



CITY AND BOROUGH OF SITKA

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

Meeting Agenda

City and Borough Assembly

*Mayor Gary Paxton
Deputy Mayor Steven Eisenbeisz,
Vice Deputy Mayor Kevin Mosher,
Kevin Knox, Dr. Richard Wein, Valorie Nelson, Thor Christianson*

*Interim Municipal Administrator: Hugh Bevan
Municipal Attorney: Brian Hanson
Municipal Clerk: Sara Peterson*

Tuesday, February 25, 2020

6:00 PM

Assembly Chambers

WORK SESSION 5:00 P.M.

Greater Sitka Chamber of Commerce / Visit Sitka

[20-055](#)

Greater Sitka Chamber of Commerce / Visit Sitka

Attachments: [Visit Sitka FY21 Supplemental Budget Narrative 2020.02](#)
[CVS FY21 Budget Expenditures 2020.02.19](#)

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

IV. CORRESPONDENCE/AGENDA CHANGES

[20-056](#)

Reminders, Calendars, and General Correspondence

Attachments: [Reminders and Calendars](#)
[Heritage & Cultural Tourism Conference Program Agenda](#)
[Correspondence from David Kensinger](#)
[BlankRome Activity Report](#)
[First Quarter FY2020 Financial Reporting Package reduced size](#)

V. CEREMONIAL MATTERS

None.

VI. SPECIAL REPORTS: Government to Government, Municipal Boards/Commissions/Committees, Municipal Departments, School District, Students and Guests (five minute time limit)

[20-047](#) Special Report: Planning Director Amy Ainslie - Municipal Land at 4951 Halibut Point Road, A Portion of Lot 1 USS 3670
Attachments: [4951 Halibut Point Road Special Report](#)

VII. 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.

VIII. REPORTS

a. Mayor, b. Administrator, c. Attorney, d. Liaison Representatives, e. Clerk, f. Other

IX. CONSENT AGENDA

All matters under Item IX Consent Agenda are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

- A** [20-048](#) Approve the minutes of the February 6 and February 11 Assembly meetings
Attachments: [Consent and Minutes](#)
- B** [20-049](#) Approve a liquor license renewal application for Dove Island Lodge & Sitka Sportfishing Charters, LLC dba Dove Island Lodge at Dove Island
Attachments: [Motion and Memos](#)
[01152020 LGB Notice - City of Sitka Borough of Sitka](#)
[5126 Complete Renewal Application](#)

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

- C** [20-050](#) Appoint 1) Justin Mullenix to a three-year term on the Local Emergency Planning Committee under Category 4 (Community Groups), and, 2) Joel Hanson to a three year-term on the Local Emergency Planning Committee under Category 6 (Members of the Public)
Attachments: [Motion Appointments](#)
[Mullenix Application](#)
[Hanson Application](#)
[LEPC Roster.](#)

XI. UNFINISHED BUSINESS:

- D** [ORD 20-02S\(A\)](#) Amending Title 6 “Business Licenses And Regulations”, Title 19 “Building and Construction”, and Title 22 “Zoning” of the Sitka General Code by modifying Chapter 6.12 “Mobile and Manufactured Homes and Mobile and Manufactured Home Parks”, Chapter 19.09 “Residential Code”, Chapter 22.08 “Definitions”, Chapter 22.16 “District Regulations”, Chapter 22.24 “Special Use Permits” and adding Sections 6.12.205 “Construction Requirements For Tiny Houses and Tiny Houses On Chassis”, Section 22.08.798 “Tiny House”, and Section 22.08.799 “Tiny Houses On Chassis” (1st reading)

Attachments: [Motion Ord 2020-02S\(A\)](#)

[Ord 2020-02S\(A\)](#)

[00 supplemental memo - transmittal amended ordinance- 4Feb20](#)

[excerpt from Planning Commission draft minutes 15Jan20](#)

[FAQs](#)

[01 21Jan20 transmittal memo tiny houses -brylinsky to assembly](#)

[02 2030 Comp Plan excerpt](#)

[03 2030 Technical Plan excerpt](#)

[04 Assembly Action Plan -Tiny Homes](#)

[05 SEDA 2016 Strategic Plan excerpt](#)

[06 Excerpt from minutes of 18Dec19 PandZ meeting](#)

[07 11Dec19 StaffReport to commission ZA 19-06](#)

[08 8Jan20 update memo to commission](#)

[09 2018 IRC Appendix Q-Tiny Houses](#)

[10 Written Public Comment](#)

- E** [ORD 20-04](#) Making supplemental appropriations for Fiscal Year 2020 (Pet Adoption Fund / GPIP Dock Expense / Permanent Fund Fees)

Attachments: [Motion Ord 2020-04](#)

[Memo and Ord 2020-04](#)

- F** [ORD 20-05](#) Amending appropriations for Fiscal Year 2020 (Removing Subsidies for Harbor / School Bond Debt)

Attachments: [Motion Ord 2020-05](#)

[Memo and Ord 2020-05](#)

XII. NEW BUSINESS:

- G** [20-051](#) Award the 2020 / 2021 Cruise Ship Passenger Transit Service contract to Halibut Point Marine Services
Attachments: [Motion and Memo Transit Contract](#)
- H** [RES 20-03](#) Declaring a climate emergency and mobilization effort to adapt to a changing climate
Attachments: [Motion and Res 2020-03](#)
[AFN Annual Convention Resolution 2019-56](#)
[Sitka Fish and Game Advisory Committee resolution 2019-1 Climate Emergency](#)
- I** [RES 20-02](#) Increasing cruise ship tender fees, implementing cruise ship security fees, and increasing float plane tenant rate
Attachments: [Motion Memo and Res 2020-02](#)
[Port and Harbor Commission draft minutes January 8, 2020](#)
[SGC 13.06.010](#)
- J** [20-052](#) Approve reallocating existing Electric Department capital project appropriations to supplement the “Green Lake Power Plant 40 Year Overhaul Phase 1 of 3” project by \$1,519,605.30
Attachments: [Motion and Memo Reallocation for Green Lake](#)
- K** [RES 20-04](#) Authorizing the Municipal Administrator to apply for and execute a loan with the U.S. Department Of Agriculture Rural Development for \$3,000,000 to fund the Sitka Green Lake Hydroelectric Rehabilitation Phase 1 Project (“The Project”) for the completion of the design and construction of the project in accordance with the FY2021 budget
Attachments: [Motion Memo and Res 2020-04](#)

XIII. PERSONS TO BE HEARD:

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

XIV. EXECUTIVE SESSION

- L** [20-054](#) Subjects that tend to prejudice reputation and character / Grievance over misrepresentation of Resolution 2019-26 (Roadless Rule) document submitted
Attachments: [Motion Executive Session](#)

XV. 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. Assembly meetings are aired live on KCAW FM 104.7 and via video streaming from the City's website. To receive Assembly agenda notifications, sign up with GovDelivery on the City website.

*Sara Peterson, MMC, Municipal Clerk
Publish: February 21*



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 20-055 **Version:** 1 **Name:**

Type: Item **Status:** AGENDA READY

File created: 2/20/2020 **In control:** City and Borough Assembly

On agenda: 2/25/2020 **Final action:**

Title: Greater Sitka Chamber of Commerce / Visit Sitka

Sponsors:

Indexes:

Code sections:

Attachments: [Visit Sitka FY21 Supplemental Budget Narrative 2020.02](#)
[CVS FY21 Budget Expenditures 2020.02.19](#)

Date	Ver.	Action By	Action	Result
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SUPPLEMENTAL BUDGET

FY21

Introduction

The Greater Sitka Chamber of Commerce is currently in contract with the City of Sitka to provide Convention & Visitor Services (initial contract began Oct. 15; current contract began Jan. 1, 2019). The Sitka Chamber as Visit Sitka provided the 3-year Strategic Marketing Plan 2019-2021 and Annual Marketing Workplan FY19/20 to the Assembly in a work-session on Jan. 8, 2019.

Exhibit B CVS Contract: "The annual contract amount shall be a minimum of \$300,000. Annual budget to be determined by the Sitka Assembly following an annual work session, with first payment in next fiscal year. If the contribution is increased by Assembly action, the annual contract amount will be adjusted accordingly. The Contractor is encouraged to request additional funding for specific projects above and beyond those included in this contract, pursuant to approval by the Assembly."

The Sitka Chamber has prepared a base budget and supplemental budget based on the needs of the marketing program in order to match previous years' service levels and continue to grow the visitor industry in Sitka. The supplemental budget is for the FY21 full fiscal year. Examples of investments have been detailed in the following narratives and will be presented at a work session of the Assembly on February 25, 2020.

Highlights

Tourism accounts for 18% of SE AK's jobs, \$793 million in tourist spending,

Sitka will see a **46% increase** in cruise traffic from 2018 to 2020 (23% increase statewide)

15% of all cruise passengers visit Sitka

90% of visitors to Southeast are cruisers, 8% arrive via air, & 2% arrive via ferry

Sitka was selected to host the 2021 Alaska Travel Industry Association Convention

Cruise Critic selected Sitka as Top 5 Alaska Cruise Destination (4th year)

Transient Lodging Tax shows a slight increase for FY18 to FY19, with receipts of \$553,910.71 for FY19

FY21-Q1-Q4

Base \$300,000 Supplemental \$200,200

FY20 funding level \$500,200

FY21 total request \$500,200

Promotion

Cruise/Yacht

FY21: \$18,500

Creating and maintaining relationships with cruise line partners is key to growing cruise market share. With the vast distance between the cruise company home offices and Alaska it is key to attend events that give face to face contact with cruise line executives, and those who sell cruises. There are three key opportunities for 2021. At Seatrade Cruise Global in Miami, Florida, Visit Sitka will be one of the 8 Premium Sponsor ports represented with a separate podium and strong presence among ports in the “North to Alaska” Booth. A premium placement gets us in front of the cruise industry market and allows us to connect with the more than 70 cruise lines and 11,000 professionals who are anticipated to attend the cruise industry’s premier promotion and networking event. At the Holland America Line Alaska Cruise & Travel Shows in Seattle and Vancouver, Visit Sitka connects with the “triangle” of cruise line executives, cruise sellers and consumers. Relationship building is also very important with professionals that sell cruises and continued participation in the American Society of Travel Advisors Global Conference will keep Sitka top of mind, as 80% of cruise travel is booked through travel professionals.

Visit Sitka will continue to increase engagement with the yacht market including a membership with the US Superyacht Association. One of the best places to reach out to yacht owners and operators is the Seattle Boat Show and Visit Sitka will attend to increase awareness of Sitka. Visit Sitka will create a welcome packet to be distributed through the Yacht Services of Alaska and the Sitka Harbormasters office.

Meetings & Conventions

FY21: \$30,550

Relationship building and face-to-face interactions with decisionmakers is essential to building our Meeting & Convention business in Sitka. Visit Sitka has identified incentive travel and C-suite retreats as the best fit for Sitka’s strengths and location along with in-state trade, government and school travel. Projects to complement this strategy include travel to business-to-business (B2B) meeting planner events, expanding website to encompass more information and tools, brand aligned Meeting & Convention booth design and promotional items for both hosted events and travel. Promotional items are especially important for our emphasis on enhancing visitor experience and taking advantage of word-of-mouth marketing which research still shows is the number one driver of travel. A Sitka Fellow will be engaged to specifically focus on developing the programs needed to create more meeting interest. (See Special Project section below for details.)

*Special Project for 2021: Sitka is the host community for the 2021 Alaska Travel Industry Association (ATIA) Annual Convention & Trade Show. The requirements for this include a hosted community night reception for 400 people, a sponsoring community welcome session, AV support, transportation, and onsite logistical support. In anticipation of these events there will be hosted site visits, preparatory meetings and advance collateral creation.

Tourism

FY21: \$27,000

It is important to continue marketing Sitka as a destination for fully independent travelers, cruise travelers, sports fishers, international & domestic tour operators, airlines, other travel, friends and family. Attendance at consumer travel shows continues to be a great way to increase consumer awareness of Sitka's uniqueness as a destination. Visit Sitka will attend at least two direct to consumer shows, focusing on west coast locations with easy flight access to Sitka, including the Los Angeles and San Francisco Bay Area Adventure & Travel Shows. Attendance at a travel-trade shows to reach ready-to-buy travelers for leisure and destination fishing increasing overnight stays in Sitka. As a more and more international visitors see Alaska as an accessible destination, Sitka also needs to begin reaching into the international visitor markets. The best opportunity to do this is IPW International, a national showcase of America, where U.S. travel exhibitors connect with travel buyers and media from more than 70 countries to promote their product, negotiate future business and build relationships. Visit Sitka's participation in the Alaska Travel Industry Association annual conference gives the team access to hundreds of travel industry professionals, advocates, and vendors for Alaska's Tourism Industry.

Media, Partnerships & Cooperative Marketing

FY21: \$10,000

Media outreach & Public Relations amplifies our message beyond our own fiscal constraints. Partnerships with media help us maintain control over the message of Sitka especially specific issues including ferry services, air travel, etc. Media relationships are built over time, so it is important to keep the message of Sitka in front of as many media outlets as possible. To accomplish this Visit Sitka will represent Sitka at two Alaska Media Roadshows – on the west coast at Las Vegas and on the east coast in New York City. The Roadshows are a day of face-to-face meetings with the most influential travel media in the United States to increase editorial coverage of Sitka. Visit Sitka also hosts visiting travel writers in Sitka through out the year. Last year Visit Sitka hosted 10 journalists, which included hotel nights, guided tours, meals in local restaurants and logistical support. Many more media members were supported via telephone and email. Visit Sitka will continue to open it's doors to all media and journalists to continue the message of Sitka as a unique destination.

Co-op marketing opportunities allow Sitka to buy-up into larger advertising markets and return more value for our spend. Example of program: Arrange at least 2 influencer trips to Sitka in order to develop compelling content and distribute this content to large numbers of individuals from strategically identified audiences.

Advertising

Digital

FY21: \$7,000

Digital marketing spans content creation, social media marketing (video & image creation, paid promotion and ads) including online advertising with search & display ads plus email marketing. Precise targeting of sponsored content on the web gives Visit Sitka the ability to quickly respond to changes in market conditions and other data. This will also give us access to the mobile phone market where a multitude of leisure travelers continue to use their mobile phones to plan their adventures. 96% of leisure travelers own or still regularly use a mobile phone and the use of mobile phones in trip planning before leaving home has nearly tripled in the past 3 years.

Print

FY21: \$3,700

In general print vs. digital is a more expensive buy and we plan to focus on partners who can help reach audiences that are ready to travel and in planning stages. Print presents ROI challenges, as it is often difficult to track the audience. Though print can have a long shelf life depending on the publication. Visit Sitka will continue to search out the best publications for our potential visitors, including Seattle Magazine.

Social Media

FY21: \$29,500

With 95 million photos and videos shared every day on just Instagram we continue to see the tremendous growth in this segment. Social media allows us to reach ever new audiences, improve customer service with real-time feedback, gain market share and increase brand awareness for relatively low cost compared to traditional outlets. It also establishes Visit Sitka as the expert for both visitors and partners. Social media marketing includes video & image creation, paid promotion and ads and platform management. For increased engagement Visit Sitka will create a more programming including producing Instagram stories, short-form video, instructional videos- to enhance visitor experience, enhanced Pinterest boards, and “Insta-take overs” with partners to share messages and audiences.

Branded Content

FY21: \$6,950

Branded content is content that does not involve traditional advertising. It can include articles, videos, podcasts and even live elements that bring relevant value to the consumer. It is not advertising in the way most people think of advertising (commercials, banner ads, social media ads, etc...). Branded content can work better than traditional advertising because it feels organic and authentic rather than ads that are in our face. When a consumer watches branded content, their brand recall is up to 59% higher than it is with display ads.

Visit Sitka continues to need development support for branded collateral due to the recent investment in a new website and expansion into social media. Sitka needs the “message” of our community to be consistent. This includes expanding our video library and updating walking and hiking maps.

Branded Collateral/Infrastructure

FY21: \$9,650

Infrastructure projects help visitors and locals find the resources they need to fully experience Sitka. To continue to give excellent service Visit Sitka will add much needed resource equipment at visitor information locations, and update signage, and to encourage visitation to local eateries will install menu stands in high traffic areas.

Visitors' Guide

FY21: \$32,750

2020-21 Magazine-style Visitors' Guide circulation will be 20,000 printed guides and will feature branded editorial content to ad ratio, featuring full-page visuals and content segmented to reflect the interests of the high potential target audiences. Visit Sitka sends a small percentage of magazines to visitor centers across the state, to increase awareness and interest in Sitka. These magazines will be directly shipped from the printer to save on shipping costs. There will also be an interactive digital on-line version that will include video inserts, scrolling photo galleries and direct to website links.

Tourism Business Training & Events

FY21: \$2,000

Visit Sitka is dedicated to not only the visitor experience but enhancing the overall tourism experience in Sitka. To reach this goal Visit Sitka continues to develop training and experiential events for locals and tourism businesses. This includes the Sitka Summer Expo, where locals are encouraged to learn about Sitka's tourism industry; Alaska Host trainings, Convention & Visitor Service meetings and a new monthly Visit Sitka monthly informational newsletter.

VisitSitka.org Website

Website Development

FY21: \$10,000

Visit Sitka engages visitors to inspire their travel choices and one of our most important platforms to accomplish this is our website. Destination Marketing Organization websites are trusted and value resources for travel planning. Visitsitka.org had over 100,00 visitors during CY19. In order to keep our website "live" and relevant for visitors, locals and search engines, fresh content and updating is critical. Frequently added content such as a blog, images, updated vendor descriptions or article postings mean more engagement, better rankings, lower bounce rate.

To keep content fresh and relevant examples of projects include to building out a yacht services section, creating a travel trade section with a tool kit to better sell Sitka, providing more content on the destination weddings page, creating digital niche guides for specialty travel groups and expanding the Sitka blog, and updating our tourism business images with professional or targeted photography.



Website Maintenance

FY21: \$5,900

In order for the website to maintain functionality it is necessary to invest in maintenance which includes software updates and bug fixes, security scans, minor modifications, and maintaining overall site health.

Special Project

Alaska Fellows Program

FY21: \$20,000

The Alaska Fellows Program, a nine-month postgraduate fellowship program, will place a dynamic recent graduate with Visit Sitka, through Sitka Chamber's non-profit status. The Sitka Winter Fellow would join the team and work on projects that encompass Meeting & Conventions planning, workshops and developing this market further. The Fellow would also work within the tourism and meetings community to coordinate development of expanded programming and training based on partner needs.

FY21 Visit Sitka Comprehensive Budget

Category	Total Budget Required for Program	Base Contract Revenue	% of Budget	Supplemental Budget Revenue	% of Budget
Contract Revenue Income					
City Contract FY20 (FY20 \$500,200)	\$500,200	\$300,000	60.0%	\$200,200	40.0%
Income Total		\$300,000		\$200,200	

ESTIMATED CVS CONTRACT GRAND TOTAL

\$300,000

\$200,200

Category	Total Budget Required for Program	Base Budget Expense	Percentage in Base Budget	Supplemental Budget Expense	% Total Budget
Travel- Trade and Promotion					
Promotion- Cruise/Yacht	\$22,000	\$3,500	15.9%	\$18,500	84.1%
Promotion- Meetings & Conventions	\$32,550	\$2,000	6.1%	\$30,550	93.9%
Promotion- Tourism	\$30,000	\$3,000	10.0%	\$27,000	90.0%
Travel Trade Costs Total		\$8,500	2.8%	\$76,050	
Media, Partnerships & Co-op Marketing					
Editorial/Sponsored Content/PR	\$10,000	\$1,000	10.0%	\$9,000	90.0%
Dues & Partnerships	\$2,500	\$1,500	60.0%	\$1,000	40.0%
SATC Membership	\$5,000	\$5,000	100.0%	\$0	0.0%
Media and Co-op Costs Total		\$7,500	2.5%	\$10,000	

Advertising

Advertising-Digital

Digital Advertising	\$8,000	\$1,000	12.5%	\$7,000	87.5%
Advertising-Digital Subtotal	\$8,000	\$1,000		\$7,000	

Advertising-Print

Ads, Co-op Listings, Narratives	\$3,700	\$0	0.0%	\$3,700	100.0%
Advertising-Print Subtotal	\$3,700	\$0		\$3,700	

Advertising-Social Media

Paid Boosted Posts, Ads	\$10,000	\$0	0.0%	\$10,000	100.0%
Content Development	\$20,000	\$500	2.5%	\$19,500	97.5%
Advertising-Social Media Subtotal	\$30,000	\$500		\$29,500	

Branded Collateral

Branded Collateral Pieces	\$7,000	\$500	7.1%	\$6,650	95.0%
Branded Content Development	\$2,000	\$0	0.0%	\$2,000	100.0%
Branded Infrastructure	\$1,000	\$0	0.0%	\$1,000	100.0%
Printed Collateral Subtotal	\$10,000	\$500		\$9,650	

Sitka Visitor Guide

Printing	\$16,500	\$7,500	45.5%	\$9,000	54.5%
Online Hosting of Digital Magazine	\$1,750	\$1,000	57.1%	\$750	42.9%
Graphic Design/Content Development	\$20,000	\$1,000	5.0%	\$19,000	95.0%
Photo Usage	\$2,000	\$1,000	50.0%	\$1,000	50.0%
Shipping	\$15,000	\$12,000	80.0%	\$3,000	20.0%
Sitka Visitor Guide Subtotal	\$55,250	\$22,500		\$32,750	

Advertising Costs Total	\$106,950	\$24,500	8.2%	\$82,600	
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Website

Website Development	\$11,000	\$0	0.0%	\$11,000	100.0%
Website Maintenance	\$9,000	\$3,100	34.4%	\$5,900	65.6%

Website Costs Total	\$20,000	\$3,100	1.0%	\$16,900	
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Category	Total Budget Required for Program	Base Budget Expense	Percentage in Base Budget	Supplemental Budget Expense	% Total Budget
Tourism Business Training and Events					
Tourism Business Training	\$1,000	\$500	50.0%	\$500	50.0%
Tourism Business Events	\$2,000	\$500	25.0%	\$1,500	75.0%
Partner Training & Event Costs Total	\$3,000	\$1,000	0.3%	\$2,000	

Operating Expenses					
Accounting Services	\$4,000	\$4,000	100.0%	\$0	0.0%
Professional Services	\$5,000	\$1,000	20.0%	\$0	0.0%
Rent	\$25,200	\$25,200	100.0%	\$0	0.0%
Telephone/Internet	\$5,900	\$5,900	100.0%	\$0	0.0%
Insurance	\$3,800	\$3,800	100.0%	\$0	0.0%
Utilities	\$5,500	\$5,500	100.0%	\$0	0.0%
Office Technology	\$3,500	\$3,500	100.0%	\$0	0.0%
Office Supplies	\$3,500	\$3,500	100.0%	\$0	0.0%
Operating Costs Total	\$56,400	\$52,400	17.5%	\$0	

Administration					
Salaries	\$183,000	\$183,000	100.0%	\$0	0.0%
AK Fellow (Meetings & Conventions)	\$7,650	\$0	0.0%	\$7,650	100.0%
Payroll Tax	\$15,000	\$15,000	100.0%	\$0	0.0%
Professional Development/Training	\$10,000	\$5,000	50.0%	\$5,000	50.0%
Administration Costs Total	\$215,650	\$203,000	67.7%	\$12,650	

ESTIMATED EXPENSE GRAND TOTAL	\$300,000	\$200,200
ESTIMATED CVS CONTRACT REVENUE TOTAL	\$300,000	\$200,200
ESTIMATED VISIT SITKA EXPENSE TOTAL	\$300,000	\$200,200
ESTIMATED VISIT SITKA Contract Profit (Loss)	\$0	\$0



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 20-056 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 2/21/2020 In control: City and Borough Assembly

On agenda: 2/25/2020 Final action:

Title: Reminders, Calendars, and General Correspondence

Sponsors:

Indexes:

Code sections:

Attachments: [Reminders and Calendars](#)
[Heritage & Cultural Tourism Conference Program Agenda](#)
[Correspondence from David Kensinger](#)
[BlankRome Activity Report](#)
[First Quarter FY2020 Financial Reporting Package reduced size](#)

Date	Ver.	Action By	Action	Result
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REMINDERS

<u>DATE</u>	<u>EVENT</u>	<u>TIME</u>
Tuesday, February 25	Work Session <i>Chamber / Visit Sitka</i>	5:00 PM
Tuesday, February 25	Regular Meeting	6:00 PM
Saturday, February 29	Training <i>Open Meetings Act and Parliamentary Procedure</i>	9:00 AM
Thursday, March 5	Budget Meeting	6:00 PM



Assembly Calendar

2019 Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec 2021

February 2020

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
26 <u>Jan</u>	27	28	29	30	31	1 <u>Feb</u>
Knox Eisenbeisz	Knox Eisenbeisz	Eisenbeisz 5:00pm Work Session: CAFR / Audit 6:00pm Regular Assembly Mtg	Eisenbeisz	Eisenbeisz 6:00pm Joint Work Session with GPIP Board: Marine Haulout	Eisenbeisz	
2	3	4	5	6	7	8
			6:00pm Library Commission - Liaison Christianson 6:00pm School Board - Liaison Mosher 7:00pm Planning Commission - Liaison Mosher	6:00pm Special Budget Meeting		
9	10	11	12	13	14	15
		12:00pm Parks & Recreation - Liaison Knox 5:00pm Work Session: Alaska Remote Sellers Sales Tax Commission 6:00pm Regular Assembly Mtg	5:30pm Tree & Landscape - Liaison Wein 6:00pm Historic Preservation - Liaison Mosher 6:00pm Port & Harbors Commission - Liaison Knox (Christianson attending)	Knox Nelson 12:00pm LEPC - Liaison Nelson 12:00pm SEDA Board - Liaison Paxton 1:30pm Health Needs & Human Services - Liaison Wein	Knox Nelson	Knox Nelson
16	17	18	19	20	21	22
Knox Nelson	Knox Paxton	Paxton	Paxton 6:00pm School Board budget - Liaison Mosher 7:00pm Planning Commission - Liaison Mosher (Wein attending)	Paxton 6:00pm Special Budget Meeting: capital projects / fixed assets	Paxton	Paxton
23	24	25	26	27	28	29 <u>Mar</u>
Paxton		5:00pm Work Session: Chamber / Visit Sitka 6:00pm Regular Assembly Mtg	6:00pm Police and Fire - Liaison Nelson			9:00am - 11:00am Training: Parliamentary Procedure (Harrigan Centennial Hall)

Assembly Calendar

[2019](#)
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March 2020

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1 Mar	2	3	4	5	6	7
			<u>Knox</u> <u>6:00pm</u> <u>Library</u> <u>Commission -</u> <u>Liaison</u> <u>Christianson</u> <u>6:00pm School</u> <u>Board -</u> <u>Liaison</u> <u>Mosher</u> <u>7:00pm</u> <u>Planning</u> <u>Commission -</u> <u>Liaison</u> <u>Mosher (Wein</u> <u>attending)</u>	<u>Knox</u> <u>6:00pm Special</u> <u>Budget</u> <u>Meeting:</u> <u>General Fund</u>	<u>Knox</u>	<u>Knox</u>
8	9	10	11	12	13	14
<u>Knox</u>	<u>Knox</u>	<u>12:00pm Parks</u> <u>& Recreation -</u> <u>Liaison Knox</u> <u>6:00pm</u> <u>Regular</u> <u>Assembly Mtg</u>	<u>Nelson</u> <u>5:30pm Tree &</u> <u>Landscape -</u> <u>Liaison Wein</u> <u>6:00pm</u> <u>Historic</u> <u>Preservation -</u> <u>Liaison</u> <u>Mosher</u> <u>6:00pm Port &</u> <u>Harbors</u> <u>Commission -</u> <u>Liaison Knox</u>	<u>Nelson</u> <u>12:00pm LEPC</u> <u>- Liaison</u> <u>Nelson</u> <u>1:30pm Health</u> <u>Needs &</u> <u>Human</u> <u>Services -</u> <u>Liaison Wein</u>	<u>Nelson</u>	<u>Nelson</u>
15	16	17	18	19	20	21
<u>Nelson</u>	<u>Nelson</u>	<u>Nelson</u>	<u>Nelson</u>	<u>Nelson</u> <u>6:00pm Special</u> <u>Budget</u> <u>Meeting:</u> <u>Enterprise /</u> <u>Internal</u> <u>Service Funds</u>	<u>Nelson</u>	<u>Nelson</u>
22	23	24	25	26	27	28
<u>Nelson</u>	<u>Nelson</u>	<u>Nelson</u> <u>6:00pm</u> <u>Regular</u> <u>Assembly Mtg</u>	<u>Nelson</u> <u>6:00pm Police</u> <u>and Fire -</u> <u>Liaison Nelson</u>	<u>Nelson</u>	<u>Nelson</u>	<u>Nelson</u>
29	30	31	1 Apr	2	3	4
<u>Nelson</u>	<u>Nelson</u> <u>6:00pm School</u> <u>Board budget</u> <u>work session -</u>	<u>Nelson</u>	<u>6:00pm</u> <u>Library</u> <u>Commission -</u> <u>Liaison</u> <u>Christianson</u>	<u>6:00pm Special</u> <u>Budget</u> <u>Meeting: all</u> <u>funds and final</u> <u>changes</u>		



HERITAGE & CULTURAL TOURISM CONFERENCE

April 7-9, 2020 | Sitka, Alaska

Program Agenda at a Glance

Tuesday, April 7

8:00a-9:00a Registration and Continental
Breakfast at Harrigan Centennial Hall

Opening Welcome

Keynote Address

Understanding the Cultural and Heritage
Traveler

Interpreting Native Culture

The Power of Cultural Heritage – Museum
Perspective

Alaska Cultural Tourism Industry Trends

Assessing your Community for Cultural &
Heritage Tourism Development

Presenters Break Out

Cultural Exchange Evening Event

Wednesday, April 8

8:00a-8:30a Networking Continental
Breakfast at Harrigan Centennial Hall

Keynote General Session

How to work with the Media and Travel
Writers

Bridging Nature-Based and Cultural Tourism

Cultural and Heritage Tourism Best Practices
– Do's and Don'ts

Tribes Enhancing Visitor Experience: Best
Practice and Challenges working with Na-
tional Parks

General Session-Funding Opportunities for
your Tourism Project

Working with Tour Operators/Cruise Line
Expectations and Process for Contracting

Presenters Breakout

Mobile Workshop: Alaska Raptor Center
and Sitka National Historical Park Tour

Thursday, April 9

8:00a-8:30a Networking Continental
Breakfast at Harrigan Centennial Hall

Mobile Workshop 2: Fortress of the Bear and
Sheldon Jackson Museum

Cultural Host and Customer Service
Certification – Part 1 of 2

or

Business Readiness -Marketing

Business Readiness- Social Media

Cultural Host and Customer Service
Certification – Part 2 of 2

or

Business Readiness -Packaging and Pricing
your Tourism Product

3:00-5:30p Closing Reception and Wildlife
Cruise- Sponsored by Allen Marine

UPDATES will be added regularly.
Subject to Change • Last updated 2/12/20

Learn more: facebook.com/tourismConference • Email: reservations@sitkatriben-sn.gov, or call (907) 747-7290

Harrigan Centennial Hall, 303 Harbor Drive, Sitka, AK 99835 • Registration: www.cognitofrms.com/SitkaTribeOfAlaska/HCTCRegistration



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Mayor Paxton and Assembly Members

From: Hugh Bevan, Interim Municipal Administrator *HB 2-13-20*

Date: February 13, 2020

Subject: AMHS Ferry System
Ideas from David Kensinger
Owner of Chelan Produce

Mr. Kensinger has been using the ferry system for many years as the transportation system for his business – Chelan Produce.

He is also a leader within SE Conference and the advisory Marine Transportation Advisory Board.

Attached are some his thoughts on the ferry system that I believe the Assembly will find interesting.

2-13-20

Ferry System Ideas by Dave Kensington

How to build a new AMHS owner of Chelan Produce.

- We currently have a system of 747's when we need a system of 700's.

Alaska Airlines could fly a couple of 747's into Juneau a week to cover what the traffic demands.... but it makes a lot more sense to have numerous smaller planes providing a craft that meets the demand. Of course, if AMHS was operating the one weekly northbound and southbound it would leave during the middle of the night.

All advanced nations (with exception of Washington State Ferries) surplus their vessels at the 25 to 30-year life cycle due to the high cost of refurbishing and crew cost. Simply put, modern vessels are constructed with labor and operational savings. Older vessels are very expensive to rebuild at a midlife age and they have the highest resale value on international markets to third world nations at mid-life.

- Labor contracts follow the vessels

The current system has a Byzantium labor process that is cumbersome to implement and does not work well for any of the parties.

WHAT I PROPOSE IS A COMPLETE REBUILT OF THE CURRENT FLEET.

- A fleet of small inexpensive vessels that travel on point to point routes versus the current system of 24/7 mainliners.
- Southeast and Southwest Alaska can be divided into day boat routes. Nearly all routes will require the vessels to travel from point A to B with the crew staying overnight at commercially provided accommodations. The crew returns the next day to their starting or home port. It is important that these vessels be 18 knots with a reserve capability of 20 knots. They should carry no more than 125 passengers and 400 lane feet of traffic (the current carrying capacity of the

FVF's). Ideally, they would be crewed with no more than 7 except on certain routes where night time cleaning and maintenance cannot be accomplished in a twelve-hour day.

- This system provides flexible daily service to most ports in Southeast and Southwest Alaska. It enables managers to switch to every other day cycle during slow or vessel haul out periods. The cost of running the entire system would be less for a week of operation than a week of the Columbia or Kennecott operation.
- The cost of building a 10-vessel fleet (this includes a reserve vessel) would be less than constructing one new replacement mainliner (approx. 450 million dollars).

CONS

- All traffic must overnight making it difficult to transit the system to a roadhead. Instead of staying on board in a stateroom or deck chair, passengers would be overnighing in communities. If someone in Juneau wanted to travel to Prince Rupert, they would overnight in Petersburg and Ketchikan. It would add about 12 hours to the travel time.
- Crews would have to live in the homeports of each vessel. Crews would have to eat most meals and sleep onshore.

PROS

- All traffic including crews will be sleeping ashore. This switches from a state-run hotel to private enterprise. This will be a big boost to overnight communities.
- Daily fast consistently scheduled service will boost the use of the system. By the time the system is built out.... traffic will increase to the point that operating subsidies will be minimal.
- The system is scalable.... need more service, increase frequency.... low ridership periods....run every other day versus daily.

- A system of local ferries that are identical will not need the large bureaucracy that is currently necessary for the current system.

This is just a short explanation. I have a lot more detailed information about how it would all work if desired. We can have a marine highway that will provide expanded service at substantially less cost.

David Kensinger
chelanproduce@gmail.com
907.209.7403

POINT TO POINT BY ROUTE

SOUTHEAST ALASKA BOROUGH ROUTE SYSTEM

- 5 ROUTES
- ALL POINT TO POINT (DAY BOATS)
- ALL IDENTICAL VESSELS
- 125 PASSENGERS CAPACITY
- 400 LANE FEET (20 LARGE PICKUP TRUCKS) OR ANY COMBINATION OF VANS TRUCKS CARS
- 18 KNOT OPERATION

ROUTE 1 KETCHIKAN/PRINCE RUPERT/KETCHIKAN

I would propose two things different than the current AMHS approach. One, I would contract with the city or port of Prince Rupert to provide a dock that would accommodate overnight berthing. Two, customs would be in Ketchikan, bringing the jobs and eliminating the expense of providing armed escorts in Prince Rupert. The current setup is like many things AMHS, an artifact of the past. Where else in the world do you clear US customs in a foreign country.

ROUTE 2 KETCHIKAN/WRANGELL/SOUTH MITKOF/WRANGELL/KETCHIKAN

This route would come into the abandoned South Mitkof Island terminal. A bus would be required to transport passengers without vehicles to Petersburg. Ideally this bus (which like the ferries can be purchased with Federal dollars) could be contracted to private parties to operate. Also, it would make sense to include the cost of the transportation in the ticket price.

ROUTE 3 PETERSBURG/JUNEAU/PETERSBURG

This route could possibly be completed by the vessel returning to its home port. It would require a new terminal (remember these are small vessels with a maximum of 20 vehicles) south of downtown Juneau. The state owns property south of town that would accommodate this terminal.

ROUTE 4 AUKE BAY/SITKA/AUKE BAY

Since the inception of the system, servicing Sitka has been a challenge. While Sergus tidal restriction would impact a consistent schedule, it impact would only shift departure or arrival times by 2 hours. The size and the reserve power of the vessel would enable it to safely transit Sergus at most points of the tide.

ROUTE 5 LYNN CANAL

Many options depending on the terminal location. Cascade Point would provide the cheapest fastest terminal location. Like Mitkof Island a bus would be necessary to provide transportation between downtown Juneau and the South end terminal.

This system of routes should be able to operate close the fare box. Additional village routes could be incorporated but would require additional subsidies. If the state does continue a limited mainline service in the future to Bellingham, customers would be able to transit the entire system without the overnight stays that the Borough road system would require.

HB 2-13-20

January/February Activity Report

ADEC Call---And scheduling a conference call with CBS

- 1). Christine was positive in her general approach—she said, more than once during the call, words to the effect that the “State does not seek to take action based on an event that has occurred and may never occur.” IN our notes this is a reference to ADEC not requiring (under EPA rules delegated to the State) CBS to go to a filtration system for all of Blue Lake since CBS has not had a 6th turbidity event (more than 5) in 10 years. This was good news from our perspective. We think it makes sense to ask ADEC for the number and specific dates of turbidity events it has in their record system for CBS.
- 2). Christine said that “ADEC does not have the authority to reset the clock on counting the turbidity events, or to waive prior events---but this implies at least the EPA may have that authority. If you agree, we suggest asking EPA if they have that authority to waiver or restart the count on turbidity events, especially given Blue Lake’s unique circumstance and the likelihood that the lake will “settle back down.”
- 3). She also said ADEC’s view is that CBS is proceeding in good faith towards a secondary filtration system (under SRF Program) for times when Blue Lake penstock is down for FERC inspection, or possibly other reasons, and that there was no push at ADEC at this point to require more from CBS than what is being pursued.
- 4). We should schedule a call soon (this week or next to decide on specific project requests to the AK Delegation per the info below).

TIFIA Loan (EPA)

Per the last e-mail exchange with TIFIA’s Kevin McDonald (provided previously) the **Bottom line is: TIFIA will be happy to assist CBS if the SRF \$18 mil project proves insufficient for any reason).**

Port Infrastructure Development Grants

Attached is a letter we requested from the Alaska Congressional Delegation to Secretary of Transportation Elaine Chao (along with the City and Borough of Juneau and other AK Ports). We sent this to you previously for your information, but it is included again here because there is a good chance the USDOT will agree to the Delegation’s request in which case CBS would very likely be eligible for a Port grant and may want to submit an application once we know the operative dates.

Bond Debt Refinancing

While not necessarily related to a particular federal program, another area of potential assistance for CBS is in the area of exiting Bond Debt Refinancing. For this we need the green light to explore the subject, perhaps without any initial additional "legal costs" to CBS, with Blank Rome LLP lawyers and CBS Bond Counsel. We will try to determine whether there is a pathway to meaningful refinancing and, if not, what the impediments are and whether those impediments can be removed or overcome.

↳ Directed Blank Rome to proceed
2-13-20

BLANKROME

Government Relations LLC

Report answering Mayor's Questions --- This detailed memo about the 4 areas of federal assistance discussed during my visit with the Assembly was sent previously, on . We should schedule a conference call this week or next as follow up to that memo because deadlines for project requests are coming up for FY '21 Appropriations, WRDA and NDAA requests)

Attache ✓

Hugh Bevan

From: Gary Paxton (Assembly)
Sent: Monday, February 3, 2020 9:55 AM
To: Hugh Bevan
Subject: Re: Mayor Paxton Question

Noted

Gary Paxton
Mayor, City of Sitka

On Feb 2, 2020, at 9:46 AM, Hugh Bevan <hugh.bevan@cityofsitka.org> wrote:

Gary,
A Blankrome response to your questions.

Hugh

From: Zane, C. J. <Zane-CJ@blankrome.com>
Sent: Friday, January 31, 2020 1:32 PM
To: Hugh Bevan <hugh.bevan@cityofsitka.org>
Cc: Cowan, Genevieve <GCowan@BlankRome.com>; Ellison, Jennifer <JEllison@blankrome.com>
Subject: Mayor Paxton Question

Hugh, per our earlier e-mails, here is some information you can relay to the Mayor relative to his recent email. We should get on the phone next week to discuss this and move forward with priorities.

The four categories of federal assistance, and the reference to Bond Debt Refinancing, that I talked about during my presentation to the Assembly are as follows:

- 1) **Direct Appropriations:** Currently, it is no longer possible to get "earmarked" project funding that is specific to a particular state and/or location included in Congressional appropriations bills. However, it is possible for the AK Delegation, in some cases, to add funding or to hold funding steady for important and relevant program line items in the appropriations bills. For instance, the Delegation can seek to increase funding, or to prevent a decrease of funds, for Port Infrastructure grants or for "Build Grants" (previously "TIGER" grants). It is also possible for the Delegation to seek direct funding for the Denali Commission – not considered an "earmark" because the Commission is a federal agency - whereby the direction for use of the funds is understood, i.e. for a need in Sitka.
We will need to have a call to identify specific appropriations requests CBS wants BRGR to submit to the AK Congressional Delegation on your behalf, these need to be sent to the AK offices before the end of February.
- 2) **Authorizing (Policy) Legislation:** The authorizing, or policy bills, do not directly provide money but they do grant federal agencies the "authority" to spend money for policy objectives and outcomes. Funding is provided in one or more annual Appropriations bills. Examples of such include but are not limited to the following:

- a. **The National Defense Authorization Act (NDAA):** Congress has enacted an NDAA for 58 years in a row and it is very likely they will do so again during 2020 for FY 2021;
- b. **The Water Resources Development Act (WRDA):** This is the Army Corps of Engineers authorizing/policy legislation and a "WRDA '20" bill is expected to move, but may or may not be completed this year. This bill is usually passed every two years, the last in 2018. House members have started taking WRDA requests. [Press release](#) by T&I. More info on [WRDA 20](#);
- c. **Coast Guard Authorization Bill:** The 2019 Coast Guard bill is still pending but nearly completed and Congress will likely begin work on a bill for 2020 sometime in the late Spring or early Summer of this year;
- d. **Energy and Lands Legislation:** Congress will likely move along in the process, but may or may not complete, an Energy Authorizing bill this year as well as a Public Lands bill. The Senate Energy and Natural Resources Committee's Chairwoman Murkowski (R-AK) plans to bring a comprehensive energy package to the floor this year.
- e. **Surface Transportation Reauthorization:** This is also known as the "Highway" bill but it covers funding for much more than roads and includes things like transit (bus and train) highway, intermodal and ports, airports and more. This will probably not be completed in 2020 but significant progress could be made on the legislation this year, especially if agreement can be reached on new ways to fund the Highway and Waterways and Airports trust funds.

We need to identify specific policy outcomes and/or legislative provisions CBS would like to request for any or all of these bills as well as other legislation as it comes along.

- 3) **Grants:** Grant funding is available, almost always on a competitive basis via proposals or applications that CBS would submit to the federal agency offering the grant. There is no guarantee that submitting a request or application for a grant will result in an award, but persistence pays off when seeking and applying for a variety of grants. Examples that we've already helped CBS learn more about include, but are not limited to:

- a. **Department of Commerce, Economic Development Agency Grants:** These are usually no more than \$3 million but some in the range of \$5 million have been made.
- b. **Build Grants (formerly TIGER Grants):** The BUILD Transportation Discretionary Grant program provides a unique opportunity for the DOT to invest in road, rail, transit and port projects to achieve national objectives.
- c. **Port Infrastructure Development Grants:** With regard to this program, we are working with the Alaska Congressional Delegation to correct an eligibility problem with these grants. Currently they are only available to ports or harbors having a depth of 20' or greater.

- 4) **Federal and Federal/State Loan Programs:** Examples include but are not limited to:

- a. **EPA's Water Infrastructure Financing Innovation Act (WIFIA):** This very low interest and flexible federal loan program may be of use to CBS if a larger and more expensive filtration system is needed at Blue Lake, and/or if CBS has a wastewater project.
- b. **USDA, Rural Utilities Service grant:** This can be used to fund phase one of Green Lake upgrades.
- c. **EPA delegates its authority over water and air issues in Alaska to State DEC (ADEC):** ADEC has a "sister" loan program, called the State Revolving Fund that CBS is utilizing for the approximately \$18 M filtration system.

- 5) **Bond Debt Refinancing:** While not necessarily related to a particular federal program, another area of potential assistance for CBS is in the area of exiting Bond Debt Refinancing. For this we need the green light to explore the subject, perhaps without any initial additional "legal costs" to CBS, with Blank Rome LLP lawyers and CBS Bond Counsel. We will try to determine whether there is a pathway to meaningful refinancing and, if not, what the impediments are and whether those impediments can be removed or overcome.

Bottom Line: We are going to exhaust all legislative avenues readily available to us. That includes determining "asks" - be it policy language or funding - within Appropriations bills, WRDA, Surface Transportation Bill, Grant Applications etc., that would provide relief or an opportunity to fulfill the needs of CBS. Our goal over the next few weeks, as those legislative processes start moving, is to whittle down those requests in concert with CBS to our top few priorities for the FY 21 budget cycle.

C.J. Zane | Managing Principal | Blank Rome Government Relations LLC
1825 Eye Street, NW | Washington, DC 20006
Phone: 202-772-5975 | Fax: 202-772-5858 | Email: Zane-CJ@BlankRome.com

-----Original Message-----

From: Hugh Bevan <hugh.bevan@cityofsitka.org>
Sent: Thursday, January 30, 2020 6:36 PM
To: Zane, C. J. <Zane-CJ@blankrome.com>
Subject: FW: Lobbying

Questions from the Mayor, CJ.
Hugh

-----Original Message-----

From: Gary Paxton (Assembly) <assemblypaxton@cityofsitka.org>
Sent: Thursday, January 30, 2020 2:35 PM
To: Hugh Bevan <hugh.bevan@cityofsitka.org>
Subject: Lobbying

C. J. Mentioned there are four ways to pursue federal assistance, two besides loans were grants and federal legislation. Grant opportunities are few, competitive and usually at the most a few million in scope. On the other hand well crafted, designated federal legislation can have a much larger impact. My question to C. J. 's law firm is what specific actions/opportunities do they see or are they working on in terms of federal legislation to help us with green lake, water filtration plant or other issues. In deference to you being the only one to task them, which I fully agree with, I did not copy c. J.

Gary Paxton
Mayor, City of Sitka

This message and any attachments may contain confidential or privileged information and are only for

City and Borough of Sitka

Quarterly Financial Reporting Package **September 30, 2019**

Results as of September 30, 2019 (All Funds)

City and Borough of Sitka

Quarterly Financial Reporting Package

FY2020 General Fund Budget Execution

September 30, 2019

Original Surplus Per Budget Ordinance:	123,892
Budget Adjustments	<u>(1,117,461)</u>
Budgeted Deficit As Of 9/30	(993,569)
Revenues Thru 9/30	14,483,986
Expenditures Thru 6/30	<u>7,909,703</u>
Surplus Achieved:	6,574,283
Surplus Achieved:	6,574,283
Budgeted Surplus Thru 9/30	<u>5,229,979</u>
Difference From Budget:	1,347,304

City and Borough of Sitka




Quarterly Financial Reporting Package

FY2020 General Fund

Budget Adjustments

Ordinance 2019-29 No-Name Mountain Master Plan	(165,000)
Ordinance 2019-31 Police Department Heat Pump	(23,000)
Ordinance 2019-34 PD Software/Historic Preservation Grants (Revenue Offset \$25,000)	(457,909)
Ordinance 2019-37 Seaplane Base Environmental Assessment	(56,176)
Encumbrances to 2020	<u>(415,376)</u>
Total Net Budget Adjustments	<u>(1,117,461)</u>

City and Borough of Sitka
Quarterly Financial Reporting Package
General Fund Balance
September 30, 2019 versus September 30, 2018

Indicator	Amount	Compared To Last Year	Big Picture 
Assigned (Designated) Fund Balance (Includes balance restricted by SGC and other external restrictions such as E-911, liquidity restriction, emergency response, etc)	9,255,371	9,562,526	
Unassigned and Available Fund Balance (Portion of fund balance not committed for above/other purposes)	12,640,054	10,428,507	Surpluses may be transferred into Infrastructure Sinking Fund, while deficits reduce amount of unassigned fund balance. Fine for now, but need to monitor.
Total General Fund Balance	21,895,425	19,991,033	

City and Borough of Sitka
Quarterly Financial Reporting Package
Fund Net Income and Working Capital
FY2020 Results Through September 30, 2019

<u>Fund</u>	Accrual Basis Net <u>Income / (Loss)</u>	Unspent Working Capital Appropriated For <u>CAPEX</u>	Unappropriated <u>Working Capital</u>	Total <u>Working Capital</u>
Electric Fund	(490,301)	8,345,953	991,103	9,337,056
Water Fund	83,881	1,615,475	1,983,432	3,598,907
Wastewater Fund	174,851	2,825,611	5,322,736	8,148,347
Solid Waste Fund	153,545	822,380	(1,563,620)	(741,240)
Harbor Fund	312,052	11,946,653	5,726,643	17,673,296
Airport Terminal Fund	60,928	4,414,266	797,933	5,212,199
Marine Service Center Fund	41,231	264,245	1,849,093	2,113,338
Gary Paxton Industrial Park Fund	(123,700)	205,792	466,750	672,542
IT Fund	76,522	-	478,819	478,819
Central Garage Fund	177,131	985,355	3,559,608	4,544,963
Building Maintenance Fund	(6,925)	-	1,355,660	1,355,660
CPET Fund	(72,235)	-	497,358	497,358
Permanent Fund	46,583	-	24,082,244	24,082,244

Financial Statements

- You will find attached financial statements for the various significant funds of the City and Borough of Sitka. Information is presented through September 30, 2019.
- Financial reporting is shown in the custom reporting format designed by the Finance Department, which combines significant elements of the income statement, balance sheet, and cash flow statement into one single page report. At times, reporting formats may be amended to better represent the financial health of a fund, however those changes will be noted.

Comments on Net Losses and Working Capital

- Net losses signify that depreciation expense (the decline in value of infrastructure) exceeds revenue and may signify that infrastructure replacement may eventually need to be funded by bonding and higher user fees.
- Negative undesignated working capital signifies that we have more approved spending for infrastructure than we have fund balance to pay for.
- Net Income/and loss includes grant revenue .
- Long-term infrastructure plans have been developed for all major enterprise funds; these plans seek to identify long-term infrastructure needs and determine the correct level of user fees necessary to finance the plan. A long-term capital improvement plan has been developed for the General Fund; however, due to lack of dedicated revenue streams, funding has not been identified to finance the plan.

Definitions of Key Terms

Working Capital - This is essentially what a Fund has to spend. It is defined as current assets less current liabilities, including the current portion of long term debt. Working capital already appropriated for capital expenditures but unspent is called appropriated but unspent working capital; the remainder is unappropriated working capital. The calculation of General Fund working capital also excludes designated amounts for liquidity and emergency response.

Depreciation Expense - This is an estimation of the decline in value of a long lived asset, which is an expense. When a long lived asset is purchased, cash is paid but expense is not recorded; instead, expense is recorded gradually, over the life of the asset, to match its use against revenues earned in the same period. Most importantly, Depreciation Expense **IS NOT** the accumulation of cash to replace an asset; that is called a sinking fund and is part of Working Capital.

Fund Balance – This is the net assets of a fund. It is equal to total assets less liabilities. It is important to note that a Fund Balance is usually only partially in cash; the remainder may be made up of long lived assets, receivables, and other assets. Fund balances for governmental-type funds are classified in one of 5 classifications: non-spendable, restricted, committed, assigned, and unassigned and available. Fund balances for enterprise and internal service funds are classified as either restricted or unrestricted.

Definitions of Key Terms

Net Available Cash – This is equal to cash and investments, less liabilities and restricted or designated fund balances. This is similar to “cash on the barrelhead”.

EBI/EBID – These are accounting terms which measure earnings before certain expenses. EBI is Earnings Before Interest and measures earnings before interest expense. EBID is Earnings Before Interest and Depreciation, and is a rough measure of cash flow from operations.

















Enterprise Fund – A fund which is run, and accounted for, similar to a private business. In such a fund, profit is measured and operations are accounted for on a full accrual basis.

Internal Service Fund - A fund which provides services to other funds. Such funds usually have no external source of revenue. Similar to an enterprise fund, profit is measured and operations are accounted for on a full accrual basis.

**General Fund
Financial Analysis**

As Of, And For the First Fiscal Quarter Ending, September 30, 2019

Key Performance Indicators (KPI) Dashboard

Indicator	Amount	Compared To Last Year	Compared To Plan	Big Picture
Revenue	14,483,986	 Increased by 2.6%	 Met Plan	 General governmental revenue is relatively static, growing very slowly
Appropriated Outlays vs. Actual Outlays (Budgeted for period minus actual expenditures. Indicates spending levels as compared to approved budget (over budget)/under budget)	802,119	 Decreased by \$75K but still under budget	 Under budget	Filling of vacant staff positions decreased extent to which outlays are under budget
Surplus (Shortfall) of Revenues Over Outlays	6,574,283	 Increased	 More surplus than Planned	Greater than planned surplus due to outlays lower than planned and greater than planned sales tax revenue
Capital Expenditure Outlays (The General Fund's depreciable assets decrease in value for FY18 is \$7.4 million (including schools), which could be a benchmark for setting aside funds for future asset replacement)	309,587	 Decreased	 Met Plan	Not enough is being set aside to replace assets in the future if lack of grant funding continues.
Assigned (Designated) Fund Balance (Includes balance restricted by SGC and other external restrictions such as E-911, liquidity restriction, emergency response, etc)	9,255,371	 Increased by 2.6%	 Met Plan	
Unassigned and Available Fund Balance (Portion of fund balance not committed for above/other purposes)	12,640,054	 Increased	 Exceeded Plan	Surpluses may be transferred into Infrastructure Sinking Fund, while deficits reduce amount of unassigned fund balance. Fine for now, but need to watch decline.
Total General Fund Balance	21,895,425	 Increased	 Exceeded Plan	Fund balance increased due to FY2019 surplus

The General Fund's financial performance for FY2020 improved over FY2019 and exceeded planned levels in every metric except for capital expenditure outlays. The General Fund's expenditures were less than budgeted appropriations and revenue was slightly above plan, creating a surplus of \$6,574,283. This surplus was 33.3% lower than the surplus in the 1st Quarter of FY2019, and, also higher than planned. This surplus is due to a combination of higher revenue than last fiscal year, with sales tax receipts \$395K or 8.1% greater than plan; and, outlays that were \$802K or 9.2% less than planned levels.

The large increase in financial position, as reflected in the increase in the unassigned fund balance, should be viewed as temporary, as the General Fund receives a substantial portion of its annual revenue (approximately 45%) in the first fiscal quarter because property taxes are due by September 30th.

The long-term financial view of the General Fund has not substantially changed over the course of the last fiscal year. Accordingly, that view bears repeating again this year, and is repeated as follows:

“Management’s overriding concern for the General Fund continues to be the inadequate size of its unassigned fund balance compared with known deferred maintenance amounts, and, the small amount of the annual surplus when compared to potential future general obligation bond debt service. The condition of general governmental infrastructure (school buildings, streets, city hall, the police station, etc.) continues to deteriorate each year as the facilities age.

School buildings are of particular concern as the State’s school bond debt service reimbursement program no longer exists for new debt for building or repairing schools. In addition, the general fund will have to bear more of the burden of paying for existing school bond debt as the state backs away from its original commitment to reimburse debt service. This is an expense that has not been contemplated beyond the 1% seasonal sales tax that will be insufficient to cover debt service should the state continue to reduce the rate of reimbursement. The youngest school building, Keet Gooshi Heen Elementary School, is 32 years old, having been initially constructed in 1986. The oldest building, Baranof Elementary School, is 64 years old, having been constructed in 1954. The other two major school builds are in between. Albeit, major renovations have taken place over the intervening years, but the buildings are getting old. The Police Department facility has aged to the point of being almost insufficient to meet basic law enforcement needs.

The challenge we face is that there is no sinking fund set aside for major renovation of existing buildings or construction of new ones. The unassigned General Fund balance is all that is currently available. Thus, unless the General Fund balance increases substantially in the near future, or significant grant opportunities arise (which is unlikely as the CBS does not have any staff dedicated to seeking grant funding), the issuance of general obligation bonds for schools and a Police Department facility is the most likely funding source the Municipality will turn to.

Issuance of additional general obligation bonds in the future will be complicated by two aspects: the doubtfulness of school bond debt reimbursement by the State of Alaska, and, the inability to levy additional property taxes necessary to meet additional debt service, due to the Charter property tax cap.

