CBJ DOCKS & HARBORS BOARD
FINANCE MEETING AGENDA
For Tuesday, March 29, 2011

I. **Call to Order** (5:00 p.m. to 7:00 p.m.) in the **Room 224, City Hall.**

II. **Roll Call** (Greg Busch, Tom Donek, Don Etheridge, Kevin Jardell, Cheryl Jebe, Jim Preston, and Eric Kueffner).

III. **Approval of Agenda**.

MOTION: TO APPROVE THE AGENDA AS PRESENTED OR AMENDED.

IV. **Public Participation on Non-Agenda Items** (not to exceed five minutes per person, or twenty minutes total).

V. **Approval of February 22, 2011 Finance Committee Meeting Minutes**.

VI. **Items for Action.**

1. FY 11 Expense and Revenue Reports

Presentation by Port Director

Committee Comment

Public Testimony

Committee Deliberations

MOTION: TO RECOMMEND THE BOARD APPROVE ADJUSTMENTS TO THE FY11 DOCKS AND HARBORS BUDGETS AS RECOMMENDED BY THE PORT DIRECTOR AND TO FORWARD TO THE CITY MANAGER FOR PRESENTATION TO THE ASSEMBLY

VII. **Items for Information/Discussion**.

VIII. **Staff & Member Reports**.

IX. **Committee Administrative Matters.**

1. Next Finance Committee Meeting: April 26, 2011

X. **Adjournment.**

CBJ DOCKS & HARBORS

FINANCE COMMITTEE MEETING MINUTES

For Tuesday, February 22, 2011

I. Call to Order.

Eric Kueffner called the Finance Committee Meeting to order at 5:02 p.m. in room 224 of the Assembly Building.

II. Roll Call.

The following members were present: Don Etheridge, Tom Donek, Kevin Jardell, Greg Busch and Eric Kueffner.

The following members were absent: Cheryl Jebe and Jim Preston.

Also in attendance were the following: John Stone-Port Director.

III. Approval of Agenda.

MOTION by Mr. Jardell: TO ASK UNANIMOUS CONSENT TO APPROVE THE AGENDA AS PRESENTED.

The motion passed without objection.

IV. Public Participation on Non-Agenda Items.

There was none.

V. Approval of previous meeting minutes.

Hearing no objection, the minutes of the January 25, 2011 Finance Committee Meeting were approved as presented.

VI. Items for action.

1. Moorage Fee CPI Adjustment.

Mr. Stone said our Harbor regulations stipulate that each year the moorage fees increase by the previous years Anchorage consumer price index as reported by the Alaska Department of Labor. They have recently reported an increase of 1.8% for the Anchorage CPI. Accordingly, Skiff, daily, and monthly moorage fees will increase by 1.8% for the FY12 moorage year unless the Board takes action to keep the fee the same as the previous year. Mr. Stone provided a hand out of what the new moorage rates would look like for the coming moorage year. This automatic annual increase was originally part of a revenue bond analysis to show lenders that we would continue to have positive income to compensate for inflation.

DRAFT

VI. Items for action (Continued).

Mr. Busch asked if the Board had ever not approved the CPI increase.

Mr. Stone said the automatic increase started in 2007 and has always been approved by the Board.

Mr. Kueffner said the CPI has been low and the small increases are easier for patrons to accept so we should defiantly approve the small increases.

Public Comment

Dennis Watson said according to the recent Operations Committee Meeting, there is a possibility the electric service and water to Deharts floats may need to be shut off. He wanted to know if an adjustment to Deharts Moorage would be made to compensate for the loss of utilities. He also had some concerns about the parking lot management at Statter Harbor. He was concerned about some employee parking right next to the Harbor office and monthly parking patrons taking up prime parking spots for vehicles that are not moving. He did not feel that patrons that are paying half price for parking should be using the prime spots.

