

**HUMBOLDT BAY HARBOR, RECREATION,
AND CONSERVATION DISTRICT**

RESOLUTION NO. 2021-08

**A RESOLUTION ADOPTING THE FINAL FISCAL YEAR 2021-2022 HUMBOLDT BAY HARBOR,
RECREATION AND CONSERVATION DISTRICT BUDGET AND GOALS**

WHEREAS, the Board of Commissioners of the Humboldt Bay Harbor, Recreation, and Conservation District has prepared a draft and final annual budget pursuant to California Harbors and Navigation Code Section 6093;

WHEREAS, the Board of Commissioners approved the fiscal year 2021-22 preliminary budget on June 10, 2021 and scheduled and noticed a hearing for the adoption of the final budget on July 8, 2021 at 6:00 pm via video conference with a teleconference option.

WHEREAS, notice of said hearing was posted on the Harbor District's website pursuant to California Harbors and Navigation Section 6093.1; and

WHEREAS, copies of the budget were made available on the Harbor District's website and at the District Office.

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE HUMBOLDT BAY HARBOR, RECREATION, AND CONSERVATION DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. Adopts the Final Fiscal Year 2021-22 Budget as set forth in Exhibit A attached here to and by reference incorporated herein.

SECTION 2. Adopts the Fiscal Year 2021-22 Goals as set forth in Exhibit B.

SECTION 3. Adopts the Budget Process and Policy as set forth in Exhibit C.

SECTION 4. Authorizes the Executive Director to transmit the budget to the Humboldt County Board of Supervisors pursuant to California Harbors and Navigation Section 6093.3

PASSED AND ADOPTED by the Humboldt Bay Harbor, Recreation and Conservation District Board of Commissioners at a duly called meeting held on the **8th day of July 2021** by the following polled vote:

AYES: Doss, Higgins, Kullmann, Marks

NOES: ∅


ABSENT: Dale

ABSTAIN: ∅

ATTEST:



Patrick Higgins, Secretary
Board of Commissioners



Stephen Kullmann, President
Board of Commissioners

CERTIFICATE OF SECRETARY

The undersigned, duly qualified and acting Secretary of the HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT, does hereby certify that the attached Resolution is a true and correct copy of RESOLUTION NO. **2021-08** entitled,

TYPE RESOLUTION TITLE HERE

as regularly adopted at a legally convened meeting of the Board of Commissioners of the HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT, duly held on the **8th day of July 2021**; and further, that such Resolution has been fully recorded in the Journal of Proceedings in my office, and is in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand this **8th day of July 2021**.



**Patrick Higgins, Secretary
Board of Commissioners**

Budget FY 2021/2022

	General	WIM	RMT2	RW Dock	FLBY	Tidelands	SC	Grants	Grand Total
Ordinary Income/Expense									
Income									
Donations									
45709 · Donations - Sea Scouts									\$ -
46519 · Donations - Lighthouse		\$ 100.00							\$ 100.00
Total Donations	\$ -	\$ 100.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100.00
Dredging Revenue									
41308.4 · Dredging Revenue - Other					\$ 20,000.00				\$ -
41318 · Dredging Surcharge - T		\$ 150,000.00							\$ 170,000.00
Total Dredging Revenue	\$ -	\$ 150,000.00	\$ -	\$ -	\$ 20,000.00	\$ -	\$ -	\$ -	\$ 170,000.00
Fees									
40108 · PERMITS-T		\$ 3,000.00							\$ 3,000.00
40509 · Travel Lift Fees - T									\$ -
40609 · Haul Out Fees - T									\$ -
40618 · Boat Launch Fees - T									\$ -
40808 · Pilotage Services - T									\$ -
41308.1 · Poundage - T				\$ 1,000.00					\$ 1,000.00
41818 · Late Charges/Interest - T		\$ 10,000.00		\$ 40.00					\$ 10,040.00
41819 · Late Charges/Interest - NT		\$ 700.00							\$ 700.00
45608 · Chevron - Ports O&M - T						\$ 32,350.00			\$ 32,350.00
Total Fees	\$ -	\$ 13,700.00	\$ -	\$ 1,040.00	\$ -	\$ 32,350.00	\$ -	\$ -	\$ 47,090.00
Float Replacement Account									
41418 · Float Replacement		\$ 70,000.00							\$ 70,000.00
Total Float Replacement Account	\$ -	\$ 70,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,000.00
Grant Revenue									
Conservation Grants									
45208.3 · Conservation Grants, Gov't - T							\$ 194,000.00		\$ 194,000.00
Total Conservation Grants							\$ 194,000.00		\$ 194,000.00
Facilities Grants									
45300 · Facilities Grants, Other - NT									\$ -
Total Facilities Grants									\$ -
Harbor Grants									
45208.1 · Harbor Grants, Gov't - T									\$ -
Total Harbor Grants									\$ -
Recreation Grants									
45208.2 · Recreation Grants, Gov't - T									\$ -
Total Recreation Grants									\$ -
Total Grant Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 194,000.00	\$ -	\$ 194,000.00
Harbor Surcharge									
40908 · Harbor Improvement Surcharge-T						\$ 210,000.00			\$ 210,000.00
Total Harbor Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 210,000.00	\$ -	\$ -	\$ 210,000.00
Interest Revenue									
43108 · Interest Income - T			\$ 160,800.00						\$ 160,800.00
43109 · Interest Income - NT	\$ 3,000.00					\$ 1,000.00			\$ 4,000.00
43309 · Interest On Del Accts - NT									\$ -
43318 · Interest On Del Accts - T									\$ -
Total Interest Revenue	\$ 3,000.00	\$ -	\$ 160,800.00	\$ -	\$ -	\$ 1,000.00	\$ -	\$ -	\$ 164,800.00
Other Revenue									
45908 · Other Revenue - T						\$ 2,650.00			\$ 2,650.00
45909 · Other Revenue - NT	\$ 36,000.00				\$ 18,972.00	\$ 1,550.00			\$ 56,522.00
Total Other Revenue	\$ 36,000.00	\$ -	\$ -	\$ -	\$ 18,972.00	\$ 4,200.00	\$ -	\$ -	\$ 59,172.00
Rent Income									
40218 · Slip Rents - T		\$ 508,000.00							\$ 508,000.00
40318.1 · Transient Rentals - T		\$ 43,000.00							\$ 43,000.00
40519 · Equipment Rent - NT		\$ 4,500.00							\$ 4,500.00
40809 · Yard Rent - NT		\$ 10,000.00		\$ 19,500.00	\$ 32,858.00				\$ 62,358.00
41108 · Rents, Tidelands Leases - T						\$ 430,000.00			\$ 430,000.00
41309 · Storage - NT		\$ 25,000.00		\$ 11,200.00	\$ 3,702.00				\$ 39,902.00
Rent Income Subtotal	\$ -	\$ 590,500.00	\$ -	\$ 30,700.00	\$ 36,560.00	\$ 430,000.00	\$ -	\$ -	\$ 1,087,760.00

