

Good afternoon, esteemed members of the Chamber of Commerce, respected community members, and distinguished guests.

First and foremost, allow me to express my heartfelt gratitude to the Chamber of Commerce for hosting this event and for extending the invitation to me to speak this afternoon.

I am here today, filled with pride and enthusiasm, to share with you the City and Borough of Sitka's major accomplishments over the course of the 2023 calendar year.

This past year has been remarkable in many ways. Together, as a community, we have achieved milestones that not only reflect our collective hard work and dedication but also illuminate the path towards an even brighter future for Sitka.

In the following moments, as I present our annual report, I invite you to join me in celebrating these accomplishments. Each achievement, big or small, is a testament to our resilient spirit and unwavering commitment to the betterment of our community.

Thank you, once again, for your continuous support, engagement, and belief in our shared vision. It is what makes Sitka such a great place to live.

So let's embark on this journey of reflection and celebration together.

Steven Eisenbeisz Mayor	Kevin Mosher Deputy Mayor	Timothy Pike Vice Deputy Mayor	Thor Christianson	Chris Ystad	JJ Carlson	Scott Saline
<h1>Mayor and Assembly Members</h1>						
2023 Annual Report						

As we move to this next slide, I would like to draw your attention to the esteemed individuals you see before you. These are our current assembly members, some who have just begun serving after the October 2023 election.

Each of these dedicated public servants has committed to a three-year term, during which they will work tirelessly to represent our community's interests, uphold our values, and drive progress in the City and Borough of Sitka.

It's important to note the unique structure of our local government. While our assembly members serve three-year terms, our Mayor, who is also displayed here, is elected for a two-year term.

This structure ensures a dynamic and responsive governance, allowing for both continuity and fresh perspectives in leading our community.

Each member brings a wealth of experience, insight, and dedication to their role. Their diverse backgrounds and commitment to public service are instrumental in shaping the future of Sitka.

As we continue with the presentation, I'd like us to keep in mind the collective effort and leadership these individuals provide, which is crucial for the successes we are about to discuss.

Boards, Commissions, Committees

The City and Borough of Sitka thanks the dedicated community members who volunteer their time and efforts as appointed members of the City's Boards, Commissions, and Committees.

Animal Hearing Board	Local Emergency Planning Committee
Building Department Appeals Board	Parks and Recreation Committee
Employment Relations Board	Planning Commission
Gary Paxton Industrial Park Board	Police and Fire Commission
Health Needs & Human Services Commission	Port and Harbors Commission
Historic Preservation Commission	Sustainability Commission
Investment Committee	Tourism Task Force
Library Commission	Tree and Landscape Committee

2023 Annual Report

This slide highlights a crucial aspect of our community's governance – the invaluable contribution of community volunteers. It's important to recognize that the effective functioning of CBS involves much more than just our city staff and elected officials.

Here, you see a list of our various boards, commissions, and committees, staffed by dedicated community volunteers. Their commitment and expertise play a pivotal role in guiding and shaping our city's future.

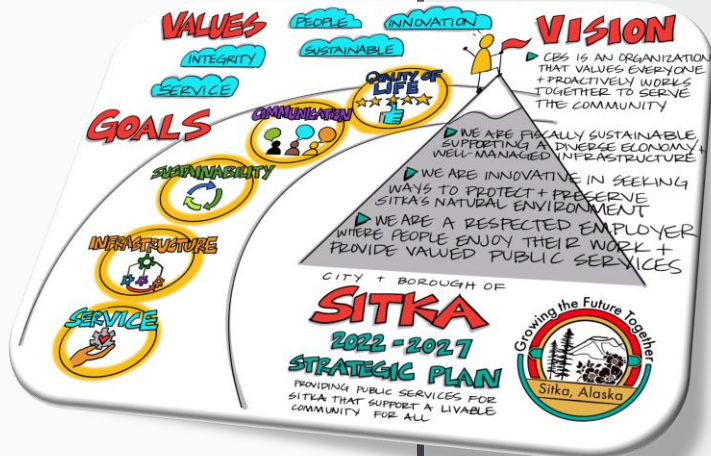
I'd like to draw special attention to the newest addition – the Tourism Task Force. Created recently, this task force is charged with transitioning into long-term tourism management and is set to make crucial tourism-related recommendations to the Assembly by April 30th of this year.

