



**City of Saxman
Finance Committee Meeting
January 11, 2024
4:00 PM**

MINUTES

Call to Order

Mayor Seludo called the Meeting to Order at 4:31 PM.

Councilor G. Blair requested that Councilor Watson lead this Finance Committee Meeting in a prayer for C. Thomas and their family.

Roll Call

PRESENT

Mayor Frank Seludo
Committee Member Woody Watson
Committee Member Denny Blair
Committee Member Norman Natkong Sr.
Committee Member Gabriella Blair

ABSENT

Vice Mayor Billy Joe Thomas
Committee Member Rick Makua

ALSO PRESENT:

Brianna Berg - City Clerk Taking Minutes
Mike Beach - Teuscher Walpole, LLC

Public Comments

There were no public comments.

FY24 Financials

There was a recommendation made to pass the December Financials as presented.

Motion made by Committee Member Watson, Seconded by Committee Member Blair.
Voting Yea: Committee Member Watson, Committee Member Blair, Committee Member Natkong Sr., Committee Member Blair

Motion Passes.

1. December General Fund Financials

Background: Presentation of the General Fund Financials.

Mike B., with Teuscher Walpole, LLC, presented the December General Fund Financials.

Discussion:

The Mayor made a note that the City of Saxman was awarded the Health and Equitable Communities Grant - Round 2. In the total amount of \$15,000.00. We dedicated this funding to adding more tables and chairs to the Community Hall as it is our Community Emergency Operations Center. We have to spend the money before May and request reimbursement. He mentioned that we may go over the budget of \$15,000.00. He mentioned that the City Clerk is still waiting on the shipping quote to get a final price. This will be part of the FY24 Budget Modification.

There was concern of the Sales Tax Revenue we received from the past two months not showing up properly in the financials.

Councilor G. Blair questioned the sales tax payments we make quarterly to the Ketchikan Gateway Borough in regards of Head Count Fees for the Tour Season. She requested that we get a solid answer for the 2024 Tour Season that is coming up in May of 2024. Mike B., will find out more information on this.

Councilor G. Blair brought up removing the "Citation Penalties" under income in the General Fund as she does not for see the City of Saxman recognizing any of that as income. Mayor Seludo mentioned that this could be part of the FY25 Budget.

The Mayor requested that Mike B., present the Northrim Sweep Account Power Point at the next Finance Committee Meeting in February to refresh the Council Members and to get the decision process started.

Mayor Seludo mentioned that we need to start the budget modification process for FY24 and questioned Mike B., on how we initiate this with Teuscher Walpole, LLC. It was decided that we mark items that we need to increase during this meeting and generate a list to start processing the FY24 Budget Modification and have a draft to present at the next Finance Committee Meeting in February.

There was mention that the Administrative Staff will be generating and sending a letter over to Cape Fox Corporation in regards of the Totem Restoration Funds per the Cape Fox Tours Contract. The letter will be explaining what we plan to use the \$7,500 for from the 2022 Tour Season for and the \$7,500 from the 2023 Tour Season for. So we can receive the income to start these projects. The funding will be used to fix wings on Totems and Repaint some of the Totems. Mayor Seludo mentioned that he has a person in mind for the fixing of the wings and has reached out. He will connect with the person again.

Councilor G. Blair requested that the Clerk include a Totem & Tourism Committee List of Projects/Needs in the next Totem and Tourism Committee Meeting Agenda.

There was note of balancing out the travel/transportation/per diem expense line item under City Clerk as it went over budget and there will be no further travel during this fiscal year.

The Mayor requested that the Travel/Transportation/Per Diem for City Administrator and Mayor increase as there will be more travel during this fiscal year.

The part time employee under Public Works will be kept Part Time until the end of the fiscal year with the intent to increase hours FY25. The Current Water Operator and this Part Time Public Works Employee are signed up for virtual training for Water.

Councilor G. Blair would like the bottom of Eagle Avenue water leak issue addressed with diverting in the FY25 Budget.

There was note made by Mayor Seludo that the Finance Clerk position needs to be allocated for full time in the FY24 Bugden Modification and the FY25 Budget.

In regards of hiring an Administrative Assistant; The Mayor mentioned that we could use the \$25,000.00 in the Grants Class under Contracted Services to pay those wages for the meantime within this fiscal year. Then in FY25 Budget we will create own class, possibly labeled as "Office Manager".

In regards of the Class 20 - Old City Hall - Mayor Seludo mentioned that he would like to get the OVS Contract Lease completed and he is willing to add money into the 5550 - General Maintenance fund if the Maintenance Worker at OVS is willing to complete the work needed.

