



CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS
330 Harbor Drive
Sitka, AK
(907)747-1811

Meeting Agenda

City and Borough Assembly

Mayor Matthew Hunter
Deputy Mayor Bob Potrzuski
Vice-Deputy Mayor Steven Eisenbeisz
Tristan Guevin, Kevin Knox
Aaron Bean, and Aaron Swanson

Municipal Administrator: Mark Gorman
Municipal Attorney: Brian Hanson
Municipal Clerk: Sara Peterson

Thursday, April 6, 2017

6:00 PM

Assembly Chambers

SPECIAL MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

IV. CORRESPONDENCE/AGENDA CHANGES

V. PERSONS TO BE HEARD

Public participation on any item off the agenda. All public testimony is not to exceed 3 minutes for any individual, unless the mayor imposes other time constraints at the beginning of the agenda item.

VI. UNFINISHED BUSINESS:

- A [17-040](#) Administrative report containing overview of long term fiscal and capital improvement plans, proposed capital expenditures, and resulting proposed user fee increases and changes in working capital for each of the eight Enterprise Funds (continued discussion from March 16, 2017)

Attachments: [Administrative Report.pdf](#)

[FY18 Consolidated Operating Budget.pdf](#)

- B [17-042](#) Discussion/Direction/Decision on proposed Enterprise Fund operating outlays

Attachments: [operating outlays.pdf](#)

- C [17-043](#) Discussion/Direction/Decision on proposed Enterprise Fund capital outlays

Attachments: [capital outlays.pdf](#)

- D [17-044](#) Discussion/Direction/Decision on proposed Enterprise Fund user fee increases

Attachments: [User fee increases.pdf](#)

VII. NEW BUSINESS:

- E [17-057](#) Administrative report on the Internal Service, Special Revenue, and Trust Funds

Attachments: [Administrative Report Internal Service etc.pdf](#)

- F [17-058](#) Discussion/Direction/Decision on proposed Internal Service, Special Revenue, and Trust Funds operating outlays

Attachments: [operating outlays Internal Service etc.pdf](#)

- G [17-059](#) Discussion/Direction/Decision on proposed Internal Service, Special Revenue, and Trust Funds capital outlays

Attachments: [capital outlays Internal Service etc.pdf](#)

[Central Garage Vehicles.pdf](#)

[Central Garage Heavy Equipment.pdf](#)

[Central Garage Summary by Department.pdf](#)

[Central Garage Sinking Fund.pdf](#)

- H [17-045](#) Discussion/Direction/Decision of the FY2018 Enterprise Funds, Internal Service, Special Revenue, Trust Funds or General Fund and as they relate to other Funds, the School District, and the Sitka Community Hospital (Assembly action may be taken)

Attachments: [Other.pdf](#)

VIII. PERSONS TO BE HEARD:

Public participation on any item on or off the agenda. Not to exceed 3 minutes for any individual.

IX. EXECUTIVE SESSION

X. ADJOURNMENT

Note: Detailed information on these agenda items can be found on the City website at <https://sitka.legistar.com/Calendar.aspx> or by contacting the Municipal Clerk's Office at City Hall, 100 Lincoln Street or 747-1811. A hard copy of the Assembly packet is available at the Sitka Public Library. To receive Assembly agenda notifications, sign up with GovDelivery on the City website.

*Sara Peterson, CMC, Municipal Clerk
Publish: April 5*



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 17-040 **Version:** 1 **Name:**
Type: Item **Status:** AGENDA READY
File created: 3/13/2017 **In control:** City and Borough Assembly
On agenda: 4/6/2017 **Final action:**

Title: Administrative report containing overview of long term fiscal and capital improvement plans, proposed capital expenditures, and resulting proposed user fee increases and changes in working capital for each of the eight Enterprise Funds (continued discussion from March 16, 2017)

Sponsors:

Indexes:

Code sections:

Attachments: [Administrative Report.pdf](#)
[FY18 Consolidated Operating Budget.pdf](#)

Date	Ver.	Action By	Action	Result
3/16/2017	1	City and Borough Assembly	APPROVED	Pass

Memo

Thru: Mark Gorman, Municipal Administrator

To: Mayor Matthew Hunter and Members of the Assembly

From: Jay Sweeney, Chief Finance and Administrative Officer

Date: March 14, 2017

Re: FY2018 Budget Special Meeting on March 16, 2017

The second FY2018 budget special meeting is scheduled for March 16th and will focus on Sitka's eight enterprise funds. To prepare for this special meeting, I would like to highlight, from my perspective as Chief Financial and Administrative Officer, the key issues relating to these particular funds.

Enterprise Funds differ from the General Fund in several important ways, and these differences are the areas in which Assembly overview is most critical. Key differences in enterprise funds are (1) that they are established to operate as a business; (2) they levy user fees for the provision of some service, normally utility services; and, (3) user fees are established by the Assembly at rates necessary to generate cash flow sufficient to pay for ongoing operating expenses and to accomplish long-term fiscal and infrastructure plans which are critically linked.

Given the key differences, I encourage the Assembly to focus on and examine the following broad areas:

- (1) What is the cash flow the enterprise fund is generating currently, and, what cash flow is it projected to generate in FY2018? Examine the cash flow from operations, which is operating less operating expenses excluding depreciation. This cash flow is critical as it forms the resource necessary to pay debt service and increase working capital for the future cost of infrastructure. If cash flow is too meager and does not allow for working capital to build to levels identified in fiscal plans, then infrastructure decisions will need to be delayed or revised, or, higher than anticipated levels of debt taken on in the future.
- (2) What is the proposal for increasing user fees? User fees should be examined annually for adjustment in relation to inflation. Collective bargain agreements increase operating costs as bargained wage increases become effective; not adjusting user fees in relation to programmatic expense increases has a direct impact on reducing operating cash flow. Proposed user fee increases above inflationary adjustments need to be examined as to their necessity to generate the cash flow required to fund capital infrastructure plans. If political affordability concerns impact user fee increase decisions, then close examination of the proposed capital infrastructure plan is required.
- (3) What is the long term capital infrastructure plan for at least the next decade comprised of? What is being proposed for construction and what is the plan to pay for it? Each enterprise fund's capital construction plan, and the funding decisions imbedded in it, have a direct impact on user fees. Again, if political affordability issues cause concern over potential user fee

increases, the re-examination of the capital infrastructure plan and/or examination of operating costs is required.

- (4) If the proposed budget is fully executed, what will the resultant financial position of the enterprise fund be? For each enterprise fund, staff has prepared a document entitled "Pro Forma Financial Projection". It is located at the end of each enterprise fund's budget section. I strongly encourage Assembly members to examine this document as it is a one-page encapsulation of each fund's proposed financial performance and position for the budget year. This document projects where working capital for each fund will be at the end of the fiscal year, both designated for capital projects and undesignated. Is it enough? Is it growing?

Critical issues in Sitka's individual enterprise funds.

Electric Fund

A user fee increase that will approximate 15% for most users is built into the budget. Staff feels that this user fee is the minimum that will allow for achievement of bond coverages for debt coverage, barring any unforeseen or unanticipated consumption decreases or expenses. The Pro forma financial projection for the Electric Fund, on page 119, forecasts the debt coverage ratio to be the minimum 1.25%. The proposed budget for the Electric Fund will generate operating cash flow of \$158,692. Proposed new capital expenditures are \$3,300,000 and are detailed on page 118. As operating cash flow is insufficient to finance proposed new expenditures, working capital will be used as the source for funding the proposed improvements. Unspent bond proceeds from the final 2014 electric revenue bond issue are proposed as the source, as opposed to undesignated working capital.

It is important that the infrastructure plan for this utility be reviewed in conjunction with the budget, as critical infrastructure repairs are required over the next decade and the bare minimum of working capital is projected to be generated to pay for them. Additional bonding is not a viable option, given the current high level of debt and debt-to-equity ratio in excess of 50%. The capital infrastructure plan has risk associated with it and that risk should be reviewed.

