

# **HAINES BOROUGH BUDGET 101**

February 13, 2024, Finance Committee

# Agenda

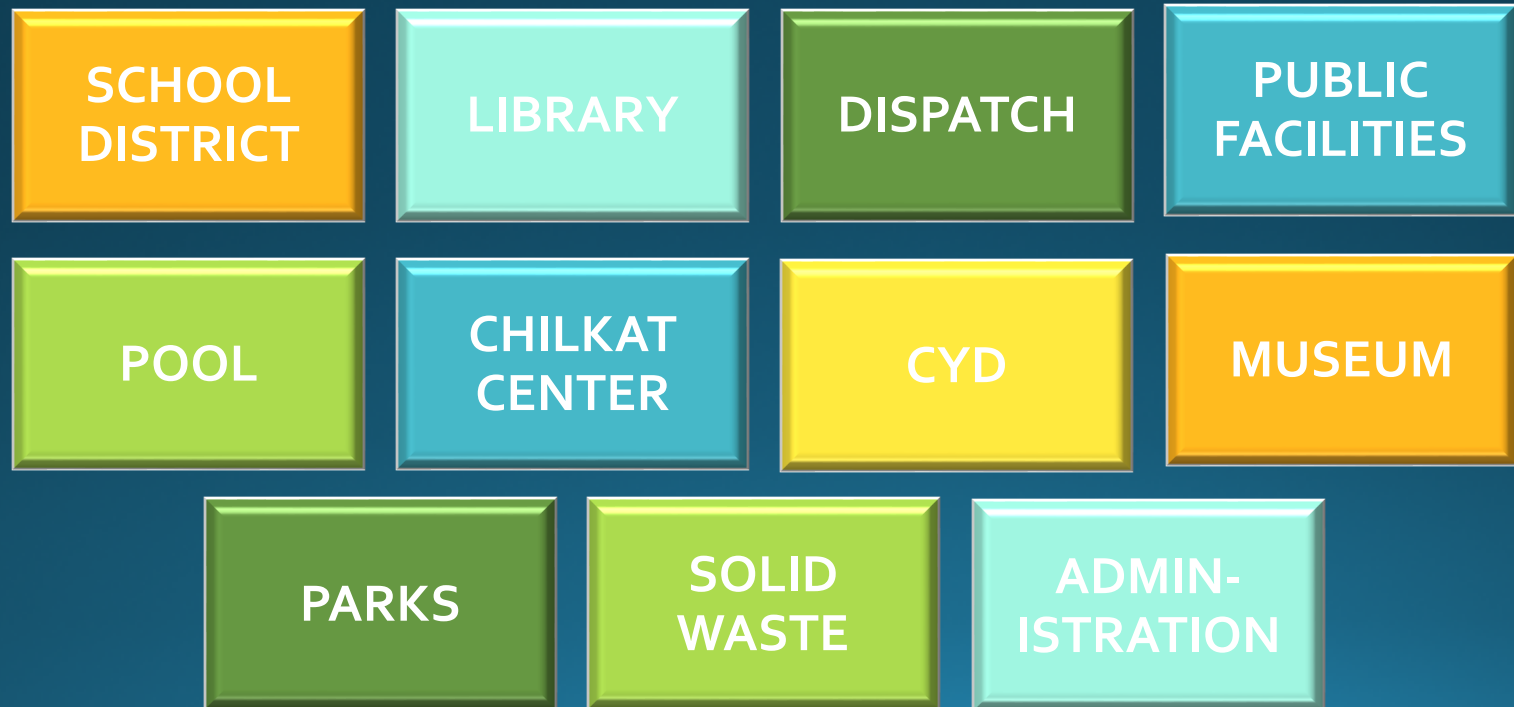
1. Haines Borough Accounting 101
2. Property Tax
3. Sales Tax
4. Annual Budget Calendar
5. Revenue Generation Ideas from February 3 Planning Meeting
6. Budget Items from February 3 Planning Meeting

# Fund Accounting 101

- The Haines Borough has over 20 separate funds of 6 different fund types (GASB)
  - GENERAL FUNDS
  - SPECIAL REVENUE FUNDS
  - CAPITAL PROJECT FUNDS
  - DEBT SERVICE FUNDS
  - ENTERPRISE FUNDS
  - PERMANENT FUND

