

CITY OF KODIAK CAPITAL PROJECTS BUDGET

Fiscal Year 2023



Updated May 12, 2022

FY 2023 Citywide Budget Overview

Resolution Number 2022-08 (SUB) Council Budget Goals

- **Revenues**
 - All revenues were forecasted and estimated conservatively.
 - Charges for Fees & Services were reviewed to ensure quality service delivery and adequate revenues.
- **Operating Expenses**
 - All operating expenses are comparable to prior year and known increases were appropriately justified to the City Manager and presented before Council
 - Existing programs and services were reviewed and assessed appropriately per departmental goals & objectives
- **Personnel Goals**
 - The Personnel Rules & Regulations will continue to be reviewed and amended to adhere to HR standards
 - Personnel changes were based on operational needs

FY 2023 Citywide Budget Overview

Resolution Number 2022-08 (SUB) Council Budget Goals

- **General Fund**
 - General Fund revenues were forecasted conservatively
 - The General Fund was budgeted to reflect potential changes regarding State of Alaska revenue sharing programs
 - The General Fund was budgeted without a deficit through appropriations
 - Fund Balance of the General Fund continues to increase to reach its goal of 12 months of budgeted operating expenditures
- **Enterprise Funds**
 - Enterprise funds are continuing long term maintenance and replacement of infrastructure through capital projects
 - All enterprise funds are undergoing rate studies at least every 5 years
 - The Shipyard Fund continues to meet debt service obligations
 - The Ship Yard operations are being managed by an external contractor
- **Community Support**
 - Nonprofit Grant award contributions continue to be budgeted in FY 2023

FY 2023 Citywide Budget Overview

Resolution Number 2022-08 (SUB) Council Budget Goals

- **Capital - Citywide**
 - 5 new capital project requests and/or additions to existing projects for FY 2023
 - 18 capital projects closed during FY 2022
 - 61 open capital projects for FY 2023
 - The Long-Term Capital Improvement Plan FY 2019-2023 was utilized for determining capital projects and capital outlays for FY 2023
- **Debt Service**
 - Debt service levels have remained consistent to prior year.
- **Quality of Life**
 - The City developed the FY 2023 budget to enhance the quality of life for the citizens of Kodiak.
- **Economic Development**
 - The City developed the FY 2023 budget to help ensure a sustainable and healthy economy for Kodiak.

FY 2023 - FY 2026

Capital Project Funding Requests

Project Name	Estimated Cost	Encumbered	Available	Needed
KPD HVAC Repair & Maintenance	\$450,000	\$0	\$0	\$450,000
KFD Deferred Maintenance	Recurring	\$0	\$12,593	\$50,000
Kodiak Fire Station	\$22,000,000	\$448,000	\$7,000,000 ^a	\$14,800,000
Hillside House	\$50,000	\$0	\$50,000	\$0.00
Gibson Cove Demo.	\$1,500,000	\$0	\$0	\$1,500,000
Baranof Park	\$3,800,000	\$130,000	\$2,400,000	\$1,400,000

a) Federal funding

FY 2023 - FY 2026

Capital Project Funding Requests (Continued 2)

Project Name	Estimated Cost	Encumbered	Available	Needed
Street Capital Equipment – Road Grader	\$300,000	\$0	\$0	\$300,000
Street/Pavement Maintenance	\$3,000,000	\$5,000	\$10,167	\$3,000,000
Survey Monument Relocate	\$75,000	\$0	\$0	\$75,000
Citywide Water & Sewer Master Plan	\$100,000	\$0	\$0	\$100,000
Lift Station 5 and Force Main	\$6,047,500	\$0	\$5,000,000 ^b	\$1,047,500
Waste Water Treatment	\$19,000,000	\$0	\$2,786	\$18,997,214
Storage for Sewer Equipment – PW Bldg Addition	\$250,000	\$0	\$0	\$250,000

b) Alaska State Revolving Clean Water Loan Fund

FY 2023 - FY 2026

Capital Project Funding Requests (Continued 3)

