



## **FINANCE AND BUDGET COMMITTEE**

Monday, February 05, 2024, at 5:30 PM

### **MINUTES MEETING INFORMATION**

#### **CALL TO ORDER**

The Finance and the Budget Committee met on Monday, February 5, 2023, in the City Council Chambers, Dillingham, AK, and via Zoom video conference call.

#### **ROLL CALL**

Committee members present and establishing a quorum (a quorum being four)

Alice Ruby  
Anita Fuller

Kyle Westfall  
Michael Bennett

Kimberly Johnson

Committee members excused:

Aksel Buholm  
Curt Armstrong

#### **APPROVAL OF MINUTES**

1. No minutes available

#### **APPROVAL OF AGENDA**

MOTION: Kyle Westfall moved, and Anita Fuller seconded the motion to approve the agenda.

#### **STAFF REPORTS**

2. Revenue & Expense Report for November 2023
  - Remote Sales tax is delayed 2 months before revenue is entered.
  - Transient Lodging is at 69%
  - Business License renewal notices were sent out in November, renewal applications arriving in December.
  - Real and personal property taxes are recorded as revenue at 101% for real and 102% for personal; at 65% by the end of November.
  - Shared Fisheries annual payment received 10% below its expected amount; it will be adjusted in the mid-year budget revision.
  - The PILT came in at 114%; will see in the mid-year budget revision.
  - Leases and rents are at 13%; a large payment will be received by the end of the year.

- The PERS Forfeiture is at 0 and has not been utilized at this time.
  - Other Revenues are coming in at 105%.
  - Special Revenues & Other Funds Revenue
    - Dock at 90%; this will take up the bulk of the budget.
    - Asset Forfeiture fund revenue is hard to budget for; noted to work on it during the second budget revision.
    - Senior Center Grant came in higher than anticipated.
    - Debt Services revenue is at 6%, based off when payments come in.
    - The Mary Carlson Estate is at 220% and that's strictly because of investments.
  - Transfers
    - Expenditures are still low for landfill, senior center, equipment replacement, capital projects, and loans.
    - The Debt Services School Bond amount is high, waiting for money from the state.
    - The Ice Machine at 2% due to nonuse.
  - General Fund Expenditures
    - Administration is at 15%; mainly for open positions that were budgeted.
    - Foreclosure was approved in the January meeting.
    - The Fire Department Donation is registering at 0%; has not been expensed yet.
    - Public Works Administration is at 13% due to wages.
    - Grandma's House needs a budget revision.
  - Special Revenues & Other Funds Expenditures
    - Asset Forfeiture hasn't had any money spent.
    - Senior Center (non-grant) is at 21%; there will be another grant reporting.
    - Ambulance Reserve Fund is at 7%; it's paying for volunteer stipends and will show up in December.
    - The School Bond is at 91%; the biggest payment being made at the beginning of the fiscal year.
    - Equipment replacement is in the process.
  - Grant and Revenues/Expenditures
    - All projects are pending.
  - Capital Project Revenues/Expenditures
    - Major building maintenance at \$12,417.
3. Balance Sheet
    - Was presented in the meeting in January.
  4. Three+One
    - The implementation has been put on hold to focus on the FY23 Audit work.
  5. Audit Update
    - FY22 Audit- There were some questions; it's in its final write up for its first draft.
    - FY23 Audit- Only two questions left to be answered.
  6. Department Staffing
    - Officially fully staffed as of January 8<sup>th</sup>.
  7. Property Tax
    - Penalties are assessed on remaining taxes not penalized in November.

- A review of personal property tax has started with the F&B Committee and is ongoing.
- Property tax is going to the Code Committee for review and is ongoing.
- 8. Business License
  - 271 business licenses have been done since the writing of the report.
- 9. Collections
  - Ongoing
- 10. Grants
  - Eleven grant reports were completed in January.
- 11. Budget
  - FY24 Budget revision review is being presented at the present meeting.

