

FY 2023 Year-End Update

Assembly Finance Committee
November 29, 2023

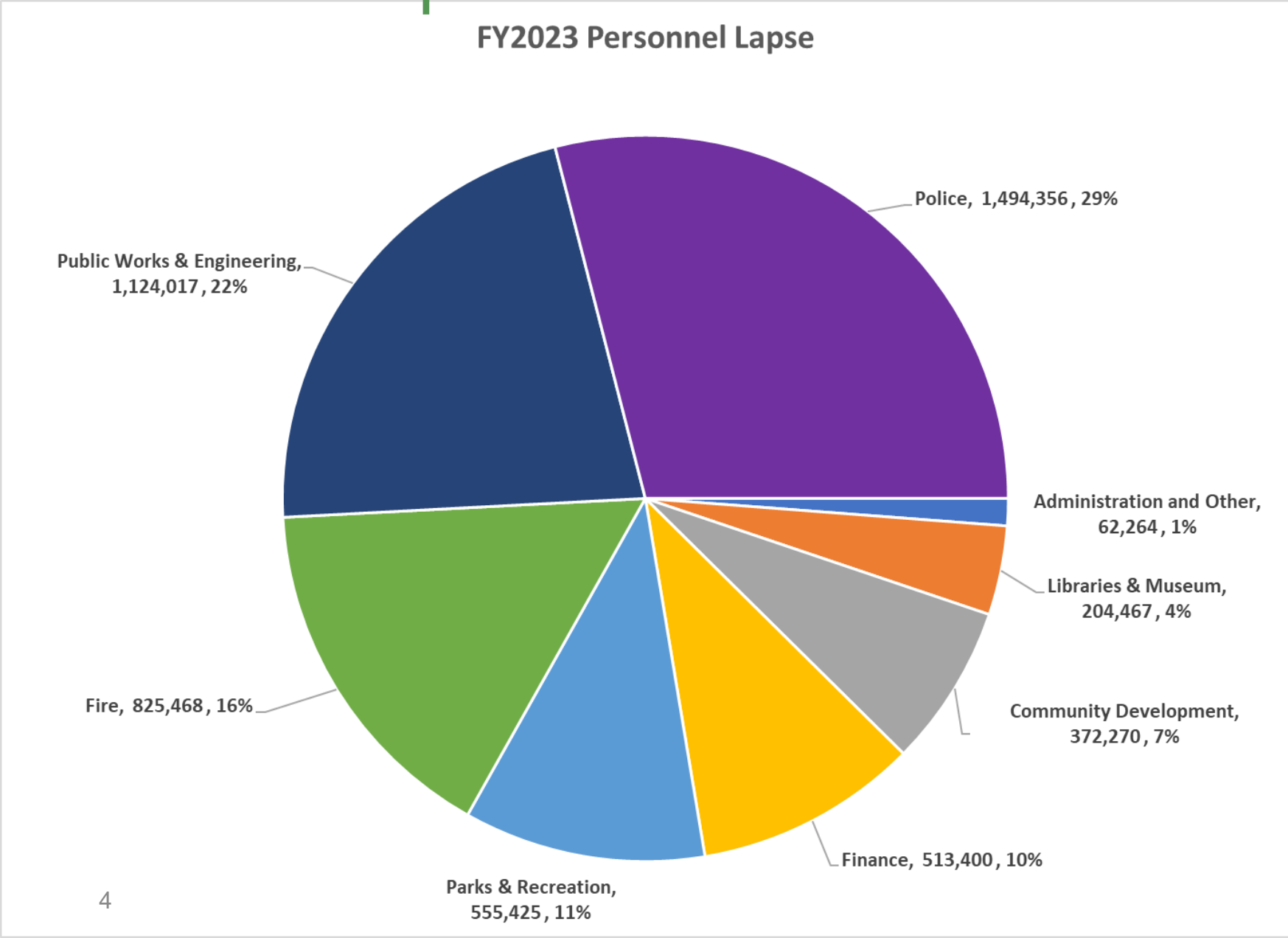
What we knew planning for FY24

		Revenues	Expenditures	Surplus (Deficit)	Unrestricted Fund Balance
62	FY2022				
166	Final Year-End	\$ 182,016,259	\$ (200,553,759)	\$ (18,537,500)	\$ 10,042,900
167					
168	FY2023				
193	Manager Proposed Budget	\$ 166,599,600	\$ (170,042,200)	\$ (3,442,600)	\$ 6,600,300
194					
213	Assembly Adopted Budget	\$ 166,067,300	\$ (172,080,300)	\$ (6,013,000)	\$ 4,029,900
214					
215	Wage and Health Benefit Costs		\$ (3,093,600)		
216	JSD Additional FY23 Funding Request		\$ (2,320,737)		
217	Capital Civic Center		\$ (2,500,000)		
218	River Road Junk Vehicle Cleanup		\$ (250,000)		
219	Telephone Hill Redevelopment		\$ (100,000)		
220	Removing Sales Tax on Food Juneau Voter Survey		\$ (40,000)		
221	Medical Respite (offset by portion covered by HEC Grant)		\$ (15,319)		
222	Supplemental Appropriations	\$ -	\$ (8,319,656)		
223					
224	State Reimbursement of Previously Unreimbursed School Bond Debt	\$ 16,035,000			
225	ARPA Funds Received in FY23	\$ 3,869,519			
226	Sales Tax (inc. Remote/Liquor/Marijuana) Revenue Above/(Below) Forecast	\$ 6,900,000			
227	FY20 and FY21 SEMT Payments (amount over budget)	\$ 1,345,127			
228	Local Assistance and Tribal Consistency Fund (LATCF) FY23 Allocation	\$ 1,321,493			
229	Transit CRRSAA Grant Award	\$ 1,026,200			
230	Community Assistance Program Award Above Estimates	\$ 770,821			
231	Federal PILT and National Forest Receipt Revenue Above Estimates	\$ 150,400			
232	Property Tax Certified Roll True-Up	\$ (88,178)			
233	Anticipated Lapse		\$ 1,000,000		
234	Anticipated Variances	\$ 31,330,382	\$ 1,000,000		
235					
236	Final Year-End (unaudited)	\$ 197,397,682	\$ (179,399,956)	\$ 17,997,727	\$ 28,040,627

What we know now

		Revenues	Expenditures	Surplus (Deficit)	Unrestricted Fund Balance
168	FY2023				
213	Assembly Adopted Budget	\$ 166,067,300	\$ (172,080,300)	\$ (6,013,000)	\$ 4,029,900
214					
215	Wage and Health Benefit Costs		\$ (3,093,600)		
216	Capital Civic Center		\$ (2,500,000)		
217	JSD Additional FY23 Funding Request		\$ (2,320,737)		
218	Permitting, Land Management, and Property Valuation Software		\$ (500,000)		
