

**CITY OF CRAIG  
COUNCIL AGENDA  
MAY 21, 2020  
COUNCIL CHAMBERS 7:00 PM**

**ROLL CALL**

Mayor Tim O'Connor, Dave Creighton, Hannah Bazinet, Jim See, Julie McDonald, Michael Kampnich, Chanel McKinley

**BOARD OF EQUALIZATION**

**CONSENT AGENDA**

*Items listed below will be enacted by one motion. If separate discussion is desired on an item, that item may be removed and placed on the regular meeting agenda.*

- 1) City Council Meeting Minutes of April 2, 2020
- 2) City Council Meeting Minutes of April 16, 2020
- 3) Ordinance 728, Adopting Operating Budget for FY 2021
- 4) Ordinance 729, Adjusting Utility Rates

**HEARING FROM THE PUBLIC**

- Open for public comment
- Ordinance 726, Adopting Remote Seller Sales Tax Code
- Ordinance 727, Adding Asset Classes to Craig Endowment Fund

**READING OF CORRESPONDENCE**

- From Alaska Municipal League
- Veterans of Foreign War requesting to lease on of the old Cannery Buildings
- Alaska Permanent Capital Management (March & April)

**CONSIDERATION OF RESOLUTIONS AND ORDINANCES**

- Ordinance 726, Adopting Remote Seller Sales Tax Code
- Ordinance 727, Adding Asset Classes to Craig Endowment Fund

**UNFINISHED BUSINESS**

- Consider purchasing Bear Proof Dumpsters

**NEW BUSINESS**

- Discussion of Expanding Eligibility for Sales Tax Exempt Card
- CARES Act Funding
- Consider designation of an Acting Mayor

**ADJOURNMENT**

## **CITY OF CRAIG MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: May 15, 2020  
RE: Board of Equalization

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The council is scheduled to meet as the board of equalization as part of the May 21 meeting. The purpose of the BOE is to resolve disagreements between the city's contract assessor and individual property owners regarding the assessed value of a given parcel in Craig, based on a written appeal from the property owner.

As a matter of protocol, after calling to order the council meeting, the mayor will call for a recess of the council meeting, and ask for a motion and vote to convene the Board of Equalization. After the council hears and decides on any outstanding appeals, the Board of Equalization will move to adjourn the BOE and reconvene the city council meeting.

Per 29.45.210 of Alaska Statutes, the appealing property owner bears the burden of proof to demonstrate an unequal value of a given property. Per the statute, the only grounds for adjustment of assessment are proof of unequal, excessive, improper, or under valuation based on facts that are stated in the written appeal or presented to the board at an appeal hearing.

The assessor usually is able to resolve appeals before the BOE meeting. As of today's date, some of the appeals remain unresolved. If the unresolved appeals are not addressed by the start of Thursday's meeting, the assessor and property owner will present their case to the BOE for resolution.

As of today's date, two appeals remain unresolved. The assessor continues to work with the appellants to resolve the appeal.

# **BOARD OF EQUALIZATION APPEAL #1**

**LONNIE WALTERS SR**

**EC-223-020 500 Hilltop Drive**

## **LONNIE WALTERS SR.**

- Lonnie Walters Sr. appealed value as too high.
- He described the house as an old float house with no sheet rock. The interior walls are painted particle board, upstairs are half walls, no closets in the upstairs bedrooms, 30 year old carpet, electric is sub par. He figured it would cost about \$28,000 to fix it up for sale.

# BOARD OF EQUALIZATION APPEAL #1

LONNIE WALTERS SR

EC-223-020 500 Hilltop Drive

CITY OF CRAIG  
PETITION FOR ADJUSTMENT OF ASSESSED VALUATION OF PROPERTY Year 2020

Property Owner: LON S. & NANCY A. WALTERS RECEIVED  
Property Physical address 500 HILLTOP DR APR 27 2020

Property ID# EC-223-020 City Account No. \_\_\_\_\_ PETITION# \_\_\_\_\_

Legal Description: Lot 7 Block/Tract 6 USS/Subdivision US 5 2611

Current Assessment: Land \$ 52,700 Buildings \$ 151,100 Total \$ 203,800

The petitioner represents that on January 1, 2020, LON & NANCY WALTERS was the owner of the above described property and hereby requests the Assessor to review and adjust the assessment and asks that the assessed value of said property for the current year be fixed as follows:

Land \$ 45K Buildings \$ 145K Total \$ 190K

**Please answer the following questions:**

What do you consider is the present market value of the property? \$190K OR LESS

Date property acquired: 1998 Purchase price \$130K

Was this a normal Market sale? Yes \_\_\_ No X. Explain: TO HIGH BUT ONLY ONE FOR SALE

Has the property been offered for sale? Yes \_\_\_ No X Date \_\_\_\_\_ Price \_\_\_\_\_

Age of building or trailer? 50 YEARS

Changes made to property since purchase NEW ROOF - NEW SIDING  
N & S LEAN TOOS, LEVELING OF FRONT YARD

Contract cost of improvements \$28K

The petitioner's request for change must be based on specific reasons:

There is an error or omission on the assessment of my property for the following reasons:  
50 YEAR OLD FLOAT HOUSE - UPSTAIRS WALLS 4' HIGH  
WALLS ARE CHIP BOARD - CARPET 30 YRS OLD - GARAGE  
HAS WOOD FLOOR, SMALL YARD - NO WAY COULD  
I SELL THIS FOR \$223,800

(Use back of form or attachments for more room. Attach appraisal, etc.)

