



**MEMORANDUM**

**TO:** Board of Commissioners

**FROM:** Diane Stevens, Accounting Supervisor

**DATE:** February 28, 2023

**SUBJECT:** **2022/23 2<sup>nd</sup> Quarter Comparative Profit & Loss Statement - Consolidated, Major Maintenance & Capital Project Activity Report, Investment Statement**

**Recommendation**

- Receive and file, no action necessary

**Policy Implications**

It is the Board's practice to review financial statements on a quarterly basis.

**Fiscal Implications / Budget Status**

Overall, total revenues and expenses for the six months ended December 31, 2022, are in line with the annual budget, which is projected to consume \$976,000 of reserves. The activity is summarized as follows:

- Operating revenues are \$1,427,000, \$204,000 above the prior year and 56% of the FY22/23 annual budget.
- Operating expenditures are \$2,971,000, 8% above the prior year and 47% of the FY22/23 annual budget.
- Non-operating revenues/expenses are \$1,220,000 or 28% of budget (see page 2 for detail explanation).
- Capital project and major maintenance outlays (net of grant funding) are \$1,106,000 vs the annual budget of \$1,527,000.

**Discussion**

Attached are the District's Comparative Profit & Loss Statement - Consolidated, and Major Maintenance & Capital Project Activity report for the 6 months ended December 31, 2022. In the narrative, comparisons refer to the same six month period (July – December) in FY 2021/2022. The table on the next page summarizes the information.

	Six Months Ended 12/31/2022	Six Months Ended 12/31/2021	2022/23 Budget	PY to CY % Inc/Dec	% of Budget
<b>Net Operating Revenue</b>	\$ 1,427,359	\$1,223,632	\$ 2,566,400	16.6%	55.6%
<b>Total Operating Expense</b>	(2,971,130)	(2,754,584)	(6,372,634)	7.9%	46.6%
<b>Non-Operating Revenue (Expenses)</b>	1,220,498	2,275,882	4,356,658	-46.4%	28.0%
<b>Major Maintenance and Capital Projects</b>	(1,106,404)	(231,620)	(1,527,361)	377.7%	72.4%
<b>Net Income (Loss)</b>	<b>(1,429,676)</b>	<b>513,310</b>	<b>(976,937)</b>	<b>378.5%</b>	<b>146.3%</b>
<b>Board Reserve Usage</b>			681,400		
<b>Operating Reserve Usage</b>	<b>\$(1,429,676)</b>	<b>\$ 513,310</b>	<b>\$ 295,537)</b>	<b>378.5%</b>	
*No budget adjustments are reflected					

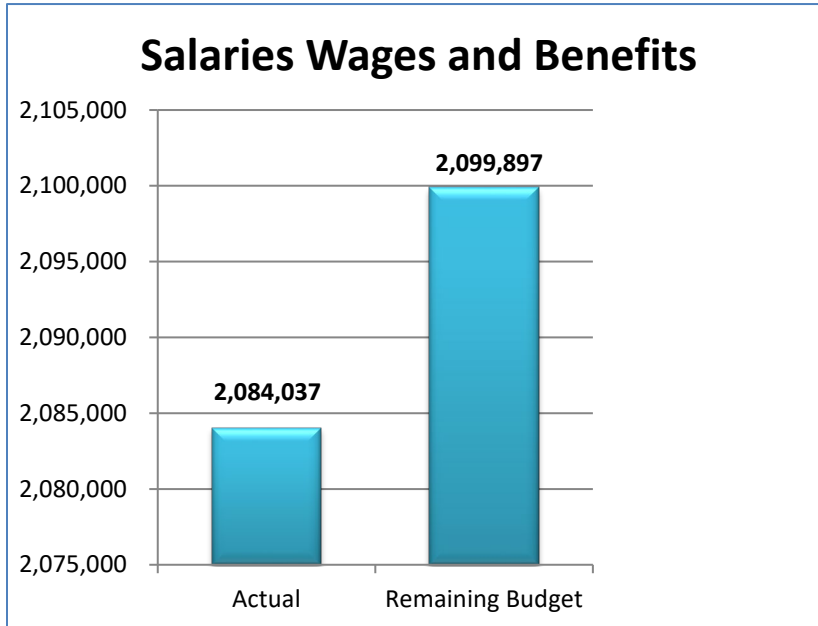
**Net Operating Revenues** are \$1,427,000 (17%) above prior year and 56% of the budget. Operating revenue highlights include:

1. Avila Parking revenue decreased \$15,000 and is 46% of budget.
2. Lease and license revenue is \$1,028,000, an increase of \$189,000 and 62% of the FY22/23 budget. Contributing factors for the increase are 6 months of Harbor Terrace RV operations vs. 3 months the prior year and strong lease and license revenue.