Project Name	Estimated Cost	Encumbered	Available	Needed
Sewer Capital Equipment – Sludge Truck	\$300,000	\$0	\$0	\$300,000
St. Herman Harbor	\$40,000,000	\$0	\$2,241,867 ^c	\$37,760,000
Boat Launch St. Paul Harbor Ramp	\$65,000	\$5,834	\$123,549	\$0
Oscar's Dock/Fender Piling Replacement	\$120,000	\$7,000	\$132,197	\$0
Anode Replacements at Pier II	\$426,000	\$0	\$196,000	\$230,000
Decking for Dock 1	\$123,000	\$0	\$123,471	\$0

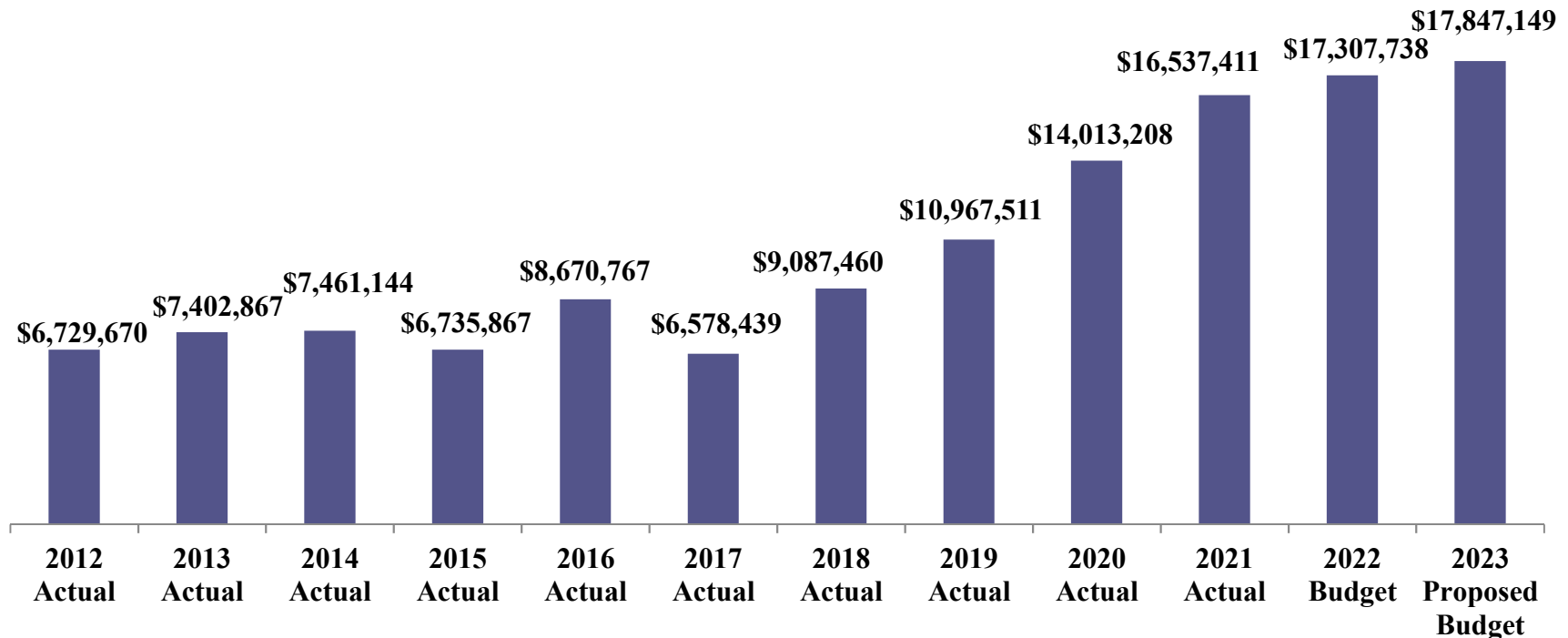
c) Funding remaining in multiple related sub-projects

