



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

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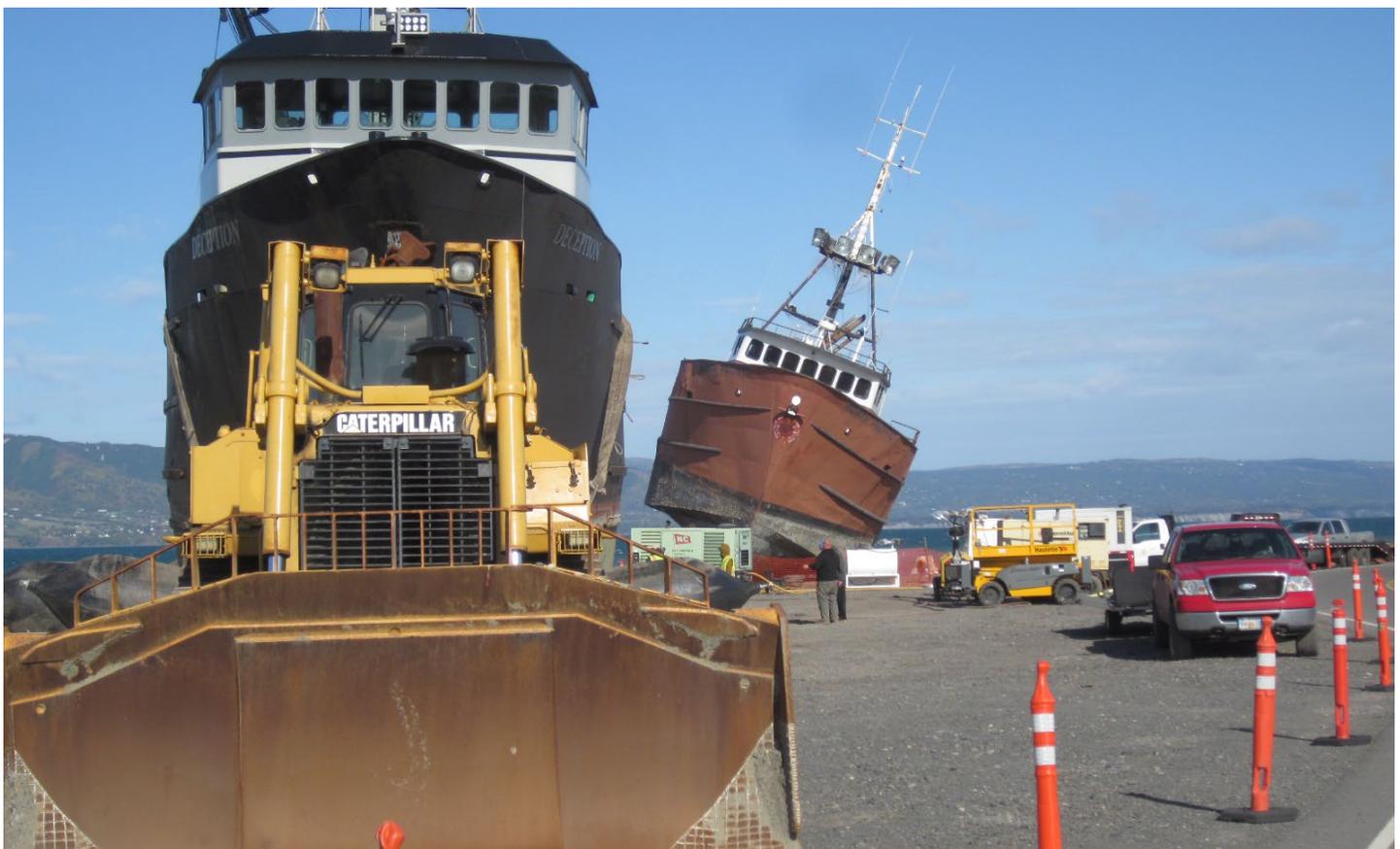
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Memorandum

TO: Mayor Castner and Homer City Council
FROM: Rob Dumouchel, City Manager
DATE: September 21, 2021
SUBJECT: City Manager's Report for September 27, 2021 Council Meeting

Large Vessel Haul Out Update

Visitors to the spit are likely to have noticed that there is a lot of activity in the large vessel haul out area. At this time the Hallo Bay, Kona Kai, Deception, Summer Bay and North Pacific have been hauled out. While most of the vessels are out of the water for maintenance purposes, the North Pacific is slated to be dismantled beginning in October.



ADA Van Accessible Parking Spots Paved

The Harbor's gravel parking lots have had designated ADA parking spots for years to ensure that harbor users with limited mobility have close access to the harbor ramps. The ideal configuration for an accessible parking space is to be on even, stable, firm, and slip resistant surfaces. Paving these parking spaces was a goal

identified in the 2019 ADA Transition Plan and Council approved ADA CARMA funds to complete the job. Dutch Boy Landscaping & Paving prepared and paved the ADA parking spots this month, and now we can ensure safer access to the harbor for all.



Radio System Upgrades

ProComm Alaska visited Homer from September 7th to 14th and carried out work to upgrade the City's radio communications. They installed new equipment at the Skyline tower, set up a new repeater at the Port, and fine-tuned new handheld and vehicle-mounted radios. The upgrades have already significantly expanded the range of Port transmissions; during testing, staff were able to reach the Seldovia harbormaster and contact a ship in the bay using a handheld radio. Further testing and modifications will be needed, but we hope to integrate Fire and Police communications into the Alaska Land Mobile Radio (ALMR) system before long.

Skatepark Update

The materials for the two halfpipes have arrived and are in storage at Public Works. The location of the two elements has been surveyed out in the turf and flagged and painted. Parks put site preparation and halfpipe construction out to bid, but had no interested parties. Instead, Public Works staff will handle the construction internally. Gravel is being donated by Dibble Creek and will be delivered the week of the 20th. City operators will be ready to move forward with site preparation when weather and staff availability line up to make it work.

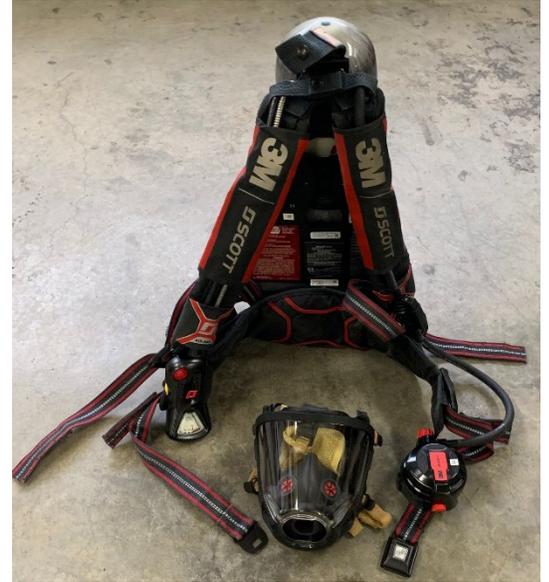
Firefighting Class Starting Soon – This is a Great Time to Become a Volunteer!

The Homer Volunteer Fire Department is recruiting volunteers and is offering a Firefighter 1 class this fall. The class runs from October 18, 2021 to February 5, 2022. Completing the class equips participants for both State and National FF1 certification and to be an effective part of the HVFD team. Volunteers make up 75% of Homer's fire department and are essential for effective response to the over 650 calls HVFD gets annually. Getting involved with a volunteer fire department is an incredibly rewarding way to make a positive contribution to your community. No prior experience or certifications are necessary, just a motivation to help your fellow residents and your community. If you are interested, call HVFD at 235-3155 or drop by, meet the crew and pick up an application. Staff is more than happy to answer any questions you may have. Information is also on the City's website at <https://www.cityofhomer-ak.gov/fire/hvfd-recruiting-new-volunteers-and-offers-firefighter-1-training>.

Volunteer Fire Department SCBA Units

In May, Council approved Ordinance 21-25 to fund the replacement of the Volunteer Fire Department's Self Contained Breathing Apparatus – a very critical safety system for staff and volunteers. Chief Kirko has provided the following update:

The Department took delivery of our new Self Contained Breathing Apparatus (SCBA). The crews have been training with them and they will be placed into service on September 28th. SCBA are used during times that we are required to work in an IDLH atmosphere. IDLH stands for immediately dangerous to life or health. Firefighters often work in this type of atmosphere and must have the SCBA to keep them safe and provide them the means to work in those conditions. The SCBA meet the new NFPA-1404 respiratory standards and NFPA-1500 Occupational Safety and Health standards for firefighting.



These new units will have a useful life span of 15 years and have features that will provide the firefighters safer operations under the new design. They are constructed more ergonomically to reduce the pressure and fatigue on the lower back of the user, higher temp face shields provide the user a higher degree of safety during times of use in superheated areas, Bluetooth communications have been added to the face piece for enhanced ability to clearly communicate via handheld radios with command staff and other users.

Art in the Library Program is Open for Submissions

The Art in the Library program is accepting submissions for display in the fireplace lounge area. The deadline is officially September 30th, but may be extended if there is still space available in the calendar. Full details of the program can be found on the website of the Friends of Homer Library at: <https://friendsofthehomerpubliclibrary.wildapricot.org/Art-in-the-Library>

Duffy Bench Project

Recently, City staff from the Library and Building Maintenance met with stakeholders from the Duffy Memorial Bench project. The project is on track for installation on the library grounds during the month of October.



FY21 Financial Report

Attached to this report is an overview of FY21 provided by Finance Director Walton.

Personnel Updates

Police Department: *The Homer Police Department is welcoming two new dispatchers. Charles Benson joined the HPD crew on September 20th. Emily Larson's first day of duty will be on October 5th. These folks are replacing two dispatchers who resigned in the last four months. Best wishes for their future with the City of Homer. – Chief Robl*

Public Works: Our friend and longtime coworker Paul McBride recently passed away. Paul was a very well-liked and familiar face throughout our City's facilities. His passing is a big loss for our City, and a personal loss to many friends and family. Services will be held for Paul at Homer Independent Baptist Church on Saturday, October 9th at 1PM.

Enclosures:

1. FY2021 2nd Quarter (End of Fiscal Year) Financials with Memo



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Memorandum

TO: Mayor Castner and Homer City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Elizabeth Walton, Finance Director
DATE: September 23, 2021
SUBJECT: FY2021 2nd Quarter (End of Fiscal Year) Financials

This memo will provide additional information related to the FY2021 2nd Quarter Financial Report. This report is also representative of the end of the fiscal year 2021 which ran from January 1, 2021 to June 30, 2021.

Report Basics:

The purpose of these reports is to provide a budget versus actual comparison for City Council and at the same time illustrating the operating revenues and expenditures each fund has experienced within a given time period.

Therefore, it is important to remember that these reports are not all inclusive and do not represent all financial activity of the City. The focus is to report on those revenues and expenditures that present themselves as operating and are included in our budget.

Financial Background Information:

City Council passed three key pieces of legislation in 2020 which had a major impact on FY21: (1) Resolution 20-112 to change the City's fiscal year; (2) Resolution 20-119 to truncate the fiscal year for 2021 to a six month period (January 1, 2021 to June 30, 2021); and (3) Ordinance 20-93(A) to amend the FY21 budget to account for the six month period. The passage of Ordinance 20-93(A) balanced the budget by drawing on each fund's respective operating fund balance.

General Fund:

Preliminary estimates show the General Fund experiencing a roughly \$2.7 million operating deficit for FY21. The primary driver of this deficit is the passage of ORD 20-93(A), as Council balanced the FY21 budget by drawing roughly \$3.4 million from the General Fund Fund Balance.

Revenue forecasts were very conservative and most sources met budget expectations.

Credit should be given to the various general fund departments for paying close attention to their budgets and keeping the overall spending in line with budgeted expenditures.

Water and Sewer Fund:

Preliminary estimates show the Water and Sewer Fund experiencing a roughly \$50k operating surplus for FY21. The primary driver of this surplus is a decent reduction in budgeted expenditures (\$300k).

Credit should be given to the Water/Sewer team for monitoring expenditures and working hard to keep costs at or under budget.

Port and Harbor Fund:

Preliminary estimates show the Port and Harbor Fund experiencing just shy of a \$162k operating deficit for FY21. The primary driver of this deficit is the passage of ORD 20-93(A), as Council balanced the FY21 budget by drawing roughly \$349k from the Harbor Operating Fund Balance. The large over spend for Administration is associated with the harbor bond payment. This is a booking discrepancy and has been addressed in a non-operating journal entry.

Credit should be given to those employees at the Harbor for working diligently to keep spending within the bounds of the budget.

Quarterly General Fund
Expenditure Report
For Quarter Ended June 30, 2021

	Amended FY21 Budget	Actual As of 6/30/21	Budget Remaining	% Budget Used
<u>Revenues</u>				
Property Taxes	\$ 123,353	\$ 143,861	\$ 20,508	116.63%
Sales and Use Taxes	1,825,253	2,295,852	470,599	125.78%
Permits and Licenses	23,914	23,381	(533)	97.77%
Fines and Forfeitures	5,201	3,886	(1,315)	74.72%
Use of Money	37,360	(10,129)	(47,489)	-27.11%
Intergovernmental	247,480	241,344	(6,136)	97.52%
Charges for Services	308,347	89,398	(218,949)	28.99%
Other Revenues	-	76,970	76,970	100%
Airport	93,814	85,959	(7,855)	91.63%
Operating Transfers	303,634	303,634	(0)	100.00%
Total Revenues	\$ 2,968,355	\$ 3,254,155	\$ 285,800	109.63%
<u>Expenditures & Transfers</u>				
Administration	\$ 588,196	\$ 523,945	\$ 64,251	89.08%
Clerks	411,740	407,632	4,108	99.00%
Planning	190,819	178,308	12,512	93.44%
Library	440,824	401,801	39,023	91.15%
Finance	442,099	367,604	74,495	83.15%
Fire	643,362	584,756	58,606	90.89%
Police	1,760,588	1,735,978	24,610	98.60%
Public Works	1,484,377	1,323,975	160,402	89.19%
Airport	128,820	111,262	17,558	86.37%
City Hall, HERC	92,728	74,173	18,555	79.99%
Non-Departmental	94,000	94,000	-	100.00%
Total Operating Expenditures	\$ 6,277,554	\$ 5,803,433	\$ 474,120	92.45%
Transfer to Other Funds				
Leave Cash Out	\$ 58,222	\$ 58,222	\$ -	100%
Debt Repayment	-	-	-	-
Energy	21,718	21,718	-	100%
Adjusting Entries	-	-	-	0%
Total Transfer to Other Funds	\$ 79,940	\$ 79,940	\$ -	100%
Total Transfer to Reserves	\$ 58,142	\$ 58,142	\$ -	100%
Total Expenditures & Transfers	\$ 6,415,635	\$ 5,941,515	\$ 474,120	92.61%
Net Revenues Over (Under) Expenditures	\$ (3,447,280) \$ (2,687,360)			

Note: The deficit was expected, per ORD 20-93(A).

These numbers are preliminary and are subject to our annual audit.

Quarterly Water and Sewer Fund
Expenditure Report
For Quarter Ended June 30, 2021

