

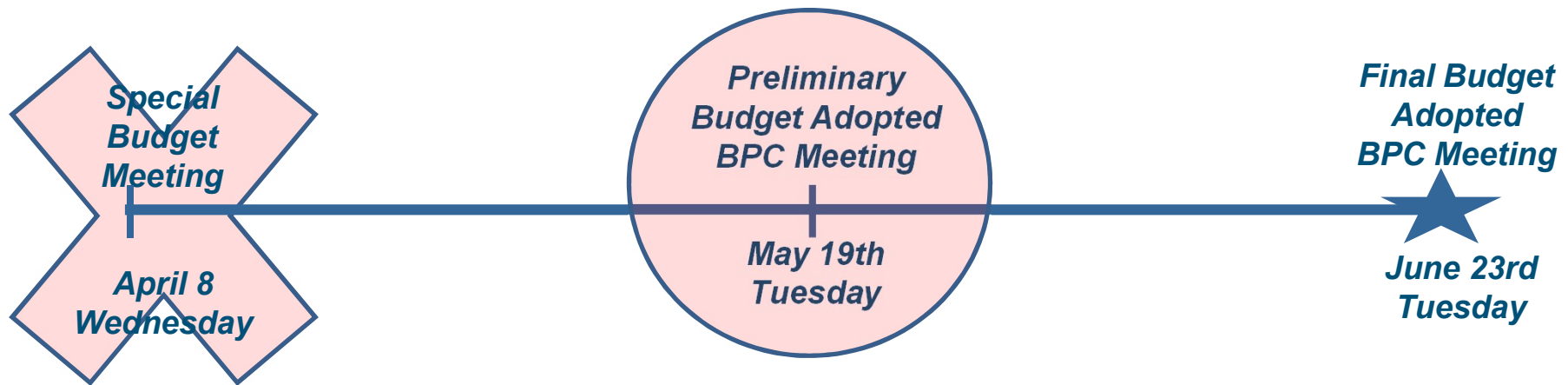


Fiscal Year 2021 Preliminary Budget

Agenda

- FY 2021 Budget Timeline
- April Special Budget Meeting
- Preliminary Budget FY 2021
- Recommendation

FY 2021 Budget Timeline



San Diego Unified Port District Act:

§ 47. NOTICE OF ADOPTION OF PRELIMINARY BUDGET; HEARING ON FINAL BUDGET. On or before the 15th day of June of each year, the board shall publish a notice pursuant to Section 6061 of the Government Code in the district stating:

- (1) That the preliminary budget has been adopted and is available at a time and at a place within the district specified in the notice for inspection by interested taxpayers
- (2) That on a specified date not less than one month after the publication of the notice and at a specified time and place, the district board will meet for the purposes of fixing the final budget

April Special Budget Meeting Recap

Board Recommendations:

- Direct staff to prepare the FY2021 Budget using the Base Case Scenario
- Reduce the FY 2019-2023 CIP budget by \$5.7M and reallocate to the FY 2021 Operating budget
- Use Cumulative Unrestricted Resources and/or Operating Reserves to fund the deficit of \$10 million
- Monitor the District's performance against the budget frequently, report to the Board any discrepancies, and recommend adjustments as time passes, as the COVID-19 pandemic resolves, and as the economy responds.

Preliminary Budget FY 2021

(millions)

	Adjusted Budget FY 2020	Preliminary Budget FY 2021	Change FY 2021-2020 Budget	% Change
Revenue				
Operating	\$ 192.8	\$ 152.9	\$ (39.9)	(20.7%)
Non-Operating	22.2	12.8	(9.4)	(42.5%)
Total Revenue	\$ 215.0	\$ 165.7	\$ (49.3)	(22.9%)
Expenses				
Personnel	\$ 103.4	\$ 101.7	\$ (1.7)	(1.6%)
Non-Personnel	75.2	56.7	(18.5)	(24.6%)
Major Maintenance Expense	0.7	0.5	(0.1)	(21.5%)
Capitalized Labor	(4.0)	(2.2)	1.8	(44.9%)
Total Expenses	\$ 175.2	\$ 156.7	\$ (18.5)	(10.6%)
Other Sources & Uses and Reserves*	\$ (37.7)	\$ (9.0)	\$ 28.8	(76.3%)
Unrestricted Sources Over Uses of Funds	\$ 2.0	\$ 0.0	\$ (2.0)	(100.0%)

Note:

* Please see Section 1 page 12 of the Budget Book for details of Other Sources & Uses and Reserves

Recommendation

- Adopt resolution to reduce the FY 2019-2023 CIP by \$5.7M and allocate the funds to the Cumulative Unrestricted Resources
- Adopt resolution authorizing the use of Cumulative Unrestricted Resources of approximately \$15.7M for the following: Operating Budget Deficit \$9.9M, Coast Guard Build-Out \$2.2M, Seaport Village Pre-approved funding \$2.8M, and Major Maintenance Multi-year program carryover funding of \$0.8M
- Adopt resolution to not solicit project applications or hold a CIP workshop pursuant to Board Policy No. 120
- Adopt a resolution adopting the FY 2021 Preliminary Budget and setting the date for public hearing on the Budget as June 23, 2020