**Non-operating revenue (expense)** is \$1,220,000, a decrease of \$1,055,000 from the prior year. This is due to the timing of property tax receipts. We received \$1.3M in January 2023 which represents our December 2022 payment. If this had been received timely, property taxes would be \$2,478,000 vs. \$2,335,000 in the prior year. We are in line with the annual property tax budget of \$4,159,000. In addition, in FY 21/22 we had a \$150,000 legal settlement, which reduced our non-operating income (expense).

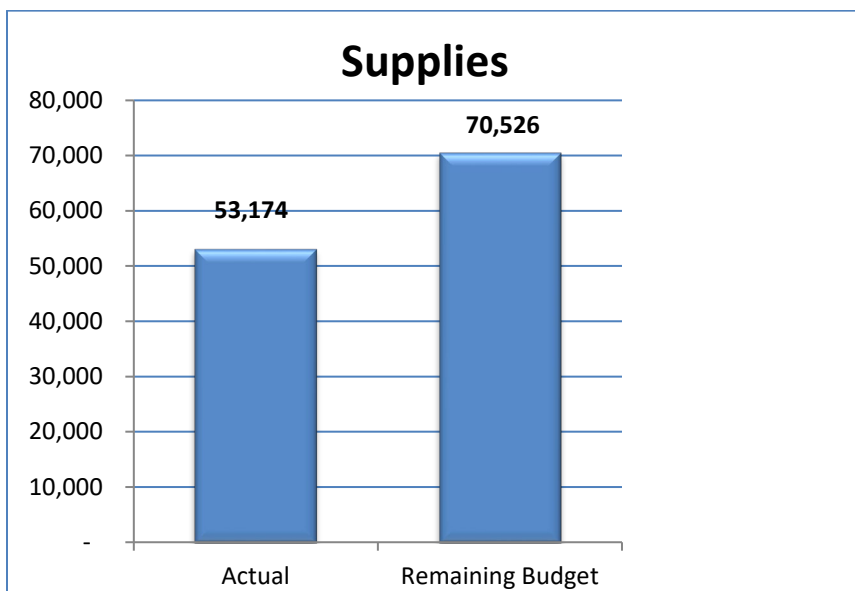
Summaries of operating costs and capital project costs follow.

**Salaries, wages, and benefits** expenditures are \$2,084,000 and an increase of \$121,000, primarily wages, pension, and health insurance costs. The \$2,084,000 is 50 % of our budget. So we are in line with the budget.

