTAL FINANCE & PURCHASING	**$239,618**	**$206,738**	**$247,146**
		PROPERTY MANAGEMENT (130)			
	100-100-130-0000-5000	Salaries - Regular	$20,034	$6,799	$20,457
	100-100-130-0000-5055	Unemployment Insurance (SUI)	$100	$100	$96
	100-100-130-0000-5060	FICA Medicare/Social Security	$1,825	$345	$1,837
	100-100-130-0000-5105	Workers' Compensation	$460	$436	$468
	100-100-130-0000-5110	CalPERS Employer Share	$2,729	$2,471	$2,857
	100-100-130-0000-5112	CalPERS Unfunded Liability	$4,141	$4,101	$4,692
	100-100-130-0000-5115	Health Insurance	$2,117	$2,000	$2,270
	100-100-130-0000-5120	Dental Insurance	$148	$137	$148
	100-100-130-0000-5125	Long Term Disability/Life/AD&D	$42	$110	$42
	100-100-130-0000-5204	Advertising	$1,500	$250	$1,500
	100-100-130-0000-5262	Insurance Premiums	$412,969	$494,671	$566,780
	100-100-130-0000-5268	Meetings & Training	$750		$250
	100-100-130-0000-5290	Miscellaneous Expenses	$2,000	$1,200	$2,000
	100-100-130-0000-5300	Gas & Electricity	$85,000	$93,367	$85,000
	100-100-130-0000-5305	Water, Sewer & Garbage	$182,000	$159,552	$182,000
	100-100-130-0000-5310	Telephone & Alarms	$5,500	$2,490	$3,000
	100-100-130-0000-5315	Sanitary Dist Charges	$110,000	$104,831	$110,000
	100-100-130-0000-5416	Legal Consultation	$11,000	$9,052	$11,000
		TOTAL PROPERTY MANAGEMENT	**$842,315**	**$881,911**	**$994,396**

Santa Cruz Port District
FY25 BUDGET
February 27, 2024

Category	Account	Description	FY24 BUDGET	FY24 PRJXN	FY25 BUDGET
		ENVIRONMENTAL & PERMITTING (140)			
	100-100-140-0000-5000	Salaries - Regular	$12,554	$6,132	$12,820
	100-100-140-0000-5005	Salaries - Overtime	$3,000	$2,342	$3,000
	100-100-140-0000-5010	Wages - Part Time/Temporary	$40,000	$31,028	$40,000
	100-100-140-0000-5055	Unemployment Insurance (SUI)	$294	$261	$284
	100-100-140-0000-5060	FICA Medicare/Social Security	$3,432	$2,249	$3,467
	100-100-140-0000-5105	Workers' Compensation	$1,357	$1,286	$1,380
	100-100-140-0000-5110	CalPERS Employer Share	$3,880	$3,513	$4,061
	100-100-140-0000-5112	CalPERS Unfunded Liability	$5,886	$5,829	$6,670
	100-100-140-0000-5115	Health Insurance	$6,244	$6,599	$6,693
	100-100-140-0000-5120	Dental Insurance	$435	$405	$435
	100-100-140-0000-5125	Long Term Disability/Life/AD&D	$124	$156	$124
	100-100-140-0000-5217	Supplies	$1,000	$750	$1,000
	100-100-140-0000-5235	Vehicle & Equipment Fuel	$500	$500	$500
	100-100-140-0000-5268	Meetings & Training	$500		$250
	100-100-140-0000-5276	Permit Fees	$8,000	$16,963	$8,500
	100-100-140-0000-5292	Uniform Cleaning/Laundry	$250	$250	$250
	100-100-140-0000-5420	Technical Services	$90,000	$77,600	$90,000
	100-100-140-0000-5500	Mileage Reimbursement	$500		$250
	100-100-140-0000-5625	Signage	$200	$100	$200
	100-100-140-0000-5665	Vehicle Maintenance	$2,000	$1,500	$2,000
	100-100-140-0000-5696	Permits & Inspections	$2,500	$1,200	$1,500
	100-100-140-0000-5698	Equipment/Equipment R&M	$6,500	$4,500	$6,500
		TOTAL ENVIRONMENTAL & PERMITTING	**$189,158**	**$163,162**	**$189,885**
		PORT COMMISSION SUPPORT (190)			
	100-100-190-0000-5000	Salaries - Regular	$45,142	$36,291	$46,097
	100-100-190-0000-5005	Salaries - Overtime			
	100-100-190-0000-5010	Wages - Part Time/Temporary			
	100-100-190-0000-5055	Unemployment Insurance (SUI)	$302	$140	$291
	100-100-190-0000-5060	FICA Medicare/Social Security	$2,496	$2,587	$2,532
	100-100-190-0000-5105	Workers' Compensation	$1,392	$1,319	$1,416
	100-100-190-0000-5110	CalPERS Employer Share	$4,148	$3,755	$4,341
	100-100-190-0000-5112	CalPERS Unfunded Liability	$6,292	$6,231	$7,130
	100-100-190-0000-5115	Health Insurance	$6,407	$6,970	$6,868
	100-100-190-0000-5120	Dental Insurance	$447	$415	$447
	100-100-190-0000-5125	Long Term Disability/Life/AD&D	$127	$167	$127
	100-100-190-0000-5214	Office Supplies	$200	$200	$200
	100-100-190-0000-5217	Supplies	$100	$50	$100
	100-100-190-0000-5268	Meetings & Training	$6,000	$5,500	$6,000
	100-100-190-0000-5270	Books	$100		$100
	100-100-190-0000-5294	Commission Expenses	$500	$500	$500
	100-100-190-CVRA-6300	CVRA Expenses	$5,000	$23,500	
		TOTAL PORT COMMISSION SUPPORT	**$78,653**	**$87,626**	**$76,149**

Santa Cruz Port District
FY25 BUDGET
February 27, 2024

Category	Account	Description	FY24 BUDGET	FY24 PRJXN	FY25 BUDGET
		HARBOR PATROL (210)			
	100-200-210-0000-5000	Salaries - Regular	$399,337	$372,855	$407,778
	100-200-210-0000-5005	Salaries - Overtime	$10,000	$8,889	$10,000
	100-200-210-0000-5010	Wages - Part Time/Temporary	$500		$500
	100-200-210-0000-5015	Salaries - Comp. Time	$4,000	$2,905	$4,000
	100-200-210-0000-5020	Salaries - Vacation Pay	$5,000	$5,021	$5,000
	100-200-210-0000-5025	Salaries - Holiday Pay		$1,135	
	100-200-210-0000-5040	Salaries - Call Back	$1,500	$1,400	$1,500
	100-200-210-0000-5045	Salaries - Call Ready	$5,000	$5,974	$5,000
	100-200-210-0000-5050	Salaries - Night Differential	$4,000	$4,457	$4,000
	100-200-210-0000-5055	Unemployment Insurance (SUI)	$3,840	$2,100	$3,705
	100-200-210-0000-5060	FICA Medicare/Social Security	$34,596	$29,898	$35,052
	100-200-210-0000-5100	Uniform Allowance	$6,500	$6,500	$6,500
	100-200-210-0000-5105	Workers' Compensation	$17,700	$16,768	$18,000
	100-200-210-0000-5110	CalPERS Employer Share	$50,521	$45,737	$52,878
	100-200-210-0000-5112	CalPERS Unfunded Liability	$76,645	$75,902	$86,850
	100-200-210-0000-5115	Health Insurance	$87,040	$77,548	$92,905
	100-200-210-0000-5120	Dental Insurance	$5,680	$5,280	$5,680
	100-200-210-0000-5125	Long Term Disability/Life/AD&D	$1,620	$2,028	$1,620
	100-200-210-0000-5217	Supplies	$2,500	$1,800	$2,500
	100-200-210-0000-5218	Tools	$1,000	$400	$500
	100-200-210-0000-5220	Harbor Patrol Supplies	$3,000	$2,500	$3,000
	100-200-210-0000-5224	Almar Maintenance	$2,500	$2,200	$2,500
	100-200-210-0000-5235	Vehicle & Equipment Fuel	$8,000	$8,752	$8,000
	100-200-210-0000-5236	Harbor Patrol Training	$12,000	$8,800	$12,000
	100-200-210-0000-5238	Harbor Patrol Misc. Expense	$6,500	$4,650	$12,000
	100-200-210-0000-5244	Background Investigations	$3,000		$3,000
	100-200-210-0000-5262	Insurance Premiums	$16,971	$20,329	$23,292
	100-200-210-0000-5278	Booking Fees	$2,000	$1,281	$2,000
	100-200-210-0000-5415	Miscellaneous Professional Services	$2,500	$150	$2,500
	100-200-210-0000-5450	Other Services	$82,000	$82,138	$65,000
	100-200-210-0000-5500	Mileage Reimbursement	$1,000	$250	$500
	100-200-210-0000-5510	Meetings & Seminars	$1,000	$475	$500
	100-200-210-0000-5665	Vehicle Maintenance	$4,000	$3,000	$4,000
	100-200-210-0000-5692	Communications Maintenance	$2,000	$850	$2,000
	100-200-210-0000-6100	Capital Outlay	$24,500	$23,940	
		TOTAL HARBOR PATROL	**$863,451**	**$801,974**	**$884,261**

Santa Cruz Port District
FY25 BUDGET
February 27, 2024

Category	Account	Description	FY24 BUDGET	FY24 PRJXN	FY25 BUDGET
		MARINA MANAGEMENT (220)			
	100-200-220-0000-5000	Salaries - Regular	$336,031	$330,323	$343,134
	100-200-220-0000-5005	Salaries - Overtime	$500	$588	$500
	100-200-220-0000-5010	Wages - Part Time/Temporary	$23,500	$13,020	$14,000
	100-200-220-0000-5020	Salaries - Vacation Pay		$3,237	
	100-200-220-0000-5025	Salaries - Holiday Pay	$2,500	$4,782	$2,500
	100-200-220-0000-5055	Unemployment Insurance (SUI)	$2,117	$1,361	$2,043
	100-200-220-0000-5060	FICA Medicare/Social Security	$19,212	$25,980	$19,463
	100-200-220-0000-5105	Workers' Compensation	$9,759	$9,245	$9,924
	100-200-220-0000-5110	CalPERS Employer Share	$47,819	$43,291	$50,049
	100-200-220-0000-5112	CalPERS Unfunded Liability	$72,545	$71,842	$82,204
	100-200-220-0000-5115	Health Insurance	$44,901	$44,826	$48,134
	100-200-220-0000-5120	Dental Insurance	$3,131	$2,911	$3,131
	100-200-220-0000-5125	Long Term Disability/Life/AD&D	$893	$1,920	$893
	100-200-220-0000-5217	Supplies	$5,000	$2,300	$5,000
	100-200-220-0000-5222	Scout Maintenance	$2,500	$2,000	$2,500
	100-200-220-0000-5224	P/B Kinnamon Maintenance	$5,000	$2,500	$5,000
	100-200-220-0000-5262	Insurance Premiums	$22,628	$27,105	$31,056
	100-200-220-0000-5279	Bad Debt Expense	$10,000	$6,000	$10,000
	100-200-220-0000-5280	Lien Sale Expenses	$2,500	$13,500	$2,500
	100-200-220-0000-5465	Software License & Application	$1,000		$500
	100-200-220-0000-5500	Mileage Reimbursement	$300		$300
		TOTAL MARINA MANAGEMENT	**$611,835**	**$606,731**	**$632,832**
		RESCUE SERVICES (230)			
	100-200-230-0000-5000	Salaries - Regular	$31,252	$21,755	$31,913
	100-200-230-0000-5005	Salaries - Overtime	$1,000	$750	$1,000
	100-200-230-0000-5010	Wages - Part Time/Temporary	$500		$500
	100-200-230-0000-5040	Salaries - Call Back	$2,500	$1,500	$1,500
	100-200-230-0000-5045	Salaries - Call Ready	$16,000	$16,726	$16,500
	100-200-230-0000-5055	Unemployment Insurance (SUI)	$440	$220	$425
	100-200-230-0000-5060	FICA Medicare/Social Security	$4,388	$2,967	$4,440
	100-200-230-0000-5105	Workers' Compensation	$2,030	$1,923	$2,064
	100-200-230-0000-5110	CalPERS Employer Share	$2,917	$2,641	$3,053
	100-200-230-0000-5112	CalPERS Unfunded Liability	$4,425	$4,382	$5,014
	100-200-230-0000-5115	Health Insurance	$9,339	$8,605	$10,011
	100-200-230-0000-5120	Dental Insurance	$651	$605	$651
	100-200-230-0000-5125	Long Term Disability/Life/AD&D	$186	$117	$186
	100-200-230-0000-5212	Safety Supplies	$2,000	$1,200	$2,000
	100-200-230-0000-5217	Supplies	$500	$300	$500
	100-200-230-0000-5222	Scout Maintenance	$2,500		$2,500
	100-200-230-0000-5224	P/B Kinnamon Maintenance	$4,500	$4,500	$4,500
	100-200-230-0000-5226	Boat Fuel - Patrol Boats	$8,000	$6,610	$8,000
	100-200-230-0000-5236	Harbor Patrol Training	$6,000	$1,000	$5,000
	100-200-230-0000-5238	Harbor Patrol Miscellaneous Expense	$1,000	$9,806	$1,000
	100-200-230-0000-5262	Insurance Premiums	$22,628	$27,105	$31,056
	100-200-230-0000-5425	Contract Services	$22,000	$20,000	$22,000
		TOTAL RESCUE SERVICES	**$144,756**	**$132,713**	**$153,813**