The take-away for the General Fund, and particularly for general governmental infrastructure, is that Sitka's general government and school funding situation will continue to worsen. Unfortunately, there are no easy or painless solutions. The challenges in general government funding can't be solved by expense cutting alone unless municipal services are significantly reduced. "

City and Borough of Sitka
General Fund
Financial Statements
For The Twelve-Month Period From July 1, 2018 to June 30, 2019
(Unaudited)

	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	FY2020 YTD	FY2019 YTD	Variance To FY2019 YTD	FY2020 Plan (S/L - 100.0%)	Variance To FY2020 Plan
Property Taxes	6,714,302	-	-	-	6,714,302	6,687,596	26,706	6,687,360	26,942
Sales Taxes	5,267,181	-	-	-	5,267,181	5,082,865	184,316	4,872,600	394,581
Bed Taxes	-	-	-	-	-	-	-	-	-
State Assistance	497,524	-	-	-	497,524	716,610	(219,086)	480,507	17,017
Federal Assistance	37,301	-	-	-	37,301	36,839	462	41,340	(4,039)
Transfer From Permanent Fund, etc.	547,554	-	-	-	547,554	232,448	315,106	474,625	72,929
Interfund Billings	665,870	-	-	-	665,870	673,862	(7,992)	665,870	0
Other Operating Revenue	754,254	-	-	-	754,254	691,582	62,672	716,500	37,754
	14,483,986	-	-	-	14,483,986	14,121,802	362,184	13,938,802	545,184
Administrator	127,995	-	-	-	127,995	287,486	159,491	261,640	133,645
Attorney	129,112	-	-	-	129,112	105,083	(24,029)	101,338	(27,774)
Clerk	90,160	-	-	-	90,160	98,051	7,891	111,613	21,453
Finance	404,778	-	-	-	404,778	409,940	5,162	463,993	59,215
Assessing	85,716	-	-	-	85,716	87,075	1,359	113,193	27,477
Planning	37,823	-	-	-	37,823	43,945	6,122	72,982	35,159
General/Shared Expenses	422,291	-	-	-	422,291	306,591	(115,700)	301,326	(120,966)
Police	952,421	-	-	-	952,421	1,064,182	111,761	1,166,275	213,854
Fire	529,093	-	-	-	529,093	530,239	1,146	542,618	13,525
Public Works	829,060	-	-	-	829,060	840,073	11,013	1,128,692	299,632
Library	226,012	-	-	-	226,012	217,341	(8,671)	239,635	13,623
Centennial Building	176,519	-	-	-	176,519	136,217	(40,302)	168,902	(7,617)
SR Citizen Center	16,282	-	-	-	16,282	15,962	(320)	22,441	6,159
Contingency	-	-	-	-	-	-	-	-	-
Debt Service	11,258	-	-	-	11,258	11,394	136	11,258	-
School Support	1,724,533	-	-	-	1,724,533	1,744,573	20,040	1,724,533	-
Hospital Support	-	-	-	-	-	-	-	-	-
Fixed Asset Acquisition	-	-	-	-	-	-	-	134,735	134,735
Transfers To Other Funds	2,146,650	-	-	-	2,146,650	3,292,787	1,146,137	2,146,650	-
Total Outlays:	7,909,703	-	-	-	7,909,703	9,190,939	1,281,236	8,711,822	802,119
Surplus/(Shortfall)/Total Revenue	6,574,283	-	-	-	6,574,283	4,930,863	1,643,420	5,226,979	1,347,304
Controllable Costs (Outlays Less Transfers)	4,027,262				4,027,262	4,142,185	114,923	4,694,647	667,385

City and Borough of Sitka
General Fund
Financial Statements
For The Twelve-Month Period From July 1, 2018 to June 30, 2019
(Unaudited)

<u>General Fund Balance</u>					YTD Balance	FY2019 <u>YTD</u>	Variance To <u>FY2019 YTD</u>
Beginning Total General Fund Balance :	15,757,890	21,895,425	21,895,422	21,895,430	15,757,890	15,060,172	697,719
Surplus/(Shortfall) of Revenues Over Outlays:	6,574,283	-	-	-	6,574,283	697,718	5,876,565
Other balance sheet changes:	<u>(436,748)</u>	<u>(3)</u>	<u>7</u>	<u>(1)</u>	<u>(436,745)</u>	<u>1</u>	<u>(436,746)</u>
Ending Total General Fund Balance:	21,895,425	21,895,422	21,895,430	21,895,429	21,895,429	15,757,890	6,137,538
	<u>As of</u>	<u>9/30/2019</u>	<u>12/31/2019</u>	<u>3/31/2020</u>	<u>6/30/2020</u>		
General Fund Balance:							
Total Assets:	24,455,475	20,266,115	17,942,343	17,333,608	17,333,608	21,099,669	(3,766,061)
Total Liabilities:	<u>(2,560,050)</u>	<u>(632,232)</u>	<u>(1,593,374)</u>	<u>(1,575,718)</u>	<u>(1,575,718)</u>	<u>(1,108,636)</u>	<u>(467,082)</u>
General Fund Balance:	21,895,425	19,633,883	16,348,969	15,757,890	15,757,890	19,991,033	(4,233,143)
General Fund Balance Detail:							
Non-Spendable Fund Balance	68,509	-	-	-	68,509	57,679	10,830
Restricted Fund Balance	-	-	-	-	-	-	-
Committed Fund Balance	-	-	-	-	-	-	-
Assigned (Designated) Fund Balance					-		
Advances to Other Funds	100,000	-	-	-	100,000	503,154	(403,154)
911 Surcharges	612,783	-	-	-	612,783	527,614	85,169
SRS Title III	512,663	-	-	-	512,663	512,663	-
Liquidity/Hospital Escrow	5,831,416	-	-	-	5,831,416	5,831,416	-
Emergency Response	2,000,000	-	-	-	2,000,000	2,000,000	-
Encumbrances	130,000	-	-	-	130,000	130,000	-
Unassigned and Available Fund Balance	<u>12,640,054</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,640,054</u>	<u>10,428,507</u>	<u>2,211,547</u>
Total General Fund Balance:	21,895,425	-	-	-	21,895,425	19,991,033	1,904,392

	Contracted & Purchased Services	Interdepartment Services	Total	Starting Cash	New Appropriations	A/R Collections	2019 A/P Paid in 2020	2020 Outlays	Ending Cash
Unspent Capital Project Working Capital Appropriations	Expenses	Expenses	Expenses						
90583 - City State Building Major Maintenance	-	-	-	42,331.96	-	-	-	-	42,331.96
90690 - City/State Troubleshoot Air Control System	-	-	-	16,000.00	-	-	-	-	16,000.00
90692 - Centennial Hall Reconstruction	-	-	-	26,786.51	-	-	-	-	26,786.51
90739 - Sitka Library Expansion	-	-	-	122,404.53	-	-	-	-	122,404.53
90740 - Nelson Logging Road	-	4,747.16	4,747.16	(5,682.35)	-	5,682.35	-	(4,747.16)	(4,747.16)
90741 - Baranof Warm Springs Dock	-	-	-	-	-	-	-	-	-
90789 - Justice Center	-	1,267.76	1,267.76	13,165.34	-	-	(196.00)	(1,267.76)	11,701.58
90790 - East DeGroff St. Utilities and Street Improvement	-	-	-	78,777.28	-	-	-	-	78,777.28
90801 - Lincoln Street (Jeff Davis to Metlakatla)	-	-	-	352,408.18	-	-	-	-	352,408.18
90812 - Storm Drain Improvements	-	-	-	100,000.00	-	-	-	-	100,000.00
90814 - Cross Trail Multi-Modal Pathway Phase 6	-	3,284.84	3,284.84	45,734.79	-	4,791.84	(4,791.84)	(3,284.84)	42,449.95
90820 - Davidoff Storm Sewers	253,940.73	3,537.55	257,478.28	361,804.47	-	-	(12,862.50)	(245,160.75)	103,781.22
90831 - Wayfaring Signage	2,582.40	-	2,582.40	-	-	-	-	(2,582.40)	(2,582.40)
90832 - CAMAS Software	-	-	-	4,000.00	-	-	-	-	4,000.00
90838 - Lincoln St. Paving (Harbor Way to Harbor Drive_	-	1,074.35	1,074.35	1,469,293.23	300,000.00	-	(10,000.00)	(1,074.35)	1,758,218.88
90843 - Lake Street (DeGroff to Arrowhead)Street Improven	-	-	-	-	645,000.00	-	-	-	645,000.00
90844 - Lincoln St Paving (Jeff Davis to Harbor Drive)	-	-	-	730,586.00	434,414.00	-	-	-	1,165,000.00
90855 - Seawalk Part II	-	40.42	40.42	156,895.09	153,060.00	-	-	(40.42)	309,914.67
90859 - Landslide Study Project	-	500.75	500.75	2,153.02	-	-	(272.00)	(500.75)	1,380.27
90861 - Resource Management & GIS Implementation	-	-	-	40,000.00	100,000.00	-	-	-	140,000.00
90866 - City Hall HVAC & Controls Replacement	-	-	-	500,000.00	-	-	-	-	500,000.00
90867 - Police Department RMS	-	-	-	360,000.00	-	-	-	-	360,000.00
90876 - Animal Shelter	-	-	-	56,434.13	-	-	-	-	56,434.13
90877 - Brady and Gavan St Paving	-	-	-	432,236.49	-	-	-	-	432,236.49
90878 - Katlian Ave Paving	-	186.41	186.41	544,416.29	-	-	-	(186.41)	544,229.88
90879 - Seaplane Base Project	7.75	8,914.45	8,922.20	16,943.01	-	-	(4,723.40)	(8,922.20)	3,297.41
90880 - Utility Office Security	584.69	-	584.69	5,739.96	-	-	-	(584.69)	5,155.27
90881 - Peterson Storm Sewers	25,271.25	3,646.53	28,917.78	73,482.59	220,000.00	31,087.41	(4,570.00)	(28,917.78)	291,082.22
90885 - Senior Center ADA Ramp & Rear Porch Improvemen	-	-	-	-	15,000.00	-	-	-	15,000.00
90886 - Community Playground Safety Improvements	-	-	-	-	10,000.00	-	-	-	10,000.00
90887 - Lower East Moller Playground Safety Improvements	-	-	-	-	10,000.00	-	-	-	10,000.00
90888 - Pioneer Park Shelter Improvements	-	-	-	-	15,000.00	-	-	-	15,000.00
90907 - Police Department Heat Pump	-	-	-	-	23,000.00	-	-	-	23,000.00
90909 - No Name Mountain Master Plan	-	-	-	-	165,000.00	-	-	-	165,000.00
Closed Project Funding Transferred in January 2017	-	-	-	-	-	-	-	-	-
2.3 Pending allocation FY19	-	-	-	-	-	-	-	-	-
2.2 - No Job	-	-	-	-	-	-	-	-	-
Totals:	282,386.82	27,200.22	309,587.04	5,545,910.52	2,090,474.00	41,561.60	(37,415.74)	(297,269.51)	7,343,260.87



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category Governmental Funds					
Fund Type General Fund					
Fund 100 - General Fund					
ASSETS					
1010					
1010.001	Petty Cash	825.00	825.00	.00	.00
1010.002	Cash Drawers	1,275.00	1,275.00	.00	.00
1010 - Totals		\$2,100.00	\$2,100.00	\$0.00	0.00%
1020					
1020.001	Checking Account- General	10,419,179.09	7,184,537.30	3,234,641.79	45.02
1020.002	Checking Account-Payroll	(7,060.81)	(20,978.62)	13,917.81	66.34
1020.003	Checking Account-C Card	52,575.15	55,144.57	(2,569.42)	(4.66)
1020.008	Hospital Escrow	4,500,000.00	.00	4,500,000.00	+++
1020.010	Money Market - AML Pool	4,143,799.19	7,682,183.26	(3,538,384.07)	(46.06)
1020.011	Money Market - FNBA Trust	1,089,320.52	3,701,768.76	(2,612,448.24)	(70.57)
1020 - Totals		\$20,197,813.14	\$18,602,655.27	\$1,595,157.87	8.57%
1025					
1025.000	Investments	52,068,893.28	49,987,672.02	2,081,221.26	4.16
1025 - Totals		\$52,068,893.28	\$49,987,672.02	\$2,081,221.26	4.16%
1027					
1027.000	Change in FMV-Investments	125,952.00	(241,007.00)	366,959.00	152.26
1027 - Totals		\$125,952.00	(\$241,007.00)	\$366,959.00	152.26%
1030					
1030.100	Investment-Central Trea.	(55,750,065.51)	(53,700,659.48)	(2,049,406.03)	(3.82)
1030 - Totals		(\$55,750,065.51)	(\$53,700,659.48)	(\$2,049,406.03)	(3.82%)
1050					
1050.000	Accts Rec.-Misc Billing	(5,799.15)	31,870.70	(37,669.85)	(118.20)
1050.010	Accts Rec.-Utility Billing	65,632.05	67,502.02	(1,869.97)	(2.77)
1050.025	Accts Rec.-Ambulance	97,405.66	81,775.04	15,630.62	19.11
1050.050	Accts Rec.-Collections	1,009,891.63	954,059.54	55,832.09	5.85
1050.060	Accts Rec.- State	.00	2,235.06	(2,235.06)	(100.00)
1050.070	Accts Rec.- Federal	38,715.55	39,498.56	(783.01)	(1.98)
1050.080	Accts Rec.-Sales Tax	25.00	3,719,799.22	(3,719,774.22)	(100.00)
1050.100	Interest Receivable	300,248.70	316,254.15	(16,005.45)	(5.06)
1050.200	Property Tax Receivable	366,276.74	387,634.18	(21,357.44)	(5.51)
1050.500	Interfund Receivable	1,532,206.16	1,206,637.18	325,568.98	26.98
1050.900	Allowance - Doubtful Acct	(1,009,891.63)	(954,059.54)	(55,832.09)	(5.85)
1050 - Totals		\$2,394,710.71	\$5,853,206.11	(\$3,458,495.40)	(59.09%)
1060					
1060.010	Advances of Pay	.01	.01	.00	.00



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Governmental Funds				
Fund Type	General Fund				
Fund	100 - General Fund				
	ASSETS				
1060.020	Advances to Other Funds	100,000.00	150,000.00	(50,000.00)	(33.33)
1060 - Totals		\$100,000.01	\$150,000.01	(\$50,000.00)	(33.33%)
1070					
1070.010	Notes Receivable	.00	353,153.61	(353,153.61)	(100.00)
1070 - Totals		\$0.00	\$353,153.61	(\$353,153.61)	(100.00%)
1200					
1200.020	Prepaid Insurance	52,263.67	93,212.40	(40,948.73)	(43.93)
1200.030	Prepaid Workers Compensation Insurance	(17,427.81)	(35,533.35)	18,105.54	50.95
1200 - Totals		\$34,835.86	\$57,679.05	(\$22,843.19)	(39.60%)
ASSETS TOTALS		\$19,174,239.49	\$21,064,799.59	(\$1,890,560.10)	(8.97%)
	LIABILITIES AND FUND EQUITY				
	LIABILITIES				
2010					
2010.005	Clearing Acct Collections	40.00	897.58	(857.58)	(95.54)
2010.006	Clearing Acct Interest	.00	(.67)	.67	100.00
2010.008	Clearing Acct Harbors	(197,575.76)	(167,266.78)	(30,308.98)	(18.12)
2010.010	Clearing Acct Misc A/R	(1,025.05)	.00	(1,025.05)	+++
2010.011	Clearing Acct Utility Donations	476.50	808.50	(332.00)	(41.06)
2010.015	Clearing Acct - Tobacco	.00	207,495.24	(207,495.24)	(100.00)
2010.025	Clearing Acct Ambulance	2,518.42	(125.60)	2,644.02	2,105.11
2010.040	Pcard Liability	(37,792.77)	421,831.05	(459,623.82)	(108.96)
2010 - Totals		(\$233,358.66)	\$463,639.32	(\$696,997.98)	(150.33%)
2020					
2020.000	Accounts Payable	.00	(247,457.71)	247,457.71	100.00
2020 - Totals		\$0.00	(\$247,457.71)	\$247,457.71	100.00%
2023					
2023.000	Retainage Payable	6,543.89	.00	6,543.89	+++
2023 - Totals		\$6,543.89	\$0.00	\$6,543.89	+++
2030					
2030.000	Refunds Payable	474.40	2,136.25	(1,661.85)	(77.79)
2030 - Totals		\$474.40	\$2,136.25	(\$1,661.85)	(77.79%)
2040					
2040.000	Citation Surcharge - St.	2,300.00	360.00	1,940.00	538.89
2040 - Totals		\$2,300.00	\$360.00	\$1,940.00	538.89%



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category Governmental Funds					
Fund Type General Fund					
Fund 100 - General Fund					
LIABILITIES AND FUND EQUITY					
LIABILITIES					
2050					
2050.002	Medicare Tax Payable	15,221.32	13,500.78	1,720.54	12.74
2050.003	Federal Inc Tax Payable	57,539.26	41,729.80	15,809.46	37.89
2050.004	PERS Payable	71,720.06	55,297.36	16,422.70	29.70
2050.005	SBS Insurance Payable	994.60	1,086.04	(91.44)	(8.42)
2050.006	Deferred Comp Payable	8,638.19	8,850.31	(212.12)	(2.40)
2050.007	Workers Comp Payable	(16,134.84)	(1,572.35)	(14,562.49)	(926.16)
2050.008	Other Payroll Withholding	3,429.93	5,215.59	(1,785.66)	(34.24)
2050.009	Union Dues Withheld	4,123.17	4,030.92	92.25	2.29
2050.010	Health Insurance Withheld	4,518.10	18,550.53	(14,032.43)	(75.64)
2050.011	Life Insurance Withheld	1,283.49	1,238.46	45.03	3.64
2050.012	SBS Annuities Payable	116,264.80	114,733.38	1,531.42	1.33
2050.013	Health - Employer Payable	229,453.45	281,301.51	(51,848.06)	(18.43)
2050.014	Life - Employer Payable	159.77	156.77	3.00	1.91
2050.016	PERS Tier 4	208,186.18	144,436.03	63,750.15	44.14
2050 - Totals		\$705,397.48	\$688,555.13	\$16,842.35	2.45%
2070					
2070.001	Business leave Bank PSEA	2,275.24	2,275.24	.00	.00
2070.002	Business leave Bank ASEA	6,282.77	3,282.77	3,000.00	91.39
2070 - Totals		\$8,558.01	\$5,558.01	\$3,000.00	53.98%
2100					
2100.001	Deposits - Sales Tax	34,169.69	29,119.69	5,050.00	17.34
2100.002	Deposits - Security Bonds	5,500.00	5,500.00	.00	.00
2100 - Totals		\$39,669.69	\$34,619.69	\$5,050.00	14.59%
2300					
2300.000	Advances Payable	120,355.00	160,465.00	(40,110.00)	(25.00)
2300 - Totals		\$120,355.00	\$160,465.00	(\$40,110.00)	(25.00%)
2700					
2700.000	Deferred Revenue	760.00	760.00	.00	.00
2700 - Totals		\$760.00	\$760.00	\$0.00	0.00%
LIABILITIES TOTALS		\$650,699.81	\$1,108,635.69	(\$457,935.88)	(41.31%)
FUND EQUITY					
2900					
2900.010	Reserve for Encumbrances	(1,448,764.14)	(1,448,764.14)	.00	.00
2900.020	Reserve-Advances Other Fd	100,000.00	832,413.00	(732,413.00)	(87.99)



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Governmental Funds				
Fund Type	General Fund				
Fund	100 - General Fund				
	FUND EQUITY				
2900.070	Reserved Title III Funds	512,663.41	512,663.41	.00	.00
	2900 - Totals	(\$836,100.73)	(\$103,687.73)	(\$732,413.00)	(706.36%)
2910					
2910.100	Designated-E911	612,783.00	527,614.00	85,169.00	16.14
	2910 - Totals	\$612,783.00	\$527,614.00	\$85,169.00	16.14%
2920					
2920.000	Undesignated/Re. Earnings	13,834,725.69	13,187,481.69	647,244.00	4.91
	2920 - Totals	\$13,834,725.69	\$13,187,481.69	\$647,244.00	4.91%
2965					
2965.000	P/Y Encumbrance Control	1,448,764.14	1,448,764.14	.00	.00
	2965 - Totals	\$1,448,764.14	\$1,448,764.14	\$0.00	0.00%
	FUND EQUITY TOTALS Prior to Current Year Changes	\$15,060,172.10	\$15,060,172.10	\$0.00	0.00%
	Prior Year Fund Equity Adjustment	(697,717.94)			
	Fund Revenues	(10,684,432.61)			
	Fund Expenses	7,918,782.97			
	FUND EQUITY TOTALS	\$18,523,539.68	\$15,060,172.10	\$3,463,367.58	23.00%
	LIABILITIES AND FUND EQUITY TOTALS	\$19,174,239.49	\$16,168,807.79	\$3,005,431.70	18.59%
Fund	100 - General Fund Totals	\$0.00	\$4,895,991.80	(\$4,895,991.80)	(100.00%)
Fund Type	General Fund Totals	\$0.00	\$4,895,991.80	(\$4,895,991.80)	(100.00%)



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Governmental Funds				
Fund Type	Capital Projects Funds				
Fund	700 - Capital Projects-General				
	ASSETS				
1030					
1030.100	Investment-Central Trea.	7,343,190.87	5,506,919.23	1,836,271.64	33.34
	1030 - Totals	\$7,343,190.87	\$5,506,919.23	\$1,836,271.64	33.34%
1050					
1050.060	Accts Rec.- State	4,747.16	257,171.06	(252,423.90)	(98.15)
1050.070	Accts Rec.- Federal	.00	216,580.85	(216,580.85)	(100.00)
	1050 - Totals	\$4,747.16	\$473,751.91	(\$469,004.75)	(99.00%)
	ASSETS TOTALS	\$7,347,938.03	\$5,980,671.14	\$1,367,266.89	22.86%
	LIABILITIES AND FUND EQUITY				
	LIABILITIES				
2023					
2023.000	Retainage Payable	124,905.65	171,641.18	(46,735.53)	(27.23)
	2023 - Totals	\$124,905.65	\$171,641.18	(\$46,735.53)	(27.23%)
	LIABILITIES TOTALS	\$124,905.65	\$171,641.18	(\$46,735.53)	(27.23%)
	FUND EQUITY				
2800					
2800.001	Contributed Cap.-Federal	1,313,539.46	1,313,539.46	.00	.00
2800.002	Contributed Cap.-State	1,677,910.17	1,677,910.17	.00	.00
	2800 - Totals	\$2,991,449.63	\$2,991,449.63	\$0.00	0.00%
2900					
2900.010	Reserve for Encumbrances	1,876,623.36	1,876,623.36	.00	.00
	2900 - Totals	\$1,876,623.36	\$1,876,623.36	\$0.00	0.00%
2920					
2920.000	Undesignated/Re. Earnings	516,106.40	516,106.40	.00	.00
	2920 - Totals	\$516,106.40	\$516,106.40	\$0.00	0.00%
2965					
2965.000	P/Y Encumbrance Control	(1,876,623.90)	(1,876,623.90)	.00	.00
	2965 - Totals	(\$1,876,623.90)	(\$1,876,623.90)	\$0.00	0.00%
	FUND EQUITY TOTALS Prior to Current Year Changes	\$3,507,555.49	\$3,507,555.49	\$0.00	0.00%
	Prior Year Fund Equity Adjustment	(1,557,333.71)			
	Fund Revenues	(2,095,221.16)			
	Fund Expenses	(62,922.02)			
	FUND EQUITY TOTALS	\$7,223,032.38	\$3,507,555.49	\$3,715,476.89	105.93%
	LIABILITIES AND FUND EQUITY TOTALS	\$7,347,938.03	\$3,679,196.67	\$3,668,741.36	99.72%
Fund	700 - Capital Projects-General Totals	\$0.00	\$2,301,474.47	(\$2,301,474.47)	(100.00%)



Balance Sheet

Through 09/30/19


















Detail Listing







Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Governmental Funds				
Fund Type	Capital Projects Funds Totals	\$0.00	\$2,301,474.47	(\$2,301,474.47)	(100.00%)
Fund Category	Governmental Funds Totals	\$0.00	\$7,197,466.27	(\$7,197,466.27)	(100.00%)
	Grand Totals	\$0.00	\$7,197,466.27	(\$7,197,466.27)	(100.00%)

Electric Fund
Financial Analysis
As Of, And For the First Fiscal Quarter Ending September 30, 2019

KPI Dashboard

Indicator	Amount	Compared To Last Yr	Compared To Plan	Big Picture
Revenue	4,577,450	 Declined 3.5% From 1 st Qtr FY2019	 1,7% Greater Than Planned	 The Electric Fund continues to struggle in generating the cash flow necessary to increase working capital in order to finance capital repairs and improvements
Appropriated Operating Outlays vs. Actual Operating Outlays (Budgeted for period minus actual expenditures. Indicates spending levels as compared to approved budget (over budget)/under budget)	392,426	 Outlays for operations were \$135 K more under budget than 1 st Qtr FY2019	Under Budget 	n/a
Earnings Before Interest & Depreciation ("EBIDA" = Operating inflows minus operating outlays—indicates how much cash flow is being generated from operations to pay for things like interest expense, principal payments, and infrastructure investment)	2,665,926	 Decreased by 1.0% from last year	 \$593K greater than Plan	While planned levels are being exceeded, Plan does not provide for any meaningful increase in cash flow, primarily due to static demand and no fee increases
Net Income (Loss) (Incorporates non-operating revenue/expense and depreciation—indicates how much the fund has generated after paying for interest expense and factoring in depreciation of assets)	(490,301)	 Net Loss Decreased by 0.9%	 Smaller Loss Than Planned	The net loss is almost unchanged and again shows weakness in cash flow generation
Asset Replacement (Net income minus debt principal repayment—gives an indication of whether or not we are setting aside enough money to cover asset replacement (<i>as estimated by how much our assets are decreasing in value annually</i>))	(1,172,204)	 Deficit Increased by \$16.3K	 Smaller Deficit than Planned	Not setting aside sufficient capital for future asset replacement
Total Working Capital (What total resources are available in the fund)	9,337,056	 Decreased by \$1,185K Prior Year	 \$82K/0.9% greater than Plan	Decline in total working capital due to capital expenditures outpacing cash flow generation
Working Capital Appropriated For Projects (and Unspent Bond Proceeds) (Of the fund's total resources, how much has been already appropriated for CAPEX)	8,345,953	 Declined by \$2,772K From Last Year	 Met Plan	Working capital appropriated for projects but unspent is declining due to significant capital spending
Undesignated Working Capital (How much of the fund's resources are available?)	693,133	 Balance Has Finally Turned Positive	 Exceeded Plan by 11.8%	Very little available for either capital investment or emergency

Days Cash on Hand, Total Working Capital (How many days of operations would be covered by our total working capital if no more revenue were generated)	209.11	 Less Than Last Year	 Met Plan	Watch trend 
Days Cash on Hand, Undesignated Working Capital (How many days of operations would the fund's fairly liquid assets cover?)	15.52	 Balance Has Finally Turned Positive	 Met Plan	Not unexpected, but watch trend 

Electricity consumption as compared to the prior fiscal quarter increased by about 858,800 kWh, a increase of 3.6% compared to 1st Quarter FY2019 consumption. This slight uptick in electricity consumption caused electricity sales revenue to increase by \$35.6K, or 0.8%. Operating costs decreased by \$128.1K, or 3.2% compared to 1st Quarter FY2019.

The major, and ongoing, concern that management has is the looming infrastructure needs of the electric utility and our ability to fund them. The utility is expending significant capital in the near term to upgrade and modernize the Marine Street Substation in the ongoing Marine Street N-1 Design project; \$808.2K was expended on this project in the 1st fiscal quarter alone. There are also substantial infrastructure needs in the 3-5 year range (one significant one, described below, is the Green Lake Hydroelectric Facility overhaul). As the utility has just 693K in undesignated working capital and is generating minimal cash flow after debt service, the fund will be required to take on additional debt to complete those projects. The take-away remains that the condition of the electric system, especially the transmission and distribution grid, is aging and requires substantial ongoing capital investments to maintain it.

Examining cash flow, the essential cash flow of the Electric Fund for the 1st Quarter FY2020 was \$790.1K before capital spending. Capital spending for the 1st Quarter FY2020 was \$768.4K; hence, all but \$21.7K in cash flow generated in the 1st Quarter FY2020 was essentially consumed immediately to fund capital spending. As total working capital continues to be either drawn down or barely grown, the risk of having an unforeseen emergency capital expenditure which can't be paid for increases.

Looming in the mid-term future (3 years) is the first phase of a major overhaul of the Green Lake Hydroelectric Facility. The facility has not had a major overhaul since it was built in the 1980s. The ability to meet Sitka's electricity needs without diesel generation depends on the Green Lake facility, and, postponing a major overhaul puts the facility at increased risk of a serious breakdown which impacts electricity generation. Even after re-allocating significant working capital from other need to this project, the Utility will request authority to take on additional debt in FY2021 to finance this critical capital expenditure.

The Electric Fund remains in a very weak financial condition due to a combination of an insufficient amount of working capital, and, a large backlog of deferred maintenance due to aging infrastructure. The financial condition may slowly improve over time, but the weak condition places the utility at heightened risk of not having enough working capital to respond to unplanned infrastructure failures.

City and Borough of Sitka
Electric Fund
Financial Statements
For The Twelve-Month Period From July 1, 2019 to June 30, 2020
(Unaudited)

	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	FY2020 YTD	FY2019 YTD	Variance To FY2019 YTD	FY2020 Plan (S/L = 25.0%)	Variance To FY2020 Plan
Income Statement									
Revenue:									
Electricity Sales	4,504,645	-	-	-	4,504,645	4,469,040	35,605	4,421,910	82,735
Jobbing	32,269	-	-	-	32,269	169,150	(136,881)	42,000	(9,731)
Other Operating Revenue	40,536	-	-	-	40,536	104,506	(63,970)	37,750	2,786
Total Revenue:	4,577,450	-	-	-	4,577,450	4,742,696	(165,246)	4,501,660	75,790
Cost of Sales:									
Green Lake	139,848	-	-	-	139,848	158,298	18,450	247,944	108,096
Blue Lake	463,979	-	-	-	463,979	522,688	58,709	515,762	51,783
Diesels	115,479	-	-	-	115,479	125,367	9,888	231,031	115,552
Switchyard	12,677	-	-	-	12,677	1,764	(10,913)	7,634	(5,043)
Line Maintenance	-	-	-	-	-	2,217	2,217	45,875	45,875
Substation Maintenance	1,667	-	-	-	1,667	2,433	766	4,500	2,833
Distribution	495,815	-	-	-	495,815	544,547	48,732	528,702	32,887
Metering	85,665	-	-	-	85,665	104,042	18,377	101,091	15,426
Jobbing	6,724	-	-	-	6,724	28,955	22,231	25,000	18,276
Stores	40,813	-	-	-	40,813	47,260	6,447	47,555	6,742
Depreciation	1,962,299	-	-	-	1,962,299	1,952,782	(9,517)	1,952,780	(9,519)
Total Cost of Sales:	3,324,966	-	-	-	3,324,966	3,490,353	165,387	3,707,873	382,907
Gross Margin:	1,252,484	-	-	-	1,252,484	1,252,343	141	793,787	458,697
<i>Gross Margin: Operating Revenue</i>	<i>27.36%</i>				<i>27.36%</i>	<i>26.41%</i>	<i>0.96%</i>	<i>17.63%</i>	<i>9.73%</i>
Selling and Administrative Expenses	548,857	-	-	-	548,857	511,525	(37,332)	673,716	124,859
Earnings Before Interest (EBI):	703,627	-	-	-	703,627	740,818	(37,191)	120,071	583,556
<i>EBI: Operating Revenue</i>	<i>15.37%</i>				<i>15.37%</i>	<i>15.62%</i>	<i>-0.25%</i>	<i>2.67%</i>	<i>12.70%</i>
Non-operating Revenue and Expense:									
					(1,480,975)				
Operating Subsidy	-	-	-	-	-	-	-	-	-
Bond Interest Subsidy	143,916	-	-	-	143,916	144,365	(449)	574,020	(430,104)
Misc./Non-Operating Revenue/(Expense)	-	-	-	-	-	-	-	-	-
Enterprise Fund Interest	119,163	-	-	-	119,163	108,049	11,114	87,500	31,663
Bond Fund Interest	5,496	-	-	-	5,496	15,165	(9,669)	110,000	(104,504)
Grant Revenue	-	-	-	-	-	5,007	(5,007)	-	-
Transfers in	18,472	-	-	-	18,472	-	18,472	-	18,472
Bonded Interest Expense:	(1,409,039)	-	-	-	(1,409,039)	(1,445,866)	36,827	(1,409,039)	-
Subordinated Interest expense	(71,936)	-	-	-	(71,936)	(62,679)	(9,257)	(71,585)	(351)
Total Non-operating Revenue & Expense:	(1,193,928)	-	-	-	(1,193,928)	(1,235,959)	42,031	(709,104)	(484,824)
Net Income:	(490,301)	-	-	-	(490,301)	(495,141)	4,840	(589,033)	98,732
<i>Net Income: Operating Revenue</i>	<i>-10.71%</i>				<i>-10.71%</i>	<i>-10.44%</i>	<i>-0.27%</i>	<i>-13.08%</i>	
EBIDA (Earnings before interest, depreciation, amortization)	2,665,926				2,665,926	2,693,600	(27,674)	2,072,851	593,075
	58.24%				58.24%	56.79%	1.45%	46.05%	12.19%
Key Indicators									
<u>Bond Covenant Ratio (> 1.25 for fiscal year)</u>	1.52				1.52	1.53	(0)	1.6217	
Total kWh Sold	24,707,600				24,707,600	23,848,800	858,800	105,421,500	(80,713,900)
Revenue per Kwh Sold	0.1823				0.1823	0.1874	(0.0051)	0.0419	0.1404
Cost of Sales per Kwh Sold	0.1346				0.1346	0.1464	0.0118	0.0352	(0.0994)

City and Borough of Sitka
Electric Fund
Financial Statements
For The Twelve-Month Period From July 1, 2019 to June 30, 2020
(Unaudited)

	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	FY2020 YTD	FY2019 YTD	Variance To FY2019 YTD	FY2020 Plan (S/L = 25.0%)	Variance To FY2020 Plan
<u>Debt Principal Coverage</u>									
Simple Cash Flow (Net Income Plus Depreciation)	1,471,998	-	-	-	1,471,998	1,457,641	14,357	1,363,747	108,251
Bonded Debt Principal	565,000	-	-	-	565,000	543,750	(21,250)	565,000	-
Subordinated Debt Principal	116,903	-	-	-	116,903	117,002	99	90,840	(26,063)
Debt Principal Coverage Surplus/Deficit	<u>790,095</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>790,095</u>	<u>796,889</u>	<u>(6,794)</u>	<u>707,907</u>	<u>82,189</u>
Debt Principal Coverage Percentage	216%				216%	221%	-5%	208%	8%
<u>Simple Asset Replacement Coverage</u>									
Debt Principal Coverage Surplus/Deficit (From Above)	790,095	-	-	-	790,095	796,889	(6,794)	707,907	82,189
Depreciation	1,962,299	-	-	-	1,962,299	1,952,782	(9,517)	1,952,780	(9,519)
Cash Accumulated For/(Taken From) Asset Replacement	<u>(1,172,204)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,172,204)</u>	<u>(1,155,893)</u>	<u>16,311</u>	<u>(1,244,873)</u>	<u>72,670</u>
<u>Working Capital/Balance Sheet</u>									
Cash Flow:									
Net Income + Depreciation Less Principal	790,095	-	-	-	790,095	796,889	(6,794)	707,907	82,189
CapEx, Accruals, and other Balance Sheet Changes	<u>(858,797)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(858,797)</u>	<u>(1,075,228)</u>	<u>216,431</u>	<u>(858,797)</u>	<u>-</u>
Increase in (Decrease in) Working Capital	(68,702)	-	-	-	(68,702)	(278,339)	209,637	(150,890)	82,189
Plus Beginning Total Working Capital	<u>9,405,758</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,405,758</u>	<u>10,801,103</u>	<u>(1,395,345)</u>	<u>9,405,758</u>	<u>-</u>
Ending Total Working Capital:	9,337,056	-	-	-	9,337,056	10,522,764	(1,185,708)	9,254,868	82,189
Working Capital Detail:									
Repair Reserve (0.1% of PPE):	<u>297,970</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>297,970</u>				
Working Capital Designated for CapEx									
Capital Projects Fund	7,365,134	-	-	-	7,365,134				
Unspent Bond Proceeds	<u>980,819</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>980,819</u>				
Total Working Capital Designated for CapEx	<u>8,345,953</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,345,953</u>				
Undesignated Working Capital	<u>693,133</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>693,133</u>				
Total Working Capital:	<u>9,337,056</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,337,056</u>				
Days on Hand Annual Cash Outlays:									
Total Working Capital (WC)	<u>209.11</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>209.11</u>				
Total WC Less Repair Reserve:	<u>202.44</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>202.44</u>				
Undesignated WC:	<u>15.52</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15.52</u>				
Working Capital Calculation:									
Current Assets	13,830,104	-	-	-	13,830,104				
Current Liabilities	<u>(1,268,912)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,268,912)</u>				
Next Debt Principal Payment Accrual	<u>(485,774)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(485,774)</u>				
One Year's Debt Principal	<u>(2,738,362)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,738,362)</u>				
Total Working Capital	<u>9,337,056</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,337,056</u>				

Fund 710 Capital Projects					A							
Detail By Project Number	2020	Investment In			Construction In Progress 7/1/2019	FY2019	Repairs &	Contracted	Interdepartment	Tools & Small	Equipment	
		Central	A/R	A/R		Supplies	Maintenance	Services	Services	Equipment	Rental	Other
		Treasury	Misc.	State		Expenses	Expenses	Expenses	Expenses	Expenses	Expenses	Expenses
63010 - Green Lake FERC Compliance	\$ -	\$ 62,711.19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
80003 - Feeder Improvements	\$ 200,000.00	\$ 221,395.88	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
80381 - Island Transmission Line Route Study	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90261 - Island Improvements	\$ 60,000.00	\$ 143,630.41	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90410 - SCADA	\$ -	\$ 247,251.44	\$ -	\$ -	\$ -	\$ -	\$ -	1,653.50	\$ -	\$ -	\$ -	\$ -
90562 - Green Lake Powerplant	\$ -	\$ 126,643.58	\$ -	\$ -	\$ 89,879.82	\$ -	\$ -	308.13	\$ 97.08	\$ -	\$ -	\$ -
90610 - Blue Lake FERC Compliance	\$ -	\$ 231,749.34	\$ -	\$ -	\$ 1,758.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90672 - Medvejie Transformer	\$ -	\$ 103,507.29	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90717 -Jarvis Street Improvements	\$ -	\$ 17,192.34	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90718 -Marine Street Substation	\$ 20,000.00	\$ 14,184.62	\$ -	\$ -	\$ 109,952.36	\$ -	\$ -	13,918.72	\$ -	\$ -	\$ -	\$ -
90777 - Meter Replacement	\$ 95,000.00	\$ 112,010.93	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90804 - Old Powerhouse Conversion	\$ -	\$ 300,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90821 - Capital For Fuel Conversions	\$ -	\$ 950,096.80	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90823 - Marine Street N-1 Design	\$ -	\$ 1,870,445.13	\$ -	\$ -	\$ -	\$ 761,239.52	\$ -	46,995.83	\$ -	\$ -	\$ -	\$ -
90829 - Harbor Meters	\$ 75,000.00	\$ 231,212.80	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90839 - Green Lake PP 35-Year Overhaul	\$ 985,000.00	\$ 1,040,862.44	\$ -	\$ -	\$ 129,338.01	\$ -	\$ -	14,799.55	\$ -	\$ -	\$ -	\$ -
90840 - Green Lake PP 35-Year Overhaul Inspection	\$ -	\$ 226,469.62	\$ -	\$ -	\$ 224,127.20	\$ 334.27	\$ -	(70,931.09)	\$ -	\$ -	\$ -	\$ -
90841 - Jarvis Fuel System Repairs	\$ -	\$ 1,115,541.58	\$ -	\$ -	\$ 284,458.42	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90857 - Raw Water Infrastructure Enhancement	\$ -	\$ 570.09	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90860 - Cellular Service Enhancement Project	\$ -	\$ (12,977.82)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90868 - 69 kV Thimbleberry Transmission Line Bypass	\$ 20,000.00	\$ 20,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90884 - Blue Lake Completion	\$ -	\$ 252,636.25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90869 - Blue Lake Autostart Backup Diesel	\$ -	\$ 70,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90868 - Thimbleberry Bypass	\$ -	\$ 20,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.2 No Job	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals:	\$ 1,455,000.00	\$ 7,365,133.91	\$ -	\$ -	\$ 839,514.56	\$ 761,573.79	\$ -	\$ 6,744.64	\$ 97.08	\$ -	\$ -	\$ -

Fund 710 Capital Projects	B	D	E	F					
Detail	FY2019	(=B)	CIP/Expense	(=A+D+E)					12/31/2018
By Project Number	Total	Expenses	Reclass to	Construction	Total	Accounts	Retainage	Total	Working
	Expenses	Reclassified	Parent Fund	In Progress	Assets	Payable	Payable	Liabilities	Capital
		To CIP		6/30/2018					
63010 - Green Lake FERC Compliance	\$ -	\$ -	\$ -	\$ -	\$ 62,711.19		\$ -	\$ -	\$ 62,711.19
80003 - Feeder Improvements	\$ -	\$ -	\$ -	\$ -	\$ 221,395.88	\$ -	\$ -	\$ -	\$ 221,395.88
80381 - Island Transmission Line Route Study	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90261 - Island Improvements	\$ -	\$ -	\$ -	\$ -	\$ 143,630.41	\$ -	\$ -	\$ -	\$ 143,630.41
90410 - SCADA	\$ 1,653.50	\$ -	\$ -	\$ -	\$ 247,251.44	\$ -	\$ -	\$ -	\$ 247,251.44
90562 - Green Lake Powerplant	\$ 405.21	\$ -	\$ -	\$ 89,879.82	\$ 216,523.40	\$ -	\$ -	\$ -	\$ 126,643.58
90610 - Blue Lake FERC Compliance	\$ -	\$ -	\$ -	\$ 1,758.75	\$ 233,508.09	\$ -	\$ -	\$ -	\$ 231,749.34
90672 - Medvejie Transformer	\$ -	\$ -	\$ -	\$ -	\$ 103,507.29	\$ -	\$ -	\$ -	\$ 103,507.29
90717 -Jarvis Street Improvements	\$ -	\$ -	\$ -	\$ -	\$ 17,192.34	\$ -	\$ -	\$ -	\$ 17,192.34
90718 -Marine Street Substation	\$ 13,918.72	\$ -	\$ -	\$ 109,952.36	\$ 124,136.98	\$ -	\$ -	\$ -	\$ 14,184.62
90777 - Meter Replacement	\$ -	\$ -	\$ -	\$ -	\$ 112,010.93	\$ -	\$ -	\$ -	\$ 112,010.93
90804 - Old Powerhouse Conversion	\$ -	\$ -	\$ -	\$ -	\$ 300,000.00	\$ -	\$ -	\$ -	\$ 300,000.00
90821 - Capital For Fuel Conversions	\$ -	\$ -	\$ -	\$ -	\$ 950,096.80	\$ -	\$ -	\$ -	\$ 950,096.80
90823 - Marine Street N-1 Design	\$ 808,235.35	\$ -	\$ -	\$ -	\$ 1,870,445.13	\$ -	\$ -	\$ -	\$ 1,870,445.13
90829 - Harbor Meters	\$ -	\$ -	\$ -	\$ -	\$ 231,212.80	\$ -	\$ -	\$ -	\$ 231,212.80
90839 - Green Lake PP 35-Year Overhaul	\$ 14,799.55	\$ -	\$ -	\$ 129,338.01	\$ 1,170,200.45	\$ -	\$ -	\$ -	\$ 1,040,862.44
90840 - Green Lake PP 35-Year Overhaul Inspection	\$ (70,596.82)	\$ -	\$ -	\$ 224,127.20	\$ 450,596.82	\$ -	\$ -	\$ -	\$ 226,469.62
90841 - Jarvis Fuel System Repairs	\$ -	\$ -	\$ -	\$ 284,458.42	\$ 1,400,000.00	\$ -	\$ -	\$ -	\$ 1,115,541.58
90857 - Raw Water Infrastructure Enhancement	\$ -	\$ -	\$ -	\$ -	\$ 570.09	\$ -	\$ -	\$ -	\$ 570.09
90860 - Cellular Service Enhancement Project	\$ -	\$ -	\$ -	\$ -	\$ (12,977.82)	\$ -	\$ -	\$ -	\$ (12,977.82)
90868 - 69 kV Thimbleberry Transmission Line Bypass	\$ -	\$ -	\$ -	\$ -	\$ 20,000.00	\$ -	\$ -	\$ -	\$ 20,000.00
90884 - Blue Lake Completion	\$ -	\$ -	\$ -	\$ -	\$ 252,636.25	\$ -	\$ -	\$ -	\$ 252,636.25
90869 - Blue Lake Autostart Backup Diesel	\$ -	\$ -	\$ -	\$ -	\$ 70,000.00	\$ -	\$ -	\$ -	\$ 70,000.00
90868 - Thimbleberry Bypass	\$ -	\$ -	\$ -	\$ -	\$ 20,000.00	\$ -	\$ -	\$ -	\$ 20,000.00
2.2 No Job	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals:	\$ 768,415.51	\$ -	\$ -	\$ 839,514.56	\$ 8,204,648.47	\$ -	\$ -	\$ -	\$ 7,365,133.91



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Capital Projects Funds				
Fund	710 - Capital Projects-Electric				
	ASSETS				
1030					
1030.100	Investment-Central Trea.	7,365,133.91	10,131,721.83	(2,766,587.92)	(27.31)
	1030 - Totals	\$7,365,133.91	\$10,131,721.83	(\$2,766,587.92)	(27.31%)
1050					
1050.060	Accts Rec.- State	.00	5,007.32	(5,007.32)	(100.00)
	1050 - Totals	\$0.00	\$5,007.32	(\$5,007.32)	(100.00%)
1590					
1590.000	Construction in Progress	839,514.56	304,646.40	534,868.16	175.57
	1590 - Totals	\$839,514.56	\$304,646.40	\$534,868.16	175.57%
	ASSETS TOTALS	\$8,204,648.47	\$10,441,375.55	(\$2,236,727.08)	(21.42%)
	LIABILITIES AND FUND EQUITY				
	LIABILITIES				
2023					
2023.000	Retainage Payable	.00	18,265.79	(18,265.79)	(100.00)
	2023 - Totals	\$0.00	\$18,265.79	(\$18,265.79)	(100.00%)
	LIABILITIES TOTALS	\$0.00	\$18,265.79	(\$18,265.79)	(100.00%)
	FUND EQUITY				
2800					
2800.002	Contributed Cap.-State	8,786,754.07	8,786,754.07	.00	.00
	2800 - Totals	\$8,786,754.07	\$8,786,754.07	\$0.00	0.00%
2900					
2900.010	Reserve for Encumbrances	4,748,026.90	4,748,026.90	.00	.00
	2900 - Totals	\$4,748,026.90	\$4,748,026.90	\$0.00	0.00%
2910					
2910.140	Designated-Capital Project	12,184,387.32	12,184,387.32	.00	.00
	2910 - Totals	\$12,184,387.32	\$12,184,387.32	\$0.00	0.00%
2920					
2920.000	Undesignated/Re. Earnings	(12,025,255.41)	(12,025,255.41)	.00	.00
	2920 - Totals	(\$12,025,255.41)	(\$12,025,255.41)	\$0.00	0.00%
2965					
2965.000	P/Y Encumbrance Control	(4,748,027.44)	(4,748,027.44)	.00	.00
	2965 - Totals	(\$4,748,027.44)	(\$4,748,027.44)	\$0.00	0.00%
	FUND EQUITY TOTALS Prior to Current Year Changes	\$8,945,885.44	\$8,945,885.44	\$0.00	0.00%
	Prior Year Fund Equity Adjustment	1,432,821.46			
	Fund Revenues	(1,455,000.00)			
	Fund Expenses	763,415.51			



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Capital Projects Funds				
	FUND EQUITY TOTALS	\$8,204,648.47	\$8,945,885.44	(\$741,236.97)	(8.29%)
	LIABILITIES AND FUND EQUITY TOTALS	\$8,204,648.47	\$8,964,151.23	(\$759,502.76)	(8.47%)
Fund	710 - Capital Projects-Electric Totals	\$0.00	\$1,477,224.32	(\$1,477,224.32)	(100.00%)
Fund Type	Capital Projects Funds Totals	\$0.00	\$1,477,224.32	(\$1,477,224.32)	(100.00%)



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category Proprietary Funds					
Fund Type Enterprise Funds					
Fund 200 - Electric Fund					
ASSETS					
1027					
1027.000	Change in FMV-Investments	243,244.65	(341,545.87)	584,790.52	171.22
1027 - Totals		\$243,244.65	(\$341,545.87)	\$584,790.52	171.22%
1030					
1030.100	Investment-Central Trea.	2,279,229.53	1,049,252.35	1,229,977.18	117.22
1030 - Totals		\$2,279,229.53	\$1,049,252.35	\$1,229,977.18	117.22%
1050					
1050.000	Accts Rec.-Misc Billing	82,531.05	59,767.51	22,763.54	38.09
1050.010	Accts Rec.-Utility Billing	802,031.76	866,194.18	(64,162.42)	(7.41)
1050.050	Accts Rec.-Collections	142,302.80	143,869.53	(1,566.73)	(1.09)
1050.070	Accts Rec.- Federal	96,688.85	96,380.62	308.23	.32
1050.900	Allowance - Doubtful Acct	(142,302.80)	(143,869.53)	1,566.73	1.09
1050 - Totals		\$981,251.66	\$1,022,342.31	(\$41,090.65)	(4.02%)
1100					
1100.010	Inventory - Materials	1,165,753.00	1,328,971.34	(163,218.34)	(12.28)
1100.020	Inventory - Fuel	182,855.31	140,266.16	42,589.15	30.36
1100.030	Inventory - Freight	(1,081.38)	(19,026.42)	17,945.04	94.32
1100 - Totals		\$1,347,526.93	\$1,450,211.08	(\$102,684.15)	(7.08%)
1200					
1200.020	Prepaid Insurance	565,812.84	510,817.15	54,995.69	10.77
1200.030	Prepaid Workers Compensation Insurance	68,046.98	84,987.71	(16,940.73)	(19.93)
1200 - Totals		\$633,859.82	\$595,804.86	\$38,054.96	6.39%
1425					
1425.000	Deferred Outflow OPEB	352,665.00	117,632.00	235,033.00	199.80
1425 - Totals		\$352,665.00	\$117,632.00	\$235,033.00	199.80%
1500					
1500.100	Land - Electric Fund	692,937.00	692,937.00	.00	.00
1500 - Totals		\$692,937.00	\$692,937.00	\$0.00	0.00%
1510					
1510.000	Land Improvements	378,744.97	70,767.15	307,977.82	435.20
1510 - Totals		\$378,744.97	\$70,767.15	\$307,977.82	435.20%
1520					
1520.001	Blue Lake Hydro Plant	167,950,408.29	167,821,992.45	128,415.84	.08
1520.002	Green Lake Hydro Plant	77,189,638.92	77,189,638.92	.00	.00
1520.004	Indian River Diesel Plant	25,026,276.20	25,026,276.20	.00	.00
1520.005	Transmission Lines	5,293,413.38	5,293,413.38	.00	.00



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Enterprise Funds				
Fund	200 - Electric Fund				
	ASSETS				
1520.006	Distribution Lines	14,177,730.53	12,935,111.80	1,242,618.73	9.61
1520.007	General Plant	1,208,063.94	1,054,383.76	153,680.18	14.58
1520.008	Takatz Lake Plant	1,744,392.16	1,744,392.16	.00	.00
	1520 - Totals	\$292,589,923.42	\$291,065,208.67	\$1,524,714.75	0.52%
1540					
1540.000	Buildings	2,097,951.05	2,097,951.05	.00	.00
	1540 - Totals	\$2,097,951.05	\$2,097,951.05	\$0.00	0.00%
1550					
1550.000	Machinery & Equipment	2,065,170.84	1,951,208.82	113,962.02	5.84
	1550 - Totals	\$2,065,170.84	\$1,951,208.82	\$113,962.02	5.84%
1570					
1570.000	Furniture & Fixtures	158,799.31	158,799.31	.00	.00
	1570 - Totals	\$158,799.31	\$158,799.31	\$0.00	0.00%
1580					
1580.000	Electric Heat Conversions	679,403.79	592,185.74	87,218.05	14.73
	1580 - Totals	\$679,403.79	\$592,185.74	\$87,218.05	14.73%
1600					
1600.100	Accumulated Depreciation Land Improvements	(59,755.90)	(53,075.51)	(6,680.39)	(12.59)
	1600 - Totals	(\$59,755.90)	(\$53,075.51)	(\$6,680.39)	(12.59%)
1620					
1620.000	Accumulated Depr Ut Plant	(.19)	(.19)	.00	.00
1620.001	Accumulated Depr Blue Lak	(29,898,016.94)	(24,506,478.20)	(5,391,538.74)	(22.00)
1620.002	Accumulated Depr GreenLk	(39,226,315.14)	(38,384,910.54)	(841,404.60)	(2.19)
1620.004	Accumulated Depr Diesel P	(7,016,397.77)	(6,261,027.98)	(755,369.79)	(12.06)
1620.005	Accumulated Depr Transm	(2,297,447.62)	(2,153,434.99)	(144,012.63)	(6.69)
1620.006	Accumulated Depr Distrib	(7,687,976.36)	(7,265,313.11)	(422,663.25)	(5.82)
1620.007	Accumulated Depr GeneralP	(434,343.18)	(373,867.95)	(60,475.23)	(16.18)
1620.008	Accumulated Depreciation Takatz Lake Plant	(301,060.46)	(227,985.33)	(73,075.13)	(32.05)
	1620 - Totals	(\$86,861,557.66)	(\$79,173,018.29)	(\$7,688,539.37)	(9.71%)
1640					
1640.000	Accumulated Depr Building	(752,413.93)	(701,931.31)	(50,482.62)	(7.19)
	1640 - Totals	(\$752,413.93)	(\$701,931.31)	(\$50,482.62)	(7.19%)
1650					
1650.000	Accumulated Depr Equipmnt	(1,098,066.27)	(1,026,046.17)	(72,020.10)	(7.02)
	1650 - Totals	(\$1,098,066.27)	(\$1,026,046.17)	(\$72,020.10)	(7.02%)



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Enterprise Funds				
Fund	200 - Electric Fund				
	ASSETS				
1670					
1670.000	Accumulated Depr furnitur	(117,114.38)	(109,174.43)	(7,939.95)	(7.27)
1670 - Totals		(\$117,114.38)	(\$109,174.43)	(\$7,939.95)	(7.27%)
1680					
1680.000	Acc Depr Heat Conversion	(279,815.01)	(246,767.37)	(33,047.64)	(13.39)
1680 - Totals		(\$279,815.01)	(\$246,767.37)	(\$33,047.64)	(13.39%)
1800					
1800.050	2010 Debt Serv Reserve Fd	3,711,498.74	3,629,942.79	81,555.95	2.25
1800.060	2013 Debt Serv Reserve Fd	5,507,436.02	5,379,148.33	128,287.69	2.38
1800.070	2013 Series 3 (FY14) Debt Service Reserve	1,494,708.45	1,460,110.09	34,598.36	2.37
1800 - Totals		\$10,713,643.21	\$10,469,201.21	\$244,442.00	2.33%
1810					
1810.050	FERC License expenditures	991,626.49	991,626.49	.00	.00
1810.060	D4 Air Quality Permit	304,097.83	304,097.83	.00	.00
1810.070	Takatz Lake FERC license	272,904.94	272,904.94	.00	.00
1810.095	Acc. Amort. FERC License	(196,636.80)	(196,636.80)	.00	.00
1810.100	Water Rights ALP	23,483.00	23,483.00	.00	.00
1810 - Totals		\$1,395,475.46	\$1,395,475.46	\$0.00	0.00%
1825					
1825.000	Deferred Outflow Pension	550,659.00	482,745.00	67,914.00	14.07
1825 - Totals		\$550,659.00	\$482,745.00	\$67,914.00	14.07%
	ASSETS TOTALS	\$227,991,762.49	\$231,560,163.06	(\$3,568,400.57)	(1.54%)
	LIABILITIES AND FUND EQUITY				
	LIABILITIES				
2060					
2060.000	Compensated Absences Pay.	305,525.25	262,174.25	43,351.00	16.54
2060 - Totals		\$305,525.25	\$262,174.25	\$43,351.00	16.54%
2100					
2100.003	Deposits - Utility	128,884.80	128,042.60	842.20	.66
2100.005	Deposits -	10,000.00	25,000.00	(15,000.00)	(60.00)
2100 - Totals		\$138,884.80	\$153,042.60	(\$14,157.80)	(9.25%)
2200					
2200.001	Interest Payable-Bonds	793,901.06	812,734.32	(18,833.26)	(2.32)
2200.002	Interest Payable-Notes	30,600.93	52,219.48	(21,618.55)	(41.40)
2200 - Totals		\$824,501.99	\$864,953.80	(\$40,451.81)	(4.68%)



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Enterprise Funds				
Fund	200 - Electric Fund				
	LIABILITIES AND FUND EQUITY				
	LIABILITIES				
2300					
2300.000	Advances Payable	(.02)	(.02)	.00	.00
2300 - Totals		(\$0.02)	(\$0.02)	\$0.00	0.00%
2450					
2450.300	Deferred Inflow OPEB	373,506.00	410,081.00	(36,575.00)	(8.92)
2450.900	Net OPEB Liability	932,600.00	711,433.00	221,167.00	31.09
2450 - Totals		\$1,306,106.00	\$1,121,514.00	\$184,592.00	16.46%
2500					
2500.015	Revenue Bonds 2010 Series	33,760,000.00	35,935,000.00	(2,175,000.00)	(6.05)
2500.017	2013 Bond Series 1	35,530,000.00	35,530,000.00	.00	.00
2500.019	Premium on 2013 Bonds	3,807,229.00	3,943,202.00	(135,973.00)	(3.45)
2500.020	2013 Series 3 (FY14)	25,615,000.00	25,615,000.00	.00	.00
2500.021	2013 Series 3 (FY14) Premium	863,681.15	893,463.15	(29,782.00)	(3.33)
2500.024	2014 Series Three Electric	16,325,000.00	16,325,000.00	.00	.00
2500.025	2014 Series 3 Premium	1,977,001.60	2,053,559.60	(76,558.00)	(3.73)
2500.090	Premium on 2010 Bonds	854,293.00	931,956.00	(77,663.00)	(8.33)
2500.095	Deferred Loss on Bonds	(1,189,402.00)	(1,486,753.00)	297,351.00	20.00
2500.500	Notes Payable-State	8,630,182.33	9,082,146.98	(451,964.65)	(4.98)
2500.900	Net Pension Liability	4,438,036.00	4,307,659.00	130,377.00	3.03
2500 - Totals		\$130,611,021.08	\$133,130,233.73	(\$2,519,212.65)	(1.89%)
2700					
2700.300	Deferred Inflow Pension	112,373.00	613,039.00	(500,666.00)	(81.67)
2700 - Totals		\$112,373.00	\$613,039.00	(\$500,666.00)	(81.67%)
	LIABILITIES TOTALS	\$133,298,412.10	\$136,144,957.36	(\$2,846,545.26)	(2.09%)
	FUND EQUITY				
2800					
2800.001	Contributed Cap.-Federal	2,339,850.00	2,339,850.00	.00	.00
2800.002	Contributed Cap.-State	(1,312,876.49)	(1,312,876.49)	.00	.00
2800.003	Contributed Cap.-Local	19,474,625.56	19,474,625.56	.00	.00
2800 - Totals		\$20,501,599.07	\$20,501,599.07	\$0.00	0.00%
2900					
2900.010	Reserve for Encumbrances	44,428.87	44,428.87	.00	.00
2900.040	Reserve for Debt Service	7,047,684.68	7,047,684.68	.00	.00
2900 - Totals		\$7,092,113.55	\$7,092,113.55	\$0.00	0.00%



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account


























Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Enterprise Funds				
Fund	200 - Electric Fund				
	FUND EQUITY				
2910					
2910.140	Designated-Capital Project	(27,175,239.34)	(27,175,239.34)	.00	.00
2910.200	Designated-Rate Stabilize	688,000.00	320,000.00	368,000.00	115.00
	2910 - Totals	(\$26,487,239.34)	(\$26,855,239.34)	\$368,000.00	1.37%
2920					
2920.000	Undesignated/Re. Earnings	96,647,312.88	97,015,312.88	(368,000.00)	(.38)
2920.500	Post Soft Close Entries	412,645.08	412,645.08	.00	.00
	2920 - Totals	\$97,059,957.96	\$97,427,957.96	(\$368,000.00)	(0.38%)
2965					
2965.000	P/Y Encumbrance Control	(44,429.61)	(44,429.61)	.00	.00
	2965 - Totals	(\$44,429.61)	(\$44,429.61)	\$0.00	0.00%
	FUND EQUITY TOTALS Prior to Current Year Changes	\$98,122,001.63	\$98,122,001.63	\$0.00	0.00%
	Prior Year Fund Equity Adjustment	(704,665.44)			
	Fund Revenues	(4,859,884.64)			
	Fund Expenses	8,993,201.32			
	FUND EQUITY TOTALS	\$94,693,350.39	\$98,122,001.63	(\$3,428,651.24)	(3.49%)
	LIABILITIES AND FUND EQUITY TOTALS	\$227,991,762.49	\$234,266,958.99	(\$6,275,196.50)	(2.68%)
Fund	200 - Electric Fund Totals	\$0.00	(\$2,706,795.93)	\$2,706,795.93	100.00%
Fund Type	Enterprise Funds Totals	\$0.00	(\$2,706,795.93)	\$2,706,795.93	100.00%
Fund Category	Proprietary Funds Totals	\$0.00	(\$1,229,571.61)	\$1,229,571.61	100.00%
	Grand Totals	\$0.00	(\$1,229,571.61)	\$1,229,571.61	100.00%




Water Utility

Financial Analysis

As Of, And For the Fiscal Quarter Ending, September 30, 2019

Key Performance Indicators (KPI) Dashboard

Indicator	Amount	Compared To Last Year	Compared To Plan	Big Picture
Revenue	749,537	 Almost exactly equal to FY2019	 Exceeded Plan by 1.4%	Watch trend 
Appropriated Operating Outlays vs. Actual Operating Outlays (Budgeted for period minus actual expenditures. Indicates spending levels as compared to approved budget (over budget)/under budget)	107,493	n/a	Under budget 	n/a
Earnings Before Interest and Depreciation (Operating inflows minus operating outlays—indicates how much cash flow is being generated from operations to pay for things like interest expense, principal payments, and infrastructure investment)	462,755	 Almost exactly equal to FY2019	 Exceeded Plan	Ability to finance future water distribution infrastructure major repairs problematic 
Net Income (Incorporates non-operating revenue/expense and depreciation—indicates how much the fund has generated after paying for interest expense and factoring in depreciation of assets)	83,881	 Declined From Last Year	 Exceeded Plan	Lower than planned costs of operations led to greater than planned net income 
Asset Replacement (Net income minus debt principal repayment — gives an indication of whether or not we are setting aside enough money to cover asset replacement (<i>as estimated by how much our assets are decreasing in value annually</i>))	(18,942)	 Declined From Last Year	 Exceeded Plan	Comparison with FY2019 impacted by increased depreciation expense 
Total Working Capital (What total resources are available in the fund)	3,598,907	 Increased From Last Year	 Exceeded Plan by 3.9%	Watch trend 
Working Capital Appropriated For Projects (Of the fund's total resources, how much has been already appropriated for CAPEX)	1,615,475	 Increased From Last Year	 Met Plan	Watch trend 
Undesignated Working Capital (How much of the fund's resources are available?)	1,530,226	 Increased From Last Year	 Met Plan	Not much available for either capital investment or emergency 
Days Cash on Hand, Total Working Capital (How many days of operations would be covered by our total working capital if no more revenue were generated)	723.6	 Greater Than Last Year	 Met Plan	Watch trend 

Days Cash on Hand, Undesignated Working Capital (How many days of operations would the fund's fairly liquid assets cover?)	307.7	 Greater Than Last Year	 Met Plan	Watch trend 
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In the 1st Quarter of FY2020, the Water Fund recorded results almost unchanged from FY2019, but, did exceed planned results. The main reason behind exceeding planned results were costs of operations that were \$96.6K under planned levels. As water user fee increase was enacted for FY2020, water user fee revenue increased by just \$4.1K over FY2019. Net income declined by \$35.0K from FY2019 to \$83.8K. Increased interest expense on DEC Clean Drinking Water Program loans was the reason behind the decline in net income.

Earnings before Interest and Depreciation (EBID), a surrogate for cash flow from operations, was virtually unchanged from FY2019, increasing by just \$73. In FY2019, water user fees were substantially increased in order to provide for increased cash flow to pay for the new debt the Municipality must take on to finance the alternative water supply capital improvement; in FY2020, however, water user fees were not increased, leading to the flat comparison with prior period. As construction outlays for the alternative water supply project have not ramped up, the additional cash flow from the FY2019 user fee increase has increased undesignated working capital. This is reflected by the increase in total working capital of \$1,311.2K over September 30, 2018.

Even with the increase in undesignated working capital, we will have to continue to use debt to finance our capital needs. This is because the increases in undesignated working capital are far exceeded by the estimated cost of necessary future capital improvements. Key future capital improvements which must be continuously addressed are ongoing replacements of water distribution mains. Many of the original water mains installed in Sitka are now reaching the end of their useful lives and are wearing out. The Municipality has replaced mains in the oldest parts of Sitka, but mains installed in the 1970s are now requiring replacement. This ongoing replacement of water mains will continue to require either working capital or new debt as financing sources. The alternative is to risk water main failure or breakage if older mains are not replaced, causing service disruptions to citizens.

