



FINANCE AND BUDGET COMMITTEE

Wednesday, December 27, 2023 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

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/81525655698?pwd=NFFZQjJoTVl5WWZpNWJFeDZZcm9xQT09>

815 2565 5698;

passcode:986684

or dial (346) 248-7799; or (669) 900-6833

CALL TO ORDER

ROLL CALL

APPROVAL OF MINUTES

1. Finance and Budget Meeting Minutes 10/23/2023

APPROVAL OF AGENDA

STAFF REPORTS

2. Staff Reports

NEW BUSINESS

3. Balance sheet

4. Three+One (titled Dillingham, City of, AK Professional services Agreement)

5. AMLJIA – APEI Discussion

PUBLIC/COMMITTEE COMMENT(S)

ADJOURNMENT

CALL TO ORDER

ROLL CALL

APPROVAL OF MINUTES



FINANCE AND BUDGET COMMITTEE

Monday, October 23, 2023 at 5:30 PM

CALL TO ORDER

The Finance and Budget Committee met on Monday, October 23, 2023, in the City Council Chambers, Dillingham, AK, and via Zoom video conference call. Curt Armstrong called the meeting to order at 5:30 p.m.

ROLL CALL

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

Curt Armstrong

Alice Ruby

Anita Fuller

Kimberly Johnson

Committee members excused:

Aksel Buholm

APPROVAL OF MINUTES

1. None

APPROVAL OF AGENDA

MOTION: Kimberly Johnson moved, and Anita Fuller seconded the motion to approve the agenda

VOTING: the motion passed by unanimous consent.

STAFF REPORTS

2. Finance & Budget Staff Report

- Update on FY22 & FY23 Audit.
- Update on staff hires and training.
 - Account Tech II went to AML tax training.
 - Finance Director attended RUBA training.
- AML sales tax is updating their taxability guidance to read that if a federally recognized tribe is selling a product to generate revenue sales tax would be assessed on the product and seeking member support. Alice Ruby agreed that this is currently reflected in the Dillingham Municipal Code and would not be anything the City would be opposed to.
- NTS and NSIP FY23 grant reporting is completed and approved by the granting agency.
- Insurance broker has already provided a notice that Heritage Select is going away. Notice is being made that we are going look at other insurance plans.
- LMJ contract has been renewed for another year.

3. August 2023 Revenue and Expense Report

- Review of layout of report on how to read it and what each section is reporting on.
- 16% of the budget is expected to date.
- Revenues are exceeding expenditures.

UNFINISHED BUSINESS

3. Fish Tax

- Kimberly Johnson provided that ADF&G provided the season summary. Dock supervisor provided that 444 containers of fish went over the dock. Conversation with Peter Pan is still planned.
- Alice Ruby added that conversation with Peter Pan but not finished with OBI. Numbers need to be received from Travis.

NEW BUSINESS

5. No New Business

PUBLIC/COMMITTEE COMMENT(S)**ADJOURNMENT**

APPROVAL OF AGENDA

STAFF REPORTS



MEMORANDUM

DATE: December 27, 2023
TO: City Manager
FROM: Anita Fuller, Finance Director
SUBJECT: Finance & Budget Staff Report

STAFF REPORT

- Revenue and Expense review for September 2023
- Balance Sheet for September 2023
- Three+One
- FY22 & FY23 Audit update
- Department staffing
- Property Tax
- Business License
- Collections
- Budget

Revenue and Expense review September 2023 –

Information provided for percentages below 5% and above 45%. Current actuals recognize a net increase to fund balance by \$3,119,853. End of FY23 year adjustments are still pending.

- Business License renewal notices are sent out in November. Renewal applications are arriving in December.
- Real and personal property taxes are recorded as revenue at 101% for real and 102% for personal. Actual collections in August is at 2% of real property and 2% of personal property which is historically normal. Bulk of payments arrive in 2nd quarter of the fiscal year.
- PILT has come in well above expected at 114%. This can be adjusted with the mid-year budget revision.
- Motor Vehicle Tax is under review of FY23 audit entry.
- Other Revenues is mainly impacted by investments are already at \$40,472.25 which is double the budgeted amount and donations to the fire department at \$3,117 are also double the budgeted amount.

