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Existing and Proposed Slip Fee Categories
with 4% increase effective July 1, 2010

20' slips	\$ 7.55
25' slips	\$ 7.92
28' slips	\$ 8.12
30' slips	\$ 8.30
35' slips	\$ 8.66
40' slips	\$ 9.01
43' slips	\$ 9.24
45' slips	\$ 9.39
50' slips and over	\$ 9.74

Proposed 60' and over fee categories

		# berths
60' slips/ end ties	\$ 10.57	29
70' end ties	\$ 11.47	3
80' end ties	\$ 12.44	5
90' end ties	\$ 13.50	0
100' end ties	\$ 14.65	1

Per foot per month.

Based on vessel size or berth size, whichever is greater.

Waterfront Debt Service Summary
FY 2010

2002 Certificates of Participation (COPs)

Loan amount \$ 19,405,000.00
Start Date: July 9, 2002
Term: 25 Years
Interest: 5%
Balance June 30, 2010 \$ 14,960,000.00
Purpose: Refinance 1992 Certificates; \$18,500,000, pay off US Department of Commerce loan \$557,000 + cost of issuance \$570,000
Note: prepayment penalty ends October 1, 2013.

General Fund Loan

Loan amount \$ 1,235,517.00 (Originally \$2.6 million)
Start Date: June 30, 2009
Term: 20 years
Interest: 6% Fixed
Balance June 30, 2010 \$ 1,201,930.00
Purpose: Repair 1983 storm damage to Stearns Wharf
Note: Annual principal-only payments of \$100,000 began 1995. Loan restructured to principal + interest loan on June 30, 2009.

Chandlery Building Loan

Loan amount \$ 1,700,000.00
Start Date: January 3, 2005
Term: 30 Years
Interest: 6% Fixed
Balance June 30, 2010 \$ 1,592,358.00
Purpose: Finance 50% of Chandlery Building remodel

DBAW Loan

Loan amount \$ 5,550,000.00
Start Date: January 1, 2010
Term: 30 Years
Interest: 4.5% Fixed
Balance June 30, 2010 N/A
Purpose: Finance first 4 phases Marina 1 replacement.
Note: first loan draw has not yet occurred.

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Waterfront Salaries & Benefits
Five-year History

	2005	2006	2007	2008	2009	2010	2011
	Actual	Actual	Actual	Actual	Actual	Budget	Proposed
Salaries- Full Time	2,391,902	2,534,290	2,693,612	2,796,353	2,964,209	3,131,159	3,207,313
Salaries- Hourly	671,653	682,798	691,815	699,436	733,297	725,281	727,536
Salaries- Overtime	60,847	71,177	69,689	98,073	96,248	107,100	109,600
Salaries- Vacation Cashout	27,109	31,490	46,404	40,009	39,670	0	0
Salaries- OT Comp time Cashout	14,071	15,840	16,591	8,883	23,339	0	0
Furlough Savings							
Subtotal Salaries	3,165,582	3,335,595	3,518,111	3,642,754	3,856,763	3,963,540	4,044,449
Retiree Medical	8,862	15,590	12,687	18,306	15,800	15,954	14,522
Benefits- Grp. Insurance	361,935	386,157	437,115	456,632	489,512	523,817	541,132
Benefits- Retirement	560,174	735,152	725,914	739,397	810,806	800,731	839,338
Benefits- Work Comp / Unemp	206,729	241,032	219,772	148,256	157,229	155,533	173,181
Medicare	38,769	40,412	43,605	44,263	49,026	50,523	52,631
Hourly EE Retirement	5,476	6,885	7,918	7,317	8,138	9,429	9,458
Hourly Medical	0	0	1,320	6,533	7,200	0	0
Year-End Salary Accrual	15,201	19,451	20,256	32,692	0	0	0
Subtotal Benefits	1,197,146	1,444,679	1,468,587	1,453,396	1,537,711	1,555,987	1,630,262
Total Salaries & Benefits	4,362,728	4,780,274	4,986,698	5,096,150	5,394,474	5,519,527	5,674,711

% Benefits to Salaries	37.82%	43.31%	41.74%	39.90%	39.87%	39.26%	40.31%
% Retirement to Salaries	17.70%	22.04%	20.63%	20.30%	21.02%	20.20%	20.75%

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February 2010 Marina Survey / Slip Fee Comparison

