

**Mayor**

*David Allison*

**Council Members**

*Tom Bailer*

*Cathy Sherman*

*Jeff Guard*

*Melina Meyer*

*Anne Schaefer*

*Kristin Carpenter*

*Ken Jones*

**City Manager**

*Helen Howarth*

**City Clerk**

*Susan Bourgeois*

**Deputy Clerk**

*Tina Hammer*

**Student Council**

*Mhikee Gasmen*

**City Council Work Session  
October 26, 2022 @ 12:00 pm  
Cordova Center Community Rooms  
Agenda**

**A. Call to order**

**B. Roll call**

Mayor David Allison, Council members Tom Bailer, Cathy Sherman, Jeff Guard, Melina Meyer, Anne Schaefer, Kristin Carpenter, and Ken Jones

**C. Work Session topics**

1. 2023 City Budget Preparation..... (page 1)
- Revenue discussion

**D. Adjournment**

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## BUDGET MEMO

**Date:** October 25, 2022  
**TO:** Mayor and City Council  
**FROM:** Helen Howarth, City Manager  
**RE:** FY23 Revenue

### **FY23 General Fund Revenue budget projections are attached for work session discussion.**

1. Revenue numbers are projected as closely as possible using actual contracts, grants, distributions and prior experience as a guide.
2. Property taxes are budgeted with no increase from prior year FY22.
3. Sales taxes are based on FY22 actuals to date and year-end projections
4. Raw fish taxes are based on a five-year rolling average
5. No changes have yet been made to the fee schedule

### **Goals for Work session:**

1. Discuss and confirm revenue objectives
2. Evaluate property and sales tax revenue needs
3. Discuss fee schedule
4. Discuss use of prior year school bond debt reimbursement totaling \$1,911,293 issued by State of Alaska in July 2022 for the following years/amounts.
  - FY2017-\$201,759
  - FY2020-\$235,506
  - FY2021-\$953,719
  - FY22 \$520,309 increase over budgetedPrior year payments came from the General Fund Reserve account and funds could be used to replace GFR account, placed in a reserve account for future bond payments, or used in part for capital projects among other considerations.
5. Discuss use of ARPA receipts awarded for Revenue Replacement that must be expended by year-end FY24.

We received three disbursements in FY21/22 for this program: \$523,579.78, \$622,383.91, \$1408.44. City's FY22 Budget was approved using 50% of the total of the first two amounts:  $\$1,145,964/2 = \$572,982$ . The balance of \$574,390 needs Council direction for expenditure.

The Federal contract requirement is for "revenue replacement" as outlined in Appendix 1, Expenditure Categories: 6.1 Provision of Government Services. This category allows broad use of the funds for government services until the fund is depleted.

Name			2020 Actual	2021 Actual	2022 Amended Budget	FY2023 - FY23 (In Progress)
Revenue Source						
	<b>Taxes</b>					
		Property Tax	\$2,624,455.44	\$2,637,588.39	\$2,800,000.00	\$2,800,000.00
		Property Tax-Penalties	\$11,000.10	\$17,075.36	\$10,000.00	\$10,000.00
		Property Tax-Interest	\$1,058.43	\$1,668.94	\$2,000.00	\$2,000.00
		ARSSC - Sales Tax collected	\$0.00	\$252,309.85	\$0.00	\$450,000.00
		Sales & Use Taxes	\$3,053,585.33	\$3,571,930.64	\$3,600,000.00	\$3,600,000.00
		Public Accommodations Surtax	\$170,655.23	\$124,530.01	\$190,000.00	\$190,000.00
		Vehicle Rental Surtax	\$4,987.36	\$8,904.09	\$11,000.00	\$11,000.00
		Alcohol, Tobacco & Pot Surtax	\$124,820.66	\$227,333.40	\$230,000.00	\$230,000.00
		Penalties & Int. - Sales Tax	-\$5,282.46	\$12,265.09	\$10,000.00	\$10,000.00
		Penalty & Interest on Accounts	-\$29,632.37	\$1,430.13	\$0.00	\$0.00
		In Lieu Tax Payments	\$471,413.47	\$481,999.46	\$353,560.00	\$415,000.00
		Payment in Lieu of Tax - Other	\$8,995.22	\$8,961.47	\$10,125.00	\$6,000.00
	<b>Total Taxes:</b>		<b>\$6,436,056.41</b>	<b>\$7,345,996.83</b>	<b>\$7,216,685.00</b>	<b>\$7,724,000.00</b>
	<b>Licenses &amp; Permits</b>					
		General Business Licenses	\$18,330.00	\$21,310.00	\$20,000.00	\$10,000.00
		Taxi - For Hire Operators	\$1,150.00	\$525.00	\$1,000.00	\$750.00
	<b>Total Licenses &amp; Permits:</b>		<b>\$19,480.00</b>	<b>\$21,835.00</b>	<b>\$21,000.00</b>	<b>\$10,750.00</b>
	<b>Other Governmental</b>					
		Raw Fish Tax	\$1,290,036.95	\$728,162.80	\$1,170,312.00	\$1,170,312.00
		COVID (CARES & ARPA)	\$582,145.25	\$0.00	\$572,982.00	\$0.00
		Liquor Licenses - Share Tax	\$0.00	\$8,900.00	\$7,500.00	\$7,500.00
		Marijuana Licenses	\$0.00	\$0.00	\$0.00	\$0.00
		Share Revenue - General	\$75,788.25	\$0.00	\$75,000.00	\$135,249.00
		Forest Receipts - Roads	\$45,846.31	\$40,028.12	\$33,750.00	\$50,000.00
		Forest Receipts - School	\$575,058.79	\$473,476.35	\$431,250.00	\$625,000.00
		Utility Cooperative Refunds	\$308,281.85	\$294,648.29	\$295,000.00	\$300,000.00
		Shared Fisheries Tax	\$6,717.64	\$4,882.58	\$22,151.00	\$22,000.00
		Pension State Relief	\$216,087.52	\$239,409.07	\$261,391.00	\$261,390.00
		E-Rate Grant (Library)	\$372.62	\$0.00	\$100,000.00	\$0.00
	<b>Total Other Governmental:</b>		<b>\$3,100,335.18</b>	<b>\$1,789,507.21</b>	<b>\$2,969,336.00</b>	<b>\$2,571,451.00</b>