In line with our CBS Charter, there are three mandatory boards: the Planning Commission, the Police and Fire Commission, and the School Board. These boards are foundational to our governance structure, ensuring specialized oversight and guidance in their respective areas.

The dedication of the volunteers, across all boards and committees, is a testament to the strength and engagement of our community. Their contributions are essential in driving CBS forward.

Strategic Plan

- History
- Current Goals
- Future Goals



2023 Annual Report

As we delve into the presentation, I will begin by walking us through a brief history of our strategic plan.

The strategic plan we are operating under is not just a document but a roadmap. It provides our dedicated staff with defined goals and clear actions to strive toward.

This plan is the driving force behind our vision. It aligns the mission and values of CBS, ensuring that all our vast departments are moving in one direction – forward, together.

An action plan is at the heart of our strategic vision. It's more than just a list of goals; it provides us with concrete steps and measurable outcomes.

Through ongoing planning, monitoring, analysis, and assessment, we're not just setting goals but actively pursuing them, adjusting as necessary to meet the ever-changing needs of our community.

Currently, we are working on a number of goals that will strengthen the infrastructure, enhance community services, and promote sustainable development.

Looking forward to 2024, we are setting our sights even higher with ambitious objectives that will continue to propel CBS towards a thriving future.

History



- The first ever Strategic Plan was approved by the Assembly in September 2022
- Extensive public outreach
- Boards & Commission involvement
- Staff Survey

2023 Annual Report

Today, I'd like to take you through a journey back to September 2022, a landmark month for our community. It was then that the first strategic plan for the City and Borough of Sitka was adopted – a significant step approved by the assembly.

This strategic plan was not meant to be static; it was designed to be a living document, to be reviewed annually, ensuring it remains relevant and responsive to our community's needs.

In 2023, we began the crucial process of updating this plan. We built upon the foundation laid by the long-range Comprehensive Plan, which itself was the result of an intensive 2.5-year process, designed to provide broad community goals and an overall direction for the distant future.

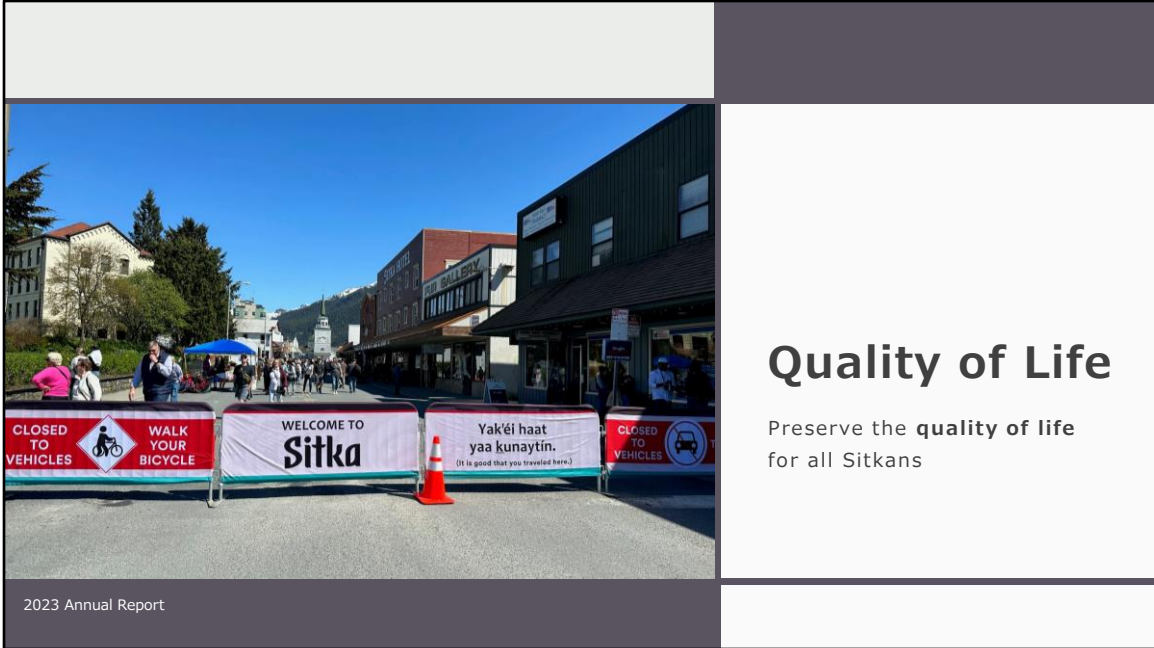
Our strategic plan, however, has a more focused horizon – a five-year span dedicated to guiding and improving the delivery of CBS services. It encapsulates the aspirations from our Comprehensive Plan, shaped by extensive community outreach.

