

# FY26 DRAFT BUDGET PRESENTATION

SANTA CRUZ PORT DISTRICT



# FY26 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 FY25 BUDGET PROJECTIONS



## OPERATING REVENUE

Exceed budget by \$800,843  
(6%)

- Increased Interest Earnings (\$200,000)
- Receipt of FEMA Reimb (\$630,000)



## OPERATING EXPENSES

Overbudget by \$1,982,123 (44%)

- Surge Recovery
- Insurance Premiums



## NET INCOME

Projected Loss:  
\$3.75M

Net of depreciation & capitalized expenses, (including Reserve Cont), net income is projected to be positive overall.

# REVENUE

	<b>FY25 Budget</b>	<b>FY25 Projection</b>	<b>Draft FY26 Budget</b>	<b>Change (+/-)</b>
Revenue	\$12,445,646	\$13,246,489	\$12,484,775	+\$39,129
Revenue Considerations				
<ul style="list-style-type: none"><li>• Murray Street Bridge Impacts (slip revenue, boatyard services)</li><li>• Visitor Berthing Reimbursement from City</li><li>• Potential Recreational Salmon Season</li></ul>				

# EXPENDITURES

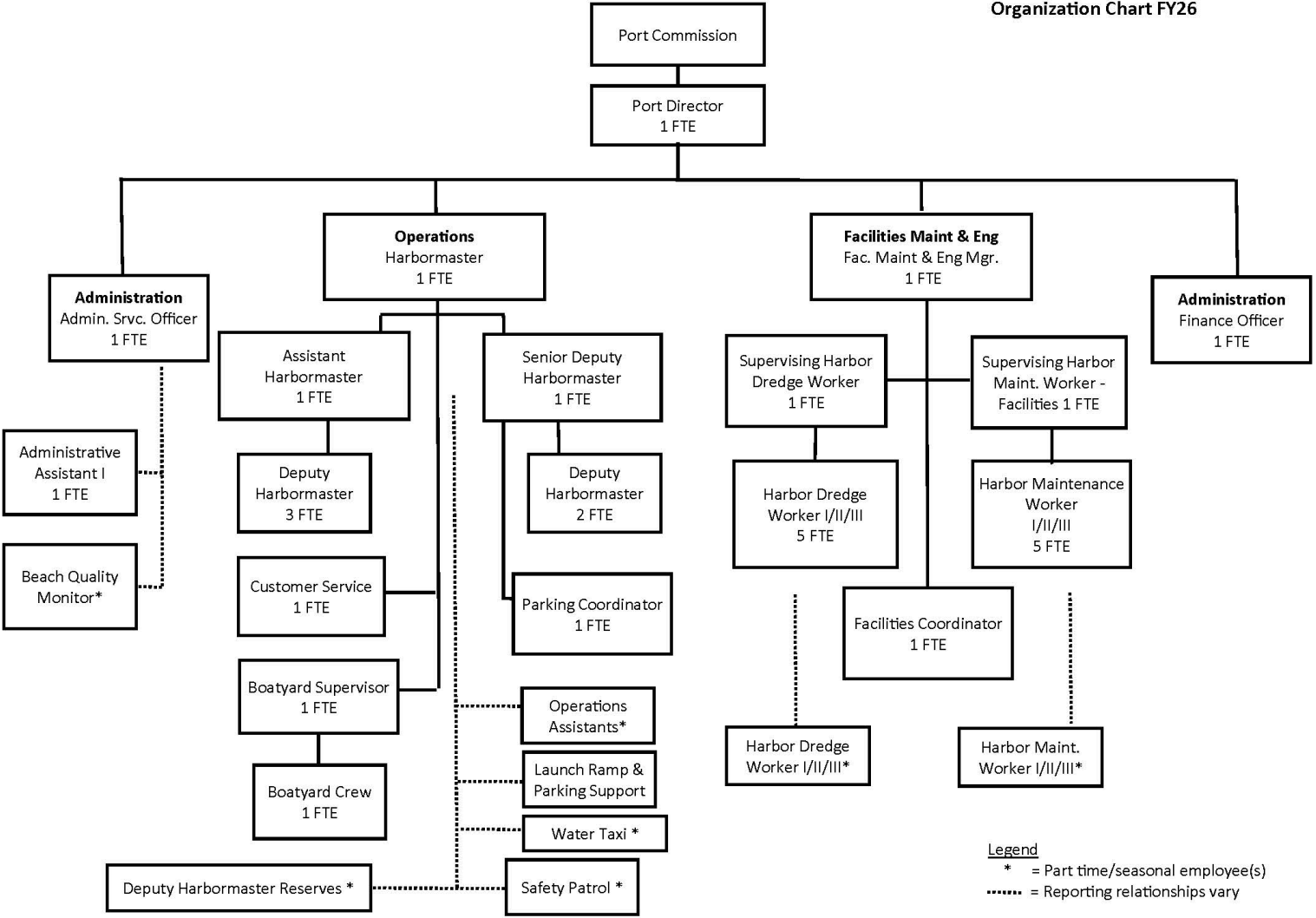
Department and Program	FY 24 Actual	FY 25 Budget	FY 25 Projected	FY 26 Proposed
<b>100 Admin Services Depart</b>				
<b>Department Total</b>	\$ 2,273,669	\$ 2,433,226	\$ 4,375,180	\$ 2,557,627
<b>200 Operations Department</b>				
<b>Department Total</b>	\$ 2,808,255	\$ 3,067,531	\$ 2,903,757	\$ 3,164,790
<b>300 Facilities Maint &amp; Eng</b>				
<b>Department Total</b>	\$ 4,350,141	\$ 4,425,315	\$ 4,630,384	\$ 4,574,822
<b>Total Operating Budget</b>	\$ 9,432,065	\$ 9,926,072	\$ 11,909,321	\$ 10,297,239