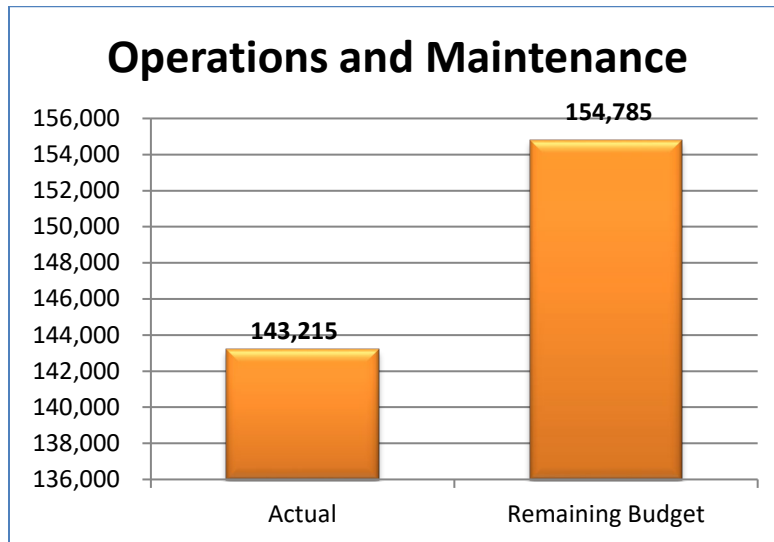


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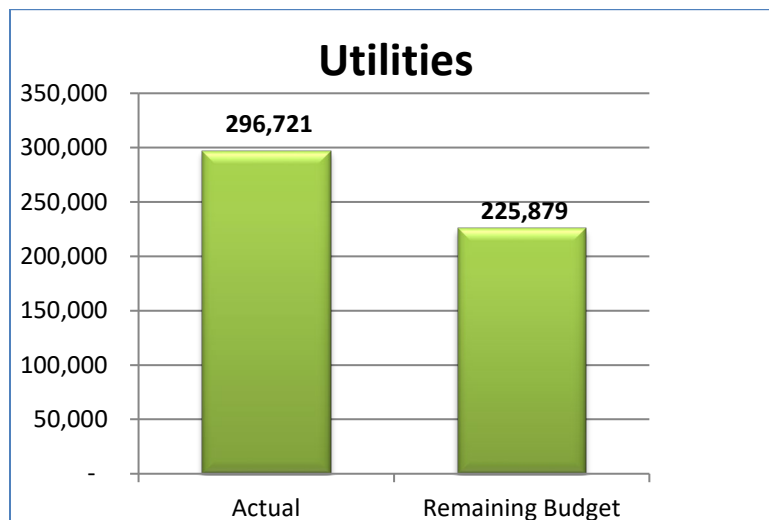
Expenditures on **supplies** are \$53,000, the same as the prior year and 43% of the budget.



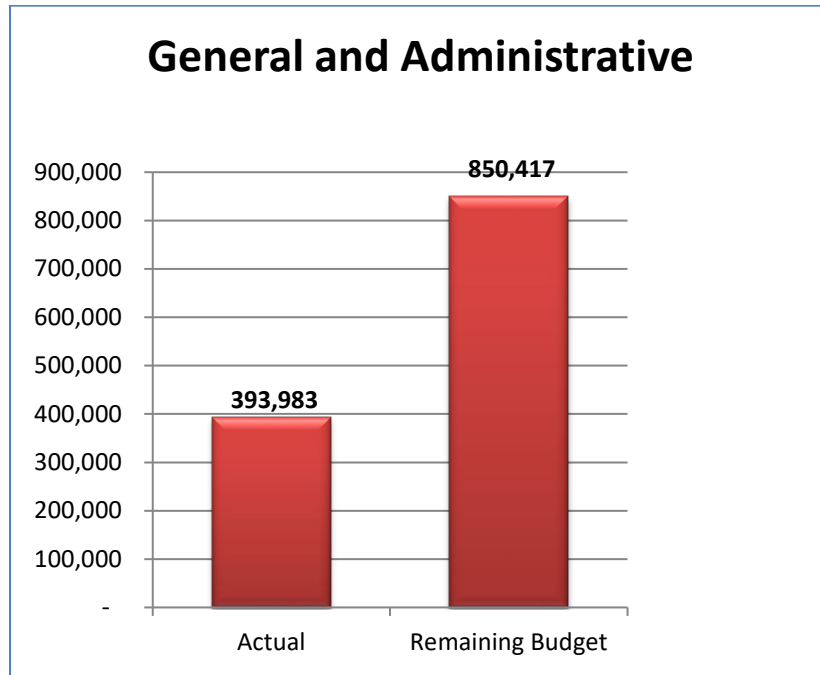
**Operations and maintenance** expenditures are \$143,000, \$39,000 above the prior year but 49% of the budget and in line with the budget.



**Utility** costs are \$297,000. This is \$98,000 more than the prior year and 57% of the budget. Increases are due to higher sewer treatment operating costs, telephone/communications and Lopez water. The telecommunication overage relates to the old AT&T contract, which we no longer have. The Lopez water was budgeted at \$231,000 for the year and is now estimated at \$266,000. Increased billings from ABCSD for the treatment of our sewage results in a current \$50,000 overage in the annual budgeted line item. We are evaluating the costs and will have more information in the upcoming months as to the reasons for the increase, whether any costs are to be rebilled to tenants, and the long-term impact on the budget.



**General and administrative** costs are \$394,000, a decrease of \$46,000 from the prior year and we have consumed 32% of the budget. We do have approximately \$150,000 of election costs budgeted and \$60,000 for city redevelopment fees which have not been incurred as yet.



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**Net Major Maintenance and Capital Project** costs (net of grants received) are \$1,106,000 vs a budget of \$1,527,000. Major progress has been made on the Avila Pier, \$1.3M of costs, boom truck acquisition of \$218K, Avila sewer treatment plant expansion costs of \$300K, and various other projects. It should be noted that the boom truck and Avila sewer treatment plant expansion costs were not budgeted, as these are paid from loan proceeds received in the prior year. We will be coming to the Board for budget adjustments to properly reflect these items.

Attachments:

1. PSLHD December 31, 2022 Profit and Loss
2. PSLHD December 31, 2022 Major Maintenance and Capital Projects
3. LAIF Statement as of December 31, 2022

**Port San Luis Harbor District**  
**2022/23 Profit and Loss**  
**For the Fiscal Year July 1, 2022 to June 30, 2023**

REVENUES	Six Months Ended		
	31-Dec-22	31-Dec-21	2022/23 Budget
<b>Service Revenue</b> <i>(Avila Parking, Land Use Fees, Citations)</i>	\$ 292,857	\$ 296,089	\$ 610,600
<b>Mooring Revenue</b> <i>(Moorage Fees, Equipment Sales, Skiff Space)</i>	88,714	78,174	179,800
<b>Leases and Licenses</b> <i>(Leases, Licenses, RVs, Utility Reimbursement)</i>	1,028,971	840,502	1,751,000
<b>Net Diesel Sales</b>	16,817	8,866	25,000
<b>Total Operating Revenue</b>	1,427,359	1,223,632	2,566,400
<b>Non-Operating Revenue (Expense)</b> <i>(Property Tax, Interest, Misc Income/Expense)</i>	1,220,498	2,275,882	4,356,658
<b>TOTAL REVENUES</b>	\$ 2,647,857	\$ 3,499,514	\$ 6,923,058
EXPENDITURES			
<b>Salaries/Wages/Benefits</b> <i>Less: Specified Reserve Use</i>	\$ 2,084,037	1,963,809	\$ 4,183,934
<b>Supplies</b>	53,174	57,090	123,700
<b>Operations &amp; Maintenance</b> <i>Less: Specified Reserve Use</i>	143,215	104,185	298,000
<b>Utilities</b>	296,721	189,006	522,600
<b>General &amp; Administrative</b> <i>Budget Contingency</i>	393,983	440,494	1,141,900
<i>Less: Specified reserve use</i>	-	-	102,500
	-	-	(45,000)
<b>TOTAL EXPENDITURES</b>	\$ 2,971,130	\$ 2,754,584	\$ 6,327,634
<b>Net Income Before Major Maintenance and Capital Expenditures (Line 7 - Line 13)</b>	(323,272)	744,930	595,424
<b>Major Maintenance Expense</b> <i>Less: Grants</i>	94,039	172,848	437,000
<i>Specified reserve use</i>	(13,700)	(100,000)	(50,000)
	-	-	(94,000)
<b>Capital Project Outlay</b> <i>Less: Grants</i>	1,934,215	158,772	3,718,100
<i>Specified reserve use</i>	(908,150)	-	(2,577,739)
	-	-	(542,400)
<b>TOTAL MAJOR MAINTENANCE AND CAPITAL PROJECTS</b>	\$ 1,106,404	\$ 231,620	\$ 890,961
<b>REVENUES less EXPENDITURES (Line 14 - Line 17)</b>	\$ (1,429,676)	\$ 513,310	\$ (295,537)
<b>Specified Reserve Funding</b>			
<b>Funding/(funded by) operating reserve</b>	\$ (1,429,676)	\$ 513,310	\$ (295,537)

\*No budget adjustments are reflected

Port San Luis Harbor District  
Major Maintenance & Capital Project Activity  
For the Fiscal Year July 1, 2022 to June 30, 2023