Special Revenues & Other Funds Revenue

- Senior Center grant reporting is completed, and payment received in 2nd quarter.
- Debt Services revenue is as expected based on when payments are made.
- Carlson Estate investments have returned higher than expected.

Transfers

- Expenditures are still low at this point and transfers reflect the expenses.

General Fund Expenditures

- Foreclosure is pending code committee review.
- Fire Department Donation subclass has not been expensed at this point.
- Public Works Administration expenses are low due to staffing vacancies.
- Grandma's House has no budget to calculate the percentage.

Special Revenues & Other Funds Expenditures

- Asset Forfeiture has no expenditures which is expected.
- Debt services expenditures are in 2nd quarter.
- Equipment replacement is in process and will be expensed after items are barged.

Grant and Bond Revenues/Expenditures

- All pending projects.

Capital Project Revenues/Expenditures

- Projects have begun and will be expensed in 2nd quarter; payments are pending.

Balance Sheet:

September 2023; balances could change based on completion of FY22 audit.

Unassigned fund balance is \$1,171,249 that are available for any purpose.

Assigned fund balance is \$7,833,734. These funds are under further review to ensure that they are assigned to a specific project and could come available. Completion of audits will better assist with this review.

Three+One:

At AGFOA, one of the presentations was from Three+One. This company has an agreement with AML to assist municipalities within the group with a review of investments and liquidity. Their function is to aid Finance staff with analyzing data and providing information that will assist with our decision making on how to invest and how to maximize cash flow. See professional service agreement following report.

Audit Update:

FY22 Audit – Auditors arrived 11/27/2023 for final work. Progress was very successful. They left with a few pending items. As of the date of this report there are two items outstanding that are waiting for others to respond - engineers report for the landfill and auditor response for fund 4450.

FY23 Audit – Auditors are scheduled for 01/08/2024 to be onsite for two weeks. Staff have been preparing testwork and accounts are being balanced. FY23 audit is pending FY22 completion.

Department staffing:

Account Tech II – Position has been opened since 11/09/2023. Advertising ongoing. One applicant has been interviewed.

Finance Director attended AGFOA December 6-8.

Property Tax

Real and personal property taxes for 2023 are now in past due status. Penalties have been assessed for non-payment on 12/02/2023. Interest will be added 01/03/2024 and collection letters will be sent.

Business License

Renewal notices were mailed November 15, 2023. Renewal applications are due by 01/01/2024 to prevent late fees. 131 licenses have been process as of this report.

Collections

Ongoing.

Grants

BBEDC grant reporting for interns are completed December 2023.

Budget

FY24 Budget revision review has been suspended to focus on FY22 and FY23 audits.

Wages: City of Dillingham continues to struggle with filling positions. Wages, although not the only factor, is top of the list. The City Manager proposal in the September council meeting was to increase each level by 12%. Using the most recent payroll, a 12% increase would increase one payroll's wage by \$15,014 and benefits by \$3,923 for a total of \$18,937. If this impacts 75% of the FY24 budget an increase of \$369,269 would be recognized.

Other News:

The City has been working with APEI (Alaska Public Entity Insurance) as our provide for general liability insurance. For almost a year they have been working with AMLJIA to discuss the potential consolidation of the two pools. See attached AMLJIA- APEI Discussions update.

City of Dillingham
 Unaudited Revenues and Expenditures As of September 30, 2023

Data Collected on:
 12/17/2023

Section . Item 2.

