



FINANCE AND BUDGET COMMITTEE

Monday, November 15, 2021 at 5:30 PM

AGENDA

In compliance with the Americans with Disabilities Act, individuals needing special accommodations / during this meeting should notify the City of Dillingham at 907-842-5212 at least three working days before the meeting.

MEETING INFORMATION

FINANCE & BUDGET COMMITTEE MEETING CITY HALL COUNCIL CHAMBERS

Limited Seating Available - Masks Required
141 Main Street, Dillingham, AK 99576 (907) 842-5212

This meeting will also be available at the following online location:
<https://us02web.zoom.us/j/88073914918?pwd=eDY3QWEvMmZJTG1yZnRSdzNhaEJkUT09>
Meeting ID: 880 7391 4918; participant #; passcode: 595014
Or dial (346) 248-7799; or (669) 900-6833

CALL TO ORDER

ROLL CALL

APPROVAL OF MINUTES

- [1.](#) Minutes of September 27, 2021

APPROVAL OF AGENDA

STAFF REPORTS

- [2.](#) October Revenue & Expense Report
3. Cash Flow Training

COMMITTEE BUSINESS

4. ARPA Funding Update
5. Compile Outline of Revenue Options

PUBLIC/COMMITTEE COMMENT(S)

ADJOURNMENT



FINANCE AND BUDGET COMMITTEE
Monday, September 27, 2021 at 5:30 PM

MINUTES

CALL TO ORDER

The Finance and Budget Committee met on Monday, September 27, 2021, in the City Council Chambers, Dillingham, AK, and via Zoom video conference call. Andy Anderson called the meeting to order at 5:35 p.m.

ROLL CALL

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

Alice Ruby	Chris Hladick	Curt Armstrong
Andy Anderson	Anita Fuller	

Bill Rodawalt – absent

APPROVAL OF MINUTES

1. Minutes of August 23, 2021

MOTION: Alice Ruby moved and Curt Armstrong seconded the motion to approve the minutes of August 23, 2021.

VOTING: the motion to approve the minutes passed by unanimous roll call vote.

APPROVAL OF AGENDA

MOTION: Anita Fuller moved and Alice Ruby seconded the motion to approve the agenda.

Cash Flow training will be postponed to the next regular meeting.

VOTING: the motion to approve the minutes passed by unanimous roll call vote.

STAFF REPORTS

2. August Revenue & Expense Report
 - Report now reflects changes to the fund balance.
 - Revenues and expenditures are within expected percentages for this time of year.

Committee Member Rodawalt arrived

- Transfers are determined after reviewing revenue and expenses for each area.
- Audit is on schedule.
- One position is open in the Finance Department; Account Tech 1, Cashier.

3. Cash Flow Training

MOTION: Alice Ruby moved and Anita Fuller seconded the motion to postpone cash flow training to the next meeting.

VOTING: the motion to approve the minutes passed by unanimous roll call vote.

COMMITTEE BUSINESS

4. Ordinance 2021-08; An Ordinance of the Dillingham City Council Amending the Budget by Adopting Budget Amendment 1 and Appropriating Funds for the FY2022 City of Dillingham Budget
- Ordinance 2021-08, Budget Amendment No. 1 was examined.
 - Process for budget revision timing was reviewed.

MOTION: Alice Ruby moved and Curt Armstrong seconded the motion to recommend the council adopt Ordinance 2021-08 with the amendments made tonight, including ARPA, and other items mentioned by the Finance Director.

VOTING: the motion to approve the minutes passed by unanimous roll call vote.

5. ARPA Funding Update
- The City has received \$284,000. A second allocation of \$284,000 will be received a year from now.
 - The amount received is half of what was originally expected.
 - Economic Adjustment Assistance grant and other funding opportunities are being explored.
 - An informal invitation was received from the Curyung Tribe for a list of funding requests. Consideration for communication with other local tribal entities was requested.
6. Grant Writer Update
- RFP is being worked on. Completion is expected in the next two weeks.
 - BBEDC has grant writing assistance grants. It requires a resolution from the Council.

