

Fiscal Update

FY24 Year End

FY25 Update

FY26 Looking Ahead

Committee of the Whole

December 2, 2024

Never-ending Need for Resources

\$6.5M in Fund balance uses since the approval of the FY25 Budget (June)

Item	Source	Amount
Glacial Outburst Flooding		
Flood Levee Barriers	RBR	2,000,000
Flood Study (Total of \$3M)	GF Reapprop	2,000,000
Flood Study (Total of \$3M)	RBR	1,000,000
Inundation Maps & Hydrological Modeling	GF	100,000
Aug 6 Response	GF & RBR	655,000
Rainforest Recovery Transition	GF	500,000
Home Health & Hospice	GF	200,000
Civic Engagement & Communication	GF Reapprop	50,000
St. Vincent de Paul Grant	GF	35,025

Never-ending Need for Resources

Estimated amounts for anticipated requests in FY25 and FY26

Item	FY25	FY26
Flood Barriers (total construction)	\$6M	
Childcare		\$500K - \$1M
Floyd Dryden & Marie Drake		
Operations	\$1M	
Capital	\$2M	\$6M - \$9M
Cubicles and Floorplan Reversal		\$4M
Eaglecrest		
Operations	\$200K - \$1M	\$200K - \$1M
Capital	\$750K	\$1M
Crisis Now	\$200K	\$200K
DZ Playground	\$1.8M	
Communication Implementation		\$250K-\$500K
Expanded Sheltering Operations	\$400K	\$400K
Negotiated Wage Changes		\$???

Restricted Budget Reserve

Resolution 2629, Section 1

It is the intent of the Assembly that the amount of the CBJ budget reserve be adjusted on an annual basis based on general governmental revenues from the most recently audited annual financial statements, using the Government Finance Officers Association's recommended reserve target of not less than two months (16.7%) of annual operating revenues.

FY24's Revenue

\$151,715,725

x .167

\$ 25,336,526 in Restricted Budget Reserves

CBJ Funds that go outside CBJ

Category	FY24 Actuals	FY25 Budget
Arts & Entertainment	670,000	955,500
Childcare	2,330,000	2,655,000
Economic Development	4,526,900	5,908,300
Housing	7,123,700	4,000,000
Human Services	2,186,200	2,768,100
Grand Total	\$ 16,836,800	\$ 16,286,900

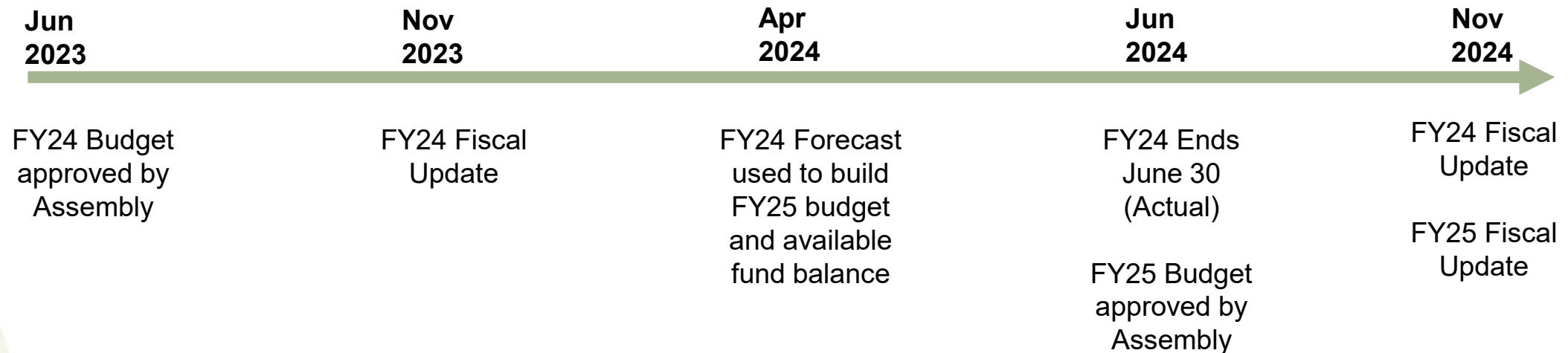
FY 2024 Year-End Update

Budget vs. Actual vs. Forecast

Budget – The Assembly approved or amended expenditure and revenue amounts. An approved plan for the future.