City and Borough of Sitka
Water Utility
Financial Statements (Unaudited)
For The Twelve-Month Period Ending June 30, 2020

	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	FY2020 YTD	FY2019 YTD	Variance To FY2019 YTD	FY2020 Plan (S/L = 25.00%)	Variance To FY2020 Plan
Income Statement									
Revenue:									
Water Sales	741,931	-	-	-	741,931	737,863	4,068	725,985	15,946
Jobbing	4,420	-	-	-	4,420	4,080	340	10,893	(6,473)
Other Operating Revenue	<u>3,186</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,186</u>	<u>8,533</u>	<u>(5,347)</u>	<u>2,250</u>	<u>936</u>
Total Revenue:	749,537	-	-	-	749,537	750,476	(939)	739,128	10,410
Cost of Sales:									
Distribution	85,878	-	-	-	85,878	75,513	(10,365)	174,657	88,779
Treatment	57,550	-	-	-	57,550	75,658	18,108	50,717	(6,834)
Jobbing	-	-	-	-	-	-	-	-	-
Depreciation	<u>331,802</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>331,802</u>	<u>320,861</u>	<u>(10,941)</u>	<u>320,861</u>	<u>(10,942)</u>
Total Cost of Sales:	<u>475,230</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>475,230</u>	<u>472,032</u>	<u>(3,198)</u>	<u>546,234</u>	<u>71,004</u>
Gross Margin:	274,307	-	-	-	274,307	278,444	(4,137)	192,894	81,413
	36.60%	#DIV/0!	#DIV/0!	#DIV/0!	36.60%	37.10%	-0.51%	26.10%	10.50%
Selling and Administrative Expenses	<u>143,354</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>143,354</u>	<u>136,623</u>	<u>(6,731)</u>	<u>168,901</u>	<u>25,547</u>
Earnings Before Interest (EBI):	130,953	-	-	-	130,953	141,821	(10,868)	23,993	106,960
	17.47%	#DIV/0!	#DIV/0!	#DIV/0!	17.47%	18.90%	-1.43%	3.25%	14.23%
Non-operating Revenue and Expense:									
Non-operating revenue:	17,184	-	-	-	17,184	12,483	4,701	13,803	3,382
Grant Revenue	-	-	-	-	-	35	(35)	-	-
Interest Expense:	<u>(64,256)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(64,256)</u>	<u>(35,429)</u>	<u>(28,827)</u>	<u>(64,256)</u>	<u>(1)</u>
Total Non-operating Revenue & Expense:	<u>(47,072)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(47,072)</u>	<u>(22,911)</u>	<u>(24,161)</u>	<u>(50,453)</u>	<u>3,381</u>
Net Income:	<u>83,881</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>83,881</u>	<u>118,910</u>	<u>(35,029)</u>	<u>(26,460)</u>	<u>110,341</u>
	11.19%	#DIV/0!	#DIV/0!	#DIV/0!	11.19%	15.84%	3730.46%	-3.58%	14.77%
Earnings Before Interest and Depreciation (EBID):	462,755	-	-	-	462,755	462,682	73	344,854	96,019
	61.74%	#DIV/0!	#DIV/0!	#DIV/0!	61.74%	61.65%	0.09%	46.66%	15.08%
Debt Principal Coverage									
Simple Cash Flow (Net Income Plus Depreciation)	415,683	-	-	-	415,683	439,771	(24,088)	294,401	121,283
Debt Principal	<u>102,823</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>102,823</u>	<u>112,942</u>	<u>10,119</u>	<u>102,823</u>	<u>-</u>
Debt Principal Coverage Surplus/Deficit	<u>312,860</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>312,860</u>	<u>326,829</u>	<u>(13,969)</u>	<u>191,578</u>	<u>121,283</u>
Debt Principal Coverage Percentage	404%				404.27%	389.38%	14.89%	286.32%	117.95%
Simple Asset Replacement Coverage									
Debt Principal Coverage Surplus/Deficit (from above)	312,860	-	-	-	312,860	326,829	(13,969)	191,578	121,283
Depreciation	<u>331,802</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>331,802</u>	<u>320,861</u>	<u>(10,941)</u>	<u>331,802</u>	<u>-</u>
Cash Accumulated For/(Taken From) Asset Replacement	<u>(18,942)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(18,942)</u>	<u>5,968</u>	<u>(24,910)</u>	<u>(140,225)</u>	<u>121,283</u>

City and Borough of Sitka
Water Utility
Financial Statements (Unaudited)
For The Twelve-Month Period Ending June 30, 2020

	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	FY2020 YTD	FY2019 YTD	Variance To FY2019 YTD	FY2020 Plan (S/L = 25.00%)	Variance To FY2020 Plan
Working Capital/Balance Sheet									
Cash Flow:									
Net Income Plus Depreciation Less Principal	312,860	-	-	-	312,860	326,829	(13,969)	191,578	121,283
CapEx, Accruals, and other Balance Sheet Changes	82,333	-	-	-	82,333	251,554	(169,221)	82,333	-
Increase in (Decrease in) Working Capital	395,193	-	-	-	395,193	578,383	(183,190)	273,911	121,283
Plus Beginning Total Working Capital	3,203,714	-	-	-	3,203,714	1,709,200	1,494,513	3,203,714	-
Equals Ending Total Working Capital:	3,598,907	-	-	-	3,598,907	2,287,583	1,311,323	3,477,624	121,283
Working Capital Detail:									
Repair Reserve (1% of PPE):	453,206	-	-	-	453,206				
Working Capital Designated for CapEx	1,615,475	-	-	-	1,615,475				
Undesignated Working Capital	1,530,226	-	-	-	1,530,226				
Total Working Capital:	3,598,907	-	-	-	3,598,907				
Days On Hand Annual Cash Outlays:									
Total Working Capital:	723.57	-	-	-	723.57				
Less Repair Reserve:	651.32	-	-	-	651.32				
Undesignated Working Capital	307.66	-	-	-	307.66				
Working Capital Calculation:									
Current Assets	4,069,945	-	-	-	4,069,945				
Current Liabilities	(59,745)	-	-	-	(59,745)				
CPLTD	(411,293)	-	-	-	(411,293)				
Total Working Capital	3,598,907	-	-	-	3,598,907				

	FY2019 Adjustments/ Appropriations	FY2019 Payments-Loan Grant & Other	FY2019 Beginning Cash	Ending Cash	Federal Grant A/R	State Grant A/R	Loan A/R	Construction In Progress 7/1/2019	FY2019 Supplies Expenses	FY2019 Contracted Services Expenses	FY2019 Interdepartment Services Expenses	FY2019 Transportation & Vehicles Expenses	Other & ADJ fpr Mixed Project Expense
Unspent Capital Project Working Capital Appropriations													
80238 - Japonski Island Water Design	\$ -	\$ -	\$ 50,000.00	\$ 50,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90531 - Monastery St (DeGroff to Arrowhead) and Kinkead Utility & Street Improvements	\$ -	\$ -	\$ 50,000.00	\$ 50,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90652 - UV Disinfection Facility	\$ -	\$ -	\$ 1,747.52	\$ 1,747.52	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90790 - DeGroff Street Utilities and Street Improvements	\$ -	\$ -	\$ (29,396.58)	\$ (29,533.53)	\$ -	\$ -	\$ 193,008.67	\$ 987,216.31	\$ -	\$ 136.95	\$ -	\$ -	\$ -
90796 - Brady Street Water/Wastewater (HPR to Gavan)	\$ -	\$ -	\$ 10,000.00	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90801 - Sitka FY17 Paving	\$ -	\$ -	\$ 11,826.51	\$ 11,826.51	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90819 - South Lake / West Degroff Improvements	\$ -	\$ -	\$ (0.00)	\$ (0.00)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90826 - SMC Water Tank Planning Site Selection & Survey	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90833 - Critical Secondary Water Line	\$ -	\$ -	\$ 321,506.76	\$ 200,723.79	\$ -	\$ -	\$ 260,346.00	\$ 225,629.77	\$ 68,964.27	\$ 28,384.20	\$ 6,297.97	\$ -	\$ -
90838 - Lincoln Street Paving (Harbor Way to Harbor Drive)	\$ 60,000	\$ -	\$ 20,000.00	\$ 80,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90843 - Lake Street (DeGrof to Arrowhead & Hirst)	\$ -	\$ -	\$ 75,000.00	\$ 75,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90844 - Lincoln Street Utilities (Jeff Davis to Harbor Drive)	\$ 75,000	\$ -	\$ 10,000.00	\$ 85,000.00	\$ -	\$ -	\$ -	\$ 9,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
80859 - Landslide Study	\$ -	\$ -	\$ 11,000.00	\$ 11,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90870 - Water Master Plan	\$ -	\$ -	\$ 100,000.00	\$ 100,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90877 - Sitka Paving 2017-Brady and Gavan St Paving	\$ -	\$ -	\$ 5,000.00	\$ 5,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90878 - Sitka Paving 2017 Katlian	\$ -	\$ -	\$ 15,000.00	\$ 15,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90883 - SMC Water Transmission Main Repair	\$ 400,000	\$ -	\$ (7,900.24)	\$ 374,356.42	\$ -	\$ -	\$ -	\$ 7,900.24	\$ -	\$ 455.28	\$ 17,288.06	\$ -	\$ -
80889 -Blue Lake Watershed Plan	\$ 35,000	\$ -	\$ -	\$ 35,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
80890 - Monitor Analyzing Panel	\$ 25,000	\$ -	\$ -	\$ 25,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
80891 - Blue Lake WTP Valve Insulation Box	\$ 15,000	\$ -	\$ -	\$ 15,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
80892 - Harbor Mountain Tank Ladder	\$ 17,000	\$ -	\$ -	\$ 17,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
80893 - SCADA Reporting Software	\$ 10,000	\$ -	\$ -	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
80894 - Resource Management/GIS Implementation (W/WW)	\$ 20,000	\$ -	\$ -	\$ 20,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
80908 - Water Transmission Main Emergency Repair	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unidentified Balancing Amount	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total:	\$ 657,000.00	\$ -	\$ 643,783.97	\$ 1,162,120.71	\$ -	\$ -	\$ 453,354.67	\$ 1,229,746.32	\$ 68,964.27	\$ 28,976.43	\$ 23,586.03	\$ -	\$ -

	FY2019 Total Expenses	Total Assets	Change in Accounts Payable	Change in Retainage Payable	Ending Accounts Payable	Ending Retainage Payable	Total Liabilities	Working Capital
Unspent Capital Project Working Capital Appropriations								
80238 - Japonski Island Water Design	\$ -	\$ 50,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000.00
90531 - Monastery St (DeGroff to Arrowhead) and Kinhead Utility & Street Improvements	\$ -	\$ 50,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000.00
90652 - UV Disinfection Facility	\$ -	\$ 1,747.52	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,747.52
90790 - DeGroff Street Utilities and Street Improvements	\$ 136.95	\$ 1,150,691.45	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 163,475.14
90796 - Brady Street Water/Wastewater (HPR to Gavan)	\$ -	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000.00
90801 - Sitka FY17 Paving	\$ -	\$ 11,826.51	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,826.51
90819 - South Lake / West Degroff Improvements	\$ -	\$ (0.00)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (0.00)
90826 - SMC Water Tank Planning Site Selection & Survey	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90833 - Critical Secondary Water Line	\$ 103,646.44	\$ 686,699.56	\$ (17,136.53)	\$ -	\$ -	\$ -	\$ -	\$ 461,069.79
90838 - Lincoln Street Paving (Harbor Way to Harbor Drive)	\$ -	\$ 80,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,000.00
90843 - Lake Street (DeGroff to Arrowhead & Hirst)	\$ -	\$ 75,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,000.00
90844 - Lincoln Street Utilities (Jeff Davis to Harbor Drive)	\$ -	\$ 94,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,000.00
80859 - Landslide Study	\$ -	\$ 11,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,000.00
90870 - Water Master Plan	\$ -	\$ 100,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000.00
90877 - Sitka Paving 2017-Brady and Gavan St Paving	\$ -	\$ 5,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000.00
90878 - Sitka Paving 2017 Katlian	\$ -	\$ 15,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000.00
90883 - SMC Water Transmission Main Repair	\$ 17,743.34	\$ 382,256.66	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 374,356.42
80889 -Blue Lake Watershed Plan	\$ -	\$ 35,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,000.00
80890 - Monitor Analyzing Panel	\$ -	\$ 25,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000.00
80891 - Blue Lake WTP Valve Insulation Box	\$ -	\$ 15,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000.00
80892 - Harbor Mountain Tank Ladder	\$ -	\$ 17,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,000.00
80893 - SCADA Reporting Software	\$ -	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000.00
80894 - Resource Management/GIS Implementation (W/WW)	\$ -	\$ 20,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000.00
80908 - Water Transmission Main Emergency Repair	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unidentified Balancing Amount	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total:	\$ 121,526.73	\$ 2,845,221.70	\$ (17,136.53)	\$ -	\$ -	\$ -	\$ -	\$ 1,615,475.38



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Capital Projects Funds				
Fund	720 - Capital Projects-Water				
	ASSETS				
1030					
1030.100	Investment-Central Trea.	1,107,051.95	658,407.46	448,644.49	68.14
	1030 - Totals	\$1,107,051.95	\$658,407.46	\$448,644.49	68.14%
1050					
1050.060	Accts Rec.- State	253,200.66	576,251.23	(323,050.57)	(56.06)
1050.070	Accts Rec.- Federal	200,154.01	.00	200,154.01	+++
	1050 - Totals	\$453,354.67	\$576,251.23	(\$122,896.56)	(21.33%)
1590					
1590.000	Construction in Progress	1,229,746.32	491,879.48	737,866.84	150.01
	1590 - Totals	\$1,229,746.32	\$491,879.48	\$737,866.84	150.01%
	ASSETS TOTALS	\$2,790,152.94	\$1,726,538.17	\$1,063,614.77	61.60%
	FUND EQUITY				
2800					
2800.001	Contributed Cap.-Federal	1,319,191.95	1,319,191.95	.00	.00
2800.002	Contributed Cap.-State	181,396.23	181,396.23	.00	.00
	2800 - Totals	\$1,500,588.18	\$1,500,588.18	\$0.00	0.00%
2900					
2900.010	Reserve for Encumbrances	363,522.04	363,522.04	.00	.00
	2900 - Totals	\$363,522.04	\$363,522.04	\$0.00	0.00%
2910					
2910.140	Designated-Capital Project	1,743,704.43	1,743,704.43	.00	.00
	2910 - Totals	\$1,743,704.43	\$1,743,704.43	\$0.00	0.00%
2920					
2920.000	Undesignated/Re. Earnings	(1,722,798.40)	(1,722,798.40)	.00	.00
	2920 - Totals	(\$1,722,798.40)	(\$1,722,798.40)	\$0.00	0.00%
2965					
2965.000	P/Y Encumbrance Control	(363,522.04)	(363,522.04)	.00	.00
	2965 - Totals	(\$363,522.04)	(\$363,522.04)	\$0.00	0.00%
	FUND EQUITY TOTALS Prior to Current Year Changes	\$1,521,494.21	\$1,521,494.21	\$0.00	0.00%
	Prior Year Fund Equity Adjustment	(705,687.52)			
	Fund Revenues	(739,566.70)			
	Fund Expenses	176,595.49			
	FUND EQUITY TOTALS	\$2,790,152.94	\$1,521,494.21	\$1,268,658.73	83.38%
	LIABILITIES AND FUND EQUITY TOTALS	\$2,790,152.94	\$1,521,494.21	\$1,268,658.73	83.38%
Fund	720 - Capital Projects-Water Totals	\$0.00	\$205,043.96	(\$205,043.96)	(100.00%)



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account		Account Description		Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds						
Fund Type	Capital Projects Funds Totals			\$0.00	\$205,043.96	(\$205,043.96)	(100.00%)



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category Proprietary Funds					
Fund Type Enterprise Funds					
Fund 210 - Water Fund					
ASSETS					
1027					
1027.000	Change in FMV-Investments	20,272.00	(26,753.00)	47,025.00	175.77
1027 - Totals		\$20,272.00	(\$26,753.00)	\$47,025.00	175.77%
1030					
1030.100	Investment-Central Trea.	1,988,120.70	1,378,462.01	609,658.69	44.23
1030 - Totals		\$1,988,120.70	\$1,378,462.01	\$609,658.69	44.23%
1050					
1050.000	Accts Rec.-Misc Billing	3,026.21	1,384.49	1,641.72	118.58
1050.010	Accts Rec.-Utility Billing	178,813.56	174,406.37	4,407.19	2.53
1050.050	Accts Rec.-Collections	29,022.45	29,535.53	(513.08)	(1.74)
1050.900	Allowance - Doubtful Acct	(29,022.45)	(29,535.53)	513.08	1.74
1050 - Totals		\$181,839.77	\$175,790.86	\$6,048.91	3.44%
1070					
1070.010	Notes Receivable	(.01)	(.01)	.00	.00
1070 - Totals		(\$0.01)	(\$0.01)	\$0.00	0.00%
1100					
1100.010	Inventory - Materials	225,874.99	223,961.52	1,913.47	.85
1100 - Totals		\$225,874.99	\$223,961.52	\$1,913.47	0.85%
1200					
1200.020	Prepaid Insurance	31,004.34	22,795.92	8,208.42	36.01
1200.030	Prepaid Workers Compensation Insurance	7,356.91	8,145.68	(788.77)	(9.68)
1200 - Totals		\$38,361.25	\$30,941.60	\$7,419.65	23.98%
1425					
1425.000	Deferred Outflow OPEB	28,396.00	10,792.00	17,604.00	163.12
1425 - Totals		\$28,396.00	\$10,792.00	\$17,604.00	163.12%
1520					
1520.100	Water Plant	36,217,582.88	36,217,188.13	394.75	.00
1520 - Totals		\$36,217,582.88	\$36,217,188.13	\$394.75	0.00%
1540					
1540.000	Buildings	8,894,611.74	8,894,611.74	.00	.00
1540 - Totals		\$8,894,611.74	\$8,894,611.74	\$0.00	0.00%
1550					
1550.000	Machinery & Equipment	208,392.76	167,995.95	40,396.81	24.05
1550 - Totals		\$208,392.76	\$167,995.95	\$40,396.81	24.05%



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category Proprietary Funds					
Fund Type Enterprise Funds					
Fund 210 - Water Fund					
ASSETS					
1590					
1590.000	Construction in Progress	.00	(.11)	.11	100.00
1590 - Totals		\$0.00	(\$0.11)	\$0.11	100.00%
1620					
1620.000	Accumulated Depr Ut Plant	(16,733,039.46)	(15,697,656.16)	(1,035,383.30)	(6.60)
1620 - Totals		(\$16,733,039.46)	(\$15,697,656.16)	(\$1,035,383.30)	(6.60%)
1640					
1640.000	Accumulated Depr Building	(1,261,181.70)	(964,383.57)	(296,798.13)	(30.78)
1640 - Totals		(\$1,261,181.70)	(\$964,383.57)	(\$296,798.13)	(30.78%)
1650					
1650.000	Accumulated Depr Equipmnt	(149,680.53)	(143,721.68)	(5,958.85)	(4.15)
1650 - Totals		(\$149,680.53)	(\$143,721.68)	(\$5,958.85)	(4.15%)
1810					
1810.100	Water Rights ALP	23,483.00	23,483.00	.00	.00
1810 - Totals		\$23,483.00	\$23,483.00	\$0.00	0.00%
1825					
1825.000	Deferred Outflow Pension	37,575.00	32,488.00	5,087.00	15.66
1825 - Totals		\$37,575.00	\$32,488.00	\$5,087.00	15.66%
ASSETS TOTALS		\$29,720,608.39	\$30,323,200.28	(\$602,591.89)	(1.99%)
LIABILITIES AND FUND EQUITY					
LIABILITIES					
2060					
2060.000	Compensated Absences Pay.	27,354.24	18,246.43	9,107.81	49.92
2060 - Totals		\$27,354.24	\$18,246.43	\$9,107.81	49.92%
2100					
2100.007	Deposits - Water	.00	100.00	(100.00)	(100.00)
2100 - Totals		\$0.00	\$100.00	(\$100.00)	(100.00%)
2200					
2200.002	Interest Payable-Notes	32,390.50	33,383.50	(993.00)	(2.97)
2200 - Totals		\$32,390.50	\$33,383.50	(\$993.00)	(2.97%)
2450					
2450.300	Deferred Inflow OPEB	34,882.00	37,622.00	(2,740.00)	(7.28)
2450.900	Net OPEB Liability	81,835.00	65,269.00	16,566.00	25.38
2450 - Totals		\$116,717.00	\$102,891.00	\$13,826.00	13.44%



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category Proprietary Funds					
Fund Type Enterprise Funds					
Fund 210 - Water Fund					
LIABILITIES AND FUND EQUITY					
LIABILITIES					
2500					
2500.500	Notes Payable-State	6,807,164.83	6,475,797.76	331,367.07	5.12
2500.900	Net Pension Liability	354,299.00	344,534.00	9,765.00	2.83
2500 - Totals		\$7,161,463.83	\$6,820,331.76	\$341,132.07	5.00%
2700					
2700.300	Deferred Inflow Pension	18,177.00	55,677.00	(37,500.00)	(67.35)
2700 - Totals		\$18,177.00	\$55,677.00	(\$37,500.00)	(67.35%)
LIABILITIES TOTALS		\$7,356,102.57	\$7,030,629.69	\$325,472.88	4.63%
FUND EQUITY					
2800					
2800.001	Contributed Cap.-Federal	53,838.86	53,838.86	.00	.00
2800.002	Contributed Cap.-State	13,579,799.42	13,579,799.42	.00	.00
2800.003	Contributed Cap.-Local	80,301.48	80,301.48	.00	.00
2800 - Totals		\$13,713,939.76	\$13,713,939.76	\$0.00	0.00%
2900					
2900.010	Reserve for Encumbrances	(11,860.61)	(11,860.61)	.00	.00
2900 - Totals		(\$11,860.61)	(\$11,860.61)	\$0.00	0.00%
2910					
2910.140	Designated-Capital Project	(1,024,704.43)	(1,024,704.43)	.00	.00
2910 - Totals		(\$1,024,704.43)	(\$1,024,704.43)	\$0.00	0.00%
2920					
2920.000	Undesignated/Re. Earnings	10,636,628.18	10,636,628.18	.00	.00
2920.500	Post Soft Close Entries	(2,434.18)	(2,434.18)	.00	.00
2920 - Totals		\$10,634,194.00	\$10,634,194.00	\$0.00	0.00%
2965					
2965.000	P/Y Encumbrance Control	11,859.89	11,859.89	.00	.00
2965 - Totals		\$11,859.89	\$11,859.89	\$0.00	0.00%
FUND EQUITY TOTALS Prior to Current Year Changes		\$23,323,428.61	\$23,323,428.61	\$0.00	0.00%
Prior Year Fund Equity Adjustment		417,490.80			
Fund Revenues		(766,721.55)			
Fund Expenses		1,308,153.54			
FUND EQUITY TOTALS		\$22,364,505.82	\$23,323,428.61	(\$958,922.79)	(4.11%)
LIABILITIES AND FUND EQUITY TOTALS		\$29,720,608.39	\$30,354,058.30	(\$633,449.91)	(2.09%)
Fund 210 - Water Fund Totals		\$0.00	(\$30,858.02)	\$30,858.02	100.00%



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account






















Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Enterprise Funds Totals	\$0.00	(\$30,858.02)	\$30,858.02	100.00%
Fund Category	Proprietary Funds Totals	\$0.00	\$174,185.94	(\$174,185.94)	(100.00%)
	Grand Totals	\$0.00	\$174,185.94	(\$174,185.94)	(100.00%)




Wastewater Utility

Financial Analysis

As Of, And For the Fiscal Quarter Ending, September 30, 2019

Key Performance Indicators (KPI) Dashboard

Indicator	Amount	Compared To Last Year	Compared To Plan	Big Picture
Revenue	889,791	 7.7% Greater Than Previous Year	 1.3% Under Plan	 Increase in wastewater revenue attributable to 6.6% increase in user fees in FY2020
Appropriated Operating Outlays vs. Actual Operating Outlays (Budgeted for period minus actual expenditures. Indicates spending levels as compared to approved budget (over budget)/under budget)	194,978	n/a	Under Budget 	n/a
Earnings Before Interest and Depreciation (Operating inflows minus operating outlays—indicates how much cash flow is being generated from operations to pay for things like interest expense, principal payments, and infrastructure investment)	419,056	 \$141.3K Increase Over FY2019	 Exceeded Plan	Increase in wastewater EBID attributable to 6.6% increase in user fees in FY2020
Net Income (Incorporates non-operating revenue/expense and depreciation—indicates how much the fund has generated after paying for interest expense and factoring in depreciation of assets)	174,851	 \$112.3K Increase Over FY2019	 Exceeded Plan	Increase in wastewater EBID attributable to 6.6% increase in user fees in FY2020
Asset Replacement (Net income minus debt principal repayment—gives an indication of whether or not we are setting aside enough money to cover asset replacement (<i>as estimated by how much our assets are decreasing in value annually</i>))	96,736	 Greater Than FY2019	 Exceeded Plan	Continue to Monitor 
Total Working Capital (What total resources are available in the fund)	8,379,436	 \$1,150,269 Increase Over FY2019	 Exceeded Plan	Increasing, but still not sufficient to fully fund capital improvements without new debt
Working Capital For Capital Projects (Of the fund's total resources, how much has been already appropriated for CAPEX)	2,652,785	 More than Prior Year	 Met Plan	Watch trend 
Undesignated Working Capital (How much of the fund's resources are available?)	4,984,228	 3.6% Greater Than FY2019	 Exceeded Plan	Increasing, but still not sufficient to fully fund capital improvements without new debt
Days Cash on Hand, Total Working Capital (How many days of operations would be covered by our total working capital if no more revenue were generated)	1,221.4	 Greater Than Last Year	 Exceeded Plan	Watch trend 

Days Cash on Hand, Undesignated Working Capital (How many days of operations would the fund's fairly liquid assets cover?)	709.3	 Greater Than Last Year	 Exceeded Plan	Watch trend 
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The financial performance of the Wastewater Fund over the fiscal year met or exceeded most aspects of the 1st Quarter FY2020 financial plan, and, was improved over FY2019 in all most metrics. Year-over-year comparisons reflect the positive effects of the 6.5% wastewater fee increase which took effect in FY2020.

For the 1st Quarter of FY2020, the wastewater user fee revenue increased by \$61.8K, or 9.65% over FY2019; the 6.5% user fee increase was the reason for the large increase. Net income increased by \$112.3K from FY2019 to \$174.9K.

Earnings before Interest and Depreciation (EBID), a surrogate for cash flow from operations, was \$419.1K, a 50.9% increase over FY2019. In FY2020, wastewater user fees were substantially increased in order to provide for increased cash flow to pay for the new debt the Municipality must take on to finance repairs to the wastewater treatment plant. As construction outlays for the wastewater treatment plant repairs have not ramped up, the additional cash flow from the FY2020 user fee increase has increased undesignated working capital. This is reflected by the increase in total working capital of \$1,133.0K over September 30, 2018.

While the Wastewater Fund's working capital is greater than most other CBS enterprise funds, its situation is similar in that there is significant need now, and in the near future, to accumulate working capital for capital investments to maintain infrastructure. All available working capital is either formally appropriated for capital improvements, or, informally earmarked for them.

Major elements of Municipal wastewater treatment infrastructure are rapidly reaching the end of their useful life and are in danger of failing. The Municipality has already experienced multiple leaks in the sewer force main which connects the main commercial and residential areas with the treatment plant on Japonski Island. The leaks are due to a combination of age and corrosion, and, full replacement of the aging main will be an expensive proposition. In addition, elements of the waste water treatment plant are in excess of forty years old, their useful life, and are failing. There is insufficient working capital within the wastewater fund to accomplish either of these significant repairs without taking on additional debt.

City and Borough of Sitka
Wastewater Utility
Financial Statements (Unaudited)
For The Twelve-Month Period Ending June 30, 2020

	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	FY2020 YTD	FY2019 YTD	Variance To FY2019 YTD	FY2020 Plan (S/L = 25%)	Variance To FY2020 Plan
Revenue:									
Wastewater Fees	850,962	-	-	-	850,962	789,156	61,806	833,190	17,773
Jobbing	35,789	-	-	-	35,789	32,873	2,916	59,888	(24,099)
Other Operating Revenue	<u>3,040</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,040</u>	<u>4,436</u>	<u>(1,396)</u>	<u>8,073</u>	<u>(5,033)</u>
Total Revenue:	889,791	-	-	-	889,791	826,465	63,326	901,150	(11,359)
Cost of Sales:									
Collections	213,064	-	-	-	213,064	254,736	41,672	364,410	151,346
Treatment	86,429	-	-	-	86,429	105,973	19,544	57,104	(29,326)
Jobbing	-	-	-	-	-	8,283	8,283	-	-
Depreciation	<u>223,807</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>223,807</u>	<u>218,157</u>	<u>(5,650)</u>	<u>240,438</u>	<u>16,631</u>
Total Cost of Sales:	<u>523,300</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>523,300</u>	<u>587,149</u>	<u>63,849</u>	<u>661,951</u>	<u>138,651</u>
Gross Margin:	366,491	-	-	-	366,491	239,316	127,175	239,199	127,292
	41.19%				41.19%	28.96%	12.23%	26.54%	14.64%
Selling and Administrative Expenses	<u>171,242</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>171,242</u>	<u>179,725</u>	<u>8,483</u>	<u>244,200</u>	<u>72,958</u>
Earnings Before Interest (EBI):	195,249	-	-	-	195,249	59,591	135,658	(5,001)	200,250
	21.94%				21.94%	7.21%	14.73%	-0.55%	22.50%
Non-operating Revenue and Expense:									
Non-operating revenue:	39,514	-	-	-	39,514	38,396	1,118	41,190	(1,676)
Grant Revenue	-	-	-	-	-	35	(35)	-	-
Interest Expense:	<u>(59,912)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(59,912)</u>	<u>(35,429)</u>	<u>(24,483)</u>	<u>(59,912)</u>	<u>-</u>
Total Non-operating Revenue & Expense:	<u>(20,398)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(20,398)</u>	<u>3,002</u>	<u>(23,400)</u>	<u>(18,723)</u>	<u>(1,676)</u>
Net Income:	<u><u>174,851</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>174,851</u></u>	<u><u>62,593</u></u>	<u><u>112,258</u></u>	<u><u>(23,723)</u></u>	<u><u>198,574</u></u>
	19.65%				19.65%	7.57%	177.27%	-2.63%	22.28%
Earnings Before Interest and Depreciation (EBIDA):	419,056	-	-	-	419,056	277,748	141,308	235,437	216,880
	47.10%				47.10%	33.61%	13.49%	26.13%	20.97%
<u>Debt Principal Coverage</u>									
Simple Cash Flow (Net Income Plus Depreciation)	398,658	-	-	-	398,658	280,750	117,908	216,714	181,944
Debt Principal	<u>78,115</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>78,115</u>	<u>84,177</u>	<u>6,062</u>	<u>78,115</u>	<u>-</u>
Debt Principal Coverage Surplus/Deficit	<u>320,543</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>320,543</u>	<u>196,573</u>	<u>123,970</u>	<u>138,600</u>	<u>181,944</u>
Debt Principal Coverage Percentage	510%				510.35%	333.52%	176.83%	277.43%	232.92%
<u>Simple Asset Replacement Coverage</u>									
Debt Principal Coverage Surplus/Deficit (From Above)	320,543	-	-	-	320,543	196,573	123,970	138,600	181,944
Depreciation	<u>223,807</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>223,807</u>	<u>218,157</u>	<u>(5,650)</u>	<u>240,438</u>	<u>(16,631)</u>
Cash Accumulated For/(Taken From) Asset Replacement	96,736	-	-	-	96,736	(21,584)	118,320	(101,838)	198,574

City and Borough of Sitka
Wastewater Utility
Financial Statements (Unaudited)
For The Twelve-Month Period Ending June 30, 2020

	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	FY2020 YTD	FY2019 YTD	Variance To FY2019 YTD	FY2020 Plan (S/L = 25%)	Variance To FY2020 Plan
Working Capital									
Cash Flow:									
Net Income Plus Depreciation Less Principal	320,543	-	-	-	320,543	196,573	123,970	138,600	181,944
CapEx, Accruals, and other Balance Sheet Changes	37,038	-	-	-	37,038	(52,070)	89,108	37,038	-
Increase in (Decrease in) Working Capital	357,581	-	-	-	357,581	144,503	213,078	175,638	181,944
Plus Beginning Total Working Capital	7,790,766	-	-	-	7,790,766	6,853,575	937,191	7,790,766	-
Equals Ending Total Working Capital:	8,148,347	-	-	-	8,148,347	6,998,078	1,150,269	7,966,403	181,944
Repair Reserve (1% of PPE):	591,089	-	-	-	591,089				
Working Capital Designated for CapEx	2,825,611	-	-	-	2,825,611				
Undesignated Working Capital	4,731,647	-	-	-	4,731,647				
Total Working Capital:	8,148,347	-	-	-	8,148,347				
Days On Hand Annual Cash Outlays in Total Working Capital:	1,221.39	-	-	-	1,221.39				
Days On Hand Annual Cash Outlays in Total Working Capital Less Repair Reserve:	1,132.79	-	-	-	1,132.79				
Days On Hand Annual Cash Outlays in Undesignated Working Capital	709.25	-	-	-	709.25				
Working Current Assets	8,715,863	-	-	-	8,715,863				
Current Liabilities	(255,057)	-	-	-	(255,057)				
CPLTD	(312,459)	-	-	-	(312,459)				
Total Working Capital	8,148,347	-	-	-	8,148,347				

Project	FY2020 Appropriations	FY2020 Payments-Loan Grant & Other	Cash	State Grant A/R	State Loan A/R	Federal Loan A/R	Construction In Progress 6/30/2019	Advertising Expenses
90447 - WWTP Control System	\$ 70,000.00	\$ -	\$ 77,936.83	\$ -	\$ -	\$ -	\$ 82,513.17	\$ -
90531 - Monastery/Kincaid Sewer Design Replacement	\$ -	\$ -	\$ 30,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
90565 - Jamestown Bay Lift Station Rebuild	\$ -	\$ -	\$ 58,231.68	\$ -	\$ -	\$ -	\$ 26,768.32	\$ -
90655 - WWTP Rehabilitation	\$ -	\$ -	\$ (445,508.40)	\$ -	\$ 728,125.81	\$ -	\$ 694,665.79	\$ -
90676 - Brady Street Lift Station	\$ -	\$ -	\$ 136,330.34	\$ -	\$ -	\$ -	\$ 9,877.10	\$ -
90713 - Crescent & Landfill Lift Station Replacement	\$ -	\$ -	\$ 582,024.80	\$ -	\$ -	\$ -	\$ 141.07	\$ -
90750 - WWTP Building Envelope	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,994.60	\$ -
90783 - Replace Generators - Lift Stations	\$ -	\$ -	\$ 166,257.00	\$ -	\$ -	\$ -	\$ 59,148.00	\$ -
90784 - WWTP Garage Door & Blowers	\$ -	\$ -	\$ 16,278.48	\$ -	\$ -	\$ -	\$ 73,721.52	\$ -
90790 - DeGroff Street Utilities and Street Improvements	\$ 33,814.00	\$ -	\$ (199,385.16)	\$ -	\$ 285,604.16	\$ -	\$ 912,264.96	\$ -
90796 - Brady Street Water/Wastewater HPR To Gavin	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90800 - Hypochlorite Injection System	\$ -	\$ -	\$ 24,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
90801 - Sitka FY17 Paving	\$ -	\$ -	\$ 30,491.08	\$ -	\$ -	\$ -	\$ -	\$ -
90803 - Marine Street Street Improvements - Erler to Osprey	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90805 - Replace 1995 CCTV Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90808 - Replace WWTP Chlorine Generator	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90809 - Replace WWTP Influent Grinder	\$ -	\$ -	\$ 100,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
90813 - Upgrade RV Dump Site	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90816 - Channel Lift Station	\$ -	\$ -	\$ 73,100.20	\$ -	\$ 26,899.80	\$ -	\$ 6,791.26	\$ -
90819 - South Lake / West Degroff Improvements	\$ (33,814.00)	\$ -	\$ (0.43)	\$ -	\$ -	\$ -	\$ -	\$ -
90838 - Lincoln Street Paving (Harbor Way to Harbor Drive)	\$ -	\$ -	\$ 20,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
90843 - Lake Street (DeGroff to Arrowhead & Hirst) Utility Improvements	\$ -	\$ -	\$ 53,778.07	\$ -	\$ -	\$ -	\$ 21,221.93	\$ -
90844 - Lincoln Street (Jeff Davis to Harbor Drive) Utility Improvements	\$ -	\$ -	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
90845 - Trailer-Mounted 3-Phase Generator	\$ -	\$ -	\$ 90,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
90846 - WWTP Generator Replacement	\$ -	\$ -	\$ 100,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
90856 - Thompsen Lift Station Rehabilitation (Q4 FY18)	\$ -	\$ -	\$ 240,700.00	\$ -	\$ -	\$ -	\$ 103,291.50	\$ -
90858 - Eagle Way LS	\$ -	\$ -	\$ 210,652.50	\$ -	\$ 9,347.50	\$ -	\$ 19,192.80	\$ -
90862 - Japonski Sewer Force Main Condition Assessment	\$ -	\$ -	\$ 249,682.55	\$ -	\$ -	\$ -	\$ 317.45	\$ -
90877 - Brady & Gavan Street Paving	\$ -	\$ -	\$ 5,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
90878 - Katlian Street Paving	\$ -	\$ -	\$ 40,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
90894 - Resource Management/GIS Implementation (W/WW)	\$ 25,000.00	\$ -	\$ 25,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
90895 - Wastewater Master Plan	\$ 120,000.00	\$ -	\$ 120,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
90896 - Lake & Lincoln 20 hp Pump	\$ 27,000.00	\$ -	\$ 27,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
90897 - WW Lift Station #6 6.5 hp Pump	\$ 12,000.00	\$ -	\$ 12,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
90898 - Granite Creek WW Pump	\$ 16,000.00	\$ -	\$ 16,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Unidentified Balancing Amount	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 270,000.00	\$ -	\$ 1,869,569.54	\$ -	\$ 1,049,977.27	\$ -	\$ 2,034,909.47	\$ -
closed projects								

Supplies Expense	Contracted & Purchased Services Expenses	Interdepartment Services Expenses	Other & Mixed Project Expense	Total Expenses	Expenses Reclassified To CIP	CIP/Expense Reclass to Parent Fund	Construction In Progress 6/30/2020	Total Assets	Accounts Payable	Retainage Payable	Total Liabilities	Working Capital
\$ -	\$ 9,550.00	\$ -	\$ -	\$ 9,550.00	\$ -	\$ -	\$ 92,063.17	\$ 170,000.00	\$ -	\$ -	\$ -	\$ 77,936.83
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000.00	\$ -	\$ -	\$ -	\$ 30,000.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,768.32	\$ 85,000.00	\$ -	\$ -	\$ -	\$ 58,231.68
\$ -	\$ -	\$ 13,842.61	\$ -	\$ 13,842.61	\$ -	\$ -	\$ 708,508.40	\$ 991,125.81	\$ -	\$ -	\$ -	\$ 282,617.41
\$ -	\$ 18,103.75	\$ 688.81	\$ -	\$ 18,792.56	\$ -	\$ -	\$ 28,669.66	\$ 165,000.00	\$ -	\$ -	\$ -	\$ 136,330.34
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 141.07	\$ 582,165.87	\$ -	\$ -	\$ -	\$ 582,024.80
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,994.60	\$ 24,994.60	\$ -	\$ -	\$ -	\$ -
\$ -	\$ 10,595.00	\$ -	\$ -	\$ 10,595.00	\$ -	\$ -	\$ 69,743.00	\$ 236,000.00	\$ -	\$ -	\$ -	\$ 166,257.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 73,721.52	\$ 90,000.00	\$ -	\$ -	\$ -	\$ 16,278.48
\$ -	\$ 74,832.72	\$ 21,207.49	\$ -	\$ 96,040.21	\$ -	\$ -	\$ 1,008,305.17	\$ 1,094,524.17	\$ -	\$ 93,935.71	\$ 93,935.71	\$ (7,716.71)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,000.00	\$ -	\$ -	\$ -	\$ 24,000.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,491.08	\$ -	\$ -	\$ -	\$ 30,491.08
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ 18,606.63	\$ 1,501.91	\$ -	\$ 20,108.54	\$ -	\$ -	\$ 26,899.80	\$ 126,899.80	\$ -	\$ -	\$ -	\$ 100,000.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (506.23)	\$ (506.23)	\$ (506.66)	\$ -	\$ -	\$ -	\$ (0.43)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000.00	\$ -	\$ -	\$ -	\$ 20,000.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,221.93	\$ 75,000.00	\$ -	\$ -	\$ -	\$ 53,778.07
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000.00	\$ -	\$ -	\$ -	\$ 10,000.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 90,000.00	\$ -	\$ -	\$ -	\$ 90,000.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000.00	\$ -	\$ -	\$ -	\$ 100,000.00
\$ -	\$ 6,008.50	\$ -	\$ -	\$ 6,008.50	\$ -	\$ -	\$ 109,300.00	\$ 350,000.00	\$ -	\$ -	\$ -	\$ 240,700.00
\$ -	\$ 7,552.50	\$ -	\$ -	\$ 7,552.50	\$ -	\$ -	\$ 26,745.30	\$ 246,745.30	\$ -	\$ -	\$ -	\$ 220,000.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 317.45	\$ 250,000.00	\$ -	\$ -	\$ -	\$ 249,682.55
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000.00	\$ -	\$ -	\$ -	\$ 5,000.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000.00	\$ -	\$ -	\$ -	\$ 40,000.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000.00	\$ -	\$ -	\$ -	\$ 25,000.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,000.00	\$ -	\$ -	\$ -	\$ 120,000.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,000.00	\$ -	\$ -	\$ -	\$ 27,000.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,000.00	\$ -	\$ -	\$ -	\$ 12,000.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,000.00	\$ -	\$ -	\$ -	\$ 16,000.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ 145,249.10	\$ 37,240.82	\$ -	\$ 182,489.92	\$ -	\$ (506.23)	\$ 2,216,893.16	\$ 5,136,439.97	\$ -	\$ 93,935.71	\$ 93,935.71	\$ 2,825,611.10



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Capital Projects Funds				
Fund	730 - Capital Project-Waste Wtr				
	ASSETS				
1030					
1030.100	Investment-Central Trea.	1,924,638.30	2,391,082.33	(466,444.03)	(19.51)
	1030 - Totals	\$1,924,638.30	\$2,391,082.33	(\$466,444.03)	(19.51%)
1050					
1050.060	Accts Rec.- State	1,049,977.27	472,652.00	577,325.27	122.15
1050.070	Accts Rec.- Federal	.00	(.01)	.01	100.00
	1050 - Totals	\$1,049,977.27	\$472,651.99	\$577,325.28	122.15%
1590					
1590.000	Construction in Progress	2,034,909.47	573,596.72	1,461,312.75	254.76
	1590 - Totals	\$2,034,909.47	\$573,596.72	\$1,461,312.75	254.76%
	ASSETS TOTALS	\$5,009,525.04	\$3,437,331.04	\$1,572,194.00	45.74%
	LIABILITIES AND FUND EQUITY				
	LIABILITIES				
2023					
2023.000	Retainage Payable	93,935.71	34,941.03	58,994.68	168.84
	2023 - Totals	\$93,935.71	\$34,941.03	\$58,994.68	168.84%
	LIABILITIES TOTALS	\$93,935.71	\$34,941.03	\$58,994.68	168.84%
	FUND EQUITY				
2800					
2800.001	Contributed Cap.-Federal	2,129,958.34	2,129,958.34	.00	.00
2800.002	Contributed Cap.-State	127,507.33	127,507.33	.00	.00
	2800 - Totals	\$2,257,465.67	\$2,257,465.67	\$0.00	0.00%
2900					
2900.010	Reserve for Encumbrances	291,481.83	291,481.83	.00	.00
	2900 - Totals	\$291,481.83	\$291,481.83	\$0.00	0.00%
2910					
2910.140	Designated-Capital Project	1,787,725.83	1,787,725.83	.00	.00
	2910 - Totals	\$1,787,725.83	\$1,787,725.83	\$0.00	0.00%
2920					
2920.000	Undesignated/Re. Earnings	(1,022,653.71)	(1,022,653.71)	.00	.00
	2920 - Totals	(\$1,022,653.71)	(\$1,022,653.71)	\$0.00	0.00%
2965					
2965.000	P/Y Encumbrance Control	(291,481.83)	(291,481.83)	.00	.00
	2965 - Totals	(\$291,481.83)	(\$291,481.83)	\$0.00	0.00%
	FUND EQUITY TOTALS Prior to Current Year Changes	\$3,022,537.79	\$3,022,537.79	\$0.00	0.00%
	Prior Year Fund Equity Adjustment	(1,665,159.52)			



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Capital Projects Funds				
	Fund Revenues	(355,313.18)			
	Fund Expenses	127,421.16			
	FUND EQUITY TOTALS	\$4,915,589.33	\$3,022,537.79	\$1,893,051.54	62.63%
	LIABILITIES AND FUND EQUITY TOTALS	\$5,009,525.04	\$3,057,478.82	\$1,952,046.22	63.84%
Fund	730 - Capital Project-Waste Wtr Totals	\$0.00	\$379,852.22	(\$379,852.22)	(100.00%)
Fund Type	Capital Projects Funds Totals	\$0.00	\$379,852.22	(\$379,852.22)	(100.00%)



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category Proprietary Funds					
Fund Type Enterprise Funds					
Fund 220 - Waste Water Treatment					
ASSETS					
1027					
1027.000	Change in FMV-Investments	50,436.00	(103,317.00)	153,753.00	148.82
1027 - Totals		\$50,436.00	(\$103,317.00)	\$153,753.00	148.82%
1030					
1030.100	Investment-Central Trea.	5,243,134.05	4,548,984.11	694,149.94	15.26
1030 - Totals		\$5,243,134.05	\$4,548,984.11	\$694,149.94	15.26%
1050					
1050.000	Accts Rec.-Misc Billing	8,420.39	11,993.72	(3,573.33)	(29.79)
1050.010	Accts Rec.-Utility Billing	208,913.67	191,436.26	17,477.41	9.13
1050.050	Accts Rec.-Collections	39,889.72	40,519.57	(629.85)	(1.55)
1050.900	Allowance - Doubtful Acct	(39,889.72)	(40,519.57)	629.85	1.55
1050 - Totals		\$217,334.06	\$203,429.98	\$13,904.08	6.83%
1070					
1070.010	Notes Receivable	39,881.30	38,121.85	1,759.45	4.62
1070.020	Assessments Receivable	39,839.78	51,683.66	(11,843.88)	(22.92)
1070 - Totals		\$79,721.08	\$89,805.51	(\$10,084.43)	(11.23%)
1100					
1100.010	Inventory - Materials	157,966.79	69,795.16	88,171.63	126.33
1100 - Totals		\$157,966.79	\$69,795.16	\$88,171.63	126.33%
1200					
1200.020	Prepaid Insurance	23,741.24	21,714.61	2,026.63	9.33
1200.030	Prepaid Workers Compensation Insurance	23,983.14	28,237.89	(4,254.75)	(15.07)
1200 - Totals		\$47,724.38	\$49,952.50	(\$2,228.12)	(4.46%)
1425					
1425.000	Deferred Outflow OPEB	82,298.00	28,437.00	53,861.00	189.40
1425 - Totals		\$82,298.00	\$28,437.00	\$53,861.00	189.40%
1500					
1500.220	Easements - Sewer Fund	20,000.00	20,000.00	.00	.00
1500 - Totals		\$20,000.00	\$20,000.00	\$0.00	0.00%
1520					
1520.200	Waste Water Plant	54,614,265.91	54,613,759.68	506.23	.00
1520 - Totals		\$54,614,265.91	\$54,613,759.68	\$506.23	0.00%
1540					
1540.000	Buildings	729,755.67	729,755.67	.00	.00
1540 - Totals		\$729,755.67	\$729,755.67	\$0.00	0.00%



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Enterprise Funds				
Fund	220 - Waste Water Treatment				
	ASSETS				
1550					
1550.000	Machinery & Equipment	1,764,912.66	1,719,687.94	45,224.72	2.63
1550 - Totals		\$1,764,912.66	\$1,719,687.94	\$45,224.72	2.63%
1590					
1590.000	Construction in Progress	.00	(.03)	.03	100.00
1590 - Totals		\$0.00	(\$0.03)	\$0.03	100.00%
1620					
1620.000	Accumulated Depr Ut Plant	(38,846,127.30)	(38,083,403.83)	(762,723.47)	(2.00)
1620 - Totals		(\$38,846,127.30)	(\$38,083,403.83)	(\$762,723.47)	(2.00%)
1640					
1640.000	Accumulated Depr Building	(381,490.27)	(347,891.08)	(33,599.19)	(9.66)
1640 - Totals		(\$381,490.27)	(\$347,891.08)	(\$33,599.19)	(9.66%)
1650					
1650.000	Accumulated Depr Equipmnt	(1,550,202.63)	(1,445,646.71)	(104,555.92)	(7.23)
1650 - Totals		(\$1,550,202.63)	(\$1,445,646.71)	(\$104,555.92)	(7.23%)
1825					
1825.000	Deferred Outflow Pension	171,603.00	156,039.00	15,564.00	9.97
1825 - Totals		\$171,603.00	\$156,039.00	\$15,564.00	9.97%
	ASSETS TOTALS	\$22,401,331.40	\$22,249,387.90	\$151,943.50	0.68%
	LIABILITIES AND FUND EQUITY				
	LIABILITIES				
2060					
2060.000	Compensated Absences Pay.	59,019.07	52,519.21	6,499.86	12.38
2060 - Totals		\$59,019.07	\$52,519.21	\$6,499.86	12.38%
2200					
2200.002	Interest Payable-Notes	102,102.29	67,275.39	34,826.90	51.77
2200 - Totals		\$102,102.29	\$67,275.39	\$34,826.90	51.77%
2450					
2450.300	Deferred Inflow OPEB	90,752.00	99,134.00	(8,382.00)	(8.46)
2450.900	Net OPEB Liability	222,668.00	171,984.00	50,684.00	29.47
2450 - Totals		\$313,420.00	\$271,118.00	\$42,302.00	15.60%
2500					
2500.500	Notes Payable-State	8,114,372.84	7,132,519.45	981,853.39	13.77
2500.900	Net Pension Liability	1,240,129.00	1,210,251.00	29,878.00	2.47
2500 - Totals		\$9,354,501.84	\$8,342,770.45	\$1,011,731.39	12.13%



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

















Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Enterprise Funds				
Fund	220 - Waste Water Treatment				
	LIABILITIES AND FUND EQUITY				
	LIABILITIES				
2700					
2700.300	Deferred Inflow Pension	35,346.00	150,081.00	(114,735.00)	(76.45)
	2700 - Totals	\$35,346.00	\$150,081.00	(\$114,735.00)	(76.45%)
	LIABILITIES TOTALS	\$9,864,389.20	\$8,883,764.05	\$980,625.15	11.04%
	FUND EQUITY				
2800					
2800.001	Contributed Cap.-Federal	612,127.32	612,127.32	.00	.00
2800.002	Contributed Cap.-State	34,325,051.72	34,325,051.72	.00	.00
2800.003	Contributed Cap.-Local	635,040.20	635,040.20	.00	.00
	2800 - Totals	\$35,572,219.24	\$35,572,219.24	\$0.00	0.00%
2900					
2900.010	Reserve for Encumbrances	1,022.25	1,022.25	.00	.00
	2900 - Totals	\$1,022.25	\$1,022.25	\$0.00	0.00%
2910					
2910.140	Designated-Capital Projct	(3,482,121.66)	(3,482,121.66)	.00	.00
	2910 - Totals	(\$3,482,121.66)	(\$3,482,121.66)	\$0.00	0.00%
2920					
2920.000	Undesignated/Re. Earnings	(18,477,284.96)	(18,477,284.96)	.00	.00
2920.500	Post Soft Close Entries	6,575.00	6,575.00	.00	.00
	2920 - Totals	(\$18,470,709.96)	(\$18,470,709.96)	\$0.00	0.00%
2965					
2965.000	P/Y Encumbrance Control	(1,023.13)	(1,023.13)	.00	.00
	2965 - Totals	(\$1,023.13)	(\$1,023.13)	\$0.00	0.00%
	FUND EQUITY TOTALS Prior to Current Year Changes	\$13,619,386.74	\$13,619,386.74	\$0.00	0.00%
	Prior Year Fund Equity Adjustment	1,022,211.28			
	Fund Revenues	(929,303.99)			
	Fund Expenses	989,537.25			
	FUND EQUITY TOTALS	\$12,536,942.20	\$13,619,386.74	(\$1,082,444.54)	(7.95%)
	LIABILITIES AND FUND EQUITY TOTALS	\$22,401,331.40	\$22,503,150.79	(\$101,819.39)	(0.45%)
Fund	220 - Waste Water Treatment Totals	\$0.00	(\$253,762.89)	\$253,762.89	100.00%
Fund Type	Enterprise Funds Totals	\$0.00	(\$253,762.89)	\$253,762.89	100.00%
Fund Category	Proprietary Funds Totals	\$0.00	\$126,089.33	(\$126,089.33)	(100.00%)
	Grand Totals	\$0.00	\$126,089.33	(\$126,089.33)	(100.00%)







Solid Waste Disposal Utility

Financial Analysis

As Of, And For the Fiscal Quarter Ending, September 30, 2019

Key Performance Indicators (KPI) Dashboard

Indicator	Amount	Compared To Last Year	Compared To Plan	Big Picture
Revenue	1,272,523	 Increased 5.5% Over FY2019	 Exceeded Plan by 5.6%	 Annual Annual user fee increases necessitated by annual contract CPI adjustments
Appropriated Operating Outlays vs. Actual Operating Outlays (Budgeted for period minus actual expenditures. Indicates spending levels as compared to approved budget (over budget)/under budget)	114,881	n/a	Under Budget 	Contractual costs are greatly affected by solid waste volumes which are difficult to predict
Earnings Before Interest and Depreciation (Operating inflows minus operating outlays— indicates how much cash flow is being generated from operations to pay for things like interest expense, principal payments, and infrastructure investment)	195,930	 Positive EBIDA Compared to Negative EBIDA in FY2019	 Exceeded Plan	Positive cash flow from operations is being generated, but large working capital deficit will takes years to eliminate
Net Income (Loss) (Incorporates non-operating revenue/expense and depreciation—indicates how much the fund has generated after paying for interest expense and factoring in depreciation of assets)	153,545	 Net Income Compared to Net Loss In FY2019	 Exceeded Plan	Net Income is being generated, but large working capital deficit will takes years to eliminate
Asset Replacement (Net income minus debt principal repayment— gives an indication of whether or not we are setting aside enough money to cover asset replacement <i>(as estimated by how much our assets are decreasing in value annually)</i>)	124,595	 Asset Coverage is Finally Positive	 Exceeded Plan	While asset replacement coverage deficit is finally positive, large working capital deficit means no capital for future replacement of assets
Total Working Capital (What total resources are available in the fund)	(741,240)	 Working Capital Deficit Reduced By \$192.1 in 1 st Qtr FY2020	 Working Capital Deficit Smaller Than Planned	Negative working capital means Fund borrows from Central Treasury
Working Capital For Capital Projects (Of the fund's total resources, how much has been already appropriated for CAPEX)	822,830	 Decreased by \$15.0K from September 30, 2018	 Met Plan	Capital project funding has been approved, but there is no working capital to set aside for it.
Undesignated Working Capital (How much of the fund's resources are available?)	(1,638,396)	 Deficit Reduced by \$177.1K from September 30, 2018	 Exceeded Plan	Needed for infrastructure improvement and emergency repairs

Days Cash on Hand, Total Working Capital (How many days of operations would be covered by our total working capital if no more revenue were generated)	(60.9)	 Less Than Last Year	 Did Not Meet Plan	Watch trend 
Days Cash on Hand, Undesignated Working Capital (How many days of operations would the fund's fairly liquid assets cover?)	(134.7)	 Less Than Last Year	 Did Not Meet Plan	Watch trend 

The Solid Waste Fund's financial condition had a noticeable improvement in the 1st Quarter of FY2020. The Fund clearly stabilizing itself, as losses were replaced with modest profits and the generation of solid positive cash flow from operations. Though somewhat stabilized, the financial condition of the Solid Waste Fund is still extremely weak. The Fund has no reserves, as total working capital is (\$741K). If the improvement in financial metrics and profitability continues, the Fund may be able to work itself out of its negative working capital hole, but it will take several years to do so.

For the 1st Quarter of FY2020, the wastewater user fee revenue increased by \$83.4K, or 7.4% over FY2019; a 6.6% user fee increase was the reason for the large increase. Net income increased by \$229.0K from FY2019 to \$153.5K.

Earnings before Interest and Depreciation (EBID), a surrogate for cash flow from operations, was \$195.9K, an increase of \$221.5K from FY2019. In FY2020, solid waste user fees were substantially increased in order to provide for increased cash flow to eliminate the Fund's working capital deficit. The fee increase appears to be having the planned results, as positive cash flow from the FY2020 user fee increase has reduced the Fund's working capital deficit by \$192.1K, to (\$741.2K).

What is difficult to tell is whether the solid improvement of the financial condition is permanent, boding a turn-around, or temporary due to the seasonality of commercial activity in Sitka. Off-island transportation and disposal costs are directly related to the volume of solid waste disposed of in Sitka. Annual budgets and user fees are based on an estimate of the average amount of solid waste disposed of by each customer annually, and, on transportation costs. When the actual amount of solid waste disposed of, or the costs of transporting in (by barge) vary from plan, the Municipality has no current method of recouping the costs overruns from its customers.

Static basic collection revenue remains a concern. As the financial performance of the fund is largely driven by solid waste collection contracts with built-in annual CPI adjustment clauses, pressure to continue to increase user fees annually will continue to occur unless the overall off-island waste stream is decreased. The only area in which citizens can significantly impact the garbage fees they must pay is by disposing of less solid waste, composting all green waste, and removing glass from the waste stream. This perspective has been spoken to before in financial reports but bears repeating. Efforts in this capacity will reduce the tonnage of solid waste

shipped off-island, which will improve cash flow and working capital by reducing operating expenses.

City and Borough of Sitka
Solid Waste Utility
Financial Statements
For The Twelve-Month Period Ending June 30, 2020
(Unaudited)

	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	FY2020 YTD	FY2019 YTD	Variance To FY2019 YTD	FY2020 Plan (S/L = 25.00%)	Variance To FY2020 Plan
Revenue:									
Solid Waste Disposal Services	1,216,906	-	-	-	1,216,906	1,133,496	83,410	1,120,203	96,703
Jobbing	-	-	-	-	-	-	-	-	-
Other Operating Revenue	55,617	-	-	-	55,617	72,125	(16,508)	84,804	(29,187)
Total Revenue:	1,272,523	-	-	-	1,272,523	1,205,621	66,902	1,205,007	67,516
Cost of Sales:									
Contract Waste Hauling	299,182	-	-	-	299,182	289,997	(9,185)	271,849	(27,333)
Transfer Station	484,527	-	-	-	484,527	586,650	102,123	523,750	39,223
Landfill	94,760	-	-	-	94,760	113,302	18,542	123,324	28,564
Scrapyard & Recycling	86,249	-	-	-	86,249	140,321	54,072	148,533	62,284
Jobbing	-	-	-	-	-	-	-	-	-
Depreciation	42,173	-	-	-	42,173	45,470	3,297	45,470	3,297
Total Cost of Sales:	1,006,891	-	-	-	1,006,891	1,175,740	168,849	1,112,926	106,035
Gross Margin:	265,632 20.87%	-	-	-	265,632 20.87%	29,881 2.48%	235,751 18.40%	92,081 7.64%	173,551 10.75%
Selling and Administrative Expenses	111,875	-	-	-	111,875	100,926	(10,949)	124,018	12,143
Earnings Before Interest (EBI):	153,757 12.08%	-	-	-	153,757 12.08%	(71,045) -5.89%	224,802 17.98%	(31,937) -2.65%	185,694 20.63%
Non-operating Revenue and Expense:									
Non-operating revenue:	4,131	-	-	-	4,131	345	3,786	1,320	2,811
Interest Expense:	(4,343)	-	-	-	(4,343)	(4,785)	442	(4,343)	-
Total Non-operating Revenue & Expense:	(212)	-	-	-	(212)	(4,440)	4,228	(3,023)	7,251
Net Income:	153,545 12.07%	-	-	-	153,545 12.07%	(75,485) -6.26%	229,030 342.34%	(34,960) -2.90%	188,505 279.20%
Earnings Before Interest and Depreciation (EBIDA):	195,930 15.40%	-	-	-	195,930 15.40%	(25,575) -2.12%	221,505 17.52%	13,533 1.12%	182,397 16.40%
Debt Principal Coverage									
Simple Cash Flow (Net Income Plus Depreciation)	195,718	-	-	-	195,718	(30,015)	225,733	10,510	185,208
Debt Principal	28,950	-	-	-	28,950	28,948	(2)	28,950	-
Debt Principal Coverage Surplus/Deficit	166,768	-	-	-	166,768	(58,963)	225,731	(18,440)	185,208
Debt Principal Coverage Percentage	676.06%				676.06%	-103.69%	779.74%	36.30%	639.75%
Simple Asset Replacement Coverage									
Debt Principal Coverage Surplus/Deficit (From Above)	166,768	-	-	-	166,768	(58,963)	225,731	(18,440)	185,208
Depreciation	42,173	-	-	-	42,173	45,470	3,297	42,173	-
Cash For/(Taken From) Asset Replacement	124,595	-	-	-	124,595	(104,433)	229,028	(60,613)	185,208

	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	FY2020 YTD	FY2019 YTD	Variance To FY2019 YTD	FY2020 Plan (S/L = 25.00%)	Variance To FY2020 Plan
Working Capital									
Cash Flow:									
Net Income Plus Depreciation Less Principal	166,768	-	-	-	166,768	(58,963)	225,731	(18,440)	185,208
CapEx, Accruals, and other Balance Sheet Changes	25,326	-	-	-	25,326	17,576	7,750	-	25,326
Increase in (Decrease in) Working Capital	192,094	-	-	-	192,094	(41,387)	233,481	(18,440)	210,534
Plus Beginning Total Working Capital	(933,334)	-	-	-	(933,334)	(762,293)	(171,041)	(933,334)	-
Equals Ending Total Working Capital:	(741,240)	-	-	-	(741,240)	(803,680)	62,440	(951,774)	210,534
Working Capital Detail:									
Repair Reserve (1% of PPE):	74,776	-	-	-	74,776				
Working Capital Designated for CapEx	822,380	-	-	-	822,380				
Undesignated Working Capital	(1,638,396)	-	-	-	(1,638,396)				
Total Working Capital:	(741,240)	-	-	-	(741,240)				
Days On Hand Annual Cash Outlays in Total Working Capital:									
	(60.94)	-	-	-	(60.94)				
Days On Hand Annual Cash Outlays in Total Working Capital Less Repair Reserve:									
	(73.18)	-	-	-	(73.18)				
Days On Hand Annual Cash Outlays in Undesignated Working Capital									
	(134.70)	-	-	-	(134.70)				
Working Capital Calculation:									
Current Assets	1,431,857	-	-	-	1,431,857				
Current Liabilities	(2,057,299)	-	-	-	(2,057,299)				
CPLTD	(115,798)	-	-	-	(115,798)				
Total Working Capital	(741,240)	-	-	-	(741,240)				

Project	FY2020 <u>Appropriations</u>	<u>Cash</u>	State Grant <u>A/R</u>	State Loan <u>A/R</u>	<u>A/R</u>	Construction In Progress <u>6/30/2018</u>	Supplies <u>Expense</u>	Contracted & Purchased Services <u>Expenses</u>	Interdepartment Services <u>Expenses</u>	Total <u>Expenses</u>	Mixed Project Expenses <u>Reclassified</u>
90847 - Expand Biosolids Area	\$ -	\$ 453,809.39	\$ -	\$ -	\$ -	\$ 40,166.98	\$ -	\$ 4,208.25	\$ 1,815.38	\$ 6,023.63	\$ -
90871 - Kimsham Landfill Drainage Compliance	\$ -	\$ 100,000.00				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90863 - Scrapyard Water Line	\$ -	\$ 889.94				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90864 - Transfer Station Scale	\$ -	\$ 92,992.42				\$ 1,702.33	\$ -	\$ -	\$ 1,292.73	\$ 1,292.73	\$ -
90865 - Transfer Station Building	\$ -	\$ 151,688.56				\$ 16,678.48	\$ -	\$ -	\$ 645.48	\$ 645.48	\$ -
90899 - Scrap Yard Electrical	\$ 8,000.00	\$ 8,000.00				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90900 - Scrap Yard / Impound Fence	\$ 15,000.00	\$ 15,000.00				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
						\$ -					
Unidentified Balancing Amount	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 23,000.00	\$ 822,380.31	\$ -	\$ -	\$ -	\$ 58,547.79	\$ -	\$ 4,208.25	\$ 3,753.59	\$ 7,961.84	\$ -

Project	Expenses	CIP/Expense	Construction					
	Reclassified To CIP	Reclass to Parent Fund	In Progress <u>6/30/2019</u>	Total <u>Assets</u>	Accounts <u>Payable</u>	Retainage <u>Payable</u>	Total <u>Liabilities</u>	Working <u>Capital</u>
90847 - Expand Biosolids Area	\$ -	\$ -	\$ 40,166.98	\$ 493,976.37	\$ -	\$ -	\$ -	\$ 453,809.39
90871 - Kimsham Landfill Drainage Compliance	\$ -	\$ -	\$ -	\$ 100,000.00	\$ -	\$ -	\$ -	\$ 100,000.00
90863 - Scrapyard Water Line	\$ -	\$ -	\$ -	\$ 889.94	\$ -	\$ -	\$ -	\$ 889.94
90864 - Transfer Station Scale	\$ -	\$ -	\$ 1,702.33	\$ 94,694.75	\$ -	\$ -	\$ -	\$ 92,992.42
90865 - Transfer Station Building	\$ -	\$ -	\$ 16,678.48	\$ 168,367.04	\$ -	\$ -	\$ -	\$ 151,688.56
90899 - Scrap Yard Electrical	\$ -	\$ -	\$ -	\$ 8,000.00	\$ -	\$ -	\$ -	\$ 8,000.00
90900 - Scrap Yard / Impound Fence	\$ -	\$ -	\$ -	\$ 15,000.00	\$ -	\$ -	\$ -	\$ 15,000.00
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unidentified Balancing Amount	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ 58,547.79	\$ 880,928.10	\$ -	\$ -	\$ -	\$ 822,380.31



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description		Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds					
Fund Type	Capital Projects Funds					
Fund	740 - Capital Project-Solid Wst					
	ASSETS					
1030						
1030.100	Investment-Central Trea.		822,380.31	899,995.55	(77,615.24)	(8.62)
	1030 - Totals		\$822,380.31	\$899,995.55	(\$77,615.24)	(8.62%)
1590						
1590.000	Construction in Progress		58,547.79	20,512.13	38,035.66	185.43
	1590 - Totals		\$58,547.79	\$20,512.13	\$38,035.66	185.43%
	ASSETS TOTALS		\$880,928.10	\$920,507.68	(\$39,579.58)	(4.30%)
	FUND EQUITY					
2900						
2900.010	Reserve for Encumbrances		2,106.25	2,106.25	.00	.00
	2900 - Totals		\$2,106.25	\$2,106.25	\$0.00	0.00%
2910						
2910.140	Designated-Capital Project		771,715.02	771,715.02	.00	.00
	2910 - Totals		\$771,715.02	\$771,715.02	\$0.00	0.00%
2920						
2920.000	Undesignated/Re. Earnings		(271,715.02)	(271,715.02)	.00	.00
	2920 - Totals		(\$271,715.02)	(\$271,715.02)	\$0.00	0.00%
2965						
2965.000	P/Y Encumbrance Control		(2,106.25)	(2,106.25)	.00	.00
	2965 - Totals		(\$2,106.25)	(\$2,106.25)	\$0.00	0.00%
	FUND EQUITY TOTALS Prior to Current Year Changes		\$500,000.00	\$500,000.00	\$0.00	0.00%
	Prior Year Fund Equity Adjustment		(365,889.94)			
	Fund Revenues		(23,000.00)			
	Fund Expenses		7,961.84			
	FUND EQUITY TOTALS		\$880,928.10	\$500,000.00	\$380,928.10	76.19%
	LIABILITIES AND FUND EQUITY TOTALS		\$880,928.10	\$500,000.00	\$380,928.10	76.19%
Fund	740 - Capital Project-Solid Wst Totals		\$0.00	\$420,507.68	(\$420,507.68)	(100.00%)
Fund Type	Capital Projects Funds Totals		\$0.00	\$420,507.68	(\$420,507.68)	(100.00%)



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category Proprietary Funds					
Fund Type Enterprise Funds					
Fund 230 - Solid Waste Fund					
ASSETS					
1027					
1027.000	Change in FMV-Investments	1,689.00	(2,074.00)	3,763.00	181.44
1027 - Totals		\$1,689.00	(\$2,074.00)	\$3,763.00	181.44%
1030					
1030.100	Investment-Central Trea.	335,145.99	(470,967.61)	806,113.60	171.16
1030 - Totals		\$335,145.99	(\$470,967.61)	\$806,113.60	171.16%
1050					
1050.000	Accts Rec.-Misc Billing	4,049.10	6,903.50	(2,854.40)	(41.35)
1050.010	Accts Rec.-Utility Billing	259,032.27	249,087.58	9,944.69	3.99
1050.050	Accts Rec.-Collections	39,597.77	40,106.37	(508.60)	(1.27)
1050.900	Allowance - Doubtful Acct	(39,597.77)	(40,106.37)	508.60	1.27
1050 - Totals		\$263,081.37	\$255,991.08	\$7,090.29	2.77%
1200					
1200.020	Prepaid Insurance	3,008.88	2,118.84	890.04	42.01
1200.030	Prepaid Workers Compensation Insurance	6,552.15	6,507.84	44.31	.68
1200 - Totals		\$9,561.03	\$8,626.68	\$934.35	10.83%
1425					
1425.000	Deferred Outflow OPEB	11,718.00	.00	11,718.00	+++
1425 - Totals		\$11,718.00	\$0.00	\$11,718.00	+++
1500					
1500.000	Land - General Fund	305,000.00	305,000.00	.00	.00
1500 - Totals		\$305,000.00	\$305,000.00	\$0.00	0.00%
1510					
1510.000	Land Improvements	4,652,468.33	4,593,358.27	59,110.06	1.29
1510 - Totals		\$4,652,468.33	\$4,593,358.27	\$59,110.06	1.29%
1520					
1520.300	Solid Waste Plant	451,788.22	451,788.22	.00	.00
1520 - Totals		\$451,788.22	\$451,788.22	\$0.00	0.00%
1540					
1540.000	Buildings	1,455,696.37	1,455,696.37	.00	.00
1540 - Totals		\$1,455,696.37	\$1,455,696.37	\$0.00	0.00%
1550					
1550.000	Machinery & Equipment	859,065.68	859,065.68	.00	.00
1550 - Totals		\$859,065.68	\$859,065.68	\$0.00	0.00%



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category Proprietary Funds					
Fund Type Enterprise Funds					
Fund 230 - Solid Waste Fund					
ASSETS					
1585					
1585.000	Intangible Accounts	37,898.68	37,898.68	.00	.00
1585 - Totals		\$37,898.68	\$37,898.68	\$0.00	0.00%
1600					
1600.100	Accumulated Depreciation Land Improvements	(37,898.68)	(37,898.68)	.00	.00
1600 - Totals		(\$37,898.68)	(\$37,898.68)	\$0.00	0.00%
1610					
1610.000	Accumulated Depr. Land Im	(871,263.24)	(782,382.09)	(88,881.15)	(11.36)
1610 - Totals		(\$871,263.24)	(\$782,382.09)	(\$88,881.15)	(11.36%)
1620					
1620.000	Accumulated Depr Ut Plant	(28,416.18)	(21,730.02)	(6,686.16)	(30.77)
1620 - Totals		(\$28,416.18)	(\$21,730.02)	(\$6,686.16)	(30.77%)
1640					
1640.000	Accumulated Depr Building	(1,166,711.91)	(1,098,264.87)	(68,447.04)	(6.23)
1640 - Totals		(\$1,166,711.91)	(\$1,098,264.87)	(\$68,447.04)	(6.23%)
1650					
1650.000	Accumulated Depr Equipmnt	(832,569.35)	(831,189.24)	(1,380.11)	(.17)
1650 - Totals		(\$832,569.35)	(\$831,189.24)	(\$1,380.11)	(0.17%)
1825					
1825.000	Deferred Outflow Pension	3,386.00	.00	3,386.00	+++
1825 - Totals		\$3,386.00	\$0.00	\$3,386.00	+++
ASSETS TOTALS		\$5,449,639.31	\$4,722,918.47	\$726,720.84	15.39%
LIABILITIES AND FUND EQUITY					
LIABILITIES					
2020					
2020.000	Accounts Payable	.00	362,803.34	(362,803.34)	(100.00)
2020 - Totals		\$0.00	\$362,803.34	(\$362,803.34)	(100.00%)
2025					
2025.000	Interfund Payable	1,526,433.96	1,005,557.96	520,876.00	51.80
2025 - Totals		\$1,526,433.96	\$1,005,557.96	\$520,876.00	51.80%
2060					
2060.000	Compensated Absences Pay.	4,022.89	.00	4,022.89	+++
2060 - Totals		\$4,022.89	\$0.00	\$4,022.89	+++



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Enterprise Funds				
Fund	230 - Solid Waste Fund				
	LIABILITIES AND FUND EQUITY				
	LIABILITIES				
2100					
2100.006	Deposits - Garbage	5,506.26	10,506.95	(5,000.69)	(47.59)
2100 - Totals		\$5,506.26	\$10,506.95	(\$5,000.69)	(47.59%)
2450					
2450.300	Deferred Inflow OPEB	(1,824.00)	.00	(1,824.00)	+++
2450.900	Net OPEB Liability	11,027.00	.00	11,027.00	+++
2450 - Totals		\$9,203.00	\$0.00	\$9,203.00	+++
2500					
2500.500	Notes Payable-State	1,157,975.55	1,273,773.10	(115,797.55)	(9.09)
2500.900	Net Pension Liability	6,500.00	.00	6,500.00	+++
2500 - Totals		\$1,164,475.55	\$1,273,773.10	(\$109,297.55)	(8.58%)
2600					
2600.000	Accrued Postclosure Costs	756,189.03	768,620.03	(12,431.00)	(1.62)
2600 - Totals		\$756,189.03	\$768,620.03	(\$12,431.00)	(1.62%)
2700					
2700.300	Deferred Inflow Pension	(24,962.00)	.00	(24,962.00)	+++
2700 - Totals		(\$24,962.00)	\$0.00	(\$24,962.00)	+++
	LIABILITIES TOTALS	\$3,440,868.69	\$3,421,261.38	\$19,607.31	0.57%
	FUND EQUITY				
2800					
2800.002	Contributed Cap.-State	5,559,845.45	5,559,845.45	.00	.00
2800.003	Contributed Cap.-Local	37,500.00	37,500.00	.00	.00
2800 - Totals		\$5,597,345.45	\$5,597,345.45	\$0.00	0.00%
2900					
2900.010	Reserve for Encumbrances	7,403.00	7,403.00	.00	.00
2900 - Totals		\$7,403.00	\$7,403.00	\$0.00	0.00%
2910					
2910.140	Designated-Capital Project	(771,715.02)	(771,715.02)	.00	.00
2910 - Totals		(\$771,715.02)	(\$771,715.02)	\$0.00	0.00%
2920					
2920.000	Undesignated/Re. Earnings	(3,028,852.31)	(3,028,852.31)	.00	.00
2920 - Totals		(\$3,028,852.31)	(\$3,028,852.31)	\$0.00	0.00%



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Enterprise Funds				
Fund	230 - Solid Waste Fund				
	FUND EQUITY				
2965					
2965.000	P/Y Encumbrance Control	(7,403.00)	(7,403.00)	.00	.00
	2965 - Totals	(\$7,403.00)	(\$7,403.00)	\$0.00	0.00%
	FUND EQUITY TOTALS Prior to Current Year Changes	\$1,796,778.12	\$1,796,778.12	\$0.00	0.00%
	Prior Year Fund Equity Adjustment	444,227.16			
	Fund Revenues	(1,276,653.79)			
	Fund Expenses	620,434.13			
	FUND EQUITY TOTALS	\$2,008,770.62	\$1,796,778.12	\$211,992.50	11.80%
	LIABILITIES AND FUND EQUITY TOTALS	\$5,449,639.31	\$5,218,039.50	\$231,599.81	4.44%
Fund	230 - Solid Waste Fund Totals	\$0.00	(\$495,121.03)	\$495,121.03	100.00%
Fund Type	Enterprise Funds Totals	\$0.00	(\$495,121.03)	\$495,121.03	100.00%
Fund Category	Proprietary Funds Totals	\$0.00	(\$74,613.35)	\$74,613.35	100.00%
	Grand Totals	\$0.00	(\$74,613.35)	\$74,613.35	100.00%
























Harbor System

Financial Analysis

As Of, And For the Fiscal Quarter Ending, September 30, 2019

Key Performance Indicators (KPI) Dashboard

Indicator	Amount	Compared To Last Year	Compared To Plan	Big Picture
Revenue	881,311	 Revenue Increased by 7.6% Over 1 st Qtr FY2019	 Exceeded Plan	 Annual moorage increases necessary to finance capital improvements
Appropriated Operating Outlays vs. Actual Operating Outlays (Budgeted for period minus actual expenditures. Indicates spending levels as compared to approved budget (over budget)/under budget)	35,516	n/a	Under budget 	n/a
Earnings Before Interest and Depreciation (Operating inflows minus operating outlays—indicates how much cash flow is being generated from operations to pay for things like interest expense, principal payments, and infrastructure investment)	360,586	 More Than Last year	 Exceeded Plan	Cash flow from operations is adequate and exceeding plan
Net Income (Incorporates non-operating revenue/expense and depreciation—indicates how much the fund has generated after paying for interest expense and factoring in depreciation of assets)	312,052	 More Than Last Year	 Exceeded Plan	Net income is exceeding plan; watch trend
Asset Replacement (Net income minus debt principal repayment—gives an indication of whether or not we are setting aside enough money to cover asset replacement (<i>as estimated by how much our assets are decreasing in value annually</i>))	209,465	 More Than Prior Year	 Exceeded Plan	Asset replacement is adequate; however, ability to finance replacement of large infrastructure assets depends on future moorage increases
Total Working Capital (What total resources are available in the fund)	17,673,296	 More Than Prior Year	 Exceeded Plan by \$83.3K	Working capital is adequate and in line with plan
Working Capital For Capital Projects (Of the fund's total resources, how much has been already appropriated for CAPEX)	11,922,451	 More than Prior Year	 Met Plan	Capital project funding adequately addresses current infrastructure needs

Undesignated Working Capital (How much of the fund's resources are available?)	5,340,117	 Decreased by \$1,204.1K from September 30, 2018 due to new capital appropriations of \$2,053.9 in FY2020	 Exceeded Plan	Undesignated working capital is adequate for the present; however, ability to finance replacement of large infrastructure depends on sustained future moorage increases
Days Cash on Hand, Total Working Capital (How many days of operations would be covered by our total working capital if no more revenue were generated)	2,580.2	 More Than Last year	 Exceeded Plan	Working capital is adequate and in line with plan
Days Cash on Hand, Undesignated Working Capital (How many days of operations would the fund's fairly liquid assets cover?)	779.6	 Less Than Last Year	 Exceeded Plan	Watch Trend 

The financial performance of the Harbor Fund over the fiscal year met or exceeded all aspects of the annual financial plan, and, was improved over FY2018 in all metrics.