PUBLIC/COMMITTEE COMMENT(S)

Violet Apalayak:

- Spoke regarding CARES funding, inquired if the City was going to have another opportunity to apply for assistance with ARPA.
- Requested interest fees be removed from a personal property account. She came in to deal with payment on an account in June and has not heard back.

Alice Ruby:

- Council workshop is needed to prioritize projects, and brainstorm a list of revenue sources and strategize how implement them.

ADJOURNMENT

The meeting adjourned at 7:19 p.m.

Andy Anderson, Chair

ATTEST:

Lori Goodell, City Clerk

Approved: _____



MEMORANDUM

DATE: November 12, 2021
TO: City Manager
FROM: Anita Fuller, Finance Director
SUBJECT: Staff Report

STAFF REPORT

- FY21 audit update
- Department staffing
- Asset lists
- Open Items from past meetings
- Cash Flow and Debt Calculator
- Budget
- Revenue and Expense report 09/31/2021

FY21 Audit Update:

Auditors were on site week of 10/26/2021. Finance department is working on the final pending list to be completed by the end of November.

Department staffing:

Account Tech I – Cashier: Currently open.

Asset List

Ongoing –. Will provide as we begin FY23 Budget.

Open items

10/27/2021 meeting - Fire Department invoicing had stopped November 2020 and restarted September 22, 2021. Current status is November 2020 through July 2021 has been submitted as of date of report. Staff are resolving System Design question at this time. Projected to finish the remainder by the end of October.

Cash Flow and Debt Calculator – Handout to be provided during the meeting.

Budget

FY23 Budget Outline

- December and January – Meet with departments.
- February – Outline Finance and Budget Committee meeting.
- April 4, 2022 Introduce FY23 Ordinance to City Council.
- May 5, 2022 Adopt FY23 Ordinance by City Council.

Proposed Budget Revision #2

- December – Meet with departments.
- January – Finance and Budget committee review.
- February 3, 2022 Introduce FY22 Budget Amend #2 to City Council.
- March 3, 2022 Adopt FY22 Budget Amend #2 by City Council.

Current Known Amendments

Revenue

ARPA Amendment	+246,932.39
Increased recovery by \$493,864.78. Half paid in FY22 and half in FY23.	
SOA MOA COVID support advertising	+102,574.59
Agreement made 05/2021 not reflected in budget. Will offset expenses in EOC advertising budget.	
Increased Shared Fisheries	+336,467.03
COVID relief funding has allowed communities to receive lost revenue support.	
SOA Bond Reimbursement	+274,497.00
FY2022 Projected state program allocations based on enacted budget.	
Equipment Replacement Transfer	+35,000.00
Transfer in original budget but omitted in error with budget amendment #1 \.	
BBEDC Pass Through	+6,000.00
Arctic Tern program for pumpkin patch.	

Appropriations

Resolution 2021-19 Outfall Pipe	+72,300
Increase Wastewater Contract line item	
Action Memorandum 2020-10 Emergency Communications System	+94,587
\$750,000 - Original Contract	
\$182,629 - CARES funding spent in FY21	
\$472,784 - Remaining CARES grant funds	
\$ 94,587 – Balance to be paid by General	
BBEDC Pass Through	+6,000.00
Arctic Tern program for pumpkin patch	

Revenue and Expense for October 2021 – Information provided for percentages +(-)15%

General Fund Revenues

- Gaming sales tax is below desired at 16%.
- Real property tax is recognized at 100%; however 62% has been collected. Final payment due 12/01/2021.
- Personal property tax is recognized at 100%; however 76% has been collected. Final payment due 12/01/2021.
- Ambulance fees remain below expected average at 5%.
- Lease & Rental Income matches the rate of income at FY20.

- PERS Forfeiture funds have not been utilized, funding is cut in half from FY21. This will require a budget amendment.

Special Revenues & Other Funds Revenue

- Investment income is in recovery and has a negative balance.
- Senior Center grant revenue is delayed.
- Debt Services – Bond investment entry needs to be adjusted to reflect correctly on report.
- Mary Carlson Estate investment income is in recovery and has a negative balance.

