



VENTURA PORT DISTRICT BOARD OF PORT COMMISSIONERS

Jim Friedman, Chairman
Everard Ashworth, Vice Chairman
Bruce E. Smith, Commissioner
Gregory Carson, Commissioner

Oscar Peña, General Manager
Chris Chan, Legal Counsel
Jessica Rauch, Clerk of the Board

PORT COMMISSION AGENDA REGULAR MEETING June 10, 2015 AT 11:00 A.M. VENTURA PORT DISTRICT OFFICE 1603 ANCHORS WAY DRIVE, VENTURA, CA

*The Board will convene in **Open Session** at the Port District Office located at 1603 Anchors Way Drive for its Regular Meeting at **11:00A.M.***

*A **Closed Session** of the Board will be held at approximately **12:00P.M.** in the Port District Office located at 1603 Anchors Way Drive, Ventura, California to discuss items on the Attachment to Agenda-Closed Session Conference with Legal Counsel and then reconvene thereafter to the Regular Meeting.*

ADMINISTRATIVE AGENDA:

CALL TO ORDER: *By Chair, Jim Friedman.*

PLEDGE OF ALLEGIANCE: *By Chair, Jim Friedman.*

ROLL CALL: *By the Clerk of the Board.*

ADOPTION OF AGENDA (5 minutes)

Consider and approve, by majority vote, minor revisions to agenda items and/or attachments and any item added to, or removed/continued from the Port Commission's agenda. Administrative Reports relating to this agenda and materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review at the Port District's office located at 1603 Anchors Way Drive, Ventura, CA during business hours as well as on the District's website - www.venturaharbor.com (Public Notices). Each item on the agenda shall be deemed to include action by an appropriate motion, resolution or ordinance to take action on any item.

APPROVAL OF MINUTES

The Minutes of the May 27, 2015 regular meeting and special meeting will be considered for approval.

PUBLIC COMMUNICATIONS (3 minutes)

The Public Communications period is set aside to allow public testimony on items not on today's agenda. Each person may address the Commission for up to three minutes or at the discretion of the Chair.

BOARD COMMUNICATIONS (5 minutes)

Port Commissioner's may present brief reports on port issues, such as seminars, meetings and literature that would be of interest to the public and/or Commission, as a whole.

STAFF COMMUNICATIONS (5 minutes)

Ventura Port District Staff will update the Commission on important topics.

LEGAL COUNSEL REPORT (5 minutes)

CONSENT AGENDA: (3 minutes)

Matters appearing on the Consent Calendar are expected to be non-controversial and will be acted upon by the Board at one time, without discussion, unless a member of the Board or the public requests an opportunity to address any given item. Approval by the Board of Consent Items means that the recommendation is approved along with the terms set forth in the applicable staff reports.

A) Approval of New Office Lease Agreement for Kyle & Associates

Recommended Action: Motion

That the Board of Port Commissioners approves by motion a new Office lease agreement between the Ventura Port District dba Ventura Harbor Village and Kyle & Associates for the premises located at 1583 Spinnaker Drive #209 consisting of a total of 535 square feet for a two (2) year term.

STANDARD AGENDA: (60 minutes)

1) 2015 – 2016 Preliminary Budget and Five Year Capital Improvement Plan

Recommended Action: Motion.

That the Board of Port Commissioners review, discuss and take appropriate action on the 2015 – 2016 Ventura Port District Preliminary Budget and Five Year Capital Improvement Plan.

ADJOURN TO CLOSED SESSION AT APPROXIMATELY 12:00PM

RECONVENE PUBLIC SESSION

CLOSED SESSION REPORT (3 minutes)

Closed Sessions are not open to the public pursuant to the Brown Act. Any reportable actions taken by the Commission during Closed Session will be announced at this time.

REQUEST FOR FUTURE AGENDA ITEMS

ADJOURNMENT

*This agenda was posted on Friday, June 5, 2015 at 5:00 p.m.
at the Port District Office and on the Internet - www.venturaharbor.com (Public Notices).*

*In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Ventura Port District at (805) 642-8538. Notification 48 hours before the meeting will enable the District to make reasonable arrangements to ensure accessibility.
(28 CFR 35.102.35.104 ADA Title II)*

**ATTACHMENT TO PORT COMMISSION AGENDA
CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL**

WEDNESDAY, JUNE 10, 2015

1. Per Government Code Section 54956.8 – Conference with Real Property Negotiators:

a) Property:	Sondermann Ring – Parcels 15, 16, 18
Negotiating Parties:	Oscar Peña, Christopher B. Chan
Under Negotiation:	Extension of Option Period

2. Potential Litigation - Per Government Code Section 54956.9(d)(2)

One (1) item - Ventura Harbor Village Reroofing Project Bid Process

JUNE 10, 2015

BOARD OF PORT COMMISSIONERS

APPROVAL OF MINUTES



Minutes of Regular Meeting of the Ventura Port District Board of Port Commissioners Held May 27, 2015

The Regular Meeting of the Ventura Board of Port Commissioners was called to order by Chairman Jim Friedman at 7:04PM at the Ventura Port District Office located 1603 Anchors Way Drive, Ventura, CA 93001.

Commissioners Present:

Jim Friedman, Chair
Everard G. Ashworth, Vice Chair
Gregory L. Carson
Bruce E. Smith

Commissioners Absent:

None

Port District Staff:

Oscar Peña, General Manager
John Higgins, Harbormaster
Robin Baer, Property Manager
Frank Locklear, Marina Manager
Richard Parsons, Consultant
Jessica Rauch, Clerk of the Board

Legal Counsel:

Christopher Chan

AGENDA

CALL TO ORDER: By Chair, Jim Friedman at 7:04PM.

PLEDGE OF ALLEGIANCE: By Chair, Jim Friedman.

ROLL CALL: All Commissioners were present.

ADOPTION OF AGENDA

ACTION: Commissioner Ashworth moved, seconded by Commissioner Carson and carried by a vote of 4-0 to adopt the May 27, 2015 agenda.

APPROVAL OF MINUTES

The Minutes of May 13, 2015 were considered as follows:

ACTION: Commissioner Carson moved, seconded by Commissioner Smith and carried by a vote of 4-0 to approve the minutes of May 13, 2015.

PUBLIC COMMUNICATIONS: Sam Sadove announced that an International Bass Tournament will be held at the Harbor Launch Ramp in two weeks and no information has been posted on the District's website. Also, the Rhumb Line will be hosting commercial fisherman at the restaurant tomorrow.

LEGAL COUNSEL REPORT: None.

BOARD COMMUNICATIONS: None.

DEPARTMENTAL STAFF REPORTS: None.

GENERAL MANAGER REPORT: Mr. Peña updated the Commission on the Sondermann Ring Project.

CONSENT AGENDA:

A) Approval of Financial Statements and Checks for the month of March 2015

Recommended Action: Resolution No. 3277.

That the Board of Port Commissioners adopt Resolution No. 3277 accepting and approving the Financial Statements, Payroll and Regular Checks for expenses in March 2015.

ACTION: Commissioner Ashworth moved, seconded by Commissioner Carson and carried by a vote of 4-0 to adopt Resolution No. 3277 accepting and approving the Financial Statements, Payroll and Regular Checks for expenses in March 2015.

B) Approval of New Office Lease Agreement for Gabriella Navarro Busch

Recommended Action: Motion

That the Board of Port Commissioners approves by motion a new Office lease agreement between the Ventura Port District dba Ventura Harbor Village and Gabriella Navarro Busch for the premises located at 1575 Spinnaker Drive #204A-B consisting of a total of 1,686 square feet for a five (5) year term.

ACTION: Commissioner Carson moved, seconded by Commissioner Smith and carried by a vote of 4-0 to approve a new Office lease agreement between the Ventura Port District dba Ventura Harbor Village and Gabriella Navarro Busch for the premises located at 1575 Spinnaker Drive #204A-B consisting of a total of 1,686 square feet for a five (5) year term.

STANDARD AGENDA:

1) Approval of Fee Increase for Launch Ramp Parking and Dry Storage

Recommended Action: Resolution No. 3278.

That the Board of Port Commissioners adopt Resolution No. 3278, approving the fee increase for launch ramp parking and the District's dry storage facility.

ACTION: Commissioner Ashworth moved, seconded by Commissioner Carson and carried by a vote of 4-0 to adopt Resolution No. 3278, approving the fee increase for launch ramp parking and the District's dry storage facility, which will be effective July 1, 2015.

2) Downtown/Harbor Trolley

Recommended Action: Informational.

That the Board of Port Commissioners receive a report on the Downtown/Harbor Trolley from Downtown Ventura Executive Director, Kevin Clerici.

ACTION: Kevin Clerici gave the Commission an update report on the Downtown/Harbor Trolley.

3) Launch Ramp Parking Lot Modification

Recommended Action: Action.

That the Board of Port Commissioners review, discuss and take appropriate action on the launch ramp parking lot modification.

