

# **Unfinished Business**

**FY09  
SCIP Budget**



## SITKA ECONOMIC DEVELOPMENT ASSOCIATION

329 Harbor Drive, Suite 212 • Sitka, Alaska 99835 • (907) 747-2660 • fax (907) 747-7688 • [www.sitka.net](http://www.sitka.net)

Tuesday, April 08, 2008

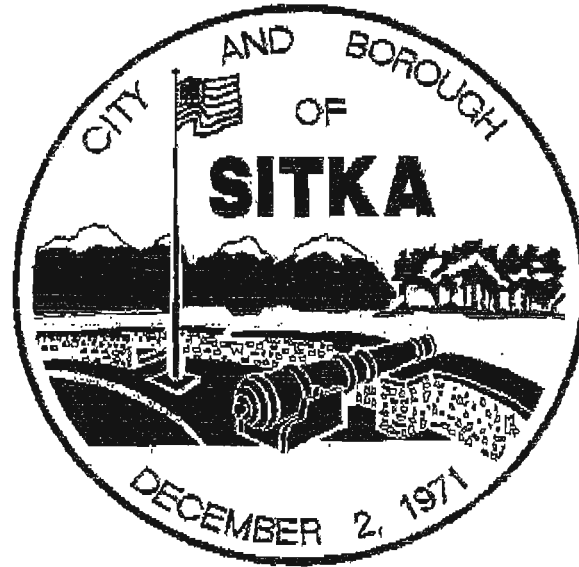
### MEMORANDUM

To: Sawmill Cove Board of Directors  
From: Hugh Bevan, Director  
Subject: FY09 SCIP Budget

Attached is the FY09 Sawmill Cove Enterprise Fund budget as proposed by City staff. This document has been given to the Assembly. The Assembly will begin its budget deliberations in a couple of weeks.

As proposed the budget is in the red by about \$109,000. Of that amount \$50,000 are proposed capital projects. Even if the capital projects are deferred the operating budget does not balance by \$59,000.

It should be noted that the proposed budget reduces the SCIP site manager (Warren Lee) from full time to part time. This may have substantial impacts to tenant operations at the Park.



**City and Borough of Sitka**

**SAWMILL COVE INDUSTRIAL**  
**COMPLEX FUND**

**FISCAL YEAR 2009**

**Operating Budget**

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SAWMILL COVE INDUSTRIAL COMPLEX FUND  
SUMMARY OF CASH INFLOWS/OUTLAYS

CASH INFLOWS / REVENUES

*Revenue*

| <u>Source</u>   | FY 2009<br><u>Budget</u> | FY 2008<br><u>Budget</u> | FY 2008<br><u>Projections</u> | Change From<br>FY 2008<br><u>Budget</u> | % Change From<br>FY 2008<br><u>Budget</u> |
|---|--------------------------|--------------------------|-------------------------------|---|---|
| Grant Revenue   | \$ -                     | \$ -                     | \$ -                          | \$ -                                    | #DIV/0!                                   |
| Property Investments                                    | \$ 116,920               | \$ 436,824               | \$ -                          | \$ 319,904                              | 73%                                       |
| Interfund Transfers                                     | \$ 170,237               | \$ 164,937               | \$ -                          | \$ (5,300)                              | -3%                                       |
| <b>TOTAL CASH INFLOWS /<br/>REVENUES:</b>               | <b>\$ 287,157</b>        | <b>\$ 601,761</b>        | <b>\$ -</b>                   | <b>\$ 314,604</b>                       | <b>52%</b>                                |
| <br><u>CASH OUTLAYS</u>                                 |                          |                          |                               |   |   |
|   | <i>2009</i>              | <i>2008</i>              |                               |   |   |
|   |                          |                          |                               |   |   |
| <u>Operating Outlays</u>                                |                          |                          |                               |   |   |
| Cash Outlays for Salaries and Benefits                  | \$ 61,284                | \$ 111,286               | \$ -                          | \$ 50,002                               | 45%                                       |
| Non-personnel Operating Outlays                         | \$ 284,869               | \$ 400,304               | \$ -                          | \$ 115,435                              | 29%                                       |
| <b>Total Operating Outlays:</b>                         | <b>\$ 346,153</b>        | <b>\$ 511,590</b>        | <b>\$ -</b>                   | <b>\$ 165,437</b>                       | <b>32%</b>                                |
| <u>Capital Outlays</u>                                  |                          |                          |                               |   |   |
| Fixed Asset Acquisition                                 | \$ -                     | \$ -                     | \$ -                          | \$ -                                    | #DIV/0!                                   |
| Transfers to Capital Projects                           | \$ 50,000                | \$ 209,000               | \$ -                          | \$ 159,000                              | 76%                                       |
| <b>Total Capital Outlays:</b>                           | <b>\$ 50,000</b>         | <b>\$ 209,000</b>        | <b>\$ -</b>                   | <b>\$ 159,000</b>                       | <b>76%</b>                                |
| <b>TOTAL CASH OUTLAYS:</b>                              | <b>\$ 396,153</b>        | <b>\$ 720,590</b>        | <b>\$ -</b>                   | <b>\$ 324,437</b>                       | <b>45%</b>                                |
| <br><u>INCREASE IN UNRESTRICTED<br/>WORKING CAPITAL</u> |                          |                          |                               |   |   |
|   | <i>2009</i>              | <i>2008</i>              |                               |   |   |
|   |                          |                          |                               |   |   |
|   | \$ (108,996)             | \$ (118,829)             | \$ -                          | \$ (9,833)                              | 8%  |

