

DUE DECEMBER 31 Pursuant to Public Resources Code § 6306

Fiscal/Calendar Year:

Grantee Name:

Contact Person:

Mailing Address:

1. Funds

a. Is a separate fund maintained for trust assets, liabilities, revenues and expenditures?

YES NO

If “Yes”, please list the name(s) of the fund(s).

If “No”, under what fund are they accounted for?

b. Are separate financial statements prepared for the trust?

YES NO

If “Yes,” describe the organization of the separate financial statement.

If “No,” in which financial statements are they included? (Name of the document(s) and the applicable page number(s)).

2. Revenue

a. What was the gross revenue received or generated from trust land or trust assets during the past fiscal year?

b. Please list all sources of revenue and the amount of revenue generated from each source (e.g., permits, rentals, percentage of lease, etc.).

GRANTED PUBLIC TRUST LANDS STANDARDIZED REPORTING FORM

SLC 150 (formerly Form 12.26)

3. Expenses

- a. What was the total expenditure of funds received or generated from trust land or assets during the past fiscal year?

- b. What expenses were allocated or charged directly to the trust? Please list the source of the expenditure and the amount expended.

- c. Have there been any capital improvements over \$250,000 within the current fiscal year? Are any capital improvements over \$250,000 expected in the next fiscal year?

- d. Describe any other disposition of trust funds or assets or any other disposition of the trust lands or trust assets themselves. Include any internal funds that were transferred to other grantees, to the management of entity or under the management of another political subdivision of the grantee under an agreement, settlement, or memorandum of understanding.

4. Beginning and Ending Balance

Please list the beginning and ending balances for the tidelands trust fund(s) for this past fiscal year.

SANTA CRUZ PORT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended March 31, 2020 and 2019

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

Fiscal Year Ended March 31, 2019

Capital Assets

Priorities for capital investment in FY19 focused on completing permitting, plans and specifications for replacement of the seawall at Aldo's Restaurant and going out to public bid, completing Phase 1 of the Pile Removal and Replacement Project and preparing bid documents for the Phase 2 project to be completed in FY20; completing fabrication of new aluminum dock gates and necessary brow pier repairs to facilitate installation of the electronic key system for dock gates, restrooms and shower facilities; replacing damaged flooring at 345 Lake Avenue, replacing worn and damaged carpet at the harbor office and exterior painting at 493 Lake Avenue.

Investments in equipment included major overhaul of Dauntless, fabrication of a new snorkel for *Twin Lakes* (a non-depreciable asset until installation is completed for the 2019-20 dredge season), replacement of spill buckets on the underground fuel storage tanks, acquisition of a used bucket truck for the Grounds Department, unanticipated outlay for replacement of an electrical cable on O-dock, a replacement server and network cabling project at the harbor office and acquisition of a used backhoe from proceeds generated through the sale of the District's rubber-tired loader.

Debt Administration

The District's debt acquired in 2013, is related to facilities modernization and up-front funding for acquisition of the new dredge vessel *Twin Lakes*. New debt totaling \$3.35 million was acquired in FY19 to fund two capital infrastructure projects, Aldo's Seawall Replacement Project and the Pile Removal and Replacement Project. The District's debt at March 31, 2019, totaled \$15,113,095. This represents an increase of \$2,146,898 or 17%, from FY18's total debt of \$12,966,197.

SANTA CRUZ PORT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

Years Ended March 31, 2020 and 2019

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the District's accountability for the District's assets. If you have questions about this report or need additional financial information, contact the Santa Cruz Port District office at 135 5th Avenue, Santa Cruz, California, 95062.

SANTA CRUZ PORT DISTRICT

STATEMENTS OF NET POSITION March 31, 2020 and 2019

	2020	2019
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 10,070,823	\$ 13,095,489
Trade receivables	245,550	110,480
Grants receivable	--	48,639
Interest receivable	48,223	75,887
Inventory	10,263	6,944
Prepaid expenses	34,577	27,784
	<u>10,409,436</u>	<u>13,365,223</u>
RESTRICTED ASSETS		
Cash and cash equivalents (Note 2)	<u>1,016,571</u>	<u>1,015,386</u>
CAPITAL ASSETS (Note 3)		
Nondepreciable assets:		
Land	1,349,360	1,349,360
Construction in progress	3,197,517	874,128
Depreciable assets:		
Structures and improvements	29,668,008	29,477,120
Docks	24,113,526	22,600,115
Equipment	11,864,219	11,335,516
Office equipment	153,680	153,680
	<u>70,346,310</u>	<u>65,789,919</u>
Less accumulated depreciation	<u>32,425,173</u>	<u>30,532,350</u>
	<u>37,921,137</u>	<u>35,257,569</u>
	<u>49,347,144</u>	<u>49,638,178</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amounts from pension plans (Note 6)	927,507	948,686
Deferred amounts from OPEB plan (Note 9)	<u>10,797</u>	<u>3,883</u>
	<u>938,304</u>	<u>952,569</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 50,285,448</u>	<u>\$ 50,590,747</u>

The notes to financial statements are an integral part of these statements.