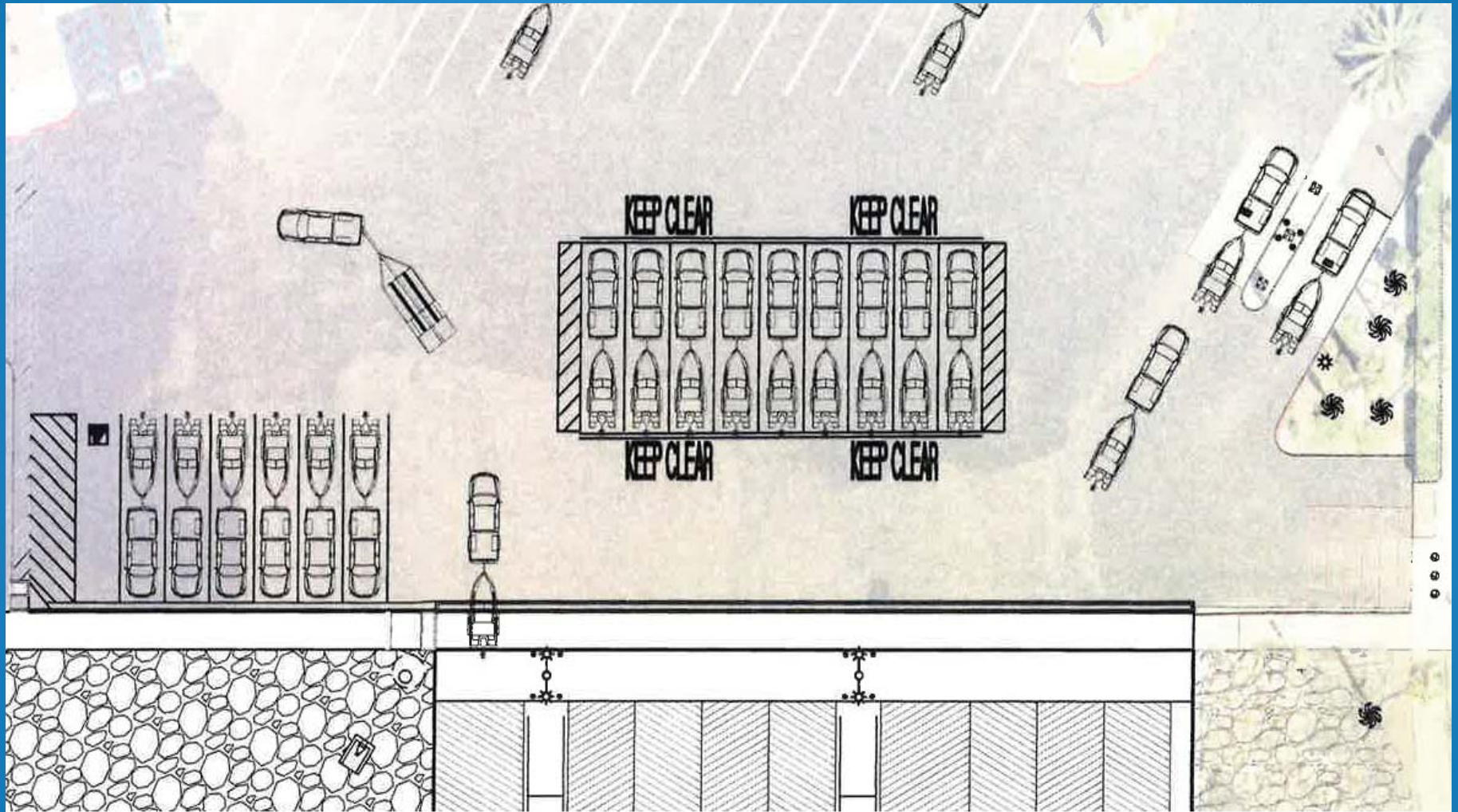
ACTION: Commissioner Carson moved, seconded by Commissioner Friedman and carried by a vote of 3-1 (Smith no) to approve Option 3 (attached) with the placement of enhanced signage regarding boats over the 40 foot maximum. Commissioner Smith voted no because he does not believe the current pass through lanes need to be totally eliminated in the configuration shown by staff.

REQUEST FOR FUTURE AGENDA ITEMS: None.

ADJOURNMENT: The meeting was adjourned at 9:19PM.

Secretary

Option #3





Minutes of Special Meeting of the Ventura Port District Board of Port Commissioners Held May 27, 2015

The Special Meeting of the Ventura Board of Port Commissioners was called to order by Chairman Jim Friedman at 9:26PM at the Ventura Port District Office located 1603 Anchors Way Drive, Ventura, CA 93001.

Commissioners Present:

Jim Friedman, Chair
Everard G. Ashworth, Vice Chair
Gregory L. Carson
Bruce E. Smith

Commissioners Absent:

None

Port District Staff:

Oscar Peña, General Manager
John Higgins, Harbormaster
Robin Baer, Property Manager
Frank Locklear, Marina Manager
Richard Parsons, Consultant
Jessica Rauch, Clerk of the Board

Legal Counsel:

Christopher Chan

AGENDA

CALL TO ORDER: By Chair, Jim Friedman at 9:26PM.

ROLL CALL: All Commissioners were present.

ADOPTION OF AGENDA

ACTON: Commissioner Ashworth moved, seconded by Commissioner Carson and carried by a vote of 4-0 to adopt the May 27, 2015 Special agenda.

PUBLIC COMMUNICATIONS: None.

THE BOARD WILL IMMEDIATELY ADJOURN TO CLOSED SESSION TO DISCUSS THE FOLLOWING:

1. Per Government Code § 54956.8, Real Property Negotiations:

Property:

Ventura Isle Marina – Parcels 2 & 3

Negotiating Parties:

Oscar Peña, Christopher B. Chan

Under Negotiation:

Notice of Proposed Assignment & Option

RECONVENE PUBLIC SESSION AT 10:05PM.

CLOSED SESSION REPORT: Mr. Chan stated that the Board met in closed session; discussed and reviewed Item 1. Staff was given instructions as to how to proceed as appropriate and there was no action taken reportable under The Brown Act.

ADJOURNMENT: The meeting was adjourned at 10:07PM.

Secretary

JUNE 10, 2015

BOARD OF PORT COMMISSIONERS

CONSENT AGENDA ITEM A

APPROVAL OF NEW OFFICE LEASE AGREEMENT

**VENTURA PORT DISTRICT
BOARD COMMUNICATION**

CONSENT AGENDA ITEM A
Meeting Date: June 10, 2015

TO: Board of Port Commissioners
FROM: Robin Baer, Property Manager
SUBJECT: New Office Lease Agreement for Kyle & Associates
1583 Spinnaker Drive #209

RECOMMENDATION:

That the Board of Port Commissioners approves by motion a new Office lease agreement between the Ventura Port District dba Ventura Harbor Village and Kyle & Associates for the premises located at 1583 Spinnaker Drive #209 consisting of a total of 535 square feet for a two (2) year term.

SUMMARY:

The tenant continues to enjoy having an office space within the Ventura Harbor Village. They have requested a two-year lease.

BACKGROUND:

Kyle & Associates has been a tenant of the Village for over 12 years. Kyle & Associates is a small specialty law firm specializing in mediation of disputes, trademarks and copyrights. They recently celebrated their 14th year in business and look forward to continued tenancy at the Ventura Harbor Village.

FISCAL IMPACT:

The average occupancy expense per year is \$10,236 which could result in an additional \$3,000 per year.

We look forward to continued success with this tenant. Staff recommends the Board's approval of the new lease transaction.

JUNE 10, 2015

BOARD OF PORT COMMISSIONERS

STANDARD AGENDA ITEM NO. 1

**PRELIMINARY BUDGET AND
FIVE YEAR CAPITAL IMPROVEMENT PLAN**

**VENTURA PORT DISTRICT
BOARD COMMUNICATION**

STANDARD AGENDA ITEM 1
Meeting Date: June 10, 2015

To: Board of Port Commissioners
From: Oscar Peña, General Manager
Gloria Adkins, Accounting Manager
Subject: Ventura Port District Preliminary Budget for FY 2015-16 and Preliminary Five Year Capital Improvement Plan

RECOMMENDATION:

That the Board of Port Commissioners approve by motion the 2015 – 2016 Ventura Port District Preliminary Budget and Five Year Capital Improvement Plan.

BACKGROUND:

As an enterprise, the District generates 88% of its total revenues from all of the real estate transactions in the harbor. In other words, the District receives a minimum rent and/or a percentage of a tenant's gross sales from all of the business operations in the harbor (excluding the Channel Islands National Park). The other 12% of non-operating revenues are derived from the Port District's share of property taxes within the City of Ventura. Every public agency in the City receives a percentage of these property taxes.

In May, the Board had an opportunity to review and discuss a preliminary budget for Fiscal Year 2015 – 2016. The budget documents described all aspects of harbor business from a broad operational view and the District's Five Year Capital Improvement Plan.

The budget includes the anticipated commencement of the lease for Parcels 15, 16 and 18 in the northeast harbor area. This will be a catalytic opportunity for more economic development in the harbor and a new source of revenue for the District. District staff is also working with many tenants to modify their business plans to improve the diversity of each business and improve income revenues. The objective is to increase sales and revenue by 30% to 40% over a five year period. This will require improvements to the leased premises and an effective marketing strategy.

The Five Year Capital Improvement Plan takes into account the capital needs assessment conducted by the Corrouch Group in 2012. The needs assessment study included all of the District owned assets. This study provides a long term planning tool for the District. The proposed five year plan takes into account available funding sources by the District.

Attached is the proposed Preliminary Budget for Fiscal Year 2015-16 and proposed Five Year Capital Improvement Plan. Included with these reports are detailed worksheets of the budget by department and a five-year capital improvement plan.

The FY15-16 preliminary budget reflects a positive cash flow of \$640,000 from normal operations. The budget also reflects improvement expenditures of \$2,150,000 of which \$1,510,000 will be funded using unrestricted cash reserves.

Below is a summary of the projected revenues and expenditures for the 2015-16 fiscal year:

Preliminary Budget Summary

Operating Income	\$7,489,000
Non-operating Income (Property Tax)	<u>1,030,000</u>
Total Income	\$8,519,000
Operating Expenses	\$5,293,000
Non-operating Expenses (Debt Service)	1,290,000
Harbor Patrol / Safety / Launch Ramp	<u>1,296,000</u>
Total Expenditures	\$7,879,000
Cash Flows Before Improvements ¹	\$640,000
Improvements	\$2,150,000
Deficit Cash Flow after Capital Improvements	\$1,550,000

Notes:

¹Grant monies are not included in the projected revenues or expenses.

CONCLUSION:

In the preparation of this budget, great efforts were made to increase revenues through new leases which the Board has approved or will be approving soon and working with tenants to increase their overall sales. We also included the minimum rents that will be due from Sondermann Ring Partners (SRP) as a result of exercising their option for parcels 15, 16 & 18. We intentionally excluded the SRP \$1.2 million lease transaction fee and are talking with our auditor to determine how to reflect this in our revenues. These efforts have resulted in an increase in total revenues of 6% for the fiscal year 2015-16.

There are some expenses which we have no control over which have increased such as general liability insurance, workers compensation insurance and the accessibility improvements we are making at Harbor Village. We have also included for the Board's consideration a salary increase for District employees.

Attachment 6 is staff's response to the Board's question from the first draft of the preliminary budget report.

Staff looks forward to interacting with the Board and members of the public on a new road map for our revenues and expenses for the FY2015-16.