*Summary FY 2009 vs FY 2008*

*FY09 as proposed is unbalanced by \$108,996*

City and Borough of Sitka  
Sitka, Alaska

FY 2009 Budget

Fund: 270 - Sawmill Cove Industrial Complex Fund

Cash Inflows / Revenues

| Account Number   | Revenue Description             | 2007 Actual         | 2008 Budget       | 2008 Projections | 2009 Budget       |
|--|---------------------------------|---------------------|-------------------|------------------|-------------------|
| <b>State Revenue</b>                                       |                                 |                     |                   |                  |                   |
| 300-310-3101.005   | Grant Revenue                   | \$ 785,139          | \$ -              | \$ -             | \$ -              |
| 300-310-3101.017   | PERS Relief                     | \$ 3,011            | \$ -              | \$ -             | \$ -              |
|  | <b>Subtotal:</b>                | <b>\$ 788,150</b>   | <b>\$ -</b>       | <b>\$ -</b>      | <b>\$ -</b>       |
| <b>Federal Revenue</b>                                     |                                 |                     |                   |                  |                   |
| 300-315-3151.003   | Grant Revenue                   | \$ 512,332          | \$ -              | \$ -             | \$ -              |
|  | <b>Subtotal:</b>                | <b>\$ 512,332</b>   | <b>\$ -</b>       | <b>\$ -</b>      | <b>\$ -</b>       |
| <b>Non-operating Revenue</b>                               |                                 |                     |                   |                  |                   |
| 300-350-3501.003   | Other Revenue                   | \$ 124,098          | \$ -              | \$ -             | \$ -              |
|  | <b>Subtotal:</b>                | <b>\$ 124,098</b>   | <b>\$ -</b>       | <b>\$ -</b>      | <b>\$ -</b>       |
| <b>Property Investments</b>                                |                                 |                     |                   |                  |                   |
| 300-360-3601.000   | Rental of Land                  | \$ 40,000           | \$ 430,824        | \$ -             | \$ 110,220        |
| 300-360-3602.000   | Rental of Building              | \$ 277,992          | \$ -              | \$ -             | \$ -              |
| 300-360-3610.000   | Interest Income                 | \$ -                | \$ 6,000          | \$ -             | \$ 6,700          |
| 300-360-3621.000   | Cost Fixed Assets               | \$ (45,777)         | \$ -              | \$ -             | \$ -              |
| 300-360-3625.000   | Sale of Water                   | \$ -                | \$ -              | \$ -             | \$ -              |
|  | <b>Subtotal:</b>                | <b>\$ 272,215</b>   | <b>\$ 436,824</b> | <b>\$ -</b>      | <b>\$ 116,920</b> |
| <b>Interfund Billings</b>                                  |                                 |                     |                   |                  |                   |
| 300-370-3701-100   | General Fund                    | \$ -                | \$ 117,837        | \$ -             | \$ 117,837        |
|  | SE AK Econ. Development Billing | \$ -                | \$ -              | \$ -             | \$ -              |
| 300-370-3701.173   | FMC Contingency Fund            | \$ 43,993           | \$ 47,100         | \$ -             | \$ 52,400         |
|  | <b>Subtotal:</b>                | <b>\$ 43,993</b>    | <b>\$ 164,937</b> | <b>\$ -</b>      | <b>\$ 170,237</b> |
| <b>Miscellaneous</b>                                       |                                 |                     |                   |                  |                   |
| 300-380-3807.000   | Misc.                           | \$ 14,655           | \$ -              | \$ -             | \$ -              |
| 300-380-3820-000   | Bad Debts Collected             | \$ -                | \$ -              | \$ -             | \$ -              |
|  | <b>Subtotal:</b>                | <b>\$ 14,655</b>    | <b>\$ -</b>       | <b>\$ -</b>      | <b>\$ -</b>       |
| <b>Total Sawmill Cove Industrial Complex Fund Revenue:</b> |                                 | <b>\$ 1,755,443</b> | <b>\$ 601,761</b> | <b>\$ -</b>      | <b>\$ 287,157</b> |

