

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

Possible items to be considered:

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

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

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

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

Target CBS Budget Reduction Goal, FY 2018

FY2017 Original Budget

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

FY2018 Macro Budget - As of January 6, 2017

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

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

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

FY18 Anticipated/Possible Changes:

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

FY18 Draft Consolidated Operating Budget

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