

**City of Kodiak
Financial Update**

July 1, 2021 – May 1, 2022



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July 14, 2022

Mayor Branson and City Council Members
Kodiak, Alaska 99615

Dear Mayor and Council Members:

Enclosed is the financial update for the third quarter of fiscal year 2022. The period of this report covers July 1, 2021 through May 1, 2022. The schedule below will provide you with the next scheduled financial updates. Due to the timing of the first issue, fiscal year 2022 financial updates will be provided as close to this schedule as possible.

Quarter	Reporting Period	Due Date
Quarter 1	July, August, September, October	2nd full Week in November
Quarter 2	November, December, January	2nd full Week in February
Quarter 3	February, March, April	2nd full Week in May
Quarter 4	May, June	2nd full Week in August

The City’s fiscal year end is June 30 each year. Due to the timing of sales tax payments, fiscal year fourth quarter payments are due July 31. The City records the activity in the corresponding June month to record a full year of sales tax payments for the corresponding quarters. As such, the due dates for the Council quarterly reports will coincide to the due dates and recording of all sales tax payments for the corresponding quarters. The fiscal year covered by this report will only report the current fiscal year’s activity.

Purpose

The purpose of this report is to provide the Mayor and City Council with financial updates throughout the fiscal year.

Document Organization

The Council Financial Update presents information for the following funds: General Fund, Tourism Fund, Enhancement Fund, Cargo Fund, Harbor Fund, Shipyard Fund, Harbor Electric Fund, Water Fund, Sewer Fund, Trident Basin Fund, and E-911 fund. Funds not included are the Street Assessment funds and Capital Project funds.

Each fund will provide an overview of revenues and expenses by subdepartment. These will be compared to the current year budget for the same time period.

For comparability and ease of use, we have utilized a Traffic Signal indicator. These indicators will guide you through a more efficient assessment of the budget versus actual components. These indicators will fall within a percentage variance of Budget versus Actual for the reporting period of the financial update. This is calculated as follows:

- Annual Budget divided by 12 months = Average Monthly Budget
- Monthly Budget multiplied by the # of months in the reporting period = Reporting Period Budget
- Reporting Period Budget less Actual Revenues or Expenditures in the Reporting Period = \$ Variance
- \$ Variance Divided By the Reporting Period Budget = Budget to Actual Percentage Variance

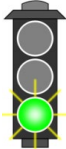

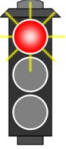
All significant Budget versus Actual Percentage Variances that result in a Yellow Traffic Light or Red Traffic Light indicator will be accompanied by further explanations.



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Traffic Light Indicators

Traffic Light Color	Symbol	Expenses - Trigger Points	Revenues - Trigger Points
Green		Budget to Actual Percentage Variance for the reporting period includes all items that are Under Budget	Budget to Actual Percentage Variance for the reporting period includes all items that are Over Budget
Yellow		Budget to Actual Percentage Variance for the reporting period is less than 25% Over Budget	Budget to Actual Percentage Variance for the reporting period is less than 25% Under Budget
Red		Budget to Actual Percentage Variance for the reporting period is greater than 25% Over Budget	Budget to Actual Percentage Variance for the reporting period is greater than 25% Under Budget

The remainder of this report will show the General Fund revenues and expenses for each subdepartment, the Special Revenue funds' revenues and expenses, and the Enterprise funds' revenues and expenses. The Traffic Light indicators and signifying events noted above will be shown through each of these funds, departments, and subdepartments.

Conclusion

The directors and City Manager are available to provide further explanations as we work through this fiscal year.

Very respectfully,



Mike Tvenge
City Manager



General Fund Budget versus Actual Revenues

For Ten Months Ended May 1, 2022

	Annual Amended Budget	Reporting Period (10 Months) Budget	Actual	Budget versus Actual \$ Variance	Budget versus Actual % Variance	Over or Under Budget for the Reporting Period	Indicator
Sales Tax	\$ 14,547,500	\$ 12,122,917	\$ 10,159,265	\$ (1,963,652)	-16%	Under	
Property Tax	\$ 1,105,000	\$ 920,834	\$ 1,215,687	\$ 294,853	32%	Over	
Licenses and Permits	\$ 86,944	\$ 72,454	\$ 103,657	\$ 31,203	43%	Over	
Intergovernmental	\$ 1,489,779	\$ 1,241,483	\$ 1,278,069	\$ 36,586	3%	Over	
Charges for Services	\$ 1,929,282	\$ 1,607,735	\$ 1,593,053	\$ (14,682)	-1%	Under	
Fines and Forfeitures	\$ 3,000	\$ 2,500	\$ 8,552	\$ 6,052	242%	Over	
Net Investment Income	\$ 50,000	\$ 41,667	\$ 41,602	\$ (65)	0%	Under	
Rents and Royalties	\$ 150,000	\$ 125,000	\$ 108,745	\$ (16,255)	-13%	Under	
Miscellaneous Revenues	\$ 8,500	\$ 7,084	\$ 7,230	\$ 146	2%	Over	
Transfers from Other funds	\$ 177,400	\$ 147,834	\$ 304,800	\$ 156,966	106%	Over	
Interfund Charges	\$ 1,583,532	\$ 1,319,610	\$ 1,589,599	\$ 269,989	20%	Over	
Total General Fund Revenues	<u>\$ 21,130,937</u>	<u>\$ 17,609,118</u>	<u>\$ 16,410,259</u>	<u>\$ (1,198,859)</u>	<u>-7%</u>		