SANTA CRUZ PORT DISTRICT

STATEMENTS OF NET POSITION

March 31, 2020 and 2019

	2020	2019
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 169,131	\$ 395,293
Accrued interest	92,380	101,615
Payroll liabilities	210,982	219,891
Current portion of long-term debt (Note 4)	1,299,163	1,254,451
Current portion of unearned revenue (Note 5)	66,544	66,544
Prepaid slip rents	191,985	189,780
Deposits	438,411	431,179
	<u>2,468,596</u>	<u>2,658,753</u>
Total current liabilities		
	<u>2,468,596</u>	<u>2,658,753</u>
LONG-TERM DEBT, less current portion (Note 4)	<u>12,563,188</u>	<u>13,858,644</u>
OTHER LONG-TERM LIABILITIES		
Unearned revenue, less current portion (Note 5)	449,174	515,718
Net pension liability (Note 6)	4,338,392	3,990,879
Net OPEB liability (Note 9)	483,228	484,557
	<u>5,270,794</u>	<u>4,991,154</u>
Total Liabilities	<u>20,302,578</u>	<u>21,508,551</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred amounts from pension plans (Note 6)	334,844	365,451
Deferred amounts from OPEB plan (Note 9)	73,078	2,434
	<u>407,922</u>	<u>367,885</u>
Total Deferred Inflows of Resources		
	<u>407,922</u>	<u>367,885</u>
NET POSITION		
Net investment in capital assets	23,543,068	19,562,212
Restricted for:		
Debt service	1,016,571	1,015,386
Unrestricted	5,015,309	8,136,713
	<u>29,574,948</u>	<u>28,714,311</u>
Total Net Position		
	<u>29,574,948</u>	<u>28,714,311</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 50,285,448</u>	<u>\$ 50,590,747</u>

The notes to financial statements are an integral part of these statements.

SANTA CRUZ PORT DISTRICT

STATEMENTS OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION Years Ended March 31, 2020 and 2019

	2020	2019
Operating revenues:		
Charges for berthing and services	\$ 7,920,084	\$ 7,372,983
Rent and concessions	1,893,576	1,838,345
	<u>9,813,660</u>	<u>9,211,328</u>
Operating expenses:		
Depreciation and amortization	1,954,934	1,830,080
Dredging operations	1,369,670	1,232,182
Administrative services	759,880	653,783
Grounds	727,772	750,251
Harbor patrol	683,549	641,569
Fuel services	536,061	413,682
Property management	480,408	474,209
Marina management	434,290	544,303
Parking services	341,396	357,156
Non-cash pension liability	338,085	313,404
Buildings	323,550	322,642
Boatyard operations	274,979	254,419
Docks, piers, marine structures	237,013	270,617
Finance & purchasing	181,208	170,690
Environmental & permitting	174,318	143,423
Rescue services	99,549	95,508
Utilities	85,665	87,508
Non-cash OPEB liability	67,186	70,313
Port commission support	52,156	45,923
Aeration	38,467	36,840
Events	30,440	30,682
Capital projects	6,812	1,022
Fishery support	5,680	2,762
	<u>9,203,068</u>	<u>8,742,968</u>
Operating income	<u>610,592</u>	<u>468,360</u>
Non-operating revenues (expenses):		
County revenues for public services	49,985	12,493
Grants	37,826	111,403
Dredging reimbursement (Note 10)	385,000	449,000
Interest income	265,810	242,056
Other income	2,809	188,516
Interest expense	(491,385)	(476,885)
	<u>250,045</u>	<u>526,583</u>
Increase in net position	<u>860,637</u>	<u>994,943</u>
Net position, beginning, as previously reported	28,714,311	27,995,362
Cumulative effect of change in accounting principle		<u>(275,994)</u>
Net position, beginning as restated		27,719,368
Net position, ending	<u>\$ 29,574,948</u>	<u>\$ 28,714,311</u>