Paul Swanson said he was concerned about a moorage increase when Deharts patrons are already paying a premium for moorage that may be going away.

MOTION by Mr. Jardell: TO RECOMMEND THE BOARD ALLOW AN INCREASE IN FY12 MOORAGE FEES BY THE ANCHORAGE CPI OF 1.8% AND ASK UNANIMOUS CONSENT.

The motion passed without objection.

2. Moorage Promotions.

Mr. Stone said we would like to offer the same moorage promotions as last year for the down town harbors only. We are hoping to promote usage of the smaller slips and the promotion will be limited to vessel with an overall length of 27'.

Mr. Jardell asked if Statter Harbor continued to be full during the summer months.

Mr. Stone said there are times that Statter Harbor is very full although he did feel there was usually room for smaller boats. Last year he had proposed that the moorage promotion be available at Statter Harbor as well, but the Board did not approve it.

VI. Items for action (Continued).

Mr. Busch asked if there was still an excess of smaller slips in the down town harbors after we removed the fingers from the south sides of Aurora K and L floats.

Mr. Stone said we still have plenty of smaller slips open in the down town harbors. We could even remove the slips from another float and still have plenty available.

Mr. Donek asked if there was a plan to remove more of the small finger floats.

Mr. Stone said after the breakwater is moved to the Douglas Harbor, they would like to remove another whole side of smaller slips. The floats where the fingers have already been removed are already being used for side moorage and the only downside is that we only have 20 amp power available in those locations.

MOTION by Mr. Jardell: TO AUTHORIZE MOORAGE PROMOTIONS FOR THE 2011 SEASON AS PRESENTED BY THE PORT DIRECTOR AND FORWARD TO THE FULL BOARD FOR APROVAL AND ASK UNANIMOUS CONSENT.

The motion passed without objection.

VII. Items for Information/Discussion.

There were none.

VIII. Staff & Member Reports.

Mr. Jardell asked if they would be looking at financial reports in the near future.

Mr. Stone said he was working with the accountant to provide some reports to the Finance Committee. It looks like we may need to do a budget adjustment in front of the Assembly for personnel services in harbors. We kept some seasonal staff on for an extra month at the end of the 2010 Season to complete some projects and that has increased the expense for harbors personnel services.

Mr. Busch asked what the appropriate time to discuss a possible change in rates at Deharts if the utilities must be shut off.

Mr. Kueffner said we certainly could come up with an emergency plan.

Mr. Jardell said for the electrical service, most patrons would just stop being billed by AEL&P.

VIII. Staff & Member Reports (continued).

Mr. Donek said the first issue to deal with if utilities to Deharts are shut down would be if patrons want to move or remain in that harbor.

Mr. Stone said we do need to give AEL&P time to give their customers 30 days notice if electrical service is to be discontinued.

Mr. Kueffner said he did not see how the Board could deal with the issues at Deharts in advance.

IX. Committee Administrative Matters.

1. Next Finance Committee Meeting – March 29, 2011 in CBJ room: 224.

X. Adjournment.

MOTION by Mr. Etheridge: TO ADJOURN THE FINANCE COMMITTEE MEETING AND ASK UNANIMOUS CONSENT.

The meeting adjourned at 5:29 p.m.

DRAFT

City & Borough of Juneau • Docks & Harbors
155 S. Seward Street • Juneau, AK 99801
(907) 586-0292 Phone • (907) 586-0295 Fax

CITY/BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY

Port of Juneau

To: Docks and Harbors Finance Committee
CC:
From: John M. Stone, P.E. Port Director
Date: March 24, 2011
Re: Amendments to Docks and Harbors FY 11 Budget

The FY 11 actual and budgeted revenue and expense reports for the docks and harbors enterprises are attached. I highlight the reports in this memo and set out budget adjustments the Board must request from the Assembly in order to have our FY 11 expenses remain below the FY 11 approved budget.