Water Fund

A 3% user fee increase is being proposed annually from 2018 through 2020, then 3.7% annually through 2026 and inflationary increases thereafter. The proposed annual increases are directly tied to the capital required to finance the long-term infrastructure plan. The Water Fund long-term capital infrastructure plan projects low-interest DEC loans being taken out every year going forward as the source of funding to pay for planned improvements; the reason for this is that insufficient undesignated working capital exists, and will not be generated, to pay for such improvements outright without debt. The Pro forma financial projection for the Water Fund, on page 129, shows that the Fund will generate operating cash flow of \$342,192. Proposed new capital expenditures from working capital are \$245,000 and are detailed on page 127. In addition, additional contingent capital improvements of \$19,337,722 are listed on page 128. In FY2018, the DeGroff Utilities and Street Improvements project and the South Lake/West DeGroff Water Projects are planned (they are a portion of the contingent projects listed on Page 128); funding for these projects is planned to come from \$1,398,403 in loans and \$500,000 in grants.

As with the Electric Fund, it is important that the infrastructure plan for this utility be reviewed in conjunction with the budget, as critical infrastructure repairs are required over the next decade and the bare minimum of working capital is projected to be generated to pay for them. Extensive use of low interest loans from the State of Alaska is planned as the funding source. To obtain these loans, it is critical that the Water Fund generate acceptable levels of cash flow from operations, and, that the capital structure of the Fund not become too leveraged (as measured by the debt-to-equity ratio). The Fiscal Plan for the Water Fund projects its financial condition through the next decade and provided the basis for sustained user fee increases.

Wastewater Fund

A 4.5% user fee increase is being proposed annually for 2018 and 2019; an increase of 6% in 2020; 2.9% in 2021; 3.5% in 2022; 4.3% in 2023 and 2024, then 2.8% annually thereafter. As with the Water Fund, the proposed annual increases are directly tied to the capital required to finance the long-term infrastructure plan. The Wastewater Fund long-term capital infrastructure plan also projects low-interest DEC loans being taken out every year going forward as the source of funding to pay for planned improvements; the reason for this is that insufficient undesignated working capital exists, and will not be generated, to pay for such improvements outright without debt. The Pro forma financial projection for the Wastewater Fund, on page 139, shows that the Fund will generate operating cash flow of \$468,055. Proposed new capital expenditures from working capital are \$691,000 and are detailed on page 138. Also, additional contingent capital improvements of \$10,044,761 are listed on page 138. In FY2018, the DeGroff Utilities and Street Improvements and the South Lake/West DeGroff Sewer projects are planned (they are a portion of the contingent projects listed on Page 128); funding for these projects is planned to come from \$1,662,391 in loans and \$500,000 in grants.

As with the Electric and Water Funds, It important that the infrastructure plan for this utility be reviewed in conjunction with the budget, as critical infrastructure repairs are required over the next decade and the bare minimum of working capital is projected to be generated to pay for them. Extensive use of low interest loans from the State of Alaska is planned as the funding source. To obtain these loans, it is critical that the Water Fund generate acceptable levels of cash flow from operations, and, that the capital structure of the Fund not become too leveraged (as measured by the debt-to-equity ratio). The Fiscal Plan for the Water Fund projects its financial condition through the next decade and provided the basis for sustained user fee increases.

Solid Waste Fund

A 2.07% user fee increase is being proposed for the Solid Waste Fund in FY2018. The current solid waste collection contracts provide for an annual inflationary adjustment to contractual charges. Thus, to keep the Solid Waste Fund solvent, annual inflationary adjustments to user fees must be considered. The Pro forma financial projection for the Solid Waste Fund, on page 148, shows that the Fund will generate operating cash flow of \$194,904. Proposed new capital expenditures from working capital are \$500,000 and are detailed on page 147. As the amount of cash flow projected to be generated is less than the cost of the biosolids expansion, undesignated working capital will be used as the source for funding the project. As a result, total working capital for the fund is anticipated to decline to \$569,390 at the end of FY2018, see page 148.

Harbor Fund

A 6% user fee increase is being proposed for the Harbor Fund in FY2018. As has been presented to the Assembly in the past, the Harbor Fund has the most daunting challenge in terms of funding capital improvements given the high cost and the relatively modest amount of working capital in the Fund. Major improvements in the amount of \$31,532,636 are scheduled for the 2033 to 2037 time frame and include the replacement of Eliason Harbor, the Boat Grid, and the Crescent Harbor High Load Dock. In all, renovations of \$74,897,000 are planned through 2056 to keep the harbor system maintained in its present state. Minimal funding is available from the State of Alaska or Federal government in the form of grants to pay for these improvements; most projects have a maximum funding level of \$5,000,000 from the State of Alaska. As a result, sustained user fee increases are required in the Harbor Fund through 2035 to generate sufficient cash flow to pay for some improvements and pay for the debt service for others which require bonding. It is critical to understand and acknowledge that the only ways to moderate sustainer user fee increases are to either (1) delay improvements to later years, risking failure, or (2) not replace the infrastructure, removing it from the system. Hard choices lie ahead.

The Pro forma financial projection for the Harbor Fund, on page 157, shows that the Fund will generate operating cash flow of \$862,461. No new capital expenditures from working capital are proposed. Contingent capital improvements of \$17,300,000 are listed on page 156; these include Phase 1 of the Crescent Harbor project and the Eliason Harbor Electric project. Both projects are dependent on receiving

harbor matching grants from the State of Alaska, and, on the issuance of additional harbor revenue bonds. The issuance of \$8,000,000 in harbor revenue bonds is tentatively planned for FY2019.

Airport Terminal Fund

The Pro forma financial projection for the Airport Terminal Fund, on page 165, shows that the Fund will generate operating cash flow of \$354,199. A substantial contributor to this cash flow will be the planned receipt of Passenger Facility Charges. The Municipality is proposing to apply for the authority to collect Passenger Facility Charges to fund an Airport Terminal Enhancement Project. The remodeling of the airport terminal is critical to meet the operating requirements of air carriers and major users. No new capital expenditures from working capital are proposed; however, contingent capital improvements of \$4,000,000 are listed on page 164. If authority to collect Passenger Facility Charges is obtained, the Municipality would look to issue airport terminal revenue bonds to finance the improvements and use Passenger Facility Charges as the revenue stream to pay for debt service.

Marine Service Center

The Pro forma financial projection for the Airport Terminal Fund, on page 173, shows that the Fund will generate operating cash flow of \$131,160. No new capital expenditures from working capital are proposed.

Gary Paxton Industrial Park

The Pro forma financial projection for the Gary Paxton Industrial Park (GPIP), on page 181, shows that the Fund will generate operating cash flow of \$8,712. The Park will undergo a transformation in operations with the completion of the new dock. Completion of the dock will bring planned new revenue streams in the form of moorage, wharfage, and storage fees; these fees have been built into the budget based on projections from the GPIP Board of Directors.

FY2018 Consolidated Operating Budget
Comprehensive Schedule of Proposed Operating Appropriations, Capital
Appropriations, User Fee Increases and Resulting Changes in Working Capital
For City and Borough of Sitka Enterprise Funds

<u>Fund</u>	<u>Operating</u> <u>Appropriations</u>	<u>New</u> <u>Working</u> <u>Capital</u> <u>Appropriations</u>	<u>Contingent</u> <u>Capital</u> <u>Appropriations</u>	<u>New</u> <u>Debt</u>	<u>User Fee</u> <u>Increases</u>	<u>Debt</u> <u>Service</u> <u>Outlays</u>	<u>Working</u> <u>Capital</u> <u>Changes</u>	<u>Projected</u> <u>Working</u> <u>Capital</u>
Electric	\$ 9,124,760	\$ 3,300,000	\$ -	\$ -	15%	\$ 8,537,812	\$ (3,141,308)	\$ 11,370,503
Water	1,629,186	250,000	19,337,722	1,398,403	3%	472,702	(14,597)	2,455,410
Wastewater	2,760,158	691,000	10,044,761	1,662,391	4.50%	357,587	13,055	6,339,697
Solid Waste	3,485,424	500,000	-	-	2.07%	136,642	(305,096)	569,390
Harbors	2,342,917	-	17,300,000	-	6%	362,412	9,227	7,950,525
Airport Terminal Fund	370,031	-	4,000,000	-	PFCs	-	104,199	925,260
Marine Service Center	148,718	-	-	-	0%	-	131,110	1,975,276
Gary Paxton Industrial Park	205,539	-	-	-	Moorage/Wharfage	57,873	(241,288)	839,368
Totals:	<u>\$ 20,066,733.00</u>	<u>\$ 4,741,000.00</u>	<u>\$ 50,682,483.00</u>	<u>\$ 3,060,794.00</u>		<u>\$ 9,925,028.00</u>	<u>\$ (3,444,698.00)</u>	<u>\$ 32,425,429.00</u>

Note: Capital appropriations do not lapse until projects are completed or the original purpose no longer exists. Capital expenditures reflected in pro forma financial projections reflects unexpired prior year capital appropriations planned to be spent during current fiscal year. These expenditures of prior year appropriations affect total working capital.