ATTACHMENTS:

- Attachment 1 - Preliminary Budget FY2015-16
- Attachment 2 – Tenant Improvements FY2015-16
- Attachment 3 - Summary of Five Year Capital Improvement Plan
- Attachment 4 - Preliminary Budget by Department
- Attachment 5 - Capital Improvement Five Year Projection Detail
- Attachment 6 – Supplement Budget Information

ATTACHMENT 1

VENTURA PORT DISTRICT PRELIMINARY BUDGET FOR FISCAL YEAR 2015-16 6/10/2015

	<u>Actual 2012-13</u>	<u>Actual 2013-14</u>	<u>Est/Act 2014-15</u>	<u>Budget 2014-15</u>	<u>Proposed Budget 2015-16</u>	<u>Comments</u>
OPERATING REVENUE						
Parcel Lease Income	2,819,616	2,892,663	2,940,000	2,990,000	2,950,000	
SRP Lease Rent	60,000	60,000	60,000	60,000	240,000	Assumes \$25k minimum rent to begin Oct 2015
Dry Storage Income	96,993	89,472	83,000	80,000	97,000	Rate increase 7/1/2015
Commercial Fishermen's Storage	57,442	63,167	69,500	70,000	76,500	Fishermens Storage Rental
Parking Income	64,242	55,877	55,000	55,000	65,000	
Misc. Income/Rentals	2,454	172,361	121,500	109,000	91,500	
Harbor Village Lease Income						
Retail	427,052	445,324	435,000	425,000	435,000	
Restaurant	949,193	895,802	875,000	870,000	965,000	Increase due to projected increase in sales and rent from tenants currently closed undergoing renovations
Offices	567,992	548,550	555,000	555,000	580,000	Increase due to leasing of suites previously vacant for over a year
Charters	298,454	344,208	335,000	355,000	350,000	
Commercial Fishing	67,828	62,422	80,000	70,000	95,000	
Fish Offloading	138,468	237,335	155,000	150,000	155,000	
Harbor Village Misc. Income	17,770	13,317	4,700	6,000	6,000	
Booth/Vendor Income	10,301	9,968	9,000	9,500	10,000	
Sponsorships	5,158	14,210	17,000	16,500	16,500	
Harbor Event Permits	18,762	37,777	43,000	33,000	40,500	
Harbor Village Marina Slip Rentals	989,258	934,143	889,000	876,000	926,000	Rate increase 5/1/2015
Harbor Village CAM Income	313,867	287,044	270,000	270,000	300,000	
Harbor Village Merchants Promo Dues	87,417	83,405	80,000	80,000	90,000	
TOTAL OPERATING REVENUE	6,992,267	7,247,045	7,076,700	7,080,000	7,489,000	
% change from previous years actual	-3%	4%	-2%	-2%	6%	
OPERATING EXPENDITURES						
<u>Personnel Expenses</u>						
Total Wages	1,525,233	1,597,943	1,576,100	1,584,500	1,640,500	Proposed 4% increase in base pay
<u>Other Personnel Expenses</u>						
Payroll Taxes	22,414	28,639	26,000	27,500	29,500	
Workers Comp Insurance	47,847	75,951	123,000	123,000	141,500	CJPIA
Medical & Life Insurance	183,505	208,996	217,912	221,500	231,500	
Optional Benefit Plans	140,331	146,986	144,500	146,000	146,000	
Retirement Contributions	343,185	343,830	368,500	368,500	395,500	
Totals Other Personnel Exp	737,282	804,402	879,912	886,500	944,000	
Total Personnel Expenses	2,262,515	2,402,345	2,456,012	2,471,000	2,584,500	
% change from previous years actual	-2%	6%	2%	3%	5%	

ATTACHMENT 1

FY15-16 Preliminary Budget Continued, 6/10/2015

	Actual 2012-13	Actual 2013-14	Est/Act 2014-15	Budget 2014-15	Proposed Budget 2015-16	Comments
<u>General Expenses</u>						
Advertising (Public notices)	8,115	10,182	8,450	12,000	4,000	Classified ads pertaining to ground leases and project bid requests
Leasing / Marketing	-	-	-	-	17,000	Online & printed leasing material; graphic designs; photography; ads; ad production; attend business expos; and networking
Port District Open House	3,720	5,460	550	5,000	4,000	Annual Parade of Lights Judging/Viewing
Auto Mileage & Allowance	12,842	12,036	13,000	15,000	13,500	
Auto/Boat Equip & Maint.	35,368	27,416	29,200	34,000	34,500	
Bad Debt	49,373	41,174	25,000	36,000	25,000	
Bank Fees & Other Misc.	16,441	13,455	10,000	15,000	15,000	
Building Maintenance	162,973	274,022	212,500	229,000	243,000	
Communications	31,551	29,310	41,000	41,000	43,000	
Conferences, Meetings & Training	42,148	39,398	36,500	42,500	41,500	
Dock & Fish Pier Maint. & Repairs	45,722	16,971	48,000	59,000	49,000	
Equipment Rental	16,271	12,984	19,500	22,000	14,500	
Village Enhancements	30,149	35,039	25,000	50,000	35,000	
General Harbor Maintenance	1,866	-	5,000	5,000	4,000	
General Liability Insurance	126,566	141,886	274,500	274,500	318,000	As per annual JPIA Deposit Cost Analysis
Grounds Maintenance	149,986	166,442	126,500	155,500	111,000	
Janitorial Supplies	36,582	39,917	49,000	52,000	60,500	
Land/Building Rental Expense	63,931	64,156	69,500	70,000	76,500	Fisherman's storage/net repair area lease (see also revenue for Fisherman's storage)
Memberships & Subscriptions	18,070	20,186	20,700	21,000	21,500	
Office Computer Equip & Related	25,071	26,297	18,000	24,000	20,500	
Office Supplies & Equipment	30,051	35,872	40,000	51,500	30,000	
Operating Supplies	19,458	27,540	24,600	34,500	34,000	
Other Equipment & Repairs	36,661	39,949	39,500	41,500	41,000	
Professional Serv. - Auditing	14,020	13,458	13,500	15,000	15,000	
Professional Serv. - Legal	189,148	220,789	240,000	240,000	150,000	Removed charges related to finalized leases
Professional/Outside Services	369,142	295,555	330,000	363,500	283,500	
Prof. Serv/Downtown Trolley Partnership	-	24,000	24,000	25,000	24,000	
Uniforms & Tool Allowances	7,809	11,089	14,200	15,500	17,000	
Utilities and Trash	322,051	348,012	372,500	383,000	411,500	
Dredging Related Expenses	255,813	243,534	223,000	260,000	260,000	
Total General Expenses	2,120,898	2,236,129	2,353,200	2,592,000	2,417,000	
% change from previous years actual	-38%	5%	5%	16%	3%	
<u>Marketing & Promotional Expenses</u>						
Advertising	115,226	136,688	145,000	131,000	134,500	
Graphic Design/Ad Production	16,184	19,900	20,000	20,000	# 22,000	
Event Banners	381	1,492	1,000	1,000	# 1,500	
Maps/Rack Cards/Harbor Brochures	8,077	14,465	15,000	20,000	# 16,500	
Certified Rack	2,289	2,528	2,500	2,500	# 2,500	
Tourism Outreach and Partnership	5,845	6,144	9,000	9,000	# 9,000	
Entertainment-Live Music	16,952	18,932	23,000	23,000	# 23,000	
Event Production	51,572	52,443	60,000	60,000	# 63,500	

ATTACHMENT 1

FY15-16 Preliminary Budget Continued, 6/10/2015

	Actual 2012-13	Actual 2013-14	Est/Act 2014-15	Budget 2014-15	Proposed Budget 2015-16	Comments
Operating Expenditures, Marketing & Promotional Expenses Continued						
Equipment Rental-Copier	5,413	5,323	5,500	6,000	#	5,000
Content Marketing/Website Social Media	3,820	13,658	10,000	18,500	#	13,600
Miscellaneous	183	72	300	500	#	400
Total Marketing & Promotional Expenses	225,942	271,645	291,300	291,500	#	291,500
% change from previous years actual	8%	20%	7%	7%		0%
TOTAL OPERATING EXPENDITURES	4,609,355	4,910,119	5,100,512	5,354,500	#	5,293,000
% change from previous years actual	-22%	7%	4%	9%		4%

Operating Cash Flows In (Out)	2,382,912	2,336,926	1,976,188	1,725,500	#	2,196,000
--------------------------------------	------------------	------------------	------------------	------------------	----------	------------------

NON-OPERATING and OTHER EXPENDITURES

Harbor Patrol expenses not funded by property taxes	5,179	116,053	264,500	218,000		266,000
Master Plan/Specific Plan	9,060	-	-	-		-
COP's Interest Payment	497,366	474,339	456,881	455,000		435,000
DBAW Loan#1 Interest Payment \$4m	160,820	160,934	160,776	160,000		160,000
DBAW Loan#2 Interest Payment \$1.5m	57,241	55,767	55,650	55,000		55,000
Principle Payments on bonds/loans	560,341	588,151	616,306	620,000		640,000
TOTAL NON-OPER. EXPENDITURES	1,290,007	1,395,244	1,554,113	1,508,000		1,556,000

Annual Cash Flows In (Out) from normal operations before any Improvements	1,092,905	941,682	422,075	217,500	#	640,000
--	------------------	----------------	----------------	----------------	----------	----------------

Building Tenant Improvements	56,696	140,681	230,000	230,000		285,000	See Attached Schedule
------------------------------	--------	---------	---------	---------	--	---------	-----------------------

Accessibility Improvements	-	-	100,000	265,000		315,000	RRM Plans for next phase of path of travel thru Village \$60k and Misc Improvements \$50k; Misc improvements to restrooms \$10k (Spinnaker RR 1575, 1691 & downstairs 1559); Improvement Plans to restrooms \$25k (Spinnaker Restrooms at 1567, 1583 & 1591); DAC \$10k; Parking lot improvements \$160k (plans by Jensen)
----------------------------	---	---	---------	---------	--	---------	--

Capital Improvements Projects	539,690	320,863	275,000	1,581,000		1,550,000	See Attached Schedule
-------------------------------	---------	---------	---------	-----------	--	-----------	-----------------------

Improvements funded through Unrestricted Improvement Reserve Fund	-	-	182,925	1,858,500		1,510,000	
--	----------	----------	----------------	------------------	--	------------------	--

Projected Unrestricted Reserve Balance			\$ 5,916,000	\$ 4,070,000		\$ 5,300,000
Delay in receipt of grant reimbursement funds ¹			1,584,000	1,630,000		300,000
Adjusted Unrestricted Reserve Balance			<u>\$ 7,500,000</u>	<u>\$ 5,700,000</u>		<u>\$ 5,600,000</u>

Note:

¹ Division of Boating & Waterways (DBW) has reimbursed the District for \$1.5 million of funds requested for the launch ramp construction. DBW held back a retention and is still reviewing a couple of the charges. This project is being held open pending launchramp parking lot restructure needs. All contractors have been paid for all work completed to date less a small retainer still on hold.