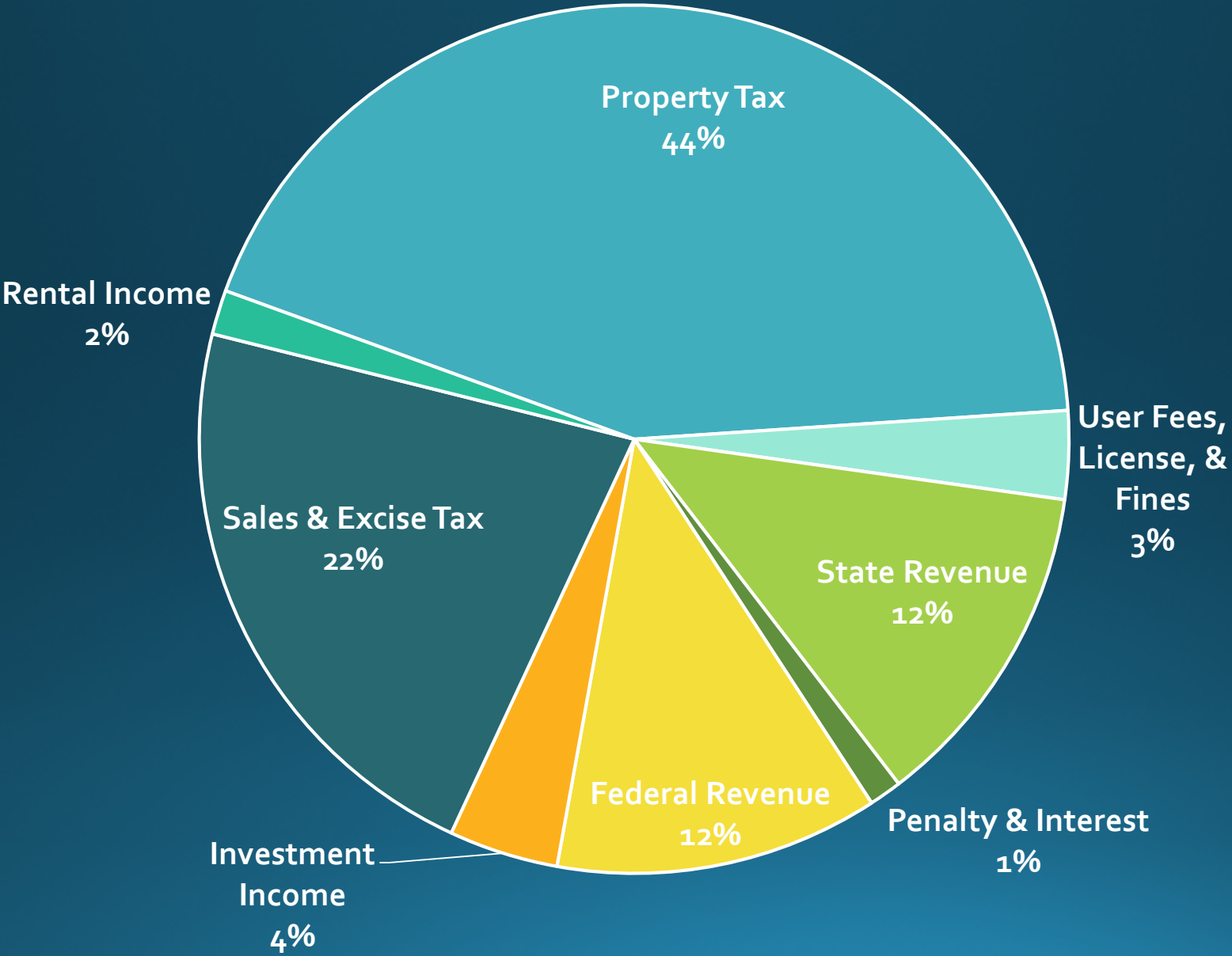
# Areawide General Fund

- Tracks unrestricted revenues that benefit the entire Borough (not a single geographic area)
- The largest fund. Its revenues comprise 33% of all Borough operating revenues