General Fund
Budget versus Actual
Revenues

Sales Tax:

Reporting Period Budget: \$12,122,917 Actual: \$ 10,159,265 Variance: 16%

Sales tax is reported on a quarterly basis. As such, at the beginning of each fiscal year, July 31, the fourth quarter for the previous fiscal year is due. An accrual entry is made for fourth quarter sales tax each year to record sales tax revenues in the proper reporting period. Therefore, this reporting period will show sales tax reported and recorded as of May 1 (January, February, and March 2022 sales tax due on April 30) and all prior sales tax reporting for the fiscal year.

City staff reviewed the prior year 4th quarter sales tax accruals for the most recent two fiscal year periods and anticipates overall sales tax to be slightly under budget for the entire fiscal year. City staff has projected sales tax to be approximately \$13.9 million. Actual results could differ from these projections at the end of the fiscal year.

Charges for Services:

Reporting Period Budget: \$1,607,735 Actual: \$ 1,593,053 Variance: 1%

Charges for services includes police department contracts with the state, fire services contracts, and various fees charges for city services for parks and recreation, library, and public works. Contract payments for police and fire services are delayed due to the timing of payments. City staff anticipates the overall actual amounts to approximate budget by the end of the fiscal year.

Net Investment Income:

Reporting Period Budget: \$41,667 Actual: \$41,602 Variance: Less than 1%

Investment gains and losses on the operating investments, interest earned on operating investments, and interest earned on citywide bank accounts are recorded in the Central Treasury and allocated on a pro rata basis to each of the funds. As such, allocations have been recorded through March 31. Due to the timing of this report, City staff will continue to monitor investment activity through the end of the fiscal year.

Rents and Royalties

Reporting Period Budget: \$125,000 Actual: \$108,745 Variance: 13%

Rents and royalties are comprised of various lease agreements for City owned property. These lease agreements have various terms and payment dates. City staff will continue to monitor these agreements throughout the fiscal year.



General Fund Budget versus Actual Expenses

	For the Ten Months Ended May 1, 2022						Indicator
	Annual Amended Budget	Reporting Period (10 Months) Budget	Actual	Budget versus Actual \$ Variance	Budget versus Actual % Variance	Over or Under Budget for the Reporting Period	
Legislative	\$ 232,011	\$ 193,343	\$ 143,378	\$ (49,965)	-26%	Under	
Legal Services	\$ 60,000	\$ 50,000	\$ 38,704	\$ (11,296)	-23%	Under	
Administrative Departments	\$ 3,554,780	\$ 2,962,319	\$ 2,421,691	\$ (540,628)	-18%	Under	
Public Safety and Life Safety	\$ 9,832,197	\$ 8,193,503	\$ 6,223,633	\$ (1,969,870)	-24%	Under	
Public Works and Engineering	\$ 2,645,042	\$ 2,204,204	\$ 1,825,054	\$ (379,150)	-17%	Under	
Parks & Recreation and Library	\$ 2,593,142	\$ 2,160,956	\$ 1,716,157	\$ (444,799)	-21%	Under	
Nondepartmental	\$ 3,986,980	\$ 3,322,484	\$ 3,959,622	\$ 637,138	19%	Over	
Total General Fund Expenses	<u>\$ 22,904,152</u>	<u>\$ 19,086,809</u>	<u>\$ 16,328,239</u>	<u>\$ (2,758,570)</u>	<u>-14%</u>		

Nondepartmental:

Nondepartmental includes several one-time allocations and transfers made at the beginning of each fiscal year for the entire year. These allocations, contributions, and transfers include: (1) annual citywide insurance allocations; (2) council directed annual nonprofit grant contributions; (3) downtown maintenance; and (4) general fund transfers to capital project funds. All other nondepartmental expenses are those expenses not attributable to a specific fund. While the budget to actual percentage variance shows an overage for the reporting period, City staff does not anticipate the actual expenses to exceed budget for the annual fiscal period.