ATTACHMENT 1

ATTACHMENT 1

FY15-16 Preliminary Budget Continued, 6/10/2015

Harbor Patrol Department Expenses funded from Property Taxes and Assessments collected by the County of Ventura

	<u>Actual 2012-13</u>	<u>Actual 2013-14</u>	<u>Est/Act 2014-15</u>	<u>Budget 2014-15</u>	<u>Proposed Budget 2015-16</u>	<u>Comments</u>
Property Taxes and Assessments from County	944,974	989,720	1,010,000	1,010,000	# 1,030,000	
<u>Harbor Patrol Personnel Expenses</u>						
Total Wages	603,659	616,718	619,000	626,500	643,000	Proposed 4% increase in base pay
Payroll Taxes	10,607	12,556	13,000	15,000	15,000	
Workers Comp Insurance	50,123	127,603	192,000	192,000	219,000	
Medical & Life Insurance	59,126	52,940	59,000	59,000	47,000	
Optional Benefit Plans	39,977	43,428	50,000	50,000	47,000	
Retirement Contributions	81,259	92,615	92,000	95,000	118,500	
Total Harbor Patrol Personnel Exp	844,751	945,860	1,025,000	1,037,500	1,089,500	
% change from previous year actual	-1%	12%	8%	10%	6%	
<u>Harbor Patrol Other Expenses</u>						
Uniforms	8,563	7,691	31,000	31,000	13,000	
Oil & Fuel Expense	31,762	28,297	30,000	34,000	34,000	
Operating Supplies & Expense	14,220	14,322	20,000	21,000	21,000	
Boat Maintenance	21,211	82,659	130,000	60,000	65,000	Fireboat sounding for noise control \$2,000 and fireboat plumbing \$10,000, both deferred from FY15; labor to install engines in Boat 17 & refurbish \$65k; general maintenance \$2500/mo
Auto Equip & Maint.	2,090	8,248	5,500	5,000	6,500	
Conferences & Training	3,587	3,585	3,000	3,500	4,000	
Summer Lifeguard Services	23,969	15,111	30,000	32,000	59,000	Based on State of CA service proposal; staff is researching other possible alternatives
Professional Services	-	-	-	4,000	4,000	Self Contained Breathing Apparatus (SCBA) testing, deferred from FY15
Total Harbor Patrol Other Expenses	105,402	159,913	249,500	190,500	# 206,500	
% change from previous year actual	16%	52%	56%	19%	-17%	
Total Harbor Patrol Expenses	950,153	1,105,773	1,274,500	1,228,000	# 1,296,000	
	0%	16%	15%	11%	2%	
Expenditures remaining after Property Tax Revenues were applied are funded from Operating Revenues	(5,179)	(116,053)	(264,500)	(218,000)	# (266,000)	

ATTACHMENT 1

FY15-16 Preliminary Budget Continued, 6/10/2015

Expenditures funded by Grants and Special Funding

	<u>Actual 2012-13</u>	<u>Actual 2013-14</u>	<u>Est/Act 2014-15</u>	<u>Budget 2014-15</u>		<u>Proposed Budget 2015-16</u>	<u>Comments</u>
<u>Grants and Special Funding</u>							
DBAW Grants-abandon vessel & vessel turn-in	5,085	-	13,500	13,500	#	5,500	
DBAW Grants-Boat Equipment	-	34,419	-	49,500	#	59,500	The District was not awarded the boat equipment grant applied for in FY14-15
DBAW Grant-Training Expense Reimbursement	5,625	694	5,000	6,000		10,000	
DBAW Grants-Launch Ramp Slope	50,000	1,894,253	75,000	167,000	#	-	Final plan for launchramp parking redesign pending
TOTAL GRANTS & SPECIAL FUNDING	60,710	1,929,366	93,500	236,000	#	75,000	
<u>Projects, Equipment and Training Expenses</u>							
Vessel Salvage-Abandoned and Turn-in	5,085	-	13,500	13,500	#	5,500	
Boat Engines & Equipment for new boat	-	34,419	-	49,500	#	59,500	Grant for \$39,000 for engines for B17, \$20,500 for radar/GPS/depth sounder/misc equipment for two boats
Harbor Patrol Training	5,625	694	5,000	6,000	#	10,000	
Renovate Launch Ramp Slope	50,000	1,894,253	75,000	167,000	#	-	Final plan for launchramp parking redesign pending
TOTAL PROJECTS & EQUIPMENT	60,710	1,929,366	93,500	236,000	#	75,000	

ATTACHMENT 2

VENTURA HARBOR VILLAGE BUDGET – TENANT IMPROVEMENTS 2015/2016

Tenant Location	Sq. Ft.	TI Budget Amount
1559 Spinnaker Dr # 100	1,864	\$30,000
1559 Spinnaker Dr # 105	1,438	\$125,000
1575 Spinnaker Dr # 106 a	1,227	\$25,000
1575 Spinnaker Dr # 208	495	\$3,500
1583 Spinnaker Dr # 101	3,764	\$45,000
1583 Spinnaker Dr # 105 & 104b	1,856	\$6,000
1583 Spinnaker Dr # 212	374	\$2,500
1591 Spinnaker Dr # 113	787	\$3,000
1591 Spinnaker Dr. #114, 115	2,300	\$45,000
	TOTAL	<u>\$285,000</u>

ATTACHMENT 3

Capital Improvement and Maintenance Projects Summary of Five Year Projection

Item #	Project Location/Description	Current Actual Expense 7/14 to 05/15	Current Fiscal Yr 14-15	Fiscal Yr 15-16	Fiscal Yr 16-17	Fiscal Yr 17-18	Fiscal Yr 18-19	Fiscal Yr 19-20
Buildings 8	National Park Serv Bldg - refurbish chair elevator						15,000	
Buildings 9	Harbor Village Bldgs - refurbish elevators - in progress	-	98,000	105,000	125,000			
Buildings 13	Harbor Village Bldgs - maintain/replace vinyl windows			90,000				
Buildings 15	Harbor Village Bldgs-replace/repair roofs/tiles/gutters-deferred	22,167	850,000	630,000	400,000	900,000		
Buildings 20	National Park Serv Bldg-1431 Bldg-HVAC system-deferred	5,497	50,000	35,000				
Buildings 22	National Park Serv Bldg - 1691 Bldg - HVAC system							100,000
Buildings 23	Harbor Village Bldgs - paint all exterior walls/trim/facades			500,000				
Buildings 30	Harbor Village - repair/replace existing restaurant decking					100,000		
Buildings 31	Harbor Village - Fiber Optic installation		45,000					
Dry Stor 34	Dry Storage Lot - replace/repair fencing							20,000
Fisheries 36	Fish Pier - resurface as needed				370,000			
Fisheries 38	Fish Pier Crane - replace - crane on order/install June2015	27,823	130,000					
Headqrtrs 39	District Headquarter - replace two maintenance vehicles			40,000				
Headqrtrs 40	District Headquarters - renovate/inspect HVAC system							20,000
Headqrtrs 44	District Headquarters - emergency generator							70,000
Landscape 48	Harbor Village-landscape/hardscape - delete	10,644	170,000					
Marina 56	Vlg Marina - replace gangway on dock C - delete	400	120,000					
Marina 58	Vlg Marina - replacement docks D,G&H with concrete docks - deferred	9,529	80,000	50,000	3,000,000			
Parklots 60	Harbor all parking lots - repair as needed/slurry coating			100,000	820,000			
Parklots 61	Harbor Village Parking Lot-construct trash enclosure-delete	1,955	30,000					
Grounds 1	Port District Office - purchase/install permanent flag pole	1,249	8,000					
	Total Capital Improvement and Maintenance Projects	79,264	1,581,000	1,550,000	4,715,000	1,000,000	15,000	210,000

ATTACHMENT 4

VENTURA PORT DISTRICT PRELIMINARY BUDGET BY DEPARTMENT FISCAL YEAR 2015-16

6/10/2015

	<u>Actual</u> <u>2012-13</u>	% Incr/ -Decr over fy11-12 act	<u>Actual</u> <u>2013-14</u>	% Incr/ -Decr over fy12-13 act	<u>Est/Act</u> <u>2014-15</u>	<u>Budget</u> <u>2014-15</u>	<u>Proposed</u> <u>Budget</u> <u>2015-16</u>	<u>Comments</u>
OPERATING REVENUE								
Parcel Lease Income	2,819,616	0%	2,892,663	3%	2,940,000	2,990,000	2,950,000	
SRP Lease Rent	60,000		60,000		60,000	60,000	240,000	Assumes \$25k minimum rent to begin Oct 2015
Dry Storage Income	96,993		89,472		83,000	80,000	97,000	Rate increase 7/1/2015
Commercial Fishermen's Storage	57,442	10%	63,167	10%	69,500	70,000	76,500	Fishermens Storage Rental
Boat Washdown Income	3,400		3,560		4,500	3,000	4,500	
Commercial ID's Income	7,700		7,065		6,000	7,000	6,000	
Parking Income	64,242		55,877		55,000	55,000	65,000	Launch ramp parking fees \$52k; Parking citation fees \$13k
Sales of Services & Supplies	15,163		8,431		5,000	15,000	5,000	
Misc. Rentals	25,200		50,517		76,000	59,000	46,000	HBE Corp \$3k/mo until 11/30/15; Venco \$25k; Misc \$6k
Investment Income	(49,009)		102,788		30,000	25,000	30,000	
Harbor Village Lease Income								
Retail	427,052	-4%	445,324	4%	435,000	425,000	435,000	
Restaurant	949,193	0%	895,802	-6%	875,000	870,000	965,000	Increase due to projected increase in sales and rent from tenants currently closed undergoing renovations
Offices	567,992	3%	548,550	-3%	555,000	555,000	580,000	Increase due to leasing of suites previously vacant for over a year
Charters	298,454	9%	344,208	15%	335,000	355,000	350,000	
Comm Fish	67,828	-5%	62,422	-8%	80,000	70,000	95,000	
Fish Offloading	138,468	-38%	237,335	71%	155,000	150,000	155,000	
Tenant Late Charges	3,012		7,960		500	1,000	1,000	
Vending Machines/Misc Sales	14,758		5,357		4,200	5,000	5,000	
Booth/vendor income	10,301		9,968		9,000	9,500	10,000	
Sponsorships/Co-Op Advertising	5,158		14,210		17,000	16,500	16,500	
Harbor Event Permit Fees	18,762		37,777		43,000	33,000	40,500	
Marina Slip Rentals	957,435	3%	902,222	-6%	860,000	850,000	900,000	Rate increase 5/1/2015
Marina Electrical Income	31,823		31,921		29,000	26,000	26,000	
CAM Income	313,867		287,044		270,000	270,000	300,000	Assumes CAM at \$0.58/sqft
Merchants Promotion Dues	87,417		83,405		80,000	80,000	90,000	
TOTAL OPERATING REVENUE	6,992,267		7,247,045		7,076,700	7,080,000	7,489,000	
	Increase / -Decrease over prev year	-3%	4%		-2%		6%	