	<b>Leases &amp; Rents</b>					
		N. Harbor Fill Lease	\$90,453.84	\$63,810.45	\$85,000.00	\$198,038.00
		S. Harbor Fill Lease	\$42,691.17	\$34,893.12	\$31,000.00	\$35,631.69
		Other Land Leases	\$48,671.15	\$42,558.98	\$56,000.00	\$42,709.00
		Other Building Leases	\$42,301.76	\$42,080.16	\$42,000.00	\$59,751.64
		Lease Rev Pass-Thru Mt Eyak	\$68,449.62	\$65,732.64	\$64,718.00	\$64,718.00
	<b>Total Leases &amp; Rents:</b>		<b>\$292,567.54</b>	<b>\$249,075.35</b>	<b>\$278,718.00</b>	<b>\$400,848.33</b>
	<b>Law Enforcement</b>					
		State Contract - Jail	\$164,704.00	\$159,704.00	\$164,704.00	\$360,562.00
		Surcharge - SOA	\$60.00	\$140.00	\$200.00	\$200.00
		State Dispatch Services	\$4,725.00	\$4,725.00	\$4,725.00	\$4,725.00
		USFS Dispatch Services	\$6,750.00	\$6,750.00	\$6,725.00	\$6,725.00
		NVE MOU	\$5,635.55	\$5,000.00	\$5,000.00	\$5,000.00
		City of Whittier - Dispatch	\$25,000.00	\$25,000.00	\$25,000.00	\$50,000.00
		Court Fines & Forfeitures	\$0.00	\$0.00	\$0.00	\$0.00
		Citations	\$3,799.20	\$2,501.00	\$4,000.00	\$4,000.00
		ATV Registration Fees	\$210.00	\$425.00	\$200.00	\$200.00
		Dog Licenses	\$285.00	\$465.00	\$300.00	\$300.00
		Dog Impounds	\$0.00	\$200.00	\$100.00	\$100.00
		Dog Citations	\$20.00	\$20.00	\$100.00	\$100.00
		Airline Security Service	\$56,506.08	\$43,755.31	\$75,000.00	\$75,000.00
		Fingerprinting Services	\$2,190.00	\$1,915.00	\$2,500.00	\$2,500.00
		Impound	\$772.00	\$3,167.00	\$5,000.00	\$5,000.00
		Case File Fees	\$143.00	\$150.00	\$250.00	\$250.00
		Miscellaneous Revenue P.D.	\$545.14	\$383.60	\$0.00	\$0.00
	<b>Total Law Enforcement:</b>		<b>\$271,344.97</b>	<b>\$254,300.91</b>	<b>\$293,804.00</b>	<b>\$514,662.00</b>
	<b>D.M.V</b>					
		MV, Boat, Snow Trans	\$18,431.90	\$22,633.10	\$25,000.00	\$25,000.00
		Driver License & ID Fee	\$9,070.00	\$8,700.00	\$13,000.00	\$13,000.00
		Vehicle Registration Tax	-\$12,401.00	-\$12,293.00	-\$17,800.00	-\$17,800.00
		Mtr Vehicle Reg Tax St of AK	\$37,143.24	\$39,277.64	\$40,000.00	\$40,000.00
		Road Tests & Misc Revenue DMV	\$462.00	\$588.30	\$500.00	\$500.00
	<b>Total D.M.V:</b>		<b>\$52,706.14</b>	<b>\$58,906.04</b>	<b>\$60,700.00</b>	<b>\$60,700.00</b>
	<b>Planning</b>					
		Planning Permit Fees	\$3,130.00	\$8,023.63	\$6,500.00	\$6,500.00
		Other Revenue	\$58.05	\$1,101.00	\$0.00	\$0.00
	<b>Total Planning:</b>		<b>\$3,188.05</b>	<b>\$9,124.63</b>	<b>\$6,500.00</b>	<b>\$6,500.00</b>