Budget FY 2021/2022

	General	WIM	RMT2	RW Dock	FLBY	Tidelands	SC	Grants	Grand Total
Total Dredging Expense	\$ -	\$ 318,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 318,000.00
Dues, Subscriptions & Licences									
51600 · Dues & Subscriptions - NT	\$ 51,000.00								\$ 51,000.00
51608 · Dues & Subscriptions - T	\$ 10,000.00					\$ 100.00			\$ 10,100.00
Total Dues, Subscriptions & Licences	\$ 61,000.00	\$ -	\$ -	\$ -	\$ -	\$ 100.00	\$ -	\$ -	\$ 61,100.00
Elections & Government Fees									
51700 · Elections & Prop Tax Assess-NT	\$ 4,800.00		\$ 145,000.00						\$ 149,800.00
Total Elections & Government Fees	\$ 4,800.00	\$ -	\$ 145,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 149,800.00
Engineering Services									
52400 · Engineering Fees - NT	\$ 48,000.00		\$ 20,000.00		\$ 500.00				\$ 68,500.00
52408 · Engineering Fees - T	\$ 12,000.00				\$ 5,700.00				\$ 17,700.00
Total Engineering Services	\$ 60,000.00	\$ -	\$ 20,000.00	\$ -	\$ 6,200.00	\$ -	\$ -	\$ -	\$ 86,200.00
Fuel									
50400 · IMPUTED AUTO VALUE G/A	\$ 1,300.00								\$ 1,300.00
51200 · Automotive, Fuel- NT	\$ 4,100.00	\$ 300.00							\$ 4,400.00
51208 · Vessel Fuel	\$ 6,500.00								\$ 6,500.00
51218 · Automotive, Fuel - T	\$ 5,400.00								\$ 5,400.00
Total Fuel	\$ 17,300.00	\$ 300.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,600.00
Grant Expenses									
Conservation Grant Expenses									
54408.3 · Conservation Grant Exp						\$ 194,000.00			\$ 194,000.00
Total Conservation Grant Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 194,000.00	\$ -	\$ -	\$ 194,000.00
Harbor Grant Expenses									
54408.1 · Harbor Grant Exp	\$ -	\$ -							\$ -
Total Harbor Grant Expenses	\$ -	\$ -							\$ -
Recreation Grant Expenses									
54408.2 · Recreation Grant Exp	\$ -	\$ -							\$ -
Total Recreation Grant Expenses	\$ -	\$ -							\$ -
55000 · Overhead - Grant	\$ -	\$ -							\$ -
Total Grant Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 194,000.00	\$ -	\$ 194,000.00
Insurance									
51800 · Insurance - NT	\$ 10,000.00	\$ 44,500.00	\$ 19,000.00		\$ 12,000.00		\$ 7,500.00		\$ 93,000.00
51808 · Insurance - T	\$ -					\$ 14,550.00			\$ 14,550.00
Total Insurance	\$ 10,000.00	\$ 44,500.00	\$ 19,000.00		\$ 12,000.00	\$ 14,550.00	\$ 7,500.00		\$ 107,550.00
Interest Expense									
55108 · Interest Expense - T						\$ 55,000.00			\$ 55,000.00
55109 · Interest Expense - NT	\$ 1,900.00	\$ 32,600.00	\$ 87,200.00						\$ 121,700.00
55119 · INTEREST EXPENSE M/NT									\$ -
Total Interest Expense	\$ 1,900.00	\$ 32,600.00	\$ 87,200.00			\$ 55,000.00	\$ -		\$ 176,700.00
Legal Services									
52300 · Legal Fees - NT	\$ 43,000.00						\$ -		\$ 43,000.00
52308 · Legal Fees - T	\$ 10,000.00								\$ 10,000.00
Total Legal Services	\$ 53,000.00						\$ -		\$ 53,000.00
Maintenance - Equipment									
51209 · Automotive, Repairs - NT	\$ 650.00	\$ 1,000.00	\$ 3,000.00						\$ 4,650.00
52710 · Repairs & Maint, Equip - NT	\$ 250.00	\$ -	\$ 7,000.00	\$ 1,500.00	\$ 25,500.00				\$ 34,250.00
52718 · Repairs & Maint, Equip - T		\$ 7,500.00							\$ 7,500.00
Total Maintenance - Equipment	\$ 900.00	\$ 8,500.00	\$ 10,000.00	\$ 1,500.00	\$ 25,500.00	\$ -			\$ 46,400.00
Maintenance - Facilities									
52708 · Repairs & Maint, Facilities - T		\$ 52,500.00	\$ 8,700.00	\$ 23,500.00		\$ 13,500.00	\$ 2,500.00		\$ 100,700.00
52709 · REPAIRS & MAINTENANCE G/NT		\$ 46,000.00		\$ 5,000.00					\$ 51,000.00
52719 · Repairs & Maint, Facilities - N		\$ 4,500.00	\$ 40,100.00	\$ 14,500.00					\$ 59,100.00
Total Maintenance - Facilities	\$ -	\$ 103,000.00	\$ 48,800.00	\$ 43,000.00	\$ -	\$ 13,500.00	\$ 2,500.00	\$ -	\$ 210,800.00
Maintenance - IT									
57008 · Maintenance, IT Equip - T	\$ 700.00								\$ 700.00
57009 · Maintenance, IT Equip - NT	\$ 100.00	\$ 1,300.00	\$ 2,500.00						\$ 3,900.00
Maintenance - IT - Other									\$ -
Total Maintenance - IT	\$ 800.00	\$ 1,300.00	\$ 2,500.00						\$ 4,600.00
Maintenance Supplies									
52008 · Maintenance Supplies - T		\$ 2,100.00							\$ 2,100.00