American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Funds (ARPA)

Agency	Amount	Fund	Notes
State of Alaska Dept of Revenue	\$54,220.00	Water Capital Projects Fund	CPV shared tax received in July 2021; Portland Loos Installation Project
U.S. Treasury through State of Alaska for NEU	\$701,606.56	General Capital Projects Fund	1 st tranche received in August 2021; Cybersecurity Assessment Project
State of Alaska Dept of Revenue	\$388,197.94	General Fund	Additional Fish Business Shared Tax received in November 2021
U. S. Dept of Transportation Federal Aviation Administration	\$22,000.00	General Fund	Reimbursement grant for Kodiak Municipal Airport
U. S. Dept of Transportation Federal Aviation Administration	\$22,000.00	Trident Basin Fund	Reimbursement grant for Trident Basin
State of Alaska Dept of Education & Early Development	\$4,168.00	General Fund	IMLS – Library Grant received in January 2022
State of Alaska Dept of Education & Early Development	\$18,230.00	General Capital Projects Fund	IMLS – Library Grant received in January 2022; Library Outdoor Programming Project
U.S. Treasury through State of Alaska for NEU	\$1,887.34	General Capital Projects Fund	Additional 1 st tranche received in March 2022
State of Alaska Dept of Revenue	\$54,220.00	TBD	CPV shared tax - pending