	20'	25'	30'	35'	40'	45'	50'	60'	70'	80'	90'	100'
Santa Barbara w 4% July 1, 2010	\$ 151.00	\$ 198.00	\$ 249.00	\$ 303.10	\$ 360.40	\$ 422.55	\$ 487.00	\$ 634.20	\$ 802.90	\$ 995.20	\$ 1,215.00	\$ 1,485.00
Ventura Isle*		\$ 301.00	\$ 393.00	\$ 504.00	\$ 622.00	\$ 731.00	\$ 844.00	\$ 1,074.00	\$ 1,371.00	\$ 1,733.00	\$ 2,156.00	
Ventura West*	\$ 225.00		\$ 369.00		\$ 534.00		\$ 720.00					
Ventura Harbor Village*			\$ 323.00	\$ 386.00	\$ 452.00	\$ 521.00		\$ 745.00		\$ 1,035.00	\$ 1,260.00	\$ 1,400.00
Morro Bay												
Morro Bay State Park		\$ 137.50			\$ 220.00							
Channel Islands Landing*												
Vintage Marina*		\$ 287.00	\$ 345.00	\$ 391.00	\$ 590.00	\$ 665.00	\$ 775.00					
Anacapa Isle*		\$ 337.00	\$ 439.00	\$ 564.00	\$ 696.00	\$ 818.00	\$ 943.00	\$ 1,209.00	\$ 1,521.00	\$ 1,843.00		\$ 2,527.00
Bahia Cabrillo (includes \$75 club fee)*		\$ 298.00	\$ 433.00	\$ 530.00	\$ 654.00	\$ 769.00	\$ 886.00	\$ 1,130.00				
Peninsula Yacht Marina*	\$ 177.00	\$ 280.00	\$ 365.00	\$ 468.00			\$ 783.00	\$ 977.00			\$ 1,745.00	
Channel Islands Harbor Patrol		\$ 250.00	\$ 330.00	\$ 385.00		\$ 495.00	\$ 550.00	\$ 660.00				
Alamitos Bay	\$ 164.45	\$ 256.95	\$ 370.00	\$ 471.60	\$ 584.65	\$ 688.55	\$ 787.90	\$ 1,014.00	\$ 1,262.96	\$ 1,534.76	\$ 1,829.30	
Rainbow Marina			\$ 370.00	\$ 472.00	\$ 584.65	\$ 689.00	\$ 788.00					
Long Beach Shoreline			\$ 370.00	\$ 472.00	\$ 585.00	\$ 689.00	\$ 788.00	\$ 1,014.00				
Port San Luis												
Monterey Harbor	\$ 136.00	\$ 208.00	\$ 246.00	\$ 288.00	\$ 310.00	\$ 337.00	\$ 355.00					
Santa Cruz Port District	\$ 193.00		\$ 360.00	\$ 420.00	\$ 480.00	\$ 540.00	\$ 600.00					
Oceanside Harbor	\$ 202.00	\$ 282.50		\$ 395.50			\$ 576.00					

* Possessory interest tax included in slip fee; privately operated.

CITY OF SANTA BARBARA WATERFRONT DEPARTMENT

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MEMORANDUM

Date: February 18, 2010
To: Harbor Commission
From: John N. Bridley, Waterfront Director
Subject: Fiscal Year 2011 Budget Overview

RECOMMENDATION: That Harbor Commission:

- A. Receive a report on the development status of the Fiscal Year 2011 Waterfront Department operating and capital budget; and
- B. Provide comments and direction on the various components of the draft budget proposal.

EXECUTIVE SUMMARY:

Budget Balancing Strategy

As an Enterprise Fund the Waterfront Department does not receive tax revenue as is the case with City General Fund Departments. Instead, the Department balances its budget by reducing expenditures, including capital expenditures, and adjusting user fees to maintain emergency and capital development reserves at required levels for six years into the future. Since revenue has stabilized in FY 2010 compared to FY 2009, the Waterfront Department does not anticipate the need to cut supplies and services in the operating fund to the same extent as last year. It is expected that the Waterfront Department will still be subject to an unpaid 2½ week employee work furlough for the second year in a row (Police and Fire Departments and Harbor Patrol were not previously subject to the mandatory furlough). As a result of last year's funding and program shifts from the General Fund to the Waterfront Department (Beach Lifeguard program, July 4th fireworks, three public restrooms, Dolphin Fountain maintenance, etc.) and the upcoming debt service for the Marina One reconstruction, the Department will leave several capital improvement projects unfunded, and will need to increase marina fees including slip fees and slip transfer fees.

