

CITY OF GUSTAVUS FY21 OPERATING BUDGET

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PRESENTATION FORMAT

PROCEDURE

❖ BUDGET CHOICES

- ✓ Traditional Budget
- ✓ Baseline Budget
 - Council Member Warner's Power Point to Discuss Following the Traditional Budget

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PRESENTATION FORMAT

PROCEDURE FOR TRADITIONAL BUDGET

- ❖ HOW THE DRAFT BUDGET IS DEVELOPED
 - ✓ Assumptions
 - ✓ Trends/History
 - ✓ Proposed Projects/Programs/Services
- ❖ BUDGET DEVELOPMENT PROCESS
 - ✓ Staff Develops Draft
 - ✓ Mayor Reviews and Makes Changes
 - ✓ City Council Budget Work Session
 - ✓ Public Presentation
 - ✓ City Council Budget Work Session
 - ✓ Introduction of Budget (April General Meeting)
 - ✓ Adoption of Budget (June General Meeting)

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WHAT'S THE BOTTOM LINE?

REVENUE

THE BUDGET PROCESS IS CONSTANTLY EVOLVING

When the budget process begins there are always gaps that create unbalanced totals.

Revenues are conservatively forecasted using 3yr trends, identified funding sources, and potential disruption in assumptions. For example, currently we recognize:

- State of Alaska budget providing funding at the same levels as FY20 is unknown
- National economic stability affecting tourism
- Costs of doing business go up (e.g. utilities, inventory, materials, etc.)

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Revenue

Payment in Lieu of Taxes (PILT) – FY20 we budgeted \$100,000 for PILT. However, the recent trend shows an increase in PILT, with FY20 actual receipts of \$112,700. Therefore, the FY21 budget increased to \$115,000.

Community Assistance Program (CAP) – The State of Alaska budget outlook remains grim, although there are indications the state is coming out of its recession. The CAP, formerly known as Community Revenue Sharing, has seen decreased funding over the past three fiscal years but continues to be fought for by Alaska municipalities. The City of Gustavus's estimated FY21 funding is \$75,000. However, we have heard that we may only receive 40% of that, a reduction of \$45,000. Therefore, the budget identifies \$30,000.

Increase in Retail Tax Income – Given last year's numbers (\$392,000) and this fiscal year's current trend, a conservative projection of \$385,000 is given – an increase of \$15,000 from the FY20 projection. The mandatory taxing participation for online sales just went into practice January 1, so we may see increased revenues starting this spring.

Addition of Remote Sellers Retail Tax Income – Estimation of \$20,000 of new sales tax revenue from online sales

Increase in Room Tax Income – For FY21, we increased Room Tax by \$10,000 to \$75,000 based on what we have already received for FY20 (\$78,000).

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EXPENSES

When forecasting expenses we can identify costs based on fixed information and well-developed estimates. Expenses are forecasted using 3yr trends, identified new expenses, and potential disruption in assumptions. For example, currently we recognize:

- Many expenses are fixed such as insurance costs for City assets and movement of City floats
- Trend analysis for estimates such as professional services
- Personnel costs other than wages
- Requested expenses for funding such as The Rookery and GVA
- Proposed expenses for additional services and programs, personnel, or special projects

Forecasting expenses are accurate given the assumptions of each item. The Council evaluates the costs to benefits and the forecasted expenses are set.

Note: expenses for road maintenance are not included in this presentation as they are funded through savings and National Forest Receipts at this time.

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EXPENSES

Building: Insurance - Insurance valuation increased for City buildings/assets.

Building: Maintenance & Repair - Increased due to recategorization of GVFD's firehall maintenance projects from Contractual to this category, with a net increase from \$8,565 to \$15,900 (\$7,335).

Economic Development Services: GVA - The FY21 budget identifies \$25,000, the GVA - \$7,000 less than FY20 request.

Social Services: GCEP (aka The Rookery) - The FY21 budget has GCEP's full request of \$23,626.60; FY20 was \$13,890. GCEP is eligible to request up to 20% of its operating costs.

