



AGENDA
SPECIAL MEETING
OF THE BOARD OF HARBOR COMMISSIONERS
MOSS LANDING HARBOR DISTRICT
7881 Sandholdt Road, Moss Landing, CA 95039
DECEMBER 11, 2024 – 3:00 P.M.

Moss Landing Harbor District is inviting you to a scheduled Zoom meeting.

Join Zoom Meeting

<https://us06web.zoom.us/j/88956175697?pwd=mH5IAZVXMCBbIILFY3UpINgYImfgYn.1>

Meeting ID: 889 5617 5697

Passcode: 345265

One tap mobile

+16699006833,,88956175697#,,,,*345265# US (San Jose)

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A. CLOSED SESSION

A Closed session will be held immediately prior to the public open meeting, and will begin at **2:30 p.m.** to consider the following items. The public open meeting will begin at **3:00 p.m., or as soon thereafter as the Closed Session is concluded**, and any action taken during the Closed Session will be reported out at that time.

1. Confer with real property negotiators regarding Government Code §54956.8 regarding Moss Landing Commercial Park. Negotiating parties: General Manager and District Counsel.

B. OPEN SESSION CALL TO ORDER - PLEDGE OF ALLEGIANCE – ROLL CALL

Russ Jeffries – President

Vince Ferrante – Vice President

James Goulart – Secretary

Liz Soto – Commissioner

Albert Lomeli - Commissioner

Tommy Razzeca – General Manager

Mike Rodriguez – District Counsel

Shay Shaw – Administrative Assistant

C. PRESIDENT'S REMARKS

The President will use this opportunity to inform the public of issues affecting the District and other items of a general nature not otherwise provided for on this agenda.

D. PUBLIC COMMENTS

Members of the general public may address the Board of Harbor Commissioners regarding any item that is not on the Agenda. The President may limit the total amount of time of testimony.

E. CONSENT CALENDAR

1. Approval of the September 25, 2024 Regular Meeting Minutes.

F. SPECIAL PRESENTATION

2. Ryan Jolley of the firm Bryant L. Jolley CPA's will present a brief summary including highlights of the MLHD FYE June 30, 2024 audited financial statement.

G. FINANCIAL REPORT

3. Financial report month ending October 31, 2024.

H. MANAGERS' REPORTS

The General Manager will make oral or written reports. The Board may take action as deemed necessary. The Managers may present additional reports, but the Board may not take action on any item not on this Agenda.

4. Projects Status/Update
5. Summary of Permits Issued
6. Meeting Announcements
7. Liveboard Report
8. Slip Income Report
9. Incident Report

I. COMMITTEE REPORTS

10. Finance Committee – Ferrante/Goulart
11. Elkhorn Slough Advisory Committee – Lomeli
12. Special Districts – Jeffries/Ferrante
13. Liveboard Committee – Soto/Lomeli
14. Harbor Improvement Committee – Soto/Lomeli
15. Real Property Committee I – Jeffries/Ferrante/Leonardini(Appointed Public Representative)
16. Real Property Committee II – Goulart/Soto
17. Personnel Committee – Jeffries/Goulart
18. Ad Hoc Budget Committee – Goulart/Soto
19. Meetings attended by Commissioners at District expense since the last regular meeting of the Board (AB 1234 requirements). Such reports may be oral or written.

K. NEW BUSINESS

20. ITEM- Consider Kirby Park Security Proposal
 - a. Staff report
 - b. Public Comment
 - c. Board discussion
 - d. Board action

L. COMMISSIONERS COMMENTS AND CONCERNS

Commissioners may address items of concern at this time, and may request that items be placed on future agendas in accordance with the By-laws of the Board.

M. ADJORNMENT

The next Meeting of the Board of Harbor Commissioners is scheduled for January 24, 2024 at 7:00 PM at the Moss Landing Harbor District, 7881 Sandholdt Road, Moss Landing, CA. Individuals requiring special accommodations should contact Administrative Assistant, Shay Shaw at Shaw@mosslandingharbor.dst.ca.us or at 831.633.2461 no less than 72 hours prior to the meeting or if a Special Meeting, as soon as possible after the Agenda is posted. Copies of the agenda will be available 72 hours prior to Regular Meetings and 24 hours prior to Special Meetings and/or by contacting the District at 831.633.5417 or Shaw@mosslandingharbor.dst.ca.us or on the District's website at www.mosslandingharbor.dst.ca.us. All meetings are noticed and conducted in accordance with the Ralph M. Brown Act.



MINUTES
REGULAR MEETING
OF THE BOARD OF HARBOR COMMISSIONERS
MOSS LANDING HARBOR DISTRICT
7881 Sandholdt Road, Moss Landing, CA 95039

September 25, 2024 – 7:00 P.M.

Moss LANDING Harbor District is inviting you to a scheduled Zoom meeting.

Join Zoom Meeting

<https://us06web.zoom.us/j/81510407816?pwd=ZEpvi751Im4oAO81MEuxyDuImmbqug.1>

Meeting ID: 815 1040 7816

Passcode: 581498

One tap mobile

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+16699006833,,81510407816#,,, *581498# US (San Jose)

A. CLOSED SESSION

1. Confer with real property negotiators pursuant to Government Code §54956.8 regarding Moss Landing Commercial Park- licenses and easements. Negotiating parties: General Manager and District Counsel.

2. Confer with real property negotiators (District Counsel and GM) pursuant to Government Code §54956.8 regarding the current ground leases of 2 storage buildings located at 7881 Sandholdt Rd, currently operated by Moss Landing Marine Storage.

B. OPEN SESSION CALL TO ORDER - PLEDGE OF ALLEGIANCE

The meeting was called to order at 7:07 PM. Roll was called, followed by the Pledge of Allegiance.

Commissioners Present:

Russ Jeffries – President
Vince Ferrante- Vice President
James Goulart – Secretary
Albert Lomeli – Commissioner

Liz Soto – Commissioner - Absent

Staff Present:

Tommy Razzeca – General Manager
Mike Rodriguez – District Counsel
Shay Shaw – Administrative Assistant

C. PRESIDENT’S REMARKS

President Jeffries announced that the Board met in Closed Session and no decisions were made; direction was given to the General Manager and District Counsel.

D. PUBLIC COMMENTS

Marilyn Vierra said on October 7th Monterey Community Plan, Public Works ESNERR and CFWL have plans for the gate at Kirby Park and welcomed input from the Harbor District at the upcoming meeting. Liza Schmidt requested more beautification around the Harbor. She offered to start a garden on the property for the tenants and offered to paint Murals of Marine related artwork around the Harbor to attract more visitors from out of town. The Board requested she schedule a meeting with the Harbor Improvement Committee with her plans for review.

E. CONSENT CALENDAR

1. Approval of July 31, 2024 Meeting Minutes. A motion was made by Commissioner Ferrante, seconded by Commissioner Lomeli to approve the September 2024 Regular Meeting Minutes. The motion passed 4-1 on a roll-call vote. Commissioner Soto was absent.

F. FINANCIAL REPORT

2. Financial report month ending August 31, 2024. GM Razzeca gave the report. A motion was made by Commissioner Goulart, seconded by Commissioner Lomeli to accept the financial report. The motion passed 4-1 on a roll-call vote. Commissioner Soto was absent.

G. MANAGER'S REPORTS

The General Manager will make oral or written presentations on the below subjects. The Board may take such action as deemed necessary. The Manager may present additional reports; however, the Board may not take action on any such item not on this Agenda.

3. Projects Status/Update – written report/no questions
4. Summary of Permits Issued – written report/ no questions
5. Meeting Announcements – written report/no questions
6. Assigned Liveboard Report – written report/no questions
7. Slip Income Report – written report/no questions
8. Incident Report – written report/no questions

H. COMMITTEE REPORTS

9. Finance Committee – Ferrante/Goulart – nothing to report
10. Elkhorn Slough Advisory Committee – Lomeli – nothing to report
11. Special Districts – Jeffries/Ferrante – Commissioner Ferrante attended the Special Districts meeting in Palm Desert and reported on the events that took place no further discussion ensued.
12. Liveboard Committee – Soto/Lomeli – nothing to report
13. Harbor Improvement Committee – Soto/Lomeli – nothing to report
14. Real Property Committee I – Jeffries/Ferrante/Leonardini(Appointed Public Representative) – Nothing to report
15. Real Property Committee II – Goulart/Soto – nothing to report
16. Personnel Committee – Jeffries/Goulart – nothing to report
17. Ad Hoc Budget Committee – Goulart/Soto – nothing to report
18. Meetings attended by Commissioners at District expense since the last regular meeting of the Board (AB 1234 requirements). Such reports may be oral or written.

I. NEW BUSINESS

19. ITEM – CONSIDER AMENDMENT TO THE LEASE AGREEMENT WITH MOSS LANDING MARINE STORAGE TO CHANGE THE LEASSE EXPIRATION DATE TO NOVEMBER 1, 2024

- a. Staff report – GM Razzeca gave the report
- b. Public comment – None
- c. Board discussion – None
- d. Board action – A motion was made by Commissioner Goulart, seconded by Commissioner Ferrante to accept the amendment to the lease agreement with Moss Landing Marine Storage to change Lease expiration date to November 1, 2024. The motion passed 4 to 1 Commissioner Soto was absent.

20. ITEM – ORDINANCE NO. 215 OF THE BOARD OF COMMISSIONERS OF THE MOSS LANDING HARBOR DISTRICT AMENDING CHAPTER 12- DISTRICT PROPERTY REGULATIONS AND TABLE 20.100- DISTRICT FEE SCHEDULE OF THE MOSS LANDING HARBOR ORDINANCE CODE TO CHANGE STORAGE UNIT FACILITY REQUIRED DEPOSIT AMOUNTS.

- a. Staff report – GM Razzeca gave the report
- b. Public comment - None
- c. Board discussion – None
- d. Board action – A motion was made by Commissioner Lomeli, seconded by Commissioner Goulart to amend Ordinance No. 215 of the Board of Commissioners of the Moss Landing Harbor District Chapter 12- District Property Regulations and Table 20.100- District Fee Schedule of the Moss Landing Harbor Ordinance Code to Change Storage Unit Facility Required. The Motion passed 4 to 1 Commissioner Soto was absent.