To meet expenditures, the Department is proposing a 4% slip fee increase for FY 2011. Additionally, the Department is proposing new slip rate categories for thirty-eight 60 foot and larger slips and end ties, which have historically been charged the same rates as 50 foot slips. The Department will also need to leave \$1.9 million in future capital improvement projects unfunded to keep reserves at minimum required levels five to six years out.

Staff met with the Harbor Commission Budget Committee (Commissioners Kelly and Cramer) at a publicly-noticed meeting on February 3, 2010 to discuss the FY 2011

budget including program expenditures, the potential 4% slip fee increase and the new rate categories for 60 foot and larger berths. The Budget Committee supported the concept of the new rate for 60 foot and larger slips and end ties. The Committee also expressed interest in having staff research and produce an analysis of slip fees by square footage of the berth and comparing that to the current method of categorizing slip fees by lineal foot. No members of the public attended the Budget Committee meeting.

DISCUSSION:

Significant Issues Affecting FY 2011 Budget

The Waterfront budget needs to address operating expense increases as well as revenue shortfalls. As shown on Attachment 1, the ongoing national economic crisis has adversely affected property management (percentage rent income and low / negative Cost-of-Living base rent adjustments), and financial management / interest income compared to FY 2009. August 1, 2010 marks the beginning of the new debt service payment of \$143,000 to the State Department of Boating and Waterways for the Marina 1 loan; the new debt service payment will increase each year and is expected to reach \$422,500 per year by 2016 as the Marina 1 Replacement Project progresses through the first five phases of construction (6-year cash flow model/ Attachment 2).

Proposed Staffing

The Department will continue to operate with 46 full time employees; no new positions or reclassifications are under consideration as part of the FY 2011 budget submittal. However, a Wharf Maintenance Supervisor position was eliminated and a Wharf Maintenance Crew Leader position was created at mid year FY 2010, resulting in a minor annual reduction in the salaries & benefits line item. Hourly positions have been reduced in the Marina Management program due to a permanent staff member returning from a leave of absence. Hourly positions have been increased in the Wharf Maintenance program due to the Waterfront Department assuming maintenance of the public restrooms at the foot of Stearns Wharf and adjacent to the Chamber of Commerce Visitor Center as well as maintaining the Dolphin fountain. Hourly staffing levels in the Parking, Harbor Patrol, and Harbor Maintenance programs will remain unchanged.

Revenue Assumptions for FY 2010

As reported at the January 21, 2010 Harbor Commission meeting, projected revenues for FY 2010 were evaluated at mid-year using a 3-year seasonally adjusted average. As of December 31, 2009, (50% of the year) Waterfront revenue is at 54% of budget and \$375,000 (6%) above actual revenue received by December 31, 2008. If the trend continues, revenue will be at or near budget estimates by June 30, 2010. However, the extended periods of stormy weather in January and February will have a negative effect on Property Management and Parking revenue, and revenue projections may fall below mid-year expectations as a result.

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Revenue Assumptions and Variances for FY 2010

The most significant variance is the positive variance in the Marina Management / Slip Transfer Fee line item, which was budgeted at \$250,000 for the year. As of December 31, 2009, \$300,875 had been received for slip transfer fees compared to \$169,500 for the same time last year. In the Property Management program, commercial and food service lease revenue is down by \$116,000 (5.5%) compared to last year.

Expenditure Analysis

As of December 31, 2009, (50% of the way through FY10) Waterfront had spent \$6,469,547 or 54% of its adopted budget. Therefore, it is anticipated that Waterfront will finish the year within its FY 2010 budgeted expenditures. Waterfront does not expect any significant variances in FY 2010 expense projections at the program or Departmental level.

Program Expenditures for FY 2011

Waterfront Expenditures
 by program

	FY 2010	FY 2011	Variance	Variance
	<u>Budget</u>	<u>Proposed</u>	<u>\$10/11</u>	<u>% 10/11</u>
Administration (1)	4,479,057	4,665,722	186,665	4.17%
Property Management (2)	233,358	247,140	13,782	5.91%
Financial Management (3)	196,557	192,070	-4,487	-2.28%
Parking Services (3)	923,100	896,958	-26,142	-2.83%
Harbor Patrol (4)	1,833,413	1,946,595	113,182	6.17%
Marina Management (3)	296,063	279,800	-16,263	-5.49%
Harbor Maintenance (5)	2,649,730	2,694,241	44,511	1.68%
Wharf Maintenance (6)	941,328	953,936	12,608	1.34%
Facilities & Capital Design (3)	254,429	251,551	-2,878	-1.13%
	11,807,035	12,128,013	320,978	2.72%

(1) Includes new DBAW debt service & \$200K increase in Capital Outlay Transfer.