	09/30/23			09/30/22			Uncollected	% Adj
	Budget - FY24	YTD	Percent	YTD	INC/(DEC)			
General Fund Revenues								
General Sales Tax	\$ 3,300,000	\$ 1,097,520	33%	\$ 1,141,856	\$ (44,336)	(3,133.11)	33%	
General Sales Tax - Remote	425,000	107,194	25%	116,621				
Alcohol Sales Tax	280,000	86,227	31%	86,361	(133)		31%	
Transient Lodging Sales Tax	120,000	51,495	43%	47,199	4,296	-	43%	
Gaming Sales Tax	65,000	4,867	7%	13,139	(8,272)		7%	
Tobacco Excise Tax	350,000	84,950	24%	87,338	(2,388)		24%	
Marijuana Excise Tax	90,000	24,250	27%	28,266	-		27%	
Business License	17,000	650	4%	675	-			
Penalty & Interest - Sales Tax	15,000	3,024	20%	3,744	(719)	-	20%	
Total Sales Tax	4,662,000	1,460,176	31%	1,525,199	(51,554)		31%	
Real Property Tax	2,460,000	2,476,512	101%	2,379,730	96,782	(69,419.16)	98%	
Personal Property Tax	555,000	567,181	102%	452,818	114,363	(23,820.84)	98%	
Penalty & Interest - Property Tax	70,000	28,284	40%	26,171	2,113		40%	
Total Property Taxes	3,085,000	3,071,977	100%	2,858,719	213,259		97%	
Telephone Gross Receipts State Tax	70,000	-	0%	-	-		0%	
Shared Fisheries	670,000	-	0%	-	-		0%	
Raw Fish Tax	30,000	-	0%	-	-		0%	
Community Sharing	75,352	-	0%	-	-		0%	
Payment in Lieu of Taxes (PILT)	460,000	522,976	114%	480,895	42,081		114%	
State Jail Contract	720,000	-	0%	-	-		0%	
Motor Vehicle Tax	25,000	12,069	48%	2,296	9,772			
Ambulance Fees	65,000	4,543	7%	22,064	(17,520)		7%	
Lease & Rental Income	35,000	2,730	8%	2,700	30		8%	
Admin Overhead	162,905	22,885	14%	64,760	(41,875)		14%	
PERS on Behalf	94,318	19,687	21%	24,653	(4,966)		21%	
PERS Forfeiture Fund	5,000	-	0%	-	-		0%	
Other Revenues	147,750	71,433	48%	42,144	29,290	-	48%	
Total	2,560,325	656,324	26%	639,512	16,812		26%	
Total	\$ 10,307,325	\$ 5,188,477	50%	\$ 5,023,430	\$ 178,517		49%	
Special Revenue & Other Funds Revenue								
Water	231,712	57,735	25%	64,442	(6,707)	(20,106.20)	16%	
Sewer	464,012	105,059	23%	121,583	(16,524)	(27,143.36)	17%	
Landfill	298,259	120,221	40%	110,778	9,443	(11,377.00)	36%	
Port - Dock	808,576	95,455	12%	344,640	(249,185)	(1,118.45)	12%	
Port - Harbor	142,999	38,282	27%	33,036	5,246	(9,318.00)	20%	
Asset Forfeiture Fund	2,000	126	6%	29	97		0%	
E-911 Service	65,000	17,286	27%	16,814	471		27%	

City of Dillingham

Unaudited Revenues and Expenditures As of September 30, 2023

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	<u>Budget - FY24</u>	<u>09/30/23</u> YTD	Percent	<u>09/30/22</u> YTD	<u>INC/(DEC)</u>	
Senior Center (Non-Grant)	45,615	5,427	12%	5,393	34	12%
Senior Center (Grant)	76,000	(332)	0%	26,999	(27,330)	0%
Library (Grants)	54,170	11,579	21%	37,952	(26,373)	21%
Debt Service	754,693	7,457	1%	-	7,457	1%
Equipment Replacement	-	110,959		-	110,959	
Mary Carlson Estate	4,000	5,132	128%	(695)	5,827	128%
Ambulance Rental	-	14,209		-	14,209	
Total	\$ 2,947,036	\$ 588,594	20%	\$ 760,970	\$ (172,376)	18%