219	River Road Junk Vehicle Cleanup		\$ (250,000)		
220	Telephone Hill Redevelopment		\$ (100,000)		
221	Removing Sales Tax on Food Juneau Voter Survey		\$ (40,000)		
222	FY23 Human Resources Supplemental (pending)		\$ (35,000)		
223	Medical Respite (offset by portion covered by HEC Grant)		\$ (15,319)		
224	Supplemental Appropriations	\$ -	\$ (8,854,656)		
225					
226	Reduction to CBJ Overhead from CIPs		\$ (249,500)		
227	Assembly Grant Lapse (AEYC, Franklin Dock)		\$ 207,300		
228	Non-Personnel Services Lapse		\$ 2,044,095		
229	Personnel Services Lapse		\$ 5,151,667	Anticipated \$1,000,000	
230	State Reimbursement of Previously Unreimbursed School Bond Debt	\$ 16,033,325			
231	Sales Tax (inc. Remote/Liquor/Marijuana) Revenue Above/(Below) Forecast	\$ 11,295,600		Anticipated \$6,900,000	
232	ARPA Funds Received in FY23	\$ 3,869,519			
233	Increase to Investment Income	\$ 2,604,900		Anticipated \$ Zero	
235	FY20 and FY21 SEMT Payments (amount over budget)	\$ 1,345,127			
236	Local Assistance and Tribal Consistency Fund (LATCF) FY23 Allocation	\$ 1,321,493			
238	Department Program Receipts Above Estimates	\$ 1,272,400			
239	Transit CRRSAA Grant Award	\$ 899,200		Anticipated \$1,026,200	
240	Community Assistance Program Award Above Estimates	\$ 770,821			
242	COVID-19 FEMA Reimbursements Above Estimates	\$ 344,675			
243	Federal PILT and National Forest Receipt Revenue Above Estimates	\$ 173,200		Anticipated \$ 150,400	
245	Other Revenue Above/(Below) Estimates	\$ 150,595			
246	Property Tax Certified Roll True-Up	\$ (88,178)			
247	Motor Vehicle Registration Tax Below Estimates	\$ (199,300)			
249	Property Tax Deferral	\$ (977,422)			
250	Anticipated Variances	\$ 38,815,955	\$ 7,153,562		
252					
253	Final Year-End (unaudited)	\$ 204,883,255	\$ (173,781,394)	\$ 31,101,862	\$ 41,144,762
254					
	3		Anticipated →	\$ 17,997,727	\$ 28,040,627

Personnel Lapse



Non-Personnel Lapse

Significant areas of savings for FY 2023

\$450,000	Recycling/HHW/Junked Vehicles program lapse
250,000	Comprehensive Plan
250,000	River Road vehicle cleanup
240,000	Street maintenance savings
173,000	Utility savings
100,000	Transit supplies/parts
<hr/>	
1,463,000	Non-personnel lapse items

