

**MEETING AGENDA
5:30 PM / CITY COUNCIL CHAMBERS**

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. APPROVAL OF MINUTES**
 - a. Minutes of January 21, 2019
- 4. APPROVAL OF AGENDA**
- 5. STAFF REPORTS**
 - a. Financial Report
- 6. UNFINISHED BUSINESS**
 - a. GO Bond Update / Financial Obligation Schedule
- 7. NEW BUSINESS**
 - a. FY20 Budget Process Update
- 8. PUBLIC/COMMITTEE COMMENT(S)**
- 9. ADJOURNMENT**

QUARTERLY REVIEW

FINANCIAL STATEMENTS

	<u>Finance & Budget Committee</u>	<u>Council Workshop</u>
Jan-Feb-Mar	April	May
April-May-Jun	August	September
Jul-Aug-Sept	October	November
Oct-Nov-Dec	January	February

ANNUAL REVIEW

	<u>Finance & Budget Committee</u>	<u>Staff Report</u>
Report on Full and True Value	October	November
Review Senior Exemption List	After February 15 PFD Deadline	March
Accounts Receivable Write-offs	January	February

1. CALL TO ORDER

The Finance and Budget Committee met on Monday, January 21, 2019, in the City Council Chambers, Dillingham, AK. Andy Anderson called the meeting to order at 5:34 p.m.

2. ROLL CALL

Committee Members present:

Andy Anderson

Tod Larson

Aksel Buholm via phone

Curt Armstrong

Anita Fuller

Mayor Ruby - excused

3. APPROVAL OF MINUTES

- a. Minutes of December 17, 2018

MOTION: Tod Larson moved and Curt Armstrong seconded the motion to approve the minutes of December 17, 2018.

VOTE: The motion passed unanimously by roll call vote.

4. APPROVAL OF AGENDA

MOTION: Curt Armstrong moved and Tod Larson seconded the motion to approve the agenda.

VOTE: The motion passed unanimously by roll call vote.

5. STAFF REPORTS

- a. Financial Report

The Finance Director commented on the December 2018 financial report.

Revenues are at acceptable levels. Jail contract reports have been sent in. 2018 foreclosure list will be worked on beginning in February.

Expenses are at 53% for the fiscal year. Equipment replacement / maintenance plan is still being explored, with a potential date of October to have in place. An overview of what we do have was requested to have next month. Research and data collection are still in process for the wage and staff study.

6. UNFINISHED BUSINESS

- a. FY20 Budget Schedule

b.

The budget schedule is approved by the committee.

7. NEW BUSINESS

- a. GO Bond Update / Financial Obligation Schedule

The City's current bond payment schedule was reviewed. A schedule showing the additional bond payment if approved by the voters will be created.

Proposed changes to revenue and expense reports to reflect the same formatting for both, and will be presented with basics, eliminating excess information not related to budgeting.

8. PUBLIC/COMMITTEE COMMENT(S)

Aksel Buholm: Thanked committee for their patience and willingness to work with his schedule.

9. ADJOURNMENT

The meeting adjourned at 6:34 p.m.

Andy Anderson, Chair

ATTEST:

Lori Goodell, City Clerk

Approved: _____

City of Dillingham
Revenues and Expenditures As of January 31, 2019
Unaudited Figures

