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## Election Edition Fall 2019

### City Council Candidates Spotlight

#### Michael Douville

Michael Douville is a candidate for a three-year council seat.

#### Michael Kampnich

Long term resident of Craig. Currently a member of the Harbor Advisory Committee. Worked for the city as past harbormaster and police officer. Want to continue to be involved in community.

Michael Kampnich is a candidate for a three-year council seat.

#### Chanel McKinley

I have lived, worked, and been a member of our community for all of my adult life. I really want the best for Craig.

Chanel McKinley is a candidate for a three-year council seat.

### School Board Candidates Spotlight

#### Scott Brookshire

Scott Brookshire is a candidate for a three-year school-board seat.

#### Chrissy Torsey-Lucero

I have called Craig my home since 1975 and I couldn't think of a better place to raise my children than here. My husband and I have two children, our son is 21 and our daughter is 7. My roots run deep within this community and island and I am proud of both my Tlingit and Haida ancestry. My interests are in learning more about native traditions so that we may continue to pass these on to our children. Other interests are hunting, hiking, kayaking and camping. If given the opportunity again, I will continue to be an advocate for all students of Craig City School District

Chrissy Torsey-Lucero is a candidate for a three-year school-board seat.

# City of Craig Newsletter

## Election Edition

### Fall 2019

### NOTICE OF ELECTION

To be held **TUESDAY, OCTOBER 1, 2019**  
**7:30 A.M. – 8:00 P.M.** in the Council Chambers at the City of Craig Municipal Building on the corner of 3<sup>rd</sup> and Main Street.

#### OFFICERS TO BE ELECTED

Mayor's Seat- Two Year Term

Two Council Seats - Three-year terms

Two School Board Seats – Three-year terms

#### BALLOT PROPOSITIONS

##### Proposition 1-

MODIFYING SALES TAX CODE (3.08)

TO INCREASE SALES TAX RATE TO SIX PERCENT (6%)

Shall the City of Craig, Alaska increase its sales tax rate from five percent to six percent, if the sales tax revenue generated by the rate increase is dedicated to funding the Craig Aquatic Center?

#### DISTRICT 35 PRECINCT 705

There is one voting precinct for the City of Craig.

Absentee voting begins Wednesday, September 11, 2019 through September 30, 2019

8:00 a.m.-5:00 p.m.

**If you know of anyone who is unable to get to City Hall to vote or who has special needs, please contact the City Clerk at 826-3275.**

### Mayoral Candidates Spotlight

#### Tim O'Connor

We have been working hard with changes and new projects in Craig for the past two years. If re-elected as mayor I will continue to work hard to keep our progress going for Craig and Prince of Wales.

Tim O'Connor is a candidate for the two-year mayor seat.

#### Jan Trojan

I have been a resident of Craig starting 2007 – moved 2008 til present. My first step if elected will be to remove healthcare benefits from mayor position – until healthcare payments for officials is reasonable. My second step will be to mentor individuals in public service and to hopefully recruit more volunteers in city, where feasible. We have big projects ahead. I will lean on community leaders/individuals to do the most with what we have. I am not a career politician. I want to retire. City of Craig needs to foster economic development, appreciate the businesses we have.

Jan Trojan is a candidate for the two-year mayor seat.



**Craig Voters to Consider Sales Tax Rate Measure on October Ballot**

What is proposed?

The October 1, 2019 municipal election ballot will include a referendum asking Craig voters to consider an increase to the city’s sales tax rate from 5% to 6%, with the revenue from the tax increase to be used solely for capital, operational, and maintenance costs at the Craig Aquatic Center.

What are the Current and Proposed Sale Tax Use and Rates?

The city’s current sales tax rate is five percent. Some of the tax is designated for specific uses, as approved by voters in past municipal elections. A summary of the designations is shown below. Note that each one percentage point of sale tax rate currently generates approximately \$300,000.

