

Briefing for PWSRCAC Board of Directors – January 2024

ACTION ITEM

Sponsor: Ashlee Hamilton

Project number and name or topic: FY2024 Budget Modifications

1. **Description of agenda item:** The Board is asked to approve modifications to the FY2024 budget as outlined on the attached list. These modifications were identified by staff at a December 19, 2023 budget review meeting. The Finance Committee met on January 8 to review these modifications, and support their approval. If the changes proposed in this briefing sheet are approved, the FY2024 contingency will be \$111,654.

2. **Why is this item important to PWSRCAC:** PWSRCAC’s annual budget provides the organizations’ spending plan and authorities. While some of the listed modifications are within the authorities of the Executive Director and the Executive Committee, others are not. The entire list is therefore presented to the Board to simplify the approval process.

3. **Previous actions taken by the Board on this item:**

<u>Meeting</u>	<u>Date</u>	<u>Action</u>
Board	5/4/23	Approved the FY2024 budget as presented during the budget workshop on April 29, 2023, and as described in the Draft Budget 2024 dated April 25, 2023. Total income is assumed to be \$4,264,106, total expenses are \$4,745,278, contingency of \$75,000, capital budget of \$15,000 for a total of \$571,172 net assets used.
Board	11/21/23	Approved the FY2024 budget modifications as listed on the provided sheet, with a total revised contingency in the amount of \$181,607.

4. **Committee Recommendation:** The Finance Committee met on January 8, 2024 to review the proposed FY2024 budget modifications and recommends Board approval.

5. **Action Requested of the Board of Directors:** Approve the FY2024 budget modifications as listed on the provided sheet, with a total revised contingency in the amount of \$111,654.

6. **Alternatives:** None recommended.

7. **Attachments:** The list of proposed FY2024 budget modifications.

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Proposed FY2024 Budget Modifications

Task	Name	Budget Modifications	From Contingency	To Contingency	Total Net Assets Needed	Notes
2150	Board Administration	Additional funds needed to finish Phase I of the Strategic Planning.	\$ (2,000.00)			
2250	Committee Support	Meeting expenses for Holiday Party coming in under budget / travel also coming in under budget.		\$ 11,514.76		
2500	Scientific Advisory Committee	Travel costs for in-person meeting under budget.		\$ 3,500.00		
3300	Annual Report	Contract/printing expense lower than budgeted.		\$ 2,037.60		
3562	Then & Now	Printing costs higher than anticipated.	\$ (515.00)			
3600	Public Communications Program	Printing costs not included in original budget.	\$ (1,382.50)			
4000	Programs & Projects	Additional funds needed for project legal advice.	\$ (10,000.00)			Various projects require legal advice, especially if there are issues surrounding contracting. For this year, the legal budget is a bit higher than normal as we have been involving Joe Levesque in meetings surrounding resolution of the condition of approval for the secondary containment liner issue.
4010	Digital Collections Program	Anticipated support for FileMaker lower than budgeted.		\$ 3,000.00		
4400	Federal Government Affairs	Additional funds for Blank Rome to supplement Federal Legislative Monitor work and support transition.	\$ (22,500.00)			Amount is for the remainder of FY2024. The Blank Rome contract will be discussed further during an executive session at the January 2024 Board meeting. LAC supports this request.
5000	Terminal Operations Program	Additional funds needed for Taku Engineering to address questions and requests from Alyeska related to Taku's Crude Oil Storage Tank Vent Snow Damage Report" and for continued VMT operations and maintenance work.	\$ (22,000.00)			TOEM supports this request.

Proposed FY2024 Budget Modifications

5570	Air Quality	Funds for contractor to assist with reviewing the VMT Title V air quality permit, fugitive emissions, and NESHAP-OLD rulemaking.	\$ (50,000.00)			The \$50,000 amount is based on proposals received from the RFP. TOEM supports this request. <i>Previously listed as an estimate, this amount was confirmed at the January 5, 2024 TOEM meeting.</i>
6510	State Contingency Planning	Additional funds needed to review and comment on Tanker and VMT C-	\$ (10,000.00)			OSPR supports this request.
6512	Secondary Containment (Adjudicatory Hearing)	Additional funds needed for contractor to review and comment on Secondary Containment pilot test.	\$ (38,000.00)			Funds requested to have Dr. Craig Benson come to Valdez to observe Alyeska's pilot test of the secondary containment liner in the West Tank Farm, and assist with providing recommendations and comments to Alyeska and ADEC (pending Alyeska approval to have an observer). TOEM supports this request.
6531	Port Valdez Weather Buoys	Additional funds needed for contract with PWSSC for emergency rescue if buoy(s) move off station.	\$ (5,000.00)			
9000	Environmental Monitoring Program	Expenses for professional services for Science Night lower than budgeted.		\$ 2,156.00		
9510	LTEMP	Storage unit rent and contract expenses no longer needed.		\$ 16,258.10		
9512	Marine Invasive Species - Intern	Travel funds no longer needed.		\$ 1,135.10		
TOTAL			\$ (161,397.50)	\$ 39,601.56	\$ (121,795.94)	

Current Contingency	\$ 233,450.00
Expenses not budgeted	\$ (121,795.94)
New Contingency	\$ 111,654.06