21. ITEM – RESOLUTION 24-04 RQUEST FOR MLHD FORD F-150 MAINTENANCE TRUCK TO BE DECLARED SURPLUS PROPERTY

- a. Staff report – GM Razzeca gave the report
- b. Public comment – None
- c. Board discussion – None
- d. Board action – A motion was made by Commissioner Goulart, seconded by Commissioner Ferrante to accept Resolution 24-04 request for MLHD FORD F-150 Maintenance Truck to be declared for Surplus Property. The motion passed 4 to 1 Commissioner Soto was absent.

J. INFORMATIONAL ITEM

The General Manager will provide the Board an update regarding Ordinance No. 212

GM Razzeca notified the Board that Ordinance No. 212 suspending late fees related to Commercial Fisherman in the Harbor affected by the closure of fishing seasons will no longer be in effect beginning October 1, 2024.

K. COMMISSIONERS COMMENTS AND CONCERNS

None.

L. ADJOURNMENT

President Jeffries adjourned the meeting at pm 7:44 P.M.

Respectfully submitted,

ATTEST:

James Goulart, Secretary
Board of Harbor Commissioners

Tommy Razzeca, Deputy Secretary
Board of Harbor Commissioners

MOSS LANDING HARBOR DISTRICT

INDEPENDENT AUDITOR'S REPORT

AND

FINANCIAL STATEMENTS

JUNE 30, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Moss Landing Harbor District
Moss Landing, California

Opinion

We have audited the accompanying financial statements of the Moss Landing Harbor District (the District), as of and for the year ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2024 and 2023, and the changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

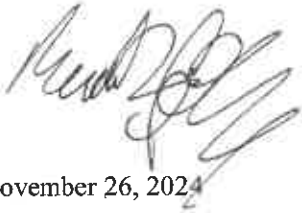
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 - 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

The basic financial statements include summarized prior year comparative information. Such prior year information does not include all of the information required to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's basic financial statements for the year ended June 30, 2023, from which such summarized information was derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 26, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to be "Kendall J. [unclear]", written in a cursive style.

November 26, 2024

**MOSS LANDING HARBOR DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024 AND 2023**

Our discussion and analysis of the Moss Landing Harbor District's (the "District") financial performance provides an overview of the District's financial activities for the fiscal years ended June 30, 2024 and 2023. Please read this in conjunction with the District's basic financial statements.

Financial Highlights

The District's financial statements are presented in accordance with the requirements of Governmental Accounting Standards Board Statement #34 (GASB 34). The underlying concept is that the financial statements are based on the governmental entity's assets, the liabilities related to those assets and the changes from year-to-year in those assets. The year-to-year changes result from net income, or loss, and contributions from outside sources (such as federal and state funding).

Operating revenues were \$3,773,152 in 2024, \$3,659,053 in 2023, and \$3,695,603 in 2022. Operating revenues were below budget by \$197,782 or 4.98%, in 2024. Berthing income and related revenues increased by \$97,813 or 3.76%, in 2024. Berthing and related revenues were below budget by \$103,570 or 3.69%. The decrease in berthing and operating revenue as compared to budget, is primarily due to lower temporary berthing revenue. Rent, concessions and other income increased by \$16,286 or 1.54%, over the prior year.

The District's property tax revenues increased by \$28,167.

Operating expenses (before depreciation) were \$2,456,047 in 2024, \$2,497,231 in 2023, and \$1,822,445 in 2022. The current year costs were lower than the prior year by \$41,184 or 1.65%, and below budget by \$1,044,221 or 29.83%. Expenses were below budget primarily due to personnel, general and administrative, and dredging costs which were below budget by \$78,107, \$74,252, and \$988,599, respectively.

Using This Annual Report

This annual report consists of management's discussion and analysis, the basic financial statements and notes to financial statements. Management's discussion and analysis provides a narrative of the District's financial performance and activities for the year ended June 30, 2024. The basic financial statements provide readers with a broad overview of the District's finances, in a manner similar to private-sector business. The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

The basic financial statements consist of three statements:

Statement of financial position – presents information on all of the District's assets and liabilities, with the difference between the two reported as fund equity. Over time, increases or decreases in fund net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

Statement of revenues, expenses and changes in net position – presents information showing how the District's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Certain revenues and expenses are reported in this statement that will result in cash flows in future periods.

Statement of cash flows – presents information showing how the District's cash changed during the year. It shows the sources and uses of cash and cash equivalents.

Financial Analysis of the District as a Whole

Fund net position invested in capital assets represent the District's long-term investment in capital assets, net of accumulated depreciation and related debt, and are not available for current operations.

A summary of net position for years ended June 30, are presented below:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Current and other assets	\$ 11,846,332	\$ 11,829,413	\$ 10,521,349
Non-current assets	3,543,865	4,339,444	4,264,672
Capital assets, net of depreciation	<u>\$ 15,122,422</u>	<u>\$ 13,848,194</u>	<u>\$ 14,229,826</u>
 Total assets	 <u>\$ 30,512,619</u>	 <u>\$ 30,017,051</u>	 <u>\$ 29,015,847</u>
Current liabilities	\$ 1,327,027	\$ 764,126	\$ 839,613
Long-term debt	<u>1,365,359</u>	<u>1,614,534</u>	<u>1,857,326</u>
 Total liabilities	 <u>\$ 2,692,386</u>	 <u>\$ 2,378,660</u>	 <u>\$ 2,696,939</u>
Deferred inflows of resources	<u>\$ 3,983,776</u>	<u>\$ 4,982,785</u>	<u>\$ 4,957,734</u>
Net investment in capital assets	\$ 13,507,887	\$ 11,990,819	\$ 12,065,996
Net position	<u>10,328,570</u>	<u>10,664,787</u>	<u>9,295,178</u>
 Total net position	 <u>\$ 23,836,457</u>	 <u>\$ 22,655,606</u>	 <u>\$ 21,361,174</u>

A summary of changes in net position is presented below:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Changes in net position			
Operating revenues	\$ 3,773,152	\$ 3,659,053	\$ 3,695,603
Operating expenses	(2,456,047)	(2,497,231)	(1,822,445)
Depreciation	<u>(791,283)</u>	<u>(777,285)</u>	<u>(761,784)</u>
 Net operating income	 525,822	 384,537	 1,111,374
Non-operating revenues	701,620	963,558	713,040
Non-operating expenses	<u>(46,591)</u>	<u>(53,663)</u>	<u>(62,540)</u>
 Increase in net position	 <u>\$ 1,180,851</u>	 <u>\$ 1,294,432</u>	 <u>\$ 1,761,874</u>

Financial Analysis of the District as a Whole (continued)

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Revenues			
Berthing	\$ 2,701,350	\$ 2,603,537	\$ 2,536,480
Rents	632,047	640,633	660,133
District property taxes	430,900	402,733	373,362
Operations, concessions and other	439,755	414,883	498,990
Grant revenues	74,237	375,065	329,207
Interest income on leases	128,070	128,132	-
Interest income	68,413	57,628	10,471
Total revenues	<u>\$ 4,474,772</u>	<u>\$ 4,622,611</u>	<u>\$ 4,408,643</u>
Expenses			
Depreciation	\$ 791,283	\$ 777,285	\$ 761,784
Personnel	841,464	798,964	691,084
Utilities	590,877	549,543	504,161
Interest	46,591	53,663	62,540
General and administrative	174,245	170,827	160,630
Repairs and maintenance	535,025	363,764	207,525
Other	314,436	614,133	259,045
Total expenses	<u>\$ 3,293,921</u>	<u>\$ 3,328,179</u>	<u>\$ 2,646,769</u>

Future Plans

The District is a California Clean Marina, a standard that it intends to maintain for the benefit of its tenants as well as to attract new tenants. The District is continuing with infrastructure improvement projects, ongoing dock refurbishing and sea lion deterrents where appropriate. Currently an infrastructure improvement project including pile replacement, shoreline protection, North Harbor Gangway abutment and floating dock repair is in the permitting phase with the expectation of the project taking place as soon as permits have been issued. The District is also in process of completing of our 9,500 square foot building in the North Harbor and is in contact with interested parties who may potentially occupy space in the building. The District's slip occupancy remains near 100% as we continue to welcome numerous permanent and temporary slip holders who had previously been in other harbors but choose Moss Landing because of its reasonable prices and overall improvements. All of these efforts should maintain revenue and attract tenants.

Budget Highlights

The District's budget projected operating revenues of \$3,970,934. The District finished the budget year with operating revenues of \$3,773,152 which was \$197,782 or 4.98% lower than budgeted.

The District's budget projected expenditures (before depreciation) of \$3,500,270. The District finished the budget year with expenditures of \$2,456,047, which was \$1,044,223, or 28.83% lower than budgeted.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's capital assets, net of accumulated depreciation, at June 30, 2024, 2023, and 2022, totaled \$15,122,422, \$13,848,194, and \$14,229,826, respectively, as shown below. This amount represents a net increase, including additions and disposals of \$1,274,228 or 9.20% from the prior year. This increase is due to a combination of accumulated depreciation, an increase in buildings and improvements and construction in progress.

	Capital Assets (Net of Depreciation)		
	2024	2023	2022
Land	\$ 1,642,860	\$ 1,642,860	\$ 1,642,860
Buildings and improvements	16,630,024	16,174,158	15,967,605
Floating docks	10,108,421	10,108,421	10,108,421
Construction in progress	6,633,101	5,035,450	4,900,573
Equipment	567,673	555,680	501,457
	35,582,079	33,516,569	33,120,916
Less depreciation	20,459,658	19,668,375	18,891,090
	<u>\$ 15,122,422</u>	<u>\$ 13,848,194</u>	<u>\$ 14,229,826</u>

Debt Administration

All of the District's debt is related to the North Harbor facilities expansion, Cannery building improvements and the development of the K-Pier. The District's debt at June 30, 2024, 2023, and 2022, totaled \$1,614,535, \$1,857,375, and \$2,163,830 respectively. This represents a decrease of \$242,840 or 13.08%, from the prior year.

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 Tommy Razzeca, General Manager, Moss Landing Harbor District, 7881 Sandholdt Road, Moss Landing, CA 95039, by calling (831) 633-5417, emailing to razzeca@mosslandingharbor.dst.ca.us or by visiting the District's web page at www.mosslandingharbor.dst.ca.us.