<u>Designated use</u>	<u>Rate</u>	<u>Current Annual Revenue</u>
School Funding	1.0%	\$ 300,000
Aquatic Center Support	0.5%	\$ 150,000
Recreation	0.5%	\$ 150,000
Undesignated	<u>3.0%</u>	<u>\$ 900,000</u>
Tax rate	<b>5.0%</b>	<b>\$1,500,000</b>

If approved by voters, the designated uses of sales tax revenue would change as follows:

<u>Designated use</u>	<u>Rate</u>	<u>Estimated Annual Revenue</u>
School Funding	1.0%	\$ 300,000
Aquatic Center Support	1.5%	\$ 450,000
Recreation	0.5%	\$ 150,000
Undesignated	<u>3.0%</u>	<u>\$ 900,000</u>
Tax rate	<b>6.0%</b>	<b>\$1,800,000</b>

What are the costs to operate the Craig Aquatic Center?

Operational, maintenance, and capital costs at the Craig Aquatic Center vary from year to year. The facility’s budget, including debt service costs, has ranged between \$441,000 to \$550,000 since 2016. Admission fees and rentals generate about \$50,000 annually.

The city budgets about \$425,000 to meet typical operational costs, including wages and benefits, utilities, supplies, insurance, and other costs. Debt service to repay bonds used to upgrade the pool costs about \$137,000 annually.

Some years capital costs, such as work on the building, pool basins and decks, adds additional but non-annual costs. For example, the lap pool and wading pool basins are in need of refinishing, and some of the concrete gutter at the lap pool must be demolished and replaced. The cost for these capital projects is likely to range beyond \$250,000.

Dedicating additional sales tax revenues will close much of the margin between the cost of operating the aquatic center and the revenue the facility generates.

**Craig Voters to Consider Sales Tax Rate Measure on October Ballot**

How is the Craig Aquatic Center funded now?

Local sources include the full amount of the 0.5% sales tax dedicated to the pool, which generates about \$150,000 each year. In addition, portions of the 3% “Undesignated” sales tax receipts are held with local property tax revenue to pay pool operating and maintenance costs, as well as other public services. Local property and sales taxes make up about two-thirds of the city’s annual income. Most of the balance comes from state and federal sources.

Some State and federal funds are also used to meet general city operating expenses, including expenses attributable to the pool. These state and federal sources are more volatile than local sources of revenue, and the longevity of state and federal funds is uncertain. This is especially true of the \$133,000 in general state-aid sources, and to a lesser extent the \$420,000 that the city now receives for public safety services.

What services are provided at the Craig Aquatic Center?

Services include a lap pool, children’s wading pool, hot tub, sauna, and fitness room with weightlifting and aerobic equipment. The facility is open Monday through Friday from 5:00 a.m. to 7:30 p.m., and Saturdays from noon-4:00 p.m. The facility is available for rent outside its established open hours. Programs include private swim lessons, lap swimming, open swims, inflatable toy swims, and a “dollar dip” discounted swim each week. The facility is used by the Craig Waverunners Swim Club for practices, time trials, and swim meets. The Craig City School District uses the facility throughout much of the school year for swim instruction as part of the district’s physical education curriculum. Discounted admission is available through health promotion programs sponsored by SEARHC and the Prince of Wales Health Network. The pool offers low impact exercise opportunities for the elderly, and those in need of physical therapy treatment.

What will appear on the ballot?

The text below is an approximation of how the question will appear on the ballot.

<b>PROPOSITION</b>	
<b>NO. 1 SALES TAX</b>	
Shall the City of Craig, Alaska increase its sales tax rate from five percent to six percent, if the sales tax revenue generated by the rate increase is dedicated to funding the Craig Aquatic Center?	
YES	[ ]
NO	[ ]

What will the city do if the measure fails?

The city will make every effort to fund operation of the Craig Aquatic Center while continuing to deliver other municipal services. It is possible that the city would not be able to add to its reserves to better meet planned and unplanned maintenance and repairs to the aquatic center and other city-owned and operated facilities.