# FY24 Areawide Revenues

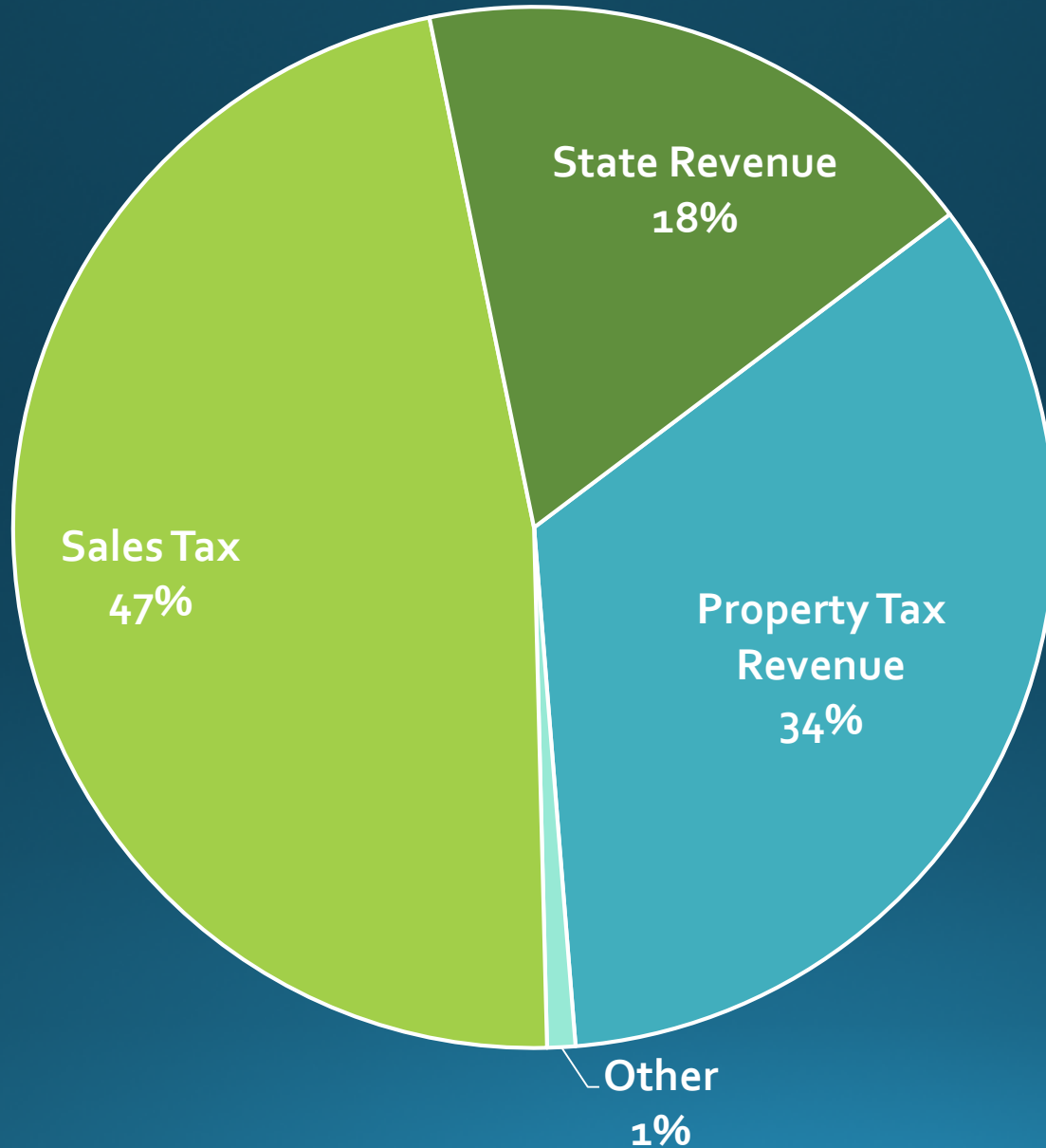


# Townsite General Fund

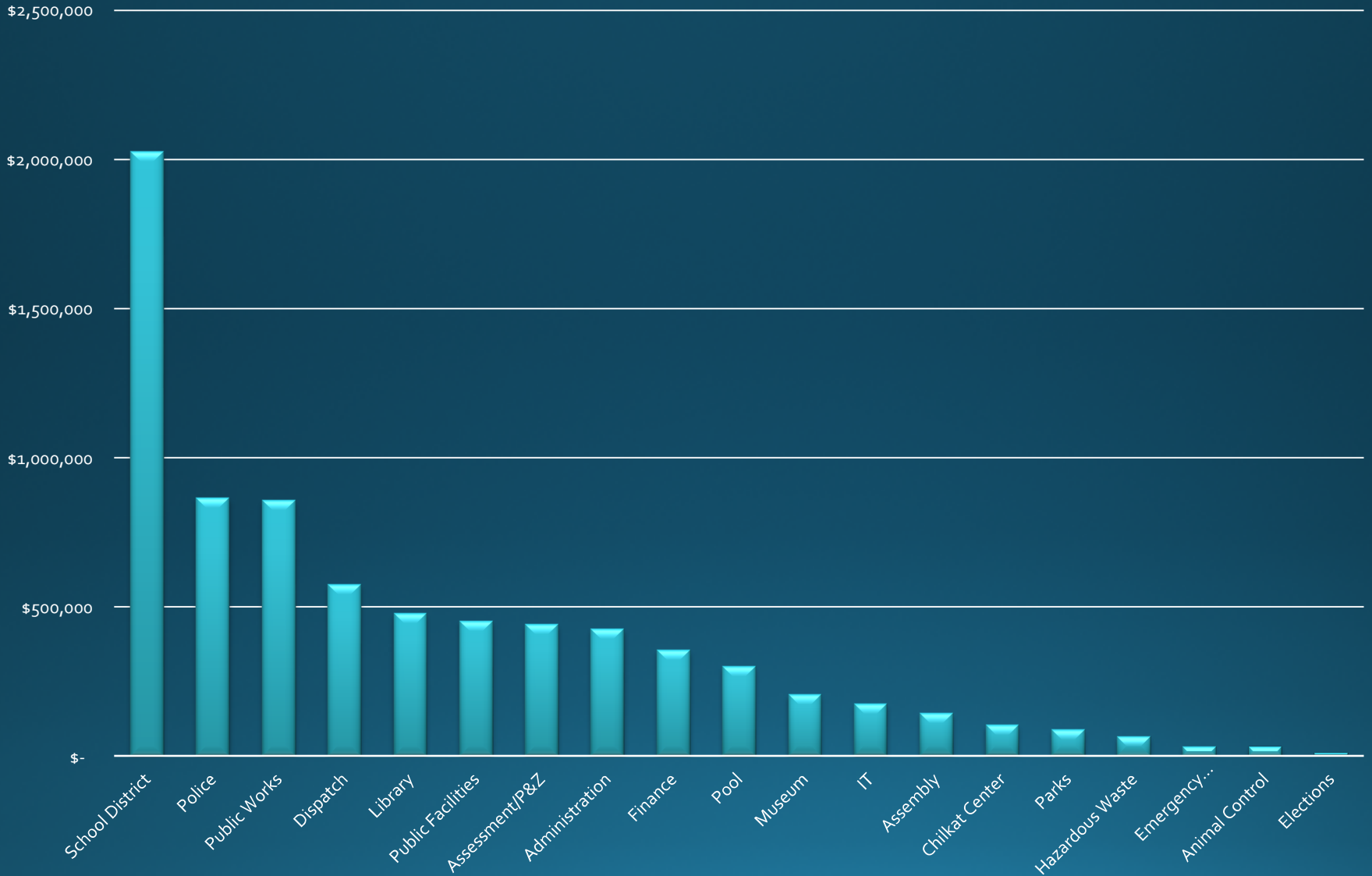
- Tracks revenues that are collected only for service to the Townsite.



# FY24 Townsite General Fund Revenues



# FY24 General Fund Expense\*



\* Includes fund 01 and fund 02. Total expense less allocations from general fund.