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 17-042 Version: 1 Name:
Type: Item Status: AGENDA READY
File created: 3/13/2017 In control: City and Borough Assembly
On agenda: 4/6/2017 Final action:
Title: Discussion/Direction/Decision on proposed Enterprise Fund operating outlays
Sponsors:
Indexes:
Code sections:
Attachments: [operating outlays.pdf](#)

Date	Ver.	Action By	Action	Result
3/16/2017	1	City and Borough Assembly		

POSSIBLE MOTION

I MOVE TO approve the proposed Enterprise Fund operating outlays of \$20,066,733.

FY2018 Consolidated Operating Budget
Comprehensive Schedule of Proposed Operating Appropriations, Capital
Appropriations, User Fee Increases and Resulting Changes in Working Capital
For City and Borough of Sitka Enterprise Funds

<u>Fund</u>	<u>Operating Appropriations</u>	<u>New Working Capital Appropriations</u>	<u>Contingent Capital Appropriations</u>	<u>New Debt</u>	<u>User Fee Increases</u>	<u>Debt Service Outlays</u>	<u>Working Capital Changes</u>	<u>Projected Working Capital</u>
Electric	\$ 9,124,760	\$ 3,300,000	\$ -	\$ -	15%	\$ 8,537,812	\$ (3,141,308)	\$ 11,370,503
Water	1,629,186	250,000	19,337,722	1,398,403	3%	472,702	(14,597)	2,455,410
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Airport Terminal Fund	370,031	-	4,000,000	-	PFCs	-	104,199	925,260
Marine Service Center	148,718	-	-	-	0%	-	131,110	1,975,276
Gary Paxton Industrial Park	205,539	-	-	-	Moorage/Wharfage	57,873	(241,288)	839,368
Totals:	\$ 20,066,733.00	\$ 4,741,000.00	\$ 50,682,483.00	\$ 3,060,794.00		\$ 9,925,028.00	\$ (3,444,698.00)	\$ 32,425,429.00

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CITY AND BOROUGH OF SITKA

Legislation Details

File #: 17-043 Version: 1 Name:
Type: Item Status: AGENDA READY
File created: 3/13/2017 In control: City and Borough Assembly
On agenda: 4/6/2017 Final action:
Title: Discussion/Direction/Decision on proposed Enterprise Fund capital outlays
Sponsors:
Indexes:
Code sections:
Attachments: [capital outlays.pdf](#)

Date	Ver.	Action By	Action	Result
3/16/2017	1	City and Borough Assembly		

POSSIBLE MOTION

I MOVE TO approve the proposed Enterprise
Fund capital outlays of \$4,741,000.

FY2018 Consolidated Operating Budget
Comprehensive Schedule of Proposed Operating Appropriations, Capital
Appropriations, User Fee Increases and Resulting Changes in Working Capital
For City and Borough of Sitka Enterprise Funds

<u>Fund</u>	<u>Operating Appropriations</u>	<u>New Working Capital Appropriations</u>	<u>Contingent Capital Appropriations</u>	<u>New Debt</u>	<u>User Fee Increases</u>	<u>Debt Service Outlays</u>	<u>Working Capital Changes</u>	<u>Projected Working Capital</u>
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Totals:	<u>\$ 20,066,733.00</u>	<u>\$ 4,741,000.00</u>	<u>\$ 50,682,483.00</u>	<u>\$ 3,060,794.00</u>		<u>\$ 9,925,028.00</u>	<u>\$ (3,444,698.00)</u>	<u>\$ 32,425,429.00</u>

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CITY AND BOROUGH OF SITKA

Legislation Details

File #: 17-044 Version: 1 Name:
Type: Item Status: AGENDA READY
File created: 3/13/2017 In control: City and Borough Assembly
On agenda: 4/6/2017 Final action:
Title: Discussion/Direction/Decision on proposed Enterprise Fund user fee increases
Sponsors:
Indexes:
Code sections:
Attachments: [User fee increases.pdf](#)

Date	Ver.	Action By	Action	Result
3/16/2017	1	City and Borough Assembly		

POSSIBLE MOTION

I MOVE TO approve the proposed Enterprise Fund user fee increases.

FY2018 Consolidated Operating Budget
Comprehensive Schedule of Proposed Operating Appropriations, Capital
Appropriations, User Fee Increases and Resulting Changes in Working Capital
For City and Borough of Sitka Enterprise Funds

<u>Fund</u>	<u>Operating</u> <u>Appropriations</u>	<u>New</u> <u>Working</u> <u>Capital</u> <u>Appropriations</u>	<u>Contingent</u> <u>Capital</u> <u>Appropriations</u>	<u>New</u> <u>Debt</u>	<u>User Fee</u> <u>Increases</u>	<u>Debt</u> <u>Service</u> <u>Outlays</u>	<u>Working</u> <u>Capital</u> <u>Changes</u>	<u>Projected</u> <u>Working</u> <u>Capital</u>
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Totals:	\$ 20,066,733.00	\$ 4,741,000.00	\$ 50,682,483.00	\$ 3,060,794.00		\$ 9,925,028.00	\$ (3,444,698.00)	\$ 32,425,429.00

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CITY AND BOROUGH OF SITKA

Legislation Details

File #: 17-057 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 3/28/2017 In control: City and Borough Assembly

On agenda: 4/6/2017 Final action:

Title: Administrative report on the Internal Service, Special Revenue, and Trust Funds

Sponsors:

Indexes:

Code sections:

Attachments: [Administrative Report Internal Service etc.pdf](#)

Date	Ver.	Action By	Action	Result
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Memo

Thru: Mark Gorman, Municipal Administrator
To: City and Borough of Sitka Assembly
From: Jay Sweeney, Chief Finance and Administrative Officer
Date: April 3, 2017
Re: **FY2018 Budget Special Meeting On April 6, 2017**

Mayor Hunter and Assembly Members,

The third FY2018 budget special meeting is scheduled for April 6th and will focus on Sitka's internal service, special revenue, debt service, special governmental, and permanent funds. In addition, the budgets of several enterprise funds were not reviewed in the 2nd budget special meeting and will need consideration as well. To prepare for this special meeting, I would like to highlight, from my perspective as Chief Finance and Administrative Officer, the key issues relating to these particular funds.

Internal service funds are funds created for the purpose of consolidating services provided internally to other funds, in order to achieve economies of scale and avoid duplication of functions. Sitka has three internal service funds – the Information technology Fund, the Central Garage Fund, and the Building Maintenance Fund. As internal service funds exist to provide consolidated internal services, their revenues, by and large, consist of charges levied to other funds for the internal services provided.

Special revenue funds account for tax revenues, grant revenues, or other funds are legally restricted (by Charter, the Sitka General Code, grant agreements, or Assembly Action) for a particular operating purpose. Sitka has sixteen separate special revenue funds.

Permanent (trust) funds are set up when funds are endowed wherein the principal in such funds is non-spendable, but, the investment earnings are available for appropriation. Sitka has three four permanent funds, the Permanent Fund being the largest and most prominent. Finally, Sitka has three additional governmental-type funds with special purposes: the Seasonal Sales Tax and School Bond Debt Service Fund, the Bulk water Fund, and the Public Infrastructure Sinking Fund.