ATTACHMENT 4

	Actual 2012-13	% Incr/ -Decr over fy11-12 act	Actual 2013-14	% Incr/ -Decr over fy12-13 act	Est/Act 2014-15	Budget 2014-15	Proposed Budget 2015-16	Comments
OPERATING EXPENDITURES BY DEPARTMENT								
<u>Maintenance Personnel Expenses</u>								
Regular Salaries	244,945	5%	265,587	8%	250,000	250,000	260,500	Proposed 4% increase in base pay
Overtime Pay	5,511		3,609		4,000	6,000	4,500	
Holiday Pay	1,848		1,692		1,600	2,000	2,000	
Payroll Taxes	3,792		5,897		4,500	4,500	5,500	
Workers Comp Insurance	14,583		24,231		37,500	37,500	43,500	As per annual JPIA Retro Deposit Cost Analysis
Medical & Life Insurance	31,228		44,493		38,200	39,500	41,500	
Employee Optional Benefits	24,853		29,354		24,000	24,000	24,000	
Retirement Contributions	59,088		61,612		64,000	64,000	70,000	CalPERS employer Misc rate increased aprox 3%
Total Maintenance Personnel Expenses	385,848		436,475		423,800	427,500	451,500	
Increase / -Decrease over prev year	-5%		13%		-3%		7%	
<u>Maintenance Other Expenses</u>								
Uniforms	3,487		3,939		4,700	6,000	6,500	
Oil & Fuel Expense	9,272		8,385		7,000	11,000	10,000	
Operating Supplies	17,568		20,176		18,000	22,500	22,000	
Janitorial Supplies	5,907		8,349		15,000	18,500	25,000	Increase due to vandalism and compliance changes in the restrooms
Equipment Rental	6,751		2,978		10,500	10,500	6,000	Not necessary to mow down Parcel 15,18; SRP will have control
Auto Maintenance	19,586		11,231		14,000	15,500	15,000	
Building Maintenance	159,199		264,280		180,000	180,000	184,000	Includes: Doors/locks; plumbing; electrical; vandalism cleanup; roof repairs for buildings not in current replacement project; deckings; rain damage/dry rot
Grounds Maintenance	94,370		126,395		70,000	100,000	67,500	Includes: landscape/sprinklers (reduced); parking lots (striping, curbs, maint, etc); all outside signage, etc
Village Enhancements	30,148		35,039		25,000	50,000	35,000	Includes: fire pits in courtyards (\$10k); replace/clean tenant awnings as needed (\$25k)
Seasonal Decorations	16,879		21,347		26,000	26,000	26,000	Holiday themes (Christmas, July 4th, Thanksgiving, etc)
Harbor Maintenance	1,866		-		5,000	5,000	4,000	
Docks Maint. & Repairs	10,285		825		7,000	8,000	7,000	
Equipment & Repairs	31,632		33,047		35,000	35,000	35,000	Includes: elevators inspections & repairs; building fire sprinklers inspections&repairs; repairs/replacement of small tools & equipment
Conferences & Training	3,394		3,050		6,000	6,000	5,000	
Utilities-Electrical	59,015		66,406		60,000	60,000	65,000	
Utilities-Gas	2,478		1,659		2,000	2,500	2,000	
Utilities-Water	27,393		30,703		36,000	36,000	40,000	
Trash Disposal	16,543		16,567		20,000	20,000	20,000	
Outside Services	107,045		31,715		50,000	40,000	82,000	Includes: Hydro jetting main sewer lines; air conditioner maint; annual backflow device testing; pest control; - Natl Park alarm monitoring, janitorial services, and on-site security (per Lease) - abandoned vessel disposal; debris removal on parcels 15&18(\$28 onetime)
Total Maintenance Other Expense	622,818		686,091		591,200	652,500	657,000	
Increase / -Decrease over prev year	15%		10%		-14%		11%	
Total Maintenance	1,008,666		1,122,566	ok	1,015,000	1,080,000	1,108,500	
Increase / -Decrease over prev year	7%		11%		-10%		9%	

ATTACHMENT 4

	<div>% Actual 2012-13</div>	<div>Incr/ -Decr</div>	<div>% Actual 2013-14</div>	<div>Incr/ -Decr</div>	<div>Est/Act 2014-15</div>	<div>Budget 2014-15</div>	<div>Proposed Budget 2015-16</div>	<div>Comments</div>
	over fy11-12 act		over fy12-13 act					
<u>Administration & General Personnel Exp</u>								
Regular Salaries	594,851	2%	613,093	3%	605,000	605,000	635,000	Proposed 4% increase in base pay & New Bus Oper Mgr
Overtime Pay	704		3,568		1,500	3,500	2,500	
Holiday Pay	399		(398)		-	-	-	
Payroll Taxes	7,490		7,494		7,500	7,500	7,500	
Workers Comp Insurance	4,459		4,576		8,500	8,500	9,000	As per annual JPIA Retro Deposit Cost Analysis
Medical & Life Insurance	62,705		63,066		64,500	64,500	64,500	
OPEB Benefits	6,810		8,676		8,712	8,500	12,000	Increase due to two employees retiring
Employee Optional Benefits	45,746		45,277		45,000	46,000	46,000	
Retirement Contributions	142,305		147,294		154,000	154,000	172,000	CalPERS employer Misc rate increased aprox. 3%
Total Admin. & General Personnel Exp	865,469		892,646		894,712	897,500	948,500	
Increase / -Decrease over prev year	2%		3%		0%		6%	
<u>General & Administration Other Expenses</u>								
Advertising (public notices)	8,115		10,182		8,450	12,000	4,000	Classified ads pertaining to ground leases and project bid requests
Leasing / Marketing	-		-		-	-	17,000	Online & printed leasing material; graphic designs; photography; ads; ad production; attend business expos; and networking
Port District Open House	3,720		5,460		550	5,000	4,000	Annual Parade of Lights Judging/Viewing
Telephone/WiFi Communications	31,551		29,310		41,000	41,000	43,000	
Rental Expense	63,931		64,156		69,500	70,000	76,500	Fisherman's storage/net repair area lease (see also revenue for Fisherman's storage)
General Insurance	58,227		66,083		131,500	131,500	153,000	As per annual JPIA Retro Deposit Cost Analysis
Memberships	10,397		12,332		14,500	14,500	14,300	
Memberships-LAFCO Contrb.	6,300		6,500		5,000	5,000	5,700	
Subscriptions	1,373		1,354		1,200	1,500	1,500	
Office Supplies & Equipment	24,574		31,449		35,000	45,000	25,000	
Office Computer Equipment	25,071		18,527		15,000	21,000	12,500	
Security cameras/installs/maintenance	-		7,770		3,000	3,000	8,000	Purchase/install 10 video cameras
Postage & Express	5,477		4,423		5,000	6,500	5,000	
Equipment Rental	9,520		10,006		9,000	11,500	8,500	Copier machines/postage machine
Auto Mileage & Allowance	12,842		12,036		13,000	15,000	13,500	
Conferences & Meetings	36,907		35,581		30,000	35,000	33,000	
Professional Services - Auditing & Account	14,020		13,458		13,500	15,000	15,000	
Professional Services - Legal	189,148		220,789		240,000	240,000	150,000	Removed charges related to finalized leases
Professional Services - All others	107,255		175,645		180,000	223,500	100,000	
Trolley services to stop in Harbor	-		24,000		24,000	25,000	24,000	
Bad Debt/Uncollectable accounts	49,373		41,174		25,000	36,000	25,000	
Bank Fees & Other Misc.	16,441		13,455		10,000	15,000	15,000	Merchant services fees-process credit cards deferred from FY15
Total Admin. & General Other Expenses	674,242		803,690		874,200	972,000	753,500	
Increase / -Decrease over prev year	13%		19%		9%	21%	-14%	
 Total Admin & General Exp	 1,539,711		 1,696,336		 1,768,912	 1,869,500	 1,702,000	
Increase / -Decrease over prev year	6%		10%		4%		-4%	

ATTACHMENT 4

	Actual 2012-13	% Incr/ -Decr <small>over fy11-12 act</small>	Actual 2013-14	% Incr/ -Decr <small>over fy12-13 act</small>	Est/Act 2014-15	Budget 2014-15	Proposed Budget 2015-16	Comments
Harbor Village Marina Personnel Expenses								
Regular Salaries	257,110	-7%	229,055	-11%	220,000	225,000	232,500	Proposed 4% increase in base pay
Part-time Pay	9,500		22,824		15,000	20,000	12,500	
Overtime Pay	2,117		6,603		5,500	4,500	6,000	
Holiday Pay	4,301		5,569		8,000	6,000	8,500	
Payroll Taxes	4,547		5,002		5,000	5,500	5,500	
Workers Comp Insurance	12,206		19,366		37,500	37,500	43,500	As per annual JPIA Retro Deposit Cost Analysis
Group Medical Insurance	38,371		37,707		45,000	46,000	47,500	
Employee Optional Benefits	28,292		33,851		29,000	29,000	29,000	
Retirement Contributions	63,583		55,004		56,500	56,500	62,500	CalPERS employer Misc rate increased aprox. 3%
Total Marina Expenses Personnel	420,027		414,981		421,500	430,000	447,500	
<small>Increase / -Decrease over prev year</small>		<small>-9%</small>		<small>-1%</small>			<small>6%</small>	
Harbor Village Marina Other Expenses								
Uniforms	234		2,720		4,500	5,000	5,000	
Fuel expense	-		138		700	1,000	1,000	
General Insurance	34,446		34,446		35,000	35,000	35,000	As per annual JPIA Retro Deposit Cost Analysis
Operating Supplies	1,915		5,248		5,000	9,000	9,000	Marina software deferred from FY15
Janitorial Supplies	5,244		5,601		8,000	7,500	7,500	
Other Equipment Repairs	1,604		1,206		500	1,500	1,500	
Building Maintenance	-		-		2,500	4,000	4,000	
Grounds Maintenance	10,001		5,621		19,500	19,500	8,000	
Dock Maint. & Repairs	23,506		2,672		20,000	30,000	30,000	
Fish Pier Repairs	11,931		13,474		21,000	21,000	12,000	
Conferences & Training	1,847		767		500	1,500	3,500	CA Assoc Harbor Masters/Port Captains; Marina Recreation Assoc.
Utilities-Electrical	60,725		58,222		65,000	65,000	70,000	
Utilities-Gas	4,743		4,924		6,000	8,000	8,000	
Utilities-Water	44,769		50,824		49,000	49,000	55,000	
Trash Disposal	12,776		12,332		14,500	14,500	14,500	
Professional/Outside Services	81,255		30,872		45,000	45,000	47,500	An outside security company is being used to cover shifts when Dockmasters are not available to work; pier cleaning; janitorial service for boaters restrooms
Misc. Expense	-		-		100	500	500	
Total Marina Other Expenses	294,996		229,067		296,800	317,000	312,000	
<small>Increase / -Decrease over prev year</small>		<small>6%</small>		<small>-22%</small>		<small>30%</small>	<small>38%</small>	<small>5%</small>
Total Marina Expenses	715,023		644,048		718,300	747,000	759,500	
<small>Increase / -Decrease over prev year</small>		<small>-3%</small>		<small>-10%</small>		<small>12%</small>	<small>6%</small>	