	UnAudited					January 31, 2019		January 31, 2018	
	Budget - FY19	MTD	YTD	Percent		YTD	INC/(DEC)		
REVENUES:									
General Fund Revenues									
General Sales Tax	\$ 2,550,000	\$ 223,910	\$ 1,571,258	62%	\$ 1,256,225	\$ 315,033			
Alcohol Sales Tax	290,000	21,342	154,170	53%	143,154	11,016			
Transient Lodging Sales Tax	85,000	6,050	64,278	76% a	45,692	18,586			
Gaming Sales Tax	65,000	12,381	53,083	82% b	42,495	10,588			
Tobacco Tax	120,000	32,364	139,966	117% c	-	139,966			
Total Sales Tax	3,110,000	296,047	1,982,755	64%	1,487,566	495,189			
Real Property Tax	2,100,000	(3,609)	2,051,487	98% d	1,915,285	136,202			
Personal Property Tax	530,000	(5,398)	490,851	93% e	585,821	(94,970)			
Total Property Taxes	2,630,000	(9,007)	2,542,338	97%	2,501,106	41,233			
Telephone Gross Receipts State Tax	65,000	-	-	0% f	-	-			
Raw Fish Tax	300,000	-	443,905	148% g	398,350	45,554			
Shared Fisheries	20,000	-	-	0% f	-	-			
Revenue Sharing	130,000	-	119,903	92% h	132,686	(12,783)			
Payment in Lieu of Taxes (PILT)	450,000	-	459,841	102% i	450,803	9,037			
State Jail Contract	567,000	-	138,810	24% j	269,734	(130,925)			
Admin Overhead	223,249	12,200	132,329	59%	138,162	(5,833)			
PERS on Behalf	100,486	12,832	96,771	96% k	64,737	32,034			
Other Revenues	403,239	15,680	228,463	57%	217,332	11,131			
Total	2,258,974	40,712	1,620,021	72%	1,671,805	(51,785)			
Total	\$ 7,998,974	\$ 327,751	\$ 6,145,114	77%	\$ 5,660,477	\$ 484,637			
Special Revenue Funds Revenues & Transfers									
Water	197,495	18,554	142,207	72% l	132,406	9,801			
Sewer	358,795	30,672	302,619	84% m	227,398	75,221			
Landfill	943,357	51,056	564,496	60%	347,770	216,727			
Dock	768,075	4,320	964,449	126% n	774,567	189,883			
Harbor	188,753	2,335	333,539	177% o	128,773	204,766			
Asset Forfeiture Fund	-	-	-	0%	-	-			
E-911 Service	82,750	5,632	43,946	53%	42,236	1,710			
Library Grants	80,492	(5,437)	24,436	30% p	48,864	(24,428)			
Senior Center (Grant)	126,459	-	33,438	26% q	64,175	(30,737)			
Senior Center (Non-Grant)	191,329	17,405	92,101	48%	54,848	37,253			
Total	\$ 2,937,505	\$ 124,537	\$ 2,501,232	85%	\$ 1,821,036	\$ 680,196			
Total Special Revenue Funds Revenues & Transfers	\$ 10,936,479	\$ 8,646,346	\$ 8,646,346	79%	\$ 7,481,513				
Mary Carlson Estate Permanent Fund Revenue	1,000	-	3,730	373% r	95	3,636			
Ambulance Reserve Capital Project Fund Revenue	60,000	-	-	-	-	-			
Equipment Replacement Capital Project Fund	-	-	-	-	-	-			
School Bond Project	-	-	-	-	-	-			
Public Safety Planning	-	-	-	-	-	-			
Debt Service Fund Revenue	1,063,450	610,434	618,455	58%	346,421	272,034			
Landfill Closure Fund	-	-	-	-	-	-			
Total	\$ 1,124,450	\$ 610,434	\$ 622,185	55%	\$ 346,516	\$ 275,670			
Total Revenues & Transfers	\$ 12,060,929	\$ 1,062,723	\$ 9,268,531	77%	\$ 7,828,029	\$ 1,440,502			

City of Dillingham
Revenues and Expenditures As of January 31, 2019
Unaudited Figures

