



<b>TRANSMITTAL MEMORANDUM</b>
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TO: The Honorable Mayor and City Council

FROM: Lacey G. Simpson, Assistant City Manager

DATE: March 23, 2021

RE: **Authorizing Budget Transfer – COVID-19 Financial Impacts Data**

At its meeting of March 18, 2021, the City Council adopted a motion authorizing the City Manager/General Manager to proceed with the General Government and KPU Operating and Capital Budget mitigation plans for substantially reduced or no cruise season conditions in 2021 as detailed in staff's report. Included in the report to the City Council was the amount the City of Ketchikan anticipates receiving from the American Rescue Plan Act (ARPA) of 2021 for revenue replacement. The \$1,718,002 in relief funds direct from the U.S. Department of the Treasury are certainly appreciated but do not begin to address the financial needs of the City. Mayor Sivertsen and staff have expressed to state and federal officials the City's need for additional relief consideration, particularly in light of the impacts from what may likely be a second absent cruise season.

After consultation with State officials, additional information on Ketchikan's unique losses as a port community will be necessary in order to continue these discussions and for the City to make a compelling argument for its financial needs. Staff has engaged Rain Coast Data to compile information on Ketchikan's losses including unemployment rates and business revenue losses. As no funds were budgeted for these professional services in 2021, a transfer from Appropriated Reserves to the Mayor and City Council's 2021 Management and Consulting Services account is necessary. Staff does not anticipate that the work performed by Rain Coast Data will exceed \$5,000 and requests a budget transfer in this amount.

A motion has been prepared for City Council consideration.

**RECOMMENDATION**

It is recommended the City Council adopt the motion authorizing the City Manager to transfer \$5,000 from Appropriated Reserves to the Mayor and City Council's 2021 Management and Consulting Services account (Account No. 640.04) for professional services related to the preparation of COVID-19 financial impact data for Ketchikan which will support the City's efforts in seeking additional financial relief.

**Recommended Motion:** I move the City Council authorize the City Manager to transfer \$5,000 from Appropriated Reserves to the Mayor and City Council's 2021 Management and Consulting Services account (Account No. 640.04) for professional services related to the preparation of COVID-19 financial impact data for Ketchikan which will support the City's efforts in seeking additional financial relief.