(2) Increase in Advertising & Promotions line item.

(3) Salary & Benefits savings due to furlough.

(4) Negotiated salary adjustment.

(5) Janitorial contract, CAM expenses, lot sweeping contract.

(6) Janitorial supplies & utilities for new restrooms.

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Waterfront Expenditures
 Summary

	FY 2010 Budget	FY 2011 Proposed	\$10/11	% 10/11
Salaries & Benefits (1)	5,519,527	5,556,390	36,863	0.67%
Supplies & Services	1,963,721	2,027,174	63,453	3.23%
ICS & Allocated Costs (2)	1,368,872	1,317,977	-50,895	-3.72%
Capital Outlay (3)	1,056,105	1,256,105	200,000	18.94%
Debt Service	1,593,441	1,665,998	72,557	4.55%
Equipment & Software	83,500	77,500	-6,000	-7.19%
Special Projects & Community Promotions (4)	121,869	126,869	5,000	4.10%
Appropriated Reserve	100,000	100,000		
Total w capital outlay	11,807,035	12,128,013	320,978	2.72%
w/o capital outlay	10,750,930	10,871,908	120,978	1.13%

(1) Includes 5% furlough.

(2) Refer to attachment 3.

(3) Transfers to fund Capital Projects.

(4) Beach Lifeguard program & July 4th fireworks (new FY2010).

Potential Slip Fee Revenue- 60 foot slips and larger end ties

All slip lengths between 20 and 50 feet are charged monthly fees based on a step scale (the larger the slip, the higher the per-foot fee), but 60 foot slips and larger end ties are subject to the 50 foot rate which is the top of the Department's current fee scale (Attachment 4). Currently, a 100 foot end tie is subject to the same per-foot rate as a 50 foot slip. It is logical that 60 foot slips and larger end ties should be subject to a higher per-foot fee, consistent with all the other slip size categories (20'-50').

The average percentage of fee increase between slips separated by ten feet in length (i.e. 20' vs. 30', 30' vs. 40', etc.) is 8.5%. The Department recommends establishing new fee categories in which a 60 foot berth fee will be 8.5% higher per foot than a 50 foot berth, a 70 foot end tie fee will be 8.5% higher per foot than a 60 foot slip/end tie, an 80 foot end tie fee will be 8.5% higher than a 70 foot end tie, a 90 foot end tie fee will be 8.5% more than an 80 foot end tie, and a 100 foot end tie fee will be 8.5% more than a 90 foot end tie. In all cases, 50 foot and larger end ties are the most desirable berthing locations in Santa Barbara Harbor.

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Revenue Assumptions for FY 2011

For the most part, FY 2011 revenue is forecasted to be flat (equivalent to FY 2010 expected) except line items that may be subject to fee increases (slip transfers and slip fees). The Department is considering the following fee increases:

Slip transfer fee increase \$25/foot (except 20'slips)	\$50,000
Slip fee increase 4%	\$147,000
New rate categories for 60' and larger berths	<u>\$40,542</u>
Total	\$237,542

As with previous years, a survey of 19 marinas is being conducted this month to help determine how Santa Barbara slip rental rates and various other fees compare with other publicly-operated harbors. The completed survey will be available at the March Harbor Commission meeting.

Capital Projects

As reported in greater detail at the November 19, 2009, Harbor Commission meeting, the Waterfront Department will fund \$2,555,000 in capital projects in FY 2010. The replacement of O and P fingers in Marina 1 will be funded by a \$1,200,000 installment of the approved loan from the California Department of Boating and Waterways (DBAW). The Department has also applied for an \$800,000 grant from DBAW to replace the concrete launch ramp in 2011 and 2012. Staff is also optimistic that a large portion of the \$325,000 estimated for the West Beach Dredging can be funded by other agencies and the sand from West Beach will be used to help replenish sand lost at Goleta Beach.

Waterfront Department Capital Projects FY 2011

Marina 1- O & P dock replacement (loan)	1,200,000
Marina Renovation	225,000
Parking Lot Maintenance	70,000
Stearns Wharf Heavy Timber Replacement	300,000
West Beach Dredging	325,000
Repair Fish Hoist	30,000
Harbor Restroom ADA Remodel	50,000
Replace lift station at Stearns Wharf	15,000
Seawall ADA handrail / sidewalk repairs	20,000
Solar Thermal upgrade	30,000
Launch ramp concrete (grant)	100,000
125 building windows and decking	90,000
Marina 3 ADA	25,000
Waterfront Center Building renovation	<u>75,000</u>
Total	2,555,000

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Staff will present a PowerPoint presentation covering the Waterfront Department budget development status at the February 18 Harbor Commission meeting.