FY20 Audited Financial Statements

Granted Public Trust Lands Standardized Reporting Form

			2020 Amount attributable to Granted Lands	Notes
Operating revenues:				
Charges for berthing and services		<u>FY20</u> <u>FY19</u>		
		\$ 7,920,084 \$ 7,372,983		
Slip Rent Permanent	4,500,072.42		2,247,455	50% of Slip Rent Permanent less 50% Annual Slip Rent Discount. Approx. 50% of Slips are on Granted Public Lands. \$2,677.56 of Charter Revenue Recorded as Slip Rent, Transferred to Rents and Concessions.
Slip Rent Visitors	130,827			
Annual Slip Rent Discount	(2,484.03)			
Misc. Tenant Rent (Sewer)	212,854			
Launch Fees	135,460			
Liveaboard	75,669		37,834.73	
Catamaran Storage	26,740			
North Harbor Dry Storage	183,009			
7th Ave Dry Storage	112,784			
Waiting List	122,125			
Slip Leave Option	4,500			
Partnership Fees	27,500		13,749.90	
Sublease Fees	28,478		14,238.86	
Variable/Utility Fees	194,531			
Late Fees	53,795			
Citations	105,165			
Credit Card Convenience Charges	18,476			
Parking - Concession Lot	419,681			
Parking - Launch Area	41,295			
Parking - Westside	116,782			
Meter Permits & Coin	197,257			
Slip Renter Parking Permits	30,442			
RV Parking	186,272			
Fuel Sales Gasoline	250,853			
Fuel Sales Diesel	404,802			
Fuel Service Call Back Charges	20			
Wash Rack	6,831			
Boatyard Retail	11,884			
Boatyard Labor	161			
Boatyard Rental	3,415			
Boatyard Misc.	30,683			
Lay Days/Storage	115,905			
Vessel Haulout	140,589			
Vessel Berthing	33,711			
Rent and concessions		<u>1,893,576</u> <u>1,838,345</u>	<u>11,246</u>	Charter Fees included in Rent and Concession. Four Charter Operators Operate on Granted Lands. \$2,677.56 of Charter Revenue Recorded as Slip Rent, Transferred from Slip Rent Permanent
		9,813,660 9,211,328	2,324,524	Gross Revenue Received
Operating expenses:			Amount	
Depreciation and amortization		<u>1,954,934</u> <u>1,830,080</u>		
Dredging operations		1,369,670 1,232,182	24,912	Based on Volumes of Dredged Material, Approx 2% related to Granted Public Lands

Administrative services	759,880	653,783		
Grounds	727,772	750,251		
Harbor patrol	683,549	641,569		
Fuel services	536,061	413,682		
Property management	480,408	474,209		
Marina management	434,290	544,303	217,145	Approx. 50% of Slips are on Granted Public Lands.
Parking services	341,396	357,156		
Non-cash pension liability	338,085	313,404		
Buildings	323,550	322,642		
Boatyard operations	274,979	254,419		
Docks, piers, marine structures	237,013	270,617	118,507	Approx. 50% of Slips are on Granted Public Lands.
Finance & purchasing	181,208	170,690		
Environmental & permitting	174,318	143,423	43,580	50% of effort waterside related. Assume 50% waterside effort related to Granted Public Lands = 25%
Rescue services	99,549	95,508		
Utilities	85,665	87,508		
Non-cash OPEB liability	67,186	70,313		
Port commission support	52,156	45,923		
Aeration	38,467	36,840	23,080	60% of Aeration effort related to Granted Public Lands
Events	30,440	30,682		
Capital projects	6,812	1,022		
Fishery support	5,680	2,762		
*Page 17 of Financial Statements	<u>9,203,068</u>	<u>8,742,968</u>	<u>427,223</u>	Expenditure of Funds Received from Trust Land
Capital Assets				
Nondepreciable assets:				
Land	1,349,360	1,349,360		
Construction in progress	3,197,517	874,128		
Depreciable assets:				
Structures and improvements	29,668,008	29,477,120		
Docks	24,113,526	22,600,115	933,452	Approx. 62% of increase in Assets are related to replacement of Dock Piles on Granted Public Lands.
Equipment	11,864,219	11,335,516		
Office equipment	153,680	153,680		
*Page 15 of Financial Statements	<u>70,346,310</u>	<u>65,789,919</u>	<u>933,452</u>	Capital Improvements over \$250,000
			<u>\$ 1,360,675</u>	Total Expenditure of Funds Received from Trust Land