

DUE DECEMBER 31

Pursuant to Public
Resources Code § 6306

Granted Public Trust Lands Standardized Reporting Form



Fiscal/Calendar Year: 2017

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.

2. Revenue

- a. What was the gross revenue received or generated from trust land or trust assets during the past fiscal year? \$1,219,167

- 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? \$5,122,069

- 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 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 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.

Table 1. Crescent City Harbor District Property	
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.

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

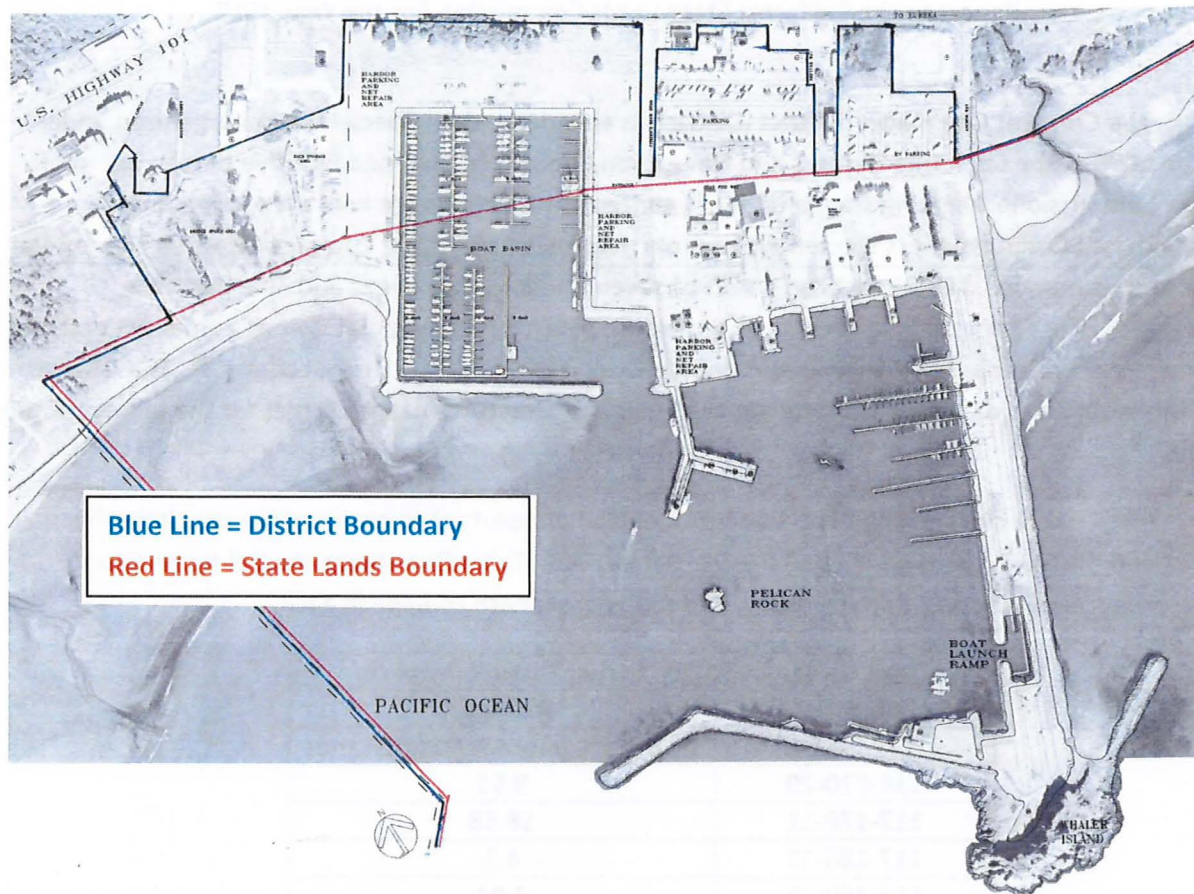


Figure 1. Crescent City Harbor District Boundary and State Land Grant Boundary.

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

Table 2. Businesses and Business Activity Located on District Property

On State Lands	On Fee Simple Property
M&M Diving	Ocean World
Chart Room	Bayside RV Park
Outer Boat Basin(no longer in Service)	Trees of Mystery
Del Norte Sheriff	Englund Marine
Kims Hair Studio	Dredge dewatering ponds
Alber Seafoods	Inner Boat Basin (portion)
Pacific Choice (EF Building)	CBS Outdoor
Wild Planet Sfds	
Fashion Blacksmith	
C Renner Fuel Dock	
Crescent City Ice	
Caito Fisheries	
Pacific Choice -unloading	
Nor Cal Seafood	
LCZ Unloaders	
Pacific Choice Ice Plant	
Inner Boat Basin (portion)	
Chart Room Store	

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.

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, 2017 (the end of the District's most recent financial year) is included as an Appendix to this report.

TABLE 3.		2017		% State	%not State		\$ State	\$ not State
Revenue								
Inner Basin Slips	375,764			50%	50%		187,882	187,882
Outer Basin Slips	0			100%			0	0
Harbor Services	0			90%	10%		0	0
Launching, travelift etc	150,714			100%			150,714	0
Rents & concessions	653,240			85%	15%		555,254	97,986
Miscellaneous	39,167			90%	10%		35,250	3,917
Wharfage	0			100%			0	0
Grants & Other							0	0
Property Taxes	341,255			85%	15%		290,067	51,188
Total Revenue	1,560,140						1,219,167	340,973
Expenses								
Accounting	0			90%	10%		0	0
Administrative							0	0
Advertising	4,372			100%			4,372	0
Audit	16,970						0	0
Bad Debts	9,915			100%			9,915	0
Capital Outlay non-cap				100%			0	0
Depreciation	3,726,601			100%			3,726,601	0
Election	9,920						0	0
Equipment Rent							0	0
Fringe Benefits	239,476			90%	10%		215,528	23,948
Fuel, Oil, & Grease	9,994			90%	10%		8,995	999
Insurance	162,945			100%			162,945	0
Legal	134,351			90%	10%		120,916	13,435
Office & Admin	28,386			90%	10%		25,547	2,839
Operating Supplies	44,134			90%	10%		39,721	4,413
Other	23,703			90%	10%		21,333	2,370
Outside Services	61,399						0	0
Payroll Expenses	466,463			90%	10%		419,817	46,646
Payroll Taxes	43,177			90%	10%		38,859	4,318
R & M Materials	51,060			90%	10%		45,954	5,106
R & M Services	64,491			90%	10%		58,042	6,449
R & M Supplies				90%	10%		0	0
Travel	10,078			100%			10,078	0
Utilities and Telephone	213,446			100%			213,446	0
Other							0	0
Total Program Expense	\$5,320,881						\$5,122,069	\$110,524

Operating Rev (deficit) (\$3,760,741)

Summary and Conclusions

This report presents financial information for the fiscal year 2016/2017 for the Crescent City Harbor District. The District suffered substantial damage from tsunamis in both 2006 and 2011.

Based on the preliminary financial information, we summarize the District's results for operations on State Lands and non State Lands for 2016/17 as,

Table 4. Summary Results for 2016/17 Preliminary Financial Information

	Total	State Lands	Not State Lands
Revenue	\$1,560,140	\$1,219,67	\$340,973
Expense	\$5,320,881	\$5,122,069	\$110,524
Net Revenue (Deficit)	-\$3,760,741	-\$3,902,901	\$230,449

This report prepared by,
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