

Budget Message 2021-22

Port of Astoria Budget Committee members,

On behalf of the Port of Astoria management team, I am pleased to present for your consideration the proposed budget for the 2022 fiscal year. The proposed budget figures are based on the revenue that will be generated (resources) and expenses that will be incurred (requirements) beginning July 1st, 2021 and ending June 30th, 2022. This budget represents our best estimation as to the available resources, operational and capital requirements for the upcoming year.

The Port allocates scarce resources to best match the priorities of the organization, but there are always more needs than available resources. The Port's budget serves as a working document to provide guidance for our staff and commission to ensure resources are being deployed in a way that best serves the Port and the community we serve. This includes maximizing existing resources, striving to provide the best service possible to our tenants and users, streamlining processes and leveraging our resources for capital investments through grants and other partnerships.



Executive Director Will Isom

The Port of Astoria's mission is to generate economic growth and prosperity in a safe and environmentally responsible manner for its citizens through creation of family wage jobs and prudent management of its assets. These assets support many different industries including commercial/recreational fishing, seafood processing, aviation, cruise lines, hospitality, marinas, marine operations, retail and commercial/industrial property. These industries, both directly and indirectly, create jobs within our community and bolster our region's economy.

This year's budget, much like the prior year, was prepared at a time of quickly unfolding events and ongoing decision making at the federal, state, and local levels regarding COVID-19. As of the end of April 2021, the Port estimates total business losses of \$1.4 million directly related to the pandemic. Last year's budget was prepared at the beginning of the pandemic when the rules surrounding "social distancing" and the curtailing of non-essential business operations were just coming into effect. This year the budget is being prepared as the vaccination rollout is well underway and the rules at the federal, state, and local levels are slowly being lifted and a sense of normalcy seems to be on the horizon.

Port staff is proposing a conservatively optimistic budget based on the unknowns that lie ahead. COVID-19 will likely continue to impact the Port and make it imperative that Port management be frugal and fiscally responsible. The Port will also be aggressively pursuing grant opportunities that have presented themselves as a result of the pandemic. The level of outside funding the

Port is able to secure will determine the time frame in which the Port can complete the many capital and maintenance projects that exist. Additionally, The Port of Astoria has recently been offered a 12-month debt deferment extension from Business Oregon that will defer debt payments until May of 2022 and freeze interest. This will continue to allow the Port the cashflow necessary to leverage grant funds and invest in our assets. The Port is also currently operating at 50% staffing levels within our maintenance department to further control costs, although we have budgeted for their return in hopes of bringing them back soon.

The Port is currently engaged in several important projects that will be key to future success. These projects are outlined in detail in the Port's recently state approved Capital Facilities Plan. Examples of this include the Airport Industrial Park development, Waterfront Master Plan being done in partnership with the City of Astoria, completion of the Airport Apron rebuild, Pier 2 restoration, AOC4 petroleum cleanup, dredging and continued investment into our docks and piling. The proposed budget places an emphasis on prudent management of Port operations, while still providing for significant investment into Port capital and infrastructure that is in alignment with our Strategic Business Plan/Capital Facilities Plan.

In consultation with Port management and staff, the proposed FY 2022 budget is my recommendation to the Budget Committee for approval. As Budget Committee members, you may adjust the proposed budget before approval.

I would like to thank the members of our budget committee for volunteering to be a part of this process. Your input and feedback is crucial as a check and balance mechanism to ensure the resources and assets the Port is tasked with managing for the public's interest are utilized in a fiscally responsible manner.

Finally, I want to thank the Port Commission and Port staff. These are challenging times. In the face of these challenges the Port has taken significant steps forward to fulfill its role in the region over the past year. I am optimistic about our ability to continue to weather this storm and come out on the other side better than ever before!

Sincerely,



Will Isom
Executive Director