Together, these fund categories contain twenty six separate funds. As with all funds, any expenditure from these funds, even if authorized by other entities (i.e. grant funds) requires an appropriation. Administration is presenting you with recommended appropriations totaling \$10,790,091 - \$6,333,547 in operating appropriations, \$482,000 in capital appropriations, and \$3,974,544 in debt service appropriations.

In reviewing the recommended appropriations for these twenty six funds, I would highlight the following points for review and examination:

- 1) What is the change in working capital that the proposed budget will produce? A significant decline in working capital (\$726,792) is forecast for the Seasonal Sales Tax and School Bond Debt Service Fund, as a result of an anticipated decrease in school bond debt reimbursements from the State of Alaska. As expenditures in this fund (school bond debt service), a subsidy will be required in future years from the General Fund in order to pay debt service for school bonds.
- 2) Does the Fund represent a potential source of working capital to meet general governmental needs? Several possible candidates exist, of which Assembly action could transfer fund assets to other funds.

In addition, review of several enterprise funds remains to be accomplished from the last special Assembly meeting.

Finally, it is recommended that the Assembly return for a review of the General Fund budget, as the forecasted deficit in the proposed FY18 General Fund budget has now risen to (\$756,579). Additional budgetary pressure related to school funding have the potential of increasing this deficit to over a million dollars. Administration has included a listing of possible actions the Assembly might consider in order to decrease this projected deficit.

FY2018 Consolidated Operating Budget
Comprehensive Schedule of Proposed Operating Appropriations, Capital
Appropriations, User Fee Increases and Resulting Changes in Working Capital
For City and Borough of Sitka Internal Service, Special Revenue, Debt Service, Special Governmental, and Permanent Funds

<u>Fund</u>	<u>Operating Appropriations</u>	<u>New Working Capital Appropriations</u>	<u>Contingent Capital Appropriations</u>	<u>New Debt</u>	<u>Debt Service Outlays</u>	<u>Working Capital Changes</u>	<u>Projected Working Capital</u>
Information Technology	\$ 1,039,272	\$ -	\$ -	\$ -	\$ 51,960	\$ 78,276	\$ 172,626
Central Garage	792,819	422,000	-	-	60,000	620,019	3,882,802
Building Maintenance	921,200	60,000	-	-	-	(265,745)	1,653,238
Permanent Fund	1,375,900	-	-	-	-	-	22,562,196
Pet Adoption	1,000	-	-	-	-	-	46,403
SEACAD Forfeiture	5,000	-	-	-	-	-	-
Sitka Forfeiture	2,000	-	-	-	-	-	934
Justice Assistance Grant	52,000	-	-	-	-	-	1,000
State Forfeiture	2,000	-	-	-	-	-	7,941
Homeland Security Grant	335,000	-	-	-	-	-	-
Library Building Fund	-	-	-	-	-	-	17,516
SE Alaska Economic Development Fund	37,500	-	-	-	-	-	4,006,551
GPIP Contingency Fund	18,000	-	-	-	-	-	863,804
Tobacco Excise Tax Fund	886,500	-	-	-	-	-	6,271
Student Activities Fund	2,500	-	-	-	-	-	2,514
Fisheries Enhancement Fund	46,459	-	-	-	-	-	1,228
CPET Fund	266,000	-	-	-	-	-	495,494
Visitor Enhancement Fund	458,912	-	-	-	-	-	153,000
LID Revolving Fund	28,700	-	-	-	-	-	1,171,839
LID Guarantee Fund	6,200	-	-	-	-	-	283,818
Cemetery Fund	2,185	-	-	-	-	-	104,037
Rowe Trust Fund	4,400	-	-	-	-	-	211,768
Library Endowment Fund	-	-	-	-	-	-	248,525
Bulk Water Fund	50,000	-	-	-	-	-	888,953
Seasonal Sales Tax Fund	-	-	-	-	3,862,584	(726,792)	326,199
Public Infrastructure Sinking Fund	-	-	-	-	-	-	25,685
Totals:	\$ 6,333,547.00	\$ 482,000.00	\$ -	\$ -	\$ 3,974,544.00	\$ (294,242.00)	\$37,134,342.00

Note: Capital appropriations do not lapse until projects are completed or the original purpose no longer exists. Capital expenditures reflected in pro forma financial projections reflects unexpired prior year capital appropriations planned to be spent during current fiscal year. These expenditures of prior year appropriations affect total working capital.



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 17-058 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 3/28/2017 In control: City and Borough Assembly

On agenda: 4/6/2017 Final action:

Title: Discussion/Direction/Decision on proposed Internal Service, Special Revenue, and Trust Funds operating outlays

Sponsors:

Indexes:

Code sections:

Attachments: [operating outlays Internal Service etc.pdf](#)

Date	Ver.	Action By	Action	Result
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Discussion on proposed Internal Service,
Special Revenue, and Trust Funds operating outlays

POSSIBLE MOTION

I MOVE TO approve the proposed Internal Service,
Special Revenue, and Trust Funds
operating outlays of \$6,333,547.

FY2018 Consolidated Operating Budget
Comprehensive Schedule of Proposed Operating Appropriations, Capital
Appropriations, User Fee Increases and Resulting Changes in Working Capital
For City and Borough of Sitka Internal Service, Special Revenue, Debt Service, Special Governmental, and Permanent Funds

<u>Fund</u>	<u>Operating Appropriations</u>	<u>New Working Capital Appropriations</u>	<u>Contingent Capital Appropriations</u>	<u>New Debt</u>	<u>Debt Service Outlays</u>	<u>Working Capital Changes</u>	<u>Projected Working Capital</u>
Information Technology	\$ 1,039,272	\$ -	\$ -	\$ -	\$ 51,960	\$ 78,276	\$ 172,626
Central Garage	792,819	422,000	-	-	60,000	620,019	3,882,802
Building Maintenance	921,200	60,000	-	-	-	(265,745)	1,653,238
Permanent Fund	1,375,900	-	-	-	-	-	22,562,196
Pet Adoption	1,000	-	-	-	-	-	46,403
SEACAD Forfeiture	5,000	-	-	-	-	-	-
Sitka Forfeiture	2,000	-	-	-	-	-	934
Justice Assistance Grant	52,000	-	-	-	-	-	1,000
State Forfeiture	2,000	-	-	-	-	-	7,941
Homeland Security Grant	335,000	-	-	-	-	-	-
Library Building Fund	-	-	-	-	-	-	17,516
SE Alaska Economic Development Fund	37,500	-	-	-	-	-	4,006,551
GPIP Contingency Fund	18,000	-	-	-	-	-	863,804
Tobacco Excise Tax Fund	886,500	-	-	-	-	-	6,271
Student Activities Fund	2,500	-	-	-	-	-	2,514
Fisheries Enhancement Fund	46,459	-	-	-	-	-	1,228
CPET Fund	266,000	-	-	-	-	-	495,494
Visitor Enhancement Fund	458,912	-	-	-	-	-	153,000
LID Revolving Fund	28,700	-	-	-	-	-	1,171,839
LID Guarantee Fund	6,200	-	-	-	-	-	283,818
Cemetery Fund	2,185	-	-	-	-	-	104,037
Rowe Trust Fund	4,400	-	-	-	-	-	211,768
Library Endowment Fund	-	-	-	-	-	-	248,525
Bulk Water Fund	50,000	-	-	-	-	-	888,953
Seasonal Sales Tax Fund	-	-	-	-	3,862,584	(726,792)	326,199
Public Infrastructure Sinking Fund	-	-	-	-	-	-	25,685
Totals:	\$ 6,333,547.00	\$ 482,000.00	\$ -	\$ -	\$ 3,974,544.00	\$ (294,242.00)	\$37,134,342.00

Note: Capital appropriations do not lapse until projects are completed or the original purpose no longer exists. Capital expenditures reflected in pro forma financial projections reflects unexpired prior year capital appropriations planned to be spent during current fiscal year. These expenditures of prior year appropriations affect total working capital.