Transfers

<i>From General Fund to Other Funds</i>						
Landfill	1,014,850	103,155	10%	-	103,155	
Senior Center	286,949	22,436	8%	85,559	(63,123)	
Ambulance Reserve	56,000	7,009	13%	2,206	4,803	
Equipment Replacement	600,000	218,319	36%	-	218,319	
Capital Projects	557,334	-		-	-	
Debt Service SRF Loans	53,050	-	0%	-	-	
Debt Service Streets Bond	221,750	-	0%	-	-	
Debt Service Firehall Bond	44,000	-	0%	-	-	
Debt Service School Bond	319,307	-	0%	-	-	
<i>From Dock Fund to Harbor Funds</i>						
Port - Harbor	189,853	-		17,388	(17,388)	
Port - Harbor - Ice Machine	18,200	-		-	-	
Port - Harbor - Bathhouse	18,300	-		-	-	
<i>From Department to Department</i>						
Transfer from E911 to Dispatch	63,916	7,837	12%	10,275	-	
Transfer from Carlson Estate to Library	4,000	666	17%	-	-	
Transfer from Wastewater to Water	28,471	-	0%	-	-	
Total	\$ 3,475,980	\$ 359,422	10%	\$ 115,428	\$ 245,766	
Total Revenues & Transfers	\$ 16,730,341	\$ 6,136,494	37%	\$ 5,899,828	\$ 251,907	

City of Dillingham
Unaudited Revenues and Expenditures As of September 30, 2023

Data Collected on:
12/17/2023

Section . Item 2.

	<u>Budget - FY24</u>	<u>09/30/23</u> YTD	<u>Percent</u>	<u>09/30/22</u> YTD	<u>INC/(DEC)</u>
EXPENDITURES:					
General Fund Expenditures					
City Council	\$ 100,600	\$ 15,979	16%	\$ 24,512	\$ (8,533)
City Clerk	151,607	11,879	8%	35,496	(23,617)
Administration	837,368	70,762	8%	103,751	(32,989)
Finance	1,098,392	228,594	21%	196,013	32,581
Legal	65,000	26,295	40%	20,372	5,922
Insurance	328,100	84,209	26%	68,669	15,539
Planning	332,485	40,224	12%	36,021	4,203
Foreclosures	9,000	53	1%	1,971	(1,918)
IT	301,300	44,827	15%	82,317	(37,490)
Public Safety Administration	299,928	40,812	14%	51,086	(10,273)
Dispatch	632,935	131,915	21%	102,758	29,157
Patrol	1,593,836	182,045	11%	213,330	(31,285)
Corrections	826,289	139,602	17%	78,954	60,648
DMV	72,661	16,650	23%	12,889	3,761
Animal Control Officer	131,541	30,739	23%	26,061	4,677
Fire	518,639	124,892	24%	107,595	17,297
Fire Department Donation	15,000	69	0%	193	(124)
EOC	-	-		0	-
Public Works Administration	439,456	21,905	5%	23,496	(1,591)
Building and Grounds	408,592	77,302	19%	40,459	36,843
Shop	636,118	70,149	11%	100,028	(29,879)
Street	551,739	134,136	24%	41,176	92,959
Library	192,485	35,932	19%	40,667	(4,735)
Grandma's House	0	7,628		0	
City School	1,700,000	425,446	25%	650,000	(224,554)
Transfers to Other Funds	3,153,240	355,203	11%	87,766	267,437
Total	\$ 14,396,311	\$ 2,317,245	16%	\$ 2,145,582	\$ 164,036

City of Dillingham
 Unaudited Revenues and Expenditures As of September 30, 2023

Data Collected on:
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Section . Item 2.