Santa Cruz Port District
FY25 BUDGET
February 27, 2024

Category	Account	Description	FY24 BUDGET	FY24 PRJXN	FY25 BUDGET
		PARKING SERVICES (240)			
	100-200-240-0000-5000	Salaries - Regular	$86,278	$95,566	$100,922
	100-200-240-0000-5005	Salaries - Overtime	$500	$500	$500
	100-200-240-0000-5010	Wages - Part Time/Temporary	$90,000	$76,171	$92,500
	100-200-240-0000-5025	Salaries - Holiday Pay		$468	
	100-200-240-0000-5030	Salaries - Sick Pay	$1,000	$1,454	$1,000
	100-200-240-0000-5040	Salaries - Call Back			
	100-200-240-0000-5055	Unemployment Insurance (SUI)	$445	$939	$430
	100-200-240-0000-5060	FICA Medicare/Social Security	$11,384	$12,517	$11,437
	100-200-240-0000-5105	Workers' Compensation	$2,053	$1,945	$2,088
	100-200-240-0000-5110	CalPERS Employer Share	$5,807	$5,257	$6,078
	100-200-240-0000-5112	CalPERS Unfunded Liability	$8,809	$8,724	$9,982
	100-200-240-0000-5115	Health Insurance	$10,147	$8,931	$10,827
	100-200-240-0000-5120	Dental Insurance	$659	$612	$659
	100-200-240-0000-5125	Long Term Disability/Life/AD&D	$188	$233	$188
	100-200-240-0000-5212	Safety Supplies	$500	$400	$500
	100-200-240-0000-5217	Supplies	$10,000	$14,000	$10,000
	100-200-240-0000-5218	Tools	$100		$100
	100-200-240-0000-5231	Boat Fuel - Free Ride	$600	$824	$700
	100-200-240-0000-5235	Vehicle & Equipment Fuel	$3,000	$3,620	$3,000
	100-200-240-0000-5240	Miscellaneous Employee Training	$500		$500
	100-200-240-0000-5254	Rent & Leases	$8,000		$8,000
	100-200-240-0000-5284	Credit Card Fees	$50,000	$64,185	$50,000
	100-200-240-0000-5292	Uniform Cleaning/Laundry	$1,000	$250	$1,000
	100-200-240-0000-5425	Contract Services	$44,000	$47,160	$46,000
	100-200-240-0000-5450	Other Services	$32,000	$48,084	$35,000
	100-200-240-0000-5465	Software License & Application	$500		$500
	100-200-240-0000-5500	Mileage Reimbursement			
	100-200-240-0000-5610	Water Taxi Maintenance	$5,000	$4,986	$5,000
	100-200-240-0000-5625	Signage	$1,000	$1,000	$1,000
	100-200-240-0000-5635	Parking Meters R&M	$1,800	$1,800	$1,800
	100-200-240-0000-5665	Vehicle Maintenance	$3,000	$3,000	$3,000
	100-200-240-0000-5698	Equipment/Equipment R&M	$6,000	$3,500	$6,000
		TOTAL PARKING SERVICES	**$384,271**	**$406,126**	**$408,710**
		EVENTS (250)			
	100-200-250-0000-5000	Salaries - Regular	$10,150	$2,368	$10,365
	100-200-250-0000-5005	Salaries - Overtime	$500		$500
	100-200-250-0000-5010	Wages - Part Time/Temporary	$500		$500
	100-200-250-0000-5055	Unemployment Insurance (SUI)	$353	$50	$341
	100-200-250-0000-5060	FICA Medicare/Social Security	$948	$150	$990
	100-200-250-0000-5105	Workers' Compensation	$1,628	$1,543	$1,656
	100-200-250-0000-5110	CalPERS Employer Share	$1,365	$1,235	$1,428
	100-200-250-0000-5112	CalPERS Unfunded Liability	$2,070	$2,050	$2,346
	100-200-250-0000-5115	Health Insurance	$7,493	$7,767	$8,032
	100-200-250-0000-5120	Dental Insurance	$523	$486	$523
	100-200-250-0000-5125	Long Term Disability/Life/AD&D	$149	$55	$149
	100-200-250-0000-5217	Supplies	$3,500	$1,900	$3,000
	100-200-250-0000-5256	Equipment Rental	$1,000	$900	$1,000
	100-200-250-0000-5290	Misc. Expenses	$2,500	$1,800	$2,500
	100-200-250-0000-5625	Signage	$500		$500
		TOTAL EVENTS	**$33,179**	**$20,305**	**$33,829**

Santa Cruz Port District
FY25 BUDGET
February 27, 2024

Category	Account	Description	FY24 BUDGET	FY24 PRJXN	FY25 BUDGET
		FUEL SERVICES (280)			
	100-200-280-0000-5000	Salaries - Regular	$10,150	$9,397	$10,365
	100-200-280-0000-5010	Wages - Part Time/Temporary	$22,000	$20,198	$24,000
	100-200-280-0000-5030	Salaries - Sick Pay	$300	$260	$300
	100-200-280-0000-5055	Unemployment Insurance (SUI)	$310	$106	$299
	100-200-280-0000-5060	FICA Medicare/Social Security	$2,559	$2,137	$2,596
	100-200-280-0000-5105	Workers' Compensation	$1,428	$1,353	$1,452
	100-200-280-0000-5110	CalPERS Employer Share	$1,284	$1,163	$1,344
	100-200-280-0000-5112	CalPERS Unfunded Liability	$1,949	$1,930	$2,208
	100-200-280-0000-5115	Health Insurance	$6,570	$6,392	$7,043
	100-200-280-0000-5120	Dental Insurance	$458	$426	$458
	100-200-280-0000-5125	Long Term Disability/Life/AD&D	$131	$52	$131
	100-200-280-0000-5217	Supplies	$1,000	$250	$500
	100-200-280-0000-5218	Tools	$100	$50	$100
	100-200-280-0000-5245	Fuel Dock Gasoline	$205,000	$224,753	$205,000
	100-200-280-0000-5246	Fuel Dock Diesel	$235,000	$234,699	$235,000
	100-200-280-0000-5250	Fuel Dock Equipment & Supplies	$1,000	$700	$1,000
	100-200-280-0000-5252	Underground Storage Tank Maintenance	$8,500	$9,000	$8,500
	100-200-280-0000-5262	Insurance Premiums	$4,000	$6,776	$7,764
	100-200-280-0000-5276	Permit Fees	$4,100	$4,164	$4,300
	100-200-280-0000-5284	Credit Card Fees	$8,000	$8,743	$8,000
	100-200-280-0000-5607	Fueling Equipment R&M	$2,500	$3,000	$2,500
		TOTAL FUEL SERVICES	**$516,338**	**$535,548**	**$522,860**

Santa Cruz Port District
FY25 BUDGET
February 27, 2024

Category	Account	Description	FY24 BUDGET	FY24 PRJXN	FY25 BUDGET
		DOCKS, PIERS, MARINE STRUCTURES (310)			
	100-300-310-0000-5000	Salaries - Regular	$109,517	$102,029	$111,832
	100-300-310-0000-5005	Salaries - Overtime	$750		$500
	100-300-310-0000-5010	Wages - Part Time/Temporary	$1,000		$1,000
	100-300-310-0000-5055	Unemployment Insurance (SUI)	$658	$512	$635
	100-300-310-0000-5060	FICA Medicare/Social Security	$8,291	$7,842	$8,370
	100-300-310-0000-5105	Workers' Compensation	$3,033	$2,873	$3,084
	100-300-310-0000-5110	CalPERS Employer Share	$10,302	$9,327	$10,783
	100-300-310-0000-5112	CalPERS Unfunded Liability	$15,629	$15,478	$17,710
	100-300-310-0000-5115	Health Insurance	$14,653	$10,891	$15,658
	100-300-310-0000-5120	Dental Insurance	$973	$905	$973
	100-300-310-0000-5125	Long Term Disability/Life/AD&D	$278	$414	$278
	100-300-310-0000-5212	Safety Supplies	$1,000	$1,004	$1,000
	100-300-310-0000-5214	Office Supplies	$250	$305	$250
	100-300-310-0000-5217	Supplies	$1,000	$875	$1,000
	100-300-310-0000-5218	Tools	$2,500	$2,500	$2,500
	100-300-310-0000-5230	Boat Fuel - Big Red	$500	$375	$500
	100-300-310-0000-5235	Vehicle & Equipment Fuel	$2,500	$2,071	$2,500
	100-300-310-0000-5240	Miscellaneous Employee Training	$4,000	$750	$4,000
	100-300-310-0000-5256	Equipment Rental	$2,000	$500	$2,000
	100-300-310-0000-5262	Insurance Premiums	$463,883	$555,658	$636,657
	100-300-310-0000-5268	Meetings & Training	$1,000	$250	$500
	100-300-310-0000-5290	Miscellaneous Expenses	$750	$750	$750
	100-300-310-0000-5292	Uniform Cleaning/Laundry	$600	$250	$500
	100-300-310-0000-5430	Engineering Services	$3,000	$1,500	$3,000
	100-300-310-0000-5500	Mileage Reimbursement	$500	$150	$500
	100-300-310-0000-5605	Piers & Marine Structures R&M	$15,000	$14,144	$15,000
	100-300-310-0000-5615	Maintenance Work Boat R&M	$1,000	$10,641	$1,000
	100-300-310-0000-5620	Paint & Supplies	$2,500	$2,270	$2,500
	100-300-310-0000-5625	Signage	$1,500	$750	$1,500
	100-300-310-0000-5665	Vehicle Maintenance	$3,000	$3,500	$3,000
	100-300-310-0000-5698	Equipment/Equipment R&M	$5,000	$8,122	$5,000
	100-300-310-0000-5725	Welding Supplies	$2,500	$2,500	$2,500
	100-300-310-0000-6300	Capital Outlay			$35,000
		TOTAL DOCKS, PIERS, MARINE STRUCTUI	**$679,068**	**$759,134**	**$856,979**
		UTILITIES (320)			
	100-300-320-0000-5000	Salaries - Regular	$33,924	$33,516	$34,641
	100-300-320-0000-5005	Salaries - Overtime	$750		$500
	100-300-320-0000-5010	Wages - Part Time/Temporary	$1,000		$1,000
	100-300-320-0000-5055	Unemployment Insurance (SUI)	$758	$180	$731
	100-300-320-0000-5060	FICA Medicare/Social Security	$2,250	$2,386	$2,340
	100-300-320-0000-5105	Workers' Compensation	$3,493	$3,309	$3,552
	100-300-320-0000-5110	CalPERS Employer Share	$6,610	$5,984	$6,918
	100-300-320-0000-5112	CalPERS Unfunded Liability	$10,027	$9,930	$11,362
	100-300-320-0000-5115	Health Insurance	$16,071	$16,391	$17,228
	100-300-320-0000-5120	Dental Insurance	$1,121	$1,042	$1,121
	100-300-320-0000-5125	Long Term Disability/Life/AD&D	$320	$265	$320
	100-300-320-0000-5212	Safety Supplies	$3,000	$2,857	$3,000
	100-300-320-0000-5217	Supplies	$1,000	$750	$1,000
	100-300-320-0000-5240	Miscellaneous Employee Training	$3,000	$50	$1,000
	100-300-320-0000-5290	Miscellaneous Expenses	$250		$250
	100-300-320-0000-5650	Storm Drain Maintenance	$5,500	$4,411	$5,500
	100-300-320-0000-5665	Vehicle Maintenance	$3,000	$2,500	$3,000
	100-300-320-0000-5670	Utility Maintenance	$12,000	$12,372	$12,000
	100-300-320-0000-5698	Equipment/Equipment R&M	$5,000	$5,000	$5,000
		TOTAL UTILITIES	**$109,072**	**$100,942**	**$110,463**