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 17-059 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 3/28/2017 In control: City and Borough Assembly

On agenda: 4/6/2017 Final action:

Title: Discussion/Direction/Decision on proposed Internal Service, Special Revenue, and Trust Funds capital outlays

Sponsors:

Indexes:

Code sections:

Attachments: [capital outlays Internal Service etc.pdf](#)
[Central Garage Vehicles.pdf](#)
[Central Garage Heavy Equipment.pdf](#)
[Central Garage Summary by Department.pdf](#)
[Central Garage Sinking Fund.pdf](#)

Date	Ver.	Action By	Action	Result
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Discussion on proposed Internal Service,
Special Revenue, and Trust Funds operating outlays

POSSIBLE MOTION

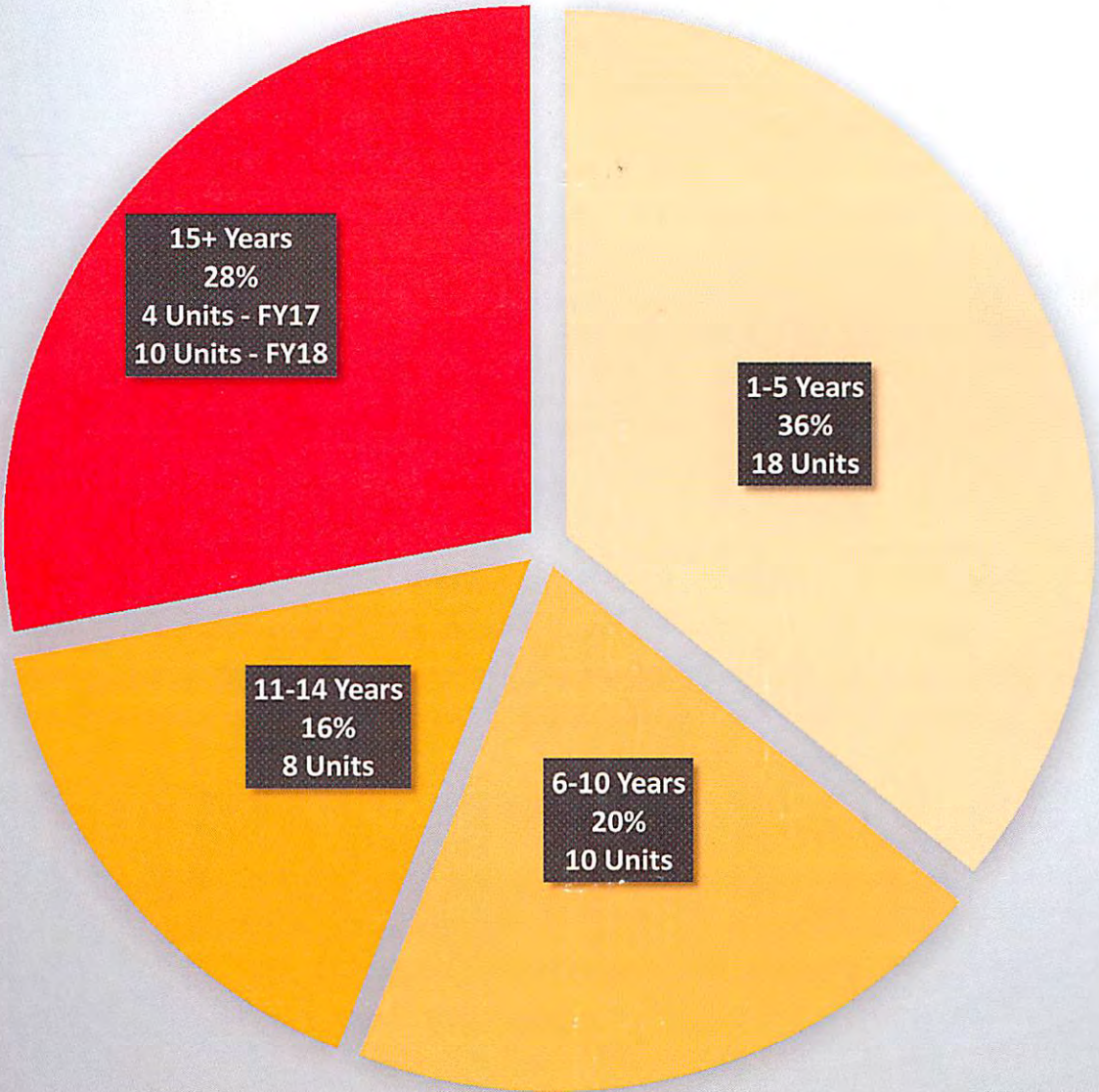
I MOVE TO approve the proposed Internal Service,
Special Revenue, and Trust Funds
capital outlays of \$482,000.

FY2018 Consolidated Operating Budget
Comprehensive Schedule of Proposed Operating Appropriations, Capital
Appropriations, User Fee Increases and Resulting Changes in Working Capital
For City and Borough of Sitka Internal Service, Special Revenue, Debt Service, Special Governmental, and Permanent Funds

<u>Fund</u>	<u>Operating Appropriations</u>	<u>New Working Capital Appropriations</u>	<u>Contingent Capital Appropriations</u>	<u>New Debt</u>	<u>Debt Service Outlays</u>	<u>Working Capital Changes</u>	<u>Projected Working Capital</u>
Information Technology	\$ 1,039,272	\$ -	\$ -	\$ -	\$ 51,960	\$ 78,276	\$ 172,626
Central Garage	792,819	422,000	-	-	60,000	620,019	3,882,802
Building Maintenance	921,200	60,000	-	-	-	(265,745)	1,653,238
Permanent Fund	1,375,900	-	-	-	-	-	22,562,196
Pet Adoption	1,000	-	-	-	-	-	46,403
SEACAD Forfeiture	5,000	-	-	-	-	-	-
Sitka Forfeiture	2,000	-	-	-	-	-	934
Justice Assistance Grant	52,000	-	-	-	-	-	1,000
State Forfeiture	2,000	-	-	-	-	-	7,941
Homeland Security Grant	335,000	-	-	-	-	-	-
Library Building Fund	-	-	-	-	-	-	17,516
SE Alaska Economic Development Fund	37,500	-	-	-	-	-	4,006,551
GPIP Contingency Fund	18,000	-	-	-	-	-	863,804
Tobacco Excise Tax Fund	886,500	-	-	-	-	-	6,271
Student Activities Fund	2,500	-	-	-	-	-	2,514
Fisheries Enhancement Fund	46,459	-	-	-	-	-	1,228
CPET Fund	266,000	-	-	-	-	-	495,494
Visitor Enhancement Fund	458,912	-	-	-	-	-	153,000
LID Revolving Fund	28,700	-	-	-	-	-	1,171,839
LID Guarantee Fund	6,200	-	-	-	-	-	283,818
Cemetery Fund	2,185	-	-	-	-	-	104,037
Rowe Trust Fund	4,400	-	-	-	-	-	211,768
Library Endowment Fund	-	-	-	-	-	-	248,525
Bulk Water Fund	50,000	-	-	-	-	-	888,953
Seasonal Sales Tax Fund	-	-	-	-	3,862,584	(726,792)	326,199
Public Infrastructure Sinking Fund	-	-	-	-	-	-	25,685
Totals:	\$ 6,333,547.00	\$ 482,000.00	\$ -	\$ -	\$ 3,974,544.00	\$ (294,242.00)	\$37,134,342.00

Note: Capital appropriations do not lapse until projects are completed or the original purpose no longer exists. Capital expenditures reflected in pro forma financial projections reflects unexpired prior year capital appropriations planned to be spent during current fiscal year. These expenditures of prior year appropriations affect total working capital.