default 1st payment
143000
Increase taxes to cover default taxes
Move \$60,000 to tidelands for new Terminal

Budget FY 2021/2022

	General	WIM	RMT2	RW Dock	FLBY	Tidelands	SC	Grants	Grand Total
52010 · Maintenance Supplies - NT		\$ 7,100.00	\$ 4,150.00						\$ 11,250.00
Maintenance Supplies - Other									\$ -
Total Maintenance Supplies	\$ -	\$ 9,200.00	\$ 4,150.00	\$ -	\$ -				\$ 13,350.00
Office Supplies									
51900 · Office Supplies - NT	\$ 16,000.00		\$ 180.00						\$ 16,180.00
51908 · Office Supplies - T	\$ 6,000.00	\$ 1,000.00							\$ 7,000.00
51918 · OFFICE EXPENSE M/T									\$ -
52100 · Outside Services - NT									\$ -
Total Office Supplies	\$ 22,000.00	\$ 1,000.00	\$ 180.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,180.00
Other Expenses									
54109 · Sea Scouts Expense - NT									\$ -
55418 · Other Expenses - T									\$ -
55419 · Other Expenses - NT	\$ 7,500.00						\$ -		\$ 7,500.00
Total Other Expenses	\$ 7,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,500.00
Other Professional/Outside Serv									
52109 · Outside Services, Other - NT				\$ 7,500.00			\$ 35,000.00		\$ 42,500.00
52110 · OUTSIDE SERVICES M/A		\$ 3,000.00							\$ 3,000.00
52118 · Outside Services, Other - T						\$ 100,000.00			\$ 100,000.00
Total Other Professional/Outside Serv	\$ -	\$ 3,000.00	\$ -	\$ 7,500.00	\$ -	\$ 100,000.00	\$ 35,000.00	\$ -	\$ 145,500.00
Permits									
51610 · Permits - NT									\$ -
51618 · Permits - T									\$ -
Total Permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Personnel Expenses									
Commissioners Fees									
50200 · Commissioner's Salaries - NT	\$ 17,640.00								\$ 17,640.00
50208 · Commissioner's Salaries - T	\$ 7,560.00								\$ 7,560.00
Total Commissioners Fees	\$ 25,200.00								\$ 25,200.00
Contract Temporary Services									
50310 · Contract Temporary Services - N									\$ -
Total Contract Temporary Services	\$ -								\$ -
Payroll Burden									
50500 · Payroll Benefits, Other - NT	\$ 155,336.00	\$ 231,127.00	\$ 98,402.00	\$ 46,541.00	\$ 21,844.00				\$ 553,250.00
50508 · Payroll Benefits, Other - T									\$ -
50510 · PAYROLL BENEFITS M/A									\$ -
6560 · Workers' Comp			\$ -						\$ -
Total Payroll Burden	\$ 155,336.00	\$ 231,127.00	\$ 98,402.00	\$ 46,541.00	\$ 21,844.00	\$ -	\$ -	\$ -	\$ 553,250.00
Salaries/Wages									
50100 · Salaries & Wages - NT	\$ 275,429.00	\$ 368,580.00	\$ 123,045.00	\$ 67,755.00	\$ 31,147.00				\$ 865,956.00
50108 · Salaries & Wages - T									\$ -
50119 · Sal. & Wages, Part-time - NT									\$ -
Salaries/Wages - Other									\$ -
Total Salaries/Wages	\$ 275,429.00	\$ 368,580.00	\$ 123,045.00	\$ 67,755.00	\$ 31,147.00	\$ -	\$ -	\$ -	\$ 865,956.00
Total Personnel Expenses	\$ 455,965.00	\$ 599,707.00	\$ 221,447.00	\$ 114,296.00	\$ 52,991.00	\$ -	\$ -	\$ -	\$ 1,444,406.00
Planning Services									
