

RESOLUTION 2013-110

**RESOLUTION ADOPTING THE FISCAL YEAR
2013/2014 PRELIMINARY BUDGET AND SETTING
THE DATE FOR A PUBLIC HEARING ON THE
BUDGET AS JULY 16, 2013**

WHEREAS, the San Diego Unified Port District (District) is a public corporation created by the Legislature in 1962 pursuant to Harbors and Navigation Code Appendix I, (Port Act); and

WHEREAS, Section 46 of the Port Act requires that on or before the 15th day of June each year the District shall estimate and determine the amount of money required by the District and shall adopt a preliminary budget; and

WHEREAS, Section 47 of the Port Act, requires the Board of Port Commissioners (Board) is to meet for the purposes of fixing the final budget; and

WHEREAS, Section 47 of the Port Act requires that on or before the 15th day of June of each year, the Board shall publish a notice 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; and
- (2) That on a specified date not less than one month after the publication of the notice and at specified time and place, the District's Board will meet for the purpose of fixing the final budget, and that any taxpayer may appear and be heard regarding the increase, decrease or omission of any item in the budget, or for the inclusion of additional items; and

WHEREAS, on June 11, 2013, the Board voted to express the non-binding sense of the Board related to the adoption of the preliminary budget for Fiscal Year 2013-2014.

NOW THEREFORE, BE IT RESOLVED by the Board of Port Commissioners of the San Diego Unified Port District that the Preliminary Budget of the San Diego Unified Port District for the Fiscal Year 2013-2014, a copy of which is on file in the office of the District Clerk, is hereby adopted and available for inspection by interested taxpayers and any other interested parties at 3165 Pacific Highway, San Diego.

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 11th day of June, 2013, by the following vote:

AYES: Castellanos, Malcolm, Merrifield, Moore, Nelson, Smith, Valderrama

NAYS: None.

EXCUSED: None.

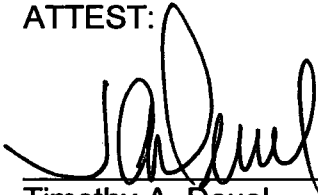
ABSENT: None.

ABSTAIN: None.



Ann Y. Moore, Chair
Board of Port Commissioners

ATTEST:



Timothy A. Deuel
District Clerk

(Seal)

BE IT FURTHER RESOLVED that on July 16, 2013, at the above-mentioned location, shall be the time and place the Board of Port Commissioners shall meet for the purpose of fixing the final budget, and any taxpayer and any other interested party may appear and be heard regarding the increase, decrease or omission of any item in the budget or the inclusion of additional items.

BE IT FURTHER RESOLVED that it is the non-binding sense of the Board that:

- 1) as approved, the Preliminary Budget constitutes a waiver of BPC Policy 609 (Public Art) and that in future years as and if the District generates revenues exceeding expenses enabling the Board to fully fund and maintain the Operating Reserve pursuant to BPC Policy 117, the District shall reclassify \$2.1 million from the revenues exceeding expenses into the Public Art Fund; and
- 2) as approved, the Preliminary Budget constitutes waiver of BPC Policy 730 (Port Environmental Advisory Committee Policy) and that in future years as and if the District generates revenues exceeding expenses enabling the Board to fully fund and maintain the Operating Reserve pursuant to BPC Policy 117, the District shall reclassify \$524,000 from the revenues exceeding expenses into the Environmental Fund; and
- 3) the Audit Committee of the Board is charged with the following tasks and shall provide quarterly progress reports to the Board, and the Board Chair is authorized to designate an Audit Committee member to draw on reasonable staff resources to implement this course of action:
 - a) more vigorously govern and track progress on budgeted revenues and expenses and recommend timely action to prevent an operating deficit from occurring in FY 13-14;
 - b) prior to the April 2014 regular Board meeting, identify new revenue streams and/or expense reductions that achieve a balanced budget for FY 14-15 without use of reserves; and
 - c) prior to the May 2014 regular Board meeting, create a five-year revenue and expense model for Board consideration to ensure Zero Deficit budgets for those future years.