The goals of our strategic plan were crafted with inputs from about 700 survey responses, active social media engagement, focus group discussions, interviews with

community leaders, staff surveys, and informative presentations to boards, commissions, and community groups.

We also reached out through our website, fact sheets, utility bill mailers, and media releases – a multifaceted approach to ensure that every voice had the opportunity to be heard and contribute to our shared future.

This comprehensive process reflects our commitment to civic engagement and transparent governance, laying a strong foundation for the continuing evolution of our strategic plan.



Quality of Life

Preserve the **quality of life** for all Sitkans

Our first strategic goal, 'Quality of Life,' is multi-faceted and focuses on preserving the quality of life of every Sitkan.

Under objective 1.1, our Public & Government Relations Director has been actively involved in weekly childcare meetings with the Childcare Now group, fostering workforce development in this critical sector. In the fall of 2023, key stakeholders came together, crafting a plan to introduce a career pathways program for high school students by the next academic year.

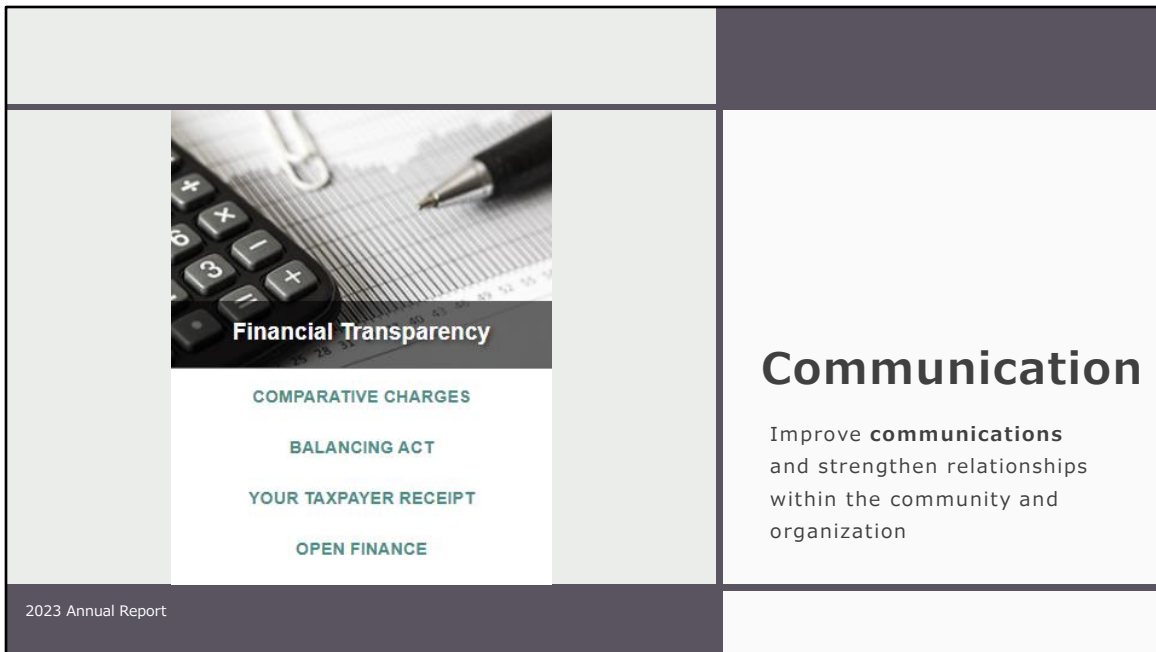
In pursuit of objective 1.2, the Assembly funded a housing land study, pinpointing optimal opportunities for affordable housing development. We're also preparing for a summit in Spring 2024, in collaboration with STA and BIHA, to further these efforts, with the P&GR Director actively participating in the Chamber of Commerce housing series.