For the 1st Quarter of FY2020, moorage and other harbor system revenue increased by \$62.0K, or 7.6% over FY2019; a moorage fee increase was the reason for the large increase in revenue. Net income increased by \$142.1K from FY2019 to \$312.1K.

Earnings before Interest and Depreciation (EBID), a surrogate for cash flow from operations, was \$360.6K, an increase of \$57.6K from FY2019. Annual moorage rate increases in FY2020 resulted in a positive cash flow of \$888.1K, increasing the Fund's working capital to \$17,673.3K (of this amount, \$8,040.6K are unspent bonding proceeds).

As first reported in previous Financial Analyses, results for the first fiscal quarter of FY2020 reflect the issuance of \$8,025,000 in harbor revenue bonds in November, 2018. The proceeds from this bond issuance is being used to pay for the costs of Phase 1 of the Crescent Harbor Replacement project. Unspent proceeds are reflected in the balance of working capital dedicated for capital projects.

For several years, the Harbor Fund Has continued to follow a fiscal plan designed to ultimately provide the necessary capital to renovate Eliason harbor in the 2030s, with sustained annual moorage increases in the range of 6%. Several developments at the State and local level, however, are poised to disrupt this plan and will require the Municipality to rethink the level of harbor infrastructure it can afford to operate and maintain.

The reason for this re-thinking is that the strategic fiscal plan for the harbor system has been built around the assumption that a \$5 million grant will be obtained to assist with the renovation of each of the 5 major harbors. If grants are not obtained for the eventual renovation of Sealing Cove Harbor, Thompson Harbor and Eliason Harbor, the combined loss of \$15 million in future grant funding would make the moorage rate increases required to self-fund the renovations untenable.

It is highly likely that a combination of events and circumstances will combine, causing pressure to mount to scale back the size and scope of the infrastructure in the harbor system by both condemning and demolishing some of our harbors at the end of their useful lives, or, by selling and privatizing harbors and associated uplands.

City and Borough of Sitka
Harbor Fund
Financial Statements
For The Twelve-Month Period Ending June 30, 2020
(Unaudited)

	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	FY2020 YTD	FY2019 YTD	Variance To FY2019 YTD	FY2019 Plan (S/L -25.00%)	Variance To FY2019 Plan
Revenue:									
Permanent Moorage	609,935	-	-	-	609,935	543,406	66,529	524,395	85,540
Transient Moorage	215,197	-	-	-	215,197	232,898	(17,701)	229,850	(14,653)
Lightering Fees	-	-	-	-	-	-	-	1,260	(1,260)
Other Operating Revenue	<u>56,179</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>56,179</u>	<u>43,049</u>	<u>13,130</u>	<u>82,784</u>	<u>(26,605)</u>
Total Revenue:	881,311	-	-	-	881,311	819,353	61,958	838,289	43,022
Cost of Sales:									
Operations	367,349	-	-	-	367,349	349,267	(18,082)	368,043	694
Jobbing	-	-	-	-	-	-	-	-	-
Depreciation	<u>343,942</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>343,942</u>	<u>343,056</u>	<u>(886)</u>	<u>343,056</u>	<u>886</u>
Total Cost of Sales:	711,291	-	-	-	711,291	692,323	(18,968)	711,099	1,580
Gross Margin:	170,020	-	-	-	170,020	127,030	42,990	127,190	42,830
	19.29%				19.29%	15.50%	3.79%	15.17%	-11.38%
Selling and Administrative Expenses	<u>153,376</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>153,376</u>	<u>167,056</u>	<u>13,680</u>	<u>188,198</u>	<u>34,822</u>
Earnings (Loss) Before Interest (EBI):	16,644	-	-	-	16,644	(40,026)	56,670	(61,008)	77,652
	1.89%				1.89%	-4.89%	6.77%	-7.28%	14.05%
Non-operating Revenue and Expense:									
Raw Fish Tax	326,375	-	-	-	326,375	243,098	83,277	326,375	-
Other Non-Operating Revenue/(Expense):	60,675	-	-	-	60,675	48,439	12,236	56,250	4,425
Grant Revenue	-	-	-	-	-	-	-	-	-
Bond Fund Interest Revenue:	43,784	-	-	-	43,784	-	43,784	43,400	384
Interest Expense Bonds:	(133,725)	-	-	-	(133,725)	(79,729)	(53,996)	(133,725)	-
Interest Expense Loans:	<u>(1,701)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,701)</u>	<u>(1,871)</u>	<u>171</u>	<u>(1,701)</u>	<u>-</u>
Total Non-operating Revenue & Expense:	295,408	-	-	-	295,408	209,937	85,471	290,599	4,809
Net Income:	<u>312,052</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>312,052</u>	<u>169,911</u>	<u>142,141</u>	<u>229,591</u>	<u>82,461</u>
	35.41%				35.41%	20.74%	229.42%	27.39%	191.67%
Earnings Before Interest and Depreciation (EBIDA):	360,586				360,586	303,030	57,556	282,048	78,538
	40.91%				40.91%	36.98%	3.93%	33.65%	-29.72%
Bond Covenant Ratio	3.35				3.35	4.58	(1.23)	3.00	0.35
<u>Debt Principal Coverage</u>									
Simple Cash Flow (Net Income Plus Depreciation)	655,994	-	-	-	655,994	512,967	143,027	572,647	83,347
Debt Principal	<u>102,587</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>102,587</u>	<u>50,087</u>	<u>(52,500)</u>	<u>102,587</u>	<u>-</u>
Debt Principal Coverage Surplus/Deficit	<u>553,407</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>553,407</u>	<u>462,880</u>	<u>90,527</u>	<u>470,060</u>	<u>83,347</u>
Debt Principal Coverage Percentage	639.45%				639.45%	1024.15%	-384.70%	558.21%	81.25%
<u>Simple Asset Replacement Coverage</u>									
Debt Principal Coverage Surplus/Deficit (From Above)	553,407	-	-	-	553,407	462,880	90,527	470,060	83,347
Depreciation	<u>343,942</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>343,942</u>	<u>343,056</u>	<u>(886)</u>	<u>343,942</u>	<u>-</u>
Cash Accumulated For/(Taken From) Asset Replacement	209,465	-	-	-	209,465	119,824	89,641	126,118	83,347

Working Capital

Cash Flow:

Net Income Plus Depreciation Less Principal
CapEx, Accruals, and other Balance Sheet Changes
Increase in (Decrease in) Working Capital

Plus Beginning Total Working Capital

Equals Ending Total Working Capital:

Working Capital Detail:

Repair Reserve (1% of PPE):

Working Capital Designated for CapEx

Working Capital Designated for Baranof Warm Springs Dock

Undesignated Working Capital

Total Working Capital:

Days On Hand Annual Cash Outlays in:

Total Working Capital:

Total Working Capital Less Repair Reserve:

Undesignated Working Capital

Working Capital Calculation:

Current Assets
Accrued Raw Fish Tax Receivable
Current Liabilities
CPLTD

Total Working Capital

Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	FY2020 YTD	FY2019 YTD	Variance To FY2019 YTD	FY2019 Plan (S/L -25.00%)	Variance To FY2019 Plan
553,407	-	-	-	553,407	462,880	90,527	470,060	83,347
334,680	-	-	-	334,680	358,655	(23,975)	334,680	-
888,087	-	-	-	888,087	821,535	66,552	804,740	83,347
16,785,209	-	-	-	16,785,209	7,919,988	8,865,221	16,785,209	-
17,673,296	-	-	-	17,673,296	8,741,523	8,931,773	17,589,949	83,347
386,526	-	-	-	386,526				
11,922,451	-	-	-	11,922,451				
24,202	-	-	-	24,202				
5,340,117	-	-	-	5,340,117				
17,673,296	-	-	-	17,673,296				
2,580.25	-	-	-	2,580.25				
2,523.82	-	-	-	2,523.82				
779.64	-	-	-	779.64				
17,913,328	-	-	-	17,913,328				
326,375	-	-	-	326,375				
(156,059)	-	-	-	(156,059)				
(410,348)	-	-	-	(410,348)				
17,673,296	-	-	-	17,673,296				

Project	FY2020		Bond Fund Cash	Cash
	Bond Proceeds <u>Transfers In</u>	FY2020 <u>Appropriations</u>		
80242 - Seplane Base Planning Study	\$ -	\$ -	\$ -	\$ -
90741 - Baranoff Warm Springs Dock	\$ -	\$ -	\$ -	\$ -
90751 - Crescent Harbor Water Line Replacement	\$ -	\$ -	\$ -	\$ -
90757 - Transient Float	\$ -	\$ -	\$ -	\$ 262,457.44
90768 - Eliason 5/6 Float replacement	\$ -	\$ -	\$ -	\$ -
90798 - Eliason Electrical Upgrades	\$ -	\$ 1,629,772.00	\$ -	\$ 1,644,003.34
90799 - Eliason Flotation Upgrades	\$ -	\$ -	\$ -	\$ -
90810 - Sealing Cove Maintenance	\$ -	\$ -	\$ -	\$ 15,000.00
90818 - Float Plane Dock	\$ -	\$ -	\$ -	\$ -
90848 - Crescent Harbor Flotation Upgrades	\$ -	\$ -	\$ -	\$ 49,843.92
90849 - Crescent Harbor Phase 1 Design	\$ -	\$ -	\$ 7,996,889.41	\$ 118,991.63
90850 - O'Connell Lightering Facility Repair	\$ -	\$ -	\$ -	\$ 15,700.77
90879 - Seaplane Base Project	\$ -	\$ 56,176.00	\$ -	\$ 56,176.00
90901 - MSC Bulkhead Pile Repair	\$ -	\$ 70,000.00	\$ -	\$ 70,000.00
90902 - Crescent Harbor High-Load Dock & Net Shed Condition Assessment	\$ -	\$ 75,000.00	\$ -	\$ 75,000.00
90903 - Thomsen Harbor Anode Replacement	\$ -	\$ 203,000.00	\$ -	\$ 203,000.00
90906 - Harbor Security Cameras	\$ -	\$ 20,000.00	\$ -	\$ 20,000.00
Totals:	\$ -	\$ 2,053,948.00	\$ 7,996,889.41	\$ 2,530,173.10



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Capital Projects Funds				
Fund	750 - Capital Project-Harbor				
	ASSETS				
1030					
1030.100	Investment-Central Trea.	2,530,173.10	1,839,402.57	690,770.53	37.55
	1030 - Totals	\$2,530,173.10	\$1,839,402.57	\$690,770.53	37.55%
1590					
1590.000	Construction in Progress	872,196.44	44,309.31	827,887.13	1,868.43
	1590 - Totals	\$872,196.44	\$44,309.31	\$827,887.13	1,868.43%
	ASSETS TOTALS	\$3,402,369.54	\$1,883,711.88	\$1,518,657.66	80.62%
	LIABILITIES AND FUND EQUITY				
	LIABILITIES				
2023					
2023.000	Retainage Payable	30,650.00	85,851.57	(55,201.57)	(64.30)
	2023 - Totals	\$30,650.00	\$85,851.57	(\$55,201.57)	(64.30%)
	LIABILITIES TOTALS	\$30,650.00	\$85,851.57	(\$55,201.57)	(64.30%)
	FUND EQUITY				
2910					
2910.140	Designated-Capital Projct	121,151.95	121,151.95	.00	.00
	2910 - Totals	\$121,151.95	\$121,151.95	\$0.00	0.00%
2920					
2920.000	Undesignated/Re. Earnings	1,727,547.01	1,727,547.01	.00	.00
	2920 - Totals	\$1,727,547.01	\$1,727,547.01	\$0.00	0.00%
	FUND EQUITY TOTALS Prior to Current Year Changes	\$1,848,698.96	\$1,848,698.96	\$0.00	0.00%
	Prior Year Fund Equity Adjustment	(159,246.84)			
	Fund Revenues	(2,053,948.00)			
	Fund Expenses	690,174.26			
	FUND EQUITY TOTALS	\$3,371,719.54	\$1,848,698.96	\$1,523,020.58	82.38%
	LIABILITIES AND FUND EQUITY TOTALS	\$3,402,369.54	\$1,934,550.53	\$1,467,819.01	75.87%
Fund	750 - Capital Project-Harbor Totals	\$0.00	(\$50,838.65)	\$50,838.65	100.00%
Fund Type	Capital Projects Funds Totals	\$0.00	(\$50,838.65)	\$50,838.65	100.00%



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category Proprietary Funds					
Fund Type Enterprise Funds					
Fund 240 - Harbor Fund					
ASSETS					
1027					
1027.000	Change in FMV-Investments	74,054.34	(113,139.41)	187,193.75	165.45
1027 - Totals		\$74,054.34	(\$113,139.41)	\$187,193.75	165.45%
1030					
1030.100	Investment-Central Trea.	4,952,717.54	5,754,697.63	(801,980.09)	(13.94)
1030 - Totals		\$4,952,717.54	\$5,754,697.63	(\$801,980.09)	(13.94%)
1050					
1050.000	Accts Rec.-Misc Billing	239.40	239.40	.00	.00
1050.030	Accts Rec.-Other	188,416.51	78,964.94	109,451.57	138.61
1050.050	Accts Rec.-Collections	267,639.79	257,749.84	9,889.95	3.84
1050.060	Accts Rec.- State	1,188,721.95	1,279,884.82	(91,162.87)	(7.12)
1050.900	Allowance - Doubtful Acct	(267,639.79)	(257,749.84)	(9,889.95)	(3.84)
1050 - Totals		\$1,377,377.86	\$1,359,089.16	\$18,288.70	1.35%
1200					
1200.020	Prepaid Insurance	49,783.53	43,660.77	6,122.76	14.02
1200.030	Prepaid Workers Compensation Insurance	16,352.22	17,538.13	(1,185.91)	(6.76)
1200 - Totals		\$66,135.75	\$61,198.90	\$4,936.85	8.07%
1425					
1425.000	Deferred Outflow OPEB	62,465.00	20,651.00	41,814.00	202.48
1425 - Totals		\$62,465.00	\$20,651.00	\$41,814.00	202.48%
1500					
1500.240	Land - Harbor	90,000.00	90,000.00	.00	.00
1500 - Totals		\$90,000.00	\$90,000.00	\$0.00	0.00%
1510					
1510.000	Land Improvements	1,298,771.69	1,298,771.69	.00	.00
1510 - Totals		\$1,298,771.69	\$1,298,771.69	\$0.00	0.00%
1530					
1530.001	ANB Harbor	8,642,301.16	8,642,301.16	.00	.00
1530.002	Crescent Harbor	3,645,852.09	3,645,852.09	.00	.00
1530.003	Eliason Harbor	14,505,581.51	14,505,581.51	.00	.00
1530.004	Grid for Harbors	586,279.73	586,279.73	.00	.00
1530.005	Seaplane Float	458,006.91	458,006.91	.00	.00
1530.006	Work Float	512,991.50	512,991.50	.00	.00
1530.007	Sealing Harbor	2,382,401.67	2,382,401.67	.00	.00
1530.008	Port Facility Harbor	195,001.44	195,001.44	.00	.00
1530.009	Thomsen Harbor	5,463,078.82	5,463,078.82	.00	.00



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category Proprietary Funds					
Fund Type Enterprise Funds					
Fund 240 - Harbor Fund					
ASSETS					
1530.010	Parking Lots	38,400.00	38,400.00	.00	.00
1530.011	Fish Waste Disposal Boat	269,316.36	269,316.36	.00	.00
1530 - Totals		\$36,699,211.19	\$36,699,211.19	\$0.00	0.00%
1540					
1540.000	Buildings	404,983.32	394,723.32	10,260.00	2.60
1540 - Totals		\$404,983.32	\$394,723.32	\$10,260.00	2.60%
1550					
1550.000	Machinery & Equipment	249,628.79	241,163.83	8,464.96	3.51
1550 - Totals		\$249,628.79	\$241,163.83	\$8,464.96	3.51%
1590					
1590.000	Construction in Progress	.00	(6.00)	6.00	100.00
1590 - Totals		\$0.00	(\$6.00)	\$6.00	100.00%
1610					
1610.000	Accumulated Depr. Land Im	(667,501.51)	(633,840.31)	(33,661.20)	(5.31)
1610 - Totals		(\$667,501.51)	(\$633,840.31)	(\$33,661.20)	(5.31%)
1630					
1630.000	Accumulated Depr Harbor	.23	.23	.00	.00
1630.001	Accumulated Depr ANB Harb	(2,464,402.32)	(2,072,671.68)	(391,730.64)	(18.90)
1630.002	Accumulated Depr Crescent	(2,773,108.38)	(2,619,548.79)	(153,559.59)	(5.86)
1630.003	Accumulated Depr Eliason	(5,326,697.30)	(4,801,382.26)	(525,315.04)	(10.94)
1630.004	Accumulated Depr Grid	(586,279.73)	(586,279.73)	.00	.00
1630.005	Accumulated Depr Seaplane	(208,342.73)	(200,536.10)	(7,806.63)	(3.89)
1630.006	Accumulated Depr Work Flt	(481,622.95)	(477,016.75)	(4,606.20)	(.97)
1630.007	Accumulated Depr Sealing	(1,866,370.71)	(1,773,888.87)	(92,481.84)	(5.21)
1630.008	Accumulated Depr Port Fac	(195,001.44)	(195,001.44)	.00	.00
1630.009	Accumulated Depr Thomsen	(1,604,779.03)	(1,468,202.08)	(136,576.95)	(9.30)
1630.010	Parking Lots	(18,720.00)	(16,800.00)	(1,920.00)	(11.43)
1630.011	Accumulated Depreciation Fish Waste Boat	(141,391.01)	(114,459.38)	(26,931.63)	(23.53)
1630 - Totals		(\$15,666,715.37)	(\$14,325,786.85)	(\$1,340,928.52)	(9.36%)
1640					
1640.000	Accumulated Depr Building	(391,886.51)	(390,714.55)	(1,171.96)	(.30)
1640 - Totals		(\$391,886.51)	(\$390,714.55)	(\$1,171.96)	(0.30%)
1650					
1650.000	Accumulated Depr Equipmnt	(242,134.59)	(241,242.05)	(892.54)	(.37)
1650 - Totals		(\$242,134.59)	(\$241,242.05)	(\$892.54)	(0.37%)



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category Proprietary Funds					
Fund Type Enterprise Funds					
Fund 240 - Harbor Fund					
ASSETS					
1800					
1800.060	2013 Debt Serv Reserve Fd	919,478.89	334,434.49	585,044.40	174.94
1800 - Totals		\$919,478.89	\$334,434.49	\$585,044.40	174.94%
1825					
1825.000	Deferred Outflow Pension	95,263.00	83,180.00	12,083.00	14.53
1825 - Totals		\$95,263.00	\$83,180.00	\$12,083.00	14.53%
ASSETS TOTALS		\$29,321,849.39	\$30,632,392.04	(\$1,310,542.65)	(4.28%)
LIABILITIES AND FUND EQUITY					
LIABILITIES					
2060					
2060.000	Compensated Absences Pay.	36,348.74	38,334.77	(1,986.03)	(5.18)
2060 - Totals		\$36,348.74	\$38,334.77	(\$1,986.03)	(5.18%)
2200					
2200.001	Interest Payable-Bonds	89,150.02	25,483.34	63,666.68	249.84
2200 - Totals		\$89,150.02	\$25,483.34	\$63,666.68	249.84%
2450					
2450.300	Deferred Inflow OPEB	65,482.00	71,989.00	(6,507.00)	(9.04)
2450.900	Net OPEB Liability	164,238.00	124,891.00	39,347.00	31.51
2450 - Totals		\$229,720.00	\$196,880.00	\$32,840.00	16.68%
2500					
2500.017	2013 Bond Series 1	3,115,000.00	3,270,000.00	(155,000.00)	(4.74)
2500.019	Premium on 2013 Bonds	430,136.16	460,861.16	(30,725.00)	(6.67)
2500.027	2018 One Harbor Loan	7,795,000.00	.00	7,795,000.00	+++
2500.030	Premium on 2018 Harbor Bond	576,094.15	.00	576,094.15	+++
2500.500	Notes Payable-State	453,481.58	498,829.73	(45,348.15)	(9.09)
2500.900	Net Pension Liability	772,679.00	749,484.00	23,195.00	3.09
2500 - Totals		\$13,142,390.89	\$4,979,174.89	\$8,163,216.00	163.95%
2700					
2700.300	Deferred Inflow Pension	18,471.00	107,544.00	(89,073.00)	(82.82)
2700 - Totals		\$18,471.00	\$107,544.00	(\$89,073.00)	(82.82%)
LIABILITIES TOTALS		\$13,516,080.65	\$5,347,417.00	\$8,168,663.65	152.76%
FUND EQUITY					
2800					
2800.001	Contributed Cap.-Federal	255,047.27	255,047.27	.00	.00
2800.002	Contributed Cap.-State	6,630,333.85	6,630,333.85	.00	.00



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account















Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Enterprise Funds				
Fund	240 - Harbor Fund				
	FUND EQUITY				
2800.003	Contributed Cap.-Local	698,765.18	698,765.18	.00	.00
	2800 - Totals	\$7,584,146.30	\$7,584,146.30	\$0.00	0.00%
2900					
2900.010	Reserve for Encumbrances	1,997.25	1,997.25	.00	.00
	2900 - Totals	\$1,997.25	\$1,997.25	\$0.00	0.00%
2910					
2910.140	Designated-Capital Project	(48,000.00)	(48,000.00)	.00	.00
2910.240	Designated-Rate Stabilization	3,150,000.00	2,150,000.00	1,000,000.00	46.51
	2910 - Totals	\$3,102,000.00	\$2,102,000.00	\$1,000,000.00	47.57%
2920					
2920.000	Undesignated/Re. Earnings	14,429,911.75	15,429,911.75	(1,000,000.00)	(6.48)
2920.500	Post Soft Close Entries	208,314.00	208,314.00	.00	.00
	2920 - Totals	\$14,638,225.75	\$15,638,225.75	(\$1,000,000.00)	(6.39%)
2965					
2965.000	P/Y Encumbrance Control	(1,997.25)	(1,997.25)	.00	.00
	2965 - Totals	(\$1,997.25)	(\$1,997.25)	\$0.00	0.00%
	FUND EQUITY TOTALS Prior to Current Year Changes	\$25,324,372.05	\$25,324,372.05	\$0.00	0.00%
	Prior Year Fund Equity Adjustment	7,464,425.29			
	Fund Revenues	(941,986.10)			
	Fund Expenses	2,996,164.12			
	FUND EQUITY TOTALS	\$15,805,768.74	\$25,324,372.05	(\$9,518,603.31)	(37.59%)
	LIABILITIES AND FUND EQUITY TOTALS	\$29,321,849.39	\$30,671,789.05	(\$1,349,939.66)	(4.40%)
Fund	240 - Harbor Fund Totals	\$0.00	(\$39,397.01)	\$39,397.01	100.00%
Fund Type	Enterprise Funds Totals	\$0.00	(\$39,397.01)	\$39,397.01	100.00%
Fund Category	Proprietary Funds Totals	\$0.00	(\$90,235.66)	\$90,235.66	100.00%
	Grand Totals	\$0.00	(\$90,235.66)	\$90,235.66	100.00%









Airport Terminal Fund

Financial Analysis

As Of, And For the Fiscal Quarter Ending, September 30, 2019

Key Performance Indicators (KPI) Dashboard

Indicator	Amount	Compared To Last Year	Compared To Plan	Big Picture
Revenue	220,034	 \$12.0K Less Than 1 st Qtr FY2019	 Exceeded Plan by \$5.3K, or 2.5%	 Revenue is meeting current needs but not enough to finance a new facility eventually
Appropriated Operating Outlays vs. Actual Operating Outlays (Budgeted for period minus actual expenditures. Indicates spending levels as compared to approved budget (over budget)/under budget)	5,364	n/a	Under budget 	n/a
Earnings Before Interest and Depreciation (Operating inflows minus operating outlays—indicates how much cash flow is being generated from operations to pay for things like interest expense, principal payments, and infrastructure investment)	124,406	 \$33.3K Less Than 1 st Qtr FY2019	 Exceeded Plan by 9.4%	Cash flow from operations is adequate and exceeding but long-term build up of working capital will not finance a new facility
Net Income (Incorporates non-operating revenue/expense and depreciation—indicates how much the fund has generated after paying for interest expense and factoring in depreciation of assets)	60,928	 \$59.6K Less Than 1 st Qtr FY2019	 Exceeded Plan	Net income is exceeding plan
Asset Replacement (Net income minus debt principal repayment—gives an indication of whether or not we are setting aside enough money to cover asset replacement (<i>as estimated by how much our assets are decreasing in value annually</i>))	27,178	 Less Than 1 st Qtr FY2019	 Exceeded Plan	Asset replacement is adequate for now; however, once depreciation of new renovations begins, asset replacement will turn negative
Total Working Capital (What total resources are available in the fund)	5,212,199	 More Than Prior Year	 Met Plan	Working capital is adequate and in line with plan
Working Capital For Capital Projects (Of the fund's total resources, how much has been already appropriated for CAPEX)	4,414,266	 More than Prior Year	 Met Plan	Capital project funding adequately addresses current infrastructure needs

Undesignated Working Capital (How much of the fund's resources are available?)	745,864	 More Than Prior Year	 Met Plan	Undesignated working capital is adequate for the present; however, ability to unplanned significant repairs is problematic
Days Cash on Hand, Total Working Capital (How many days of operations would be covered by our total working capital if no more revenue were generated)	7,686.3	 More Than Prior year	 Met Plan	Watch trend 
Days Cash on Hand, Undesignated Working Capital (How many days of operations would the fund's fairly liquid assets cover?)	1,099.9	 Less Than Last Year	 Met Plan	Watch Trend 

The financial performance of the Airport Terminal Fund, while diminished from FY2019, met or exceeded all aspects of the annual financial plan. The major new factor impacting financial performance in FY2020 was interest on new bonded debt. The bonded debt interest expense for the first fiscal quarter was \$50.6K, compared to \$0 in FY2019. The FY2020 annual financial plan included the impacts of this increased interest expense, however, the Fund exceeded planned performance.

For the 1st Quarter of FY2020, the airport terminal revenue declined by \$12.0K, or 5.2% decline from FY2019; a decline in terminal lease revenue was the cause. Net income decreased by \$59.6K from FY2019 to \$60.9K.

Earnings before Interest and Depreciation (EBID), a surrogate for cash flow from operations, was \$124.4K, a decline of \$33.3.6K from FY2019. Cash flow was positive at \$98.6K, however, increasing the Fund's working capital to \$5,212.2K (of this amount, \$3,984.4K are unspent bonding proceeds).

The capital project to renovate the jetways and passenger waiting facility is proceeding according to plan. Passenger facility charges (PFCs) are being collected at the level anticipated and are sufficient to finance debt service payments on the Airport Terminal revenue bonds.

The major challenge that the Airport Terminal faces is similar to other elements of Municipal infrastructure – the facility is aging and maintenance and repair of basic mechanical systems – doors, plumbing, HVAC, and electrical – is increasing in frequency and cost. The building is starting to reach the end of its useful life and insufficient working capital has been accumulated to finance the cost of major structural repairs.

City and Borough of Sitka
Airport Terminal Fund
Financial Statements (Unaudited)
For The Twelve-Month Period Ending June 30, 2020

	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	2020 YTD	FY2019 YTD	Variance To FY2019 YTD	FY2020 Plan (S/L - 25%)	Variance To FY2020 Plan
Revenue:									
Leases	103,308	-	-	-	103,308	142,205	(38,897)	102,648	660
Other Operating Revenue	<u>116,726</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>116,726</u>	<u>89,853</u>	<u>26,873</u>	<u>112,100</u>	<u>4,626</u>
						-			
Total Revenue:	220,034	-	-	-	220,034	232,058	(12,024)	214,748	5,286
Cost of Sales:									
Operations	95,628	-	-	-	95,628	74,368	(21,260)	100,992	5,364
Depreciation	<u>42,575</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,575</u>	<u>42,575</u>	<u>-</u>	<u>42,575</u>	<u>(0)</u>
Total Cost of Sales:	<u>138,203</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>138,203</u>	<u>116,943</u>	<u>(21,260)</u>	<u>143,567</u>	<u>5,364</u>
Gross Margin:	81,831	-	-	-	81,831	115,115	9,236	71,181	10,650
	37.19%				37.19%	49.61%	-76.81%	33.15%	4.04%
Selling and Administrative Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Earnings Before Interest (EBI):	81,831	-	-	-	81,831	115,115	(33,284)	71,181	10,650
	37.19%				37.19%	49.61%	276.81%	33.15%	4.04%
Non-operating Revenue and Expense:									
Non-Operating Revenue and Expenses:	8,444	-	-	-	8,444	5,395	3,049	5,250	3,194
Bond Fund Interest	21,215	-	-	-	21,215	-	21,215	-	21,215
Interest Expense:	<u>(50,563)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(50,563)</u>	<u>-</u>	<u>(50,563)</u>	<u>(50,563)</u>	<u>-</u>
Total Non-operating Revenue & Expense:	<u>(20,904)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(20,904)</u>	<u>5,395</u>	<u>(26,299)</u>	<u>(45,313)</u>	<u>24,409</u>
Net Income:	<u><u>60,928</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>60,928</u></u>	<u><u>120,510</u></u>	<u><u>(59,583)</u></u>	<u><u>25,868</u></u>	<u><u>35,059</u></u>
	27.69%				27.69%	51.93%	495.53%	12.05%	15.64%
Earnings Before Interest and Depreciation (EBIDA):	124,406	-	-	-	124,406	157,690	(33,284)	113,756	10,650
	56.54%				56.54%	67.95%	276.81%	52.97%	3.57%
Debt Principal Coverage									
Simple Cash Flow (Net Income Plus Depreciation)	103,503	-	-	-	103,503	163,085	(59,583)	68,443	35,060
Debt Principal	<u>33,750</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,750</u>	<u>-</u>	<u>33,750</u>	<u>33,750</u>	<u>-</u>
Debt Principal Coverage Surplus/Deficit	<u>69,753</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>69,753</u>	<u>163,085</u>	<u>(93,333)</u>	<u>34,693</u>	<u>35,060</u>
Debt Principal Coverage Percentage	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%
Simple Asset Replacement Coverage									
Debt Principal Coverage Surplus/Deficit (From Above)	69,753	-	-	-	69,753	163,085	(93,333)	34,693	35,060
Depreciation	<u>42,575</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,575</u>	<u>42,575</u>	<u>-</u>	<u>42,575</u>	<u>-</u>
Cash Accumulated For/(Taken From) Asset Replacement	<u>27,178</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,178</u>	<u>120,510</u>	<u>(93,333)</u>	<u>(7,882)</u>	<u>35,060</u>

	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	2020 YTD	FY2019 YTD	Variance To FY2019 YTD	FY2020 Plan (S/L - 25%)	Variance To FY2020 Plan
Working Capital									
Cash Flow:									
Net Income Plus Depreciation Less Principal	69,753	-	-	-	69,753	163,085	(93,333)	34,693	35,060
CapEx, Accruals, and other Balance Sheet Changes	28,846	-	-	-	28,846	(8,889)	37,735	28,846	-
Increase in (Decrease in) Working Capital	98,599	-	-	-	98,599	154,196	(55,598)	63,539	35,060
Plus Beginning Total Working Capital	5,113,601	-	-	-	5,113,601	929,587	4,184,014	5,113,601	-
Equals Ending Total Working Capital:	5,212,199	-	-	-	5,212,199	1,083,783	4,128,417	5,177,140	35,060
Working Capital Detail:									
Repair Reserve (1% of PPE):	52,070	-	-	-	52,070				
Working Capital Designated for CapEx	4,414,266	-	-	-	4,414,266				
Undesignated Working Capital	745,864	-	-	-	745,864				
Total Working Capital:	5,212,199	-	-	-	5,212,199				
Days On Hand Annual Cash Outlays in:									
Total Working Capital:	7,686.31	-	-	-	7,686.31				
Days On Hand Annual Cash Outlays in Total Working Capital									
Total Working Capital Less Repair Reserve:	7,609.52	-	-	-	7,609.52				
Undesignated Working Capital	1,099.91	-	-	-	1,099.91				
Working Capital Calculation:									
Current Assets	5,380,907	-	-	-	5,380,907				
Current Liabilities	(33,708)	-	-	-	(33,708)				
CPLTD	(135,000)	-	-	-	(135,000)				
Total Working Capital	5,212,199	-	-	-	5,212,199				

Project	FY2020		<u>Cash</u>	State Grant <u>A/R</u>	Federal Grant <u>A/R</u>	Federal Loan <u>A/R</u>	Construction In Progress <u>6/30/2018</u>	Advertising Expense	Contracted & Purchased Services Expenses	Interdepartment Services Expenses	Capitalized Interest Expenses
	Transfer In Bond Proceeds	FY2020 Appropriations									
90736 - Airport Baggage and TSA Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 182,723.91	\$ -	\$ -	\$ -	\$ -
90835 - Sitka Airport Terminal Improvements	\$ -	\$ -	\$ 164,798.93	\$ -	\$ 8,924.61	\$ -	\$ 287,979.10	\$ -	\$ -	\$ 3,227.33	\$ -
90872 - Airport Air Taxi ADA Ramp & Door	\$ -	\$ 20,000.00	\$ 120,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90873 - Airport Heat Pumps For Hold Room	\$ -	\$ 10,000.00	\$ 46,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90904 - Airport Terminal Sidewalk Replacement	\$ -	\$ 90,000.00	\$ 90,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.2 No Job	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals:	\$ -	\$ 120,000.00	\$ 420,798.93	\$ -	\$ 8,924.61	\$ -	\$ 470,703.01	\$ -	\$ -	\$ 3,227.33	\$ -

Project	Total <u>Expenses</u>	Construction					
		In Progress <u>6/30/2019</u>	Total <u>Assets</u>	Accounts <u>Payable</u>	Retainage <u>Payable</u>	Total <u>Liabilities</u>	Working <u>Capital</u>
90736 - Airport Baggage and TSA Improvements	\$ -	\$ 182,723.91	\$ 182,723.91	\$ -	\$ -	\$ -	\$ -
90835 - Sitka Airport Terminal Improvements	\$ 3,227.33	\$ 291,206.43	\$ 464,929.97	\$ -	\$ -	\$ -	\$ 173,723.54
90872 - Airport Air Taxi ADA Ramp & Door	\$ -	\$ -	\$ 120,000.00	\$ -	\$ -	\$ -	\$ 120,000.00
90873 - Airport Heat Pumps For Hold Room	\$ -	\$ -	\$ 46,000.00	\$ -	\$ -	\$ -	\$ 46,000.00
90904 - Airport Terminal Sidewalk Replacement	\$ -	\$ -	\$ 90,000.00	\$ -	\$ -	\$ -	\$ 90,000.00
2.2 No Job	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals:	\$ 3,227.33	\$ 473,930.34	\$ 903,653.88	\$ -	\$ -	\$ -	\$ 429,723.54



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description		Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds					
Fund Type	Capital Projects Funds					
Fund	760 - Capital Project-Airport T					
	ASSETS					
1030						
1030.100	Investment-Central Trea.		420,798.93	349,769.47	71,029.46	20.31
	1030 - Totals		\$420,798.93	\$349,769.47	\$71,029.46	20.31%
1050						
1050.070	Accts Rec.- Federal		8,924.61	15,686.29	(6,761.68)	(43.11)
	1050 - Totals		\$8,924.61	\$15,686.29	(\$6,761.68)	(43.11%)
1590						
1590.000	Construction in Progress		470,703.01	287,775.35	182,927.66	63.57
	1590 - Totals		\$470,703.01	\$287,775.35	\$182,927.66	63.57%
	ASSETS TOTALS		\$900,426.55	\$653,231.11	\$247,195.44	37.84%
	FUND EQUITY					
2910						
2910.140	Designated-Capital Project		82,735.41	82,735.41	.00	.00
	2910 - Totals		\$82,735.41	\$82,735.41	\$0.00	0.00%
2920						
2920.000	Undesignated/Re. Earnings		443,385.25	443,385.25	.00	.00
	2920 - Totals		\$443,385.25	\$443,385.25	\$0.00	0.00%
	FUND EQUITY TOTALS Prior to Current Year Changes		\$526,120.66	\$526,120.66	\$0.00	0.00%
	Prior Year Fund Equity Adjustment		(257,533.22)			
	Fund Revenues		(120,000.00)			
	Fund Expenses		3,227.33			
	FUND EQUITY TOTALS		\$900,426.55	\$526,120.66	\$374,305.89	71.14%
	LIABILITIES AND FUND EQUITY TOTALS		\$900,426.55	\$526,120.66	\$374,305.89	71.14%
Fund	760 - Capital Project-Airport T Totals		\$0.00	\$127,110.45	(\$127,110.45)	(100.00%)
Fund Type	Capital Projects Funds Totals		\$0.00	\$127,110.45	(\$127,110.45)	(100.00%)



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Enterprise Funds				
Fund	250 - Airport Terminal Building				
	ASSETS				
1027					
1027.000	Change in FMV-Investments	9,021.00	(13,360.00)	22,381.00	167.52
1027 - Totals		\$9,021.00	(\$13,360.00)	\$22,381.00	167.52%
1030					
1030.100	Investment-Central Trea.	855,423.96	675,917.15	179,506.81	26.56
1030 - Totals		\$855,423.96	\$675,917.15	\$179,506.81	26.56%
1050					
1050.000	Accts Rec.-Misc Billing	93,620.71	48,614.99	45,005.72	92.58
1050 - Totals		\$93,620.71	\$48,614.99	\$45,005.72	92.58%
1200					
1200.020	Prepaid Insurance	8,574.81	7,154.90	1,419.91	19.85
1200 - Totals		\$8,574.81	\$7,154.90	\$1,419.91	19.85%
1540					
1540.000	Buildings	4,574,191.94	4,574,191.94	.00	.00
1540 - Totals		\$4,574,191.94	\$4,574,191.94	\$0.00	0.00%
1550					
1550.000	Machinery & Equipment	632,790.80	632,790.80	.00	.00
1550 - Totals		\$632,790.80	\$632,790.80	\$0.00	0.00%
1640					
1640.000	Accumulated Depr Building	(2,891,262.07)	(2,759,293.63)	(131,968.44)	(4.78)
1640 - Totals		(\$2,891,262.07)	(\$2,759,293.63)	(\$131,968.44)	(4.78%)
1650					
1650.000	Accumulated Depr Equipmnt	(367,220.76)	(328,889.52)	(38,331.24)	(11.65)
1650 - Totals		(\$367,220.76)	(\$328,889.52)	(\$38,331.24)	(11.65%)
1800					
1800.080	2018 Debt Service Reserve Fund	342,310.73	.00	342,310.73	+++
1800 - Totals		\$342,310.73	\$0.00	\$342,310.73	+++
	ASSETS TOTALS	\$3,257,451.12	\$2,837,126.63	\$420,324.49	14.82%
	LIABILITIES AND FUND EQUITY				
	LIABILITIES				
2200					
2200.001	Interest Payable-Bonds	33,708.36	.00	33,708.36	+++
2200 - Totals		\$33,708.36	\$0.00	\$33,708.36	+++
2500					
2500.028	2018 One Airport Terminal Loan	4,045,000.00	.00	4,045,000.00	+++



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Enterprise Funds				
Fund	250 - Airport Terminal Building				
	LIABILITIES AND FUND EQUITY				
	LIABILITIES				
2500.029	Premium on 2018 Airport Bond	308,118.30	.00	308,118.30	+++
	2500 - Totals	\$4,353,118.30	\$0.00	\$4,353,118.30	+++
	LIABILITIES TOTALS	\$4,386,826.66	\$0.00	\$4,386,826.66	+++
	FUND EQUITY				
2800					
2800.001	Contributed Cap.-Federal	606,341.82	606,341.82	.00	.00
2800.002	Contributed Cap.-State	2,214,852.55	2,214,852.55	.00	.00
	2800 - Totals	\$2,821,194.37	\$2,821,194.37	\$0.00	0.00%
2900					
2900.080	Reserved PFC Projects	592,974.04	313,285.93	279,688.11	89.28
	2900 - Totals	\$592,974.04	\$313,285.93	\$279,688.11	89.28%
2910					
2910.140	Designated-Capital Project	24,000.00	24,000.00	.00	.00
2910.250	Designated-Rate Stabilization	457,000.00	.00	457,000.00	+++
	2910 - Totals	\$481,000.00	\$24,000.00	\$457,000.00	1,904.17%
2920					
2920.000	Undesignated/Re. Earnings	(1,042,552.19)	(305,864.08)	(736,688.11)	(240.85)
	2920 - Totals	(\$1,042,552.19)	(\$305,864.08)	(\$736,688.11)	(240.85%)
	FUND EQUITY TOTALS Prior to Current Year Changes	\$2,852,616.22	\$2,852,616.22	\$0.00	0.00%
	Prior Year Fund Equity Adjustment	3,901,704.06			
	Fund Revenues	(228,477.23)			
	Fund Expenses	308,764.93			
	FUND EQUITY TOTALS	(\$1,129,375.54)	\$2,852,616.22	(\$3,981,991.76)	(139.59%)
	LIABILITIES AND FUND EQUITY TOTALS	\$3,257,451.12	\$2,852,616.22	\$404,834.90	14.19%
Fund	250 - Airport Terminal Building Totals	\$0.00	(\$15,489.59)	\$15,489.59	100.00%
Fund Type	Enterprise Funds Totals	\$0.00	(\$15,489.59)	\$15,489.59	100.00%
Fund Category	Proprietary Funds Totals	\$0.00	\$111,620.86	(\$111,620.86)	(100.00%)
	Grand Totals	\$0.00	\$111,620.86	(\$111,620.86)	(100.00%)
























Marine Service Center

Financial Analysis

As Of, And For the Fiscal Quarter Ending, September 30, 2019

Key Performance Indicators (KPI) Dashboard

Indicator	Amount	Compared To Last Year	Compared To Plan	Big Picture
Revenue	63,766	 Greater Than Last Year	 Exceeded Plan	One of two major leases terminated on 6/30/18 but resumed on a month-to-month basis, causing revenue to decline
Appropriated Outlays vs. Actual Outlays (Budgeted for period minus actual expenditures. Indicates spending levels as compared to approved budget (over budget)/under budget)	16,121	n/a	Under budget 	n/a
Earnings Before Interest and Depreciation (Operating inflows minus operating outlays—indicates how much cash flow is being generated from operations to pay for things like interest expense, principal payments, and infrastructure investment)	38,358	 Greater Than Last year	 Exceeded Plan	Cash flow was reduced due to the partial-year loss of a major tenant
Net Income (Incorporates non-operating revenue/expense and depreciation—indicates how much the fund has generated after paying for interest expense and factoring in depreciation of assets)	41,231	 Greater Than Last year	 Exceeded Plan	Net income was reduced due to the partial-year loss of a major tenant
Asset Replacement (Net income minus debt principal repayment—gives an indication of whether or not we are setting aside enough money to cover asset replacement (as estimated by how much our assets are decreasing in value annually))	41,231	 Greater Than Last Year	 Exceeded Plan	Asset replacement was reduced due to the partial-year loss of a major tenant
Total Working Capital (What total resources are available in the fund)	2,113,338	 Greater Than Last Year	 Met Plan	Working capital is adequate and in line with plan
Working Capital For Capital Projects (Of the fund's total resources, how much has been already appropriated for CAPEX)	264,645	 More Than Prior Year	 Met Plan	Capital project funding adequately addresses current infrastructure needs
Undesignated Working Capital (How much of the fund's resources are available?)	1,814,420	 Not Meaningfully Different	 Exceeded Plan	Undesignated working capital is adequate for the present; it is not sufficient to fully pay for asset replacement or major renovation
Days Cash on Hand, Total Working Capital (How many days of operations would be covered by our total working capital if no more revenue were generated)	7,589.8	 Greater Than Last Year	 Exceeded Plan	Monitor 

Days Cash on Hand, Undesignated Working Capital (How many days of operations would the fund's fairly liquid assets cover?)	6,516.3	 Greater Than Last Year	 Exceeded Plan	Monitor 
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The Marine Service Center exceeded planned performance on most metrics for the first fiscal quarter of FY2020. In addition, results improved on all but one metric compared to the first fiscal quarter of FY2019.

For the 1st Quarter of FY2020, lease revenue increased by \$31.9K, or 100% over FY2019; full tenancy was the reason for the large increase in revenue. Net income increased by \$32.9K from FY2019 to \$41.2K.

Earnings before Interest and Depreciation (EBID), a surrogate for cash flow from operations, was \$38.4K, an increase of \$32.7K from FY2019. Full tenancy resulted in a positive cash flow of \$49.1K, increasing the Fund's working capital to \$2,113.

Active conversations are now ongoing regarding possible sale of facility, as grant stipulations prohibiting sale have now expired. Negotiations of new leases and deliberations concerning sale of the facility will have a large impact on the future financial condition and performance of this fund.

City and Borough of Sitka
Marine Service Center
Financial Statements
For The Twelve-Month Period Ended June 30, 2020
(Unaudited)

	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	FY2020 YTD	FY2019 YTD	Variance To FY2019 YTD	FY2020 Plan (S/L - 25.00%)	Variance To FY2020 Plan
Revenue:									
Leases	63,766	-	-	-	63,766	31,883	31,883	31,050	32,716
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Total Revenue:	63,766	-	-	-	63,766	31,883	31,883	31,050	32,716
Cost of Sales:									
Operations	25,408	-	-	-	25,408	26,221	813	41,529	16,121
Depreciation	7,890	-	-	-	7,890	7,977	87	7,976	86
Total Cost of Sales:	33,298	-	-	-	33,298	34,198	900	49,506	16,208
Gross Margin:	30,468 47.78%	-	-	-	30,468 47.78%	(2,315) -7.26%	32,783 55.04%	(18,456) -59.44%	48,924 107.22%
Selling and Administrative Expenses	-	-	-	-	-	-	-	-	-
Earnings Before Interest (EBI):	30,468 47.78%	-	-	-	30,468 47.78%	(2,315) -7.26%	32,783 55.04%	(18,456) -59.44%	48,924 107.22%
Non-operating Revenue and Expense:									
Interest and Non-Operating Revenue:	10,763	-	-	-	10,763	10,637	126	10,500	263
Interest Expense:	-	-	-	-	-	-	-	-	-
Total Non-operating Revenue & Expense:	10,763	-	-	-	10,763	10,637	126	10,500	263
Net Income:	41,231 64.66%	-	-	-	41,231 64.66%	8,322 26.10%	32,909 103.22%	(7,956) -25.62%	49,187 90.28%
Earnings Before Interest and Depreciation (EBIDA):	38,358 60.15%	-	-	-	38,358 60.15%	5,662 17.76%	32,696 42.40%	(10,479) -33.75%	49,010 93.90%
Debt Principal Coverage									
Simple Cash Flow (Net Income Plus Depreciation)	49,121	-	-	-	49,121	16,299	32,822	21	49,100
Debt Principal	-	-	-	-	-	-	-	-	-
Debt Principal Coverage Surplus/Deficit	49,121	-	-	-	49,121	16,299	32,822	21	49,100
Debt Principal Coverage Percentage	0.00%				100%	100%	100%	100%	0%
Simple Asset Replacement Coverage									
Debt Principal Coverage Surplus/Deficit (From Above)	49,121	-	-	-	49,121	16,299	32,822	21	49,100
Depreciation	7,890	-	-	-	7,890	7,977	(87)	7,890	-
Cash Accumulated For/(Taken From) Asset Replacement	41,231	-	-	-	41,231	8,322	32,909	(7,869)	49,100

	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	FY2020 YTD	FY2019 YTD	Variance To FY2019 YTD	FY2020 Plan (S/L - 25.00%)	Variance To FY2020 Plan
Working Capital									
Cash Flow:									
Net Income Plus Depreciation Less Principal	49,121	-	-	-	49,121	16,299	32,822	21	49,100
CapEx, Accruals, and other Balance Sheet Changes	-	-	-	-	-	-	-	-	-
Increase in (Decrease in) Working Capital	49,121	-	-	-	49,121	16,299	32,822	21	49,100
Plus Beginning Total Working Capital	2,064,217	-	-	-	2,064,217	1,978,635	85,582	2,064,217	-
Equals Ending Total Working Capital:	2,113,338	-	-	-	2,113,338	1,994,934	118,404	2,064,238	49,100
Working Capital Detail:									
Repair Reserve (1% of PPE):	34,673	-	-	-	34,673				
Working Capital Designated for CapEx	264,245				264,245				
Undesignated Working Capital	1,814,420				1,814,420				
Total Working Capital:	2,113,338				2,113,338				
Days On Hand Annual Cash Outlays in:									
Total Working Capital	7,589.82	-	-	-	7,589.82				
Working Capital Less Repair Reserve:	7,465.29	-	-	-	7,465.29				
Undesignated Working Capital	6,516.29	-	-	-	6,516.29				
Working Capital Calculation:									
Current Assets	2,113,338	-	-	-	2,113,338				
Current Liabilities	-				-				
CPLTD	-	-	-	-	-				
Total Working Capital	2,113,338	-	-	-	2,113,338				

Project	FY2020 Appropriations	Cash	State Grant A/R	Federal Grant A/R	Federal Loan A/R	Construction In Progress 6/30/2019	Advertising Expense	Contracted & Purchased Services Expenses	Interdepartment Services Expenses	Total Expenses	Mixed Project Expenses Reclassified
90874 - MSC Roof Condenser Replacement	\$ 130,000.00	\$ 184,245.00	\$ -	\$ -	\$ -	\$ 15,755.00	\$ -	\$ -	\$ -	\$ -	\$ -
90905 - MSC Bulkhead Condition Assessmen	\$ 80,000.00	\$ 80,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.2 No Job	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals:	\$ 210,000.00	\$ 264,245.00	\$ -	\$ -	\$ -	\$ 15,755.00	\$ -	\$ -	\$ -	\$ -	\$ -

Project	Expenses Reclassified To CIP	CIP/Expense Reclass to Parent Fund	Construction In Progress <u>6/30/2019</u>	Total <u>Assets</u>	Accounts <u>Payable</u>	Retainage <u>Payable</u>	Total <u>Liabilities</u>	Working <u>Capital</u>
90874 - MSC Roof Condenser Replacement	\$ -	\$ -	\$ -	\$ 184,245.00	\$ -	\$ -	\$ -	\$ 184,245.00
90905 - MSC Bulkhead Condition Assessment	\$ -	\$ -	\$ -	\$ 80,000.00	\$ -	\$ -	\$ -	\$ 80,000.00
2.2 No Job	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals:	\$ -	\$ -	\$ -	\$ 264,245.00	\$ -	\$ -	\$ -	\$ 264,245.00



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Capital Projects Funds				
Fund	770 - Capital Project-Marine SC				
	ASSETS				
1030					
1030.100	Investment-Central Trea.	264,245.00	70,000.00	194,245.00	277.49
	1030 - Totals	\$264,245.00	\$70,000.00	\$194,245.00	277.49%
1590					
1590.000	Construction in Progress	15,755.00	.00	15,755.00	+++
	1590 - Totals	\$15,755.00	\$0.00	\$15,755.00	+++
	ASSETS TOTALS	\$280,000.00	\$70,000.00	\$210,000.00	300.00%
	FUND EQUITY				
2920					
2920.000	Undesignated/Re. Earnings	(130,560.82)	(130,560.82)	.00	.00
	2920 - Totals	(\$130,560.82)	(\$130,560.82)	\$0.00	0.00%
2965					
2965.000	P/Y Encumbrance Control	130,560.82	130,560.82	.00	.00
	2965 - Totals	\$130,560.82	\$130,560.82	\$0.00	0.00%
	FUND EQUITY TOTALS Prior to Current Year Changes	\$0.00	\$0.00	\$0.00	+++
	Prior Year Fund Equity Adjustment	(70,000.00)			
	Fund Revenues	(210,000.00)			
	Fund Expenses	.00			
	FUND EQUITY TOTALS	\$280,000.00	\$0.00	\$280,000.00	+++
	LIABILITIES AND FUND EQUITY TOTALS	\$280,000.00	\$0.00	\$280,000.00	+++
Fund	770 - Capital Project-Marine SC Totals	\$0.00	\$70,000.00	(\$70,000.00)	(100.00%)
Fund Type	Capital Projects Funds Totals	\$0.00	\$70,000.00	(\$70,000.00)	(100.00%)



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Enterprise Funds				
Fund	260 - Marine Service Center				
	ASSETS				
1027					
1027.000	Change in FMV-Investments	13,850.00	(29,655.00)	43,505.00	146.70
1027 - Totals		\$13,850.00	(\$29,655.00)	\$43,505.00	146.70%
1030					
1030.100	Investment-Central Trea.	1,742,815.63	1,923,021.29	(180,205.66)	(9.37)
1030 - Totals		\$1,742,815.63	\$1,923,021.29	(\$180,205.66)	(9.37%)
1050					
1050.000	Accts Rec.-Misc Billing	88,500.97	27,971.73	60,529.24	216.39
1050 - Totals		\$88,500.97	\$27,971.73	\$60,529.24	216.39%
1200					
1200.020	Prepaid Insurance	3,926.34	3,595.75	330.59	9.19
1200 - Totals		\$3,926.34	\$3,595.75	\$330.59	9.19%
1510					
1510.000	Land Improvements	39,073.50	39,073.50	.00	.00
1510 - Totals		\$39,073.50	\$39,073.50	\$0.00	0.00%
1540					
1540.000	Buildings	3,121,870.43	3,121,870.43	.00	.00
1540 - Totals		\$3,121,870.43	\$3,121,870.43	\$0.00	0.00%
1550					
1550.000	Machinery & Equipment	285,817.91	285,817.91	.00	.00
1550 - Totals		\$285,817.91	\$285,817.91	\$0.00	0.00%
1570					
1570.000	Furniture & Fixtures	59,629.66	59,629.66	.00	.00
1570 - Totals		\$59,629.66	\$59,629.66	\$0.00	0.00%
1610					
1610.000	Accumulated Depr. Land Im	(23,478.50)	(21,915.50)	(1,563.00)	(7.13)
1610 - Totals		(\$23,478.50)	(\$21,915.50)	(\$1,563.00)	(7.13%)
1640					
1640.000	Accumulated Depr Building	(3,009,603.15)	(2,990,818.67)	(18,784.48)	(.63)
1640 - Totals		(\$3,009,603.15)	(\$2,990,818.67)	(\$18,784.48)	(0.63%)
1650					
1650.000	Accumulated Depr Equipmnt	(184,487.34)	(173,361.15)	(11,126.19)	(6.42)
1650 - Totals		(\$184,487.34)	(\$173,361.15)	(\$11,126.19)	(6.42%)
1670					
1670.000	Accumulated Depr furnitur	(59,629.66)	(59,629.66)	.00	.00
1670 - Totals		(\$59,629.66)	(\$59,629.66)	\$0.00	0.00%



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account


























Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Enterprise Funds				
Fund	260 - Marine Service Center				
	ASSETS TOTALS	\$2,078,285.79	\$2,185,600.29	(\$107,314.50)	(4.91%)
	FUND EQUITY				
2800					
2800.002	Contributed Cap.-State	2,500,000.00	2,500,000.00	.00	.00
	2800 - Totals	\$2,500,000.00	\$2,500,000.00	\$0.00	0.00%
2920					
2920.000	Undesignated/Re. Earnings	(252,605.07)	(252,605.07)	.00	.00
2920.500	Post Soft Close Entries	(116.78)	(116.78)	.00	.00
	2920 - Totals	(\$252,721.85)	(\$252,721.85)	\$0.00	0.00%
	FUND EQUITY TOTALS Prior to Current Year Changes	\$2,247,278.15	\$2,247,278.15	\$0.00	0.00%
	Prior Year Fund Equity Adjustment	223.01			
	Fund Revenues	(74,528.77)			
	Fund Expenses	243,298.12			
	FUND EQUITY TOTALS	\$2,078,285.79	\$2,247,278.15	(\$168,992.36)	(7.52%)
	LIABILITIES AND FUND EQUITY TOTALS	\$2,078,285.79	\$2,247,278.15	(\$168,992.36)	(7.52%)
Fund	260 - Marine Service Center Totals	\$0.00	(\$61,677.86)	\$61,677.86	100.00%
Fund Type	Enterprise Funds Totals	\$0.00	(\$61,677.86)	\$61,677.86	100.00%
Fund Category	Proprietary Funds Totals	\$0.00	\$8,322.14	(\$8,322.14)	(100.00%)
	Grand Totals	\$0.00	\$8,322.14	(\$8,322.14)	(100.00%)



Gary Paxton Industrial Park

Financial Analysis

As Of, And For the Fiscal Quarter Ending, September 30, 2019

Key Performance Indicators (KPI) Dashboard

Indicator	Amount	Compared To Last Year	Compared To Plan	Big Picture
Revenue	37,786	 Increased by \$5.8K over 1 st Qtr FY2019	 Fell Short of Plan by \$5.1K	 Reduced lease revenue cash flows will impact future ability to maintain the new dock
Appropriated Outlays vs. Actual Outlays (Budgeted for period minus actual expenditures. Indicates spending levels as compared to approved budget (over budget)/under budget)	3,264	n/a	Under budget 	n/a
Earnings (Loss) Before Interest and Depreciation (Operating inflows minus operating outlays—indicates how much cash flow is being generated from operations to pay for things like interest expense, principal payments, and infrastructure investment)	(22,865)	 Larger EBID Loss Than Last year	 Did Not Meet Plan	 Cash flow from operations is negative; rent and tariff revenue is not covering operating costs
Net Income (Loss) (Incorporates non-operating revenue/expense and depreciation—indicates how much the fund has generated after paying for interest expense and factoring in depreciation of assets)	(123,700)	 Loss Declined by \$1,322 from 1 st Qtr FY2019	 Did Not Meet Plan	 Ongoing operations not profitable
Asset Replacement (Net income minus debt principal repayment—gives an indication of whether or not we are setting aside enough money to cover asset replacement (as estimated by how much our assets are decreasing in value annually))	(136,146)	 Deficit Declined by \$1,322 from 1 st Qtr FY2019	 Met Plan	 Asset replacement is inadequate; unless dock revenue markedly increases, no working capital for asset replacement will be accumulated
Total Working Capital (What total resources are available in the fund)	672,542	 Declined by \$172.4K from 1 st Qtr FY2019	 Met Plan	 Working capital is inadequate
Working Capital For Capital Projects (Of the fund's total resources, how much has been already appropriated for CAPEX)	205,792	 Lower Than 1 st Qtr FY2019	 Met Plan	 Capital project funding adequately addresses current infrastructure needs
Undesignated Working Capital (How much of the fund's resources are available?)	301,859	 Declined by \$147.6K from 1 st Qtr FY2019	 Met Plan	 Adequate for the present; it is not sufficient to fully pay for asset replacement or major renovation
Days Cash on Hand, Total Working Capital (How many days of operations would be covered by our total working capital if no more revenue were generated)	830.4	 Lower Than 1 st Qtr FY2019	 Met Plan	 Monitor; adequate for present

Days Cash on Hand, Undesignated Working Capital (How many days of operations would the fund's fairly liquid assets cover?)	372.7	 Lower Than 1 st Qtr FY2019	 Met Plan	Monitor, adequate for present
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As the Big Picture column illustrates, the Gary Paxton Industrial Park Fund is consuming working capital and is not covering costs of operations with revenue.

For the 1st Quarter of FY2020, Park revenue increased by \$5.8K, or 18.1% over FY2019; increased dock and tariff charges was the reason for the large increase in revenue. The net loss declined slightly, by \$1.4K from FY2019 to (\$123.7K).

Earnings (Loss) before Interest and Depreciation (EBID), a surrogate for cash flow from operations, was (\$22.9K), an increase in the loss of (\$2.1K) from FY2019. Total working capital declined by (\$172.4K) from September 30, 2019, to \$672.5K

As the opportunities for leasing have diminished, the hope for improving the financial performance and position rests with the dock and the ability to generate significant moorage and wharfage tariff revenue through it. Modestly increased tariff revenue accounted for the positive comparison in revenue, but it was not large enough to keep the Fund's overall financial condition from deteriorating further.

If profitability and positive cash flow can't be achieved, the Municipality may eventually need to seriously consider merging the Park into the General Fund, creating a Department similar to Harrigan Centennial Hall which is subsidized by tax revenues.