52200 · Planning Fees - NT	\$ 61,600.00								\$ 61,600.00
52208 · Planning Fees - T	\$ 8,400.00								\$ 8,400.00
Total Planning Services	\$ 70,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,000.00
Rent Expense									
54308 · Redwood Terminal 2 Lease Expense			\$ 211,800.00						\$ 211,800.00
54409 · Lease Expense - RT2									\$ -
Total Rent Expense	\$ -	\$ -	\$ 211,800.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 211,800.00
Small Tools									
52800 · Small Tools - NT	\$ 700.00		\$ 2,500.00						\$ 3,200.00
52808 · Small Tools - T									\$ -
Small Tools - Other									\$ -
Total Small Tools	\$ 700.00	\$ -	\$ 2,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,200.00
Utilities									
52909 · Utilities - NT	\$ 12,000.00		\$ 216,000.00	\$ 7,000.00	\$ 24,000.00				\$ 259,000.00
52918 · Utilities - T									\$ -

Shift 40,000 to tidelands for New Terminal

Budget FY 2021/2022

	General	WIM	RMT2	RW Dock	FLBY	Tidelands	SC	Grants	Grand Total
53000 · Water, Sewer, & Refuse - NT	\$ 80.00		\$ 16,000.00	\$ 150.00	\$ 3,800.00				\$ 20,030.00
53008 · Water, Sewer, & Refuse - T									\$ -
Total Utilities	\$ 12,080.00	\$ -	\$ 232,000.00	\$ 7,150.00	\$ 27,800.00		\$ -		\$ 279,030.00
57018 · Bank Service Charges									\$ -
66900 · Reconciliation Discrepancies									\$ -
Total Expense	\$ 858,745	\$ 1,191,107	\$ 1,017,727	\$ 179,946	\$ 124,491	\$ 183,150	\$ 271,000	\$ -	\$ 3,826,166
Net Ordinary Income	\$ 458,433	\$ (168,607)	\$ 1,183,773	\$ (135,206)	\$ (159)	\$ 494,400	\$ (77,000)	\$ -	\$ 1,755,634
Net Income									
Debt Principal Payments:									
Bond		81,800				138,200			220,000
Coast Seafoods		176,500							176,500
BBVA Loan			93,100						93,100
Total	-	258,300	93,100	-	-	138,200	-	-	489,600
Other Debt (including interest):									
CalPERS Unf. Liab.	87,767								87,767
									87,767
Reserve Deposit									
General Reserve									-
Dredge Fund									-
Float Replacement		42,500							42,500
	-	42,500	-	-	-	-	-	-	42,500
Net Income - Debt - Reserve Deposit	458,433	(469,407)	1,090,673	(135,206)	(159)	356,200	(77,000)	-	1,135,767
									1,453,767
Reserve Withdrawl									
General Reserve									-
Dredge Fund		148,000							148,000
Float Replacement									-
	-	148,000	-	-	-	-	-	-	148,000
Grand Total: Income Minus Expense	458,433	(321,407)	1,090,673	(135,206)	(159)	356,200	(77,000)	-	1,283,767

Need \$
Dredge Expense

Shelter Cove GOALS

- Complete the conversion of the fish cleaning station discharge from direct ocean to the Resort Improvement District's wastewater treatment system, with composting of solids.
- Boat ramp maintenance.
- Assist the Shelter Cove Fishing Preservation Association and Shelter Cove Resort Improvement District to:
 - Implement the Sublease and Janitorial Contract.
 - Develop a Master Plan for the Mario's Marina property.
 - Pursue public acquisition of the Mario's Marina property.