Salaries & Benefits  
(New Contracts,  
Increased UAL)

Anticipated Increase  
to Insurance Premium  
Costs

Decreased Interest  
Expenses

Organization Chart FY26



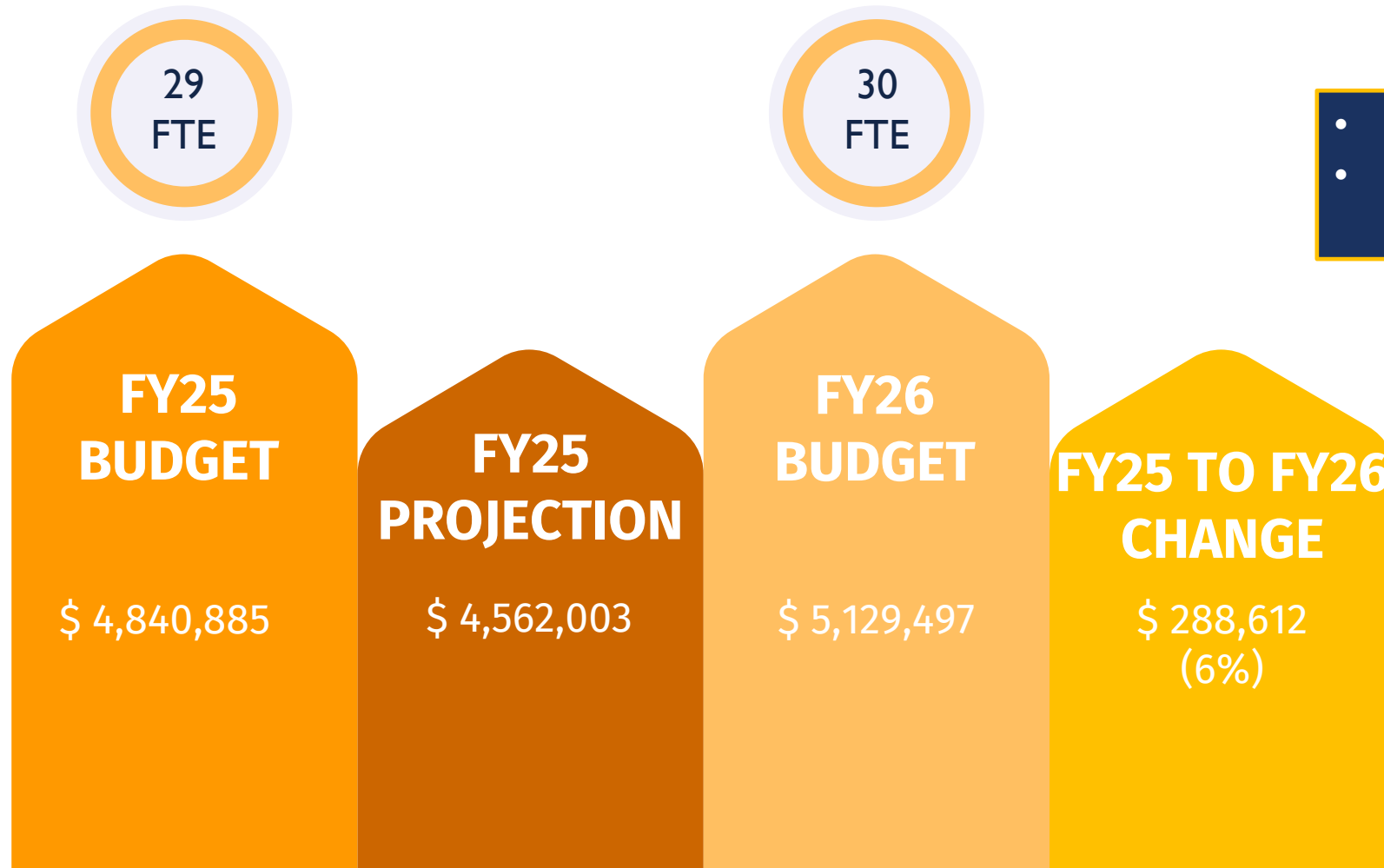
Legend  
 \* = Part time/seasonal employee(s)  
 ..... = Reporting relationships vary