Objective 1.3 has seen the Public Works Department develop a long-term capital projects vision, enabling us to forecast financial needs more accurately and avoid sudden rate hikes.

To address objective 1.4, the Assembly established the Tourism Task Force in April 2023. Alongside this, Public Works ensured effective communication and organization during Lincoln Street closures, maintaining public safety and minimizing local disruption, reflecting input from our community.

For objective 1.5, we're mobilizing community partners to tackle food security. Public Works has been involved in reviewing community garden plans, supporting the creation of sustainable community resources. Furthermore, our Library is not just about books; it's a hub for our Sitka Seed Library, promoting food self-sufficiency through seed sharing and educational gardening classes.

Together, these efforts are nurturing a Sitka where quality of life is not just a goal, but a living, breathing reality for all.



The second strategic goal focuses on 'Communication,' which is the cornerstone of community trust and engagement.

Under objective 2.1, we've enhanced our social media presence, spotlighting hiring opportunities, celebrating our city staff's achievements, and showcasing our collaborations with other agencies.

On our city's website, we've introduced the 'Financial Transparency' tab. This initiative is about bringing our citizens into the heart of financial decision-making.

With tools like 'Open Finance,' we're showing our citizens exactly how their tax dollars are spent and inviting them to join the budget conversation. 'Balancing Act' allows the public to simulate budget decisions, providing input that we consider for the next fiscal year's budget.

The 'Taxpayers Receipt' tool enables citizens to estimate their taxes and see precisely where their money is allocated.

In energy, the Sitka Community Renewable Energy Strategy, part of the ETIPP

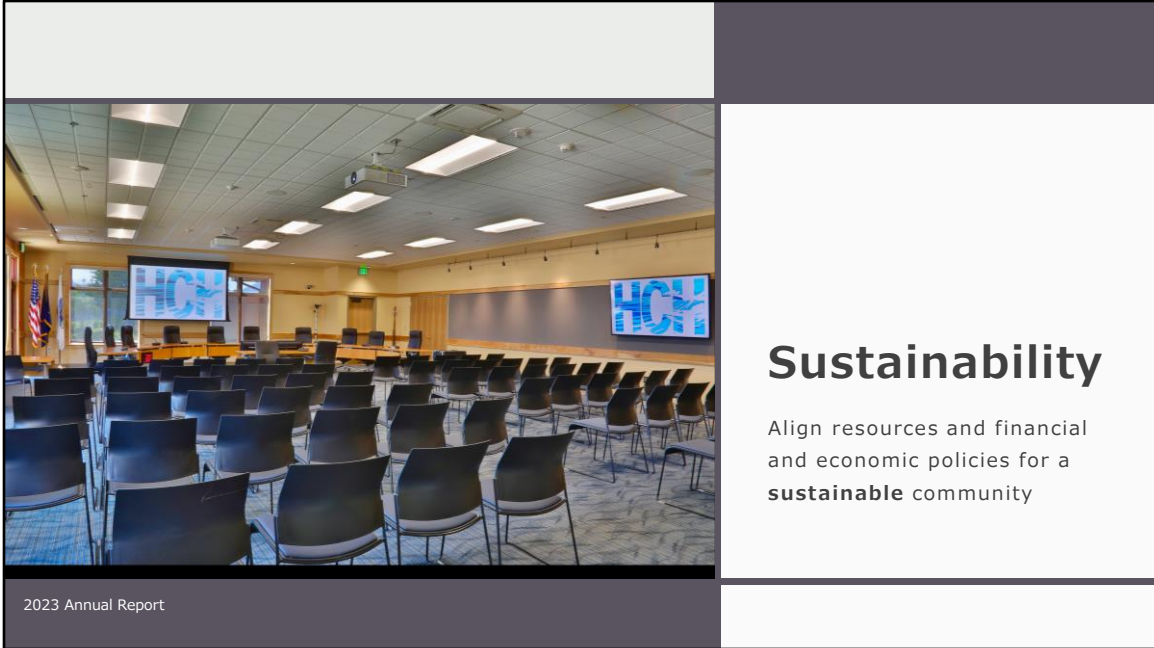
program, represents an 18-month technical assistance initiative. It's designed for significant public engagement, helping our community understand their utility bills better.