# Special Revenue Funds

- Track revenues that are legally restricted to a specific purpose

**LAND  
SALES**

**PASSENGER  
VESSEL TAX**

**ECONOMIC  
DEVELOPMENT  
& TOURISM**

**VEHICLE IMPOUNDMENT**

**MEDICAL  
SERVICE  
AREA**

**FIRE  
SERVICE  
AREAS**



# Capital Project Funds

- Fund 50 – 1.5% Sales Tax for Capital Improvement Projects
- Fund 42 – CIP Grants



# Debt Service Funds

- Library Construction Bonds through 2032 approximately \$100,000 owing
- 2005 School Construction Bonds through 2025 (FY26) approximately \$2.3 million owing
- 2015 School Construction Bonds through 2036 approximately \$1.1 million owing



# Enterprise Funds

- Supported by user fees for service



Water

Sewer

PC Dock



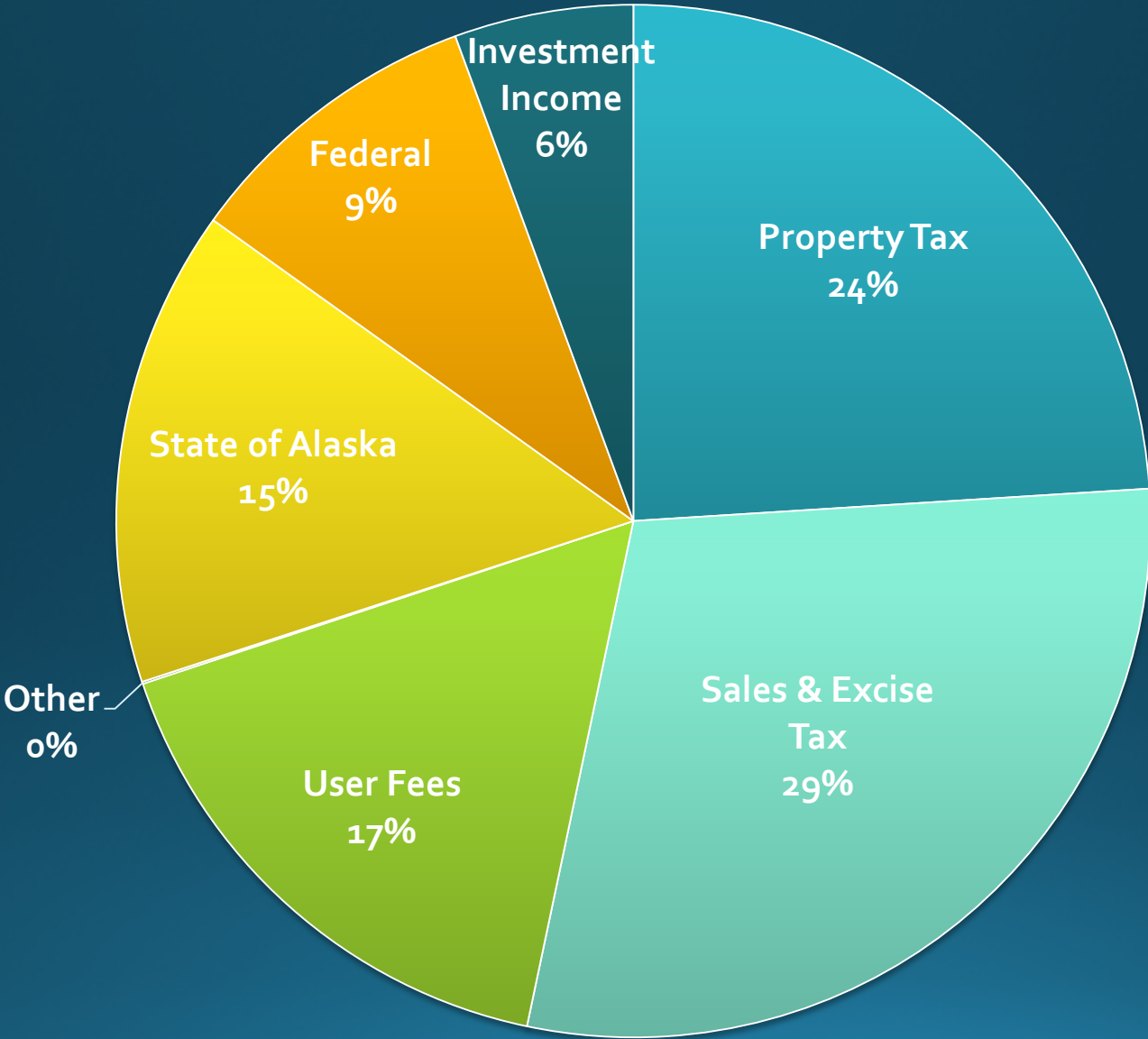
Lutak Dock



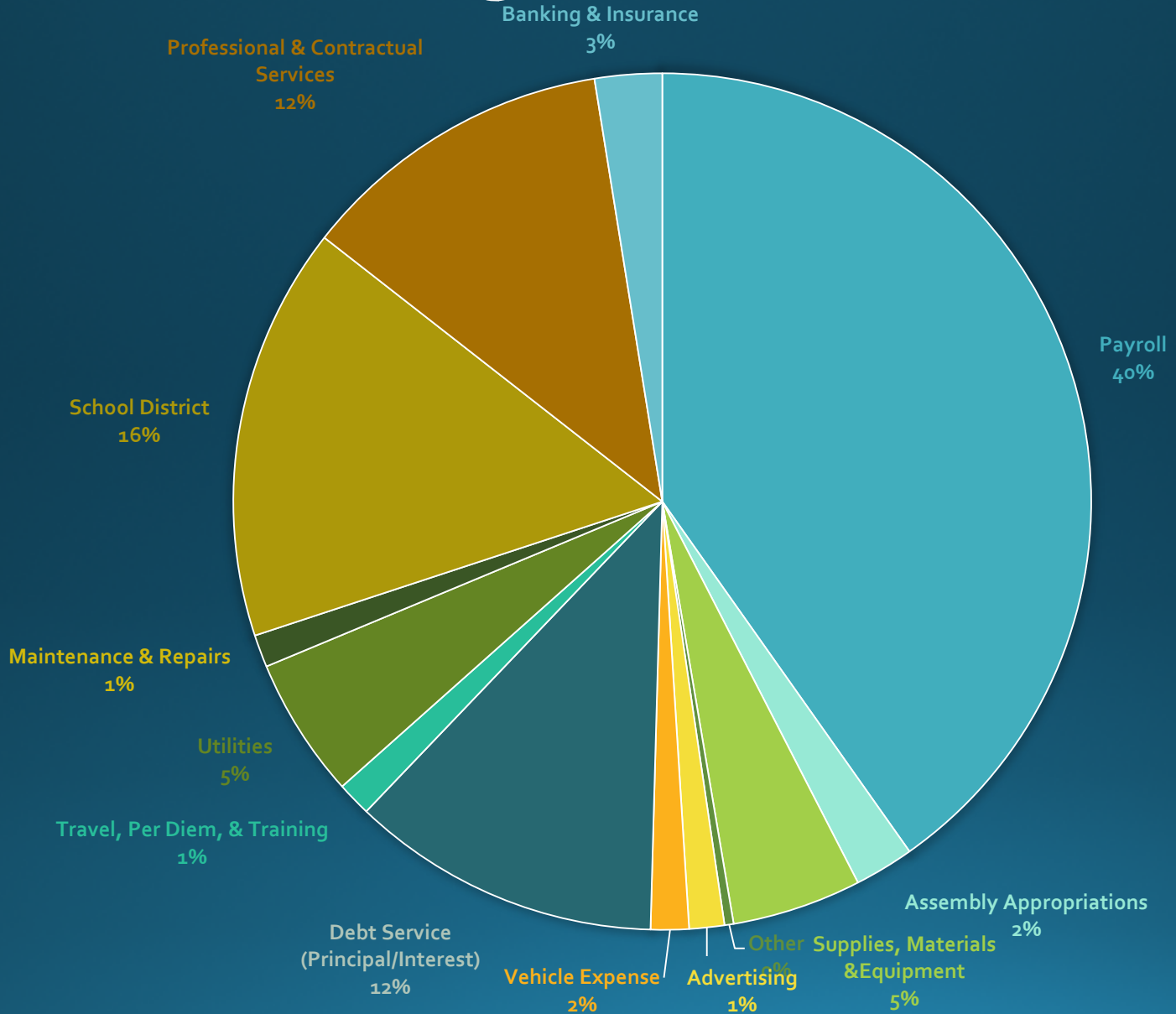
Harbor



# FY24 Operating Revenues, All Funds



# FY24 Operating Expenditures



# Projected Fund / Cash Balances

	June 30, 2023 Fund / Cash Balance	Prior Year Committed /Assigned Balance	FY24 Budget	Projected June 30, 2024 Fund / Cash Balance
