



# MEMORANDUM

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**Ordinance 25-39, An Ordinance of the City Council of Homer, Alaska Appropriating Funds for the Fiscal Years 2026 and 2027 Capital Budget. City Manager.**

**Item Type:** Backup Memorandum  
**Prepared For:** Mayor Lord and Homer City Council  
**Date:** June 18, 2025  
**From:** Melissa Jacobsen, City Manager

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At previous council meetings, Councilmembers requested additional information including historical revenue and expenditure information for HART Roads and Trails, and an updated fund balance report showing balances that include capital requests recommended for approval to date. Finance Director Fischer is providing this information for your review.

There were also questions regarding the Trackless MT7 Municipal Sidewalk Tractor and the viability of splitting the costs between HART Roads and HART Trails funds, and what an appropriate percentage of splitting the cost would be.

In discussing this internally, looking at the HART funds, and receiving more information on potential costs for the Highland Drive project, it seems feasible to split the cost of the tractor between funds. We also agree that a 50/50 split in cost is valid because usage on trails and sidewalks will vary from year to year based on snow fall and trail needs. The purchase includes-

- The MT7 Trackless Tractor,
- A Snowblower,
- An Angle Broom, and
- A Sander

Having this tractor as part of the City's fleet is expected to improve walkability in the winter time and aid in trail maintenance, which is something we often hear about from our citizens.

## Fund Balance Report

General Fund CARMA		YTD	Encumbered	Available	Pending	Remaining
Fund # - Account #	Account Name	Ending Balance FY 2025			CM Approval	
156-0369	Seawall	60,383	554	59,830		59,830
156-0372	ADA	60,000	-	60,000		60,000
156-0375	General*	351,351	-	351,351	77,972	273,379
156-0384	City Hall	56,170	55,350	820		820
156-0385	Recreation	45,570	1,078	44,493		44,493
156-0387	Community Development	298,042	211,236	86,806	20,000	66,806
156-0388	Airport	0	-	-		0
156-0390	Library	43,119	25,907	17,212		17,212
156-0393	Fire	51,017	39,012	12,005		12,005
156-0394	Police	66,135	13,135	53,000	49,000	4,000
156-0395	Public Works	602,077	596,376	5,701		5,701
156-0396	HERC	266,000	106,003	159,997	7,200	152,797
156-0397	Fishing Hole	91,351	-	91,351		91,351
156-0398	IT	104,537	-	104,537	84,000	20,537
156-0399	Sister City	4,757	4,757	-		0
<b>Total</b>		<b>2,100,510</b>	<b>1,053,407</b>	<b>1,047,104</b>	<b>238,172</b>	<b>808,932</b>

General Fund Fleet CARMA		YTD	Encumbered	Available	Pending	Remaining
Fund # - Account #	Account Name	Ending Balance FY 2025			CM Approval	
152-0375	General	15,392	-	15,392		15,392
152-0380	Administrative	20,000	-	20,000		20,000
152-0381	Fire	161,461	15,461	146,000		146,000
152-0382	Police	150,120	150,000	120		120
152-0383	Public Works	103,092	11,603	91,489	79,000	12,489
<b>Total</b>		<b>450,065</b>	<b>177,064</b>	<b>273,001</b>	<b>79,000</b>	<b>194,001</b>

Water & Sewer CARMA		YTD	Encumbered	Available	Pending	Remaining
Fund # - Account #	Account Name	Ending Balance FY 2025			CM Approval	
256-0378	Water	2,113,452	1,025,304	1,088,148	338,200	749,948
256-0379	Sewer	830,190	189,355	640,835	177,500	463,335
<b>Total</b>		<b>2,943,642</b>	<b>1,214,659</b>	<b>1,728,983</b>	<b>515,700</b>	<b>1,213,283</b>