Proudly, another clean audit and certificate of excellence for our financial statements reinforces trust and demonstrates our responsible stewardship of community funds.

Moving to objective 2.2, our Parks & Recreation program has expanded municipal services, with strong participation from underrepresented groups. This summer, we partnered with the Sitka Sound Science Center to provide work placements for English Language Learner high school students.

Public Works is also deeply committed to collaboration. We've established monthly coordination meetings with the Sitka Tribe of Alaska, discussing transportation and other topics vital for understanding the diverse perspectives within our community.

Through these actions, we are not just talking about communication; we are actively weaving it into the very fabric of our operations and community interactions.



Sustainability

Align resources and financial and economic policies for a **sustainable** community

Our third strategic goal, 'Sustainability,' underscores our commitment to the future of our community.

For objective 3.1, we've embarked on a Harbor Rate Study, to ensure harbor rates are fair and sufficient to maintain sustainable harbor management. The Harbor Department has also completed a thorough condition assessment of its facilities to better forecast long-term operational requirements.

Harrigan Central Hall's audiovisual maintenance equipment has been updated, ensuring the longevity of our beloved community center.

We've implemented new Procurement Procedures, enhancing the transparency and proper stewardship of our financial resources.

Our new budget process introduces zero-based budgeting and risk assessment, ensuring every expenditure is justified, aligned with the strategic plan, and that our infrastructure's vulnerable areas are addressed as a priority.

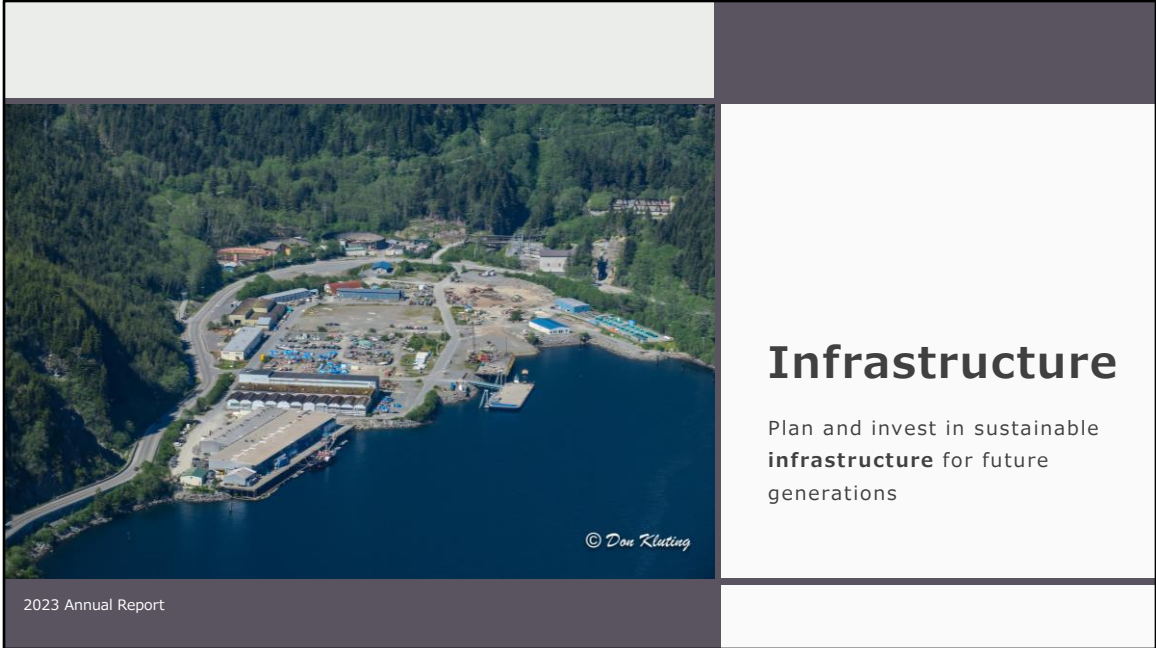
Moving to objective 3.2, Public Works is initiating building condition assessments,

including all CBS-owned school buildings. These assessments will allow us to prioritize critical over non-critical asset work and develop a model focused on preemptive asset replacement.