<b>01 AREAWIDE GENERAL FUND</b>	\$ 3,928,982	\$ (274,780)	\$ (709,814)	\$ 2,944,388
<b>02 TOWNSITE SERVICE AREA</b>	1,460,542	-	130,284	1,590,826
<b>17 LAND DEVELOPMENT &amp; SALES</b>	402,858	-	(39,493)	363,365
<b>20 MEDICAL SERVICE AREA</b>	355,131	-	(571)	354,560
<b>23 ECONOMIC DEVELOPMENT</b>	1,419,501	(544,789)	(384,155)	490,558
<b>25 FIRE SERVICE AREAS</b>	60,287	-	5,761	66,048
<b>34 COMMERCIAL PASSENGER VESSEL TAX</b>	204,180	(23,717)	(132,420)	48,043
<b>35 VEHICLE IMPOUNDMENT FUND</b>	61,215	-	(62,500)	(1,285)
<b>50 CAPITAL IMPROVEMENT PROJECTS</b>	2,105,192	(1,279,034)	(745,517)	80,641
<b>61 EQUIPMENT SINKING FUND</b>	527,536	(541,536)	14,000	(0)
<b>75 LIBRARY BOND FUND</b>	307	-	-	307
<b>76 SCHOOL G.O. BOND FUND</b>	1,277	-	-	1,277
<b>90 WATER FUND</b>	47,303	-	(13,029)	34,274
<b>91 SEWER FUND (WASTEWATER TREATMENT)</b>	651,448	(91,078)	(41,176)	519,194
<b>92 BOAT HARBOR FUND</b>	939,463	-	(261,163)	678,300
<b>93 LUTAK DOCK FUND</b>	2,646,984	-	(2,484,323)	162,661
<b>94 PORT CHILKOOT DOCK FUND</b>	344,469	-	55,994	400,463
<b>97 PERMANENT FUND</b>	\$ 9,193,163		\$ 399,950	\$ 9,593,113