City and Borough of Sitka
Gary Paxton Industrial Park Fund
Financial Statements
For The Twelve-Month Period Ending June 30, 2020
(Unaudited)

	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	2020 YTD	FY2019 YTD	Variance To FY2019 YTD	FY2019 Plan (S/L - 25.00%)	Variance To FY2020 Plan
Revenue:									
Leases	20,986	-	-	-	20,986	28,404	(7,418)	37,863	(16,877)
Other Operating Revenue	<u>16,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,800</u>	<u>3,605</u>	<u>13,195</u>	<u>5,000</u>	<u>11,800</u>
Total Revenue:	37,786	-	-	-	37,786	32,009	5,777	42,863	(5,077)
Cost of Sales:									
Operations	60,651	-	-	-	60,651	52,858	(7,793)	63,915	3,264
Depreciation	<u>108,167</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>108,167</u>	<u>115,186</u>	<u>7,019</u>	<u>80,567</u>	<u>(27,600)</u>
Total Cost of Sales:	<u>168,818</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>168,818</u>	<u>168,044</u>	<u>(774)</u>	<u>144,482</u>	<u>(24,337)</u>
Gross Margin:	(131,032)	-	-	-	(131,032)	(136,035)	5,003	(101,619)	(29,413)
	-346.77%				-346.77%	-424.99%	78.22%	-237.08%	-109.69%
Selling and Administrative Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Earnings Before Interest (EBI):	(131,032)	-	-	-	(131,032)	(136,035)	5,003	(101,619)	(29,413)
	-346.77%				-346.77%	-424.99%	78.22%	-237.08%	-109.69%
Non-operating Revenue and Expense:									
Interest and Non-Operating Revenue:	4,798	-	-	-	4,798	8,950	(4,152)	5,500	(702)
Grant Revenue:	-	-	-	-	-	-	-	-	-
Transfers From Bulk Water Fund:	-	-	-	-	-	-	-	7,500	(7,500)
Loss on Impairment	-	-	-	-	-	-	-	-	-
Transfers From SMC Contingency Fund	3,343	-	-	-	3,343	3,235	108	2,750	593
Transfers to Other Funds	-	-	-	-	-	-	-	-	-
Interest Expense:	<u>(809)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(809)</u>	<u>(1,214)</u>	<u>405</u>	<u>(809)</u>	<u>-</u>
Total Non-operating Revenue & Expense:	<u>7,332</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,332</u>	<u>10,971</u>	<u>(3,639)</u>	<u>14,941</u>	<u>(7,609)</u>
Net Income:	<u>(123,700)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(123,700)</u>	<u>(125,064)</u>	<u>1,364</u>	<u>(86,678)</u>	<u>(37,022)</u>
	-327.37%				-327.37%	-390.72%	63.35%	-202.22%	265.57%
Earnings Before Interest and Depreciation (EBID):	(22,865)	-	-	-	(22,865)	(20,849)	(2,016)	(21,052)	(1,813)
	-60.51%				-60.51%	-65.13%	4.62%	-49.12%	-11.40%
Debt Principal Coverage									
Simple Cash Flow (Net Income Plus Depreciation excluding capital g	(15,533)	-	-	-	(15,533)	(9,878)	(5,655)	(13,611)	(1,922)
Debt Principal	<u>12,446</u>				<u>12,446</u>	<u>12,446</u>	<u>(0)</u>	<u>12,446</u>	<u>-</u>
Debt Principal Coverage Surplus/Deficit	<u>(27,979)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(27,979)</u>	<u>(22,324)</u>	<u>(5,655)</u>	<u>(26,057)</u>	<u>(1,922)</u>
Debt Principal Coverage Percentage	-124.81%				-124.81%	-2105600.00%	2105475.19%	-109.36%	2105584.56%
Simple Asset Replacement Coverage									
Debt Principal Coverage Surplus/Deficit (From Above)	(27,979)	-	-	-	(27,979)	(22,324)	(5,655)	(26,057)	(1,922)
Depreciation	<u>108,167</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>108,167</u>	<u>115,186</u>	<u>(7,019)</u>	<u>108,167</u>	<u>-</u>
Cash Accumulated For/(Taken From) Asset Replacement	<u>(136,146)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(136,146)</u>	<u>(137,510)</u>	<u>1,364</u>	<u>(134,224)</u>	<u>(1,922)</u>

	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	2020 YTD	FY2019 YTD	Variance To FY2019 YTD	FY2019 Plan (S/L - 25.00%)	Variance To FY2020 Plan
Working Capital									
Cash Flow:									
Net Income Plus Depreciation Less Principal	(27,979)	-	-	-	(27,979)	(22,324)	(5,655)	(26,057)	(1,922)
CapEx, Accruals, and other Balance Sheet Changes	(57,369)	-	-	-	(57,369)	163,755	(221,124)	(57,369)	-
Increase in (Decrease in) Working Capital	(85,348)	-	-	-	(85,348)	141,431	(226,779)	(83,426)	(1,922)
Plus Beginning Total Working Capital	757,890	-	-	-	757,890	703,512	54,378	757,890	-
Equals Ending Total Working Capital:	672,542	-	-	-	672,542	844,943	(172,401)	674,464	(1,922)
Working Capital Detail:									
Repair Reserve (1% of PPE):	164,890	-	-	-	164,890				
Working Capital Designated for CapEx	205,792	-	-	-	205,792				
Undesignated Working Capital	301,859	-	-	-	301,859				
Total Working Capital:	672,542	-	-	-	672,542				
Days On Hand Annual Cash Outlays in:									
Total Working Capital	830.37				830.37				
Total Working Capital Less Repair Reserve	626.79				626.79				
Undesignated Working Capital	372.70				372.70				
Working Capital Calculation:									
Current Assets	871,672	-	-	-	871,672				
Current Liabilities	(149,346)	-	-	-	(149,346)				
CPLTD	(49,784)	-	-	-	(49,784)				
Total Working Capital	672,542	-	-	-	672,542				

GPIP Fund Capital Project Detail												
Project	FY2019 Appropriations	FY2019 Loan Grant & Other	Cash	State Grant A/R	State Loan A/R	Federal Loan A/R	Construction In Progress 6/30/2019	Supplies Expense	Contracted & Purchased Services Expenses	Interdepartment Services Expenses	Transfer Out	Total Expenses
90748 - GPIP Dock	\$ -	\$ -	\$ 172,879.83	\$ -	\$ -	\$ -	\$ 2,540.88	\$ -	\$ -	\$ -	\$ -	\$ -
90836 - GPIP Shoreline Stabilization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90837 - GPIP Dock Access Ramp Design	\$ -	\$ -	\$ 12,912.58	\$ -	\$ -	\$ -	\$ 34,983.57	\$ -	\$ 12,645.00	\$ 1,458.85	\$ -	\$ 14,103.85
90854 - GPIP Site Cleanup	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90875 - GPIP Wash Down Pad	\$ -	\$ -	\$ 20,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals:	\$ -	\$ -	\$ 205,792.41	\$ -	\$ -	\$ -	\$ 37,524.45	\$ -	\$ 12,645.00	\$ 1,458.85	\$ -	\$ 14,103.85

GPIP Fund Capital Project Detail									
Project	Mixed Project Expenses Reclassified	Expenses Reclassified To CIP	CIP/Expense Reclass to Parent Fund	Construction In Progress 6/30/2019	Total Assets	Accounts Payable	Retainage Payable	Total Liabilities	Working Capital
90748 - GPIP Dock	\$ -	\$ -	\$ -	\$ 2,540.88	\$ 175,420.71	\$ -	\$ -	\$ -	\$ 172,879.83
90836 - GPIP Shoreline Stabilization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90837 - GPIP Dock Access Ramp Design	\$ -	\$ 14,103.85	\$ -	\$ 49,087.42	\$ 62,000.00	\$ -	\$ -	\$ -	\$ 12,912.58
90854 - GPIP Site Cleanup	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90875 - GPIP Wash Down Pad	\$ -	\$ -	\$ -	\$ -	\$ 20,000.00	\$ -	\$ -	\$ -	\$ 20,000.00
Totals:	\$ -	\$ 14,103.85	\$ -	\$ 51,628.30	\$ 257,420.71	\$ -	\$ -	\$ -	\$ 205,792.41



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Capital Projects Funds				
Fund	780 - Capital Project-GPIP				
	ASSETS				
1030					
1030.100	Investment-Central Trea.	205,792.41	234,341.55	(28,549.14)	(12.18)
	1030 - Totals	\$205,792.41	\$234,341.55	(\$28,549.14)	(12.18%)
1590					
1590.000	Construction in Progress	37,524.45	24,241.23	13,283.22	54.80
	1590 - Totals	\$37,524.45	\$24,241.23	\$13,283.22	54.80%
	ASSETS TOTALS	\$243,316.86	\$258,582.78	(\$15,265.92)	(5.90%)
	FUND EQUITY				
2900					
2900.010	Reserve for Encumbrances	7,603.80	7,603.80	.00	.00
	2900 - Totals	\$7,603.80	\$7,603.80	\$0.00	0.00%
2920					
2920.000	Undesignated/Re. Earnings	250,420.71	250,420.71	.00	.00
	2920 - Totals	\$250,420.71	\$250,420.71	\$0.00	0.00%
2965					
2965.000	P/Y Encumbrance Control	(7,603.80)	(7,603.80)	.00	.00
	2965 - Totals	(\$7,603.80)	(\$7,603.80)	\$0.00	0.00%
	FUND EQUITY TOTALS Prior to Current Year Changes	\$250,420.71	\$250,420.71	\$0.00	0.00%
	Prior Year Fund Equity Adjustment	(7,000.00)			
	Fund Revenues	.00			
	Fund Expenses	14,103.85			
	FUND EQUITY TOTALS	\$243,316.86	\$250,420.71	(\$7,103.85)	(2.84%)
	LIABILITIES AND FUND EQUITY TOTALS	\$243,316.86	\$250,420.71	(\$7,103.85)	(2.84%)
Fund	780 - Capital Project-GPIP Totals	\$0.00	\$8,162.07	(\$8,162.07)	(100.00%)
Fund Type	Capital Projects Funds Totals	\$0.00	\$8,162.07	(\$8,162.07)	(100.00%)



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Enterprise Funds				
Fund	270 - Gary Paxton Industrial Complex				
	ASSETS				
1027					
1027.000	Change in FMV-Investments	6,004.00	(25,181.00)	31,185.00	123.84
1027 - Totals		\$6,004.00	(\$25,181.00)	\$31,185.00	123.84%
1030					
1030.100	Investment-Central Trea.	583,737.59	735,768.36	(152,030.77)	(20.66)
1030 - Totals		\$583,737.59	\$735,768.36	(\$152,030.77)	(20.66%)
1050					
1050.000	Accts Rec.-Misc Billing	24,775.53	43,306.35	(18,530.82)	(42.79)
1050 - Totals		\$24,775.53	\$43,306.35	(\$18,530.82)	(42.79%)
1070					
1070.010	Notes Receivable	34,482.92	42,908.17	(8,425.25)	(19.64)
1070 - Totals		\$34,482.92	\$42,908.17	(\$8,425.25)	(19.64%)
1200					
1200.020	Prepaid Insurance	16,878.91	12,940.14	3,938.77	30.44
1200 - Totals		\$16,878.91	\$12,940.14	\$3,938.77	30.44%
1500					
1500.270	Land - SMC Industrial Com	3,361,102.40	3,381,102.50	(20,000.10)	(.59)
1500 - Totals		\$3,361,102.40	\$3,381,102.50	(\$20,000.10)	(0.59%)
1510					
1510.000	Land Improvements	5,433,528.14	5,417,418.21	16,109.93	.30
1510 - Totals		\$5,433,528.14	\$5,417,418.21	\$16,109.93	0.30%
1520					
1520.006	Distribution Lines	3,126,008.64	3,126,008.64	.00	.00
1520 - Totals		\$3,126,008.64	\$3,126,008.64	\$0.00	0.00%
1530					
1530.008	Port Facility Harbor	7,568,791.32	7,568,791.32	.00	.00
1530 - Totals		\$7,568,791.32	\$7,568,791.32	\$0.00	0.00%
1540					
1540.000	Buildings	353,887.90	3,299,007.15	(2,945,119.25)	(89.27)
1540 - Totals		\$353,887.90	\$3,299,007.15	(\$2,945,119.25)	(89.27%)
1550					
1550.000	Machinery & Equipment	5,094.80	5,094.80	.00	.00
1550 - Totals		\$5,094.80	\$5,094.80	\$0.00	0.00%
1570					
1570.000	Furniture & Fixtures	1,724.00	1,724.00	.00	.00
1570 - Totals		\$1,724.00	\$1,724.00	\$0.00	0.00%



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Enterprise Funds				
Fund	270 - Gary Paxton Industrial Complex				
	ASSETS				
1585					
1585.000	Intangible Accounts	123,300.93	123,300.93	.00	.00
1585 - Totals		\$123,300.93	\$123,300.93	\$0.00	0.00%
1600					
1600.100	Accumulated Depreciation Land Improvements	(80,145.67)	(55,485.43)	(24,660.24)	(44.44)
1600 - Totals		(\$80,145.67)	(\$55,485.43)	(\$24,660.24)	(44.44%)
1610					
1610.000	Accumulated Depr. Land Im	(1,396,179.14)	(1,250,389.09)	(145,790.05)	(11.66)
1610 - Totals		(\$1,396,179.14)	(\$1,250,389.09)	(\$145,790.05)	(11.66%)
1620					
1620.000	Accumulated Depr Ut Plant	(853,783.95)	(791,263.80)	(62,520.15)	(7.90)
1620 - Totals		(\$853,783.95)	(\$791,263.80)	(\$62,520.15)	(7.90%)
1630					
1630.000	Accumulated Depr Harbor	(331,134.69)	(118,262.63)	(212,872.06)	(180.00)
1630 - Totals		(\$331,134.69)	(\$118,262.63)	(\$212,872.06)	(180.00%)
1640					
1640.000	Accumulated Depr Building	(86,899.94)	(3,052,215.11)	2,965,315.17	97.15
1640 - Totals		(\$86,899.94)	(\$3,052,215.11)	\$2,965,315.17	97.15%
1650					
1650.000	Accumulated Depr Equipmnt	(5,094.80)	(5,094.80)	.00	.00
1650 - Totals		(\$5,094.80)	(\$5,094.80)	\$0.00	0.00%
1670					
1670.000	Accumulated Depr furnitur	(1,724.00)	(1,724.00)	.00	.00
1670 - Totals		(\$1,724.00)	(\$1,724.00)	\$0.00	0.00%
ASSETS TOTALS		\$17,884,354.89	\$18,457,754.71	(\$573,399.82)	(3.11%)
	LIABILITIES AND FUND EQUITY				
	LIABILITIES				
2025					
2025.000	Interfund Payable	.20	.20	.00	.00
2025 - Totals		\$0.20	\$0.20	\$0.00	0.00%
2300					
2300.000	Advances Payable	99,564.29	149,346.42	(49,782.13)	(33.33)
2300 - Totals		\$99,564.29	\$149,346.42	(\$49,782.13)	(33.33%)
LIABILITIES TOTALS		\$99,564.49	\$149,346.62	(\$49,782.13)	(33.33%)



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account



















Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Enterprise Funds				
Fund	270 - Gary Paxton Industrial Complex				
	FUND EQUITY				
2800					
2800.001	Contributed Cap.-Federal	2,427,569.38	2,427,569.38	.00	.00
2800.002	Contributed Cap.-State	1,304,917.94	1,304,917.94	.00	.00
2800.003	Contributed Cap.-Local	1,749,388.61	1,749,388.61	.00	.00
	2800 - Totals	\$5,481,875.93	\$5,481,875.93	\$0.00	0.00%
2900					
2900.010	Reserve for Encumbrances	151.00	151.00	.00	.00
	2900 - Totals	\$151.00	\$151.00	\$0.00	0.00%
2910					
2910.140	Designated-Capital Project	(439,765.78)	(439,765.78)	.00	.00
	2910 - Totals	(\$439,765.78)	(\$439,765.78)	\$0.00	0.00%
2920					
2920.000	Undesignated/Re. Earnings	13,409,694.04	13,409,694.04	.00	.00
	2920 - Totals	\$13,409,694.04	\$13,409,694.04	\$0.00	0.00%
2965					
2965.000	P/Y Encumbrance Control	(151.00)	(151.00)	.00	.00
	2965 - Totals	(\$151.00)	(\$151.00)	\$0.00	0.00%
	FUND EQUITY TOTALS Prior to Current Year Changes	\$18,451,804.19	\$18,451,804.19	\$0.00	0.00%
	Prior Year Fund Equity Adjustment	537,404.68			
	Fund Revenues	(45,926.53)			
	Fund Expenses	175,535.64			
	FUND EQUITY TOTALS	\$17,784,790.40	\$18,451,804.19	(\$667,013.79)	(3.61%)
	LIABILITIES AND FUND EQUITY TOTALS	\$17,884,354.89	\$18,601,150.81	(\$716,795.92)	(3.85%)
Fund	270 - Gary Paxton Industrial Complex Totals	\$0.00	(\$143,396.10)	\$143,396.10	100.00%
Fund Type	Enterprise Funds Totals	\$0.00	(\$143,396.10)	\$143,396.10	100.00%
Fund Category	Proprietary Funds Totals	\$0.00	(\$135,234.03)	\$135,234.03	100.00%
	Grand Totals	\$0.00	(\$135,234.03)	\$135,234.03	100.00%



Information Technology Fund

Financial Analysis

As Of, And For the Fiscal Quarter Ending, September 30, 2019

Key Performance Indicators (KPI) Dashboard

Indicator	Amount	Compared To Last Year	Compared To Plan	Big Picture
Revenue	385,200	 Less Than Last Year (FY2019 Had Transfers For 911 System)	 Met Plan	 Achieving plan, but need continue to increase revenue in future to cover asset replacement
Appropriated Outlays vs. Actual Outlays (Budgeted for period minus actual expenditures. Indicates spending levels as compared to approved budget (over budget)/under budget)	46,864	n/a	Under Budget 	n/a
Earnings Before Interest and Depreciation (Operating inflows minus operating outlays—indicates how much cash flow is being generated from operations to pay for things like interest expense, principal payments, and infrastructure investment)	123,162	 Less Than Last Year (FY2019 Had Transfers For 911 System)	 Exceeded Plan	Positive EBID is due to transfers for CapEx; otherwise EBID is breakeven
Net Income (Incorporates non-operating revenue/expense and depreciation—indicates how much the fund has generated after paying for interest expense and factoring in depreciation of assets)	76,522	 More Than Last (FY2019 Had Transfers Out of RMS System)	 More Than Planned	Net Income is due to transfers for CapEx; otherwise Net Income is breakeven
Asset Replacement (Net income minus debt principal repayment—gives an indication of whether or not we are setting aside enough money to cover asset replacement (<i>as estimated by how much our assets are decreasing in value annually</i>))	47,080	 Greater Than Prior Year	 More Than planned	In this fund, asset replacement is especially important as technology quickly becomes obsolete
Total Working Capital (What total resources are available in the fund)	478,819	 Greater Than Prior Year	 Exceeded Plan	Working capital temporarily increased due to transfers for project funding
Working Capital For Capital Projects (Of the fund's total resources, how much has been already appropriated for vehicle acquisition)	0	 Greater Than Prior Year	 Greater Than Planned	Working capital temporarily increased due to transfers for project funding
Undesignated Working Capital (How much of the fund's resources are available?)	478,819	 Improved Over Prior Year	 Better Than planned	Working capital deficit is slowly shrinking
Days Cash on Hand, Total Working Capital (How many days of operations would be covered by our total working capital if no more revenue were generated)	148.6	 Improved Over Prior Year	 Exceeded Plan	Working capital temporarily increased due to transfers for project funding

Days Cash on Hand, Undesignated Working Capital (How many days of operations would the fund's fairly liquid assets cover?)	140.3	 Improved Over Prior Year	 Better Than planned	Fund must borrow from central treasury
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The IT Fund's financial results for FY2019 were skewed by funding for two major IT projects, the E911 system replacement and the public safety records management system. Accordingly, FY2020 comparisons with FY2019 are likewise skewed.

Full funding for the E911 system replacement was transferred in from the General Fund E911 designated fund balance in the first quarter, creating the large positive variance in revenue and EBID. On the other hand, funding for the records management system will be through a loan from the Southeast Alaska Economic Development Fund, but, the fixed asset will be a general governmental asset. The cost of the fixed asset will be recouped over time through IT charges to the General Fund (Police Department).

The focus of the IT Fund has been to begin generating cash flow from its operations in order to address its negative working capital position. Progress towards this goal was solidly achieved in the first fiscal quarter of FY2020, as solid cash flow has turned working capital positive. Cash flow of \$128.0K for the fiscal quarter has increased working capital to \$478.8K.

It is important to continue to note that funding for information technology needs will never be static. As the pace of information technology transformation of the workplace continues to accelerate, ever-increasing needs for capital spending will continually arise. Accordingly, it is imperative to analyze any large increases in working capital in the Fund, and, ensure that such increases are not the result of deferred investment in technology. Experience has taught us that delaying technology investment is a fool's errand.

City and Borough of Sitka
MIS Fund
Financial Statements
For The Twelve-Month Period Ended June 30, 2020
(Unaudited)

	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	FY2020 YTD	FY2019 YTD	Variance To FY2019 YTD	FY2019 Plan (S/L - 25.00%)	Variance To FY2019 Plan
Revenue:									
Data Processing Charges	385,200	-	-	-	385,200	309,670	75,530	385,200	(0)
Other Operating Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>285,000</u>	<u>(285,000)</u>	<u>2,774</u>	<u>(2,774)</u>
Total Revenue:	385,200	-	-	-	385,200	594,670	(209,470)	387,974	(2,774)
Cost of Sales:									
Operations	262,038	-	-	-	262,038	390,219	128,181	308,902	46,864
Depreciation	<u>48,787</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,787</u>	<u>49,614</u>	<u>827</u>	<u>49,614</u>	<u>827</u>
Total Cost of Sales:	<u>310,825</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>310,825</u>	<u>439,833</u>	<u>129,008</u>	<u>358,516</u>	<u>47,691</u>
Gross Margin:	74,375 19.31%	-	-	-	74,375 19.31%	154,837 26.04%	(80,462) -6.73%	29,458 7.59%	44,917 11.72%
Selling and Administrative Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Earnings Before Interest (EBI):	74,375 19.31%	-	-	-	74,375 19.31%	154,837 26.04%	(80,462) -6.73%	29,458 7.59%	44,917 11.72%
Non-operating Revenue and Expense:									
Interest and Non-Operating Revenue:	4,797	-	-	-	4,797	(479)	5,276	125	4,672
Transfer s out/Interest expense	<u>(2,650)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,650)</u>	<u>(360,000)</u>	<u>357,350</u>	<u>(2,650)</u>	<u>-</u>
Total Non-operating Revenue & Expense:	<u>2,147</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,147</u>	<u>(360,479)</u>	<u>362,626</u>	<u>(2,525)</u>	<u>4,672</u>
Net Income:	76,522 19.87%	-	-	-	76,522 19.87%	(205,642) -34.58%	282,164 -134.70%	26,933 6.94%	49,589 12.92%
Earnings Before Interest and Depreciation (EBIDA):	123,162 31.97%				123,162 31.97%	204,451 34.38%	(81,289) -2.41%	79,072 20.38%	45,744 11.59%
Debt Principal Coverage									
Simple Cash Flow (Net Income Plus Depreciation)	125,309	-	-	-	125,309	(156,028)	281,337	76,547	48,763
Debt Principal	<u>29,443</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,443</u>	<u>-</u>	<u>29,443</u>	<u>29,443</u>	<u>-</u>
Debt Principal Coverage Surplus/Deficit	<u>95,867</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>95,867</u>	<u>(156,028)</u>	<u>251,895</u>	<u>47,104</u>	<u>48,763</u>
Debt Principal Coverage Percentage	0.00%	0.00%	0.00%	0.00%	100%	100%	100%	100%	0%
Simple Asset Replacement Coverage									
Debt Principal Coverage Surplus/Deficit (From Above)	95,867	-	-	-	95,867	(156,028)	251,895	47,104	48,763
Depreciation	<u>48,787</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,787</u>	<u>49,614</u>	<u>(827)</u>	<u>48,787</u>	<u>-</u>
Cash Accumulated For/(Taken From) Asset Replacement	<u>47,080</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,080</u>	<u>(205,642)</u>	<u>252,722</u>	<u>(1,683)</u>	<u>48,763</u>

	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	FY2020 YTD	FY2019 YTD	Variance To FY2019 YTD	FY2019 Plan (S/L - 25.00%)	Variance To FY2019 Plan
Working Capital									
Cash Flow:									
Net Income Plus Depreciation Less Principal	95,867	-	-	-	95,867	(156,028)	251,895	47,104	48,763
CapEx, Accruals, and other Balance Sheet Changes	32,092	-	-	-	32,092	(175,767)	207,859	32,092	-
Increase in (Decrease in) Working Capital	127,959	-	-	-	127,959	(331,795)	459,754	79,196	48,763
Plus Beginning Total Working Capital	350,860	-	-	-	350,860	(17,165)	368,025	350,860	-
Equals Ending Total Working Capital:	478,819	-	-	-	478,819	(348,960)	827,779	430,056	48,763
Working Capital Detail:									
Repair Reserve (1% of PPE):	26,724	-	-	-	26,724				
Working Capital Designated for CapEx	-	-	-	-	-				
Undesignated Working Capital	452,095	-	-	-	452,095				
Total Working Capital:	478,819	-	-	-	478,819				
Days On Hand Annual Cash Outlays in:									
Total Working Capital	148.55	-	-	-	148.55				
Total Working Capital Less Repair Reserve:	140.26	-	-	-	140.26				
Undesignated Working Capital	140.26	-	-	-	140.26				
Working Capital Calculation:									
Current Assets	611,742	-	-	-	611,742				
Current Liabilities	(15,154)	-	-	-	(15,154)				
CPLTD	(117,769)	-	-	-	(117,769)				
Total Working Capital	478,819	-	-	-	478,819				



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Internal Service Funds				
Fund	300 - Information Technology Fund				
	ASSETS				
1027					
1027.000	Change in FMV-Investments	7,128.00	.00	7,128.00	+++
1027 - Totals		\$7,128.00	\$0.00	\$7,128.00	+++
1030					
1030.100	Investment-Central Trea.	590,889.95	(289,270.83)	880,160.78	304.27
1030 - Totals		\$590,889.95	(\$289,270.83)	\$880,160.78	304.27%
1200					
1200.020	Prepaid Insurance	12,887.85	8,557.61	4,330.24	50.60
1200.030	Prepaid Workers Compensation Insurance	836.37	1,013.62	(177.25)	(17.49)
1200 - Totals		\$13,724.22	\$9,571.23	\$4,152.99	43.39%
1425					
1425.000	Deferred Outflow OPEB	34,504.00	12,015.00	22,489.00	187.17
1425 - Totals		\$34,504.00	\$12,015.00	\$22,489.00	187.17%
1540					
1540.000	Buildings	21,254.18	21,254.18	.00	.00
1540 - Totals		\$21,254.18	\$21,254.18	\$0.00	0.00%
1550					
1550.000	Machinery & Equipment	2,453,650.10	2,426,422.10	27,228.00	1.12
1550 - Totals		\$2,453,650.10	\$2,426,422.10	\$27,228.00	1.12%
1570					
1570.000	Furniture & Fixtures	7,463.60	7,463.60	.00	.00
1570 - Totals		\$7,463.60	\$7,463.60	\$0.00	0.00%
1590					
1590.000	Construction in Progress	190,000.00	.00	190,000.00	+++
1590 - Totals		\$190,000.00	\$0.00	\$190,000.00	+++
1640					
1640.000	Accumulated Depr Building	(15,232.20)	(13,815.24)	(1,416.96)	(10.26)
1640 - Totals		(\$15,232.20)	(\$13,815.24)	(\$1,416.96)	(10.26%)
1650					
1650.000	Accumulated Depr Equipmnt	(2,001,625.80)	(1,810,217.47)	(191,408.33)	(10.57)
1650 - Totals		(\$2,001,625.80)	(\$1,810,217.47)	(\$191,408.33)	(10.57%)
1670					
1670.000	Accumulated Depr furnitur	(5,594.45)	(4,101.74)	(1,492.71)	(36.39)
1670 - Totals		(\$5,594.45)	(\$4,101.74)	(\$1,492.71)	(36.39%)



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Internal Service Funds				
Fund	300 - Information Technology Fund				
	ASSETS				
1825					
1825.000	Deferred Outflow Pension	57,095.00	50,597.00	6,498.00	12.84
	1825 - Totals	\$57,095.00	\$50,597.00	\$6,498.00	12.84%
	ASSETS TOTALS	\$1,353,256.60	\$409,917.83	\$943,338.77	230.13%
	LIABILITIES AND FUND EQUITY				
	LIABILITIES				
2025					
2025.000	Interfund Payable	.00	53,060.00	(53,060.00)	(100.00)
	2025 - Totals	\$0.00	\$53,060.00	(\$53,060.00)	(100.00%)
2060					
2060.000	Compensated Absences Pay.	15,153.85	15,721.88	(568.03)	(3.61)
	2060 - Totals	\$15,153.85	\$15,721.88	(\$568.03)	(3.61%)
2300					
2300.000	Advances Payable	353,307.58	(1.00)	353,308.58	35,330,858.00
	2300 - Totals	\$353,307.58	(\$1.00)	\$353,308.58	35,330,858.00%
2450					
2450.300	Deferred Inflow OPEB	38,387.00	41,887.00	(3,500.00)	(8.36)
2450.900	Net OPEB Liability	93,831.00	72,668.00	21,163.00	29.12
	2450 - Totals	\$132,218.00	\$114,555.00	\$17,663.00	15.42%
2500					
2500.900	Net Pension Liability	458,002.00	445,527.00	12,475.00	2.80
	2500 - Totals	\$458,002.00	\$445,527.00	\$12,475.00	2.80%
2700					
2700.300	Deferred Inflow Pension	14,774.00	62,680.00	(47,906.00)	(76.43)
	2700 - Totals	\$14,774.00	\$62,680.00	(\$47,906.00)	(76.43%)
	LIABILITIES TOTALS	\$973,455.43	\$691,542.88	\$281,912.55	40.77%
	FUND EQUITY				
2800					
2800.003	Contributed Cap.-Local	92,771.03	92,771.03	.00	.00
	2800 - Totals	\$92,771.03	\$92,771.03	\$0.00	0.00%
2900					
2900.010	Reserve for Encumbrances	(7,632.00)	(7,632.00)	.00	.00
	2900 - Totals	(\$7,632.00)	(\$7,632.00)	\$0.00	0.00%



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account


























Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Internal Service Funds				
Fund	300 - Information Technology Fund				
	FUND EQUITY				
2910					
2910.120	Designated-Future Expend.	(6,500.00)	(6,500.00)	.00	.00
	2910 - Totals	(\$6,500.00)	(\$6,500.00)	\$0.00	0.00%
2920					
2920.000	Undesignated/Re. Earnings	(40,025.76)	(40,025.76)	.00	.00
	2920 - Totals	(\$40,025.76)	(\$40,025.76)	\$0.00	0.00%
2965					
2965.000	P/Y Encumbrance Control	7,632.00	7,632.00	.00	.00
	2965 - Totals	\$7,632.00	\$7,632.00	\$0.00	0.00%
	FUND EQUITY TOTALS Prior to Current Year Changes	\$46,245.27	\$46,245.27	\$0.00	0.00%
	Prior Year Fund Equity Adjustment	(254,383.37)			
	Fund Revenues	(389,997.18)			
	Fund Expenses	310,824.65			
	FUND EQUITY TOTALS	\$379,801.17	\$46,245.27	\$333,555.90	721.28%
	LIABILITIES AND FUND EQUITY TOTALS	\$1,353,256.60	\$737,788.15	\$615,468.45	83.42%
Fund	300 - Information Technology Fund Totals	\$0.00	(\$327,870.32)	\$327,870.32	100.00%
Fund Type	Internal Service Funds Totals	\$0.00	(\$327,870.32)	\$327,870.32	100.00%
Fund Category	Proprietary Funds Totals	\$0.00	(\$327,870.32)	\$327,870.32	100.00%
	Grand Totals	\$0.00	(\$327,870.32)	\$327,870.32	100.00%



Central Garage Fund

Financial Analysis

As Of, And For the Fiscal Quarter Ending, September 30, 2019

Key Performance Indicators (KPI) Dashboard

Indicator	Amount	Compared To Last Year	Compared To Plan	Big Picture
Revenue	426,743	 Decreased From Last Year by 4.1%	 Fell Short of Plan By 4.5%	 Vehicle charges must cover operating costs and meet sinking fund requirements
Appropriated Outlays vs. Actual Outlays (Budgeted for period minus actual expenditures. Indicates spending levels as compared to approved budget (over budget)/under budget)	54,760	n/a	Under budget 	n/a
Earnings Before Interest and Depreciation (Operating inflows minus operating outlays— indicates how much cash flow is being generated from operations to pay for things like interest expense, principal payments, and infrastructure investment)	274,632	 Decreased From Last Year by 3.6%	 Exceeded Plan By 18.4%	 Cash flow from operations must meet sinking fund requirements
Net Income (Incorporates non-operating revenue/expense and depreciation—indicates how much the fund has generated after paying for interest expense and factoring in depreciation of assets)	177,131	 Greater Than Last Year	 Exceeded Plan	 Impacted by Cash Flow from Operations; must meet sinking fund requirements
Asset Replacement (Net income minus debt principal repayment— gives an indication of whether or not we are setting aside enough money to cover asset replacement (<i>as estimated by how much our assets are decreasing in value annually</i>))	164,631	 Less Than Last Year	 Exceeded Plan	 Asset replacement is adequate; however, ability to finance future vehicle replacements depends on future vehicle charges
Total Working Capital (What total resources are available in the fund)	4,544,963	 More Than Prior Year	 Met Plan	 Working capital is adequate and in line with plan
Working Capital For Vehicle Replacement (Of the fund's total resources, how much has been already appropriated for vehicle acquisition)	4,444,963	 More than Prior Year	 Met Plan	 Vehicle replacement funding adequately addresses vehicle replacement needs
Undesignated Working Capital (How much of the fund's resources are available?)	100,000	 Not significantly different	 Met Plan	 Undesignated working capital is adequate for the present
Days Cash on Hand, Total Working Capital (How many days of operations would be covered by our total working capital if no more revenue were generated)	2,538.7	 More Than Prior Year	 Met Plan	 Cash on hand is adequate for the present

Days Cash on Hand, Undesignated Working Capital (How many days of operations would the fund's fairly liquid assets cover?)	55.8	 Not significantly different	 Met Plan	Cash on hand is adequate for the present replacement
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The financial health of the Central Garage Fund and its working capital is adequate to meet current vehicle replacement needs, but vehicle charges must be continually adjusted in order to ensure the sinking fund is healthy. Keeping vehicle charges static in a time of rising inflation will cause the working capital of the Fund to decline.

The financial results of the Central Garage Fund may occasionally be skewed by transfers from other funds of lump sums for vehicle replacements. The monthly vehicle charges for the Central Garage Fund are calculated in such a way as to normally build a sinking fund for each vehicle so that, when the vehicle is due for replacement, funds for the replacement vehicle are already in working capital. Occasionally, however, funding short falls occur, due to higher than anticipated increases in vehicle costs, accidents, or other causes. When shortfalls occur, they are made up by lump-sum transfers from the Fund utilizing the vehicle. Lump sum transfers in the 1st fiscal quarter of FY2019 are the cause of negative year-over-year comparisons in some metrics.

City and Borough of Sitka
Central Garage Fund
Financial Statements
For The Twelve-Month Period Ended June 30, 2020
(Unaudited)

	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	FY2020 YTD	FY2019 YTD	Variance To FY2019 YTD	FY2020 Plan (S/L - 25.00%)	Variance To FY2020 Plan
Revenue:									
Vehicle Billings	360,849	-	-	-	360,849	375,099	(14,250)	362,182	(1,333)
Other Operating Revenue	<u>65,894</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,894</u>	<u>70,032</u>	<u>(4,138)</u>	<u>84,775</u>	<u>(18,881)</u>
Total Revenue:	426,743	-	-	-	426,743	445,131	(18,388)	446,957	(20,214)
Cost of Sales:									
Operations	86,748	-	-	-	86,748	88,555	1,807	133,552	46,804
Depreciation	<u>121,416</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>121,416</u>	<u>126,205</u>	<u>4,789</u>	<u>126,205</u>	<u>4,789</u>
Total Cost of Sales:	<u>208,164</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>208,164</u>	<u>214,760</u>	<u>6,596</u>	<u>259,756</u>	<u>51,592</u>
Gross Margin:	218,579	-	-	-	218,579	230,371	(11,792)	187,201	31,379
	51.22%				51.22%	51.75%	-0.53%	41.88%	9.34%
Selling and Administrative Expenses	<u>65,363</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,363</u>	<u>71,713</u>	<u>6,350</u>	<u>73,319</u>	<u>7,956</u>
Earnings Before Interest (EBI):	153,216	-	-	-	153,216	158,658	(5,442)	113,881	39,335
	35.90%				35.90%	35.64%	0.26%	25.48%	10.42%
Non-operating Revenue and Expense:									
Interest and Non-Operating Revenue:	22,665	-	-	-	22,665	244,013	(221,348)	18,000	4,665
Interest Expense:	<u>1,250</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,250</u>	<u>(1,875)</u>	<u>3,125</u>	<u>1,250</u>	<u>-</u>
Total Non-operating Revenue & Expense:	<u>23,915</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,915</u>	<u>242,138</u>	<u>(218,223)</u>	<u>19,250</u>	<u>4,665</u>
Net Income:	177,131	-	-	-	177,131	400,796	(223,665)	133,131	44,000
	41.51%				41.51%	90.04%	1216.36%	29.79%	11.72%
Earnings Before Interest and Depreciation (EBIDA):	274,632	-	-	-	274,632	284,863	(10,231)	240,086	44,123
	64.36%				64.36%	64.00%	0.36%	53.72%	10.64%
<u>Debt Principal Coverage</u>									
Simple Cash Flow (Net Income Plus Depreciation)	298,547	-	-	-	298,547	527,001	(228,454)	259,336	39,211
Debt Principal	<u>12,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,500</u>	<u>12,500</u>	<u>-</u>	<u>12,500</u>	<u>-</u>
Debt Principal Coverage Surplus/Deficit	<u>286,047</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>286,047</u>	<u>514,501</u>	<u>(228,454)</u>	<u>246,836</u>	<u>39,211</u>
Debt Principal Coverage Percentage	0.00%				100%	100%	100%	100%	0%
<u>Simple Asset Replacement Coverage</u>									
Debt Principal Coverage Surplus/Deficit (From Above)	286,047	-	-	-	286,047	514,501	(228,454)	246,836	39,211
Depreciation	<u>121,416</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>121,416</u>	<u>126,205</u>	<u>(4,789)</u>	<u>121,416</u>	<u>-</u>
Cash Accumulated For/(Taken From) Asset Replacement	<u>164,631</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>164,631</u>	<u>388,296</u>	<u>(223,665)</u>	<u>125,420</u>	<u>39,211</u>

	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	FY2020 YTD	FY2019 YTD	Variance To FY2019 YTD	FY2020 Plan (S/L - 25.00%)	Variance To FY2020 Plan
Working Capital									
Cash Flow:									
Net Income Plus Depreciation Less Principal	286,047	-	-	-	286,047	514,501	(228,454)	246,836	39,211
CapEx, Accruals, and other Balance Sheet Changes	5,696	-	-	-	5,696	(45,831)	51,527	5,696	-
Increase in (Decrease in) Working Capital	291,743	-	-	-	291,743	468,670	(176,927)	252,532	39,211
Plus Beginning Total Working Capital	4,253,220				4,253,220	3,489,644	763,576	4,253,220	-
Equals Ending Total Working Capital:	4,544,963	-	-	-	4,544,963	3,958,314	586,649	4,505,752	39,211
Working Capital Detail:									
Repair Reserve (1% of PPE):	3,459,608	-	-	-	3,459,608				
Working Capital Designated for CapEx	985,355	-	-	-	985,355				
Undesignated Working Capital	100,000	-	-	-	100,000				
Total Working Capital:	4,544,963	-	-	-	4,544,963				
Days On Hand Annual Cash Outlays in:									
Total Working Capital	2,538.72	-	-	-	2,538.72				
Total Working Capital Less Repair Reserve:	606.26	-	-	-	606.26				
Undesignated Working Capital	55.86	-	-	-	55.86				
Working Capital Calculation:									
Current Assets	4,604,969	-	-	-	4,604,969				
Current Liabilities	(10,006)	-	-	-	(10,006)				
CPLTD	(50,000)	-	-	-	(50,000)				
Total Working Capital	4,544,963	-	-	-	4,544,963				



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Internal Service Funds				
Fund	310 - Central Garage Fund				
	ASSETS				
1027					
1027.000	Change in FMV-Investments	30,005.00	(55,095.00)	85,100.00	154.46
1027 - Totals		\$30,005.00	(\$55,095.00)	\$85,100.00	154.46%
1030					
1030.100	Investment-Central Trea.	4,488,885.25	4,006,757.02	482,128.23	12.03
1030 - Totals		\$4,488,885.25	\$4,006,757.02	\$482,128.23	12.03%
1200					
1200.020	Prepaid Insurance	80,747.52	77,233.16	3,514.36	4.55
1200.030	Prepaid Workers Compensation Insurance	5,331.67	6,742.52	(1,410.85)	(20.92)
1200 - Totals		\$86,079.19	\$83,975.68	\$2,103.51	2.50%
1425					
1425.000	Deferred Outflow OPEB	16,952.00	5,287.00	11,665.00	220.64
1425 - Totals		\$16,952.00	\$5,287.00	\$11,665.00	220.64%
1510					
1510.000	Land Improvements	24,275.38	24,275.38	.00	.00
1510 - Totals		\$24,275.38	\$24,275.38	\$0.00	0.00%
1540					
1540.000	Buildings	1,375,397.66	1,375,397.66	.00	.00
1540 - Totals		\$1,375,397.66	\$1,375,397.66	\$0.00	0.00%
1550					
1550.000	Machinery & Equipment	984,527.64	960,112.64	24,415.00	2.54
1550 - Totals		\$984,527.64	\$960,112.64	\$24,415.00	2.54%
1560					
1560.000	Vehicles	6,411,485.96	6,347,851.33	63,634.63	1.00
1560 - Totals		\$6,411,485.96	\$6,347,851.33	\$63,634.63	1.00%
1570					
1570.000	Furniture & Fixtures	.00	.60	(.60)	(100.00)
1570 - Totals		\$0.00	\$0.60	(\$0.60)	(100.00%)
1590					
1590.000	Construction in Progress	394,942.00	42,774.65	352,167.35	823.31
1590 - Totals		\$394,942.00	\$42,774.65	\$352,167.35	823.31%
1610					
1610.000	Accumulated Depr. Land Im	(13,351.55)	(12,380.51)	(971.04)	(7.84)
1610 - Totals		(\$13,351.55)	(\$12,380.51)	(\$971.04)	(7.84%)



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category Proprietary Funds					
Fund Type Internal Service Funds					
Fund 310 - Central Garage Fund					
ASSETS					
1640					
1640.000	Accumulated Depr Building	(531,368.56)	(503,860.60)	(27,507.96)	(5.46)
1640 - Totals		(\$531,368.56)	(\$503,860.60)	(\$27,507.96)	(5.46%)
1650					
1650.000	Accumulated Depr Equipmnt	(825,536.67)	(806,907.29)	(18,629.38)	(2.31)
1650 - Totals		(\$825,536.67)	(\$806,907.29)	(\$18,629.38)	(2.31%)
1660					
1660.000	Accumulated Depr Vehicles	(4,201,520.37)	(3,949,572.67)	(251,947.70)	(6.38)
1660 - Totals		(\$4,201,520.37)	(\$3,949,572.67)	(\$251,947.70)	(6.38%)
1825					
1825.000	Deferred Outflow Pension	16,565.00	13,194.00	3,371.00	25.55
1825 - Totals		\$16,565.00	\$13,194.00	\$3,371.00	25.55%
ASSETS TOTALS		\$8,257,337.93	\$7,531,809.89	\$725,528.04	9.63%
LIABILITIES AND FUND EQUITY					
LIABILITIES					
2060					
2060.000	Compensated Absences Pay.	10,005.80	14,823.89	(4,818.09)	(32.50)
2060 - Totals		\$10,005.80	\$14,823.89	(\$4,818.09)	(32.50%)
2300					
2300.000	Advances Payable	100,000.00	150,000.00	(50,000.00)	(33.33)
2300 - Totals		\$100,000.00	\$150,000.00	(\$50,000.00)	(33.33%)
2450					
2450.300	Deferred Inflow OPEB	16,614.00	18,429.00	(1,815.00)	(9.85)
2450.900	Net OPEB Liability	42,949.00	31,972.00	10,977.00	34.33
2450 - Totals		\$59,563.00	\$50,401.00	\$9,162.00	18.18%
2500					
2500.900	Net Pension Liability	163,563.00	157,092.00	6,471.00	4.12
2500 - Totals		\$163,563.00	\$157,092.00	\$6,471.00	4.12%
2700					
2700.300	Deferred Inflow Pension	2,294.00	27,143.00	(24,849.00)	(91.55)
2700 - Totals		\$2,294.00	\$27,143.00	(\$24,849.00)	(91.55%)
LIABILITIES TOTALS		\$335,425.80	\$399,459.89	(\$64,034.09)	(16.03%)
FUND EQUITY					
2800					
2800.002	Contributed Cap.-State	189,062.00	189,062.00	.00	.00



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account






















Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Internal Service Funds				
Fund	310 - Central Garage Fund				
	FUND EQUITY				
2800.003	Contributed Cap.-Local	714,069.19	714,069.19	.00	.00
	2800 - Totals	\$903,131.19	\$903,131.19	\$0.00	0.00%
2900					
2900.010	Reserve for Encumbrances	(8,840.49)	(8,840.49)	.00	.00
	2900 - Totals	(\$8,840.49)	(\$8,840.49)	\$0.00	0.00%
2910					
2910.310	Designated-Vehicle Purch	5,494,182.00	4,935,608.00	558,574.00	11.32
	2910 - Totals	\$5,494,182.00	\$4,935,608.00	\$558,574.00	11.32%
2920					
2920.000	Undesignated/Re. Earnings	380,072.55	938,646.55	(558,574.00)	(59.51)
	2920 - Totals	\$380,072.55	\$938,646.55	(\$558,574.00)	(59.51%)
2965					
2965.000	P/Y Encumbrance Control	8,839.71	8,839.71	.00	.00
	2965 - Totals	\$8,839.71	\$8,839.71	\$0.00	0.00%
	FUND EQUITY TOTALS Prior to Current Year Changes	\$6,777,384.96	\$6,777,384.96	\$0.00	0.00%
	Prior Year Fund Equity Adjustment	(974,199.68)			
	Fund Revenues	(449,408.09)			
	Fund Expenses	279,080.60			
	FUND EQUITY TOTALS	\$7,921,912.13	\$6,777,384.96	\$1,144,527.17	16.89%
	LIABILITIES AND FUND EQUITY TOTALS	\$8,257,337.93	\$7,176,844.85	\$1,080,493.08	15.06%
Fund	310 - Central Garage Fund Totals	\$0.00	\$354,965.04	(\$354,965.04)	(100.00%)
Fund Type	Internal Service Funds Totals	\$0.00	\$354,965.04	(\$354,965.04)	(100.00%)
Fund Category	Proprietary Funds Totals	\$0.00	\$354,965.04	(\$354,965.04)	(100.00%)
	Grand Totals	\$0.00	\$354,965.04	(\$354,965.04)	(100.00%)

Building Maintenance Fund

Financial Analysis

As Of, And For the Fiscal Quarter Ending, September 30, 2019

Key Performance Indicators (KPI) Dashboard

Indicator	Amount	Compared To Last Year	Compared To Plan	Big Picture
Revenue	114,211	 Greater Than Last Year	 Did Not Meet Plan	 Revenue from operations not covering cost of operations
Appropriated Outlays vs. Actual Outlays (Budgeted for period minus actual expenditures. Indicates spending levels as compared to approved budget (over budget)/under budget)	62,172	n/a	Under budget 	
Earnings (Loss) Before Interest and Depreciation (Operating inflows minus operating outlays— indicates how much cash flow is being generated from operations to pay for things like interest expense, principal payments, and infrastructure investment)	(23,413)	 Smaller Loss Than Prior Year	 Better than Plan	 Cash flows from operations are not covering operating expenses
Net Income (Loss) (Incorporates non-operating revenue/expense and depreciation—indicates how much the fund has generated after paying for interest expense and factoring in depreciation of assets)	(6,925)	 Smaller Loss Than Last Year	 Better than Plan	 Losses continue to reduce fund balance, even if they are smaller than planned
Asset Replacement (Net income minus debt principal repayment— gives an indication of whether or not we are setting aside enough money to cover asset replacement (<i>as estimated by how much our assets are decreasing in value annually</i>))	(93,234)	 Smaller Deficit Than Last Year	 Better than Plan	 There are few assets held by this fund, thus this metric is of less concern.
Total Working Capital (What total resources are available in the fund)	1,355,660	 (\$77.6K) Less than Prior Year	 3.5% Better Than Plan	 Working Capital continues to decrease
Working Capital For Capital Projects (Of the fund's total resources, how much has been already appropriated for vehicle acquisition)	n/a			 Most projects held in parent capital project fund
Undesignated Working Capital (How much of the fund's resources are available?)	100,000			 Most working capital in fund designated for repairs
Days Cash on Hand, Total Working Capital (How many days of operations would be covered by our total working capital if no more revenue were generated)	898.8	 Less than Prior Year	 Better Than Plan	

The Building Maintenance Fund continues to show negative cash flow from operations. For the 1st fiscal quarter, Earnings before interest and depreciation (EBID), a surrogate for cash flow from operations, was (23,413), indicating a loss and negative cash flow. This loss before interest and depreciation was smaller, however, in comparison with FY2019 [(\$23,413) versus (\$45,411)] and was less than planned {(\$23,413 versus (\$71,926)}. While the decrease in working capital has slowed from last year, should the current rate at which working capital is decreasing continue, the fund's working capital will eventually become negative.

Accordingly, staff is developing a new billing regimen for FY2021, designed to stem the continued decline in the fund balance of the Building Maintenance Fund. This billing regimen is being incorporated into the Administrator FY2021 budget.

It is critical to point out, however, that any plan which improves the financial health of the Building Maintenance Fund will also impact the financial health of other funds. This is because the primary source of revenue for the Building Maintenance Fund is the charges it levies to other funds.

The ultimate goal for the Building Maintenance Fund is to achieve modest positive cash flow and a stable level of working capital in an amount sufficient to cover any significant unplanned building maintenance expenditure.

City and Borough of Sitka
Building Maintenance Fund
Financial Statements
For The Twelve-Month Period Ended June 30, 2020
(Unaudited)

	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	FY2020 YTD	FY2019 YTD	Variance To FY2019 YTD	FY2020 Plan (S/L - 25.00%)	Variance To FY2020 Plan
Revenue:									
Building Maintenance Charges	114,211	-	-	-	114,211	88,071	26,140	127,870	(13,659)
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Total Revenue:	114,211	-	-	-	114,211	88,071	26,140	127,870	(13,659)
Cost of Sales:									
Operations	98,669	-	-	-	98,669	73,948	(24,721)	135,546	36,877
Depreciation	220	-	-	-	220	220	-	220	-
Total Cost of Sales:	98,889	-	-	-	98,889	74,168	(24,721)	135,766	36,877
Gross Margin:	15,322 13.42%	-	-	-	15,322 13.42%	13,903 15.79%	1,419 -2.37%	(7,896) -6.18%	23,218 19.59%
Selling and Administrative Expenses	38,955	-	-	-	38,955	59,534	20,579	64,250	25,295
Earnings (Loss) Before Interest (EBI):	(23,633) -20.69%	-	-	-	(23,633) -20.69%	(45,631) -51.81%	21,998 31.12%	(72,146) -56.42%	48,513 35.73%
Non-operating Revenue and Expense:									
Interest and Non-Operating Revenue:	16,708	-	-	-	16,708	15,852	856	19,800	(3,092)
Interest Expense and Transfers Out:	-	-	-	-	-	(30,200)	30,200	-	-
Total Non-operating Revenue & Expense:	16,708	-	-	-	16,708	(14,348)	31,056	19,800	(3,092)
Net Income (Loss):	(6,925) -6.06%	-	-	-	(6,925) -6.06%	(59,979) -68.10%	53,054 202.96%	(52,346) -40.94%	45,421 34.87%
Earnings (Loss) Before Interest and Depreciation (EBIDA):	(23,413) -20.50%				(23,413) -20.50%	(45,411) -51.56%	21,998 31.06%	(71,926) -56.25%	48,513 35.75%
<u>Debt Principal Coverage</u>									
Simple Cash Flow (Net Income Plus Depreciation)	(6,705)	-	-	-	(6,705)	(59,759)	53,054	(52,126)	45,421
Debt Principal	-	-	-	-	-	-	-	-	-
Debt Principal Coverage Surplus/Deficit	<u>(6,705)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,705)</u>	<u>(59,759)</u>	<u>53,054</u>	<u>(52,126)</u>	<u>45,421</u>
Debt Principal Coverage Percentage	0.00%				100%	100%	100%	100%	0%
<u>Simple Asset Replacement Coverage</u>									
Debt Principal Coverage Surplus/Deficit (From Above)	(6,705)	-	-	-	(6,705)	(59,759)	53,054	(52,126)	45,421
Depreciation	220	-	-	-	220	220	-	220	-
Cash Accumulated For/(Taken From) Asset Replacement	<u>(6,925)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,925)</u>	<u>(59,979)</u>	<u>53,054</u>	<u>(52,346)</u>	<u>45,421</u>

	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	FY2020 YTD	FY2019 YTD	Variance To FY2019 YTD	FY2020 Plan (S/L - 25.00%)	Variance To FY2020 Plan
Working Capital									
Cash Flow:									
Net Income Plus Depreciation Less Principal	(6,705)	-	-	-	(6,705)	(59,759)	53,054	(52,126)	45,421
CapEx, Accruals, and other Balance Sheet Changes	(1)	-	-	-	(1)	-	(1)	(1)	-
Increase in (Decrease in) Working Capital	(6,706)	-	-	-	(6,706)	(59,759)	53,053	(52,127)	45,421
Plus Beginning Total Working Capital	1,362,366				1,362,366	1,493,005	(130,639)	1,362,366	-
Equals Ending Total Working Capital:	1,355,660	-	-	-	1,355,660	1,433,246	(77,586)	1,310,240	45,421
Working Capital Detail:									
Sinking Fund & Repair Reserve	1,255,660	-	-	-	1,255,660				
Working Capital Designated for CapEx	-	-	-	-	-				
Undesignated Working Capital	100,000	-	-	-	100,000				
Total Working Capital:	1,355,660	-	-	-	1,355,660				
Days On Hand Annual Cash Outlays in:									
Total Working Capital	898.85	-	-	-	898.85				
Total Working Capital Less Repair Reserve:	66.30	-	-	-	66.30				
Undesignated Working Capital	66.30	-	-	-	66.30				
Working Capital Calculation:									
Current Assets	1,373,589	-	-	-	1,373,589				
Current Liabilities	(17,929)	-	-	-	(17,929)				
CPLTD	-	-	-	-	-				
Total Working Capital	1,355,660	-	-	-	1,355,660				



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Internal Service Funds				
Fund	320 - Building Maintenance Fund				
	ASSETS				
1027					
1027.000	Change in FMV-Investments	9,521.00	(23,178.00)	32,699.00	141.08
1027 - Totals		\$9,521.00	(\$23,178.00)	\$32,699.00	141.08%
1030					
1030.100	Investment-Central Trea.	1,352,678.27	1,465,477.54	(112,799.27)	(7.70)
1030 - Totals		\$1,352,678.27	\$1,465,477.54	(\$112,799.27)	(7.70%)
1200					
1200.030	Prepaid Workers Compensation Insurance	11,390.21	13,435.62	(2,045.41)	(15.22)
1200 - Totals		\$11,390.21	\$13,435.62	(\$2,045.41)	(15.22%)
1425					
1425.000	Deferred Outflow OPEB	27,651.00	9,237.00	18,414.00	199.35
1425 - Totals		\$27,651.00	\$9,237.00	\$18,414.00	199.35%
1550					
1550.000	Machinery & Equipment	32,459.24	32,459.24	.00	.00
1550 - Totals		\$32,459.24	\$32,459.24	\$0.00	0.00%
1650					
1650.000	Accumulated Depr Equipmnt	(26,958.18)	(26,077.98)	(880.20)	(3.38)
1650 - Totals		(\$26,958.18)	(\$26,077.98)	(\$880.20)	(3.38%)
1825					
1825.000	Deferred Outflow Pension	30,820.00	25,499.00	5,321.00	20.87
1825 - Totals		\$30,820.00	\$25,499.00	\$5,321.00	20.87%
ASSETS TOTALS		\$1,437,561.54	\$1,496,852.42	(\$59,290.88)	(3.96%)
	LIABILITIES AND FUND EQUITY				
	LIABILITIES				
2060					
2060.000	Compensated Absences Pay.	17,928.63	22,489.78	(4,561.15)	(20.28)
2060 - Totals		\$17,928.63	\$22,489.78	(\$4,561.15)	(20.28%)
2450					
2450.300	Deferred Inflow OPEB	29,337.00	32,203.00	(2,866.00)	(8.90)
2450.900	Net OPEB Liability	73,194.00	55,866.00	17,328.00	31.02
2450 - Totals		\$102,531.00	\$88,069.00	\$14,462.00	16.42%
2500					
2500.900	Net Pension Liability	295,202.00	284,987.00	10,215.00	3.58
2500 - Totals		\$295,202.00	\$284,987.00	\$10,215.00	3.58%



Balance Sheet

Through 09/30/19

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year YTD Total	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Internal Service Funds				
Fund	320 - Building Maintenance Fund				
	LIABILITIES AND FUND EQUITY				
	LIABILITIES				
2700					
2700.300	Deferred Inflow Pension	8,320.00	47,546.00	(39,226.00)	(82.50)
	2700 - Totals	\$8,320.00	\$47,546.00	(\$39,226.00)	(82.50%)
	LIABILITIES TOTALS	\$423,981.63	\$443,091.78	(\$19,110.15)	(4.31%)
	FUND EQUITY				
2900					
2900.010	Reserve for Encumbrances	(17,407.09)	(17,407.09)	.00	.00
	2900 - Totals	(\$17,407.09)	(\$17,407.09)	\$0.00	0.00%
2910					
2910.120	Designated-Future Expend.	(8,400.00)	(8,400.00)	.00	.00
	2910 - Totals	(\$8,400.00)	(\$8,400.00)	\$0.00	0.00%
2920					
2920.000	Undesignated/Re. Earnings	1,122,141.06	1,122,141.06	.00	.00
	2920 - Totals	\$1,122,141.06	\$1,122,141.06	\$0.00	0.00%
2965					
2965.000	P/Y Encumbrance Control	17,406.11	17,406.11	.00	.00
	2965 - Totals	\$17,406.11	\$17,406.11	\$0.00	0.00%
	FUND EQUITY TOTALS Prior to Current Year Changes	\$1,113,740.08	\$1,113,740.08	\$0.00	0.00%
	Prior Year Fund Equity Adjustment	93,234.43			
	Fund Revenues	(130,918.14)			
	Fund Expenses	137,843.88			
	FUND EQUITY TOTALS	\$1,013,579.91	\$1,113,740.08	(\$100,160.17)	(8.99%)
	LIABILITIES AND FUND EQUITY TOTALS	\$1,437,561.54	\$1,556,831.86	(\$119,270.32)	(7.66%)
Fund	320 - Building Maintenance Fund Totals	\$0.00	(\$59,979.44)	\$59,979.44	100.00%
Fund Type	Internal Service Funds Totals	\$0.00	(\$59,979.44)	\$59,979.44	100.00%
Fund Category	Proprietary Funds Totals	\$0.00	(\$59,979.44)	\$59,979.44	100.00%
	Grand Totals	\$0.00	(\$59,979.44)	\$59,979.44	100.00%



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 20-047 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 2/18/2020 In control: City and Borough Assembly

On agenda: 2/25/2020 Final action:

Title: Special Report: Planning Director Amy Ainslie - Municipal Land at 4951 Halibut Point Road, A Portion of Lot 1 USS 3670

Sponsors:

Indexes:

Code sections:

Attachments: [4951 Halibut Point Road Special Report](#)

Date	Ver.	Action By	Action	Result
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4951 Halibut Point Road

A portion of Lot 1, USS 3670

Assembly Special Report
February 25, 2020

Agenda



Overview and description of area



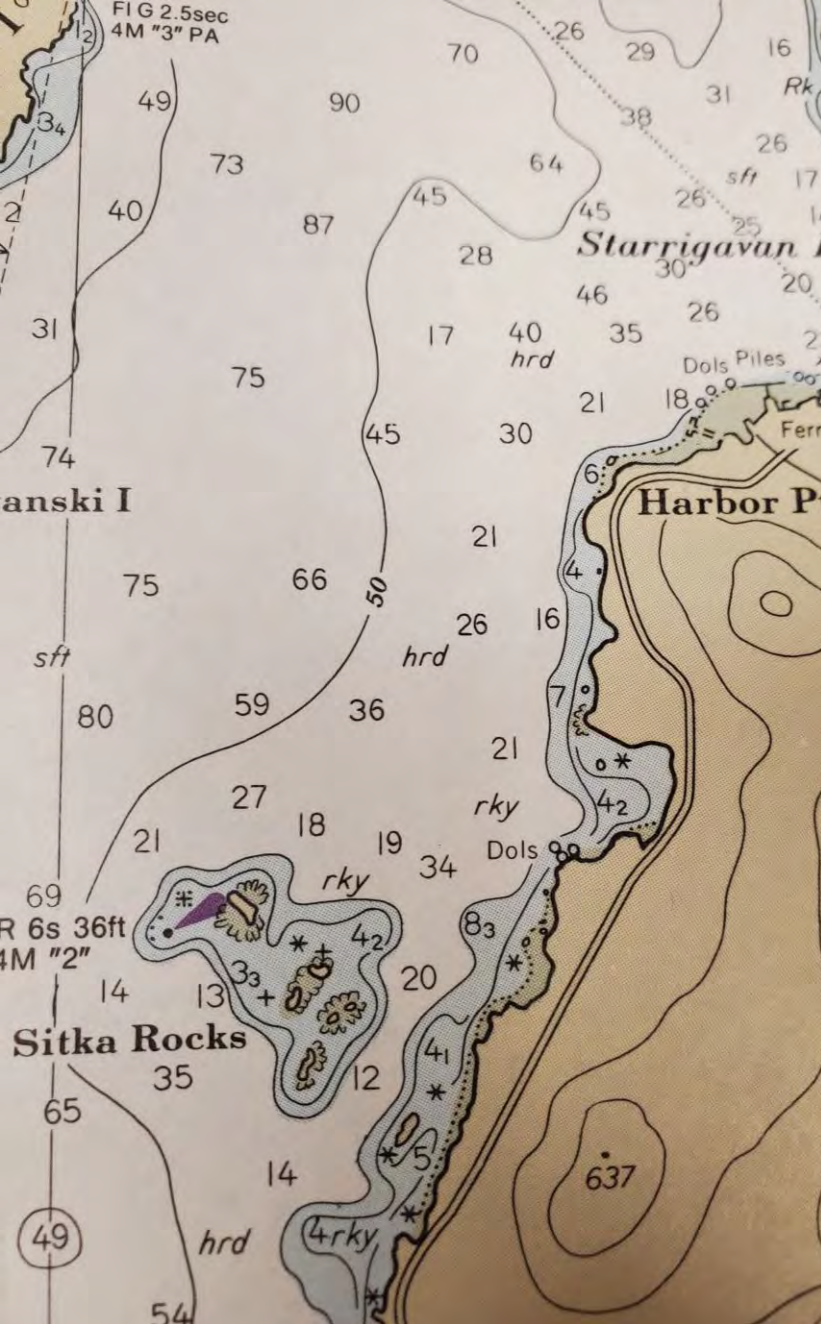
History and patent restrictions



Current zoning



Utility infrastructure



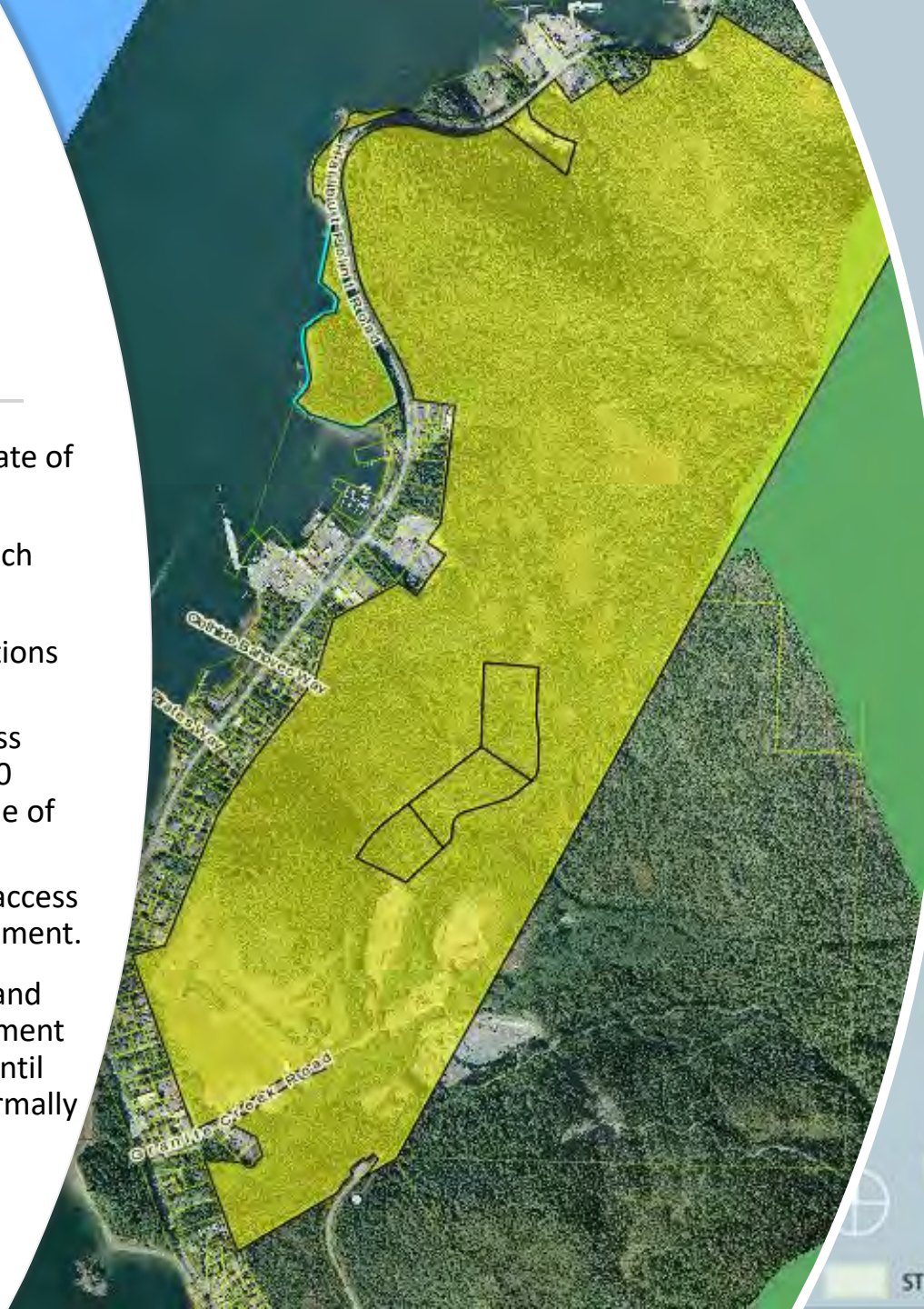
Overview and Description

- ~17.18 acres
- Waterfront
- Wooded
- Relatively level topography
- Deep water access
- Unique in municipal holdings
- Valuable for recreational, residential, or commercial/industrial use
- Not surveyed for cultural/historical/archeological resources
- Why now: Land swap discussion, Master Plan



History and Patent Restrictions

- Transferred to CBS July 21, 1988 via State of Alaska Patent No. 9743.
- CBS selected all of Lot 1, USS 3670 which conveyed 801.14 acres.
- The patent had two provisions/restrictions that are applicable to 4951 HPR:
 - 1. A 100 foot perpetual public access easement 50 feet shoreward and 50 seaward of the mean high water line of Sitka Sound
 - 2. A 50 foot wide perpetual public access easement to access the above easement.
- These easements are to be identified and subject to a covenant that no development or conveyance can occur on the land until CBS has platted the easements and formally notified the State.