	January 31, 2019			January 31, 2018		
	Budget - FY19	MTD	YTD	Percent	YTD	INC/(DEC)
EXPENDITURES:						
General Fund Expenditures						
City Council	\$ 45,324	\$ 2,997	\$ 22,655	50%	\$ 31,940	\$ (9,285)
City Clerk	117,128	9,627	68,668	59%	69,073	(405)
Administration	262,395	20,506	151,634	58%	168,609	(16,975)
Finance	626,783	47,828	390,845	62%	321,792	69,052
Legal	100,000	-	7,999	8% s	38,257	(30,257)
Insurance	165,000	-	90,850	55%	79,792	11,058
Non-Departmental	99,420	9,261	56,958	57%	112,899	(55,942)
Planning	143,022	6,276	67,094	47%	52,639	14,455
Foreclosures	4,000	-	8,006	200% t	2,707	5,299
IT	131,468	26,587	74,250	56%	-	74,250
Meeting Hall above Fire Station	2,500	247	1,462	58%	1,359	103
Public Safety Administration	150,521	10,512	84,611	56%	84,166	446
Dispatch	511,399	37,446	296,539	58%	297,991	(1,452)
Patrol	872,361	72,408	471,212	54%	361,704	109,508
Corrections	646,925	51,492	363,477	56%	347,571	15,905
DMV	44,621	6,291	27,970	63%	24,652	3,318
Animal Control Officer	104,576	7,490	57,006	55%	56,427	579
Fire	267,013	17,684	149,356	56%	120,055	29,301
Public Works Administration	215,879	12,352	83,420	39% u	103,310	(19,890)
Building and Grounds	322,380	21,404	149,669	46% v	154,402	(4,733)
Shop	302,084	28,671	231,613	77% w	166,723	64,890
Street	422,071	23,796	463,208	110% x	299,573	163,635
Library	109,012	8,128	63,025	58%	59,041	3,984
City School	1,300,000	-	975,000	75% y	975,000	-
Transfers to Other Funds	1,153,631	55,170	488,798	42% z	450,274	38,524
Total	\$ 8,119,513	\$ 476,174	\$ 4,845,323	60%	\$ 4,379,957	\$ 465,366
Special Revenue Funds Expenditures						
Water	288,646	18,908	146,047	51%	266,134	(120,087)
Sewer	268,868	22,797	805,889	300% aa	220,691	585,198
Landfill	868,824	36,875	570,176	66%	393,220	176,956
Dock	585,462	6,351	387,122	66%	773,698	(386,577)
Boat Harbor	184,753	-	117,013	63%	135,699	(18,686)
Asset Forfeiture Fund	-	-	-	-	-	-
E-911 Service	57,739	-	-	0% bb	-	-
Library Grants	80,492	-	42,879	53%	51,298	(8,419)
Senior Center (Grant)	126,459	6,355	79,918	63%	81,911	(1,994)
Senior Center (Non-Grant)	191,329	17,616	94,125	49%	64,065	30,060
Total	\$ 2,652,572	\$ 108,902	\$ 2,243,168	85%	\$ 1,986,716	\$ 256,452
Total	10,772,085	585,075	7,088,491	66%	6,366,673	

January 31, 2018

January 31, 2019

Capital Project Funds Expenditures
 Mary Carlson Estate Permanent Fund
 Ambulance Reserve Capital Project Fund
 Equipment Replacement Capital Project Fund
 School Bond Project
 Public Safety Planning
 Debt Service Fund
 Landfill Closure Fund

	<u>Budget - FY19</u>	<u>MTD</u>	<u>YTD</u>	<u>Percent</u>	<u>YTD</u>	<u>INC/(DEC)</u>
	5,650	53	852	15% gg \$	710	142
	58,678	-	-	0% gg \$	7,625	(7,625)
	-	-	-	0%	112,093	(112,093)
	-	-	-	\$	-	-
	1,063,450	-	881,075	83% gg \$	210,575	670,500
Total	\$ 1,127,778	\$ 53	\$ 881,927	78%	\$ 331,003	\$ 550,925
Total All Expenditures	\$ 11,899,863	\$ 585,129	\$ 7,970,418	67%	\$ 6,697,675	\$ 1,272,743
Revenues Over (Under) Expenditures	\$ 161,066	\$ 477,594	\$ 1,298,113		\$ 1,130,353	\$ 167,759

City of Dillingham
 Revenues and Expenditures As of January 31, 2019
 Preliminary Figures - Unaudited