For objective 3.4, the Assembly's formation of the Tourism Task Force in April 2023 is a stride toward sustainable tourism. The Planning & Community Development Director, serving as an ex-officio member, aids in public engagement for this initiative.

Additionally, Administration has established an annual public submission process for project proposals using CPV funds (within the bounds of the CPV law), ensuring community-driven fiscal allocation, now codified in the Sitka General Code as of August."

These steps are a testament to our proactive approach to sustainability, ensuring that Sitka thrives not just today, but for generations to come.



2023 Annual Report

The fourth strategic pillar of our plan is 'Infrastructure', essential for the well-being and growth of our community.

Under objective 4.1, we have successfully secured the Safe Streets for All Action Plan through a U.S. Department of Transportation grant. This plan is crucial for identifying transportation infrastructure improvements, and projects listed within it are now eligible for U.S. DOT funding.

We've been proactive with the Department of Energy, securing \$2M for Blue Lake's hydro production and awaiting the announcement for a \$2.5M application for Green Lake Phases II and III.

Although our application for the Thimbleberry Bypass was not awarded, our determination continues.

We also secured a Denali Commission Program grant for \$1 million, aiming to enhance the Gary Paxton Industrial Park with a new haul-out lift.

Further, we've received over \$130,000 for the Crescent Harbor High Load Dock Net

Shed project and significant grants for the Police Department, including Homeland Security funds and a Bullet Proof Vest program reimbursement.

For objective 4.2, Public Works has initiated planning for a Park and Recreation Asset Management plan, with a draft expected in July 2024. They've also developed extensive asset inventories, vital for future management plans.

Turning to objective 4.3, we've made significant improvements to Harrigan Centennial Hall, including new signage for the Sitka History Museum and upgraded theater lighting, enhancing the visitor experience.

The Sustainability Coordinator is spearheading the Sitka Community Renewable Energy Strategy, supported by a technical assistance grant worth over \$1 million, focusing on reducing carbon-based energy usage and meeting our infrastructure needs.

Our Disaster Recovery System has been bolstered with a geographically diverse data backup system, ensuring our resilience against natural disasters and cyber threats.

Lastly, Public Works has begun reporting key performance measurements and will engage the community early in 2024 to develop service levels and performance measures, ensuring our infrastructure meets the needs of all Sitkans.



The fifth goal of our strategic plan is 'Service,' a commitment to enhancing the well-being and satisfaction of both our community members and our workforce.

Objective 5.1 has seen the Public Works Department launch an initiative to elevate safety across all teams. With weekly safety discussions and daily management briefings, we are building a culture of safety that extends to every employee. In 2024, we will continue to expand these efforts, ensuring a safer work environment for all.

The development of a Snow and Ice Management Policy will improve community service levels. Training and safety improvements are integral to this policy, which we will continue to refine next year for greater efficiency and effectiveness.

New Procurement Procedures have been implemented to enhance our stewardship of financial resources.

Under objective 5.2, we've introduced incentives such as sign-on bonuses for new employees in hard-to-fill positions and referral bonuses, alongside an HRIS system that streamlines HR processes.

Objective 5.3 includes amendments to allow more signage for vendors, improving visitor experiences. The Clerk's Office has successfully adopted early voting, reflecting the community's desire for expedited election results.

The library has streamlined workflows and participated in a statewide Holds Pilot Project, resulting in better service and reduced shipping costs. Additionally, privacy enhancements have been made to the library's interior.

Delving into objective 5.4, our commitment to preserving our rich history has led us to update the CBS records retention schedule. Adhering to Alaska law and local regulations, this update was a vital step before embarking on the Laserfiche Records Migration and Digitization project. It ensures the meticulous retention, proper formatting, and precise location of our city's archives for responsible stewardship of Sitka's invaluable historical records.

Simultaneously, we've revolutionized internal communication with the launch of the CBS Portal Internal News. This platform is more than just an informational hub; it's a digital gathering space that greets our staff with news, workspace resources, and policy updates the moment they log on. It's designed to foster a connected and informed workforce, where shared knowledge leads to unified action.

