

# FY25 DRAFT BUDGET PRESENTATION

SANTA CRUZ PORT DISTRICT



# FY25 BUDGET FRAMEWORK



## **Balanced Budget**

Present a balanced budget that meets debt service requirement



## **Budgeted Revenues**

Takes a conservative approach to budgeted revenues



## **Personnel Services**

Funds approved labor contracts and pension related costs



## **Fund CIP**

Current funding level meets stated goal of \$750,000

# CURRENT FY24 BUDGET PROJECTIONS



## OPERATING REVENUE

Exceed budget by  
\$1,042,508 (9%)

- Increased Interest Earnings (\$650,000)
- Receipt of Easement Funds (\$348,000)



## OPERATING EXPENSES

Underbudget by  
\$107,497 (1%)

- Reduction in Salaries (vacancy)
- Reduction in Fuel Expenses
- Insurance Premiums



## NET INCOME

Projected Loss:  
\$2,443,201

Net of depreciation & capitalized expenses, net income is projected to be positive overall.

# REVENUE

	<b>FY24 Budget</b>	<b>FY24 Projection</b>	<b>Draft FY25 Budget</b>	<b>Change (+/-)</b>
Revenue	\$11,659,875	\$12,702,383	\$12,291,725	+\$631,850
Significant Revenue Changes: <ul style="list-style-type: none"><li>• Increased Interest Earnings</li><li>• Increased “Other” Income (FEMA reimbursements)</li><li>• Decreased fuel sales (\$220k)</li></ul>				

# EXPENDITURES

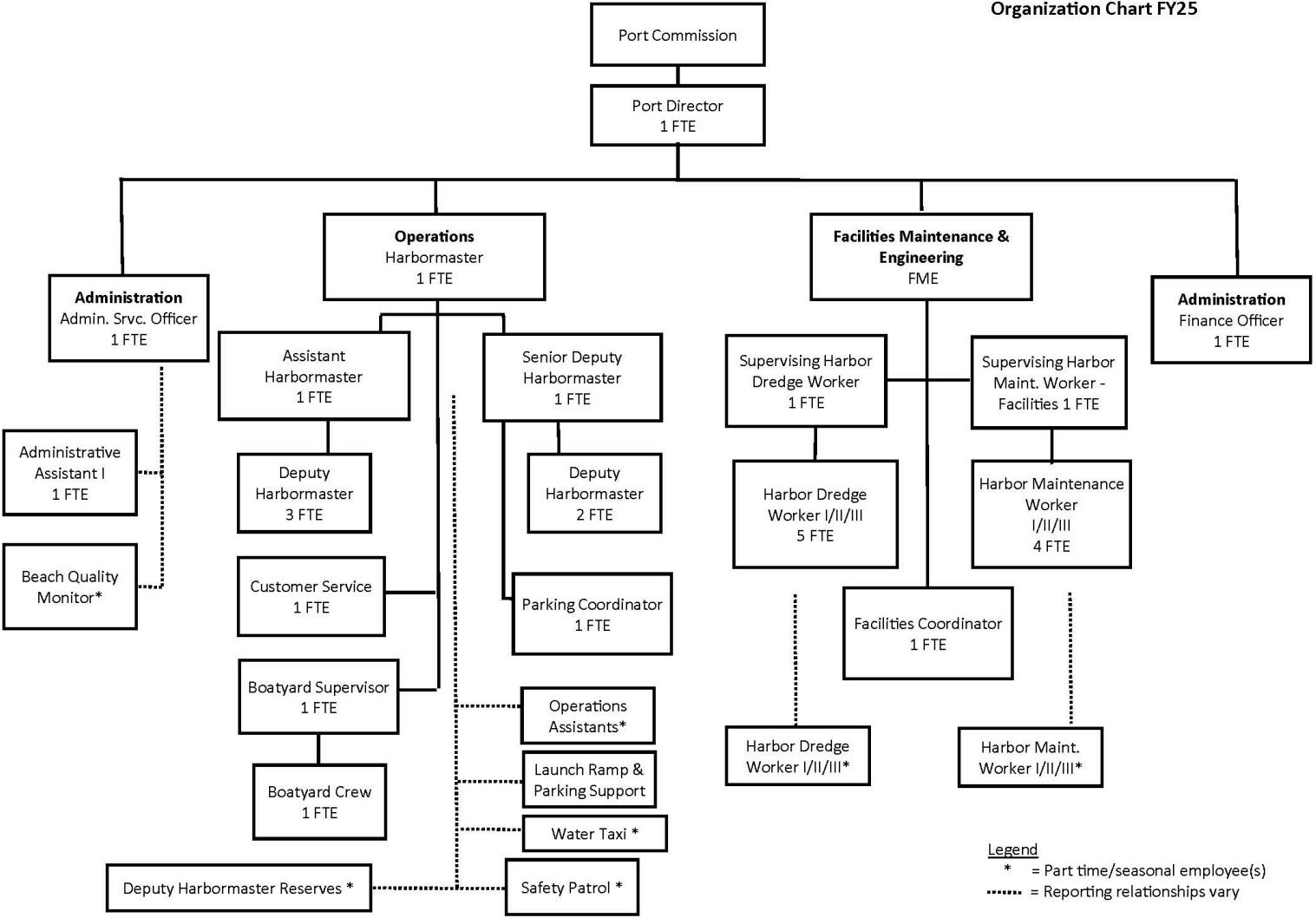
Department and Program	FY 23 Actual	FY 24 Budget	FY 24 Projected	FY 25 Proposed
<b>100 Admin Services Depart</b>				
<b>Department Total</b>	\$ 1,847,700	\$ 2,239,308	\$ 2,200,427	\$ 2,433,226
<b>200 Operations Department</b>				
<b>Department Total</b>	\$ 3,039,479	\$ 2,962,365	\$ 2,868,101	\$ 3,067,531
<b>300 Facilities Maint &amp; Eng</b>				
<b>Department Total</b>	\$ 3,849,220	\$ 4,212,080	\$ 4,240,768	\$ 4,425,315
<b>Total Operating Budget</b>	<b>\$ 8,736,399</b>	<b>\$ 9,413,753</b>	<b>\$ 9,309,297</b>	<b>\$ 9,926,072</b>