**General Fund
Budget versus Actual
Administration Departments – Expenses**

	For the Ten Months Ended May 1, 2022						Indicator
	Annual Amended Budget	Reporting Period (10 Months) Budget	Actual	Budget versus Actual \$ Variance	Budget versus Actual % Variance	Over or Under Budget for the Reporting Period	
Executive Administration	\$ 961,138	\$ 800,949	\$ 691,028	\$ (109,921)	-14%	Under	
Emergency Preparedness	\$ 75,300	\$ 62,750	\$ 28,195	\$ (34,555)	-55%	Under	
City Clerk Administration	\$ 334,848	\$ 279,040	\$ 222,451	\$ (56,589)	-20%	Under	
City Clerk Records Management	\$ 196,221	\$ 163,518	\$ 101,565	\$ (61,953)	-38%	Under	
Finance Administration & Utilities	\$ 1,103,825	\$ 919,855	\$ 777,336	\$ (142,519)	-15%	Under	
Finance IT	\$ 883,448	\$ 736,207	\$ 601,116	\$ (135,091)	-18%	Under	
Total General Fund Administration Expenses	<u>\$3,554,780</u>	<u>\$ 2,962,319</u>	<u>\$2,421,691</u>	<u>\$ (540,628)</u>	<u>-18%</u>		



General Fund Budget versus Actual Public Safety and Life Safety Departments – Expenses

	For the Ten Months Ended May 1, 2022					Over or Under Budget for the Reporting Period	Indicator
	Annual Amended Budget	Reporting Period (10 Months) Budget	Actual	Budget versus Actual \$ Variance	Budget versus Actual % Variance		
Police Administration	\$ 868,280	\$ 723,567	\$ 640,324	\$ (83,243)	-12%	Under	
Police Station Bond Payments	\$ 447,550	\$ 372,959	\$ 341,075	\$ (31,884)	-9%	Under	
Police Uniform Patrol	\$2,186,774	\$1,822,312	\$1,303,669	\$ (518,643)	-28%	Under	
Police Corrections	\$1,496,305	\$1,246,921	\$1,044,391	\$ (202,530)	-16%	Under	
Police Investigations	\$ 288,773	\$ 240,645	\$ 202,652	\$ (37,993)	-16%	Under	
Police Dispatch Services	\$ 464,222	\$ 386,852	\$ 336,235	\$ (50,617)	-13%	Under	
Police Animal Control	\$ 292,993	\$ 244,161	\$ 250,881	\$ 6,720	3%	Over	
Police Drug Enforcement	\$ 165,794	\$ 138,162	\$ 6,255	\$ (131,907)	-95%	Under	
Police Community Services	\$ 214,544	\$ 178,787	\$ 153,638	\$ (25,149)	-14%	Under	
Police Canine	\$ 6,680	\$ 5,567	\$ 6,680	\$ 1,113	20%	Over	
Police School Resources	\$ 171,881	\$ 143,235	\$ 106,421	\$ (36,814)	-26%	Under	
Fire Administration	\$3,228,401	\$2,690,335	\$1,831,412	\$ (858,923)	-32%	Under	
Total General Fund Public Safety & Life Safety Expenses	\$9,832,197	\$8,193,503	\$6,223,633	\$ (1,969,870)	-24%		



General Fund
Budget versus Actual
Public Safety and Life Safety Departments – Expenses continued

KPD Animal Control

Reporting Period Budget: \$244,161 Actual: \$250,881 Variance: 3%

The Animal Control department includes a quarterly contract with the Kodiak Humane Society. These quarterly payments are made at the beginning of each quarter. The July 1, October 1, January 1, and April 1 payments are included in the actual totals for the reporting period, causing a timing difference. While budget to actual percentage variance shows an overage for the reporting period, City staff does not anticipate the actual expenses to exceed budget for the annual fiscal period.

KPD Police Canine

Reporting Period Budget: \$5,567 Actual: \$6,680 Variance: 20%

Budgeted expenses for this subdepartment include vehicle replacement costs per Council policy. These quarterly charges are made at the beginning of each quarter. The July 1, October 1, January 1, and April 1 vehicle replacement costs are included in the actual totals for the reporting period, causing a timing difference. While budget to actual percentage variance shows an overage for the reporting period, City staff does not anticipate the actual expenses to exceed budget for the annual fiscal period.



General Fund
Budget versus Actual
Public Works and Engineering Departments – Expenses

	For the Ten Months Ended May 1, 2022						Indicator
	Annual Amended Budget	Reporting Period (10 Months) Budget	Actual	Budget versus Actual \$ Variance	Budget versus Actual % Variance	Over or Under Budget for the Reporting Period	
Public Works Administration	\$ 149,999	\$ 125,000	\$ 111,980	\$ (13,020)	-10%	Under	
Public Works Streets	\$ 1,556,280	\$ 1,296,900	\$ 1,076,874	\$ (220,026)	-17%	Under	
Public Works Garage	\$ 330,795	\$ 275,663	\$ 233,873	\$ (41,790)	-15%	Under	
Public Works Building Inspectors	\$ 353,238	\$ 294,365	\$ 254,426	\$ (39,939)	-14%	Under	
Public Works Municipal Airport	\$ 34,275	\$ 28,563	\$ 12,753	\$ (15,810)	-55%	Under	
Engineering	\$ 220,455	\$ 183,713	\$ 135,148	\$ (48,565)	-26%	Under	
Total General Fund Public Works & Engineering Expenses	<u>\$2,645,042</u>	<u>\$2,204,204</u>	<u>\$1,825,054</u>	<u>\$(379,150)</u>	<u>-17%</u>		