30 FTE Total

# FY26 ORG CHART

- Converts Provisional HMW to FTE
- 30 FTE

# FY26 SALARIES AND BENEFITS



- Increased UAL Expense
- Add'l Discretionary Pymt (approx. \$20,000)





# FUND BALANCES

Cash on Hand at 2/5/25		
LAIF + CLASS	\$19,602,114	
BBVA (Restricted)	\$1,077,060	
Comerica Bank	\$775,421	
Total Cash	<b>\$21,454,595</b>	
Restricted Cash	\$1,077,060	At BBVA
Fund Balances	\$9,952,845	<i>Dredge Fund, Reserve, Capital Improvement, Election</i>
Unrestricted Cash	<b>\$11,861,758</b>	<i>Available for operations, emergencies, improvements, etc.</i>

# CAPITAL IMPROVEMENT PROGRAM

- \$750,000 Contribution + \$100,000 from Election Fund
- Reallocation of Unallocated CIP Funds (\$640,984)
- New Surge Recovery Fund
- Closeout of Multiple Projects

Project Name	No.	Beginning Balance April 1, 2024	FY25 Projected Expenditures	FY25 Mid-Year Changes	FY26 Proposed Reallocation	FY26 Funding Contribution	Projected Balance April 1, 2025
CF Marine Services Center	F003	10,000			(10,000)		Closeout
Harbor Security Upgrades	HO01	12,000	(11,133)			12,000	\$12,867
Sanitary Sewer Lift Stations	F004	359,538				5,000	\$364,538
Piling Replacement	F005	50,000		(50,000)			-
Pavement Repairs	F006	300,532	(290,391)			70,000	\$80,141
Dock Upgrades	F008	17,097		(15,000)	(2,097)		-
Pier Rehabilitation	F009	14,821	(410)	(10,000)		250,000	\$254,411
Building Restoration	F011	253,211	(160,789)	(25,000)	5,097	196,000	\$268,519
Restroom Building Rehabilitation	F012	316,424					\$316,424
Sidewalk & Plaza Restoration	F013	18,000			(18,000)		Closeout
Storm Drain System	F014	30,000		(20,000)	(10,000)		Closeout
Water & Sewer System	F015	19,139		(15,000)	(4,139)		Closeout
Parking Pay Station	F018	-				15,000	\$15,000
Aeration System Upgrades	F019	31,304			(31,304)		Closeout
Ice Machine	F020	19,222		(15,000)	(4,222)		Closeout
West Jetty Walkway	J001	20,799	(5,050)	(15,749)			-
7th and Brommer Recon	F021	106,747	(15,678)		(25,000)		\$66,069
SH Revetment & Seawall	F022	98,697	(30,197)			5,000	\$73,500
Murray Street Bridge	F024	4,560,024	(263,922)	2,490,377			\$6,786,479
Unallocated CIP Funds	F099	3,089		12,660	(15,749)		-
Aldo's Seawall Replacement	F027	37,463	(36,375)			132,000	\$143,088
Parking Upgrades	F028	-					-
Harborwide Refuse Study	F039	5,000					\$5,000
Embankment Assessment	F042	57,765	(18,209)				\$39,556
Fuel System Upgrades	F043	113,539	(108,896)			28,000	\$32,643
NH Transformer	F045	618,329	(1,335,980)	717,651			Closeout
Twin Lakes Haul	F047	320,473		600,000	(520,473)		\$400,000
Floating Barge Purchase	F048	-		30,670			\$30,670
Storm Surge Recovery	F049	-			625,887	137,000	\$762,887
<b>TOTAL:</b>		<b>\$7,393,213</b>	<b>(\$2,277,030)</b>	<b>\$3,685,609</b>	<b>\$0</b>	<b>\$850,000</b>	<b>\$9,651,792</b>

# MARINA FEES

- CPI increase 2.4% in 2024 (SF-Oak-Hayward annual)\*
- Slip rent rates increased:
  - 2.5% in FY21
  - 0% in FY22
  - 3.2% in FY23
  - 5% in FY24
  - 3% in FY25
- 10-year CPI average: 3.3%
- 10-year Harbor increase average: 2.3%
- Fee increase to be considered by Commission
  - 1% increase would add approximately \$50,000 in slip fee revenue

# RECOMMENDATION

Direct staff to finalize the FY26 Budget for adoption at the February 25 meeting, including:

- Capital outlay (\$7,000)
- Capital Projects to add, delete or reprioritize in the CIP
- Contribution to the Dredge Fund
- Any marina fee or other increase
- Other revisions