Transfers

- Water - Minimal general fund transfer required to balance budget.
- Ambulance Reserve - Transfer is based on 10% of ambulance fees received.
- Equipment replacement – No purchase has been made at this time.
- Capital projects – Expenditures projected for later in fiscal year.
- Debt Services SRF and School bond payments have not been made at this time.
- Port to Harbor – Transfer need is higher than expected and may require future budget amendment.

General Fund Expenditures

- Council - No lobbyist has reduced expenditures.
- Legal – Legal support has been reduced for first quarter.
- Non-Departmental – Audit fees will be submitted starting November.
- Foreclosure – Foreclosure actions have been put on hold.
- Fire Department – Open staff position in first quarter has reduced expenditures.
- Fire Department checking – No expenditures at this time.
- EOC – No employees as budgeted; anticipate budget amendment.
- Public Works Administration – No PW Admin and PW Director shared with Port has reduced expenditures.
- City School – Second quarter payment made
- Transfers – see above

Special Revenues & Other Funds Expenditures

- Sewer – Outfall Pipe replacement fully expended – budget amendment #2 needed for \$72,300.
- Port-Dock – Normal cycle for dock due to closure for winter.
- Asset Forfeiture funds – Purchased additional bedding supplies
- SRF and School bond payments have not been made at this time.

Special Revenues & Other Funds Expenditures

- Sewer – Outfall Pipe replacement fully expended – budget amendment #2 needed for \$72,300.

	<u>Budget - FY21</u>	<u>10/31/21</u> <u>YTD</u>	<u>Percent</u>	<u>10/31/20</u> <u>YTD</u>	<u>INC/(DEC)</u>	Uncollected	% Adj
General Fund Revenues							
General Sales Tax	\$ 2,500,000	\$ 940,697	40%	\$ 823,874	\$ 116,824	(3,892.39)	37%
General Sales Tax - Remote	500,000	59,502		14,879			
Alcohol Sales Tax	260,000	86,389	33%	51,326	35,063		33%
Alcohol Sales Tax - Remote	-	89		-	89		
Transient Lodging Sales Tax	85,000	38,781	46%	23,117	15,664	-	46%
Gaming Sales Tax	65,000	10,271	16%	16,314	(6,043)		16%
Tobacco Excise Tax	370,000	91,587	25%	79,654	11,933		25%
Penalty & Interest - Sales Tax	20,000	9,443	47%	4,890	4,554		47%
Total Sales Tax	3,800,000	1,236,759	33%	1,014,053	178,083		32%
Real Property Tax	2,084,565	2,081,706	100%	2,137,412	(55,707)	(797,737.88)	62%
Personal Property Tax	479,356	477,933	100%	508,845	(30,912)	(113,886.24)	76%
Penalty & Interest - Property Tax	65,000	31,252	48%	26,703	4,549		48%
Total Property Taxes	2,628,921	2,590,891	99%	2,672,960	(82,070)		64%
Telephone Gross Receipts State Tax	65,000	-	0%	65,065	(65,065)		0%
Raw Fish Tax	475,000	-	0%	-	-		0%
Shared Fisheries	9,000	-	0%	-	-		0%
Community Sharing	75,700	84,575	112%	75,000	9,575		0%
Payment in Lieu of Taxes (PILT)	460,000	473,299	103%	484,326	(11,027)		103%
State Jail Contract	535,367	138,842	26%	-	138,842		26%
Ambulance Fees	55,000	2,599	5%	13,972	(11,373)		5%
Lease & Rental Income	35,000	5,780	17%	5,740	40		17%
Admin Overhead	220,625	90,591	41%	54,558	36,032		41%
PERS on Behalf	231,326	64,466	28%	78,747	(14,281)		28%
PERS Forfeiture Fund	67,033	2,617	4%	32,126	(29,510)		4%
Other Revenues	202,200	38,599	19%	54,154	(15,555)		19%
Total	2,431,251	901,368	37%	863,688	37,680		37%
Total	\$ 8,860,172	\$ 4,729,017	53%	\$ 4,550,701	\$ 133,693		43%
Special Revenue & Other Funds Revenue							
Water	233,224	79,357	34%	76,942	2,416	(25,949.27)	23%
Sewer	464,124	181,039	39%	160,251	20,789	(35,031.52)	31%
Landfill	295,429	123,612	42%	155,104	(31,491)	(5,911.00)	40%
Port - Dock	735,042	349,160	48%	378,574	(29,414)	(100,690.00)	34%
Port - Harbor	170,580	35,435	21%	36,398	(963)	-	21%
Asset Forfeiture Fund	2,000	(8)		3	(11)		0%
E-911 Service	65,000	22,643	35%	15,778	6,866		35%
Senior Center (Non-Grant)	54,746	9,922	18%	10,008	(85)		18%
Senior Center (Grant)	131,000	(10,736)	-8%	23,809	(34,545)		-8%
Library (Grants)	100,379	36,552	36%	32,097	4,455		36%
Debt Service	30,000	-	0%	53,742	(53,742)		
Mary Carlson Estate	4,000	(816)	-20%	2,660	(3,476)		-20%