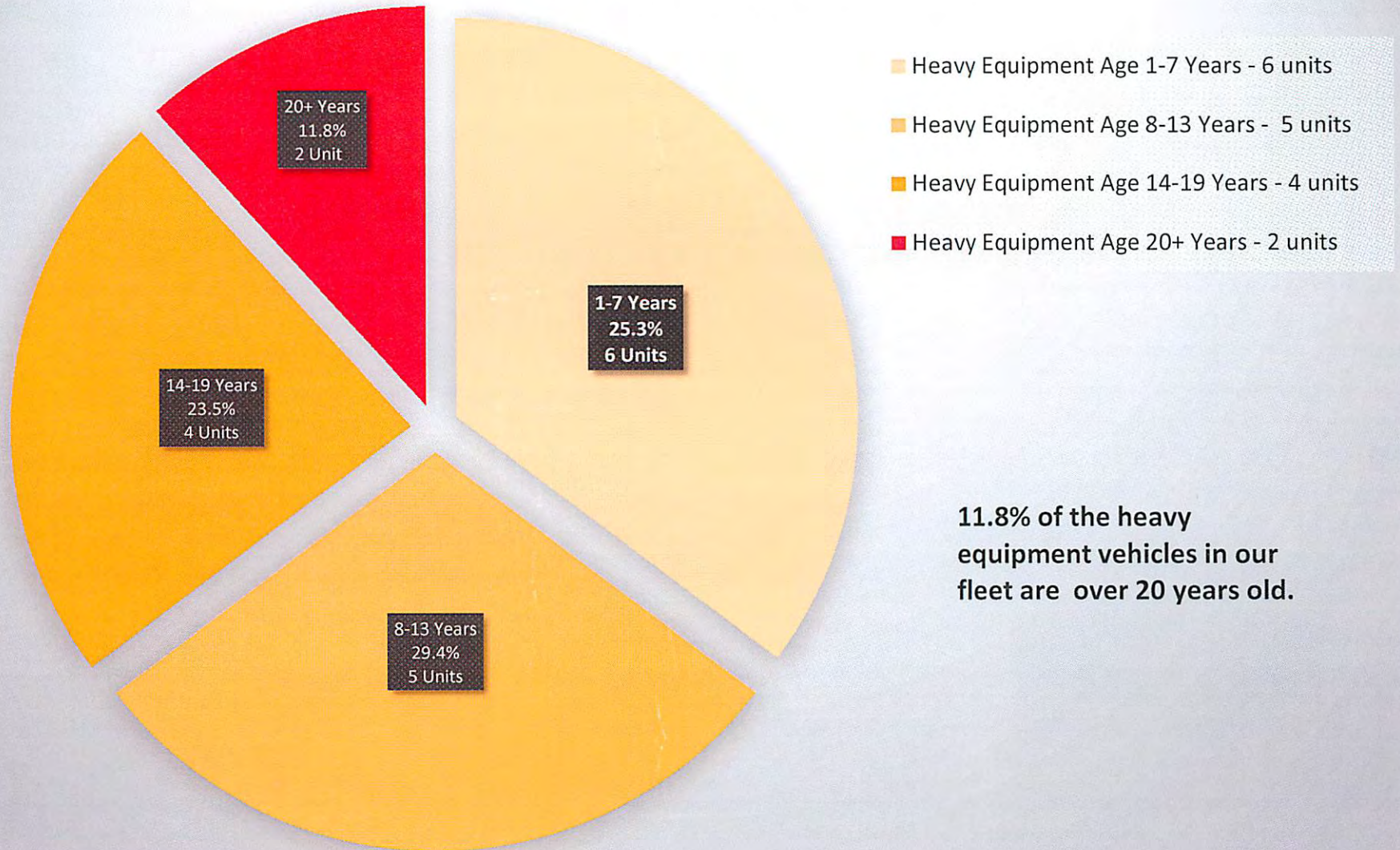
Central Garage Vehicles



- Vehicle Age 1-5 Years - 18 units
- Vehicle Age 6-10 Years - 10 units
- Vehicle Age 11-14 Years - 8 units
- Vehicle Age 15+ Years - 14 units

44% of the vehicles in our fleet are over 10 years old.

Central Garage Heavy Equipment



**Central Garage
Summary by Department
For Fiscal Year 2017**

Department	Vehicle Number	Projected Replacement Costs	Projected Sinking Fund Balance	Budget Shortfall/ Surplus
Assessing				
Light Duty Truck	1	\$ 15,000.00	\$ -	\$ (15,000.00)
Build Depart				
Light Duty Truck	2	\$ 63,707.00	\$ 37,081.00	\$ (26,626.00)
City Hall				
Light Duty Truck	1	\$ 18,850.00	\$ 22,620.00	\$ 3,770.00
Engineering				
Light Duty Truck	1	\$ 22,241.82	\$ 22,973.00	\$ 731.18
Fire Dept				
Light Duty Truck	2	\$ 97,708.28	\$ 114,924.00	\$ 17,215.72
Heavy Duty Truck	6	\$ 2,363,644.61	\$ 2,287,411.56	\$ (76,233.05)
Park & Rec				
Light Duty Truck	3	\$ 97,500.00	\$ 77,116.00	\$ (20,384.00)
PD				
Light Duty Truck	8	\$ 241,266.51	\$ 314,947.56	\$ 73,681.04
Streets				
Light Duty Truck	4	\$ 167,770.39	\$ 139,902.00	\$ (27,868.39)
Heavy Duty Truck	5	\$ 507,073.21	\$ 593,311.18	\$ 86,237.97
General Fund Total		\$ 3,594,761.82	\$ 3,610,286.30	\$ 15,524.49

Build Maint					
Light Duty Truck	3	\$ 94,979.00	\$ 40,227.00	\$ (54,752.00)	
Central Garage					
Light Duty Truck	1	\$ 42,000.00	\$ 38,870.00	\$ (3,130.00)	
Electric					
Light Duty Truck	12	\$ 436,075.21	\$ 516,499.17	\$ 80,423.96	
Heavy Duty Truck	3	\$ 914,061.29	\$ 733,491.51	\$ (180,569.78)	(100,146)
Harbor					
Light Duty Truck	3	\$ 124,920.42	\$ 150,506.66	\$ 25,586.24	
Water					
Light Duty Truck	3	\$ 104,631.76	\$ 125,027.77	\$ 20,396.01	
WWTP					
Light Duty Truck	6	\$ 269,980.66	\$ 266,463.13	\$ (3,517.53)	
Heavy Duty Truck	3	\$ 779,806.00	\$ 651,103.06	\$ (128,702.94)	(132,220)
Total		\$ 6,361,216.17	\$ 6,132,474.61	\$ (228,741.56)	

