

## NEWS RELEASE

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### **COMMISSIONERS APPROVE 2004-05 BUDGET Spending Plan Totals \$450 Million**

**July 12, 2004**

The Long Beach Board of Harbor Commissioners voted unanimously Monday, July 12, to adopt a \$450.8 million budget for the 2004-2005 fiscal year beginning Oct. 1. The 2005 fiscal spending plan is \$52.5 million or 13 percent more than the current budget because of increases in capital, environmental and security projects.

The budget sets aside \$260.7 million for capital outlays, including \$36.7 million for a proposed container terminal at Pier S on Terminal Island, and \$35 million to complete the 375-acre Total Terminals International facility at Pier T.

Acting as an environmental steward, the Port will spend more than \$26 million on its Healthy Harbor initiative and other clean air and water programs. The budget includes \$500,000 to continue the Port's Truck Trip Reduction Program to ease freeway traffic. The program includes efforts to extend gate hours, develop a virtual container yard for empty containers, increase use of on-dock rail, and a study of short-haul rail.

To tighten security, the Port will spend about \$26 million on security staff, a video surveillance system, a command and control center, and an incident management system.

Operating revenues, primarily from the port's terminal leases, are expected to increase 3.9 percent to \$275.4 million primarily because of container trade growth. Operating expenditures, including staff salaries and debt service, will increase 3.5 percent to \$190.1 million. With the elimination of five regular positions, total employment at the Port is set to decrease to the equivalent of 377 jobs.

The Port of Long Beach, one of the world's busiest container ports, is run as a department of the City of Long Beach. Port operations are not supported by taxes. The Port generates revenues for its operations and on-going development through leases and fees charged to terminals and shipping lines.

The Port budget next goes to the City Council for its concurrence. The council will hold hearings on the various department budgets between mid-August and the end of September.

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