GVFD Stipend - The GVFD is asking for a \$6,000 stipend for volunteers.

Library - Additional programs are added to provide additional activities for all ages (Teen Advisory Committee; 3 Guest Speakers; 5 Documentary Showings; Learn & Grow Program*)

*This program would be designed to refurbish the currently overgrown garden beds at the library and use the garden space as a hands-on learning opportunity for children, with a literacy component.

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EXPENSES - PERSONNEL

Cost of Living Allowance (COLA) - approved FY21 increase of 1.4% for Regular employees.

ADMINISTRATION - Employee hours are within the 2.2 FTE as determined in past years. The FTE breakdown: City Administrator: .925, City Treasurer: .525, City Clerk: .75.

The payroll change is an increase in the hourly wage for the Clerk (\$25.35) for obtaining Certified Municipal Clerk accreditation and selecting the Group Health Plan versus the stipend. FY21 \$178,213.81 - FY20 \$170,415.

DRC - The budget reflects adding an Operator position (1,765 hours @ \$19.27/hr), reducing hours for the Manager to 1,464 hours, and eliminating one Assistant position. The budget assumes maximum participation in the City's 457(b) retirement plan (through Lincoln Financial) and choosing the Group Health Plan - maximum expenses. FY21 \$111,801 - FY20 \$101,353.

FIRE CHIEF - The budget reflects a \$1.50/hr pay raise for the Fire Chief (hasn't received a pay increase other than COLA since being hired in 2016). FY21 \$90,944.35 - FY20 \$86,679.

LIBRARY - The budget proposes to increase the hours of the Library Services Director 10 hours per month to implement additional library programs. FY21 \$77,892 - FY20 \$74,149.

MARINE FACILITIES - The hours remain unchanged. Election in health insurance stipend vs. Group Health Plan results in reduced payroll expenses from FY20. FY21 \$28,417.98 - FY20 \$30,258.

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WHAT IS THE BOTTOM LINE ?

- The budget shows a deficit of \$70,000 at this time, entered on the budget as prior years' surplus funds. It is common that the draft budget shows a deficit at this point in the budget construction.
- As part of the budget development process, the revenues are adjusted over the coming weeks based on updated information such as state funding, closer completion of FY20 revenue receipts, and Council decisions.
- The City has had a carryover of funds each of the last 3 years (FY20 is not complete and therefore not included in this statistic). That is because of the budget development method of being cautious on forecasting revenues and accuracy on forecasting expenses.
- However, it is possible that to balance the budget it would require a carryover of funds from FY20 or a transfer of funds from the City savings account AMLIP Reserve (current balance is \$881,000).

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City of Gustavus
DRAFT Budget vs. Actual 5-Year Comparison
 July 2016 through June 2021

