

**PORT OF OSWEGO AUTHORITY
ANNUAL BUDGET AND FINANCIAL PLAN
2023 – 2024**

A. Relationship with unit of government on whose behalf or benefit the Authority was established.

The Port of Oswego Authority is a body corporate and politic, constituting a public benefit corporation. The authority shall have power over the survey, development and operation of port facilities and industrial projects in the port district which embraces the city of Oswego, the town of Scriba and all lands and water under and in the Oswego River and Lake Ontario lying or situated within the boundaries of the city of Oswego and/or the town of Scriba, and the coordination of the same with existing or future agencies of transportation with a view to the increase and efficiency of all such facilities and projects and the furtherance of commerce and industry, environmental protection, aesthetics, health, welfare, safety, recreational opportunities, and historical appreciation in the district.

B. Description of the budget process.

The Authority currently monitors performance against an operating budget. The operating budget governs the use of funds generated by Port operations. All expenses for administration, operations and maintenance are included in the operating budget. Development of the operating budget is coordinated by the Accounting Manager under the direction of the Executive Director. The budget is proposed to the Authority members in January prior to the beginning of the next fiscal year and is approved by the members at a meeting in February.

Throughout the year, monthly financial statements are produced, usually within 21 days after the end of each month. The profit and loss statement is presented for the month and year to date in order to monitor performance against budget projections.

A capital budget is not formally done at this time. Capital projects are funded on a case by case basis using grants and matching with surplus funds from operations.

C. Description of the principal budget assumptions, including sources of revenues, staffing and future collective bargaining costs, and programmatic goals.

Revenue sources for the Port include dockage, wharfage, stevedoring, loading/unloading, rent, storage, miscellaneous operations, marina slip rental, gas sales and various marina related items. Revenues vary from year to year naturally. For FY 2022-2023, revenues are up 172% over the previous year, primarily due to windmill projects. In 2022-2023, stevedoring comprises 21.1% of overall revenues at \$1.58 million, with loading & unloading revenue making up 18.6% at \$1.39 million, miscellaneous terminal activity 15.3% at \$1.14 million, profit sharing with Castalooop 13.6% at \$1.02 million, marina income is 11.8% at \$884 thousand, rental income is 8.2% at \$616 thousand and the remaining \$837 thousand coming from dockage, wharfage and storage.

Additionally, during fiscal year 2022-2023 the Port has received \$1.5 million in grant funds from the NYS DOT and Environmental Facilities Corp., as well as, \$485 thousand from FEMA in disaster aid and \$300 thousand from NYS to match USACE in a Harbor Deepening Feasibility Study.

Payroll and related benefits equal \$3.2 million which make up 57.4% of total expenses.

For FY 2023-2024, most activity at the Port is anticipated to decrease as potential windmill projects are not finalized and may be delayed. Aluminum activity is anticipated to increase and grain movement are expected. There is a breakwall project that is planned to bring rock through the Port. Therefore, dockage, wharfage, storage, stevedoring and loading/unloading for aluminum are all expected to be less than FY 2022-2023 but greater than the prior years.

Payroll expenses are anticipated to decrease in accordance with the expected projects. We expect an increase for the ILA payroll expense when negotiations for the ILA local contract is completed. Therefore, NYS Retirement, ILA Pension, Social Security, Medicare, Unemployment and disability are anticipated to increase as well, as they are a function of the increased payroll. General insurance is expected to have an increase as well.

D. Provide a self-assessment of budgetary risks.

Going into FY 2023-2024 we don't expect significant risk with Rental income as the Port has agreements with each rental customer. Aluminum and grain activity are dependent on the markets that they are in, so there is risk involved. The marina operation also holds risk as they depend on the recreational funds that people have. In 2022-2023, the marina had continues to increase in transient mooring and gas sales and increases in most areas returning to pre-pandemic numbers. Again, the RV Park wasn't able to be completed due to requirements of the city. We hope to make head way and open for the season.

Expenses related to operations are dependent on the movement of commodities. As stated above, if there is an increase in that activity then the payroll expense for operating labor, longshoremen, goes up and vice versa. The longshoremen are called in based on need through the International Longshoreman's Association Local 1570A. Payroll would decrease in this instance, reducing risk.

E. Revised forecast of the current year's budget.

See Budget and Financial Plan 2023-2024

F. Reconciliation that identifies all changes in estimates from the projections in the previously approved budget or plan.

See Budget and Financial Plan 2023-2024

For fiscal year 2023-2024, almost all Port revenue streams are budgeted with decreases. This is due to the lack of windmill projects that were running for FY 2022-2023. These decreases average 115% per line item. The marina revenue line items are anticipated to remain steady.

