

DUE DECEMBER 31

Pursuant to Public
Resources Code § 6306

Granted Public Trust Lands Standardized Reporting Form



Fiscal/Calendar Year: 2015

Grantee Name: Crescent City Harbor District
Contact Person: Traci Fansler
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Crescent City CA 95531

1. Funds

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

YES NO

If "No", under what fund are they accounted for? If "Yes," please list the name(s) of the fund(s)

b. Are separate financial statements prepared for the trust?

YES NO

If "No," in which financial statements are they included? (Name of the document(s) and the applicable page number(s)) If "Yes," describe the organization of the separate financial statement.

Crescent City Harbor District

2. Revenue

a. What was the gross revenue received or generated from trust land or trust assets during the past fiscal year? \$1,189,419

b. Please list all sources of revenue and the amount of revenue generated from each source (e.g. permits, rentals, percentage of lease) Page 4 of the report (attached)

3. Expenses

a. What was the total expenditure of funds received or generated from trust land or assets during the past fiscal year? \$3,294,937

b. What expenses were allocated or charged directly to the trust? Please list the source of the expenditure and the amount expended. Page 4 of the report (attached)

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?

No

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 another entity or under the management of another political subdivision of the grantee per 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.

For all questions, please give the page number where the information can be found in your accompanying financial document. Please use additional pages as necessary.

Report to the California State Lands Commission For the Year 2015

March 23, 2017

The Crescent City Harbor District (District) is an independent Special District organized under Section 6000 of the California Harbors and Navigation Code. It is governed by a five person Board of Harbor Commissioners serving staggered four year terms. Elections are held every even numbered year, with two Commissioners elected on one four year cycle, and three Commissioners elected on the other four year cycle. The District has a staff of seven full time employees and nine part time employees. The District is organized as an enterprise district, meaning that it must earn most of its revenue from business activities it creates and fosters on the lands the District controls. The District uses this revenue to maintain and improve the lands and structures of the District for the benefit of the public.

The District currently controls two types of land, property that is owned fee simple by the District and the State Lands granted to the District in 1963. Table One shows the Del Norte County Assessor parcel numbers of each property, and the approximate acreage in each.

Parcel Number	Acreage
117-20-16	Unknown, undivided State Lands
118-020-29	9.51
117-170-11	18.58
117-180-11	4.3
117-180-21	3.04
Total	35.43 +

Figure One shows the boundaries of the District (Blue Line) and the approximate location of the high tide line (Red Line) marking the division of the District into state lands, seaward of the high tide line, and property owned fee simple, landward of the high tide line.

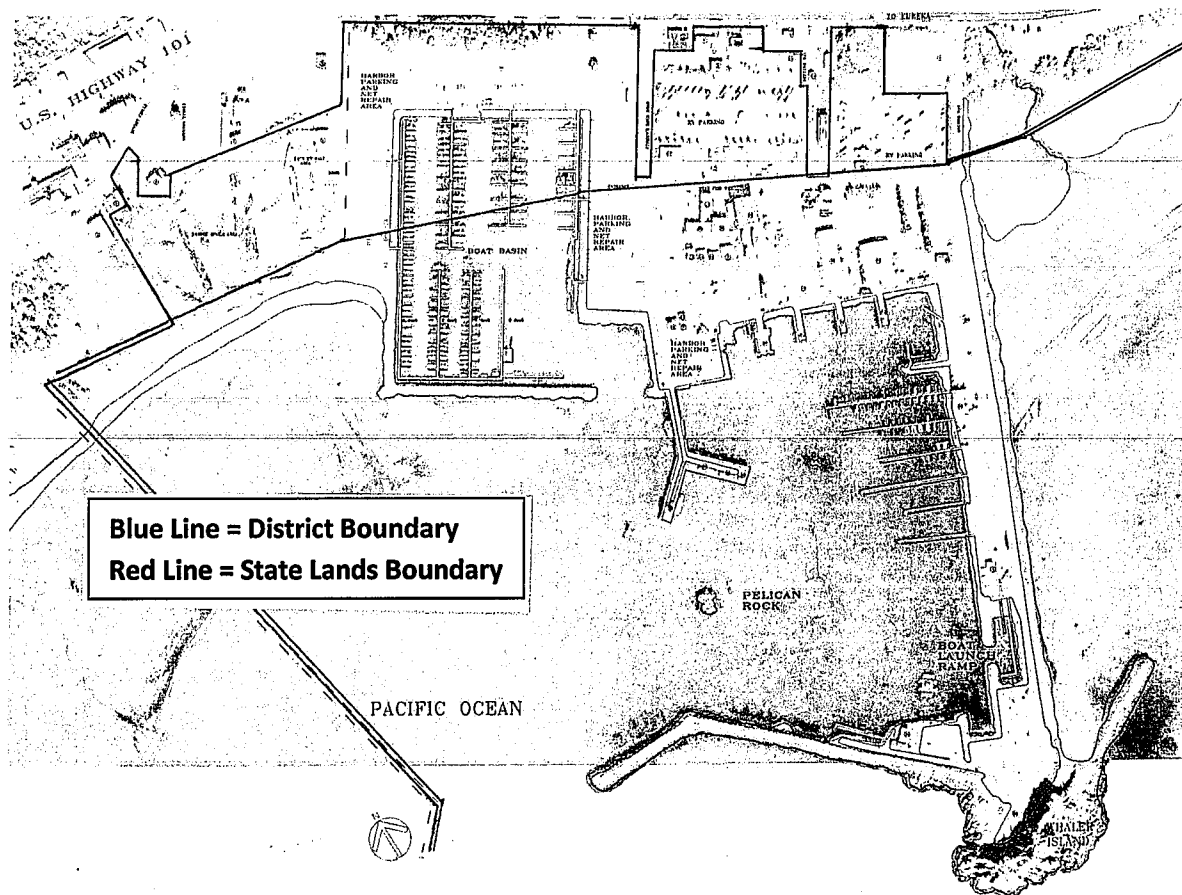


Figure 1. Crescent City Harbor District Boundary and State Land Grant Boundary.

A number of businesses and business activities are located on District property. Table 2 shows the businesses currently operating in the District, and the type of land on which they are located. A large majority of the businesses in the District are located on State Lands. This locational outcome reflects several interesting facts about the District. First, Crescent City Harbor is primarily a recreational and commercial fishing harbor. As such, most fishing related businesses need to be located on the water. Commercial fish unloading, fueling, ice delivery, moorage, and small vessel haulout and repair facilities all require direct access to the water to service vessels. Second, even businesses that do not directly depend on being adjacent to the water, such as restaurants and shops, find it beneficial to be near the water --their patrons enjoy viewing fishing activity and the ambience of being near the water. A final reason that most business activity in the Crescent City Harbor District is located on State Lands is that the businesses located on property owned by the District make more extensive use of the land. These business activities include RV parks and dredge dewatering ponds. There are fewer of them because each one requires an extensive amount of land.

The purpose of this report is to provide a detailed statement of all revenues and expenditures relating to the District's trust lands for the respective fiscal year. Because we know where businesses are located in the District, and because these businesses have lease agreements with the District that allow us to identify each source of revenue by business, we can identify which revenues arise on State Lands and which revenues arise on non State Lands. Identifying where expenses are incurred is more difficult. The District does not break out expenses by the location where they are incurred. While some expense items

would be obvious, such as repairs to the Outer Boat Basin which is located entirely on State Lands, other expense are more difficult to classify, such as repairs to the Inner Boat Basin which is located partially on State Lands and partially on property owned fee simple by the District. Other expense items, such as Office Supplies or Administrative Expense, will always be difficult to assign as they apply to the operation of the District as a whole, and not to the individual land parcels.