	Actual	Actual	Actual	Budget	Budget	
	Jul '16 - Jun 17	Jul '17 - Jun 18	Jul '18 - Jun 19	Jul '19 - Jun 20	Jul '20 - Jun 21	
Ordinary Income/Expense						
Income						
Admin Fees	5.00	0.00	30.00			
Business License Fees	3,800.00	3,900.20	4,150.00	3,800.00	4,000.00	
Donation - Inter-library Loans	119.80					
Donations	2,470.22	1,467.00	1,117.50	1,000.00	1,000.00	
DRC Income						
Community Chest Sales	14,457.35	15,277.00	16,243.60	15,000.00	15,000.00	
Landfill Fees paid @ City Hall	24,288.62	28,483.47	31,295.99			
Landfill Fees/Sales	39,469.87	45,722.65	46,888.90	70,880.00	75,000.00	
Recyclable Material Sales	3,827.52	6,354.27	7,776.65	4,600.00	4,600.00	
DRC Income - Other	0.00	0.00	0.00	0.00	0.00	
Total DRC Income	82,043.36	95,837.39	102,205.14	90,480.00	94,600.00	
Federal Revenue						
Natl Forest Receipts-Encumbered	5,537.40	53,927.79	45,494.92			not yet identified
Payment In Lieu of Taxes	97,777.98	107,545.26	107,167.43	100,000.00	115,000.00	
Total Federal Revenue	103,315.38	161,473.05	152,662.35	100,000.00	115,000.00	
Fundraising	5,146.30	1,155.00	556.00	500.00	800.00	
GCN Income	534.48					
GVFD Income						
Ambulance Billing	0.00	5,742.10	9,659.71	6,500.00	9,000.00	
ASP	1,330.00	1,360.00	625.00	1,400.00	600.00	
Training	250.00		30.00		150.00	
GVFD Income - Other	0.00		390.00			
Total GVFD Income	1,580.00	7,102.10	10,704.71	7,900.00	9,750.00	
Interest Income	234.64	875.84	698.82	300.00	350.00	
Lands Income						
Gravel Pit Gravel Sales	8,084.00	9,906.00	11,360.00	22,000.00	33,000.00	
Total Lands Income	8,084.00	9,906.00	11,360.00	22,000.00	33,000.00	
Lease Income	15,344.35	13,470.35	12,720.35	12,720.35	12,720.35	
Library Income	2,203.93	1,597.28	1,174.70	500.00	500.00	
Marine Facilities Income						
Facilities Usage Fees	0.00	4,965.00	1,170.00	1,000.00	1,000.00	
Commercial Vessel Registration	9,600.00	9,000.00	9,210.00	9,000.00	15,000.00	
Private Vessel Registration	4,709.00	5,450.00	4,940.00	4,000.00	5,000.00	
Storage Area Fee	0.00	1,210.00	1,790.00	1,700.00	1,700.00	
Marine Facilities Income - Other	918.75	13.23	1.00			
Total Marine Facilities Income	15,227.75	20,638.23	17,111.00	15,700.00	22,700.00	
State Revenue						
Community Assistance Program	77,202.00	88,824.00	85,461.43	82,598.89	30,000.00	40% of estimated allowed payment
Liquor Share Tax			3,350.00			
Shared Fisheries Business Tax	2,196.31	1,921.08	1,884.12	1,500.00	1,700.00	
Total State Revenue	79,398.31	90,745.08	90,695.55	84,098.89	31,700.00	
Tax Income						
Retail Tax Income	342,815.50	356,826.45	392,649.12	370,000.00	385,000.00	
Remote Sellers Retail Tax	0.00	0.00	0.00	0.00	20,000.00	through AML
Room Tax Income	70,344.45	75,150.61	70,505.72	65,000.00	75,000.00	
Fish Box Tax	15,140.00	13,535.69	12,350.00	13,000.00	12,000.00	
Penalties & Interest	4,199.99	5,449.72	25,160.35			
Tax Exempt Cards	210.00	200.00	320.00	200.00	300.00	
Seller's Compensation Discount	-3,362.23	-788.30				
Total Sales Tax Income	429,347.71	450,374.17	500,985.19	448,200.00	492,300.00	
Total Income	748,855.23	858,541.69	906,171.31	787,199.24	818,420.35	
Gross Profit	748,855.23	858,541.69	906,171.31	787,199.24	818,420.35	

City of Gustavus
DRAFT Budget vs. Actual 5-Year Comparison
 July 2016 through June 2021

