

Proposed by:	Finance Committee
Attorney Review:	03/11/2021
First Reading:	03/18/2021
Second Reading:	04/15/2021
Vote:	4 Aye 2 Nay 0 Absent

**MUNICIPALITY OF SKAGWAY, ALASKA
ORDINANCE NO. 21-06**

AN ORDINANCE OF THE MUNICIPALITY OF SKAGWAY, ALASKA AMENDING THE FY21 GENERAL FUND, CAPITAL PROJECTS FUND, AND SALES TAX FUND BUDGETS TO PROVIDE FUNDING FOR THE ESTABLISHMENT AND IMPLEMENTATION OF AN ECONOMIC STIMULUS PROGRAM.

WHEREAS, the FY21 was developed estimating 25-percent of normal revenue, and the FY21 outlook has been revised to anticipate six-percent of normal revenue at best; and

WHEREAS, with expenditures as adopted in the FY21 budget, the Sales Tax and Excise Tax reserves are anticipated to be at approximately \$5 million and \$11.5 million, respectively, at the end of the year; and

WHEREAS, due to ongoing impacts from the lack of cruise visitors to Skagway in 2021, the Municipality acknowledges that it can expend more of its reserve funding to support the community with employment, programs, and projects that will sustain it until the anticipated return of cruise ships to Alaska in 2022; and

WHEREAS, allocating at least \$500,000 more in the FY21 budget to support employment, programs, and community projects would reduce reserve levels to approximately \$4.5 million in Sales Tax at the end of 2021, which is still a healthy reserve amount; and

WHEREAS, the Municipality wishes to support the economic and mental health of its community by establishing and implementing an Economic Stimulus Program, funded from Sales Tax reserves; and

WHEREAS, the Economic Stimulus Program would provide funding for the hiring of four full-time municipal positions with benefits, 12 seasonal positions without benefits, the Skagway Food Bank, a Positive Graffiti Mural program, and five projects for local contractors;

NOW THEREFORE, BE IT ORDAINED AND ENACTED BY THE MUNICIPALITY OF SKAGWAY, ALASKA AS FOLLOWS:

Section 1. Classification. This is a non-code ordinance.

Section 2. Purpose. To amend the FY21 General Fund, Capital Projects Fund, and Sales Tax Fund budgets to provide funding for the establishment and implementation of an Economic Stimulus Program.

Section 3. Amendment. The FY21 Municipality of Skagway Budget is hereby amended as follows:

MUNICIPALITY OF SKAGWAY, ALASKA

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FUND	AMOUNT	FROM	TO
GENERAL FUND			
Transfer from Sales Tax	140,380	1,159,773	1,300,153
Total Revenue & Transfers In	140,380	7,632,460	7,772,840
Public Works Labor - Seasonal Projects Crew	105,380	696,137	801,517
Assembly Discretionary fund- Food Bank	30,000	5,000	35,000
Rec Center Contractual- Positive Graffiti	5,000	5,000	10,000
Total Expense & Transfers Out	140,380	7,632,460	7,772,840
surplus/(deficit)	-	-	-
CAPITAL PROJECTS FUND			
Transfer from Sales Tax	315,000	214,500	529,500
Total Revenue & Transfers In	315,000	7,498,300	7,813,300
School Air Handler Upgrades	190,000	-	190,000
Lower Lake Trail Upgrades	25,000	-	25,000
Brush Cut Lost Lake Trail Upgrades	25,000	-	25,000
Brush Cut Townsite to Glacier Trail	25,000	-	25,000
Recreation Cabin Construction	50,000	-	50,000
Total Expense & Transfers Out	315,000	12,498,300	12,813,300
surplus/(deficit)	-	(5,000,000)	(5,000,000)
SALES TAX FUND			
<i>no revenue- reduction in reserves</i>	-	-	-
Total Revenue & Transfers In	-	2,324,800	2,324,800
Transfer to General Fund	140,380	1,159,773	1,300,153
Transfer to Capital Projects Fund	315,000	214,500	529,500
Total Expense & Transfers Out	455,380	5,967,806	6,423,186
surplus/(deficit)	(455,380)	(3,643,006)	(4,098,386)

Section 4. Effective Date. This ordinance shall become effective immediately upon adoption.

PASSED AND APPROVED by a duly constituted quorum of the Borough Assembly of the Municipality of Skagway this 15th day of April, 2021.


Andrew Cremata, Mayor

ATTEST:


Emily A. Deach, CMC
Borough Clerk

(SEAL)