Shelter Cove Preliminary Budget

Item	Cost
Fish Cleaning Station Upgrade	\$70k
Contract with Shelter Cove Fishing Preservation Inc	\$25k
Beach and Boat Ramp Maintenance	\$10k
Insurance	\$4k
Total	\$109k

RMT | GOALS

- Prepare additional upland for Commercial Fisheries Storage
- Repair and Maintain upland Warehouse for Aquaculture & Storage
- Secure Dock under Gated Access allowing only leased access
- Maintain and Improve Red Tank Dock as vital infrastructure
- Maintain roads and clear overgrowth vegetation from surrounding areas
- Continue to pursue Multi-purpose Dock Design & Development Options
- Work with the THA to close sale transaction and accept the 1091 vessel as relocation is required by the Coastal Commission.

RMT I Preliminary Budget - Revenue

Location	Cost
Warehouse	\$11.2K
Storage	\$19.5K
Dock Fees	\$0.00K
Total	\$30.7K

RMT I Preliminary Budget: Maintenance Expenses

Location	Cost
Redwood & Red Tank Dock Repairs	\$10K
Main Building	\$6.5K
Roads & Land Maintenance	\$10K
Fire Line Design & Infrastructure planning	?
Total	\$26.5k

RMT I Needs Deferrals

Location	Cost
RMT I Dock Repairs	\$?
Red Tank Power	\$18K
Roads & Fences	\$3.5K
Fence Lagoons	\$?
Total Deferral	\$?k

RMT II GOALS

- Continue target marketing efforts on aquaculture and other water related uses while allowing non water related uses on an interim basis
- Nordic Aquafarms:
 - Assist tenant to obtain necessary permits to develop an upland fish farm
 - Remove all debris piles in within the lease area
 - Develop building plans for future tenant relocation

RMT II GOALS

- Permit and develop a master saltwater intake for 1MM gallons per day using the existing sea chest(s)
- Conduct annual routine maintenance and structural integrity assessment of Outfall line
- Continue dock upgrades by replacing failing planks and rails
- Remove remaining contents of Liquors Silos

RMT II Preliminary Budget

Item	Amount
Estimated Income	\$558K

RMT II Preliminary Budget

Item	Cost
Dock Improvements	\$7.7K
Sea Chest Permitting	\$?
Site Clean Up - Debris Removal	\$26.1K + Liquors?
Outfall Maintenance	\$25K
Auto & Equipment Maintenance	\$10K
Tenant Improvements	\$?K
Total	\$?k

RMT II Needs Deferrals

Item	Cost
Dock Improvements	\$34.8K
Security Fence	\$?
Roads & Parking	\$10K
Warehouse Lighting	\$10K
Exterior & Security Lighting	\$?
Warehouse Lighting Upgrade	\$15K
Total Deferral	\$?k

FIELDS LANDING - GOALS

- Market Facility Capabilities & Services in Cooperation with our Current Tenant
- Continued oversight of Storm Water and Wash Water Management
- Develop, Construct and Institute Permeant wash water treatment system
- Continue demolition of abandoned and non-operative vessels
- Recurring Preventive Site and Building Maintenance
- Grub and Maintain South acreage for future use / opportunities

Fields Landing – Scheduled Revenue

Location	Income
Upland Rent	\$K
Yard Rent	\$K
Fees & Surcharges	\$K
Total	\$K

Fields Landing - Preliminary Expense

Category	Value
Wash-water pretreatment	\$9K
Boat pre-disposal	\$7.5K
Facility Improvements	\$8K
Equipment Repairs	\$K
General Repairs & Maintenance	\$K
Maintain South Pad	\$1K
Total	\$25.5K

Fields Landing - Preliminary Deferrals

Category	Amount
Boat Demo	\$50K
Storm Water	\$50K
Re-seal Tarmac	\$50K
Facility Paint	\$15K
Travel Lift Dock	\$120K
Total	\$280K

Woodley Island Marina Goals

- Increase Occupancy & Collect Prevailing Rents
- Increase Marketing of Dockside Fish Sales - supporting local Commercial Fishermen and their crews & families
- Strengthen partner agency relations to further promote Woodley Island as a commercial, recreational, and tourist destination

Woodley Island Marina Goals

- Finalize 10yr. Facilities Capital Improvement and Operations Plan
- Continue Dock Improvements, including Weldments, Rollers, Whalers, Rub Boards, and Utilities
- Improve Island passive security through camera upgrades and access control for common areas
- Increase communication with Island Tenants to promote a strong Neighborhood Watch and reliant community.