	<u>Budget - FY21</u>	<u>10/31/21</u> <u>YTD</u>	<u>Percent</u>	<u>10/31/20</u> <u>YTD</u>	<u>INC/(DEC)</u>	
Total	\$ 2,285,524	\$ 826,161	36%	\$ 945,364	\$ (119,203)	29%
Transfers						
<i>From General Fund to Other Funds</i>						
Water	19,731	944	5%	-	944	
Landfill	481,367	94,893	20%	-	94,893	
Senior Center	167,689	44,325	26%	28,186	16,139	
Ambulance Reserve	49,500	260	1%	-	260	
Equipment Replacement	-	-		-	-	
Capital Projects	140,981	1,304	1%	220,864	(219,559)	
Debt Service SRF Loans	47,400	-	0%	-	-	
Debt Service School Bond	1,066,250	-	0%	-	-	
Debt Service Firehall Bond	46,000	13,000	28%	13,500	(500)	
Debt Service Streets Bond	206,750	68,375	33%	70,750	(2,375)	
<i>From Dock Fund to Harbor Funds</i>						
Port - Harbor	70,942	69,760	98%	55,368	14,392	
Port - Harbor - Ice Machine	-	-	0%	-	-	
Port - Harbor - Bathhouse	14,000	6,682	48%	4,940	1,742	
<i>From Department to Department</i>						
Transfer from E911	55,468	17,833	32%	-	17,833	
Total	\$ 2,366,078	\$ 316,432	13%	\$ 393,608	\$ (77,176)	
Total Revenues & Transfers	\$ 13,511,774	\$ 5,871,609	43%	\$ 5,889,673	\$ (62,687)	

	<u>Budget - FY21</u>	<u>10/31/21</u> <u>YTD</u>	<u>Percent</u>	<u>10/31/20</u> <u>YTD</u>	<u>INC/(DEC)</u>
EXPENDITURES:					
General Fund Expenditures					
City Council	\$ 45,330	\$ 5,516	12%	\$ 13,144	\$ (7,628)
City Clerk	175,228	41,646	24%	30,749	10,897
Administration	497,280	116,590	23%	50,766	65,824
Finance	758,498	257,421	34%	161,535	95,887
Legal	60,000	9,768	16%	5,052	4,716
Insurance	262,000	85,050	32%	88,437	(3,387)
Non-Departmental	118,800	13,834	12%	27,956	(14,122)
Planning	274,666	60,523	22%	52,382	8,140
Foreclosures	6,000	0	0%	356	(356)
IT	260,969	49,804	19%	30,411	19,393
Meeting Hall above Fire Station	800	290	36%	232	57
Public Safety Administration	202,644	59,337	29%	22,219	37,119
Dispatch	554,688	178,334	32%	69,412	108,921
Patrol	1,044,686	294,762	28%	97,953	196,809
Corrections	715,440	192,938	27%	155,330	37,608
DMV	55,797	17,907	32%	15,337	2,570
Animal Control Officer	113,140	35,377	31%	32,151	3,226
Fire	370,877	40,701	11%	50,033	(9,331)
Fire Department Checking	15,000	0	0%	105	(105)
EOC	52,107	2,937	6%	0	2,937
Public Works Administration	399,294	42,273	11%	60,054	(17,782)
Building and Grounds	312,217	57,761	19%	60,630	(2,869)
Shop	579,165	137,293	24%	129,243	8,050
Street	476,673	134,942	28%	219,807	(84,865)
Library	155,802	43,941	28%	39,001	4,939
City School	1,300,000	650,000	50%	650,000	-
Transfers to Other Funds	2,225,668	221,797	10%	333,299	(111,503)
Total	\$ 11,032,769	\$ 2,750,741	25%	\$ 2,395,594	\$ 355,147