- Attachments:
1. July-January Year-To-Date Revenue FY09/FY10
 2. Six-Year Cash Flow Model
 3. ICS and Overhead Allocation programs
 4. Existing and proposed slip fee categories

Prepared by: Scott Riedman, Waterfront Business Manager

Waterfront Department Revenue
as of December 31, 2009

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Description	Annual Budget	Actual YTD 12/31/2009	Actual YTD 12/31/2008	Change from Prior Year \$	Change from Prior Year %	
Harbor Commercial	866,670	457,802	490,857	(33,055)	-6.73%	
Wharf Commercial	471,929	246,119	268,217	(22,098)	-8.24%	
SB Waterfront Center (Museum)	143,457	71,608	71,174	434	0.61%	
Harbor Food Service	907,169	504,756	501,292	3,464	0.69%	
Wharf Food Service	1,205,056	631,535	693,504	(61,969)	-8.94%	
SB Waterfront Center (WF Grill)	281,155	152,065	154,788	(2,723)	-1.76%	
Harbor Other	136,715	78,016	69,928	8,088	11.57%	
SB Waterfront Center (NOAA)	48,607	24,304	24,304	-	0.00%	
Ice Machine	6,750	7,349	5,332	2,017	37.83%	
CAM	94,000	47,520	47,058	462	0.98%	
Miscellaneous Revenue	87,549	98,297	21,959	76,338	347.64%	
Compensation - Property Damage	-	-	2,950	(2,950)	-100.00%	
Total Property Management	4,249,057	2,319,371	2,351,363	(31,992)	-1.36%	54.59%
Interest Income	125,000	136,090	165,477	(29,387)	-17.76%	
Total Financial Management	125,000	136,090	165,477	(29,387)	-17.76%	108.87%
Cabrillo East	81,500	42,503	31,623	10,880	34.41%	
Cabrillo West	93,000	49,587	39,064	10,523	26.94%	
Palm Park	318,392	195,975	149,392	46,583	31.18%	
Garrett Street	176,099	100,605	82,894	17,711	21.37%	
Harbor West	97,500	55,655	40,299	15,356	38.11%	
Leadbetter	178,888	106,402	83,589	22,813	27.29%	
La Playa East	10,834	7,706	9,617	(1,911)	-19.87%	
La Playa West	9,933	6,358	9,001	(2,643)	-29.36%	
Harbor Lot	595,563	331,491	259,610	71,881	27.69%	
Stearns Wharf	268,749	119,202	110,223	8,979	8.15%	
Waterfront Parking Permits	323,389	100,027	90,396	9,631	10.65%	
Boat Wash Machine	3,750	2,050	2,078	(28)	-1.35%	
Over/short	-	-	(50)	50	-100.00%	
Total Parking Services	2,157,597	1,117,561	907,736	209,825	23.12%	51.80%
Live Aboard Fees	172,000	84,576	86,754	(2,178)	-2.51%	
Slip Rentals	3,676,785	1,831,281	1,767,729	63,552	3.60%	
Visitor Fees	700,000	310,659	272,964	37,695	13.81%	
Skiff Tie-Ups	7,500	3,770	4,510	(740)	-16.41%	
Fish Hoist 1	4,500	2,494	6,194	(3,700)	-59.74%	
Fish Hoist 2	1,250	568	171	397	232.16%	
Moorage & Dockage	145,000	72,423	71,038	1,385	1.95%	
Slip Transfer Fees	250,000	300,875	169,500	131,375	77.51%	
Slip Waiting List	3,000	2,960	3,120	(160)	-5.13%	
Key Card	13,250	7,556	7,192	364	5.06%	
SB Mooring Area Permit	6,250	2,000	2,500	(500)	-20.00%	
Yacht Club Hoist	1,659	845	813	32	3.94%	
Miscellaneous Revenue	9,500	4,535	5,153	(618)	-11.99%	
Over/short	-	(10)	(107)	97	-90.65%	
Total Marina Management	4,990,694	2,624,532	2,397,531	227,001	9.47%	52.59%
Department Total	11,522,348	6,197,554	5,822,107	375,447	6.45%	53.79%