Mayor Seludo requested that we balance out the 5550 - General Maintenance under the 29 - AHFC Duplex as it went over budget after the last tenant moved out.

The City Clerk mentioned that there used to be a 5520 - Oil Account under the 34 - Fire Department Class and now there is not one so when we pay it; it is not showing that we budgeted for it. She requested we keep a budget for this as we will still have a fuel tank when we have the Heat Pump installed. She also mentioned that the 5350 - Fire Truck Insurance is also showing up as not budgeted because the expense item that should be used is the 5402 - Fire Truck Maintenance.

2. December Cash Accounts

Background: Presentation of the Cash Accounts.

Mike B., with Teuscher Walpole, LLC, presented the December Cash Accounts.

The City Clerk questioned when the Credit Card Account Balance will be transferred for the monthly dues and the lump sum over to the General Fund Reserves that was brought up at the last Finance Committee Meeting. As well as the Payroll Account - ensuring there are no outstanding payments awaiting and dropping the account down to \$200.00. This will be completed as soon as possible.

3. December Water and Sewer Financials

Background: Presentation of the Water and Sewer Financials.

Mike B., with Teuscher Walpole, LLC, presented the Water and Sewer Financials.

There was not a Water and Sewer - Profit & Loss Budget v. Actual presented in Cash Basis in the packet. There was only Accrual Basis. The City Clerk printed out a copy for the Council and will have it attached in the minutes.

4. December Seaport Financials

Background: Presentation of the Seaport Financials.

Mike B., with Teuscher Walpole, LLC, presented the Seaport Financials.

There was not a Saxman Seaport - Profit & Loss Budget v. Actual presented in the packet. The City Clerk printed out a copy for the Council and will have it attached in the minutes.

Adjournment

There was a motion made to adjourn the meeting.

Motion made by Committee Member Blair, Seconded by Committee Member Blair.
Voting Yea: Committee Member Watson, Committee Member Blair, Committee Member Natkong Sr., Committee Member Blair

Motion Passes. Meeting Adjourned at 5:51 PM.

Frank H. Seludo, Mayor

Brianna Berg, City Clerk

Saxman Seaport
Profit & Loss Budget vs. Actual
 July through December 2023

	Jul - Dec 23	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4100 · Income				
4101 · Storage				
4101.01 · Outdoor Storage	2,747.52	8,338.18	-5,590.66	33.0%
4101.02 · Indoor Storage	9,323.40	0.00	9,323.40	100.0%
4101.03 · Moorage	7,626.90	27,000.00	-19,373.10	28.2%
Total 4101 · Storage	19,697.82	35,338.18	-15,640.36	55.7%
4105 · Electricity	39,124.20	132,000.00	-92,875.80	29.6%
4106 · Misc. Income	0.00	0.00	0.00	0.0%
4100 · Income - Other	0.02			
Total 4100 · Income	58,822.04	167,338.18	-108,516.14	35.2%
4301 · Interest				
4302 · Finance Charges	129.80	750.00	-620.20	17.3%
4301 · Interest - Other	271.52	350.00	-78.48	77.6%
Total 4301 · Interest	401.32	1,100.00	-698.68	36.5%
44 · Other Revenue				
4402 · Recovery of Bad Debt	0.00	6,000.00	-6,000.00	0.0%
4510 · Bond Premium	702.90	1,405.80	-702.90	50.0%
Total 44 · Other Revenue	702.90	7,405.80	-6,702.90	9.5%
4800 · Transfer In From GF	0.00	59,108.83	-59,108.83	0.0%
Total Income	59,926.26	234,952.81	-175,026.55	25.5%
Gross Profit	59,926.26	234,952.81	-175,026.55	25.5%
Expense				
5200 · Public Works Payroll Expenses				
5201 · Employee Wages	0.00	0.00	0.00	0.0%
5204 · Health Insurance	0.00	0.00	0.00	0.0%
5200 · Public Works Payroll Expenses - Ot...	0.00	0.00	0.00	0.0%
Total 5200 · Public Works Payroll Expenses	0.00	0.00	0.00	0.0%
5210 · Finance Payroll Expense				
5211 · Wages	0.00	0.00	0.00	0.0%
5212 · Payroll Taxes Finance	0.00	0.00	0.00	0.0%
5213 · PERS Finance	0.00	0.00	0.00	0.0%
5214 · Health Insurance Finance	0.00	0.00	0.00	0.0%
Total 5210 · Finance Payroll Expense	0.00	0.00	0.00	0.0%
53 · Administrative				