Woodley Island – Scheduled Revenue

Location	Income
Location	Income
Upland Rents	\$
Slip Rents	\$K
Storage & Equip. Rents	\$
Fees & Surcharges	\$K
Concessions	\$K
Total	\$M

Woodley Island – Preliminary Expenses

Location	Income
Dock Improvements	\$27.5K
Electric Service Upgrade	\$25K
Security Camera, Access Control & Exterior Lighting	\$19K
Main Building Repairs	\$10K
Roof Repairs	\$21.5K
Equipment Repairs & Replacements	\$7.5K
Total	\$110.5K

Woodley Island – Preliminary Deferrals

Location	Income
Roof Replacement	\$60.5K
Parking Lots & Roads	\$40.5K
Bilge System Upgrades	\$32.5K
Dock Float Replacement	\$100K
Infrastructure Improvements	\$81.5K
Equipment Replacement	\$21.5K
Total	\$336.5K

Attachment A

BUDGET PROCESS AND POLICIES

With the adoption of the annual budget, the Board recognizes that the appropriations for the many operating activities and capital budgets are based upon estimates of the District's needs for the fiscal year. In order to establish reasonable flexibility in the administration of the budget, the following policies have been adopted. These policies are intended to provide the authority necessary for the Executive Director to administer the budget during the course of the fiscal year in light of varying conditions which may occur.

Budget Process

The budget process begins with meetings of key management Staff to informally discuss underlying fiscal policies, goals and objectives of the Board, Contracts and Sub-Contracts, and material changes in anticipated revenue/income and expenditures/expenses. The meetings include a brief message from the Executive Director along with general instructions for completing the budget template documents which, when completed, include proposed expenditures, capital outlay, departmental descriptions, activity accomplishments and future objectives, and other budget data.

Departmental requests are consolidated, and the Executive Director discusses or will discuss each departmental request with the applicable department head. Adjustments are made as appropriate and required to meet the Board's goals and objectives. The next step in the budget process involves preparation of a preliminary budget document and the scheduling of a series of Study Sessions with the Board which typically begin in late March/early April and conclude with the adoption of the preliminary budget and final budget. As required by the CA Harbors and Navigation Code Section 6093, the preliminary budget must be adopted on or before June 15, and per Section 6093.3, the final budget shall be adopted and reported to the Board of Supervisors no later than August 1st.

The District uses the modified accrual basis for budgeting in governmental funds. Proprietary funds are budgeted using accrual concepts. All operating and capital expenses and income are identified in the budgeting process because of the need for appropriation authority. All annual appropriations lapse at year-end.

Budget Policies

The Board recognizes a need to create budget and fiscal policies that assure delivery of products and services as efficiently and effectively as possible.

Operating Budget – General

The operating budget will be based on the principle that current operating expenditures shall be funded with current revenues. Unappropriated fund balances/working capital in enterprise and reserve funds may be used by the Board to meet one-time special project/program expenses. The operating expenses of the Board will be supported by recurring revenues and will not be funded through long-term debt. The enterprise expenses will be funded through current revenues excluding interest income. Expenditures shall include funding adequate maintenance and replacement of capital and operating assets.

Budgetary control is maintained through monthly reports of all revenue and expenditure accounts. The Executive Director, Director of Administrative Services, District Treasurer and each department head review the monthly reports. The reports are placed on a noticed Board agenda for public and Board review within 60 days.

General Revenue Management

The following summarizes the Board's general revenue management policies:

1. The Board will strive to maintain a diversified and stable revenue system to shelter the government from short-term fluctuations in any revenue source and to ensure its ability to provide ongoing services.
2. The Board will make all current expenditures with current revenues, avoiding procedures that balance current budgets by postponing needed expenditures, accruing future revenues, or rolling over short-term debt.
3. In order to achieve important public policy goals, the Board has established various special revenue, capital project, debt service and enterprise funds to account for revenues whose use should be restricted to certain activities. Accordingly, each fund exists as a separate financing entity from other funds, with its own revenue sources, expenditures and fund equity.
4. Any transfers between funds for operating purposes are clearly set forth in the Financial Plan and can only be made by the District Treasurer and the Director of Administrative Services in accordance with the adopted budget.
5. Fees will be reviewed and updated on an ongoing basis to ensure that they keep pace with the changes in the cost of living as well as changes in methods or level of service delivery.
6. User fees will be developed and annually reviewed to insure they adequately recover the cost of services. In Enterprise Funds, user fees will provide full coverage of direct and indirect costs including depreciation and interest expense; subject to the limits imposed by the State.

Appropriations

The term "appropriations" means the amount approved for expenditure by the Board with the adoption of the annual budget, along with subsequent budget modifications and adjustments. Appropriations will be based on the best estimates of Department Heads and the Executive Director. Differing operating requirements, price changes, emergency situations and similar factors may require variation from the approved appropriations. Therefore, the Executive Director has authority to adjust the appropriations so long as the changes do not exceed the total approved appropriations of an activity, except in case of emergency. The Executive Director has the authority to meet emergency requirements and subsequently report to the Board and secure Board approval for an appropriate budget modification.

