

1.) Annual Report to the Community

- Second time reporting as Municipal Administrator
- Goal is to increase transparency, explain departmental duties and provide contact information
- Highlights Departments achievements, awards, and projects
- Will be available on our website shortly after this presentation.
- Our website is www.cityofsitka.com

2.) City's Core Values

- Provide high quality, competitively priced, and efficiently delivered services to the citizens of Sitka
- A new Strategic Planning effort started on January 12th to develop a 5-year strategic plan, based on our public-driven Comprehensive Plan, with an updated mission and vision and create defined goals and objectives.

3.) Mayor and Assembly Members

- Next regular municipal election is October 4, 2022
- One mayoral seat, two assembly seats and one school board seat will be open
- On the ballot - last regular scheduled meeting to introduce ballot measures is July 26, 2022
- Can be hard to be an Assembly member, they have to make tough and often unpopular decisions to maintain Sitka
- Assembly meetings are the 2nd and 4th Tuesday of every month. Agendas posted, meetings are broadcast live over KCAW and local television channel 11 and streamed on sitka.legistar.com/Calendar.aspx.

4.) Human Resources

- Total of 154 FTE employees (breakdown:144.87 regular employees, 17 temporary employee)
- Approximately 300-350 people (down from 500-800) in FY20 applied for positions in FY2021
 - Police Officers and Dispatch are continually active year-round for open recruitment.
 - Journey Line worker position have been active all year
- Department works with four bargaining unions to negotiate a contract of employment terms for a three-year period. All bargaining agreements are up for negotiation this year.
- Ongoing work towards recruitment efforts and succession planning.
- Since the beginning of 2021 the following Department Head and supervisory positions were successfully filled either internally by promotion or as an external hire.

Promotion

1. Melissa Henshaw – Public/Government Relations Director

New Hires

1. Jessica Earnshaw – Deputy Clerk
2. Joel Collins – T&D Manager
3. Denise Berkeley-Salter – Controller
4. Valarie Ruff – Human Resources Director
5. Ron Vinson – Asset Manager
6. Michael Schmetzer – Municipal Engineer

- HR manages and processes work related injury claims and associated return to work programs.
- Establish training and development for employees.
- Handles and oversees all employee relations.
- Maintains and manages compliance with EEOC and reporting.
- Review and update policies to align with state and federal laws.
- Valarie Ruff, HR Director. In her first month of employment with the CBS, so please welcome Valarie!

5.) Administration/Clerk's Office

- John Leach, Melissa Henshaw, and Holley Dennison are administration, Sara Peterson is Municipal Clerk and Jess Earnshaw, Deputy Clerk
- Sara Peterson was just recognized as Alaska's Clerk of the Year at the annual Clerk's conference in Anchorage last November.
- Primary job is to provide support to City Assembly
- Oversees all records requests and local elections
- 39 Assembly meetings in FY 2021
- Over 152 individual record requests in FY2021, which is a 40% increase in requests from FY20
- Oversees all municipal boards/commissions/committees

6.) Port and Harbors

- Operates 5 boat harbors including Crescent, Sealing Cove, ANB, Thomsen and Eliason Harbors
- Management of Baranof Warm Springs moorage facilities and vessel use of the GPIP Dock.
- Department ensure infrastructure is maintained and can accommodate commercial, fishing, charter and recreational vessels
- Future major capital project. Replacement of Eliason Harbor electrical. \$5.2M.
- Stan Eliason, Director

7.) Planning

- Continues to support and administer six main functions: zoning, platting/subdivision regulations, municipal land management, long-range planning, historic preservation, and community/economic development
- Planning Department has been fully staffed since August 2020
- In 2021, the main focuses of the Planning Department have included the development of municipal property at 4951 Halibut Point Road, support for the Former Sitka Community Hospital property sale, and the Short-Term Tourism Plan, which you may have seen discussed at last night's Assembly meeting.
- To date, have supported the applications/approval of: 2 zoning amendments, 18 conditional use permits, 5 platting actions, and 15 variances.
- Amy Ainslie, Director and overall Superhero!

8.) Assessing

- Primary mission is to maintain the borough's real and personal property tax base at full market value with equities between like properties
- Over 400 real properties were re-inspected
- Department generates valuations for over 4,256 real property accounts, and 657 personal property business accounts annually
- Administers property tax exemptions for seniors and disabled veterans
- Larry Reeder, Assessor

9.) Harrigan Centennial Hall

- A \$16 million dollar renewal / expansion project was completed in September 2016.
- Remodel expansion of HCH from 24,000 sqft to 32,000 sqft (Auditorium 4,100 sqft).
- The building is staffed by five full time employees and two seasonal visitor service staff during the visitor and convention season.
- HCH serves as a city government and community meeting venue as well as a Visitor Center and central hub during the summer months.
- HCH also provides 4,000 sqft of space to the Sitka Historical Society to house the Sitka History Museum.
- Peak usage had 1700 meetings or events in a given year.
- Operating hours 8am-5pm Monday-Sunday (longer during scheduled events)
- Antonio Rosas, Manager