## **NEW BUSINESS**

- 12. Budget Narrative
  - Revenue
    - Noted that the amendment is missing and will need to be added.
    - PILT received \$522,976 on July 13<sup>th</sup>; an increase of \$62,976.
    - Jail Contract is at \$403, 926; a large decrease of \$316,000.
    - AML is going to work on trying to increase revenue that's coming in from the state.
    - A slight increase with Admin. Overhead with some of the expenditure that is increasing.
    - Investment Income was \$20,000 but will be changed to \$80,000.
  - Council
    - Travel has been increased to \$10,000; have spent \$5,680 as of January 31<sup>st</sup>.
    - Training has been increased to \$1,500; have already spent \$1,205 as of January 31<sup>st</sup>.
    - In-Kind Expense has been increased from \$500 to \$1,700 due to the free Trash Day cost \$1,200.
  - Clerk
    - The Admin Assistant will be changed to a full-time position.
    - Training was increased by \$1,995 to reflect the AML Leadership Academy.
  - Administration
    - Subs & Memberships got an increase of \$735.
    - Safety Equipment received an increase of \$2400 due to adding a purchase order of ice grippers for all staff.
    - Minor Tools & Equipment received \$2,800 for the addition of fireproof cabinet.
    - There was a decrease in Building Rent due to lack of use.
  - Finance
    - Three+One (Cash Vest)
    - Need for Contractual support will decrease with a full complement of staffing.
    - An increase of \$500 with Office Supplies.

- Minor Tools and Equipment got an increase of \$5,462 for two desks and a Grainger key cabinet.
  - Increased Building Rent for Vitavik Apartment Unit G and Walter Campbell Apartment.
- Legal
  - Under review, budget is at \$65,000
- Insurance
  - Evaluation of assets is expected to change the initial premiums assessed.
- Planning
  - The number of staff will be changed.
  - AML Leadership Academy increase to training \$1,995.
- IT
  - Looking at some Public Safety computers that can be replaced, the budget for this is good overall.
  - Telephones will be having an increase; phones will need improvement.
    - Some ideas were discussed for low budget alternatives.
- Public Safety Patrol
  - A request was made to purchase one or two snow machines for the cost of \$12,000- \$18,000 each and a snowblance deluxe for \$8,000.
    - Alice Ruby expressed concern of how they would be used.
- Fire Department
  - Donations/Contributions got an increase by \$2,000.
  - Ambulance Billing has a rate increase estimated at \$500.
- PW Building & Grounds
  - Original budget was \$12,500 but got changed to \$52,000
- PW Shop
  - Safety Equipment got an increase of \$500 for purchasing more winter gear.
    - PW is not coding their purchases correctly.
    - Discussion was had on having more uniformed gear.
- PW Streets
  - Major Tools & Equip originally had a \$50,000 but was increased to \$75,000.
  - Electricity will increase by \$2,300
  - Need to report to F&B the cost of putting in a new streetlight for additional lighting.
- Library
  - Deep Freeze (software) was bought over a five-year period and the cost changed.
- Grandma's House
  - Grandma's House is increasing insurance on property; the City is managing the property.
- DCSD
  - The City is paying for the use of landfill on behalf of the DCSD.
- PW Water

- Transfer from Wastewater was increased due to increased expenses; the original budget was \$28,471 and now it's \$39,946.
- Contractual / Professional got an additional \$10,000 due to a water leak near the territorial school building; original budget was \$5,000.
- Permitting has a total of \$175; paying two years for Additional Line item for SOA DNR annual permitting fee (\$50 each) and a caught up plus penalty of \$75.
- Office Supplies has \$175; was noted that PW needs an Office Supply line.
- PW Waste Water
  - Miscellaneous Revenue has \$15,000 for the Dept of Interior BIA refunded bond from 2012 that was issued.
  - Contractual/Professional has an increased budget from originally being \$5,000 to \$20,000 due to the Alaska Sewer & Drain sewer inspection for repair to the line.
  - Construction for \$7,000 was used to get engineering for CRW Design for Wastewater Lagoon Generator Foundation.
  - Transfer to Water has increased.
- PW Landfill
  - Landfill Fees- In-Kind for \$32,000; the bulk of this is City.
  - Permitting/Fees annual permit fee has doubled to pay for prior year; and \$2,000 to allow for additional permits.
  - Major Equipment budget changed from \$573,000 to \$640,000 due to what was needed out at the Landfill.
    - Additions to the truck at \$64,790 and an AM 2023-18 council approved plow to be at \$57,123.
  - Equipment Maintenance went from \$60,000 to \$90,000; \$78,423.20 was spent as of January 31<sup>st</sup>.
  - Sample Testing- Water testing required in the landfill area by Bristol Bay Engineering Services Company, LLC was for \$28,000.

### **PUBLIC/COMMITTEE COMMENT(S)**

- Noted to approve the Budget Amendment in the next F&B Meeting in addition to more things being presented on February 12<sup>th</sup>.
- Noted to increase \$500,000 to the Harbor towards the Harbor project; this will be reflected in FY24.

### **ADJOURNMENT**

The meeting adjourned at 7:41 p.m.