Santa Cruz Port District
FY25 BUDGET
February 27, 2024

Category	Account	Description	FY24 BUDGET	FY24 PRJXN	FY25 BUDGET
		BUILDINGS (330)			
	100-300-330-0000-5000	Salaries - Regular	$79,066	$77,097	$80,737
	100-300-330-0000-5005	Salaries - Overtime	$1,000	$1,500	$1,000
	100-300-330-0000-5010	Wages - Part Time/Temporary	$6,000		$1,000
	100-300-330-0000-5015	Salaries - Comp. Time	$1,000		$1,000
	100-300-330-0000-5020	Salaries - Vacation Pay	$1,000	$500	$1,000
	100-300-330-0000-5025	Salaries - Holiday Pay			
	100-300-330-0000-5040	Salaries - Call Back	$500	$150	$500
	100-300-330-0000-5045	Salaries - Call Ready	$5,000	$5,171	$5,000
	100-300-330-0000-5055	Unemployment Insurance (SUI)	$758	$500	$731
	100-300-330-0000-5060	FICA Medicare/Social Security	$6,260	$5,793	$6,350
	100-300-330-0000-5105	Workers' Compensation	$3,493	$3,309	$3,552
	100-300-330-0000-5110	CalPERS Employer Share	$8,509	$7,704	$8,906
	100-300-330-0000-5112	CalPERS Unfunded Liability	$12,909	$12,784	$14,628
	100-300-330-0000-5115	Health Insurance	$19,571	$10,374	$20,728
	100-300-330-0000-5120	Dental Insurance	$1,121	$1,042	$1,121
	100-300-330-0000-5125	Long Term Disability/Life/AD&D	$320	$342	$320
	100-300-330-0000-5212	Safety Supplies	$2,000	$2,061	$2,000
	100-300-330-0000-5216	Janitorial Supplies	$32,000	$43,838	$34,000
	100-300-330-0000-5217	Supplies	$4,000	$2,288	$4,000
	100-300-330-0000-5218	Tools	$2,500	$1,565	$2,500
	100-300-330-0000-5235	Vehicle & Equipment Fuel	$3,000	$4,244	$3,000
	100-300-330-0000-5240	Miscellaneous Employee Training	$2,500	$1,390	$2,500
	100-300-330-0000-5256	Equipment Rental	$500	$250	$500
	100-300-330-0000-5262	Insurance Premiums	$62,228	$75,584	$85,405
	100-300-330-0000-5266	Memberships, Dues, Subscriptions	$250	$250	$250
	100-300-330-0000-5268	Meetings & Training	$1,000	$250	$1,000
	100-300-330-0000-5290	Miscellaneous Expenses	$1,000	$750	$1,000
	100-300-330-0000-5292	Uniform Cleaning/Laundry	$3,200	$1,830	$3,200
	100-300-330-0000-5305	Water, Sewer & Garbage	$64,000	$62,703	$64,000
	100-300-330-0000-5308	Hazmat Disposal	$1,500	$500	$1,500
	100-300-330-0000-5412	Custodial Contract	$72,000	$99,003	$75,000
	100-300-330-0000-5430	Engineering Services	$3,000	$2,300	$3,000
	100-300-330-0000-5450	Other Services	$1,500	$1,500	$1,500
	100-300-330-0000-5500	Mileage Reimbursement			
	100-300-330-0000-5600	Building Repairs & Maintenance	$38,000	$41,760	$42,000
	100-300-330-0000-5620	Paint & Supplies	$5,000	$750	$3,000
	100-300-330-0000-5625	Signage	$1,000	$500	$1,000
	100-300-330-0000-5645	Street Maintenance	$4,000	$500	$4,000
	100-300-330-0000-5660	Street Light Maintenance	$2,500	$2,500	$2,500
	100-300-330-0000-5665	Vehicle Maintenance	$3,500	$3,500	$3,500
	100-300-330-0000-5698	Equipment/Equipment R&M	$7,000	$6,536	$7,000
	100-300-330-0000-5725	Welding Supplies	$1,500	$1,000	$1,500
	100-300-330-0000-6100	Capital Outlay	$45,000	$42,518	
		TOTAL BUILDINGS	**$465,185**	**$483,617**	**$495,429**

Santa Cruz Port District
FY25 BUDGET
February 27, 2024

Category	Account	Description	FY24 BUDGET	FY24 PRJXN	FY25 BUDGET
		GROUNDS (340)			
	100-300-340-0000-5000	Salaries - Regular	$238,534	$212,881	$243,576
	100-300-340-0000-5005	Salaries - Overtime	$4,500	$5,545	$4,500
	100-300-340-0000-5010	Wages - Part Time/Temporary	$15,000	$8,817	$2,000
	100-300-340-0000-5015	Salaries - Comp. Time	$450		$450
	100-300-340-0000-5020	Salaries - Vacation Pay	$1,500	$500	$1,500
	100-300-340-0000-5025	Salaries - Holiday Pay		$3,298	
	100-300-340-0000-5030	Salaries - Sick Pay		$2,723	
	100-300-340-0000-5040	Salaries - Call Back	$2,500	$1,200	$2,500
	100-300-340-0000-5045	Salaries - Call Ready	$8,000	$7,639	$8,000
	100-300-340-0000-5055	Unemployment Insurance (SUI)	$3,251	$1,064	$3,137
	100-300-340-0000-5060	FICA Medicare/Social Security	$17,760	$18,187	$18,146
	100-300-340-0000-5105	Workers' Compensation	$14,986	$14,197	$15,240
	100-300-340-0000-5110	CalPERS Employer Share	$22,210	$20,107	$23,246
	100-300-340-0000-5112	CalPERS Unfunded Liability	$33,695	$33,368	$38,181
	100-300-340-0000-5115	Health Insurance	$68,953	$66,650	$73,919
	100-300-340-0000-5120	Dental Insurance	$4,809	$4,470	$4,809
	100-300-340-0000-5125	Long Term Disability/Life/AD&D	$1,372	$892	$1,372
	100-300-340-0000-5210	Hazmat Supplies	$7,500	$2,596	$7,500
	100-300-340-0000-5212	Safety Supplies	$3,000	$2,553	$3,000
	100-300-340-0000-5217	Supplies	$4,000	$3,530	$4,000
	100-300-340-0000-5218	Tools	$3,000	$2,405	$3,000
	100-300-340-0000-5235	Vehicle & Equipment Fuel	$6,000	$7,518	$6,000
	100-300-340-0000-5240	Miscellaneous Employee Training	$2,500	$2,264	$2,500
	100-300-340-0000-5256	Equipment Rental	$3,000	$3,933	$3,000
	100-300-340-0000-5266	Memberships, Dues, Subscriptions	$500	$250	$500
	100-300-340-0000-5276	Permit Fees	$1,500	$1,200	$1,500
	100-300-340-0000-5292	Uniform Cleaning/Laundry	$3,500	$2,986	$3,500
	100-300-340-0000-5300	Gas & Electricity	$220,000	$240,612	$225,000
	100-300-340-0000-5305	Water, Sewer & Garbage	$97,000	$98,068	$97,000
	100-300-340-0000-5308	Hazmat Disposal	$10,000	$9,719	$10,000
	100-300-340-0000-5405	Landscaping	$8,000	$4,200	$8,000
	100-300-340-0000-5425	Contract Services	$2,500	$500	$2,500
	100-300-340-0000-5500	Mileage Reimbursement	$500	$250	$500
	100-300-340-0000-5620	Paint & Supplies	$5,000	$5,000	$5,000
	100-300-340-0000-5625	Signage	$4,000	$4,500	$4,000
	100-300-340-0000-5630	Parking Lot R&M	$10,000	$11,000	$10,000
	100-300-340-0000-5645	Street Maintenance	$2,500	$1,200	$2,500
	100-300-340-0000-5665	Vehicle Maintenance	$5,000	$4,500	$5,000
	100-300-340-0000-5672	Other Repairs & Maintenance	$3,500	$2,500	$3,500
	100-300-340-0000-5696	Permits & Inspections	$1,000		$1,000
	100-300-340-0000-5698	Equipment/Equipment R&M	$10,000	$6,200	$10,000
	100-300-340-0000-5800	Fish Removal Expenses	$2,000	$750	$2,000
	100-300-340-0000-5805	Waste Oil Disposal/Recycle	$12,500	$7,209	$12,500
		TOTAL GROUNDS	**$865,519**	**$826,981**	**$873,575**