WATERFRONT DEPARTMENT
Cash Flow Analysis
Fiscal Years 2006 - 2016

DRAFT 02/10/2010
Museum 'buy down' - NEW 60' plus slip category

0.000 loan from DBW at 4.5%/\$25 per foot slip transfer fee increase every year

Accounting Revenue	#	Actual 2008	Budget 2009	Actual 2009	Budget 2010	Expected 2010	Budget 2011	2012	2013	2014	Projected 2015	2016
Commercial	\$ \$	1,340,498	1,300,992	1,309,763	1,338,599	1,230,000	1,330,000	1,254,000	1,279,692	1,305,286	1,331,392	1,358,019
Food Service	#	2,187,782	2,142,524	2,083,859	2,142,524	2,000,000	2,000,000	2,040,000	2,080,800	2,122,416	2,164,864	2,208,162
Waterfront Center	#	462,501	435,449	456,115	473,219	471,612	391,380	401,612	811,612	331,612	331,612	331,612
Games-Other	#	211,227	134,034	140,280	136,715	157,984	177,984	195,330	192,547	196,236	199,992	203,887
Machine	#	6,824	6,750	6,824	6,750	9,180	9,180	9,364	9,551	9,742	9,937	10,135
Life Revenue	#	85,832	85,832	85,832	85,832	91,800	103,179	105,855	107,972	110,431	112,334	114,850
AM Reimbursements	#	94,493	94,493	94,493	94,493	94,000	108,000	111,160	112,363	114,610	116,903	119,241
Leases	#	4,134,202	4,201,924	4,137,080	4,242,057	4,159,728	4,019,652	4,116,920	4,594,557	4,190,653	4,267,043	4,345,657
Ice Charges	#	3,457,237	3,855,370	3,821,117	3,676,785	3,652,407	3,864,498	3,980,330	4,059,937	4,141,173	4,225,938	4,308,437
Slip Fees	#	608,375	688,500	338,100	250,000	597,751	597,751	500,000	550,000	600,000	650,000	700,000
Slip Transfer Fees	#	524,271	442,630	507,138	700,000	584,758	384,738	470,000	700,000	700,000	700,000	700,000
Other	#	407,134	409,787	385,053	363,909	373,448	373,448	380,917	388,535	396,306	404,232	412,117
Maintenance Management	#	4,925,017	5,046,347	4,752,028	4,999,694	5,208,544	5,420,335	5,561,247	5,698,477	5,837,441	5,978,190	6,120,754
Slip Fees	#	1,860,564	1,879,834	1,793,635	2,157,597	2,160,381	2,160,381	2,303,289	2,247,660	2,292,614	2,338,466	2,385,335
Financial Mgmt	#	392,166	276,019	341,817	125,000	175,000	175,000	179,775	183,571	187,038	190,779	194,594
Expense Reductions	#	69,506	95,165	2,850	2,850	2,850	2,850	2,850	2,850	2,850	2,850	2,850
Operating Revenue	#	11,631,455	11,528,706	11,027,011	11,522,348	11,673,453	11,776,589	12,061,531	12,724,039	12,507,120	12,774,475	13,146,220
Gifts & Benefits	#	5,096,152	5,245,871	5,194,174	5,390,836	5,519,527	5,677,838	5,848,173	6,023,618	6,204,327	6,390,57	6,582,170
Gifts	#	3,868,799	3,575,795	3,236,924	3,038,314	3,109,609	3,121,539	3,199,598	3,279,688	3,361,576	3,445,617	3,531,757
Landscaping Maintenance	#	217,276	227,054	227,324	229,325	229,325	223,592	229,182	234,911	240,784	246,804	252,974
Funding Shift	#	38,830	29,694	21,634	121,869	121,869	136,869	150,041	153,292	136,624	140,040	145,541
D Wharf Shuttle	#	1,576,417	1,588,739	1,568,759	1,569,838	1,562,292	1,291,780	1,288,968	1,285,947	1,284,963	1,284,772	1,279,834
Service (Prime & Int)	#	123,500	123,500	123,500	123,500	123,500	123,500	123,500	123,500	123,500	123,500	123,500
Service for Laundry	#	100,000	100,000	100,000	107,718	107,718	107,718	107,718	107,718	107,718	107,718	107,718
Service - Repay GF	#	130,202	159,509	105,744	83,500	83,500	77,500	79,030	80,631	82,244	83,888	85,566
Service - Marina One	#	210,000	232,19	232,19	232,19	232,19	232,19	232,19	232,19	232,19	232,19	232,19
Equipment & Software	#	10,470,670	10,880,177	10,601,598	10,513,142	10,650,930	10,771,908	11,000,654	11,327,205	11,877,737	12,160,765	12,549,561
Appropriated Reserves	#	648,529	648,529	648,529	648,529	648,529	648,529	648,529	648,529	648,529	648,529	648,529
Operating Expenses	#	11,631,455	11,528,706	11,027,011	11,522,348	11,673,453	11,776,589	12,061,531	12,724,039	12,507,120	12,774,475	13,146,220
Operating Gain/(Loss)	\$ \$	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Operating Gain/(Loss)	\$ \$	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

