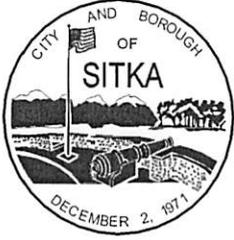


POSSIBLE MOTION

I MOVE TO approve Ordinance 2017-37 on
second and final reading.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Mayor Hunter and Assembly Members
Keith Brady, Municipal Administrator

From: Assembly Member Steven Eisenbeisz
Assembly Member Bob Potrzuski

Date: October 31, 2017

Subject: Approval of appropriation for a donation to the St. Michael's Cathedral renovation project

Issue:

We are requesting a supplemental appropriation for a donation to help with the cost of renovating St. Michael's Cathedral.

Facts:

1. St. Michael's Cathedral is undergoing renovation and repainting. Funds are being solicited from the public to help defray the cost.
2. The Municipality levies a 6% hotel, motel, and bed and breakfast transient room rental tax. The proceeds from the room rental tax are deposited in the Visitor Enhancement Fund.
3. The Visitor Enhancement Fund can be used, per SGC 4.24.070 (D), as follows:

D. The proceeds contained in the visitor activities enhancement fund may be appropriated by the assembly for any purpose related to the enhancement of tourism and visitor-related activities in the municipality, to include but not be limited to contractual funding of a convention and visitor's bureau, funding of travel of municipal officials to travel-related conventions and trade shows, and procurement of tourism-related advertising. All such procurements shall be subject to municipal procurement regulations in accordance with Title 3.

4. As of June 30, 2017, the Visitor Enhancement Fund ended the fiscal year with an unencumbered fund balance of \$304,039.

Discussion:

1. St. Michael's Cathedral is a significant historical and cultural landmark in downtown Sitka. The Cathedral figures prominently in many promotional materials for Sitka as a visitor destination.
2. Keeping St. Michael's Cathedral a well-maintained facility benefits all Sitkans. Its landmark status contributes to the attractiveness of Sitka as a visitor destination which, in turn, contributes to the vibrancy of the local economy.
3. As sufficient funds exist in the Visitor Enhancement Fund, a small donation to the St. Michael's Cathedral renovation project is appropriate.

Recommendation:

1. Approve the supplemental budget ordinance for a donation to the St. Michael's Cathedral renovation project.

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CITY AND BOROUGH OF SITKA
ORDINANCE NO. 2017-37
AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA
ADJUSTING THE FY18 BUDGET

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 adjust the FY18 budgets for known changes.

4. **ENACTMENT.** The Assembly of the City and Borough of Sitka hereby adjusts the FY18 budget for known changes. In accordance with Section 11.10(a) of the Charter of the City and Borough of Sitka, Alaska, the budget for the fiscal period beginning July 1, 2017 and ending June 30, 2018 is hereby adjusted as follows:

<u>FISCAL YEAR 2018 EXPENDITURE BUDGETS</u>
SPECIAL REVENUE FUND
Visitor Enhancement Fund - Operations: To make an appropriation in the amount of \$5,000 as a donation to St. Michael’s Cathedral in assisting with the costs of their renovation project.

EXPLANATION

Necessary revisions in the FY 2018 budget were identified. These changes involve the increase of expenditure accounts and causes decreased cash flows to the fund balance of various funds. A short explanation of each budget revision is included.

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 28th Day of November, 2017.

ATTEST:

Matthew Hunter, Mayor

Melissa Henshaw, CMC
Acting Municipal Clerk

1st reading 11/7/17
2nd reading 11/28/17