Santa Cruz Port District
FY25 BUDGET
February 27, 2024

Category	Account	Description	FY24 BUDGET	FY24 PRJXN	FY25 BUDGET
		AERATION (350)			
	100-300-350-0000-5000	Salaries - Regular	$13,356	$10,673	$13,638
	100-300-350-0000-5055	Unemployment Insurance (SUI)	$195	$58	$188
	100-300-350-0000-5060	FICA Medicare/Social Security	$1,607	$750	$1,630
	100-300-350-0000-5105	Workers' Compensation	$897	$850	$912
	100-300-350-0000-5110	CalPERS Employer Share	$3,051	$2,762	$3,193
	100-300-350-0000-5112	CalPERS Unfunded Liability	$4,628	$4,583	$5,244
	100-300-350-0000-5115	Health Insurance	$4,126	$4,114	$4,423
	100-300-350-0000-5120	Dental Insurance	$288	$268	$288
	100-300-350-0000-5125	Long Term Disability/Life/AD&D	$82	$122	$82
	100-300-350-0000-5217	Supplies	$1,000	$850	$1,000
	100-300-350-0000-5300	Gas & Electricity	$20,000	$22,088	$20,000
	100-300-350-0000-5698	Equipment/Equip. R&M	$10,000	$11,331	$10,000
		TOTAL AERATION	**$59,229**	**$58,448**	**$60,599**
		FISHERY SUPPORT (360)			
	100-300-360-0000-5000	Salaries - Regular	$10,150	$7,652	$10,365
	100-300-360-0000-5055	Unemployment Insurance (SUI)	$38	$38	$37
	100-300-360-0000-5060	FICA Medicare/Social Security	$317	$393	$322
	100-300-360-0000-5105	Workers' Compensation	$177	$168	$180
	100-300-360-0000-5110	CalPERS Employer Share	$776	$703	$812
	100-300-360-0000-5112	CalPERS Unfunded Liability	$1,177	$1,166	$1,334
	100-300-360-0000-5115	Health Insurance	$814	$830	$873
	100-300-360-0000-5120	Dental Insurance	$57	$53	$57
	100-300-360-0000-5125	Long Term Disability/Life/AD&D	$16	$31	$16
	100-300-360-0000-5675	Ice Equipment R&M	$3,500	$2,200	$3,500
		TOTAL FISHERY SUPPORT	**$17,024**	**$13,233**	**$17,496**
		CAPITAL PROJECTS (390)			
	100-300-390-0000-5000	Salaries - Regular	$4,808	$1,661	$4,910
	100-300-390-0000-5055	Unemployment Insurance (SUI)	$178	$28	
	100-300-390-0000-5060	FICA Medicare/Social Security		$12	$178
	100-300-390-0000-5276	Permit Fees	$1,500		$1,500
	100-300-390-0000-5290	Miscellaneous Expenses	$500	$250	$500
	100-300-390-0000-5298	Interest Expense	$355,317	$355,317	$305,441
	100-300-390-0000-5416	Legal Consultation	$1,000		$500
	100-300-390-0000-5500	Mileage Reimbursement	$200	$50	$200
	100-300-390-0000-6200	Principal Debt Payments	$1,365,818	$1,362,858	$1,413,056
		TOTAL CAPITAL PROJECTS	**$363,503**	**$357,318**	**$313,229**

Santa Cruz Port District
FY25 BUDGET
February 27, 2024

Category	Account	Description	FY24 BUDGET	FY24 PRJXN	FY25 BUDGET
		DREDGING OPERATIONS (400)			
	100-300-400-0000-5000	Salaries - Regular	$631,193	$596,317	$631,715
	100-300-400-0000-5005	Salaries - Overtime	$25,000	$37,113	$25,000
	100-300-400-0000-5010	Wages - Part Time/Temporary	$20,000	$31,590	$27,000
	100-300-400-0000-5015	Salaries - Comp. Time	$1,500	$2,409	$1,500
	100-300-400-0000-5020	Salaries - Vacation Pay	$2,000	$500	$2,000
	100-300-400-0000-5025	Salaries - Holiday Pay	$1,500	$500	$1,500
	100-300-400-0000-5030	Salaries - Sick Pay		$3,856	
	100-300-400-0000-5055	Unemployment Insurance (SUI)	$6,193	$3,634	$5,975
	100-300-400-0000-5060	FICA Medicare/Social Security	$51,160	$51,236	$51,896
	100-300-400-0000-5105	Workers' Compensation	$28,544	$27,042	$29,028
	100-300-400-0000-5110	CalPERS Employer Share	$41,129	$37,234	$43,048
	100-300-400-0000-5112	CalPERS Unfunded Liability	$62,396	$61,791	$70,704
	100-300-400-0000-5115	Health Insurance	$136,236	$137,350	$145,695
	100-300-400-0000-5120	Dental Insurance	$9,159	$8,515	$9,159
	100-300-400-0000-5125	Long Term Disability/Life/AD&D	$2,613	$1,651	$2,613
	100-300-400-0000-5210	Hazmat Supplies	$3,000	$3,539	$3,000
	100-300-400-0000-5212	Safety Supplies	$6,500	$8,540	$6,500
	100-300-400-0000-5217	Supplies	$8,000	$7,478	$8,000
	100-300-400-0000-5218	Tools	$10,000	$9,914	$10,000
	100-300-400-0000-5232	Boat Fuel - Dredge Skiff	$1,000	$793	$1,000
	100-300-400-0000-5233	Boat Fuel - Twin Lakes	$105,000	$104,128	$110,000
	100-300-400-0000-5234	Boat Fuel - Dauntless & Squirt	$10,000	$8,272	$12,000
	100-300-400-0000-5235	Vehicle & Equipment Fuel	$12,000	$22,975	$12,000
	100-300-400-0000-5240	Miscellaneous Employee Training	$10,000	$5,015	$8,000
	100-300-400-0000-5256	Equipment Rental	$32,000	$26,896	$32,000
	100-300-400-0000-5262	Insurance Premiums	$45,257	$54,211	$62,113
	100-300-400-0000-5266	Memberships, Dues, Subscriptions	$500	$819	$500
	100-300-400-0000-5268	Meetings & Training	$2,000	$250	$1,000
	100-300-400-0000-5270	Books	$100	$100	$100
	100-300-400-0000-5276	Permit Fees	$10,000	$10,000	$10,000
	100-300-400-0000-5290	Miscellaneous Expenses	$5,000	$5,000	$5,000
	100-300-400-0000-5292	Uniform Cleaning/Laundry	$6,500	$6,292	$6,500
	100-300-400-0000-5308	Hazmat Disposal	$5,000	$4,796	$5,000
	100-300-400-0000-5418	Freight	$2,500	$1,500	$2,500
	100-300-400-0000-5440	Environmental Services	$5,000	$3,000	$5,000
	100-300-400-0000-5445	Dredge Consulting	$15,000	$4,873	$10,000
	100-300-400-0000-5450	Other Services	$5,000	$1,500	$5,000
	100-300-400-0000-5500	Mileage Reimbursement	$1,000	$750	$1,000
	100-300-400-0000-5620	Paint & Supplies	$6,000	$11,275	$6,000
	100-300-400-0000-5665	Vehicle Maintenance	$5,000	$4,711	$5,000
	100-300-400-0000-5672	Other Repairs & Maintenance	$3,000	$8,816	$3,000
	100-300-400-0000-5685	Safety Equipment R&M	$1,500	$1,500	$1,500
	100-300-400-0000-5698	Equipment/Equipment R&M	$45,000	$55,067	$45,000
	100-300-400-0000-5700	Maint/Lube Inner Harbor Dredge	$20,000	$23,395	$20,000
	100-300-400-0000-5705	Maint/Lube Dredge Twin Lakes	$120,000	$139,060	$120,000
	100-300-400-0000-5707	Maint/Lube - Ancilliary Equipment	$65,000	$38,877	$65,000
	100-300-400-0000-5710	Maint/Lube Dredge Workboat Dauntless	$30,000	$29,483	$30,000
	100-300-400-0000-5715	Dredge Paint/Coatings	$19,000	$19,903	$19,000
	100-300-400-0000-5720	Booster Pump R&M	$10,000	$7,631	$10,000
	100-300-400-0000-5725	Welding Supplies	$10,000	$10,000	$10,000
	100-300-400-0000-6105	Capitalized Equip Xfer to 1100	$143,000	$147,996	$152,000
		TOTAL DREDGING OPERATIONS	**$1,653,480**	**$1,641,094**	**$1,697,545**

Santa Cruz Port District
FY25 BUDGET
February 27, 2024

Category	Account	Description	FY24 BUDGET	FY24 PRJXN	FY25 BUDGET
		BOATYARD OPERATIONS (500)			
	100-500-500-0000-5000	Salaries - Regular	$162,139	$134,514	$165,566
	100-500-500-0000-5005	Salaries - Overtime	$1,000	$974	$1,000
	100-500-500-0000-5010	Wages - Part Time/Temp.	$20,000	$14,345	$24,000
	100-500-500-0000-5015	Salaries - Comp. Time	$300		$300
	100-500-500-0000-5025	Salaries - Holiday Pay		$110	
	100-500-500-0000-5040	Call Back	$500		$500
	100-500-500-0000-5055	Unemployment Insurance (SUI)	$2,324	$822	$2,243
	100-500-500-0000-5060	FICA Medicare/Social Security	$13,804	$11,506	$14,080
	100-500-500-0000-5105	Workers' Compensation	$10,714	$10,150	$10,896
	100-500-500-0000-5110	CalPERS Employer Share	$9,687	$8,769	$10,139
	100-500-500-0000-5112	CalPERS Unfunded Liability	$14,696	$14,553	$16,652
	100-500-500-0000-5115	Health Insurance	$50,699	$50,716	$54,249
	100-500-500-0000-5120	Dental Insurance	$3,438	$3,196	$3,438
	100-500-500-0000-5125	Long Term Disability/Life/AD&D	$981	$389	$981
	100-500-500-0000-5204	Advertising	$525	$739	$525
	100-500-500-0000-5210	Hazmat Supplies	$500		$500
	100-500-500-0000-5212	Safety Supplies	$500	$420	$500
	100-500-500-0000-5217	Supplies	$2,500	$1,550	$2,500
	100-500-500-0000-5218	Tools	$1,000	$1,000	$1,000
	100-500-500-0000-5235	Fuel - Travelift	$2,000	$2,300	$2,000
	100-500-500-0000-5240	Miscellaneous Employee Training	$1,200	$500	$1,000
	100-500-500-0000-5256	Equipment Rental	$1,000		$500
	100-500-500-0000-5262	Insurance Premiums	$22,628	$27,105	$31,056
	100-500-500-0000-5276	Permit Fees	$2,000	$1,031	$1,500
	100-500-500-0000-5284	Credit Card Fees	$7,000	$6,810	$7,000
	100-500-500-0000-5290	Misc. Expenses	$1,500	$200	$1,500
	100-500-500-0000-5292	Uniforms	$1,200	$1,350	$1,200
	100-500-500-0000-5300	Gas & Electricity	$17,000	$18,568	$18,000
	100-500-500-0000-5305	Water, Sewer, Garbage	$13,000	$11,031	$13,000
	100-500-500-0000-5308	Hazmat Disposal	$5,500	$6,800	$6,500
	100-500-500-0000-5310	Telephone & Alarms	$1,500	$668	$1,200
	100-500-500-0000-5425	Contract Services	$500	$850	$500
	100-500-500-0000-5430	Engineering Services	$500		$500
	100-500-500-0000-5450	Other Services	$3,500	$2,800	$3,500
	100-500-500-0000-5465	Software License & Application	$500		$500
	100-500-500-0000-5500	Mileage Reimbursement	$200	$200	$200
	100-500-500-0000-5625	Signage	$250	$82	$250
	100-500-500-0000-5694	Office Equipment	$250	$425	$250
	100-500-500-0000-5698	Equipment R&M	$10,000	$10,000	$10,000
	100-500-500-0000-7000	Filtration System R&M	$3,000	$2,232	$3,000
	100-500-500-0000-7005	Filtration System Supplies	$9,000	$8,500	$9,000
	100-500-500-0000-7020	Cost of Goods Sold	$10,000	$9,500	$10,000
	100-500-500-0000-6100	Capital Outlay			
		TOTAL BOATYARD OPERATIONS	**$408,535**	**$364,705**	**$431,225**

ATTACHMENT C – FINANCIAL POLICIES

Reserve Policy
Investment Policy
Unfunded Accrued Liability Policy

Santa Cruz Port District

GENERAL FUND RESERVE POLICY

Adopted by the Santa Cruz Port Commission
November 24, 2015

Reserve Policy Objectives

To strengthen the financial stability of the District against economic uncertainty, unexpected situations such as natural or man-made disasters, unanticipated drop in revenues, and other unforeseen emergencies or extraordinary circumstances that the Port District may face that are infrequent in occurrence.