Current Zoning

- Currently zoned as R-1: Single family and duplex residential district
- R-1 often used as a “holding” designation
- Adjacent to Industrial and Commercial-2 zones
- Rezone possibilities: C-2, Industrial, Waterfront
- Spot zoning concerns

Utilities

- Electric

- 3 phase distribution power line runs along HPR
- Service voltage transformers would be needed to supply power to property
- Cost ranges with intended use: As low as \$5k for limited residential use, \$100k+ for underground power distribution system and communications facilities for higher demand commercial/industrial use

- Water

- Water is on upland/outbound lane of highway
- Extension would need to cross highway

- Sewer

- Sewer ends at 4802 HPR
- Extension would need to cross highway





CITY AND BOROUGH OF SITKA

Legislation Details

File #: 20-048 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 2/18/2020 In control: City and Borough Assembly

On agenda: 2/25/2020 Final action:

Title: Approve the minutes of the February 6 and February 11 Assembly meetings

Sponsors:

Indexes:

Code sections:

Attachments: [Consent and Minutes](#)

Date	Ver.	Action By	Action	Result
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CONSENT AGENDA

POSSIBLE MOTION

**I MOVE TO APPROVE THE CONSENT AGENDA
CONSISTING OF ITEMS A & B**

I wish to remove Item(s) _____

**REMINDER – Read aloud a portion of each item being
voted on that is included in the consent vote.**

Should this item be pulled from the Consent Agenda the following motion is suggested:

POSSIBLE MOTION

I MOVE TO approve the minutes of the
February 6 and February 11 Assembly
meetings.



CITY AND BOROUGH OF SITKA

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

Minutes - Not Viewable by the Public

City and Borough Assembly

Mayor Gary Paxton
Deputy Mayor Steven Eisenbeisz,
Vice Deputy Mayor Kevin Mosher,
Kevin Knox, Dr. Richard Wein, Valorie Nelson, Thor Christianson

Interim Municipal Administrator: Hugh Bevan
Municipal Attorney: Brian Hanson
Municipal Clerk: Sara Peterson

Thursday, February 6, 2020

6:00 PM

Assembly Chambers

SPECIAL MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 7 - Christianson, Eisenbeisz, Knox, Wein, Paxton, Mosher, and Nelson

IV. PERSONS TO BE HEARD

None.

V. NEW BUSINESS:

A 20-034

Discussion / Direction / Decision of local support of education to the Sitka School District contained in the proposed FY2021 General Fund Budget and other issues pertaining to the financial support of educational related

A joint meeting was held between the School Board and the Assembly. Interim Municipal Administrator Hugh Bevan at the opening of the meeting, stated school funding was the largest expenditure in the General Fund. The goal was to finalize the number and bring that to the final budget meeting on February 20. Melissa Haley, Controller, reviewed the process and law pertaining to local funding of public education. In addition, she stated the total amount of local support for public education proposed for the FY2021 budget was \$7,618,993 to be disbursed as follows: \$7,161,993 (monthly disbursements); \$250,000 (Secure Rural Schools funding); \$150,000 (school building maintenance); and \$57,000 (performing arts center utility bill).

Wein reminded the City was committing funds without the knowledge of understanding where the City stood financially (e.g. net shed repairs, Green Lake, snow plowing, water line breaks) and wished to see the budget first. Christianson said approval of the

funding would provide certainty for the School District and reminded there would still be difficult decisions to be made regarding staff.

School Board President Elias Erickson thanked the Assembly for the early discussion and spoke to their budgetary process. Amy Morrison, School Board Vice President, stated the School District was the second highest employer in Sitka, spoke to the graduation rate, and student enrollment numbers.

Regarding the proposed amounts for local support, Haley reminded the Assembly could make changes to the budget at any time up until the time the budget ordinance was approved, and thereafter amendments could be made. She clarified, however, that once the City committed to a funding level in the official letter sent to the School District, the City was then locked in and no changes could be made with regards to school funding. It was noted that the Secure Rural Schools funding amount was only an estimate and may change based on the actual amount received.

A motion was made by Knox to direct the Interim Administrator to include in the FY2021 draft Administrator's budget the amount of \$7,618,993 for local support of public education (including, \$7,161,993 to be paid in even monthly disbursements, \$250,000 to be disbursed upon receipt of Secure Rural Schools funding, \$150,000 for reimbursement for maintenance of school buildings, and up to \$57,000 to be used to pay for the performing arts center utility account #5417-002). The motion PASSED by the following vote.

Yes: 6 - Christianson, Eisenbeisz, Knox, Paxton, Mosher, and Nelson

No: 1 - Wein

VI. PERSONS TO BE HEARD:

Nelson reminded Blatchely Middle School wrestlers were in need of travel funds and suggested those interested in donating contact the Activities Director at Blatchley.

VII. EXECUTIVE SESSION

None.

VIII. ADJOURNMENT

A motion was made by Knox to ADJOURN. Hearing no objections, the meeting ADJOURNED at 6:38 p.m.

ATTEST: _____
Sara Peterson, MMC
Municipal Clerk



CITY AND BOROUGH OF SITKA

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

Minutes - Draft

City and Borough Assembly

*Mayor Gary Paxton
Deputy Mayor Steven Eisenbeisz,
Vice Deputy Mayor Kevin Mosher,
Kevin Knox, Dr. Richard Wein, Valorie Nelson, Thor Christianson*

*Interim Municipal Administrator: Hugh Bevan
Municipal Attorney: Brian Hanson
Municipal Clerk: Sara Peterson*

Tuesday, February 11, 2020

6:00 PM

Assembly Chambers

WORK SESSION 5:00 P.M.

20-036 Alaska Remote Sellers Sales Tax Commission

Alaska Municipal League Executive Director, Nils Andreassen, and President of the Alaska Remote Sellers Sales Tax Commission, Jeff Rogers, provided an overview of the Commission's work and process moving forward for the collection of online vendor sales tax.

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 7 - Christianson, Eisenbeisz, Knox, Wein, Paxton, Mosher, and Nelson

IV. CORRESPONDENCE/AGENDA CHANGES

No agenda changes.

20-043 Reminders, Calendars, and General Correspondence

V. CEREMONIAL MATTERS

None.

VI. SPECIAL REPORTS: Government to Government, Municipal Boards/Commissions/Committees, Municipal Departments, School District, Students and Guests (five minute time limit)

Eric Van Cise, Clerk of the School Board, expressed appreciation to the Assembly for their support, noted the School Board President and Vice President were in Juneau for a lobbying trip, and reviewed events happening in the School District.

20-038 Special Report: Police Chief Robert Baty

Police Chief Robert Baty provided an update on his tenure as Chief. He spoke to department leadership, morale, budgetary savings, and mentorship programs. He reminded recruitment was a problem at the local, state, and nationwide levels.

VII. PERSONS TO BE HEARD

Leo Jimmy provided an update on the formation of the Leo's Hope Advisory Committee.

Joel Hanson spoke to a resolution coming forward to the Assembly regarding the declaration of a climate emergency and mobilization effort.

Rachel Roy, Executive Director of the Chamber of Commerce, told of the annual Chamber Gala, mentioned Senator Murkowski would speak at the Chamber Luncheon February 19, and spoke to the publicity received from the Google commercial aired during the February 2 Super Bowl featuring Sitka.

Shirley Robards spoke to the requirement for resale exemption certificates and wholesale purchases.

Noah Shepard stated he was recently a litigant against the City, was forced to settle, and urged the Assembly to speak with him.

George Paul thanked the Chief of Police for his work, spoke to the high cost of living in Sitka, and said there should be a cruiseship dock in downtown Sitka.

VIII. REPORTS

a. Mayor, b. Administrator, c. Attorney, d. Liaison Representatives, e. Clerk, f. Other

Interim Administrator - Bevan commented the meeting to discuss cost sharing of the City/State Building had been postponed due to technical difficulties and told the second supply barge for Crescent Harbor had arrived.

Attorney - Hanson noted he would be on vacation February 14-24.

Liaison Representatives - Knox reported on the Parks and Recreation Committee meeting, Wein on the Planning Commission, and Christianson on the Library Commission.

Clerk - Peterson reviewed the upcoming meeting schedule, board/commission vacancies, and stated online response for 2020 Census would March 12.

Other - Wein reminded the Sitka Fine Arts Camp Director was speaking at the February 12 Chamber lunch. Eisenbeisz reported on the Alaska Municipal League

teleconference he attended regarding ferry service.

IX. CONSENT AGENDA

- A 20-037** Approve the minutes of the January 23 and January 28 Assembly meetings

A motion was made by Knox that this Item be APPROVED. The motion PASSED by unanimous consent.

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

None.

XI. UNFINISHED BUSINESS:

- B ORD 20-03** Amending the official Sitka Zoning Map to rezone 4513, 4521, and 4533 Halibut Point Road from Industrial District (I) to General Commercial and Mobile Home District (C-2)

Wein spoke in support and urged the Assembly to think about maximizing returns on private service opportunities. Nelson disclosed she was a nearby property owner and there was no conflict of interest.

A motion was made by Knox that this Ordinance be APPROVED on SECOND AND FINAL READING. The motion PASSED by the following vote.

Yes: 7 - Christianson, Eisenbeisz, Knox, Wein, Paxton, Mosher, and Nelson

- C ORD 20-02S(A)** Amending Title 6 "Business Licenses And Regulations", Title 19 "Building and Construction", and Title 22 "Zoning" of the Sitka General Code by modifying Chapter 6.12 "Mobile and Manufactured Homes and Mobile and Manufactured Home Parks", Chapter 19.09 "Residential Code", Chapter 22.08 "Definitions", Chapter 22.16 "District Regulations", Chapter 22.24 "Special Use Permits" and adding Sections 6.12.205 "Construction Requirements For Tiny Houses and Tiny Houses On Chassis", Section 22.08.798 "Tiny House", and Section 22.08.799 "Tiny Houses On Chassis" (1st reading)

Planning Department Project Manager Scott Brylinsky spoke to the changes in the substitute ordinance: added definition of "chassis"; added exception clarifying that "tiny house on chassis" did not include recreational vehicles, self-propelled vehicles, and fifth-wheel trailers; added clarification that International Residential Code requirements for a "tiny house on chassis" apply from joists up; added provision addressing structural requirements for chassis.

Wein wondered of the liability issue. Municipal Attorney Hanson reminded when a governmental body created code, in particular permitting for land use, those were discretionary and governmental actions that had immunity from liability. In review of the proposed ordinance he had no concerns with the legality of the code nor any unusual liability. Christianson and Mosher spoke in support. Eisenbeisz wondered of the

specific siding requirements and stated it seemed limiting when trying to increase housing options. Brylinsky clarified Section 6.12.205(F) pertained to tiny houses on chassis. He stated vinyl was less stable, degraded in UV more rapidly, and held mildew.

Speaking in support of the ordinance from the public was Michelle Putz, Andrew Thoms, Chandler O'Connell, and George Paul. Rachel Roy wondered why plastic siding was not allowed.

An amendment was made to delete lines 414-422. Speaking from the public in opposition to the amendment were Andrew Thoms and Michelle Putz.

Assembly members discussed the amendment. Nelson believed the ordinance process was being rushed. Building Official Pat Swedeen clarified oriented strand board was not allowed. Knox stressed the need for quality construction. Brylinsky stated a house built without section F (amendment) would still fall under the International Building Code and standards.

A motion was made by Eisenbeisz to AMEND the Ordinance by deleting lines 414-422:

F. In the interest of providing durable affordable housing, tiny houses on chassis shall:

- 1. Not employ oriented strand board or similar resin/woodshard or wood particle sheeting materials in any structural building component; and**
- 2. Have roofs a minimum of 2 in 12 pitch and employ as roofing materials shingles or metal roofing (no rolled roofing); and,**
- 3. Employ wood, cement board, or metal siding (no vinyl or plastic siding).**

The motion PASSED by the following vote.

Yes: 5 - Wein, Knox, Eisenbeisz, Nelson, and Christianson

No: 2 - Mosher and Paxton

A motion was made by Mosher to APPROVE the substitute Ordinance on FIRST READING AS AMENDED. The motion PASSED by the following vote.

Yes: 7 - Christianson, Eisenbeisz, Knox, Wein, Paxton, Mosher, and Nelson

XII. NEW BUSINESS:

D 20-044 Approve hire offer for Jessica Ieremia as Library Director

Acting Library Director Joanna Perensovich thanked the Assembly for their support and spoke in favor of Ms. Ieremia. Wein and Christianson offered support.

A motion was made by Knox that this Item be APPROVED. The motion PASSED by the following vote.

Yes: 7 - Christianson, Eisenbeisz, Knox, Wein, Paxton, Mosher, and Nelson

E 20-039 Approve a Memorandum of Understanding between the City and Borough of Sitka and the Sitka Cycling Club

Doug Osborne, representative of the Sitka Cycling Club, stated members were looking for more places to ride single track and this proposal, on the Sitka Cross Trail, would provide alternative riding options. The concept was endorsed by the Parks and Recreation Committee and Sitka Trail Works. Osborne noted there would be signage, no trees would be removed, and no structures built.

Those voicing support were Aaron Prussian, Emma Klein, Eric Estrada, Alex Bayne, Jay Lundvick, and George Paul.

A discussion among Assembly members ensued. Wein disclosed he was a member of the Club, however, there was no conflict. Mosher wondered of safety, Nelson of insurance requirements, and Wein of liability issues. Municipal Attorney Hanson told of extensive work on the document and reminded the document was a Memorandum of Understanding (MOU) not a contractual obligation. Hanson noted there were strict directives in the MOU and if not satisfied the MOU could be terminated. Further, Hanson noted the Cycling Club requested they not be required to purchase insurance, therefore, section B(18) stated only if desired, should they obtain and maintain insurance with the understanding the City had no obligation to provide such insurance coverage.

A motion was made by Knox that this Item be APPROVED. The motion PASSED by the following vote.

Yes: 7 - Christianson, Eisenbeisz, Knox, Wein, Paxton, Mosher, and Nelson

F 20-041 Discussion / Direction / Decision on the Crescent Harbor High Load Dock repair project (Net Shed)

Interim Administrator Bevan explained last fall a company was hired to perform an inspection on the piling. The report recommended to replace the four key pilings and a vast majority of bracing or put restrictions on structure use. Bevan told of estimated costs (\$500,000) and a deadline for water work of March 15 with regard to marine mammals. Bevan recommended waiting until the fall rather than rush.

Speaking from the public, George Paul, suggested the Assembly try to save money for citizens.

Assembly members discussed the advantages and disadvantages of performing work now or waiting. Some wondered of restrictions that would be put on the dock if repairs weren't made until the fall. Bevan stated no vehicles, no public gatherings, or foot traffic would be allowed. In addition, Bevan reminded this was a 10-15 year repair. Other items would need to be repaired in the future. Christianson wondered if cruise ship tax money could be used and Mosher believed the project to be rushed.

A motion was made by Mosher to delay the project until the fall as referenced in the Interim Administrator's memo. The motion FAILED by the following vote.

Yes: 3 - Christianson, Paxton, and Mosher

No: 4 - Eisenbeisz, Knox, Wein, and Nelson

G ORD 20-06 Making supplemental appropriations for Fiscal Year 2020 (Crescent Harbor High Load Dock Project)

George Paul spoke in opposition of the ordinance stating the City was spending money that didn't exist.

Mosher stated he felt the process was rushed, Nelson said her preference would be for the funding to come out of the FY2021 budget, and Eisenbeisz also spoke in opposition suggesting staff come back with a more complete package. Wein and Christianson wished to have more information before making a final decision. Knox reminded if there was the potential to have the work done sooner rather than later that was his preference citing the high usage of the dock.

A motion was made by Nelson that this Ordinance be APPROVED ON FIRST READING. The motion PASSED by the following vote.

Yes: 5 - Christianson, Knox, Wein, Paxton, and Nelson

No: 2 - Eisenbeisz, and Mosher

H 20-040 Discussion / Direction / Decision to keep or sell the Marine Services Center and next steps

Interim Administrator Bevan stated the Marine Services Center discussion was the result of an Action Plan approved by the Assembly in July 2019 to determine the highest/best use of the Center. Bevan summarized options for retaining the Center in City ownership and options for selling.

Public Comment

Steven Rhoads, of Seafood Producers Cooperative, reminded of the uses of the Center and spoke to the need for maintaining access to the Center. Bert Bergman, Seafood Producers Cooperative board member, stated he was more favorable of the cold storage as opposed to the dock. Jackie Foss spoke to the need for a working waterfront and retaining the cold storage whether that be in private or City ownership. Scott Saline spoke to information he had obtained from a records request regarding the Center.

Assembly Discussion

Members offered their opinions on retaining or selling. Wein spoke in opposition to selling and said more thought needed to be given to financing the needed repairs and maintenance. Knox wished to have more information and stated he was not interested in the Center leaving public hands. Christianson, Nelson, Paxton, and Mosher voiced support for moving forward with an RFP for sale or lease to explore what the offers might be.

A motion was made by Mosher to move forward with an RFP for sale or lease. The motion PASSED by the following vote.

Yes: 4 - Christianson, Paxton, Mosher, and Nelson

No: 3 - Eisenbeisz, Knox, and Wein

I ORD 20-04 Making supplemental appropriations for Fiscal Year 2020 (Pet Adoption

Fund / GPIP Dock Expense / Permanent Fund Fees)

Controller Melissa Haley explained budgets were often best guesses and sometimes the reality was different. She explained insufficient amounts had been budgeted for pet adoption and operation of the dock at the Gary Paxton Industrial Park. Haley stated in the Permanent Fund, the investment management fees had not been budgeted. In addition, Haley spoke to corrections needed in the Harbor Fund and School bond debt reimbursement.

A motion was made by Knox that this Ordinance be APPROVED ON FIRST READING. The motion PASSED by the following vote.

Yes: 7 - Christianson, Eisenbeisz, Knox, Wein, Paxton, Mosher, and Nelson

J ORD 20-05 Amending appropriations for Fiscal Year 2020 (Removing Subsidies for Harbor / School Bond Debt)

A motion was made by Knox that this Ordinance be APPROVED ON FIRST READING. The motion PASSED by the following vote.

Yes: 7 - Christianson, Eisenbeisz, Knox, Wein, Paxton, Mosher, and Nelson

XIII. PERSONS TO BE HEARD:

Larry Edwards submitted a grievance over gross misrepresentation of Resolution 2019-26 (Roadless Rule).

George Paul urged the Assembly to shift its philosophy and make the cost of living in Sitka more affordable.

XIV. EXECUTIVE SESSION

K 20-042 Legal Matters / Personnel Matters: Sitka Police Department

A motion was made by Mosher to go into executive session to receive and discuss an update from the Municipal Attorney and outside legal counsel, Michael Gatti and/or Megan Sandone, concerning legal matters affecting the municipality as a result of the lawsuit filed by Ryan Silva on August 23, 2018, the lawsuit filed by Mary Ferguson on October 11, 2018, and the lawsuit filed by Noah Shepard on February 25, 2019, and to discuss Sitka Police Department personnel matters with the Municipal Attorney affecting the municipality or legal consequences of past, present, or future municipal actions, and which by law are required to be confidential, and invite in, if desired and when ready, Chief of Police Robert Baty. The motion PASSED by the following vote.

Yes: 7 - Eisenbeisz, Paxton, Christianson, Wein, Nelson, Knox, and Mosher

The Assembly was in executive session from 9:17 p.m. to 10:02 p.m.

A motion was made by Nelson to reconvene as the Assembly in regular session. The motion PASSED by unanimous voice vote.

XV. ADJOURNMENT

A motion was made by Knox to ADJOURN. Hearing no objections, the meeting ADJOURNED at 10:04 p.m.

ATTEST: _____
Sara Peterson, MMC
Municipal Clerk



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 20-049 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 2/18/2020 In control: City and Borough Assembly

On agenda: 2/25/2020 Final action:

Title: Approve a liquor license renewal application for Dove Island Lodge & Sitka Sportfishing Charters, LLC
dba Dove Island Lodge at Dove Island

Sponsors:

Indexes:

Code sections:

Attachments: [Motion and Memos](#)
[01152020 LGB Notice - City of Sitka Borough of Sitka](#)
[5126 Complete Renewal Application](#)

Date	Ver.	Action By	Action	Result
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Should this item be pulled from the Consent Agenda the following motion is suggested:

POSSIBLE MOTION

I MOVE TO approve a liquor license renewal application for Dove Island Lodge & Sitka Sportfishing Charters, LLC dba Dove Island Lodge at Dove Island and forward this approval to the Alcoholic Beverage Control Board without objection.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Mayor Paxton and Assembly Members
Hugh Bevan, Interim Municipal Administrator

From: Sara Peterson, Municipal Clerk

Date: February 19, 2020

Subject: Approve a liquor license renewal application for Dove Island Lodge

Our office has received notification of the following liquor license renewal application:

Lic #: 5126
DBA: Dove Island Lodge
License Type: Outdoor Recreation Lodge
Licensee: Dove Island Lodge & Sitka Sportfishing Charters, LLC
Premises Address: Dove Island

A memo was circulated to the various departments who may have a reason to protest the renewal of this license. No departmental objections were received.

Recommendation:

Approve the liquor license renewal application for Dove Island Lodge & Sitka Sportfishing Charters, LLC dba Dove Island Lodge and forward this approval to the Alcoholic Beverage Control Board without objection.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Utility Billing Clerk – Diana
Collections - Carolyn
Municipal Billings – Lindsey
Sales Tax/Property Tax - Justin
Fire Department
Police Department
Building Official(s)

From: Sara Peterson, Municipal Clerk

Date: January 15, 2020

Subject: Liquor License Renewal Application – Dove Island

The Municipal Clerk's Office has been notified by the Alcohol and Marijuana Control Office of the following liquor license renewal application submitted by:

Lic #: 5126
DBA: Dove Island Lodge
License Type: Outdoor Recreation Lodge
Licensee: Dove Island Lodge & Sitka Sportfishing Charters, LLC
Premises Address: Dove Island

Please notify no later than **noon on Tuesday, January 21** of any reason to protest this renewal request. This request is scheduled to go before the Assembly on January 28.

Thank you.



THE STATE
of **ALASKA**
GOVERNOR MICHAEL J. DUNLEAVY

**Department of Commerce, Community,
and Economic Development**

ALCOHOL & MARIJUANA CONTROL OFFICE

550 West 7th Avenue, Suite 1600

Anchorage, AK 99501

Main: 907.269.0350

January 15, 2020

Sitka, City and Borough

Via Email: sara.peterson@cityofsitka.org ; melissa.henshaw@cityofsitka.org

Re: Notice of 2020/2021 Liquor License Renewal Application

1031	Westmark Sitka Hotel	Beverage Dispensary - Tourism
5126	Dove Island Lodge	Outdoor Recreation Lodge

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

To protest the application referenced above, please submit your written protest within 60 days, and show proof of service upon the applicant and proof that the applicant has had a reasonable opportunity to defend the application before a meeting of the local governing body.

Sincerely,

A handwritten signature in black ink, appearing to read "Glen Klinkhart", on a light-colored background.

Glen Klinkhart, Director

amco.localgovernmentonly@alaska.gov



Alaska Alcoholic Beverage Control Board

Form AB-17: 2020/2021 Renewal License Application

What is this form?

This renewal license application form is required for all individuals or entities seeking to apply for renewal of an existing liquor license that are due to renew by December 31, 2019. All fields of this form must be complete and correct, or the application will be returned to you in the manner in which it was received, per AS 04.11.270 and 3 AAC 304.105. The Community Council field only should be verified/completed by licensees whose establishments are located within the Municipality of Anchorage or outside of city limits within the Matanuska-Susitna Borough.

This form must be completed and submitted to AMCO's main office before any license renewal application will be reviewed. Receipt and/or processing of renewal payments by AMCO staff neither indicates nor guarantees that an application will be considered complete, or that a license will be renewed.

Section 1 – Establishment and Contact Information

Enter information for the business seeking to have its license renewed. If any populated information is incorrect, please contact AMCO.

Licensee:	Dove Island Lodge & Sitka Sportfishing Charters, LLC	License #:	5126
License Type:	Outdoor Recreation Lodge		
Doing Business As:	Dove Island Lodge		
Premises Address:	Dove Island		
Local Governing Body:	City & Borough of Sitka		
Community Council:	None		
Mailing Address:	P.O. Box 1512		
City:	Sitka	State:	AK
		ZIP:	99835

Enter information for the individual who will be designated as the primary point of contact regarding this application. This individual **must be a licensee** who is required to be listed in and authorized to sign this application.

Contact Licensee:	Tracie Lambeth	Contact Phone:	907-738-0944
Contact Email:	sitkasportfish@mac.com		

Optional: If you wish for AMCO staff to communicate with an individual who is not a licensee named on this form (eg: legal counsel) about this application and other matters pertaining to the license, please provide that person's contact information in the fields below.

Name of Contact:	Nicole Bilinski	Contact Phone:	907-747-5660
Contact Email:	gofish@doveislandlodge.com		

**Form AB-17: 2020/2021 Renewal License Application****Section 2 – Entity or Community Ownership Information**

Licensees who directly hold a license as an individual or individuals should skip to Section 3. General partnerships and local governments should skip to the second half of this page. All licensees that are corporations or LLCs must complete this section. Corporations and LLCs are required to be in good standing with the Alaska Division of Corporations, Business & Professional Licensing (CBPL). The CBPL Entity # below is **neither** your EIN/tax ID number, **nor** your business license number. **You may view your entity's status or find your CBPL entity number by visiting the following site:** <https://www.commerce.alaska.gov/cbp/main/search/entities>

Alaska CBPL Entity #:	80025D
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You must ensure that you are able to certify the following statement before signing your initials in the box to the right: Initials

I certify that this entity is in good standing with CBPL and that all current entity officials and stakeholders (listed below) are also currently and accurately listed with CBPL.

This subsection must be completed by any community or entity, including a corporation, limited liability company, partnership, or limited partnership, that is applying for renewal. If more space is needed, please attach additional completed copies of this page.

- If the applicant is a corporation, the following information must be completed for each *shareholder who owns 10% or more* of the stock in the corporation, and for each *president, vice-president, secretary, and managing officer*.
- If the applicant is a limited liability organization, the following information must be completed for each *member with an ownership interest of 10% or more*, and for each *manager*.
- If the applicant is a partnership, including a limited partnership, the following information must be completed for each *partner with an interest of 10% or more*, and for each *general partner*.

Important Note: The information provided in the below fields (including spelling of names, specific titles, and percentages held) must match that which is listed with CBPL. If one individual holds multiple titles mentioned in the bullets above, all titles must be listed for that individual on this application and with CBPL. Failure to list all required titles constitutes an incomplete application. **You must list ALL of your qualifying officials, additional copies of this page or a separate sheet of paper may be submitted if necessary.**

Name of Official:	Tracie Lambeth			
Title(s):	Member	Phone:	907-738-0944	% Owned: 50
Mailing Address:	P.O. Box 1512			
City:	Sitka	State:	AK	ZIP: 99835

Name of Official:	Harold Lambeth			
Title(s):	Member	Phone:	907-738-0854	% Owned: 50
Mailing Address:	P.O. Box 1512			
City:	Sitka	State:	AK	ZIP: 99835

Name of Official:				
Title(s):		Phone:		% Owned:
Mailing Address:				
City:		State:		ZIP:

**Form AB-17: 2020/2021 Renewal License Application****Section 3 – Sole Proprietor Ownership Information**

Entities, such as corporations or LLCs, should skip this section. This section must be completed by any licensee who directly holds the license as an **individual or multiple individuals** and is applying for license renewal. If more space is needed, please attach a separate sheet that includes all of the required information.

The following information must be completed for each licensee and each affiliate.

This individual is an: ☐ applicant ☐ affiliate

Name:				Contact Phone:	
Mailing Address:					
City:		State:		ZIP:	
Email:					

This individual is an: ☐ applicant ☐ affiliate

Name:				Contact Phone:	
Mailing Address:					
City:		State:		ZIP:	
Email:					

Section 4 – Alcohol Server Education

This section must be completed only by the holder of a **beverage dispensary, club, or pub** license or **conditional contractor's permit**. The holders of all other license types should skip to Section 5.

Read the line below, and then sign your initials in the box to the right of the statement:

Initials

I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check identification of a patron have completed an alcohol server education course approved by the ABC Board and keep current, valid copies of their course completion cards on the licensed premises during all working hours, as set forth in AS 04.21.025 and 3 AAC 304.465.

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Section 5 – License Operation

Check a **single box** for each calendar year that best describes how this liquor license was operated:

2018 2019

The license was regularly operated continuously throughout each year.

☒☒

The license was regularly operated during a specific season each year.

☐☐

The license was only operated to meet the minimum requirement of 240 total hours each calendar year.

If this box is checked, a complete copy of Form AB-30: Proof of Minimum Operation Checklist, and all necessary documentation must be provided with this application.

☐☐

The license was not operated at all or was not operated for at least the minimum requirement of 240 total hours each year, during one or both of the calendar years.

If this box is checked, a complete copy of Form AB-29: Waiver of Operation Application and corresponding fees must be submitted with this application for each calendar year during which the license was not operated for at least the minimum requirement, unless a complete copy of the form (including fees) has already been submitted for that year.

☐☐



Alaska Alcoholic Beverage Control Board

Form AB-17: 2020/2021 Renewal License Application

Section 6 – Violations and Convictions

Applicant violations and convictions in calendar years 2018 and 2019:

Yes No

Have any notices of violation (NOVs) been issued for this license in the calendar years 2018 or 2019?☐ ☒

Has any person or entity named in this application been convicted of a violation of Title 04, of 3 AAC 304, or a local ordinance adopted under AS 04.21.010 in the calendar years 2018 or 2019?

☐ ☒

If "Yes" to either of the previous two questions, attach a separate page to this application listing all NOVs and/or convictions.

Section 7 – Certifications

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and that in accordance with AS 04.11.450, no one other than the licensee(s) has a direct or indirect financial interest in the licensed business.

☒

I certify that I have not altered the functional floor plan or reduced or expanded the area of the licensed premises, and I have not changed the business name or the ownership (including officers, managers, general partners, or stakeholders) from what is currently approved and on file with the Alcoholic Beverage Control Board.

☒

I certify on behalf of myself or of the organized entity that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

☒

As an applicant for a liquor license renewal, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 304, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Alcoholic Beverage Control Board or AMCO staff in support of this application and understand that failure to do so by any deadline given to me by AMCO staff will result in this application being returned to me as incomplete.

Signature of licensee

Signature of Notary Public

Printed name of licensee

Notary Public in and for the State of AlaskaMy commission expires: April 19, 2022Subscribed and sworn to before me this 23 day of November, 2019.

Notary Public
NICOLE Y. BILINSKI
State of Alaska
My Commission Expires April 19, 2022

Seasonal License? Yes ☐ No ☒

If "Yes", write your six-month operating period: _____

License Fee:	\$ 1250.00	Application Fee:	\$ 300.00	TOTAL:	\$ 1550.00
Miscellaneous Fees:					
GRAND TOTAL (if different than TOTAL):					



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 20-050 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 2/18/2020 In control: City and Borough Assembly

On agenda: 2/25/2020 Final action:

Title: Appoint 1) Justin Mullenix to a three-year term on the Local Emergency Planning Committee under Category 4 (Community Groups), and, 2) Joel Hanson to a three year-term on the Local Emergency Planning Committee under Category 6 (Members of the Public)

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Appointments](#)
[Mullenix Application](#)
[Hanson Application](#)
[LEPC Roster.](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTION

I MOVE TO appoint 1) Justin Mullenix to a three-year term on the Local Emergency Planning Committee under Category 4 (Community Groups), and, 2) Joel Hanson to a three-year term on the Local Emergency Planning Committee under Category 6 (Members of the Public).

State of Alaska
LOCAL EMERGENCY PLANNING COMMITTEE
INDIVIDUAL APPLICATION FORM FOR MEMBERSHIP ON LEPC

LEPC name: Sitka Local Emergency Planning Committee

Applicant name: JUSTIN MULLENIX

Mailing address: [REDACTED]

Residence address: SAME

Day phone: [REDACTED]

Home Phone (optional): [REDACTED]

Where employed: US Army NATIONAL GUARD Job title: RECRUITER/LIAISON

LEPC category/seat that applicant seeks: 4

Categories: 1) Elected local officials, 2) Law Enforcement, Civil Defense, Fire Fighting, First Aid, Local Env't/Hospital, and Transportation Personnel, 3) Media/Broadcast, 4) Community Groups, 5) Owners/Operators of Facilities, 6) Members of the Public, 7) LEPC Information Coordinator/SERC liaison

New applicant ☒ Renewal ☐ Regular member ☐ Alternate member ☐

Qualifications for this category: 20 years ACTIVE DUTY MILITARY, CERTIFIED

IN INFANTRY COMMAND, PREVIOUS EXPERIENCE AS ASSIST FIRE CHIEF

AT JUNIPER FIRE DEP. IN WILLIAMS AZ, PREVIOUSLY CERTIFIED

FOR WILD LAND FIRE FIGHTING

Organizations in which applicant participates (that are pertinent to the application): ALASKA ARMY NATIONAL GUARD

Please provide enough information to demonstrate an applicant's eligibility or suitability for a particular seat on the LEPC. For the Public At Large position, please state whether an applicant qualifies for any other category on the LEPC.

Please note: all information submitted will be made public and published online. Appointments are normally made during open session of an Assembly meeting, however, Assembly members may vote to discuss applicant(s) in closed executive session. In this case, do you wish to be present when your application is discussed? ☐ Yes ☐ No

I hereby certify that the above information is correct and that I have not misrepresented myself.

[Signature]
Signature

2/14/2020
Date

→ To be considered, your application must be complete AND be accompanied by either a letter of interest or resume. Return to:

Melissa Henshaw, Deputy Clerk
100 Lincoln Street
Fax: 907-747-7403
Email: melissa.henshaw@cityofsitka.org

SFC Justin Mullenix

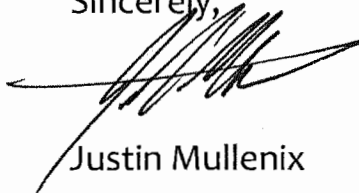
February 14, 2020

To whom it may concern,

The purpose of this letter is to express my interest in being part of the Local Emergency Planning Committee. As a current member of the Alaska Army National Guard it is my mission to ensure the safety of my country and my community. My 20 years of military experience provides me with unique up to date knowledge of the Alaska Army National Guard and its ability to support our community. I grew up in Sitka from a very young age and understand the issues that concern the citizens and want to do my part in giving back to the community in which I was raised.

I hope that you will consider and approve my membership in the Local Emergency Planning Committee. Thank you for your time and consideration.

Sincerely,



SFC, USA

Alaska Army National Guard

State of Alaska
LOCAL EMERGENCY PLANNING COMMITTEE
INDIVIDUAL APPLICATION FORM FOR MEMBERSHIP ON LEPC

LEPC name: Sitka Local Emergency Planning Committee

Applicant name: JOEL HANSON

Mailing address: [REDACTED] SITKA, AK 99835

Residence address: SAME

Day phone: [REDACTED] Home Phone (optional):

Where employed: N/A Job title: RETIRED

LEPC category/seat that applicant seeks: 6) MEMBERS OF THE PUBLIC

Categories: 1) Elected local officials, 2) Law Enforcement, Civil Defense, Fire Fighting, First Aid, Local Env't/Hospital, and Transportation Personnel, 3) Media/Broadcast, 4) Community Groups, 5) Owners/Operators of Facilities, 6) Members of the Public, 7) LEPC Information Coordinator/SERC liaison

New applicant X Renewal Regular member Alternate member

Qualifications for this category: * 40-YEARS RESIDENT OF SOUTHEAST AK.

* 20-YEARS RESIDENT OF SITKA * MARRIED, 1 SON

* FORMER OWNER/OPERATOR COMMERCIAL FISHING VESSEL

* LICENSED US COAST GUARD CAPTAIN 1996-2008 (1600 TON, OCEAN ENDORSEMENT)

* 15-YEARS CONDUCTING TRAINING & EMERGENCY DRILLS ABOARD

USCOAST GUARD INSPECTED PASSENGER VESSELS OF 500 TONS.

Organizations in which applicant participates (that are pertinent to the application):

NONE

Please provide enough information to demonstrate an applicant's eligibility or suitability for a particular seat on the LEPC. For the Public At Large position, please state whether an applicant qualifies for any other category on the LEPC.

Please note: all information submitted will be made public and published online. Appointments are normally made during open session of an Assembly meeting, however, Assembly members may vote to discuss applicant(s) in closed executive session. In this case, do you wish to be present when your application is discussed? X Yes No

I hereby certify that the above information is correct and that I have not misrepresented myself.

Joel Hanson
Signature

2/18/2020
Date

→ To be considered, your application must be complete AND be accompanied by either a letter of interest or resume. Return to:

Melissa Henshaw, Deputy Clerk
100 Lincoln Street
Fax: 907-747-7403
Email: melissa.henshaw@cityofsitka.org

Joel H. Hanson

Sitka, AK 99835

Ph.: [REDACTED]

e-mail: [REDACTED]

February 18, 2020

Re: Letter of Interest
Appointment to Local Emergency Planning Committee

Mayor Paxton and Assembly Members,

Please consider my request for appointment to Sitka's Local Emergency Planning Committee.

My wife and I are 20-year residents of Sitka, moving here from Wrangell Island where we also lived for 20 years. We are both retired. I am 69 years old.


Though we have only lived full-time in Sitka for 20 years, we operated our own commercial troller for many years prior to purchasing our home here, and that brought us to Sitka seasonally. Plus, on Wrangell Island we lived remote from the community of Wrangell and when our home-schooled son was old enough, we enrolled him into Mt. Edgecumbe where he boarded during the school-year. He graduated in 1998, completing 4 years of study.

My qualifications for LEPC service include my years in the professional maritime industry. Prior to retirement in 2018, I worked for The Boat Company which has been operating a fleet of mid-size US Coast Guard inspected passenger vessels in Southeast Alaska waters since 1980. I worked in various capacities, primarily Captain, onboard all the company's vessels at various times from 1996 through 2008. Since 2008, I have served only occasionally onboard, helping with seasonal crew orientation and safety training. In recent years as Alaska Shore Support Agent for the company, I attended to all the regulatory aspects of passenger vessel operations, including compliance with ADF&G standards for guided fresh and saltwater sport fishing and US Forest Service permitting for guided recreational use of National Forest lands. I have extensive experience developing and executing safety training programs for small passenger vessel operations and wilderness guiding. I've completed both Basic and Advanced Fire Fighting courses. While employed with The Boat Company, I received 1st Aid/CPR training annually. I've conducted and logged hundreds of shipboard fire, man-overboard and abandon-ship drills. I'm familiar with Safety Data Sheets and Incident Command System procedures.

My non-professional interest is in protecting and enjoying Southeast Alaska's extraordinary wildlands and wildlife. I was a member of the Board of Directors of the Southeast Alaska Conservation Council (SEACC) for nearly 18 years. I've considered myself an environmentalist since grade school.

I am a student of all aspects of the emerging science surrounding climate change, and I understand the scale and scope of the challenges we face here in Sitka. I hope to bring that understanding to the LEPC so as to help the community prepare for new hazards. I am keenly interested in the subjects of climate change adaptation and food security.

Thank you for your consideration,


Joel Hanson



LOCAL EMERGENCY PLANNING COMMITTEE

NAME	CONTACT NUMBERS		TERM STARTS	EXPIRES	CATEGORY
DAVE MILLER, CHAIR	747-1860	dave.miller@cityofsitka.org	Permanent	Fire Chief*	2
GEORGE BENNETT JR. 225 Tongass Drive	966-8916	gbennett@searhc.org	3/28/17	3/28/20	2
SHANNON FREITAS 222 Tongass Drive	966-8511	shannonf@searhc.org	3/28/17	3/28/20	2
ALAN STEVENS 2606 Sawmill Creek Road	747-8848 738-8237	astevenssit@gmail.com	1/23/18	1/23/21	2
DAVID BIRKY 611 Airport Road	966-5525 503-510-3401	david.a.birky@uscg.mil	11/8/18	11/8/21	2
DONNA CALLISTINI 208 Lake Street #2G	747-7107 w 747-5494	donna.callistini@yahoo.com	10/26/10, 11/12/13 1/23/18	10/26/13, 11/12/16 1/23/21	3
GAYLE HAMMONS 210 Kruzof Street	738-3028 c	kghammons@gmail.com	7/28/15	7/28/18 11/8/21	3
BECKY MEIERS 2 Lincoln Street Ste. B	747-5877	generalmanager@kcaw.org	12/11/18	12/11/21	3
AMY ZANUZOSKI 113 Metlakatla Street	966-8237	amyz@scpsak.org	6/12/18	6/12/21	4
TRISH WHITE 117 Granite Creek Road	747-8006X202 w; 747-5976 h	trish@whitesalaska.com	3/10/09, 3/13/12 3/24/15, 3/27/18	3/10/12, 3/15/15 3/24/18, 3/27/21	5
SCOTT WAGNER 304 Nicole Drive	747-3791 h 738-2729 c	scott_wagner@nsraa.org	11/12/13 12/27/16 1/14/20	11/12/16 12/27/19 1/14/23	5
MARY ANN HALL 2037 Halibut Point Road	738-0753	jaryberry77@gmail.com	8/23/11, 8/12/14 8/8/17	8/23/14, 8/12/17 8/8/20	6
ROBERT BATY	747-3245	robert.baty@sitkapd.org	Permanent	Interim Police Chief*	2
LANCE EWERS	747-3245	lance.ewers@sitkapd.org	Permanent	Law Enforcement*	2
CRAIG WARREN	747-3233	craig.warren@cityofsitka.org	Permanent	LEPC Coordinator*	7
VALORIE NELSON	747-4589	assemblynelson@cityofsitka.org	Non-Voting	Assembly Liaison	1
Gail Johansen Peterson 3511 Halibut Point Road	747-7646	scribeinkservices@gmail.com		Secretary	

*The police and fire chiefs and the LEPC Coordinator are permanent appointments; whoever is serving in that capacity will be appointed to the commission. Minimum of seven members, 3-year terms; Established by Resolution 89-406; Amended by Resolution 89-441 and 99-727. Meeting: Second Thursday, noon – Fire Hall. **Quorum Requirement:** At least one member from four different categories must be present. **Categories as follows:** 1) Elected local officials 2) Law Enforcement, Civil Defense, Fire Fighting, First Aid, Local Environmental/Hospital, and Transportation Personnel 3) Media/ Broadcast 4) Community Groups 5) Owners/Operators of Facilities 6) Members of the Public 7) LEPC Information Coordinator/ SERC liaison

Revised: January 15, 2020



CITY AND BOROUGH OF SITKA

Legislation Details

File #: ORD 20-02S(A) Version: 1 Name:

Type: Ordinance Status: AGENDA READY

File created: 1/22/2020 In control: City and Borough Assembly

On agenda: 2/25/2020 Final action:

Title: Amending Title 6 "Business Licenses And Regulations", Title 19 "Building and Construction", and Title 22 "Zoning" of the Sitka General Code by modifying Chapter 6.12 "Mobile and Manufactured Homes and Mobile and Manufactured Home Parks", Chapter 19.09 "Residential Code", Chapter 22.08 "Definitions", Chapter 22.16 "District Regulations", Chapter 22.24 "Special Use Permits" and adding Sections 6.12.205 "Construction Requirements For Tiny Houses and Tiny Houses On Chassis", Section 22.08.798 "Tiny House", and Section 22.08.799 "Tiny Houses On Chassis" (1st reading)

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Ord 2020-02S\(A\)](#)
[Ord 2020-02S\(A\)](#)
[00 supplemental memo - transmittal amended ordinance- 4Feb20](#)
[excerpt from Planning Commission draft minutes 15Jan20](#)
[FAQs](#)
[01 21Jan20 transmittal memo tiny houses -brylinsky to assembly](#)
[02 2030 Comp Plan excerpt](#)
[03 2030 Technical Plan excerpt](#)
[04 Assembly Action Plan -Tiny Homes](#)
[05 SEDA 2016 Strategic Plan excerpt](#)
[06 Excerpt from minutes of 18Dec19 PandZ meeting](#)
[07 11Dec19 StaffReport to commission ZA 19-06](#)
[08 8Jan20 update memo to commission](#)
[09 2018 IRC Appendix Q-Tiny Houses](#)
[10 Written Public Comment](#)

Date	Ver.	Action By	Action	Result
2/11/2020	1	City and Borough Assembly		
1/28/2020	1	City and Borough Assembly	POSTPONED	Pass

POSSIBLE MOTION

I MOVE TO approve Ordinance 2020-02S(A), on first reading, amending Title 6 “Business Licenses And Regulations”, Title 19 “Building and Construction”, and Title 22 “Zoning” of the Sitka General Code by modifying Chapter 6.12 “Mobile and Manufactured Homes and Mobile and Manufactured Home Parks”, Chapter 19.09 “Residential Code”, Chapter 22.08 “Definitions”, Chapter 22.16 “District Regulations”, Chapter 22.24 “Special Use Permits” and adding Sections 6.12.205 “Construction Requirements For Tiny Houses and Tiny Houses On Chassis”, Section 22.08.798 “Tiny House”, and Section 22.08.799 “Tiny Houses On Chassis”.

Notes:

- January 28 ordinance was introduced and then postponed to February 11
- February 11 a substitute ordinance was introduced for first reading and then amended

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2020-02S(A)

**AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING TITLE 6
“BUSINESS LICENSES AND REGULATIONS”, TITLE 19 “BUILDING AND
CONSTRUCTION”, AND TITLE 22 “ZONING” OF THE SITKA GENERAL CODE BY
MODIFYING CHAPTER 6.12 “MOBILE AND MANUFACTURED HOMES AND MOBILE
AND MANUFACTURED HOME PARKS”, CHAPTER 19.09 “RESIDENTIAL CODE”,
CHAPTER 22.08 “DEFINITIONS”, CHAPTER 22.16 “DISTRICT REGULATIONS”,
CHAPTER 22.24 “SPECIAL USE PERMITS” AND ADDING SECTIONS 6.12.205
“CONSTRUCTION REQUIREMENTS FOR TINY HOUSES AND TINY HOUSES ON
CHASSIS”, SECTION 22.08.798 “TINY HOUSE”, AND SECTION 22.08.799 “TINY
HOUSES ON CHASSIS”**

1. CLASSIFICATION. This ordinance is of a permanent nature and is intended to become a part of the Sitka General Code.

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

3. PURPOSE. The purpose of this ordinance is to create a definition of, and safety requirements for, tiny houses both on permanent foundations and on chassis; and to provide options for their placement in existing mobile/manufactured home parks and on individual lots.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Sitka General Code Title 6, entitled “Business Licenses and Regulations”, be amended by modifying Chapter 6, entitled “Mobile and Manufactured Homes and Mobile and Manufactured Home Parks” and adding Section 6.12.205, entitled “Construction Requirements For Tiny Houses And Tiny Houses On Chassis”, Title 19, entitled “Building and Construction”, be amended by modifying Chapter 19.09, entitled “Residential Code”, and Title 22, entitled “Zoning”, be amended by modifying Chapter 22.08, entitled “Definitions”, and adding Sections 22.08.798, entitled “Tiny House” and Section 22.08.799, entitled “Tiny House on Chassis”, and Chapter 22.16, entitled “District Regulations” and Chapter 22.24, entitled “Special Use Permits”, to read as follows (deleted language stricken, new language underlined):

**Title 6
BUSINESS LICENSES AND REGULATIONS**

Chapters:

*** * ***

6.12 Mobile and Manufactured Homes and Manufactured Home Parks

*** * ***

**Chapter 6.12
MOBILE AND MANUFACTURED HOMES AND MANUFACTURED HOME PARKS**

Sections:

- 6.12.010 Definitions.
- 6.12.020 Enforcement.
- 6.12.030 Permits required.
- 6.12.040 Mobile and manufactured home park permit—Application material required.
- 6.12.050 Existing mobile and manufactured home parks permitted before August 1, 2010—Design requirements.
- 6.12.055 New mobile and manufactured home parks permitted on or after August 1, 2010—Design requirements.
- 6.12.058 New and existing mobile and manufactured home parks—Design requirements.
- 6.12.060 Recreational vehicle parks— Design requirements.
- 6.12.070 Granting or rejection of permits.
- 6.12.080 Appeals.
- 6.12.100 Permit—Revocation.
- 6.12.110 Sanitary and health regulations.
- 6.12.130 Mobile and manufactured home park—Register of occupants.
- 6.12.135 Mobile and manufactured home park—Registered owner’s agent required.
- 6.12.140 Mobile home/manufactured home—Uses—Permit.
- 6.12.160 Mobile and manufactured home park—Numbering spaces required.
- 6.12.180 Reserved.
- 6.12.190 Use as residence or sleeping quarters.
- 6.12.200 Construction requirements.
- 6.12.205 Construction requirements for tiny houses and tiny houses on chassis.
- 6.12.210 Existing structures.

* * *

6.12.010 Definitions.

For the purpose of this chapter, the following terms have the meanings respectively ascribed to them in this section, unless from the particular context it clearly appears that some other meaning is intended:

A. “Access road” means a private road which does not extend beyond the boundaries of a mobile and manufactured home park and which provides the principal means of access to abutting individual spaces and auxiliary buildings;

B. “Certificate of approval” means a document issued by the building official certifying a tiny house on chassis’ compliance with applicable building codes and other laws and indicating it to be in a condition suitable for occupancy;

C. “Certificate of occupancy” means a document issued by the building official certifying a building’s compliance with applicable building codes and other laws and indicating it to be in a condition suitable for occupancy;

D. “Chassis” means the base frame structural component(s) on which is mounted the body of a tiny house. The base frame shall be structurally integrated with the tiny house.

100
101 EB. “Manufactured home” means a structure constructed on or after June 15, 1976, according
102 to United States Department of Housing and Urban Development (“HUD”) standards,
103 transportable in one or more sections which, in the traveling mode, is eight feet (two thousand
104 four hundred thirty-eight millimeters) or more in width or forty feet (twelve thousand one hundred
105 ninety-two millimeters) or more in length or, when erected on site, is three hundred twenty
106 square feet (thirty square meters) or more, and which is built on a permanent chassis and
107 designed to be used as a dwelling with or without a permanent foundation when connected to
108 the required utilities, and includes plumbing, heating and electrical systems. “Manufactured
109 home” shall also include any structure which meets all the requirements of this definition listed
110 above, except the size requirements, and has a manufacturer certificate required by HUD that
111 complies with HUD standards for a manufactured home;
112

113 EG. “Mobile home” means a structure that was constructed before June 15, 1976,
114 transportable in one or more sections, which, in the traveling mode, is eight feet (two thousand
115 four hundred thirty-eight millimeters) or more in width or forty feet (twelve thousand one hundred
116 ninety-two millimeters) or more in length or, when erected on site, is three hundred twenty
117 square feet (thirty square meters) or more, and which is built on a permanent chassis and
118 designed to be used as a dwelling with or without a permanent foundation when connected to
119 the required utilities and includes plumbing, heating, and electrical systems;
120

121 GD. “Mobile and manufactured home park” means any park, court, parcel or tract of land
122 designed, maintained, intended or used for the purpose of supplying a location or
123 accommodations for ~~more than three~~ two or more units that includes mobile homes and/or
124 manufactured homes, tiny houses, and/or tiny houses on chassis and includes all buildings
125 used or intended for use as a part of the equipment thereof, whether or not a charge is made for
126 the use of the park and its facilities. A mobile and manufactured home park does not include lots
127 on which unoccupied mobile or manufactured homes are parked for the purpose of inspection
128 and sale;
129

130 HE. “Person” includes an individual, partnership, firm, company, corporation; whether tenant,
131 owner, lessee, or licensee, or their heir or assign;
132

133 IF. “Play yard” means an area specifically set aside for the use of children, which area shall
134 not be included within any mobile or manufactured home spaces;
135

136 JG. “Public street” means any street, road or highway of which the general public has the right
137 of common enjoyment or which is publicly maintained;
138

139 KH. “Recreational vehicle” means a vehicle built on a single chassis that is four hundred
140 square feet or less when measured at the largest horizontal projection, is designed to be self-
141 propelled or permanently towable by a light-duty truck, and is designed not for use as a
142 permanent dwelling but as temporary living quarters for recreational, camping, travel, or
143 seasonal use;
144

145 LI. “Recreational vehicle park” means any park, court, parcel or tract of land designed,
146 maintained, intended or used for the purpose of supplying a location or accommodation for
147 recreational vehicles--;

MJ. "Space" means a plot of ground in a mobile and manufactured home park permitted on or after August 1, 2010, of not less than three thousand square feet of space designed for the location of at least two automobiles and only one unit. "Space" means a plot of ground of a mobile and manufactured home park permitted prior to August 1, 2010, of not less than one thousand eight hundred square feet designed for the location of at least one automobile and only one unit;

N. "Tiny house" means a dwelling that is 400 square feet or less in floor area excluding lofts and placed on a permanent foundation;

O. "Tiny house on chassis" means a dwelling that is 400 square feet or less in floor area excluding lofts and is on a chassis with or without wheels; Exception: Recreational vehicles, self-propelled vehicles, and fifth-wheel trailers, are not considered tiny houses on chassis.

PK. "Unit" means a mobile home or a manufactured home, or a tiny house or tiny house on chassis.

6.12.020 Enforcement.

The provisions of this chapter shall be enforced by the municipal building official, who shall be appointed by the municipal administrator for such term and subject to such conditions and such rates of compensation as the municipal administrator directs. No permit or certificate of occupancy or certificate of approval shall be issued for a mobile and manufactured home park or mobile or manufactured home or tiny house or tiny house on chassis unless the plans and facilities comply with the provisions of this chapter.

6.12.030 Permits required.

No land shall be used for a mobile or manufactured home park or recreational vehicle park unless a permit is issued by the municipal building official under the terms of this chapter.

It is unlawful for any person, firm or corporation to operate, manage or maintain any mobile or manufactured home park or recreational vehicle park within the city and borough without a permit authorizing the operation of such park.

It is unlawful for any person, firm, or corporation to place or add onto a mobile or manufactured home, tiny house, or tiny house on a chassis without a permit authorizing the placement of, or addition to, such unit.

6.12.040 Mobile and manufactured home part permit —Application material required.

A complete plot plan and the following supplementary material shall be submitted to the municipal building official and the planning department, as well as the planning commission, when appropriate, for review and approval prior to the issuance of a mobile and manufactured home park permit:

- A. Applicant's name, address and legal interest in the property;
- B. Area and dimensions of the tract of land and land uses within one hundred feet;
- C. Legal description of perimeter;

D. Engineering plans and specifications for the proposed mobile and manufactured home park. These shall include:

1. Number, location and size of all spaces;
2. Location, width and surfacing of roadways, off-street parking and walkways;
3. Location and size of any existing or proposed buildings and structures within the mobile and manufactured home park;
4. Methods and plans of domestic and fire protection water supply, surface drainage and erosion control, sewage disposal, electrical supply and garbage disposal;
5. Location of the permanent monuments required in Section 6.12.050; and
6. Location and mapping of any portion of the property located within a federal flood hazard area according to the Flood Insurance Rate Map.

6.12.050 Existing mobile and manufactured home parks permitted before August 1, 2010—Design requirements.

A. There shall be at least one permanent monument located within the boundaries of each mobile and manufactured home park, preferably at one of the property corners. Such monument shall be of the same nature as the monuments required by other sections of this code related to platting, as defined in the presently existing sections or as defined in any future sections. Such monument shall be shown on the plot plan required by Section 6.12.040.

B. ~~Mobile and manufactured homes~~ Units shall be parked or constructed in spaces so that a fifteen-foot front yard and ten-foot rear yard setback are observed. The side yard setback shall be no less than five feet. No mobile or manufactured home, tiny house, or tiny house on chassis shall be placed nearer than twenty-five feet to any highway or arterial street.

C. Play yards shall be at least one hundred square feet per unit. The play yards shall be located so that no mobile or manufactured home is more than five hundred feet from a play yard.

6.12.055 New mobile and manufactured home parks permitted on or after August 1, 2010—Design requirements.

A. There shall be one permanent monument located at each of the property corners. Such monument shall be of the same nature as the monuments required by other sections of this code related to platting, as defined in the presently existing sections or as defined in any future sections. Such monument shall be shown on the plot plan required by Section 6.12.040.

B. Units shall be parked in spaces so that an eighteen-foot front yard and ten-foot rear yard setback are observed. The side yard setback shall be no less than five feet. No unit shall be placed nearer than twenty feet to any highway or arterial street, unless the adjacent highway or arterial street is greater than eighty feet in width, in which case no unit shall be placed nearer

than ten feet. The park owner or agent shall be responsible for the proper location of each unit and shall be signatory to the required permit application.

C. A mobile and manufactured home park shall have at least one play yard that shall contain a minimum of two thousand square feet, or two hundred square feet per unit, whichever is greater. The play yards shall be located so that no unit is more than five hundred feet from a play yard.

6.12.058 New and existing mobile and manufactured home parks—Design requirements.

A. Access roads for each unit shall have a minimum width of twenty feet to which every unit shall have direct access. Such roads shall be well maintained all-weather roads. Direct access from any public street or right-of-way to any unit within a mobile and manufactured home park shall not be permitted. Not more than two driveway entrances spaced not less than one hundred feet apart shall be permitted.

B. No major changes or alterations shall be made to any part of the mobile and manufactured home park as outlined in an approved plan without approval by the municipal building official.

C. Mobile and manufactured homes spaces, tiny house spaces, or tiny house on chassis spaces to be located within any portion of a flood hazard area shall comply with National Flood Insurance Program requirements. The fact that the space is located within a flood hazard area shall be disclosed to the occupant along with any information such as alternate access.

6.12.060 Recreational vehicle parks— Design requirements.

A permit shall be issued for a recreational vehicle park upon a showing by the applicant that the design requirements established by the city administrator have been fully complied with.

6.12.070 Granting or rejection of permits.

Whenever the application shows that the proposed mobile and manufactured home park or installation is in conformity with the provisions of this chapter and any applicable zoning and health regulations, the municipal building official shall issue a permit; otherwise the application shall be rejected, and the municipal building official shall state in writing the reason for such rejection.

6.12.080 Appeals.

Any person feeling aggrieved by a rejection of an application for a permit or certificate of occupancy may file an appeal in the manner provided in Section 6.12.100.

6.12.100 Permit—Revocation.

Any violation of the conditions of the permit or certificate of occupancy will be grounds for revocation of the permit and/or certificate of occupancy, by administrative action of the city and borough building official. Any such revocation may be appealed to the planning commission of the city and borough, who shall hold a hearing on such appeal and make recommendations as to the disposition thereof to the city and borough assembly. The city and borough assembly shall make final disposition of any such appeal.

6.12.110 Sanitary and health regulations.

All sanitary, health, and fire regulations, state and local, shall be met, and violations thereof shall be grounds for revocation of the permit and certificate of occupancy, or certificate of approval subject to the same appeal procedure as provided in Section 6.12.080.

6.12.130 Mobile and manufactured home park—Register of occupants.

Mobile and manufactured home park operators shall keep a register of the occupants of mobile and manufactured home park spaces. This register shall be given to the planning department.

6.12.135 Mobile and manufactured home park—Registered owner's agent required.

Each mobile and manufactured home park owner shall designate a Sitka resident as the owner's agent. The agent shall be empowered to act on the owner's behalf on matters pertaining to park management and maintenance. Contact information for the designated agent shall be given to the planning department.

6.12.140 Mobile and manufactured home—Uses—Permit.

Except where a unit is located on a residential lot and lawfully used as a single-family dwelling, no unit shall be used as a place of business or as a place of habitation or stand in the open on any land more than thirty days without first obtaining the permit required in Section 6.12.070.

6.12.160 Mobile and manufactured home park—Numbering spaces required.

Owners of mobile and manufactured home parks shall clearly number each space serially. The space numbers shall be a minimum of six inches high and clearly visible from the access road.

6.12.180 Reserved.

Reserved.

6.12.190 Use as residence or sleeping quarters.

A. No mobile home, manufactured home, recreational vehicle, ~~or~~ other motor vehicle, tiny house, or tiny house on chassis shall be used as a residence or sleeping quarters unless:

1. Such unit or vehicle has a designated spot within a mobile and manufactured home park, recreational vehicle park or other area specifically designated by the chief of police; or

2. Such unit or vehicle has a permanent spot on other private property, its placement on such property as a residence meets all zoning requirements, and such unit or vehicle meets the standard size requirements and sanitation requirements of a residence under the Sitka General Code.

3. In the case of a tiny house, the unit has been constructed in accordance with the International Residential Code as locally adopted and amended, has been inspected as required by the International Residential Code, and has been issued a certificate of occupancy by the building official.

4. In the case of a tiny house on chassis, the unit has been constructed from the floor joists up in accordance with the International Residential Code as locally adopted and amended, has been inspected as required by the International Residential Code, and has been issued a certificate of approval by the building

official. A certificate of approval is valid only for the specific location at which the unit has been installed and inspected.

B. Except as provided in Section 6.12.210, a recreational vehicle may be used as a temporary but not as a permanent residence, and shall not be occupied for a period of more than one hundred eighty days within a twelve-month period on a single property.

6.12.200 Construction requirements.

The following provisions shall apply as of August 1, 2010, to all mobile or manufactured homes, regardless of whether they are located in a mobile and manufactured home park, unless otherwise provided:

~~A. Prior to August 1, 2010, a~~ Additions to units in mobile and manufactured home parks shall be limited to sixteen feet in height. ~~On or after August 1, 2010, additions to any units, regardless if in a mobile and manufactured home park, shall be limited to fourteen feet and one story in height.~~ Height shall be measured as defined in Title 22.

B. Foundation systems shall be approved by the municipal building official. When available, the installation instructions provided by the manufacturer shall be used to determine permissible points of support for vertical loads and points of attachment for anchorage systems used to resist horizontal and uplift forces.

C. All units shall be anchored to resist horizontal and uplift forces in an approved manner. The anchoring system shall be inspected and approved prior to connection of water and sewer utilities.

D. Skirting shall be required around the complete perimeter of all installations. Skirting shall be of pressure-treated plywood with a minimum of three-eighths-inch thickness, rated siding, metal panels or other approved, weather-resistant material. Skirting shall be provided with an access door and foundation ventilation in accordance with the requirements of the International Residential Code. A minimum six-mil vapor retarder shall be installed on the ground within the skirted area.

E. All additions and interior renovations shall be subject to the provisions of the International Residential Code. Additions to units within a mobile and manufactured home park shall only be permitted with the written approval of the mobile and manufactured home park owner or agent.

F. Accessory buildings in excess of one hundred twenty square feet shall require a building permit and must be located in compliance with the setback requirements of Section 6.12.050(B).

G. The number of required automobile parking spots shall be in compliance with Section 6.12.010(J).

6.12.205 Construction requirements for tiny houses and tiny houses on chassis.

The following provisions shall apply as construction requirements for tiny houses and tiny houses on chassis regardless of whether they are located in a mobile and manufactured home park, unless otherwise provided:

A. Tiny houses and tiny houses on chassis in a mobile and manufactured home park shall be limited to 16 feet in height. Height shall be measured as defined in Title 22.