Actual – The amounts physically received or spent. The reality of the approved the plan.

Forecast – A projection or prediction of actual expenditures and revenue.



General Government Operations

Type of Revenue	FY24 Budget	FY24 Actuals	FY24 Budget Surplus/ (Deficit)	FY24 Forecast	FY24 Forecast Surplus/ (Deficit)
Charges for services	7,845,900	8,142,508	296,608	7,845,900	296,608
Federal	3,227,900	3,286,563	58,663	3,227,900	58,663
Investment	3,306,400	12,787,334	9,480,934	5,306,400	7,480,934
Motor Vehicle Registration	762,000	720,678	(41,322)	762,000	(41,322)
Property Tax	56,739,100	55,884,579	(854,521)	57,307,377	(1,422,798)
Sales Tax *	67,790,000	66,926,631	(863,369)	67,190,000	(263,369)
State	3,350,800	3,967,432	616,632	4,157,994	(190,562)
Total	\$ 143,022,100	\$ 151,715,725	\$ 8,693,625	\$145,797,571	\$ 5,918,154

* Remember FY24's sales tax revenue was lowered by \$3.4M due to an FY23 revenue recorded in error.

General Government Operations

Type of Expense	FY24 Budget	FY24 Actuals	FY24 Budget Surplus/ (Deficit)	FY24 Forecast	FY24 Forecast Surplus/ (Deficit)
Salaries, Wages and Benefits	60,920,857	54,965,987	5,954,870	56,920,857	1,954,870
Commodities & Services	32,747,804	29,010,904	3,736,900	30,747,804	1,736,900
Grants	11,768,900	12,060,693	(291,793)	11,768,900	(291,793)
Capital Outlays	752,724	599,332	153,392	752,724	153,392
Full Cost Allocation Abatements	(6,031,700)	(6,165,676)	133,976	(6,031,700)	133,976
Total	\$ 100,158,585	\$ 90,471,241	\$ 9,687,345	\$ 94,158,585	\$ 3,687,345

Non-General Government Expense

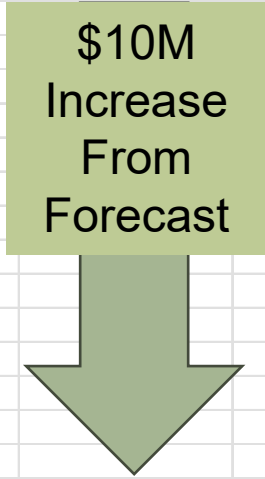
Department/Fund	FY24 Budget	FY24 Actuals	FY24 Budget Surplus/ (Deficit)	Percent Under Budget
Arboretum	107,300	107,300	-	0%
Downtown Parking	782,400	630,942	151,458	19%
Risk Management	36,190,890	32,575,635	3,615,255	10%
Facilities Maintenance	3,403,561	3,166,009	237,552	7%
Lands & Resources	2,395,700	1,899,725	495,975	21%
Fleet	2,825,345	2,457,290	368,055	13%
Wastewater	16,410,143	13,786,847	2,623,296	16%
Water	7,804,670	7,426,064	378,606	5%
Eaglecrest	3,910,551	3,873,033	37,518	1%
Airport	15,100,780	15,085,093	5,686	0%
Bartlett	157,369,040	150,694,306	6,674,734	4%
Docks	2,542,473	2,433,107	109,366	4%
Harbors	5,194,288	5,048,691	145,597	3%
Total	\$ 254,037,140	\$ 239,184,042	\$ 14,843,098	