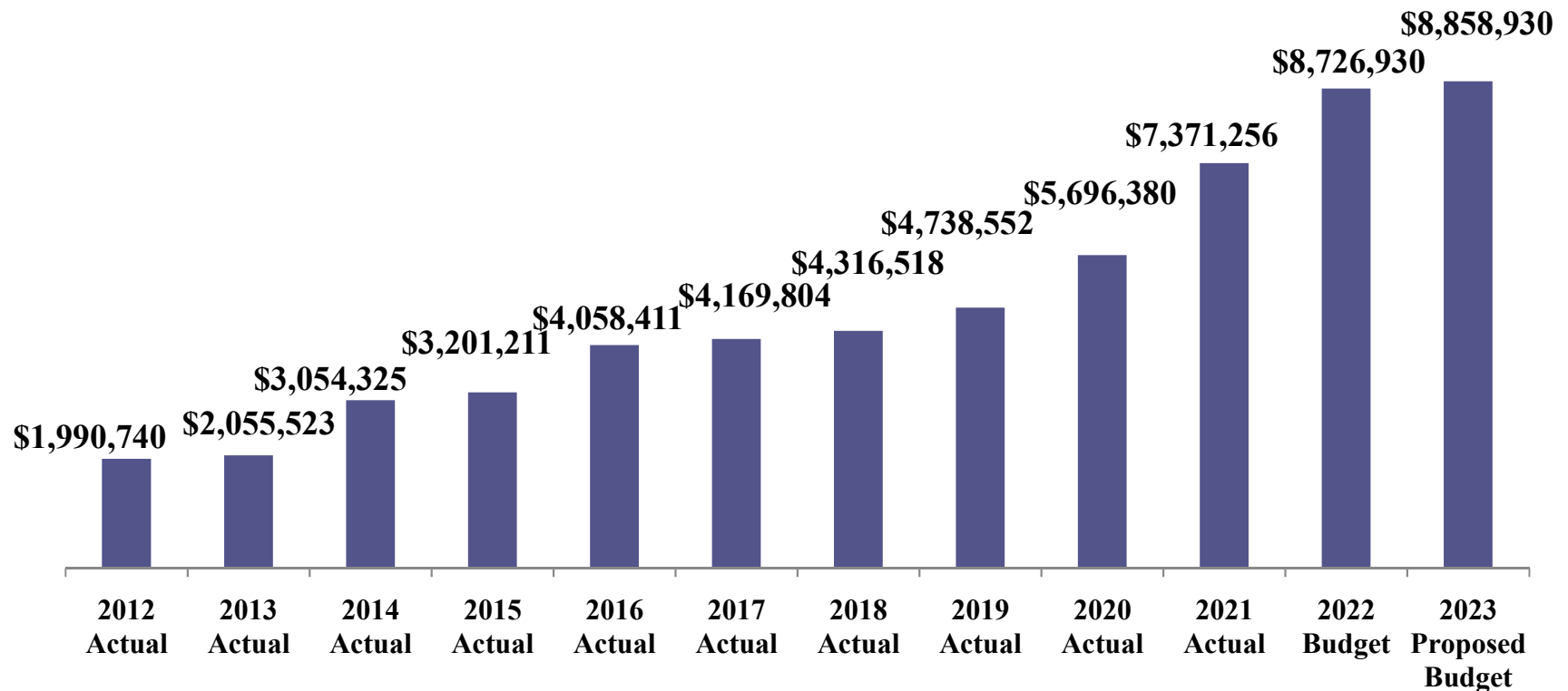
FY 2023 General Fund

Unassigned Fund Balance Net of KCC Transfers to Enhancement Fund



- The actual fund balance numbers from FY 2012 to FY 2021 are sourced from the Annual Comprehensive Financial Reports and are net of any transfers to the Enhancement Fund required by Kodiak City Code
- Unassigned GF Fund Balance for FY 2021 = \$16,537,411 (equivalent to 7.6 months of FY 2023 proposed operating expenses)
- Estimated unassigned fund balance for FY2022 Budget is net of transfer of \$1,265,673 made in January 2022 per KCC 3.28.020
- FY2023 proposed operating expenses = \$21,265,448
- Estimated 1.0 month of FY 2023 proposed operating expenses = \$1,802,121
- Estimated 6.0 months of FY 2023 proposed operating expenses = \$10,812,724
- Estimated unassigned GF Fund Balance for FY 2023 proposed budget = \$17,847,149 (equivalent to 9.9 months of FY2023 proposed operating expenses) before any transfers to the Enhancement Fund required by Kodiak City Code

FY 2023 Special Revenue Fund Enhancement Fund - Fund Balance



- The actual fund balance numbers from FY 2012 to FY 2021 are sourced from the Annual Comprehensive Financial Reports and includes any transfers from the General Fund as required by Kodiak City Code
- The estimated unassigned fund balance for FY2022 Budget includes the transfer of \$1,265,674 made in January 2022 (which is half of the General Fund FY2021 Surplus per Kodiak City Code 3.28.020)

Cash, Cash Equivalents & Investments

Unaudited as of March 31, 2022*

- Citywide Include General Fund, Tourism Fund, Enhancement Fund, GF Vehicle Replacement Fund, Enterprise Funds, Capital Projects, and Insurance Fund
 - Cash in Bank = \$36,156,616
 - Alaska Municipal League Investment Pool Fund (AMLIP) = \$16,456,322
 - Alaska Permanent Capital Management (APCM) – Operating Account = \$21,067,471
 - Alaska Permanent Capital Management (APCM) – Enhancement Fund = \$7,830,223

*Based on bank statements from FNBA and KeyBank, and custody statements from FNBA

FY 2023 Capital Project Funding Requests

Rank	Project Name	Estimated Cost	Encumbered	Available	Needed	Funding Source
1	Kodiak Fire Station	\$22,000,000	\$448,000	\$7,000,000 ^a	\$15,000,000	Federal ^a & State Funding
2	Baranof Park	\$4,962,000	\$146,000	\$2,640,000	\$2,400,00	Sales Tax Allocation & General Fund Transfer
3	KPD HVAC Repair & Maintenance	\$450,000	\$0	\$0	\$450,000	ARPA Funds
4	KFD Deferred Maintenance	Recurring	\$0	\$12,593	\$50,000	General Fund Transfer
5	Storage for Sewer Equipment – PW Bldg Addition	\$250,000	\$0	\$0	\$250,000	Sewer Fund Transfer
6	Street Capital Equipment – Road Grader	\$300,000	\$0	\$0	\$300,000	General Fund Transfer

