

**UNFINISHED  
BUSINESS**

**FY09 SCIP  
Budget**



Tuesday, March 25, 2008

MEMORANDUM

To: Sawmill Cove Board of Directors

From: Hugh Bevan, Director

Subject: FY09 Sawmill Cove Budget

Attached under this agenda items are:

1. Summary of Sawmill Budget breakdown that was requested at the last meeting.
2. A listing of operating budget expense categories and their allocation between the Admin Building, Stores Building, Interior Lands and Waterfront Lands.
3. The materials from the last meeting packet.

"March 24, 2008							
<b>FY09 Sawmill Cove Budget Breakdown</b>							
		Maximum	Present	FY09	FY09	FY09	FY09
		Annual	Annual	Operating	Capital	Total	Net
<u>Category</u>	<u>Value</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>	<u>Budget</u>
Admin Building	\$1,300,000	\$248,557	\$64,929	\$179,718	\$3,300	\$183,018	(118,089.30)
Stores Building	\$418,168	\$91,710	\$14,400	\$66,093	\$33,300	\$99,393	(84,992.90)
Interior Land	\$4,982,726	\$448,446	\$31,255	\$176,339	\$3,400	\$179,739	(148,484.10)
Waterfront Land	\$1,760,776	\$158,470	\$19,002	\$70,654	\$35,000	\$105,654	(86,651.70)
Totals	\$8,461,670	\$947,183	\$129,586	\$492,804	\$75,000	\$567,804	(438,218.00)
<b>Notes</b>							
Totals are Block 4 only, Lot 1 not included and Block 3, Lots 2 and 3							
TAB private land not included							
Silver Bay sale land Block 4 Lot 10 and Lot 21 not included							
Sewer plant Block 4 Lot 11 not included							
Admin Buidling value per Moss Adams 1998 plus \$1M for 2001 upgrade							
Stores Buidling value per Moss Adams 1998							
Interior land value Block 4 per TAB appraisal Feb 2006, \$4.00 per SF							
Interior land value Block 3, Lot 2 per HB. \$2.50 per SF							
Interior land value Block 3, Lot 1 per Moss Adams. \$0.15 per SF.							
Waterfront land value per MP Dock site appraisal Feb 2006, \$8.00 per SF							
Maximum land revenue = Value x 9% HRF (Horan Recapture Factor)							

"March 24, 2008					
<b>FY09 Sawmill Cove Budget Breakdown</b>					
<b>Operating Budget</b>					
	Allocation of Expenses				
	Proposed	Admin	Stores	Interior	Waterfront
<u>Category</u>	<u>Budget</u>	<u>Building</u>	<u>Building</u>	<u>Land</u>	<u>Land</u>
Salaries & Benefits	111,387	55,694	11,139	33,416	11,139
Utilities	13,000	11,700	1,300		
Heating Fuel	13,500	13,500			
Telephone	4,000	1,200	400	1,200	1,200
Insurance	41,450	24,304	5,134	3,062	8,950
Office Supplies	2,000	600	200	600	600
Wastewater lab supplies	4,000	1,600	800	1,600	
Repair and maintenance	20,000	8,000	6,000	6,000	
Building maintenance	1,513	908	605		
Contract services					
landfill testing	1,000			1,000	
ADEC oversight	2,000			1,000	1,000
SEDA contract	75,000	18,750	18,750	18,750	18,750
road maintenance	20,000	2,000	2,000	16,000	
snow removal	5,000	1,500	500	3,000	
janitorial	6,000	6,000			
electrician	5,000	2,000	2,000	1,000	
surveyor	5,000			5,000	
wastewater testing	2,000	400		1,600	
sprinkler/alarm	12,000	6,000	6,000		
stormwater testing	1,000			1,000	
audit fees	2,625	656	656	656	656
clean up the site	40,000			40,000	
port security plan	20,000				20,000
Interdepartmental services	71,490	21,447	7,149	35,745	7,149
Vehicles	3,764	941	941	941	941
Tools/small equipment	9,000	2,250	2,250	4,500	
Advertising	1,000	250	250	250	250
Credit card expense	75	19	19	19	19
<b>Total Operating Budget</b>	<b>492,804</b>	<b>179,718</b>	<b>66,093</b>	<b>176,339</b>	<b>70,654</b>
<b>Capital Budget</b>					
Close fire line gap	10,000	3,300	3,300	3,400	
Remove buoy	10,000				10,000
Demo Cl2 dock	25,000				25,000
Repair dock warehouse gutter	n/a				
Stores building sprinklers	30,000		30,000		
<b>Total Capital Budget</b>	<b>75,000</b>	<b>3,300</b>	<b>33,300</b>	<b>3,400</b>	<b>35,000</b>