	<b>Recreation</b>					
		Activity Fees	\$1,015.00	\$0.00	\$5,000.00	\$2,000.00
		Skaters Cabin Rental	\$1,115.00	\$4,070.00	\$3,500.00	\$4,000.00
		Bidarki Entrance Fees	\$25,102.61	\$56,331.61	\$55,000.00	\$57,750.00
		Facility Rental	\$842.00	\$0.00	\$0.00	\$500.00
		Fisherman's Memorial Park	\$803.80	\$0.00	\$500.00	\$1,000.00
		Bidarki Misc.	\$343.82	\$133.51	\$0.00	\$0.00
		Merchandise Sales				\$1,500.00
	<b>Total Recreation:</b>		<b>\$29,222.23</b>	<b>\$60,535.12</b>	<b>\$64,000.00</b>	<b>\$66,750.00</b>
	<b>Pool</b>					
		Combo Pass Fee	\$0.00	\$0.00	\$0.00	\$28,000.00
		Pool Entrance Fees	\$14,652.80	\$12,329.50	\$15,000.00	\$9,250.00
		Program Fees	\$1,320.00	\$0.00	\$0.00	\$1,500.00
		Rental Fees	\$1,000.00	\$0.00	\$0.00	\$500.00
		Merchandise Sales				\$1,500.00
	<b>Total Pool:</b>		<b>\$16,972.80</b>	<b>\$12,329.50</b>	<b>\$15,000.00</b>	<b>\$40,750.00</b>
	<b>Sale Of Property</b>					
		Sale of Materials	\$0.00	\$0.00	\$0.00	\$0.00
		Sale of Equipment	\$360.00	\$0.00	\$0.00	\$0.00
		Sale of Cemetary Lots	\$1,850.00	\$3,150.00	\$3,000.00	\$3,000.00
	<b>Total Sale Of Property:</b>		<b>\$2,210.00</b>	<b>\$3,150.00</b>	<b>\$3,000.00</b>	<b>\$3,000.00</b>
	<b>Interfund Transfers In</b>					
		Allocated Administrative Costs	\$488,015.00	\$509,366.04	\$649,827.00	\$649,827.00
		Transfer from Chip Seal Fund	\$138,163.92	\$0.00	\$0.00	\$0.00
		Transfer from Health Fund	\$108,628.00	\$128,798.04	\$0.00	\$0.00
		Transfer from ARPA Fund	\$0.00	\$334,241.26	\$0.00	\$0.00
		General Fund Reserves-Budgeted	\$0.00	\$0.00	\$100,000.00	\$0.00
		Transfer from Permanent Fund	\$0.00	\$0.00	\$0.00	\$0.00
	<b>Total Interfund Transfers In:</b>		<b>\$734,806.92</b>	<b>\$972,405.34</b>	<b>\$749,827.00</b>	<b>\$649,827.00</b>