Docks

FY 11 docks revenues are off target and we expect waterfront sales permit and cruise ship revenues will be about 10% less than budgeted.

We are projecting FY 11 personnel expenses will be over budget by 9%. This is primarily due to keeping the seasonal employees on an additional month. The rest of the expenses are below budget. The net result is that we need to ask the Assembly to increase our expense budget by 2% or $27,900.

Revenues will only exceed expenses by about $277,000 which is less than the $500,000 target established by the Board when it adopted the port maintenance fee.

Harbors

FY 11 harbor revenues are ahead of target. We expect actual revenues to exceed budgeted revenues by about 5%.

We are projecting FY 11 personnel expenses will be significantly over budget. However, this is attributable to our decision to keep the seasonal staff on for an additional two months to do harbor maintenance projects. We are projecting personnel expenses through the remainder of the fiscal year will be about 15% over budget. This means that we will need to ask the Assembly to adjust our

expense budget upwards by $127,400. Overall, harbor revenues are expected slightly exceed expenses. However, it does not appear we will meet the revenue bond requirement of 20% surplus revenue to debt service ratio. I am working with the CBJ Finance Director on how to resolve this issue.

Please call me at 586-0294 if you have questions.

Attachments

						Budget Level		946	954
HARBORS							**FY11 BUDGET**	**PROJECTED FY11**	**Revised FY12**
Expenditures									
PERSONNEL									
530	40	5	01	01	110	Salaries - Regu		815,000	833,500
530	40	5	01	01	111	Salaries - Over		35,000	30,000
530	40	5	01	01	116	Leave Accrual			
530	40	5	01	01	120	Benefits		586,000	503,000
530	40	5	01	01	121	Seasonal Benefi			
530	40	5	01	01	130	Worker's Comp		14,100	14,100
						PERSONNEL	1,266,500	1,450,100	1,380,600
SUPPLIES									
530	40	5	01	01	389	Fleet Gasoline		20,300	20,000
530	40	5	01	01	480	Office Supplies		10,000	12,000
530	40	5	01	01	490	Materials & Com		75,000	100,000
530	40	5	01	01	491	Safety Prog & E		6,000	3,000
530	40	5	01	01	492	Gasoline & Oil		2,000	2,000
530	40	5	01	01	496	Minor Equipment		12,500	7,500
530	40	5	01	01	497	Minor Furniture		0	1,000
530	40	5	01	02	490	Fire Extinguish		2,500	1,000
530	40	5	01	04	490	Paint & Related		4,500	3,500
530	40	5	01	05	490	Special Clothin		2,500	1,000
530	40	5	01	06	490	Janitorial Supp		3,000	3,000
530	40	5	01	10	490	M&C - Signage		5,000	5,000
						SUPPLIES	149,000	143,300	159,000