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Funding Sources	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Carry Forward							
Re-Allocation of Reserves							
Transfer to Capital Fund (FMS)							
Interest - Harbor Preservation Fund (@ 2%)							
Other Income - HPP							
Release of unused capital appropriations							
Use of Capital Fund Reserves							
	61,400	58,358	53,231	54,070	58,433	53,583	47,882

TOTAL FUNDS AVAILABLE	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
	2,330,000	1,200,000	700,000				
	7,510,163	6,552,726	6,425,638	1,300,000	1,380,000	1,380,000	1,400,000
				6,526,155	6,689,452	6,689,424	6,490,555

\$1.9 Million Unfunded Projects

Marina One Replacement	2,330,000	2,000,000	670,000				
Marina Renovation Program	225,000	225,000	225,000	225,000	250,000	250,000	1,380,000
Parking Lot Maintenance Program	250,000	70,000	5,000	75,000	75,000	105,000	250,000
Steamers Wharf Heavy Timber & Pile Replacement	300,000	300,000	300,000	300,000	350,000	400,000	900,000
West Beach Dredging	325,000	30,000					425,000
Repair Hoists 1, 2, 3 and 4	30,000	30,000					
Harbor ADA Restroom remodel	30,000	30,000	20,000	20,000	50,000	50,000	
Replace Sump Pump - Marina One West Restroom	50,000	50,000	20,000				
Steamers Wharf Waterline Replacement	50,000		20,000				
Replace Lift Station at Steamers Wharf	15,000	15,000	85,000		85,000		
Seawall ADA Handrails and Sidewalk repairs	20,000	20,000	20,000	50,000	50,000		
Upgrade Accom Dock	40,000						
Parking Point of Sale System	30,000	30,000					
Solar Thermal	30,000	30,000					
Launch Ramp Concrete (Grant)	100,000	100,000	700,000				
Recoat PLR	25,000	25,000					
125 Windows and Decking	30,000	30,000					
Marina 3 ADA	75,000	75,000	325,000				
Breakwater Lights							
Waterfront Center Renovation							
UNFUNDED PROJECTS							
Renovate Maintenance Shop / \$100,000 / 2015							
Replace Patrol Boat #3 / \$400,000 / 2016							
125 Elevator / \$350,000 / 2016							
119 Elevator / \$350,000 / 2015							
Breakwater Cap Replacement / \$700,000 / 2016							
TOTAL EXPENSES	3,325,000	2,555,000	2,215,000	2,295,000	2,860,000	2,260,000	2,210,000
NET SURPLUS / (DEFICIT)	\$ 4,185,163	\$ 3,997,726	\$ 4,210,638	\$ 4,231,185	\$ 4,626,452	\$ 4,429,424	\$ 3,980,985
Net Gain from Operating Fund	1,009,206	1,004,681	960,877	1,196,834	629,389	613,679	516,659
Reserves - June 30th	\$ 5,194,369	\$ 5,002,407	\$ 5,171,515	\$ 5,428,020	\$ 5,255,841	\$ 5,043,103	\$ 4,497,644
Operating Fund - Reserve Requirements	2,276,478	2,340,867	2,438,010	2,506,389	2,576,701	2,649,002	2,731,348
Harbor Preservation Fund	2,197,891	2,661,541	2,733,505	2,921,650	2,679,140	2,394,101	1,774,936
Assumptions: 1) Loan from DBW (Additional Debt Service)							
Capital Outlay Transfer	5,194,369	5,002,407	5,171,515	5,428,020	5,255,841	5,043,103	4,497,644
Reserve Requirements Based upon upcoming fiscal year	995,000	1,255,000	845,000	995,000	860,000	880,000	1,110,000