*FY 2007*

*2008*

*2009*

*Revenue Summary*

CITY AND BOROUGH OF SITKA  
SAWMILL COVE INDUSTRIAL COMPLEX FUND  
ITEMIZED REVENUES

| <u>ACCOUNT #</u>            | <u>DESCRIPTION</u>   | <u>AMOUNT</u>     |
|-----------------------------|----------------------|-------------------|
| <b>PROPERTY INVESTMENTS</b> |                      |                   |
| 300-360-3601.000            | Rental of Land       | \$ 110,220        |
| 300-360-3610.000            | Interest Income      | \$ 6,700          |
| 300-360-3625.000            | Sale of Water        | \$ -              |
|                             | <b>Subtotal:</b>     | <u>\$ 116,920</u> |
| <b>INTERFUND</b>            |                      |                   |
| 300-370-3701.100            | General Fund         | \$ 117,837        |
| 300-370-3701.173            | FMC Contingency Fund | \$ 52,400         |
|                             | <b>Subtotal:</b>     | <u>\$ 170,237</u> |
|                             | <b>Total:</b>        | <u>\$ 287,157</u> |

*FY 09 Revenue*

City and Borough of Sitka  
Sitka, Alaska

FY 2009 Budget

Fund: 270 - Sawmill Cove Industrial Complex Fund

Operations Budget

Cash Outlays for Operations

| Account Number                         | Expense Description                           | 2007 Actual       | 2008 Budget       | 2008 Projections | 2009 Budget       |
|--|---|-------------------|-------------------|------------------|-------------------|
| <b>Salaries and Benefits</b>           |   |                   |                   |                  |                   |
| 5110.001                               | Salaries & Wages                              | \$ 56,416         | \$ 60,742         |                  | \$ 30,963         |
| 5110.004                               | Overtime                                      | \$ 524            | \$ 3,000          |                  | \$ 3,000          |
| 5110.010                               | Temporary Employees                           | \$ 2,655          | \$ 5,000          |                  | \$ 5,000          |
| 5120.000                               | Benefits                                      | \$ 38,606         | \$ 42,544         |                  | \$ 22,321         |
|  | <b>Total Salaries &amp; Benefits</b>          | <b>\$ 98,201</b>  | <b>\$ 111,286</b> | <b>\$ -</b>      | <b>\$ 61,284</b>  |
| <b>Non-personnel Operation Outlays</b> |   |                   |                   |                  |                   |
| 5201.000                               | Travel and Training                           | \$ -              | \$ -              | \$ -             | \$ -              |
| 5202.000                               | Uniform Allowance                             | \$ -              | \$ -              | \$ -             | \$ -              |
| 5203.000                               | Utilities                                     | \$ 12,440         | \$ 13,000         |                  | \$ 13,000         |
| 5203.005                               | Heating Fuel                                  | \$ 13,576         | \$ 11,000         |                  | \$ 13,500         |
| 5204.000                               | Telephone                                     | \$ 4,064          | \$ 3,100          |                  | \$ 4,000          |
| 5205.000                               | Insurance                                     | \$ 86,824         | \$ 75,830         |                  | \$ 45,000         |
| 5206.000                               | Supplies                                      | \$ 4,596          | \$ 6,000          |                  | \$ 6,000          |
| 5207.000                               | Repairs and Maintenance                       | \$ 12,057         | \$ 20,000         |                  | \$ 20,000         |
| 5208.000                               | Building Maintenance Fees                     | \$ 6,743          | \$ 11,513         |                  | \$ 2,317          |
| 5211.000                               | MIS Fees                                      | \$ 8,286          | \$ -              |                  | \$ -              |
| 5212.000                               | Contracted/Purchased Services                 | \$ 81,969         | \$ 116,625        |                  | \$ 121,625        |
| 5214.000                               | Interdepartment Services                      | \$ 126,410        | \$ 121,134        |                  | \$ 45,488         |
| 5221.000                               | Transportation/Vehicles                       | \$ 4,189          | \$ 4,802          |                  | \$ 3,764          |
| 5222.000                               | Postage                                       | \$ -              | \$ -              |                  | \$ -              |
| 5223.000                               | Tools & Small Equipment                       | \$ 1,083          | \$ 9,000          |                  | \$ 9,000          |
| 5224.000                               | Dues & Publications                           | \$ -              | \$ -              |                  | \$ -              |
| 5226.000                               | Advertising                                   | \$ -              | \$ 1,650          |                  | \$ 1,000          |
| 5227.000                               | Rentals - Building/Equipment                  | \$ -              | \$ -              |                  | \$ -              |
| 5231.000                               | Credit Card Expense                           | \$ 72             | \$ 150            |                  | \$ 75             |
| 5290.000                               | Other Expenses                                | \$ 734            | \$ 6,500          |                  | \$ 100            |
| 5295.000                               | Interest                                      | \$ -              | \$ -              | \$ -             | \$ -              |
| 5297.000                               | Debt Administrative Expense                   | \$ -              | \$ -              | \$ -             | \$ -              |
| 7302.000                               | Debt Principal Payment                        | \$ -              | \$ -              | \$ -             | \$ -              |
| 7200.000                               | Transfer to Other Funds                       | \$ -              | \$ -              | \$ -             | \$ -              |
|  | <b>Total Non-personnel Operating Outlays:</b> | <b>\$ 363,043</b> | <b>\$ 400,304</b> | <b>\$ -</b>      | <b>\$ 284,869</b> |
|  | <b>Total Operating Outlays:</b>               | <b>\$ 461,244</b> | <b>\$ 511,590</b> | <b>\$ -</b>      | <b>\$ 346,153</b> |