Port & Harbor Depreciation Reserve		YTD	Encumbered	Available	Pending	Remaining
Fund # - Account #	Account Name	Ending Balance FY 2025			CM Approval	
456-0380	P & H Reserve	1,044,071	501,657	542,413	260,000	282,413
456-0386	Load and Launch Reserve	657,949	-	657,949		657,949
456-0389	Match Reserve	1,993,675	1,393,524	600,151		600,151
456-0373	USCGC Berth Space	148,845	20,000	128,845		128,845
<b>Total</b>		<b>3,844,540</b>	<b>1,915,181</b>	<b>1,929,359</b>	<b>260,000</b>	<b>1,669,359</b>

Port & Harbor Fleet Reserve		YTD	Encumbered	Available	Pending	Remaining
Fund # - Account #	Account Name	Ending Balance FY 2025			CM Approval	
452-0374	P & H Fleet	87,158	8,305	78,853		78,853
<b>Total</b>		<b>87,158</b>	<b>8,305</b>	<b>78,853</b>	<b>0</b>	<b>78,853</b>

HART Roads		YTD	Encumbered	Available	Pending	Remaining
Fund #	Fund Name	Ending Balance FY 2025			CM Approval	
160	HART Roads	6,006,789	4,247,644	1,759,146	125,000	1,634,146
160	HART Roads Match	500,000	0	500,000		500,000
<b>Total</b>		<b>6,506,789</b>	<b>4,247,644</b>	<b>2,259,146</b>	<b>125,000</b>	<b>2,134,146</b>

HART Trails		YTD	Encumbered	Available	Pending	Remaining
Fund #	Fund Name	Ending Balance FY 2025			CM Approval	
165	HART Trails	1,246,466	206,677	1,039,790	140,000	899,790
<b>Total</b>		<b>1,246,466</b>	<b>206,677</b>	<b>1,039,790</b>	<b>140,000</b>	<b>899,790</b>

General Fund Unassigned Fund Balance		YTD	Encumbered	Available	Adopted	Remaining
Fund #	Fund Name	Ending Balance FY 2025			Operating Budget	
100	GF Unassigned FB	2,136,339	447,131	1,689,208	415,417	1,273,791
<b>Total</b>		<b>2,136,339</b>	<b>447,131</b>	<b>1,689,208</b>	<b>415,417</b>	<b>1,273,791</b>

\*General CARMA (156-0375) Pending - CM Approval:  
 - \$25,000 for Hickerson Cemetery Improvements  
 - \$22,000 for Server Room Environmental Controls  
 - \$22,000 for Server Room Fire Suppression  
 - \$8,972 for TruNarc Narcotics Analyzer (\$23,428 funded thru ORD 25-40)

<b>Fund 160 - HART Roads Reconciliation</b>	<b>FY 19 Actual</b>	<b>FY 20 Actual</b>	<b>FY 21 Actual</b>	<b>FY 22 Actual</b>	<b>FY 23 Actual</b>	<b>FY 24 Actual</b>	<b>FY 25 YTD</b>
<u>Beginning Balance:</u>							
HART Roads	6,039,672	5,907,370	6,465,598	6,746,078	6,564,392	4,659,608	5,198,768
HART Roads Match	-	-	-	-	-	500,000	500,000
<b>Beginning Balance</b>	<b>6,039,672</b>	<b>5,907,370</b>	<b>6,465,598</b>	<b>6,746,078</b>	<b>6,564,392</b>	<b>5,159,608</b>	<b>5,698,768</b>
<b>Revenue</b>							
Sales Tax	1,503,204	1,261,822	740,980	1,652,656	1,694,524	1,713,223	1,663,267
Remote Sales Tax			-	79,249	111,782	96,366	118,042
Interest Income	180,137	152,136	(6,132)	(187,901)	91,697	326,181	287,611
<b>Total Revenue</b>	<b>1,683,341</b>	<b>1,413,958</b>	<b>734,847</b>	<b>1,544,005</b>	<b>1,898,003</b>	<b>2,135,770</b>	<b>2,068,920</b>
<b>Transfers</b>							
Transfer to GF for Roads Maintenance*	589,843	608,810		807,065	866,100	933,347	
Other Transfers	(2,270,275)	(1,217,620)	(272,200)	(1,774,809)	(1,913,084)	(1,912,737)	(142,749)
<b>Total Transfers</b>	<b>(1,680,432)</b>	<b>(608,810)</b>	<b>(272,200)</b>	<b>(967,743)</b>	<b>(1,046,983)</b>	<b>(979,390)</b>	<b>(142,749)</b>
<b>Expenditures</b>							
HART Roads	20,126	128,290	182,168	757,947	2,255,804	617,220	1,118,150
HART Roads GF Admin Fees	115,085	118,629	-	-	-	-	-
HART Roads Match	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>135,211</b>	<b>246,920</b>	<b>182,168</b>	<b>757,947</b>	<b>2,255,804</b>	<b>617,220</b>	<b>1,118,150</b>
<u>Ending Balance:</u>							
HART Roads	5,907,370	6,465,598	6,746,078	6,564,392	4,659,608	5,198,768	6,006,789
HART Roads Match	-	-	-	-	500,000	500,000	500,000
<b>Ending Balance</b>	<b>5,907,370</b>	<b>6,465,598</b>	<b>6,746,078</b>	<b>6,564,392</b>	<b>5,159,608</b>	<b>5,698,768</b>	<b>6,506,789</b>
Fiscal Year Appropriations - HART Roads	65,097	1,265,000	1,128,910	4,254,772	957,105	2,998,667	2,001,905
Fiscal Year Appropriations - HART Match	-	-	-	-	-	-	-