Target Amount Held in Reserve

The Port District will strive to hold in reserve an amount equal to 25 percent of the District's annual operating expenses in the current fiscal year's adopted general fund budget. The District recognizes that reserve fund amount may fluctuate and may need to be rebuilt over time as needed.

Funding Sources

The reserve fund will generally come from one-time revenue and from excess revenues over expenditures. Examples of one-time revenue include infrequent sales of Port District assets, infrequent revenues from development and grants, or other sources that are typically non-recurring in nature.

Conditions on Use of Reserves

The use of reserves shall generally be limited to unanticipated, non-recurring needs. Reserve fund balances shall not be used for normal or recurring annual operating expenditures.

The Port Director shall make recommendations to the Port Commission for use of reserves. Appropriations from this reserve fund shall require a resolution approved by the Port Commission.

Requests for use of reserves shall occur only after exhausting the current year's budgetary flexibility. The Port Director shall, within six months of its use, present to the Port Commission a plan and timeline for replenishing the reserve fund.

Santa Cruz Port District

INVESTMENT POLICY

Adopted by the Santa Cruz Port Commission
August 9, 2021

TABLE OF CONTENTS

INTRODUCTION 2

PURPOSE 2

AUTHORITY 2

BASIC POLICY AND OBJECTIVES 3

PERMITTED INVESTMENTS AND LIMITATIONS 4

Attachment A CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION (CDIAC) ALLOWABLE INVESTMENT INSTRUMENTS, FIGURE 1

Attachment B CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION (CDIAC) TABLE OF NOTES FOR FIGURE 1

INTRODUCTION

Santa Cruz Port District is a municipal corporation and a political subdivision of the State of California. It is governed by an elected Board of Commissioners; the investment policy is administered through an executive officer, the Port Director.

The responsibilities and authority of the Santa Cruz Port Commission are prescribed in the State of California Harbors and Navigation Code, Part 4, Sec. 6200.

PURPOSE

This statement is intended to set policy and provide direction to the Port Director of the Santa Cruz Port District for the prudent and beneficial investment of all funds and monies of the District.

AUTHORITY

The Government Code of the State of California (Government Code), primarily section 53601 and related subsections, authorizes the types of investment vehicles allowed in a California local agency's portfolio. The investment vehicles emphasize preservation of capital and are a conservative set of investments. The authority to invest (as defined in the Government Code) is delegated to the local agency's legislative body for re-delegation to its finance officer. Under no circumstance is the local agency finance officer permitted to purchase an investment that is not specifically authorized by law and within the scope of investments delegated by the local agency's governing board.

This Investment Policy grants the Port Director the authority to act as Finance Officer (Trustee) and manage investments for the Santa Cruz Port District. The Santa Cruz Port Commission will serve in the role of investment committee, responsible for setting investment policy and providing oversight.

The Port Commission, under authorized contract, may delegate certain responsibilities to professional experts in various fields, including but not limited to:

- Investment Consultant: An investment consultant may be retained assist the Port Director in selecting investment options in compliance with State of California public fund management guidelines; reviewing such options over time; measuring and evaluating investment performance; and other tasks as deemed appropriate.
- Designated officers as allowed under California Government Code Sections 53601-53610 and 53620-53622 and/or successor statutes for purposes of assuming fiduciary responsibility for administering and managing certain investments, such as a Section 115 trust to prefund Other Post-Employment Benefits or pension liabilities.
- Additional specialists such as attorneys, auditors, actuaries and others who may be contracted by the District.

Adoption of this policy was made at a regular meeting of the Port Commission on November 27, 2018. The Port Commission, acting as Investment Committee, may adopt other amendments to this policy due to a change in the District's goals and objectives, which shall require an affirmative vote by a majority of the Port Commission. This policy is intended to allow investment in accordance with state and federal laws and successor statutes, and therefore a statute change may not be require a change in this policy. Investment Policy Attachments A and B shall be updated by the Finance Officer, as needed, to reflect current California Debt and Investment Advisory Commission (CDIAC) guidance.

BASIC POLICY AND OBJECTIVES

In accordance with public fund management guidelines, the Santa Cruz Port District investment policy is a conservative policy guided by the objectives of safety, liquidity and yield, in accordance with Government Code Section 53600.5, which states, *"When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, the primary objective of a Trustee shall be to safeguard the principal of the funds under its control. The secondary objective shall be to meet the liquidity needs of the depositor. The third objective shall be to achieve a return on the funds under its control."*

The following are objectives:

Performance Expectations: The Port District's cash management portfolio shall be designed with the objective of regularly meeting or exceeding the average yield of the State of California Local Agency Investment Fund (LAIF). The enabling legislation for LAIF is Section 16429.1 et seq. of the California Government Code. LAIF as an indicator is considered a benchmark for lower risk investment transactions and therefore comprises a minimum standard for the portfolio's rate of return. The investment program shall seek to augment returns above this threshold, consistent with risk limitations identified herein and prudent investment principles, when feasible. The investment program may also seek to reduce Other Post Employment (OPEB) or pension liabilities.

Prudence: The standard of prudence to be used by investment officials shall be the "Uniform Prudent Management of Institutional Funds Act" (UPMIFA) standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

Reporting Requirements: The quarterly financial reports presented to the Santa Cruz Port Commission, typically presented at regularly scheduled public meetings in July, October, and January, and shall include information about investment performance. (Note: Fiscal year end quarterlies are not typically presented to the Commission, but are reviewed as part of the year-end audit process.)

Performance Review: The Santa Cruz Port Commission shall perform periodic appraisals of the investment

portfolio and investment policy to evaluate the effectiveness of the District's investment program. The Investment Policy shall be presented with the annual budget document.

Ethics and Conflicts of Interest: Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business, in accordance with applicable laws. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the Port District.

Investment Portfolio Compliance: The Port District's investment portfolio must be in compliance with statute at the time that investments are purchased. The investment portfolio shall be monitored, as practical, for subsequent changes in percentages resulting from non-purchase activity or changes in credit rating of existing securities. If, as a result of monitoring, it is discovered that the portfolio or individual investments are deemed to be out of compliance with either statute or this Investment Policy, such non-compliance shall be reported by the Port Director to the Port Commission within five working days along with a detailed explanation for the variance and recommended course of action.

Exceptions: When investing in funds deemed suitable for public investment such as LAIF, a Joint Powers Authority Pool or Voluntary Investment Program Fund as described in Attachment A, California Debt and Investment Advisory Commission (CDIAC) Figure 1, no maximum specified percentage of portfolio shall apply.

Conflicts: In the event any provision this Investment Policy is in conflict with any of the statutes referred to herein or any other State or Federal statutes, the provisions of each statute shall govern.

PERMITTED INVESTMENTS AND LIMITATIONS

Permitted Investments

The California Government Code contains specific provisions regarding the types of investments and practices permitted after considering the broad requirement of preserving principal and maintaining liquidity before seeking yield. These provisions are intended to promote the use of reliable, diverse and safe investments instruments to ensure a prudently managed portfolio worthy of public trust.

Government Code Sections 16340, 16429.1, 53601, 53601.6, 53601.8, 53635, 53635.2, 53635.8, 53638, and 53684 include a number of requirements on how and where public money may be invested. CDIAC Figure 1 provides a synopsis of the permitted investment instruments and limitations on each, in which all local agencies may invest as summarized by CDIAC, Local Agency Investment Guidelines, Update for 2018).

The Port District may invest only in those instruments specified in State law; however, the Port Commission may set a more stringent standard.

To the extent allowable by statute, the Finance Officer and Investment Committee (Port Commission) may consider investment in funds, such as those allowable under an irrevocable Section 115 Trust of the Internal Revenue Code, designated for the payment of employee retiree health benefits (Other Post Employment Benefits "OPEB") as authorized under Government Code Sections 53620-53622 or a Pension Prefunding Trust Program "PPTP," currently under development by CalPERS as authorized by SB 1413, which may provide a future investment opportunity.

Limitations on Investments

Limitations as established by law are subject to change as established by the State Treasurer. A listing of limitations on investments are as summarized by CDIAC, Local Agency Investment Guidelines, Update for 2018, are shown in the Table of Notes appended to Table 1. As noted above, investment options and limitations are subject to change as established by the State Treasurer from time to time.

The Trustee, with guidance and approval of the Investment Committee (Port Commission), may adopt additional limitations on investments over time, which shall be made a part of this policy.

ATTACHMENT A
CDIAC ALLOWABLE INVESTMENT INSTRUMENTS, FIGURE 1

ALLOWABLE INVESTMENT INSTRUMENTS PER STATE GOVERNMENT CODE (AS OF JANUARY 1, 2021)[A] APPLICABLE TO ALL LOCAL AGENCIES[B]

See "Table of Notes for Figure 1" on the next page for footnotes related to this figure.

FIGURE 1

INVESTMENT TYPE	MAXIMUM MATURITY[C]	MAXIMUM SPECIFIED % OF PORTFOLIO[D]	MINIMUM QUALITY REQUIREMENTS	GOV'T CODE SECTIONS
Local Agency Bonds	5 years	None	None	53601(a)
U.S. Treasury Obligations	5 years	None	None	53601(b)
State Obligations—CA And Others	5 years	None	None	53601(c) 53601(d)
CA Local Agency Obligations	5 years	None	None	53601(e)
U.S Agency Obligations	5 years	None	None	53601(f)
Bankers' Acceptances	180 days	40%[E]	None	53601(g)
Commercial Paper—Non-Pooled Funds[F] (under $100,000,000 of investments)	270 days or less	25% of the agency's money[G]	Highest letter and number rating by an NRSRO[H]	53601(h)(2)(c)
Commercial Paper—Non-Pooled Funds (min. $100,000,000 of investments)	270 days or less	40% of the agency's money[G]	Highest letter and number rating by an NRSRO[H]	53601(h)(2)(c)
Commercial Paper— Pooled Funds[I]	270 days or less	40% of the agency's money[G]	Highest letter and number rating by an NRSRO[H]	53635(a)(1)
Negotiable Certificates of Deposit	5 years	30%[J]	None	53601(i)
Non-negotiable Certificates of Deposit	5 years	None	None	53630 et seq.
Placement Service Deposits	5 years	50%[K]	None	53601.8 and 53635.8
Placement Service Certificates of Deposit	5 years	50%[K]	None	53601.8 and 53635.8
Repurchase Agreements	1 year	None	None	53601(j)
Reverse Repurchase Agreements and Securities Lending Agreements	92 days[L]	20% of the base value of the portfolio	None[M]	53601(j)
Medium-Term Notes[N]	5 years or less	30%	"A" rating category or its equivalent or better	53601(k)
Mutual Funds And Money Market Mutual Funds	N/A	20%	Multiple[P,Q]	53601(l) and 53601.6(b)
Collateralized Bank Deposits[R]	5 years	None	None	53630 et seq. and 53601(n)
Mortgage Pass–Through and Asset–Backed Securities	5 years or less	20%	"AA" rating category or its equivalent or better	53601(o)
County Pooled Investment Funds	N/A	None	None	27133
Joint Powers Authority Pool	N/A	None	Multiple[S]	53601(p)
Local Agency Investment Fund (LAIF)	N/A	None	None	16429.1
Voluntary Investment Program Fund[T]	N/A	None	None	16340
Supranational Obligations[U]	5 years or less	30%	"AA" rating category or its equivalent or better	53601(q)
Public Bank Obligations	5 years	None	None	53601(r), 53635(c) and 57603