MOSS LANDING HARBOR DISTRICT

STATEMENTS OF NET POSITION JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 5,998,916	\$ 4,962,188
Restricted cash and cash equivalents	5,016,549	5,907,066
Accounts receivable, net	272,932	236,631
Grants receivable	74,237	-
Taxes receivable	24,947	-
Lease receivable	344,598	429,661
Prepaid expenses and other current assets	114,153	293,867
Total current assets	<u>11,846,332</u>	<u>11,829,413</u>
Non-current assets		
Lease receivable, net of current	3,536,476	4,332,055
Investments	7,389	7,389
Capital assets, net of allowance for depreciation	15,122,422	13,848,194
Total non-current assets	<u>18,666,287</u>	<u>18,187,638</u>
Total assets	<u>30,512,619</u>	<u>30,017,051</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued expenses	583,240	39,510
Accrued wages and vacation	72,736	55,416
Accrued interest	19,173	22,056
Deposits	402,702	404,303
Current portion of long-term debt	249,176	242,841
Total current liabilities	<u>1,327,027</u>	<u>764,126</u>
Non-current liabilities		
Long-term debt	1,365,359	1,614,534
Total non-current liabilities	<u>1,365,359</u>	<u>1,614,534</u>
Total liabilities	<u>2,692,386</u>	<u>2,378,660</u>
DEFERRED INFLOWS OF RESOURCES		
Right of use - lease revenue	3,796,804	4,763,725
Unearned berth fees and lease receipts	186,972	219,060
Total deferred inflows of resources	<u>3,983,776</u>	<u>4,982,785</u>
NET POSITION		
Net investment in capital assets	13,507,887	11,990,819
Restricted for public land use	3,999,210	4,889,828
Restricted for debt service	1,017,339	1,017,238
Unrestricted	5,312,021	4,757,721
Total net position	<u>\$ 23,836,457</u>	<u>\$ 22,655,606</u>

See accompanying notes

MOSS LANDING HARBOR DISTRICT

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Operating Revenues		
Berthing	\$ 2,701,350	\$ 2,603,537
Rent	632,047	640,633
Operations	171,033	144,033
Concessions and other revenues	268,722	270,850
Total operating revenues	<u>3,773,152</u>	<u>3,659,053</u>
Operating Expenses		
Personnel	841,464	798,964
Utilities	590,877	549,543
General and administrative	174,245	170,827
Insurance	229,196	179,500
Repairs and maintenance	535,025	363,764
Operating supplies	29,830	33,082
Bad debt	25,797	20,542
Commissioner	14,959	366,920
Miscellaneous	14,654	14,089
Depreciation	791,283	777,285
Total operating expenses	<u>3,247,330</u>	<u>3,274,516</u>
Operating income/(loss)	<u>525,822</u>	<u>384,537</u>
Nonoperating Revenues/(Expenses)		
Grant revenues	74,237	375,065
Property taxes	430,900	402,733
Interest income on leases	128,070	128,132
Interest income	68,413	57,628
Interest expense	(46,591)	(53,663)
Total non-operating revenues/(expenses)	<u>655,029</u>	<u>909,895</u>
Change in Net Position	1,180,851	1,294,432
Net Position		
Beginning of year	22,655,606	21,361,174
End of year	<u>\$ 23,836,457</u>	<u>\$ 22,655,606</u>

MOSS LANDING HARBOR DISTRICT

STATEMENTS OF CASH FLOWS YEARS ENDED JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Operating Activities		
Receipts from customers and users	\$ 3,517,699	\$ 3,529,343
Payments to suppliers for goods and services	(891,139)	(1,749,384)
Payments to employees for services	(824,144)	(797,271)
Net cash provided by (used in) operating activities	<u>1,802,416</u>	<u>982,688</u>
Noncapital Financing Activities		
Property taxes received	430,900	402,733
Net cash provided by noncapital financing activities	<u>430,900</u>	<u>402,733</u>
Capital and Related Financing Activities		
Acquisition of capital assets	(2,065,510)	(395,653)
Receipts from capital grants	74,237	375,065
Principal paid on long-term debt	(242,840)	(306,455)
Interest paid on long-term debt	(49,475)	(57,304)
Net cash provided by (used in) capital and related financing activities	<u>(2,283,588)</u>	<u>(384,347)</u>
Investing Activities		
Interest received	196,483	185,760
Net cash provided by investing activities	<u>196,483</u>	<u>185,760</u>
Net Increase (Decrease) in Cash and Cash Equivalents	146,211	1,186,834
Cash and Cash Equivalents		
Beginning of year	10,869,254	9,682,419
End of year	<u>\$ 11,015,465</u>	<u>\$ 10,869,254</u>
Cash Flows from Operating Activities		
Operating income (loss)	\$ 525,822	\$ 384,537
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	791,283	777,285
(Increase) Decrease in accounts receivable, net	(36,301)	(17,622)
(Increase) Decrease in grant receivable	(74,237)	-
(Increase) Decrease in taxes receivable	(24,947)	-
(Increase) Decrease in lease receivable	880,642	(147,487)
(Increase) Decrease in prepaid expenses and other current assets	179,714	(30,892)
Increase (Decrease) in accounts payable	543,730	(20,225)
Increase (Decrease) in accrued wages and vacation	17,320	1,693
Increase (Decrease) in deposits	(1,601)	10,348
Increase (Decrease) in deferred inflows of resources	(999,009)	25,051
Net Cash Provided by (Used in) Operating Activities	<u>\$ 1,802,416</u>	<u>\$ 982,688</u>

MOSS LANDING HARBOR DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

The Moss Landing Harbor District (the “District”) was formed in 1947 as a non-taxable government entity under the California Senate Bill 1116 to provide for harbor and port facilities. It was formed for the purpose of creating a legal entity to negotiate with various governmental agencies for the financing and construction of a small craft harbor and subsequent operation of the facility. The District is governed by an elected Board of five Commissioners. The District derives its revenues principally from fees charged to users of the harbor facilities, rent and concessions.

The accompanying financial statements include all the accounts of the District. There are no component units included in the District financial statements nor has the District been determined to be a component unit of any other entity.

Basis of Accounting and Measurement Focus

The District accounts for its operations in enterprise funds using the economic resources measurement focus and the accrual basis of accounting. A fund is an accounting entity with a self-balancing set of accounts established to record the financial position and results of operations of a specific government activity. The activities of enterprise funds closely resemble those of ongoing businesses in which the purpose is to conserve and add to basic resources while meeting operating expenses from current revenues. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

An enterprise fund distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the District’s principal ongoing operations. The principal operating revenues of the District are generated by the berthing, rental, concessions and other operations of the harbor facilities. Operating expenses for the District include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

MOSS LANDING HARBOR DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 1 – Summary of Significant Accounting Policies (continued)

Financial Statement Amounts

Cash and cash equivalents – The District considers all highly liquid assets, which have a term of less than ninety days to maturity as cash equivalents.

Investments – Investments consist of Principal Financial common stock. Investments are stated at fair value. This investment is a Level 1 Input as the valuation methodology is based on quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.

Accounts Receivable – Accounts receivable are composed of amounts due from customers for berthing fees. Accounts receivable are recorded net of an allowance for doubtful accounts. The allowance is estimated from historical experience and management’s analysis of individual customer balances. The allowance for doubtful accounts was \$20,797 at June 30, 2024.

Capital Assets – Capital assets are defined by the government as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of fixed assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities are included as part of the capitalized value of the assets constructed.

Capital assets in service are depreciated using the straight line method over the following estimated useful lives:

	<u>Years</u>
Land improvements	10 - 40
Buildings and improvements	10 - 40
Furniture, equipment and vehicles	3 - 20

MOSS LANDING HARBOR DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 1 – Summary of Significant Accounting Policies (continued)

Compensated Absences – The District allows employees to accumulate unused vacation leave and sick leave. Upon termination, accumulated vacation that was not taken will be paid to the employee. One-half of the employee’s sick leave is paid upon termination. Currently, there are only two employees who qualify for payout of sick leave upon termination.

Accumulated vacation leave that is expected to be paid with expendable available financial resources is recorded as an expense and liability as the benefits accrue.

Long-Term Obligations – Long-term debt and other obligations are reported as District liabilities. Loan fees are deferred and amortized over the life of the loan using the effective interest method.

Net Position – The financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- Net Investment in Capital Assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- Restricted Net Position – This category presents external restrictions on net position imposed by creditors, grantors, contributors, laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position – This category represents net position of the District not restricted for any project or other purpose.

Property Tax Revenue – Property tax revenue is composed of property taxes received from the County of Monterey. Property tax revenue is recognized when it is available from the County.

Note 2 – Cash and Investments

California law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the District’s cash on deposits or first trust deed mortgage notes with a value of 150% of the deposit as collateral for all public agency deposits. Under California law this collateral remains with the institution but is held in the District’s name and places the District ahead of general creditors of the institution. The District has waived collateral requirements for the portion of deposits covered by federal deposit insurance.

MOSS LANDING HARBOR DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 2 – Cash and Investments (continued)

Cash and Investments as of June 30, 2024 are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and cash equivalents	\$ 5,998,916
Restricted cash and cash equivalents	5,016,549
Investments	7,389
	<u>\$ 11,022,854</u>

Cash and Investments as of June 30, 2024 consist of the following:

Cash on hand	\$ 500
Deposits with financial institutions	11,014,965
Principal Financial Common Stock	7,389
Total Cash and Investments	<u>\$ 11,022,854</u>

Investments Authorized by the District’s Investment Policy

The District’s Investment Policy and the California Government Code allows the District to invest in the following, provided the credit ratings of the issuers are acceptable to the District. The following also identifies certain provisions of the District and California Government Code that address interest rate risk, credit risk, and concentration of credit risk. The District’s Investment Policy authorizes the following:

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Minimum Credit Quality</u>
Local Agency Bonds	5 Years	None	None
U.S. Treasury Obligations	5 Years	None	None
State of California Obligations	5 Years	None	None
California Local Agency Obligations	5 Years	None	None
U.S. Agency Obligations	5 Years	None	None
Bankers Acceptances	180 Days	40%	None
Commercial Paper	270 Days	25%	A-1
Negotiable Certificates of Deposit	5 Years	30%	None
Repurchase Agreements	1 Year	None	None
Medium Term Notes	5 Years	30%	A or >
Money Market Mutual Funds	N/A	20%	A
Collateralized Bank Deposits	5 Years	None	None
Time Deposits	2 Years	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None

MOSS LANDING HARBOR DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 2 – Cash and Investments (continued)

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution to the District's investments by maturity:

<u>Investment Type</u>	<u>12 Months or less</u>	<u>13 to 24 Months</u>	<u>25 to 84 Months</u>	<u>Total</u>
Common Stock	\$ 7,389	\$ -	\$ -	\$ 7,389
Total Investments	<u>\$ 7,389</u>	<u>\$ -</u>	<u>\$ -</u>	<u>7,389</u>
Cash in bank and on hand				11,015,465
Total Cash and Investments				<u>\$ 11,022,854</u>

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Negotiable certificates of deposit do not have a minimum credit rating.

