


CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

MEMORANDUM

To: Mayor Eisenbeisz and Assembly Members

Thru: John Leach, Municipal Administrator 

From: Barb Morse, Temp Parks & Recreation Coordinator

Date: January 17, 2023

Subject: Parks & Recreation Supplemental Appropriation Proposal

Background

On behalf of Parks and Recreation/Community Recreation, I would like to request the support of the Sitka Parks and Recreation Committee for our proposed FY2023 supplemental appropriation. In order to get the program off the ground, the FY2023 budget was passed including only personnel, knowing that details on expenses would be difficult to determine until the program was further developed.

Analysis

The current budget funds two staff positions but does not include any allocation for customary expenses for items such as supplies, equipment, contract services (such as referees and instructors), or temporary wages, office set up etc. The total request for the supplemental appropriation is \$92,615, which will cover expenses through the end of FY2023. Note that user fees/revenues will offset expenses and were not budgeted in the FY2023 revenue budget. To date, from mid-October, when the program first started collecting user fees, revenue of \$21,000 has been collected and we conservatively estimate that at least \$40,000 will be collected by the end of the fiscal year. Primary sources of revenue are City League sports fees, class registration, facility rental, open gym fees, and summer program fees. While individual programs such as classes or city league will be cash flow positive the regular staff and overhead costs are not factored in, and the overall budget will run at a deficit. Please note that if revenues were lower than projected the corresponding expense would be lower so the cashflow projection would remain essentially the same (for example, if City League revenues were lower than anticipated contact services to pay referees would also be lower). The supplemental appropriation requested consists of the following anticipated expenditures to be budgeted under Public Works, Recreation subdepartment.

| Line item | Description | Amount |
|-------------------------------|--|---------------|
| Temporary wages | Added funding for temp workers | \$14,000 |
| Telephone | | \$320 |
| Contracted/purchased services | Online platform for classes/ facility rentals, payments to referees, instructors etc | \$38,495 |
| Supplies | Sports and program supplies, office setup and supplies | \$37,400 |
| Travel and Training | Professional training | \$2,400 |

These proposed funds will provide programs that are aligned with the goals of the CBS strategic plan.

- By offering high quality Recreation programs to enhance the quality of life for the residents of Sitka.
- Maximize the use of resources and assets of the City and Borough, and work with partners to leverage additional resources. This includes working with the Community Recreation Initiative Team on the startup of (Friends of Parks and Recreation nonprofit).

Fiscal Note

The FY2023 budget was passed with personnel costs of \$209,000, with this supplemental appropriation of \$92,615, total FY2023 appropriations for the program will be \$301,615. The bottom-line impact to the FY2023 General Fund budget of the of the supplemental appropriation will be about a \$52,615 reduction in surplus/increase to deficit after estimating unbudgeted revenue of \$40,000 related to the program. For FY2023 this expense is budgeted under Public Works, Recreation.

Recommendation

In order to ensure the success of the Community recreation program, staff recommends the approval of the 2023 supplemental appropriation in the amount of \$92,615. In addition, when the Parks and Recreation Committee met January 17th the committee voted unanimously to support the supplemental appropriation request.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2023-02
AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA MAKING SUPPLEMENTAL
APPROPRIATIONS FOR FISCAL YEAR 2023
(Parks and Recreation Expenses)

BE IT ENACTED by the Assembly of the City and Borough of Sitka, Alaska as follows:

1. CLASSIFICATION. This ordinance is not of a permanent nature and is not intended to be a part of the Sitka General Code of the City and Borough of Sitka, Alaska.

2. SEVERABILITY. If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and application thereof to any person and circumstances shall not be affected thereby.

3. PURPOSE. The purpose of this ordinance is to make a supplemental Operation appropriation for FY2023.

4. ENACTMENT. In accordance with Section 11.10 (a) of the Charter of the City and Borough of Sitka, Alaska, the Assembly hereby makes the following supplemental appropriation for the budget period beginning July 1, 2022 and ending June 30, 2023.

Table with 3 rows: FISCAL YEAR 2023 EXPENDITURE BUDGETS, GENERAL FUND, Recreation - Operations: Increase appropriations in the amount of \$92,615 for temporary wages, contracted/purchased services, supplies and other expenses associated with the recreation subdepartment.

EXPLANATION

Now that the Parks and Recreation program is operating, the need for additional expenditures beyond the originally budgeted personnel budgets has been identified.

5. EFFECTIVE DATE. This ordinance shall become effective on the day after the date of its passage.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 14th day of February 2023.

ATTEST:

Steven Eisenbeisz, Mayor

Sara Peterson, MMC
Municipal Clerk

1st reading: 1/24/2023
2nd and final reading: 2/14/2023

Sponsor: Administrator