ATTACHMENT B
CDIAC TABLE OF NOTES FOR FIGURE 1

TABLE OF NOTES FOR FIGURE 1

A *Sources: Sections 16340, 16429.1, 27133, 53601, 53601.6, 53601.8, 53630 et seq., 53635, 53635.8, and 57603.*

B *Municipal Utilities Districts have the authority under the Public Utilities Code Section 12871 to invest in certain securities not addressed here.*

C *Section 53601 provides that the maximum term of any investment authorized under this section, unless otherwise stated, is five years. However, the legislative body may grant express authority to make investments either specifically or as a part of an investment program approved by the legislative body that exceeds this five year remaining maturity limit. Such approval must be issued no less than three months prior to the purchase of any security exceeding the five-year maturity limit.*

D *Percentages apply to all portfolio investments regardless of source of funds. For instance, cash from a reverse repurchase agreement would be subject to the restrictions.*

E *No more than 30 percent of the agency's money may be in bankers' acceptances of any one commercial bank.*

F *Includes agencies defined as a city, a district, or other local agency that do not pool money in deposits or investment with other local agencies, other than local agencies that have the same governing body.*

G *Local agencies, other than counties or a city and county, may purchase no more than 10 percent of the outstanding commercial paper and medium-term notes of any single issuer.*

H *Issuing corporation must be organized and operating within the U.S., have assets in excess of $500 million, and debt other than commercial paper must be in a rating category of "A" or its equivalent or higher by a nationally recognized statistical rating organization, or the issuing corporation must be organized within the U.S. as a special purpose corporation, trust, or LLC, have program wide credit enhancements, and have commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical rating agency.*

I *Includes agencies defined as a county, a city and county, or other local agency that pools money in deposits or investments with other local agencies, including local agencies that have the same governing body. Local agencies that pool exclusively with other local agencies that have the same governing body must adhere to the limits set forth in Section 53601(h)(2)(C).*

J *No more than 30 percent of the agency's money may be in negotiable certificates of deposit that are authorized under Section 53601(i).*

K *Effective January 1, 2020, no more than 50 percent of the agency's money may be invested in deposits, including certificates of deposit, through a placement service as authorized under 53601.8 (excludes negotiable certificates of deposit authorized under Section 53601(i)). On January 1, 2026, the maximum percentage of the portfolio reverts back to 30 percent. Investments made pursuant to 53635.8 remain subject to a maximum of 30 percent of the portfolio.*

L *Reverse repurchase agreements or securities lending agreements may exceed the 92-day term if the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity dates of the same security.*

M *Reverse repurchase agreements must be made with primary dealers of the Federal Reserve Bank of New York or with a nationally or state chartered bank that has a significant relationship with the local agency. The local agency must have held the securities used for the agreements for at least 30 days.*

N *"Medium-term notes" are defined in Section 53601 as "all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States."*

O *No more than 10 percent invested in any one mutual fund. This limitation does not apply to money market mutual funds.*

P *A mutual fund must receive the highest ranking by not less than two nationally recognized rating agencies or the fund must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of $500 million, and has at least five years' experience investing in instruments authorized by Sections 53601 and 53635.*

Q *A money market mutual fund must receive the highest ranking by not less than two nationally recognized statistical rating organizations or retain an investment advisor registered with the SEC or exempt from registration and who has not less than five years' experience investing in money market instruments with assets under management in excess of $500 million.*

R *Investments in notes, bonds, or other obligations under Section 53601(n) require that collateral be placed into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, among other specific collateral requirements.*

S *A joint powers authority pool must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of $500 million, and has at least five years' experience investing in instruments authorized by Section 53601, subdivisions (a) to (o).*

T *Local entities can deposit between $200 million and $10 billion into the Voluntary Investment Program Fund, upon approval by their governing bodies. Deposits in the fund will be invested in the Pooled Money Investment Account.*

U *Only those obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less.*

Santa Cruz Port District

UNFUNDED ACCRUED LIABILITY PENSION MANAGEMENT POLICY

Adopted by the Santa Cruz Port Commission
July 14, 2022

SECTION 1. PURPOSE

This Unfunded Accrued Liability Pension Management Policy (the "Policy") is intended to strategically address the existing and any future unfunded accrued liability (the "UAL") associated with the Santa Cruz Port District's (the "District") California Public Employees' Retirement System (CalPERS) pension plans (the "Pension Plans"). Also addressed are some of the principal elements and core parameters central to the policy objectives. In the development of this Policy, the District strives to reduce its UAL and the associated financing costs in the most cost-efficient and fiscally responsible manner possible.

The District is committed to fiscal sustainability by employing long-term financial planning efforts, maintaining appropriate reserve levels, and employing prudent practices in governance, management, budget administration, and financial reporting. This Policy is intended to make all relevant information readily available to decision-makers and the public to improve the quality of decisions, identify policy goals, and to demonstrate a commitment to long-term financial planning. Adherence to this Policy signals to rating agencies and capital markets that the District is well managed and able to meet its obligations in a timely manner.

The Policy is intended to reflect a reasonable and conservative approach to managing the UAL costs associated with the Pension Plans. This Policy recognizes that the Pension Plans are subject to market volatility and that actual economic and demographic experience of the plans will differ from the actuarial assumptions. Accordingly, it is intended to allow for adaptive responses to changing circumstances, providing flexibility to address such volatility in a financially sound manner. As such, the District is required to continually monitor its Pension Plans and the corresponding UAL.

SECTION 2. POLICY GOALS AND OBJECTIVES

The overarching goals and objectives of this Policy are as follows:

- Establish, attain, and maintain targeted pension plan funding levels
- Seek to manage and control future contribution volatility to the extent reasonably possible
- Strive to make Annual Discretionary Payments to accelerate UAL pay-down, reduce interest costs, and stabilize future payments, when feasible
- Maintain the District's sound financial position and creditworthiness
- Provide guidance in making annual budget decisions
- Demonstrate prudent financial management practices
- Ensure that pension funding decisions protect both current and future stakeholders
- Create transparency as to how and why the Pensions Plans are funded

SECTION 3. BACKGROUND AND DISCUSSION

In General. Each Pension Plan is a multiple-employer defined benefit pension plan administered by the California Public Employee Retirement System ("CalPERS"). All full-time and certain part-time District employees are eligible to participate in the CalPERS retirement and disability benefits, annual cost of living adjustments and death benefits offered to plan members and their beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute.

The financial objective of a defined benefit pension plan is to fund the long-term cost of benefits provided to the plan participants. In order to assure its financial soundness and sustainability, the plan should accumulate adequate resources in a systematic and disciplined manner to ensure sufficient resources are available to meet employee benefit requirements. This Policy outlines the practices the District may utilize to address its actuarially determined contributions to fund the long-term cost of benefits to the Pension Plan participants and annuitants.

Pension Costs and Liabilities. In order to fund its employees' pension benefits, the District is required to make contributions (a portion of which may come from the employees) to CalPERS. CalPERS then invests these contributions to generate returns to help fund the pension benefits. The regular required contributions, known as the "normal cost," are calculated as a percent of salaries and represent the annual cost of service accrual for the upcoming fiscal year for active employees. If, for any reason, the actual Pension Plan experience and investment performance fall short of the actuarial assumptions, the Pension Plan can become underfunded (i.e., the Pension Plan's Normal Accrued Liability exceeds the Plan's market value of assets). This shortfall is known as the Unfunded Accrued Liability (the "UAL") and usually has to be covered by the District through a series of UAL Payments, which are above and beyond the "normal cost" contributions. The UAL Payments are calculated in total dollar amounts, not as a percent of salaries.

The UAL, can be caused by multiple factors, including but not limited to, changes to CalPERS' actuarial amortization policy, retroactive pension benefit enhancements, investment underperformance, actuarial assumption changes, demographic factors, and discount rate reductions and apply to all accrued employee benefits regardless of current employment status.

UAL is Debt. The UAL balance at any given point in time is a debt of the District owed to CalPERS, which is amortized over a set period of time with interest accruing at the then current CalPERS discount rate (the "Discount Rate"). However, this debt can be prepaid at any time without penalties. Recognizing the UAL as debt helps the District identify proper steps to address it and minimize the associated financing costs.

Ongoing CalPERS Practices. Every year CalPERS prepares updated actuarial valuation reports for each of the District's Pension Plans wherein it calculates the District's total pension liability as of the end of the prior fiscal year (each a "Valuation Report"). If the investment performance during that fiscal year was different from the Discount Rate, or if CalPERS made any changes to its actuarial assumptions, or if the actual demographic or compensation experience within the Pension Plans was different from the actuarial assumptions, new line items, or UAL amortization "bases," may be added to the plan and result in a change to the UAL balance. Such

UAL amortization bases may be positive (indicating funding shortfall for the Pension Plans) or negative (indicating funding surplus for the Pension Plans). Since CalPERS can add new UAL amortization bases every year, the Pension Plans must be monitored annually and managed continually – there is no one-time solution.

CalPERS has adopted the UAL amortization methods that were meant to help public agencies "ease into" paying for the UAL increases. New UAL amortization bases are implemented incrementally, with a five-year ramp-up period, and at times include additional small increases in each of the subsequent years. The ramp-up period, while reducing the cash flow impact in the near term, increases the overall UAL repayment costs for the District by delaying repayment. Since the UAL balances accrue interest at the rate that is equal to the then current Discount Rate, the delayed payments prior to the commencement of the amortization and the reduced payments during the ramp-up period that do not fully cover the interest costs result in negative amortization, causing further increases to the UAL balance. To help reduce the overall costs of the UAL repayment, this Policy encourages level annual payments (i.e., no ramp-up) whenever possible.

SECTION 4. POLICY

A. **Funding Level Objective.** It is the District's policy to strive to achieve and maintain a Pension "Funded Ratio" (being the ratio by which the Market Value of Assets—as set forth in the most recently published Valuation Report--exceeds the Entry Age Normal Accrued Liability or "EANAL"—as set forth in the most recently published Valuation Report) for each Pension Plan of 90% (the "Funding Level Objective").

Funding Level Objective = 90%

Achieving and maintaining the 90% Funding Level Objective ensures that the ongoing contributions of the District and its employees are properly and adequately funding the retirement benefits of retirees and today's workers. This concept is commonly referred to as the intergenerational equity. The reason for a Funding Level Objective of 90% rather than 100% is to allow some cushion for the possibility that good investment returns by CalPERS in a given year might push the Funded Ratio of a Pension Plan above 100% (commonly referred to as "superfunded status"), which means that the District and its employees had contributed into the Pension Plan more than was necessary. Thus, while the District remains committed to maintaining a 100% funded level, it shall manage the 10% differential (i.e., the difference between 90% and 100%) through its own investment process by creating the "Pension Rate Stabilization Fund" discussed herein.

Guidance: To achieve the Funding Level Objective, this Policy provides the following guidance:

1. ***Pre-Pay the Entire Annual UAL Payment by July 31st of each year.*** On or before July 1st of each year, the District receives its annual CalPERS UAL invoice. The District has two payments options. The invoice can (1) be paid in equal monthly increments or (2) be fully pre-paid at the beginning of the fiscal year by July 31st. By prepaying the entire invoice amount due by July 31st, the District can save approximately 3.5% compared to making the monthly payments. As such, every effort should be made to pre-pay the UAL payment upon receipt of the annual invoice, when feasible.