SERVICES & CHARGES								
530	40	5	01	01	310	Telephone	15,000	17,000
530	40	5	01	01	320	Printing	3,000	1,000
530	40	5	01	01	322	Advertising	4,000	2,500
530	40	5	01	01	330	Rents	10,000	2,000
530	40	5	01	01	332	Electricity	110,000	140,000
530	40	5	01	01	333	Fuel Oil	12,000	14,000
530	40	5	01	01	334	Disposal Servic	110,000	130,000
530	40	5	01	01	335	Water Service	35,000	40,000
530	40	5	01	01	336	Sewer Service	1,500	2,000
530	40	5	01	01	337	Lease Related Prof Service	20,000	5,000
530	40	5	01	01	340	Repairs-Vehicle	15,000	20,000
530	40	5	01	01	342	Equip Maintenance Con	6,000	9,500
530	40	5	01	01	345	Bldg Mnt Div Ch	13,000	15,000
530	40	5	01	01	360	Equipment Renta	3,000	3,000
530	40	5	01	01	362	Harbor's Fleet Contr	18,000	18,000
530	40	5	01	01	370	Insurance & Bon	67,000	67,000
530	40	5	01	01	375	General Liabili	8,300	8,300
530	40	5	01	01	380	Dues & Subscrip	3,500	3,500
530	40	5	01	01	390	Contract Serv-Porta Potties	65,000	75,000
530	40	5	01	01	394	Full Cost Alloc	147,600	147,600
530	40	5	01	01	397	Bank Card Fees	40,000	40,000
530	40	5	01	01	481	Postage	7,500	9,000
530	40	5	01	01		Accident Contin		
530	40	5	01	03	340	Float Maint & Repairs	10,000	10,000
530	40	5	01	03	390	Derelict Vessel Mgnt	60,000	50,000
530	40	5	01	04	340	Repairs-Electric	9,000	7,500
530	40	5	01	04	390	Pkg lot Mtn & Repair Svc	2,500	2,500
530	40	5	01	05	340	Repairs-Harbor	6,000	2,000
530	40	5	01	06	340	Repairs-Snow Bl	500	1,000
530	40	5	01	07	390	Board Contingen	20,000	1,000
530	40	5	01	11	340	Repairs-Water System	7,000	7,500
530	40	5	01	12	340	Repairs-Cranes	6,000	4,000
						SERVICES & CHARGES	849,900	835,400	854,900

TRAVEL & TRAINING									
530	40	5	01	01	200	Travel		5,000	5,000
530	40	5	01	01	201	Mileage		5,000	5,000
530	40	5	01	01	202	Training & Educ		3,000	3,000
						TRAVEL & TRAINING	9,000	13,000	13,000
CAPITAL OUTLAY									
530	40	5	01	01	510	Machinery & Equ		10,000	10,000
						CAPITAL OUTLAY	10,000	10,000	10,000
MISCELLANEOUS									
530	00	3	00	00	036	Bad Debts		10,000	10,000
530	40	5	01	01		Recruitment & R			
						MISCELLANEOUS	50,000	10,000	10,000
TRANSFERS									
530	99	5	32	60	950	Transfer Out to 326		752,200	751,400
530	99	5	35	41	950	Transfer Out to CIP354		130,000	
						TRANSFERS	882,200	882,200	751,400
						Harbors Expenditures	3,216,600	3,344,000	3,178,900
						Under (Over) Budget		**(127,400)**	

Revenues

STATE REVENUES									
	530	00	3	00	00	502	Fish tax-Inside	-350,000	-350,000
	530	00	3	00	00	010	FY10 AK Fisheries	-25,000	
							STATE REVENUES	-375,000	-375,000	-350,000
USER FEES									
	530	00	3	10	00	001	Moorage, Annual	-810,000	-875,000
	530	00	3	10	00	002	DeHart's Assigned Moorage Fees	-150,000	-150,000
	530	00	3	10	00	003	Downtown Daily Moorage Fees	-90,000	-100,000
	530	00	3	10	00	004	Auke Bay Daily Moorage Fees	-300,000	-275,000
	530	00	3	10	00	005	Downtown Monthly Moorage Fees	-210,000	-200,000
	530	00	3	10	00	006	Auke Bay Monthly Moorage Fees	-180,000	-180,000
	530	00	3	10	00	008	Residence Surcharge	-72,000	-70,000
	530	00	3	10	00	009	Recreational Boat Launch Permit Fees	-145,000	-145,000
	530	00	3	10	00	010	Commercial Boat Launch Permit Fees	-1,500	-1,000
	530	00	3	10	00	011	Freight Use Fees	-20,000	-8,000
	530	00	3	10	00	012	Freight Staging Fees	-100	-100
	530	00	3	10	00	014	Inspected Vessel Psngr for Hire Fees	-40,000	-45,000
	530	00	3	10	00	015	Un-inspected Vessel Psngr for Hire Fees	-500	-500
	530	00	3	10	00	016	Statter Harbor Parking Lot Permit Fees	-5,000	-5,000
	530	00	3	10	00	017	Statter Harbor Parking Lot Fees	-40,000	-40,000
	530	00	3	10	00	642	Shorepower Access Fees	-90,000	-80,000
	530	00	3	40	00	634	Grid Fees	-4,000	-4,000
	530	00	3	40	00	640	Crane Use Fee	-10,000	-10,000
							USER FEES	-2,113,900	-2,168,100	-2,188,600
INTEREST AND PENALTIES									
	530	00	3	00	00	401	Interest Alloca	-144,400	-124,000
	530	00	3	40	00	101	Late Fee Interest	-13,000	-15,000
							INTEREST AND PENALTIES	-134,000	-157,400	-139,000

