

# RICHARDSON BAY REGIONAL AGENCY

## STAFF REPORT

For the meeting of February 10, 2023

**To:** Board of Directors  
**From:** Brad Gross, Executive Director  
**Subject:** Mid-Year Budget Review

### **STAFF RECOMMENDATION:**

Receive report; no action is necessary.

### **BACKGROUND/DISCUSSION:**

This Board adopted the RBRA budget for July 1, 2022 through June 30, 2023 (FY23) at its meeting of June 23, 2022.

The adopted FY 23 Budget was balanced, and provided for a significant one time increase in member dues of 78%, to reflect staffing changes necessary to implement the provisions of the 2021 agreement between RBRA and the Bay Conservation and Development Commission (BCDC).

Items of note during the first half of FY23:

- 1 The FY23 budget did not include the \$3 million in unanticipated revenue from the State (thanks to Sen. McGuire) which is targeted toward housing programs for the anchor-out community. We still await arrival of these funds.
- 2 Vessel buyback: This program ended as of 12/31/22 with \$51,600 of the \$100,000 budgeted spent. However, the program will be resurrected for those people availing themselves of housing opportunities funded by unanticipated State revenue through the recently approved RBRA/MHA program.
- 3 RGS: The RGS budget line item is significantly underspent at this point (\$98,993 out of \$501,000 budgeted for FY 23) as this anticipated a full year of a full time Executive Director and a full year of a part time Deputy Harbormaster. Both positions have only recently been filled. The Administrative Technician position is budgeted and has been filled for the full fiscal year.
- 4 Moorings: \$165,000 is budgeted in FY 23 for development of a mooring field, of which \$12,265 has been spent. Discussions with BCDC have placed this item on hold, at least through FY 23. In October 2023, BCDC may reevaluate this concurrence with RBRA's recommendation against completing this project.

- 5 State Parks, Division of Boating and Waterways: \$360,000 is budgeted for both grant revenue and expense in FY23; all these funds are likely to be spent prior to the end of FY23. Unfortunately, DBW has been slow in processing grant reimbursement requests, with \$354,554.56 in current and aged DBW receivables, dating back to FY2022.

Looking forward to the budget for the year July 1, 2023 to June 30, 2024 (FY24), staff anticipates several matters with fiscal impacts:

- 1 State funds: Receipt of the anticipated State funds of \$3 million later this fiscal year, and implementation of related programs will be addressed in both revenues and expenses.
- 2 Litigation: Not all litigation expenses may be covered by insurance, and certainly staff time is impacted. As we move forward we may expect increased costs in this area.
- 3 Insurance: We are currently involved with five litigation matters; this may increase over the next year, and as insurable claims increase, so will insurance premiums.
- 4 Other grants: Staff and our consultants continuously research and apply for grants (see related staff report). Receipt of grants typically is a 'zero sum' as expenses align with revenue; however, on occasion some staff or other administrative costs may be offset by grant revenue.
- 5 Member dues: Given the significant increase in member dues coming into FY23, staff anticipates only nominal, inflation related increases for FY24.

**FISCAL IMPACT:**

Staff is not proposing any budget adjustments at this time; there are no fiscal impacts of this mid year budget review.

**Attachment:** FY 2023 Adopted Budget