\*Cash Balance is shown for Enterprise Funds

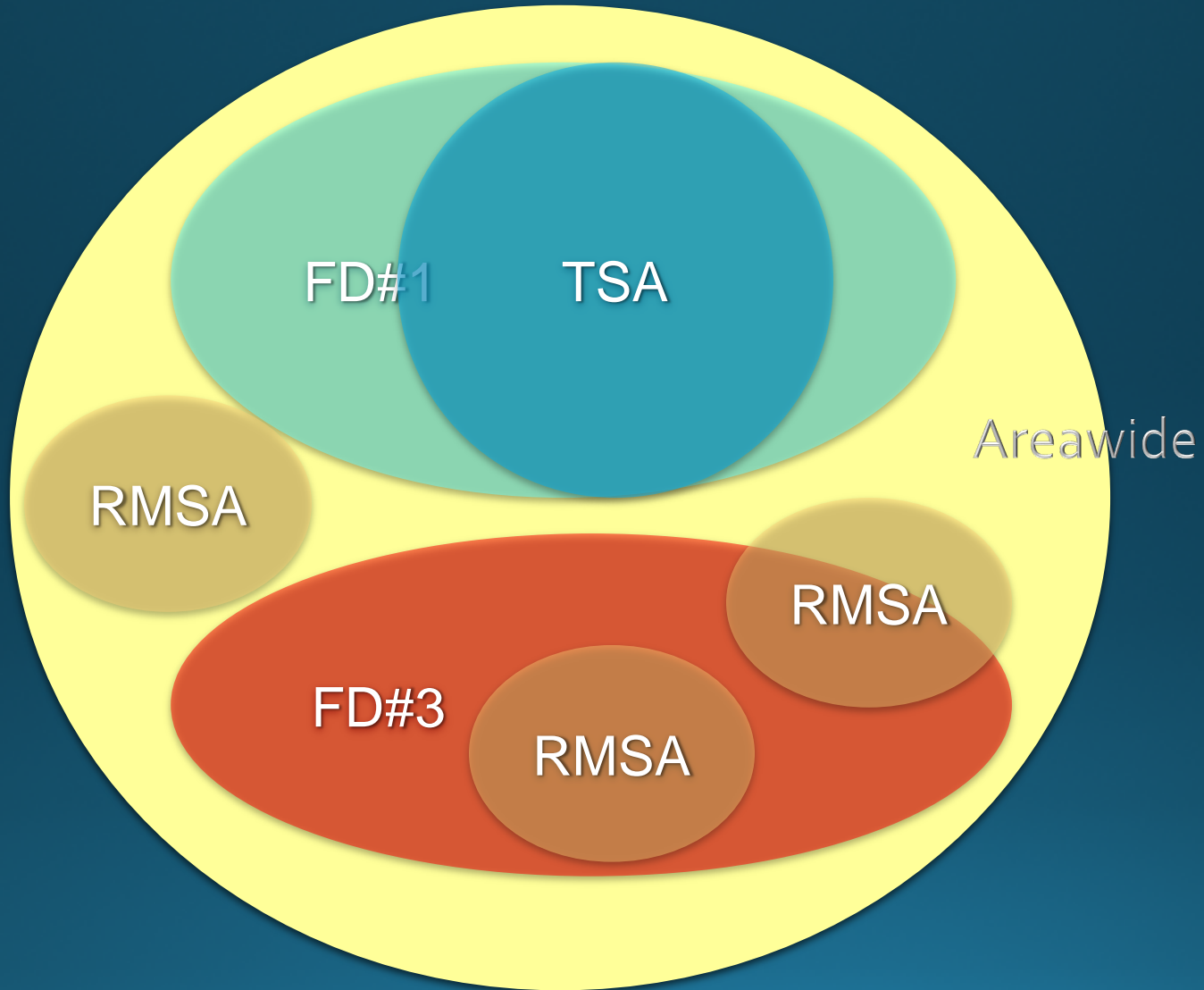
# Facilities Maintained by the Borough

- Administration Building
- Chilkat Center
- Facilities Shop
- Ice House
- KVVFD Fire Hall
- Letnikof Harbor
- Library
- Lutak Dock
- Mosquito Lake Facility
- Museum
- Oslund Park Quonset
- Pool
- Port Chilkoot Dock
- Port Chilkoot Dock Restroom
- Portage Cove Harbor
- Public Safety Building
- Public Works Shop
- Pump Stations (various)
- Restrooms (various)
- School
- Senior Center
- Sewer Treatment Plant
- Visitor's Center
- Vocation Ed (school)
- Water Tanks (various)
- Water Treatment Plant
- 26 Mile Repeater Station