2. ***Pre-Pay UAL from Reserves, One-Time Revenues and Fund Surpluses***. Reserves (often invested in LAIF) regularly do not earn returns that can offset the interest rate that CalPERS charges on the outstanding UAL balance. Supplemental contributions into the Pension Plans from available reserves, one-time revenues and fund surpluses can generate substantial long-term net savings. Each supplemental contribution, referred to by CalPERS as an Additional Discretionary Payment (ADP), reduces the UAL balance, the Annual Required Contributions (ARC) for future years, and the total interest costs associated with the UAL. CalPERS does not apply any prepayment penalties to ADPs. Therefore, during each budget cycle, District staff shall review all available reserves, one-time revenues and fund surpluses to determine whether any such funds could be used to make an ADP to pay down the UAL, keeping in mind operational and capital budgetary constraints while maintaining adequate reserves and balancing the fiscal soundness of eliminating the high-interest UAL debt. ADPs should not adversely affect the general operations and fiscal soundness of the District.

3. ***Capital Financing***. When considering capital projects, staff regularly reviews and plans for reserving capital to cash fund current and future projects. When considering how to pay for current and future capital projects, staff should review the current tax-exempt market to assess if it would be more cost effective to borrow at tax-exempt rates to pay for the capital projects and redirect the reserved funding (and/or such other appropriate funds of the District) to make ADPs to CalPERS.

   If there are projected cost savings by using this method, and a capital financing strategy is to be implemented, the Port Commission would need to approve of the ADPs being paid to CalPERS prior to the financing to ensure that the annual savings generated by implementing the strategy are applied to UAL paydowns.

4. ***Utilize Savings Achieved from Refunding Outstanding Non-Pension Related Debt to Pre-Pay UAL***. During each budget cycle, staff should review all outstanding long-term non-pension related debt of the District to determine whether a refunding of such debt might result in net present value savings of greater than 3%, and if so, consider a structure and strategy that frontloads the savings from such debt refunding, which can then be used to pay down the UAL.

5. ***Sources of Revenue***. All fees, rates and charges should incorporate full allocation of pension costs for employees providing associated services. While some funds cannot contribute more than their fair share (i.e., enterprise funds), they should not contribute less than their fair share. Staff shall review allocation of labor costs to proprietary and other funds to ensure full reimbursement of the pension cost burden. Staff shall provide, or cause to be provided, consistent and well-documented methodology for pension cost allocation to all funds.

6. ***Pension Obligation Financing***. The District shall consider issuing taxable municipal debt obligations (generically hereafter referred to as "Pension Obligations") to refinance the UAL, in part or in whole, if such bond obligations are expected to produce minimum cash flow savings of at least 5%, taking into account all debt service and costs of issuance associated with such

bond obligations, in comparison to CalPERS' respective UAL amortization schedule and the then-current Discount Rate.

Pension Obligations shall not utilize swaps or derivatives of any kind and should be structured with reasonable and flexible call provisions (with a maximum of 10-year call provision). Pension Obligations shall be used only to prepay the UAL liabilities and shall not be used to finance normal cost payments. The issuance of Pension Obligations must be voted upon and approved by the Board of Directors.

7. Annual Review of the CalPERS Actuarial Valuation Reports and Associated Tasks. District staff shall review or cause to be reviewed the annual CalPERS actuarial valuation reports within 60 days of their release by CalPERS, which usually takes place during the month of August. The review should focus on identifying the annual changes to each of the Pension Plans UAL and quantifying the associated cost implications and the corresponding impact on the Funded Ratio. Staff should annually reach out to the District's CalPERS actuary to request a calculation of flat payments (rather than ramp-up payments) for all outstanding and new UAL amortization bases. In making ADPs, District staff shall determine or cause to be determined the optimal application of the ADPs to the outstanding UAL amortization bases to achieve the Funding Level Objective as well as desired budgetary outcomes.

B. Establishment and Operation of a Pension Rate Stabilization Fund.

1. *Establishment of a Pension Rate Stabilization Fund*. Once the District has substantively accomplished stabilizing all Pension Funds at or near the Funding Level Objective, the District may establish a Pension Rate Stabilization Fund, either self-managed or a Section 115 trust fund managed by a third-party investment manager (the "Investment Manager"). The Pension Rate Stabilization Fund will receive Sequestered Savings (defined below) and Sequestered Surplus (defined below) as well as any other funds deposited into it at the discretion of the Port Commission, based on recommendations made by District staff during the annual budget process. Funds in the Pension Rate Stabilization Fund should only be used to manage the District's pension benefits costs to maintain each of the Pension Plans at the Funding Level Objective in accordance with the goals and objectives set forth in this Policy.

2. *Funding the Pension Rate Stabilization Fund*.

(a) *Sequestered Savings*. At the beginning of each Fiscal Year following the issuance of each series of Pension Obligations, for a total of ten (10) consecutive years (or such other period of years as deemed appropriate by the Port Commission at the time of any subsequent issuances of Pension Obligations) following such issuance, a fixed dollar amount equal to 50% (or such other percentage as deemed appropriate by the Port Commission at the time of any subsequent issuances of Pension Obligations) of the "Total Sequestered Savings" (as calculated in the manner set forth below) achieved by issuing Pension Obligations (the "Annual Sequestered Savings Savings"), shall be transferred from the District's general operating funds

and deposited into the Pension Rate Stabilization Fund until such time that the Pension Rate Stabilization Fund reaches the Pension Rate Stabilization Fund Maximum (as outlined in section B3 below), and thereafter all Sequestered Savings will be directed to a "Pension Obligation Prepayment Fund" which will be established and maintained by the District for the purpose of prepaying any outstanding Pension Obligations.

$$Total\ Sequestered\ Savings\ = UALDS - DS$$

$$Annual\ Sequestered\ Savings\ = 0.5x(\frac{UALDS - DS}{Y})$$

UALDS = Scheduled UAL debt service being paid off by the Pension Obligations
DS = Total principal amount of Debt Service on the Pension Obligations
Y = Number of years to pay back Sequestered Savings

Example of Annual Sequestered Savings Calculation

A $5M Pension Obligation was issued in 2022 for the purpose of prepaying UAL. The total UAL debt service (UALDS) paid off with the Pension Obligation was $8,000,000 and the total debt service (DS) on the Pension Obligation is $7,000,000. The District elected to sequester 50% of the total savings over a 10-year period (Y), which in this example totals $100,000.

$$Annual\ Seq.Savings\ = 0.5x(\frac{8{,}000{,}000 - 7{,}000{,}000}{10})$$

$$= \$50{,}000$$

(b) *Sequestered Surplus*. Each Fiscal Year during the District's normal budget adoption process, beginning with the 2022-23 Fiscal year budget, and for each of the following 9 years, a percent between 0% and 10% of any available surplus from the prior Fiscal Year (the "Sequestered Surplus") shall be set aside, transferred and deposited into the Pension Rate Stabilization Fund.

3. ***Operation of the Pension Rate Stabilization Fund***. Sequestered Surplus and Sequestered Savings (and any other amounts contributed by the District) shall be deposited in the Pension Rate Stabilization Fund and used solely for the purpose of making ADP's (and Normal Cost payments during a Fiscal Hardship, and/or to the extent the amount therein exceeds the Pension Rate Stabilization Fund Maximum, as described below) to CalPERS for the purpose of achieving and maintaining Funding Level Objective.

With the goal of achieving and maintaining the Funding Level Objective, each year during the budget cycle, District staff shall calculate, or cause to be calculated, the upcoming Fiscal Year's

estimated Funded Ratio by taking into account the most recent Valuation Report's statement of Funded Ratio and adjusting for the estimated UAL amortization base that will be either added or subtracted due to the prior Fiscal Year's investment result of either exceeding or falling short of the then current Discount Rate for that Fiscal Year (the "Estimated Funded Ratio"). If the Estimated Funded Ratio is estimated to be less than the Funding Level Objective, to the extent funds are available in the Pension Rate Stabilization Fund, the Port Director shall make an ADP to CalPERS in the amount necessary to bring the Funded Ratio back up to the Funding Level Objective. Additionally, if sufficient funds are available in the Pension Rate Stabilization Fund, staff shall assess whether to fully amortize any new UAL amortization bases in order to reduce the long-term interest costs associated with the "ramping" procedures used by CalPERS.

Moneys in the Pension Rate Stabilization Fund shall not be used for normal costs until such time as the amount therein, when combined with the Market Value of Assets (as set forth in the most recently published Valuation Report) exceeds the Entry Age Normal Accrued Liability (as set forth in the most recently published Valuation Report) by 110% (the "Pension Rate Stabilization Fund Maximum"). To the extent monies in the Pension Rate Stabilization Fund on June 31st exceed the Pension Rate Stabilization Fund Maximum (after consideration has been given to the amounts therein required to be paid to CalPERS for the ensuing Fiscal Year to maintain the Estimated Funded Ratio at or above the Funding Level Objective), any accrued surplus over 110% may be used to offset the District's Normal Cost payment made to CalPERS in such Fiscal Year, and any Sequestered Savings will be directed to the Bond Call Fund.

4. ***Fiscal Hardship***. In the event of a Fiscal Hardship (as defined below), transfers of Sequestered Savings may be abated and/or the Pension Rate Stabilization Fund may be utilized for either normal or UAL costs until the Fiscal Hardship is no longer in effect.

   "Fiscal Hardship" means an economic hardship, or other unanticipated fiscal emergency, that has been declared by resolution by the Port Commission.

C. **Transparency and Reporting.** Funding of the Pension Plans should be transparent to all stakeholders, including plan participants, annuitants, the Port Commission, and District rate payers. To achieve this Policy objective, copies of the annual actuarial valuation reports for each Pension Plan shall be made available and posted on the District's website. The District's audited financial statements shall also be posted on the District's website.

D. **Annual Budget to Contain Policy Directed Information.** The District's annual operating budget shall consider the items specified in this Policy for inclusion in each such annual budget.

E. **Review of Policy.** Funding a defined benefit pension plan requires a long-term planning approach. This Policy is intended to provide general objectives and guidelines, and as such, District staff will review the policy for implementation of new best practices and provide the Port Commission with updates for approval on an as needed basis, not to exceed 5 years.

ATTACHMENT D – FY25 FEE SCHEDULE

PARKING

Description	Fee
Visitor Parking Pass: Daily	$20.00 /day
Visitor Parking Pass: Hourly	$2.00 /hour
Slip Licensee 1st/2nd Additional Annual Parking Permits	$50.00 / $100
Slip Licensee Visitor Parking Pass: Daily	$10.00 /day
RV Park Overnight Parking	$65.00 /night
RV Park Overnight Parking Booking Fee	$3.00 /flat rate
RV Park Overnight Parking Lock Site Fee *(optional selection)*	$25.00 /flat rate
RV Park Cancellation Fee (72-hour notice)	$25.00
RV Park Cancellation Fee (less than 72-hour notice)	$65.00
Overnight Parking: Launch Ramp (RV w/o trailer)	$65.00 /night
Overnight Parking: Launch Ramp (RV w/trailer)	$83.00 /night
Overnight Parking: Launch Ramp (Vehicle w/o trailer)	$30.00 /night [A]
Overnight Parking: Launch Ramp (Vehicle w/trailer)	$30.00 /night [A]
Overnight Parking: 7th & Brommer	$20.00 /night
Annual North Harbor Visitor Parking Pass: M - F	$100.00 /year
Annual North Harbor Visitor Parking Pass: Every Day	$150.00 /year
Annual Landside Tenant Business Parking Permit	$240.00 /year
Concession Parking Lot: Overflow Parking Pass	$10.00 /day
Concession Parking Lot: 30 Minutes or Less	FREE
Concession Parking Lot: Entry Before 4 PM (First 2.5 Hours)	$2.00 /hour
Concession Parking Lot: Entry Before 4 PM (After 2.5 Hours)	$5.25 /hour
Concession Parking Lot: Entry After 4 PM	$2.00 /hour
Concession Parking Lot: Lost Ticket Fee	$40.00