General Fund
Budget versus Actual
Parks & Recreation and Library Departments – Expenses

	For the Ten Months Ended May 1, 2022						Indicator
	Annual Amended Budget	Reporting Period (10 Months) Budget	Actual	Budget versus Actual \$ Variance	Budget versus Actual % Variance	Over or Under Budget for the Reporting Period	
Parks & Recreation Administration	\$ 816,916	\$ 680,764	\$ 536,021	\$(144,743)	-21%	Under	
Parks & Recreation Museum	\$ 107,200	\$ 89,334	\$ 103,150	\$ 13,816	15%	Over	
Parks & Recreation Teen Center	\$ 280,913	\$ 234,095	\$ 197,050	\$ (37,045)	-16%	Under	
Parks & Recreation Aquatics	\$ 254,524	\$ 212,104	\$ 175,792	\$ (36,312)	-17%	Under	
Parks & Recreation Ice Rink	\$ 170,277	\$ 141,898	\$ 123,701	\$ (18,197)	-13%	Under	
Parks & Recreation Beautification	\$ 13,000	\$ 10,834	\$ 4,249	\$ (6,585)	-61%	Under	
Library Administration	\$ 950,312	\$ 791,927	\$ 576,194	\$(215,733)	-27%	Under	
Total General Fund Parks & Recreation and Library Expenses	<u>\$2,593,142</u>	<u>\$2,160,956</u>	<u>\$1,716,157</u>	<u>\$(444,799)</u>	<u>-21%</u>		

Parks & Recreation Museum:

Parks and Recreation Museum department includes a quarterly contract with the Kodiak Historical Society. These quarterly payments are made at the beginning of each quarter. The actual expenses noted above include four quarterly payments for July 1, October 1, January 1, and April 1 therefore causing a timing difference. While the budget to actual percentage variance shows an overage for the reporting period, City staff does not anticipate the actual expenses to exceed budget for the annual fiscal period.



**General Fund
Budget versus Actual
Nondepartmental Expenses**

For the Ten Months Ended May 1, 2022

	Annual Amended Budget	Reporting Period (10 Months) Budget	Actual	Budget versus Actual \$ Variance	Budget versus Actual % Variance	Over or Under	Indicator
						Budget for the Reporting Period	
Nondepartmental Administration	\$ 682,542	\$ 568,785	\$ 675,474	\$ 106,689	19%	Over	
Nondepartmental Contributions	\$ 175,000	\$ 145,834	\$ 176,000	\$ 30,166	21%	Over	
Nondepartmental Downtown Maintenance	\$ 39,000	\$ 32,500	\$ 11,643	\$ (20,857)	-64%	Under	
Nondepartmental Transfers	\$3,090,438	\$2,575,365	\$3,096,505	\$ 521,140	20%	Over	
Total NonDepartmental Expenses	\$3,986,980	\$3,322,484	\$3,959,622	\$ 637,138	19%		

Nondepartmental:

Nondepartmental includes several one-time allocations and transfers made at the beginning of each fiscal year for the entire year. These allocations, contributions, and transfers include: (1) annual citywide insurance allocations; (2) council directed annual nonprofit grant contributions; (3) downtown maintenance; and (4) general fund transfers to capital project funds. All other nondepartmental expenses are those expenses not attributable to a specific department. While the budget to actual percentage variance shows an overage for the reporting period, City staff does not anticipate the actual expenses to exceed budget for the annual fiscal period.



**Tourism Fund
Budget versus Actual
Revenues and Expenses**

	For Ten Months Ended May 1, 2022						Indicator
	Annual Amended Budget	Reporting Period (10 Months) Budget	Actual	Budget versus Actual \$ Variance	Budget versus Actual % Variance	Over or Under Budget for the Reporting Period	
Hotel / Motel Tax Revenues	\$ 200,000	\$ 166,667	\$ 259,398	\$ 92,731	56%	Over	
Net Investment Income	\$ 2,000	\$ 1,667	\$ 1,907	\$ 240	100%	Over	
Administrative Expenses	\$ 207,000	\$ 172,500	\$ 168,100	\$ (4,400)	-3%	Under	
Tourism Fund - Net Revenues Less Expenses	<u>\$ (7,000)</u>	<u>\$ (5,833)</u>	<u>\$ 93,205</u>	<u>\$ 99,038</u>	<u>57%</u>		



