Port budget proposal adds 5%

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The Port of Greater Baton Rouge is proposing a $3,827,292 operations budget for 1993-94, a 5 percent increase from the current year's $3,652,474 in expenses and debt repayments.

The budget includes $65,000 in uncommitted money as a contingency fund for unforeseen expenses.

The proposed budget was approved by the port's Finance/Administration Committee and reviewed by the Executive Committee Wednesday. It goes to the full 15-member commission Sept. 8.

Total salaries at the port will increase 13 percent to $1,368,375 from $1,213,701 this year, said Al Starns, director of Finance/Administration.

The increase primarily is due to a routine 4 percent Civil Service merit pay increase for employees, some staff additions and an accounting change to reflect accrued compensatory time built up by salaried administrative staff members who do not receive overtime pay, a budget report said.

Other major expense items are general, group and worker's compensation insurance increases and an accumulation of smaller expenses.

The port is projecting $3,945,618 in revenue for 1993-94 to support its operations, a slight 0.3 percent decrease from the current year based on a small decline in tonnage and tonnage revenue.

Minus its expenses and debt payments, the port still projects a $116,326 surplus at the end of 1993-94 budget year, Starns said.

The port will complete its current budget year Oct. 31 with an estimated $305,587 surplus after underspending its operations budget for 1992-93, Starns said.

Director Gary Pruitt said the surplus should allow the port to pump excess funds into a cash reserve and cover some expenses drawn from that fund. The cash reserve stands at $2.4 million, with plans to spend $657,569 during 1993-94 on dredging, equipment and matching funds for state-supported port projects.

The port has spent $3,652,474 this year on its operations, 6 percent below initial projections of $3,905,460 in expenses. It spent about $100,000 less on salaries and materials and supplies than was budgeted, while other underspending was spread across various expense categories.

The port ends the current fiscal year with $3,958,061 in revenue, 5 percent above projections going into the 1992-93 budget year. Port facilities handled 4,110,754 tons of cargo this year, outdistancing projections by 18 percent.

Major tonnage increases above projections were recorded at the port's petroleum terminal and grain elevator.

The port is predicting tonnage will decline 0.4 percent to 4,050,000 during 1993-94 from the current year. Decreases are forecast at the port's barge terminal and molasses terminal and at the port's petroleum terminal and grain elevator after their exceptional 1992-93 performances.

Increases are expected at the general cargo docks, which primarily handles forestry products and generates the most jobs, and the midstream coal handling buoy.
In other action, the Finance/Administration and Executive committees recommended approval of a 12-month extension of an agreement that gives International Marine Terminals Inc. the exclusive right to use the port's midstream buoy for handling coal shipments.

The Executive Committee passed the request to the full commission with no action. Commission President Lawrence Carter said the commission has requested the engineering proposals and would have to approve any change in those plans. Since that request for proposals was made, five vacancies on the commission have been filled by Gov. Edwin Edwards from legislative nominations.

During July’s commission meeting, Commissioner Calvin Ishmael, a member of the engineering committee, asked whether K.J. Thomas, who has represented Berger & Associates and its predecessors through the port’s 40-year history, is still part of the firm.

Thomas told commissioners that his normal work schedule has been reduced by a heart condition but that he continues to oversee and coordinate port-related projects at Berger & Associates. He urged the port commission to renew its engineering services contract with Berger & Associates.