	<u>Budget - FY24</u>	<u>09/30/23</u> YTD	<u>Percent</u>	<u>09/30/22</u> YTD	<u>INC/(DEC)</u>
<u>Special Revenue Funds Expenditures</u>					
Water	260,183	47,706	18%	39,035	8,671
Sewer	332,054	111,935	34%	54,199	57,735
Landfill	1,313,109	223,377	17%	85,459	137,917
Port - Dock	1,150,212	199,119	17%	379,452	(180,334)
Port - Harbor	369,352	91,440	25%	139,149	(47,709)
Asset Forfeiture Fund	2,000	-	0%	-	-
E-911 Service	63,916	13,191	21%	10,275	2,916
Senior Center (Non-Grant)	332,564	27,863	8%	93,333	(65,470)
Senior Center (Grant)	76,000	27,307	36%	1,044	26,262
Library (Grants)	54,170	6,777	13%	33,634	(26,858)
Mary Carlson Estate	6,255	1,544	25%	440	1,104
Ambulance Reserve Fund	20,000	1,480	7%	800	680
Debt Service SRF Loans	53,050	-	0%	-	-
Debt Service School Bond	1,064,000	-	0%	-	-
Debt Service Firehall Bond	44,000	-	0%	12,500	(12,500)
Debt Service Streets Bond	231,750	-	0%	65,875	(65,875)
Equipment Replacement	600,000	7,678	1%	114,108	(106,430)
Total	\$ 5,972,615	\$ 759,415	13%	\$ 1,029,305	\$ (269,890)
	\$ 20,368,926	\$ 3,076,660	15%	\$ 3,174,886	\$ (105,854)
Net Increase (Decrease) to Fund Balances	\$ (3,638,585)	\$ 3,059,833		\$ 2,724,942	\$ 357,761

	<u>Budget - FY24</u>	<u>09/30/23</u> YTD	<u>Percent</u>	<u>09/30/22</u> YTD	<u>INC/(DEC)</u>
Grant & Bond Revenues					
ANTHC-Lagoon	-	-		152,721	(152,721)
EPA Snagpoint Erosion Grant	1,000,000	-	0%	-	-
COVID - CARES & ARPA & LGLR	1,900,000	-	0%	2,553,756	(2,553,756)
SRF Loan - Lagoon Aeration	670,000	-	0%	-	-
SRF Loan - Waterfront	88,125	-	0%	-	-
SRF Loan - Water	30,000	-	0%	-	-
SRF Loan - Wastewater	100,000	-	0%	-	-
Southern Region EMS	-	-		360	(360)
SOA-DOH Grants	210,250	-	0%	-	-
Curyung-Ice Machine	-	(1,324)		(190)	(1,134)
BBEDC Intern Program	112,201	-	0%	(6,779)	6,779
BBEDC Training Reimb	-	-		-	-
BBEDC Pass Thru	-	-		-	-
BBNC Training Reimb	-	-		-	-
Bond Investment Income	-	27,286		7,760	19,526
Total	\$ 4,110,576	\$ 25,962	1%	\$ 2,707,627	\$ (2,681,665)
Grant & Bond Expenditures					
ANTHC-Lagoon	-	-		146,538	(146,538)
EPA Snagpoint Erosion Grant	1,000,000	-	0%	-	-
State Public Safety	-	-		-	-
COVID - CARES & ARPA & LGLR	1,900,000	-	0%	232,565	(232,565)
SRF Loan - Lagoon Aeration	670,000	-	0%	-	-
SRF Loan - Waterfront	88,125	-	0%	-	-
SRF Loan - Water	30,000	-	0%	-	-
SRF Loan - Wastewater	100,000	-	0%	-	-
Southern Region EMS	-	-		360	(360)
SOA-DOH Grants	210,250	-	0%	-	-
Curyung-Ice Machine	-	107		407	(300)
BBEDC Intern Program	112,201	28,426	25%	23,827	4,599
BBEDC Training Reimb	-	10,350		7,250	3,100
BBEDC Pass Thru	-	-		-	-
BBNC Training Reimb	-	10,350		-	10,350
Total	\$ 4,110,576	\$ 49,233	1%	\$ 496,701	\$ (447,468)
	\$ -	\$ (23,270)		\$ 2,210,926	\$ (3,129,133)

City of Dillingham
 Unaudited Revenues and Expenditures As of September 30, 2023

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 12/17/2023

Section . Item 2.