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**Enhancement Fund
Budget versus Actual
Revenues**

	For Ten Months Ended May 1, 2022						Over or Under Budget for the Reporting Period	Indicator
	Annual Amended Budget	Reporting Period (10 Months) Budget	Actual	Budget versus Actual \$ Variance	Budget versus Actual % Variance			
Net Investment Income	\$ 50,000	\$ 41,667	\$ (49,476)	\$ (91,143)	-219%	Under		
Rents and Royalties	\$ 40,000	\$ 33,334	\$ 85,031	\$ 51,697	155%	Over		
Transfers	\$ 1,265,674	\$ 1,054,729	\$ 1,265,674	\$ 210,945	20%	Over		
Enhancement Fund Total Revenues	\$ 1,355,674	\$ 1,129,730	\$ 1,301,229	\$ (171,499)	-15%			

Net Investment Income:

For the ten months ended May 1, 2022, the City Enhancement fund was invested in various U.S. agency bonds, U.S. government treasuries, and certificates of deposit. Net investment income includes interest income, realized gains and losses, and unrealized gains and losses. Unrealized gains and losses are due to market fluctuations for the fair market value of the investments owned by the City. The City contracts investment management services with Alaska Permanent Capital Management as a third-party investment management and advisory group. City staff will continue to monitor investments throughout the remainder of the fiscal year.



Cargo Fund Budget versus Actual Revenues

	For the Ten Months Ended May 1, 2022						Indicator
	Annual Amended Budget	Reporting Period (10 Months) Budget	Actual	Budget versus Actual \$ Variance	Budget versus Actual % Variance	Over or Under Budget for the Reporting Period	
PERS On Behalf	\$ 7,506	\$ 6,255	\$ -	\$ (6,255)	-100%	Under	
Charges for Services	\$ 1,375,000	\$ 1,145,834	\$ 1,316,894	\$ 171,060	15%	Over	
Net Investment Income	\$ 15,000	\$ 12,500	\$ 25,445	\$ 12,945	104%	Over	
Rentals	\$ 275,000	\$ 229,167	\$ 261,685	\$ 32,518	14%	Over	
Miscellaneous Revenues	\$ -	\$ -	\$ 15,711	\$ 15,711	100%	Over	
Total Cargo Revenues	\$ 1,672,506	\$ 1,393,756	\$ 1,619,735	\$ 225,979	16%		

PERS on Behalf:

PERS on Behalf payments are made by the State of Alaska throughout the year based on City reported payrolls. The City records this allocation at the end of the fiscal year. City staff will continue to monitor these revenue sources throughout the fiscal year.



Cargo Fund Budget versus Actual Expenses

For the Ten Months Ended May 1, 2022

	Annual Amended Budget	Reporting Period (10 Months) Budget	Actual	Budget versus Actual \$ Variance	Budget versus Actual % Variance	Over or Under Budget for the Reporting Period	Indicator
Cargo Administration	\$ 575,759	\$ 479,800	\$ 478,347	\$ (1,453)	0%	Under	
Interfund Charges	\$ 159,217	\$ 132,681	\$ 159,217	\$ 26,536	20%	Over	
Transfers	\$ 54,152	\$ 45,127	\$ 54,152	\$ 9,025	20%	Over	
Warehouse	\$ 42,500	\$ 35,417	\$ 16,569	\$ (18,848)	-53%	Under	
Pier II	\$ 1,802,232	\$ 1,501,860	\$ 907,003	\$ (594,857)	-40%	Under	
Pier III	\$ 32,400	\$ 27,000	\$ 1,611	\$ (25,389)	-94%	Under	
Total Cargo Expenses	<u>\$2,666,260</u>	<u>\$2,221,885</u>	<u>\$1,616,899</u>	<u>\$(604,986)</u>	<u>-27%</u>		

Interfund Charges:








Interfund charges are one-time allocations for the entire year. These are recorded at the beginning of each fiscal year. While the budget to actual percentage variance shows an overage for the reporting period, City staff does not anticipate the actual expenses to exceed budget for the annual fiscal period.

Transfers:

Transfers are one-time transfers to other funds. These are approved during the budget process or approved through City Council action items and recorded immediately after approved. While the budget to actual percentage variance shows an overage for the reporting period, City staff does not anticipate the actual expenses to exceed budget for the annual fiscal period.