Payroll is projected to have a 23% decreased budget predominantly because of the lack of the projects that were in the current year. ILA pension is tied to the ILA hours worked so that will be decrease 66% with the reduced projects. Almost all other expense items will have decreases related to the reduced activity at the Port. Rentals and property lease are budgeted less than 2022-2023 as projects will be less. Equipment leases are increasing due to new lease contracts..

- G. Statement of the last completed fiscal year's actual financial performance in categories consistent with the proposed budget or financial plan.

See Budget and Financial Plan 2023-2024

- H. Projection of the number of employees, including sources of funding, the numbers of full-time and full-time equivalents, and functional classifications.

The exact number of employees varies from day to day due to the longshoremen being called in as needed. Funding of all payroll comes from operating revenue of the Port.

There are 12 full-time employees:

Management – 2

Clerical – 5

Security - 1

Maintenance/Mechanics – 2 ½ (1 is split between the marina and maintenance)

Marina – 1 ½ (1 is split between the marina and maintenance)

This year there have been 138 part-time employees classified as:

Longshoremen – 124 (2 full-time equivalent)

Security – 7

Marina – 3

Custodial - 1

Summer Labor – 3

- I. Statement of each revenue-enhancement and cost-reduction initiative that represents a component of any gap-closing program and the annual impact on revenues, expenses and staffing.

We are continuing with the health plan format that we have been using as it has produced about a \$39,000 savings over what the potential expense anticipated with lower premiums from other plans and HRA partial funding of deductibles. The Supervisor of Development and Facilities will continue to monitor labor in order to reduce expenses for longshoremen which also has an effect on the workers compensation insurance and the director will continue evaluating all spending.

- J. Statement of the source and amount of any material non-recurring resource that is planned for use in any given fiscal year.

In fiscal year 2022-2023, the Port has received grant funds from NYS for projects totaling \$1.5 million. In 2023-2024 \$1.2 million are expected from REDI funds, when the final REDI project is completed. The Port has received \$1.1 million from FEMA for repairs from the high water emergency in 2017 on Lake Ontario. FEMA funds are also expected in 2023-2024 in the amount

of \$4,545,986.92. These projects have been delayed but are now beginning. \$14,365,610 have been received from NYS for completed work on the Agricultural Center. The remaining \$274,000 is expected in 2023-2024, as the construction wraps up. CVAP funds will also be applied for from the marina.

- K. Statement of any transactions that shift material resources from one year to another and the amount of any reserves. None

- L. Statement of borrowed debt projected to be outstanding at the end of each fiscal year covered by the budget or financial plan; the planned use or purpose of debt issuances; scheduled debt service payments for both issued and proposed debt; the principal amount of proposed debt and assumed interest rate(s); debt service for each issuance as a percentage of total pledged revenues, listed by type or category of pledged revenues; cumulative debt service as a percentage of available revenues; and amount of debt that can be issued until legal limits are met.
See Attached Debt Schedule

- M. Statement of the annual projected capital cost broken down by category and sources of funding, and for each capital project, estimates of the annual commitment, total project cost, expected date of completion and the annual cost for operating and maintaining those capital projects or capital categories that, when placed into service, are expected to have a material impact on the operating budget.
See Attached Capital Project Schedule