B. All units shall be anchored to resist horizontal and uplift forces in an approved manner. The anchoring system shall be inspected and approved prior to connection of water and sewer utilities.

C. Skirting shall be required around the complete perimeter of all installations of tiny houses on chassis. Skirting shall be of pressure-treated plywood with a minimum of three-eighths-inch thickness, rated siding, metal panels or other approved, weather-resistant material. Skirting shall be provided with an access door and foundation ventilation in accordance with the requirements of the International Residential Code. A minimum six-mil vapor retarder shall be installed on the ground within the skirted area.

D. All additions and interior renovations shall be subject to the provisions of the International Residential Code. Installation of, or additions to, units within a mobile and manufactured home park shall only be permitted with the written approval of the mobile and manufactured home park owner or agent.

E. Tiny houses and tiny houses on chassis shall be constructed in Sitka under a building permit and be subject to inspection during construction.

Exception: a tiny house on chassis constructed outside of Sitka may be used as a residence or sleeping quarters if the applicant can demonstrate to the satisfaction of the building official that it has been constructed in accordance with the International Residential Code.

F. A tiny house or a tiny house on chassis is limited to a maximum size of 400 square feet floor area including all additions and appurtenances, and not including lofts.

G. Any loft in a tiny house or tiny house on chassis will be considered to be a sleeping loft, and shall have emergency escape openings as required by 2018 International Residential Code Appendix Q .

H. The chassis on which a tiny house is placed or constructed, including all components attached to the chassis, shall be of adequate structural strength to resist all dead and live loads imposed upon it and/or required by applicable safety standards. The Building Official may require third party certification to ascertain compliance with this section.

6.12.210 Existing structures.

A. Any mobile and manufactured homes located in Sitka prior to August 1, 2010, shall be allowed to remain in Sitka, and any legal use or occupancy of that structure as of August 1, 2010, shall be allowed to continue, unless such continued use or occupancy is dangerous to life, health and safety.

B. No mobile home located in Sitka prior to August 1, 2010, shall be allowed to be relocated to a mobile and manufactured home park permitted on or after August 1, 2010.

C. The following structures shall not be allowed in Sitka on or after August 1, 2010:

1. Any mobile home manufactured before June 15, 1976, and not located in Sitka prior to August 1, 2010; and

2. Any structure similar to a mobile home that is not a HUD-compliant structure, and not located in Sitka prior to August 1, 2010, except as otherwise allowed in this chapter.

* * *

Title 19

BUILDING AND CONSTRUCTION

Chapters:

* * *

19.09 Residential Code

* * *

Chapter 19.09 RESIDENTIAL CODE

Sections:

19.09.010 International Residential Code (IRC) adoption by reference.

* * *

19.09.010 International Residential Code (IRC) adoption by reference.

The 2012 International Residential Code for One- and Two-Family Dwellings by the International Code Council, Chapters 1 through 10, 12 through 19, and 34 through 43, and the 2018 International Residential Code Appendix Q- tiny houses is adopted and included by reference.

* * *

Title 22 ZONING

Chapters:

* * *

22.08 Definitions

* * *

22.16 District Regulations

* * *

22.24 Special Use Permits

* * *

Chapter 22.08 DEFINITIONS

Sections:

* * *

22.08.600 Mobile/manufactured home parks.

22.08.610 Mobile/manufactured home subdivision.

* * *

22.08.798 Tiny house.

22.08.799 Tiny house on chassis.

* * *

22.08.600 Mobile/manufactured home parks.

"Mobile/manufactured home parks" means any area, lot or portion of a lot where space for two or more mobile homes or tiny houses, and/or tiny houses on chassis is leased, rented or held out for rent for occupancy and having separate attachments for normal public utilities.

22.08.610 Mobile/manufactured home subdivision.

"Mobile/manufactured home subdivision" means two or more mobile or manufactured homes or tiny houses or tiny houses on chassis on separate lots developed under the subdivision regulations and the conditional use procedures of this title, where mobile homes, manufactured homes, or tiny houses, or tiny houses on chassis are permanently installed for residential use on individually owned parcels of property.

* * *

22.08.798 Tiny house.

"Tiny house" means a dwelling that is 400 square feet of less in floor area excluding lofts and placed on a permanent foundation.

22.08.799 Tiny house on chassis.

"Tiny house on chassis" means a dwelling that is 400 square feet or less in floor area excluding lofts and is on a chassis with or without wheels. Exception: Recreational vehicles, self-propelled vehicles, and fifth-wheel trailers, are not considered tiny houses on chassis.

* * *

**Chapter 22.16
DISTRICT REGULATIONS**

Sections:

* * *

22.16.015 Permitted, conditional and prohibited uses.

* * *

22.16.045 R-1 MH single-family, duplex and manufactured home zoning district.

* * *

22.16.180 C cemetery district.

* * *

22.16.015 Permitted, conditional and prohibited uses.

* * *

Table 22.16.015-1

Residential Land Uses

Zones	P(1)	SF	SFLD	R-1	R-1 MH	R-1 LDMH	R-2	R-2 MHP	CBD (11, 12)	C-1 (11)	C-2 (11)	WD (2, 11)	I	GI (3, 10)	LI (3)	R	OS	GP (13)	C (16)
RESIDENTIAL																			
• Single-family detached		P	P	P(4)	P(4)	P(4)	P(4)	P(4)		P	P	P		P	P	P	P		
• Townhouse				C(5)	C(5)	C(5)	C(5)	C(5)	C	P	P	P		C	C				
• Duplex				P	P		P	P		P	P	P		P	P				
• Residential zero lot line				P	P	P	P	P		P	P	P							
• Multiple-family				C(5)	C(5)	C(5)	P(5)	P(5)	P(5,8)	P(5)	P(5)	P(5)		C	C				
• Single manufactured home on an individual lot					P	P		P			P	P		C	C				
<u>Tiny house on chassis on an individual lot</u>					<u>C</u>	<u>C</u>		<u>C</u>			<u>C</u>	<u>C</u>		<u>C</u>	<u>C</u>				
• Mobile home park								P			P	P							
• Accessory dwelling unit				P(14) C	C	C	P(14) C	C											
GROUP RESIDENCES														C	C				
• Assisted living	C						C	C						C	C				
• Bunkhouse							C	C				C		C					

Table 22.16.015-1
Residential Land Uses

Zones	P(1)	SF	SFLD	R-1	R-1 MH	R-1 LDMH	R-2	R-2 MHP	CBD (11, 12)	C-1 (11)	C-2 (11)	WD (2, 11)	I	GI (3, 10)	LI (3)	R	OS	GP (13)	C (16)
for transient workers																			
• Dormitory	C(4)						C	C											
• Quasi-institutional	C			C	C	C	C	C						C	C				
TEMPORARY LODGING																			
• Hostel							C	C		P	P	P							
• Hotel/motel									P	P	P	P		PU/ CS	C	C			
• Bed and breakfast				C(7)	C(7)	C(7)	C(8)	C(8)	P	P	P	P		P	C				
• Short-term rental	C(15)			C	C	C	C	C	P	P(9)	P(9)	P(9)		P	C	P(9)			
• Rooming house							C	C	C	P	P	P		C	C				
• Lodge										P	P	P		PU/ CS	C				
• Limited storage				C(6)	C(6)	C(6)	C(6)	C(6)						P	C				

P: Public Lands District

SF: Single-Family District

SFLD: Single-Family Low Density District

R-1: Single-Family/Duplex District

C-1/C-2: General Commercial and General Commercial/ Mobile Home Districts

WD: Waterfront District

I: Industrial District

R-1 MH: Single-Family/Duplex/Manufactured Home District	GI: General Island District
R-1 LDMH: Single-Family/Duplex and Single-Family/Manufactured Home Low Density Districts	LI: Large Island District
	R: Recreational District
R-2: Multifamily District	OS: Open Space District
R-2 MHP: Multifamily/Mobile Home District	GP: Gary Paxton Special District
CBD: Central Business District	C: Cemetery District

525

526 P—Permitted

527

528 C—Conditional Use Permit Required

529

530 PU/CS—Permitted on Unsubdivided Islands and Conditional Use on Subdivided Islands

531 C. Residential Uses Table 22.16.015-1 Footnotes.

532

533 1. Public facilities not otherwise identified may be permitted in the public zone subject to
534 planning commission recommendation and assembly approval subject to findings of fact
535 that show the use is in the public interest; all reasonable safeguards are to be employed to
536 protect the surrounding area; and that there are no reasonable alternative locations for the
537 use.

538

539 2. All uses in the waterfront district are intended to be water-related or water-dependent
540 except that upland uses may be non-water-related.

541

542 3. Uses listed as conditional uses in the GI and LI zones may be considered, but not
543 necessarily approved, on a case-by-case basis.

544

545 4. Including zero lot developments.

546

547 5. Townhouse, cluster housing developments and planned unit developments are
548 conditional uses subject to this title and Title 21 of this code, Subdivisions.

549

550 6. On-site storage of commercial fishing vessels, fishing equipment and other small
551 business equipment is a permitted conditional use so long as such storage does not
552 occupy more than four hundred square feet.

553

554 7. Bed and breakfast establishments are limited to three guest rooms in the R-1, R-1
555 MH, and R-1 LD districts as conditional uses only when no other rental such as
556 apartments is in operation on the same lot.

557

558 8. Bed and breakfast establishments are limited to five guest rooms in the R-2, R-2 MHP
559 districts as conditional uses only when no other rental such as apartments is in operation
560 on the same lot.

561

562 9. Short-term rentals including legal nonconforming uses shall provide two off-street
563 parking spaces per unit, comply with the municipal fire code, and comply with the
564 requirements of the building department based on a life safety inspection.

10. Hotels, motels, lodges, boarding houses and bed and breakfasts capable of accommodating a maximum of six guests plus one guest for each one-half acre or fraction thereof above one acre on unsubdivided islands are permitted principal uses. Hotels, motels, lodges, boarding houses and bed and breakfasts, on unsubdivided islands that exceed this maximum, are conditional uses.

Bed and breakfast establishments, boarding houses, hotels, motels and lodges are conditional uses on subdivided islands.

11. Many of the permitted and conditional uses in the CBD, C-1, C-2, and WD zones generate traffic, noise, odor, and general impacts to a higher level and greater degree than permitted and conditional uses in residential districts. Owners of residential uses in the CBD, C-1, C-2 and WD districts must be aware of and accepting of all the permitted uses in these districts.

12. Single or multiple apartments shall only be permitted on the first floor of structures in the CBD district if approved through the conditional use process. Single and multiple apartments are permitted uses on upper floors of structures in the CBD district.

13. Any uses, except retail and business uses, and natural resource extraction and mining support facilities uses may be approved in accordance with Section 2.38.080.

14. Accessory dwelling units shall be constructed in conformance with the standards outlined in Chapter 22.20, Supplemental District Regulations and Development Standards.

15. Conditional use limited to allow boats to be used as short-term rentals in harbors and slips within the public lands zoning district.

16. All uses in the cemetery district are intended to be cemetery-related and conducted with reverence and respect for those interred.

* * *

22.16.045 R-1 MH single-family, duplex and manufactured home zoning district.

A. Intent. See the intent statement for the R-1 district. The R-1 MH district is intended primarily for single-family, single-family manufactured homes or duplex dwellings, tiny houses or tiny houses on chassis at moderate densities, but structures and uses required to serve recreational and other public needs of residential areas are allowed as conditional uses subject to restrictions intended to preserve the residential character of the R-1 MH district.

* * *

22.16.080 C-1 general commercial district or C-2 general commercial mobile home district.

A. Intent. The general commercial district is intended to be served by major essential utilities and to include those areas which are heavily dependent upon vehicular access. The district is intended for those areas surrounding major intersections where personal services, convenience goods and auto-related service facilities are desirable and appropriate land uses. The extension of the general commercial district along the roads in a strip fashion is to be discouraged.

B. All provisions of the C-1 district apply in the C-2 district, except that permitted uses also include manufactured homes and tiny houses and tiny houses on chassis on single lots and manufactured home parks.

* * *

**Chapter 22.24
SPECIAL USE PERMITS**

Sections:

* * *

22.24.010 Conditional uses.

* * *

22.24.010 Conditional uses.

* * *

D. Conditional Use Permit Provisions for Mobile Homes on an Interim Basis in the R-1, R-2 and Related Zones.

1. The city and borough of Sitka, through the conditional use permit process, may issue a permit for a single-family mobile home or travel trailer or tiny house on chassis on a residential lot in an area not otherwise allowing mobile homes on an interim basis for the purposes of facilitating home construction.

2. The maximum term of the permit is twelve months with a possible six-month extension.

3. Full utilities must be installed for the mobile home or travel trailer or tiny house on chassis.

4. Conditions attached to the approval shall include but are not limited to (a) a pledge of the travel trailer, mobile home, tiny house on chassis, or cash of equivalent value as collateral, and (b) in the event a travel trailer or mobile home or tiny house on chassis is pledged as collateral, funds sufficient to cover the cost of removal and disposal of the unit, and (c) the trailer is for the sole occupancy of the lot owner and neither unit shall be occupied by any other party. Other conditions may include requirements of fencing or landscaping.

* * *

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

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska, this 10th day of March, 2020.

Gary L. Paxton, Mayor

ATTEST:

Sara Peterson, MMC
Municipal Clerk

1st reading 1/28/2020 postponed

1st reading substitute ordinance introduced and amended 2/11/2020

1st reading substitute ordinance as amended 2/25/2020

2nd and final reading 3/10/2020

Sponsor: Interim Administrator



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

MEMORANDUM

To: Mayor Paxton and Members of the Assembly
Hugh Bevan, Interim Municipal Administrator

Through: Amy Ainslie, Director, Department of Planning and Community Development *AA*

From: Scott Brylinsky, Special Projects Manager *SB*

Subject: **Code amendments to create a legal status for tiny houses and tiny houses on chassis, provide safety standards, and options for placement**

Date: February 4, 2020

Background

At the last Assembly meeting the Assembly voted to postpone action on the attached proposed ordinance. Direction was given to incorporate comments generated by discussion at that meeting. Changes have been made as follows:

1. Line 97 - Added definition of "chassis."
2. Lines 160 and 518 – Added exception clarifying that "tiny house on chassis" does not include recreational vehicles, self-propelled vehicles, and fifth-wheel trailers.
3. Line 337 – added clarification that International Residential Code requirements for a "tiny house on chassis" apply from the floor joists up.
4. Line 432 – added provision addressing structural requirements for chassis.

Recommendation

Motion to approve the ordinance on first reading.

Attachments

FAQ's

Excerpt from draft minutes of January 15, 2020 Planning Commission meeting

community interest, stating that several factors were worth consideration, to include whether the proposed changes allow for harmonious coexistence in the neighborhood, the perception of the cruise ship dock and area being a sort of gateway to the community, and the scarce supply of industrial land.

Ainslie stated that from a code administration perspective, the zoning amendment was recommended, however from a policy/community standpoint, the staff recommendation was neutral, based on a desire to hear from the community to determine the most mutually beneficial agreement.

The co-applicant, Chris McGraw, came forward and stated his intentions for the development. He stated that he did not plan to expand retail operations, but was focused on the restaurant and visitor attractions. He stated that due to the costs of development, the highest and best use of the land is by far the cruise ship dock, and, due to these costs, the property will not be reverting to industrial use.

Members of the public gave their opinions, beginning with Ben Hilberk, who worked at the restaurant on site. He stated that they currently operated out of a tent, but had steadily increased business since starting in 2013. He stated he was hopeful for a more permanent operation/facility. Hugh Bevan stated that he saw benefits to the entire community with these changes, and that this was an opportunity to support local business. Richard Wein stated that he had concerns about this development drawing business away from downtown, and could result in additional businesses closing as visitors would remain at the dock site, or visit the Fortress of the Bear sites, instead of going downtown. Wein referenced the Icy Strait tour operation outside of Hoonah as an example. Chuck Trierschield stated that as a downtown business owner, he supported this development.

M-Weaver/S-Windsor moved to approve a zoning map amendment at 4513, 4521, and 4533 Halibut Point Road to be rezoned from the Industrial zoning district to the C-2 general commercial and mobile home district. The properties were also known as Lot A, HPM Subdivision, Lot 55, U.S. Survey 3475, and a portion of Lot Fifty-one (51), U.S. Survey 3475. The request was filed by Chris McGraw and Charles McGraw. The owners of record are Halibut Point Marine Services, LLC and Charles McGraw. Motion passed 5-0 by voice vote.

M-Weaver/S-Windsor moved to adopt the findings as listed in the staff report. Motion passed 5-0 by voice vote.

H [ZA 19-06](#)

Public hearing and consideration of a zoning text change to amend Titles 6, 19, and 22 of the Sitka General Code to define Tiny Houses and Tiny Houses on Chassis and allow them in Mobile/Manufactured Home Parks. The request is filed by the Planning and Community Development Department.

Attachments: [memo- update to commission 8Jan20](#)
[StaffReport ZA 19-06- 11Dec19](#)
[Action Plan -Tiny Homes, sm dwellings - Draft](#)
[IRC Appendix Q-Tiny Houses](#)
[amending Title 6 ver2 11Dec19](#)
[amending title 19 adopting appendix Q 11Dec19](#)
[amending title 22 - ver2 11Dec19](#)
[Application](#)

Ainslie stated that this initiative for tiny houses was a special project for Scott Brylinsky, who then gave a presentation. Brylinsky explained that there exists a demand for tiny houses as an affordable housing option in Sitka, and that the high cost of housing has been consistently cited as a main challenge for doing business. Brylinsky noted that there is a population in Sitka who would benefit from housing of this type, and is in line with the Sitka 2030 Comprehensive Plan. Brylinsky explained that the tiny houses were required to meet life, health and safety standards, and would require approval from the building department, and that homes mounted on chassis would be subject to the same safety and stability standards as a modular or manufactured home when on site. He also explained that there were four aspects to this decision:

- 1) Adopt Appendix Q, which made allowances for sleeping lofts, ladder access to lofts, and egress/rescue requirements.
- 2) Create a legal status for tiny houses on chassis, and allow them in mobile/manufactured home parks
- 3) Allow tiny houses on permanent foundations in mobile/manufactured home parks
- 4) Allow single tiny homes on chassis to be placed in zones that allow a single manufactured home on lot.

Brylinsky noted that the recommendations are sourced from the IRC (International Residential Code), and are largely supported by the community, based on input received by the planning office. Following Brylinsky's presentation, the floor was opened to public comments.

Chandler O'Connell stated she supported the amendments, and noted that there was great community interest, tiny homes were a benefit for the housing market, and a good middle ground to home ownership. Pete Jones stated that, as a mobile home park owner, he supported this resolution. Matthew Jackson supported the amendment, and stated that it legitimized some activity that was already ongoing. Jeremy Twaddle stated concerns regarding the building standards, the size and quality of the homes, and court owner's control over the process. Mim McConnell thanked the commission for their work, stated she liked all four points offered by the planning department, and noted that tiny homes would be safer than boats, which serve as primary residences for many Sitkans. Rich Riggs stated that as a mobile home park owner, he supported this proposal, and would like conversation about the size limit of the tiny homes. Riggs stated that as an employer, he observes housing as a barrier to growth. Kevin Mosher stated that he's received support from the community, and stated that while tiny houses are not for everyone, they are a tool in the shed to address affordable housing, and a good start towards addressing this problem in Sitka. Richard Wein stated that he had been following this process for a while, and that it could have been done sooner, given the simplicity of it. Connor Nelson spoke, stating that the idea of having homes on wheels on residential zoned lots did not make sense, the roofing and design standards were too exclusive, the loft/ladder access design was discriminatory, and

that he did not want to see substandard housing. Nelson also stated that he did not believe the affordability issue came from housing, but from the price of utilities. Clyde Bright stated in his testimony that as a mobile home park owner, he had attended comprehensive plan meetings and assisted with wording. Bright thought that opening additional land was a better solution, particularly No Name Mountain, but that he also supported these code amendments. Adam Chinalski stated that he supported most of the amendments, but had concerns about the quality of the homes on chassis, and their effect on neighborhoods. Chinalski expressed concerns that people would bring in low quality homes on trailers, and these could be a hazard. Robert Woolsey stated that he supported this proposal, and had increased confidence due in part to the attention to detail. Woolsey stated that Sitka had a housing dilemma, and cited the example of young adults being unable to move back home due to the market, and that Sitka needs many options for housing. Andrew Jones spoke in support for the amendments, and stated his appreciation for work done to update the code. Jones stated that there is a history of local success with tiny homes. Maureena O'Hanlon spoke out in support of the amendments, and thanked the committee for its work.

Following public testimony, staff read comments submitted to the planning department by email.

Karen Hegyi wrote that she supported the amendments, but did have concerns about tiny homes on individual lots, and the accumulation of property that may accompany them. Kathy Kyle wrote that Sitka is in desperate need of affordable housing, and that tiny houses may be an upgrade to trailers currently in place. Cheryl Call wrote in support stating that tiny houses are attractive, innovative and affordable, and that she would love to see clusters of them on city lots. Justin Olbrych wrote that tiny houses make sense, and as a home builder he notes the lower cost to construct and smaller footprint. Olbrych wrote that the City promotes accessory dwelling units, and tiny houses are an extension of this concept. Olbrych suggested making lots subdividable for the addition of tiny homes to residential lots as a benefit to land owners and tiny house owners. Tory Curran wrote that she supports these amendments. Marian Allen wrote in support of these changes, noting the affordable housing issue in Sitka.

Commissioners discussed the amendments. Weaver stated his support for placement of tiny houses in mobile home parks. Spivey noted the risk to the builder and park owner caused by permanent foundations in mobile home parks. Mudry voiced concerns over the height of the structures with regard to transportation through town. Windsor stated his support for the amendments. Hughey stated his concerns on permanent foundations placed on rented land, and stated that without price controls, owners may be vulnerable. The commissioners expressed reservations regarding the placement of tiny houses on chassis in residential zones designated for single family manufactured homes, as well as concerns over the impact on neighboring property values resulting from this placement. Ainslie suggested this type of placement be conditional, in order to provide better oversight, and allow approval on a case by case basis.

M-Windsor/M-Weaver moved to recommend approval of the proposed ordinance changes with the exception that tiny houses on chassis to be placed in zones that allow a single manufactured home on a lot be a conditional rather than allowed use, recognizing that final housekeeping edits and formatting changes may be made during formal ordinance preparation. Motion passed 3-2 by voice vote.

VIII. ADJOURNMENT

Seeing no objection, Chair Spivey adjourned the meeting at 9:45 PM.

FAQ's for Tiny Houses

Can RV's or travel trailers be used as a tiny home?

No, tiny houses or tiny houses on chassis must be built to the International Residential Code (IRC). RV's and travel trailers are built under different standards. This ordinance specifically excludes RV's, self-propelled vehicles, and fifth-wheel trailers from being used as tiny homes.

If passed, would this ordinance allow people to park a tiny house on chassis in their driveway or as an ADU?

No, this ordinance would only allow tiny houses in mobile/manufactured home parks and on lots as a primary structure in some zoning districts through the conditional use permit process.

Tiny houses on chassis are not a defined structure type in the IRC. How will tiny houses on chassis be inspected, and what safety precautions will be in place to ensure they are safe for residential use?

The ordinance as proposed requires that tiny houses on chassis be built in accordance with the IRC from the floor joists up. The chassis will need to provide adequate structural strength to support the structure as determined by a manufacturer or third-party certification. Tiny houses on chassis will be constructed in Sitka under a building permit subject to inspection. Tiny houses built outside of Sitka can be placed here for residential use if an applicant can demonstrate to the satisfaction of the Building Official that the structure was built to the IRC standards.

This ordinance would allow tiny houses on permanent foundations to be built in mobile/manufactured home parks. What are the risks for owners of the structure given that they don't own the land?

Structures on foundations can be detached and removed from the foundation – this is not an uncommon occurrence. As the maximum size for tiny house is 400 square feet, removal from a foundation is possible. And the remaining foundation could still be demolished or reused. Further, many mobile/manufactured homes currently in parks are effectively permanently placed/non-transportable.

Outside of mobile/manufactured homes, where could tiny houses be placed/built?

Currently, without any code amendments, tiny houses on permanent foundations can be built on any property in any zone that allows a single-family home. The zoning code does not have any square footage minimums for single-family homes. This ordinance would conditionally allow a single tiny house on chassis to be placed in zones that currently allow a single manufactured home on lot. Those zones include R-1 MH, R-1 LDMH, R-2 MHP, C-2, and WD.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

MEMORANDUM

To: Mayor Paxton and Members of the Assembly
Hugh Bevan, Interim Municipal Administrator

Through: Amy Ainslie, Director, Department of Planning and Community Development *AA*

From: Scott Brylinsky, Special Projects Manager *AB*

Subject: **Code amendments to create a legal status for tiny houses and tiny houses on chassis, provide safety standards, and options for placement**

Date: January 21, 2020

Background

The request is to amend the building and zoning codes, and the code for mobile/manufactured home parks to:

- create a definition for tiny houses on permanent foundations;
- create a definition for tiny houses on chassis;
- establish safety requirements for tiny houses on permanent foundations and for tiny houses on chassis; and
- provide options for their placement in existing mobile/manufactured home parks and on individual lots.

Affordable housing is among the most challenging policy issues the community has faced in the last twenty years. Providing more options for affordable housing is a long-standing policy goal of the Assembly and various interested community groups.

This goal has been formally stated in the 2030 Comprehensive Plan and its supporting document, the Technical Plan (relevant excerpts attached). It was formally put forward as a component of the Assembly's economic development strategy (attached), to "pursue options regarding tiny homes and/or smaller dwellings."

And notably, the 2016 strategic plan of the Sitka Economic Development Association lists housing costs as the single greatest barrier to doing business in Sitka. (attached)

The policy intent is to promote economic development by providing a greater range of affordable housing options.

The topic appeared before the Planning Commission as a discussion/direction item at its November 20, 2019 meeting. There was no specific direction given or formal action taken. The draft ordinance was put before the Planning Commission at its next meeting on December 18, 2019. Action was postponed due to having only three commissioners present. It went before the Planning Commission at their next meeting on January 15, 2020. The Commission voted 3-2 in favor of recommending approval to the Assembly.¹ One of those ‘nay’ votes was from a Commissioner who was in strong support of the overall proposal, but did not support the particular motion to approve because it included an amendment to make it a conditional use, rather than allowed use, to install a tiny-home-on-chassis on a private lot in some zones.

Over a dozen members of the public testified on the measure. All but one were in support of the proposal. We would note that supporters included owners or managers of at least three mobile/manufactured home parks. The Planning Department also received numerous written comments, all in support, except for two which were generally supportive but did express concern about the installation of tiny houses on chassis on private lots. (attached)

Staff analysis

Tiny houses have generated considerable interest in recent years, not just in Sitka but nationally. They are embraced by many who see them as part of the solution to addressing ever higher housing costs. However, national norms have been slow to evolve as to how tiny houses fit into building and zoning codes. But some change is occurring. The 2018 International Residential Code² includes a new Appendix Q, which for the first time provides a definition for tiny houses, and sets certain code requirements specific to tiny houses. The two most significant provisions are 1) defining a tiny home as less than 400 square feet exclusive of sleeping lofts, and 2) allowing for ladders and modified stairs as means of accessing sleeping lofts.

Tiny-houses-on-chassis (with or without wheels) have yet to be addressed in a nationally accepted platform. They are neither manufactured home nor recreational vehicle. The proposed ordinance amendments before the Assembly take the innovative step of creating a legal status for tiny homes on chassis, provided they meet basic fire/life safety, and health/sanitation standards. They must:

- Be constructed under a building permit and be constructed in accordance with the International Residential Code.
- Be inspected by the Building Department during construction.

¹ M-Windsor/S-Weaver moved to recommend approval of the proposed ordinance changes with the exception that tiny houses on chassis to be placed in zones that allow a single manufactured home on a lot be a conditional rather than allowed use, recognizing that final housekeeping edits and formatting changes may be made during formal ordinance preparation. (minutes not yet final)

² The 2012 International Residential Code is the current code in effect. The 2018 IRC Appendix Q would be adopted as an “add-on” to existing code.

- Be anchored to resist wind and seismic loads, much like a manufactured home.
- Be skirted.
- Have frost-free connections to utilities.

In the interest of promoting durable affordable housing, the amendments also specify certain prohibited building materials in the construction of tiny-houses-on-chassis. These requirements are based on local experience that certain materials and methods normally allowed by code, such as oriented strand board and flat roofs, although cheaper in the short run, simply don't perform well over the long term in our region's climate.

Summary

Overall, the proposed amendments do two things:

1. Create a code framework for the construction of tiny houses and tiny houses on chassis.
2. Provide new options for their placement, as follows:
 - a. Tiny houses can be constructed on a permanent foundation in mobile/manufactured home parks.
 - b. Tiny houses on chassis can be placed in mobile/manufactured home parks much like manufactured homes.
 - c. Tiny houses on chassis can be placed on an individual lot in zones which allow a single manufactured home, under the conditional use permit process.

Note that tiny houses on permanent foundations are allowed under current code to be placed in any zone that allows a single family dwelling.

Although outside the scope of this proposed action, future work in this area will focus on exploring additional options for placement of tiny houses and tiny houses on chassis.

Recommendation

Motion to approve the ordinance.

Attachments

- Comprehensive plan excerpt
- Technical plan excerpt
- Assembly action plan
- SEDA Strategic Plan excerpt
- Excerpt from minutes of December 18, 2019 P&Z meeting
- 11Dec19 Staff report to Planning Commission, and 8Jan20 update memo
- 2018 International Residential Code Appendix Q
- Written public comments

HOUSING

CHAPTER OBJECTIVES



Increase Range of
Housing and
Affordability















Promote
Housing Quality





Share Ho
Informa

2030 Comprehensive Plan

HOUSING ACTION		Responsible Agency	Time Frame	Funds Needed	Completed
H 1.1a	Allow, encourage, and promote Accessory Dwelling Units (ADUs) by right in more zones.		ST	L	
H 1.1b	Minimize prevalence of variances by amending development standards, such as setbacks.		ST	L	
H 1.1c	Reduce minimum lot sizes. <i>Cross reference with LU B.2</i>		ST	L	
H 1.1e	Encourage higher density development.		ST	L	
H 1.1f	Reduce aesthetic and design standards in float home regulations.		ST	L	
H 1.1i	Create clear development standards for Planned Unit Developments (PUD) and Cluster Home Subdivisions.		MT	L	
H 1.2e	Create an affordable housing fund to offer development incentives.		ST	L	
H 1.2g	Increase tax on short-term rentals.		ST	L	
H 1.2h	Seek grant funding to support affordable housing development.		ST	L	
H 1.2i	Create housing for the homeless through public-private partnerships.		OG	L	
H 2.1	Collaborate with mobile home owners and park owners to encourage/require park upkeep in a manner that does not cause undue hardship to homeowners.		MT	L	
H 2.4	Encourage housing stock rehabilitation.		OG	L	

Responsible Agency

 City and Borough of Sitka

 Collaboration

T

ST Short-term

MT Mid-term

LT Long-term

OG Ongoing

PRIORITIES

2030 Comprehensive Plan

5.3 Housing Goals, Objectives, and Actions

Goals set overall direction.

Objectives are the policies the City and Borough of Sitka intends to achieve over time.

Actions chart a path to achieve the goals and objectives.

Number	Action	Responsible Agency	Time Frame	Capital Funds Needed
H 1	Objective 1 - Increase Range of Housing and Affordability.			
H 1.1	Revise zoning codes to:			
H 1.1.a	Allow Accessory Dwelling Units (ADUs) by right in more zones. Promote through advertising campaigns. <i>Cross reference LU 8.2</i>	CBS	ST-MT	L
H 1.1.b	Minimize prevalence of variances by amending development standards, such as setbacks. <i>Cross reference LU 8.2</i>	CBS	ST-MT	L
H 1.1.c	Reduce minimum lot sizes. <i>Cross reference LU 8.2</i>	CBS	ST-MT	L
H 1.1.d	Reduce residential parking requirements. <i>Cross reference LU 8.2</i>	CBS	ST-MT	L
H 1.1.e	Encourage higher density development. <i>Cross reference LU 8.2</i>	CBS	ST-MT	L
H 1.1.f	Reduce aesthetic and design standards in float home regulations.	CBS	ST-MT	L
H 1.1.g	Develop task force to consider pilot project.	CBS	ST-MT	L
H 1.1.h	Allow hostels, boardinghouses, bunkhouses, and co-housing developments as a permitted use with standard conditions in residential zones.	CBS	ST-MT	L
H 1.1.i	Create clear development standards for Planned Unit Developments and Cluster Home Subdivisions, to include density bonuses in exchange for such features as open space and inclusionary zoning.	CBS	ST-MT	L
H.1.2	Encourage and incentivize the development of permanently affordable housing.	CBS, AC	OG	U, Range
H.1.2.a	Define terms to qualify for incentives.	CBS	MT	L
H.1.2.b	Support mechanisms to increase permanently affordable homes, such as deed restrictions, targeted financing programs, and community land trusts.	AC	OG	U
H.1.2.c	Seek or initiate sweat equity housing development programs, such as homesteading and Habitat for Humanity.	AC	MT	U
H.1.2.d	Create an affordable housing advisory group through the Planning Commission.	CBS	ST	L
H.1.2.e	Create an affordable housing fund to offer development incentives.	CBS	ST	L
H.1.2.f	Consider requiring a range of housing options to be provided when disposing of municipal land for development.	CBS	OG	L
H.1.2.g	Increase sales tax on short-term rentals.	CBS	ST	L

TECHNICAL PLAN

Number	Action	Responsible Agency	Time Frame	Capital Funds Needed
H 1.2.h	Seek grant funding to support affordable housing development.	CBS	ST	L
H 1.2.i	Create housing for the homeless through public-private partnerships.	AC	OG	L
H 1.3	Participate in public-private collaborations to design and build developments that include a mix of housing types and target markets.	ALL	OG	H
H 1.4	Increase the number of long-term rentals.	CBS, PR, AC	OG	L
H 1.4.a	Establish an annual baseline count of the number of short-term and long-term rentals in Sitka so change can be measured.	CBS, PR, AC	OG	L
H 1.4.b	Identify a desired target number of additional long term rentals.	CBS, PR, AC	OG	L
H 1.4.c	Support housing development to meet the needs of Sitka's growing senior population.	CBS, PR, AC	OG	L
H 1.4.d	Support change to state regulations and funding that is preventing full occupancy at the Pioneer Home, a public assisted-living facility.	CBS, PR, AC	OG	L
H 1.4.e	Identify possible locations for new apartment buildings.	CBS, PR, AC	OG	L
H 1.4.f	Identify barriers to apartment building development and determine if city action can reduce or eliminate any obstacles.	CBS, PR, AC	OG	L
H 2	Objective 2 – Promote Housing Quality.			
H 2.1	Collaborate with mobile home owners and park owners to find options and incentives to encourage park upkeep in a manner that does not cause undue hardship to homeowners.	CBS, PR	MT	L
H 2.2	Encourage use of LEED or similar design standards by the public and private sectors. <i>Cross reference LU 5.2</i>	CBS	OG	L
H 2.3	Create programs and partnerships to rehabilitate or replace substandard or unsafe housing units (e.g., small or tiny homes on wheels for certain residential areas, manufactured home parks, etc.).	CBS	MT	M-H
H 2.4	Encourage housing stock rehabilitation.	CBS	OG	U
H 3	Objective 3 – Share Housing Information.			
H 3.1	Use website and Facebook pages to host rental and home sales information. Delete or qualify	ALL	OG	L
H 3.2	Sponsor or co-sponsor annual housing fairs.	ALL	OG	L

Legend		
Responsible Agency: CBS – City and Borough of Sitka AK – State of Alaska US – Federal Government AC – Agency Collaboration PR – Private	Time Frame: ST – Short Term MT – Mid Term LT – Long Term OG – Ongoing	Capital Funds Needed: U – Unknown L – Low – \$0 - \$100,000 M – Mid - \$100,000 - \$1,000,000 H – High - \$1,000,000+ GF – Grant Funded

TECHNICAL PLAN

DRAFT

Action Plan

Strategy No. B

Plan No.

Date:

Strategy: We will identify and pursue Economic Development Opportunities.

Specific Result: To pursue options regarding “tiny homes” and/or smaller dwellings (TH/SD’s).

#	ACTION STEP (Number each one)	Assigned To:	Start Date:	Due Date:	Completed Date:
1	Assembly will hold a work session to sort through the many housing options and provide direction for the Planning Commission and additional steps to be added to this Action Plan. This is the kickoff of this Action Plan.	Assembly Kevin Knox	2/12	2/12	
2	Planning Commission will review the following current zoning codes with consideration for which codes could/would to be changed to enable TH/SD’s to be a potential affordable housing option. a. Zoning code residential lot sizes (in works per Sitka Comprehensive Plan 2030; b. Adoption of IRC 2018 Building Codes, specifically TH/SD specifications appendix; c. Chapter 6 Mobile and Manufactured homes to allow TH/SD placement on semi/permanent foundation within mobile/manufactured home parks.	Scott Brylinsky	2/19	3/6	
3	Commission will develop definitions to be used within the zoning codes and regulations that designate what is a Tiny Home and what is a Small Dwelling (transitional size between Tiny Homes and full-size residential homes.	Scott Brylinsky	3/6	4/3	
4	Commission will forward their work in report form to the Assembly, including any recommendations they may have.	Scott Brylinsky	4/3	4/17	
5	Assembly will hold a public hearing(s) regarding code changes to accommodate TH/SD’s, and act upon changes they deem appropriate.	Mayor Paxton & Assembly	4/23	5/14	

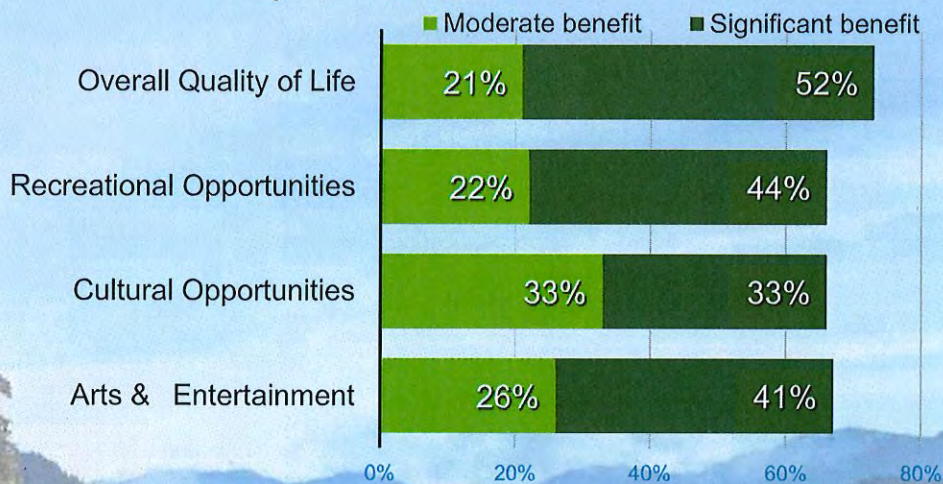
DRAFT

6	Building Inspection Department will work with local builders of TH/SD's to set guidelines for the construction of TH/SD's that will allow for a Certificate of Occupancy to be issued upon completion. The builders will include Building Trade classes at Sitka High School and UAS-Sitka Campus, and private businesses that contemplate construction of TH/SD's for sale in Sitka as well as other locations in Southeast Alaska.	Pat Sweeden	2/19	4/23 & Ongoing	
7	CBS will make known to residents and potential developers that TH/SD's are allowed by the current building codes, and that additional code modifications regarding TH/SD's may be considered in the near future.	Maegan Bosak	2/19	3/1 & Ongoing	
8	CBS will invite developers and/or owners of land parcels to a public meeting to discuss the potential opportunities regarding land development focusing on TH/SD's as well as building codes governing them.	Bosak & Brylinsky	3/1	4/1	
9	CBS shall work with individuals, non-profits, and/or public-private partnerships that could expand the options available, including but not limited to assisting with land designation and/or acquisition of privately owned or CBS owned land.	Brylinsky & Bosak	3/1	Ongoing	
10	This work by the CBS would include zoning designations that would allow and encourage development of both privately owned lots and lots available as rentals to site TH/SD's.	Brylinsky, Sweeden & Bosak	2/19	5/1	
		Responsible: Scott Brylinsky			

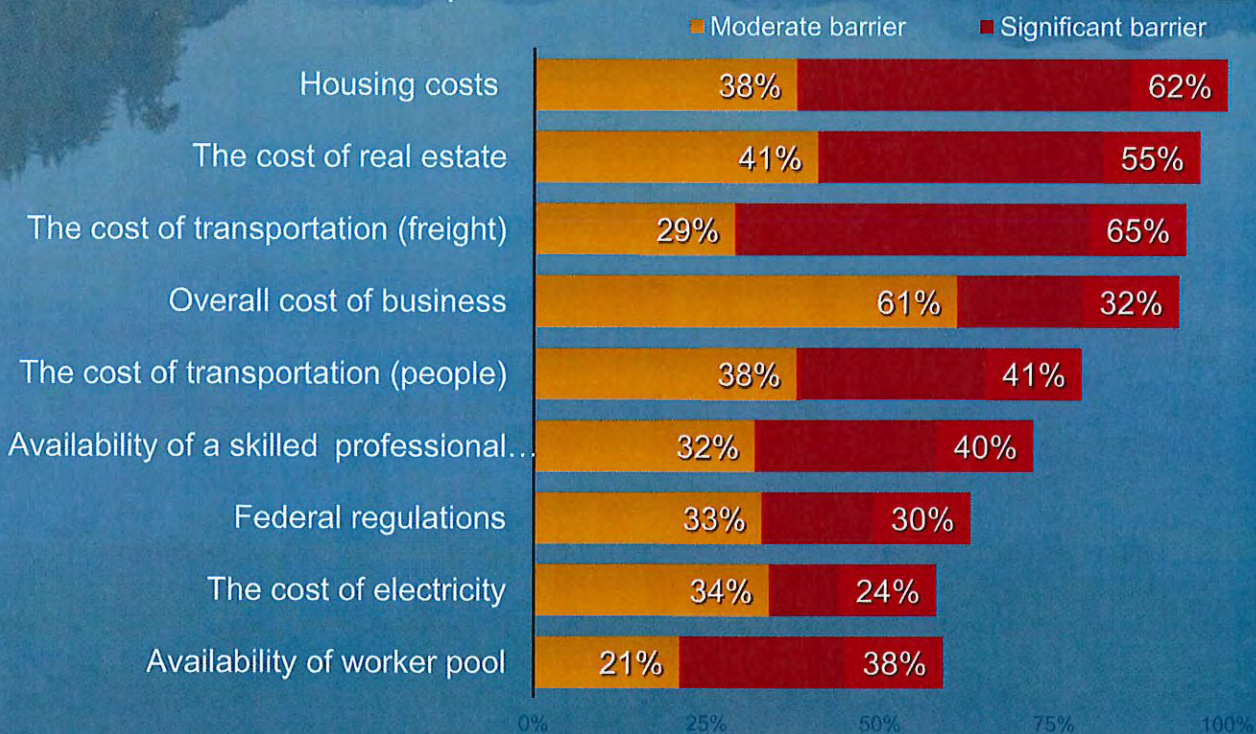
How Significant are These Elements to Operating Your Business in Sitka?

We also asked business owners and operators about the top barriers and benefits to having their businesses in Southeast Alaska. The overall quality of life and recreational opportunities stood out as elements that provided overall advantages. The top categories of barriers centered around housing & real estate costs, transportation costs, the lack of qualified candidates available for hire.

Top Benefits



Top Barriers



filed by Howard Merkel. The owner of record was Howard Merkel. Motion passed 3-0 by voice vote.

M-Mudry/S-Weaver moved to adopt the required findings for conditional use permits. Motion passed 3-0 by voice vote.

H [ZA 19-06](#)

Public hearing and consideration of a zoning text change to amend Titles 6, 19, and 22 of the Sitka General Code to define Tiny Houses and Tiny Houses on Chassis and allow them in Mobile/Manufactured Home Parks. The request is filed by the Planning and Community Development Department.

Attachments: [memo- update to commission 8Jan20](#)
[StaffReport ZA 19-06- 11Dec19](#)
[Action Plan -Tiny Homes, sm dwellings - Draft](#)
[IRC Appendix Q-Tiny Houses](#)
[amending Title 6 ver2 11Dec19](#)
[amending title 19 adopting appendix Q 11Dec19](#)
[amending title 22 - ver2 11Dec19](#)
[Application](#)

Windsor stated he did not want to take any action on the following item given that two Commissioners were absent. Brylinsky was agreeable and felt there was enough substance in the next three items that it warranted discussion and direction.

Brylinsky reviewed the Assembly's action plan on tiny houses and noted that the following proposal directly addressed actions 2b and 2c of the plan. Brylinsky described the overall needed changes for tiny houses to become feasible housing options was to first create a designation in our codes for tiny houses to be built and used, and secondly to find more placement options for such structures. Brylinsky covered details in Appendix Q of the International Residential Code that made new provisions for tiny houses, which were classified as dwelling units less than 400 square feet in size. Brylinsky highlighted the code changes in stair requirements, and provisions for egress for lofts. Overall, the zoning text change accomplished the following: defined tiny houses and established building code requirements for tiny houses, allowed tiny houses on chassis to be placed in mobile/manufactured home parks, allowed tiny houses on permanent foundations to be built in mobile/manufactured home parks, changed the maximum structure height in mobile/manufactured home parks to be increased from 14 feet to 16 feet, and established installation and construction material requirements for tiny houses.

Mudry stated some concern about the total height of a tiny house on chassis exceeding 14 feet due to possible electric line interference. Windsor asked about anchoring and wind resistance for tiny houses on chassis. Brylinsky answered that tiny houses on chassis would require similar anchoring to manufactured homes.

Commissioners and Staff had a broad discussion about tiny houses - particularly on chassis. Windsor recalled that the Commission had considered similar proposal a few years prior, and wondered if it was productive to rehash that conversation. Ainslie stated that she felt a few critical factors had changed since the last consideration of tiny houses. First, at the time of previous discussions, it was not known whether tiny houses would continue to be a growing trend and therefore whether or not there was truly a community need for code revisions. Ainslie affirmed that the tiny house trend

had continued to grow locally and nationally as well. Secondly, when last considered, there was no building code framework for which tiny houses could be evaluated for their safety and soundness of construction. Now that the IRC had created Appendix Q, there was now a framework for the building department to use in evaluating tiny houses. Windsor asked why the chassis was a necessary/attractive option. Ainslie and Brylinsky described the versatility of a movable structure and the temporary/transient need tiny houses on chassis could fill.

Building Official, Pat Swedeen spoke on some of the building code aspects. Swedeen stated that tiny houses have long been allowable under the building code; the major change in this proposal was the chassis. Swedeen felt comfortable administering Appendix Q; a bigger challenge would be inspecting tiny houses built out of town. Some tiny houses built out of state were not built to any code requirement. Swedeen also wanted to make clear the need for egress out of loft areas which would be required for Sitka tiny houses. His main concern and focus for tiny houses was ensuring life/safety.

Richard Wein discussed a few ideas and concerns. First, Wein stated that a major difference between a tiny house on a permanent foundation versus being on a chassis would be the property tax value. Wein wondered how different a tiny house truly is from a recreational vehicle. Placement in landslide zones could be dangerous, as Wein thought a non-anchored structure such as a tiny house on chassis could act as a projectile in a landslide event. Wein noted these structures could be good for seasonal and transient populations, both of which were growing demographics in Sitka. There would be a need to educate the public on what they could or could not buy to then place in Sitka. Wein also stated that some tiny houses had a challenged ability to dissipate odor.

M-Mudry/S-Weaver moved to recommend that staff continue to research and work through the issues and concerns raised in the evening's deliberations and return with a revised proposal. Motion passed 3-0 by voice vote.

I MISC 19-20

Discussion/Direction on allowing Tiny Houses on Chassis as Accessory Dwelling Units.

Attachments: [discuss-direct tinyhome on chassis as ADU's-memo to PC 11Dec19](#)

Brylinsky noted that the objective of the next two items was to expand options for placement of tiny houses. At the previous meeting, there was some support for the idea of allowing tiny houses, particularly on chassis, as ADUs. The code currently does not allow RV's or tiny houses on chassis to be used. While staff did not feel there should be changes to the prohibition on RV's as ADUs, perhaps given the proposed building and aesthetic code changes, as well as requirements for freeze-protected utility connections, tiny houses on chassis could be reconsidered for ADU use.

Windsor asked for clarification on whether or not ADUs were a conditional use, Ainslie and Brylinsky discussed some of the requirements for ADUs, and when it was a permitted or conditional use. Weaver stated that his preference to not have tiny houses on chassis as they were not as durable. Windsor echoed the preference for ADUs to be on a permanent foundation.

Richard Wein thought that between the reduction in lot sizes, the adoption of ADUs, and the use of tiny houses, some headway on affordable housing could be made. Wein wished to see this idea more fleshed out before ruling it out. Wein pointed to other stabilization methods used for manufactured homes that could be employed for tiny homes as well to increase their stability and durability.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

Planning and Community Development Department

AGENDA ITEM

Case No: ZA 19-06
Proposal: Amend Titles 6, 19, and 22 to define Tiny Houses and Tiny Houses on Chassis and allow them in Mobile/Manufactured Home Parks
Applicant: Staff
Owner: various
Location: various
Legal: NA
Zone: Primarily, but not limited to, R-2MHP, C-2, and WD

PROJECT DESCRIPTION

Amendments to three sections of the Sitka General Code are proposed. The policy intent of the combined changes is to promote the use of tiny houses as an affordable housing option.

KEY POINTS AND CONCERNS

- Defines tiny houses and relaxes certain building code requirements for tiny houses.
- Allows tiny houses on chassis¹ to be placed in mobile/manufactured home parks
- Allows tiny houses on permanent foundations to be constructed in mobile/manufactured home parks
- Changes height maximum in mobile/manufactured home parks from 14' to 16'
- The biggest impact of these proposed changes will be in the R-2MHP, C-2, and WD zoning districts. But tiny houses can be built in any zoning district allowing single family dwellings. Tiny houses on chassis may be placed in any zoning district allowing manufactured homes.

BACKGROUND

Tiny houses have generated interest locally and nationally as an affordable housing option. However, real and perceived zoning and building code barriers have limited widespread use.

The proposed ordinance changes bullet-pointed in the previous section work together to alleviate some of these barriers.

¹ A tiny house on chassis includes tiny houses on wheels, or on a supporting structure with wheels removed, and the chassis remains.

The Building Official administers both the Building Code, adopted in Title 19, and the requirements for mobile/manufactured home parks in Title 6 Chapter 6.12. Planning staff has worked closely with Pat Swedeen, Building Official, in preparing these recommended code changes.

ANALYSIS

Tiny houses are obviously not a good housing fit for everyone, no one housing option is. But there is a need for a housing option for young adults who are starting their careers, who may be new in Sitka with few household goods, who may have come here for a summer job or an internship, and would like to stay. Often they are hindered in finding a toehold in the community by the cost of year-round housing. It is this group, or demographic, that we expect is the primary market for tiny houses.

Title 19

The starting point is to define a “tiny house.” The 2018 International Building Code Appendix Q provides a definition: *a dwelling that is 400 square feet or less in floor area excluding lofts*. Appendix Q also recognizes lofts, but most importantly, relaxes code requirements for loft access, allowing steep stairs or ladders as a means of loft access. But importantly, those relaxed code requirements will no longer apply if the structure exceeds 400 square feet, such as if an addition is constructed.

Possible safety issues: the Building Codes are generally strict and unyielding when it comes to stairways. Stairway and ladder falls can be serious. By allowing steeper stairways and ladders, the code is anticipating that tiny house occupants who choose to use a loft have the physical capacity to use the stairs or ladders safely. This is consistent with staff’s opinion that the primary market for tiny homes will be younger adults. Although it is beyond the scope of this report, if this proposal is enacted we would suggest as a practical safety matter that staff actively discourage those with limited physical capacity from using a ladder as a means of access to a sleeping loft.

Title 6

The most significant changes to community housing policy are here. The proposed changes:

- Create for tiny houses on chassis, with or without wheels, a legal status provided they are built to the International Residential Code and inspected by the Building Official prior to use. This requirement has been drafted to hopefully encourage local construction of these units, by requiring building permits and inspections during construction. (The draft ordinance does provide a path for units constructed outside Sitka to be used here.)
- Allow tiny houses on chassis to be placed in mobile/manufactured home parks.

- Allow tiny houses to be built on permanent foundations in mobile/manufactured home parks. This opens the door, hypothetically, to the creation of tiny house park(s). Staff believes this proposed code section also provides a path for rehabilitation of dilapidated housing stock in mobile/manufactured home parks.

In the interest of promoting durable affordable housing, the amendments also specify certain prohibited building materials in the construction of tiny houses. These requirements are based on local experience that certain materials and methods normally allowed by code, such as oriented strand board and flat roofs, although cheaper in the short run, simply don't perform well over the long term in our region's climate.

During informal conversations with a few park owners, there was strong support for the proposed code amendments.

Title 22

The proposed changes to the Zoning Code Title 22 parallel and complement those in Title 6 Chapter 6.12. The proposed amendments add parallel definitions of tiny houses and tiny houses on chassis and amend zoning districts as needed to accommodate the changes described under Title 6.

RECOMMENDATION

The Planning Department recommends that the Planning Commission approve the proposed ordinance changes.

.....

ATTACHMENTS

Attachment A: Assembly Action Plan²

Attachment B: 2018 International Building Code Appendix Q

Attachment C: Proposed ordinance changes to Sitka General Code 6.12

Attachment D: Proposed ordinance changes to SGC Title 19

Attachment E: Proposed ordinance changes to SGC Title 22

RECOMMENDED MOTION

I move to approve the proposed ordinance changes in principal, recognizing that final housekeeping edits and formatting changes may be made during formal ordinance preparation.

OR

I move to request staff to further develop the proposed ordinances, incorporating suggestions and addressing concerns raised during tonight's deliberations.

² The Action Plan was developed, but not formally approved, by the Assembly



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

Memorandum

To: Chair Spivey and Planning Commission
Through: Amy Ainslie, Director, Department of Planning and Community Development *AA*
From: Scott Brylinsky, Special Projects Manager *SB*
Subject: ZA 19-06 – Tiny Houses: Addendum to Staff Report
Date: January 8, 2020

ZA 19-06 was first presented and discussed at the December 18, 2019 Planning Commission meeting. This meeting is the second time it is before the Planning Commission.

The item consists of proposed amendments to the Sitka General Code that create a legal status for tiny houses provided they are built to the International Residential Code and inspected by the Building Official prior to use. This includes tiny houses on permanent foundations as well as tiny houses on chassis, with or without wheels.

During discussion at the December 18, 2019 Planning Commission meeting, some questions and considerations were brought forward. This memo addresses those items.

1. How will a tiny house be safely moved over the streets if it is built to the maximum proposed height of 16-feet, considering possible interference with electric lines?

Before moving a tall unit the Electric Department can be contacted and they will advise on the most advantageous route to minimize interference. Where interference with lines may occur, Electric Department personnel will use push sticks to elevate the lines to provide clearance.

2. What is the legal status of a tiny house built on a chassis? Is it a vehicle or a building?

The chassis with wheels may be licensed with DMV as a trailer. Then the tiny house, constructed under a building permit, can be transported on that trailer.

OR

The tiny house on chassis with wheels could be licensed with DMV as a recreational vehicle. For the tiny house to fit under the parameters outlined in the proposed code amendments, it would still need to be constructed under a building permit and issued a certificate of approval by the Building Official prior to occupancy as a long-term dwelling unit.

3. For a tiny house on chassis to be placed long-term, how would structural adequacy of the ground to support the tiny house's chassis be assured?

The Building Department routinely oversees adequacy of soils and fill for supporting loads to be placed. Placement of a tiny house on chassis would be no different.

APPENDIX Q

TINY HOUSES

This provisions contained in this appendix are not mandatory unless specifically referenced in the adopting ordinance.

User note:

About this appendix: Appendix Q relaxes various requirements in the body of the code as they apply to houses that are 400 square feet in area or less. Attention is specifically paid to features such as compact stairs, including stair handrails and headroom, ladders, reduced ceiling heights in lofts and guard and emergency escape and rescue opening requirements at lofts.

SECTION AQ101 GENERAL

AQ101.1 Scope. This appendix shall be applicable to *tiny houses* used as single dwelling units. *Tiny houses* shall comply with this code except as otherwise stated in this appendix.

SECTION AQ102 DEFINITIONS

AQ102.1 General. The following words and terms shall, for the purposes of this appendix, have the meanings shown herein. Refer to Chapter 2 of this code for general definitions.

EGRESS ROOF ACCESS WINDOW. A *skylight* or roof window designed and installed to satisfy the emergency escape and rescue opening requirements of Section R310.2.

LANDING PLATFORM. A landing provided as the top step of a stairway accessing a *loft*.

LOFT. A floor level located more than 30 inches (762 mm) above the main floor, open to the main floor on one or more sides with a ceiling height of less than 6 feet 8 inches (2032 mm) and used as a living or sleeping space.

TINY HOUSE. A *dwelling* that is 400 square feet (37 m²) or less in floor area excluding *lofts*.

SECTION AQ103 CEILING HEIGHT

AQ103.1 Minimum ceiling height. *Habitable space* and hallways in *tiny houses* shall have a ceiling height of not less than 6 feet 8 inches (2032 mm). Bathrooms, toilet rooms and kitchens shall have a ceiling height of not less than 6 feet 4 inches (1930 mm). Obstructions including, but not limited to, beams, girders, ducts and lighting, shall not extend below these minimum ceiling heights.

Exception: Ceiling heights in *lofts* are permitted to be less than 6 feet 8 inches (2032 mm).

SECTION AQ104 LOFTS

AQ104.1 Minimum loft area and dimensions. *Lofts* used as a sleeping or living space shall meet the minimum area and dimension requirements of Sections AQ104.1.1 through AQ104.1.3.

AQ104.1.1 Minimum area. *Lofts* shall have a floor area of not less than 35 square feet (3.25 m²).

AQ104.1.2 Minimum dimensions. *Lofts* shall be not less than 5 feet (1524 mm) in any horizontal dimension.

AQ104.1.3 Height effect on loft area. Portions of a *loft* with a sloped ceiling measuring less than 3 feet (914 mm) from the finished floor to the finished ceiling shall not be considered as contributing to the minimum required area for the *loft*.

Exception: Under gable roofs with a minimum slope of 6 units vertical in 12 units horizontal (50-percent slope), portions of a *loft* with a sloped ceiling measuring less than 16 inches (406 mm) from the finished floor to the finished ceiling shall not be considered as contributing to the minimum required area for the *loft*.

AQ104.2 Loft access. The access to and primary egress from *lofts* shall be of any type described in Sections AQ104.2.1 through AQ104.2.4.

AQ104.2.1 Stairways. Stairways accessing *lofts* shall comply with this code or with Sections AQ104.2.1.1 through AQ104.2.1.5.

AQ104.2.1.1 Width. Stairways accessing a *loft* shall not be less than 17 inches (432 mm) in clear width at or above the handrail. The width below the handrail shall be not less than 20 inches (508 mm).

AQ104.2.1.2 Headroom. The headroom in stairways accessing a *loft* shall be not less than 6 feet 2 inches (1880 mm), as measured vertically, from a sloped line connecting the tread or landing platform nosings in the middle of their width.

AQ104.2.1.3 Treads and risers. Risers for stairs accessing a *loft* shall be not less than 7 inches (178 mm) and not more than 12 inches (305 mm) in height. Tread depth and riser height shall be calculated in accordance with one of the following formulas:

1. The tread depth shall be 20 inches (508 mm) minus four-thirds of the riser height.
2. The riser height shall be 15 inches (381 mm) minus three-fourths of the tread depth.

AQ104.2.1.4 Landing platforms. The top tread and riser of stairways accessing *lofts* shall be constructed as a *landing platform* where the *loft* ceiling height is less

than 6 feet 2 inches (1880 mm) where the stairway meets the *loft*. The *landing platform* shall be 18 inches to 22 inches (457 to 559 mm) in depth measured from the nosing of the landing platform to the edge of the *loft*, and 16 to 18 inches (406 to 457 mm) in height measured from the *landing platform* to the *loft* floor.

AQ104.2.1.5 Handrails. Handrails shall comply with Section R311.7.8.

AQ104.2.1.6 Stairway guards. Guards at open sides of stairways shall comply with Section R312.1.

AQ104.2.2 Ladders. Ladders accessing *lofts* shall comply with Sections AQ104.2.1 and AQ104.2.2.

AQ104.2.2.1 Size and capacity. Ladders accessing *lofts* shall have a rung width of not less than 12 inches (305 mm), and 10-inch (254 mm) to 14-inch (356 mm) spacing between rungs. Ladders shall be capable of supporting a 200-pound (75 kg) load on any rung. Rung spacing shall be uniform within $\frac{3}{8}$ inch (9.5 mm).

AQ104.2.2.2 Incline. Ladders shall be installed at 70 to 80 degrees from horizontal.

AQ104.2.3 Alternating tread devices. Alternating tread devices accessing *lofts* shall comply with Sections R311.7.11.1 and R311.7.11.2. The clear width at and below the handrails shall be not less than 20 inches (508 mm).

AQ104.2.4 Ships ladders. Ships ladders accessing *lofts* shall comply with Sections R311.7.12.1 and R311.7.12.2. The clear width at and below handrails shall be not less than 20 inches (508 mm).

AQ104.2.5 Loft Guards. *Loft* guards shall be located along the open side of *lofts*. *Loft* guards shall be not less than 36 inches (914 mm) in height or one-half of the clear height to the ceiling, whichever is less.

SECTION AQ105

EMERGENCY ESCAPE AND RESCUE OPENINGS

AQ105.1 General. *Tiny houses* shall meet the requirements of Section R310 for emergency escape and rescue openings.

Exception: *Egress roof access windows* in *lofts* used as sleeping rooms shall be deemed to meet the requirements of Section R310 where installed such that the bottom of the opening is not more than 44 inches (1118 mm) above the *loft* floor, provided the egress roof access window complies with the minimum opening area requirements of Section R310.2.1.

Amy Ainslie

From: sitkacheryl@gmail.com
Sent: Wednesday, January 15, 2020 3:18 PM
To: Planning Department
Subject: Tiny Home code changes

I, for one, would love to see clusters of tiny homes on city lots. They're attractive, innovative and affordable, so why not? Cheryl Call

Sent from my iPad

Andy Corak

From: Scott Brylinsky
Sent: Thursday, January 16, 2020 9:52 AM
To: Andy Corak
Subject: FW: tiny houses

Andy,
This is to keep with the other email comments for the file on tiny houses.
Thanks,
Scott

From: Jason Condon <jasoncondon60@gmail.com>
Sent: Wednesday, January 15, 2020 3:50 PM
To: Scott Brylinsky <scott.brylinsky@cityofsitka.org>; Jonathan Kreiss-Tomkins <jonathan.s.kt@gmail.com>
Subject: Re: tiny houses

Scott,
Sorry this is 45min late, but I hope you still get an opportunity to read at the meeting.

Here is my statement, please let me know if you have any questions.

Good evening, my name is Jason Condon. My wife and I moved to Sitka in July of 2014 and lived there until July of 2019. Before moving to Sitka, we decided to build and live in a tiny, 144sq ft house. Our decision to live in a small house arose from an attempt to align some of our life priorities with our actions. We did not want to spend our time and energy maintaining a larger house that was above our needs or had unusable space. We wanted a house that met all of our domestic needs and enabled us to focus our energy on other things. These things included being involved with the community, maximizing time outdoors, and spending time with friends. To us, a house is a place to comfortably cook, relax, and sleep. Our tiny house was an experiment to see if a 144sq ft house was sufficient. After 4 years of living in it, we can confidently say it was. There were challenges that forced us to be creative, but our quality of life was not compromised. In fact, after recently moving into a 2000 sq ft rental house in North Carolina, we miss our tiny house lifestyle in Sitka. It was simple, well-designed, and comfortable.

I understand that tiny houses are not normal, but they could be viable options for a younger generation with priorities that don't include a 2000' sq ft house with 3 bedrooms and 2 baths. Motivated young people want to spend their time outside of the house. Houses serve different purposes for different stages in our lives.

There is a plethora of reasons for choosing to live in a 'tiny', but adequate space. Some that come to mind are environmental positives, financial benefits, and community sustainability. I have difficulty understanding the consequences of changing zoning and building codes to make smaller living structures available for people. Sitka only stands to benefit from updating zoning requirements that will attract young motivated people to start growing roots in the community.

Respectfully,
Jason Condon

On Tue, Jan 14, 2020 at 3:47 PM Scott Brylinsky <scott.brylinsky@cityofsitka.org> wrote:

Hi Jason,

Good talking to you yesterday. And thanks for your support on local tiny house efforts.

Turns out I was mistaken in suggesting that you could call in to our conference line to offer testimony. That system is, evidently, cumbersome and expensive, and the Commission generally reserves it for applicants only.

You can, however, provide email comments which we will be read into the record at the meeting. Not the same as a spoken statement, but can be quite effective nonetheless.

If you send something by about 3:00pm tomorrow I can see that the commission sees it and hears it.

Thanks again,

Scott

From: Jason Condon <jasoncondon60@gmail.com>

Sent: Monday, January 13, 2020 7:08 AM

To: Jonathan Kreiss-Tomkins <jonathan.s.kt@gmail.com>; Scott Brylinsky <scott.brylinsky@cityofsitka.org>

Cc: meredith.r.condon <meredis@gmail.com>

Subject: Re: tiny houses

Scott and Jonathan,

I would be happy to call in and present testimony if that would be helpful.

Scott,

I would prefer to discuss with you prior to the meeting.

What time is the meeting Wednesday?

My cell is+14258706480.

Call when you can,

Jason Condon

On Sat, Jan 11, 2020 at 4:23 PM Jonathan Kreiss-Tomkins <jonathan.s.kt@gmail.com> wrote

Don't want to overask, but if one of you were able to call in as a former tiny home owner I think that could be really helpful/powerful!

I can liaise the call-in info if helpful.

----- Forwarded message -----

From: **Scott Brylinsky** <scott.brylinsky@cityofsitka.org>

Date: Thu, Jan 2, 2020 at 4:48 PM

Subject: tiny houses

To: Jonathan Kreiss-Tomkins <jonathan.s.kt@gmail.com>

Hi Jonathan,

Am writing to let you know that when we went before the Planning Commission and presented the draft ordinances to incorporate tiny houses into the code, and create more options for their placement, the Planning Commission did not view those proposals favorably. Only three Commissioners were present. No members of the public were present or gave written comments. The Commission voted to postpone formal action.

We will be presenting again at the January 15 meeting. If you, and/or fellow tiny house advocates, could be present, call in, or present testimony, I believe it could make a difference.

Naturally, feel free to call to discuss ahead of time if any questions.

Thanks,

Scott

Scott Brylinsky

Special Projects Manager

Department of Planning and Community Development

City and Borough of Sitka

907-738-8181

--

jaykaytee.com

Amy Ainslie

From: Justin Olbrych <justin.olbrych@yahoo.com>
Sent: Wednesday, January 15, 2020 4:32 PM
To: Planning Department
Subject: Tiny homes

Hello. Out of town presently and can not make the meeting but I wanted to show my support for tiny homes. As a land owner and home builder, it just makes sense. Building smaller homes is less expensive, uses less resources and they take up less space. They obviously won't replace a typical family house, but they do provide a much needed alternative for those that seek a small, more efficient living space. The city of sitka clearly promotes accessory dwelling units, tiny homes is just an extension of this concept. And if the city was able to wave parking conditions, this might even provide more homes in town, not everyone owns or drives a car. And one last thing, why not have tiny lots or the opportunity to subdivide a residential lot into two lots. A home owner could figure out a spot for a tiny home. Have one built, tied to the city services and then divide the property say 70/30. Someone gets land and a tiny home for \$100,000. The home owner gets \$100,000. The city gets another home online. Thanks. Justin olbrych

Amy Ainslie

From: Kathy Kyle <kathypkyle@yahoo.com>
Sent: Tuesday, January 14, 2020 9:25 AM
To: Planning Department
Subject: Tiny houses

Sitka is in desperate need of affordable housing. I know people who may move away if they cannot find alternative housing to what is currently available. Tiny houses are an attractive and affordable alternative to the ramshackle trailers that many people are forced to live in simply because they are already in place. Please modify Sitka's Code to expedite the use of tiny houses.

Sincerely,
Kathy Kyle

Amy Ainslie

From: Marian Allen <marianallen@gmail.com>
Sent: Wednesday, January 15, 2020 5:27 PM
To: Planning Department
Subject: Tiny Homes

I want to support making changes to allow tiny homes in Sitka. We have a major problem with a lack of affordable housing in this town and allowing tiny homes is one way we can start to address this problem.

--

Marian Allen
829 Pherson St
Sitka, AK 99835

Andy Corak

From: Scott Brylinsky
Sent: Thursday, January 16, 2020 10:24 AM
To: Andy Corak
Subject: FW: tiny houses

Please add to case file under public comment.

From: Planning Department <planning@cityofsitka.org>
Sent: Thursday, January 16, 2020 10:14 AM
To: Scott Brylinsky <scott.brylinsky@cityofsitka.org>
Subject: FW: tiny houses

Amy Ainslie
Planning Director
City and Borough of Sitka
100 Lincoln Street
Sitka, AK 99835
(907) 747-1815
amy.ainslie@cityofsitka.org

From: Nan Metashvili <ferenjinan@gmail.com>
Sent: Wednesday, January 15, 2020 8:03 PM
To: Planning Department <planning@cityofsitka.org>
Subject: tiny houses

Here is a little piece I wrote for the Sitka Soup- not sure when there will be room to run it, but it's my 2 cents. I'm passionate about housing, because I am unable to afford to live in Sitka anymore, and would love a tiny house. I'm a retired librarian (remember Kettleton Library?) and the State of Alaska pension is ludicrous.

It was a typical day in Sitka. Rain drizzled down, fog drifted around the forests like old spirits, and cold waves sloshed resolutely against the shore.

The Soupster was heading towards one of his favourite haunts, the library.

Though not as cozy as the old library, the new one still filled his needs. It was warm and dry, and its services were freely available to all. He would spend time reading the papers, and check out a few books to feed his insatiable appetite for reading. With some amusement and no little sadness, he noted that 9.5 out of 10 people scattered around were reading, writing or playing on some sort of electronic device. Not many books to be seen, the old fashioned kind made of paper.

The smell of a brand new volume to him was indescribable. He positively enjoyed the tactile sensation of turning pages, and the ease of flipping back to reread some passage. Many a time did he find it necessary to refresh his memory about some point mentioned 6 chapters ago. The Soupster was not shy about admitting he was getting on a bit and his little grey cells weren't what they used to be. And he loved the elegance of choosing just the right bookmark to insert to keep his place. He had a whole collection of them.

And as much as he loved reading books, there was also the social side of the library. No cold city institution, Sitka's library was a lively place where friendships were formed and nurtured, a place where lonely after-school kids could safely hang out, and even a few romances had happened. He could always count on finding a pal there to have a chat with.

As the Soupster picked up a latest nonfiction bestseller to sit and browse through, he noticed the person next to him in another chair. The two men both could sit there and gaze out at the unparalleled view of the ocean and the small islands, the skiffs and trollers and sailboats going past. They could stay until closing time. They could use the bathroom.

But at closing time, the Soupster could go home to a comfortable and welcoming home, and the other chap obviously could not. Homeless was written all over him, from the shabby clothes, unwashed odor, and the look of sadness and fear in his eyes. Where will he go when the library closes? Out into the rain, and then?

The Soupster started to wonder why the town had to be so difficult for low income folks. Why could they not follow the example of some other communities around the country and take care of all its citizens?

Tiny houses, for example. He had lately been reading in magazines about places building tiny houses. Why do people crave McMansions anyway, when a smaller and adequate abode would do? Wouldn't it be grand if Sitka could commit in a significant way to small and available homes?

The Soupster smiled sadly at the homeless man as the closing time lights flickered.

Then they both left the library.

Andy Corak

From: Planning Department
Sent: Thursday, January 16, 2020 2:12 PM
To: Scott Brylinsky; Andy Corak
Subject: FW: Tiny homes

Amy Ainslie
Planning Director
City and Borough of Sitka
100 Lincoln Street
Sitka, AK 99835
(907) 747-1815
amy.ainslie@cityofsitka.org

-----Original Message-----

From: Phyllis Hackett <hackett.phyllis@gmail.com>
Sent: Thursday, January 16, 2020 12:54 PM
To: Planning Department <planning@cityofsitka.org>
Subject: Tiny homes

Hello Commissioners

Sitka has been discussing affordable housing for decades. The most reasonable way I see to help our housing and affordable living challenges is through higher density in residential areas.

Tiny homes is a wonderful option for many people and we would be smart to approve code changes allowing for that. It is time to step out of our box and stretch, for the good of our entire community today and into the future.

Please vote in favor of the necessary code changes to make Tiny homes not only allowable but also reasonable.

Thank you for your service. It is greatly appreciated

Phyllis Hackett

Sent from my iPhone

Amy Ainslie

From: Victoria OConnell <victoria.oconnell@gmail.com>
Sent: Wednesday, January 15, 2020 4:45 PM
To: Planning Department
Subject: I support Tiny Houses

Hello,
I support code changes to allow tiny houses, like the one Sitka Conservation Society had the high school build, Please support these changes
thank you
Tory Curran
608 Etolin St
Sitka

Amy Ainslie

From: Karen Hegyi <alaskaperegrina@gmail.com>
Sent: Tuesday, January 14, 2020 9:02 AM
To: Planning Department
Subject: comments for planning commission January 15, 2020 consideration of Tiny Houses changes to zoning code

I apologize if this is not the correct email for commenting on the proposed zoning code changes up for consideration this Wednesday, January 15, 2020.

Please forward this message to the Planning Commission.

Dear Planning Commission Members:

I apologize for not appearing in person. Unfortunately your meeting conflicts with travel plans I had already made.

I have had an opportunity to review ZA 19-06 Staff Report for December 18, 2019.

I believe this is a good step for Sitka.

I have been a fan of Tiny Houses ever since I found a book about them at Old Harbor in 2011. I recognize that they are too small for me and my knees are too old for climbing in and out of a Tiny House loft. As the Analysis paragraph points out Tiny Houses "are not a good housing fit for everyone." But they will fill a niche.

Amending the Zoning Code to allow for their existence and for their placement in mobile/manufactured home parks makes sense.

I do have separate concerns for any future expansion of their placement in other zoning areas. Not because I oppose their use. Rather my concern is that something intended for use by "young adults with few possessions" can easily morph into expansions and sheds and the need for parking for vehicles and boats as more possessions and vehicles are acquired.

It is important therefore that any future expansion of allowable placement of Tiny Houses understand that a user is going to want to expand the footprint. And, while the first occupants might only have bicycles at some point in the near future they are going to want a car/SUV/truck and a boat. And even if the first occupant only has a bicycle they will have guests who arrive in cars/SUVs/trucks.

For any expansion of permitted use the lot size and setbacks need to take parking, footprint expansion and out buildings into consideration. Otherwise the public street and sidewalk will become their permanent parking places.

Thank-you for your consideration.

Karen R. Hegyi

PO Box 671

Sitka, AK 99835

Andy Corak

From: Scott Brylinsky
Sent: Thursday, January 16, 2020 10:25 AM
To: Andy Corak
Subject: FW: Tiny Homes

Please add to case file.

-----Original Message-----

From: Planning Department <planning@cityofsitka.org>
Sent: Thursday, January 16, 2020 10:14 AM
To: Scott Brylinsky <scott.brylinsky@cityofsitka.org>
Subject: FW: Tiny Homes

Amy Ainslie
Planning Director
City and Borough of Sitka
100 Lincoln Street
Sitka, AK 99835
(907) 747-1815
amy.ainslie@cityofsitka.org

-----Original Message-----

From: K L <stormysea@rocketmail.com>
Sent: Wednesday, January 15, 2020 7:06 PM
To: Planning Department <planning@cityofsitka.org>
Subject: Tiny Homes

Dear Planning Commission Members,

We're writing about the idea of Tiny Homes to provide more affordable living for Sitkans. While we agree that the concept is a great one, we are also very concerned about the impact on current properties and homeowners. If you can create zones in new areas for tiny homes that would be amazing. What would be a huge challenge is if you dilute the meaning of R1, R2, and other established zones by adding in Tiny Homes. Sitka already is often breaking our own zoning rules by granting so many variances. Please don't choose the variance method of allowing Tiny Homes into our community. That will pit neighbors against each other and remove a part of what makes Sitka a wonderful place to live. Most of us buy property with the expectation that the zone means something. When the zoning gets mixed up so much, and there's very little notice for variances, it means that people have to attend meetings and argue on their own behalf to keep the property density which they originally bought. We're trusting that your wish to add more affordable housing will not disregard this very important issue for current homeowners. Thanks for all your time and effort as you traverse this potentially controversial issue.

Sincerely,
Klaudia and Michael Leccese

Sent from my iPhone



Sitka Conservation Society
(907) 747-7509
info@sitkawild.org
PO Box 6533, Sitka, AK, 99835
www.sitkawild.org

January 15, 2020

Dear Planning Commission,

The Sitka Conservation Society (SCS) supports the proposed changes to the Sitka General Code to give tiny homes a clear legal status, and to update the zoning code and mobile home park code to provide more options for placement of tiny homes in our community.

For the past five years, SCS has partnered with the Sitka School District, community members and local businesses on a workforce development project, through which high school students have gained construction and professional skills by building a tiny home. In addition to being a learning tool for youth, the Tongass Tiny Home has allowed us to engage in community dialogue about the potential role of tiny homes in Sitka.

Tiny homes are a specialized solution for people concerned about minimizing their monthly expenses, downsizing and avoiding consumption, minimizing their carbon footprint, and/or maintaining flexibility, such as having the ability to move with home in tow or limit debt. By updating Sitka's codes, you will remove real and perceived barriers allowing people to invest in this solution, thereby adding another option for Sitka's housing market (reducing competition for apartments, seasonal residences), and creating opportunities for community members interested in thoughtfully increasing housing density.

Access to safe and affordable housing is critical to the social, economic and ecological well being of our community. Allowing a broader range of housing options will help meet the diverse needs and desires of Sitka residents and visitors. Please note that we do not advocate for tiny homes as a replacement for existing mobile or manufactured homes, except for as desired by current residents of Sitka's parks. Tiny homes should be additive to our housing landscape, providing weather-appropriate, small options, without displacing in-demand larger housing units.

Since the Commission last considered this issue, two notable things have happened that make the proposed code changes appropriate and timely:

- The International Residential Code adopted Appendix Q to provide regulations and standards for tiny homes. Sitka code has historically closely followed the International Residential Code.
- The 2030 Sitka Comprehensive Plan was adopted with the goal of "Expand(ing) the range, affordability, and quality of housing in Sitka while maintaining attractive, livable neighborhoods," including by encouraging higher density development, promoting Accessory Dwelling Units, and considering tiny homes on wheels for certain residential areas &

manufactured home parks. This plan was based on community feedback gathered from December 2015 through May 2018

Thank you for your service to the community of Sitka. We hope that you will take action tonight to thoughtfully welcome tiny homes to Sitka.

Sincerely,

Chandler O'Connell
Sitka Sustainable Community Catalyst
Sitka Conservation Society



CITY AND BOROUGH OF SITKA

Legislation Details

File #: ORD 20-04 Version: 1 Name:

Type: Ordinance Status: AGENDA READY

File created: 2/5/2020 In control: City and Borough Assembly

On agenda: 2/25/2020 Final action:

Title: Making supplemental appropriations for Fiscal Year 2020 (Pet Adoption Fund / GPIIP Dock Expense / Permanent Fund Fees)

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Ord 2020-04](#)
[Memo and Ord 2020-04](#)

Date	Ver.	Action By	Action	Result
2/11/2020	1	City and Borough Assembly		

POSSIBLE MOTION

I MOVE TO approve Ordinance 2020-04 on second and final reading making supplemental appropriations for Fiscal Year 2020 (Pet Adoption Fund / GPIIP Dock Expense / Permanent Fund Fees).



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Mayor Paxton and Assembly Members
Hugh Bevan, Interim Municipal Administrator

From: Melissa Haley, Controller

Date: February 4, 2020

Subject: Supplemental appropriations Ord 2020-04 and Ord 2020-05

Background

While we seek to budget as accurately as possible, there are often corrections identified as the year progresses.

Analysis

The challenges presented by late changes to the State budget resulted in the supplemental appropriations in 2020-05. These changes are to eliminate transfers out of the General Fund to the Harbor Fund and to the School Bond Debt Service Fund.

In the Harbor Fund, raw fish tax disbursements to the municipality were restored prior to the budget passing, however, while the Harbor Fund budget was corrected, the subsidy remained in the General Fund. This ordinance reduces the budget for transfers out of the General Fund by \$520,000

School bond debt service reimbursement was partially reinstated in the State budget after the FY2020 budget was presented, thus we now need to remove the \$200,000 transfer out of the General Fund as well as corresponding transfer in to the School Bond Debt Service Fund. In addition, we will increase the revenue to correspond with expected state reimbursement (\$900,000).

Supplemental appropriations in 2020-04 are related to areas that during a mid-year review were identified to be under budget. In the GPIP Fund, now that the GPIP dock is in use, we see that the operating expense was under budgeted (it is offset with revenue) and are seeking to increase the operating appropriation by \$34,000. In the case of the Pet Adoption Fund, only \$900 had been budgeted and we are seeking to increase that appropriation by \$10,000. In the Permanent Fund, we did not budget for the investment management fees in the initial budget and seek an appropriation of \$55,000 to cover those fees.

Fiscal Note

2020-05

The supplemental appropriations in this ordinance reduce overall budgeted outlays from the General Fund by \$720,000 and increase revenue in the School Bond Debt Service fund by a net total of \$700,000.

2020-04

These supplemental appropriations increase budgeted expense by \$34,000 in the GPIP Fund, \$10,000 in the Pet Adoption Fund, and \$55,000 in the Permanent Fund.

Recommendation

Pass ordinances 2020-04 and 2020-05 to address outside changes and corrections identified.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2020-04

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA MAKING SUPPLEMENTAL
APPROPRIATIONS FOR FISCAL YEAR 2020

(Pet Adoption Fund/GPIP Dock Expense/Permanent Fund Fees)

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 operating appropriations for FY2020.

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, 2019 and ending June 30, 2020.

<u>FISCAL YEAR 2020 EXPENDITURE BUDGETS</u>
<u>ENTERPRISE AND INTERNAL SERVICE FUND</u>
Fund 270—Gary Paxton Industrial Park – Operations: Increase appropriations in the amount of \$34,000 for the Dock Transient moorage and utility cost regarding the Dock.
<u>SPECIAL REVENUE FUNDS</u>
Fund 113 – Pet Adoption Fund – Operations: Increase appropriations in the amount of \$10,000 in the Pet Adoption Fund for Animal Services.
Fund 400 – Permanent Fund – Operations: Increase appropriations in the amount of \$55,000 in the Permanent Fund for the investment management fees.

EXPLANATION

This supplemental appropriation is to address areas in which it has become apparent that there were errors in the original budget. In both the Gary Paxton Industrial Park Fund and the Pet Adoption Fund, analysis of the budget performance indicates that an insufficient amount was budgeted for operations of the new dock at the industrial park and for animal adoptions. In the Permanent Fund, nothing was budgeted for investment management fees due to an oversight.

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 25th Day of February, 2020.

ATTEST:

Gary L. Paxton, Mayor

Sara Peterson, MMC
Municipal Clerk

1st reading: 2/11/2020
2nd and final reading 2/25/2020

Sponsor: Interim Administrator



CITY AND BOROUGH OF SITKA

Legislation Details

File #: ORD 20-05 Version: 1 Name:

Type: Ordinance Status: AGENDA READY

File created: 2/5/2020 In control: City and Borough Assembly

On agenda: 2/25/2020 Final action:

Title: Amending appropriations for Fiscal Year 2020 (Removing Subsidies for Harbor / School Bond Debt)

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Ord 2020-05](#)
[Memo and Ord 2020-05](#)

Date	Ver.	Action By	Action	Result
2/11/2020	1	City and Borough Assembly		

POSSIBLE MOTION

I MOVE TO approve Ordinance 2020-05 on second and final reading amending appropriations for Fiscal Year 2020 (Removing Subsidies for Harbor / School Bond Debt).



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Mayor Paxton and Assembly Members
Hugh Bevan, Interim Municipal Administrator

From: Melissa Haley, Controller

Date: February 4, 2020

Subject: Supplemental appropriations Ord 2020-04 and Ord 2020-05

Background

While we seek to budget as accurately as possible, there are often corrections identified as the year progresses.

Analysis

The challenges presented by late changes to the State budget resulted in the supplemental appropriations in 2020-05. These changes are to eliminate transfers out of the General Fund to the Harbor Fund and to the School Bond Debt Service Fund.

In the Harbor Fund, raw fish tax disbursements to the municipality were restored prior to the budget passing, however, while the Harbor Fund budget was corrected, the subsidy remained in the General Fund. This ordinance reduces the budget for transfers out of the General Fund by \$520,000

School bond debt service reimbursement was partially reinstated in the State budget after the FY2020 budget was presented, thus we now need to remove the \$200,000 transfer out of the General Fund as well as corresponding transfer in to the School Bond Debt Service Fund. In addition, we will increase the revenue to correspond with expected state reimbursement (\$900,000).

Supplemental appropriations in 2020-04 are related to areas that during a mid-year review were identified to be under budget. In the GPIP Fund, now that the GPIP dock is in use, we see that the operating expense was under budgeted (it is offset with revenue) and are seeking to increase the operating appropriation by \$34,000. In the case of the Pet Adoption Fund, only \$900 had been budgeted and we are seeking to increase that appropriation by \$10,000. In the Permanent Fund, we did not budget for the investment management fees in the initial budget and seek an appropriation of \$55,000 to cover those fees.

Fiscal Note

2020-05

The supplemental appropriations in this ordinance reduce overall budgeted outlays from the General Fund by \$720,000 and increase revenue in the School Bond Debt Service fund by a net total of \$700,000.

2020-04

These supplemental appropriations increase budgeted expense by \$34,000 in the GPIF Fund, \$10,000 in the Pet Adoption Fund, and \$55,000 in the Permanent Fund.

Recommendation

Pass ordinances 2020-04 and 2020-05 to address outside changes and corrections identified.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2020-05

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING APPROPRIATIONS
FOR FISCAL YEAR 2020

(Removing Subsidies for Harbor/School Bond Debt)

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 operating appropriations for FY2020.

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, 2019 and ending June 30, 2020.

<u>FISCAL YEAR 2020 EXPENDITURE BUDGETS</u>	
GENERAL FUND	
Transfers to Other Funds: Decrease appropriations in the amount of \$200,000 for the additional subsidy to the Debt Service School Bonds Fund and \$520,000 for the subsidy to the Harbor Fund.	
SPECIAL REVENUE FUND	
Fund 651 – Debt Service School Bonds – Revenue: Decrease revenue from the General Fund in the amount of \$200,000 for the additional subsidy from the General Fund. Increase Revenue from the state by \$900,000.	

EXPLANATION

This supplemental appropriation is to make correction the FY2020 budget based on new information that was received after the budget was passed. In light of the original State budget, the CBS budget included subsidies to other funds that were deemed unnecessary after some revenue sources were restored in the State budget. In the Harbor Fund, the revenue for the raw fish tax was included in the Harbor Fund Budget and the subsidy revenue eliminated, however the subsidy that was originally budgeted out of the general fund was not removed. As reimbursement for school bond debt service was eliminated until late in the State budget process (where it was restored at 50%) the subsidy from the General Fund to the School Bond Debt Service Fund remained in the budget and both the transfer out of the General Fund and the transfer in to the School Bond Debt Service fund need to be eliminated and the revenue from the State in the School Bond Debt Service Fund should be increased

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 25th Day of February, 2020.

ATTEST:

Gary L. Paxton, Mayor

Sara Peterson, MMC
Municipal Clerk

1st reading 2/11/2020
2nd and final reading 2/25/2020

Sponsor: Interim Administrator



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 20-051 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 2/18/2020 In control: City and Borough Assembly

On agenda: 2/25/2020 Final action:

Title: Award the 2020 / 2021 Cruise Ship Passenger Transit Service contract to Halibut Point Marine Services

Sponsors:

Indexes:

Code sections:

Attachments: [Motion and Memo Transit Contract](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTION

I MOVE to award the 2020 / 2021 Cruise Ship Passenger Transit Service contract to Halibut Point Marine Services.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Mayor Paxton and Assembly Members
From: Hugh Bevan, Interim Municipal Administrator
Date: February 4, 2020
Subject: Cruise Ship Passengers Transit Services

HB 2-5-20

Background

On December 23, 2019 the Assembly approved a draft RFP for a cruise ship passenger busing contract.

Included in the Assembly approval was funding for the 2020 cruise season in the amount of \$204,000 (Contract Year 1) and \$257,000 for Contract Year 2.

The RFP was advertised from January 15 to January 29, 2020 in the Sitka Sentinel and one proposal was received from Halibut Point Marine (HPM) on January 31, 2020.

The HPM proposal (attached) adequately addressed the requirements in the RFP.

I also confirmed with HPM that they have a plan in place to bill CBS based only upon passengers that are counted at the Old Sitka Dock as they board buses for the inbound trip to town. This will avoid double billing conflicts.

I further confirmed that each bus carries a first aid kit.

Fiscal Note

There is about \$60,000 remaining in the FY20 budget that will provide funds until the FY21 funding becomes available on July 1, 2020.

The \$204,000 FY21 appropriation will fund the contract until the end of June 2021 and the \$257,000 amount will apply to the following year of the contract.

Funding is provided by the State from taxes that are paid by cruise passengers.

Recommendation

Award the 2020/2021 Cruise Ship Passenger Transit Service contract to Halibut Point Marine.

Attachments

Halibut Point Marine Proposal dated January 31, 2020



HALIBUT POINT
SITKA'S CRUISE
TERMINAL

www.halibutpointmarine.com

PROPOSAL FOR:
Transit Services Between
Old Sitka Dock &
Centennial Hall Parking Area

Sitka, Alaska 99835
Phone: 907-747-1089 E-Mail: chris@halibutpointmarine.com

1. Letter of Interest



December 31, 2020

City and Borough of Sitka
100 Lincoln Street
Sitka, AK 99835

To Whom it May Concern,

On September 18, 2012, the first modern large cruise ship docked in Sitka at the Halibut Point Port Facility. The docking of the Celebrity Century was the result of years of planning, persistence, hard work, and personal investment by Halibut Point Marine Services LLC (HPMS).

Since the docking of the Celebrity Century, HPMS has continued to invest time and resources not only into growing the cruise ship traffic to its dock, but also to Sitka through continuous marketing of the destination of Sitka to the cruise corporations.

The marketing efforts have been successful. HPMS has increased the number of dockings at its facility from 1, in 2012, to an estimated 250,000+ in 2021. In addition, Sitka has seen its cruise ship passenger counts increase from around 80,000 in 2012 to levels that will approach record visits by 2021. HPMS is committed to the continued growth and success of the cruise industry in Sitka and believes that the cruise port facility is vital to this growth.

The port facility has to provide a flawless experience for both the cruise companies and their passengers. One of the key components of this is providing adequate transportation to and from downtown Sitka. HPMS knows that if passengers are not happy with the transportation services, they will let the cruise companies know, and it will effect the decision making of the cruise company when deciding to call in Sitka.

For this reason, HPMS feels that it has the most to lose or gain with regards to providing flawless transportation services for the passengers to and from downtown Sitka. The following pages contains our proposal in response to the request for Transit Services between Old Sitka Dock and Harrigan Centennial Hall. This proposal is based on our experience with providing these services for the past 8 years.

Respectfully,

A handwritten signature in black ink that reads "Chris McGraw".

Chris McGraw
Halibut Point Marine Services LLC

2. Contractors Experience

Halibut Point Marine Services LLC (HPMS) is a locally owned company that operates a port facility at 4513 Halibut Point Road which is utilized by large cruise ships during the summer months.


The HPMS port facility saw its first cruise ship in 2012. At that time Sitka had limited transportation companies capable of providing passenger transport from the port to Downtown Sitka. Based on this limited resource, HPMS purchased 8 coaches and contracted with Alaska Coach Tours (ACT) for driving of the shuttles.

HPMS formed the working relationship with ACT based on their experience in providing safe, quality transportation for cruise passengers throughout Alaska and the Pacific Northwest. ACT has operations in Ketchikan, Juneau, Skagway, Sitka, and Seward and operates under the name of Pacific Alaska Tours in Seattle. They operate over 100 motor coaches and have a vast resource of drivers and staff to meet HPMS's needs for operating the shuttle service from the port to downtown Sitka.

The working relationship between HPMS and ACT has resulted in HPMS successfully fulfilling the contract for providing transit services from the port to downtown Sitka for the City and Borough of Sitka during the 2013 through 2019 cruise ship seasons.

During these seasons, HPMS has gained a wealth of knowledge relating to the shuttle demands for each ship based on passenger capacity and arrival time. These factors significantly impact the requirements for the number of coaches required to provide transportation and keeping the passenger wait times to a minimum. It is very likely that firms without this first hand knowledge would not be able to adequately provide transit services and keep passenger wait times to a minimum.

3. Business License

Alaska Business License # 725524	
Alaska Department of Commerce, Community, and Economic Development Division of Corporations, Business, and Professional Licensing PO Box 110806, Juneau, AK 99811-0806	
This is to certify that	
HALIBUT POINT MARINE SERVICES, LLC	
P.O. BOX 718, SITKA, AK 99835	
owned by	
HALIBUT POINT MARINE SERVICES, LLC	
is licensed by the department to conduct business for the period	
October 29, 2019 to December 31, 2021 for the following line(s) of business:	
48 - Transportation and Warehousing	
	<p>This license shall not be taken as permission to do business in the state without having complied with the other requirements of the laws of the State or of the United States.</p> <p>This license must be posted in a conspicuous place at the business location. It is not transferable or assignable.</p> <p>Julie Anderson Commissioner</p>

4. Transit Vehicle Fleet – All vehicles all owned by HPMS and located at 4513 Halibut Point Road

Make/Model	Year	Approx Mileage	Capacity	ADA
MCI / 102DL3	1997	480000	62	NO
MCI / 102DL3	1999	420000	62	NO
MCI / 102DL3	1997	510000	62	NO
MCI / 102DL3	1997	330000	62	NO
MCI / 102DL3	1997	330000	62	NO
MCI / 102DL3	1998	460000	62	NO
MCI / 102DL3	1997	320000	62	NO
MCI / 102DL3	1997	390000	62	NO
MCI – MC 12	1994	560000	53	NO
MCI / 102DL3	1998	195000	62	NO
MCI / 102DL3	1997	390170	62	NO
MCI / 102DL3	1997	940000	62	NO
MCI / 102DL3	1997	820000	62	NO
MCI / 102D3	2004	830000	48	YES
Thomas - Blue Bird	1995	175,000	48	NO
Thomas - Blue Bird	1995	155,000	48	NO
Thomas - Blue Bird	1995	177,000	48	NO

5. Operation Plan

Daily Schedule

The 2020 Cruise Schedule for Halibut Point has ships ranging in size from the Seaborn Sojourn at 450 passengers to the Golden Princess at 3,080 passengers. HPMS's experience in relation to ship size and arrival time will dictate the number of shuttles needed to effectively transport passengers for each different ship. The most demanding ships of the season will be the ships with capacities of 1,800 or greater.

The weekly Holland America ships with a capacity of around 2,000 passengers have early arrivals, which results in a steady flow of passengers coming off the ship for the first few hours. HPMS will utilize 8 shuttles for the morning transport and then add an additional 4 shuttles in the afternoon to ensure that passengers can spend as much time in downtown Sitka and have minimum wait times to return to the ship prior to departure.

For ships such as the Golden Princess, which has approximately 3,000 passengers the shuttle demand is greater than the typical Holland America ship, therefore HPMS will have 12 shuttles available for transporting passengers in the morning when the ship arrives, and will add 2 additional shuttles at the end of the day to ensure adequate transportation is provided for the passengers return to the ship.

The average round-trip for a coach from the dock to downtown Sitka is about 30 minutes. The 17 coaches that HPMS owns have a total carrying capacity of 989 passengers. This equates to the ability to move 1,978 passengers per hour. Our experience has shown that a capacity of 1,500 per hour is adequate for the larger ships. If it becomes apparent that passenger wait times will exceed 15 minutes additional coaches will be added per our Emergency Backup Plan.

Emergency Backup

HPMS has a large fleet of coaches. Due to this large fleet, not all coaches are needed on a daily basis. Based on this HPMS will have spare coaches that will be put into the rotation in case of increased demand or if there is a mechanical breakdown to insure efficient operation of the shuttle service.

Customer Care Policy

Ensuring that the passengers have a pleasant transit experience is a key component to the continued success of the Halibut Point port facility and to growing Sitka's cruise ship traffic. To insure this HPMS implements the following customer care guidelines.

- All Coaches are inspected daily for compliance with USDOT regulations to insure safe operation.
- All coaches are kept clean and presentable.
- All drivers are professionally dressed in uniforms and trained in customer service along with knowledge relating to Sitka and the shuttle operation so that they can be informative to the cruise passengers. This includes providing brief details on Sitka history and points of interest during the shuttle ride to downtown Sitka.
- A representative will be located at both OSD and Centennial Hall to load passengers and assist with any questions or needs they may have. Informational handouts will be available to passenger at the port detailing a walking map of downtown Sitka. In addition, this document identifies the transit drop off and pick up location and a detail of the transit schedule. The handout also gives informational contact phone numbers.
- If a passenger were to miss their ship due to the fault of HPMS, we would contract with Cruise Line Agencies of Alaska to provide services required to return the passenger to its ship at the next port of call.
- All coach drivers will have two-way radios to the shuttle operations manager in addition all drivers have cell phones to notify emergency personnel in case of a medical emergency.
- All transit coaches will be smoke free



CITY AND BOROUGH OF SITKA

Legislation Details

File #: RES 20-03 Version: 1 Name:

Type: Resolution Status: AGENDA READY

File created: 2/18/2020 In control: City and Borough Assembly

On agenda: 2/25/2020 Final action:

Title: Declaring a climate emergency and mobilization effort to adapt to a changing climate

Sponsors:

Indexes:

Code sections:

Attachments: [Motion and Res 2020-03](#)
[AFN Annual Convention Resolution 2019-56](#)
[Sitka Fish and Game Advisory Committee resolution 2019-1 Climate Emergency](#)

Date	Ver.	Action By	Action	Result
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Sponsors: Knox and Christianson

POSSIBLE MOTION

I MOVE TO approve Resolution 2020-03 on first and final reading declaring a climate emergency and mobilization effort to adapt to a changing climate.

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2020-03

**A RESOLUTION OF THE CITY AND BOROUGH OF SITKA DECLARING A CLIMATE
EMERGENCY AND MOBILIZATION EFFORT TO ADAPT TO A CHANGING CLIMATE**

WHEREAS, in April 2016 world leaders recognized the urgent need to combat climate change it by signing the Paris Agreement, agreeing to keep global warming “well below 2°C above pre-industrial levels” and to “pursue efforts to limit the temperature increase to 1.5°C;”and

WHEREAS, the climate crisis in Alaska is changing at a more rapid rate than most of the rest of the globe including alarming changes in our marine and coastal environments including fisheries, marine mammal migrations, extreme weather events, glacial melt and snow pack changes; and

WHEREAS, the climate emergency also disproportionately impacts the indigenous people of Alaska and their traditional ways of life, which is particularly threatened due to their reliance on Alaska's natural systems, which they have been stewards of since time immemorial; a fact recognized by the Alaska Federation of Natives, the largest statewide Native organization in Alaska with a membership including tribes, village and regional corporations, and regional nonprofit tribal consortiums, which recently declared a climate emergency through a resolution that was put forward by Alaska Native youth leaders to express their concern and demand action for the survival of their future generations, ways of life, traditional lands, and intact ecosystems which are threatened by current and projected climatic changes; and

WHEREAS, the citizens of Sitka are reliant on our oceans and forests and the wildlife and resources contained within them, in our economies, including fisheries, and tourism, and our way of life, including subsistence food gathering, and a cultural and historical importance; and

WHEREAS, the City and Borough of Sitka supports all cultural, traditional and subsistence activities historically and continually practiced by Native and non-Native peoples in the State of Alaska and these practices are being irreparably harmed by major changes in our climate; and

WHEREAS, the citizens of Sitka recognize that global climate change includes the general warming of the climate, arctic melting, ocean acidification, and increase in severe weather events, from drought conditions and severe winter snows to massive precipitation events like the one experienced in Sitka on August 18, 2015; and

WHEREAS, the death and destruction already wrought by current average global warming of 1°C above pre-industrial levels demonstrate that the Earth is already too hot for safety and justice; and

WHEREAS, a January 2019 report by the Department of Defense, "Report on Effects of a Changing Climate to the Department of Defense", points to serious concerns of global military based security due to changes in climate, weather events, rise in sea levels and opening of Arctic waterways previously not navigable; and

WHEREAS, adapting to this changing climate requires an Emergency Climate Mobilization at all levels of government in order to move towards a rapid reduction of greenhouse gas emissions across all sectors of the economy; to safely drawdown and remove excess carbon from the atmosphere at emergency speed including protecting current natural carbon absorbing resources like the Tongass National Forest; and to implement measures to help all people to adapt to abrupt climate breakdown; and

WHEREAS, necessary measures to limit climate changes include:

- a) A rapid, just, and managed reduction on the dependence of fossil fuels;
- b) Maximizing all city and community use of zero emission energy resources and further exploring our capacity to produce green electricity at a local and regional level;
- c) A widespread effort to protect our regional environmental ability to safely drawdown excess carbon from the atmosphere and restore ecosystems critical to fish habitat;
- d) Supporting and funding efforts to address ocean acidification, warming, and the catastrophic changes in the marine environment; and
- e) Priority should be given to protections through widespread conservation and restoration of ecosystems; and

WHEREAS, necessary measures to adapt to climate changes and resulting economic disruption include:

- a) Increasing food security by stimulating local food production and safe storage;
- b) Recognizing need for the fisheries to conserve fossil fuel while transitioning to green energy and preparing for job change as a result of possible collapse of usual global markets;
- c) Strengthening community to meet change and collective hardship, by building bridges among segments of the community that historically did not respect or learn from each other or solve problems together. The Alaska native community has expertise in subsistence practices that may be critical in the event of climate or economic collapse;
- d) Involving the public, schools, SEARHC, and Sitka Tribe of Alaska to build climate awareness, engagement, and deliberation to develop and implement effective, just, and equitable policies to address the climate emergency; and

WHEREAS, indigenous peoples' culture, historical homes, and subsistence gathering practices are disproportionately impacted by climate change, tribal entities should be invited to participate actively in the planning and implementation of this mobilization effort to ensure that Alaska natives benefit first from adaptation measures.

NOW, THEREFORE, BE IT RESOLVED that the Assembly of the City and Borough of Sitka declares that a climate and ecological emergency threatens our city, region, state, nation, civilization, humanity and the natural world; and

BE IT FURTHER RESOLVED the Assembly of the City and Borough of Sitka directs the Administrator to work with all City of Sitka Departments, and commissions to report back within 1 year of the date of the signed declaration on maximum reductions in greenhouse gas emissions from their operations feasible by the end of 2025; and

BE IT FURTHER RESOLVED the Assembly of the City and Borough of Sitka directs the Administrator to work with the Planning Department and Planning Commission to report back on opportunities for radical greenhouse gas and co-pollutant emissions reductions and greenhouse gas drawdown opportunities through updates to the City of Sitka Comprehensive Plan, including metrics that prioritize avoidance of fossil fuel use and climate-adaptive land use planning; and

BE IT FURTHER RESOLVED the Assembly of the City and Borough of Sitka directs the Administrator and the Local Emergency Planning Commission to report back within 1 year on opportunities and funding to address the climate emergency and its impacts through existing hazard mitigation programs and through new subcommittees and programs as necessary to address measures above to limit global warming and to assist in adaptation of the Sitka Community; and

BE IT FURTHER RESOLVED the Assembly of the City and Borough of Sitka directs the Administrator to explore the mechanisms for joint planning of response to the climate emergency with the Sitka Tribe of Alaska, and other native entities as the Tribe suggests; and

BE IT FURTHER RESOLVED in furtherance of this resolution, the City and Borough of Sitka shall submit a certified copy of this resolution to the Office of the Governor of Alaska, the Alaska House of Representatives and Alaska Senate, the Alaska Federal Delegation, the Department of Interior, Environmental Protection Agency, Department of Homeland Security, Department of Defense, and the Office of the President of the United States of America.

PASSED, APPROVED AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska on this 25th day of February 2020.

Gary L. Paxton, Mayor

ATTEST:

Sara Peterson, MMC
Municipal Clerk

1st and final reading 2/25/2020

Sponsors: Knox and Christianson



ALASKA FEDERATION OF NATIVES
2019 ANNUAL CONVENTION
RESOLUTION 19-56

- TITLE:** DECLARATION FOR CLIMATE CHANGE STATE OF EMERGENCY IN ALASKA
- WHEREAS:** The Alaska Federation of Natives (AFN) is the largest statewide Native organization in Alaska and its membership includes 191 federally recognized tribes, 171 village corporations, 12 regional corporations and 12 regional nonprofit and tribal consortiums that contract and compact to run federal and state programs; and
- WHEREAS:** the mission of AFN is to enhance and promote the cultural, economic, and political voice of the entire Alaska Native community; and
- WHEREAS:** The First Alaskans Institute Elders and Youth Conference is the largest statewide convening of Alaska Native Elders and youth representing our diverse Alaska Native cultures and language groups in order to enhance and perpetuate the unique spirits and identities of our people; and
- WHEREAS:** The purpose of the Elders and Youth Conference is to connect Elders and youth for cultural knowledge transmission, strengthen statewide relationships, amplify the power of participants as leaders today, and advance solutions such as these resolutions to challenges faced by our Native peoples and our communities; and
- WHEREAS:** We the indigenous youth and future leaders of Alaska are concerned for the survival of our future generations, ways of life, traditional lands, intact ecosystems, emotional, spiritual, and mental well-being due to Climate Change; and
- WHEREAS:** Our indigenous lands and waters are warming at twice the rate as the rest of the world. Many communities across the state face hardships directly correlated with Climate Change, such as the extreme warming temperatures which melt the permafrost, causing mass erosion, resulting in the relocation of entire communities along with devastating the natural habitats of our animal and plant relatives. These impacts have disrupted indigenous seasonal hunting and gathering traditions; and
- WHEREAS:** In recent years we have lost community members due to unpredictable and unsafe ice conditions, have seen the die off and disease of seals, salmon, migratory birds, shellfish, whales, polar bears, and recognize that these are also our relatives; and

WHEREAS: We, the Alaska Native youth, are asking our tribal leaders to consider, as is traditional, the future of their grandchildren and the generations to come.

NOW THEREFORE BE IT RESOLVED that the delegates of the 2019 Annual Convention of the Alaska Federation of Natives will reinstate a climate action leadership task force within the Alaska Federation of Natives to advance indigenous voices and advocate for strong climate policies that will ensure the survival of future generations and to declare a state of emergency on Climate Change.



Julie Kitka
President

SUBMITTED BY: THE PARTICIPANTS OF THE 2019 FIRST ALASKANS INSTITUTE ELDERS AND
YOUTH CONFERENCE
CONVENTION ACTION: PASSED

SITKA FISH & GAME ADVISORY COMMITTEE

RESOLUTION NO. 2010-1

A DECLARATION FOR CLIMATE CHANGE STATE OF EMERGENCY IN SITKA AREA

WHEREAS, the Sitka Fish & Game Advisory Committee (SFGAC) are 17 publicly elected representatives of Fish, Wildlife, Conservation, and Subsistence interests in the Sitka area; and

WHEREAS, the responsibility of the SFGAC is to recognize and comment on issues affecting the conservation, sustainability, and sharing of wildlife resources in the Sitka Area; and

WHEREAS, members of the SFGAC and the constituents they represent are noticing dramatic changes in the Sitka environment, including but not limited to, melting of local ice fields, much warmer ocean water temperatures, ocean acidification, disappearance of fish such as sand lance and capelin, sea star wasting disease, depleted sea bird populations, pink salmon collapse in much of northern SE Alaska, and greatly increased hungry brown bear activity in Sitka; severe weather events from droughts, floods, intensive storms, landslides, and generally more severe weather patterns which cause impacts to our local wildlife; and

WHEREAS, the SFGAC is aware of climate science reports, recent Alaska Federation of Natives declaration of "a state of emergency on climate change", and our responsibility to advise the Board of Fisheries (BOF) and Board of Game (BOG), Sitka, and others on our perspective; and

WHEREAS, the SFGAC has a long history of leadership in recognizing local problems and providing leadership in proposing solutions that often are adopted regionally and statewide; and

WHEREAS, the traditional, experiential, and scientific information and observations already presented to the SFGAC over the past year clearly tell the story of unprecedented ecological problems associated with climate change; and

WHEREAS, the SFGAC recognizes its responsibility to share its learning with the BOF and BOG, our community, and local, state, and national leaders and ask them to take action; and

WHEREAS, the Mt. Edgecumbe and Sitka High Environmental Clubs, who represent over 15 communities and at least 4 different tribal groups across the State of Alaska who are facing hardships directly correlated with Climate Change, such as changing ocean conditions and precipitation patterns that adversely impacts the fisheries and ecosystems for which they rely on for culture, subsistence and economy, our ability to generate hydroelectricity, the occurrence of algae blooms and paralytic shellfish poisoning, coastal erosion, the integrity of our infrastructure, and the health and safety of our people have asked the SFGAC to support their resolution declaring a climate change emergency (attached).

THEREFORE, BE IT RESOLVED that the SFGAC declares a "CLIMATE CHANGE EMERGENCY" in the Sitka area and requests the Sitka Assembly, Sitka Tribe of Alaska, local, regional, state, and national groups, the BOF and BOG, the Alaska Legislature, Governor Dunleavy, and our congressional delegation to join us to recognize and to take effective action needed to address this emergency.

CERTIFICATION:

PASSED and APPROVED by the Sitka Fish and Game Advisory Committee this 13th day of November, 2019.



Jon Martin, Chair, Sitka Fish & Game Advisory Committee 16-Nov-2019
Date

ATTESTED:





11/16/19
Date



CITY AND BOROUGH OF SITKA

Legislation Details

File #: RES 20-02 Version: 1 Name:

Type: Resolution Status: AGENDA READY

File created: 2/5/2020 In control: City and Borough Assembly

On agenda: 2/25/2020 Final action:

Title: Increasing cruise ship tender fees, implementing cruise ship security fees, and increasing float plane tenant rate

Sponsors:

Indexes:

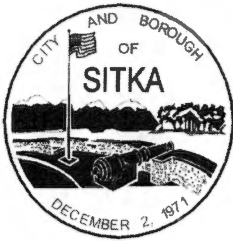
Code sections:

Attachments: [Motion Memo and Res 2020-02](#)
[Port and Harbor Commission draft minutes January 8, 2020](#)
[SGC 13.06.010](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTION

I MOVE TO approve Resolution 2020-02 on first and final reading increasing cruise ship tender fees, implementing cruise ship security fees, and increasing float plane tenant rate.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Mayor Paxton and Assembly Members

From: Hugh Bevan, Interim Municipal Administrator

Date: February 10, 2020

Subject: Resolution No. 2020-02
Changes to Moorage Charges and Fees

Background

Resolution 2006-10 established fees for the float plane facility and Resolution 2015-08 established fees for cruise ship tender vessels. Since it has been many years since those fees were reviewed the Port and Harbor Commission considered them on January 8, 2020.

The Commission recommended the following:

1. Set tender rates for the 2020 season at \$1,265.16 per ship.
The old rate was \$1,145.87 per ship per day. (Increase = \$119.29 per ship)
2. Establish a security fee of \$500.00 per ship per day to help offset CBS costs for onshore security support. (This is a new fee and is a common charge at other cruise ports)
3. Set the float plane facility rate at \$250.00 per quarter.
The old rate of \$150.00 was established in 2006. (Increase = \$100.00 per quarter)

Fiscal Note

The proposed rate increases results in the following estimated revenues based upon 31 ships:

1. Tender rates = \$38,581.79 per year.
2. Security fees = \$15,500.00 per year
3. Float plane facility fees = \$4,000.00 per year.

Recommendation

Approve Resolution No. 2020-02

Sponsor: Interim Administrator

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2020-02

**A RESOLUTION OF THE CITY AND BOROUGH OF SITKA
INCREASING CRUISE SHIP TENDER FEES, IMPLEMENTING CRUISE SHIP SECURITY FEES,
AND INCREASING FLOAT PLANE TENANT RATE**

WHEREAS, Sitka General Code Section 13.06.010 Moorage charges and fees, subsection (A) states, Moorage fees and charges shall be established by resolution and approved by the Assembly; and

WHEREAS, the Port and Harbors Commission voted on January 8, 2020 to approve an increase in the tender fees for cruise ships to \$1,265.16 per ship per day; and

WHEREAS, the Port and Harbors Commission voted on January 8, 2020 to implement a security fee for cruise ships of \$500.00 per ship per day; and

WHEREAS, the Port and Harbors Commission voted on January 8, 2020 to approve an increase in the float plane tenant rate to \$250.00 per quarter; and

NOW, THEREFORE, BE IT RESOLVED that the Assembly of the City and Borough of Sitka, Alaska, hereby approves the following permanent moorage charges and fees, effective as stated:

Tender Fees (effective immediately):

\$1,265.16 per ship per day

Security Fees (effective immediately):

\$500.00 per ship per day

Float Plane Tenant Rate (effective immediately):

\$250.00 per quarter

PASSED, APPROVED AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska on this 25th day of February 2020.

Gary L. Paxton, Mayor

ATTEST:

Sara Peterson, MMC
Municipal Clerk

1st and final reading 2/25/2020

Sponsor: Interim Administrator

Sitka Port and Harbors Commission Minutes

Wednesday January 8, 2020 6:00PM

Harrigan Centennial Hall

Port and Harbors Commission Members:

Dave Gordon, Chris Ystad, Shauna Thornton,
Tyler Green, Michael Nurco, Ken Creamer, Tamy Stevenson
Kevin Knox (Assembly Liaison)

I. CALL TO ORDER

Chairman Gordon called the meeting to order at approximately 6:00PM

II. ROLL CALL

Commissioners Present: Ken Creamer, Tyler Green, Dave Gordon, Tamy Stevenson, Chris Ystad

Commissioners absent: Michael Nurco (excused), Shauna Thornton (excused).

Assembly Liaison: Kevin Knox

Staff: Harbormaster Stan Eliason, Jay Sweeney, Chief Finance and Administrative Officer

III. CORRESPONDENCE

Eliason stated that there would be an Assembly work session on January 14th, 2020 at 5:00PM to discuss the Marine Service Center properties.

IV. AGENDA CHANGES

None

V. PERSONS TO BE HEARD

Terry Perensovich, a member of the Alaska Longline Fisherman's Association, spoke on the issue of Halibut Point Marine closing their vessel haul out facility. Perensovich noted that with the haul out closing, the exploration of constructing a new haul out facility needed to stay on everyone's mind. Perensovich felt that having a local haul out facility was critical to the harbor community.

VI. APPROVAL OF MINUTES

1. Approval of the November 13, 2019 meeting minutes

M – Stevenson / S – Creamer moved to approve the November 13, 2019 meeting minutes.

Motion carried unanimously.

VII. REPORTS

Harbormaster – Eliason reported that the demolition of floats 1-4 of Crescent Harbor had begun. Eliason noted that a 33' vessel had sunk at Eliason Harbor last week. With the recent snow fall, harbor staff had been focusing on snow removal.

City Staff – Jay Sweeney, Chief Finance and Administrative Officer for the City of Sitka, provided the commission with a detailed status report on the financial position and financial performance of the Harbor Fund, as well as a preview of what was being considered in the FY2021 budget.

Chair – None

Assembly Liaison – Knox noted that budget talks would be winding up soon. Knox felt that it would be beneficial to get resolutions to the assembly soon, so that discussions could get underway. Knox provided an update on Halibut Point Marine's stance regarding providing an RFP for constructing a new haul out facility for the City.

Other (s) – None

VIII. UNFINISHED BUSINESS

2. Float plane rate increase

Dave Gordon stated that he had spoke with other float plane facility users regarding a rate increase for use of the facility. Gordon noted that he and other facility users felt that an increase from \$150.00 per quarter to \$250.00 per quarter would be well perceived and help ease the financial burden of operating the facility.

M- Creamer / S- Stevenson made a motion to increase the tenant float plane rate from \$150.00 per quarter, to \$250.00 per quarter.

Motion passed unanimously.

IX. NEW BUSINESS

3. Set tender rate and security fees for 2020 season

Eliason explained that the cruise ship companies had been inquiring about the FY2020 tendering rates so that they could finalize their budgets. Eliason noted that he had recommended a tendering fee of \$1,265.16, plus a \$500.00 security fee, per ship, per day.

M- Creamer / S-Ystad made a motion to approve the recommended tendering fee of \$1,265.16, plus a \$500 security fee, per ship, per day for FY2020.

Motion passed unanimously.

X. SET NEXT MEETING DATE AND AGENDA ITEMS

1. The next regular meeting would be held Wednesday, February 12th, 2020 at 6:00pm
2. Moorage rate increase proposal

XI. ADJOURNMENT

M – Creamer /S – Gordon motioned to adjourn the meeting at approximately 7:38pm.

Motion passed unanimously.

Attest: Jeremiah Johnson, Deputy Harbormaster

13.06.010 Moorage charges and fees.



There is established, determined, and levied upon all vessels and waterborne structures moored, tied to, or in any other way attached by rope, cable, gangplank or other means to any float, piling, dock, mooring buoy or other harbor improvement which is owned, constructed, maintained or operated by the city and borough of Sitka a rental charge and/or fee for the privilege and use of such facilities. The charges and fees shall be reviewed annually by the port and harbors commission in the month of January.

- A. Moorage fees and charges shall be established by resolution and approved by the assembly.
- B. Rates, fees, charges and a description of other available services, such as electricity, recreational vehicles and boat trailer parking, launch ramp fees and grid fees shall be published and available at the harbormaster's office and City Hall.



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 20-052 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 2/18/2020 In control: City and Borough Assembly

On agenda: 2/25/2020 Final action:

Title: Approve reallocating existing Electric Department capital project appropriations to supplement the "Green Lake Power Plant 40 Year Overhaul Phase 1 of 3" project by \$1,519,605.30

Sponsors:

Indexes:

Code sections:

Attachments: [Motion and Memo Reallocation for Green Lake](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTION

I MOVE to approve reallocating existing Electric Department capital project appropriations to supplement the “Green Lake Power Plant 40 Year Overhaul Phase 1 of 3” project by \$1,519,605.30.



City & Borough of Sitka
Electric Department
105 Jarvis Street, Sitka AK. 99835
Telephone: 907-747-4000 Fax: 907-747-3208



Memorandum

February 3, 2020

To: Hugh Bevan, Interim Municipal Administrator *HB 2-18-20*
From: Jeff Wheeler, Interim Utility Director
Subject: Re-appropriation of Capital to Partially Fund Phase 1 of 3 of Green Lake Project 40 Year Overhaul

Request

The City and Borough of Sitka Electric Department requests a re-appropriation of Capital Projects funds to provide for partial financing of the Green Lake Project Phase 1 of 3 which will encompass overhaul of the gate systems, tunnel, and penstock.

Purpose:

This request would be a re-appropriation from existing capital to complete Phase 1 of 3 of the Green Lake Overhaul Project.

Background:

The Green Lake Hydroelectric energy source has been in operation since 1982 with no comprehensive repairs to date. The rehabilitation will proceed in three phases, with Phase 1 addressing the most urgent repair needs related to the project's dam intake structure, tunnel and penstock. Rehabilitation of the two generating units at the project is less urgent and would be completed later in Phases 2 and 3. However, turbine and generator inspections will be included in phase 1 to help define the scope of work for phases 2 and 3.

Recommendation:

Recommend Assembly re-appropriate \$1,519,605.30 of existing capital to partially fund completion of The Green Lake 40 Year Overhaul Project Phase 1 of 3.

Cc: Jay Sweeney, CFAO
Sara Peterson, Municipal Clerk

Project #	Project Description	Project Balance		FY2020	Revised
		Current	Total Approp minus	Reappropriation	
		Appropriation	Expenses / Encumbrances	From Column D	Appropriation
63010	Green Lake FERC Compliance: Inspect and Upgrades	\$ 302,000.00	\$ 62,711.79	\$ (62,711.79)	\$ 239,288.21
90562	Green Lake Power Plant Improvements	\$ 777,721.00	\$ 109,012.00	\$ (109,012.00)	\$ 668,709.00
90717	Jarvis Street Improvements	\$ 267,518.00	\$ 17,192.34	\$ (17,192.34)	\$ 250,325.66
90718	Marine Street Substation Replacements	\$ 154,000.00	\$ 202.00	\$ (202.00)	\$ 153,798.00
90777	Meter Replacement Upgrading Meters	\$ 440,000.00	\$ 112,010.93	\$ (50,000.00)	\$ 390,000.00
90804	Blue Lake Powerhouse Conversion	\$ 10,000.00	\$ 10,000.00	\$ (10,000.00)	\$ -
90821	Capital for Fuel Conversions (Interruptibles)	\$ 1,200,000.00	\$ 924,047.56	\$ (924,047.56)	\$ 275,952.44
90829	Harbor Meters	\$ 300,000.00	\$ 183,196.01	\$ (78,672.80)	\$ 221,327.20
90839	Green Lake Power Plant 40 Year Overhaul - Phase 1 of 3	\$ 1,185,000.00	\$ 970,565.20	\$ 1,519,605.30	\$ 2,704,605.30
90840	Green Lake Power Plant pre overhaul inspection	\$ 380,000.00	\$ 5,743.81	\$ (5,743.81)	\$ 374,256.19
90841	Jarvis Fuel System Repairs and Storage Tanks	\$ 434,458.00	\$ 150,000.00	\$ (130,000.00)	\$ 304,458.00
90860	Cell Service Enhancement Project(Revenue in Red)	\$ 295,000.00	\$ (12,977.00)	\$ 12,977.00	\$ 307,977.00
90868	69 kV Thimbleberry Trans Line Bypass	\$ 40,000.00	\$ 35,000.00	\$ (35,000.00)	\$ 5,000.00
90869	Blue Lake Auto start Back-up Diesel	\$ 10,000.00	\$ 10,000.00	\$ (10,000.00)	\$ -
90884	Blue Lake Project Completion	\$ 139,133.00	\$ 129,769.29	\$ (100,000.00)	\$ 39,133.00

Sum of Capital Reappropriation for Green Lake 40 Year Overhaul Phase 1 \$ 1,519,605.30



CITY AND BOROUGH OF SITKA

Legislation Details

File #: RES 20-04 Version: 1 Name:

Type: Resolution Status: AGENDA READY

File created: 2/18/2020 In control: City and Borough Assembly

On agenda: 2/25/2020 Final action:

Title: Authorizing the Municipal Administrator to apply for and execute a loan with the U.S. Department Of Agriculture Rural Development for \$3,000,000 to fund the Sitka Green Lake Hydroelectric Rehabilitation Phase 1 Project ("The Project") for the completion of the design and construction of the project in accordance with the FY2021 budget

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Memo and Res 2020-04](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTION

I MOVE TO approve Resolution 2020-04 on first and final reading authorizing the Municipal Administrator to apply for and execute a loan with the U.S. Department Of Agriculture Rural Development for \$3,000,000 to fund the Sitka Green Lake Hydroelectric Rehabilitation Phase 1 Project ("The Project") for the completion of the design and construction of the project in accordance with the FY2021 budget.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Mayor Paxton and Assembly Members

From: Hugh Bevan, Interim Municipal Administrator *HB 2-19-20*

Date: February 19, 2020

Subject: Green Lake Hydroelectric Rehabilitation Phase 1

Background

The Green Lake hydro facility has been in operation since 1982 without any comprehensive maintenance. This facility generates just over half of Sitka's electricity.

In the fall of 2019 the Electric Department completed a three-phase plan to overhaul the facility at a total budget cost of \$13 million. This is not a new-construction project. It is a major maintenance project.

Phase 1 will address the most urgent repairs related to the dam's intake structure, tunnel and penstock. Until the Phase 1 work is completed, the intake gate cannot be reliably operated, which puts all downstream infrastructure at risk. The scope of work and schedule for Phase 1 is attached. The budget cost estimate for Phase 1 is \$5 million.

Phases 2 and 3 will come later and consist of overhauls of the two generation units.

Analysis

Besides completing essential maintenance Phase 1 work includes internal inspections of the two generation units that is needed to plan for Phases 2 and 3.

The Phase 1 work must be completed during a shutdown of the entire power plant. It must also be completed at the lowest lake level of the year to facilitate dewatering of the penstock. The result is a large portion of the work must be completed in the May to June time frame.

It is possible Sitka will have to run diesel generators to supplement Blue Lake power generation during the project, but it is the lowest time of year for electric demand so diesel generation costs should be as low as possible.

The Phase 1 design had been put on hold, but last October I asked our Electric Working Group to re-activate the project and the design is now complete and ready for bidding.

We are very fortunate that former City Electric Department mechanical engineer Dean Orbison is willing to step out of retirement and manage the project. Dean is very familiar with the situation.

Fiscal Note

Funding for Phase 1 will come from two areas: \$2 million from a restructuring of the currently funded projects in the Electric Fund and \$3 million from a US Department of Agriculture, Rural Utility Services loan.

The interest rate for the loan will be around 2 percent, the final rate will be determined when the loan package is accepted by both the Assembly and the USDA. Lately the interest rate has been falling slightly.

Payments on the loan amount to about \$185,000 per year for 20 years.

At the present time we plan to include the loan in the Electric Fund portfolio and make the payments with a direct subsidy from the General Fund in the amount of \$185,000.

The loan application is an extensive process and we have identified an experienced person who we can retain as a consultant to help with the paperwork.

The Assembly will have the option to accept the loan when the package is complete and all details are known.

Recommendation

Apply for a \$3 million loan from USDA Rural Development to complete the funding package for Green Lake Hydroelectric Rehabilitation Phase 1.

Attachment: Summary Work Plan for the project

1-17-20

Summary Work Plan Green Lake Hydroelectric Project Rehabilitation – Phase 1

Overview

This document summarizes the City and Borough of Sitka's (CBS) intended plan for the Phase 1 rehabilitation of the Green Lake hydroelectric project, located near Sitka, Alaska. The Green Lake Project has been in operation since 1982 with no comprehensive repairs to date.

The rehabilitation will proceed in three phases, with Phase 1 addressing the most urgent repair needs related to the Project's dam intake structure, tunnel and penstock. Rehabilitation of the two generating units at the project is less urgent and would be completed later in Phases 2 and 3. However turbine and generator inspections will be included in phase 1 to help define the scope of work for phases 2 and 3.

Work at the dam and intake requires low lake levels and therefore must be scheduled in the spring. Consequently, the proposed major work tasks are planned as follows:

Milestone Schedule

January 2020 – Finalize design of the Phase 1 Construction Contract (complete December 2019)

Summer 2020 – Advertise for construction contract bids

Fall 2020 – Award construction contract

Winter 2020 – Contractor prepares shop drawings, purchases materials. CBS manages reservoirs in preparation for the work

March - April 2021 – Contractor mobilizes to the Green Lake project site

April 1, 2021 – Start of reservoir trash clearing and construction

April 16, 2021 – Shutdown of powerhouse operation, drain tunnel, start major construction effort

April – August 2021 – Site construction at dam, intake, tunnel, penstock and powerhouse

June 26 2021 – Substantial completion of work, power generation resumes

September 2021 – Final completion of Phase 1 contract.

Major Work Tasks

Painting of the project intake gate, intake trashrack, steel penstocks and related equipment is possibly the largest single task in the Phase 1 project. Painting of the penstocks will be carried out in place. The gates and trashrack will be removed to a temporary painting structure for blast cleaning and painting, before being re-installed.

Renewals of gates, valves, and piping is the second major task of the project. This includes removal, disassembly, cleaning, painting of the equipment, along with replacement of seals, bearings, gaskets and broken or inoperable components. The tunnel intake gate, gate hoist, trashrack, and turbine inlet valves will be rehabilitated in this manner. Much of the service water piping and valves in the powerhouse will be replaced. New penstock lift-out sections will be added in the powerhouse at each turbine unit. These new removable sections will allow future single-unit repairs of the turbine-generators without a complete shutdown of the powerplant.

Details of the technical work scope are provided in the attached specification section for the Phase 1 construction contract, Section 01 10 00 – Summary of Work.

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2020-04

A RESOLUTION OF THE CITY AND BOROUGH OF SITKA AUTHORIZING THE MUNICIPAL ADMINISTRATOR TO APPLY FOR AND EXECUTE A LOAN WITH THE U.S. DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT FOR \$3,000,000 TO FUND THE SITKA GREEN LAKE HYDROELECTRIC REHABILITATION PHASE 1 PROJECT ("THE PROJECT") FOR THE COMPLETION OF THE DESIGN AND CONSTRUCTION OF THE PROJECT IN ACCORDANCE WITH THE FY2021 BUDGET

WHEREAS, the existing Sitka Green Lake hydroelectric plant is a critical facility and part of the City's core infrastructure built in 1982, where approximately half of the electricity for the entire City of Sitka is generated; and

WHEREAS, the facility's mechanical, electrical, and control systems, along with the water supply penstock, are due for major maintenance upgrades; and

WHEREAS, the estimated Project cost of approximately \$5,000,000 exceeds current available funding from Electric Fund Working Capital; and

WHEREAS, there is an urgency for completion of the rehabilitation of the Phase 1 project to ensure continued reliability of the electric system and to do investigative work for future Phase 2 and Phase 3.

NOW, THEREFORE, BE IT RESOLVED by the Assembly of the City and Borough of Sitka to authorize the CBS Municipal Administrator to apply for and execute a loan with the U.S. Department of Agriculture Rural Development for the funding shortfall of \$3,000,000 for the design and construction of the Sitka Green Lake Hydroelectric Rehabilitation Project in accordance with the FY2021 budget.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska on this 25th day of February, 2020.

Gary L. Paxton, Mayor

ATTEST:

Sara Peterson, MMC
Municipal Clerk

1st and final reading 02/25/2020

Sponsor: Interim Administrator



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 20-054 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 2/19/2020 In control: City and Borough Assembly

On agenda: 2/25/2020 Final action:

Title: Subjects that tend to prejudice reputation and character / Grievance over misrepresentation of Resolution 2019-26 (Roadless Rule) document submitted

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Executive Session](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTIONS

Step 1:

I MOVE to go into executive session to discuss subjects that may tend to prejudice the reputation and character of Mayor Paxton with regards to the February 11, 2020 “Grievances over gross misrepresentation of Resolution 2019-26 (Roadless Rule)” document submitted.

Step 2:

I MOVE to reconvene as the Assembly in regular session.

*Sitka General Code 2.04.020 Meetings

D. All meetings shall be open to the public except that the following may be discussed in closed executive session:

1. Matters, the immediate knowledge of which would adversely affect the finances of the municipality;
2. Subjects that tend to prejudice the reputation and character of any person, provided the person may request a public discussion;
3. Matters which by law, municipal Charter or ordinances are required to be confidential;
4. Communications with the municipal attorney or other legal advisors concerning legal matters affecting the municipality or legal consequences of past, present or future municipal actions.