

memo

Petersburg Borough

To: Borough Assembly
From: Jody Tow, Finance Director
CC: Borough Manager Giesbrecht, Clerk Thompson, Utility Director Hagerman
Date: May 25, 2018
Re: FY 2019 Borough Budget

Comments: Updates to the proposed FY 2019 budget have been identified in the Electric Fund budget that the department would like to modify before approval of the budget in the third reading.

1st change – Remove Capital project Fund 749 – Scow Bay Pole Yard Shed Roof

2nd change – Add Capital project fund 702 – Scow Bay Storage Yard relocation – This fund already has \$118,316 in it and they would like to expense the \$50,000 for the Shed Roof in this fund. This is more of an administrative issue then anything. However this also means that they don't need to transfer out \$50,000 from the electric operating fund to a capital project fund.

3rd change – The Electric fund will not need to budget the \$50,000 transfer out of their operating fund for the shed roof, however would like to use that \$50,000 as a budget expense for Line maintenance, specifically tree removal, which has recently been identified as an issue that needs to be addressed.

Attached are the updated proposed changes to the electric operating fund found on page 32 and 33 of the proposed budget and changes to the Capital Project Funds.

Motion Requested: To amend the proposed FY 2019 budget to include the electric department changes addressed in the memo to the assembly on May 25th, 2018 from the finance director.

Petersburg Borough, Alaska
Electric Fund - 410
FY 2019 Proposed Budget

410 Account Number	Description	FY 15/16 Actual	FY 16/17 Actual	FY 17/18 Adopted Budget	FY 18/19 Proposed Budget
000 501500	Recruitment Costs	-	-	39,500	-
000 502000	Depreciation	599,436	576,883	625,000	600,000
	Subtotal	1,082,451	1,076,258	1,235,279	1,173,090
Capital Outlays					
000 506500	Computer Equipment	4,145	794	10,500	6,500
000 506501	Poles, Towers, Fixtures	5,305	23,287	10,000	10,000
000 506502	OH Conductor, Devices	4,162	1,434	5,000	5,000
000 506503	Urg. Conduit, Etc.	1,033	-	5,000	5,000
000 506504	Urg. Conductor, Devices	6,502	894	8,000	8,000
000 506505	Line Transformers	-	62,029	24,000	24,000
000 506506	Services & Charges	4,216	1,060	40,000	40,000
000 506507	Meters	4,470	6,337	25,000	20,000
000 506508	St. Lights & Signals	5,567	3,115	15,000	15,000
000 506509	Office Furniture & Equip.	1,144	2,801	3,000	8,000
000 506510	Tools, Shop & Garage	4,083	358	5,000	12,000
000 506511	Laboratory Equipment	-	-	1,500	1,500
000 506512	Communication Equipment	3,782	(602)	10,000	8,000
000 506514	Raptor Protection	-	-	500	500
000 506519	EMD16 Bldg Insulation and Roofing	-	-	175,000	100,000
000 506520	Utility Mapping Update	-	-	80,000	80,000
000 506521	Street Lighting Upgrade	-	-	195,000	-
000 506522	Replace Hydro Circuit Breaker	-	-	35,000	-
	Subtotal	44,408	101,507	647,500	343,500
Power Production Supplies					
401 501352	Blind Slough Operations	702	8,414	3,500	3,500
402 501352	Blind Slough Maintenance	16,183	3,013	13,000	13,000
403 501352	Diesel Plant Operations	7,354	13,311	7,500	7,500
404 501352	Diesel Plant Fuel	73,645	9,556	171,350	180,000
405 501352	Diesel Plant Maintenance	6,629	1,185	15,000	15,000
	Subtotal	104,513	35,479	210,350	219,000
Power Production Srv/Charges					
401 501353	Blind Slough Operations	16,817	12,929	17,000	17,000
402 501353	Blind Slough Maintenance	44,470	15,922	20,000	20,000
403 501353	Diesel Plant Operations	83	146	500	500
405 501353	Diesel Plt Maintenance	17,740	41,344	17,000	20,000
	Subtotal	79,110	70,341	54,500	57,500
Power Purchase Costs:					
406 501354	Power Purchase Cost	2,771,881	3,050,701	2,842,932	2,924,000
	Subtotal	2,771,881	3,050,701	2,842,932	2,924,000
Power Distribution Supplies					
407 501355	Line Station	3,104	8,857	10,000	10,000
408 501355	Street Lighting	2,100	213	1,000	1,000
409 501355	Meter	215	-	1,500	1,500
410 501355	Customer Installation	14	-	1,000	1,000
411 501355	Structure & Equipment	4,618	8,022	18,000	22,000
412 501355	Line Maint	221	633	1,000	2,000
413 501355	Transformer	-	335	1,000	1,000
414 501355	Miscellaneous	20	5	500	500
415 501355	Underground	-	-	500	500
	Subtotal	10,292	18,066	34,500	39,500
Power Distribution Srv/Charges					
407 501356	Line Station	13,739	9,344	16,000	17,000
410 501356	Customer Installation Svc/Chgs	-	4,301	2,000	2,000
411 501356	Structure & Equipment	3,659	544	35,000	38,000
412 501356	Line Maint. Services/Charges	-	500	500	50,500
413 501356	Transformer	23,500	206	1,000	1,000
415 501356	Underground	-	-	100	100
	Subtotal	40,898	14,895	54,600	108,600
Interfund Transfers/Capital Projects					