[A] *Includes all-day parking through 9 PM 2nd night.*

LAUNCHING

Description	Fee
Daily Launch Permit	$18.00
Daily Launch Permit - Disabled	$12.00
Daily Cartop Launch Permit (2 Vessels)	$15.00 [B]
Handlaunch or Additional Vessel w/ Cartop	$7.00
Annual Launch Permit: Every Day	$370.00
Annual Launch Permit: M - F	$265.00
Annual Launch Permit - Disabled: Every Day	$225.00
Annual Launch Permit - Disabled: M - F	$165.00
Annual Launch Permit Cartop	$250.00

[B] *Includes launching for 2 vessels/boards & vehicle parking.*

VISITOR BERTHING

Description	Fee
Up to 50' Monohull: 1-14 Days	$1.50 /ft./day, $42.00 minimum
Up to 50' Monohull: 15+ Days	$2.25 /ft./day, $63.00 minimum
50'+ Multihull: 1-14 Days	$1.75 /ft./day, $52.50 minimum
50'+ Multihull: 15+ Days	$2.25 /ft./day, $63.00 minimum
Commercial [C]	$0.75 /ft./day, $30.00 minimum

[C] *Commercial rate applies to fishing vessels actively & solely engaged in commercial fishing. Proof in advance of slip assignment in the form of two CDFW commercial fish landing receipts within the previous two weeks may be required.*

OTHER VISITOR SERVICES

Description	Fee
Catamaran Overnight Storage	$5.00 [D]
End-Tie full length (Regattas, Cruises, Etc.)	$270.00 /day
End-Tie half length (Regattas, Cruises, Etc.)	$160.00 /day
Winter End-Tie Berthing Program: Recreational [E]	$27.90 /ft./mo. [F]
Winter End-Tie Berthing Program: Commercial [E]	$18.00 /ft./mo. [F]

[D] *Storage on beach only.*

[E] *Winter: October 31 - March 1, commercial year-round subject to Harbormaster approval.*

[F] *1-month occupancy; paid in advance.*

MOORAGE RATES [G]

Description	Fee
South Harbor: Single Side	$15.00 /foot
South Harbor: Double Side	$16.51 /foot
South Harbor: AA Dock	$25.50 /foot
South Harbor: ABC Dock	$30.00 /foot
North Harbor: 20' (Including Inside-Ties)	$13.47 /foot
North Harbor: 25' / 30'	$14.19 /foot
North Harbor: 35' / 40'	$14.58 /foot
North Harbor: Wide 45'	$16.74 /foot
North Harbor: Dory-Tie	$72.64 /month
Security Deposit	1 month's rent

[G] *Slip rent is based on the greater length of the slip or vessel (and any overhangs).*

DRY STORAGE

Description	Fee
7th & Brommer Gravel Lot	$138.36 /month
North Harbor Paved Lot 24'	$148.04 /month
North Harbor Paved Lot 28'	$178.49 /month
North Harbor Paved Lot 33'	$196.70 /month
Catamaran Storage	$69.16 /month
Kayak Rack Storage	$65.03 /month
Security Deposit	2 month's rent

EVENTS

Description	Fee
Event Application Fee	$75.00 [H]
Harbor Beach: 0-100 People	$400.00 /day
Harbor Beach: Add 'l 50 People	$175.00 /day
Harbor Beach Plaza	$250.00 /day
Mariner Park Lawn: 0-100 People	$250.00 /day
Mariner Park Lawn: Add 'l 50 People	$100.00 /day
JG Townsend Maritime Plaza	$150.00 /day
Walton Lighthouse: 0-6 People	$500.00 /hour [I]
West Jetty	$325.00 /day
Wiki's Island	$150.00 /day
Information Booth	$60.00 /day
Event Deposit	$500.00 /day minimum
Live Music /DJ	$185.00 /day
Stereo System	$85.00 /day
Volleyball Court	$70.00 /court/4-hours [J]
On-water Event Permit Inner Harbor	$50.00 /hour [K]
Electrical Service Use	$40.00
Mariner Park Lawn Camping	$10.00 /night/tent [L]
Public Meeting Room	$40.00 /hour [M]

[H] *Cost recovery for administrative services.*

[I] *Staff service charges for standby may apply.*

[J] *Limit 2 courts.*

[K] *Plus safety staffing & vessels.*

[L] *Harbormaster approval required.*

[M] *Fees waived for landside concessionaires and marine related uses.*

STAFF SERVICES [N, O, P]

Description	Fee
Facilities Maintenance & Engineering Manager	$132.40 /hour
Supervising Harbor Maintenance Worker	$86.80 /hour
Harbor Maintenance Worker	$82.80 /hour
Supervising Harbor Dredge Worker	$86.80 /hour
Harbor Dredge Worker	$82.80 /hour
Harbormaster	$132.40 /hour
Assistant Harbormaster	$93.80 /hour
Senior Deputy Harbormaster	$86.80 /hour
Deputy Harbormaster	$82.80 /hour
Customer Service Representative	$73.30 /hour
Facilities Coordinator	$73.30 /hour
Finance Officer	$94.30 /hour
Administrative Services Officer	$94.30 /hour
Administrative Assistant I/II	$82.80 /hour
Parking Coordinator	$71.11 /hour
Parking Control	$35.36 /hour
Boatyard Supervisor	$86.80 /hour
Boatyard Crew	$71.11 /hour
All Vehicles [Q]	$75.00 /hour

[N] *Hourly Labor charges for services outside of routine, for benefit of individual or group. (Ex: Hazmat response & cleanup, damage repairs, event setup, security, etc.)*

[O] *Commensurate with 2024 salaries.*

[P] *2-hour minimum.*

[Q] *1-hour minimum.*

MISCELLANEOUS

Description	Fee
Credit Card Convenience Fee	3%
Administrative Fee	$25.00
Appeals to the Board of Port Commissioners	$25.00 filing fee
Credit Card Phone-in Fee	$10.00
Fuel Service Call Back	$10.00
Dewatering	$125.00+ [R]
Dock Box Sale	$475.00
Ice Sales	$20.00 /tote up to 500lbs.
Returned Check Fee	$40.00
Discount for Advance Payment of Slip Fees	2% annually
Postage/Mailing	Actual cost + 25%, $10.00 minimum
Late Payments: One-Time Fee	$25.00
Late Payments: Interest on Aged Balance	0.833%
Police/Incident Reports Copies	$25.00
Misc. Landside Storage (Including Impound)	$150.00 impound fee +$10.00 /day up to 100 SF [S]
Temporary Non-Secure Trailer Storage	$75.00 /month [T]
Crab Pot Storage: Max 2 Weeks / Paid in Advance	$35.00 /week/parking space or 200 SF of pier
Crab Pot Storage: Per Add 'l Day	$10.00 /day/space or 200 SF of pier [U]
Cleat Installation	$200.00 minimum
Towing: Inner-Harbor at Slip Licensee Request	$150.00
Towing: Tow Rescued Vessel to Harbor	$250.00 minimum for 2 hours max
Citation Signoff	$15.00
Launch Area Rinse/Flush	$2.25 /5-minutes
Charter Fee: Small (6 Pak)	$128.75 x passenger capacity/12-month [V]
Charter Fee: Medium (7-48 Pak)	$2.00 /per passenger (base fee may apply) [V]
Charter Fee: Large (49+ Pak)	$2.00 /per passenger (base fee may apply) [V]
Charter Application Fee	$250.00 + deposit, if required
Liveaboard Monthly Per Person Fee	$135.00 /month
Liveaboard Monthly Variable Fee	30% of slip fees
Liveaboard Application Fee	$250.00
Unattended Electrical Use: 30 AMP / 50 AMP	$38.00 / $54.00 per month
Partnership Fee: 3-Partners/2-Partners/1-Partner	15.00%/10.00%/5.00% of slip rent [W]
Electronic Key Fob: First 3 [X]	$20.00 /each
Electronic Key Fob: Add 'l Over 3	$80.00 /each
Sublease Fee: South Harbor	30% of slip fees
Sublease Fee: North Harbor	15% of slip fees
Waiting List Fee	$125.00 /year
Waiting List Bypass Fee: South Harbor	*$6,000.00 +1.5 x slip* [Y]
Waiting List Bypass Fee: North Harbor	*$2,000.00 +1.5 x slip* [Y]
Slip Leave Option Fee	$300.00 /year
Encroachment Permit Fee	$150.00
Landside Tenant Key Copy	$5.00 /each

Notes continued on the next page.

MISCELLANEOUS NOTES:

[R] *Actual cost + admin overhead or $125.00 minimum.*
[S] *$0.10/SF/day additional space. Initial impound fee not applicable to misc. storage.*
[T] *Requires Harbormaster approval; requires current vessel registration.*
[U] Requires *Harbormaster approval.*
[V] *Fees for guidance only. Charter approvals & fees are set by Port Commission.*
[W] *Fee structure to be reviewed with FY25 budget.*
[X] *Approved partnerships eligible for first 4 at $20/fob.*
[Y] *Applicable to business use only.*

BOATYARD – HAULOUT RATE [1]

Description	Fee
Monohull: 2-Strap	$13.00 / ft., $300.00 min
Monohull: 4-Strap	$16.00 / ft., $300.00 min
Multihull: 2-Strap	$16.00 / ft., $350.00 min
Multihull: 4-Strap	$19.00 / ft., $350.00 min

BOATYARD – HOLD IN STRAPS / SURVEY HAUL

Description	Fee
Haul, Hang, and Relaunch ONLY	$12.00 / ft., $275.00 min, 1-hour max
Additional Time Charge	$250.00 / hour charged in ¼ hour increments
High Pressure Wash	$1.50 / ft. add 'l. charge
Haul, Hang, and Relaunch ONLY	$12.00 / ft., $275.00 min, 1-hour max

BOATYARD – ONE-WAY HAUL

Description	Fee
Haul and Load onto Trailer	$16.00 / ft., $300.00 min, 1-hour max
Offload from Trailer and Launch	$16.00 / ft., $300.00 min, 1-hour max
High Pressure Wash	$1.50 / ft. add 'l. charge

BOATYARD – LAY DAYS / YARD DAYS [2]

Description	Fee
Haul and Launch Days	No charge
Days 1-14	$1.50 / ft. / day
Days 15-30	$2.00 / ft. / day
Days 31+	$5.00 / ft. / day
Mast / Engine Storage	$18.00 /day, subject to availability

BOATYARD – MISCELLANEOUS

Description	Fee
Environmental Surcharge	$7.00 /day
Hazardous Materials Disposal Fee [3]	$30.00
Uninsured Vessel Fee	$10.00 / day
Travelift and Crew [4]	$275.00 /hour, $275.00 min
Interior Bay Rental	$50.00 /day, as scheduled by boatyard staff
Contractor Registration Fee	$250.00 (non-refundable)
Contractor Renewal Fee	$200.00 / yr.
Pressure Wash for Trailerable Vessel - Self Service	$2.00 /ft., $50.00 min
Pressure Wash for Trailerable Vessel - Full Service	$4.00 /ft., $100.00 min
Moorage Rates / Visitor Berthing	Same as regular fee schedule

[1] *Haulout rate includes 2-strap haul, high pressure wash, and shoring. Haulout and launch day not charged as lay days. Excessive marine growth subject to additional fee.*
[2] *Fee applies to vessels trailered in on per space basis. No free days for delays in ordering parts, hiring contractors, etc.*
[3] *Small quantities of paint, solvents, & used oil only. Large quantities of hazardous materials to be disposed of by vessel owner or contractor.*
[4] *add 'l. time charged in ¼ hour increments*