10.) Public Works

- Public Works prepares, manages and oversees the City's Capital Improvement Plan
- The largest department – approx. 40 employees in the summer
- Team members are busy making sure roads and sidewalks are safe, trees and parks are well maintained, managing multiple construction projects and keeping City infrastructure up-to-date and prepared for the future
- During Annual spring clean-up, an average of 800,000 pounds of mixed waste and scrap metal are disposed of with no charge to the Citizens
- Maintenance and Operations is focusing on park and playground improvements and has recently purchased an asphalt recycler to improve road patching and a striper to save money painting lines without mobilizing a contractor from out of town.

- Wastewater division has completed a remodel to the treatment plant to remove rotted siding, failed ventilation, poor lighting, electrical and mechanical systems. This improvement will protect the treatment plant from catastrophic corrosion caused by wastewater gases and improve the health conditions for staff.
- Major projects completed and ongoing include:
 - Critical Secondary Water Filtration Plant
 - Crescent Harbor, multiple sewer lift stations
 - Seaplane Base
 - Airport Remodel
 - Lincoln Street
 - Crescent Harbor Restroom
 - City Hall HVAC
 - SeaWalk Phase 2
 - Peterson Street and Wachusett Fish Passage Culvert
 - Knutson Drive Emergency Repairs
 - Crescent Harbor High Load (Net Shed)
- Engineering division is actively working on over \$80 million in capital projects.
- Michael Harmon, Director

11.) Finance

- Develops, monitors and implements fiscal policies and procedures, and internal controls to ensure a financially strong and effective city government. The finance department supports the financial management of the general fund and the 24 related governmental funds as well as the City's 8 enterprise funds.
- City's financial reporting and internal controls are audited annually by external auditors that report to the Assembly. Reports, including the CAFR and single audit, are available online.
- One of the most critical roles the Department plays is fiscal forecasting—looking forward to ensure the municipality has funding for future capital improvements.
- Complexity and breadth of Sitka's operations is such that it is difficult to find systems to manage all areas of operations. Staff must manage separate billing systems for sales tax, property tax, moorage, and utilities.
- CBS was just awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association!
- Melissa Haley, Director

12.) Electric

- The department installed 45 new meters and replaced over 111 meters in the past year.
- The total electric meter count in Sitka is 5584
- Green Lake Phase 1 Project was awarded. Lake level draw down began in November 2020 and work was completed on-time in July 2021.
- Calendar year 2021 to date: Total generation is about 4% higher than 2020. Without a COVID summer and no interruptible heating during the Green Lake Phase 1 work.

- Calendar year 2020: Hydroelectric provided > 99.8% of annual energy, diesel generation was only <0.2% (which was only for emergency outages and for maintenance/testing of equipment).
- Marine Street Substation was completed in in late 2020.
- Scott Elder, Director

13.) Library

- Annual visitors to the library were 54,158, which is enough to almost fill to capacity the Lumen Field downtown Seattle for a Seahawks game
- Library has 55,814 items in our collection
- Staff answered and/or researched 2,487 reference questions
- The public accessed 125,418 Wi-Fi sessions
- 82,029 items were check out at the library
- 81 online programs were held for children, teen and adult programs ranging from story time to summer reading and group classes and presentations for adults
- Jessica Ieremia, Director

14.) Police

- Department is broken into 4 divisions - Administration, Patrol, Jail and Services
- Dispatch Center has answered 28,051 phone calls which generated 9,683 calls for service, of that 3,196 were 911 calls
- Cleaned up and disposed of 94 abandoned vehicles on City property
- Initiated the first phase of a consolidated Fire and Police Dispatching Center
- Installing radio repeater at Mud Bay to address radio communications issues in the Starrigavan Bay through a DHS grant
- Installed improved in-car video surveillance system for all marked police vehicles.
- Staffing has been brought up to full strength with a strong core staff
- Implemented a physical and mental wellness program for all staff
- Training is continuously happening to keep updated on current issues through the PoliceOne Academy training
- Robert M. Baty, Interim Chief of Police

15.) Fire

- Four divisions - fire, emergency medical, search and rescue and dive
- Almost 1500 combined calls per year for all services
- 9 Staff and Approximately 100 volunteers over all divisions
- Craig Warren, Fire Chief. Chief Warren is also serving as the Incident Commander in the COVID-19 Emergency operations Center.