Concentration of Credit Risk

At June 30, 2024, in accordance with State law and the District's Investment Policy, the District did not have 5% or more of its net investment in commercial paper, corporate bonds or medium term notes of a single organization. Investments in obligations of the U.S. government, U.S. government agencies, or government-sponsored enterprises are exempt from these limitations.

Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The District's Investment Policy limits its exposure to custodial credit risk by requiring that all security transactions entered into by the District, including collateral for repurchase agreements, be conducted on a delivery-versus-payment basis. Securities are to be held by a third party custodian.

MOSS LANDING HARBOR DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 3 – Lease Receivables

The following is a summary of lease receivables at June 30, 2024:

Deyerle Ste. 2	\$ 270,055
Local Bounty	317,693
Lusamerica	222,510
MBARI	386,820
Miller Marine Solutions	66,905
Monterey Fish	8,752
Moss Landing Seafood Co, LLC	601,589
Reynolds Resort	264,088
Sea Harvest	234,474
Vistra	1,508,188
	<u>\$ 3,881,074</u>

Deyerle Ste. 2 – The District entered into an agreement to lease out a certain property from August 14, 2006 through July 1, 2031 for a monthly payment of \$3,281. Payment is due the first of the month at .9% annual interest.

Local Bounty – The District entered into an agreement to lease out certain property from October 1, 2022 through September 30, 2037 for a monthly payment of \$2,457. Payment is due the first of the month at 3.22% annual interest.

Lusamerica – The District entered into an agreement to lease out a certain property from July 1, 2020 through August 1, 2030 for a monthly payment of \$3,240. Payment is due the first of the month at 2.42% annual interest.

MBARI – The District entered into an agreement to lease out a certain property from February 1, 2006 through March 1, 2038 for an annual payment of \$34,686. Payment is due the first of March at 3.26% annual interest.

Miller Marine Solutions – The District entered into an agreement to lease out a certain property from October 1, 2019 through April 1, 2027 for a monthly payment of \$2,037. Payment is due the first of the month at 2.4% annual interest.

Monterey Fish – The District entered into an agreement to lease out a certain property from November 1, 2002 through July 1, 2024 for a monthly payment of \$8,774. Payment is due the first of the month at 2.85% annual interest.

MOSS LANDING HARBOR DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 3 – Lease Receivables (continued)

Moss Landing Seafood Co, LLC – The District entered into an agreement to lease out a certain property from November 1, 2001 through May 1, 2030 for a monthly payment of \$9,072. Payment is due the first of the month at 2.85% annual interest.

Reynolds Resort – The District entered into an agreement to lease out a certain property from September 1, 2001 through September 1, 2031 for a monthly payment of \$3,363. Payment is due the first of the month at 2.85% annual interest.

Sea Harvest – The District entered into an agreement to lease out a certain property from December 5, 2003 through August 1, 2030 for a monthly payment of \$3,459. Payment is due the first of the month at 2.85% annual interest.

Vistra – The District entered into an agreement to lease out a certain property from January 1, 2007 through March 1, 2055 for an annual payment of \$77,488. Payment is due the first of March at 3.22% annual interest.

The annual payment receipt schedule for principal and interest on all lease receivables at June 30, 2024 were as follows:

<u>For the year ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 344,598	\$ 108,786	\$ 453,384
2026	335,053	100,034	435,087
2027	339,930	91,082	431,011
2028	328,402	82,236	410,637
2029	337,275	73,723	410,998
2030 - 2034	802,297	272,406	1,074,703
2035 - 2039	432,126	189,886	622,013
2040 - 2044	249,246	138,193	387,439
2045 - 2049	292,722	94,718	387,440
2050 - 2054	343,782	43,658	387,440
2055	75,643	1,846	77,489
Total	<u>\$ 3,881,074</u>	<u>\$ 1,196,568</u>	<u>\$ 5,077,642</u>

MOSS LANDING HARBOR DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 3 – Lease Receivables (continued)

The related deferred inflows of resources on the right of use on lease revenue will be amortized on a straight-line basis over the term of the agreement as follows:

<u>For the year ended June 30,</u>	<u>Principal</u>
2025	369,872
2026	361,573
2027	357,770
2028	338,755
2029	338,755
2030 - 2034	830,134
2035 - 2039	426,958
2040 - 2044	245,387
2045 - 2049	245,387
2050 - 2054	245,387
2055	36,828
Total	<u>\$ 3,796,804</u>

During the year ended June 30, 2024, the District recognized \$407,798 in lease revenue and \$128,070 in related interest income.

Note 4 – Capital Assets

Capital asset activities for the year ended June 30, 2024, was as follows:

	<u>Balance</u> <u>July 1, 2023</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2024</u>
Capital assets, not being depreciated				
Land	\$ 1,642,860	\$ -	\$ -	\$ 1,642,860
Construction in progress	5,035,450	1,597,651	-	6,633,101
Total capital assets, not being depreciated	<u>6,678,310</u>	<u>1,597,651</u>	<u>-</u>	<u>8,275,961</u>
Capital assets, being depreciated				
Buildings and improvements	26,282,579	455,866	-	26,738,445
Equipment and machinery	555,680	11,993	-	567,673
Total capital assets, being depreciated	<u>26,838,259</u>	<u>467,859</u>	<u>-</u>	<u>27,306,118</u>
Less accumulated depreciation for				
Buildings and improvements	(19,184,729)	(769,218)	-	(19,953,947)
Equipment and machinery	(483,646)	(22,065)	-	(505,711)
Total accumulated depreciation	<u>(19,668,375)</u>	<u>(791,283)</u>	<u>-</u>	<u>(20,459,658)</u>
Total capital assets, being depreciated, net	<u>7,169,884</u>	<u>(323,424)</u>	<u>-</u>	<u>6,846,460</u>
Total capital assets, net	<u>\$ 13,848,194</u>	<u>\$ 1,274,227</u>	<u>\$ -</u>	<u>\$ 15,122,422</u>

MOSS LANDING HARBOR DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 5 – Long-Term Debt

The District generally incurs long-term debt to finance projects or purchase assets which will have useful lives equal to or greater than the related debt. The District’s debt issues and transactions are summarized below and discussed in detail thereafter.

	Balance			Balance June 30, 2024	Current Portion
	July 1, 2023	Additions	Retirements		
Direct Financing:					
2014 Harbor Enterprise Revenue Refunding Loan	\$ 1,857,375	\$ -	\$ (242,840)	\$ 1,614,535	\$ 249,176
Total Long-term Debt	\$ 1,857,375	\$ -	\$ (242,840)	\$ 1,614,535	\$ 249,176

2014 Harbor Enterprise Revenue Refunding Loan

In July 2014, the District refinanced all of its outstanding debt and obtained a loan agreement from Umpqua Bank for the amount of \$4,755,901. The principal payments are made each August 1 beginning in 2017 through 2030. Interest is to be paid semi-annually on February 1 and August 1 through 2030 and has a stated interest rate of 2.85 percent. The District covenants that it shall prescribe, revise and collect such charges for the services and facilities of the harbor which shall produce revenues sufficient in each fiscal year to provide net revenues equal to at least 1.25 times debt service coming due and payable during such fiscal year. In addition, the District covenants and agrees to maintain during the term of the Loan Agreement a ratio of Funded Debt to Net Position of the District not greater than 2.0:1.0 for each fiscal year. The loan also requires that the District shall maintain a deposit relationship with Umpqua Bank in an amount not less than \$1,000,000.

Deposit and Loan Covenant Requirements

As noted above the District has pledged future revenues, net of specified operating expenses, to repay debt in the original amount of \$4,755,901. Net Revenues, defined as all revenues less all maintenance and operating costs, were equal to at least 1.25 times the Debt Service for the fiscal year ending June 30, 2024. The District is also in compliance with the deposit requirement and the funded debt limitation requirement noted above.

Debt Service Requirements

The annual requirement to amortize the principal and interest on the above long-term debt at June 30, 2024 were as follows:

Years ending June 30,	Principal	Interest	Total
2025	\$ 249,176	\$ 42,463	\$ 291,639
2026	255,629	35,270	290,899
2027	210,969	28,621	239,590
2028	216,328	22,532	238,860
2029	221,815	16,289	238,104
2030 - 2031	460,618	13,210	473,828
	<u>\$ 1,614,535</u>	<u>\$ 158,385</u>	<u>\$ 1,772,920</u>

MOSS LANDING HARBOR DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 6 – Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represent an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District reports two items related to deferred inflows, totaling \$3,983,776:

- \$186,972 in deferred inflows of resources related to unearned berth fees and lease receipts.
- \$3,796,804 in deferred inflows of resources related to right-of-use lease revenue in the Balance Sheet, see Note 3 for more details.

Note 7 – Risk Management

The District is exposed to various risks of loss to torts; theft of, damage of, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District pays an annual premium for its general insurance coverage. The District continues to carry commercial insurance for all other risks of loss, including workers' compensation, and employee health and accident insurance. There have been no significant reductions in insurance coverage in the current year.

Note 8 – Subsequent Events

The District evaluated subsequent events for recognition and disclosure through November 26, 2024, the date which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since June 30, 2024 that required recognition or disclosure in such financial statements.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Commissioners
Moss Landing Harbor District

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Moss Landing Harbor District (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 26, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Moss Landing Harbor District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Moss Landing Harbor District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, appearing to be "M. J. [unclear]", written in a cursive style.

November 26, 2024

MOSS LANDING HARBOR DISTRICT
MANAGEMENT REPORT
FOR THE YEAR ENDED JUNE 30, 2024

BRYANT L. JOLLEY

CERTIFIED PUBLIC ACCOUNTANTS

Bryant L. Jolley, C.P.A.
Ryan P. Jolley C.P.A.
Darryl L. Smith C.P.A.
Luis A. Perez C.P.A.
Lan T. Kimoto

Board of Commissioners
Moss Landing Harbor District
Moss Landing, California

We have audited the financial statements of the Moss Landing Harbor District (the “District”) for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated August 2, 2023. Professional standards require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted and application of existing policies was not changed during 2024. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the District’s financial statements were:

- Management has determined the economic useful lives of fixed assets based on past history of similar types of assets, future plans as to their use, and other factors that impact their economic value to the District. We evaluated the key factors and assumptions used by management in computing depreciation expense and believe that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Restriction on Use

This information is intended solely for the information and use of the Board of Commissioners and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to be "Meredith" followed by a stylized surname.

