

# RICHARDSON BAY REGIONAL AGENCY

## STAFF REPORT

For the meeting of June 23, 2022

**To:** Board of Directors  
**From:** Steve McGrath, Interim Executive Director  
**Subject:** Fiscal Year 2023 Final Budget

### **STAFF RECOMMENDATION:**

Staff recommends this Board consider the Final Budget for FY 23, and after discussion and public comment, approve the minor changes to the Preliminary Budget and adopt Resolution 10-22, adopting the Final Budget for FY 23.

Motion: Adopt Resolution 10-22, adopting the final Fiscal Year 2022-2023 Budget.

### **SUMMARY:**

The Fiscal Year 2022-2023 Final Budget is balanced and reflects progressive implementation of the Agreement with the Bay Conservation and Development Commission (BCDC). The Budget shows an anticipated 18% increase in revenues (exclusive of member agency dues), a 64% increase in staffing costs, a 14% increase in non-personnel costs, and a 253% increase in costs associated with the BCDC Agreement. This results in a 23% increase in total expenditures, requiring a 78% increase in member agency dues.

### **BACKGROUND:**

Each year the Board of Directors adopts a budget for the next fiscal year that begins July 1 and ends June 30. In developing the fiscal year 2022-23 (FY23) budget, staff considered the following factors:

1. Implementation of steps to further transition to a safer, healthier and well managed anchorage, such as those identified in the Transition Plan
2. Projected actual revenues and expenses for fiscal year FY22 and estimated expenses and revenues for FY23 – including grant funding for abatement of marine debris and abandoned vessels
3. Reliance on member agency contributions for a significant portion of RBRA's revenue, recognizing city/county budget constraints

The Agency's annual budget is the main fiscal planning tool used throughout the year. This is the Budget for the period from July1, 2022 through June 30, 2023 and includes an

estimate of \$790,600 in revenues plus a 78% increase in member agency contributions of \$1,041,098.

Member agency contributions are based on anticipated expenditures of \$1,831,698 resulting in a balanced budget with no funds added to reserves or to fund balance.

This Board reviewed and adopted the Preliminary Budget at the meeting of April 14, 2022, with no changes.

#### Personnel:

In February 2022, this Board approved a revised organizational chart for the Agency and additionally approved a staffing proposal from Regional Government Services to accomplish the administrative side of that chart.

Due to the increased level of cooperation with the Sheriff's Office, and in particular, close work with the Marine Unit, staff no longer believes it necessary that the Assistant Harbormaster be a sworn officer.

Consequently, staff recommends that the RGS contract be amended to include employment of the part time Assistant Harbormaster position. This will come forward in a more detailed manner at a future meeting for discussion. However, the potential budgetary impact of this is a minor reduction in expense or non-existent. Accordingly, staff at this time has reallocated but not increased the Personnel expenditures.

#### Capital Projects:

The Executive Director, at Board direction, executed a contract with GHD for design/development of the required mooring field. Staff anticipates \$60,000 of expenditures under this contract in the current FY22, and an additional \$65,000 in expenditures in FY 23. Additionally, GHD is currently recommending that, in order to meet the deadline for completion of the mooring field by December 15, 2023, RBRA should consider purchasing the moorings early (rather than including them in the Invitation to Bid for mooring installation) in order to better manage any supply chain issues. This purchase will exceed the Executive director's authorization, so staff will return at a later date, when costs are finalized, with a request to approve the purchase.

#### Changes to the Preliminary Budget:

The only change to the preliminary budget is the increase in legal costs from \$70,000 to \$70,515 to account for the \$515 in 'Legal Notices' inadvertently omitted in the Preliminary Budget.

#### Summary:

The Draft Final Budget for 2022-23 is a balanced budget that represents the commitment of this Board to responsibly administer the public funds entrusted to it, and

to execute the responsibilities of the RBRA in an open and transparent manner. Staff recommends this Board approve the minor changes to the Preliminary Budget and adopt Resolution 10-22, adopting the Final Budget for FY 23.

Attachments:

Attachment 1: Final Budget for July 1, 2022 – June 20, 2023

Attachment 2: DRAFT Resolution 10-22