



MEMORANDUM

DATE: April 29, 2022
TO: City Manager
FROM: Anita Fuller, Finance Director
SUBJECT: Finance Department Staff Report

STAFF REPORT

Statistics: April as of 4/29/2022

Payroll run: 2

Cash Receipts: \$397,185.93

All Payments: \$1,110,581.40 (includes \$176,285.80 for payroll)

Important deadlines:

15th of each month utility payments due; last day of month utility bills created and sent

Audit

- FY21 Audit final work began 10/26/2021 and is ongoing

Staffing changes

- Account Tech II – Receivables position became open 04/27/2022
- Account Tech I – Cashier position became open 03/24/2022
- Temporary help – Patty Rice returned temporarily to assist with training Acct Tech III.

Grant Reporting

- ARPA Grant awarded reporting completed 4/29/2022.
- IMLS & Ice Machine quarterly report completed
- LGLR grant award accepted and signed

Collections

- Foreclosure listing for 2018 Action have passed the period of redemption (5 properties at \$22,185). Litigation report requested in March.
- Foreclosure listing for 2019 Action have passed the period of redemption (12 properties at \$15,149). Litigation report requested in March.
- New foreclosure list for potential 2022 presented to F&B Committee and included in report.

Budget

FY23 Budget F&B workshops ongoing

Revenue and Expense review March 2022 –

Information provided for percentages below 60% or above 90%

General Fund Revenues

- All taxes are reported 1 month behind. 96% is above expected.
- Remote sales tax is 2 months delayed, 75% is above expected.
- Transient Lodging 1 month behind. 97% is above expected.
- Tobacco excise tax is 1 month behind and is within normal range.
- Real and personal property tax are recognized at 100%; however 94% has been collected, below last year's numbers.
- Property tax penalty and interest is at 119%; which exceeds entire year budget expectation.
- Telephone tax is collected at the end of the year.
- Shared Fisheries tax and Raw Fish tax are above expected.
- Community Sharing has been received and above expected budget.
- PILT has come in above expected by 3%.
- Ambulance fees remain below expected average at 22%.
- Lease & Rental Income matches the rate of income at FY21. Will receive \$22K in June for an annual lease payment
- PERS Forfeiture funds have been mostly expended and will not meet budgeted expectations.
- Other Revenues is impacted by PILOT not received from BBHA, Investment income is in the negative, court deposits and title 47 fees are reduced by 30%, and foreclosure fees voided from previous years to settle a debt.

Special Revenues & Other Funds Revenue

- Harbor revenue is normal as most revenue is collected at the end of the fiscal year.
- Asset Forfeiture Fund revenue is in recovery from negative investment balances.
- Senior Center non-grant revenue is below expected. Continued COVID precautions is reducing potential revenue.
- Debt Services – State bond reimbursement was unexpected.
- Equipment Replacement Insurance – insurance replacement of equipment
- Mary Carlson Estate investment income is still declining and has a negative balance.

Transfers

- Landfill – Transfers reduced building and landfill fire expenses moved to capital project funding.
- Ambulance Reserve – Transfer is based on 10% of ambulance fees received – reduced revenue results in a reduced transfer.
- Equipment replacement – Budget agreed on during resolution, no budget revision made.
- Capital projects – Expenditures projected for later in fiscal year.
- Debt Services – Transfers are as expected.
- Port to Harbor – Transfer need is higher than expected due to revenue being low at 32%.

General Fund Expenditures

- Council – Lobbyist was paid in April for multiple month's services.
- Clerk – Contract funds are scheduled to be spent in spring.
- Administration – expenditures for new city manager will show in April yet, grant writer contract of \$50,000 has not been spent.
- Legal – Legal needs will increase and expect to catch up in spring.
- Non-Departmental – Audit costs delayed, supplies cost delayed.

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- Planning – No contract will be made with Agnew:Beck for a comprehensive plan FY22.
 - Foreclosure – Foreclosure actions are ready to move forward.
 - IT – Expenditures will continue to increase as projects continue.
 - Meeting Hall – Expenditures reduced with no one meeting in room.
 - Corrections – Open positions have reduced costs.
 - Fire Department – Open staff position throughout the year has reduced expenditures.
 - Fire Department checking – Expenses projected in spring.
 - EOC – No employees as budgeted
 - Public Works Administration – No PW Admin for a most of the year and PW Director shared with Port has reduced expenditures.
 - Building & Grounds – Open positions has reduced staff expenditures. .
 - City School – payment already made for 4th quarter.
 - Transfers to other funds are reduced since overall expenditures are lower.

Special Revenues & Other Funds Expenditures

- Landfill – Employee benefit selection lower than budget, major equipment purchases yet to be made, landfill closure costs not recognized.
- Asset Forfeiture funds – budget exceeded for copier purchase and supplies for rotational officer housing.
- Ambulance Reserve Fund – Volunteer stipends are less than budgeted.
- Debt Services SRF Loans – payments have not started. Contact is being made to the state to verify status.
- Debt Services for bonds are scheduled for April.
- Equipment replacement – Admin vehicle and landfill fire equipment replacements have been made.

Grant and Bond Revenues/Expenditures

- ANTHC – RFP has gone out for bid to work on the lagoon project, bid opening in April. Will match project funds with the LGLR grant received.
- State Public Safety – Contract for an officer to train in Anchorage is completed.
- COVID CARES – Emergency Communication equipment replacement completed
- COVID ARPA – Funds increased from original budget by \$246,933. Expenditures to be paid by 06/30/2022 and will be matched to public safety wages. This will assist it reducing the budget deficit.
- SRF Loans – Lagoon Aeration, Waterfront and Wastewater projects not started; funding not used at this point. Landfill project started, funds not expended.
- Curyung Ice Machine – funds for electrical and maintenance support.
- BBEDC Intern program is mainly funded for spring and summer months.
- BBEDC Pass Thru – Funds used for Pumpkin Patch project
- FireHall – Bond funds received in prior fiscal year.

Capital Project Revenues/Expenditures

- Insurance Proceeds– Funds received for landfill shop building that will be kept in reserve until project begins.
- Lagoon project is out for bid.