November 26, 2024

Moss Landing Harbor District
Balance Sheet
As of October 31, 2024

	Oct 31, 24	Oct 31, 23	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
1002 · Petty Cash	500	500		
1022 · 1st Capital Trust Account	4,021,168	3,457,590	563,578	16%
1001 · 1st Capital Operating Account	3,071,363	4,951,112	-1,879,749	-38%
1015 · 1st Capital Bank	1,912,256	1,902,695	9,561	1%
1020 · Umpqua - Restricted	1,017,391	1,017,272	119	
1032 · 1st Capital Bank (CalMarine)	52,007		52,007	100%
Total Checking/Savings	10,074,685	11,329,169	-1,254,484	-11%
Accounts Receivable				
1250 · Lease Receivable	3,712,716	4,146,342	-433,626	-10%
1120 · Leases				
1282 · NNN Receivable	113,250	112,316	934	1%
1291 · Monterey Bay Kayak % Rent	1,873	11,873	-10,000	-84%
1120 · Leases - Other		2,033	-2,033	-100%
Total 1120 · Leases	115,123	126,222	-11,099	-9%
1200 · Marina Receivables	161,120	155,260	5,860	4%
1201 · Marina - Allow for Bad Debt	-40,667	-35,500	-5,167	-15%
Total Accounts Receivable	3,948,292	4,392,324	-444,032	-10%
Other Current Assets				
1271 · Prepaid Expenses				
1270 · Insurance	79,833	171,792	-91,959	-54%
Total 1271 · Prepaid Expenses	79,833	171,792	-91,959	-54%
Total Other Current Assets	79,833	171,792	-91,959	-54%
Total Current Assets	14,102,810	15,893,285	-1,790,475	-11%
Fixed Assets				
1650 · Construction in Progress	6,633,101	5,035,449	1,597,652	32%
1670 · Equipment	567,669	567,669		
1700 · Improvements				
1710 · NH Buildings & Improvements	7,016,717	7,016,717		
1720 · NH Floating Docks	524,675	524,675		
1725 · NH Offsite Improvements	632,218	632,218		
1730 · SH Buildings & Improvements	8,530,155	8,525,224	4,931	0%
1740 · SH Floating Docks	10,034,681	9,583,746	450,935	5%
Total 1700 · Improvements	26,738,446	26,282,580	455,866	2%

Moss Landing Harbor District
Balance Sheet
As of October 31, 2024

	<u>Oct 31, 24</u>	<u>Oct 31, 23</u>	<u>\$ Change</u>	<u>% Change</u>
1800 · Less - Depreciation				
1805 · Equipment	-512,483	-490,419	-22,064	-4%
1810 · NH Buildings & Improvements	-4,639,320	-4,403,789	-235,531	-5%
1820 · NH Floating Docks	-524,674	-524,674		
1825 · NH Offsite Improvements	-569,654	-550,864	-18,790	-3%
1830 · SH Buildings & Improvements	-6,656,855	-6,525,576	-131,279	-2%
1840 · SH Floating Docks	-8,056,667	-7,673,048	-383,619	-5%
Total 1800 · Less - Depreciation	<u>-20,959,653</u>	<u>-20,168,370</u>	<u>-791,283</u>	<u>-4%</u>
1900 · Land	1,642,860	1,642,860		
Total Fixed Assets	<u>14,622,423</u>	<u>13,360,188</u>	<u>1,262,235</u>	<u>9%</u>
Other Assets				
1320 · Workers Comp Deposit	200	200		
1530 · Principal Financial CS	7,389	7,389		
Total Other Assets	<u>7,589</u>	<u>7,589</u>		
TOTAL ASSETS	<u><u>28,732,822</u></u>	<u><u>29,261,062</u></u>	<u><u>-528,240</u></u>	<u><u>-2%</u></u>

Moss Landing Harbor District
Balance Sheet
As of October 31, 2024

	<u>Oct 31, 24</u>	<u>Oct 31, 23</u>	<u>\$ Change</u>	<u>% Change</u>
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
2010 · Accounts Payable	313,457	62,350	251,107	403%
Total Accounts Payable	<u>313,457</u>	<u>62,350</u>	<u>251,107</u>	<u>403%</u>
Other Current Liabilities				
2013 · Accrued Expenses	76,804		76,804	100%
2020 · Accrued Salaries Payable	12,233	12,287	-54	-0%
2021 · Accrued Vacation	35,419	32,165	3,254	10%
2023 · Accrued Payroll Taxes	474	474		
2030 · Customer Deposits	367,250	361,282	5,968	2%
2051 · Note Interest Payable				
2062 · Umpqua Accrued Interest	10,320	12,139	-1,819	-15%
Total 2051 · Note Interest Payable	<u>10,320</u>	<u>12,139</u>	<u>-1,819</u>	<u>-15%</u>
2080 · Prepaid Berth Fees	201,849	219,696	-17,847	-8%
2011 · Lusamerica Reimb. Acct.	15,000	15,000		
2087 · Lease Deposits	56,343	19,625	36,718	187%
Total Other Current Liabilities	<u>775,692</u>	<u>672,668</u>	<u>103,024</u>	<u>15%</u>
Total Current Liabilities	<u>1,089,149</u>	<u>735,018</u>	<u>354,131</u>	<u>48%</u>
Long Term Liabilities				
2200 · Deferred RTU Lease Revenue	3,604,116	4,123,242	-519,126	-13%
2605 · Umpqua Loan	1,365,359	1,614,535	-249,176	-15%
Total Long Term Liabilities	<u>4,969,475</u>	<u>5,737,777</u>	<u>-768,302</u>	<u>-13%</u>
Total Liabilities	<u>6,058,624</u>	<u>6,472,795</u>	<u>-414,171</u>	<u>-6%</u>
Equity				
3020 · Retained Net Assets	6,456,231	6,456,231		
3050 · Prior Year Earnings	17,380,227	16,199,373	1,180,854	7%
Net Income	-1,162,260	132,663	-1,294,923	-976%
Total Equity	<u>22,674,198</u>	<u>22,788,267</u>	<u>-114,069</u>	<u>-1%</u>
TOTAL LIABILITIES & EQUITY	<u><u>28,732,822</u></u>	<u><u>29,261,062</u></u>	<u><u>-528,240</u></u>	<u><u>-2%</u></u>

Moss Landing Harbor District
Statement of Cash Flows
July through October 2024

Jul - Oct 24

OPERATING ACTIVITIES	
Net Income	-1,162,260
Adjustments to reconcile Net Income	
to net cash provided by operations:	
1120 · Leases:1291 · Monterey Bay Kayak % Rent	18,972
1120 · Leases:1230 · Sea Harvest	10,049
1200 · Marina Receivables	-3,113
1201 · Marina - Allow for Bad Debt	10,667
1250 · Lease Receivable	168,357
1120 · Leases:1282 · NNN Receivable	781
1271 · Prepaid Expenses	113,953
1271 · Prepaid Expenses:1270 · Insurance	-79,833
1210 · Grants Receivable	74,237
1221 · Taxes Receivable	24,947
1800 · Less - Depreciation:1805 · Equipment	6,400
1800 · Less - Depreciation:1810 · NH Buildings & Improvements	323,600
1800 · Less - Depreciation:1825 · NH Offsite Improvements	6,000
1800 · Less - Depreciation:1830 · SH Buildings & Improvements	36,000
1800 · Less - Depreciation:1840 · SH Floating Docks	128,000
2010 · Accounts Payable	-192,978
2020 · Accrued Salaries Payable	-22,455
2023 · Accrued Payroll Taxes	-2,155
2030 · Customer Deposits	-827
2080 · Prepaid Berth Fees	14,877
2087 · Lease Deposits	36,718
2051 · Note Interest Payable:2062 · Umpqua Accrued Interest	-8,853
Net cash provided by Operating Activities	<u>-498,916</u>
FINANCING ACTIVITIES	
2200 · Deferred RTU Lease Revenue	-192,688
2605 · Umpqua Loan	-249,176
Net cash provided by Financing Activities	<u>-441,864</u>
Net cash increase for period	-940,780
Cash at beginning of period	11,015,465
Cash at end of period	<u><u>10,074,685</u></u>

Moss Landing Harbor District
A/P Aging Summary
As of October 31, 2024

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
AFCO Direct		-28,622.29				-28,622.29
Allied Administrators for Delta Dental		-253.42				-253.42
Auto Care LifeSaver Towing	11,904.00					11,904.00
California Landscape & Tree Pros, Inc.		1,625.00				1,625.00
CalPERS		-7,824.83				-7,824.83
Central Coast Systems, Inc.	330.00					330.00
Cintas	956.92					956.92
CSDA		-9,073.00				-9,073.00
Dilbeck & Sons, Inc.	368,924.02					368,924.02
Employ America			1,369.78			1,369.78
Haley & Aldrich, Inc.	803.40			2,372.50		3,175.90
Liu Peng	575.00					575.00
Martin Martino	2,420.60					2,420.60
Mechanics Bank	1,478.50					1,478.50
Monterey County Tax Collector		-29,082.56				-29,082.56
Monterey Sanitary Supply	1,740.29					1,740.29
Pajaro Valley Lock Shop	1,972.42					1,972.42
PG&E		-30,000.00				-30,000.00
Razzolink, Inc.		-136.85				-136.85
Revel Enviornmental Manufacturing , Inc.	877.80					877.80
Ron Lloyd			386.85			386.85
U.S. Bank	3,261.25					3,261.25
U.S. Bank - Office Equipment Finance Svc		-271.21				-271.21
United Site Services of Calif., Inc.		-424.84				-424.84
Valero Marketing and Supply Company		-750.00				-750.00
VALIC	2,655.74					2,655.74
Verizon Wireless	112.96					112.96
Vision Sevice Plan		-85.96				-85.96
Wald, Ruhnke & Dost Architects, LP	8,788.53					8,788.53
Wendy L. Cumming, CPA		7,383.75				7,383.75
West Marine Pro	43.68					43.68
TOTAL	<u>406,845.11</u>	<u>-97,516.21</u>	<u>1,756.63</u>	<u>2,372.50</u>	<u>---</u>	<u>313,458.03</u>