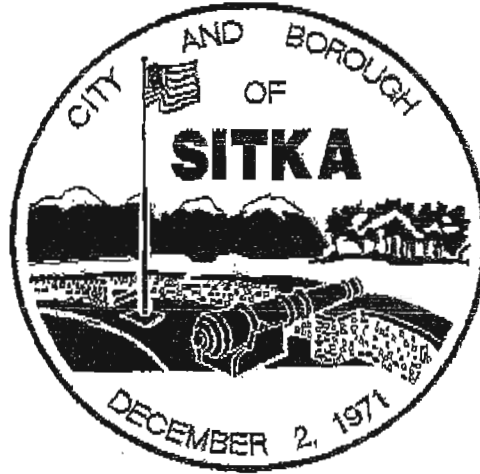
*FY09 Expenses - operating budget*

**SAWMILL COVE INDUSTRIAL COMPLEX FUND  
ITEMIZED EXPENSES**

| ACCOUNT #                                  | DESCRIPTION                                   | AMOUNT            |
|--|---|-------------------|
| <b>SUPPLIES</b>                            |   |                   |
| 600-630-5206.000                           | Office & security supplies                    | \$ 2,000          |
|  | Wastewater System and Lab                     | \$ 4,000          |
|  | <b>Subtotal:</b>                              | <b>\$ 6,000</b>   |
| <b>REPAIRS &amp; MAINTENANCE</b>           |   |                   |
| 600-630-5207.000                           | Miscellaneous materials & repairs             | \$ 20,000         |
|  | <b>Subtotal:</b>                              | <b>\$ 20,000</b>  |
| <b>BUILDING MAINTENANCE FEES</b>           |   |                   |
| 600-630-5208.000                           | Building Maint. Fund (BMF) - Building Repairs | \$ 2,317          |
|  | <b>Subtotal:</b>                              | <b>\$ 2,317</b>   |
| <b>CONTRACTED/PURCHASED SERVICES</b>       |   |                   |
| 600-630-5212.000                           | Landfill testing                              | \$ 1,000          |
|  | ADEC oversight                                | \$ 2,000          |
|  | SEDA contract                                 | \$ 75,000         |
|  | Road Maintenance                              | \$ 5,000          |
|  | Snow removal                                  | \$ 5,000          |
|  | Janitorial                                    | \$ 8,000          |
|  | Electrician services                          | \$ 5,000          |
|  | Land Surveying                                | \$ 5,000          |
|  | Wastewater testing                            | \$ 2,000          |
|  | Sprinkler/fire alarm services                 | \$ 12,000         |
|  | Storm water testing                           | \$ 1,000          |
|  | Audit Fees                                    | \$ 2,625          |
|  | <b>Subtotal:</b>                              | <b>\$ 121,625</b> |
| <b>INTERDEPARTMENT SERVICES</b>            |   |                   |
| 600-630-5214.000                           | Administration Services                       | \$ 45,488         |
|  | <b>Subtotal:</b>                              | <b>\$ 45,488</b>  |
| <b>TOOLS &amp; MISCELLANEOUS EQUIPMENT</b> |   |                   |
| 600-630-5223.000                           | Misc. tools/equipment                         | \$ 9,000          |
|  | <b>Subtotal:</b>                              | <b>\$ 9,000</b>   |
| <b>OTHER EXPENSES</b>                      |   |                   |
| 600-630-5290.000                           | Employee Wellness Program                     | \$ 100            |
|  | <b>Subtotal:</b>                              | <b>\$ 100</b>     |

*H09 Expense details*

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## **Capital Budget**