FISCAL POLICIES

Financial Reserve Policy

To maintain the fund balance and retained earnings of the various operating funds at levels sufficient to protect the District's creditworthiness as well as its financial positions from unforeseeable emergencies, the Board will strive to maintain the following minimum fund and working capital balances:

Minimum Fund and Working Capital Balances

1. The Board will maintain fund balances or working capital balances of at least twenty percent (20%) of operating expenditures in the General Fund and all Enterprise Funds and Internal Service Funds. This is considered the minimum level necessary to maintain the District's credit worthiness and to adequately provide for -
 - a. Economic uncertainties and other financial hardships or downturns in the local ornational

- economy.
 - b. Local disasters or catastrophic events
 - c. Contingencies for unseen operating or capital needs.
 - d. Cash flow requirements.
2. In order to assure that the Board has some discretion in their financial decision making options, these reserve may be reduced with a majority Board vote in order to fund unforeseeable financial conditions such as one-time expenditures, or as transition funding in a recessionary economy, or other budget shortfall stop gap measure of a temporary nature.

Service Level Policy

Service levels will be provided with the constraints of available resources. Services will be provided only at the most efficient and effective level to meet the needs of our constituents, customers, and businesses as determined by the Board. Board financial planning will provide for adequate maintenance and replacement of capital items.

Investment Policy

The Board invests its temporary pooled idle cash in accordance with California Government Code Section 53601 and has an investment policy which is adopted annually. Investment and cash management will be the responsibility of the Executive Director in consultation with the District Treasurer and the Director of Administrative Services. The Board's primary investment objective is to achieve a reasonable rate of return while minimizing the potential for capital losses arising from market changes or issuer default. Accordingly, the following factors will be considered in priority order in determining individual investment placements:

1. *Safety* – The safety and risk associated with an investment refers to the potential loss of principal, interest, or a combination of these amounts. The Board only purchases investments that are considered safe.
2. *Liquidity* – This refers to the ability to “cash in” at any moment in time with a minimal chance of losing some portion of principal or interest. Liquidity is an important investment quality which ensures cash will be available when an unexpected need arises.
3. *Yield* – This refers to the potential dollar earnings an investment can provide and is described as the rate of return.

The Board will strive to keep all idle cash balances fully invested through daily projections of cashflow requirements. In order to maximize yields from its overall portfolio, the Board will consolidate cash balances from all funds for investment purposes and will allocate investment earnings to each fund in accordance with generally accepted accounting principles.

Debt Policy

The Board will consider the use of debt financing for one-time capital improvement projects only when the project's useful life will exceed the term of the financing and when project revenues or specific resources will be insufficient to service the debt. Debt financing will not be considered appropriate for any recurring purpose. An internal feasibility study will be prepared for each long-term financing which analyzes the impact on current and future budgets for debt service and operations. This analysis will also address the reliability of revenues to support debt service.

HUMBOLDT BAY HARBOR, RECREATION, AND CONSERVATION DISTRICT

Scenario 3

Projected Cash Balances - Assuming RTI Cable Landing Revenue But No Nordic Aquafarms Revenues in 2021-22
 FYE 6/30/2022



