

**ASSEMBLY FINANCE COMMITTEE  
THE CITY AND BOROUGH OF JUNEAU, ALASKA  
Wednesday, April 14, 2021, 5:30 PM.  
Zoom Webinar & FB Live Stream**

**<https://juneau.zoom.us/j/93917915176> or call: 1-253-215-8782 Webinar ID: 939 1791 5176**

- I. CALL TO ORDER**
- II. ROLL CALL**
- III. APPROVAL OF AGENDA**
- IV. APPROVAL OF MINUTES**
  - A. April 7, 2021**
- V. BUDGET PRESENTATIONS**
  - A. Juneau International Airport**
  - B. Bartlett Regional Hospital**
  - C. Eaglecrest**
- VI. ITEMS FOR DISCUSSION**
  - A. American Rescue Plan Act**
- VII. INFORMATION ITEMS**
  - A. FY22 Revised Budget AFC Calendar**
- VIII. NEXT MEETING DATE**
  - A. April 21, 2021**
- IX. SUPPLEMENTAL MATERIALS**
  - A. April 7, 2021 AFC Meeting Minutes**
  - B. Update on GO Bond Sale**
- X. ADJOURNMENT**

ADA accommodations available upon request: Please contact the Clerk's office 36 hours prior to any meeting so arrangements can be made for closed captioning or sign language interpreter services depending on the meeting format. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: [city.clerk@juneau.org](mailto:city.clerk@juneau.org)

# JUNEAU INTERNATIONAL AIRPORT FY 21 & FY 22 BUDGET UPDATES

April 14, 2021



**April 1935 –  
Pacific Alaska Airways Airport  
opens; Juneau, Alaska.**

## EXPENSE SUMMARY

2/9/2021

Account Description	FY2019 Actuals	FY2020 Actuals	FY2021 Approved/ Amended	FY2022 Approved	FY2021 Projected Actuals	FY2022 Revised
<b>SALARIES</b>	2,901,340	3,010,043	3,141,200	3,255,000	2,822,000	2,988,200
<b>TRAVEL/TRAIN</b>	28,547	8,225	45,800	47,900	44,300	49,000
<b>COMMOD/ SERVICES</b>	4,370,655	4,448,322	4,709,800	4,795,600	5,230,400	4,904,400
<b>TOTAL</b>	<b>7,300,542</b>	<b>7,466,591</b>	<b>7,896,800</b>	<b>8,098,500</b>	<b>8,096,700</b>	<b>7,941,600</b>

# REVENUE SUMMARY

2/9/2021

Account Description	FY2019 Actuals	FY2020 Actuals	FY2021 Approved/ Amended	FY2022 Approved	FY2021 Projected Actuals	FY2022 Revised
<b>RENTS</b>	3,259,303	2,890,118	3,081,800	3,149,300	2,428,600	2,763,800
<b>LANDING FEES</b>	2,214,128	2,150,531	2,371,400	2,635,900	1,584,300	1,908,300
<b>FUEL FLOWAGE FEES</b>	1,034,417	791,143	1,039,100	1,248,800	517,900	776,900
<b>SECURITY SCREEN FEES</b>	471,505	355,687	500,000	685,300	188,600	330,000
<b>FEDERAL REIMBURSE</b>	297,481	313,533	258,200	249,100	258,200	249,100
<b>INTEREST INCOME</b>	136,453	142,159	56,000	56,000	52,500	52,500
<b>MISC.</b>	95,032	108,788	67,500	67,500	23,000	23,000
<b>CARES ACT</b>	0	727,145	0	0	0	0
<b>TOTAL</b>	<b>7,508,318</b>	<b>7,479,102</b>	<b>7,374,000</b>	<b>8,091,900</b>	<b>5,053,100</b>	<b>6,103,600</b>



## EXPENSE VS. REVENUE SUMMARY

2/9/2021


	FY2019 Actuals	FY2020 Actuals	FY2021 Approved/ Amended	FY2022 Approved	FY2021 Projected Actuals	FY2022 Revised
<b>EXPENSES</b>	(7,300,542)	(7,466,591)	(7,896,800)	(8,098,500)	(8,096,700)	(7,941,600)
<b>REVENUES</b>	7,508,318	6,751,957	7,374,000	8,091,900	5,053,100	6,103,600
<b>DIFFERENCE</b>	207,776	(714,634)	(522,800)	(6,600)	(3,043,600)	(1,838,000)
<b>AIRPORT FUND BALANCE APPLIED</b>			522,800	6,600		
<b>CARES ACT FUNDS APPLIED</b>		727,145			3,043,600	1,838,000
<b>TOTAL OVER/(SHORT)</b>	207,776	12,511	0	0	0	0

**FY21 Proposed \$522,800 use of Airport Fund Balance; CARES Act to be used for entire deficit now.**

**FY22 Proposed \$6,600 use of Airport Fund Balance and increases to Airport Rates & Fees; increase to Rates/Fees cancelled and CARES Act to be used for entire deficit.**


# EXPENSES

## PERSONNEL

 FY21/22 decreases in personnel costs. Despite hiring additional janitorial staff (for COVID), vacancies in Administration and Airfield resulted in savings. Also contracted some duties to Commodities/Services instead of filling vacancy.

FY21  \$319,200 / FY22  \$266,800

## COMMODITIES/SERVICES

 Contractual services such as PFAS work in FY21 (\$196,900), Financial model in FY21 (\$25,000) and Disadvantage Business Enterprise (DBE) federal requirement now contracted out \$55,000/annually instead of filling vacancy. Also repairs (bag conveyor, and facility/vehicle repairs).

FY21  \$520,600 / FY22  \$108,800

## TRAVEL/TRAINING


Minor changes

FY21 down \$1,500 FY22 up \$1,100



## Net Expenses

(compared to adopted)

 FY21 up \$199,900

 FY22 down \$156,900

# REVENUES

**FUEL FLOWAGE FEES (FFF) ~ LANDING FEES (LF)  
~ SECURITY SCREENING PASSENGER FEES (SSF)  
~ CONCESSION REVENUES ~ RENTALS**

**All Fees are projected to decrease due to decrease in passengers, aircraft operations (COVID) and consequently decrease in concession revenue. *As compared to adopted.***

**FFF: ↓ \$521,200 FY21 / ↓ \$471,900 FY22**

**LF: ↓ \$787,100 FY21 / ↓ \$727,600 FY22**

**SSF: ↓ \$311,400 FY21 / ↓ \$355,300 FY22**

**Rentals: ↓ \$653,200 FY21 / ↓ \$385,500 FY22**

**Misc: ↓ \$44,500 both F21 / FY22**

- Airport Board approved to defer Rates & Fees increases until a later date (originally scheduled for FY22 and est. \$703K).
- Airport Board approved aviation rent Abatement for FY21 & FY22 (est. \$1.15M/year). Abatement is NOT reflected in the revenues as this is tracked separately.



## Net Revenues

(compared to adopted)

**FY21 down \$2,320,900**

**FY22 down \$1,988,300**

	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022**</b>
Budget (Actual/Updated)	\$7,466,591	\$8,096,700	\$7,941,600
Projected Deficit/Airport Fund Balance proposed use	<del>\$ 290,200</del>	<del>\$ 522,800</del>	<del>\$ 6,600**</del>
<b>UPDATED Deficit</b>	(\$ 727,145)	(\$3,043,600)	(\$1,838,000)
<b>CARES Act Use Budget</b>	\$ 727,145	\$ 3,043,600 est	\$ 1,838,000 est
<b>CARES Act Use Other (GO Bond, tenant rent credit)</b>		\$ 602,375 \$ 1,150,553	\$ 662,625 \$ 1,150,553 est

- **Airport proposed use of Airport Fund Balance for FY20/21/22; now CARES/CRRSAA funds cover deficit.**
- **Airport will no longer raise Rates & Fees as originally proposed in FY22.**
- **CARES Act will cover GO Bond debt service for FY21/22.**
- **Airport support aviation tenants with rent abatement using CARES Act funds.**



CARES Act Use				
21,736,343	Grant award			
(727,145)	FY20 Operational Expenses			
(1,150,553)	FY21 Tenant Rent Relief			
(602,375)	FY21 Airport GO Bond debt service			
(662,625)	FY22 Airport GO Bond debt service			
(203,028)	TWY Regulator Upgrade (appropriated)			
18,390,617	Balance			
	<i>Proposed Use</i>			
(1,150,553)	FY22 Tenant Rent Relief (est)			
(3,043,600)	FY21 Operational Expenses (est)			
(1,838,000)	FY22 Operational Expenses (est)			
12,358,464	<i>Proposed/estimated balance FY22 end</i>			

## Summary of Airport CARES Act funds used and proposed for FY22.

CARES Act funds must be used by April 2024.

**In March 2021, the Airport received additional \$3,422,135 in CRRSAA.\***  
CRRSAA funds must be used by March 2025.

\*Some restricted use.



*Questions?*



# FY 2022 BUDGET PACKET

**OUR MISSION: BARTLETT REGIONAL HOSPITAL PROVIDES ITS COMMUNITY WITH QUALITY, PATIENT-CENTERED CARE IN A SUSTAINABLE MANNER.**

**Bartlett**  
Regional Hospital



CITY/BOROUGH OF JUNEAU  
★ ALASKA'S CAPITAL CITY



# 2022 OPERATING BUDGET FRAMEWORK

- ❖ Unknowns due to COVID
- ❖ Increased spending to provide a response to pandemic
  - ❖ Salaries and Wages
  - ❖ Employee Benefits
  - ❖ Materials and Supplies
- ❖ Patient volumes and Revenues projected based on assumptions.
- ❖ CIP – 5.5 million
- ❖ Capital Budget – 5 million





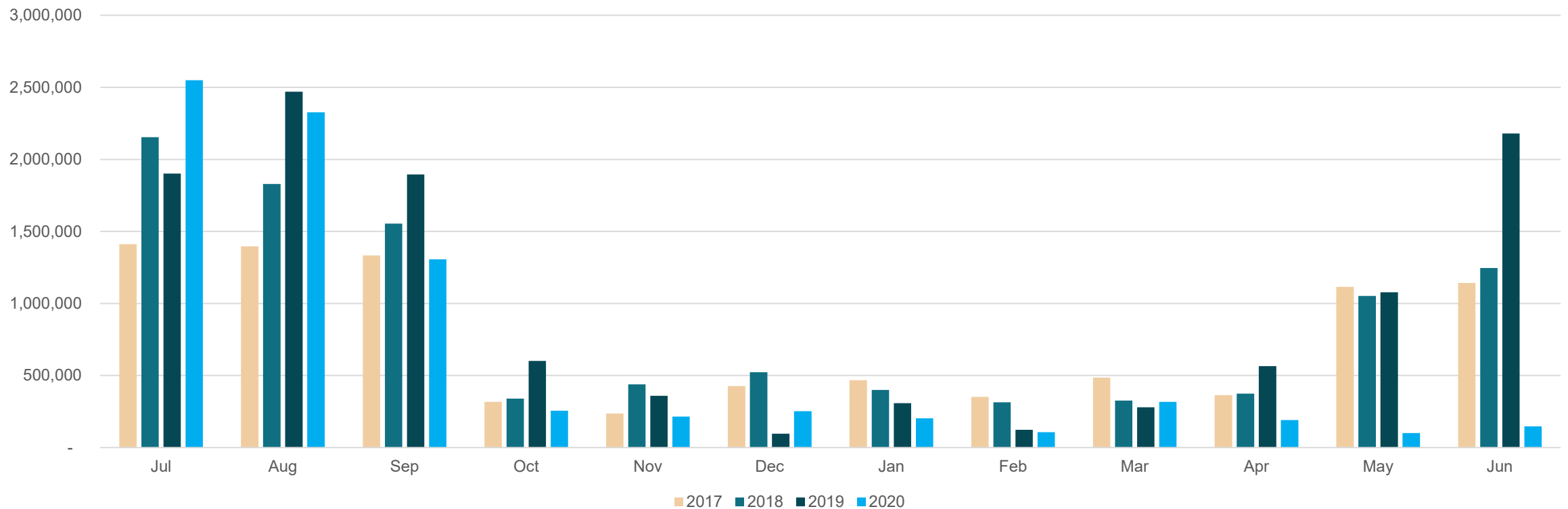
# STATISTICS

Facility Utilizations	Actual FY 2018	Actual FY2019	Actual FY2020	Projected FY2021	Budget FY2022
Inpatient Patient days	7,363	7,080	6,672	7,006	7,006
Mental Health Unit Patient days	3,493	3,341	2,454	1,994	2,920
Rainforest Recovery Patient days	3,936	3,975	2,838	716	2,920
Inpatient admissions	2,575	2,406	2,145	1,982	1,982
Births	315	325	287	302	302
Observation admissions	1,219	1,330	1,256	1,250	1,250
Surgery Cases	2,964	2,931	2,614	3,038	3,038
Outpatient Visits	176,560	171,069	166,278	170,338	170,338
Physician Clinics	8,408	6,754	10,658	12,434	12,434
Dietary Meals	264,982	327,287	300,896	237,058	237,058

# TOURISM REVENUE BY MONTH

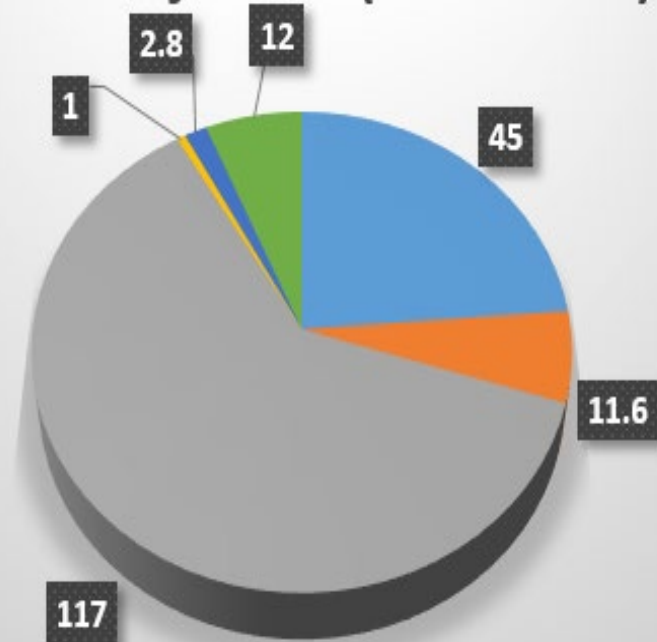
## 4 YEAR FORECAST

Tourism Revenue by Month

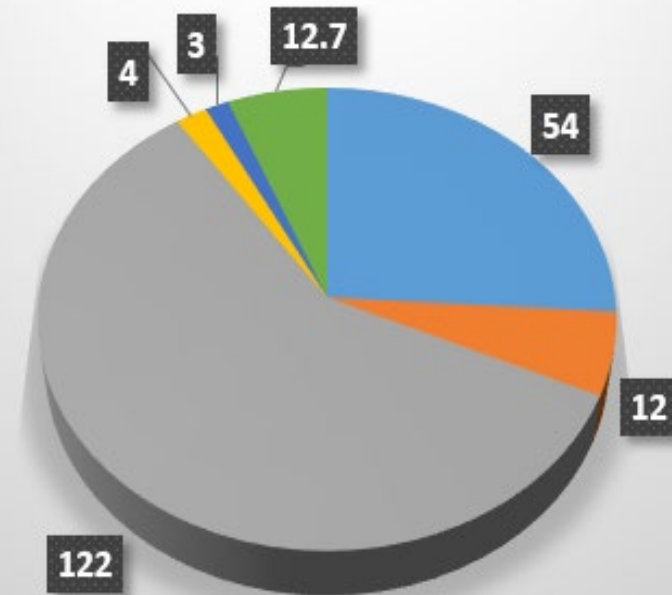


# FY21/22 COMPARISON OF PATIENT REVENUE

FY21 Projection (in millions)



FY 22 Budget (in millions)



■ Inpatient Revenue

■ Outpatient Revenue

■ BHOPS Patient Revenue

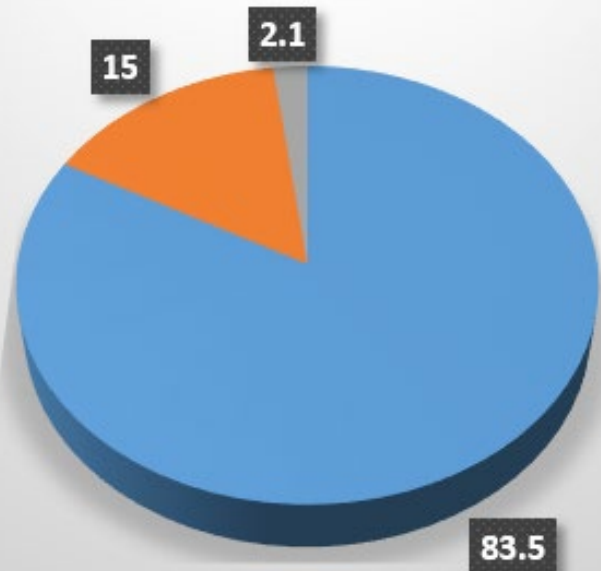
■ Inpatient Ancillary Revenue

■ RRC Patient Revenue

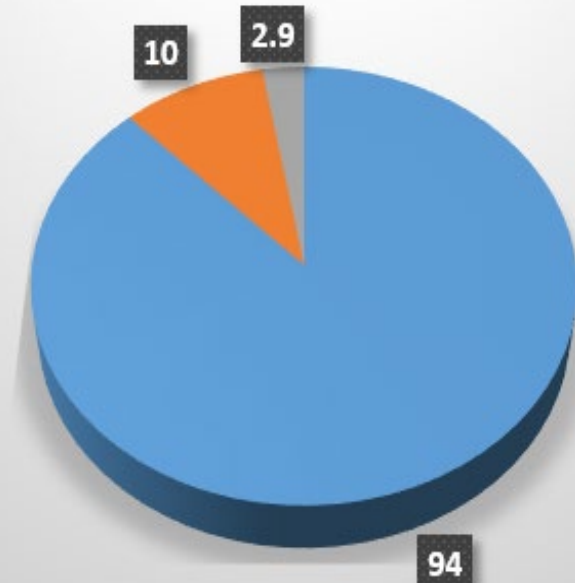
■ Physician Revenue

# FY21&22 COMPARISON OF DEDUCTIONS & OTHER REVENUE

FY21 Projection (in millions)



FY 22 Budget (in millions)

