

**DISCUSSION ~ DIRECTION** of the  
FY18 budget process.



**City and Borough of Sitka  
Proposed Fiscal Year 2018 Budget Preparation  
Planning Schedule**

Day of Week	Date	Action
Monday	10/17/2016	Budget Preparation Memo Distributed to Staff
Monday	12/5/2016	Finance Director completes revenue & expense projections
Friday	12/16/2016	Municipal Department Budgets Due in computer
Friday	12/16/2016	Municipal FY 2018 Capital Program Finalized
Friday	1/6/2017	Rough Draft Budget to Finance Director/Administrator
Wednesday	1/11/2017	6:00 p.m. Assembly worksession with School District
Monday-Friday	1/16/2017-1/20/2017	Finance Director and Administrator review and finalized budget
Friday	2/24/2017	Finance Director completes pro forma financial statements
Friday	2/24/2017	Administrator's Budget Letter Input Due
Tuesday	2/28/2017	Draft Budget Book distributed to Assembly
Thursday	3/2/2017	Assembly/School District Budget Work Session (30 min)
Wednesday	TBD	School Budget Resolution (Regular Assembly Meetings)
Thursday	3/9/2017	1st Municipal Budget Special Meeting with Assembly-6:00 pm
Thursday	3/16/2017	2nd Municipal Budget Special Meeting with Assembly-6:00 pm
Wednesday	3/1/2017	Hospital Budget Due
Thursday	3/23/2017	3rd Municipal Budget Special Meeting with Assembly- 6:00 pm
Friday	4/14/2017	Final Budget to Assembly
Friday	4/14/2017	Official Notice Public Hearing Published (Municipal Budget)
Tuesday	5/9/2017	1st Reading Municipal Budget Ordinance
Tuesday	5/23/2017	2nd Reading Municipal Budget Ordinance
Friday	6/30/2017	FY 2018 Budget Distributed
Friday	7/21/2016	Taxpayer Notice Publication

## FY18 Projected Shortfall

Category	Projected FY18 Starting Budget Shortfall	Currently Included in the FY18 Budget	Comments
Electric Utility Subsidy (assuming 5% rate increase)	\$1,000,000	\$1,650,000	\$2.7 million anticipated shortfall
Reduction in Electric Fund Subsidy	\$0		
General Fund *	\$2,500,000		
Maintain Additional SSD Support at FY17 Levels		\$900,000	
Funding For Public Works Capital Projects		\$1,500,000	CTF recommended that FY18 funding of \$2,250,000 with a target of \$3,000,000 in FY19
<b>Projected FY18 Starting Budget Shortfall</b>	<b>\$3,500,000</b>		

\* Shortfall will probably increase if the legislature moves to reduce revenue sharing, school support, PERS/TERS contributions and Feds reduce PILT and Secure Rural Schools support

## FY18 General Fund Budget Reduction Worksheet

	FY17 General Fund Budget	% of General Fund Budget	Proposed FY18 Reduction
General Fund City	\$21,365,137	75.52%	\$906,299.28
General Fund SSD	\$6,767,521	23.92%	\$287,075.13
General Fund Hospital	\$156,192	0.55%	\$6,625.59
<b>Total General Fund</b>	<b>\$28,288,850</b>		
Reduction in Electric Fund Subsidy	\$0		
<b>FY18 Budget Reduction Target</b>	<b>\$1,200,000</b>		
Projected FY18 Deficit	<b>\$3,500,000</b>		

### Potential FY18 Budget Balancing Strategies

CBS,SSD,SCH Service Reductions	\$1,200,000.00
New Revenue	\$0.00
Reserves	\$0.00
<b>Projected FY18 General Fund Balance</b>	<b>-\$2,300,000</b>

### FY17 General Fund Distribution

