

DRAFT**SAN DIEGO UNIFIED PORT DISTRICT****ORDINANCE xxxx****ORDINANCE ADOPTING THE FISCAL YEAR 2026
FINAL BUDGET INCLUDING A REDUCTION IN
PERSONNEL APPROPRIATION, AN INCREASE IN
NON-PERSONNEL EXPENSES APPROPRIATION,
AND AN INCREASE IN EQUIPMENT OUTLAY AND
OTHER CAPITAL PROJECTS APPROPRIATION
FROM THE PRELIMINARY BUDGET, AS
RECOMMENDED BY STAFF**

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, in accordance with the Port District Act (Port Act) Sections 46 and 47, on or before the 15th day of June of each year, the District must publish the Fiscal Year (FY) Preliminary Budget and set a date for the Board of Port Commissioner's (BPC) adoption of the final budget not less than one month from publication; and

WHEREAS, at the April 24, 2025, Budget Workshop, staff presented a draft FY 2026 Preliminary Budget and received direction from the BPC, and on May 6, 2025, staff presented an updated Preliminary Budget with a \$647,600 budget surplus; and

WHEREAS, on May 6, 2025, the BPC voted to accept staff's recommendation to adopt the FY 2026 Preliminary Budget with a surplus of \$647,600; and

WHEREAS, on May 13, 2025, a new organizational structure was rolled out to streamline the processes and improve efficiency; and

WHEREAS, this involves reclassifying and eliminating certain positions, merging departments, and updating reporting lines within the branches, formerly referred to as divisions; and

WHEREAS, in addition, Non-Personnel Expenses increased by \$414,600 due to a rise in the Chula Vista Bayfront Real Estate Revenue payment which will be funded by the Safe Harbor Sale, and the budget for the Shore Power at Fish Harbor and Chesapeake Wharf project was increased by \$260,000, rising from \$670,000 to \$930,000, to be funded by the Low Carbon Fuel Standard (LCFS) fund; and

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WHEREAS, these adjustments will result in an increased surplus of \$1,623,500; and

WHEREAS, after the BPC adoption, staff published the FY 2026 Approved Preliminary Budget to complete the 30-day required public review period; and

WHEREAS, on June 6, 2025, staff will present the FY 2026 Final Budget with a surplus of \$1,623,500 for BPC approval; and

WHEREAS, it is important to note that the FY 2026 budget is a plan that the BPC can amend at any time during the year; and

WHEREAS, the BPC action under this Resolution complies with Section 35 of the Port Act which allow for the BPC to do all acts necessary and convenient for the exercise of its powers.

NOW, THEREFORE, the Board of Port Commissioners of the San Diego Unified Port District does ordain as follows:

Section 1. The final budget for FY 2026, as set forth in the document on file in the Office of the District Clerk, is hereby adopted as the Annual Budget for said Fiscal Year.

Section 2. There is hereby appropriated for expenditure out of the Revenue Fund of said District the following amounts:

Ordinary Annual Expense	Amount
Personnel Expense (Net of Capitalized Labor)	\$ 130,161,500
Non-Personnel Expenses	114,921,700
Economic Recovery Program (ERP) Expense	1,509,300
Expense Major Maintenance	880,000
Total Ordinary Annual Expense	\$ 247,472,500
Capital and Debt Requirements	
Balanced Capital Program (BCP)	\$ 6,397,200
Technology Capital Projects	15,647,300
Capital Major Maintenance	19,649,000
Equipment Outlay and Other Capital Projects	102,461,900
Economic Recovery Program (ERP) Capital	20,690,400
Debt Service (Principal)	5,392,600
Total Capital and Debt Requirements	\$ 170,238,400
Total Requirements	\$ 417,710,900

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Section 3. This ordinance is declared to take effect upon its publication, pursuant to the provisions of Section 21 of the San Diego Unified Port District Act.

APPROVED AS TO FORM AND LEGALITY:
GENERAL COUNSEL

By: Assistant/Deputy

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 6th day of June, 2025, by the following vote: