



City of Homer

www.cityofhomer-ak.gov

Finance Department

491 East Pioneer Avenue
Homer, Alaska 99603

finance@cityofhomer-ak.gov

(p) 907-235-8121

(f) 907-235-3140

Memorandum 19-155

TO: Mayor Castner and Homer City Council
THROUGH: Katie Koester, City Manager
FROM: Elizabeth Walton, Finance Director
DATE: November 19, 2019
SUBJECT: Capital Project Funds (151, 215, and 415) Cleanup

The purpose of this memo is to provide a brief description of the cleanup process and our plan moving forward. Also included in this memo is a walkthrough of the projects we have already closed and a list of projects we need Council action to close. The Finance Department has included recommendations for each of the projects that need Council action. Also included is a list of projects that are currently open in our books, but should be closed. There is a brief statement from Finance on each of these projects to provide context and our thoughts on possibilities for closure.

Cleanup Process:

The Finance Department has identified capital project accounts that were not closed out (despite the projects' completion) over the last 19 years. Some of these projects were open with a negative or positive balance, which could mean a transfer of funds may never have been recorded, there were coding errors, or the project over or under spent its appropriation.

The cleanup process has been long and tedious, but there is an end in sight. The first step was to go through each of the funds (151, 215, and 415) to determine what projects were still open and their respective fund balance. Once the list of open projects was determined, we went through and segregated the list based on projects that should be open vs. closed. Our first focus has been on closing those projects that should have been closed (some over 10 years old).

We are systematically going through each of these projects to ensure that all funding transfers were properly booked. Once the funding has been confirmed, we are working with the project manager(s) to verify that all expenditures booked to the project are correct. After both of these reviews are done, projects are closed if the open balance is under \$10,000 (CM authority per HCC 3.16.020(a) and the City's Procurement Policy and Procedures Manual) or if there is existing Council authorization providing direction on what to do with the balance. Any projects that are open for an amount exceeding \$10,000 are pending Council action.

If the project needs funding to close, we first look at all funding sources authorized to that project and would take the additional funding from those sources if possible (if not, we pull

from the respective funds' reserve account). If the project has excess funds, we look at the funding sources authorized to that project and return those excess funds to these sources (if there are no funding sources, then the funds go to the appropriate reserve account).

Plan Moving Forward:

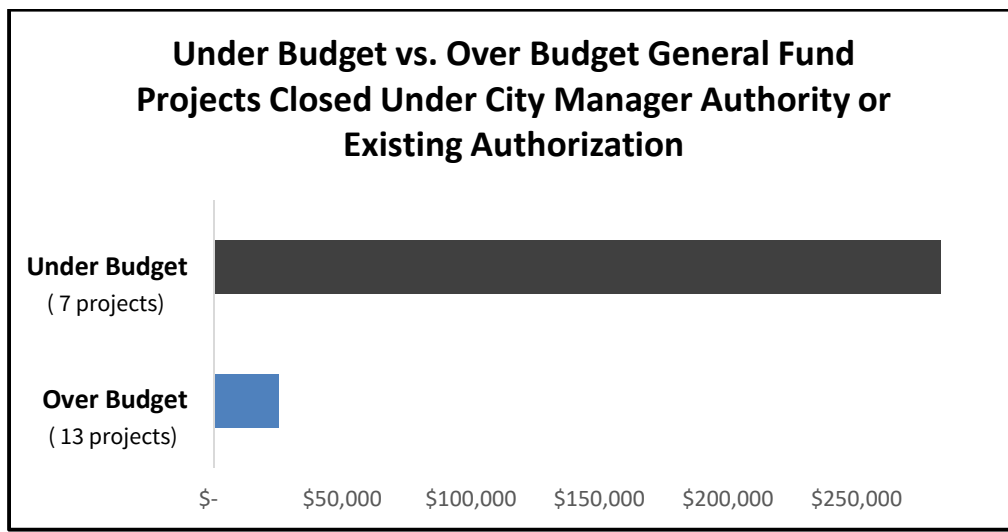
The Finance Department is collectively working on project cleanup. Each staff member has been assigned projects to research and are actively working towards closing. Management felt this was a more efficient way of addressing this and are hopeful that this will shorten the timeline towards completion.

We originally started closing those projects with open balances under the CM authority and then transitioned towards those projects with the highest open balances (exceeding \$100,000). Due to the questions surrounding the HAWSP and Utility funds, we have now switched our focus towards closing those projects within the Utility fund (215). All project cleanup is expected to be completed by the time the books are closed for fiscal year 2019, with the goal of our audited financial statements being a more accurate representation of the actual open project fund balances.

Through this process we are outlining ways to improve. A person within the department will be focused on timelier reporting of project status to all members of management (Council, project manager, finance director, and city manager) to ensure that we are aware of the financial status of each project. We are also working on developing project closeout processes so that when the work is done, our books also reflect that closure.

Projects Closed Under City Manager Authority or Existing Authorization:

General Fund



Under Budget (R>E)	Over Budget (E>R)
\$282,703	\$25,166

Δ = \$257,537

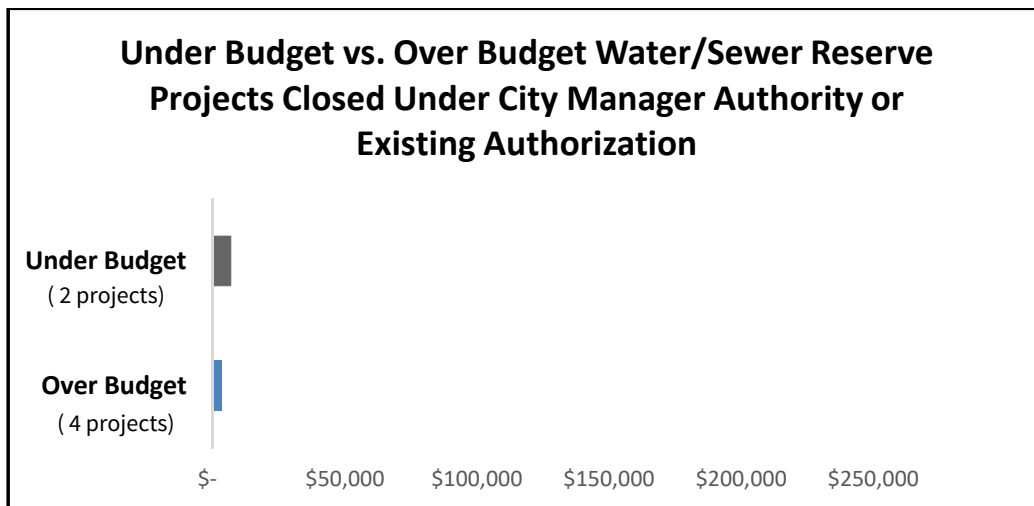
- 151-0001 – Bunnell Street Storm Drain Rehab – completed 2017
 - Expenses exceeded revenues by \$386.85. Ord 16-55 authorized funding of \$494,000 from HART for this project. Transferred \$386.85 from HART to close out project.

- 151-0002 – General Repaving – completed 2016
 - Ord 16-29 authorized \$562,506 from HART to complete this project. Project expenditures totaled \$487,048.71. Per Ord 16-29, this project should have been created within the HART fund, but it was instead created in the GF Capital Projects Fund (151). Due to accounting standards, we are unable to reclass expenditures from a prior year. So, we had to transfer \$487,048.71 from HART fund to close out this project.
- 151-0003 – Soundview Safety – completed 2018
 - Ord 17-08 authorized the acceptance of a grant totaling \$520,125.30 and match requirement of \$208,049.70 from HART. In the 2016 budget, there were two capital requests funded totaling \$355,000 for this project from HART roads. Total revenue exceeded expenditures in this project by \$154,150.64. As both Ord 17-08 and the budget request appropriated funding from HART roads, this project was closed by transferring the excess funds of \$154,150.64 back to HART roads.
- 151-0004 – Fire Hall Improvements – only expenditures 2017
 - Small amount of expenditures were booked to this project without sufficient funding. My guess is that these expenses should have been recorded to the Fire Hall reserves with the rest of the improvement expenses. Unable to reclass expenditures from a prior year, so we had to transfer \$925 from the Fire Hall reserve fund.
- 151-0005 – Library Backup Generator – final activity 2017
 - Ord 15-34 accepted grant of \$114,300, but expenditures exceeded grant amount by \$2,149.86. Transferred that amount from the library reserves to close out project.
- 151-0388 – Old Airport Reserves – only expenditures 2013
 - Fund 151 used to contain our various General Fund reserve accounts, but those reserve funds were transferred into fund 156 (what we now refer to as the CARMA fund).
 - One expenditure was coded here for \$133.90 in 2013. Suspecting that this was a miscode and was never caught. Closed out project with a transfer from airport reserves for \$133.90.
- 151-0719 – Live Fire Training Trailer – completed 2011
 - This project was originally reported with a negative balance of \$14,275.00. Ord 10-22 accepted a grant of \$204,500. Of which, there was a 5% match requirement of \$10,225. This match transfer was never made. In 2019, we recorded this missing transfer of \$10,225 and now the project has a negative balance of \$4,050. This project was closed by transferring \$4,050 from fire reserves, as this fund was also used for the match requirement.
- 151-0720 – Computer Software Upgrade (Caselle) – Work completed in 2004
 - Ord 03-41 authorizes \$80,000 from the General Fund Fund Balance to upgrade accounting software. The expenditures reported to the project total \$53,566.74, which left an open balance of \$26,433.26. This project was closed by transferring \$26,433.26 back to the General Fund Fund Balance.

- 151-0726 – Hockey Grant – bulk of work completed 2005
 - Grant revenue/local match (Ord 05-16, 05-24) covered expenditures for this project. Revenues exceeded expenditures by \$750.15. Local match was funded by General Fund Fund Balance, so closed project by transferring back \$750.15 to GF fund balance.
- 151-0772 – Beluga Slough Trails – last of grant money 2016/activity in 2015
 - Grant revenue received for this project through various ordinances. Local match component in Ord 10-49(S) from HART Trails. Project expenditures exceeded revenues by \$6,073.84, so closed project by transferring \$6,073.84 from HART trails fund.
- 151-0777 – Cruise Ship Enhancements (Downtown Restrooms) – completed 2014
 - Revenue exceeded expenditures by \$225, so closed project by transferring this amount to Parks reserves.
- 151-0778 – South Peninsula Gas Line – completed 2013
 - Expenditures exceeded revenues by \$0.05, so closed project by transferring this amount from natural gas fund.
- 151-0779 – Fishing Lagoon Improvements – work completed 2012
 - Revenue equaled expenditures during project work in 2012. In 2014, a journal entry was done moving \$21,881.26 from project 151-0776 to “report transfer of matching funds from GF as transfer in”. This project did not need these funds, so in 2019 we transferred it back to project 151-0776.
- 151-0780 – ASTEP DUI Enforcement Grant – ongoing, but error occurred in 2016
 - There an ongoing grant that reimburses for officer time for DUI enforcement. This grant is recorded to our non-capital projects fund for the same project title (157-0780). This particular project was created by accident and expenditures of \$661.25 were booked here instead of 157-0780. To close out this project \$661.25 was transferred from the non-capital project fund, as we are unable to reclass expenditures from a prior year.
- 151-0781 – ASTEP Seatbelt Enforcement Grant – ongoing, but error occurred in 2014
 - This grant revenue should have been recorded to our non-capital projects fund for the same project title (157-0781). This particular project was created by accident and revenues of \$2,843.27 were booked here instead of 157-0781. To close out this project \$2,843.27 was transferred to the non-capital project fund, as we are unable to reclass revenues from a prior year.
- 151-0788 – Seawall Maintenance – completed 2007
 - Expenditures exceeded revenues by \$202.47, so project was closed by transferring \$202.47 from Seawall reserves.
- 151-0792 – Spit Trail Completion – Last of grant money received 2016
 - Project costs exceeded revenue by \$6,930.79. Most of this project was grant funded. Only additional funding came from HART Trails for the local match requirement on one of the grants (ORD 09-48). This project was closed by transferring \$6,930.79 from HART Trails, as this was the funding source used to cover local match requirement.
- 151-0795 – Homeland Security/Radio – completed 2009
 - Ord 07-43(S) accepted grant of \$35,000 and project exceeded that grant by \$333.42, so project was closed by transferring \$333.42 from Police reserves.

- 151-0798 – Natural Gas SAD – completed 2013
 - This project was originally reported with a negative balance of \$27,321.86. However, there was a funding transfer that was missed. Ord 12-46 appropriated \$50,165 from the General Fund Fund Balance and this transfer never took place. In 2019, we recorded a transfer of \$27,321.86 (actual project spent) from General Fund Fund Balance to close out the project.
- 151-0863 – Manley Building Fuel Spill – completed 2008
 - Professional Services expenditures in 2008 were covered by a transfer from General Fund reserves, but those expenditures from 2005 were not covered. In order to close out project, \$3,207.63 was transferred from General Fund reserves.
- 151-7001 – Fire Dept Equip Upgrades – completed 2017
 - This project was 100% grant funded and our expenditures matched exactly the grant amount. Project was left open with a zero balance. No future activity is expected, as projected has been completed. This project has been closed.
- 151-7006 – FY16 Homeland Security Grant – completed 2018
 - Looking through grant folder, total expenditures of \$111.00 were denied for reimbursement. Therefore, the project expenditures exceed revenues by this amount. Project was closed by transferring \$111.00 from Police reserves.
- 151-7008 – FY17 Homeland Security Grant – completed 2018
 - This project was 100% grant funded and our expenditures matched exactly the grant amount. Project was left open with a zero balance. No future activity is expected, as projected has been completed. This project has been closed.

Water/Sewer Fund



Under Budget (R>E)	Over Budget (E>R)
\$5,851	\$3,305

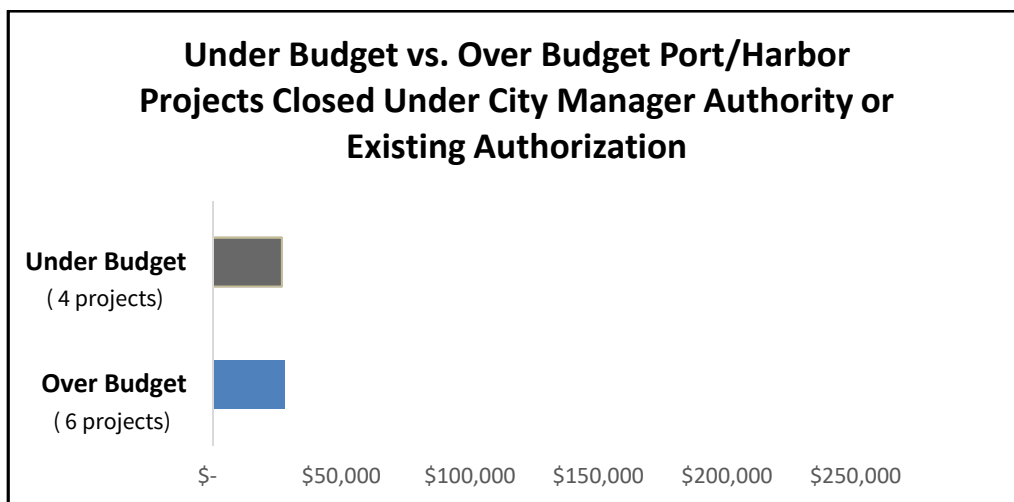
Δ = \$2,546

- 215-0001 – Lillian Walli – bulk of work completed 2017
 - Project was initially reported with a negative balance of \$841,300.77. However, this project included both road and sewer improvements. The road portion of this project totaled \$839,406.48 and these expenses were moved to HART projects. After this

transfer, the project expenditures exceeded DEC loan amount by \$1,894.29. Per assessment roll, this project is 100% property owner's expense and no HAWSP funds are to be utilized. Given the statement that no HAWSP monies are to be used for this project, this project was closed by transferring \$1,894.29 from sewer reserves.

- 215-0002 – Kach Dr. III Sewer – completed 2017
 - Project expenditures exceeded revenues by \$295.36. Primary revenue source was a loan. There was no match requirement on this project so direction is clearly lacking on how to address any overruns. Due to the nature of HAWSP and needing authority to spend from that fund prior to expenses being incurred, this project was closed by transferring \$295.36 from the Sewer reserves.
- 215-0826 – Kach Dr Phase I Sewer – work completed 2007
 - Project was zeroed out with a transfer from HAWSP in 2009. An expenditure of \$120 was recorded in 2012 and we suspect this was a miscode. To close out this project, a transfer of \$120 was made from the Sewer reserves.
- 215-0834 – Kach Dr Water Main Phase III – work completed 2014
 - Revenues exceeded expenditures by \$157.52 for this project. Match component of grant was funded through HAWSP per Reso 12-062, so project was closed by transferring \$157.52 to HAWSP.
- 215-0836 – Old Cast Iron Wtr Main Rep De – work completed 2014
 - Revenues exceeded expenditures by \$5,693.07 for this project. Match component of grant was funded through HAWSP per Reso 12-062, so project was closed by transferring \$5,693.07 to HAWSP.
- 215-0866 – Electric Turbine/Hydro – work completed 2009
 - Project was zeroed out with a transfer from HAWSP in 2009. An expenditure of \$995 was recorded in 2010 and we suspect this was a miscode. To close out project a transfer of \$995.00 was made from Water reserves.

Port and Harbor Fund



Under Budget (R>E)	Over Budget (E>R)
\$26,795	\$27,743

Δ = (\$947)

- 415-0380 – Port Reserves – new fund established 2007
 - This project used to be the port reserves, but in 2007 the Port Depreciation Reserves fund (456-0380) was created and funds from this project were transferred out. After the funds were transferred, this project was never closed and it continued to receive interest income through 2010. This income grew to \$2,394.99 and this amount was transferred to the new port reserves to close this project out.
- 415-0923 – Security Gates & Video Surveillance Equip DWD – work completed 2012
 - Local match components of grant used funding from Port reserves. Revenues exceeded expenditures on this project by \$2,501, so this amount was transferred back to the port reserves fund to close this project.
- 415-0924 – DWD Expansion Phase I – work completed 2016
 - Ord 16-27 appropriated \$38,000 from the Port reserves for this project. Revenues exceeded project expenditures by \$17,910.50, so this amount was transferred back to the port reserves fund to close this project.
- 415-0926 – Cruise Ship Dock & Passenger Facility DWD Imprv & Broom – done 2015
 - Expenditures exceeded revenues by \$155, so this amount was transferred from port reserves to close out project.
- 415-0928 – Harbor Trails to DWD & Coal Point – bulk of work completed 2016
 - Revenues exceeded expenditures by \$3,989, so project was closed by transferring this amount to port reserves.
- 415-0929 – DWD Fender Repairs – completed 2012
 - Expenditures totaling \$25,504.23 were not properly coded to this project, and it was showing that grant revenue exceeded project costs by this amount. We found the missing expenditures, however we are unable to reclass expenditures from a prior year. So, transfers totaling \$25,504.23 was transferred into this project from the respective funds to close it out.
- 415-0932 – Anhydrous Ammonia HAZWOPER Training – completed 2013
 - Expenditures recorded to this project in 2012 totaling \$160.20 prior to receiving grant in 2013. The revenue that came in did not cover this expenditure (possible miscode), so project had expenditures exceeding revenue by \$160.20. To close project this amount was transferred from harbor reserves.
- 415-0934 – Homer Load & Launch Ramp – completed 2016
 - Project expenditures exceeded revenues by \$74.44, so project was closed by transferring this amount from port reserves.
- 415-0938 – Fishing Lagoon Fish Cleaning – completed 2017
 - Project expenditures exceeded revenues by \$1,401.48, so project was closed by transferring this amount from port reserves.
- 415-0940 –Homeland Security FY15 Generator Grant – completed 2018
 - Grant revenue totaling \$129,892.43 was recorded for this project. During the 2017 audit, all project expenditures (\$9,750 at the time) were reclassified out due to accounting standards to report the capitalization of assets. The reclass moved the expenditures out of this project and into the port operating fund (400) where all of the

assets reside. This reclass failed to also transfer the revenue received to cover those expenses, thus making the project look like it had excess funding at the end of 2017. In 2018, we received additional grant funding and the expenditures were classified as capital assets and they were subsequently moved out of this project. However, we were aware of the issues associated with the 2017 audit and made sure that the revenue was also reclassified with the expenditures. After we made the 2018 entry to move revenue/expenditures to capitalize the assets, the project expenditures exceeded revenues by \$447.26. A transfer of this amount was made from port reserves to close out this project.

Projects needing Council Authority to Close:

General Fund

- 151-0727 – Mariner Park – last activity 2000
 - Reso 99-9 awarded a contract for professional environmental assessment services for Mariner Park. Memo 99-35 discusses project scope and includes a packet from the EVOS trustee council. The trustee council detailed a budget of \$95,350 for this project. Unsuccessful in tracking down an ordinance formally accepting any amount of money outside of the 1999 budget detailing the City of Homer receiving \$93,000 in a state grant. The budget also shows COH expending that full amount within the same year. However, we still have an open project balance of \$22,581.78. Given there was no additional funding on this project, City Council needs to determine where to appropriate this excess funding.
 - Finance recommendation: There is no guidance on where to transfer this money to, but it would seem appropriate to transfer \$22,581.78 to the Parks reserve. An argument can also be made to transfer to General Fund Fund Balance as there is the possibility that expenditures were incorrectly recorded to the General Fund instead of this project. This project was started and completed prior to our current accounting software, so we are limited on the amount of expenditure research we can perform.
- 151-0775 – City Hall Expansion & Remodel – completed 2013
 - Project was initially reported with a negative balance of \$583,068.18. However, there was a funding transfer that was missing. In 2019, we recorded this missing transfer of \$486,948 (per Ord 11-19(S)) and now the project has a negative balance of \$96,120.18.
 - Further complication: In 2010 the revolving energy fund was created and \$19,773 of that fund was created by a transfer from the “New City Hall”. We subsequently closed out the “New City Hall” into this project (151-0775) but never removed that \$19,773 in funding from the revolving energy fund. Ord 11-47 authorized a transfer of \$415,873 from the “New City Hall” into this project. The transfer was done, but for \$19,773 less than the authorized amount.
 - Finance recommendation: Clean up the \$19,773 shortage by transferring that amount from the revolving energy fund. If this is done, the project will have a negative balance of \$76,347.18 (expenditures exceeding revenues). Transfer

this amount from General Fund reserves (156-0375) as this was the additional funding source for this project.

- 151-0936 - Skyline Fire Station – Bulk of Work completed in 2014
 - Project was initially reported with a negative balance of \$110,732.09. However, there was a funding transfer that was missing. In 2019, we recorded a transfer of \$98,000 (per Ord 14-12(S)) and now the project has a negative balance of \$12,732.09. We have analyzed all of the project expenditures and they all appear to be related to this project. Given this amount is over CM authority and there is no additional authority to cover these project overruns, City Council needs to appropriate \$12,732.09 to close out this project.
 - Finance recommendation: Ord 14-12(S) provided additional funding from the General Fund Fund Balance, so it would seem appropriate to cover this overrun from this same funding source.