ATTACHMENT 4

	Actual 2012-13	% Incr/ -Decr	Actual 2013-14	% Incr/ -Decr	Est/Act 2014-15	Budget 2014-15	Proposed Budget 2015-16	Comments
	over fy11-12 act		over fy12-13 act					
Harbor Village Common Area Maintenance (CAM) Personnel Expenses								
Regular Salaries	264,280	5%	290,562	10%	300,000	295,000	308,000	Proposed 4% increase in base pay
Part-time Pay	-		-		-	-	-	
Overtime Pay	3,692		3,751		5,500	5,000	5,500	
Holiday Pay	3,240		3,398		5,000	4,000	5,000	
Payroll Taxes	3,977		5,780		5,000	6,000	6,500	
Workers Comp Insurance	15,646		26,640		37,500	37,500	43,500	As per annual JPIA Retro Deposit Cost Analysis
Group Medical Insurance	35,659		41,196		51,500	53,000	56,000	
Employee Optional Benefits	30,440		30,097		34,000	34,000	34,000	
Retirement Contributions	50,190		53,401		59,000	59,000	65,000	Includes employees subject to PEPRA Laws
Total C.A.M. Personel Expenses	407,124		454,825		497,500	493,500	523,500	
Increase / -Decrease over prev year	1%		12%		9%	9%	5%	
Harbor Village Common Area Maintenance (CAM) Other Expenses								
Uniforms	4,088		4,430		5,000	4,500	5,500	
Oil & Fuel Expense	6,510		7,662		7,500	6,500	8,500	
General Insurance	33,893		41,357		108,000	108,000	130,000	As per annual JPIA Retro Deposit Cost Analysis
Operating Supplies	517		2,116		1,500	2,500	2,500	
Janitorial Supplies	25,431		25,967		26,000	26,000	28,000	
Building Maintenance	3,774		9,742		30,000	45,000	55,000	
Grounds Maintenance	28,737		13,079		11,000	10,000	9,500	
Equipment & Repairs	3,425		5,696		4,000	5,000	4,500	
Utilities-Electrical	39,025		38,955		36,000	40,000	45,000	
Utilities-Water	46,790		53,318		72,000	72,000	75,000	
Trash Collection	7,794		14,102		12,000	16,000	17,000	
Professional/Outside Services	66,136		57,323		55,000	55,000	54,000	Services at Village - Ambient music; janitorial service; pest control; parkinglot sweeping
Total C.A.M. Other Expenses	266,120		273,747		368,000	390,500	434,500	
Increase / -Decrease over prev year	-5%		3%		34%	43%	18%	
Total CAM Expenses	673,244		728,572		865,500	884,000	958,000	
Increase / -Decrease over prev year	-2%		8%		19%		11%	

ATTACHMENT 4

	Actual 2012-13	% Incr/ -Decr	Actual 2013-14	% Incr/ -Decr	Est/Act 2014-15	Budget 2014-15	Proposed Budget 2015-16	Comments
		over fy11-12 act		over fy12-13 act				
Harbor Village Marketing Personnel Expenses								
Regular Salaries	119,078	5%	112,084	-6%	122,000	125,000	126,500	Proposed 4% increase in base pay
Part-time Pay	11,561		36,270		31,000	31,000	29,000	
Overtime Pay	3,388		884		1,500	2,000	2,000	
Holiday Pay	209		(208)		500	500	500	
Payroll Taxes	2,608		4,466		4,000	4,000	4,500	
Workers Comp Insurance	953		1,138		2,000	2,000	2,000	
Medical & Life Insurance	15,542		13,858		10,000	10,000	10,000	
Employee Optional Benefits	9,600		8,407		12,500	13,000	13,000	
Retirement Contributions	28,017		26,519		35,000	35,000	26,000	Includes employee subject to PEPRA Laws
Total Marketing Personnel Expenses	190,956		203,418		218,500	222,500	213,500	
Increase / -Decrease over prev year		3%		7%	7%	9%	-2%	
Harbor Marketing Other Expenses								
Advertising	115,226		136,688		145,000	131,000	134,500	Reduced in hopes of getting more coop advertising involvement
Graphic Design/Ad Production	16,184		19,900		20,000	20,000	22,000	Increase due to rate increases
Event Banners	381		1,492		1,000	1,000	1,500	
Maps/Rack Cards/Harbor Brochures	8,077		14,465		15,000	20,000	16,500	
Certified Rack	2,289		2,528		2,500	2,500	2,500	
Tourism Outreach and Partnership	5,845		6,144		9,000	9,000	9,000	
Entertainment-live music	16,952		18,932		23,000	23,000	23,000	
Event Production	51,572		52,443		60,000	60,000	63,500	
Equipment Rental-Copier	5,413		5,323		5,500	6,000	5,000	
Content Marketing/Website Social Media	3,820		13,658		10,000	18,500	13,600	
Miscellaneous	183		72		300	500	400	
Total Marketing Other Expenses	225,942		271,645		291,300	291,500	291,500	
Increase / -Decrease over prev year		8%		20%	7%	7%	0%	
Total Marketing Expenses	416,898		475,063		509,800	514,000	505,000	
Increase / -Decrease over prev year		6%		14%	7%	8%	-1%	
Total Operating Exp. Before Dredging	4,353,542		4,666,585		4,877,512	5,094,500	5,033,000	
Increase / -Decrease over prev year		3%		7%	5%	9%	3%	

ATTACHMENT 4

	<u>Actual 2012-13</u>	<u>Actual 2013-14</u>	<u>Est/Act 2014-15</u>	<u>Budget 2014-15</u>	<u>Proposed Budget 2015-16</u>	<u>Comments</u>
<u>Harbor Dredging and Related Expenses</u>						
Harbor Maintenance Dredging	-	-	-	-	-	
Dredging & Project Management Prof. Serv	109,462	106,757	108,000	110,000	110,000	Consultants breakdown of services provided - Dredging 25% - 35% Project Management 45% - 55% General Support 15% - 25%
Washington Lobbyist Prof Serv	65,000	60,000	60,000	60,000	60,000	
Dredg. Regulatory Require.	71,557	69,836	50,000	80,000	80,000	
Dredging Conferences	8,794	5,813	4,000	9,000	9,000	
Dredging Misc. Expenses	1,000	1,128	1,000	1,000	1,000	
Total Harbor Dredging Expenses	255,813	243,534	223,000	260,000	260,000	
TOTAL OPERATING EXPENDITURES	4,609,355	4,910,119	5,100,512	5,354,500	5,293,000	
Increase / -Decrease over prev year	-22%	7%	4%	9%	4%	
Operating Cash Flows In (Out)	2,382,912	2,336,926	1,976,188	1,725,500	2,196,000	The operating expenses for the Harbor Patrol Dept have been seperated out to properly reflect the Property Tax revenue used to cover these expenses

ATTACHMENT 4

	<u>Actual 2012-13</u>	<u>Actual 2013-14</u>	<u>Est/Act 2014-15</u>	<u>Budget 2014-15</u>	<u>Proposed Budget 2015-16</u>	<u>Comments</u>
NON-OPERATING and OTHER EXPENDITURES						
Harbor Patrol exp. not funded by prop. taxes	5,179	116,053	264,500	218,000	266,000	
Launch ramp expenses not funded by gran Master Plan/Specific Plan	-	-	-	-	-	Final plan for launchramp parking redesign pending
COP's Interest Payment	497,366	474,339	456,881	455,000	435,000	
DBAW Loan #1 Interest Payment \$4m	160,820	160,934	160,776	160,000	160,000	
DBAW Loan #2 Interest Payment \$1.5m	57,241	55,767	55,650	55,000	55,000	
Principle Payments on bonds/loans	560,341	588,151	616,306	620,000	640,000	
TOTAL NON-OPER. EXPENDITURES	1,290,007	1,395,244	1,554,113	1,508,000	1,556,000	
Annual Cash Flows In (Out) from normal operations before any Improvements	1,092,905	941,682	422,075	217,500	640,000	
Building Tenant Improvement's	56,696	140,681	230,000	230,000	285,000	See attached Tenant Improvement Schedule
Accessibility Improvements	-	-	100,000	265,000	315,000	RRM Plans for next phase of path of travel thru Village \$60k and Misc Improvements \$50k; Misc improvements to restrooms \$10k (Spinnaker RR 1575, 1691 & downstairs 1559); Improvement Plans to restrooms \$25k (Spinnaker Restrooms at 1567, 1583 & 1591); DAC \$10k; Parking lot improvements \$160k (plans by Jensen)
Capitla Improvement Projects	539,690	561,887	275,000	1,581,000	1,550,000	See attached Capital Improvement Schedule
Annual Cash Flows In (Out)	496,519	239,114	(182,925)	(1,858,500)	(1,510,000)	
Unrestricted Reserve Balance	7,112,000	5,627,000	7,500,000	5,700,000	6,000,000	