FY 2024 Mid-Year Update

Assembly Finance Committee
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Budget Summary FY24

		Revenues	Expenditures	Surplus (Deficit)	Unrestricted Fund Balance
256	FY2024				
326	Manager Proposed Budget	\$ 185,638,348	\$ (200,976,293)	\$ (15,337,945)	\$ 25,806,817
327					
365	Assembly Adopted Budget	\$ 184,537,622	\$ (203,425,017)	\$ (18,887,395)	\$ 22,257,367
366					
368	Suicide Basin Monitoring		\$ (28,000)		
369	State Funding for Childcare - Deappropriation of General Funds (<i>pending</i>)		\$ 950,000		
371	Supplemental Appropriations	\$ -	\$ 922,000		
372					
373	Sales Tax Revenue Above Estimates	6,100,000			
375	Property Tax Deferral from FY23	977,422			
376	Community Assistance Program Award Above Estimates	412,594			
378	Property Tax Certified Roll True-Up	(279,885)			
379	Anticipated Lapse		\$ 1,000,000		
380	Anticipated Variances	\$ 7,210,131	\$ 1,000,000		
382					
383	Final Year-End (projected)	\$ 191,747,753	\$ (201,503,017)	\$ (9,755,264)	\$ 31,389,498

FY24 Budget includes ONE-TIME expenditures:

\$10,000,000	City Hall
3,000,000	Budget Reserve
2,000,000	JPD Radio System
2,000,000	General Fund Support to BRH
1,500,000	Assembly Community Grants
18,500,000	Total in one-time spending

Revenue

FY 2024 Quarter 1 Revenue

	Budget	Actual	Variance
Sales Tax	21.20	21.70	0.50
Remote Sales Tax	1.00	1.01	0.01
Hotel Tax	1.40	1.28	(0.12)
Liquor Tax	0.43	0.47	0.04
Marijuana Tax	0.12	0.13	0.01
Tobacco Tax	0.73	0.78	0.05
	24.88	25.37	0.49

FY 2025 Forecast

Assembly Finance Committee
November 29, 2023

Disclaimer

Information presented in the FY25 Forecast,
especially Budget Assumptions and Manager Proposed Budget are

VERY DRAFT

and intended for discussion with the Assembly Finance Committee.

No direction has been given to the Manager, nor have any decisions been made.

FY25 Budget Assumptions for Retreat Discussion

- Inflation – anticipate ‘normal’ inflation overall for Alaska, perhaps some deflation in some sectors.
 - Impacts: commodities, supplies, services, sales tax revenue
- Tourism – anticipate cruise ship activity to be flat compared to summer 2023
- Salaries – 2% wage increases per the approved bargaining agreements
- Benefits – projecting an 5% increase to employer-paid benefit costs
- Property Assessments – too early in the assessment cycle to know, assume 2.5% value increase
- General Receipts – programmatic revenue (permits, participation fees, etc.) assume 2.5% growth
- General Fund Lapse – standard \$1M general fund lapse included in assumptions
- Structurally Balanced Budget – recurring revenue is sufficient to pay for recurring expenditures
 - Backing into property tax as the last piece of revenue to balance the budget.

FY25 Budget Assumptions for Retreat Discussion

				Combined General and Sales Tax Fund Balance	
				Unrestricted Fund Balance	Restricted Reserve
				Total	
				Unrestricted Fund Balance	Restricted Reserve
				Total	
382	FY2024				
383	Final Year-End (projected)	\$ 191,747,753	\$ (201,503,017)	\$ (9,755,264)	\$ 31,389,498
385					
386	FY2025 - DRAFT FOR DISCUSSION ONLY				
387	Prior Year Adopted Budget	\$ 184,537,622	\$ (203,425,017)		
389	FY24 One-Time Expenditures/Revenue	\$ (1,721,493)	\$ 18,493,594		
390	Sales Tax Growth over FY24 Projections	\$ 2,500,000		3.5%	
392	Property Tax Growth over FY24 Adopted Budget	\$ 2,218,721		2.5% valuation growth @ 10.28 mills (with consideration of \$1M lapse)	
393	Other Revenue Growth	\$ 461,600		2.5% growth	
394	Negotiated Wage Increases		\$ (626,269)	@ 2%	
396	Health Benefit Costs		\$ (459,144)	@ 5% increased employer contribution	
397	Merit Increases and Other Personnel Actions (and associated benefits)		\$ (850,000)	Estimate	
399	Commodities/Services/Capital Outlay Cost Growth		\$ (1,182,046)	3.7% inflationary growth	
400	Adjusted Base	\$ 187,996,450	\$ (188,048,882)		
401					
403	Childcare Programs (funding moved from FY24 to FY25)		\$ (950,000)		
404	Manager Proposed Budget	\$ 187,996,450	\$ (188,998,882)	\$ (1,002,432)	\$ 30,387,066
					\$ 19,600,000
					\$ 49,987,066