	<u>Budget - FY21</u>	<u>10/31/21</u> <u>YTD</u>	<u>Percent</u>	<u>10/31/20</u> <u>YTD</u>	<u>INC/(DEC)</u>
<u>Special Revenue Funds Expenditures</u>					
Water	252,955	80,351	32%	67,008	13,343
Sewer	291,200	167,177	57%	59,956	107,221
Landfill	776,796	219,408	28%	156,526	62,882
Port - Dock	735,042	388,734	53%	379,594	9,141
Port - Harbor	255,522	111,897	44%	103,405	8,492
Asset Forfeiture Fund	5,000	6,598	132%	-	6,598
E-911 Service	55,468	17,833	32%	-	17,833
Senior Center (Non-Grant)	213,981	52,265	24%	50,365	1,899
Senior Center (Grant)	139,454	47,258	34%	55,565	(8,307)
Library (Grants)	100,379	29,706	30%	31,011	(1,306)
Mary Carlson Estate	2,146	752	35%	736	16
Ambulance Reserve Fund	20,000	7,240	36%	79,328	(72,088)
Debt Service SRF Loans	47,400	-	0%	-	-
Debt Service School Bond	1,066,250	-	0%	-	-
Debt Service Firehall Bond	46,000	13,000	28%	13,500	(500)
Debt Service Streets Bond	236,750	68,375	29%	70,750	(2,375)
Equipment Replacement	35,000	11,733	34%	-	11,733
Total	\$ 4,279,343	\$ 1,222,328	29%	\$ 1,067,745	\$ 154,582
	\$ 15,312,112	\$ 3,973,068	26%	\$ 3,463,339	\$ 509,729
Net Increase (Decrease) to Fund Balances	\$ (1,800,338)	\$ 1,898,541		\$ 2,426,333	\$ (572,415)

	<u>Budget - FY21</u>	<u>10/31/21</u> <u>YTD</u>	<u>Percent</u>	<u>10/31/20</u> <u>YTD</u>	<u>INC/(DEC)</u>
Grant & Bond Revenues					
ANTHC-Lagoon	155,777	227	0%	6,679	(6,452)
State Public Safety	-	-		-	-
COVID - CARES	472,784	472,784	100%	1,143,250	(670,467)
COVID - ARPA	284,842	284,843	100%	-	284,843
State MMG 28308-Water Imp	-	-		-	-
SRF Loan - Lagoon Aeration	670,000	-	0%	-	-
SRF Loan - Waterfront	88,125	-	0%	-	-
SRF Loan - Water	-	550		(11,821)	12,371
SRF Loan - Wastewater	130,000	-	0%	-	-
SRF Loan - Landfill	59,621	5,320	9%	(29,631)	34,951
State CARES Public Safety	-	-		12,986	(12,986)
State SART	-	-		800	(800)
Southern Region EMS	-	360		360	-
Curyung-Ice Machine	2,000	-	0%	-	-
Alaskan Leaders Fisheries PS Camera Repair	-	-		2,000	(2,000)
BBEDC Intern Program	133,193	22,747	17%	2,806	19,941
BBEDC Training Reimb	-	-		-	-
BBEDC Pass Thru	-	6,000		-	-
Denali Commission-Sewer Relocate	-	-		-	-
Bond Investment Income	-	129		1,176	(1,047)
Streets	-	-		-	-
FireHall	-	-		-	-
Total	\$ 1,996,342	\$ 792,960		\$ 1,127,706	\$ (341,645)