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ATTACHMENT #2

Allocated Costs, ICS & Overhead Allocation

	FY 2009	FY 2010	FY 2011	% 10/11
	Actual	Budget	Proposed	
I.S. Funding (1)	93,577	87,026	81,535	-6.31%
GIS Allocation (2)	4,289	3,989	3,964	-0.63%
Building Maintenance (3)	9,130	30,000	30,000	0.00%
Planned Maintenance (4)	0	10,000	10,000	0.00%
Vehicle Replacement (5)	38,080	35,414	33,005	-6.80%
Vehicle Maintenance (5)	45,004	40,475	39,086	-3.43%
Allocated Phone Costs (6)	19,152	17,810	14,921	-16.22%
Communications Program (Radio) (7)	37,987	35,328	64,680	83.08%
Liability Insurance	74,486	57,800	60,558	4.77%
Property Insurance (8)	245,251	177,193	176,980	-0.12%
Overhead Allocation (9)	693,927	644,513	579,656	-10.06%
Total	1,260,883	1,139,548	1,094,385	-3.96%

(1) Information Systems computer workstation & server support, allocated by number of workstations per Department.

(2) Geographical Information System- integrate Waterfront data onto City system.

(3) Public Works charge for 'emergency' or unplanned maintenance calls- typically not used by Waterfront.

(4) Public Works charge for building maintenance; typically not used by Waterfront.

(5) Motorpool allocation for vehicle replacement & maintenance reserve.

(6) Allocated to Departments based on number of telephones; proportional share of maintenance contract plus actual long distance charges.

(7) Public Works electronic maintenance and repair services for radio, telephone and other electronic equipment.

(8) Coverage for various losses including fire, wave wash (tsunami) & earthquake; also loss of rental income; based on valuation of Waterfront assets.

(9) Allocation for various services provided to Waterfront by General Fund Departments; see second page for itemized breakdown.

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ATTACHMENT #3

To Waterfront Fund
FYs 2008 and 2009

	FY 2007 Adopted	Total Allocable FY 2008	Waterfront Fund	
			FY 2008	FY 2009
Administrative Department				
Mayor & Council	\$ 21,154	\$ 569,115	\$ 40,370	\$ 4,137
City Attorney	49,062	327,070	121,939	137,879
City Administrator	59,963	1,207,509	49,429	51,659
Employee Relations	15,337	227,662	13,420	14,022
City TV	14,028	328,311	17,927	19,774
Finance Administration	4,570	585,952	11,589	12,453
Revenue & Cash Mgmt.	2,550	422,150	19,766	20,659
Cashiering and Collections	31,359	413,120	53,643	43,892
License and Permits		436,699		
Budget Management	21,201	457,248	21,335	22,239
Accounting	20,791	420,289	19,509	20,492
Payroll	29,976	412,228	31,576	32,997
Accounts Payable	18,533	209,856	17,661	18,455
City Billing	67,911	664,417	63,718	66,530
Finance Purchasing	40,728	605,307	28,259	29,524
Central Warehouse	14,043	209,740	25,070	26,198
Mail Courier Services	1,673	119,446	6,072	6,342
City Clerk				
Human Resources	15,817	390,304	33,835	35,359
Educational Reimbursement	77,765	1,310,057	78,415	81,543
Community Development	1,155	41,949	2,007	2,099
Fire Administration	4,921	1,014,291	1,014	1,059
Fire Emergency Services		831,856		
Police Chiefs Staff		279,443	1,325	1,504
Police Support Svcs		1,476,212		
Police Crime Analysis		721,974		
Police Training/Recruit		75,415		
Police Range		293,789		
Police Information Techn		1,130,935		
Public Works Administration		937,323		
Recreation Program Mgmt.		1,320,236		
Parks & Recreation Admin		508,764		
P&R Business Serv		568,909		
Totals:	554,029	19,120,721	665,059	682,1987

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Existing and Proposed Slip Fee Categories
with 4% increase effective July 1, 2010

20' slips	\$ 7.55
25' slips	\$ 7.92
28' slips	\$ 8.12
30' slips	\$ 8.30
35' slips	\$ 8.66
40' slips	\$ 9.01
43' slips	\$ 9.24
45' slips	\$ 9.39
50' slips and over	\$ 9.74

Proposed 60' and over fee categories

60' slips/ end ties	\$ 10.57
70' end ties	\$ 11.47
80' end ties	\$ 12.44
90' end ties	\$ 13.50
100' end ties	\$ 14.65

Per foot per month.

Based on vessel size or berth size, whichever is greater.

ATTACHMENT #4