Petersburg Borough, Alaska
Electric Fund - 410
FY 2019 Proposed Budget

410 Account Number	Description	FY 15/16 Actual	FY 16/17 Actual	FY 17/18 Adopted Budget	FY 18/19 Proposed Budget
000 501960	Auto Load	15,000	20,000	-	20,000
000 501960	Hydro Substation Upgrade	30,000	-	-	-
000 501960	PMPL Headquarters Building Remod	350,000	190,000	-	-
000 501960	Hydro Penstock Clearing Project	-	327,000	-	-
000 501960	Blind Slough Hydro - Fund 747	-	-	180,000	-
000 501960	New Shed Roof at Pole Yard	-	-	-	50,000
	Subtotal	395,000	537,000	180,000	20,000
Other Uses - (State PERS Contribution)					
000 500210	State PERS Contribution	44,333	37,368	45,000	40,000
	Subtotal	44,333	37,368	45,000	40,000
Debt Service					
000 508100	Principal - 2010 Bonds	110,000	115,000	115,000	120,000
000 508110	Interest - 2010 Bonds	124,138	121,013	119,494	114,794
	Subtotal	234,138	236,013	234,494	234,794
Total Operation & Maint. Exp.		5,313,302	5,523,553	5,822,377	5,905,096
Total Capital Outlays		44,408	101,507	647,500	343,500
Interfund Transfers Total		395,000	537,000	180,000	20,000
Other Uses - State PERS Contribution		44,333	37,368	45,000	40,000
Debt Service		234,138	236,013	234,494	234,794
Expenditures Total		6,031,182	6,435,441	6,929,371	6,543,390
Change in Net Position		(7,543)	(436,999)	(1,293,795)	(891,661)

Petersburg Borough
702 - Storage Yard Relocation
Power Light Department

NEW

Program Description - Pole Yard Shed Roof

Build shed roof near south boundary of pole yard at Scow Bay to keep wire reels and other supplies out of weather

Goals

Protect department supplies from the weather to maintain integrity and value of purchased material inventory.

Objective

Construct an open sided shed roof to store materials, equipment and supplies in FY19.

Fund Balance at Beginning of FY 2019 is \$118,316.

702 Account Number	Description	FY 17/18 Adopted Budget	FY 18/19 Requested Budget
Revenues			
000 402240	Transfer In		
Revenue Total		-	-
Expenditures			
000 500110	Admin Regular Pay		
000 500200	Benefits		
000 501410	Professional Services		
000 501440	Advertising/Printing		
000 501450	Contractor/Construction - Shed Roof		50,000
411 500110	Struc. & Equip. Regular Pay		
411 500120	Struc. & Equip. Overtime Pay		
411 500200	Struc. & Equip. Benefits		
411 501355	Stc/Equipment Maint. Supplies		
000 501485	Contingency		
Expenditures Total		-	50,000

749 - Capital Project Fund
Scow Bay Pole Yard - Electric Department

Program Description - Pole Yard Shed Roof

Build shed roof near south boundary of pole yard at Scow Bay to keep wire reels and other supplies out of weather

Goals

Protect department supplies from the weather to maintain integrity and value of purchased material inventory.

Objective

Construct an open sided shed roof to store materials, equipment and supplies in FY19.

749 Account Number	Description	FY 17/18 Adopted Budget	FY 18/19 Requested Budget
Revenues			
000 402240	Transfer In		50,000
Revenue Total		-	50,000
Expenditures			
000 500110	Admin Regular Pay		
000 500200	Benefits		
000 501410	Professional Services		
000 501440	Advertising/Printing		
000 501450	Contractor Construction		50,000
411 500110	Struc. & Equip. Regular Pay		
411 500120	Struc. & Equip. Overtime Pay		
411 500200	Struc. & Equip. Benefits		
411 501355	Stc/Equipment Maint. Supplies		
000 501355	Contingency		
Expenditures Total		-	50,000

Remove