# Property Tax



# Tax Districts



# HAINES BOROUGH - 2023 (FY24) Real Property Tax Mill Rates\*

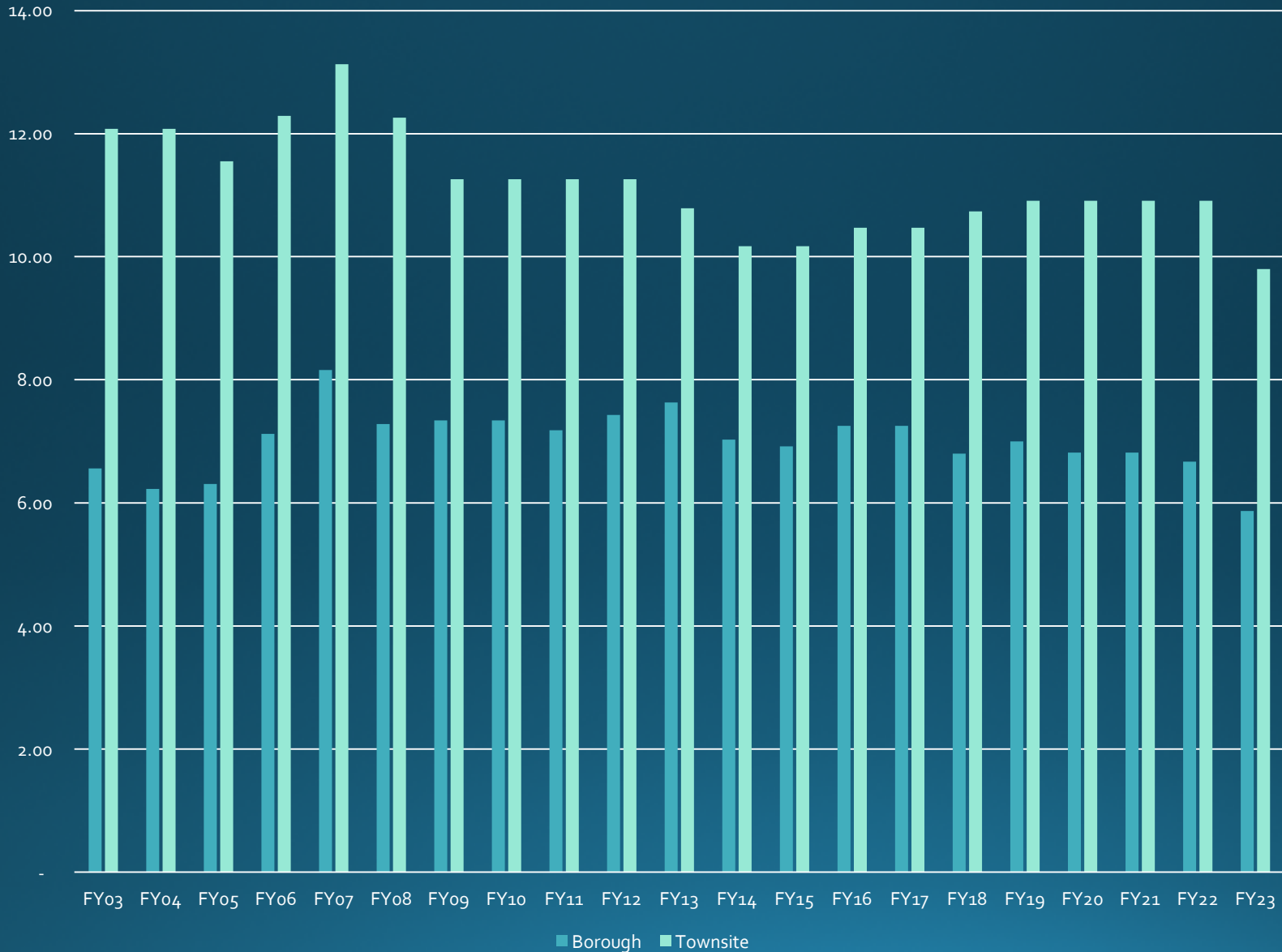


	<u>Borough Areawide</u>	<u>Fire Service Area</u>	<u>Road / Other Service Area</u>	<u>Total Mills without Debt Service</u>	<u>Debt Service Mills**</u>	<u>FY24 Total Levy</u>
Townsite	4.92	0.94	2.99	8.85	0.95	<b>9.80</b>
Fire District #1 (outside the Townsite)	4.92	0.94	-	5.86	0.95	<b>6.81</b>
Fire District #3	4.92	0.67	-	5.59	0.95	<b>6.54</b>
Dalton Trail RMSA	4.92	0.67	0.31	5.90	0.95	<b>6.85</b>
Dalton Trail RMSA (no fire service)	4.92	-	0.31	5.23	0.95	<b>6.18</b>
Dalton Trail & Eagle Vista RMSA	4.92	0.67	4.21	9.80	0.95	<b>10.75</b>
Dalton Trail & Chilkat Lake RMSA	4.92	-	0.59	5.51	0.95	<b>6.46</b>
Riverview RMSA	4.92	0.67	-	5.59	0.95	<b>6.54</b>
Letnikof RMSA	4.92	0.94	2.79	8.65	0.95	<b>9.60</b>
Borough	4.92	-	-	4.92	0.95	<b>5.87</b>

\*A mill is equal to \$1.00 of tax for each \$1,000 of assessment.

\*\*Per Alaska Statute debt service mills are not subject to the 10 mill tax cap.

# Historical mill rates





# More about property tax

- 1 mill Areawide raises \$425,000 of property tax revenue in FY24
- 1 mill in the Townsite raises \$257,000 in FY24

# Sales Tax



# Sales Tax – FY24 Budgeted

1 %	Areawide General	\$770,000
.5%	Medical Service Area	\$368,000
1%	Economic Development/Tourism	\$770,000
1.5%	Capital Improvement Projects	\$1,155,000
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4.0%	Areawide Tax	\$3,063,000
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1.5%	Townsite Service Area	\$1,052,000