Thursday, March 13, 2008

MEMORANDUM

To: Sawmill Cove Board of Directors

From: Hugh Bevan, Director

Subject: FY09 Sawmill Cove Budget

Attached is the FY09 budget information from City staff.

Two major actions in the past few months have had a dramatic effect on revenues at the Industrial Park.

- Cancellation of the TAB lease resulted in an income loss of about \$106,000
- Sale of the pulp dock warehouse resulted in an income loss of about \$208,000
- Resulting in a total loss of income of about \$314,000

At the macro level the FY09 budget can be described as follows:

- Assume the Silver Bay sale will be executed
- Results in total available revenues of about \$280,400
- Requested expense budget is about \$525,000
- Requested capital projects budget is \$95,000

Budget Summary Table

Revenues	Operations Expense	Capital Expense	Surplus (Deficit)
\$280,457	\$524,954	\$95,000	(\$339,497)

City staff requests input from the Board as to what items can be reduced or eliminated from the budget to achieve balance. Their spreadsheet data is attached.

City and Borough of Sitka  
 Schedule of Revenue - SCIP  
 For Fiscal Year 2009  
 as of 12 Mar 08 - DRAFT

**Without sale to Silver Bay Seafoods:**

	Monthly	Yearly
The Boat Company	1,443.33	17,319.96
Omegasea	4,209.59	50,515.08
Theobroma Chocolate	2,535.07	30,420.84
Island Fever and Diving	436.00	5,232.00
True Alaska Bottling	8,827.78	105,933.36
Fortress of the Bear	50.00	600.00
Baranof Frozen Food	5,639.07	67,668.84
Baranof Frozen Food	557.03	6,684.36
Silver Bay Seafoods	8,562.50	102,750.00
Silver Bay Seafoods	1,725.00	20,700.00
Less Credit		-100,000.00
Baranof Frozen Food		40,000.00
Silver Bay Seafoods		20,000.00
City of Sitka		30,655.00
City of Sitka	1,912.50	22,950.00
City of Sitka	253.50	3,042.00
Interfund Transfers		170,237.00
<b>Totals</b>		<b>594,708.44</b>

→ Lease that was canceled

**With sale to Silver Bay Seafoods: (loss of True Alaska Bottling)**

The Boat Company	1,443.33	17,319.96
Theobroma Chocolate	2,535.07	30,420.84
Island Fever and Diving	436.00	5,232.00
Fortress of the Bear	50.00	600.00
City of Sitka	1,912.50	22,950.00
City of Sitka	253.50	3,042.00
City of Sitka		30,655.00
Interfund Transfers		170,237.00
<b>Totals</b>		<b>280,456.80</b>