	<u>Budget - FY24</u>	<u>09/30/23</u> YTD	<u>Percent</u>	<u>09/30/22</u> YTD	<u>INC/(DEC)</u>
Capital Project Funds Revenues					
Investment Income	-	-		-	-
Insurance Proceeds - Firehall	-	-		-	-
Insurance Proceeds - Landfill Shop Fire	-	-		214,490	(214,490)
Total	\$ -	\$ -		\$ 214,490	\$ (214,490)

Capital Project Funds Expenditures					
Major Building Maintenance	400,000	4,283		-	-
Water Improvements	-	-		-	-
WasteWater Improvements	-	-		-	-
Sewer Lagoon Aeration	557,334	-		-	-
Other Lift Station	-	-		-	-
Fire Dept Water Damage Repair	-	-		-	-
Landfill New Cell	-	-		-	-
Landfill Shop Fire	-	-		-	-
Landfill Groundwater Well	-	-		-	-
Bingman-Harbor cleanup	-	-		-	-
Total	\$ 957,334	\$ 4,283	0%	\$ -	\$ -
	\$ (957,334)	\$ (4,283)		\$ 214,490	\$ (214,490)

	Budget	Actual
General Fund Revenue	\$ 10,307,325	\$ 5,188,477
Special Fund Revenue	\$ 2,947,036	\$ 588,594
Transfers In	\$ 3,475,980	\$ 359,422
Grant and Bond Revenue	\$ 4,110,576	\$ 25,962
CIP Revenue	\$ -	\$ -
	\$ 20,840,917	\$ 6,162,456
General Fund Expenditures	\$ 14,396,311	\$ 2,317,245
Special Fund Expenditures	\$ 5,972,615	\$ 759,415
Grant and Bond Expenditures	\$ 4,110,576	\$ 49,233
CIP Expenditures	\$ 957,334	\$ 4,283
	\$ 25,436,836	\$ 3,130,176
Net Increase (Decrease) to Fund Bal	\$ (4,595,919)	\$ 3,032,280

NEW BUSINESS

**Balance Sheet
City of Dillingham
9/30/2023**

<u>Assets</u>	<u>General Fund</u>	<u>Roads Capital Project Fund</u>	<u>Planning Capital Project Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash	9,642,024	-	-	-	9,642,024
Investments	3,882,485	-	2,135,119	-	6,017,604
Receivables:					
Sales tax	429,834	-	-	-	429,834
Real and personal property taxes	2,665,095	-	-	-	2,665,095
Accounts	124,825	-	-	272,707	397,532
Grants and Shared Revenues	-	-	-	-	-
Prepaid Items	440,261	-	-	26,859	467,120
Due from other funds	2,748,943	100,772	-	8,876,103	11,725,818
Restricted cash and investments	-	-	-	400,771	400,771
Total assets	19,933,467	100,772	2,135,119	9,576,440	31,745,798
 <u>Liabilities and Fund Balances</u>					
Liabilities:					
Accounts payable	156,819	-	-	173,331	330,150
Accrued payroll and payroll liabilities	179,134	-	-	-	179,134
Bonds	8,650,000	-	-	-	8,650,000
SRF Loans	799,390	-	-	-	799,390
Due to other funds	8,976,875	-	1,179,568	1,569,375	11,725,818
Total liabilities	18,762,218	-	1,179,568	1,742,706	21,684,492
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	100,772	955,551	-	1,056,323
Assigned	-	-	-	7,833,734	7,833,734
Unassigned	1,171,249	-	-	-	1,171,249
Total fund balances	1,171,249	100,772	955,551	7,833,734	10,061,306
Total liabilities and fund balances	19,933,467	100,772	2,135,119	9,576,440	31,745,798

three+one
and
City of Dillingham, AK

I. Professional Services Agreement:

This professional services agreement (“Agreement”) is effective and entered into as of the signed date on page three (3) and is between the City of Dillingham, AK (“the Entity”) and three+one.

