

**San Mateo County Harbor District
Board of Harbor Commissioners
*Special Meeting Minutes***

**April 16, 2007
4:00 p.m.**

**Municipal Services Building
33 Arroyo Drive
South San Francisco, CA**

Roll Call

Commissioners

- x Ken Lundie, President
- Leo Padreddii, Vice President
- Sally Campbell, Treasurer
- Pietro Parravano, Secretary
- James Tucker, Commissioner

Staff

- Peter Grenell, General Manager
- Marcia Schnapp, Director of Finance
- Marietta Harris, Human Resource Manager
- Robert Johnson, Harbormaster
- Dan Temko, Harbormaster
- Theresa N. Hayes, Deputy Secretary
- x Marc Zafferano, District Counsel

x- absent
Padreddii was Acting President

Public Comments/Questions- None

Staff Recognition- None

New Business

- | | | |
|----------|-------------------------|---------------------------------------|
| 1 | TITLE: | Budget Workshop: Study Session |
| | REPORT: | Schnapp, Draft Budget |
| | PROPOSED ACTION: | To be determined |

Schnapp passed out a summary consisting of charts and graphs on controllable and non-controllable expenses, and wage and benefit comparative information for the budget which she reviewed with the Board.

Schnapp informed the Board that the budget deficit projected for Fiscal Year 2008-09 is currently at \$465,548.00 and this does not include revenue losses the District will endure due to the recent closure of the 2008 salmon season.

Temko did some preliminary adjustments and said the numbers do not look good. Losses from reduced berthing, transient docking, launch ramp, and lessee revenues could be between \$100,000 and \$200,000. He added that there may be some federal relief.

The Board directed staff to prepare a comparison of District as a percentage of total wages with other agencies, to bring possible alternatives to current benefit provisions, to prepare a “pie” chart display of wages as percentages of budget, and information regarding staff layoff costs and procedures.

The Board agreed that the closure of the salmon season will cost the District a lot in lost revenue. The Board directed staff to prepare a report on implications of staff layoffs, early retirement incentives, and possible savings. Grenell said that staff will prepare information on staff levels on different and fiscal impacts and bring it to the Board at the May 7th meeting.

Tucker stated that the District needs to know a worst case scenario with the salmon season closure and what may be needed to respond and restore fiscal balance.

Campbell added that since staffing is the District’s highest expense it does need to be looked at. The Board agreed.

Temko suggested exploring incentives for early staff retirements.

Tucker added that staff should look into more beneficial potential relationships between the District and King Ventures at Oyster Point.

Parravano asked that staff look into implications of the Governor’s emergency declaration for possibly deferring payment of an agency’s existing loans.

Tucker requested that staff look into requesting a deduction of \$1.6 million from debt as relief.

Grenell added that the District has no major source of new revenue coming for several years, until potential new development matures.

Tucker said he would like to see a five-year budget plan which would include development at Oyster Point. Campbell added that she would like to see a three-year budget plan as well.

Grenell concluded that staff will create an annual and two-year budget schedule and a three and five- year budget plan outlook which would show a longer view of the future for the Board to review at the next meeting.

Tucker stated that the District should operate as if we have a \$700,000 deficit.

Adjournment

Action: Motion by Tucker, second by Campbell to adjourn. The motion passed unanimously at 5:15 p.m.

APPROVED BY:

Leo Padreddii

Leo Padreddii
Vice President

ATTESTED BY:

Theresa DellaSanta

Theresa DellaSanta
Deputy Secretary