

City and Borough of Juneau
Assembly Finance Committee Meeting
May 22, 2002, 5 p.m., Chambers

I. Call to Order

II. Approval of Minutes

- Meeting of May 15, 2001

III. Social Services Advisory Board (SSAB)

On April 17, 2002 the SSAB presented their Social Service Block Grant funding recommendations to the AFC. In that meeting the SSAB noted that 9 applications had been deemed to be non-responsive for failure to comply with the grant submission directions.

On April 24, 2002, the AFC directed the SSAB to evaluate all block grant applicants, except for late filers, using directives developed by the AFC. These directives were forwarded to the SSAB on April 26, 2002.

- *Directive 1: All grant applicants, excluding those filed late, shall be reviewed and evaluated for merit. Your review is to include the 9 applications previously deemed non-responsive. Further, the SSAB is to take into consideration financial accuracy, when evaluating and scoring the grant applications.*

On May 11, 2002, the SSAB scored the timely filed grant submissions. The basic scoring methodology used by the SSAB was not changed. The Accountants in the CBJ Controller's Office evaluated the budgetary information for financial accuracy and 5 points were awarded to those grant applications with no financial errors.

- *Directive 2: When considering the highest and best use and the increased number of grant applications for the Social Service Block Grant funds, the SSAB should consider not funding grant applicants at the full requested amounts.*

The SSAB did consider "across the board" reductions but felt this undermined the 2-tier system approved by the AFC in February 2001. The letter to the AFC describing the reasons for this approach is in your packet. The SSAB felt that funding some programs at less than the amount requested could result in an unviable program and that they did not have the expertise to be able to evaluate a program's viability if funded at less than the requested amount.

- *Directive 3: The total block grant funding available for awarding will remain at \$472,500. However, there is the possibility that additional grant funds could be made available. When scoring the grant applications, the SSAB should provide recommendations on how additional funds, if any, would be awarded.*

The SSAB will make their recommendation regarding potential additional funding to the AFC at the May 22, 2002 meeting.

- *Directive 4: The CBJ Finance Department will assist in evaluating and reviewing the grant applications for accuracy. The Finance Department will work with the grant applicants to correct any financial irregularities prior to the SSAB's reevaluation.*

Accountants in the CBJ Controller's Office reviewed the grant applications and assisted applicants with accurately completing the required information.

- *Directive 5: The CBJ Manager's Office will meet with the SSAB after this second evaluation process is complete. The purpose of the meeting will be to review and discuss the SSAB's recommendations prior to submitting the recommendations to the Assembly for final approval.*

Donna Pierce, Deputy City Manager, met with the Marsha Riley, SSAB Vice/Co-Chair, on May 14, 2002 to discuss and review the board's recommendations.

The SSAB will meet on Tuesday, May 21 to finalize their 2003 Social Service Block Grant recommendations. They will present those recommendations to the AFC on May 22, 2002.

Included in your packet are:

- A copy of the February 27, 2001 memo from the SSAB submitted to the AFC regarding the change in the scoring system.
- The AFC directives to the SSAB.
- A history of the amount of block grant awards. In general the total amount available for awarding has decreased since FY97.
- Letters from social service agencies regarding the grant application process. All letters include a request for additional funding to be made available for the various social service agencies.

IV. Board Presentations

A. Harbors and Docks

Joe Graham, Port Director, and members of the Harbor Board will be present to give a brief budget overview.

B. Airport

Allan Heese, Airport Director, Patty delaBruere, and Mike Barton, Airport Board Chair, will be present to give a presentation and budget overview.

V. Marine Passenger Fee Allocation

The City & Borough of Juneau began levying a \$5 per marine passenger fee in the summer of 2000. The revenues collected from this fee are used to fund both operations and capital projects. A portion of the marine passenger fee is allocated to general operations using an adopted formula. The formula was developed and approved by the Assembly Finance Committee during the 2001 operating budget review. The formula takes into consideration cruiseship passenger hours as ratio to total population and applies this fractional percentage to specific operational costs. The Assembly during the budget process allocates the remaining marine passenger fee revenues after taking into consideration the Passenger Fee Proceeds Committee's funding recommendations.

The marine passenger fee revenues have played a critical role in helping cover some General Fund costs resulting from cruise industry impacts during the past two years. We are currently projecting \$3,542,600 in Passenger Fee revenues in FY03 and \$3,685,400 for FY04. The FY03 and FY04 budgets currently include \$872,800 and \$897,100 in undesignated general operating support. Undesignated general operational support represents 24.6% in FY03 and 24.3% in FY04 of the

total projected revenues. In addition, another \$780,700 in designated general operating support has been included in the FY03 and FY04 revenues.

A detailed explanation of the amounts included in the FY03 and FY04 budgets as undesignated and designated general operating support and funding for capital projects is contained in the packet.

Information Items:

VI. Pending Items: Additional Funding Requests as of May 15, 2002

VII. AFC Schedule, updated May 20, 2002

VIII. Adjournment