II. Scope of Services:

The Entity is retaining three+one for cashVest[®] Liquidity & Treasury Analyses.

A. Initial and ongoing cashVest liquidity analysis will:

- Provide liquidity management data that pinpoints the time value of the Entity’s cash in the marketplace.
- Monitor, review, and report on all financial institution accounts for which data is received by three+one.
- Assist the Entity in preparing short-term cash management by providing stress tests/algorithmic simulations on all cash.
- Analyze the Entity’s liquidity proficiency to continually prepare the Entity to earn and save the most possible without sacrificing safety or liquidity.
- Ensure appropriate and competitive pricing is being received from financial partners pertinent to the facilitation of cash management.
- Assist the Entity in garnering preferred deposit rates with its banking provider(s).
- Monitor and analyze the Entity’s bank billing analysis statement(s).
- Clearly define next steps and recommendations to uncover new sources of value on identified strategic liquidity.
- Conduct a review of the Entity’s Investment Policy Statement (IPS).
- Hold an interview (60 to 90 minutes) with key staff members to understand back-office processes to aid in providing actionable recommendations.

B. three+one’s cashVest services provide the Entity with:

- View summary of all cash performance across all Entity banking relationships on one platform.
- Tailored rate analysis and strategic cash progress.
- Ability to compare investment yields and charts.
- Access to opportunity cost in the financial marketplace, providing transparency for the Entity to obtain competitively priced bank products.
- Ongoing benchmark rates in the market.

C. three+one would be provided the following data from the Entity:

- View only [inquiry] access to your online banking portal(s) where three+one will aggregate:
 - 12 months of bank statements via .PDF and/or .CSV format (dependent on the availability of transaction data from the bank portal).
 - 12 months of bank analysis statements in .PDF format.
 - All CD statement(s)/receipt(s), Local Government Investment Pool Statement(s), and all investment portfolio/brokerage statements(s).

III. Privacy/Confidentiality

three+one will not license, sell, rent, share, or trade client personal identifiable data with third parties without prior consent, unless required by applicable law or as necessary, in three+one's sole discretion, to perform the Services. three+one may collect client personal identifiable data in conjunction for use of the Services. three+one may share client personal identifiable data with third parties to the extent necessary to provide the Services. The Entity and three+one will comply with all laws and regulations that apply to the collection, use, transmission, storage, and disclosure, or destruction of confidential information. Both the Entity and three+one agree to hold the other party's information in strict confidence. Aggregated, anonymized data is used to enhance, add, and improve service offerings, and client outcomes in the financial marketplace. The Entity and three+one both agree to use all reasonable efforts to protect the unauthorized use or distribution of confidential information. three+one agrees to use the same degree of care to prevent disclosing any data to unauthorized third parties except such disclosure or access that will be permitted to perform the Services provided under this Agreement. The Entity may find any updated privacy statement for three+one on its website.

The Entity and three+one agree that the solutions provided to perform the Services are protected by U.S. copyright law and conventions. Both the Entity and three+one further agree that the technology used by them to carry out the Services, including liquidity data, models, graphics, trade secrets, distinctive tables, copyright, and other intellectual property, shall remain the property of three+one and be held as confidential by both parties. Both the Entity and three+one undertake not to use, copy, reproduce, alter or modify the contents or operation of any of these items need to perform and provide the Services and agree that neither they nor their employees, current or past, may reveal, market, hand over or sell any information related to the Agreement.

IV. Severability:

With reasonable cause, either party reserves the right to cancel this Agreement without obligation by giving 30 days written notice to the other party of the intent to terminate after the first full calendar year of services.