	<b>Other Revenue</b>					
		Investment Earnings	\$10,170.58	\$947.54	\$1,000.00	\$1,000.00
		Reserve Fund-Budgeted	\$0.00	\$0.00	\$0.00	\$0.00
		Misc. Revenue	\$66,238.35	\$66,283.99	\$15,000.00	\$15,000.00
		PASS THROUGH MISC REV CONTRA	\$0.00	\$2,653.94	-\$64,718.00	-\$64,718.00
		Ins. Reimb./Chamber Lease	\$0.00	\$0.00	\$0.00	\$0.00
		Streets-Cut Revenue	\$300.00	\$0.00	\$0.00	\$0.00
		Cordova Center Revenue	\$9,166.93	\$20,431.18	\$35,000.00	\$35,000.00
		Donations	\$0.00	\$0.00	\$0.00	\$0.00
	<b>Total Other Revenue:</b>		<b>\$85,875.86</b>	<b>\$90,316.65</b>	<b>-\$13,718.00</b>	<b>-\$13,718.00</b>
	<b>State Debt Service Reimbursement</b>					
		State Debt Service Reimb	\$75,498.00	\$0.00	\$378,000.00	\$378,000.00
	<b>Total State Debt Service Reimbursement:</b>		<b>\$75,498.00</b>	<b>\$0.00</b>	<b>\$378,000.00</b>	<b>\$378,000.00</b>
	<b>Total Revenue Source:</b>		<b>\$11,120,264.10</b>	<b>\$10,867,482.58</b>	<b>\$12,042,852.00</b>	<b>\$12,413,520.33</b>

CITY OF CORDOVA			PAGE 1	
FUND SUMMARY	10/25/2022			
FUND	YTD ACTUAL	BUDGET	VARIANCE	PCNT
GENERAL FUND				
REVENUE				
TAXES	\$5,670,733.98	\$7,216,685.00	\$1,545,951.02	78.6
LICENSES & PERMITS	\$1,945.00	\$21,000.00	\$19,055.00	9.3
OTHER GOVERNMENTAL	\$1,020,458.26	\$2,969,336.00	\$1,948,877.74	34.4
LEASES & RENTS	\$247,303.63	\$278,718.00	\$31,414.37	88.7
LAW ENFORCEMENT	\$201,656.84	\$293,804.00	\$92,147.16	68.6
D. M. V.	\$51,940.91	\$60,700.00	\$8,759.09	85.6
PLANNING	\$4,208.00	\$6,500.00	\$2,292.00	64.7
RECREATION	\$63,687.64	\$64,000.00	\$312.36	99.5
POOL	\$41,395.04	\$15,000.00	-\$26,395.04	276
SALE OF PROPERTY	\$11,783.55	\$3,000.00	-\$8,783.55	392.8
INTERFUND TRANSFERS IN	\$0.00	\$749,827.00	\$749,827.00	0
OTHER REVENUE	\$76,076.74	\$115,718.00	\$39,641.26	65.7
STATE DEBT SERVICE REIMBURSEMENT	\$2,022,113.00	\$378,000.00	-\$1,644,113.00	535
TOTAL	\$9,413,302.59	\$12,172,288.00	\$2,758,985.41	77.3
CITY PERMANENT FUND				
REVENUE				
REVENUE	-\$1,928,698.44	\$380,000.00	\$2,308,698.44	-507.6
INTERFUND TRANSFERS IN	\$0.00	\$44,900.00	\$44,900.00	0
TOTAL	-\$1,928,698.44	\$424,900.00	\$2,353,598.44	-453.9
FIRE DEPT. VEHICLE ACQUISITION				
REVENUE				
FIRE DEPT VEHICLE ACQUISITION	\$43,143.98	\$0.00	-\$43,143.98	0
TOTAL	\$43,143.98	\$0.00	-\$43,143.98	0
VEHICLE REMOVAL/IMPOUND FUND				
REVENUE				
VEHICLE REMOVAL/IMPOUND REV	\$50.00	\$0.00	-\$50.00	0
TOTAL	\$50.00	\$0.00	-\$50.00	0
COVID-19				
REVENUE				
GRANT REVENUE	\$7,482.00	\$0.00	-\$7,482.00	0
SOA POE AIRPORT REVENUE	\$7,907.59	\$0.00	-\$7,907.59	0
TOTAL	\$15,389.59	\$0.00	-\$15,389.59	0