Water/Sewer Fund

- 215-0003 – Kach Dr III Water – completed 2017
 - All revenues have been properly booked for this project and expenditures exceed revenue by \$18,147.83. We did notice that the work on this project coincided with 215-0002 and most invoices were split between the two projects, so there is a possibility that some of these expenditures should have been recorded to the sewer side of the project.
 - Finance recommendation: It is not worth researching the split between the two projects, as both experienced overruns. Our recommendation is to close this project by transferring \$18,147.83 from Water reserves.
- 215-0815 – Bartlett/Hohe Reconstruction – bulk of work completed 2006
 - Ord 04-31 appropriated \$125,725.34 from HAWSP. Going into 2007 this project had an open balance of (\$162,768.32). In 2007, it was “closed” by a funding transfer from HAWSP for this amount. Project remained open in the books and an expenditure was booked here in 2011 for \$53,785.71. Public Works was able to find a memo to their project file detailing this expenditure (ADOT audited project years later and found costs that should have been billed to COH but never were). The expenditure was a legitimate cost to this project, but no funding was sought at the time to cover this additional expenditure. Also, Ord 04-31 was authorizing the RSA estimated amount with ADOT and did not match the actual estimated costs of the project (\$150,870.41). Project remains open for the amount of this expenditure (expenditures exceeding revenues by \$53,785.71).
 - Finance recommendation: Per Ord 04-31 authorizing use of HAWSP funds, close this project by transferring \$53,785.71 from HAWSP.
- 215-0829 – East End Road PVC Pipe Replacement – completed 2004
 - Ord 04-39 authorized an appropriation from HAWSP for \$180,000. The work on this project was completed prior to our conversion to Caselle, so we are limited on expenditure research. By everything we have found, the project expenditures exceeded revenues by \$15,276.00.

- Finance recommendation: Ord 04-39 appropriated funding from HAWSP to complete this project and with no other funding sources found transfer \$15,276 from HAWSP to close this project.
- 215-0832 – Sanitary Sewer Rehab – completed 2012
 - Journal entry was done in 2015 to rebalance projects 215-0832 and 215-0833. This journal entry was done incorrectly and now both balances are off by the same exact amount. 215-0832 has an additional \$20,299.16 in its balance.
 - Finance recommendation: Transfer \$20,299.16 to project 215-0833 to close out both projects.
- 215-0833 – Pressure Reducing Valve – completed 2011
 - Journal entry was done in 2015 to rebalance projects 215-0832 and 215-0833. This journal entry was done incorrectly and now both balances are off by the same exact amount. 215-0833 has a shortage of \$20,299.16 in its balance.
 - Finance recommendation: Receive transfer of \$20,299.16 from project 215-0832 to close out both projects.
- 215-0837 – Shellfish Ave/South Slope Water Main – bulk of work completed 2016
 - Revenue sources for this project included grants, loans and funding from HAWSP. While reviewing this project, we came across an expenditure (\$2,900) that was recorded to this project too late and was not able to be submitted to the grant agency for reimbursement. This late expenditure and project overruns combine to cause expenditures to exceed revenues by \$5,199.78.
 - Finance recommendation: Ord 15-20 appropriated funding from HAWSP to complete this project, so transfer \$5,199.78 from HAWSP to close out this project.

Port and Harbor Fund

- 415-0935 – Port and Harbor Building (Harbormasters Office) – bulk of work completed 2015
 - Project expenditures exceeded revenues by \$108,068.29. We have analyzed all of the project expenditures and they all appear to be related to this project. Given this amount is over CM authority and there is no additional authority to cover these project overruns, City Council needs to appropriate \$108,068.29 to close out this project.
 - Finance recommendation: Ord 14-06(A) setup a loan from the General Fund fund balance. Ord 14-05 provided a local match from the Port reserves, so it would seem appropriate to cover this overrun from this same funding source.

Projects Currently Open that Should be Closed:

This section details the list of projects currently open in our books that Finance has determined should be closed. We made this determination either through age of project, lack of activity within project, and by speaking with various COH staff regarding project status. The open balance listed for these projects is preliminary and has not been thoroughly analyzed. Finance has only reconciled these numbers to the overall fund balance, but that is the extent of the review. Finance still has to verify that all funding transfers and expenditures have been accurately recorded.