Saxman Seaport
Profit & Loss Budget vs. Actual

July through December 2023

Accrual Basis

	Jul - Dec 23	Budget	\$ Over Budget	% of Budget
5301 · Office Supplies	0.00	500.00	-500.00	0.0%
5303 · Contract Services	677.15	3,000.00	-2,322.85	22.6%
5304 · Bank Service Charges	173.70	800.00	-626.30	21.7%
5305 · Computer and Internet Expenses	965.30	2,400.00	-1,434.70	40.2%
5306 · Dues and Subscriptions	125.00	700.00	-575.00	17.9%
5308 · Advertising and Promotion	0.00	250.00	-250.00	0.0%
5309 · Postage	0.00	200.00	-200.00	0.0%
Total 53 · Administrative	1,941.15	7,850.00	-5,908.85	24.7%
54 · Insurance Expense				
5401 · General Liability Insurance	0.00	0.00	0.00	0.0%
5402 · Worker's Compensation	0.00	0.00	0.00	0.0%
5403 · Property Insurance	13,611.06	29,198.00	-15,586.94	46.6%
Total 54 · Insurance Expense	13,611.06	29,198.00	-15,586.94	46.6%
55 · Utilities				
5501 · Electricity	30,775.67	144,000.00	-113,224.33	21.4%
5502 · Telephone Expense	407.79	2,555.16	-2,147.37	16.0%
Total 55 · Utilities	31,183.46	146,555.16	-115,371.70	21.3%
56 · Safety & Security	0.00	0.00	0.00	0.0%
5710 · Interest Expense	3,125.00	6,500.00	-3,375.00	48.1%
58 · Professional Fees				
5801 · Audit	0.00	7,699.65	-7,699.65	0.0%
5802 · Other	417.46			
Total 58 · Professional Fees	417.46	7,699.65	-7,282.19	5.4%
59 · Building				
5901 · Operating Supplies	0.00	500.00	-500.00	0.0%
5902 · Repairs & Maintenance	0.00	0.00	0.00	0.0%
5903 · Dock Repairs	0.00	20,000.00	-20,000.00	0.0%
5904 · Equipment Purchases	0.00	250.00	-250.00	0.0%
Total 59 · Building	0.00	20,750.00	-20,750.00	0.0%
5905 · Miscellaneous Expense				
5913 · Bad Debts	52.98			
60 · Equipment	258.54	6,500.00	-6,241.46	4.0%
6001 · Repairs and Maintenance	0.00	0.00	0.00	0.0%
6002 · Operating Expense	0.00	400.00	-400.00	0.0%
Total 60 · Equipment	0.00	400.00	-400.00	0.0%
6061 · Travel Expense	0.00	3,500.00	-3,500.00	0.0%
6062 · Per Diem	0.00	1,000.00	-1,000.00	0.0%

Saxman Seaport
Profit & Loss Budget vs. Actual
July through December 2023

	Jul - Dec 23	Budget	\$ Over Budget	% of Budget
Total Expense	50,589.65	229,952.81	-179,363.16	22.0%
Net Ordinary Income	9,336.61	5,000.00	4,336.61	186.7%
Other Income/Expense				
Other Expense				
7500 · Savings Transfer	0.00	0.00	0.00	0.0%
7501 · Debt Service	0.00	0.00	0.00	0.0%
7800 · Transfer to General Fund	0.00	0.00	0.00	0.0%
Total Other Expense	0.00	0.00	0.00	0.0%
Net Other Income	0.00	0.00	0.00	0.0%
Net Income	9,336.61	5,000.00	4,336.61	186.7%