	<u>Fund Bal.</u> <u>6/30/2018</u> <u>UnAudited</u>	<u>FY'19</u> <u>Revenues</u>	<u>FY'19</u> <u>Expenditures</u>	<u>Add or (-)</u> <u>Fund Bal</u>	<u>Fund Bal.</u> <u>1/31/2019</u> <u>Unaudited</u>
General Fund	\$ 969,180	\$ 6,145,114	\$ 4,845,323	\$ 1,299,791	\$ 2,268,971
Nushagak Fish Tax	(227)	-	-	-	(227)
Fisheries Infrastructure Fund	(51)	-	-	-	(51)
Borough Study	(28)	-	-	-	(28)
Water & Sewer	(32,434)	444,826	951,936	(507,110)	(539,544)
Landfill	(74,535)	564,496	570,176	(5,680)	(80,215)
Dock	(60,292)	964,449	387,122	577,328	517,036
Boat Harbor	9,520	333,539	117,013	216,527	226,047
Asset Forfeitures Fund	(8,040)	-	-	-	(8,040)
E-911 Service	(26,005)	43,946	0	43,946	17,941
Library Grants (Books, Erate, etc.)	(100,402)	24,436	42,879	(18,443)	(118,845)
Senior Center	(37,310)	125,539	174,042	(48,503)	(85,813)
Mary Carlson Estate Permanent Fund	48,730	3,730	852	2,878	51,608
Ambulance Reserve Capital Project Fund	225,683	-	-	-	225,683
Equipment Replacement Capital Project Fund	22,299	-	-	-	22,299
School Bond Project Capital Project Fund	(315)	-	-	-	(315)
Public Safety Planning	(28,885)	-	-	-	(28,885)
Debt Service	-	618,455	881,075	(262,620)	(262,620)
Landfill Closure Fund	-	-	-	-	-
Other	-	0	-	-	-
Total	\$ 906,891	\$ 9,268,531	\$ 7,970,418	\$ 1,298,113	\$ 2,205,004

Mayor
Alice Ruby

Manager
Tod Larson



Dillingham City Council
Chris Napoli
Chris Maines
Aksel Buholm
Curt Armstrong
Andy Anderson
Gregg Marxmiller

MEMORANDUM

Date: 02/13/2019
To: Tod Larson, City Manager
From: Anita Fuller, Finance Director
Subject: Review of 01/2019 Financial Report

As the seventh monthly report the percentages that are within normal range are about 58%. This report will identify any percentage that is below 48% or above 68%.

Total Revenue & Transfers is showing as being 79% when in actuality we have collected about 71%, which is above the expected range. Our accounting practice is to recognize the revenue when it is invoiced. Our Revenue & Expense reports used for this report will always show the revenue higher than what is actually received.

(a) Transient Lodging Tax continues to be higher than budgeted. There continue to be more businesses reporting this tax than before.

(b) Gaming Sales Tax is coming in slightly higher. This is partly due to the on time reporting of the businesses with Gaming Tax reports.

(c) Tobacco tax is at 117% which is much higher than projected.

(d) & (e) 2018 Real Property tax and Personal Property tax are invoiced on July 1, 2018. This causes the revenue to be recognized in July of 2018. At this time there is still a balance of \$ 149,141.39 in uncollected 2018 Real Property (7%) and \$52,856.76 (11%) in uncollected 2018 Personal Property. The unpaid amounts include the penalty and interest that has been assessed

(f) Telephone sale and Shared Fisheries are received later in the fiscal year.

(g) Raw Fish tax came in 48% higher than budgeted.

(h) Revenue sharing is received at the beginning of the year. There is expected a smaller final payment at the end of the fiscal year.

- (i) PILT is received all at once and did come in \$9,481 more than budgeted.
- (j) Jail contract reports have been sent. The first quarter payment is received.
- (k) PERS on behalf is going to be reduced.

Total Special Funds Revenue and Transfer are showing as being 85%. There are unpaid invoices that will reduce the overall revenue to about 73% received. Invoice for Water \$31,000.38, Sewer \$41,850.51, Landfill \$16,273.85, Dock \$253,277.74 and Harbor of \$320. (This does not reflect all open invoices only those invoiced starting July 1, 2018.