Salaries & Benefits  
(mainly UAL)

Anticipated Increase  
to Insurance Premium  
Costs

Decreased Interest  
Expenses

Organization Chart FY25



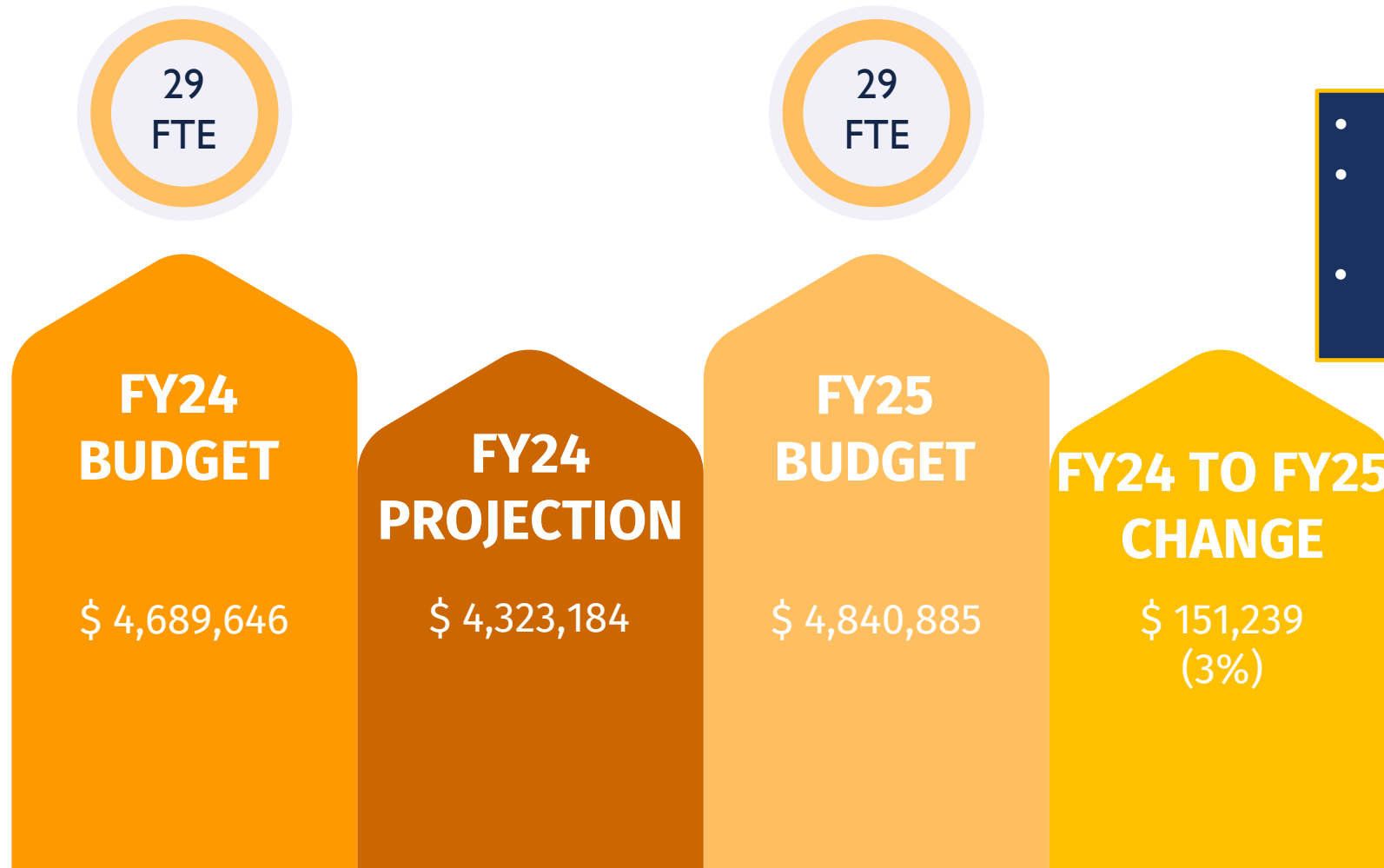
**Legend**  
 \* = Part time/seasonal employee(s)  
 ..... = Reporting relationships vary

29 FTE Total

# FY25 ORG CHART

- No Proposed Changes
- 29 FTE

# FY25 SALARIES AND BENEFITS



- Labor Contracts
- Add'l Discretionary Pymt (approx. \$20,000)
- Addition of 1 Provisional Harbor Maint. Worker





# FUND BALANCES

Cash on Hand at 2/5/24		
LAIF + CLASS	\$17,780,144	
BBVA (Restricted)	\$1,029,556	
Comerica Bank	\$458,638	
Total Cash	<b>\$19,268,338</b>	
Restricted Cash	\$1,029,556	At BBVA
Fund Balances	\$8,645,945	Dredge Fund, Reserve, Capital Improvement, Election
Unrestricted Cash	<b>\$9,592,837</b>	Available for operations, emergencies, improvements, etc.

# CAPITAL IMPROVEMENT PROGRAM

- \$750,000 Contribution
- Reallocation of Unallocated CIP Funds (\$345,000)
- No new projects introduced
- Closeout of one projects
  - 2222 EC Deck Project

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

# MARINA FEES

- CPI increase 2.6% in 2023 (SF-Oak-Hayward annual)\*
- Slip rent rates increased:
  - 2.5% in FY20
  - 2.5% in FY21
  - 0% in FY22
  - 3.2% in FY23
  - 5% in FY24
- 10-year CPI average: 3.3%
- 10-year Harbor increase average: 2.25%
- Fee increase to be considered by Commission
  - 1% increase would add approximately \$50,000 in slip fee revenue

# RECOMMENDATION

Direct staff to finalize the FY25 Budget for adoption at the February 27 meeting, including:

- Capital outlay (\$35,000)
- Capital Projects to add, delete or reprioritize in the CIP
- Contribution to the Dredge Fund
- Any marina fee or other increase
- Other revisions