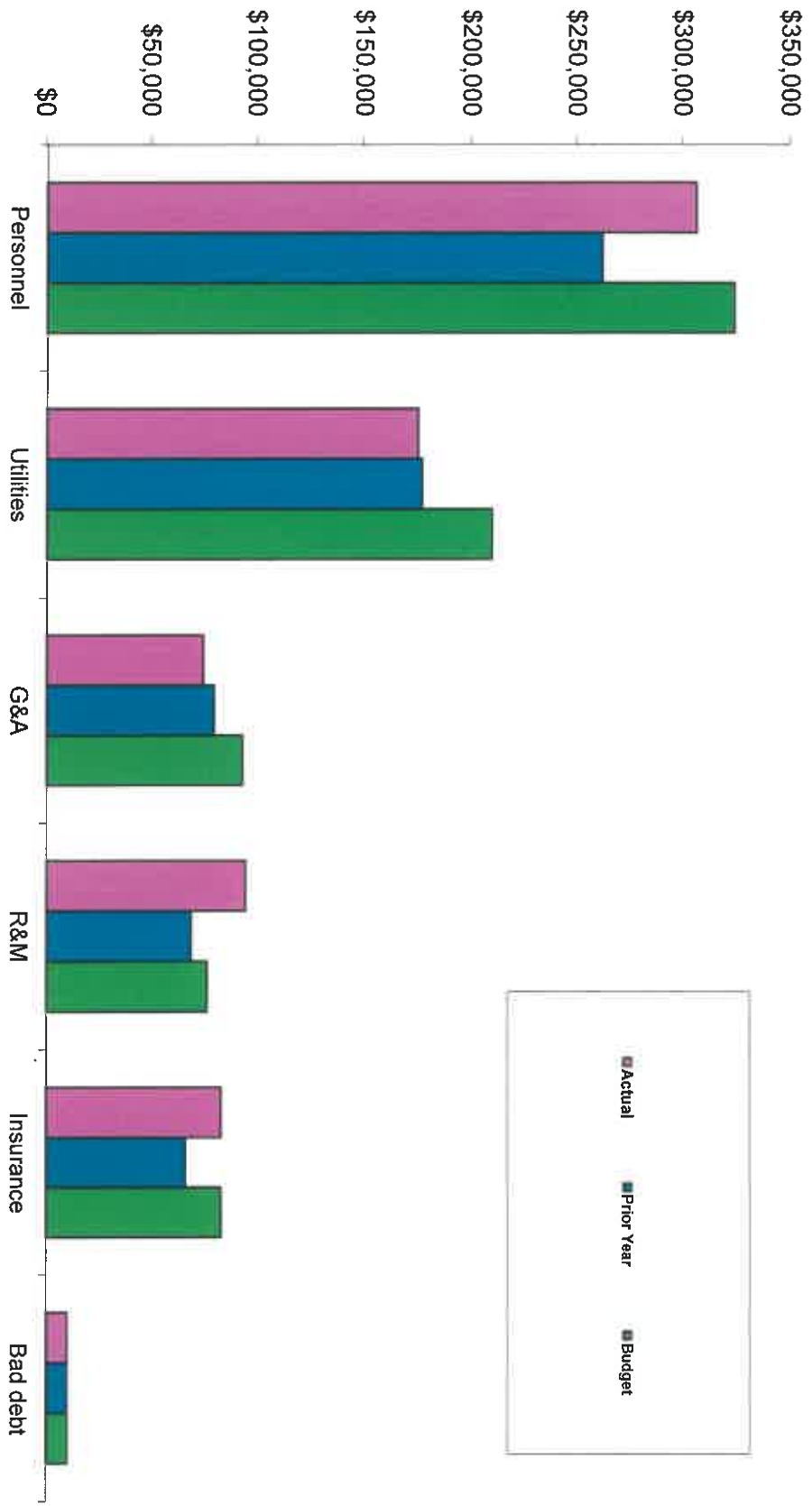
Moss Landing Harbor District
Warrant Listing
As of October 31, 2024

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
1001 - 1st Capital Operating Account				
Check	10/07/2024		NPC Merchant Pymt Proc	-3,357.98
Check	10/07/2024		MS	-797.00
Check	10/07/2024		MS	-230.40
Check	10/10/2024		Payroll Partners	-200.61
Check	10/11/2024	4209	Ferrante, Vincent	-114.06
Check	10/11/2024	4210	Goulart, James	-114.06
Check	10/11/2024	4211	Jeffries, Russell	-114.06
Check	10/11/2024	4212	Neal Norris	-1,187.52
Check	10/11/2024	4213	Maria Laoretti	-1,310.83
Check	10/11/2024	4214	Sadie O'Reagan	-1,344.74
Bill Pmt -Check	10/15/2024	21033	AFCO Direct	-28,622.29
Bill Pmt -Check	10/15/2024	21034	Allied Administrators for Delta Dental	-253.42
Bill Pmt -Check	10/15/2024	21035	AT&T	-2,582.52
Bill Pmt -Check	10/15/2024	21036	ATI-Advanced Testing & Inspection, LLC	-890.00
Bill Pmt -Check	10/15/2024	21037	Brandon Thomas	-575.00
Bill Pmt -Check	10/15/2024	21038	CalPERS	-7,824.83
Bill Pmt -Check	10/15/2024	21039	Carmel Marina Corporation	-2,103.98
Bill Pmt -Check	10/15/2024	21040	Castroville "ACE" Hardware	-196.57
Bill Pmt -Check	10/15/2024	21041	Castroville Auto Parts, Inc.	-56.02
Bill Pmt -Check	10/15/2024	21042	Cintas	-640.52
Bill Pmt -Check	10/15/2024	21043	Corralitos Electric	-5,187.98
Bill Pmt -Check	10/15/2024	21044	Doctors on Duty	-45.00
Bill Pmt -Check	10/15/2024	21045	Ferrante, Vincent	-46.99
Bill Pmt -Check	10/15/2024	21046	Hodges Consulting Services	-1,700.00
Bill Pmt -Check	10/15/2024	21047	Jackson Gentry	-350.00
Bill Pmt -Check	10/15/2024	21048	JD's Plumbing, Inc.	-676.50
Bill Pmt -Check	10/15/2024	21049	Jennifer Lloyd	-406.00
Bill Pmt -Check	10/15/2024	21050	Josh Lyford	-329.08
Bill Pmt -Check	10/15/2024	21051	Lockton Insurance Brokers, LLC	-2,415.00
Bill Pmt -Check	10/15/2024	21052	Monterey One Water	-6,426.82
Bill Pmt -Check	10/15/2024	21053	Monterey Sanitary Supply	-690.63
Bill Pmt -Check	10/15/2024	21054	Pacific Imaging, LLC	-298.00
Bill Pmt -Check	10/15/2024	21055	Pajaro/Sunny Mesa C.S.D.	-4,299.47
Bill Pmt -Check	10/15/2024	21056	PG&E	-30,000.00
Bill Pmt -Check	10/15/2024	21057	Pitney Bowes Global Financial Svc LLC	-204.12
Bill Pmt -Check	10/15/2024	21058	Razzolink, Inc.	-136.85
Bill Pmt -Check	10/15/2024	21059	Sanctuary Stainless	-1,481.56
Bill Pmt -Check	10/15/2024	21060	SDRMA	-3,110.35
Bill Pmt -Check	10/15/2024	21061	Sea Engineering, Inc.	-10,643.00
Bill Pmt -Check	10/15/2024	21062	Stephanie Mangus	-25.00
Bill Pmt -Check	10/15/2024	21063	Streamline	-200.00
Bill Pmt -Check	10/15/2024	21064	Theresa Baschn	-500.00