PORT OF OSWEGO AUTHORITY
Budget Report
2023-2024

Revenue & Financial Sources	Last Yr (Actual)	Current Yr (Projected)	Next Year	Proposed	Proposed	Proposed
Operating Revenues	4/1/21-3/31/22	4/1/22-3/31/23	4/1/23-3/31/24	4/1/24-3/31/25	4/1/25-3/31/26	4/1/26-3/31/27
Charges for Services	\$ 1,779,852.50	\$ 5,967,188.93	\$ 2,547,000.00	\$ 2,800,000.00	\$ 2,600,000.00	\$ 2,600,000.00
Rentals & Financing Income	\$ 393,181.11	\$ 615,519.27	\$ 570,000.00	\$ 396,778.47	\$ 410,943.55	\$ 417,194.35
Other Operating Revenues	\$ 574,091.26	\$ 883,965.23	\$ 913,000.00	\$ 620,000.00	\$ 620,000.00	\$ 620,000.00
Non-Operating Revenues						
Investment Earnings	\$ 1,046.14	\$ 16,694.74	\$ 10,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
State Subsidies/Grants	\$ 13,491,339.48	\$ 1,506,810.22	\$ 1,846,273.17	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Federal Subsidies/Grants	\$ 187,094.37	\$ 484,832.61	\$ 5,228,065.52	\$ -	\$ -	\$ -
Other Non-Operating Revenues	\$ -	\$ -	\$ 374,895.00	\$ -	\$ -	\$ -
Proceeds from the Issuance of Debt						
Total Revenues & Financing Sources	\$ 16,426,604.86	\$ 9,475,011.00	\$ 11,489,233.69	\$ 3,819,778.47	\$ 3,633,943.55	\$ 3,640,194.35
Expenditures						
Operating Expenditures						
Salaries and Wages	\$ 1,233,677.59	\$ 2,042,003.85	\$ 1,575,000.00	\$ 1,200,000.00	\$ 1,200,000.00	\$ 1,200,000.00
Other Employee Benefits	\$ 901,242.47	\$ 1,195,905.03	\$ 686,770.24	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00
Professional Services Contracts	\$ 151,988.61	\$ 430,520.76	\$ 97,000.00	\$ 75,000.00	\$ 65,000.00	\$ 65,000.00
Supplies and Materials	\$ 66,109.48	\$ 82,095.79	\$ 67,000.00	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00
Other Operating Expenditures	\$ 1,105,160.42	\$ 1,857,949.02	\$ 1,406,867.04	\$ 1,015,000.00	\$ 1,015,000.00	\$ 1,015,000.00
Non-Operating Expenditures						
Payment of Principal on Bonds and Financing Arrangements	\$ 36,744.67	\$ 97,840.88	\$ 100,539.48	\$ 100,539.48	\$ 103,390.31	\$ 106,401.92
Interest and Other Financing Charges	\$ 73,297.38	\$ 22,196.45	\$ 20,000.00	\$ 13,970.72	\$ 11,119.89	\$ 8,108.28
Subsidies to Other Public Authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Asset Outlay	\$ 14,095,171.00	\$ 1,418,086.83	\$ 6,070,192.19	\$ -	\$ -	\$ -
Grants and donations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Non-Operating Expenditures	\$ -	\$ 11,325.00	\$ 11,325.00	\$ 10,500.00	\$ 10,500.00	\$ 10,500.00
Total Expenditures	\$ 17,663,391.62	\$ 7,157,923.61	\$ 10,034,693.95	\$ 3,475,010.20	\$ 3,465,010.20	\$ 3,465,010.20
Capital contributions						
Excess(Deficiency) of Revenues and Capital Contributions Over Expenditures	\$ (1,236,786.76)	\$ 2,317,087.39	\$ 1,454,539.74	\$ 344,768.27	\$ 168,933.35	\$ 175,184.15

PORT OF OSWEGO AUTHORITY
Budget & Financial Plan
2023-2024

Projected Debt Schedule at March 31st

	Current Yr (Projected) 4/1/22-3/31/23	Next Year 4/1/23-3/31/24	Proposed 4/1/24-3/31/25	Proposed 4/1/25-3/31/26	Proposed 4/1/25-3/31/26
Debt Outstanding (Principal)	\$ 3,736,961.95	\$ 3,405,926.00	\$ 3,355,926.00	\$ 3,305,926.00	\$ 3,255,926.00
Debt Service Payments (Principal & Interest)	\$ 114,510.20	\$ 114,510.20	\$ 114,510.20	\$ 114,510.20	\$ 114,510.20
Proposed Debt	None	None	None	None	None

PORT OF OSWEGO AUTHORITY
Budget & Financial Plan
2023-2024

Capital Project Schedule

	Prior Years	Current Yr (Projected) 4/1/22-3/31/23	Next Year 4/1/23-3/31/24	Proposed 4/1/24-3/31/25	Source
Agricultural Center	\$ 14,273,254.28	\$ 237,506.43	\$ 273,798.86	\$ -	NYS DOT Grant (100%)
West Pier - High Water Damage	\$ 320,032.64	\$ 50,989.09	\$ 4,661,734.87	\$ -	75% FEMA/ 12.5% NYS/ 12.5% Port
East Pier - High Water Damage	\$ 177,482.53	\$ 1,088,954.91	\$ 200,000.00	\$ -	75% FEMA/ 12.5% NYS/ 12.5% Port
RV Park	\$ 95,677.02	\$ -	\$ 10,000.00	\$ -	Port funds
REDI 19515 - Goble Boating Center	\$ 541,986.96	\$ 93.48	\$ 1,208,406.41	\$ -	95% REDI/5% Port
Marina Electrical Upgrade	\$ -	\$ -	\$ 32,000.00	\$ -	Port funds