Table 2. Businesses and Business Activity Located on District Property

<u>On State Lands</u>	<u>On Fee Simple Property</u>
Alber Seafoods	Bayside RV Park
C Renner Fuel Dock	Dredge dewatering ponds
Caito Fisheries	Englund Marine
Chart Room	Harbor RV Anchorage
Coast Redwood Art	Little Hawk Perf. & Repair
Crescent City Crab Shack	Ocean World water intake
Crescent City Seafood	Outfront Outdoor signage
Del Norte County Sheiff	Tree of Mystery signage
Fashion Blacksmith	Inner Boat Basin (portion)
Global Seafood	
Kims Hair Studio	
LCZ Unloaders	
M&M Diving, Inc.	
Nor Cal Seafood	
North Coast Ocean Sports	
Pacific Choice (EF Building)	
Pacific Choice - Ice Plant	
Pacific Choice -unloading	
Ponit St. George Yacht Club	
South Beach Outfitters	
Wild Planet Sfds (Carvalho)	
Outer Boat Basin no longer in Service	
Inner Boat Basin (portion)	

To construct a breakout of revenue and expense by type of land, we made a judgment call regarding the percentage of each revenue or expense category that should be attributed to each type of land. Columns two and three of Table 3 show the assigned percentages for each revenue and expense category. Column one shows the dollar values for each category from the current, provisional end of financial year profit and loss statement for the District.¹ The percentages in columns two and three are applied to the dollar quantities in Column one to calculate the dollar amount of revenues and expenses attributed to each type of land in columns three and four of Table 3.

¹ The current profit and loss statement for June 30, 2013 (the end of the District's most recent financial year) is included as an Appendix to this report.

Table 3	2015	% State	% not State	\$ State	\$ not State
Income					
Inner Boat Basin slip rentals	383,297	50%	50%	191,649	191,649
Launchings, day use fees, travelift, transient and other services	117,897	100%		117,897	0
Rents and concessions income	585,547	85%	15%	497,715	87,832
Other miscellaneous income	408,942	90%	10%	368,048	40,894
Wharfage	14,111	100%		14,111	0
Total Revenue	\$1,509,794			\$1,189,419	\$320,375
Expense					
Audit	12,950	90%	10%	11,655	1,295
Advertising	3,836	100%		3,836	0
Bad Debts	451	100%		451	0
Depreciation	3,729,618	50%	50%	1,864,809	1,864,809
Fringe Benefits	157,435	90%	10%	141,692	15,744
Fuel, Oil, Grease	12,507	90%	10%	11,256	1,251
Insurance	203,997	100%		203,997	0
Legal	17,288	90%	10%	15,559	1,729
Office and Administrative	17,754	90%	10%	15,979	1,775
Operating Supplies	18,249	90%	10%	16,424	1,825
Other	17,649	90%	10%	15,884	1,765
Outside Services	117,038	90%	10%	105,334	11,704
Payroll Expenses	489,158	90%	10%	440,242	48,916
Payroll Taxes	45,165	90%	10%	40,649	4,517
Repairs and Maintenance- Materials	18,263	90%	10%	16,437	1,826
Repairs and Maintenance- Services	226,582	90%	10%	203,924	22,658
Travel	10,349	50%	50%	5,175	5,175
Utilities and Telephone	181,635	100%		181,635	0
Total program expenses	\$5,279,924			\$3,294,937	\$1,984,987
Operating revenue	-\$3,770,130				

Summary and Conclusions

This report presents financial information for the fiscal year 2014/2015 for the Crescent City Harbor District. The District suffered substantial damage from tsunamis in both 2006 and 2011.

Based on the financial information, we summarize the District's results for operations on State Lands and non State Lands for 2014/15 as,

Table 4. Summary Results for 2014/15 Financial Information

	Total	State Lands	Not State Lands
Revenue	\$1,509,794	\$1,189,419	\$320,375
Expense	\$5,279,924	\$3,294,937	\$1,984,987
Net Revenue	\$3,770,130	\$2,105,517	\$1,664,613

This report prepared by,
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