# **SAWMILL COVE INDUSTRIAL COMPLEX FUND**

**2009**

**City and Borough of Sitka  
Fund 270 - Sawmill Cove Industrial Complex Fund  
FY 2009 Capital Budget Summary**

|  |           | <b>New Appropriations<br/>for FY 2009</b> |
|--|-----------|---|
| <b>Capital Projects:</b>                   | \$        | 50,000                                    |
| <b>Fixed Assets:</b>                       |           |   |
| Machinery/Equipment                        | \$        | -   |
| <b>Subtotals:</b>                          | <b>\$</b> | <b>-</b>                                  |
| <b>Total Planned Capital Expenditures:</b> |           | <b><u>\$ 50,000</u></b>                   |

City and Borough of Sitka  
Fund 270 - Sawmill Cove Industrial Complex Fund  
Capital Budget

Cash Outlays for Capital Construction and Fixed Asset Acquisitions  
Summary of Direct Transfers of Capital to Capital Projects or Other Funds  
Sawmill Cove Industrial Complex Fund Department #270-600-680

| Account Number | <u>Fund/Project Name</u>  | New Appropriation<br>for FY 2009<br>Amount |
|----------------|---|--|
|                | Capital Projects<br>780-600-630-5212.000  |  |
| 7200.000       | Fire suppression - stores bldg  | \$ 30,000                                  |
|                | Fiber line to SCIP  | \$ 10,000                                  |
|                | Close 200' Gap in Fire Line   | <u>\$ 10,000</u>                           |
|                | Total Direct Capital Transfers:   | \$ 50,000                                  |
|                | <u>Fixed Asset Acquisition</u><br>Sawmill Cove Industrial Complex Department #270-600-670 |  |
|                | <u>Machinery/Equipment</u>  |  |
| 7106.000       |   |  |
|                | Total Machinery/Equipment:  | <u>\$ -</u>                                |
|                | Total Planned Capital Expenditures:   | <u>\$ 50,000</u>                           |

*Proposed FY 09 capital budget*

Construction in Progress for Sawmill Cove Industrial Complex Fund Capital Projects  
Fund 780

| Project Name                          | Project Number | Approved Budget | Expenses & Encumbrances as of 12/31/07 |
|---------------------------------------|----------------|-----------------|--|
| SCIP Close 200' Gap in Fire Line      | 90605          | \$ 20,000       | \$ -                                   |
| SCIP Fish Processing Warehouse        | 90581          | \$ 582,102      | \$ 144,531                             |
| SCIP Pulp Dock Warehouse Repairs/Upg. | 90356          | \$ 325,000      | \$ 244,997                             |
| SCIP Raw Water Pipeline               | 90478          | \$ 1,641,000    | \$ 1,663,547                           |
| SCIP Waterline Relocate               | 90604          | \$ 39,000       | \$ 2,494                               |
| SCIP Bulkhead Dock -FTA               | 90549          | \$ -            | \$ 10,482                              |

*Open or ongoing capital projects*