



Staff Report

TO: Board of Harbor Commissioners

FROM: James Pruett, General Manager
Julie van Hoff, Director of Administrative Services
Rachelle Modena, Assistant Director of Administrative Services

DATE: March 19, 2025

SUBJECT: “First Look” Fiscal Year 2025/26 Operating Budget and Capital Improvement Program

Recommendation/Motion:

Recommendation: Review and comment on “First Look” Fiscal Year 2025/26 Operating Budget and Capital Improvement Program.

Policy Implications:

Harbors and Navigation Code 6093 (et. seq.) provides statutory requirements for budget development. Policy 4.9.1 provides the process for preparing the Budget and Policy 4.9.2 establishes the level of appropriation authority (see the [Financial Policies](#) section of the digital budget book or page 20 of attached PDF version further detail).

Fiscal Implications:

The District’s annual budget is the main fiscal planning tool used throughout the year. This is the first look at the 2025/26 budget and includes an estimate of \$15.654 million in revenues and \$13.218 million in operating expenditures. Revenues less expenditures equals \$2.436 million, which represents the estimated amount to be added to the available working capital balance.

The Five-Year Capital Improvement Program includes estimated Fiscal Year 2025/26 capital expenditures of \$350,000. There are sufficient cash balances to fund the 2025/26 fiscal year capital expenditures and provide funding for identified priority projects.

The working capital balance as of June 30, 2024 was \$18.388 million and is estimated to be \$9.934 million of which \$3.304 million is required to be set aside in a reserve fund per District policy.

Background/Discussion:

Staff has prepared the “First Look” at the 2025/26 Budget based on information that is readily available at this time. On March 12, 2025, a publicly noticed Finance Committee was held to discuss the budget. The Finance Committee provided input on the budget document and the narrative introduction section of the one-year Capital Improvement Plan was updated.

Public Process:

The Preliminary Budget will be presented for adoption at the April Board Meeting. Following adoption, the Preliminary Budget will be noticed and available to the public for input until the Final Budget is approved at the June Board meeting. If warranted, there will also be an additional opportunity for Commissioners and the public to comment on the budget at the May Board Meeting.

Attachments:

- 1) [Digital Link “First Look” Fiscal Year 2025/26 Operating Budget and Capital Improvement Program](#)
- 2) [PDF “First Look” Fiscal Year 2025/26 Operating Budget and Capital Improvement Plan](#)