

TO: Mayor Gardner
City Council Members

FROM: Jordan Keeler
City Administrator

DATE: July 1, 2019

SUBJ: Monthly Report for July 2019



Here is a brief list of items I have been working on or tracking since our June meeting:

TRANSPORTATION

- New dock prep work and construction continues apace. The barge with the most of the supplies should arrive mid-month. Mobilization started somewhat late due to the late date and last-minute changes to the RFP, but Western Marine is still planning to be finished this fall. Some modifications have been made to the plan in order to meet our needs and this will not impact the final budget.
- I had a far-ranging conversation with the consultants hired by the state to discuss AMHS service to Sand Point and what level of service we have now and the impact of any cuts and ideas to mitigate the impacts of the anticipated cuts.

BUDGET

- Our FY19 Budget is tracking to finish at a roughly break-even point although we won't know for sure until June gets closed out, including fish taxes, and the books are reconciled.
- The final state budget is finalized and does not contain any cuts that directly impact the city's bottom line. Community revenue sharing will be funded for FY 2020 but it will be zeroed out for FY2021.

INSURANCE

- Our AML/JIA insurance came in roughly \$10,000 higher than last year. As we are part of a larger pool and other re-insurers, the large amount of disaster-related claims down south worked to drive up the prices. Another factor was the valuations that were done by AML/JIA staff of city assets that put them closer to their actual replacement value. No single action by the City or City staff was responsible for the increase. On the plus side, we did get a \$4,000 rebate from last year's rates, so that's a small bit of solace.
- As discussed at the May meeting, we are no longer able to offer health insurance to our elected officials as they do not meet the 30hr/wk requirement that is verified through a payroll audit. In light of this, I have a memo proposing alternative forms to compensate council members for their efforts in serving Sand Point.

OTHER ITEMS

- I attended an AML-sponsored Online Sales Tax workshop. There is no state-wide framework, including definitions or tax map boundaries, to administer an online sales tax. So the goal of the working group is to set definitions and establish an entity that would be responsible for collecting the sales tax and making the disbursement to municipalities. The cost of enforcing the online sales would likely fall to the municipalities and Sand Point would pay our portion – much less than Mat-Su or KPB. Please note that any online sales tax would NOT override our local authority to set tax rates and categories.
- Harbor cameras and gear have been ordered and will be installed, at this point, in late July or early August.