**Moss Landing Harbor District
Warrant Listing
As of October 31, 2024**

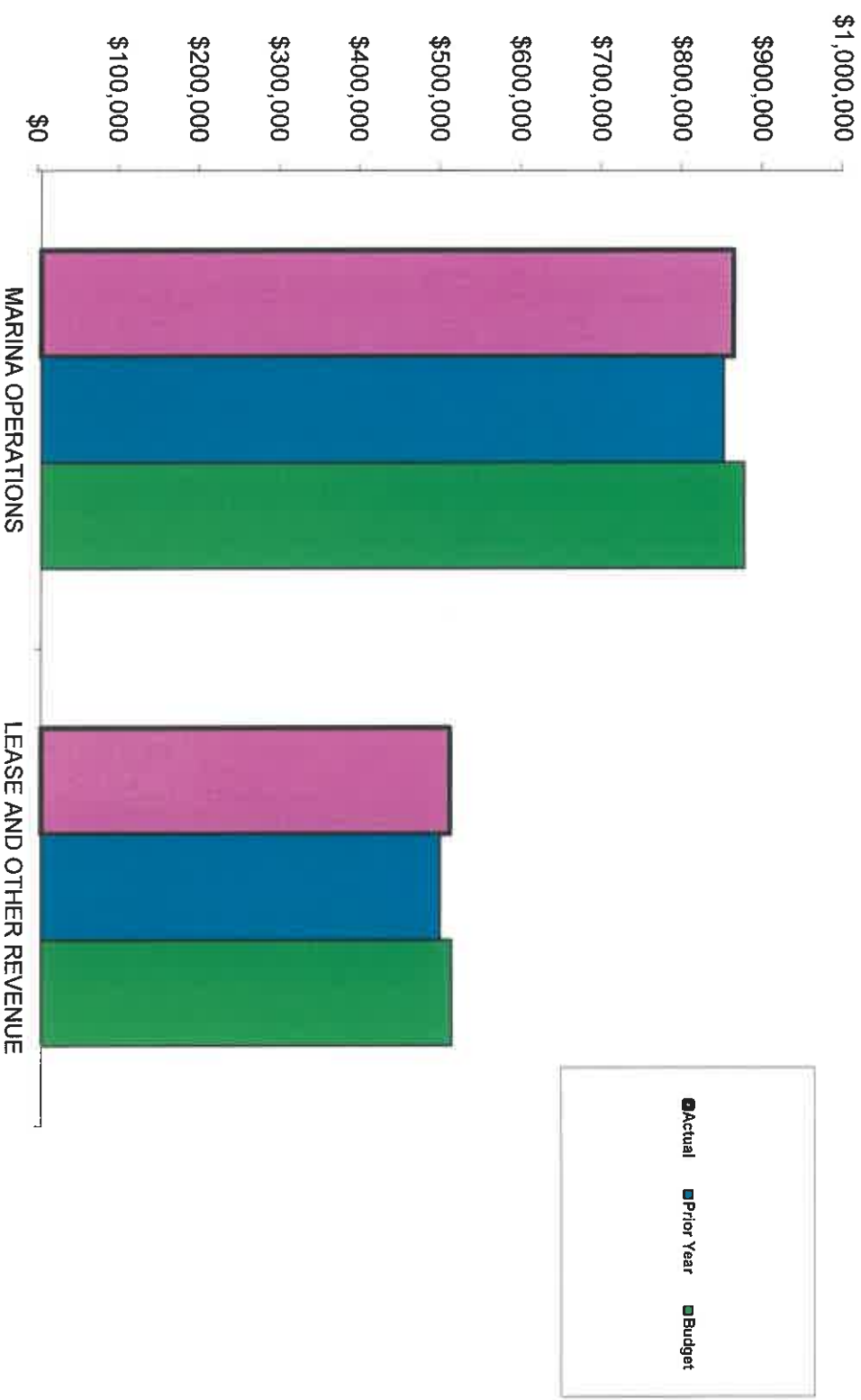
<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
Bill Pmt -Check	10/15/2024	21065	TK Elevator	-763.26
Bill Pmt -Check	10/15/2024	21066	Tommy Razzeca	-350.00
Bill Pmt -Check	10/15/2024	21067	U.S. Bank	-772.96
Bill Pmt -Check	10/15/2024	21068	U.S. Bank - Office Equipment Finance Svc	-271.21
Bill Pmt -Check	10/15/2024	21069	United Site Services of Calif., Inc.	-400.25
Bill Pmt -Check	10/15/2024	21070	Valero Marketing and Supply Company	-750.00
Bill Pmt -Check	10/15/2024	21071	VALIC	-2,655.74
Bill Pmt -Check	10/15/2024	21072	Verizon Wireless	-112.96
Bill Pmt -Check	10/15/2024	21073	Vision Sevice Plan	-85.96
Bill Pmt -Check	10/15/2024	21074	Wald, Ruhnke & Dost Architects, LP	-324.33
Bill Pmt -Check	10/15/2024	21075	Walter Deyerle	-500.00
Bill Pmt -Check	10/15/2024	21076	West Marine Pro	-1,933.46
Bill Pmt -Check	10/15/2024	21077	Dilbeck & Sons, Inc.	-602,047.42
Bill Pmt -Check	10/15/2024	21078	Mechanics Bank	-297.60
Bill Pmt -Check	10/15/2024	21079	Carmel Marina Corporation	-248.35
Bill Pmt -Check	10/15/2024	21080	Mechanics Bank	-660.00
Bill Pmt -Check	10/15/2024	21081	Carmel Marina Corporation	-1,958.56
Bill Pmt -Check	10/15/2024	21082	Mechanics Bank	-384.00
Bill Pmt -Check	10/15/2024	21083	Carmel Marina Corporation	-9,570.17
Bill Pmt -Check	10/15/2024	21084	Mechanics Bank	-331.39
Bill Pmt -Check	10/15/2024		Misc	0.00
Bill Pmt -Check	10/16/2024	21087	Monterey County Tax Collector	-18,850.90
Bill Pmt -Check	10/16/2024	21088	Jarvis Fay, LLP	-3,600.00
Bill Pmt -Check	10/16/2024	21089	Monterey County Tax Collector	-6,069.30
Bill Pmt -Check	10/16/2024	21090	Monterey County Tax Collector	-4,162.36
Check	10/24/2024		Payroll Partners	-195.84
Check	10/25/2024	4215	Neal Norris	-1,187.53
Check	10/25/2024	4216	Sadie O'Reagan	-1,241.00
Bill Pmt -Check	10/30/2024	21091	CSDA	-9,073.00
Bill Pmt -Check	10/30/2024	21092	Employ America	-1,232.81
Bill Pmt -Check	10/30/2024	21093	Haley & Aldrich, Inc.	-1,169.49
Bill Pmt -Check	10/30/2024	21094	Home Depot	-918.59
Bill Pmt -Check	10/30/2024	21095	Mario Iglesias	-480.00
Bill Pmt -Check	10/30/2024	21096	ReadyRefresh	-63.12
Bill Pmt -Check	10/30/2024	21097	United Site Services of Calif., Inc.	-424.84
Bill Pmt -Check	10/30/2024	21098	WASH	-234.12
Bill Pmt -Check	10/30/2024	21099	Wendy L. Cumming, CPA	0.00
Bill Pmt -Check	10/30/2024	21100	West Marine Pro	0.00
Total 1001 - 1st Capital Operating Account				-795,009.28
TOTAL				-795,009.28

Operating Expenses Year to Date Actuals vs. Budget and Prior Year October 31, 2024



****Expenses Exclude Dredging, Depreciation and Interest Expenses****

**Marina, Lease and Other Revenue
Year to Date Actual vs. Budget and Prior Year
October 31, 2024**





BOARD OF HARBOR COMMISSIONERS

Russell Jeffries
Vincent Ferrante
James Goulart
Liz Soto
Albert Lomeli

7881 SANDHOLDT ROAD
MOSS LANDING, CA 95039

TELEPHONE -- 831.633.5417
FACSIMILE -- 831.633.4537



**GENERAL MANAGER
HARBOR MASTER**

Tom Razzeca

STAFF REPORT

ITEM NUMBER 04 – PROJECT STATUS
BOARD MEETING DECEMBER 11, 2024

1. North Harbor Building: The project was awarded to Dilbeck & Sons Inc. and has been underway for months. Currently tile and fixture installation is in process throughout the building and the indoor lighting is scheduled to be on by December 13th. The remaining items to be completed are the installation of the elevator and the building's gas connection for which we await completion from PG&E and TK Elevator. Staff anticipates that most of the project will be completed in late December 2024 with only the gas connection and elevator left outstanding. As construction proceeds the General Manager will provide monthly updates to the Board via this staff report.

2. North Harbor Inn Project: This project remains on hold while the District explores options with the property.

3. Harbor Infrastructure Improvement Project: Resulting from the tsunami that took place on January 15, 2022, staff discovered that the District has sustained damage to piles, docks, shoreline and navigation channels in the Harbor. The District's consultant, Sea Engineering, has been working with the multiple permitting agencies for over a year to obtain the required permits, but the recent addition of the North Harbor Bank Failure and Dock Access Project has delayed the issuance of permits. Our consultant continues working to obtain the required permits as quickly as possible and staff intends to complete the projects as soon as possible once the permits have been issued. However, if all necessary permits are not issued soon, staff will likely be forced to postpone the project until summer when the window allowed to complete the pile driving and shoreline repair aspects of the project is again open.

4. North Harbor Bank Failure and Dock Access Repair Project: During the Month of September staff noticed that the large concrete abutment attached to the bank at our access point to the North Harbor docks had slid forward causing concern. Staff asked our Structural Engineering Consultant to complete an inspection of the area and provide information back to the District regarding the safety and stability of the dock access area. Our District Consultant informed the General Manager that the bank had failed and that the concrete abutment would likely continue to move until repair/replacement could take place. In the interest of tenant and public safety, the access area to the North Harbor Docks has since been closed off and District maintenance staff has installed a temporary access to the area from the northern most launch ramp (aka old launch

SERVING COMMERCIAL FISHING AND RECREATIONAL BOATING SINCE 1947

ramp) in the Districts North Harbor Parking lot. A repair to the bank and abutment for this area was already anticipated to take place during the Infrastructure Improvement listed above, however, with the most recent failure/damage in the area will require a more extensive project before the access point can be reopened. Staff and our consultant are already in the process of updating our current permit application that is already in process to include the changes needed to complete this project. Staff is hopeful that the permit application will be reviewed and approved by all permitting agencies within the next 30 days with the intention of the project being completed in conjunction with the Infrastructure Improvement prior to February of 2025. However, if the permits are not issued soon staff will likely be forced to postpone the project until summer when the allowed window to complete the pile driving and shoreline repair aspects of the project is again open.

5. Harbor Maintenance Dredging and FEMA Project: Staff received word from the Army Corps of Engineers that they were unable to secure the required permits in time to complete dredging of the Federal Channel this year and that the project will now take place in 2025. Unfortunately, the Harbor District Maintenance Dredging Project will also be delayed until 2025 so that it can be completed in conjunction with the dredging of the Federal Channel.



BOARD OF COMMISSIONERS
 Russ Jeffries
 Vince Ferrante
 James R. Goulart
 Liz Soto
 Albert Lomeli

7881 SANDHOLDT ROAD
 MOSS LANDING, CA 95039

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 FACSIMILE – 831.633.4537



GENERAL MANAGER
 HARBORMASTER
 Tommy Razzeca

STAFF REPORT

ITEM NUMBER 05 – SUMMARY OF PERMITS ISSUED BOARD MEETING OF DECEMBER 11, 2024

Permittee	Issue Date	Status	Permit Type	Exp. Date
Elkhorn Slough Research Foundation	01/01/2024	Current	Facilities Use	01/01/2025
Blue Ocean Whale Watch	2/18/2024	Current	Facilities Use	2/18/2025
Whisper Charters	2/28/2024	Current	Facilities Use	2/28/2025
Fast Raft	3/28/2024	Current	Facilities Use	3/28/2025
Monterey Eco Tours	4/16/2024	Current	Facilities Use	4/16/2025
Oceanic Expeditions	4/21/2024	Current	Facilities Use	4/21/2025
Venture Quest Kayaking	6/12/2024	Current	Facilities Use	6/12/2025
Monterey Bay Hydrobikes	6/12/2024	Current	Facilities Use	6/12/2025
Reel Nasty Sportfishing	6/12/2024	Current	Facilities Use	6/12/2025
Last Meal Sportfishing	6/12/2024	Current	Facilities Use	6/12/2025
Kayak Connection	6/30/2024	Current	Facilities Use	6/30/2025
Sanctuary Cruises	6/30/2024	Current	Facilities Use	6/30/2025
Sea Goddess Whale Watching-Tours	6/30/2024	Current	Facilities Use	6/30/2025
MBARI-Slough Test Moorings	6/30/2024	Current	Facilities Use	6/30/2025
Slater Moore Photography	07/07/2024	Current	Facilities Use	07/07/2025
Mother Nature's Temple	10/5/2024	Current	Facilities Use	10/5/2025
Elkhorn Slough Safari - Tours	10/19/2024	Current	Facilities Use	10/19/2025
Blue Water Ventures	10/31/2024	Current	Facilities Use	10/31/2025
Wild Fish-Vicki Crow	11/30/2024	Current	Peddlers	11/30/2025



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GENERAL MANAGER
HARBORMASTER
Tommy Razzeca

STAFF REPORT

ITEM NUMBER 06 – MEETING ANNOUNCEMENTS
BOARD MEETING OF DECEMBER 11, 2024

Moss Landing Chamber of Commerce Meetings – All meetings are done by E-mail until further notice but will eventually resume on the 2nd Thursday of each month in Moss Landing Harbor District Board Room, 4 p.m.