16.) IT

- Goal is to deliver the best technology solution for CBS
- Logged over 3 million page hits to CBS website in FY 2021
- Implemented MFA program for cloud account access
- Enhanced security posture to better protect against ransomware and other attacks

- Grant Turner, IT Director

17.) The first finance chart shows historical General Fund revenues as well as those budgeted for FY22, the second shows General Fund expenditures over the past few years, as well as appropriations for FY22

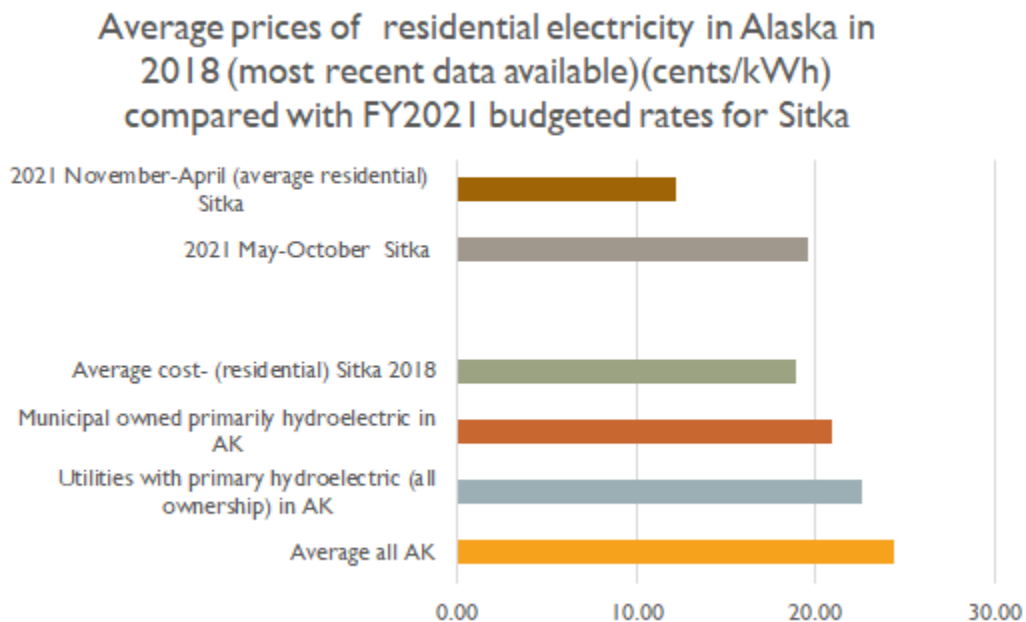
While charts show revenue and appropriations for the General fund, the CBS also runs the Electric, Water, Wastewater, and Solid Waste utilities, as well as other enterprise and special revenue funds. FY2021 total actual government wide operating expenses on an accrual basis were \$65.7 million. This is nearly a flatline from FY20.

General Fund revenue becomes more dependent on sales tax (by far the most significant source of revenue) each year as both federal and state funding decreases and property tax stays relatively level.

Actual General Fund expenditures from FY19 to FY21 have decreased by 1.4%--the decrease is largely attributable turnover and staff vacancies. Per capita personal income grew by 3.4% in the same period

18.) The city is always monitoring other communities and keeps records of comparative charges.

This chart isn't in the presentation but can be used to speak to where Sitka's electric rates fall. The final slide provides details of current costs of utilities and moorage



19.) Big thank you to everyone that serves on one of our Boards, Committees or Commissions. The Assembly depends on these bodies to make recommendations on policy changes.

Current openings: Animal Hearing, Building Appeals, Climate Action Task Force, Investment Committee, Library, Police and Fire, and Tree and Landscape.

Last but not least some fun facts:

- The City and Borough of Sitka was incorporated in December of 1971 – 50th Anniversary celebrated this year with a time capsule at the museum and a display at City Hall
- Over \$76M in COVID relief distributed to Sitka through PPP, EIDL, CARES, local grants, and direct payments to tribes.
- As of 7/31/2021 – Vaccination Rate was 66% of eligible population. Over 80% now.
- Population of 8,458 from April 2020 Census. DCCED reports 8,371 as the current estimate.
- In conclusion, the City and Borough of Sitka has many responsibilities, above and beyond what other municipalities do - including providing all utilities.
- Major growth is expected in Sitka’s economy, and if done right, we could see a local economic boom. It’s essential that we balance the community’s desires with the expansion efforts underway in tourism and healthcare, while maintaining an atmosphere to ensure the continued success of our fishing fleet. We need to make the right investments to ensure the future success of our special community.
- Thank you for your participation in local government and supporting the municipality in all of its achievements.

Total Taxable Value of Real Property in 2021	\$1.18 billion
Real Property	\$1,118,044,400
Personal Property:	\$57,952,500
2021 population (DCCED):	8,371
Per capita personal income:	\$74,422
Sales tax as % of total GF revenue	42%

Total Debt (end of FY21)

Total GF (mostly schools)	10,987,125.85
Total Electric	118,912,308.77
Total Water	11,001,464.38
Total Wastewater	13,210,529.57
Total Solid waste	926,380.45
Total Harbor	10,787,785.28
<u>Total Airport Terminal</u>	<u>3,770,000.00</u>
	169,595,594.30