<u>2022-23 Annual Budget Codes</u>			Six Months Ended	2022/23 Annual Budget	Variance	
			31-Dec-22			
		<b>Major Maintenance Grant Income</b>				
100..430	9000..9050	Grants-Special/Misc. Projects	13,682.44	50,000	(36,318)	-72.6%
		<b>Total Funding</b>	<b>13,682.44</b>	<b>50,000</b>	<b>(36,318)</b>	<b>-72.6%</b>
		<b>Major Maintenance Expense</b>				
250	9995	Abandoned Vessel Removal/Demo	-	(20,000)	20,000	-100.0%
525	9925	Coastal Gateway Furniture Replacement	-	(22,000)	22,000	-100.0%
500	9990	District Building Maintenance	-	(35,000)	35,000	-100.0%
100	9100	Document Conversion & Organization	-	(5,000)	5,000	-100.0%
200	9101	Dredge Equipment Maintenance	-	(20,000)	20,000	-100.0%
320	9120	Heavy Equipment Maintenance	(6,772.71)	(25,000)	18,227	-72.9%
590	9960	Lighthouse Road Maintenance	-	(30,000)	30,000	-100.0%
525	9980	Mooring Capital Cost/LCM Repairs	(13,316.33)	(32,000)	18,684	-58.4%
525	9960	Parking Lot Maintenance	-	(35,000)	35,000	-100.0%
500	9916	Harford/Avila Pier Lumber & Materials	(37,759.14)	(140,000)	102,241	-73.0%
525	9970	Revetment	(22,151.42)	(15,000)	(7,151)	47.7%
200	6661	Trailer Hoist Maintenance & Repairs	(8,262.34)	(18,000)	9,738	-54.1%
300	6830	Wastewater Collection System Maintenance	(5,776.90)	(10,000)	4,223	-42.2%
300	6835	Water Distribution System Maintenance	-	(10,000)	10,000	-100.0%
550	9960	Water Systems - Tank	-	(20,000)	20,000	-100.0%
		<b>Total Major Maintenance Projects</b>	<b>\$ (94,038.84)</b>	<b>(437,000)</b>	<b>342,961</b>	<b>-78.5%</b>
		<b>Net Net Major Maintenance Costs</b>	<b>\$ (80,356.40)</b>	<b>\$ (387,000)</b>	<b>\$ 306,643.60</b>	<b>-151.1%</b>
		<b>Capital Project Grant Income</b>				
100..590	9800..9835	Grants-Capital Projects	908,150.17	2,577,739	\$ (1,669,589)	-64.8%
		<b>Total Funding</b>	<b>908,150.17</b>	<b>2,577,739</b>	<b>\$ (1,669,589)</b>	<b>-64.8%</b>
		<b>Capital Project Expense</b>				
575	9905	Avila Pier Landing Rehabilitation	-	(220,000)	220,000	-100.0%
575	9910	Avila Pier Rehabilitation	(1,276,834.08)	(1,845,000)	\$ 568,166	-30.8%
525	9945	Boom Truck	(29,108.80)	(46,000)	16,891	-36.7%
525	9946	Boom Truck - Acquisition	(218,941.00)	-	(218,941)	n/a
525	9915	Coastal Gateway HVAC	-	(30,000)	30,000	-100.0%
505	9110	Emergency Operations Center	(21,727.47)	(22,000)	273	-1.2%
550	9950..9955	Harbor Terrace Project Monitoring	-	(25,000)	25,000	-100.0%
500	9947	Harford Pier Redevelopment	(375.60)	(125,000)	124,624	-99.7%
505	9135	Harbor Patrol Equipment Replacement	-	(25,000)	25,000	-100.0%
510	9990	Master Plan - PSLHD	-	(10,000)	10,000	-100.0%
525	9966	Outboard Motor Storage	-	(7,500)	7,500	-100.0%
575	9916	Security Cameras	-	(18,600)	18,600	-100.0%
525	9950	Sewage Treatment Plant	(24,661.00)	(150,000)	125,339	-83.6%
525	9951	Sewage Treatment Plant Expansion	(299,256.35)	-	(299,256)	n/a
525	9952	Sewage Treatment Plant Loan Payment	-	-	0	n/a
575	9156	Trailer Boat Dock	-	(487,000)	487,000	-100.0%
500	9975	Underground Storage Tank Replacement	-	(596,000)	596,000	-100.0%
575	9917	UTV - Utility Task Vehicle	(206.03)	(51,000)	50,794	-99.6%
505	9131	Vehicle Replacement Program	(63,104.79)	(60,000)	(3,105)	5.2%
		<b>Current Year Expense</b>	<b>(1,934,215.12)</b>	<b>(3,718,100)</b>	<b>1,563,885</b>	<b>-48.0%</b>
		<b>Net Capital Project Costs</b>	<b>\$ (1,026,064.95)</b>	<b>(1,140,361)</b>	<b>\$ (105,704)</b>	<b>-10.0%</b>

California State Treasurer  
**Fiona Ma, CPA**



Local Agency Investment Fund  
P.O. Box 942809  
Sacramento, CA 94209-0001  
(916) 653-3001

February 13, 2023

[LAIF Home](#)  
[PMIA Average Monthly Yields](#)

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PORT SAN LUIS HARBOR DISTRICT

TREASURER  
P.O. BOX 249  
AVILA BEACH, CA 93424

Tran Type Definitions

Account Number: 80-40-001

December 2022 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
12/9/2022	12/6/2022	RW	1718822	1679146	PHILLIP J. SEXTON	-250,000.00
12/21/2022	12/20/2022	RD	1719373	1679707	PHILLIP J. SEXTON	500,000.00
12/21/2022	12/23/2022	RDA	1719630	N/A	PHILLIP J. SEXTON	-500,000.00
12/22/2022	12/22/2022	RD	1719522	1679856	PHILLIP J. SEXTON	500,000.00

Account Summary

Total Deposit:	500,000.00	Beginning Balance:	5,990,075.58
Total Withdrawal:	-250,000.00	Ending Balance:	6,240,075.58

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