ATTACHMENT 4

	Actual 2012-13	% Incr/ -Decr <small>over fy11-12 act</small>	Actual 2013-14	% Incr/ -Decr <small>over fy12-13 act</small>	Est/Act 2014-15	Budget 2014-15	Proposed Budget 2015-16	Comments
Harbor Patrol Department Expenses funded from Property Taxes and Assessments collected by the County of Ventura								
Property Taxes & Assessments Revenue	944,974	-2%	989,720	5%	1,010,000	1,010,000	1,030,000	
							2%	
<u>Harbor Patrol Personnel Expenses</u>								
Regular Salaries	517,748	2%	505,289	-2%	535,000	535,000	548,000	Proposed 4% increase in base pay
Part-time Pay	40,306		63,550		30,000	36,000	36,000	
Overtime Pay	26,350		30,293		31,000	35,000	35,000	
Holiday Pay	19,255		17,586		23,000	20,500	24,000	
Payroll Taxes	10,608		12,556		13,000	15,000	15,000	
Workers Comp Insurance	50,123		127,603		192,000	192,000	219,000	As per annual JPIA Deposit Cost Analysis
Medical & Life Insurance	59,125		52,940		59,000	59,000	47,000	
Employee Optional Benefits	39,977		43,428		50,000	50,000	47,000	
Retirement Contributions	81,259		92,615		92,000	95,000	118,500	CalPERS employer Safety rate increased aprox 3%
Total Harbor Patrol Personnel Exp	844,751		945,860		1,025,000	1,037,500	1,089,500	
Increase / -Decrease over prev year	-1%		12%		8%	10%	6%	
<u>Harbor Patrol Other Expenses</u>								
Uniforms	8,563		7,691		31,000	31,000	13,000	
Oil & Fuel Expense	31,762		28,297		30,000	34,000	34,000	
Operating Supplies & Expense	14,220		14,322		20,000	21,000	21,000	
Boat Maintenance	21,211		82,659		130,000	60,000	65,000	Fireboat sounding for noise control \$5k and fireboat plumbing \$10k, both deferred from FY15; labor to install engines in Boat 17 \$20k; general maintenance \$2500/mo
Auto Equip & Maint.	2,090		8,248		5,500	5,000	6,500	
Conferences & Training	3,587		3,585		3,000	3,500	4,000	CA Harbormasters Conference and CBSOA Conference
Summer Lifeguard Services	23,969		15,111		30,000	32,000	59,000	Based on State of CA service proposal; staff is researching other possible alternatives
Professional Services	-		-		-	4,000	4,000	Self Contained Breathing Aparatus (SCBA) testing, deferred from FY15
Total Harbor Patrol Other Expenses	105,402		159,913		249,500	190,500	206,500	
Increase / -Decrease over prev year	16%		52%				-17%	
Total Harbor Patrol Expenses	950,153		1,105,773		1,274,500	1,228,000	1,296,000	
Increase / -Decrease over prev year	0%		16%		15%	11%	2%	
Expenditures remaining after Property Tax Revenues were applied	(5,179)		(116,053)		(264,500)	(218,000)	(266,000)	Remaining expenditures are funded from Operating Revenues

ATTACHMENT 4

	<u>Actual 2012-13</u>	<u>Actual 2013-14</u>	<u>Est/Act 2014-15</u>	<u>Budget 2014-15</u>	<u>Proposed Budget 2015-16</u>	<u>Comments</u>
Expenditures funded by Grants and Special Funding						
<u>Grants and Special Funding</u>						
DBAW Grants-abandon vessel&vessel turn	5,085	-	13,500	13,500	5,500	
DBAW Grants-Boating Equipment	-	34,419	-	49,500	59,500	The District was not awarded the boat equipment grant applied for in FY14-15
DBAW Grant-Training Expense Reimb	5,625	694	5,000	6,000	10,000	
DBAW Grants-LaunchRamp	50,476	1,894,253	75,000	167,000	-	Final plan for launchramp parking redesign pending
TOTAL GRANTS & SPECIAL FUNDING	61,186	1,929,366	93,500	236,000	75,000	
<u>Projects, Equipment and Training Expenses</u>						
Vessel Salvage-Abandoned and Turn-in	5,085	-	13,500	13,500	5,500	
Boat Equipment	-	34,419	-	49,500	59,500	Grant for \$39,000 for engines for B17, \$10,500 for radar/GPS/depth sounder/misc equipment for two boats
Harbor Patrol Training	5,625	694	5,000	6,000	10,000	
Renovate LaunchRamp	50,476	1,894,253	75,000	167,000	-	Final plan for launchramp parking redesign pending
TOTAL PROJECTS & EQUIPMENT	61,186	1,929,366	93,500	236,000	75,000	

ATTACHMENT 5

Capital Improvement and Maintenance Plan Five Year Projection FY2015-2016

		Fiscal Yr <u>15-16</u>	Fiscal Yr <u>16-17</u>	Fiscal Yr <u>17-18</u>	Fiscal Yr <u>18-19</u>	Fiscal Yr <u>19-20</u>
Annual totals for reference		\$ 1,550,000	\$ 4,715,000	\$ 1,000,000	\$ 15,000	\$ 210,000
Buildings 8	Location - National Park Service Building, 1431 Spinnaker Drive Public elevators; refurbish chair elevator as budgeted, FY18-19. Funded from normal operations				15,000	
Buildings 9	Location - Harbor Village Public elevators, budget to modernize elevator with electronic controls and ADA upgrades, or replacement elevator; Location 1) 1691 Island Packers & Natl Park Service building - broke down and became a priority for FY14-15. Elevator for 1583 bldg is deferred to FY15-16, Location 2) 1583 Spinnaker Seafood building as budgeted FY15-16, Location 3) 1591 Le Petite Cafe building as budgeted FY16-17. Funded from unrestricted capital improvement reserves	105,000	125,000			
Buildings 13	Location - Harbor Village Replace windows with double pane vinyl retrofit windows. Primarily east side of buildings and windows facing inner courtyards. All other windows have already been refurbished. Location 1) 1449 Fisheries building Location 2) 1559 Brophy Bros. building Location 3) 1567 Margarita Villa and Hats Unlimited buildings Location 4) 1575 Harbor Wind building Location 5) 1583 Spinnaker Seafood building Location 6) 1591 Blackbeard BBQ building Funded from unrestricted capital improvement reserves	90,000				

ATTACHMENT 5

Capital Improvement and Maintenance Plan Five Year Projection FY2015-2016

		Fiscal Yr <u>15-16</u>	Fiscal Yr <u>16-17</u>	Fiscal Yr <u>17-18</u>	Fiscal Yr <u>18-19</u>	Fiscal Yr <u>19-20</u>
Annual totals for reference		\$ 1,550,000	\$ 4,715,000	\$ 1,000,000	\$ 15,000	\$ 210,000
Buildings 15	<p>Location - Harbor Village Roof, covering, flashing, gutters, drainage refurbish. Replace all flat roof coverings and replace tiles as needed. Replace extensively deteriorating metal gutters and downspouts with copper gutters and downspouts with the roof work. Original roof is true Spanish tile.</p> <p>All the Village roofs are in need of refurbishing, it is in the District's best interest to perform the roof repairs on the buildings in the Village over several years. These roof repairs should not be performed all at the same time as the repairs will interfere with the Village tenants' business'. Also, we do not want to perform work during high peak summer season or during the rainy seasons. This limits our window of opportunity for performing repairs.</p> <p>This project was scheduled to begin in FY14-15 but was delayed due to the complexity of the project requiring additional engineering. All previously scheduled repairs have been pushed out one year to begin in FY15-16.</p> <p>Budgeted in FY15-16 Location 1) 1431 National Park Service Building-deferred Location 2) 1449 Fisheries Building Location 3) 1559 Brophy Bros. Building</p> <p>Budgeted in FY16-17 Location 4) 1567 address has 3 buildings - Margarita Villa, Hats Unlimited and Ventura Pottery Location 5) 1575 Harbor Wind & Kite building</p> <p>Budgeted in FY18-19 Location 6) 1583 Spinnaker Seafood building Location 7) 1591 Blackbeard BBQ building Location 8) 1691 Island Packers & National Park Service building</p> <p>Funded from unrestricted capital improvement reserves</p>	630,000	400,000	900,000		

ATTACHMENT 5

Capital Improvement and Maintenance Plan Five Year Projection FY2015-2016

		Fiscal Yr <u>15-16</u>	Fiscal Yr <u>16-17</u>	Fiscal Yr <u>17-18</u>	Fiscal Yr <u>18-19</u>	Fiscal Yr <u>19-20</u>
Annual totals for reference		\$ 1,550,000	\$ 4,715,000	\$ 1,000,000	\$ 15,000	\$ 210,000
Buildings 20	<p>Location - National Park Service Building - 1431 Spinnaker Drive HVAC Systems; Need to replace two split/3 ton HVAC units. Work will include repairs and ducting replacement as needed.</p> <p>This project was scheduled for FY14-15 but has been deferred to FY15-16.</p> <p>Funded from unrestricted capital improvement reserves</p>	35,000				
Buildings 22	<p>Location - Harbor Village - National Park Service Offices - 1691 building, HVAC Systems -Three new HVAC Systems. These units are maintained annually and may need to be replaced in FY19-20</p> <p>Funded from unrestricted capital improvement reserves</p>					100,000
Buildings 23	<p>Location - Harbor Village Paint all exterior walls, facades, staircases and trim as budgeted FY15-16, Facades and trim will be maintained annually due to building exposure to sun, wind and corrosive salt air.</p> <p>Location 1) 1431 National Park Service building Location 2) 1449 Fisheries building Location 3) 1559 Brophy Bros. building Location 4) 1567 Margarita Villa, Ventura Pottery and Hats Unlimited buildings Location 5) 1575 Harbor Wind & Kite building Location 6) 1583 Spinnaker Seafood building Location 7) 1591 Blackbeard BBQ building Location 8) 1691 Island Packers & National Park Service building</p> <p>Funded from unrestricted capital improvement reserves</p>	500,000			-	
Buildings 30	<p>Location - Harbor Village Repair/replace existing restaurant decking at two buildings</p> <p>Location 1) 1575 Harbor Wind building Location 2) 1583 Spinnaker Seafood building</p> <p>Funded from unrestricted capital improvement reserves</p>			100,000		

ATTACHMENT 5

Capital Improvement and Maintenance Plan Five Year Projection FY2015-2016

		Fiscal Yr <u>15-16</u>	Fiscal Yr <u>16-17</u>	Fiscal Yr <u>17-18</u>	Fiscal Yr <u>18-19</u>	Fiscal Yr <u>19-20</u>
Annual totals for reference		\$ 1,550,000	\$ 4,715,000	\$ 1,000,000	\$ 15,000	\$ 210,000
Dry Storage 34	Location - Dry Boat Storage Lot on Anchors Way Drive Fencing; chain-link fencing around parcel, with two card-key-controlled sliding entry gates; refurbish on 5yr interval; Funding from normal operations					20,000
Fisheries 36	Location - Fish Pier Pier Deck Surface: Various fish unloading, other industry support operational problems as well as age, design and weathering of pier surface material have required a number of repairs to various areas of the pier paving surface. Half of the resurfacing was completed in FY13-14. The remaining half is in good enough condition to defer until FY16-17 to complete the resurfacing. Funded from unrestricted capital improvement reserves		370,000			
Headquarters 39	Location - Port District Headquarters/shop/yard - Replace two Maintenance vehicles (used) Funded from unrestricted capital improvement reserves	40,000				
Headquarters 40	Location - Port District Headquarters/shop/yard - Replace HVAC condenser in unit located at the District Headquarters as budgeted FY19-20. Maintain annually. Funding from normal operations					20,000
Headquarters 44	Location - Ventura Port District Headquarters Site electrical service; defer purchase and install of new emergency generator to FY19-20 and provide existing generator as backup for emergency communications network, fire, etc. Funded from unrestricted capital improvement reserves					70,000