Budget Summary Used for FY25 Budget

				Revenues	Expenditures	Surplus (Deficit)	Unrestricted Fund Balance	Combined General and Sales Tax Fund Balance		
								Restricted Reserve	Total	
256	FY2024									
365	Assembly Adopted Budget				184,537,622	(203,425,017)	(18,887,395)	22,257,367	19,030,000	41,287,367
366										
368										
369	FY24 Estimated JEDC COVID Emergency Loan Repayment								\$ 230,000	
371	FY24 JSD One-Time Loan								\$ (4,100,000)	
372	FY24 JSD One-Time Funding					\$ (3,922,787)				
373	Gastineau Human Services Grant					\$ (2,000,000)				
375	Affordable Housing Fund					\$ (1,600,000)				
376	North Douglas Crossing Grant Match					\$ (1,213,423)				
378	Suicide Basin Monitoring					\$ (28,000)				
379	State Funding for Childcare - Deappropriation of General Funds					\$ 950,000				
380	Supplemental Appropriations				\$ -	\$ (7,814,210)				
382										
383	Investment Income Above Estimates				2,000,000					
385	Property Tax Deferral from FY23				977,422					
386	Community Assistance Program Award Above Estimates				412,594					
387	Transit State Grant Increase				394,600					
389	Property Tax Certified Roll True-Up/Flood Impacts				(409,145)					
390	Sales Tax Revenue Below Estimates				(600,000)					
392	Anticipated Non-Personnel Services Lapse					\$ 1,000,000				
393	Anticipated Personnel Services Lapse					\$ 4,000,000				
394	Anticipated Variances				\$ 2,775,471	\$ 5,000,000				
396										
397	Final Year-End (projected)				187,313,093	(206,239,227)	(18,926,134)	22,218,627	15,160,000	37,378,627

Updated for FY24 Actuals

	Revenues	Expenditures	Surplus (Deficit)	Unrestricted	Combined General and Sales Tax Fund Balance	
				Fund Balance	Restricted Reserve	Total
249 FY2024						
327 Assembly Adopted Budget	184,537,622	(203,425,017)	(18,887,395)	22,270,063	19,030,000	41,300,063
328						
329						
330					\$ 30,000	
331					\$ -	
332		\$ (3,922,787)				
333		\$ (2,000,000)				
334		\$ (1,600,000)				
335		\$ (1,213,423)				
336		\$ (34,367)				
337		\$ (28,000)				
338		\$ 950,000				
339 Supplemental Appropriations	\$ -	\$ (7,848,577)				
340						
341		9,467,900				
342		412,594				
343		296,600				
344		262,706				
345		(99,408)				
346		(409,145)				
347		(445,376)				
348		(863,369)				
349		\$ (240,997)				
350		\$ 85,987				
351		\$ 81,800				
352		\$ 3,611,300				
353		\$ 5,784,900				
354 Anticipated Variances	\$ 8,622,502	\$ 9,322,990				
355						
356 Final Year-End (projected)	193,160,124	(201,950,604)	(8,790,480)	32,366,978	19,060,000	51,426,978
396						
397 Final Year-End (projected)	187,313,093	(206,239,227)	(18,926,134)	22,218,627	15,160,000	37,378,627



FY 2025 Mid-Year Update

Budget Summary FY25

		Revenues	Expenditures	Surplus (Deficit)	Unrestricted Fund Balance	Combined General and Sales Tax Fund Balance	
						Restricted Reserve	Total
249	FY2024						
356	Final Year-End (projected)	193,160,124	(201,950,604)	(8,790,480)	32,366,978	19,060,000	51,426,978
357							
358	FY2025						
435	Assembly Adopted Budget	195,730,529	(211,647,029)	(15,916,500)	16,450,478	20,060,000	36,510,478
436							
437							
438	Glacier Outburst Flood Levee Barriers (RBR)	\$ -	\$ -			\$ (2,000,000)	
439	USACE Glacial Outburst Flood Study (offset by Fisheries Terminal deappropriation) (GF and RBR)	\$ 2,000,000	\$ (2,000,000)			\$ (1,000,000)	
440	GHS Grant for Rainforest Recovery Transition - <i>pending adoption</i>	\$ -	\$ (500,000)			\$ -	
441	BRH Home Health and Hospice	\$ -	\$ (200,000)			\$ -	
442	Glacial Outburst Flood Response (GF and RBR)	\$ -	\$ (150,000)			\$ (505,000)	
443	Expanded Inundation Maps and Hydrological Modeling of the Mendenhall River	\$ -	\$ (100,000)			\$ -	
444	Civic Engagement and Communication Strategy (offset by Hut to Hut deappropriation)	\$ 50,000	\$ (50,000)			\$ -	
445	St. Vincent de Paul Grant for Property Taxes (offset by property tax revenue)	\$ 35,025	\$ (35,025)			\$ -	
446	Supplemental Appropriations	\$ 2,085,025	\$ (3,035,025)			\$ (3,505,000)	
447							
448	Community Assistance Program Award Above Estimates	\$ 374,914					
449	Property Tax Certified Roll True-Up	\$ (192,189)	\$ -				
450	Anticipated Variances	\$ 182,725	\$ -				
451							
452	Final Year-End (projected)	197,998,279	(214,682,054)	(16,683,775)	15,683,203	13,050,000	28,733,203