Water & Sewer Profit & Loss Budget vs. Actual FY24

	Jul - Dec 23	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4003 · Reimbursements	50.00	0.00	50.00	100.0%
4201 · Water Service Charges	65,891.29	154,860.00	(88,968.71)	42.5%
4202 · Sewer Service Charges	54,600.87	118,611.00	(64,010.13)	46.0%
4203 · Shut Off Fees	0.00	650.00	(650.00)	0.0%
4205 · NSF Fees	0.00	150.00	(150.00)	0.0%
4206 · Finance Charges	49.71	500.00	(450.29)	9.9%
4207 · Reconnect Fees	0.00	150.00	(150.00)	0.0%
4208 · W&S Installation Fees	439.67	3,000.00	(2,560.33)	14.7%
4410 · Interest Income	23.28	40.00	(16.72)	58.2%
4800.02 · Transfer In From GF - AARPA	0.00	27,069.66	(27,069.66)	0.0%
Total Income	121,054.82	305,030.66	(183,975.84)	39.7%
Gross Profit	121,054.82	305,030.66	(183,975.84)	39.7%
Expense				
5001 · Wages	32,047.50	54,080.00	(22,032.50)	59.3%
5005 · PERS Expense	6,994.13	11,897.60	(4,903.47)	58.8%
5010 · PayrollTaxes	2,598.44	4,677.92	(2,079.48)	55.5%
5015 · Health/Life Insurance	5,977.34	16,511.40	(10,534.06)	36.2%
5020 · Workman's Comp. Insurance	1,189.74	2,379.52	(1,189.78)	50.0%
5201 · Chemicals	10,780.95	20,000.00	(9,219.05)	53.9%
5202 · Water Testing Services	4,970.09	11,000.00	(6,029.91)	45.2%
5203 · Water Rights Service Fee	0.00	50.00	(50.00)	0.0%
5204 · Water TestingSupplies	963.41	400.00	563.41	240.9%
5207 · Water Plant Maintenance	7,988.88	10,000.00	(2,011.12)	79.9%
5208 · Booster Station Maint.	0.00	1,000.00	(1,000.00)	0.0%
5211 · Water System Maintenance	686.27	20,000.00	(19,313.73)	3.4%
5213 · Sewer System Maint.	0.00	10,000.00	(10,000.00)	0.0%
5220 · KGB Fees	0.00	73,366.56	(73,366.56)	0.0%
5301 · Office Supplies	350.05	1,000.00	(649.95)	35.0%
5310 · Postage	398.50	500.00	(101.50)	79.7%
5313 · Bank Charges	2,131.77	5,000.00	(2,868.23)	42.6%
5345 · Senior Exempt Service	0.00	1,512.00	(1,512.00)	0.0%
5460 · Computer Support	105.49	500.00	(394.51)	21.1%
5510 · Utilities	1,532.36	4,500.00	(2,967.64)	34.1%
5511 · Electricity-Booster Station	177.49	750.00	(572.51)	23.7%
5515 · Telephone	2,421.02	6,200.00	(3,778.98)	39.0%
5520 · Oil	0.00	750.00	(750.00)	0.0%
5530 · Supplies	1,175.76	2,500.00	(1,324.24)	47.0%
5551 · Furnace Maintenance	1,950.58	1,500.00	450.58	130.0%
5610 · Property/Contents Ins.	225.66	452.00	(226.34)	49.9%
5611 · Ins./PropertyWater Storage	265.26	531.00	(265.74)	50.0%
5612 · Ins./PropertyWater Treatment	2,301.42	4,603.00	(2,301.58)	50.0%
5613 · Ins. Property-New Water Plant	5,627.28	11,255.00	(5,627.72)	50.0%

Water & Sewer Profit & Loss Budget vs. Actual FY24

	Jul - Dec 23	Budget	\$ Over Budget	% of Budget
5630 · General Liability Insurance	913.68	1,600.00	(686.32)	57.1%
5740 · Dues/Fees	200.00	750.00	(550.00)	26.7%
5744 · Licenses/Fees	0.00	1,000.00	(1,000.00)	0.0%
5801 · Accounting/Audit	0.00	7,699.65	(7,699.65)	0.0%
5825 · Contracted Services	0.00	500.00	(500.00)	0.0%
5950 · Bad Debt Expense	48.96	0.00	48.96	100.0%
6010 · Travel - Transportation/Lodging	1,887.81	2,500.00	(612.19)	75.5%
6011 · Travel - Per Diem	570.00	1,000.00	(430.00)	57.0%
6040 · Registration	10.00	650.00	(640.00)	1.5%
7002 · Vehicle Operation	(138.97)			
7071 · Truck Expense - Chevy	965.58	3,000.00	(2,034.42)	32.2%
7073 · Truck Insurance - Chevy	519.48	1,140.00	(620.52)	45.6%
7074 · Truck Maintenance - Chevy	424.84	1,500.00	(1,075.16)	28.3%
7801 · Maintenance Reserves	0.00	6,775.00	(6,775.00)	0.0%
Total Expense	98,260.77	305,030.65	(206,769.88)	32.2%
Net Ordinary Income	22,794.05	0.01	22,794.04	227,940,500.0%
Net Income	22,794.05	0.01	22,794.04	227,940,500.0%