ATTACHMENT 5

Capital Improvement and Maintenance Plan Five Year Projection FY2015-2016

		Fiscal Yr <u>15-16</u>	Fiscal Yr <u>16-17</u>	Fiscal Yr <u>17-18</u>	Fiscal Yr <u>18-19</u>	Fiscal Yr <u>19-20</u>
Annual totals for reference		\$ 1,550,000	\$ 4,715,000	\$ 1,000,000	\$ 15,000	\$ 210,000
Marina 58	<p>Location - Harbor Village Marina D, G & H docks Marina docks, pilings, FY14-15 Engineering, spec, and permits only. Docks D, G and H to be Bellingham Concrete or other equal, either replacing existing configuration or in new "Super Seiner" commercial fishing configuration (NOBLE 2012). New construction will require pilings. This project is still in the permitting stages and is scheduled to go to bid in FY16-17.</p> <p>Construction financing through a third party</p>	50,000	3,000,000			
Parking lots 60	<p>Location - Parking Lots Remove and replace sections of the asphalt at Harbor Village, Harbor Cove and Surfers Knoll in FY15-16 - \$100,000.</p> <p>Will defer any major restoration and asphalt replacement including parking lot slurry coat, striping/curb painting to FY16-17.</p> <p>Location 1) 1431 National Park Service building Location 2) 1449 Fisheries building Location 3) 1559 Brophy Bros. building Location 4) 1567 Margarita Villa, Ventura Pottery and Hats Unlimited buildings Location 5) 1575 Harbor Wind building Location 6) 1583 Spinnaker Seafood building Location 7) 1591 Blackbeard BBQ building Location 8) 1691 Island Packers & National Park Service building Location 9) Surfers Knoll Location 10) Harbor Cove Location 11) Dry Boat Storage on Anchors Way Location 12) 19A Overflow Parking Lot on corner of Schooner and Harbor Blvd Location 13) Public Boat Launch Facility on Anchors Way</p> <p>Funded from unrestricted capital improvement reserves</p>	100,000	820,000			
TOTAL CAPITAL IMPROVEMENT PLAN		\$ 1,550,000	\$ 4,715,000	\$ 1,000,000	\$ 15,000	\$ 210,000

ATTACHMENT 6

SUPPLEMENTAL BUDGET INFORMATION

RE: THE 2015 – 2016 Preliminary Budget and Five Year Capital Improvement Plan

BACKGROUND: The Commission received a report in May on the 2015 – 2016 preliminary budget and five year capital improvement plan and had the following comments and questions:

1) Commissioner Carson

- A. General Expenses, Advertising – Would like more of an explanation for this increase. At this time would not be in favor of this increase; needs to be more comprehensive.**

Any commercial property with leasing opportunities needs tools to lease vacant space. This includes:

- Printed and online material that includes information about the project, sales information and demographic information.
- Site plans illustrating the project and specific floor plan of each vacant office, retail or restaurant space.
- Advertising in local newspapers, trade magazines and online with various real estate services that promote your project.
- Monthly networking at Chamber breakfast events & mixers, attending lease business expos or real estate leasing conferences such as International Council of Shopping Centers which has state, regional, national/international conferences with developers, retailers, restaurants, hotels and any other use you can think of that goes into a commercial setting.
Revised Budget request = \$17,000.
- Also include in this category is the advertising in local newspapers for public notices.
Budget request = \$4,000

- B. General Expenses Cont'd, Village Enhancements – What budget does this go under? Would like to see a joint effort with both Property Management and Maintenance. Property Management should be involved in this process.**

Village enhancements is under the category of 'Maintenance' and other expenses. This is managed by the Property Manager. The items in this category are fire pits in the common areas adjacent to restaurant seating and cleaning or replacing awnings. Over the last two years this has been a \$20,000 to \$23,000 expenditure per year. This does not include those awnings in restaurants that are replaced as part of the tenant improvement allowance.

In the Building Maintenance category, this includes such items as door and lock repairs, plumbing, electrical, and vandalism cleanup.

- C. General Expenses Cont'd, Janitorial Supplies - \$8,500 increase; seems large.**

To improve the accessibility in our public restrooms, paper towel dispensers are being added for easy access. In previous years we've relied on hand dryers, but they are not easily accessible.

- D. General Expenses Cont'd, Prof. Serv/Downtown Trolley Partnership – Are we going to continue with this? Need to bring in more partners. Should be up for discussion.**

The Board was provided an update on the trolley at its last meeting.

- E. Marketing & Promotional Expenses, Advertising – In favor of staying around \$131,000, unless there is a justification for the \$9,000 increase.**

The budget for advertising under the marketing and promotional section is \$134,500. Last year we requested \$131,000 in the budget. The estimated actual expense for 2014/15 is \$145,000. In an effort to reduce expenses we have reduced this expenditure. Hopefully we can find more partners to advertise the Village/Harbor next year.

- F. Non-Operating and Other Expenditures – Is the increase attributed to the Harbormaster salary being part of the Harbor Patrol Department now? Yes.**

Under this category we are reporting the amount of the Harbor Patrol expenses not funded by property taxes. It was not a request for more funding, however in the latest budget submitted there is a slight increase attributed to the salary of the Harbormaster.

- G. Building Tenant Improvements – What does this include?**

See attached Tenant Improvement Schedule.

- H. Capital Improvement and Maintenance Projects, Roofs – This wasn't on the radar. Hopes staff is continuing to look at every option.**

The roofing projects were on the Needs Assessment Report developed by the Corrough Consulting Group in 2012. At mid-year we requested an increase in the budget which the Board approved. This will likely be a topic of discussion at the next meeting June 24, 2015.

- I. \$3M for dock replacement – Loan?**

There has been much discussion about the replacement of docks D, G & H at Harbor Village Marina. Staff will be responding to the Coastal Commission on why this is beneficial to the District. If they are satisfied with our response to increase space for commercial fishing we expect they may issue a Coastal Development Permit. This was our first step to determine if we could obtain a permit. The second phase will be to obtain financing.

- J. Harbor Village Marina Other Expenses, Grounds Maintenance – More information on the substantial decrease. Needs to be continued. Should be under Property Management, not Maintenance.**

Under the Maintenance and other Expenses category, this includes repair and replacement of landscaping and sprinklers, parking lot maintenance such as striping and curb repairs and all outside signage. In the category of Grounds Maintenance for the Marina, this expense is to maintain the revetment along the promenade. Since the District spent over \$600,000 restoring this structure a few years ago, we are now able to spend less to maintain this area of the Village.

- K. Harbor Village Common Area Maintenance (CAM) Other Expenses, Professional/Outside Services – More information; what is this for?**

Under this section of the CAM budget the professional services include contract janitorial services, pest control, parking lot sweeping and ambient music in the common area.

- L. Harbor Dredging and Related Expenses – Thought new position would be covering project management, however, it is 45-50% of this budget; why?**

The focus of the Business Operations Manager will not be project management functions. We intend to continue utilizing Mr. Parsons on the larger projects, the Property Manager on tenant

improvement/Village enhancements (which includes creative landscaping ideas) and our Facilities Manager on all other projects.

The Business Operations Manager may assist as needed when we need to move certain projects faster. This includes collaborating with the development of the bid package, contractor selection, screening and reviewing contracts for proposed work that does not require the public bidding process.

2. Commissioner Smith

- M. Harbor Village Lease Income, Retail – Leasing strategy – To assume 100% occupancy is false. Do not know any shopping facility that does not account for 3-5% vacancy at any time because there is always a business going out or coming in. Unanticipated expenses of helping new tenants move in.**

The first draft of the budget included a vacancy factor but was not illustrated in the budget. In fact stipulating 100% occupancy was an error. The second draft of the preliminary budget reflects a 9.2% vacancy.

- N. General Expenses, Advertising – More information.**

Previously addressed

- O. Marketing & Promotional Expenses, Advertising – More information on \$9,000 increase.**

Marketing had requested a \$9,000 increase in advertising due to increased production costs. The General Manager recommended a 2.67% increase from the 2014-15 budget. This amount is actually 7.24% less than the estimated actual for 2014-15. Our marketing team will have to find more advertising partners to accomplish the amount spent in the current fiscal year (\$145,000).

- P. Personnel Expenses, Total Wages, 5% increase in base pay - Thinks there is a desire to do something since there hasn't been an increase for a while. Should provide a fair living wage increase; 5% should not be end all. Why appropriate at this time?**

The General Manager is looking for some direction from the Board. The second draft of the preliminary budget suggests a 4% increase in payroll from the 2014-15 payroll expense. Perhaps a one-time payment of \$2,000 to \$2,500 could be made to each full-time employee when the Sondermann Ring lease is executed. This proposal would offer the same amount to all employees with the assumption they are all working at a satisfactory level. There may be other alternatives but this is a simple way to reward employees.

- Q. Rate increase for the launch ramp parking? Think we will have to increase.**

The Board approved a launch ramp increase last month. The District needs to increase all fees to comparable market rates.

- R. More information on the cleanup of Parcels 15 and 18; \$28,000 increase?**

Over the last 20 years the District and others have stored material on this vacant property. This includes piling that could be recycled and used at the commercial fish pier, debris left behind by the general public (such as tires, metal or wood).

We are approximately one-third into completing this cleanup effort. There are still 32 pilings (total of 863 lin.ft.) that need to be disposed and all 11 k-rails that have found their way onto the property. All of these items have been utilized to keep vehicles off this property for the last 20 years or more.

Sondermann Ring Partners does not want any of these items, so they must be removed at the appropriate time.

- S. Purchase/install 10 video cameras – Is that part of the dock security issue? Would like to see the report (on increase security requested by Board) to see if this is the appropriate action, before approval of the budget.**

Frank Locklear provided the Board with a report on this topic in May.

3. Commissioner Ashworth

- T. Think a good idea to expand on clarifications and annotations under comments; especially on items not being thought about. Where are things that won't happen to us?**

Not clear about this comment.

- U. Glad to see the cameras are in the budget.**

Staff agrees

- V. All share a desire to raise salaries. Would like more detail on how staff looks at the 5% and are there triggers. Be clear on what that pool of money is. What is the timing and how do we implement?**

Previously addressed

- W. Urge some caution on assuming 100% occupancy.**

Previously addressed

- X. Annotate the advertising.**

Previously addressed

4. Commissioner Friedman

- Y. Employee salary increases – Don't want to make promises to employees can't keep; it is a timing issue. Does not want to commit to an obligation that may not be able to meet because certain assumptions do not come through. Interested in staff take a look at what the City did; employees start paying into retirement.**

Look forward to more discussion with Board.

- Z. General Expenses, Advertising – What above and beyond do you typically do? Do you go through a broker?**

Previously addressed

- AA. Capital Improvement Budget – Reserve fund. Need to be conservative. Not nearly as ambitious as you are; hope to come up with a happy medium.**

Both staff and commissioners need to examine and prioritize the Capital Improvement Budget in a workshop setting if necessary.