Discussion/Direction
CBS
Budget Balancing Options

City and Borough of Sitka
Budget Balancing Options

<u>Possible Increased Revenue Streams - $1,000,000 achieved through increased tax collections</u>

 Increase taxable transaction limit from $1,500 to $3,000. Estimated additional tax collections: $400,000.

Remove senior citizen sales tax exemption and replace it with rebate system. Rebate for senior citizens would be $400 for an individual senior living alone, $450 for a household containing two or more seniors, equivalent of rebating sales taxes paid on food and utilities. Approximate increased sales tax: $638,000, less rebate of $160,000, new taxes $478,000.

Eliminate long term rental sales tax exemption. Approximate increased sales tax: $657,671.

Double tobacco tax. Estimated additional tax collections: $250,000.

Vehicle Registration Fee. Estimated tax collections $400,000

Annualize sales tax at 6%, with winter sales tax collections flowing to Municipality completely. Approximate increased sales tax - $672,000.

Increase the millage rate (effective FY2017) - $1,064,000/mill

A road maintenance fee as a monthly utility charge

<u>Possible Expenditure reductions. $1,000,000 achieved through expenditure cuts</u>

Sale of Senior Center and elimination of municipal support. Estimated savings: $100,000 annually.

 Reduction of Library operating hours to coincide with Municipal Solutions recommended nationwide average. Estimated savings: $25,000

Elimination of snow plowing and road treatment outside major snow events.

Reduction of size and content of newspaper advertising. Estimated savings: $20,000

Non personnel efficiencies. Estimated savings - $16,000

Eliminate in-house animal control and traffic enforcement positions. Replace with contracted services. Estimated savings - $100,000

Do not refill Governmental Relations position. Contract out significant aspects. Estimated savings $55,000.

Reduce additional support commitment to the Sitka School District.

April 9, 2015