\*FY25 General Fund Roads Maintenance expenses YTD is \$704,923 - budgeted transfer to GF for Roads Maintenance is \$1,161,227

<b>Fund 165 - HART Trails Reconciliation</b>	<b>FY 19 Actual</b>	<b>FY 20 Actual</b>	<b>FY 21 Actual</b>	<b>FY 22 Actual</b>	<b>FY 23 Actual</b>	<b>FY 24 Actual</b>	<b>FY 25 YTD</b>
<u>Beginning Balance:</u>							
HART Trails	568,352	688,136	722,208	798,295	878,406	1,035,778	1,043,034
<b>Beginning Balance</b>	<b>568,352</b>	<b>688,136</b>	<b>722,208</b>	<b>798,295</b>	<b>878,406</b>	<b>1,035,778</b>	<b>1,043,034</b>
<b>Revenue</b>							
Sales Tax	173,803	140,317	89,912	169,153	188,281	190,358	184,808
Remote Sales Tax			-	8,805	12,420	10,707	13,116
Interest Income	17,859	17,058	(696)	(23,078)	18,033	56,461	45,286
<b>Total Revenue</b>	<b>191,662</b>	<b>157,376</b>	<b>89,215</b>	<b>154,880</b>	<b>218,733</b>	<b>257,527</b>	<b>243,209</b>
<b>Transfers</b>							
Transfer to GF for Trails Maintenance	25,000	39,570	-	39,026	41,706	12,037	
Other Transfers In							4,168
Other Transfers Out	13,005	-	-	-	-	180,440	3,167
<b>Total Transfers</b>	<b>38,005</b>	<b>39,570</b>	<b>-</b>	<b>39,026</b>	<b>41,706</b>	<b>192,478</b>	<b>1,001</b>
<b>Expenditures</b>							
HART Trails	5,102	54,076	13,128	35,744	19,655	57,793	40,777
HART Trails GF Admin Fees	28,771	29,657	-	-	-	-	-
<b>Total Expenditures</b>	<b>33,874</b>	<b>83,733</b>	<b>13,128</b>	<b>35,744</b>	<b>19,655</b>	<b>57,793</b>	<b>40,777</b>
<u>Ending Balance:</u>							
HART Trails	688,136	722,208	798,295	878,406	1,035,778	1,043,034	1,246,466
<b>Ending Balance</b>	<b>688,136</b>	<b>722,208</b>	<b>798,295</b>	<b>878,406</b>	<b>1,035,778</b>	<b>1,043,034</b>	<b>1,246,466</b>