Light Duty Truck	50
Heavy Duty Truck	17
Total Vehicles	67

Central Garage
Sinking Fund
For Fiscal Year 2017

Dept	Vehicle Number	Vehicle Year	Description	Mileage Hours	Type	Status	Projected Replacement Period	Projected Replacement Costs	Projected Sinking Fund Balance	Budget Shortfall/ Surplus
Assessing	309	2000	Ford Ranger Pickup	65,400	Light Duty	Replace/Surplus FY18	2010	\$ 15,000.00		\$ (15,000.00)
Bldg Dept	334	2002	Ford Ranger	105,900	Light Duty	Replace/Surplus FY18	2012	\$ 30,000.00		\$ (30,000.00)
Bldg Dept	451	2016	Ford F150	11,000	Light Duty		2027	\$ 33,707.00	\$ 37,081.00	\$ 3,374.00
Bldg Maint	291	1998	Ford Ranger 4x4	44,400	Light Duty	Replace/Surplus FY18	2008	\$ 30,000.00		\$ (30,000.00)
Bldg Maint	297	1999	Ford Ranger Supercab	62,600	Light Duty	Replace/Surplus FY18	2009	\$ 30,000.00		\$ (30,000.00)
Bldg Maint	445	2015	Chevy Express Van	10,000	Light Duty		2027	\$ 34,979.00	\$ 40,227.00	\$ 5,248.00
Central Garage	338	2002	Ford F350 Flatbed	80,200	Light Duty		2012	\$ 42,000.00	\$ 38,870.00	\$ (3,130.00)
City Hall	458	2012	Ford Escape	77,000	Light Duty		2028	\$ 18,850.00	\$ 22,620.00	\$ 3,770.00
Electric	307	2000	International Crane	3,560	Heavy Duty		2020	\$ 349,496.97	\$ 232,004.56	\$ (117,492.41)
Electric	358	2004	65' Bucket Truck	1,179	Heavy Duty		2021	\$ 339,564.32	\$ 303,039.95	\$ (36,524.37)
Electric	373	2006	Hi Ranger Bucket Truck	5,995	Heavy Duty	Ordered 2017	2014	\$ 225,000.00	\$ 198,447.00	\$ (26,553.00)
Electric	353	2001	Ford Ranger	82,700	Light Duty	Replace/Surplus FY18	2012	\$ 32,000.00	\$ 29,261.00	\$ (2,739.00)
Electric	383	2007	Ford Ranger Supercab	110,000	Light Duty	Ordered 2017	2017	\$ 29,500.00	\$ 32,575.00	\$ 3,075.00
Electric	384	2007	Ford Ranger Supercab	53,675	Light Duty		2017	\$ 25,590.86	\$ 32,575.00	\$ 6,984.14
Electric	402	2008	Ford F450 super duty chassis	43,400	Light Duty		2018	\$ 108,591.13	\$ 139,595.16	\$ 31,004.03
Electric	405	2009	F350	39,920	Light Duty		2019	\$ 30,767.62	\$ 44,773.10	\$ 14,005.48
Electric	418	2011	Chevy Express Van	27,900	Light Duty		2022	\$ 32,925.95	\$ 39,913.91	\$ 6,987.96
Electric	426	2012	Ford F350 flatbed 4x4	20,500	Light Duty		2024	\$ 36,774.00	\$ 42,751.00	\$ 5,977.00
Electric	430	2013	Ford F150	11,500	Light Duty		2024	\$ 29,316.00	\$ 32,241.00	\$ 2,925.00
Electric	446	2015	Ford F150	4,000	Light Duty		2027	\$ 40,300.00	\$ 46,345.00	\$ 6,045.00
Electric	447	2015	Ford F150	16,600	Light Duty		2027	\$ 40,300.00	\$ 46,345.00	\$ 6,045.00
Electric Admin	371	2006	Ford Explorer	67,558	Light Duty	Bought with Grant Money - Cannot Sell				
Electric Dist	363	2005	Ford F150	27,000	Light Duty		2016	\$ 30,009.65	\$ 30,124.00	\$ 114.35
Engineering	357	2004	Ford F250 Pickup	42,200	Light Duty		2014	\$ 22,241.82	\$ 22,973.00	\$ 731.18
Fire Dept	276	1996	Pierce Suburban Pumper	0	Heavy Duty		2016	\$ 260,912.63	\$ 166,533.00	\$ (94,379.63)
Fire Dept	347	2003	M 1 Medic Unit	0	Heavy Duty	Rollover- replace by 393	2018	\$ -		\$ -
Fire Dept	393	2008	Ford Ambulance (Braun)	4,016	Heavy Duty		2018	\$ 224,933.97	\$ 208,035.56	\$ (16,898.41)
Fire Dept	421	2011	Pierce Fire Truck	missing F card	Heavy Duty		2033	\$ 975,000.00	\$ 974,998.00	\$ (2.00)
Fire Dept	440	2014	F450 ambulance	0	Heavy Duty		2021	\$ 201,834.00	\$ 201,837.00	\$ 3.00
Fire Dept	452	2016	Pierce Fire Truck	0	Heavy Duty		2037	\$ 700,964.00	\$ 736,008.00	\$ 35,044.00
Fire Dept	320	2001	Ford Excursion 4x4 Fire	87,100	Light Duty	Ordered 2017	2011	\$ 43,634.28	\$ 50,040.00	\$ 6,405.72
Fire Dept	456	2016	Ford F350 crewcab	1,000	Light Duty		2028	\$ 54,074.00	\$ 64,884.00	\$ 10,810.00
Harbor	411	2009	F150	78,000	Light Duty		2019	\$ 31,927.42	\$ 46,593.66	\$ 14,666.24
Harbor	437	2014	F150	24,200	Light Duty		2026	\$ 32,474.00	\$ 37,341.00	\$ 4,867.00
Harbor	450	2016	Ford F350	5,000	Light Duty		2027	\$ 60,519.00	\$ 66,572.00	\$ 6,053.00
Park & Rec	299	1999	Ford F250 4x2 Flatbed	68,114	Light Duty	Replace/Surplus FY18	2009	\$ 32,000.00		\$ (32,000.00)
Park & Rec	327	2002	Ford F250	116,200	Light Duty	Ordered 2017	2012	\$ 33,500.00	\$ 37,602.00	\$ 4,102.00
Park & Rec	331	2002	Ford Ranger Chassis	92,500	Light Duty	Replace/Surplus FY18	2012	\$ 32,000.00	\$ 39,514.00	\$ 7,514.00

Dept	Vehicle Number	Vehicle Year	Description	Mileage Hours	Type	Status	Projected Replacement Period	Projected Replacement Costs	Projected Sinking Fund Balance	Budget Shortfall/ Surplus
PD	321	2001	Ford Crew Cab 4x4	40,230	Light Duty	Rollover- replace by 432	2018	\$ -	\$ 8,000.00	\$ 8,000.00
PD	409	2009	Ford Crown Victoria	108,856	Light Duty	Rollover- replace by 425	2017	\$ -		\$ -
PD	424	2013	Ford Explorer police	67,500	Light Duty	Rollover- replace by 455	2019	\$ -		\$ -
PD	425	2013	Ford Explorer police	97,700	Light Duty	Ordered 2017	2017	\$ 49,500.00	\$ 58,181.00	\$ 8,681.00
PD	432	2014	Ford Explorer	47,780	Light Duty	Replace/Surplus FY18	2018	\$ 52,000.00	\$ 73,056.00	\$ 21,056.00
PD	455	2016	Ford Explorer-Interceptor	12,000	Light Duty	Ordered 2017	2020	\$ 59,800.00	\$ 79,732.00	\$ 19,932.00
PD			Ford Escape SUV		Light Duty	Ordered 2017		\$ 17,000.00	\$ 17,000.00	\$ -
PD - Lt Ewers	416	2010	Ford F250 police	30,000	Light Duty		2022	\$ 39,306.87	\$ 48,395.56	\$ 9,088.69
PD (Animal Control)	380	2006	Ford Ranger Supercab	28,000	Light Duty		2016	\$ 23,659.65	\$ 30,583.00	\$ 6,923.35
Streets	244	1992	GMC Dump Truck/plow	5,069	Heavy Duty	Rollover - replace by 379	2021	\$ -		\$ -
Streets	330	2002	International roll off truck	5,300	Heavy Duty	Rollover - replace by 443	2026	\$ -		\$ -
Streets	379	2006	5 yd dump truck/plow	3,260	Heavy Duty		2021	\$ 154,980.37	\$ 163,566.03	\$ 8,585.66
Streets	404	2009	Kenworth10 cy dump truck	3,500	Heavy Duty		2023	\$ 160,465.97	\$ 196,162.72	\$ 35,696.75
Streets	413	2010	Freightliner plow/sander	2,100	Heavy Duty		2023	\$ 191,626.88	\$ 233,582.43	\$ 41,955.55
Streets	336	2002	Ford F350 Flatbed	116,500	Light Duty	Ordered 2017	2012	\$ 36,500.00	\$ 46,130.00	\$ 9,630.00
Streets	360	2004	Ford F250 (new veh #465)	65,000	Light Duty	Order 2017-RO-rep by 438	2011	\$ 47,769.00		\$ (47,769.00)
Streets	390	2008	F350 super duty chassis cab	35,000	Light Duty		2017	\$ 48,812.39	\$ 53,878.00	\$ 5,065.61
Streets	438	2015	F350	12,000	Light Duty		2026	\$ 34,689.00	\$ 39,894.00	\$ 5,205.00
Water	382	2007	Ford Ranger Supercab	67,600	Light Duty		2017	\$ 25,590.86	\$ 32,575.00	\$ 6,984.14
Water	419	2011	Ford F350	12,000	Light Duty		2022	\$ 49,724.91	\$ 60,211.77	\$ 10,486.86
Water	429	2013	Ford F150	27,000	Light Duty		2024	\$ 29,316.00	\$ 32,241.00	\$ 2,925.00
WWTP	313	2000	Sewer Catch Basin "Camel"	4,750	Heavy Duty	Ordered 2017	2015	\$ 395,000.00	\$ 227,471.06	\$ (167,528.94)
WWTP	443	2016	Freightliner roll off	750	Heavy Duty		2026	\$ 173,106.00	\$ 190,421.00	\$ 17,315.00
WWTP	448	2015	Ford E450 Box Van	0	Heavy Duty		2032	\$ 211,700.00	\$ 233,211.00	\$ 21,511.00
WWTP	312	2000	Chevy Astro Van		Light Duty	Ordered 2017	2010	\$ 29,700.00	\$ -	\$ (29,700.00)
WWTP	329	2002	Ford F250 Service Box pickup	78,000	Light Duty	Replace/Surplus FY18	2012	\$ 39,000.00	\$ 38,411.00	\$ (589.00)
WWTP	355	2004	Ford F350 4x4 w/ service body	75,000	Light Duty	Replace/Surplus FY18	2014	\$ 43,000.00	\$ 49,534.00	\$ 6,534.00
WWTP	362	2005	Ford Ranger	55,000	Light Duty		2016	\$ 27,446.80	\$ 27,588.00	\$ 141.20
WWTP	366	2005	Ford Ranger Supercab 4x4	35,000	Light Duty		2016	\$ 25,590.86	\$ 35,155.13	\$ 9,564.27
WWTP	427	2013	Ford F550 Service truck w/crane	18,000	Light Duty		2024	\$ 105,243.00	\$ 115,775.00	\$ 10,532.00
		Vehicle listed in FY18 budget						Bold budget listed in FY17		\$ (228,741.56)