(l) Water Revenue is above the range by 4%; however, once uncollected revenue is removed there is 56% revenue received.

(m) Sewer revenue continues to be higher than budgeted. With uncollected revenue removed there is about 73% revenue received.

(n) Dock Revenue is higher than budgeted for the year. Once uncollected revenue is removed we have collected 93% of the budget.

(o) Harbor revenue is more than budgeted for due to an insurance proceeds receipts of \$279,250 received. With this removed there is only 29% received which is normal since the bulk of harbor fees are received in April, May and June.

(p) Revenue for the Library is low in grant revenue which will be received later in the year.

(q) Revenue for the Senior Center grant is low due to a delay in the NTS grant report which is now current. Revenue should be received in February. State approval is still pending.

(r) Interest earned on the Mary Carlson Estate fund has been higher than budgeted.

Total General Fund Expenditures are close to the 53% projection mark which reflects spending that is on target.

(s) Legal is low at 8% due to union negotiations having just started which may stay low due to the City Managers handling of the negotiations.

(t) Foreclosure costs have been higher due to an unexpected number of foreclosed properties. There will be an offsetting increase in revenue since most costs are charged to the property owner.

(u) Public Works Administration expenditures will change once a journal entry is completed to correct wages that were charged to the planning department that should have been shared with the Public Works department.

(v) Buildings and Grounds has experienced two open positions for a period of time that has reduced the wages expended and the work being done. This will reflect a slightly lower than normal spending of the budget.

(w) Shop expenses are at 120% for Gas, Oil and Grease, 119% for Vehicle Maintenance and 117% for Equipment Maintenance. Other areas are within normal ranges.

(x) The street budget is at 110% mainly due to the recent streets project which is at 267% of the original budget. There has been 100% of the budgeted amount of sand and gravel spent in preparation for the winter road work. A budget revision will be done by end of quarter to reflect the City Councils approval of the project.

(y) City School 3rd quarter payment has been made and budget is as expected.

(z) Transfers are lower than budgeted as a result of expenses being lower than expected at this time.

Total Special Revenue Fund Expenditures are within high at 79% due to the wastewater projects.

(aa) Wastewater expenses are high at 300% due to lagoon expenses that have been coded to the wastewater fund at \$669,065.26

(bb) E-911 services has not had any expenses. Work in Dispatch was to start in December which will use these funds.

(gg) This section is going to be redone to reflect the current CIP once we are able to work determine how to reflect correctly in AccuFund

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Mayor
Alice Ruby

Manager
Tod Larson



Dillingham City Council
Chris Napoli
Chris Maines
Aksel Buholm
Curt Armstrong
Andy Anderson
Gregg Marxmiller

MEMORANDUM

Date: February 12, 2019
To: Finance and Budget Committee
From: Tod Larson, City Manager
Subject: February 2019 Monthly Update

GO Bond Update.

- Both bond applications are submitted as of February 10, 2019.
- The packet still requires our City Attorney certification letter.
- Bond Bank conference call on Thursday, February 14, 2019.
- Bond Campaign.
 - Conducted third Facebook Live video focusing on maps.
 - Completed third City Manager's Corner at KDLG.
 - Artwork completed in-house by Leaca and Lori.
 - Ordered printed products to support campaign.
 - Sent out an email to CEOs/Manager's/Leader's in Dillingham offering to come to a staff meeting. BBEDC and Choggiung, Ltd have set dates/times.
 - Facebook and Website posts continue.
 - Discussed the bond issues at the February combined EMS & Fire meeting.
- Neighborhood meetings – TBD.

FY20 Budget Process.

- Budget meetings scheduled through presentation to the City Council.
- Department Heads first draft presentations the week of February 19-22.
- Wage Study – Still awaiting data from HR contractor.
- Vehicle Plan – Working on the plan with Department Heads through the budget process.
- Staff working on revenue projections and refining wage/benefit information.
- Watching the State of Alaska process.

Respectfully,
Tod Larson