Expense	Actual	Actual	Actual	Budget	Budget
	Jul '16 - Jun 17	Jul '17 - Jun 18	Jul '18 - Jun 19	Jul '19 - Jun 20	Jul '20 - Jun 21
Administrative Costs	2,048.56	3,300.02	28,578.93	4,000.00	4,000.00
Advertising	0.00	75.00	503.57	100.00	100.00
Bad Debt	0.00	620.61			
Bank Service Charges	3,487.97	2,223.32	2,719.62	2,275.00	2,275.00
Building					
Insurance	2,785.99	5,326.35	6,942.37	6,915.00	8,170.00
Maintenance & Repair	2,603.57	16,462.30	9,570.61	8,565.00	15,900.00
Total Building	5,389.56	21,788.65	16,512.98	15,480.00	24,070.00
Cash Short/Over	489.59				
Contractual Services					
Ambulance Billing Expense	0.00	400.00	1,371.10	1,600.00	1,200.00
Gravel Pit Survey				15,000.00	
Managed IT Services	0.00	4,930.00	27,040.00	30,000.00	31,200.00
Contractual Services - Other	40,134.32	43,114.94	23,106.57	51,860.00	47,490.00
Total Contractual Services	40,134.32	48,444.94	51,517.67	98,460.00	79,890.00
Dues/Fees	5,320.80	5,950.98	7,477.94	7,450.00	9,800.00
Economic Development Services					
GVA	0.00	0.00	20,000.00	32,000.00	25,000.00
Total Economic Development Services	0.00	0.00	20,000.00	32,000.00	25,000.00
Election Expense	111.16	212.17	276.70	250.00	250.00
Equipment					
Equipment Fuel	958.54	1,240.30	1,553.87	1,500.00	1,650.00
Equipment Purchase	2,480.49	15,165.12	9,731.03	15,400.00	6,400.00
Insurance	75.75	185.42	226.00	226.00	235.00
Maintenance & Repair	5,657.44	2,477.50	2,860.03	4,000.00	4,000.00
Equipment - Other	502.00	0.00		6,000.00	
Total Equipment	9,674.22	19,068.34	14,370.93	27,126.00	12,285.00
Events & Celebrations (inc. holiday gift)	2,285.70	2,500.00	2,995.00	4,350.00	3,925.00
Freight/Shipping	15,540.83	17,871.54	19,762.81	24,030.00	25,950.00
Fundraising Expenses	1,872.71	1,437.64	0.00	500.00	800.00
General Liability	1,865.68	4,424.75	3,827.10	5,000.00	12,000.00
Gravel Pit Fund					11,000.00 add'l gravel income
Library Materials	266.73	295.59	317.81	600.00	1,575.00
Marine Facilities					
Insurance	1,504.77	1,654.51	1,625.46	1,625.00	1,900.00
Maintenance & Repairs	3,291.27	5,073.80	2,538.69	3,000.00	3,000.00
Total Marine Facilities	4,796.04	6,728.31	4,164.15	4,625.00	4,900.00
Occupational Health	0.00	0.00	0.00	500.00	
Payroll Expenses					
Wages	280,507.54	257,967.85	327,183.30	368,595.15	382,660.53
Payroll Taxes	26,939.04	24,880.21	31,022.95	32,913.71	34,094.18
Paid Time off	19,889.00	12,427.32	12,469.46		
Health Insurance (company paid)	0.00	3,679.98	17,093.92	18,517.20	25,639.20
Health Insurance Stipend	7,773.69	17,683.22	10,107.50	12,000.00	11,100.00
457(b) Employer Contribution	0.00	10,300.95	19,321.35	22,884.83	25,705.02
Health Insurance Reimbursement	3,900.00				
Workers Comp Insurance	1,961.03	13,059.33	6,019.58	7,772.74	7,900.59
Payroll Spot Awards - all depts	200.00				
Payroll Expenses - Other	6,795.86	115.72	2,362.87	170.00	170.00
Total Payroll Expenses	347,966.16	340,114.58	425,580.93	462,853.63	487,269.52
Professional Services	16,078.81	25,506.70	26,707.42	30,000.00	15,000.00
Public Relations	575.00	1,006.65	728.34	500.00	500.00
Relocation	913.70				
Repair & Replacement Fund	0.00		20,095.76	25,354.66	24,772.13

City of Gustavus
DRAFT Budget vs. Actual 5-Year Comparison
 July 2016 through June 2021