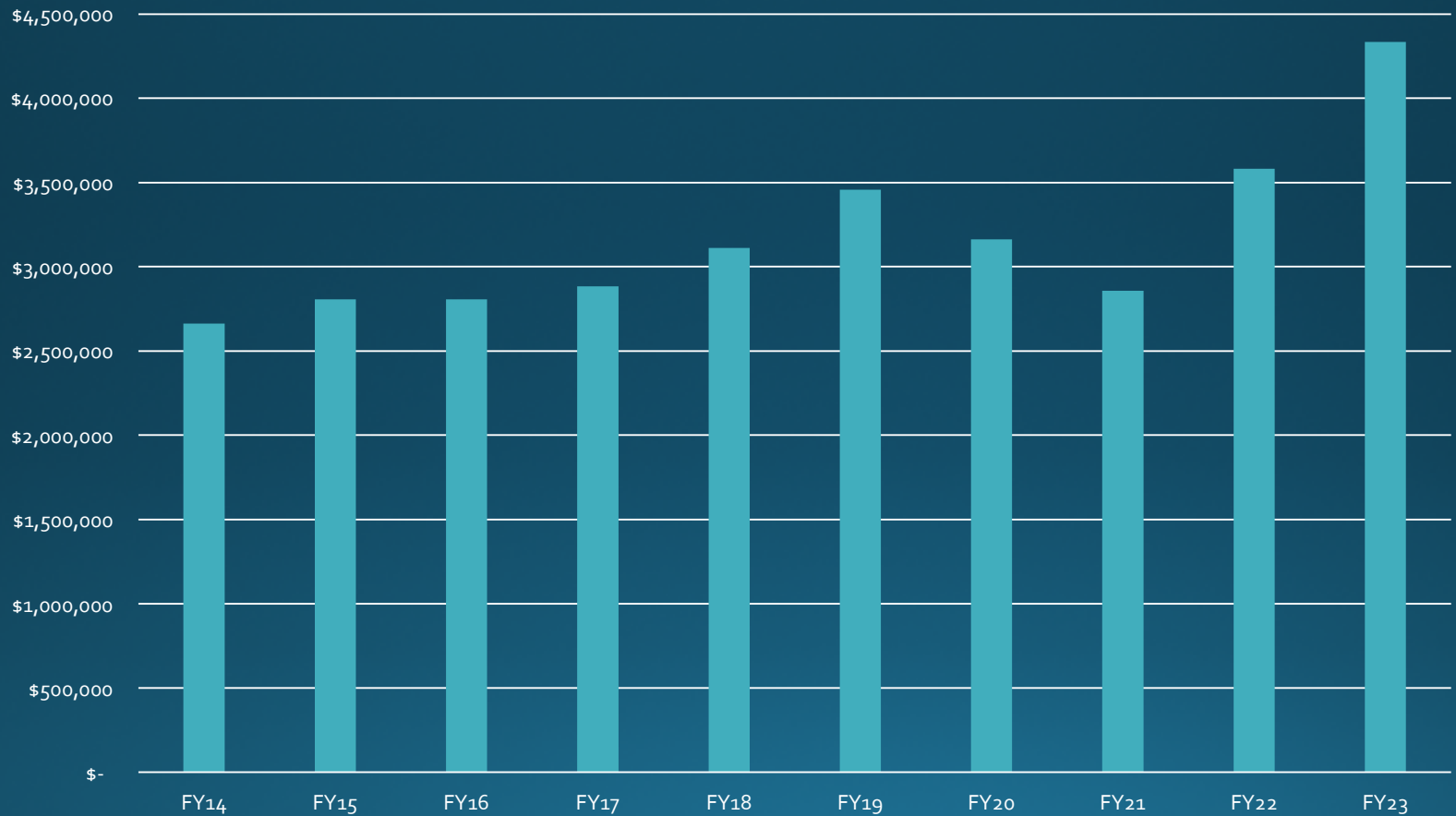
TOTAL 5.5% Sales Tax = \$4,115,000

# Special or Excise Taxes– FY24 Budget

Lodging Tax 4%	\$160,000
Marijuana Tax 2%	\$22,000
Tobacco Tax	\$130,000
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Total Excise Taxes	\$312,000
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TOTAL Sales & Excise Tax = \$4,427,000

# Haines Borough 5.5% Sales Tax FY14 – FY23



# Budget Timeline

- Assembly Planning Session – February 3
- Assessment Notices Mailed – March 15 (approximately)
- Manager's Budget Due – April 1
- Budget COW/Finance Meetings – April & May
- Review Proposed CIP by Planning Commission – April 11
- Introduction of Budget Ordinance – April 23
- Board of Equalization Meets – May 13
- 1<sup>st</sup> Public Hearing of Budget – May 14
- 2<sup>nd</sup> Public Hearing of Budget – May 28
- Assessment Roll Certified – June 1
- 3<sup>rd</sup> Public Hearing of Budget (if needed) – June 11
- Adopt Budget by June 15
- Tax Bills Mailed – July 1
- Amendments by ordinance throughout FY25

# Revenue Generation Items from February 3, Planning Session

- Severance Tax ●●●●●
- Cruise Ship Head Tax ●●●
- Seasonal Sales Tax ●●
- Mill Rate
- Alcohol Tax ●●
- Personal Property Tax ●●
- Examine Exemptions on Property Tax (CPE) ●
- Commercial Use Fees Porcupine Rd ●●●●●
- Gas Tax ●
- User Fees for EMS ●●●

# Budget Items from February 3 Planning Session

- Public Works Staffing Levels
- Independent Contractors
- Grants – Staff / Contractors
- HBSD Funding – Pay to cap?
- Recreation Funding
- Non-profit Funding
- Research PSO
- Public Safety Committee