Harbor Fund Budget versus Actual Revenues

	For the Ten Months Ended May 1, 2022					Over or Under Budget for the Reporting Period	Indicator
	Annual Amended Budget	Reporting Period (10 Months) Budget	Actual	Budget versus Actual \$ Variance	Budget versus Actual % Variance		
PERS On Behalf	\$ 37,759	\$ 31,466	\$ -	\$ (31,466)	-100%	Under	
Charges for Services	\$2,508,368	\$2,090,307	\$2,416,999	\$ 326,692	16%	Over	
Pier I Charges for Services	\$ 13,000	\$ 10,834	\$ -	\$ (10,834)	-100%	Under	
Net Investment Income	\$ 26,000	\$ 21,667	\$ 34,936	\$ 13,269	61%	Over	
Rentals	\$ 67,260	\$ 56,050	\$ 48,956	\$ (7,094)	-13%	Under	
Miscellaneous Revenues	\$ 7,300	\$ 6,084	\$ 5,603	\$ (481)	-8%	Under	
Interfund Charges	\$ 79,463	\$ 66,220	\$ 79,453	\$ 13,233	20%	Over	
Total Harbor Revenues	\$2,739,150	\$2,282,628	\$2,585,947	\$ 303,319	13%		

PERS on Behalf:

PERS on Behalf payments are made by the State of Alaska throughout the year based on City reported payrolls. The City records this allocation at the end of the fiscal year. City staff will continue to monitor these revenue sources throughout the fiscal year.

Pier I Charges for Services:

Pier I Charges for services will be implemented upon signing the agreement with the State of Alaska for the new ferry dock terminal. Per this agreement, separate subsections of revenues and expenses related to Pier I must be maintained.

Rentals:

Rentals include office space rental for the Alaska Marine Highway System. These revenues are under budget for the reporting period due to the timing of payments. City staff anticipates these revenues to align over the course of the fiscal year.

Miscellaneous Revenues:

Miscellaneous revenues include nonoperational revenues. As these revenue streams are various in nature, budgeted amounts are based on prior year averages and cannot be readily determinable. City staff will continue to monitor miscellaneous revenues throughout the fiscal year.



Harbor Fund Budget versus Actual Expenses

For the Ten Months Ended May 1, 2022






	Annual Amended Budget	Reporting Period (10 Months) Budget	Actual	Budget versus Actual \$ Variance	Budget versus Actual % Variance	Over or Under Budget for the Reporting Period	Indicator
Harbor Administration	\$ 3,364,182	\$ 2,803,485	\$ 2,145,546	\$ (657,939)	-23%	Under	
Interfund Charges	\$ 273,190	\$ 227,659	\$ 273,190	\$ 45,531	20%	Over	
Pier I Expenses	\$ 28,500	\$ 23,750	\$ 4,509	\$ (19,241)	-81%	Under	
Total Harbor Expenses	\$ 3,665,872	\$ 3,054,894	\$ 2,423,245	\$ (631,649)	-21%		

Interfund Charges:

Interfund charges are one-time allocations for the entire year. These are recorded at the beginning of each fiscal year. While the budget to actual percentage variance shows an overage for the reporting period, City staff does not anticipate the actual expenses to exceed budget for the annual fiscal period.



Shipyard Fund Budget versus Actual Revenues

	For the Ten Months Ended May 1, 2022						Over or Under Budget for the Reporting Period	Indicator
	Annual Amended Budget	Reporting Period (10 Months) Budget	Actual	Budget versus Actual \$ Variance	Budget versus Actual % Variance			
PERS On Behalf	\$ 1,198	\$ 999	\$ -	\$ (999)	-100%	Under		
Charges for Services	\$ 468,000	\$ 390,000	\$ 112,764	\$ (277,236)	-71%	Under		
Net Investment Income	\$ 500	\$ 417	\$ -	\$ (417)	-100%	Under		
Service Contracts	\$ -	\$ -	\$ 35,000	\$ 35,000	100%	Over		
Miscellaneous Revenues	\$ 60,000	\$ 50,000	\$ 15,047	\$ (34,953)	-70%	Under		
Total Shipyard Revenues	<u>\$ 529,698</u>	<u>\$ 441,416</u>	<u>\$ 162,811</u>	<u>\$ (278,605)</u>	<u>-63%</u>			

PERS on Behalf:

PERS on Behalf payments are made by the State of Alaska throughout the year based on City reported payrolls. The City records this allocation at the end of the fiscal year. City staff will continue to monitor these revenue sources throughout the fiscal year.

Charges for Services:

Charges for services will fluctuate based on the number of vessels lifted and stored in the yard for a period of time. The number of vessel lifts and the number of vessels in the yard for an extended period have decreased as compared to prior years. The Port and Harbor Advisory Board and the Harbormaster are currently exploring ways to increase revenues in the shipyard.

Net Investment Income:

For the ten months ended May 1, 2022, the City Enhancement fund was invested in various U.S. agency bonds, U.S. government treasuries, and certificates of deposit. Net investment income includes interest income, realized gains and losses, and unrealized gains and losses. Unrealized gains and losses are due to market fluctuations for the fair market value of the investments owned by the City. The City contracts investment management services with Alaska Permanent Capital Management as a third-party investment management and advisory group. City staff will continue to monitor investments throughout the remainder of the fiscal year.