	Actual	Actual	Actual	Budget	Budget
	Jul '16 - Jun 17	Jul '17 - Jun 18	Jul '18 - Jun 19	Jul '19 - Jun 20	Jul '20 - Jun 21
Road Maintenance					
Grading	23,800.00	42,605.75	34,129.50		
Snow Plowing	20,526.60	23,592.50	4,668.98		
Road Maintenance - Other	28,783.00	37,001.99	46,198.50	85,000.00	100,000.00
Total Road Maintenance	73,109.60	103,200.24	84,996.98	85,000.00	100,000.00
Social Services					
GCEP dba The Rookery	0.00	10,540.00	12,964.00	13,890.00	23,626.60
Total Social Services	0.00	10,540.00	12,964.00	13,890.00	23,626.60
Stipend					6,000.00
Supplies	15,976.55	17,062.52	17,404.31	19,010.00	20,540.00
Telecommunications	17,967.85	21,430.16	19,194.90	20,790.00	20,790.00
Training	4,394.46	8,887.29	10,634.69	10,400.00	11,350.00
Travel	5,831.17	13,759.65	15,913.45	29,365.00	34,720.00
Utilities					
Electricity	6,188.76	8,579.05	8,482.45	9,300.00	9,300.00
Fuel Oil	6,470.03	4,117.02	7,871.66	7,400.00	7,400.00
Total Utilities	12,658.79	12,696.07	16,354.11	16,700.00	16,700.00
Vehicle					
Fuel	461.42	840.80	497.34	1,000.00	750.00
Insurance	2,356.01	3,488.84	3,503.26	3,740.00	3,500.00
Maintenance & Repair	-28.39	971.92	832.66	2,000.00	2,000.00
Mileage Reimbursement	124.20	266.03	1,557.09	2,000.00	1,700.00
Total Vehicle	2,913.24	5,567.59	6,390.35	8,740.00	7,950.00
Total Expense	591,669.20	694,713.31	829,990.45	949,349.29	987,038.25
Net Ordinary Income	157,186.03	163,828.38	76,180.86	-162,150.05	-168,617.90
Other Income/Expense					
Other Income					
Encumbered Funds for Road Maintenance	67,572.20	48,922.45	39,502.06	85,100.00	100,000.00
Prior-Year Cash Balance				79,000.00	70,000.00
Total Other Income	67,572.20	48,922.45	39,502.06	164,100.00	170,000.00
Net Other Income	67,572.20	48,922.45	39,502.06	164,100.00	170,000.00
Net Income	224,758.23	212,750.83	115,682.92	1,949.95	1,382.10

incl. \$7K of MF fees

CITY OF GUSTAVUS

(BUDGET FOR BEGINNERS)

Fiscal Year (FY) 2021

March 11, 2020

Proposed (1st Draft) FY 21 Budget

Increase from last year on budgeted expenses:

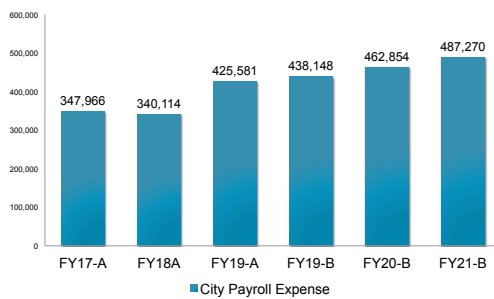
FY21 \$987,038 - FY20 \$949,349 = **\$37,689**

Includes (amongst others):

- \$23,627 to Rookery, a 70% increase of \$9,737
- 4 new after-hours library programs at \$9,502 (incl staff cost)
- A Stipend for volunteer firefighters of \$6,000
- \$25,000 to GVA (a decrease of \$7,000)
- A new part-time DRC operator

- Largest portion is an increase to the City payroll of **\$24,396**

Payroll Expense



Proposed Budget Bottom Line

	FY17-A	FY18-A	FY19-A	FY19-B	FY20-B	FY21-B
Total Income						818,420
Total Expense						987,038
Net Ordinary Income						-168,618
Roads						100,000
Prior-Year Cash						70,000
Total Other Income						170,000
Net Income						1,382

Proposed Budget Bottom Line

	FY17-A	FY18-A	FY19-A	FY19-B	FY20-B	FY21-B
Total Income					795,899	818,420
Total Expense					970,032	987,038
Net Ordinary Income					-153,450	-168,618
Roads					85,100	100,000
Prior-Year Cash					70,000	70,000
Total Other Income					155,100	170,000
Net Income					1,650	1,382