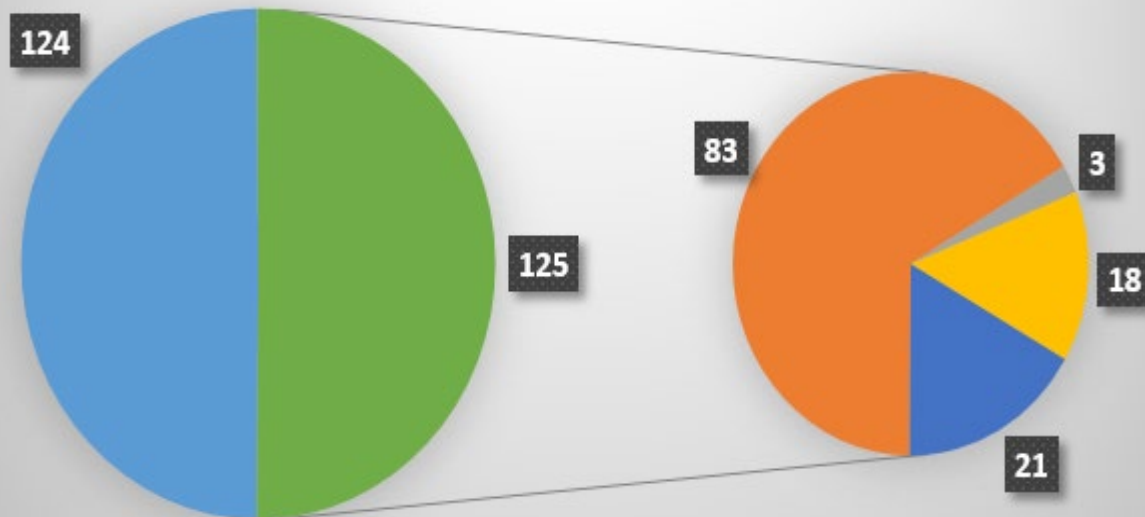


- Deductions from Revenue
- Non-Operating Revenue

- Other Operating Revenue

# FY21/22 COMPARISON OF NET INCOME/(LOSS)

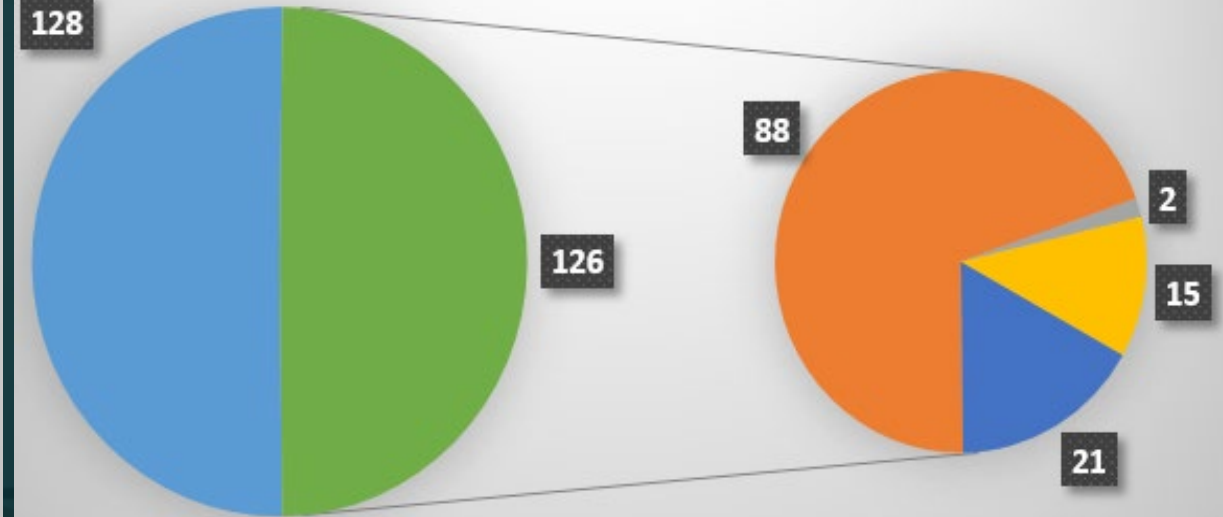
FY21 Projection (in millions)



Net Income/(loss): ~ (1 million)

Expenses

FY 22 Budget (in millions)



Net Income/(loss): ~ 2 million

Expenses

- Revenue less Deductions
- Physician Contracts
- Other Expenses

- Salaries and Benefits
- Materials and Supplies

# CHANGES TO EXPENSE AND REVENUE

## Patient Volumes and Revenues.

COVID has impacted volumes at BRH. Following assumptions were made and all other volumes remained the same:

- ✓ Budgeted with assumption to maintain an average of 15.5 patients per day instead of 16 pre COVID.
- ✓ Mental Health Unit will open admissions up to the entire State.
- ✓ Rainforest Recovery and Withdrawal Management Unit will run at capacity.
- ✓ A 4% price increase will be implemented.

## Expenses.

Expenses increased by 10 million in FY21 due to COVID and new areas added in the Behavioral Health arena.

- ✓ 3% Cost of Living increase.
- ✓ 7.5% Health Insurance increase.
- ✓ Part of salary increase is offset by a decrease in physician contract.
- ✓ COVID supplies expense will continue along with Molecular testing supplies.
- ✓ 3 million of reduction in pricing with new GPO.
- ✓ 10% increase to malpractice ins.



# CIP

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## ➤ Crisis Stabilization – 1.5 million

- 8 bed Crisis Stabilization center with 4 adults bed and 4 youth bed. Total cost of the building will be 10.5 million with the 1.5 million appropriation in FY22. The new building would consist of 2 levels with Behavioral Outpatient Services on the first floor and Crisis Stabilization on the second floor.

## ➤ Deferred Maintenance – 4 million

- These funds are to address infrastructure projects. These funds will be used for known and planned projects and also used to address replacement or repairs that are not anticipated.
- BRH is completing a master facility campus plan study that will identify facilities most in need of replacement or upgrade. As a result there may be projects identified to be completed in future. The timing and cost is unknown at this time but it is expected a facility plan will be developed in the future.

# CAPITAL PLAN

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- Priority # 1 – Patient Safety/Compliance – 3.1 million
  - 1.8 million of the cost is for the CT replacement. 2 CT machines will be replaced at the same time to take advantage of discounts for bulk purchase.
  - Meditech ED module and Ambulatory expansion for BMOC and BSSC for ½ million.
  - Other less than 100k expenses by Same day surgery, Obstetrics and Environmental services.
- Priority # 2 – End of Life/Revenue Enhancer/Cost Saver – 1.2 million
  - 250 thousand for Virtual Desktop Expansion.
  - 200 thousand for VxBlock Server blade expansion and storage expansion.
  - 160 thousand for Omnicell cabinets
  - 100 thousand for Hill-Rom Centrella Smart bed.
  - Other expenses less than 100k for other departments such as obstetrics and facility.
- Priority # 3 – Future End of Life/Nice to have – 0.7 million
  - 100 thousand for patient monitoring system
  - 100 for Omnicell (CPM) Central Pharmacy Manager
  - 500 thousand for contingency



# HOSPITAL BUDGET OVERVIEW

## COMPARATIVES

		FY21		FY22	
	FY20 Actuals	Amended Budget	Projected Actuals	Adopted Budget	Revised Budget
<b>EXPENSES:</b>					
Personnel Services	\$ 65,503,400	78,281,100	82,967,100	78,281,100	87,801,900
Commodities and Services	28,203,700	30,235,100	40,160,300	30,205,100	31,109,800
Capital Outlay	10,847,800	6,708,500	3,200,000	3,508,500	5,000,000
Debt Service	1,467,800	1,661,500	1,661,500	1,666,700	1,666,700
Support to Capital Projects	4,000,000	10,290,000	10,290,000	10,290,000	5,500,000
<b>Total Expenses</b>	<b>110,022,700</b>	<b>127,176,200</b>	<b>138,278,900</b>	<b>123,951,400</b>	<b>131,078,400</b>
<b>FUNDING SOURCES:</b>					
Charges for Services	100,225,000	115,531,600	119,211,600	115,531,600	122,270,500
State Grants	-	1,980,300	3,000,000	1,980,300	2,586,500
Federal Grants	6,611,400	-	-	-	-
Interest Income	3,008,600	1,225,100	1,228,300	1,225,100	2,000,000
Support from:					
Liquor Tax	175,000	175,000	175,000	175,000	175,000
Tobacco Excise Tax	518,000	518,000	518,000	518,000	518,000
Capital Projects	500,000	-	-	-	-
<b>Total Funding Sources</b>	<b>111,038,000</b>	<b>119,430,000</b>	<b>124,132,900</b>	<b>119,430,000</b>	<b>127,550,000</b>
<b>FUND BALANCE:</b>					
<b>Debt Reserve</b>					
Beginning Debt Service Reserve	1,741,400	1,741,400	1,741,400	1,741,400	1,741,400
Increase (Decrease) in Reserve	-	-	-	-	-
<b>End of Period Reserve</b>	<b>\$ 1,741,400</b>	<b>\$ 1,741,400</b>	<b>\$ 1,741,400</b>	<b>\$ 1,741,400</b>	<b>\$ 1,741,400</b>
Beginning Available Fund Balance	72,131,700	73,147,000	73,147,000	59,001,000	59,001,000
Increase (Decrease) in Fund Balance	1,015,300	(7,746,200)	(14,146,000)	(4,521,400)	(3,528,400)
<b>End of Period Fund Balance</b>	<b>\$ 73,147,000</b>	<b>\$ 65,400,800</b>	<b>\$ 59,001,000</b>	<b>\$ 54,479,600</b>	<b>\$ 55,472,600</b>
<b>STAFFING</b>	<b>465.57</b>	<b>484.33</b>	<b>506.00</b>	<b>484.33</b>	<b>566.00</b>

# THANK YOU

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**Rose Lawhorne**  
Chief Executive Officer



**Kevin Benson**  
Chief Finance Officer



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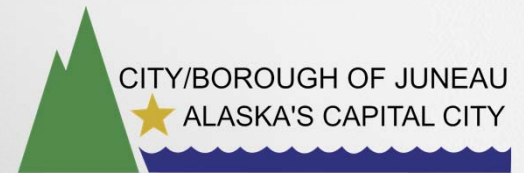
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# Budget Packet FY2022

**Bartlett**  
Regional Hospital



# Bartlett Regional Hospital

3260 Hospital Drive, Juneau, Alaska 99801

907.796.8900

[www.bartletthospital.org](http://www.bartletthospital.org)

## Budget Packet – FY2022

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## Bartlett Regional Hospital Operating and Capital Budgets Budget Year 2022

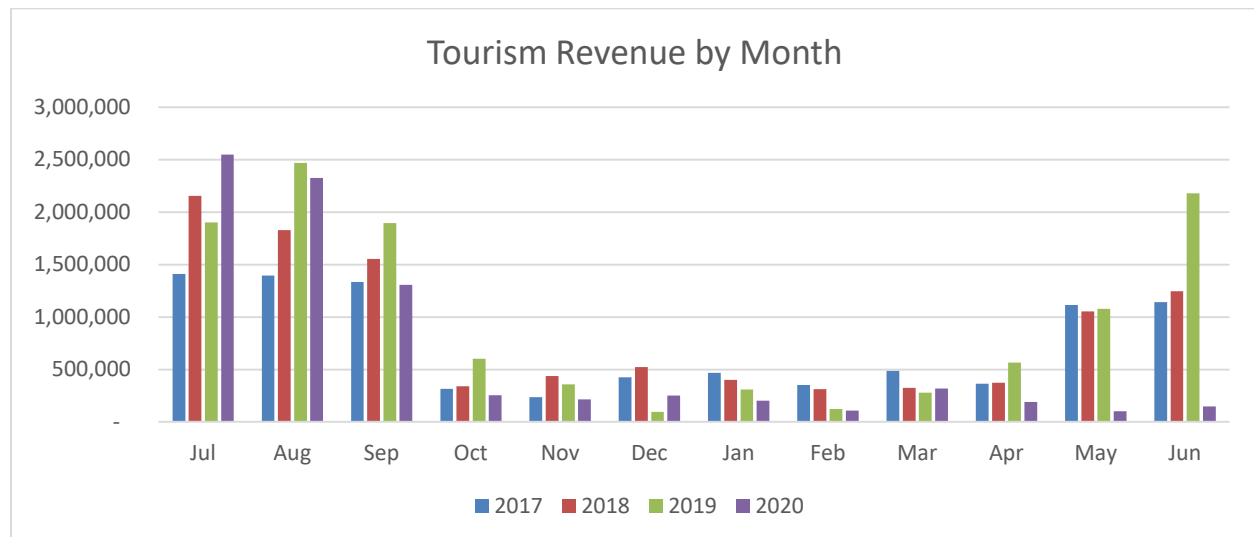
### 2022 Operating Budget Framework:

The operating budget for FY2022 is going to be challenging. It is unknown when COVID will no longer be impacting operations and reducing volumes and revenues. The return of cruise ships and tourists is also a mystery. In addition, spending to provide a response to the pandemic was increased for staffing, supplies and equipment. BRH was kept whole financially through the end of December for lost revenues and increased spending by \$13 million of Provider Relief Funds. Those dollars are no longer available unless additional funding is appropriated.

BRH is projected to incur an Operating Loss of \$2.8 million dollar in FY21. FY2022 will be a year preparing to right-size the expense side of the Income statement to be commensurate with volumes and revenues.

### Unknowns:

- It is not known if there will be additional Provider Relief Funds available to BRH. Included in the \$1.9 trillion stimulus legislation was \$8.3 billion for rural hospital which BRH would qualify as a Sole Community Provider. However, the details of what BRH will receive has yet to be provided. At this point additional funding is not included in the budget.
- The return of tourism revenue is also not known. The chart below depicts the impact of the loss of this revenue. The budget includes approximately half of what is normal tourist revenue. It is assumed there will be some tourism later in the summer and return to normal the spring of 2022.



## Hospital and Clinic

**Patient Volumes and Revenues:** BRH has seen volumes impacted by COVID. Listed below are the assumptions driving volumes and revenues:

- BRH was averaging 16.0 patients per prior to COVID. There was a significant decrease in the second half of FY2020 due to COVID driving the fiscal year average to drop to 14.4 patients per day. In FY 2021 the average had climbed to 15.5. The budget assumes this average will be maintained. The
- The budget assumes the Mental Health Unit will open admissions up to the entire state of Alaska. Through the pandemic only patients from southeast Alaska were accepted. Historically, a majority of mental health patients came from outside of southeast Alaska. This will increase volumes to be more consistent with pre-COVID volume. This will increase volumes from 5.5 patients per day to 8.0.
- The Rainforest Recovery Unit was closed during the pandemic and opened operations in early October 2021. It has been running at COVID capacity with only private rooms and has a waiting list. It is assumed the occupancy will run at 8 residents per day. This will generate revenues of \$4.1 million or 300% more than is projected in FY21.
- The Withdrawal Management unit is assumed to average 2 patients per day consistent with the volumes seen since becoming operational earlier this year. This additional revenue generated by this program is expected to be \$870,000.
- BHOPS is budgeted to be at the same volume as FY21. Having stabilized staffing, it is hoped volumes will continue to increase but being conservative the volumes will remain level.
- Outpatient volumes are difficult to predict and are budgeted to remain the same as 2021. It seems probable that Emergency Room visits will eventually increase but to be conservative the budget stays at the same volume as FY2021.
- Physician service volumes are expected to remain consistent with FY2021. There is recruitment taking place for both an Oncologist and a Urologist. It would be speculative to budget for these services given the difficulty and time required to successfully recruit these specialties.
- A 4% price increase will be implemented at the start of the fiscal year. A pricing study was completed in preparation for the 2022 budget (see attachment 1). The study compared BRH to 14 hospitals in Alaska and Washington and was based on CMS charge data. The study shows that BRH has a very competitive pricing structure.

### Discounts and Deductions:

- 65% of the 4% price increase will have no effect on what BRH gets paid, therefore there will be a significant increase in deductions.
- The Rural Demonstration Project was renewed this past December. The 5-year participation term expired for Bartlett on June 30, 2020. The renewal goes retroactive to this date. This means BRH will receive cost-based reimbursement for its inpatient Medicare patients. Previously, this amount was estimated to be \$3.7 million. The reduction of inpatient volumes and revenues will reduce this reimbursement to \$2.7 million.

### Other Income:

- Provider Relief Funds of \$6 million was recorded in FY20 and another \$7 million in FY21. While it is believed that additional funding will be available in FY22, it is not being included in the budget. The \$10 million of in Other Operating Revenue includes \$5 million of grant funding that has been awarded to Bartlett. The remaining balance is consistent with the balance in FY19.

#### **Salaries and Wages:**

- The current COVID required staffing is included in the budget. In the event the tourist season reopens and additional staff is needed for an increase in volume, the costs for this group will be reassigned to departments as needed.
- There will be few staffing changes included in the 2022 budget. There are new programs being added in the Behavioral Health arena. The staff changes that will take place are as follows:
  - Withdrawal Management was approved in FY2021 and began operations in October. A full year of staffing will add 12 FTE's (Full Time Equivalents) to the budget.
  - A new department of Applied Behavioral Analysis is being proposed for FY2022. This program will add 4.6 FTE's.
- A cost of living increase of 3.0%.was incorporated into the budget.
- Having learned over the course of the past 3 years that Contract Labor will be incurred to cover staff turnover until replacement staff are hired. Therefore, there is more expense in the budget than in past years. It is hoped that reliance on Contract Labor will be reduced as turnover has slowed down due to COVID and hopefully through the Student Loan Payment program implements at the end of December.

#### **Employee Benefits:**

- Benefits will remain the same as 2021. However, there will be a 7.5% Health Insurance increase in premiums paid by BRH. BRH has a self-funded health insurance program combined with CBJ. In the past the plan has maintained a healthy fund balance. However, that fund balance is being drawn down over the past number of years as medical spending has exceeded current funding. The good news has been there were no increases since 2014 to BRH or staff but it needs increased funding over the next 2 years to maintain the positive fund balance.

#### **Physician Contract:**

- This expense is anticipated to be reduced as psychiatrists are brought on as employed staff and the expense transferred to Salaries and Wages.

#### **Materials and Supplies:**

- Materials and supplies were difficult to project into FY2022. This expense spiked significantly during the COVID response. There were large increases for Personal Protective Equipment (PPE), oxygen, pharmaceuticals and reference lab fees for send out COVID test. This spike continued into FY2021. It is believed there will still be increased supply costs but at a more moderate level. The cost of molecular testing supplies was taken into account at \$1.0 million. Finally, effective July 1, 2021 Bartlett will change to a new Group Purchasing Organization (GPO), a move that is expected to save \$3.0 million through lower pricing.

**Utilities:**

- Utilities expense fluctuates with the weather and price changes. Expense was added to account for the utility cost for the Bartlett Specialty and Surgical Clinic.

**Maintenance and Repairs:**

- The narrative for Maintenance and Repairs is very similar to that of Materials and Supplies. This expense increased with the preparations and changes made to adjust to COVID. This expense will moderate and should return to pre-COVID levels.

**Rentals and Leases:**

- Rental and lease expense will decrease with the purchase of the Bartlett Specialty and Surgical Clinic.

**Insurance:**

- Bartlett is provided insurance coverage through CBJ's city-wide insurance policies. A notice was received to inform us that premiums for insurance plans would be increasing this year. It is not known what the increase will be so an estimated increase of 10% was added.

**Depreciation:**

- A depreciation schedule was run and projected into FY2022. There were a number of assets that became fully depreciated in FY2021 which reduced depreciation. FY2022 capital acquisitions were factored into the projection using a half year calculation.

**Interest:**

- Interest expense decreased slightly as principal is retired annually according to the debt amortization schedule of the bond issue.



**Bartlett Regional Hospital**  
**Statistics for the Budget Year Ending June 20, 2022**

Facility Utilization:	Actual FY 2017	Actual FY 2018	Actual FY2019	Actual FY2020	Projected 2021	Budget FY2022	Change FY20 to FY21	Change FY21 to FY22
<b>Hospital Inpatient: Patient Days</b>								
Patient Days - Med/Surg	4,723	4,795	4,476	4,251	4,452	4,452	4.7%	0.0%
Patient Days - Critical Care Unit	969	1,062	1,077	1,009	1,190	1,190	17.9%	0.0%
<b>Avg. Daily Census - Acute</b>	<b>15.6</b>	<b>16.0</b>	<b>15.2</b>	<b>14.4</b>	<b>15.5</b>	<b>15.5</b>	<b>7.3%</b>	<b>0.0%</b>
Patient Days - Obstetrics	853	804	805	790	746	746	-5.6%	0.0%
Patient Days - Nursery	749	702	722	622	618	618	-0.6%	0.0%
<b>Total Hospital Patient Days</b>	<b>7,294</b>	<b>7,363</b>	<b>7,080</b>	<b>6,672</b>	<b>7,006</b>	<b>7,006</b>	<b>5.0%</b>	<b>0.0%</b>
Births	333	315	325	287	302	302	5.2%	0.0%
<b>Mental Health Unit</b>								
Patient Days - Mental Health Unit	2,809	3,493	3,341	2,454	1,994	2,920	-18.7%	46.4%
Avg. Daily Census - MHU	7.7	9.6	9.2	6.7	5.5	8.0	-18.7%	46.4%
<b>Rain Forest Recovery:</b>								
Patient Days - RRC	3,697	3,936	3,975	2,838	716	2,920	-74.8%	307.8%
Avg. Daily Census - RRC	10	10.8	10.9	7.8	2.0	8.0	-74.8%	307.8%
Outpatient visits	1,045	721	303	328	1,034	1,034	215.2%	0.0%
<b>Inpatient: Admissions</b>								
Med/Surg	958	881	828	811	682	682	-15.9%	0.0%
Critical Care Unit	474	487	479	476	426	426	-10.5%	0.0%
Obstetrics	343	331	335	316	324	324	2.5%	0.0%
Nursery	351	332	335	289	302	302	4.5%	0.0%
Mental Health Unit	500	544	429	253	248	248	-2.0%	0.0%
<b>Total Admissions - Inpatient Status</b>	<b>2,626</b>	<b>2,575</b>	<b>2,406</b>	<b>2,145</b>	<b>1,982</b>	<b>1,982</b>	<b>-7.6%</b>	<b>0.0%</b>
<b>Admissions - "Observation" Status</b>								
Med/Surg	600	652	683	667	740	740	10.9%	0.0%
Critical Care Unit	344	346	390	356	314	314	-11.8%	0.0%
Mental Health Unit	23	21	31	29	28	28	-3.4%	0.0%
Obstetrics	273	188	219	202	168	168	-16.8%	0.0%
Nursery	3	12	7	2	-	0	-100.0%	0.0%
<b>Total Admissions to Observation</b>	<b>1,243</b>	<b>1,219</b>	<b>1,330</b>	<b>1,256</b>	<b>1,250</b>	<b>1,250</b>	<b>-0.5%</b>	<b>0.0%</b>
<b>Surgery:</b>								
Inpatient Surgery Cases	551	594	557	562	592	592	5.3%	0.0%
Endoscopy Cases	1,056	1,137	1,221	917	1,048	1,048	14.3%	0.0%
Same Day Surgery Cases	1,270	1,233	1,153	1,135	1,398	1,398	23.2%	0.0%
<b>Total Surgery Cases</b>	<b>2,877</b>	<b>2,964</b>	<b>2,931</b>	<b>2,614</b>	<b>3,038</b>	<b>3,038</b>	<b>16.2%</b>	<b>0.0%</b>
<b>Total Surgery Minutes</b>	<b>192,833</b>	<b>178,815</b>	<b>184,710</b>	<b>188,905</b>	<b>217,592</b>	<b>217,592</b>	<b>15.2%</b>	<b>0.0%</b>
<b>Outpatient:</b>								
<b>Total Outpatient Visits (Hospital)</b>								
Emergency Department Visits	16,243	15,913	14,539	13,093	11,392	11,392	-13.0%	0.0%
Cardiac Rehab Visits	1,145	837	1,045	752	684	684	-9.0%	0.0%
Lab Visits	3,924	3,707	3,035	3,977	3,442	3,442	-13.5%	0.0%
Lab Tests	115,721	115,768	112,461	113,220	117,038	117,038	3.4%	0.0%
Radiology Visits	10,434	10,227	9,367	8,614	9,592	9,592	11.4%	0.0%
Radiology Tests	28,438	29,821	30,311	26,318	27,922	27,922	6.1%	0.0%
Sleep Study Visits	212	287	311	304	268	268	-11.8%	0.0%
<b>Physician Clinics:</b>								
Hospitalists	2,445	2,973	2,280	2,320	2,780	2,780	19.8%	0.0%
Bartlett Oncology Clinic	655	757	846	862	1,010	1,010	17.2%	0.0%
Ophthalmology Clinic	N/A	N/A	N/A	107	1,116	1,116	943.0%	0.0%
Behavioral Health Outpatient visits	N/A	N/A	N/A	4,353	4,798	4,798	10.2%	0.0%
Bartlett Surgery Specialty Clinic visits	3,688	4,678	3,628	3,016	2,730	2,730	-9.5%	0.0%
	<b>6,788</b>	<b>8,408</b>	<b>6,754</b>	<b>10,658</b>	<b>12,434</b>	<b>12,434</b>	<b>16.7%</b>	<b>0.0%</b>
<b>Other Operating Indicators:</b>								
Dietary Meals Served	233,711	264,982	327,287	300,896	237,058	237,058	-21.2%	0.0%
Laundry Pounds (Per 100)	3,571	4,841	4,776	4,252	4,488	4,488	5.6%	0.0%

BARTLETT REGIONAL HOSPITAL  
STATEMENT OF REVENUES AND EXPENSES  
FOR THE BUDGET YEAR ENDING JUNE 30, 2021

	Actual FY 2017	Actual FY 2018	Actual FY 2019	Actual FY 2020	Projected FY 2021	Budget FY 2022	YTD % VAR
Gross Patient Revenue:							
1. Inpatient Revenue	44,901,557	48,249,464	49,315,947	48,061,895	45,257,728	54,366,082	20.1%
2. Inpatient Ancillary Revenue	11,967,312	12,403,151	10,858,901	10,603,590	11,593,204	11,994,443	3.5%
3. Total Inpatient Revenue	56,868,869	60,652,615	60,174,848	58,665,485	56,850,932	66,360,525	16.7%
4. Outpatient Revenue	83,268,288	88,584,979	98,176,935	103,133,108	117,740,304	122,449,916	4.0%
5. Total Patient Revenue - Hospital	140,137,157	149,237,594	158,351,783	161,798,594	174,591,236	188,810,441	8.1%
6. RRC Patient Revenue	3,669,861	4,261,001	4,171,399	2,664,511	1,007,462	4,108,644	307.8%
7. BHOPS Patient Revenue	193,804	176,720	2,478,345	3,040,990	2,848,496	2,962,436	4.0%
8. Physician Revenue	8,882,932	10,231,684	10,006,086	10,744,464	12,186,370	12,673,825	4.0%
9. Total Gross Patient Revenue	152,883,753	163,906,998	175,007,613	178,248,559	190,633,564	208,555,345	109.4%
Deductions from Revenue:							
10. Inpatient Contractual Allowance	28,100,239	32,220,709	35,483,854	34,054,576	32,770,302	36,652,360	11.8%
10a. Rural Demonstration Project	(6,899,351)	(3,866,693)	(3,699,996)	(3,700,000)	(2,700,000)	(2,700,000)	0.0%
11. Outpatient Contractual Allowance	26,426,690	31,237,089	34,944,251	36,350,861	43,361,910	48,498,679	11.8%
12. Physician Service Contractual Allowance	4,934,656	5,738,046	5,159,877	6,474,834	7,621,444	8,524,301	11.8%
13. Other Deductions	224,915	205,845	173,535	176,691	156,076	174,565	11.8%
14. Charity Care	767,664	1,519,195	1,082,498	1,090,598	1,445,210	1,557,297	7.8%
15. Bad Debt Expense	4,139,400	648,984	3,066,546	3,174,104	925,210	1,221,034	32.0%
16. Total Deductions from Revenue	57,694,213	67,703,175	76,210,564	77,621,663	83,580,152	93,928,236	12.4%
% Contractual Allowances / Total Gross Pat Rev	39%	40%	41%	41%	44%	45%	2.4%
% Bad Debt & Charity Care / Total Gross Pat Rev	3%	1%	2%	2%	1%	2%	20.6%
% Total Deductions / Total Gross Pat Rev	38%	41%	44%	44%	44%	45%	2.7%
17. Net Patient Revenue	95,189,540	96,203,823	98,797,049	100,626,896	107,053,412	114,627,110	7.1%
18. Other Operating Revenue	2,128,963	2,040,072	4,713,981	14,510,984	14,943,744	10,015,553	-33.0%
19. Total Operating Revenue	97,318,504	98,243,894	103,511,030	115,137,879	121,997,156	124,642,663	2.2%
Expenses:							
20. Salaries & Wages	38,232,761	40,448,063	42,318,786	46,562,577	50,325,916	54,574,011	8.4%
21. Physician Wages	2,459,297	2,481,668	3,365,983	3,735,925	3,547,612	3,739,369	5.4%
22. Contract Labor	2,825,500	2,344,388	3,128,019	1,768,952	1,974,232	1,192,906	-39.6%
23. Employee Benefits	33,352,970	22,741,753	21,798,521	24,413,625	27,119,358	28,295,632	5.5%
	76,870,528	68,015,872	70,611,309	76,481,079	82,967,118	87,801,918	5.8%
% Salaries and Benefits / Total Operating Rev	79%	69%	68%	66%	68%	70%	
24. Medical Professional Fees	813,862	939,526	961,500	965,031	1,229,628	1,012,588	-17.7%
25. Physician Contracts	2,577,719	3,622,534	2,622,926	2,472,343	3,059,632	2,060,546	-32.7%
26. Non-Medical Professional Fees	2,571,048	2,592,676	1,883,186	2,095,725	2,445,430	2,907,699	18.9%
27. Materials & Supplies	11,350,496	11,012,692	12,918,764	14,050,846	17,869,794	14,796,317	-17.2%
28. Utilities	1,314,928	1,453,486	1,487,682	1,471,762	1,318,892	1,559,128	18.2%
29. Maintenance & Repairs	3,083,324	3,135,804	3,777,711	4,535,336	5,148,788	4,520,016	-12.2%
30. Rentals & Leases	568,516	774,421	619,667	609,337	602,200	457,141	-24.1%
31. Insurance	526,496	495,081	701,158	524,306	594,568	660,631	11.1%
32. Depreciation & Amortization	7,359,593	7,422,119	7,196,120	7,185,318	7,866,620	7,633,791	-3.0%
33. Interest Expense	666,110	653,430	638,664	622,780	611,336	599,334	-2.0%
34. Other Operating Expenses	1,058,985	807,823	1,378,727	1,284,023	1,074,888	1,569,278	46.0%
35. Total Expenses	108,761,605	100,925,464	104,797,415	112,297,884	124,788,894	125,578,388	0.6%
	(11,443,102)	(2,681,570)	(1,286,386)	2,839,995	(2,791,738)	(935,726)	-66.5%
Non-Operating Revenue							
37. Interest Income	337,009	590,905	2,393,728	3,031,416	1,228,344	2,000,000	62.8%
38. Other Non-Operating Income	3,161,755	4,016,890	1,774,397	877,141	907,376	907,382	0.0%
39. Total Non-Operating Revenue	3,498,764	4,607,794	4,168,125	3,908,557	2,135,720	2,907,382	36.1%
40. Net Income (Loss)	(7,944,336)	1,926,227	2,881,740	6,748,552	(656,018)	1,971,656	-400.5%
Income from Operations Margin	-11.76%	-2.73%	-1.24%	2.47%	-2.29%	-0.75%	-67.2%
Net Income	-8.16%	1.96%	2.78%	5.86%	-0.54%	1.58%	-394.2%

Bartlett Regional Hospital  
5 Year Capital Plan  
For the Budget Year 2022

Department	Description	Priority	FY2022	FY2023	FY2024	FY2025	FY2026	Additional Comments
01.7044-CT Scan	CT Replacement	1 - Patient Safety/Compliance	\$1,869,918			\$1,500,000	\$1,500,000	2 CT Machines replacements
01.9200-Information Services Mgmt	MEDITECH ED Module -> Moving to FY2022							Budget Rolling forward from FY21 to FY22. Moving away from T-System to MEDITECH ED Module. Interfacing between two EHR's is a patient safety issue and T-System is no longer innovating their product. Costs continue to increase and functionality is not improving.
01.9200-Information Services Mgmt	Virtual Desktop Expansion	1 - Patient Safety/Compliance 2 - End of Life/Revenue Enhancer/Cost Saver	\$350,000					Moving to FY2022
01.9200-Information Services Mgmt	VxBlock server blade expansion and storage expansion		\$250,000	\$125,000			\$250,000	Increasing virtual desktop footprint to entire hospital to include badge-tap single sign-on ability.
01.7070-BRH Pharmacy	FY 2022-2026 allocating for continual expansion of the VxBlock for more storage and sever hardware.	2 - End of Life/Revenue Enhancer/Cost Saver	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	Server and Storage needs are continually growing. The new system allows us to easily expand. Includes VMware licensing as well.
01.9200-Information Services Mgmt	Omnicell cabinets	2 - End of Life/Revenue Enhancer/Cost Saver	\$160,600					The Omnicells in the OR, Endoscopy room, and pharmacy Controlled Substance Manager are sun setting, and will not be serviceable after 12/31/21.
01.9200-Information Services Mgmt	MEDITECH Web Ambulatory Expansion for BMOC & BSSC -> Moving to FY2022							Eclinical to Meditech. Rollover from FY21, but estimating at a higher amount, since the original estimate did not include BMOC. Cost may be less to bring BMOC and BSSC onto Web Ambulatory module. ROI will be paid back in less than 2-years due to eClinicalWorks cost of \$15K/month.
01.7070-BRH Pharmacy	Omnicell CPM Standalone (Central Pharmacy Manager)	1 - Patient Safety/Compliance	\$140,000					Moving to FY2022
01.6010-Med/Surg	Hill-Rom Centrella Smart bed	3 - Future End of Life/Nice to have	\$115,000					Pharmacy inventory management system.
01.6172-Cardio/Pulmonary Rehab	Patient Monitoring system	2 - End of Life/Revenue Enhancer/Cost Saver 3 - Future End of Life/Nice to have	\$100,536	\$81,683				255 bed need a total of 25 bed replacement with 1 355 36 inch wound care pressure bed. All beds include top of line mattresses. 8 beds per year to order. 2023 would be the last year to upgrade beds on the MS unit. 12/21/2020 Received 8 new beds ( 255 standard style beds after power surge fried circuits on several of older beds.)
01.8210-Laundry	Washers		\$100,000					
01.6080-Obstetrics	Badge-activated automatic main OB doors, and access doors between OB and CCU	2 - End of Life/Revenue Enhancer/Cost Saver	\$100,000					
01.6213-Same Day Surgery	Electric patient stretchers	1 - Patient Safety/Compliance	\$80,000					This estimate was generated by Marc with facilities. Please see the attached email from him, detailing the breakdown and funding from the FY22 Deferred Maintenance Fund.
01.8200-Environmental Services	Med/Surg Curtains	1 - Patient Safety/Compliance	\$75,745					
01.8360-Facilities Management	Plow Truck		\$75,000					
01.9200-Information Services Mgmt	Policy / Document Management System replacement	2 - End of Life/Revenue Enhancer/Cost Saver	\$75,000					
01.6170-Respiratory Therapy	Pulmonary Function Testing Equipment	1 - Patient Safety/Compliance	\$75,000					This is to replace policy tech and will be added to RL system. 75K is the implementation cost, expecting for this to be far less than that. \$15,000 will be our ongoing maintenance cost that will need to be added to our maintenance contract budget going forward.
01.8360-Facilities Management	Sec officer defensive tools	2 - End of Life/Revenue Enhancer/Cost Saver	\$60,000					
		1 - Patient Safety/Compliance	\$60,000					TBD

Department	Description	Priority	FY2022	FY2023	FY2024	FY2025	FY2026	Additional Comments
01.7013-Histology	LaserTrack PH-8 cassette printer	1 - Patient Safety/Compliance	\$55,095					Cassette printer used with tissue from OR which is placed in processor, which allows printing of patient information to include barcodes. Needed for enhancements with XPANSE to improve process flow in Histology. Current system is manual. Department did attempt 4 years ago to acquire similar unit, but unit was not compatible, so was returned.
01.7070-BRH Pharmacy	pharmacy shelving	2 - End of Life/Revenue Enhancer/Cost Saver	\$50,000					The current shelves are at end of life, do not work well, and attempts to repair have failed.
01.7013-Histology	DRS tissue stainer	2 - End of Life/Revenue Enhancer/Cost Saver	\$45,900					Current DRS was purchased in 2001. Asset 001659 is aging equipment. Fully depreciated
01.6020-Critical Care	ICU Hil Rom Bed	1 - Patient Safety/Compliance	\$44,000					carry over from FY 21, new bed not purchased
01.6020-Critical Care	ICU Beds	1 - Patient Safety/Compliance	\$44,000		\$44,000			Replacement
01.9200-Information Services Mgmt	Computer Replacements	2 - End of Life/Revenue Enhancer/Cost Saver	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	Don't need 250K if Virtual desktop is approved. 40K would be sufficient for computer replacement needs that are not part of virtual desktop. Replacing 25% of our computer fleet each year so that we are on a 4-year lifecycle
01.6210-Operating Room	New documentation software for endoscopy	2 - End of Life/Revenue Enhancer/Cost Saver	\$35,000					Complete new laparoscopic, arthroscopic, GYN, and GU video system \$500,000 +
01.6210-Operating Room	Pediatric EGD scope	1 - Patient Safety/Compliance	\$32,914					This scope will be used when young children have accidentally swallowed button, coins..
01.7041-Diagnostic Radiology	Patient monitor	1 - Patient Safety/Compliance	\$30,000					
01.7070-BRH Pharmacy	surveillance software	1 - Patient Safety/Compliance	\$30,000					Software for controlled substance surveillance.
01.9200-Information Services Mgmt	MEDITECH Staff Gateway Module for HR	2 - End of Life/Revenue Enhancer/Cost Saver	\$25,000					Rolling forward budget from FY21 to FY22. HR module for managing benefits and can remove some of the Taleo modules to offset the cost. Much easier integration with our MEDITECH environment and reduced duplicate data entry.
01.7010-Lab	Osmometer, micro sample	1 - Patient Safety/Compliance	\$21,304					To replace analyzer asset 003354. Fully depreciated, > 10 yrs old
01.6230-Emergency Dept	ED Stretchers with scales (2 new each year)	1 - Patient Safety/Compliance	\$20,000	\$20,000	\$20,000	\$20,000		Replacement. Current guidelines for stroke care and heart attack care REQUIRE that patients get weighed, as the medications given to dissolve clots is weight based. Not having a way to accurately get a patients weight places them at risk for either receiving to little medication or to much. Currently we have one bed scale, which is in constant state of repair as it a refurbished model. The goal would be to have all ED stretchers with scales.
01.8360-Facilities Management	Potable ICRA Containment Wall System	1 - Patient Safety/Compliance	\$20,000					This wall system will help ensure quality reliable dust containment dure small renovation projects. They can also double as the wall portion of a rapidly deployed isolation area eliminating plastic sheeting used for walls.
01.7013-Histology	Recycler for Xylene	2 - End of Life/Revenue Enhancer/Cost Saver	\$18,495					Replacement Recycler for Xylene – current unit >12yrs. Asset 0384, Fully depreciated
01.6222-Infusion Therapy	Replace or upgrade patient care equipment	2 - End of Life/Revenue Enhancer/Cost Saver	\$15,000					
01.7070-BRH Pharmacy	Ultra-cold Freezer	1 - Patient Safety/Compliance	\$14,500					The ultra cold freezer is needed for the Pfizer COVID vaccine. Bartlett is serving as the mini-depot for community vaccines.
01.8110-Dietary	Temperature monitoring software for refrigerators	2 - End of Life/Revenue Enhancer/Cost Saver	\$14,000					
01.7010-Lab	Blood Bank Cell Washer	1 - Patient Safety/Compliance	\$8,063					New to replace manual process. Used mostly with NB screening, which cells need to be washed to assure reactions are clear.
01.7010-Lab	10 Kva battery backup	1 - Patient Safety/Compliance	\$7,993					Found that battery located in maintenance is not working and not designed for amp pull from 3 analyzers that are attached. For two main Chemistry and our Hematology, need a minimum of 6 Kva, but would like larger for future - 10 Kva. There will be cost for installation.
01.7013-Histology	Link system for G2	1 - Patient Safety/Compliance	\$6,600					This allows us to connect the G2 coverslipper to the DRS tissue stainer
01.8360-Facilities Management	Interior Genie Lift	3 - Future End of Life/Nice to have	\$6,000					To safely reach difficult elevated interior areas
01.6080-Obstetrics	2 Hospital Grade breast pumps, and 1 breastmilk warmer	2 - End of Life/Revenue Enhancer/Cost Saver	\$5,150					2 current breast pumps are end of life, and having a temperature-controlled breastmilk warmer will increase safety surrounding the warming of frozen donor milk.

Bartlett Regional Hospital  
5 Year Capital Plan  
For the Budget Year 2022

Department	Description	Priority	FY2022	FY2023	FY2024	FY2025	FY2026	Additional Comments
01.9200-Information Services Mgmt	Camera System. Future years: 2022-2025 budgeting for expansion or replacements.	1 - Patient Safety/Compliance	\$5,000	\$5,000	\$5,000	\$5,000		New camera system across the hospital. 125 cameras with artificial intelligence, 10-years cloud based storage, HD/4K resolution, 5-years support contract. Will remove 2 existing systems that we have in place currently and decrease the storage footprint on the network (currently 2TB of space). Future years: 2022-2025 budgeting for expansion or replacements.
01.9200-Information Services Mgmt	Wireless Access Points and 2nd Wireless Controller for High-Availability	2 - End of Life/Revenue Enhancer/Cost Saver	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	Replacement of our wireless access points (8 years old and EOL). Add a second wireless controller for High Availability. Would be advantageous to have this upgraded as we Go-Live with Expanse this year.
01.9500 - Executive Office	Contingency	3 - Future End of Life/Nice to have	\$514,189					Future years: budgeting for increased capacity/expansion to include cabling.
01.6080-Obstetrics	Labor and Delivery beds (1/yr)	3 - Future End of Life/Nice to have		\$25,000	\$25,000	\$25,000		Replacement
01.7010-Lab	Chemistry and Immunoassay analyzer	1 - Patient Safety/Compliance		\$115,000				To replace analyzer asset 003706, end of life (10 yrs). Will be fully depreciated by time of request
01.7042-Ultrasound	Untrasound Reaplacement	1 - Patient Safety/Compliance		\$138,398			\$175,000	updates and transducers cut from 2019 purchase
01.7045-MRI	MRI Replacement	1 - Patient Safety/Compliance		\$2,600,000				Current MRI was purchased in 2008
01.7047-Mammography	3D Mammography Replacement	1 - Patient Safety/Compliance					\$400,000	New in 2017. Estimating Life is 10 years
01.7070-BRH Pharmacy	Upgrade 3rd floor cleanroom	1 - Patient Safety/Compliance		\$1,000,000				The current cleanroom does not meet the updated USP 797 physical requirements.
01.7070-BRH Pharmacy	Infusion pump integration	1 - Patient Safety/Compliance		\$250,000				Infusion pump integration with Meditech. Not sure if Meditech will be able to do this, or if we'll have to use latric.
01.8200-Environmental Services	Carpet Extractor	1 - Patient Safety/Compliance		\$15,000				
01.8200-Environmental Services	ED/OB/CCU Curtains	1 - Patient Safety/Compliance		\$75,000				
01.8200-Environmental Services	Sterile Meryl	1 - Patient Safety/Compliance			\$100,000			
01.8200-Environmental Services	SDS Curtains	1 - Patient Safety/Compliance				\$75,000		
01.8210-Laundry	Driers	1 - Patient Safety/Compliance		\$80,000				
01.8360-Facilities Management	RRC Passenger Van	2 - End of Life/Revenue Enhancer/Cost Saver					\$50,000	Current Van Purchased in 2016
01.8360-Facilities Management	John Deere	1 - Patient Safety/Compliance		\$30,000				
01.8360-Facilities Management	Med Tester	1 - Patient Safety/Compliance			\$15,000			Biomed Equipment Safety Test
01.8360-Facilities Management	Commons Furniture	2 - End of Life/Revenue Enhancer/Cost Saver		\$25,000	\$25,000	\$25,000	\$25,000	Phased Replacement
01.8360-Facilities Management	Campus Wide Radio System	2 - End of Life/Revenue Enhancer/Cost Saver		\$100,000				
01.8360-Facilities Management	Jeep	2 - End of Life/Revenue Enhancer/Cost Saver		\$35,000	\$35,000			

Bartlett Regional Hospital  
5 Year Capital Plan  
For the Budget Year 2022

Department	Description	Priority	FY2022	FY2023	FY2024	FY2025	FY2026	Additional Comments
01.8360-Facilities Management	Bobcat	2 - End of Life/Revenue Enhancer/Cost Saver					\$90,000	Purchased new in 2019
01.9530-Compliance	Need more warehouse storage space. Materials are stored too close to the fire suppression system in MM even when inventory are at minimum levels (18" storage rule)	1 - Patient Safety/Compliance					?	Consider moving this initiative to facilities projects: Employee, visitor, patient safety. Part of the Hospital Facilities Master Plan.
<b>Total</b>			<b>\$5,000,000</b>	<b>\$4,965,081</b>	<b>\$514,000</b>	<b>\$1,895,000</b>	<b>\$2,735,000</b>	

Bartlett Regional Hospital  
Five Year Department Improvements Plans

Project	Priority	FY22	FY23	FY24	FY25	FY26	Future	Total
Crises Stabilization	1	1,500,000						10,500,000
Deferred Maintenance	2	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	28,000,000
Master Facility Project	3		\$x,xxx,xxx	\$x,xxx,xxx	\$x,xxx,xxx			-
Parking Ramp (200 places)	4						20,000,000	20,000,000
Relocate & Remodel Biomed, Dietary, Laundry,	5		2,500,000	2,500,000				5,000,000
Medical Office Building	6		2,000,000	1,000,000				3,000,000
Remodel Laboratory (5000 Sq Ft)	7						3,750,000	3,750,000
Maintenance Building for Equipment	8						750,000	750,000
Oxygen Tank (Bulk) Storage	9						500,000	500,000
Totals		5,500,000	8,500,000	7,500,000	4,000,000		29,000,000	71,500,000

1. Crises Stabilization: This project would create an 8-bed crisis stabilization center at Bartlett Regional Hospital, serving adults (4 beds) and youth (4 beds) from Juneau and the surrounding communities who are experiencing behavioral health crises. This project was included in CIP for FY2020 at \$3,500,000 and in CIP for FY2021 at \$5,500,000. The total cost of the building will be \$10.5 million with an appropriation of \$1,500,000 in FY2022. The new building would consist of 2 levels with Behavioral Outpatient Services on the first floor with a second floor for Crises Stabilization. Grant dollars of \$1,700,000 have been awarded to the Crises Stabilization project.

2. Deferred Maintenance: These funds are to address infrastructure projects. These funds will be used for known and planned projects and also used to address replacement are repairs that are not anticipated.

3. BRH is completing a Master Facility Campus Plan study that will identify facilities most in need of replacement or upgrade. As a result there may be projects identified to be completed in future. The timing and cost is unknown at this time but it is expected a facility plan will be developed in the near future.

## COMPARATIVES

		FY21		FY22	
	FY20 Actuals	Amended Budget	Projected Actuals	Adopted Budget	Revised Budget
EXPENSES:					
Personnel Services	\$ 65,503,400	78,281,100	82,967,100	78,281,100	87,801,900
Commodities and Services	28,203,700	30,235,100	40,160,300	30,205,100	31,109,800
Capital Outlay	10,847,800	6,708,500	3,200,000	3,508,500	5,000,000
Debt Service	1,467,800	1,661,500	1,661,500	1,666,700	1,666,700
Support to Capital Projects	4,000,000	10,290,000	10,290,000	10,290,000	5,500,000
Total Expenses	110,022,700	127,176,200	138,278,900	123,951,400	131,078,400
FUNDING SOURCES:					
Charges for Services	100,225,000	115,531,600	119,211,600	115,531,600	122,270,500
State Grants	-	1,980,300	3,000,000	1,980,300	2,586,500
Federal Grants	6,611,400	-	-	-	-
Interest Income	3,008,600	1,225,100	1,228,300	1,225,100	2,000,000
Support from:					
Liquor Tax	175,000	175,000	175,000	175,000	175,000
Tobacco Excise Tax	518,000	518,000	518,000	518,000	518,000
Capital Projects	500,000	-	-	-	-
Total Funding Sources	111,038,000	119,430,000	124,132,900	119,430,000	127,550,000
FUND BALANCE:					
Debt Reserve					
Beginning Debt Service Reserve	1,741,400	1,741,400	1,741,400	1,741,400	1,741,400
Increase (Decrease) in Reserve	-	-	-	-	-
End of Period Reserve	\$ 1,741,400	\$ 1,741,400	\$ 1,741,400	\$ 1,741,400	\$ 1,741,400
Beginning Available Fund Balance	72,131,700	73,147,000	73,147,000	59,001,000	59,001,000
Increase (Decrease) in Fund Balance	1,015,300	(7,746,200)	(14,146,000)	(4,521,400)	(3,528,400)
End of Period Fund Balance	\$ 73,147,000	\$ 65,400,800	\$ 59,001,000	\$ 54,479,600	\$ 55,472,600
STAFFING	465.57	484.33	506.00	484.33	566.00

## BUDGET HIGHLIGHT

The Hospital FY22 Revised Budget shows an increase from the FY22 Approved Budget of \$7,127,000 (5.7%).

The significant budgetary changes include:

### FY22 Revised Budget

- Personnel services increased \$9,520,800 (12.2%) due to the addition of a mental and behavioral health program, and retaining staff for COVID-19 screening and triage.
- Commodities and services increased \$904,700 (3.0%) primarily due to increases in contractual services and insurance costs.
- Capital Outlay increased \$1,491,500 (42.5%) due to increased planned purchases for equipment.



# CBJ Finance Committee Meeting

## April 8, 2020

### *Eaglecrest Ski Area FY 21 Review & FY 22 Budget Presentation*

- FY 21 (2020-2021 Season)– Overview
- FY22 (2020-2021 Season)– Budget
- Fund Balance
- Future challenges and opportunities



# 2020-2021 Season Highlights

- Operated for 92 total days with over 51 days having at least 2 inches of new snow.
- 492" of snow at summit and 280" at base. 22 feet of snow plowed from the parking lot.
- 80,000 Skier Visits by year end, which is a new Eaglecrest Record
- 22,500 visits in March alone.
- Cold weather made for the most efficient and effective snowmaking during the early season. Allowed the mountain to stay open early season through record flooding rain events in December and January.
- No COVID outbreaks related Eaglecrest operations
- Record amount of seasonal product holders

# Historical Seasonal Product Sales

Combined Totals By Age	FY21	FY20	FY19	FY18	FY17	FY16	FY15	FY14	FY13	AVG	5YR
Adult	1,630	1,374	1,046	1,219	1,092	1,001	1,316	1,520	1,677	1,267	1,135
Senior	110	92	58	51	44	39	29	34	34	41	44
College	60	46	51	33	34	28	53	68	0	38	40
Teen	435	272	256	249	247	228	317	310	317	275	259
Youth	380	297	283	321	282	226	309	383	373	311	284
Child	235	195	197	204	193	169	210	245	233	207	195
Super Senior	41	36	43	41	36	27	28	26	0	29	35
Transferable	15	15	19	14	14	16	19	21	15	17	16
Totals	2,906	2,327	1,953	2,132	1,942	1,734	2,281	2,607	2,649	2,281	2,252

Day Tickets	FY21	FY20	FY19	FY18	FY17	FY16	FY15
Grand Total	\$ 288,108	\$ 202,424	\$ 176,849	\$ 131,754	\$ 283,869	\$ 160,927	\$ 15,207

# Ski Patrol Avalanche Control Statistics

- ❖ 29 Total days of Avalanche Reduction Work
- ❖ 19 Days Using Explosives
- ❖ 420 Pounds of Explosives Used
- ❖ 492 Inches of Snow Prior 4/8/21



# Snow Sports School Statistics

## 36% Increase in Total Lessons

### Seasonal Lesson Break Down

- ❖ 6153 Total Lessons Taught
- ❖ 636 Adult Daily Lessons
- ❖ 144 Adult Multi Day Lessons
- ❖ 847 Child/Youth Daily Lessons
- ❖ 2394 Youth Multi Week Programs
- ❖ 1428 School Group Lessons
- ❖ 78 Lessons from Community Groups

### Homeschool

- ❖ 1982 Lessons
- ❖ 1182 Tickets
- ❖ 1212 Rentals

### Community & JSD

- ❖ 109 Lessons
- ❖ 116 Tickets
- ❖ 120 Rentals

### 5<sup>th</sup> Grade Passport

- ❖ 113 Season Ticket Pass Issued
- ❖ 14 Lessons
- ❖ 736 Tickets
- ❖ 34 Rentals

### Student Voucher

- ❖ 27 Lessons
- ❖ 40 tickets
- ❖ 34 Rentals





A person wearing a blue jacket and a blue and white cap is seen from behind, looking at shelves of ski boots in a rental shop. The shelves are filled with various sizes and models of ski boots, some with labels like '14 31', '13 30.5', and '12 30'.

# 8217 Total Rentals Sold

- ❖ 1486 Season Rental Daily
- ❖ 1410 Homeschool/Community
- ❖ 1380 Adult Daily
- ❖ 636 Adult Package
- ❖ 1605 Child/Youth Daily
- ❖ 847 Child/Youth Package
- ❖ 504 Child Youth Camps
- ❖ 241 Helmet/Poles
- ❖ 56 Boots only
- ❖ 52 High End Demo Equip

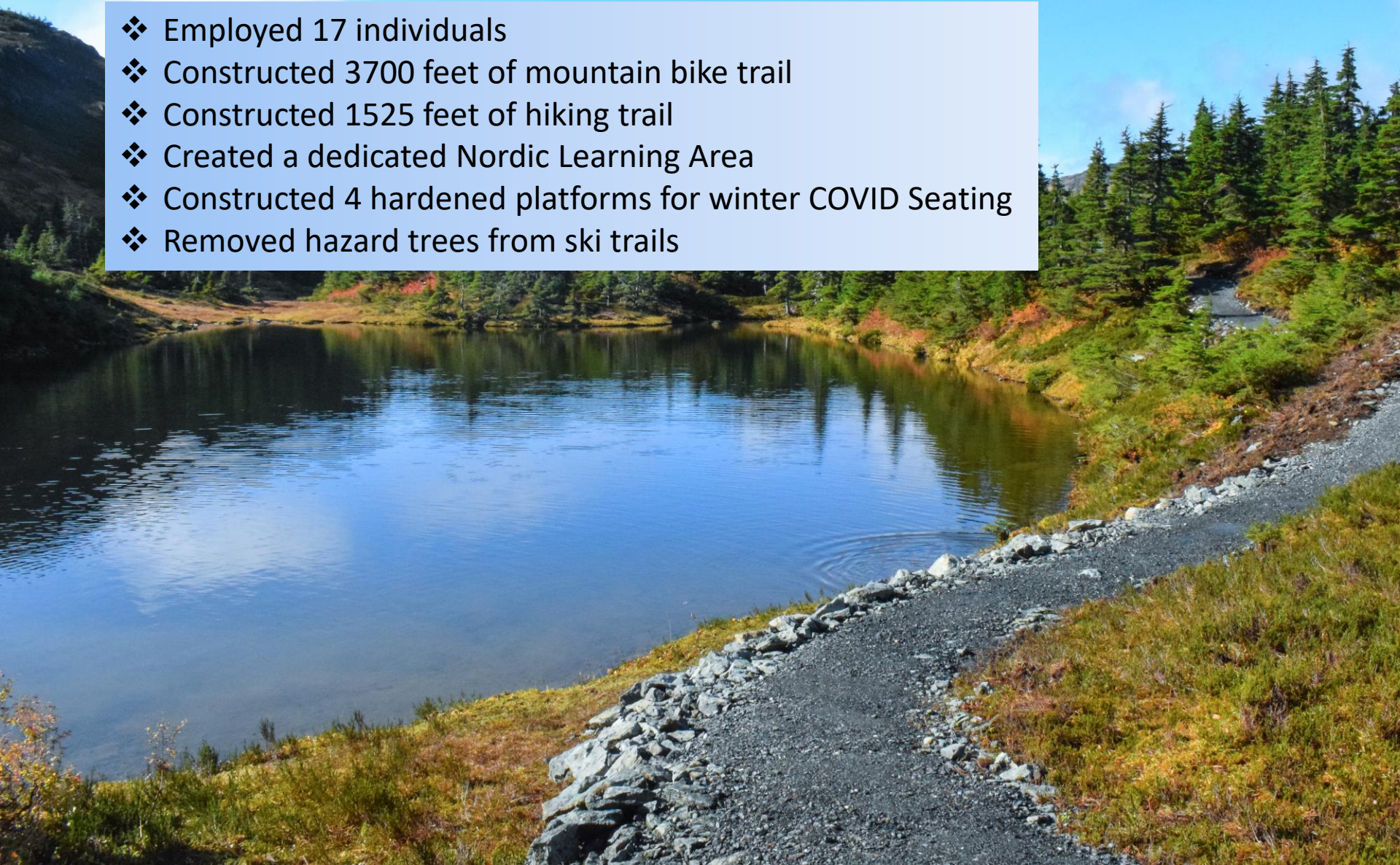
# Marketing, Website and Independent Traveler Growth

- ❖ Web traffic through website continues to grow with 300,000 page views and over 50,000 unique visitors to the website
- ❖ 17,539 web visitors from outside of Juneau
- ❖ Marketing team produced 30 unique videos that attracted 120,000 organic views on social media platforms
- ❖ The videos that were used as paid advertising attracted 500,000 views
- ❖ Utilized new Geo-fencing marketing campaigns to attract visitors from Anchorage and neighboring Southeast Communities
- ❖ Expanded our reciprocal pass partnerships to bring more awareness and attract more out of town visitors to support the Juneau Visitor Industry
- ❖ Partnered with Travel Juneau and JEDC to product a Juneau Winter Tourism video for use in promoting the 2022 winter season visitation.
- ❖ Many anecdotal reports from car rental companies, hotels and Air B&B's of a large increase in out of town ski visitors this season
- ❖ Developing new systems to track out of town visitors for next year to better define the positive impacts to Juneau Economy



# Eaglecrest COVID Conservation Corp Program

- ❖ Employed 17 individuals
- ❖ Constructed 3700 feet of mountain bike trail
- ❖ Constructed 1525 feet of hiking trail
- ❖ Created a dedicated Nordic Learning Area
- ❖ Constructed 4 hardened platforms for winter COVID Seating
- ❖ Removed hazard trees from ski trails



# Current FY21 Year End Projections

- Projected Year End Revenue \$3,170,000
- Projected Year End Expenses \$3,030,000
- Projected Contribution to fund balance \$140,000
- Projected Ending Restricted Fund Balance \$179,000
- Strive to increase Fund Balance in FY 22 to \$280,000
- Weather in the winter of 2021-2022 will continue play a factor in revenue potential

# FY 22 Budget Adjustments

- Made efforts to reduce expenses to have a break even budget
- Anticipated a loss of revenue as a result of factors related to COVID
- Reduction in Personnel Services
  - Dimond Park Field House
  - Not filling a year around benefited position
  - Leaving vacant positions unfilled to see how the COVID economy evolves
  - Reduced all departments to minimum to keep flat budget
- Reduction in Full Cost Allocation Fees
- Reduction in Travel and Training
- Success in FY 21 may lead to increased revenue potential beyond projections in FY 22
- Pursuing new concession agreements for small cruise ships to add revenue potential in FY 22

# Budget Comparatives

## COMPARATIVES

		FY21		FY22	
	FY20 Actuals	Amended Budget	Projected Actuals	Approved Budget	Revised Budget
<b>EXPENDITURES:</b>					
Personnel Services	\$ 1,431,400	2,196,400	1,755,500	1,759,200	1,560,200
Commodities and Services	1,062,400	1,411,800	1,370,300	1,328,200	1,303,800
<b>Total Expenditures</b>	<b>2,493,800</b>	<b>3,608,200</b>	<b>3,125,800</b>	<b>3,087,400</b>	<b>2,864,000</b>
<b>FUNDING SOURCES:</b>					
Charges for Services	1,131,700	1,364,500	1,304,000	1,364,500	1,297,500
Rentals	171,500	275,000	205,000	275,000	263,000
Licenses, Permits and Fees	201,600	355,400	138,000	355,400	280,400
Sales	50,600	58,000	40,000	58,000	58,000
Contributions	100,300	100,000	100,000	100,000	100,000
Support from:					
Pandemic Response Fund	305,400	73,100	73,100	-	-
Roaded Service Area	25,000	50,000	50,000	50,000	50,000
General Fund	700,000	985,500	985,500	825,000	825,000
<b>Total Funding Sources</b>	<b>\$ 2,686,100</b>	<b>3,261,500</b>	<b>2,895,600</b>	<b>3,027,900</b>	<b>2,873,900</b>
<b>FUND BALANCE:</b>					
Beginning Restricted Fund Balance	(153,300)	39,000	39,000	(191,200)	(191,200)
Increase (Decrease) in Fund Balance	192,300	(346,700)	(230,200)	(59,500)	9,900
Ending Restricted Fund Balance	<b>\$ 39,000</b>	<b>(307,700)</b>	<b>(191,200)</b>	<b>(250,700)</b>	<b>(181,300)</b>
<b>STAFFING</b>	<b>35.60</b>	<b>35.60</b>	<b>35.60</b>	<b>35.60</b>	<b>33.40</b>



# Future Challenges and Opportunities

- Challenges

- Cost of operations continue to increase
- Need to address the Eaglecrest pay plan structure to retain and recruit specialized staff necessary to operate the facility
- Need to develop long range capital plan to replace 45 year old chair lifts and other ski area infrastructure

- Opportunities

- COVID has caused a large shift in society back to outdoor sports
- Eaglecrest Board has continued to work on plans to develop summer activities and expand winter operations under a new structure
- Eaglecrest Board looks forward to reconvening the Eaglecrest Summer Development Task Force.
- Remote working has caused a huge increase in demand for housing at ski areas and Master Planned Communities
- Summer Tourism seems poised for a strong return in the Summer of 2022
- Profits from housing sales and summer recreation can be a strong driver for Juneau's Economic Recovery

# Roll of Eaglecrest in the CBJ Post COVID 19 Economic Revitalization

- Eaglecrest has the highest daily usage rates of all CBJ Recreation facilities. Averaging 870 daily users during the winter season.
- Summer activity at Eaglecrest is on the rise with the new trails averaging 250 daily users
- Eaglecrest provides safe healthy activities with good social distancing
- Physical activity is critical to maintaining mental and physical health
- Millions of Americans will be looking to leave Urban settings to live a rural life style with their new found abilities to remotely work.
- Access to the Natural Environment: fishing, hunting, mountain biking, skiing/snowboarding and other outdoor recreation activities will be huge drivers for this future stabilization of CBJ housing markets.
- These assumptions make Eaglecrest uniquely positioned to be a primary economic engine in the post COVID environment assisting with Marketing the Outdoor Lifestyle as part of the Choose Juneau campaign.



## Conclusion

- We remain committed to providing a great product and continuing to be a great community asset for Juneau and all of Southeast.
- Eaglecrest is very grateful for the support of the Assembly and the Juneau Community.

The Eaglecrest Board and Staff will continue to be:

***A premier winter recreation area and a year-round destination for outdoor recreation and education, providing a wide range of affordable winter and summer outdoor recreational activities.***



# MEMORANDUM



**DATE:** April 9, 2021

**TO:** Assembly Finance Committee

**FROM:** Jeff Rogers, Finance Director

**SUBJECT:** CBJ Allocation of American Rescue Plan Act Funds

155 Municipal Way  
Juneau, AK 99801  
Phone: (907) 586-5215  
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The American Rescue Plan Act (ARPA) allocates \$231 million directly to local governments. The formula for allocation is based on type of municipal government and population. Under that formula, CBJ is allocated \$6,201,160.40 as a Borough and \$6,631,023.70 as a City, which total \$12,832,184.10. These funds will be disbursed to municipalities in two tranches, half in the current fiscal year and half in the next fiscal year. But, for budget purposes, because CBJ uses an accrual accounting method, the Assembly can consider the funds available as soon as the award is finalized.

The Manager's FY2022 budget proposes to use these funds to replace lost revenue in proportion to the deficits anticipated in FY2021 and FY2022. As proposed, the ARPA funds would fill a \$4.6 million deficit in FY2021 and the remainder, approximately \$8.2 million, would reduce the anticipated \$16.0 million deficit to \$7.8 million in FY2022.

Eligible uses of these funds include:

1. Revenue replacement for the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency, relative to revenues collected in the most recent fiscal year prior to the emergency
2. COVID-19 expenditures or negative economic impacts of COVID-19, including assistance to small businesses, households, hard-hit industries, and economic recovery
3. Premium pay for essential workers
4. Investments in water, sewer, and broadband infrastructure

Restrictions on the uses of these funds include:

1. Funds allocated to states cannot be used to directly or indirectly offset tax reductions or delay a tax or tax increase
2. Funds cannot be deposited into any pension fund

CBJ is forecast to have lost nearly \$20 million in Sales Taxes in fiscal years 2020, 2021, and 2022 as the result of the economic downturn induced by the pandemic. CBJ additionally lost several million in various other taxes and revenues. Hence, CBJ can easily demonstrate that these funds would replace lost revenue and would not be used to reduce taxes.

The breadth of eligibility of expenditures—including use of the funds for impact payments and infrastructure development—is reflective of the fact that some municipalities simply haven't lost much revenue during the pandemic. For example, many municipalities are substantially funded by property tax, and property taxes have not generally been impacted by the pandemic. Without the eligibility of impact payments and infrastructure development, those communities would not have been able to accept and expend these funds.

Without Assembly action to the contrary, CBJ's allocation of ARPA funds will replace lost revenue to fully alleviate the general fund deficit in FY2021 and partially alleviate the deficit in FY2022.



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**JEDC Research Note**  
**2021 Federal Individual Aid Estimate**  
**March 19, 2021**

JEDC analyzed the new and existing COVID-19 aid programs funded by the federal government that provide direct financial support to individuals. This includes \$1,400 direct payments, increased Child Tax Credit, Emergency Rental Assistance, increased SNAP benefits, and supplements to Unemployment Insurance programs.

**We estimate that Juneau residents will receive a total of \$94.5 million in direct aid from the Federal Government through these programs in 2021.** \$76.2 million is from the March 2021 American Rescue Plan Act, and \$18.3 million is from the December 2020 Stimulus Package.

- \$36.1 million in Direct Individual Aid (\$1,400 checks)
- \$17 million in Child Tax Credits
- \$25 million in various Unemployment Insurance programs
- \$15.4 million in Emergency Rental Assistance
- \$930,000 increase in SNAP benefits

To calculate these numbers, we made the following assumptions:

Direct Individual Aid

80% of Juneau residents will receive full \$1,400 benefits. This is based on household income data for Juneau from the American Community Survey.

Child Tax Credit (CTC)

80% of children in Juneau live in households that will qualify for full benefits. The eligibility requirements to receive the CTC are similar to the Direct Individual Aid eligibility. The number of children in Juneau is from 2019 US Census data.

Unemployment Insurance Programs (FPUC, PEUC, PUA)

Unemployment Insurance participants and average payments will remain similar to the average of September 2020 to February 2021. This time period is after the summer spike in unemployment, and the number of claims has become more stable since then. We used state-level data to estimate the participation in the PEUC and PUA programs in Juneau by comparing the distribution of regular UI participants across the state and assuming a similar distribution of the federal program participants.

Rental Assistance

Alaska will receive \$352 million in rent relief in the December and March packages combined. We assume that Juneau's aid will be proportional to the population of Alaska (4.37%).



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#### Increased SNAP Benefits

In October 2020, \$15 million in SNAP benefits were used in Alaska. We assume that the participation rate will remain at the same level and that the distribution of participants throughout the state is proportional to the population.

#### **Comparable Statistics:**

In 2019:

- \$947 million was paid in wages in Juneau.
- The 860 employees in the Juneau Mining industry were paid \$89 million.
- \$114 million in UI benefits were disbursed in Alaska.
- \$1.8 million in regular UI benefits were disbursed in Juneau.
- CBJ had \$102 million in tax-related revenue.
- In 2019, borough-wide gross sales totaled \$2,599,937,000 and preliminary data shows that 2020 borough-wide gross sales were \$2,288,751,072; meaning that Juneau saw a \$311,182,928 decrease in gross sales from 2019 to 2020, or about a 12% decline.



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**JEDC Research Note**  
**2021 American Rescue Plan Business Aid Estimate**  
**April 6, 2021**

JEDC analyzed the new and existing COVID-19 aid programs that received federal funding from the 2021 American Rescue Plan Act (ARPA) and provide financial aid to businesses. This includes direct aid programs that provide grants or low-interest loans to businesses, such as the Economic Injury Disaster Loans (EIDL) and the Paycheck Protection Program (PPP). There is also a summary of aid provided to government agencies and how those funds may affect Alaskan Businesses.

Direct Aid to Businesses (ARPA Title V, Committee on Small Business and Entrepreneurship)

**We estimate Juneau Businesses will receive \$6.9 million in direct federal aid under Title V of the American Rescue Plan Act of 2021.** This includes expanded funding for EIDL, PPP, and Shuttered Venues Operator Grants (SVOG). There is also funding for the new Restaurant Revitalization grant program.

- \$2.48 million from EIDL
- \$860,000 from PPP grants
- \$148,000 from SVOG
- \$3.40 million in Restaurant Revitalization grants

These values were calculated based on the portion of total aid Juneau businesses have received from the EIDL and PPP funds since the programs began in 2020, compared to the funds distributed nationally. We assumed the distribution of future funds would remain similar to the past.

Historical data was not available for the SVOG and Restaurant Revitalization funds. We assumed that SVOG funds would follow the same distribution of PPP grants.

We estimated the restaurant revitalization funds using two methods. First, we assumed it would follow the same distribution as PPP. Second, we assumed that funds would be distributed evenly across the roughly 700,000 restaurants and bars nationally, and Juneau's 86 restaurants and bars would get an average grant of \$40,225 each. Each method's total values were very similar, at \$3.40 million and \$3.46 million, respectively.

However, Juneau restaurants may be eligible for up to \$31.8 million in aid, according to 2019 and 2020 tax data. The restaurant revitalization fund eligibility is determined by the change in gross income between 2019 and 2020, up to \$5 million per business. The amount of aid Juneau restaurants receive will be highly dependent on how proactive the community is in applying for these grants.



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### State and Local Fiscal Aid (Title IX, Committee on Finance)

State and Local governments will also receive large aid packages to mitigate the fiscal impacts of COVID-19.

- CBJ will receive \$12.8 million in aid over two years.
- The State of Alaska will receive \$1.02 billion in aid, separate from the aid local governments will receive.

According to the Senate Democrat's summary of ARPA, state and local fiscal aid may be used to "offset revenue losses, bolster economic recovery and provide premium pay to essential workers." One option is to use the funding for local business aid programs. AK CARES was one of many such programs in Alaska that was funded with similar fiscal aid from the March 2020 CARES act.

### Other Funding Programs

There are other programs throughout the bill that will provide aid to businesses. These will be distributed through local governments and non-profits to the businesses who qualify for aid, or target specific sectors. Their distribution may not be consistent with other aid packages such as PPP and EIDL. Estimates for aid directed at Alaska or Juneau are listed in program descriptions, where available. This is not a fully comprehensive list but includes programs that will likely have the largest impact on Alaskan businesses and particularly hard-hit sectors.

- **Child Care Stabilization and Development Block Grant (CCDBG), \$39 billion combined**

The Center for Law and Social Policy estimates that Alaska will receive a total of \$73.6 million in funding for Child Care Stabilization grants and Child Care and Development Block Grants (CCDBG).

- **State Small Business Credit Initiative (SSBCI), \$10 billion**

Created in 2010, the SSBCI provides investments to assist state governments in providing low-interest loans and other investments to small businesses. Alaska was one of three states that did not participate in the 2010 program, but the City of Anchorage did.

- **Airports and Airline Jobs, \$8 billion**

Funding to Primary Airports, including the Juneau International Airport, is determined by the number of passenger boardings during the prior calendar year. While the FAA has not released the final formula, they state that the money will be apportioned similarly to how airports currently receive Airport Improvement Program (AIP) funds. Based on 2020 passenger boardings at Juneau International Airport, we expect the airport to receive approximately \$790,000 in funding.



- **Food Supply Chain Grants, \$4 billion**

Seafood processing facilities and processing vessels will be eligible for some grants and loans created through this fund. The funds will also be used to purchase and distribute food for individuals in need and support farms and other small and midsize food processors and distributors.

- **Economic Development Administration (EDA), \$3 billion**

The EDA has been provided with \$3 Billion in funding to provide grants to rebuild local economies. \$750 million of this has been designated specifically for travel, tourism, and outdoor recreation sectors, which were particularly hard hit by the pandemic.

- **National Endowments for the Arts and Humanities, \$270 million combined**

\$108 million will go to state and regional arts humanities councils. \$162 million will go to direct grants to support arts and humanities organizations.

- **Institute of Museum and Library Services, \$200 million**

\$178 million is reserved to fund state library administrative agencies, with a \$2 million state minimum.

- **Corporation for Public Broadcasting, \$175 million**

These funds are to maintain programming and services of small and rural stations threatened by declines in non-Federal revenues.



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### **Title-By-Title Summary of the American Rescue Plan**

The following title-by-title summary outlines the American Rescue Plan Act as passed by the Senate on March 6<sup>th</sup>, 2021. The bill will provide urgent and targeted funding to defeat the virus and provide workers and families the resources they need to survive the pandemic while the vaccine is distributed to every American.

**The bill provides for a total of \$1.88 trillion in federal investments.**

#### **Title I – Committee on Agriculture, Nutrition, and Forestry**

- **Nutrition:** The bill will **extend the 15% increase in SNAP benefits** through September 30, 2021 to address the hunger crisis. As many as 50 million Americans have struggled to feed themselves or their families during the pandemic and need continued support to put food on the table.
- The bill will extend the **Pandemic EBT** program which helps children in need by providing families, who normally would receive school meals in person, with the value of those missed school breakfasts and lunches. During this time of historic hunger for American families, it is critical that this program is available through the pandemic, including summer months to keep the 22 million children who use this program fed.
- This bill will provide funding for outreach and modernization to make the **WIC** program more user-friendly and increases the Cash Value Voucher benefit so moms and babies can buy additional fruits and vegetables. Participation in WIC has declined significantly in recent years, barely rising during the pandemic.
- **Food Supply Chain:** The bill will build on the bipartisan approach from the December COVID-19 package, by providing \$4 billion to support the food supply chain through the purchase and distribution of food, the purchase of PPE for farmworkers and other frontline food workers, and financial support for farmers, small and medium sized food processing companies, farmers markets, and others to create more resilient and competitive food supply chains. It also provides funding to monitor COVID-19 in animals and reduce overtime inspection fees for small meat and poultry processors. Our food supply chain has shown to be highly vulnerable due to the COVID-19 crisis affecting farmers, families, food businesses, and essential food workers.
- **Farmers of Color:** The bill will provide debt relief and assistance to socially disadvantaged farmers and ranchers who have faced disproportionate impacts from the pandemic as a result of longstanding discrimination. The Agriculture Department's lending and financial assistance programs have long discriminated against Black, Indigenous, Hispanic, and other farmers of color. Black farmers in the South alone have lost more than 12 million acres of farmland since the 1950s and many farmers of color who remain in agriculture struggle with burdensome debt that has prevented many from being able to grow and sustain their farms, especially during the pandemic. This is an important step to ensure these farmers benefit from COVID-19 assistance programs.
- **Rural Health Care:** This bill will provide a lifeline for **healthcare in rural America** by increasing vaccine distribution capacity, providing medical supplies and medical surge capacity, expand access to telehealth, and help to fill the gap for rural healthcare

providers, many of whom were already stretched thin before COVID-19 and have suffered additional lost revenue due to the pandemic.

- **International Food Aid:** The bill will provide \$800 million to Food for Peace Title II to purchase US grown commodities for distribution to those experiencing hunger in developing countries. COVID-19 has worsened the hunger crisis around the world, with several countries at-risk of famine as a result.

## **Title II – Committee on Health, Education, Labor, and Pensions**

- **Vaccines:** In order to ensure vaccines reach every community as quickly as possible, especially communities of color and hard to reach areas, there is \$7.5 billion in CDC funding for vaccine distribution – including the vaccine clinics proposed by the Biden administration.. There is also \$5.2 billion for BARDA for vaccine and supplies procurement.
- **Testing:** The bill provides \$48.3 billion for testing in order to contain the virus and mitigate its effects, hire staff for contact tracing, provide PPE for frontline health workers, and take other steps to combat the virus, such as enabling isolation and quarantine. The bill also provides \$1.733 billion for enhanced genomic sequencing.
- **Health Workforce:** Public health workers in communities across the country are the key to getting the virus under control. Every clinician that administers the vaccine is supported by a team of public health workers who make the system work. However, local and state health departments have lost 23 percent of their workforce since 2008, and almost a quarter of health department staff are currently eligible for retirement. This bill provides \$7.66 billion to bolster the public health workforce and COVID-19 response.
- **Community Health Centers and Health Disparities:** Deeply rooted systemic racism, bias, and discrimination have created health disparities that have been exacerbated by the flawed pandemic response. Significant investments are necessary to repair, and begin to reverse, these disparities – this bill delivers immediate relief to frontline providers who serve communities of color and underserved populations hardest hit by pandemic. This includes \$7.6 billion for community health centers, \$1.44 billion for Older Americans Act programs, \$800 million for the National Health Services Corps and more.
- **Mental Health:** The need for accessible mental health and substance use disorder treatment has skyrocketed during the pandemic, with cash-strapped states and localities struggling to meet the need. The bill includes \$3.88 billion to expand on those investments made in the year-end 2020 package to increase availability of treatment.
- **K-12 Schools:** ARP provides over \$125 billion for public K-12 schools to safely reopen schools for in-person learning, address learning loss, and support students as they work to recover from the long-term impacts of the pandemic. The bill includes \$122.747 billion in funding for the Elementary and Secondary School Education Relief Fund (ESSER). States are required to subgrant at least 90 percent of ESSER funds to school districts to support the implementation of public health protocols to safely reopen schools for in-person learning, address students' learning loss, and meet students' long-term academic,

social, and emotional needs. School districts and States are required to use at least 20 percent and 5 percent, respectively, of ESSER funds to implement evidence-based interventions to address learning loss. States are also required to use an additional 1 percent of their state-level ESSER funds for evidence-based summer enrichment programs and an additional 1 percent of their state-level ESSER funds for evidence-based comprehensive afterschool programs. Additionally, ARP includes \$800 million in dedicated funding for the identification and provision of wraparound services for students experiencing homelessness and over \$3 billion in funding for programs authorized under the Individuals with Disabilities Education Act. ARP also includes \$2.75 billion for States to provide services to non-public schools that serve a significant percentage of students from low-income families. A “maintenance of effort” provision will help to protect against K-12 education cuts at the state and local level and a “maintenance of equity” requirement will ensure higher-poverty school districts and schools do not shoulder a disproportionate amount of any state or local education cuts that do occur.

- **Higher Ed:** ARPA provides \$39.6 billion to colleges and universities and their students. At least half of such funding must be spent on emergency financial aid grants to students to help them with college costs and basic needs like food, housing, and health care, with the other half available to institutions of higher education to defray lost revenue and increased costs from declining enrollment, the transition to online learning, closures of revenue-producing services and facilities, and COVID-19 testing, vaccination, PPE, and classroom retrofits. Institutions have shed over 650,000 jobs since the pandemic began, the fastest in recorded history, often hitting low-wage workers and staff of color hardest. A “maintenance of effort” provision will help to protect against higher education cuts at the state and local level.
- **Child Care and Head Start:** ARPA includes \$39 billion for child care, including nearly \$24 billion for Child Care Stabilization grants and nearly \$15 billion for the Child Care and Development Block Grant (CCDBG) program. States must use Child Care Stabilization funds to award subgrants to qualified child care providers that are either open or temporarily closed to help support their operations during the pandemic. Subgrants can be used for expenses such as personnel expenses, rent and mortgage payments, cleaning supplies and personal protective equipment, mental health services for children and staff, and other goods and services necessary to maintain or resume operations of the child care provider. Subgrant recipients must certify that they will abide by state and local public health guidance, continue to pay their staff full wages, and provide copayment and tuition relief to families, to the extent possible, as a condition of subgrant funding. States may reserve up to 10 percent of grant funds for supply building, administrative, and technical assistance costs. The Child Care Stabilization funding will help sustain an estimated 449,000 child care providers, serving a total of 7.3 million children, for 6 months. The Child Care and Development Block Grant (CCDBG) funds can be used flexibly by states, including for child care subsidies. ARPA gives states the authority to expand eligibility for child care assistance to essential workers, regardless of their income. The CCDBG funds will expand child care assistance to an estimated

875,000 children.. ARPA also includes \$1 billion for Head Start, to ensure Head Start programs have the resources they need to continue safely providing services to children and families throughout the pandemic.

- **Family Violence and Child Abuse Prevention and Treatment:** ARPA includes \$350 million in funding for programs authorized under CAPTA. Families are facing increased stressors related to financial hardship and isolation during this pandemic. This includes \$250 million in funding for community-based child abuse prevention programs to provide services to strengthen and support families throughout the pandemic. The funding will ensure that child welfare agencies have the necessary supports to safely prevent, investigate, and treat child abuse and neglect. The proposal also includes funding for domestic violence and sexual assault service providers.
- **LIHEAP and Water Utility Bill Assistance:** ARPA includes \$4.5 billion for the Low-Income Home Energy Assistance Program (LIHEAP), and \$500 million for low-income water assistance. One of the first bills that low-income individuals stop paying when under financial hardship are utility bills. During the COVID-19 pandemic, and especially this winter, non-payment rates have skyrocketed for electricity, heating, and water utilities, posing a mounting risk of utility shutoffs in the middle of the winter, during a pandemic. Funding for LIHEAP and water utility bill assistance will provide vital support to help low income families meet their utility expenses.
- **Institute of Museum and Library Services:** ARPA includes \$200 million in funding for libraries through IMLS. These funds will provide emergency relief to over 17,000 public libraries across the country. This funding will allow libraries to safely reopen and implement public health protocols. This emergency relief will enable libraries to provide residents with accessible Wi-Fi, internet hotspots, education resources, expanded digital resources, and workforce development opportunities, which are heavily relied upon services for marginalized individuals.
- **National Endowment for the Arts and National Endowment for the Humanities:** ARPA includes \$135 million apiece for the NEA and NEH. These funds will support arts and cultural organizations to address layoffs, budget cuts, and implementation of public health protocols to safely reopen.
- **Corporation for National and Community Service (CNCS):** ARPA includes \$1 billion to support CNCS. Additional funding will position AmeriCorps to increase the number of national service participants while making immediate targeted investments to meet the priorities outlined in the Biden Administration's COVID-19 response strategy, including helping schools safely reopen, tackling the growing hunger crisis, and helping communities across the nation address other challenges brought on by the pandemic.
- **Department of Labor (DOL):** ARPA provides additional funding of \$200 million for DOL worker protection enforcement activities. This includes increases to the Wage and Hour Division, the Office of Workers' Compensation Programs, the Office of the

Solicitor, the Mine Safety and Health Administration, the Occupational Safety and Health Administration, and the Office of Inspector General.

### **Title III - Committee on Banking, Housing, and Urban Affairs**

- **Emergency Rental Assistance:** The \$25 billion in emergency rental assistance provided in the December package was a good start, but falls short of the estimated \$57 billion in back rent that renters already owed as of January. The American Rescue Plan includes \$21.55 billion in Emergency Rental Assistance to augment funds provided to states, localities, and territories in December to help families pay the rent and utilities and stay in their homes.
- **Housing Counseling:** Millions of homeowners and renters are behind on monthly payments and will need help navigating assistance and modification and workout options. Housing counselors are on the front lines of providing this advice, yet they have not received funding since the pandemic began. The American Rescue Plan provides \$100 million for housing counseling, which will be distributed to housing counseling organizations through NeighborWorks. This funding will allow counselors to help both homeowners and renters remain in their homes and avoid being faced with overwhelming debt burdens.
- **Assistance for People Experiencing Homelessness:** Before the pandemic, there were already an estimated 568,000 individuals and families experiencing homelessness, many of whom have underlying health challenges. The American Rescue Plan includes \$5 billion to help communities provide supportive services and safe, socially distant housing solutions, including purchase of properties like motels for use as non-congregate shelter, to protect the health of these families and individuals and help control transmission of coronavirus.
- **Emergency Housing Vouchers:** Emergency housing vouchers will transition high-need homeless and at-risk families, youth, and individuals, including survivors of domestic violence and human trafficking, to stable housing. The \$5 billion included in the American Rescue Plan will provide a more stable platform to access health care, education, and jobs. Emergency housing vouchers will expire after these assisted families no longer need them.
- **Rural Rental Assistance:** The bill provides \$100 million to support households residing in USDA-subsidized rural properties and who are struggling to pay rent during the coronavirus.
- **Mortgage and Utility Assistance:** An estimated 3.3 million homeowners are behind on their payments or in foreclosure, and more homeowners are likely behind on utilities and property taxes. Homeowners of color are disproportionately likely to have fallen behind during the pandemic. There has been no funding dedicated to assist homeowners since the pandemic began, and with millions of forbearance plans set to expire in the months ahead, funding will be critical to help homeowners get back on track. The American Rescue Plan provides \$9.961 billion in funding through the Department of Treasury to states, territories, tribes, and tribally designated housing entities to provide direct assistance to homeowners.

- **Rural Homeowners:** Thousands of low-income households who have become homeowners through the USDA 502 and 504 Direct mortgage programs have fallen behind on their payments during this pandemic. The American Rescue Plan provides \$39 million for these mortgage programs to allow USDA to help homeowners who have fallen behind get back on track.
- **Fair Housing:** Fair housing organizations help renters, homeowners, and housing providers identify and combat housing discrimination and need additional resources to address the sudden increase in housing challenges and need for socially-distanced services amid the pandemic. The American Rescue Plan Act provides \$20 million to help fair housing organizations meet increased fair housing needs.
- **Public Transportation:** Public transportation agencies estimate they face more than tens of billions of additional costs and revenue losses related to the COVID-19 crisis. The American Rescue Plan Act provides \$30.4 billion of additional relief funding to transit agencies to prevent layoffs of transit workers and prevent severe cuts to transit services that essential workers and the general public rely on. Most of the transit relief funding is provided as formula grants based on operating costs, the bipartisan formula established in preceding relief legislation. Funding is also included to ensure that ongoing transit construction projects do not experience costly delays or slowdowns. The legislation also includes \$100 million to preserve intercity buses services under the section 5311(f) program.
- **Small Business Capital:** SSBCI provides investment for state governments to set up programs that can leverage billions of dollars in private capital for low-interest loans and other investment to help entrepreneurs and the small business economy rebound from this crisis. The \$1.5 billion in SSBCI in 2010 helped states leverage at least 10 times the amount of their SSBCI funds to generate new small business lending, helping to create or retain over 240,000 jobs. The American Rescue Plan provides \$10 billion for the SSBCI to help states support small businesses as they recover from the pandemic and reemerge stronger and more resilient than before.
- **Defense Production Act:** In order to combat COVID-19 and address shortfalls in our medical supply chain, the American Rescue Plan provides \$10 billion to expand domestic production of personal protective equipment (PPE), vaccines, and other medical supplies.

#### **Title IV - Committee on Homeland Security and Governmental Affairs**

- **Disaster Relief Fund & Funeral Assistance:** The bill will provide \$50 million for the Disaster Relief Fund (DRF) at the Federal Emergency Management Agency (FEMA), which assists states, Tribal Nations, and territories, as well as individuals and qualifying private nonprofits, as they respond to the over 29 million COVID-19 cases across the country that have led to over 525,000 deaths. This funding can pay for personal protective equipment; vaccine distribution; sanitization of schools, public transit, and courthouses; health care overtime costs; and other needs. This money can also be allocated to extending the hard fought funeral assistance program Democrats secured in



the last COVID relief package that will reimburse those who have lost a loved one to COVID for many common funeral expenses.

- **FEMA Grant Programs:** Emergency managers, firefighters, and governmental and non-governmental organizations such as food pantries and shelters have been on the frontlines of COVID-19 response across the country. These organizations have been strained by surges in need and demand for their help. The pandemic has increased operational costs, reduced capacity, and created shortfalls in many municipal budgets. The bill provides grant funding for the FEMA Emergency Food and Shelter Program; Emergency Management Performance Grants; Assistance to Firefighter Grants; and, Staffing for Adequate Fire and Emergency Response Grants. These resources will ensure that these critical frontline organizations will be able to continue to support COVID-19 response locally, provide vital services, deliver humanitarian relief, and maintain capacity to respond to other emergencies in their communities.
- **Oversight of COVID Relief Funding:** Comprehensive oversight is needed to regain public trust and make sure federal dollars have been and continue to be spent responsibly. The bill supports the Government Accountability Office and the Pandemic Response Accountability Committee, which was created in the CARES Act to provide oversight and keep Congress and the public informed about the unprecedented whole-of-government COVID-19 response and associated spending.
- **Federal Workforce Protections:** Included in the bill are provisions to ensure the safety of the federal workforce as they battle on the frontlines of this unprecedented health crisis – from providing medical care to delivering our mail to safeguarding our national security. The bill creates an emergency fund to allow paid leave for workers who are ill or who have been exposed to COVID-19; this is an essential protection for preventing the spread of COVID-19 to colleagues and members of their communities. The bill also ensures federal employees who are diagnosed with COVID-19 as a result of their service can receive workers' compensation benefits, a measure that will support seriously ill workers with long-term complications, and allow their families to receive survivor benefits if their loved one has passed away. Additionally, the bill provides resources for testing and other measures to keep the President, Vice President, and other White House personnel safe.
- **Information Technology and Cyber Security.** The bill provides \$2 billion to equip federal agencies with modern technology and cybersecurity tools to effectively and securely deliver to the American public the services and benefits that Congress has provided to fight COVID-19. These funds will protect vaccine development and distribution, address the technology and security challenges that arose with the rapid shift to remote work, and better enable agencies to meet the high demand for services and accurate information from the American public.

## **Title V - Committee on Small Business and Entrepreneurship**

- **Targeted EIDL Grants:** The bill will add \$15 billion in new funding for Targeted EIDL grants to provide hard-hit, underserved small businesses with increased flexible grant relief. These grants will be particularly helpful for very small businesses and sole proprietors, which include over 90 percent of minority-owned businesses that have been disproportionately devastated by this crisis.
- **Restaurants:** The bill will provide \$28.6 billion in direct relief for the restaurant industry through the creation of a grant program as envisioned in the RESTAURANTS Act. The restaurant industry has been among the hardest hit during the pandemic. Over 110,000 restaurants and bars – more than one in six across the country – have closed permanently or long-term, causing the loss of over 2.4 million jobs. It is estimated that independent restaurants – small, mom-and-pop restaurants – lost over \$135 billion in sales last year, while the broader industry lost \$240 billion. While PPP has offered some vital assistance to the nation’s restaurants, a significant need still exists, especially for smaller restaurants.
- **Shuttered Venue Operators Grant Program:** This bill provides \$1.25 billion in additional funds for the Shuttered Venue Operators Grant Program because last year’s end-of-year package did not include sufficient funding to ensure all eligible applicants would be covered based on rough estimates. Eligible applicants can now access both the Shuttered Venue Operators Grant and PPP to address SVOG’s delayed start.
- **Expanded PPP Eligibility:** This bill expands PPP eligibility to include additional nonprofits such as 501(c)(5) labor and agricultural organizations and community locations of larger nonprofits and provides \$7 billion for that purpose. Nonprofits are a significant sector in the economy and are on the frontlines of providing social services during this crisis. An additional \$250 million is also provided to expand PPP eligibility for digital news services that provide local news and lifesaving information about public health guidance during the pandemic.
- **Community Navigator Technical Assistance and Administrative Funding:** The bill provides \$175 million in new assistance to fund community organizations, SBA resource partners, and community financial institutions with experience working in minority, immigrant, and rural communities to serve as community navigators to help connect small business owners in these communities to critical resources, including small business loans, business licenses, and federal, state, and local business assistance programs. The bill also includes \$1.325 billion to support SBA’s mission and to administer the new grants and other relief programs. .

## **Title VI - Committee on Environment and Public Works**

- **Economic Development Administration** funding provides flexible investment for rebuilding local economies and hard-hit industries, including tourism and travel. The American Rescue Plan provides the Economic Development Administration with \$3

billion to aid communities in rebuilding local economies, which includes \$750 million for the travel, tourism, and outdoor recreation sectors. Previously, the CARES Act provided \$1.5 billion for economic adjustment assistance to help revitalize local communities after the pandemic. The CARES funding is oversubscribed, with the amount of funding requested far outstripping the available amount, as communities face growing needs in responding to the significant job losses caused by COVID-19. This funding will also help EDA fulfill its role as the lead agency under the National Disaster Response Framework to assist communities with economic recovery following a disaster, including the current health pandemic.

- **Air Quality Monitoring and Pollution Clean-up:** COVID-19 has killed more than 500,000 Americans, but these tragic effects haven't been evenly distributed across the country. Communities exposed to higher levels of air and toxic pollution, such as the dirty soot from old diesel engines, are also more likely to have higher COVID-19 morbidity and mortality rates. Multiple scientific studies have found direct links between long term exposure to air pollution and higher risks of dying from COVID-19. This bill provides \$100 million to the Environmental Protection Agency (EPA) in funding to update our national air quality monitoring system and reduce the air and toxic pollution that is linked with contributing to COVID-19 deaths. \$50 million of this funding is targeted to low income communities and communities of color who are significantly more likely to live with poor air quality and to be more susceptible to COVID-19. This funding will be directed to EPA grant programs with a proven track record for cleaning up deadly air and toxic pollution, all the while creating good-paying American jobs.
- **U.S. Fish and Wildlife Service Funding:** COVID-19 is a zoonotic disease. This funding will allow the U.S. Fish and Wildlife Service to better prevent wildlife trafficking, which can contribute to the spread of zoonotic diseases, as well as to track and study wildlife disease. This bill also provides funding for the care of captive species protected under the Endangered Species Act or rescued, confiscated or other federal trust species in facilities experiencing lost revenues due to COVID-19.

## **Title VII - Committee on Commerce, Science, and Transportation**

- **Broadband for Remote Learning:** At least 12 million K-12 public school students live in households without either an internet connection or a device adequate for distance learning at home. And, a disproportionate amount of the children that lack Internet connectivity come from communities of color, low-income households, Tribal lands, and rural areas. This bill will provide \$7.172 billion to the Federal Communications Commission to help schools and libraries ensure that our nation's schoolchildren can fully participate in remote learning, even as schools look to reopen safely.
- **Corporation for Public Broadcasting.** The \$175 million in support for public broadcasting provided by this bill will help public broadcasters around the country weather the economic fallout to their stations from the COVID crisis. This stabilization support is critical for ensuring universal access to public broadcasting and the high-

quality, non-commercial content and telecommunications services they provide that educate, inform, and help protect the public.

- **Amtrak:** This bill provides additional relief to Amtrak to keep rail service running across the nation, to rehire 1,230 workers who have been involuntarily furloughed as a result of COVID, and to restore full long-distance service to remote communities that rely on Amtrak as a link to economic centers.
- **Airline Jobs:** Aviation drives 5 percent of U.S. gross domestic product (GDP) and supports over 10 million U.S. jobs. U.S. airline passenger volumes are at 42 percent compared to pre-pandemic levels. Extension of the airline payroll support program will help airlines and contractors avert mass layoffs and furloughs due to the unprecedented drop in business. Moreover, many of these jobs require intricate educational prerequisites, training requirements, and certifications, which if lost, would take years if not decades to build back. This relief will position the U.S. airline industry to capture the return of air travel demand.
- **Airports:** Airports have been especially hard hit by the pandemic, and without billions in additional aid will be forced to cut the jobs of thousands of employees, reduce or discontinue operations, and be unable to make payments on capital projects. The workforce retention requirements associated with federal relief protect workers at commercial airports across the United States. Airport relief is also designed to help small airport concessionaires, many of which are disadvantage business owners.
- **Aviation Manufacturing Workforce:** The U.S. aerospace industry represents nearly represents 2% of total U.S. Gross Domestic Product (GDP), and provides America's leading export by value. However, the drop off in commercial air travel has caused a drop off in orders for new planes which in turn has disrupted the entire aviation manufacturing supply chain. Over 100,000 aerospace manufacturing jobs have been lost and more jobs are at risk. This program is the first federal relief designed to protect these highly-skilled workers, the bedrock of American innovation and global leadership in advanced technology
- **Research Relief:** Researchers whose work was interrupted by COVID-19 are running out of funds to complete their research and there has been no funding to the National Science Foundation ("NSF") to fill that gap. Without this research relief, the NSF would have to choose between supplementing existing grantees to allow them to finish their research and funding new research, which will result in either not reaping the benefits of taxpayer's investment into existing grants or creating a research backlog that further reduces the agency's ability to fund highly meritorious research.
- **Manufacturing:** In the CARES Act, the Manufacturing USA program was given \$10 million to respond to COVID-19. That funding went to, among other things, rapid research on the efficacy of mask sterilization techniques, developing the next generation of face masks, and helping the workforce reskill to meet the demand for advanced manufacturing workers. The Manufacturing USA program has \$150 million in additional COVID-19 related projects that can be rapidly awarded to aid in pandemic response and recovery.

- **Consumer Product Safety.** The pandemic has exposed weaknesses in the nation's ability to detect and deter unsafe consumer products entering the United States, ranging from a lack of port inspectors to insufficient ability to monitor increases in online sales. This bill provides \$50 million in needed funds to the U.S. Consumer Product Safety Commission to help the agency protect the public from unreasonable risks of injury or death associated with consumer products during the COVID-19 pandemic.
- **Prevention of COVID-19 Scams.** In 2020, the U.S. Federal Trade Commission tracked a record 4.7 million consumer complaints, including over 365,000 reports of fraud, identity theft, and other scams related to the pandemic. The bill appropriates \$30.4 million to the FTC to combat the rise in consumer scams during the pandemic. This funding would allow the FTC to employ more personnel and enhance enforcement efforts to root out COVID-19 scams.
- **Department of Commerce Inspector General:** This legislation appropriates \$3 million for the Department of Commerce Inspector General in their oversight of spending provided in the bill to root out fraud, waste, and abuse.

#### **Title VIII – Committee on Veterans' Affairs**

- The bill provides funding to waive copays for veterans during the pandemic, and to provide health care services and support to veterans, including COVID-19 vaccine distribution, expanded mental health care, enhanced telehealth capabilities, extended support for veterans who are homeless or in danger of becoming homeless, and PPE and supplies for clinical employees.
- It also establishes a new program to provide retraining assistance for veterans who have lost their jobs due to COVID, and includes funding for VA to mitigate the pandemic's impacts on the benefits claims and appeals backlog.
- As many State Veterans Homes have struggled to protect veterans from COVID, this bill provides funding to support COVID-19 response, staff and veteran safety, and preparedness at these facilities through one-time payments to support operations and additional construction grants to support shovel-ready projects.
- Millions of veterans have had their health care appointments delayed during the course of the pandemic, and this bill provides critical funding to ensure VA is able to provide the highest quality of care to veterans when they need it.

#### **Title IX – Committee on Finance**

- **Direct Payments:** The bill fulfills the Democrats' commitment to provide a full \$2,000 Economic Impact Payment for taxpayers who have been hard hit economically by the pandemic. This package includes a \$1,400 payment to supplement the \$600 already provided in December. With the economy on weakened footing, another round of rebates is critical to sustaining household spending for the beginning of 2021.
- **Unemployment Insurance extension:** The bill extends the critical financial lifeline of enhanced unemployment insurance for the 18 million Americans that are currently

relying on these benefits until September 6, 2021. This includes an extension of the federal unemployment insurance bump that is added to all unemployment benefits (Federal Pandemic Unemployment Compensation, or FPUC), at the current law amount of \$300. It also includes extensions of the Pandemic Unemployment Assistance (PUA) program, which expands eligibility for the self-employed, gig workers, freelancers and others in non-traditional employment who do not qualify for regular unemployment insurance, as well as the Pandemic Emergency Unemployment Compensation (PEUC) program, which makes additional weeks of benefits available to workers who exhaust their state benefits. All other CARES Act and Families First Act unemployment programs are similarly extended until September 6.

- **Unemployment Insurance Taxation:** The bill creates a \$10,200 tax exclusion for unemployment compensation income for tax year 2020 for households with incomes under \$150,000.
- **EITC and CTC:** The COVID-19 recession has greatly exacerbated income inequality in America. This bill also includes a significant expansion of two of the most powerful and effective anti-poverty tools the U.S. government has: the Earned Income Tax Credit (EITC) and Child Tax Credit (CTC). It will nearly triple the maximum EITC for childless workers, providing additional relief to more than 17 million of these individuals – most importantly, getting economic help to those working in essential but low-paid jobs on the frontlines of the pandemic. To put more money into the pockets of working families, it will increase the amount of the CTC, from \$2,000 to \$3,000 (with a more generous \$3,600 credit for children under the age of 6). The CTC will also be fully refundable, ensuring this vital resource is available to the lowest-income households. It is estimated that these changes will lift nearly 10 million children across the U.S. above or closer to the poverty line. Additionally, this bill includes an expansion of the Child and Dependent Care Tax Credit to help working families afford the cost of child care during this crisis. This includes increasing the credit so households can receive a total of up to \$4,000 for one child or \$8,000 for two or more children, and making it fully refundable so families who owe little in taxes can still benefit.
- **State and Local Fiscal Aid:** The bill includes needed direct aid to state and local governments. Many states have sustained massive revenue shortfalls and face a host of increased spending needs. Nationwide, state and local employment is down 1.4 million since the pandemic began and job losses increased by 50,000 in December. The need is particularly pronounced at the local level: a National League of Cities survey showed a 21-percent revenue decline among cities with losses and the National Association of Counties projected a 20-percent revenue decline. These figures may grow worse over time as property tax revenue decreases have lagged recessions by two years or more. These budget impacts for localities do not account for increased expenses, which were not recognized for most cities and counties in CARES (where money went to only those with 500,000 persons or more). We provide \$350 billion to States, territories, Tribes, and local governments to be used for responding to the COVID-19 public health emergency, to offset revenue losses, bolster economic recovery and to provide premium pay for essential workers. We also provide a new \$10 billion Critical Infrastructure Projects



program to help States, territories, and Tribal governments carry out critical capital projects directly enabling work, education, and health monitoring, including remote options, in response to COVID-19. State and local fiscal relief funds can be used for local economic recovery purposes, including assistance to households, small businesses and nonprofits, assistance to hard-hit industries like tourism, travel, and hospitality, and infrastructure investment. Finally, we add a new \$2 billion county and Tribal assistance fund to make payments to eligible revenue-sharing counties and Tribes. Eligible counties and Tribes are those for which the Secretary determines there is a negative revenue impact owing to implementation of Federal programs or changes to those programs. The Congressional Budget Office has said that the Number One best “bang for the buck” of all the money Congress has passed so far is aid to state and local governments.

- **Health Care Support:** The bill includes five main provisions to improve health coverage. First, over the next two years, it invests nearly \$35 billion in premium subsidy increases for those who buy coverage on the ACA marketplaces. The bill both increases the generosity of the subsidies for those who currently are eligible for subsidies, as well as removes the 400% federal poverty level limit on subsidy eligibility. Second, given significant income fluctuations in 2020, the bill forgives more than \$6 billion in payments that people would need to make if their 2020 advanced premium subsidies did not match their income. Third, the bill provides a major incentive for holdout states to expand Medicaid, offering them a 5% increase on their base FMAP rate for two years if they expand coverage. Fourth, the bill subsidizes 100 percent of COBRA premiums for six months for individuals who lost employment or had reduced hours. Fifth, for one year, the bill provides premium subsidies of ACA marketplace coverage equivalent to a person earning up to 133% FPL for people who receive unemployment compensation. The bill also includes numerous investments to reduce health disparities, including an option for states to provide one-year of postpartum Medicaid coverage, support for state home-and-community based Medicaid services, and resources for COVID-19 response in nursing homes. The bill also increases rebates that pharmaceutical companies owe to Medicaid programs, provides \$8.5 billion for rural providers, provides additional funding to safety-net hospitals and more.
- **Paid Sick Leave Credit:** The bill provides an extension and expansion of the paid sick and FMLA leave tax credits created in the Families First Coronavirus Response Act of 2020. It provides payroll tax credits for employers who voluntarily provide paid leave through the end of September 2021. It also expands eligibility to state and local governments that provide this benefit.
- **Employee Retention Tax Credit:** The bill extends and expands the Employee Retention Tax Credit (ERTC) through December 31, 2021. The ERTC, originally enacted in the CARES Act, helps struggling businesses retain and rehire workers. The bill expands the ERTC to allow certain severely distressed businesses to claim the credit for a greater share of employee wages. It also expands the credit to cover newly formed businesses, to help spur hiring and recovery.

- **Repeal of Election to Allocate Interest on Worldwide Basis:** The bill repeals the provision permitting taxpayers to elect to allocate and apportion interest expense on a worldwide basis.
- **Tax Treatment of Certain SBA Programs:** The bill provides for the tax-free treatment of Targeted EIDL Advances and Restaurant Revitalization Grants. It also clarifies that any otherwise-allowable deductions continue to be deductible notwithstanding the tax-free treatment of grant proceeds.
- **Modification of Reporting Requirements for Third Party Network Transactions:** The bill lowers and modifies the threshold below which a third party settlement organization is not required to report payments to participants in its network. For any calendar year beginning after December 31, 2021, a third party settlement organization is required to report transactions with any participating payee that exceed a minimum threshold of \$600 in aggregate payments, regardless of the aggregate number of such transactions.
- **Extension of Excess Business Loss Limitation:** The bill extends for 1 year, through December 31, 2026, the limitation on excess business losses of non-corporate taxpayers.

#### **Title X - Committee on Foreign Relations**

- As long as the virus is spreading and mutating anywhere, it threatens Americans here at home. To protect the United States and the American public, the bill will enhance U.S. efforts to fight against the global spread of COVID-19 and its variants.
- The bill provides funding to the State Department and USAID for various global health-related activities, including vaccine development; international disaster relief, rehabilitation, and reconstruction; food security; support for COVID-related efforts of the Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria; and economic recovery.
- The bill also provides life-saving assistance for millions of refugees and displaced persons around the world who are facing rampant hunger and medical needs as a result of the pandemic. It also provides urgently needed multilateral assistance, including for the World Health Organization, to demonstrate a U.S. commitment to and leadership in the fight against COVID-19.
- Finally, the bill provides operational expenses for the State Department and USAID to combat the disease and support American citizens and diplomats abroad. Both agencies have incurred significant budget shortfalls due to a reallocation of resources, loss in fees, and repatriation efforts caused by COVID, and both agencies require support for ongoing medical services and maintenance of operations and programs.

#### **Title XI - Committee on Indian Affairs**

- The federal government holds trust and treaty obligations to provide **essential safety-net programs** that serve Native communities, which were historically underfunded prior to the start of the COVID-19 pandemic. These programs have experienced significant strain as they attempt to respond to and mitigate the impacts of the pandemic on Native communities.

- **Health Care:** The **Indian Health Service (IHS)** serves 2.56 million American Indian/Alaska Natives (AIANs) through health care facilities operated by the federal government, Indian Tribes, and Urban Indian Organizations (UIOs). According to the CDC, AIANs are hospitalized for COVID-19 at four times the rate of Non-Hispanic Whites. This Title authorizes direct funding for the Department of Health and Human Services' Indian Health Service (IHS) to address the impacts of the COVID-19 pandemic on operation of essential health and sanitation programs, including increasing mental health and substance use disorder prevention/treatment, improving health IT, addressing Native community sanitation issues, and replacing lost third party medical billing reimbursements (e.g., private insurance, Medicaid, Medicare) to ensure federally-operated IHS facilities, Tribally-operated IHS facilities, and facilities operated by UIOs can continue operations despite estimated budget shortfalls of 30-80%;
- **Public Safety, Child Welfare, Assistance to Tribal Governments, and Essential Infrastructure:** The **Bureau of Indian Affairs** operates essential programs for the benefit of tribes across Indian Country. Many of these programs continue to be impacted by the COVID-19 pandemic, including law enforcement, child welfare, general assistance, housing assistance, and certain water infrastructure and delivery programs. However, despite the importance of keeping these programs running, the Bureau of Indian Affairs has not received additional resources to support these programs since March of last year. This Title authorizes direct funding for the Department of the Interior's Bureau of Indian Affairs (BIA) to address the impacts of the COVID-19 pandemic on operation of its essential social welfare and public safety programs.
- **Education:** The **Department of Education** and the **Bureau of Indian Education (BIE)** provide direct support for Native students in fulfillment of the federal trust responsibility. The majority of schools and dormitories serving Native students have critical infrastructure and facilities needs that would make returning to in-person education unsafe for staff and students during the ongoing pandemic. Additionally, many Native students live in highly rural areas without adequate broadband connectivity. Some estimates suggest that roughly 69% BIE students do not have access to virtual learning opportunities because of the digital divide, leaving these students to rely on receiving instruction by mail or risk potential COVID-19 exposure to find internet access points in other parts of their communities. This Title authorizes direct funding for the Native education programs and schools. From these funds, it specifies that these funds must be used for BIE-funded schools/dormitories and Tribal colleges and universities; and programs that support Tribal Education Agencies, Native Hawaiian education organizations, and Alaska Native education organizations.
- **Housing:** Native Americans have historically experienced higher rates of substandard and overcrowded housing compared to other demographics, a situation made even more dire by COVID-19, which spreads more readily in crowded, indoor environments. According to the **Department of Housing and Urban Development (HUD)**, Native communities experience overcrowding in their homes at seven times the national average. Native Americans also experience high rates of homelessness. Nationwide, they have the second-highest rate of homelessness. The **Centers for Disease Control and Prevention**

recently published research that linked poor housing conditions to the disproportionately higher Covid-19 infection and death rate among Native Americans. This section authorizes direct funding for the HUD's Office of Native American Programs to address the impacts of the COVID-19 pandemic on operation of its Native American housing and community development programs.

- **Native Languages:** There are an estimated 150 Native languages still spoken in the U.S. today. But, more than 80% of these languages have fewer than 1,000 speakers - many have fewer than 100. Because of the limited size and age of speaker populations, the COVID-19 pandemic represents an unprecedented threat to the survival of Native languages. This Title authorizes direct funding for the Department of Health and Human Service's Administration for Native Americans (ANA) to issue emergency Native American language preservation and maintenance grants to Native American language communities to mitigate COVID-19 related disruptions or threats to the survival and continued vitality of their mother tongues.

## Assembly Finance Committee (AFC)

FY22 Revised Budget Calendar and Key Dates – as of April 9, 2021

Wednesdays at 5:30 pm, unless otherwise stated

### APRIL 2021

**5<sup>th</sup> Regular Assembly Meeting – Monday – 7:00 pm**

Regular Assembly Meeting to Introduce FY22 Revised Budget

- A. Introduction of the General Operating CBJ Budget Ordinance 2021-08
- B. Introduction of the General Operating School District Budget Ordinance 2021-09
- C. Introduction of the Mill Levy Ordinance 2021-10
- D. Introduction of the CIP Resolution 2937

**7<sup>th</sup> AFC Meeting #1 – 5:30 pm**

- A. FY22 Revised Budget Overview
- B. School District Budget Presentation
- C. Docks & Harbors (Carl Uchytel, Port Director)
- D. Capital Improvement Plan Presentation

**14<sup>th</sup> AFC Meeting #2 – 5:30 pm**

- A. American Rescue Plan Act Funding
- B. Juneau International Airport (Patty Wahto, Airport Manager)
- C. Bartlett Regional Hospital (Kevin Benson, CFO)
- D. Eaglecrest (Dave Scanlan, Eaglecrest General Manager)

**21<sup>st</sup> Special Assembly Meeting - 5:30 pm - Followed by Assembly Finance Committee**

- A. General Operating CBJ Budget Ordinance 2021-08
- B. General Operating School District Budget Ordinance 2021-09
- C. Capital Improvement Program (CIP) Resolution 2937
- D. Mill Levy Ordinance 2021-10

*Public hearings on the budget must be completed by May 1, per Charter Section 9.6*

**21<sup>st</sup> AFC Meeting #3 (Immediately following Special Assembly Meeting)**

- A. Major Revenue Forecasts
- B. 2021 Property Assessments
- C. Debt Service
- D. Proposed Mill Rate
- E. Vote-by-Mail Election Funding
- F. Establish Local Funding for School District Operations – Required by Charter Section 13.6 (b)

*Assembly must determine school district instructional funding and notify district within 30 days of receipt of district budget (Charter Section 13.6(b))*

**28<sup>th</sup> AFC Meeting #4 – 5:30 pm**

- A. Full Cost Allocation Overview
- B. Passenger Fee Recommendations – For Review
- C. Hotel-Bed Tax Funding
- D. Travel Juneau (Liz Perry, President/CEO)
- E. Juneau Economic Development Council (Brian Holst, Executive Director)
- F. Sleep-Off Program Expansion/Mobile Integrated Health Program
- G. Childcare

## MAY 2021

- 5<sup>th</sup> AFC Meeting #5 – 5:30 pm**  
A. Passenger Fee Recommendations – For Action  
B. Capital Improvements Projects Program Budget/Plan – For Review  
C. Pending Items List
- 12<sup>th</sup> AFC Meeting #6 – 5:30 pm**  
A. School District Funding Ordinance 2021-09 – For Final Action  
B. Capital Improvements Projects Program Budget/Plan – For Action  
C. Pending Items List
- 19<sup>th</sup> AFC Meeting #7 – 5:30 pm**  
A. Fund Balance – Committee Questions  
B. Pending Items List – For Final Action  
C. Set Mill Rates – For Final Action  
D. Final FY22 Revised Budget Decisions  
a. CIP Resolution 2937  
b. Mill Levy Ordinance 2021-10  
c. General CBJ Operating Ordinance 2021-08
- 24<sup>th</sup> Regular Assembly Meeting – Monday – 7:00 pm**  
A. Adoption of the School District's General Operating Budget Ordinance 2021-09  
*Assembly must appropriate school district funding by May 31 (Charter Section 13.6(b))*
- 26<sup>th</sup> BREAK – No meeting unless needed for critical items.**

## JUNE 2021

- 2<sup>nd</sup> AFC Meeting**  
A. TBD
- 9<sup>th</sup> TBD – No meeting anticipated.**
- 14<sup>th</sup> Regular Assembly Meeting – Monday – 7:00 pm**  
A. Adoption of the General Operating CBJ Budget Ordinance 2021-08  
B. Adoption of the CIP Resolution 2937  
C. Adoption of the Mill Levy Ordinance 2021-10  
*Assembly must adopt Operating Budget, Mill Levy, and Capital Improvement Plan by June 15<sup>th</sup> or the manager's proposal is deemed adopted (Charter Section 9.7 & 9.8)*



**DRAFT**  
**City and Borough of Juneau**  
**Minutes - Assembly Finance Committee Meeting**  
**Wednesday, April 7, 2021**

**I. CALL TO ORDER**

The meeting was called to order at 5:35 PM by Carole Triem, Chair.

**II. ROLL CALL**

Committee Members Participating Virtually: Mayor Beth Weldon; Carole Triem, Chair; Loren Jones; Alicia Hughes-Skandijs; Wade Bryson; Michelle Bonnet Hale; Maria Gladziszewski; Greg Smith; Christine Woll

Committee Members Absent: None

Staff Present Virtually: Rorie Watt, City Manager; Rob Palmer, City Attorney; Mila Cosgrove, Deputy City Manager; Jeff Rogers, Finance Director; Adrien Speegle, Budget Analyst; Carl Uchytel, Docks & Harbors Director; Dr. Bridget Weiss, Juneau School District (JSD) Superintendent; David Means, JSD; John Bohan, Chief Capital Improvement Project Engineer; Katie Koester, Public Works and Engineering Director

Others Present Virtually: Dr. Elizabeth Siddon, Board of Education President; Don Etheridge, Docks & Harbors Board Chair

**III. APPROVAL OF MINUTES**

The March 3, 2021 minutes were approved as presented.