The Public Works Department is developing project management policies for better capital project engagement and the Public Works Director is enhancing staff communication through regular briefings.

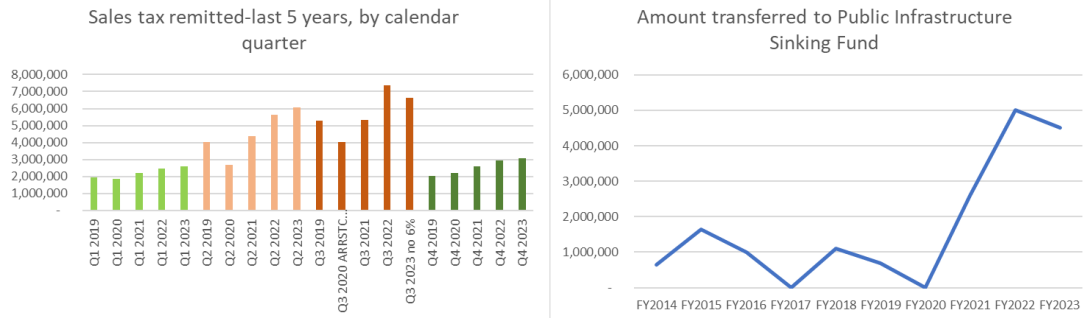
	<h2>Service Stats</h2>		
	<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top; padding: 10px;"> <p>Sitka Police Department</p> <ul style="list-style-type: none"> • 27194 total calls received. • 3652 911 calls received. • 11401 calls for service generated. • 610 Officer reports. • 199 Citations written. </td> <td style="width: 50%; vertical-align: top; padding: 10px;"> <p>Sitka Fire Department</p> <ul style="list-style-type: none"> • 1,382 EMS calls received. • 122 other including 28 fire calls. • Tourism Season: 38% of calls are nonresidents. • Average EMS call about 50 minutes / cruise ship call average 90 minutes. </td> </tr> </table> <p style="text-align: center; margin-top: 20px;">2023 Annual Report</p>	<p>Sitka Police Department</p> <ul style="list-style-type: none"> • 27194 total calls received. • 3652 911 calls received. • 11401 calls for service generated. • 610 Officer reports. • 199 Citations written. 	<p>Sitka Fire Department</p> <ul style="list-style-type: none"> • 1,382 EMS calls received. • 122 other including 28 fire calls. • Tourism Season: 38% of calls are nonresidents. • Average EMS call about 50 minutes / cruise ship call average 90 minutes.
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In reflecting on the crucial role of our first responders, the statistics from the Sitka Police and Fire Departments reveal their unwavering commitment to keeping our community safe. In the past year, the Sitka Police Department received a staggering 27,194 calls, with 3,652 being urgent 911 calls. Officers generated 11,401 calls for service, compiled 610 reports, and wrote 199 citations.

Meanwhile, the Sitka Fire Department responded to 1,382 EMS calls and an additional 122 calls, including 28 fires. Notably, during the tourist season, 38% of calls were from nonresidents, placing a significant additional burden on our services. Of these, 128 were cruise ship passengers and 53 were non-cruise travelers, totaling 181 extra patients. These calls are notably more time-consuming, with the average regular EMS call lasting about 50 minutes, and the average call concerning a cruise ship passenger taking around 90 minutes.

These figures underscore the immense pressure and responsibility shouldered by our first responders. This is particularly poignant in a climate where volunteerism is declining nationwide, and attracting individuals to careers in law enforcement is increasingly challenging. Our community's safety hinges on their dedication and resilience, a fact we must both recognize and support as we move forward.

Sales Tax / Public Infrastructure Sinking Fund



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As we look at the provided graphs, we can see a tangible representation of our city's financial health through the lens of sales tax revenue and contributions to our Public Infrastructure Sinking Fund.

Our sales tax revenue over the last five years shows remarkable gains across the board. Starting in Q3 of 2020, we began receiving revenue from remote sellers, which has shown a steady increase. Notably, in Q3 of 2023, despite a reduction in the sales tax rate from 6% to 5%, our revenues have remained robust. If the 6% rate had remained, we would have seen figures approaching the \$8 million mark.