Proposed Budget Bottom Line

	FY17-A	FY18-A	FY19-A	FY19-B	FY20-B	FY21-B
Total Income			906,171	765,698	795,899	818,420
Total Expense			829,990	844,713	970,032	987,038
Net Ordinary Income			76,181	-79,014	-153,450	-168,618
Roads			39,502	85,100	85,100	100,000
Prior-Year Cash					70,000	70,000
Total Other Income			39,502	85,100	155,100	170,000
Net Income			115,683	6,085	1,650	1,382

Proposed Budget Bottom Line

	FY17-A	FY18-A	FY19-A	FY19-B	FY20-B	FY21-B
Total Income	748,321	858,542	906,171	765,698	795,899	818,420
Total Expense	591,669	694,713	829,990	844,713	970,032	987,038
Net Ordinary Income	156,652	163,828	76,181	-79,014	-153,450	-168,618
Roads	67,572	48,922	39,502	85,100	85,100	100,000
Prior-Year Cash					70,000	70,000
Total Other Income	67,572	48,922	39,502	85,100	155,100	170,000
Net Income	224,224	212,751	115,683	6,085	1,650	1,382

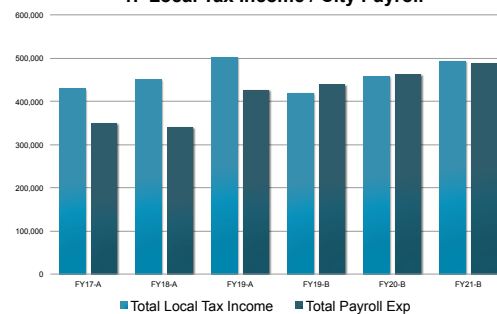
Two Questions

- 1. How much money does the City have **available** to spend on operations and services?
- 2. How much of it do the Gustavus **citizens** want to spend in Fiscal Year (FY) 2021?

So, how much money does the City have?

- Three categories of resources:
 - 1 Local taxes and fees (sales, online sales, room tax, etc)
 - 2 Other general fund income sources (State, Federal, etc)
 - 3 \$4.1 million in assets, including:
 - Endowment Fund \$1.4 million
 - Checking account
 - Repair and replacement account
 - Road Maintenance accounts
 - Capital Improvement accounts
 - Reserve account + cash forward

1. Local Tax Income / City Payroll



Data for Tax Income / Payroll slide

	FY17-A	FY18-A	FY19-A	FY19-B	FY20-B	FY21-B
Total Local Tax Income	429,348	450,374	500,985	419,150	456,900	492,300
Total Payroll Expense	347,966	340,115	425,581	438,148	462,854	487,270

2. Other Government Revenue

	FY19-B	FY20-B	FY21-B
Payment in Lieu of Taxes	107,167(a)	112,735(a)	115,000
State Revenue Community Asst.	82,577	82,599	30,000
National Forest Receipts	45,495 (a)	0	0
Other Gov't Revenue	235,239	195,334	145,000

3. Assets Available?

- Primarily, 5 funds and our checking account.
- [Show from meeting packet]

Assets available: Endowment Fund?

- This is a Community Grants Fund, outside the operating budget, based on a one-time allocation from the Federal government in closing commercial fishing in Glacier Bay
- Balance as of March 3, 2020 is \$1,490,041
- By Gustavus Ordinance, limited to 4% distributed annually
- Recent recipients of distributions (\$40,000 - \$45,000 p/yr)
 - Gustavus Community Center
 - Rookery
 - Gustavus Historical Society
 - Children's play equipment
 - Gustavus Hospice

Assets available: Checking Account?

- Show Treasurer's report at 35% of fiscal year's operating expenses

Assets available: Repair & Replacement?

- March 3rd balance of \$286,583
- Proposed FY21 budget refresh with \$24,772
- Ruled by specific schedule in policy and procedure

Assets available: Road Maintenance?