Should be
\$25M

Budget Summary FY25

FY25 Adopted Budget includes ONE-TIME expenditures:

\$6,000,000	Public Safety Communication Infrastructure
3,000,000	Title 49 Re-Write
1,650,405	JSD One-Time Cost Share
632,300	Departmental One-Time Expenses
120,000	Maintenance for JSD Admin, Marie Drake & Floyd Dryden
14,000	Juneau Festival Committee Equipment Replacement
2,000,000	Affordable Housing Fund
1,000,000	Contribution to Restricted Budget Reserve
668,800	Alaska Heat Smart (3-year operational support)
518,800	Eaglecrest GF Support
500,000	Sealaska Heritage Institute STEM Fab Lab

498,400	CCFR Aerial Ladder Truck
400,000	AEYC (3-year operational support)
151,000	JAHC Regranting Program
80,000	Strategic Long-Term Planning Tool
75,000	Dzantik'I Heeni Playground Design
50,000	Independent Analysis of Eaglecrest Revenue Projections
40,000	Juneau Mountain Bike Association
40,000	Downtown Business Association Operational Support
28,500	AK Small Business Development Center Operational Sppt
\$17,467,205	TOTAL One-Time Expenditures in Adopted Budget

FY25 Adopted Budget includes ONE-TIME Revenue of \$2,500,000
(Triangle Dock Project repayment to General Fund)

Revenue

FY 2025 Quarter 1 Revenue

(in millions)

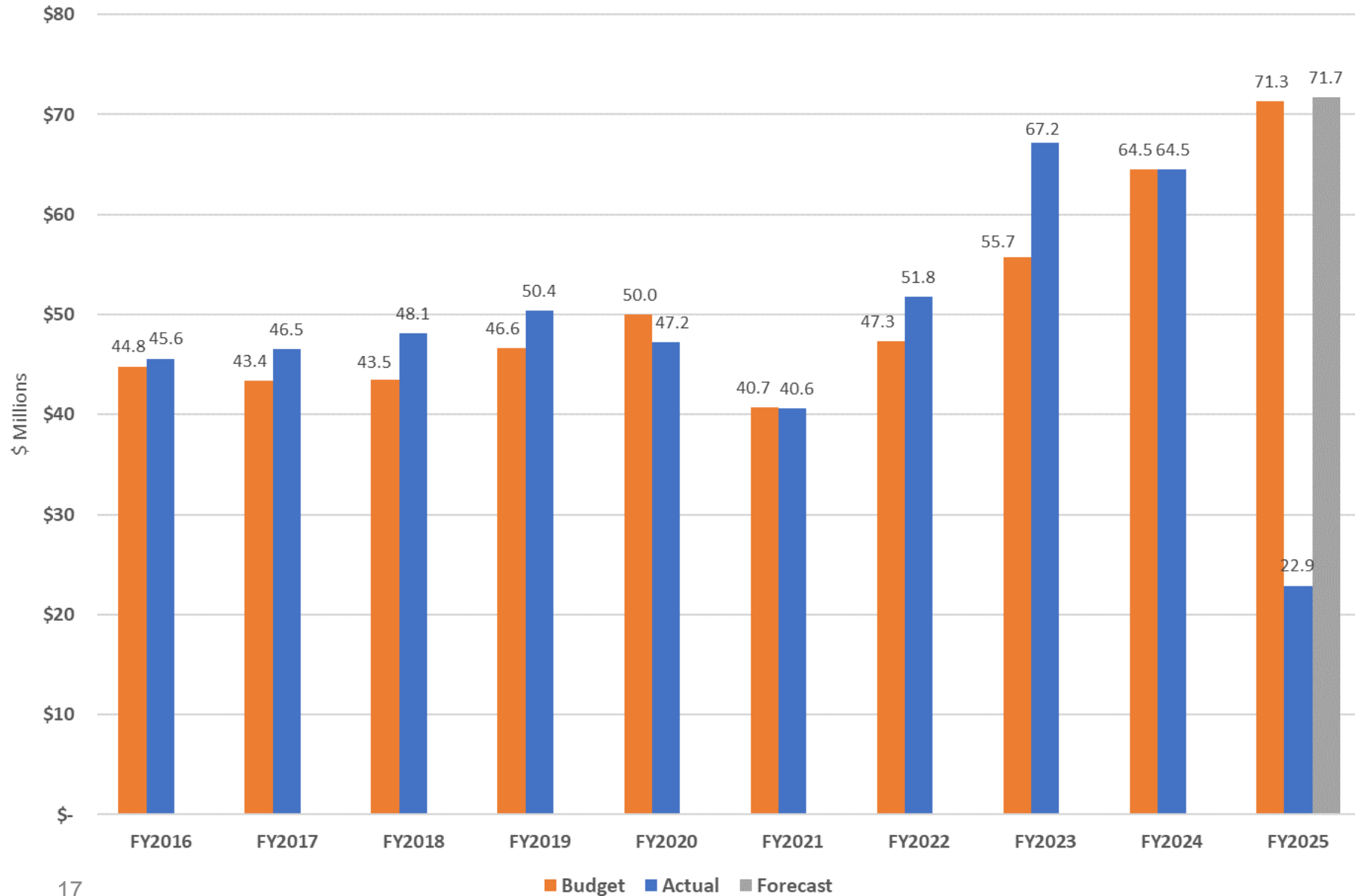
	Budget	Actual	Variance
Sales Tax	22.7	22.9	0.2
Remote Sales Tax	1.16	1.26	0.1
Hotel Tax	1.41	1.57	0.16
Liquor Tax	0.47	0.46	-0.01
Marijuana Tax	0.13	0.09	-0.04
Tobacco Tax	0.78	0.74	-0.04
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	26.65	27.02	0.37