V. Financial Arrangements

The Entity shall pay an annual fee of \$14,500.00. three+one reserves the right to increase the fee by the CPI Adjustment on the agreement anniversary date.

VI. Billing Installments

The liquidity monitoring and reporting fee shall be due after the initial cashVest analysis is presented and the fee guarantee is met. It will be billed in quarterly installments of \$3,625.00.

If three+one does not show a 1 to 1 benefit through its cashVest initial analysis compared to the proposed annual fee for the Entity, the initial cashVest analysis will be provided at no cost with no further obligation.

Quotes and pricing terms are negotiated and may be unique to the Entity. Therefore, except as otherwise required by law, the Entity hereby agrees to keep confidential all pricing, quotes, and invoiced amounts received from three+one.

Signatures:

three+one	Date
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City of Dillingham, AK	Date
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This agreement is valid for 180 days from December 14, 2023, without signatures.



November 27, 2023

To APEI and AMLJIA members:

Almost a year has passed since we shared the news that the APEI and AMLJIA boards had begun to discuss the potential consolidation of our two pools. Since then, the conversations have continued, and we'd like to let you know where we are in the process.

Since July, a Consolidation Committee made up of four board members from each pool have been imagining what a new, consolidated pool might look like, and how it might serve its members. The committee members are focused on the possibility that cooperation rather than competition will be in the best interests of Alaskan school districts and municipalities in the years ahead.

They also are mindful of the input that many of you provided via September's member survey, and want to maintain the high level of satisfaction that both AMLJIA and APEI members enjoy.

The committee has engaged independent actuaries to evaluate the claims reserves and capital position of each pool. This information is important to ensure a consolidation makes financial sense.

In the course of their discussions, the committee has made a few decisions about how a new consolidated pool could be structured:

- They've given the new, consolidated pool a name: the ***Alaska Public Risk Alliance (APRA)***.
- They've defined a governance structure including a 12-member Board of Directors comprised of equal representation from municipalities and school districts, along with at-large members and the directors of the Alaska Municipal League and Association of Alaska School Boards.
- They've concluded that to provide the services members want and need, the staff of both APEI and AMLJIA would be folded into APRA, and that the pool would retain a presence in both Anchorage and Juneau.

The Committee also developed some principles to guide their decisions:

- The new pool will be member-oriented: governed by and focused on the needs of its member entities.

- The new pool will be structured to manage members' cost of risk, maintain adequate reserves, and strive to provide price stability over time.
- Transparency will remain an important part of the new pool's policies, finances, and interactions with members.
- Through its design of coverage, services, and operations, the new pool will offer broader value to its members than either AMLJIA or APEI could provide alone.
- A focus of the new pool will be targeted risk management, helping members identify risks and prevent losses both large and small.
- The Consolidation Committee will carefully weigh the impact on members and work toward equitable outcomes in its decision-making.

While this important work has moved the process forward, there is still much to do before the committee has enough information to make a recommendation about consolidation to the APEI and AMLJIA boards, and ultimately to you, the members. Here are just a few of the issues they'll be working though:

- Coverage. Both AMLJIA and APEI provide property, liability, and workers' compensation coverage to their members, but there are differences in the many details of coverage. Sorting through those details and making decisions that balance coverage and cost will be a critical and lengthy process.
- Staffing. In a consolidated pool, what is the best role for each of the current staff members, avoiding duplication of effort and potentially expanding service?
- Operations. It will take work to determine how to bring two separate organizations into one, and to make that one organization as effective as possible.
- Pricing. Assuming the consolidation works financially, what's the best way for the consolidated pool to allocate costs among members?

Throughout 2024, the Committee will be meeting monthly to consider these issues and many more. We are in the process of developing a website for APRA to keep you updated on their progress. In the meantime, we are happy to answer any questions you may have on this issue.



Barbara Thurston
APEI



Kevin Smith
AMLJIA

CITIZEN'S COMMENTS

ADJOURNMENT