- External funding sources (such as National Forest Receipts) appear to have dried up, now need to pay for with our roads savings account
- May get more Federal money, is possible
- Estimated \$100,000 to \$125,000 per year cost
- Balance as of March 3, 2020 \$271,702

Asset available: Capital Improvement?

- Established June 19, 2018 at **\$1,008,984**
- Balance available January 31, 2020 \$488,868
- At March 4th meeting, Council approved new vitals monitor and fire truck at \$118,000 in FY21 and also gave a nod to another \$40,500 in projects (copier, fire hall water, bike shed) and an additional \$110,000 to improve our roads... for a total of \$268,500.
- Balance of **\$220,368** (If all purchased without grants)
- Council is still considering a new DRC building at \$287,500

Assets available: Reserve Account

Presently consists of two parts:

- A Reserve Account established at \$750,000.
- An interest bearing holding place for prior year cash balance (if any), bank interest, or any new revenues
- \$115,000 surplus from FY19-A added in
- Current balance above \$750,000 **\$130,841**

Proposed Budget Bottom Line

	FY17-A	FY18-A	FY19-A	FY19-B	FY20-B	FY21-B
Total Income	748,321	858,542	906,171	765,698	795,899	818,420
Total Expense	591,669	694,713	829,990	844,713	970,032	987,038
Net Ordinary Income	156,652	163,828	76,181	-79,014	-153,450	-168,618
Roads	67,572	48,922	39,502	85,100	85,100	100,000
Prior-Year Cash					70,000	70,000
Total Other Income	67,572	48,922	39,502	85,100	155,100	170,000
Net Income	224,224	212,751	115,683	6,085	1,650	1,382

So this is where you come in:

We have decreasing government funding, increasing expenses, and only 2+ more years to pay for road maintenance (unless we get more):

We could:

- Decrease expenses
- Cover gaps with prior year cash, till it runs out
- Decrease our preparedness for the future or any unanticipated events by spending asset funds
- Increase revenues

a) Flat fund Payroll (-\$24K)

- New library programs staff \$2,887
- Fire Chief Raise \$1.00/hr \$2,429 or \$1.50/hr \$3,644
- Reduced staff hours in all depts (Do less at less cost):
 - New DRC Operator position, shared w/ Manager, 55 hours/week instead of 62 hours/week \$9,379
 - City Administrator, minus 3.5 hrs/wk, \$6,568
 - Marine Facilities Coordinator, from 0.5 to 0.425 FTE \$4,347
- Note: This flat line payroll would retain the 1.4% COLA, new pro-rated paid sick leave benefit (up to 5 days for FT), and \$5,520 for City Clerk moving on to Group Health Plan, plus a \$1.66/hour raise for her earning a professional Certified Municipal Clerk credential.

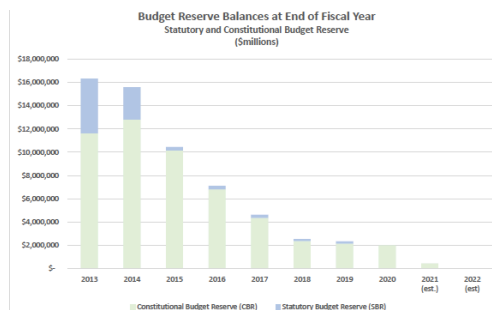
a) Cut discretionary expenses

What, specifically, do you NOT want to see funded above last year's costs? (Write on card)

- \$23,627 to Rookery, a 70% increase of \$9,737
- 4 new after-hours library programs at \$9,502 (incl staff cost)
- A Stipend for volunteer firefighters of \$6,000
- \$25,000 to GVA (a decrease of \$7,000)
- A new part-time DRC operator
- Something else in new budget?

(Write on Card)

b. Spend prior year surplus? SoA



c. Spend Assets?

Question 1: Do you want to treat the \$750,000 base of the Reserve account as:

- A. Just another **checking** account, to spend freely, or
- B. Treat it more like a **savings** account, to save for a "rainy day", an emergency or unexpected event, a natural disaster, a lawsuit, or any other large but unanticipated cost in the future?