	Amended FY21 Budget	Actual As of 6/30/21	Budget Remaining	% Budget Used
Revenues				
Water Fund	\$ 1,019,493	\$ 887,242	\$ (132,251)	87.03%
Sewer Fund	874,327	811,305	(63,023)	92.79%
Total Revenues	\$ 1,893,820	\$ 1,698,546	\$ (195,274)	89.69%
Expenditures & Transfers				
<u>Water</u>				
Administration	\$ 112,792	\$ 85,774	\$ 27,018	76.05%
Treatment Plant	334,913	256,722	78,191	76.65%
System Testing	13,700	15,267	(1,567)	111.44%
Pump Stations	44,223	34,965	9,257	79.07%
Distribution System	164,131	144,168	19,963	87.84%
Reservoir	8,883	5,581	3,303	62.82%
Meters	86,983	69,895	17,087	80.36%
Hydrants	96,050	95,190	860	99.10%
<u>Sewer</u>				
Administration	\$ 94,484	\$ 81,753	\$ 12,731	86.53%
Plant Operations	356,207	279,401	76,806	78.44%
System Testing	7,250	5,218	2,032	71.98%
Lift Stations	101,968	85,866	16,102	84.21%
Collection System	192,433	154,022	38,411	80.04%
Total Operating Expenditures	\$ 1,614,017	\$ 1,313,822	\$ 300,195	81.40%
Transfer to Other Funds				
Leave Cash Out	\$ 16,117	\$ 16,117	\$ -	100%
GF Admin Fees	303,634	303,634	-	100%
Debt Repayment	-	839	(839)	100%
Other	13,492	13,492	-	100.00%
Total Transfer to Other Funds	\$ 333,242	\$ 334,081	\$ (839)	100.25%
Transfers to Reserves				
Water	\$ -	\$ -	\$ -	0%
Sewer	-	-	-	0%
Total Transfer to Reserves	\$ -	\$ -	\$ -	0%
Total Expenditures & Transfers	\$ 1,947,259	\$ 1,647,903	\$ 299,356	84.63%
Net Revenues Over(Under) Expenditures	\$ (53,439)	\$ 50,643		

Note: The budgeted deficit was expected, per ORD 20-93(A).

These numbers are preliminary and are subject to our annual audit.

Quarterly Port and Harbor Fund
Expenditure Report
For Quarter Ended June 30, 2021

	Amended FY21 Budget	Actual As of 6/30/21	Budget Remaining	% Budget Used
Revenues				
Administration	\$ 335,672	\$ 276,495	\$ (59,177)	82.37%
Harbor	863,696	971,902	108,206	112.53%
Pioneer Dock	138,674	124,344	(14,330)	89.67%
Fish Dock	178,098	201,431	23,333	113.10%
Deep Water Dock	60,210	100,782	40,572	167.39%
Outfall Line	4,800	2,400	(2,400)	50.00%
Fish Grinder	712	1,040	328	146.14%
Load and Launch Ramp	67,868	74,855	6,987	110.29%
Total Revenues	\$ 1,649,730	\$ 1,753,250	\$ 103,520	106.27%
Expenditures & Transfers				
Administration	\$ 244,970	\$ 430,420	\$ (185,450)	175.70%
Harbor	677,470	581,591	95,880	85.85%
Pioneer Dock	50,167	42,394	7,772	84.51%
Fish Dock	267,942	239,561	28,381	89.41%
Deep Water Dock	51,788	42,229	9,559	81.54%
Outfall Line	3,975	-	3,975	0.00%
Fish Grinder	10,170	4,101	6,068	40.33%
Harbor Maintenance	195,282	171,050	24,232	87.59%
Main Dock Maintenance	19,715	16,104	3,611	81.68%
Deep Water Dock Maintenance	24,715	17,761	6,954	71.86%
Load and Launch Ramp	41,514	29,117	12,398	70.14%
Total Operating Expenditures	\$ 1,587,708	\$ 1,574,328	\$ 13,380	99.16%
Transfer to Other Funds				
Leave Cash Out	\$ 20,620	\$ 20,620	\$ -	100%
Debt Service	136,988	66,650	70,338	100%
GF Admin Fees	-	-	-	0%
Other	227,013	227,013	-	100%
Total Transfer to Other Funds	\$ 384,621	\$ 314,283	\$ 70,338	81.71%
Transfers to Reserves				
Administration	\$ -	\$ -	\$ -	-
Harbor	-	-	-	-
Pioneer Dock	-	-	-	-
Fish Dock	-	-	-	-
Deep Water Dock	-	-	-	-
Outfall Line	-	-	-	-
Fish Grinder	-	-	-	-
Load and Launch Ramp	26,354	26,354	-	100%
Total Transfer to Reserves	\$ 26,354	\$ 26,354	\$ -	100%
Total Expenditures & Transfers	\$ 1,998,683	\$ 1,914,965	\$ 83,718	95.81%
Net Revenues Over(Under) Expenditures	\$ (348,953)	\$ (161,715)		

Note: The deficit was expected, per ORD 20-93(A).

These numbers are preliminary and are subject to our annual audit.