Annual Amount, YTD Actuals

Property Tax	57.08	56.09	(0.99)
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Revenue

Sales Tax (including remote) in \$Millions - updated 11/22/24



FY 2026 Budget Preparation

Disclaimer

Information presented in the FY26 Forecast,
especially Budget Assumptions and Manager Proposed Budget are

VERY DRAFT

and intended for discussion with the Committee of the Whole.

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

FY26 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
 - National GDP expected to grow 2.1% in calendar year 2025
- Tourism – anticipate cruise ship activity and other tourism to be flat compared to summer 2024
- Salaries – unknown as we engage in labor negotiations
 - Salary savings being analyzed by department and fund
- Benefits – projecting an 0% increase to employer-paid benefit costs to departments
- Property Assessments – too early in the assessment cycle to know, assume 0.0% value increase
 - Last year’s growth was 0.6%
- General Receipts – programmatic revenue (permits, participation fees, etc.) assume 2.0% growth
- Structurally Balanced Budget – recurring revenue is sufficient to pay for recurring expenditures
 - Backing into the area-wide property tax mill rate as the last piece of revenue to balance the budget.
 - No one-time funding for operating expenses
- FY26 Debt Service Mill Rate flat from FY25 at 1.08

FY26 Budget Risks for Retreat Discussion

- Property Valuation
 - Stagnant property values and sales (excluding flood area)
 - Potential reduction in assessed property values due to:
 - Additional exemptions – state imposed, late filing approvals
 - Flood-related relief
- Wage Negotiations
- Aging infrastructure – physical and software
- Expectation of community grants and subsidies
- Aggressive FY25 budgeting of revenues
- Continuing shift of funding from Federal and State governments to Local government

FY26 Budget Estimations

We anticipate natural operational expenditures to increase and be offset by natural revenue increases.

Excludes:

Moving operating items out of one-time from FY25

Anticipated operational asks (Eaglecrest support, homelessness support, childcare)

Negotiated wage changes

A rough FY26 budget estimate including base budget increases with assumptions, operational items previously one-time, additional communications and continued Eaglecrest support easily results in at least a \$5M increase. Natural revenue growth would include an additional offset the increase by \$2M, leaving \$3M of additional funding needed.