RENTALS								
	530	00	3	10 00	019	Pump Rental		-200	-200
	530	00	3	10 00	020	Storage Rentals		-21,000	-20,000
	530	00	3	10 00	021	Private Boathouse Fees		-3,700	-3,700
	530	00	3	40 00	412	Land Lease Rentals		-600,000	-600,000
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						RENTALS	-556,500	-624,900	-623,900
FEES									
	530	00	3	10 00	023	Staff Labor Fees		-3,500	-1,000
	530	00	3	10 00	024	Towing Fees		-3,000	-1,000
	530	00	3	40 00	201	Moorage Waitlist Fees		-2,000	-2,000
	530	00	3	40 00	699	Other Misc Fees		-30,000	-30,000
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						FEES	-32,800	-38,500	-34,000
FINES AND PENALTIES									
	530	00	3	00	00 301	0rd Violations		-15,000	-15,000
	530	00	3	00	00 302	Minor Offense F		-500	-1,000
							---	---	---
						FINES AND PENALTIES	-12,000	-15,500	-16,000
OTHER									
	530	00	3	00	00	GCI Miscellaneo			
	530	00	3	00	00	Proceeds Sale			
	530	00	3	01	00	Harbor Cash Ove			
							---	---	---
						OTHER		0	0
	530	00	3	99 00		Transfer In - F326			
							---	---	---
						Harbor Revenues	-3,224,200	-3,379,400	-3,351,500
							==========	==========	==========
						Net Gain (loss)/Increasing (Decreasing) Fund Balance:	7,600	35,400	172,600

				DOCKS				
				Budget Level		946		954
DOCKS					**FY11 BUDGET**	**PROJECTED FY11**		**Revised FY12**
Expenditures								
531	52	5 01 01	110	Salaries-Regula		500,000		487,100
531	52	5 01 01	111	Overtime-Regula		25,000		20,000
531	52	5 01 01	120	Benefits-Regula		364,800		312,400
531	52	5 01 01	130	Worker's Comp		14,200		14,200
531	52	5 01 03	110	CIP Salaries-Regula		12,000		192,100
531	52	5 01 03	120	CIP Benefits-Regula		6,000		98,900
531	52	5 01 03	141	CIP Dock OH to CIPs		-18,000		-291,000
					---	---	---	---
				PERSONNEL	829,300	904,000		833,700
531	52	5 01 01	480	Office Supplies		2,000		2,000
531	52	5 01 01	490	Materials & Com		50,000		50,000
531	52	5 01 01	491	Safety Program		3,000		2,000
531	52	5 01 01	496	Minor Equipment		5,000		8,000
					---	---	---	---
				SUPPLIES	62,000	60,000		62,000
531	52	5 01 01		Telephone		900		
531	52	5 01 01	320	Printing		1,000		1,000
531	52	5 01 01	322	Advertising		7,500		2,000
531	52	5 01 01	330	Rents		55,000		60,000
531	52	5 01 01	332	Electricity		25,000		20,000
531	52	5 01 01	333	Fuel Oil		3,500		2,000
531	52	5 01 01	334	Waste Disposal		12,500		15,000
531	52	5 01 01	335	Water Service		100,000		100,000
531	52	5 01 01	336	Sewer Service		800		800
531	52	5 01 01	340	Repairs		5,000		20,000
531	52	5 01 01		Maintenance Bui		500		

