

Draft Grand Bargain Budget Framework

| New Expenses and Adjustments | | Notes |
|---|---------------------|--|
| No Sales Tax On Groceries | \$ 1,200,000 | |
| GF Subsidy To Electric Fund | \$ 1,000,000 | |
| Adjusted GF Deficit Funding PW Capital Projects at \$3 million not at \$4 million | \$ 1,500,000 | Funding PW capital projects at \$3 million allows current infrastructure to be maintained. Adjustment made from General Fund Forecast Spreadsheet Presented at the Nov 23 CTF meeting. |
| Tax Exemption for Low Income Prop Owners | | Excludes those eligible for other property exemptions. Example example: \$50K exemption for home owners earning \$75K or less |
| Total New Expenses | \$ 3,700,000 | |
| Possible New Revenues Streams | | Notes |
| Elimination Senior Sales Tax | \$ 500,000 | With sales tax off of groceries and a subsidy for electrical service, removing this exemption may be more achievable |
| Car Registration Tax | \$ 500,000 | |
| Raise Sales Tax Cap | \$ - | |
| Sales Tax on Long Term Rentals | \$ - | |
| Other | | |
| Two Mill Property Tax Increase | \$ 2,000,000 | |
| Total | \$ 3,000,000 | |
| Difference Between Revenues and Expenses | \$ (700,000) | |
| Reductions To Balance Budget | | |
| CBS General Fund | \$ 600,000 | |
| Sitka School District | \$ 200,000 | |
| Sitka Community Hospital | \$ 150,000 | |
| Total | \$ 950,000 | |
| Grand Total | \$ 250,000 | |