Grant & Bond Expenditures					
ANTHC-Lagoon	155,777	-	0%	6,452	(6,452)
State Public Safety	-	1,856		-	1,856
CARES	472,784	-		1,000,480	(1,000,480)
State MMG 28308-Water Imp	-	-		693,200	(693,200)
SRF Loan - Lagoon Aeration	670,000	-	0%	-	-
SRF Loan - Waterfront	88,125	-	0%	-	-
SRF Loan - Water	-	-		-	-
SRF Loan - Wastewater	130,000	-	0%	-	-
SRF Loan - Landfill	59,621	8,364	14%	800	7,564
State CARES Public Safety	-	-		12,986	(12,986)
State SART	-	-		1,600	(1,600)
Southern Region EMS	-	-		-	-
Curyung-Ice Machine	2,000	2,568	128%	2,459	110
Alaskan Leaders Fisheries PS Camera Repair	-	-		-	-
BBEDC Intern Program	133,193	22,747	17%	8,222	14,525
Streets	-	-		2,667,305	(2,667,305)

	<u>Budget - FY21</u>	<u>10/31/21</u> <u>YTD</u>	<u>Percent</u>	<u>10/31/20</u> <u>YTD</u>	<u>INC/(DEC)</u>
FireHall	-	72,291		211,310	(139,019)
Total	\$ 1,711,500	\$ 107,827		\$ 4,636,916	\$ (4,529,089)
	\$ 284,842	\$ 685,133		\$ (3,509,211)	\$ (4,870,734)

	<u>Budget - FY21</u>	<u>10/31/21</u> <u>YTD</u>	<u>Percent</u>	<u>10/31/20</u> <u>YTD</u>	<u>INC/(DEC)</u>
<u>Capital Project Funds Revenues</u>					
Investment Income	-	-		-	-
Insurance Proceeds	350,000	-		-	-
Total	\$ 350,000	\$ -		\$ -	\$ -
<u>Capital Project Funds Expenditures</u>					
Public Safety Building	7,000	-	0%	-	-
Streets	-	-		-	-
Water Improvements	-	-	0%	373,987	(373,987)
WasteWater Improvements	-	-		-	-
Sewer Lagoon Relocation	109,664	-		-	-
Other Lift Station	-	-		-	-
Landfill New Cell	-	-		-	-
Landfill Shop Fire	350,000	5,562		-	-
Landfill Groundwater Well	24,317	-		-	-
Bingman-Harbor cleanup	167,480	-		-	-
Total	\$ 658,461	\$ 5,562	1%	\$ 373,987	\$ (373,987)
	\$ (308,461)	\$ (5,562)	2%	\$ (373,987)	\$ 373,987

	Budget	Actual
General Fund Revenue	\$ 8,860,172	\$ 4,729,017
Special Fund Revenue	\$ 2,285,524	\$ 826,161
Transfers In	\$ 2,366,078	\$ 316,432
Grant and Bond Revenue	\$ 1,996,342	\$ 792,960
CIP Revenue	\$ 350,000	\$ -
	\$ 15,858,116	\$ 6,664,569
General Fund Expenditures	\$ 11,032,769	\$ 2,750,741
Special Fund Expenditures	\$ 4,279,343	\$ 1,222,328
Grant and Bond Expenditures	\$ 1,711,500	\$ 107,827
CIP Expenditures	\$ 658,461	\$ 5,562
	\$ 17,682,073	\$ 4,086,458
Net Increase (Decrease) to Fund Bal	\$ (1,823,957)	\$ 2,578,112