Sole to SPSU By - Yes

		CITY AND BOROUGH OF SITKA			
		FY '09 OPERATING BUDGET - SCIP			
		Blue shaded fields not included in totals - informati #####			
Fund:	270	DRAFT			
Dept.				Prepared By:	Brylinsky
Account Number	Expense Description	FY '08 Budget		Proposed FY'09 Budget	
		fixed	discretionary	increment/(decreme nt)	Proposed FY'09 Budget SCIP
<b>Salaries &amp; Benefits</b>					
5110.001	Salaries & Wages		\$ 60,742		\$ 61,033
5110.004	Overtime		\$ 3,000		\$ 3,000
5110.010	Temporary Employees		\$ 5,000		\$ 5,000
5120.000	Benefits		\$ 42,544		\$ 42,354
	<i>Total Salary &amp; Benefits</i>		\$ 111,286		\$ 111,387
<b>Non-Personnel Operational Outlays</b>					
5201.000	Travel and Training		\$ -		\$ -
	CPR and First Aid				
	Training / Certifications				
	first aid classes				
	OSHA training				
5202.000	Uniform Allowance		\$ -		\$ -
	coveralls, gloves, protective gear				
5203.000	Utilities	\$ 13,000			\$ 13,000
5203.005	Heating Fuel	\$ 11,000	\$ -	\$ 2,500	\$ 13,500
5204.000	Telephone		\$ 3,100	\$ -	\$ 4,000
5205.000	Insurance	\$ 75,830			\$ 73,600
5206.000	Supplies		\$ 6,000		\$ 6,000
	630 office and security supplies		\$ 2,000		\$ 2,000
	wastewater system and lab		\$ 4,000	\$ -	\$ 4,000
					\$ -
5207.000	Repair and Maintenance	\$ -	\$ 20,000		\$ 20,000
	630 misc materials and repairs		\$ 20,000		
5208.000	Building Maintenance Fees	\$ 11,513		\$ (10,000)	\$ 1,513
	630 bld maint fund - building repairs	\$ 1,513			\$ 1,513
	Pulp Dock warehouse roof patching	\$ 10,000		\$ (10,000)	\$ -
5211.000	MIS Fees	\$ -			\$ -
5212.000	Contracted/Purchased Services		\$ 116,625	\$ 80,000	\$ 196,625
	630 landfill testing		\$ 1,000		\$ 1,000
	adec oversigt		\$ 2,000		\$ 2,000
	SEDA contract		\$ 75,000		\$ 75,000
	road maint: grading and blading			\$ 20,000	\$ 20,000
	snow removal		\$ 5,000		\$ 5,000
	janitorial		\$ 6,000		\$ 6,000
	electrician services		\$ 5,000		\$ 5,000
	land surveying		\$ 5,000		\$ 5,000
	wastewater testing		\$ 2,000		\$ 2,000
	sprinkler/fire alarm services		\$ 12,000		\$ 12,000
	storm water testing		\$ 1,000		\$ 1,000
	audit fees		\$ 2,625		\$ 2,625
	clean-up site (est 100 truckloads c&d debris)			\$ 40,000	\$ 40,000
	execute security plan			\$ 20,000	\$ 20,000
5214.000	Interdepartment Services	\$ 121,134	\$ -		\$ 71,490
5221.000	Transportation / Vehicles	\$ 4,802			\$ 3,764
5222.000	Postage		\$ -		\$ -
5223.000	Tools & Small Equipment		\$ 9,000		\$ 9,000
5224.000	Dues & Publications		\$ -		\$ -
5226.000	Advertising		\$ 1,650	\$ (650)	\$ 1,000
5227.002	Rentals Buildings & Equipment	\$ -	\$ -		\$ -
5231.000	Credit card expense		\$ 150		\$ 75
5290.000	Other Expenditures		\$ 6,500		\$ -
5295.000	Interest	\$ -			\$ -
5297.000	Debt administrative expense	\$ -			\$ -
7301.000	Note Principal payment	\$ -			\$ -
7200.000	Transfer to other funds	\$ -			\$ -

	<i>Total Non-Personnel Outlays</i>	\$ 248,792	\$ 163,025		\$ 413,567
	<b>Total Operating Outlays</b>		\$ 523,103		\$ 524,954
				differential:	\$ 1,851
				increase	0.35%
				<b>Blue shaded fields not included in totals - info</b>	
	<b>Capital projects</b>				
	Additional to close expanded gap in fire line (was 200', is now 300')				\$ 10,000
	Remove buoy				\$ 10,000
	Demo chlorine dock				\$ 25,000
	SMC PD WH gutter				\$ 20,000
	Fire Suppression-Stores Bldg				\$ 30,000