Miscellaneous Revenues:

Miscellaneous revenues include nonoperational revenues. As these revenue streams are various in nature, budgeted amounts are based on prior year averages and cannot be readily determinable. City staff will continue to monitor miscellaneous revenues throughout the fiscal year.



Shipyard Fund Budget versus Actual Expenses

For the Ten Months Ended May 1, 2022






	Annual Amended Budget	Reporting Period (10 Months) Budget	Actual	Budget versus Actual \$ Variance	Budget versus Actual % Variance	Over or Under Budget for the Reporting Period	Indicator
Shipyard Administration	\$ 817,857	\$ 681,548	\$ 580,506	\$(101,042)	-15%	Under	
Interfund Charges	\$ 96,140	\$ 80,117	\$ 96,140	\$ 16,023	20%	Over	
Total Shipyard Expenses	\$ 913,997	\$ 761,665	\$ 676,646	\$ (85,019)	-11%		

Interfund Charges:

Interfund charges are one-time allocations for the entire year. These are recorded at the beginning of each fiscal year. While the budget to actual percentage variance shows an overage for the reporting period, City staff does not anticipate the actual expenses to exceed budget for the annual fiscal period.



Water Utility Fund Budget versus Actual Revenues

	For the Ten Months Ended May 1, 2022						Indicator
	Annual Amended Budget	Reporting Period (10 Months) Budget	Actual	Budget versus Actual \$ Variance	Budget versus Actual % Variance	Over or Under Budget for the Reporting Period	
Penalties & Interest	\$ 27,000	\$ 22,500	\$ 30,520	\$ 8,020	36%	Over	
PERS On Behalf	\$ 21,042	\$ 17,535	\$ -	\$ (17,535)	-100%	Under	
Charges for Services	\$4,799,200	\$3,999,334	\$4,324,288	\$ 324,954	8%	Over	
Net Investment Income	\$ 30,000	\$ 25,000	\$ 62,266	\$ 37,266	149%	Over	
Miscellaneous Revenues	\$ 5,000	\$ 4,167	\$ 4,192	\$ 25	1%	Over	
Total Water Revenues	\$4,882,242	\$4,068,536	\$4,421,266	\$ 352,730	9%		

PERS on Behalf:

PERS on Behalf payments are made by the State of Alaska throughout the year based on City reported payrolls. The City records this allocation at the end of the fiscal year. City staff will continue to monitor these revenue sources throughout the fiscal year.



Water Utility Fund Budget versus Actual Expenses

For the Ten Months Ended May 1, 2022

	Annual Amended Budget	Reporting Period (10 Months) Budget	Actual	Budget versus Actual \$ Variance	Budget versus Actual % Variance	Over or Under Budget for the Reporting Period	Indicator
Water Distribution	\$2,854,250	\$2,378,542	\$ 2,091,049	\$(287,493)	-12%	Under	
Water Treatment	\$ 530,660	\$ 442,217	\$ 408,380	\$ (33,837)	-8%	Under	
Total Water Utility Expenses	\$3,384,910	\$2,820,759	\$ 2,499,429	\$(321,330)	-11%		



Sewer Utility Fund Budget versus Actual Revenues

For the Ten Months Ended May 1, 2022

	Annual Amended Budget	Reporting Period (10 Months) Budget	Actual	Budget versus Actual \$ Variance	Budget versus Actual % Variance	Over or Under Budget for the Reporting Period	Indicator
PERS On Behalf	\$ 34,425	\$ 28,688	\$ -	\$ (28,688)	-100%	Under	
Charges for Services	\$ 5,387,404	\$ 4,489,504	\$ 4,472,566	\$ (16,938)	0%	Under	
Net Investment Income	\$ 20,000	\$ 16,667	\$ 26,732	\$ 10,065	60%	Over	
Miscellaneous Revenues	\$ -	\$ -	\$ 5,251	\$ 5,251	100%	Over	
Total Sewer Revenues	\$ 5,441,829	\$ 4,534,859	\$ 4,504,549	\$ (30,310)	-1%		

PERS on Behalf:

PERS on Behalf payments are made by the State of Alaska throughout the year based on City reported payrolls. The City records this allocation at the end of the fiscal year. City staff will continue to monitor these revenue sources throughout the fiscal year.




Charges for Services:

Sewer charges for services consist of routine sewer charges for monthly payers as well as metered services. As the reporting period shows an under budget of less than one percent, City staff will continue to monitor these revenue sources throughout the fiscal year.