531	52	5 01 01	345	Bldg. Maint Div			2,000	2,000
531	52	5 01 01	362	Docks Fleet Replac Contr			9,000	9,000
531	52	5 01 01	370	Insurance & Bon			67,100	67,100
531	52	5 01 01	375	General Liabili			4,600	4,600
531	52	5 01 01	380	Dues and Subscr			1,500	1,000
531	52	5 01 01	390	Contractual Ser			10,000	15,000
531	52	5 01 01	394	Full Cost Alloc			147,700	147,700
531	52	5 01 01	397	Bankcard Fees				1,000
531	52	5 01 02	390	Board Contingen			20,000	20,000
531	52	5 01 03	390	Contractual SErv-CIP			1,000	6,000
531	52	7 01 01	001	Port & MPF Fees Reimb			-8,300	-11,000
				SERVICES & CHARGES	508,100		466,300	483,200
531	52	5 01 01	200	Travel			2,500	2,500
531	52	5 01 01	201	Mileage			5,000	5,000
531	52	5 01 01	202	Training & Educ			2,500	2,500
				TRAVEL & TRAINING	8,000		10,000	10,000
531	52	5 01 01	510	Vehicles & Equi			5,000	10,000
				CAPITAL OUTLAY	10,000		5,000	10,000
531	52	5 01 04		Materials & Com-CG				
				MISCELLANEOUS			0	0
531	99	5 22 50		Transfers In &				
				TRANSFERS OUT TO:			0	0

					Docks Expenditures	1,417,400	1,445,300	1,398,900
					Under (Over) Budget		**(27,900)**	

Revenues

STATE REVENUES								
531	00	3	01	00	State Shared Revenues			
					STATE REVENUES		0	0
USER FEES								
531	00	3	01	00 420	Tour Sales Permit Fees		-375,000	-375,000
531	00	3	01	00 610	Cruiseship Lightering Fees		-7,800	-3,000
531	00	3	01	00 616	Loading Zone Permit Fees		-66,000	-66,000
531	00	3	01	00 620	Potable Water Fees		-100,000	-100,000
531	00	3	01	00 624	Misc. User Fees			-1,000
531	00	3	01	00 636	Shorepower Access Fees		-10,000	-10,000
531	00	3	01	00 638	IVF Moorage Fees		-8,000	-10,000
531	00	3	01	00 641	Cruiseship Dock Fees		-500,000	-500,000
531	00	3	01	00 646	Port Maintenance Fees		-400,000	-450,000
					USER FEES	-1,660,400	-1,466,800	-1,515,000
INTEREST AND PENALTIES								
531	00	3	01	00 401	Interest Income		-101,400	-101,600
531	00	3	01	00	Late Fee Interest			
					INTEREST AND PENALT	-100,000	-101,400	-101,600
RENTALS								
531	00	3	01	00	Cultural Preservation			
531	00	3	01	00	Frankling Dock Lease			
531	00	3	01	00	Taku Smokeries			
531	00	3	01	00	Other Land Lease			

				RENTALS			0	0
FEES								
531	00	3 01	00	Staff labor Fees				
531	00	3 01	00	Misc. Fees				
531	00	3 01	00	Misc. Fees				
				FEES			0	0
FINES & PENALTIES								
531	00	3 01	00	Ord. Violations				
531	00	3 01	00	Minor Offenses				
				FINES & PENALTIES			0	0
TRANSFERS IN FROM:								
531	00	3 99	00	225 Transfer In - F			-154,100	-154,000
				TRANSFERS IN FROM:	-154,100		-154,100	-154,000
				Total Revenues	-1,914,500		-1,722,300	-1,770,600
				Docks Gain (Loss):	497,100		277,000	371,700