CITY OF CORDOVA			PAGE 2	
FUND SUMMARY	10/25/2022			
FUND	YTD ACTUAL	BUDGET	VARIANCE	PCNT
ARPA - CLFRF				
REVENUE				
ARPA DCCED- CLFRF- NEU	\$263,198.33	\$0.00	-\$263,198.33	0
ARPA- CLFRF NON-UGLG	\$311,191.96	\$0.00	-\$311,191.96	0
ARPA CLFRF LGLRR	\$666,505.32	\$0.00	-\$666,505.32	0
TOTAL	\$1,240,895.61	\$0.00	-\$1,240,895.61	0
LSTA GRANTS				
REVENUE				
ARPMML-250544-OMLS-22	\$12,450.00	\$0.00	-\$12,450.00	0
TOTAL	\$12,450.00	\$0.00	-\$12,450.00	0
GENERAL PROJ & GRANT ADMN				
REVENUE				
REVENUE PASS-THRU GRANT ONLY	\$46,919.92	\$0.00	-\$46,919.92	0
FIRE/EMS	\$25,225.93	\$0.00	-\$25,225.93	0
OTHER P.W. CAPITAL PROJECTS	\$75,000.00	\$0.00	-\$75,000.00	0
APEI SAFETY GRANTS - EQUIP/TR	\$3,000.00	\$0.00	-\$3,000.00	0
TOTAL	\$150,145.85	\$0.00	-\$150,145.85	0
HARBOR ENTERPRISE FUND				
REVENUE				
REVENUE - OPERATIONS	\$1,236,691.87	\$1,636,300.00	\$399,608.13	75.6
OTHER REVENUE	\$0.00	\$30,822.00	\$30,822.00	0
TOTAL	\$1,236,691.87	\$1,667,122.00	\$430,430.13	74.2
SEWER ENTERPRISE FUND				
REVENUE				
SEWER OPERATIONS REVENUE	\$694,975.46	\$893,550.00	\$198,574.54	77.8
OTHER REVENUE SWR	\$4,563.94	\$15,773.00	\$11,209.06	28.9
TOTAL	\$699,539.40	\$909,323.00	\$209,783.60	76.9



CITY OF CORDOVA			PAGE 3	
FUND SUMMARY	10/25/2022			
FUND	YTD ACTUAL	BUDGET	VARIANCE	PCNT
WATER ENTERPRISE FUND				
REVENUE				
WATER OPERATIONS REVENUE	\$649,296.26	\$824,985.00	\$175,688.74	78.7
OTHER REVENUE WTR	\$0.00	\$15,773.00	\$15,773.00	0
TOTAL	\$649,296.26	\$840,758.00	\$191,461.74	77.2
REFUSE ENTERPRISE FUND				
REVENUE				
REVENUE - OPERATIONS	\$976,789.38	\$1,354,525.00	\$377,735.62	72.1
OTHER REVENUE	\$0.00	\$26,857.00	\$26,857.00	0
TOTAL	\$976,789.38	\$1,381,382.00	\$404,592.62	70.7
ODIAK CAMPER PARK				
REVENUE				
TOTAL	\$35,464.99	\$68,280.00	\$32,815.01	51.9
TOTAL	\$35,464.99	\$68,280.00	\$32,815.01	51.9
HARBOR & PORT PROJECTS				
REVENUE				
AMBBGO2022 TWO BOND	\$4,972,055.24	\$0.00	-\$4,972,055.24	0
TOTAL	\$4,972,055.24	\$0.00	-\$4,972,055.24	0
HARBOR RESERVE FUND				
REVENUE				
INTERFUND TRANSFERS IN	\$0.00	\$150,000.00	\$150,000.00	0
OTHER REVENUE	\$528,639.64	\$175,000.00	-\$353,639.64	302.1
TOTAL	\$528,639.64	\$325,000.00	-\$203,639.64	162.7
SEWER RESERVE FUND				
REVENUE				
INTERFUND TRANSFERS IN	\$0.00	\$50,000.00	\$50,000.00	0
OTHER REVENUE	\$0.00	\$245,000.00	\$245,000.00	0
TOTAL	\$0.00	\$295,000.00	\$295,000.00	0
WATER RESERVE FUND				
REVENUE				
INTERFUND TRANSFERS IN	\$0.00	\$50,000.00	\$50,000.00	0
TOTAL	\$0.00	\$50,000.00	\$50,000.00	0

CITY OF CORDOVA			PAGE 4	
FUND SUMMARY	10/25/2022			
FUND	YTD ACTUAL	BUDGET	VARIANCE	PCNT
REFUSE RESERVE FUND				
REVENUE				
INTERFUND TRANSFERS IN	\$0.00	\$50,000.00	\$50,000.00	0
OTHER REVENUE	\$0.00	\$210,000.00	\$210,000.00	0
TOTAL	\$0.00	\$260,000.00	\$260,000.00	0
LANDFILL CLOSURE RESERVE FUND				
REVENUE				
INTERFUND TRANSFERS IN	\$0.00	\$50,000.00	\$50,000.00	0
OTHER REVENUE	\$145.65	\$0.00	-\$145.65	0
TOTAL	\$145.65	\$50,000.00	\$49,854.35	0.3
HEALTH INTERNAL SERVICE FUND				
REVENUE				
OTHER REVENUE	\$1,019,312.10	\$0.00	-\$1,019,312.10	0
TOTAL	\$1,019,312.10	\$0.00	-\$1,019,312.10	0