


CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

MEMORANDUM

To: Mayor Eisenbeisz and Assembly Members

Thru: John Leach, Municipal Administrator 

From: Brooke Volschenk, Finance Director

Date: September 2, 2025

Subject: Reappropriation of Unspent FY2025 Budget Items

Background

While staff generally spend down or have funds under contract in the fiscal year in which they were budgeted, in some cases that is not possible. There are two requested FY2025 reappropriations:

1. Funding of \$120,000 was included in the FY2025 budget for repairs at Whale Park. However, with other projects taking priority, procurement for this work was not completed by June 30, 2025. If approved, the repairs are expected to be completed in winter/spring 2026.
2. CBS was awarded a Homeland Security grant in FY2025 (approved by the Assembly on May 29, 2025). The grant includes \$12,096 of funding for travel and training that will not occur until later in FY2026.

It is also important to note that some FY2025 efforts are still underway. Any funds that were contractually committed but not yet spent will automatically carry forward to FY2026 in accordance with Charter Section 11.12. A summary of these unspent commitments, supported by contract and/or purchase order is attached. Totals are preliminary, as invoices for work completed in FY2025 may still be submitted and processed.

Analysis

The requested reappropriations listed below are critical expenditures that staff are actively working on but were unable to finalize commitments before June 30, 2025. Mechanically, the FY2025 budgets are decreased and the FY2026 budgets are increased.

Department	Category	Description	Amount
Grounds Maintenance	Contractual Services	Whale Park Boardwalk and Stairs Repair	120,000
Police	Travel/Training	Travel/Training Funded by a FY25 Homeland Security Grant	12,096
Total			132,096

Fiscal Note

The total change (decrease to FY2025 budget and increase to FY2026 budget) for reappropriation of funding from FY2025 to FY2026 is \$132,096. In addition, the purchase orders entered for existing encumbrances will also reduce the FY2025 appropriations and increase the FY2026 appropriations.

Recommendation

Approve ordinance 2025-23 amending the FY2025 and FY2026 appropriations.

Encl: Summary of FY2025 Open Purchase Orders for Operating Expenses.

Summary of FY2025 Open Purchase Orders for Operating Expenses

Fund	Department	Estimate of Unspent Funds Committed by Purchase Order in FY2025	Notes on Significant Uses (Purchase Orders over \$20,000)
100	Admin	28,956.23	2025 Union Negotiations
100	Attorney	19,715.86	
100	Clerks	93,789.26	Laserfiche Record Migration
100	Finance	35,808.97	Policy Development
100	Parks & Recreation	2,000.00	
100	Pass Through Grants	66,000.00	Historic Preservation Grant
100	Police	5,814.41	
100	Fire	5,999.25	
100	Ambulance	9,000.00	
100	PW Admin	328.97	
100	Engineering	27,038.75	Engineering Support
100	Streets	250,000.00	Street Sand
100	Grounds	64,284.58	Seawalk Gazebo Roof Repairs
100	Centennial	13,965.00	
100	Fixed Assets	6,500.00	
200	Electric	302,680.11	Line Maintenance, FERC Licensing, Transformer Repair
210	Water	16,304.54	
220	Wastewater	32,630.00	
230	Solid Waste	3,606.02	
240	Harbor	328.97	
250	Airport	14,634.53	
260	Marine Service Center	15,780.70	
270	GPIP	4,200.00	
300	IT	205,641.94	HRIS Software Implementation, Microsoft Licensing, Computers
310	Central Garage	201,766.83	Patrol Car (\$82K), F250 Flat Bed #534 (\$86K)
320	Building Maintenance	119,329.79	Hazardous Waste Disposal, Fire Protection System Compliance Repairs
Total		1,546,104.71	

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2025-23

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA
MAKING SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2025 and 2026
(Reappropriations)

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 supplemental appropriations for Fiscal Year 2025.

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 appropriations for the budget period beginning July 1, 2024, and ending June 30, 2025 is hereby adjusted as follows:

<u>FISCAL YEAR 2025 EXPENDITURE BUDGETS</u>
GENERAL FUND
Grounds Maintenance – Operations: Reappropriate \$120,000 in contracted/purchased services from FY25 to FY26 for the Whale Park Boardwalk and Stairs Repair.
Police Department – Operations: Reappropriate \$12,096 in travel/training from FY25 to FY26 for training funded by a grant from the Division of Homeland Security and Emergency Management.

In accordance with Section 11.10 (a) of the Charter of the City and Borough of Sitka, Alaska, the budget for the fiscal period July 1, 2025, and ending June 30, 2026 is hereby adjusted as follows:

<u>FISCAL YEAR 2026 EXPENDITURE BUDGETS</u>
GENERAL FUND
Grounds Maintenance – Operations: Reappropriate \$120,000 in contracted/purchased services from FY25 to FY26 for the Whale Park Boardwalk and Stairs Repair.
Police Department – Operations: Reappropriate \$12,096 in travel/training from FY25 to FY26 for training funded by a grant from the Division of Homeland Security and Emergency Management.

EXPLANATION

The Municipal Administrator has determined that various unexpended appropriations for Fiscal Year 2025, which lapsed on June 30, 2025, are essential to the Municipality. The Municipal Administrator, therefore, is recommending that the lapsed appropriations identified above be reappropriated in Fiscal Year 2026 through supplemental appropriations as set forth in Section 11.10 (a) of the Charter.

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 23rd Day of September, 2025.

ATTEST:

Steven Eisenbeisz, Mayor

Sara Peterson, MMC
Municipal Clerk

1st reading: 9/9/2025

2nd and final reading: 9/23/2025

Sponsor: Administrator