**IV. BUDGET PRESENTATIONS**

**a. FY22 Revised Budget Overview**

Mr. Watt introduced the manager's proposed budget for FY22, stating that revenue forecasts are not reflecting a normal year, however under the federal American Rescue Plan Act, CBJ will be receiving \$12.8 million. This grant will substantially improve CBJ's fiscal position, though Mr. Watt noted that lack of large cruise ship visitation and a decreased tourist season will add further complexities into the departmental budgets. Mr. Watt stated that the budget includes a 0.2 mill increase to fund the Assembly's community grant for childcare programs. The budget includes a general fund subsidy to debt service to cover \$2.8 million of unreimbursed school construction bond debt from the State of Alaska. Mr. Watt stated that his recommendation to the Committee is to deposit

## **Minutes - Assembly Finance Committee Meeting**

### **Wednesday, April 7, 2021, 5:30 p.m.**

the funds from the American Rescue Plan Act into the general fund to replace lost revenue resulting from the COVID-19 pandemic.

Mr. Rogers provided an overview of the budget development timeline. On packet page 8, he walked the Committee through significant budgetary changes from the FY21 proposed budget to the FY22 revised budget. Mr. Rogers stated that approximately \$800,000 is remaining from CBJ's CARES Act allocation to offset core city service costs. Mr. Rogers stated that FEMA or other state programs have been reimbursing a portion of pandemic response costs, freeing up additional funding from the CARES Act for other eligible expenditures. Mr. Roger summarized that the federal stimulus funds from the American Rescue Plan Act reduces the anticipated \$4.6 million general fund deficit in FY21 to zero, and in FY22 closes the projected \$16 million deficit to \$7.8 million.

Mr. Rogers responded to committee questions

Mr. Rogers stated that at the end of FY20, combined restricted and unrestricted reserve fund balances amounted to just under \$40 million. With the use of the American Rescue Plan Act funds, the restricted and unrestricted reserve fund balances amount to just over \$31 million in the FY22 budget.

*The committee recessed at 6:44 PM.*

*The committee reconvened at 6:55 PM.*

#### **b. School District Budget Presentation**

Dr. Siddon, Board of Education President, and Dr. Weiss, JSD Superintendent, presented the FY22 Juneau School District budget. Dr. Siddon presented JSD's 2020-2025 strategic plan, which focuses around equity, achievement, partnerships, and relationships. Dr. Weiss stated that the COVID-19 pandemic significantly impacted JSD's student enrollment. Enrollment is the primary driver in determining state and local funding for school operations. Overall, JSD lost over 12% of its enrollment from the previous year due to the pandemic. Dr. Weiss stated that JSD was awarded \$2.4 million in federal grant funding for the Elementary and Secondary School Emergency Relief (ESSER) program. These funds are intended to address the impact of COVID-19 on elementary and secondary schools. Dr. Weiss provided an overview of what the ESSER funds are budgeted for in FY22, including three reading and equity specialists for elementary schools to assist recovery of student learning and a summer school program during July 2021.

Mr. Means discussed key assumptions regarding student enrollment, and how student enrollment directly drives revenue for JSD. Dr. Weiss reiterated that student enrollment numbers are always an estimate, and in this unprecedented

## **Minutes - Assembly Finance Committee Meeting Wednesday, April 7, 2021, 5:30 p.m.**

year, there were several additional factors that could impact the number of total enrollment. Mr. Means stated that state funding is expected to be 4.4% lower than in the previous year. This decrease is partially due to an increase in CBJ's assessed property tax values, as well as a decrease in the State of Alaska's Hold Harmless provision. Mr. Means stated that about 50% of FY22 projected operating fund revenue comes from the State's foundation program, about 39% from CBJ, and about 10% from the State's contribution for PERS/TRS.

Dr. Weiss responded to committee questions.

**Motion: by Mr. Jones to continue the JSD budget discussion at the April 21, 2021 AFC meeting.**

**The motion passed by unanimous consent.**

*The committee recessed at 8:15 PM.*

*The committee reconvened at 8:23 PM.*

### **c. Docks & Harbors Budget Presentation**

Mr. Uchytel, Docks and Harbor Director, presented the Docks and Harbors FY22 budget. Mr. Uchytel confirmed that Docks and Harbors manages two cruise ship docks, four harbors, six launch ramps, and several other various stations. Overall, there are 44 individuals employed by Docks and Harbors, though COVID-19 has taken a significant toll on seasonal employees. Mr. Uchytel covered the Docks enterprise fixed operating costs, as well as the fees paid back to the City for services provided by central service departments. Docks and Harbors has not received any CARES Act funding, or any other federal relief. Mr. Uchytel stated that the pandemic will have significant ramifications to Docks and Harbors, as they rely heavily on passenger fees as a source of income.

Mr. Uchytel responded to committee questions.

**Motion: by Mayor Weldon to accept and approve the Docks and Harbors budget as presented.**

**Objection: by Ms. Gladziszewski, who stated that the budget could be adjusted to be more accurate based on news that Juneau is not expected to have large cruise ship visitation this summer.**

### **Roll Call Vote:**

**Ayes:** Woll, Hughes-Skandijs, Bryson, Jones, Triem, Weldon

**Nays:** Smith, Hale, Gladziszewski

## **Minutes - Assembly Finance Committee Meeting Wednesday, April 7, 2021, 5:30 p.m.**

**Motion passed. Six (6) Ayes, Three (3) Nays.**

**d. Capital Improvement Plan Presentation**

Mr. Bohan, Chief Capital Improvement Project Engineer, presented the FY22 Capital Improvement Plan (CIP) to the Committee. Mr. Bohan provided an overview of the sources of funding for the CIP, noting that in FY22 no passenger fee revenue is available to fund capital projects as a result of no large cruise ship visitation in the summer of 2021. Mr. Bohan explained that of the voter-approved 3% sales tax, 1% is used for general government operations, 1% is used for capital improvements to roads and sidewalks, and 1% is for voter-approved projects.

Mr. Bohan responded to committee questions.

Mr. Rogers informed the Committee that the FY22 CIP will be calendared for a future Assembly Finance Committee (AFC) meeting, at which time Mr. Bohan and Ms. Koester will walk through the plan in greater depth.

**V. INFORMATION ITEMS**

**a. FY22 Revised Budget AFC Calendar**

Mr. Rogers stated that an updated FY22 Revised Budget AFC Calendar will be included in the packet for the April 14, 2021 AFC meeting.

**VI. Next Meeting Date**

- a. Wednesday, April 14, 2021

**VII. Adjournment**

*The meeting was adjourned at 9:38 pm.*

# MEMORANDUM



**DATE:** April 14, 2021

**TO:** Assembly Finance Committee

**FROM:** Jeff Rogers, Finance Director

**SUBJECT:** Update on GO Bond Sale

155 Municipal Way  
Juneau, AK 99801  
Phone: (907) 586-5215  
Fax: (907) 586-0358

CBJ participated in a very successful sale (“pricing”) of Juneau’s \$22 million general obligation bond this morning. In the view of potential investors, this bond sale was Juneau’s debut into the bond market, because it’s the first bond sale in many years that CBJ has conducted without using the Alaska Municipal Bond Bank Authority (AMBBA) as a conduit.

As debuts go, it was a smash hit. CBJ enjoyed exceptionally strong investor demand for all years (“maturities”) of the bond. A total of thirteen individual institutional investors placed orders for portions of the bond. Total demand was three times the available bond amounts—which is a market condition known as “over-subscription.” By comparison, the Airport bond sale just 18 months ago received only tepid demand from just a handful of investors, which resulted in slightly higher long-term costs. Strong demand for today’s bond sale allowed CBJ to work with our underwriter to reduce interest yields slightly after the sale, a change that results in real long-term interest savings to CBJ. The strong investor demand and the resulting interest rates are largely the result of Juneau’s AA+ high investment grade credit rating from Standard & Poors.

There are two important measures of the interest rate resulting from the sale. The first is described as “arbitrage yield,” which is the weighted average of all of the interest rates across all years (“maturities”) of the bond. The second is described as “All-In True Interest Cost (TIC),” which is the total interest cost inclusive of the one-time transactional costs of selling the bond. The one-time costs for selling the \$22 million bond were about 1% of bond value, which is typical in the industry for bonds of similar size.

Arbitrage Yield:	1.306989%	
All-in True Interest Cost (TIC):	1.807023%	<i>inclusive of all transactional costs</i>
One-time Transactional Costs:	\$221,719.37	

A complete summary of the final sale is attached.

SOURCES AND USES OF FUNDS

City and Borough of Juneau, Alaska  
General Obligation Bonds, 2021  
Pricing Results -- April 14, 2021  
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Dated Date                    04/28/2021  
Delivery Date                04/28/2021

Sources:

Bond Proceeds:	
Par Amount	18,010,000.00
Premium	4,211,984.70
<hr/>	
	22,221,984.70
<hr/>	

Uses:

Project Fund Deposits:	
Project Fund	22,000,000.00
Delivery Date Expenses:	
Cost of Issuance	117,150.00
Underwriter's Discount	104,569.37
	<hr/>
	221,719.37
Other Uses of Funds:	
Additional Proceeds	265.33
<hr/>	
	22,221,984.70
<hr/>	



## BOND PRICING

City and Borough of Juneau, Alaska  
 General Obligation Bonds, 2021  
 Pricing Results -- April 14, 2021

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)	Takedown
Serial Bonds:										
	06/01/2025	215,000	4.000%	0.420%	114.507				31,190.05	3.750
	06/01/2026	745,000	4.000%	0.550%	117.298				128,870.10	3.750
	06/01/2027	810,000	4.000%	0.730%	119.448				157,528.80	3.750
	06/01/2028	1,055,000	4.000%	0.870%	121.480				226,614.00	3.750
	06/01/2029	1,135,000	4.000%	1.040%	122.913				260,062.55	3.750
	06/01/2030	1,215,000	4.000%	1.140%	124.632				299,278.80	3.750
	06/01/2031	1,645,000	4.000%	1.220%	126.320				432,964.00	3.750
	06/01/2032	1,750,000	4.000%	1.310%	125.350 C	1.509%	06/01/2031	100.000	443,625.00	3.750
	06/01/2033	1,860,000	4.000%	1.390%	124.495 C	1.744%	06/01/2031	100.000	455,607.00	3.750
	06/01/2034	2,080,000	4.000%	1.450%	123.858 C	1.929%	06/01/2031	100.000	496,246.40	3.750
	06/01/2035	2,675,000	4.000%	1.490%	123.435 C	2.074%	06/01/2031	100.000	626,886.25	3.750
	06/01/2036	2,825,000	4.000%	1.520%	123.119 C	2.192%	06/01/2031	100.000	653,111.75	3.750
18,010,000									4,211,984.70	

Dated Date	04/28/2021	
Delivery Date	04/28/2021	
First Coupon	12/01/2021	
Par Amount	18,010,000.00	
Premium	4,211,984.70	
Production	22,221,984.70	123.386922%
Underwriter's Discount	-104,569.37	-0.580618%
Purchase Price	22,117,415.33	122.806304%
Accrued Interest		
Net Proceeds	22,117,415.33	

## BOND SUMMARY STATISTICS

City and Borough of Juneau, Alaska  
General Obligation Bonds, 2021  
Pricing Results -- April 14, 2021

Dated Date 04/28/2021  
Delivery Date 04/28/2021  
First Coupon 12/01/2021  
Last Maturity 06/01/2036

Arbitrage Yield 1.306989%  
True Interest Cost (TIC) 1.750322%  
Net Interest Cost (NIC) 1.980432%  
All-In TIC 1.807023%  
Average Coupon 4.000000%

Average Life (years) 11.293  
Weighted Average Maturity (years) 11.320  
Duration of Issue (years) 9.454

Par Amount 18,010,000.00  
Bond Proceeds 22,221,984.70  
Total Interest 8,135,236.67  
Net Interest 4,027,821.34  
Total Debt Service 26,145,236.67  
Maximum Annual Debt Service 2,938,000.00  
Average Annual Debt Service 1,732,428.71

Underwriter's Fees (per \$1000)  
Average Takedown 3.750000  
Management Fee 0.750000  
Other Fee 1.306184

Total Underwriter's Discount 5.806184

Bid Price 122.806304

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Serial Bonds	18,010,000.00	123.387	4.000%	11.293	17,666.05
	18,010,000.00			11.293	17,666.05

	TIC	All-In TIC	Arbitrage Yield
Par Value	18,010,000.00	18,010,000.00	18,010,000.00
+ Accrued Interest			
+ Premium (Discount)	4,211,984.70	4,211,984.70	4,211,984.70
- Underwriter's Discount	-104,569.37	-104,569.37	
- Cost of Issuance Expense		-117,150.00	
- Other Amounts			
Target Value	22,117,415.33	22,000,265.33	22,221,984.70
Target Date	04/28/2021	04/28/2021	04/28/2021
Yield	1.750322%	1.807023%	1.306989%

## BOND DEBT SERVICE

City and Borough of Juneau, Alaska  
 General Obligation Bonds, 2021  
 Pricing Results -- April 14, 2021  
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Period Ending	Principal	Coupon	Interest	Debt Service
06/30/2022			786,436.67	786,436.67
06/30/2023			720,400.00	720,400.00
06/30/2024			720,400.00	720,400.00
06/30/2025	215,000	4.000%	720,400.00	935,400.00
06/30/2026	745,000	4.000%	711,800.00	1,456,800.00
06/30/2027	810,000	4.000%	682,000.00	1,492,000.00
06/30/2028	1,055,000	4.000%	649,600.00	1,704,600.00
06/30/2029	1,135,000	4.000%	607,400.00	1,742,400.00
06/30/2030	1,215,000	4.000%	562,000.00	1,777,000.00
06/30/2031	1,645,000	4.000%	513,400.00	2,158,400.00
06/30/2032	1,750,000	4.000%	447,600.00	2,197,600.00
06/30/2033	1,860,000	4.000%	377,600.00	2,237,600.00
06/30/2034	2,080,000	4.000%	303,200.00	2,383,200.00
06/30/2035	2,675,000	4.000%	220,000.00	2,895,000.00
06/30/2036	2,825,000	4.000%	113,000.00	2,938,000.00
	18,010,000		8,135,236.67	26,145,236.67

## BOND DEBT SERVICE

City and Borough of Juneau, Alaska  
 General Obligation Bonds, 2021  
 Pricing Results -- April 14, 2021  
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Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2021			426,236.67	426,236.67	
06/01/2022			360,200.00	360,200.00	
06/30/2022					786,436.67
12/01/2022			360,200.00	360,200.00	
06/01/2023			360,200.00	360,200.00	
06/30/2023					720,400.00
12/01/2023			360,200.00	360,200.00	
06/01/2024			360,200.00	360,200.00	
06/30/2024					720,400.00
12/01/2024			360,200.00	360,200.00	
06/01/2025	215,000	4.000%	360,200.00	575,200.00	
06/30/2025					935,400.00
12/01/2025			355,900.00	355,900.00	
06/01/2026	745,000	4.000%	355,900.00	1,100,900.00	
06/30/2026					1,456,800.00
12/01/2026			341,000.00	341,000.00	
06/01/2027	810,000	4.000%	341,000.00	1,151,000.00	
06/30/2027					1,492,000.00
12/01/2027			324,800.00	324,800.00	
06/01/2028	1,055,000	4.000%	324,800.00	1,379,800.00	
06/30/2028					1,704,600.00
12/01/2028			303,700.00	303,700.00	
06/01/2029	1,135,000	4.000%	303,700.00	1,438,700.00	
06/30/2029					1,742,400.00
12/01/2029			281,000.00	281,000.00	
06/01/2030	1,215,000	4.000%	281,000.00	1,496,000.00	
06/30/2030					1,777,000.00
12/01/2030			256,700.00	256,700.00	
06/01/2031	1,645,000	4.000%	256,700.00	1,901,700.00	
06/30/2031					2,158,400.00
12/01/2031			223,800.00	223,800.00	
06/01/2032	1,750,000	4.000%	223,800.00	1,973,800.00	
06/30/2032					2,197,600.00
12/01/2032			188,800.00	188,800.00	
06/01/2033	1,860,000	4.000%	188,800.00	2,048,800.00	
06/30/2033					2,237,600.00
12/01/2033			151,600.00	151,600.00	
06/01/2034	2,080,000	4.000%	151,600.00	2,231,600.00	
06/30/2034					2,383,200.00
12/01/2034			110,000.00	110,000.00	
06/01/2035	2,675,000	4.000%	110,000.00	2,785,000.00	
06/30/2035					2,895,000.00
12/01/2035			56,500.00	56,500.00	
06/01/2036	2,825,000	4.000%	56,500.00	2,881,500.00	
06/30/2036					2,938,000.00
	18,010,000		8,135,236.67	26,145,236.67	26,145,236.67

## PROOF OF ARBITRAGE YIELD

City and Borough of Juneau, Alaska  
 General Obligation Bonds, 2021  
 Pricing Results -- April 14, 2021  
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Date	Debt Service	Present Value to 04/28/2021 @ 1.3069890283%
12/01/2021	426,236.67	422,963.93
06/01/2022	360,200.00	355,113.65
12/01/2022	360,200.00	352,808.07
06/01/2023	360,200.00	350,517.46
12/01/2023	360,200.00	348,241.72
06/01/2024	360,200.00	345,980.75
12/01/2024	360,200.00	343,734.47
06/01/2025	575,200.00	545,342.56
12/01/2025	355,900.00	335,235.23
06/01/2026	1,100,900.00	1,030,245.37
12/01/2026	341,000.00	317,043.11
06/01/2027	1,151,000.00	1,063,188.84
12/01/2027	324,800.00	298,072.73
06/01/2028	1,379,800.00	1,258,037.28
12/01/2028	303,700.00	275,101.72
06/01/2029	1,438,700.00	1,294,761.87
12/01/2029	281,000.00	251,244.82
06/01/2030	1,496,000.00	1,328,903.78
12/01/2030	256,700.00	226,547.33
06/01/2031	13,091,700.00	11,478,899.99
	24,683,836.67	22,221,984.70

Proceeds Summary

Delivery date	04/28/2021
Par Value	18,010,000.00
Premium (Discount)	4,211,984.70
Target for yield calculation	22,221,984.70

## PROOF OF ARBITRAGE YIELD

City and Borough of Juneau, Alaska  
 General Obligation Bonds, 2021  
 Pricing Results -- April 14, 2021  
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Assumed Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Yield To Call/Maturity
SER	06/01/2032	4.000%	1.310%	06/01/2031	100.000	1.3099748%
SER	06/01/2033	4.000%	1.390%	06/01/2031	100.000	1.3899652%
SER	06/01/2034	4.000%	1.450%	06/01/2031	100.000	1.4499761%
SER	06/01/2035	4.000%	1.490%	06/01/2031	100.000	1.4900247%
SER	06/01/2036	4.000%	1.520%	06/01/2031	100.000	1.5200469%

Rejected Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Yield To Call/Maturity	Increase to Yield
SER	06/01/2032	4.000%	1.310%			1.5091328%	0.1991580%
SER	06/01/2033	4.000%	1.390%			1.7441475%	0.3541822%
SER	06/01/2034	4.000%	1.450%			1.9289354%	0.4789593%
SER	06/01/2035	4.000%	1.490%			2.0734607%	0.5834360%
SER	06/01/2036	4.000%	1.520%			2.1922463%	0.6721994%