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 17-045 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 3/13/2017 In control: City and Borough Assembly

On agenda: 4/6/2017 Final action:

Title: Discussion/Direction/Decision of the FY2018 Enterprise Funds, Internal Service, Special Revenue, Trust Funds or General Fund and as they relate to other Funds, the School District, and the Sitka Community Hospital (Assembly action may be taken)

Sponsors:

Indexes:

Code sections:

Attachments: [Other.pdf](#)

Date	Ver.	Action By	Action	Result
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Discussion / Direction / Decision of the
FY2018 Enterprise Funds, Internal Service,
Special Revenue, Trusts Funds or General
Fund and as they relate to other Funds, the
School District and the Sitka
Community Hospital.
(Assembly action may be taken)

Possible items to be considered:

- restore some level of funding for non-profits
- ideas to reduce the FY2018 General Fund budget deficit

Potential ideas for Assembly consideration to reduce the projected deficit in the FY2018 General Fund budget:

1. Expand the contract for Alaska Permanent Capital Management (APCM) to manage CBS operating investments. Administration expects that APCM could achieve 20 basis points of increased investment yield over current CBS yield. A 20 basis point pick up in investment yield in the General Fund could yield an additional \$25,500 per year in investment earnings for the General Fund.
2. Clarify the applicability of the existing sales tax code to sales of tickets for entertainment events by non-profit entities. This would involve passing an ordinance clarifying what a fund-raising event is versus an entertainment event, and, when the purchase of a ticket for admission to an entertainment event sponsored by a non-profit is a sale of entertainment services as opposed to a donation. The estimate of additional sales taxes to be received is between \$50,000 to \$100,000.
3. Eliminate Recreation Department seasonal temporary employees. Reduce grass cutting and weed eating activities to essential areas visited by tourists. The savings would be \$45,000.
4. Use the balance of unappropriated bed tax revenue which has built up in the Visitor Enhancement Fund to support visitor-related activities in Harrigan Centennial Hall. Perhaps as much as \$50,000 in additional revenue for the General Fund could be gained in this manner.
5. Appropriate the remainder of the small balance left in the Public Infrastructure Sinking Fund to help offset capital project funding. An additional \$25,685 is available.
6. Consider reducing the \$937,000 set-aside for assisting low income Sitkans with utility bills.

City and Borough of Sitka
FY2018 Decrement Proposal
Version 4.1 January 11 2017

Target CBS Budget Reduction Goal, FY 2018

FY2017 Original Budget

Revenues	\$ 28,288,850
Revenues	\$ 28,288,850
	\$ -

FY2018 Macro Budget - As of January 6, 2017

2018 Current Budgeted Revenues:	\$ 26,373,912
2018 Original Budgeted Outlays:	\$ 26,785,342

Decrement List	Additional Expense	
\$ (6,474)	Administrator/Assembly/Clerk	Travel & Training
\$ (35,500)		Contracted/Purchased Serv (Lobbying)
\$ (2,000)		Admin/Mayor Contingencies
\$ (23,500)		Other Expenses
\$ (6,300)	Non-Profits	SEDA
\$ (10,800)		Historical Society
\$ (5,000)		SAFV
\$ (40,000)		Sitka Community Playground
\$ (38,000)	Senior Center	Transportation/Vehicles
\$ (16,200)	Finance	Travel
\$ (63,000)	Assessing	Temp Wages
\$ (1,000)	Planning and Com Development	Travel / Training
\$ (44,500)		Contracted/Purchased Services
\$ (1,200)		Other Expenses
\$ (75,000)	Police	Contracted/new building
\$ (93,743)		Police Officer (1 COPS Position)
\$ (10,000)		Training/travel
\$ (12,816)		Overtime
\$ (40,000)	Fire	Reduction
\$ (214,000)	Public Works	Reduction - overall
\$ (2,000)	Library	Travel/Training
\$ (300)		Cell Phone Stipend
\$ (300)		Supplies
\$ (3,040)		Repairs/Maintenance
\$ (525)		Contracted/Purchased Services
\$ (500)		Tools/Small Equip
\$ (500)		Advertising
\$ (500)		Rent Equipment
\$ (10,000)		Books & Publications
\$ (3,000)		Other Expense
\$ (3,000)	Centennial Hall	Reduction
\$ (762,698)		
	\$ 1,000,000	Electric Department Subsidization
	\$ 46,655	Transfers Out
		\$ (695,387)

2018 Current Budgeted Outlays:	\$ 27,069,299
Shortfall/Surplus	

FY18 Anticipated/Possible Changes:

Premiera Increase?		*Note Approximate 15% Increase \$266,757
State Impacts	?	
Projected Shortfall:		\$ (695,387)
Added 3/9/17 Meeting		\$ (25,000.00) The Ride
		\$ (38,000.00) Senior Center Transportation/Vehicle Cost
		\$ 63,000.00 Reducing Electric Fund Subsidization
		\$ (695,387)
Additional Changes		\$ 128,859.00 Property Tax Levy
		\$ (111,451.00) Property Tax Senior Citizen Exemption
		\$ (78,600.33) Revenue Sharing
		\$ 5,000 Travel & Training
		\$ (5,000) SAFV
		\$ (756,579)
Use of Reserves:	\$ (756,579)	
Final Projected Bottom Line:	\$ (756,579)	

FY18 Draft Consolidated Operating Budget

Original Balance	\$	<u>(695,387)</u>	
Changes from 3/9/17 meeting	\$	(25,000.00)	The Ride
	\$	(38,000.00)	Senior Center Transportation/Vehicle Cost
	\$	<u>63,000.00</u>	Reducing Electric Fund Subsidization
	\$	(695,387)	
Additional Changes	\$	128,859.00	Property Tax Levy Went from \$6,926,741 to \$7,055,600
	\$	(111,451.00)	Property Tax Senior Citizen Exemption Went from (465,549) to (577,000)
	\$	(78,600.33)	Revenue Sharing Went from \$573,737 to \$495,136.67
	\$	5,000	Travel & Training - Various Departments
	\$	<u>(5,000)</u>	SAFV
	\$	(756,579)	