General Fund

- 151-0275 – Special Fund – last activity 2012
 - Balance \$924,403.63
 - Finance thoughts: This fund was established as a “loan” account for general fund projects. This fund would essentially loan money to various projects if they were lacking a funding source. Ord 04-24(A) references the use of this fund for the Animal Shelter project (151-0728). However, we have been unable to find any document establishing the fund itself. We are working with the Clerk’s Office to find any relevant documents associated with the creation and purpose of the fund. There has been no activity on this fund since 2012, so we are clearly no longer using this fund for its original intent. Council could continue using this fund for its original use or we could disband it and direct this money to another use.
- 151-0718 – Homer Energy Audits – last activity 2012
 - Balance \$95,230.00
 - Finance thoughts: Ord 10-28(S) accepts and appropriates a grant of \$227,800 for energy efficiency and conservation measures. There is an additional transfer of funding from a variety of funds (revolving energy loan fund, sewer reserves, and port reserves) totaling \$619,267. Still researching this transfer and working to find any other document(s) containing authority or purpose.
- 151-0721 – Consortium Library – last activity 2013
 - Balance \$110,436.44
 - Finance thoughts: This project alongside 151-0722 and 151-0723 are connected to record revenues and expenditures associated with the library expansion, move and construction of the new building. More research needs to be done.
- 151-0722 – Library Building – last activity 2015
 - Balance \$14,880.74
 - Finance thoughts: This project alongside 151-0721 and 151-0723 are connected to record revenues and expenditures associated with the library expansion, move and construction of the new building. More research needs to be done.
- 151-0723 – Library Expansion – last activity 2002
 - Balance \$40,574.95
 - Finance thoughts: This project alongside 151-0721 and 151-0722 are connected to record revenues and expenditures associated with the library expansion, move and construction of the new building. More research needs to be done.
- 151-0728 – Animal Shelter – completed 2006
 - Balance \$45,227.62
 - Finance thoughts: This project appears to have been setup to track revenues and expenditures associated with the construction of the animal shelter. This project also received loans from the special fund, so we will need to research this relationship further.
- 151-0735 – Jack Gist Park – completed 2007

- Balance (\$89,757.14)
- 151-0736 – Fire Small Grants – completed 2007
 - Balance (\$14,890.40)
- 151-0741 – Ocean Drive Bluff Erosion – last activity 2007
 - Balance (\$501,713.64)
 - Finance thoughts: This expenditures recorded to this project is associated with the lawsuit costs regarding the seawall. We are still researching to ensure all revenues and expenditures were properly recorded for this project.
- 151-0776 – Karen Hornaday Park Improvements Phase I – bulk of work completed 2014
 - Balance (\$12,292.55)
- 151-0785 – 2004 Homeland Security (Fire) – completed 2005
 - Balance (\$5,557.91)
- 151-7002 – Waddell Way Road Improvements – bulk of work completed 2016
 - Balance (\$31,583.61)
- 151-7004 – Frisbee Ct Paving SAD – bulk of work completed 2017
 - Balance (\$175,041.93)

Water/Sewer Fund

- 215-0835 – Water System Distr/Storage Imp – completed 2014
 - Balance \$21,077.88
- 215-0859 – E End Road W/S Expansion – completed 2006
 - Balance (\$524,613.79)
- 215-0865 – Design Water Treatment Plant – completed 2011
 - Balance \$427,556.51

Port and Harbor Fund

- 415-0910 – Reimbursement Billings for Damages – completed 2013
 - Balance (\$51,823.14)
 - Finance thoughts: This project was established to record repair costs associated with damages experienced to the ferry dock. We are still researching to ensure all revenues and expenditures were properly recorded for this project. More to come.
- 415-0920 – Homer Small Boat Harbor Floats (Denali Commission) – completed 2015
 - Balance (\$1,581,953.47)
 - Finance thoughts: This project was established to record grant revenue, bond revenue, city match funds and expenditures associated with the small boat harbor floats. Finance is still researching to ensure that all of the revenue and expenditures were properly recorded for this project. Our initial suspicion is that there is an entry missing to properly account for the bond. There is no indication that this project was overspent to this magnitude.
- 415-0921 – DWD Expansion Improvements – completed 2018
 - Balance (\$864.88)
- 415-0931 – Harbor Restrooms/Shelter/Guard Shack – completed 2016
 - Balance \$129,223.09

Recommendation:

Close all projects detailed in the “Needing Council Authority to Close” section, per the Finance recommendations provided. All members of management (Council and administration) need to remain actively engaged in this process. Detailed procedures/policies need to be developed to prevent this situation from occurring again in the future.