 - new item added to projections
 - adjusted to agree to prelim budget

	Annual	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
INCOME													
Dredge/Float/Harb. Surcharges	450,000	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500
Grants	194,000	16,167	16,167	16,167	16,167	16,167	16,167	16,167	16,167	16,167	16,167	16,167	16,167
Taxes	1,192,000			36,000			560,000				566,000		30,000
Interest Income	164,800	338	338	40,525	338	338	40,525	338	338	40,525	338	338	40,524
Slip Rents	551,000	45,917	45,917	45,917	45,917	45,917	45,917	45,917	45,917	45,917	45,917	45,917	45,917
Upland Rent	887,810	73,984	73,984	73,984	73,984	73,984	73,984	73,984	73,984	73,984	73,984	73,984	73,984
Tidelands Rent	430,000	27,147	27,147	27,147	27,147	27,147	27,147	47,329	27,147	111,197	27,147	27,147	27,147
Fees, Sales, and Other Income	243,012	20,251	20,251	20,251	20,251	20,251	20,251	20,251	20,251	20,251	20,251	20,251	20,251
FEMA payment for 6/30/21 receivable	455,916		290,952			164,964							
RTI Cable Landing	1,383,000	-	-	425,000	-	-	958,000	-	-	-	-	-	-
Nordic Aquafarm Payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Income	5,951,538	221,304	512,256	722,491	221,304	386,268	1,779,491	241,486	221,304	345,541	787,304	221,304	291,490
EXPENSE													
Salaries & Wages	891,156	74,263	74,263	74,263	74,263	74,263	74,263	74,263	74,263	74,263	74,263	74,263	74,263
Payroll Burden	553,250	46,104	46,104	46,104	46,104	46,104	46,104	46,104	46,104	46,104	46,104	46,104	46,104
Insurance	107,550	107,550											
Utilities	279,030	23,253	23,253	23,253	23,253	23,253	23,253	23,253	23,253	23,253	23,253	23,253	23,253
Repairs & Maintenance	275,150	22,929	22,929	22,929	22,929	22,929	22,929	22,929	22,929	22,929	22,929	22,929	22,929
Professional Services	270,700	22,558	22,558	22,558	22,558	22,558	22,558	22,558	22,558	22,558	22,558	22,558	22,558
Outside Services	145,500	12,125	12,125	12,125	12,125	12,125	12,125	12,125	12,125	12,125	12,125	12,125	12,125
Capital Outlay, excluding dredging	90,500	7,542	7,542	7,542	7,542	7,542	7,542	7,542	7,542	7,542	7,542	7,542	7,542
HBDA Lease Payments	211,800		52,167				52,167		53,733			53,733	
Grant Expenses	194,000	16,167	16,167	16,167	16,167	16,167	16,167	16,167	16,167	16,167	16,167	16,167	16,167
Interest Expense	176,700	1,625	1,625	1,625	1,625	1,625	80,225	1,625	1,625	1,625	1,625	1,625	80,225
Delinquent Property Taxes	116,000		29,000	29,000	29,000	29,000							
All Other Expenses	211,830	17,653	17,653	17,653	17,653	17,653	17,653	17,653	17,653	17,653	17,653	17,653	17,653
Debt Principal Payments:													
Bond	220,000						110,000						110,000
Coast Seafoods	674,028	11,375	11,375	436,375	11,375	11,375	192,153	-	-	-	-	-	-
BBVA Loan	93,100						46,550						46,550
CalPERS Unfunded Liab.	87,767	7,314	7,314	7,314	7,314	7,314	7,314	7,314	7,314	7,314	7,314	7,314	7,313
Total Expense Before Dredging	4,598,061	370,457	344,074	716,907	291,907	344,074	678,835	251,532	305,265	251,532	251,532	305,265	486,681
Dredging Expense	318,000		159,000	159,000									
Total Expense	4,916,061	370,457	503,074	875,907	291,907	344,074	678,835	251,532	305,265	251,532	251,532	305,265	486,681
Increase (Decrease) in Cash	1,035,477	(149,153)	9,182	(153,416)	(70,603)	42,194	1,100,656	(10,046)	(83,961)	94,009	535,772	(83,961)	(195,191)
Projected Beginning Cash Balance	472,353	472,353	323,200	332,381	178,965	108,361	150,555	1,251,211	1,241,164	1,157,203	1,251,211	1,786,983	1,703,021

HUMBOLDT BAY HARBOR, RECREATION, AND CONSERVATION DISTRICT

Scenario 3

Projected Cash Balances - Assuming RTI Cable Landing Revenue But No Nordic Aquafarms Revenues in 2021-22
 FYE 6/30/2022

 - new item added to projections
 - adjusted to agree to prelim budget

	Annual	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
Projected Ending Cash	1,507,830	323,200	332,381	178,965	108,361	150,555	1,251,211	1,241,164	1,157,203	1,251,211	1,786,983	1,703,021	1,507,830

ASSUMPTIONS

1. Income and expenses are per 2021/22 preliminary budget except:

a) Nordic Aquafarms Revenue:													
i. One-time revenue for use of electrical substation	-												
revenue,													
beginning 1/31/22	-												
b) RTI Cable Landings Revenue:													
landing	425,000			425,000									
ii. Final installment for 1st cable landing	625,000						625,000						
iii. Payment for 2nd cable landing	333,000						333,000						
c) Additional expense for Coast Seafoods one-time debt payments	497,528			425,000			180,778	(11,375)	(51,375)	(11,375)	(11,375)	(11,375)	(11,375)
d) Tax revenue was reduced from \$1,278,178 to \$1,192,000.	(86,178)												
e) Added expense item for payment of delinquent property taxes	\$ 116,000												
f) Added income item for FEMA 6/30/21 grant receivable expected to be paid in 21/22.	\$ 455,916												


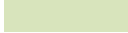
2. Income and expenses are incurred evenly throughout the year except for:

- a) Taxes are received mainly in December and April.
- b) Quarterly NMTC interest income of \$40,187 is received in Sept, Dec, March, and June.
- c) CalPERS unfunded liability is paid in July rather than paid in monthly installments.
- d) Insurance expense is paid in July.
- e) Lease payments to HBDA are paid in August, November, February, and May.
- f) Debt payments for bond and BBVA loan are paid in December and June, and extra \$40,000 principal payment for Coast Seafoods is paid in February.
- g) Dredging expense is all incurred in August and September.

HUMBOLDT BAY HARBOR, RECREATION, AND CONSERVATION DISTRICT

Scenario 3

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 FYE 6/30/2022

 - new item added to projections
 - adjusted to agree to prelim budget

	Annual	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
Reconciliation to Budget													
Increase (Decrease) in Cash per above			1,035,477										
Less: RTI Cable landing income not included in prelim budget			(1,383,000)										
Less: Nordic Aquafarms income not included in prelim budget			-										
Add: Additional debt principal payments not in prelim budget			497,528										
Add: FEMA payment of 20/21 receivable			(455,916)										
Transfer to reserves			(42,500)										
Transfer from reserves			148,000										
Budgeted Net Income			<u>(200,411)</u>										