Question 2: Do you want to cash in any of our other assets for operations and services?

(Write on Card)

d. Increase Income

- A. Be much more aggressive in seeking grants
 - B. Be more proactive in attracting and nurturing businesses
 - C. Insist on taxing ourselves (more)
 - A. Increase cost of gravel (\$11,000), higher vessel registration fees to help at harbor, and new remote sellers online sales tax (\$20,000?) already built into FY 21 budget
 - B. New seasonal gas tax (\$20-25,000?) proposed and new high and low volume DRC user fees under development
 - C. Future Marine Passenger fee being considered
 - D. Increase bed tax? Alcohol tax? Others?
- [Write on Card]

Two takeaways from tonight:

No need to panic, we are in good shape, but NOW is the time to recognize trends, decide what our priorities are, and start to figure out how to raise the income to pay for the services that we (at least, in the majority) want, and

You have choices and your voice matters....but ONLY if you actively participate in the process, particularly the budget development meetings over the next few months.

Write to your City Council and let us know what kind of shape you want Gustavus 2.0 to be in for your kids and your families and yourselves 10 years from now..... And tell us how you want us to budget for it!

Feb 29, 20

ASSETS

Current Assets

Checking/Savings

AMLIP Capital Improv Current (0630598.1)	49,220.96
AMLIP Capital Improv Long-Term (0630598.2)	485,326.35
AMLIP Repair & Replacement (0630598.3)	286,582.84
AMLIP Road Maint - Unencumbered (0630598.4)	258,554.01
AMLIP Road Maint - Encumbered (0630598.8)	13,147.51
AMLIP Reserve (0630598.12)	881,961.36
APCM.Endowment Fund	1,490,040.78
FNBA - Checking	685,625.45
FNBA Endowment Fund - Checking	30,823.08
Petty Cash	794.48

Total Checking/Savings	4,182,076.82
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Accounts Receivable Detail

As of 2/29/20

\$3,794.75	Delinquent Sales Tax
\$5,654.42	Ambulance Transport Billing - In Progress
\$220.00	Fish-Box Tax Deferred Income
(\$23.86)	Net of Other Customer Account Balances

\$9,645.31	Total
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FNBA Checking Account - Unrestricted Funds Balance

As of 2/29/20

FDIC: The standard deposit insurance coverage limit is \$250,000 per depositor, per FDIC-insured bank, per ownership category.

City of Gustavus has a tri-party agreement in place that collateralizes our account, providing protection for the full value of our account balances.

FNBA Checking Account Balance:	\$685,625.45
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Obligated Funds Currently in Checking Account:

MF	CP18-01 Salmon River Harbor	(\$19,856.96)
	CP18-04 LIDAR of Gustavus	(\$11,944.65)
DRC	CP18-05 DRC Pre-Processing	(\$40,868.00)
DRC	CP18-07 Household Haz Waste Fac.	(\$59,450.00)
DRC	CP19-02 Community Chest Maint.	(\$741.84)
Admin	CP19-03 Gustavus Beach Improv.	(\$34,692.93)
DRC	CP19-06 DRC Composting Facility	(\$111,585.00)
Library	CP19-08 Library Roof/Awning/Shed	(\$60,000.00)
Library	FY20 PLA Grant	(\$1,742.87)
Library	SoA OWL Internet Subsidy	(\$692.80)
Roads	FY20-02NCO FY20 encumbered road money	(\$8,897.27)
Roads	USFWS Chase Drvwy	(\$251.02)

Unrestricted Funds:	\$334,902.11
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Pending Transfers:

Per the Unrestricted Fund Balance Policy (Res. CY18-18), the unrestricted fund balance should be 17-35% of the current fiscal year's operating expenses, with a target of 25%.

FY20 budgeted operating expenses:	\$958,560.20
25% =	\$239,640.05
17% =	\$162,955.23
35% =	\$335,496.07

State of Alaska