Sewer Utility Fund Budget versus Actual Expenses

For the Ten Months Ended May 1, 2022

	Annual Amended Budget	Reporting Period (10 Months)	Actual	Budget versus Actual	Budget versus Actual	Over or Under Budget for the Reporting Period	Indicator
		Budget		\$ Variance	% Variance		
Sewer Collection	\$ 789,500	\$ 657,917	\$ 758,987	\$ 101,070	15%	Over	
Wastewater Treatment	\$2,971,764	\$2,476,470	\$ 1,980,182	\$ (496,288)	-20%	Under	
Compost	\$ 487,279	\$ 406,066	\$ 301,849	\$ (104,217)	-26%	Under	
Total Sewer Utility Expenses	<u>\$4,248,543</u>	<u>\$3,540,453</u>	<u>\$ 3,041,018</u>	<u>\$ (499,435)</u>	<u>-14%</u>		

Sewer Collection:

Insurance and interfund administration charges are allocated once a year to the Sewer Collection department. These charges are allocated at the beginning of each fiscal year to cover the entire year. Other expenses within this department are falling within the specified budget parameters for the reporting periods. While the budget to actual percentage variance shows an overage for the reporting period, City staff does not anticipate the actual expenses to exceed budget for the annual fiscal period.



Harbor Electric Fund Budget versus Actual Revenues and Expenses

	For the Ten Months Ended May 1, 2022						Over or Under Budget for the Reporting Period	Indicator
	Annual Amended Budget	Reporting Period (10 Months) Budget	Actual	Budget versus Actual \$ Variance	Budget versus Actual % Variance			
Revenues - Charges for Services	\$ 584,500	\$ 487,084	\$ 669,073	\$ 181,989	37%	Over		
Revenues - Net Investment Income	\$ 1,286	\$ 1,072	\$ 2,458	\$ 1,386	129%	Over		
Administration Expenses	\$ 525,960	\$ 438,300	\$ 541,300	\$ 103,000	23%	Over		
Interfund Charges	\$ 52,929	\$ 44,108	\$ 52,929	\$ 8,821	20%	Over		
Harbor Electric Fund - Net Revenues Less Expenses	\$ 6,897	\$ 5,748	\$ 77,302	\$ 71,554	15%			

Administration Expenses:

Administration expenses include the purchase of power for resale. Due to the increases costs of providing power to the harbors, actual costs have exceeded budget for the reporting period. Due to the timing differences of revenues for electric charges and the purchase of power, City staff will continue to monitor these expenses throughout the remainder of the fiscal year.

Interfund Charges:

Interfund charges are one-time allocations for the entire year. These are recorded at the beginning of each fiscal year. While the budget to actual percentage variance shows an overage for the reporting period, City staff does not anticipate the actual expenses to exceed budget for the annual fiscal period.






**Trident Basin Fund
Budget versus Actual
Revenues and Expenses**

	For the Ten Months Ended May 1, 2022					Over or Under Budget for the Reporting Period	Indicator
	Annual Amended Budget	Reporting Period (10 Months) Budget	Actual	Budget versus Actual \$ Variance	Budget versus Actual % Variance		
Revenues - Charges for Services	\$ 15,000	\$ 12,500	\$ 14,378	\$ 1,878	15%	Over	
Revenues - Rentals	\$ 40,000	\$ 33,334	\$ 42,250	\$ 8,916	27%	Over	
Administration Expenses	\$ 310,777	\$ 258,981	\$ 175,823	\$ (83,158)	-32%	Under	
Trident Basin Fund - Net Revenues Less Expenses	\$ (255,777)	\$ (213,147)	\$ (119,195)	\$ 93,952	36%		



E-911 Fund Budget versus Actual Revenues and Expenses

	For the Ten Months Ended May 1, 2022					Over or Under Budget for the Reporting Period	Indicator
	Annual Amended Budget	Reporting Period (10 Months) Budget	Actual	Budget versus Actual \$ Variance	Budget versus Actual % Variance		
PERS On Behalf	\$ 19,839	\$ 16,533	\$ -	\$ (16,533)	-100%	Under	
E911 Surcharge	\$ 450,000	\$ 375,000	\$ 716,276	\$ 341,276	91%	Over	
Administration Expenses	\$ 1,041,829	\$ 868,191	\$ 845,725	\$ (22,466)	-3%	Under	
E911 Fund - Net Revenues Less Expenses	\$ (571,990)	\$ (476,658)	\$ (129,449)	\$ 347,209	40%		

PERS on Behalf:

PERS on Behalf payments are made by the State of Alaska throughout the year based on City reported payrolls. The City records this allocation at the end of the fiscal year. City staff will continue to monitor these revenue sources throughout the fiscal year.

E911 Surcharge:

E911 Surcharge is comprised of expenses incurred and charged to the Kodiak Island Borough for emergency 911 services provided to the Kodiak Island road system. Revenues recorded reflect the total amount billed to the Kodiak Island Borough for these services from July 1, 2021 through May 1, 2022. The outstanding balance due from the Kodiak Island Borough as of May 1, 2022 totals \$533,416.56. Historically, this account balance has been adjusted at the end of the fiscal year to reflect only the portions that the City has received as payment.



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