FY 2023 Capital Project Funding Requests (Cont'd)

Rank	Project Name	Estimated Cost	Encumbered	Available	Needed	Funding Source
7	Sewer Capital Equipment – WWTP Sludge Truck	\$300,000	\$0	\$0	\$300,000	Sewer Fund Transfer
8	Citywide Water & Sewer Master Plan	\$100,000	\$0	\$0	\$100,000	ARPA Funds
9	Streets/Pavement Maintenance	\$3,000,000	\$0	\$10,167	\$3,000,000	Streets Sales Tax Allocation & General Fund Transfer
10	Downtown Revitalization - Pocket Park Removal	\$50,000	\$0	\$0	\$50,000	Tourism Fund Transfer
	Total				\$6,900,000	

Total funding needed = \$6,900,000 - \$50,000 funded by Sales Tax allocation to P & R Capital Projects = \$6,850,000

The total funding needed does not take into account the Federal and State funding of \$7,000,000 and \$15,000,000

FY 2023 Budget Transfers to Capital Projects

	Funding Source	Amount
General Capital Projects		
PN 4073: KPD HVAC Repair & Maintenance	ARPA Funds	\$450,000
PN 4015: KFD Deferred Maintenance	General Fund Transfer	\$50,000
PN 4039: Downtown Revitalization - Pocket Park Removal	Tourism Fund Transfer	\$50,000
Total General Capital Projects	FY2023 Additions	\$550,000
Building Capital Projects		
PN 6016: Kodiak Fire Station	Federal Funding	\$7,000,000
	State Funding	\$15,000,000
Total Building Capital Projects	FY2023 Additions	\$22,000,000

FY 2023 Budget Transfers to Capital Projects (Cont'd)

	Funding Source	Amount
Streets Capital Projects		
PN 5039: Streets/Pavement Maintenance	Sales Tax Allocation	\$450,000
	General Fund Transfer	\$2,550,000
Capital Equipment – Road Grader	General Fund Transfer	\$300,000
Total Streets Capital Projects	FY2023 Additions	\$3,300,000
Water Capital Projects		
*Citywide Water & Sewer Master Plan	ARPA Funds	\$100,000
Total Water Capital Projects	FY2023 Additions	\$100,000

* New Project

FY 2023 Budget Transfers to Capital Projects (Cont'd)

	Funding Source	Amount
Sewer Capital Projects		
*Storage for Sewer Equipment – PW Bldg Addition	Sewer Fund Transfer	\$250,000
*Sewer Capital Equipment – WWTP Sludge Truck	Sewer Fund Transfer	\$300,000
Total Sewer Capital Projects	FY2023 Additions	\$550,000
Parks & Rec Capital Projects		
PN 9018: Baranof Park Improvements	Sales Tax Allocation	\$50,000
	General Fund Transfer	\$2,350,000
Total Parks & Rec Capital Projects	FY2023 Additions	\$2,400,000

* New Projects

FY 2023 Budget Transfers to Capital Projects (Cont'd)

	Funding Source	Amount
Harbor Capital Projects		
PN 8534: Anode Replacements at Pier II	Sales Tax Allocation	\$230,000
PN 8520: St. Herman Harbor Repairs	Sales Tax Allocation	\$270,000
Total Harbor Capital Projects	FY2023 Additions	\$500,000
Total General Fund Vehicle Replacement		
	FY2023 Additions	\$380,832
Total Citywide Capital Projects		
	FY 2023 Additions	\$7,780,832

Citywide FY2023 Additions Total = \$7,780,832

- (\$500,000 + \$380,832 + \$6,900,000 (total funding needed; see slide 14))

FY 2022 Outstanding Capital Budget Items

- Supplemental will add PN 9019 Parks & Rec Capital Equipment Purchases due to supply chain shortage and delay in build and shipment of Ford F-350. This will transfer the budgeted amount of \$32,000 during FY 2022 and create the project for carryover into FY 2023.