Analyzing the quarterly growth, Q1 saw a 34% increase, Q2 a 50% increase, Q3 a 26% increase — or 51% accounting for the sunset of the 6% tax rate — and Q4 a substantial 51% increase. This rise equates to an additional \$5.1 million in annual sales tax revenue from 2019 to 2023.

These gains are inextricably linked to the increase in tourist visits to our city, both from independent travelers and cruise ship passengers. It's clear that our community is becoming a more sought-after destination, and with this popularity comes the ability to better fund and maintain our critical infrastructure.

Correspondingly, the rise in sales tax revenue has allowed for increased transfers to the Public Infrastructure Sinking Fund, illustrating a direct connection between our thriving tourism sector and our ability to meet infrastructure maintenance goals. This is a testament to our community's appeal and the efficacy of our strategic planning.

What's Next:2024

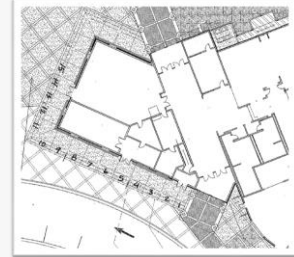
Grants for Infrastructure



Strategic Plan Update



Vendor Spaces



2023 Annual Report

Let's turn our attention to the roadmap of our future. On January 20, 2024, we held our annual Strategic Plan update workshop with the Assembly, a crucial gathering that follows on the heels of our community survey and town hall from December 2023.

This annual update is a commitment—a promise we've made to ourselves and our community as outlined in the roadmap—to not only set goals but to revisit, review, and realign them with our shared vision every year.

For Goal #1, we are continuing our collaborative efforts with the Childcare group, exploring a citizen-driven ballot initiative to support our youngest citizens. We will execute the housing land study, co-host the Housing Summit, and investigate funding opportunities for affordable housing through state avenues.

Our support for the Tourism Task Force remains steadfast, and we plan to utilize CBS property to foster a community garden—a space for growth, learning, and community engagement.

Under Goal #2, our objective is to broaden community engagement, particularly in education about Sitka's energy landscape. We will embark on the recodification of SGC and push forward with the digitization of our records—a move towards modernity and efficiency.



In addressing Goal #3, we will identify resource gaps to support renewable energy and continue our responsible tourism initiatives through the Tourism Task Force.

For Goal #4, completion of the Safe Streets for All Action Plan will be a priority to unlock further DOT grants. In partnership with Public Works, we will create an Asset Management Plan for Parks and Recreation and persist in our efforts for the Sitka Renewable Energy Strategy. Additionally, we'll enhance our IT disaster recovery systems and continue to actively pursue grants for our infrastructure needs.

Goal #5 will see us complete SGC rewrites for Harrigan Centennial Hall's audio and video components, as well as planning for the summer permit auction for vendor spaces, tours, and excursions for 2024.

Public Works will not only develop but also implement clear strategies for recruiting, retention, and succession planning. In collaboration with local tribes, educational institutions, and our Human Resources Department, we'll tailor our approach to develop local talent. Consulting services will be instrumental as we craft these internal strategies.

Each step we take is measured, each decision we make is deliberate, and each goal we set is with the unyielding intent to serve and elevate our community.

<p>THANK YOU</p>	
 <p>2023 Annual Report</p>	<p>John Leach administrator@cityofsitka.org www.cityofsitka.com 907-747-1812</p>

To close, I want to express my deepest gratitude to all of you here today, and to the Chamber of Commerce for hosting this event. We've revisited the milestones of our Strategic Plan, outlining our commitments and the steps we're taking to ensure the ongoing vitality of our community. From enhancing childcare and housing solutions to advancing our energy strategy and infrastructure, we're moving forward with purpose. We're not just planning; we're executing, reviewing, and adapting to meet the challenges and opportunities of tomorrow.

Our focus on the future includes right-sizing our workforce, embracing technology, and fortifying our community through data-driven decision making, responsible tourism and renewable energy initiatives. As we continue to cultivate these initiatives, it is the collaboration and dedication of each person here that propels us towards these ambitious goals.

Before we close, I'd like to open the floor for a few brief questions. Your insights and inquiries are invaluable as we steer the City and Borough of Sitka towards a prosperous and resilient future. Thank you once again for your presence, your engagement, and your commitment to our shared vision.