Monterey Bay Sanctuary Advisory Council Meetings – 2023 - <https://montereybay.noaa.gov>

The 2025 meeting schedule has not yet been added to the website.

SERVING COMMERCIAL FISHING AND RECREATIONAL BOATING SINCE 1947



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Tom Razzeca

STAFF REPORT

**ITEM NUMBER 07 - LIVEABOARD REPORT
BOARD MEETING OF DECEMBER 11, 2024**

Pursuant to Ordinance Code §6.110 D) 1), attached is the report containing the names of all permitted live aboard vessels and all persons living aboard. The permits for these live boards have automatically renewed through the last day of this month. As of this writing, there are no (0) revocation actions pending.

<u>Name</u>	<u>Vessel</u>
1. Hartman, Guenter	Taku, CF 7913 KL
2. Jones, L	Intrepid CF 0292 VE
3. Matsunaga, F	Mon Rochelle CF 8424 FB
4. Burns, P.	Tralfamadore, CF 9430 GL
5. Byrnes, K.	Grand Slam, CF 4540 FE
6. Doyle, M	Billikon, CF 3946 TM
7. Danh, S	Isle Of View ON 997142
8. Michael, McVay	Gaviota, CF 4863 FP
9. Hughes, S	Sojourn, on 1067078
10. Milazzo, O	Odeyseas. CF 8763 FF
11. Chambers, B.	Pyxis, ON 984193
12. Flatguard, J	Black Jack, CF 2133 JA
13. Clark D.	Seaside Escape CF 4356 HW
14. Degnan, P.	No Name, CF 8344 GT
15. Pending	Pending Application
16. Elwell, G.	Pearl, ON 557575
17. Faneuf, C.	Ghost Ryder ON 1048498
18. Buford, C	No Name, CF 9215 EF
19. Potter, D.	Danu CF 4085 GC
20. Listle, A	Tekin ON 616325
21. Glovin, D	Aint to Shabby CF 7434 SL
22. Laoretti, P/ Laoretti, S	Shaka, ON 699611
23. Johnston, Bill	Heart Of Gold, CF 7590 EP
24. Groom D	Phoenix, CF 5084 GJ

SERVING COMMERCIAL FISHING AND RECREATIONAL BOATING SINCE 1947

- | | |
|------------------------------------|----------------------------|
| 25. Jones, H. | Laetare, CF 5495 YB |
| 26. Jones, T. | Sanity, CF 5249 SC |
| 27. Kennedy C. | Aztlan, ON 281903 |
| 28. Ayres, Lloyd | Gaviota, CF 4656 GG |
| 29. Varier, G | Athena CF 1523 FF |
| 30. Malone, RJ | Francis W, CF 2017 UZ |
| 31. Marsee, E, Lynch, C | Tolly Craft CF 9521 HT |
| 32. Burnett, Gary | Zinful CF5419 JG |
| 33. Maris, T. | Nimble, CF 3730 KB |
| 34. Robinson, D/ Robinson, L | Damn Baby CF 9442 EX |
| 35. Nieman J | Inia, ON 1074183 |
| 36 Niswonger, R. | Illusion, CF 0836 TA |
| 37. Cain, C | Sails Call, CF 7291 TG |
| 38. Otis, T. | Blue Moon, CF 1886 GT |
| 39. Paul, J | La Wanda CF 5014 FR |
| 40. Schlegelmilch, William | Bull Dog ON 1219673 |
| 41. Bartley, H | Skylarke, CF 8589 TB |
| 42. Raaphorst, D. | Spirit, ON 664971 |
| 43. Reins, D. | Second Paradise, ON 912484 |
| 44. Rotger, M. | Raven, ON 241650 |
| 45. Dyer, B | Star of Light ON 1056334 |
| 46. Piro, Daniel | Gulf Star CF 6082 GL |
| 47. Schmidt, L | Lady Monroe CF5007 UM |
| 48 Conrad, J. | Finnaly Us ON 931706 |
| 49. Silveira, P | Quiet times, CF 2067 GC |
| 50. Salisbury, J. | Oceanid, CF 4210 GA |
| 51. Thomas, B. | Coho, CF 9974 KK |
| 52. Tufts, M. | Enchantress, CF 0878 SX |
| 53. Mc Dermont, J | Ferdelance CF 7837 JF |
| 54. Wolinski, Peter | Muffin, ON 1148169 |
| 55. Hudkins, Leah / Steven Hudkins | Wild Goose ON589319 |
| 56. Samuelson, T. | Moonstone CF 5122 GX |
| 57. Vinsky, J | Rosie CF 2797 GC |
| 58. Riberal, Y/ Eric Duekerson | Boss Lady, ON 556296 |
| 59. Schwontes, N/ Mosolov, A | Luna Sea, ON 1138367 |
| 60. Chaperon, C | Kali Kat CF 7790 SH |

Total Number Vessels: 59
Total Number Persons: 68
Pending Applications -1-



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GENERAL MANAGER/HARBOR MASTER
 Tom Razzeca

STAFF REPORT

ITEM NUMBER 8 - SLIP INCOME REPORT
 BOARD MEETING OF DECEMBER 11, 2024

Slip Rates 2024/2025 per linear foot:

Assigned: \$9.70/ft./month
 Temporary: \$14.48/ft./month
 Transient: \$1.25/ft./day

INCOME

<u>September 2024</u>	<u>September 2023</u>	<u>September 2024 Budget</u>
\$175,552	\$179,218	\$184,283

For the month, slip income is lower than budget by \$9k. The lower than budget amount is attributed to primarily lower temporary berthing revenue. Slip income is lower than the prior year by \$4k, due to lower temporary berthing revenue in the current year.



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STAFF REPORT

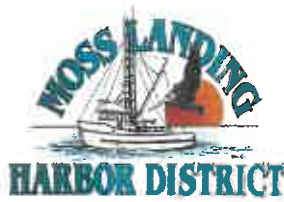
ITEM NUMBER 09 – INCIDENT REPORT
BOARD MEETING OF DECEMBER 11, 2024

September 23, 2024 Staff saw a man parked illegally and rummaging through the dumpsters near A-dock. Staff began writing a parking citation for the illegally parked vehicle when the man jumped in the vehicle punching the accelerator in reverse while ignoring staff's orders to stop. The individual hit the MLHD staff member writing the citation with the vehicle sending them into the back of the truck's bed. The individual began to drive away when MLHD staff removed him from the truck. MCSO was called and responded, leading to the arrest of the individual. MLHD staff member received treatment and x-rays for minor injuries and was released.

October 9, 2024 At approximately 6:45pm, a tenant from A dock came to the office and notified night staff that a vehicle was driving recklessly through the MLHD parking lot. Staff notified the Operations Supervisor and called the MCSO. Officers arrived and stopped the individual in the parking lot. He was arrested for driving under the influence of drugs.

November 7, 2024 MLHD staff received a phone call about possible vandalism to a vehicle in the North Harbor. The reporting party claimed the fuel tank on his truck had a hole drilled into it and their fuel was drained. MLHD staff investigated and instructed vehicle owner to make a report with MCSO.

November 26, 2024 At approximately 9:50am, two tenants began arguing with each other in the office. Trying to avoid any other altercation, MLHD staff successfully separated the two individuals avoiding any further problems.



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STAFF REPORT

ITEM NUMBER 20 – KIRBY PARK SECURITY PROPOSAL BOARD MEETING OF DECEMBER 11, 2024

For years the District has had problems at Kirby park with folks accessing the park after dark when it is technically closed, dumping trash and vandalizing signs and the portable restroom building. To address the ongoing problems at Kirby Park the General Manager met with Monterey County District 2 Supervisor Glenn Church and other interested parties to come up with a solution.

Ideally, the existing gate would close off access to the park during off hours, the gate would be closed and locked each night at sundown when the park closes and would be reopened again at sunrise each morning when the park opens. However, having District staff complete this task has its challenges. The gate is located at the intersection of Elkhorn Road and Kirby Road, both of which are Monterey County roads, and closing the gate shuts off access to the Kirby Road which is not under Jurisdiction of Moss Landing Harbor District. Additionally, having a District staff member confront folks and vehicles remaining in the park after dark to ask them to leave before the gate can be locked could subject our staff to potentially dangerous situations in such a remote area after dark.

To address the problem, Supervisor Church has proposed a 1 year trial of having Allied Universal Security Services complete the opening and closing of the gate each night with a cost share (50/50) between Monterey County and Moss Landing Harbor District of \$1,818.60 a month for both agencies. The Districts Real Property Committee 1 has met and reviewed the Bid and the Committee members may wish to provide a recommendation to the full board regarding the proposal. A copy of the Bid provided by Supervisor Church has also been attached to this report for the Boards review.

Staff recommends that the Board review the attached Bid and consider approval to allow the General Manager to enter into a 1 year cost sharing contract with Allied Universal Security Services for the closing and opening of the gate to access Kirby Park subject to prior review and approval of the service contract by our District Counsel.

PROPOSED SECURITY COSTS
Patrol Bid
The County of Monterey - Kirby
Park

EXHIBIT A

PATROL REQUIREMENTS:

- A. Vehicle patrol of property two times daily, seven days a week
- B. Morning Unlock & Patrol
 - Arrive at the park by 5:00 AM daily.
 - Unlock the gate using the provided combination padlock and chains.
 - Secure lock and chains after opening.
 - Conduct the first drive-through patrol of the parking lot and surrounding areas immediately after unlocking the gate.
 - Check for signs of overnight trespassing, vandalism, or any other suspicious activities.
 - Document and report any incidents as per the reporting protocol.
- C. Evening Lock & Patrol
 - Return to the park by 10:00 PM to lock the gate.
 - Secure the gate with the combination padlock and chains, ensuring it is fastened correctly.
 - Perform the second drive-through patrol to monitor for and deter loitering, trespassing, and the presence of transients.
 - Ensure high visibility during the patrol to act as a deterrent.
 - Engage with any unauthorized individuals to enforce park rules and ensure they vacate the premises.
- D. Daily Reporting via Trak Tik
 - Compile a daily report of all activities, incidents, and observations.
 - Submit the report to the designated supervisor or management team for review.

MONTHLY COST:

\$1,818.60 per month includes Trak TikTechnology