CBJ DOCKS & HARBORS BOARD
FINANCE MEETING MINUTES
For Tuesday, July 24, 2012

I. Call to Order.

Eric Kueffner called the Finance Committee Meeting to order at 5:00 p.m. in room 224 of the Assembly building.

II. Roll Call.

The following members were present: Tom Donek, Scott Spickler, Michael Williams, John Bush and Eric Kueffner.

The following member was absent: Kevin Jardell.

Also in attendance was: Carl Uchytil-Port Director.

III. Approval of Agenda.

MOTION BY MR. WILLIAMS: TO APPROVE THE AGENDA AS PRESENTED.

The motion passed with no objections.

IV. Public Participation on Non-Agenda Items.

There was none.

V. Approval of June 26th, 2012 Finance Committee Meeting Minutes.

Hearing no objection, the minutes of the June 26th Finance Committee Meeting were approved as presented.

VI. Items for Action.

There were none.

VII. Items for Information/Discussion.

1. FY13 Budget

Mr. Uchytil said he would like to review the budget report monthly. He provided a budget report compiled from the FSM Harbor system information. We are still struggling to provide information that the committee can find useful. He clarified that the figures are for what has been invoiced for the month and not what we have taken in. He said he can control the expenditure but doesn't have a lot of control over the revenues.

VII. Items for Information/Discussion. (Continued)

Mr. Uchytil also provided a GL Commitment Analysis Report from the CBJ Lawson system. The CBJ Accountants say they are several months out as far as providing final figures for FY12. Mr. Uchytil was trying to spend down what was in the budget and take care of projects like the chip seal in the Aurora lot.

Mr. Kueffner asked if the budget balance column on the Lawson report was what was still left in the budget to spend.

Mr. Uchytil said it is hard to reconcile the Lawson report with the FSM report because both reports are independent of each other and the Lawson report is always several months behind.

Mr. Kueffner asked why there was a large encumbrance for gasoline.

Mr. Uchytil said the large encumbrance is for contractual services. We have to encumber a certain amount for each company we contract services with.

2. FY12 Review.

Mr. Donek had a question about the difference between the GL commitment Analysis $3,30,064.24 and the June 2012 Revenue report $1,990,500.00.

Mr. Uchytil said our revenue report is still a work in progress. He asked Teena to pull the big numbers out for review.

Mr. Bush asked about a listing for Accounts receivable.

Because we are an enterprise fund, we pay the CBJ for Accounting and Legal services. We pay $154,800.00 for interdepartmental services for both Docks and Harbor operations.

Mr. Kueffner said if we just keep getting the same information it will be useful.

Mr. Uchytil said for FY12 the Bond debt service has not been deducted from the figures and when you take that out for the year, we have about $17,000.00 left. Whatever profit we have rolls into our harbor fund. Also according to our accountants, not all the expenditures are in. We are trying to pull the extra funds that were not encumbered for derelict vessel removal so the bottom line should go up another $41,000.00.

Mr. Kueffner asked if we had a good year as far as derelict vessels.

Mr. Uchytil said we may have to pay to have the Rio Janeiro removed from the harbor and there was one vessel we had removed from Auke Bay this past year.

VII. Items for Information/Discussion. (Continued)

Mr. Uchytil said for the Docks Revenue we will not receive fish tax until November so we will not have complete figures for FY12 until then.

We also have a separate C.I.P operating fund. There are actually two accounts and you will see the other account showing for $228,000.00. That is what we have in excess for the C.I.P Docks operations funds. These are project related expenditures.

Mr. Donek had a question about the figure $291,000.00 for all other work force on page one of the report.

Mr. Uchytil said he would get more information about what that figure represented.

VIII. Staff & Member Reports.

Mr. Uchytil said the Coast Guard has gotten back to him on the Liberty lease and they are willing to pay what we have asked for the dock. His expectation was that the Coast Guard would go back to the last fiscal year to start paying the new lease. They have indicated the back rent is a problem. If they were going to pay back rent, they would have to go back to when the original lease expired in 2003.

Mr. Spickler asked if it had taken 9 years to come to an agreement on the lease.

Mr. Uchytil explained that there was a typo in the original lease and that he renewal date should have been in 2003 instead of 2013.

We did get a Mount Roberts Tram lease. It is the most valuable tideland lease we have. Back in 1996 the original lease was for $30,000 per year plus royalties. They are now paying $104,000 a year and the royalties went away in 2006. The current appraisal suggests a annual lease amount of $300,000.00. They have had their own appraisal done by Reliant Company out of Anchorage and it's impossible to read. Mr. Uchytil is hiring Charles Herran to interpret the lease from Goldbelt. They are paying the current rate but in 2009 we did not do another appraisal because of the economy. We are behind in getting appraisals for this lease.

The Petro-marine fuel dock Lease is with Amy Mead in Legal.

The Fish & Game parking lease is still in progress.

The Aurora Harbor matching grant program we need to look for connections between the cruise ship area and Aurora Harbor to encumber Marine Passenger Fees to use for matching funds.

IX. Committee Administrative Matters.

1. Next Finance Committee Meeting is August 28th, 2012.

X. Adjournment.

MOTION by Mr. Williams: TO ADJOURN THE DOCKS & HARBORS FINANCE COMMITTEE MEETING AND ASK UNANIMOUS CONSENT.

The Finance Committee Meeting adjourned at 6:07 p.m.