If only mill rate, based on FY25's assessed values – approximate mill rate of 10.44 (compared to 10.04)

Revenue

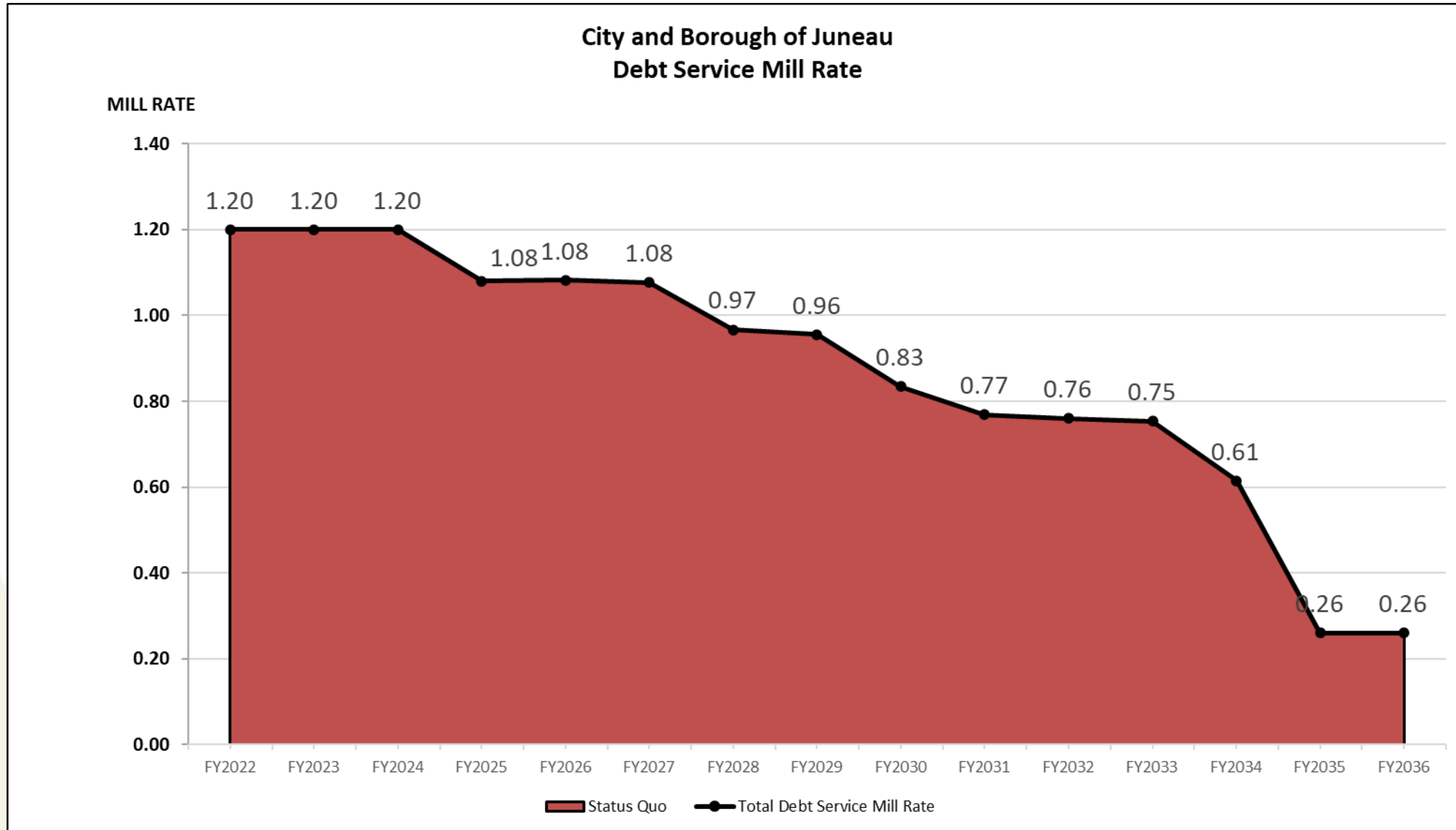
For basic calculations, every additional \$1M added to the budget requires a 0.16 increase to the mill rate.

An increase in summer sales tax (April – Sept) of .5% increases revenue by approximately \$4M based on FY25 budgeted sales tax receipts. This time period represents approximately 65% of reported sales tax.

0.5%	→	\$4.3M
1.0%	→	\$8.6M

Debt Service Mill Rate

Note – the bonds approved by voters in 2024 have not been issued yet, but are included here.



FY26 Questions for Retreat Discussion

1. What is the comfort level with the assumptions presented on slide 20?
2. Do you want to explore revenue changes?
3. Do you wish to adjust levels of service?
4. Do you want to consider bond initiatives for October 2025?