I declare the above statements are true and correct.

Signature Lon S. Walters Date 4-20-20

Print name LON S. WALTERS Email NALYLOAK@HOTMAIL.COM  
907 907

Phone No. Cell 401-0900 Home 86-5495 Work Phone -NA-

ASSESSORS USE ONLY

# BOARD OF EQUALIZATION APPEAL #1

LONNIE WALTERS SR

EC-223-020 500 Hilltop Drive

500 Hilltop Drive

Tax 2020



CURRENT OWNER		PROPERTY IDENTIFICATION				
Walters Lonnie Sr Walters Nancy P. O. Box 341 Craig AK 99921		Parcel #	EC-223-020	Use	R - Residential	
		City Number	550800	Property Type	SFR	
		Mobile Home		Service Area		
PROPERTY INFORMATION						
Improvement	1,152 SF	Year Built		Land Size	7,476 SF	
Basement		Effective Age	10	Zone		
Garage Size	480 SF	Taxable Interest	Fee Simple			
LEGAL DESCRIPTION						
Plat #	§6-9	Lot #	7	Block		
		Tract	6	Serial #	1986-000332-0	
				Rec. District	102-Ketchikan	
Describe:		USS 2611 Tract 6 Lot 7			Date recorded	
EXEMPTION DETAIL						
		Land	Improvement	Total		
Fee Value		\$57,900	\$165,700	\$223,600		
Exempt Amount				\$0		
Taxable Value		\$57,900	\$165,700	\$223,600		
PROPERTY HISTORY						
Year	Taxable Interest	Land	Improvement	Assessed	Exempt Value	Taxable Value
2020	Fee Simple	\$57,900	\$165,700	\$223,600	\$0	\$223,600
2019	Fee Simple	\$52,700	\$165,900	\$218,600	\$0	\$218,600
2018	Fee Simple	\$52,700	\$151,100	\$203,800	\$0	\$203,800
2017	Fee Simple	\$50,100	\$143,900	\$194,000	\$0	\$194,000
2016	Fee Simple	\$46,100	\$160,400	\$206,500	\$0	\$206,500
2015	Fee Simple	\$46,100	\$149,900	\$196,000	\$0	\$196,000
2014	Partial Exempt	\$44,600	\$153,600	\$198,200	-\$150,000	\$48,200

## **BOARD OF EQUALIZATION APPEAL #2**

**KENNETH DAUGHERTY**

**WC-105-010 407 BEACH RD.**

### **KENNETH DAUGHERTY**

- **Kenneth Daugherty appealed value as too high based on original purchase price.**

# BOARD OF EQUALIZATION APPEAL #2

**KENNETH DAUGHERTY**  
**WC-105-010 407 BEACH RD.**

CITY OF CRAIG  
 PETITION FOR ADJUSTMENT OF ASSESSED VALUATION OF PROPERTY Year 2020

Property Owner: Kenneth Daugherty + Mary Sano  
 Property Physical address: 407 Beach Rd. Craig AK. 99921  
 Property ID# WC-105-010 City Account No. 538500 PETITION# \_\_\_\_\_  
 Legal Description: Lot # 1A Block/Tract 3A USS/Subdivision 1430  
 Current Assessment: Land \$ 134,000 Buildings \$ 160,400 Total \$ 294,400

The petitioner represents that on January 1, 2020, Kenneth Daugherty was the owner of the above described property and hereby requests the Assessor to review and adjust the assessment and asks that the assessed value of said property for the current year be fixed as follows:

Land \$	<u>72,900.</u>	Buildings \$	<u>129,300</u>	Total \$	<u>202,200</u>
			<del>160,400</del>		<del>233,300.00</del>

**Please answer the following questions:**

What do you consider is the present market value of the property? \$270,000  
 Date property acquired: April 2014 Purchase price 278,000  
 Was this a normal Market sale? Yes  No  Explain \_\_\_\_\_  
 Has the property been offered for sale? Yes  No  Date \_\_\_\_\_ Price \_\_\_\_\_  
 Age of building or trailer? 35 yrs.  
 Changes made to property since purchase None  
 Contract cost of improvements 0

**The petitioner's request for change must be based on specific reasons:**

There is an error or omission on the assessment of my property for the following reasons:  
The property doesn't hold this much value. The assessment when the property was bought was \$202,200. That assessment was even to high. We haven't made any improvements and it has depreciated since we have bought it. If we were to put the house on the market today I'd hope to get 270,000.  
 (Use back of form or attachments for more room. Attach appraisal, etc.) Thank you

I declare the above statements are true and correct.

Signature Kel Sanyoff Date April 30, 2020

# BOARD OF EQUALIZATION APPEAL #2

KENNETH DAUGHERTY

WC-105-010 407 BEACH RD.

407 Beach Road

Tax 2020

						
<b>CURRENT OWNER</b>		<b>PROPERTY IDENTIFICATION</b>				
Daugherty Kenneth Po Box 939 Craig AK 99921		Parcel # WC-105-010	Use R - Residential			
		City Number 538500	Property Type SFR			
		Mobile Home	Service Area			
<b>PROPERTY INFORMATION</b>						
Improvement	2,065 SF	Year Built	1986 Actual			
		Land	26,376 SF			
Basement		Effective Age	15			
Garage Size		Taxable Interest	Fee Simple			
		Zone				
<b>LEGAL DESCRIPTION</b>						
Plat #	2002-45	Lot #	1A			
Block	3A	Tract				
Serial #	2002-002361-0	Rec. District	102-Ketchikan			
Describe: USS 1430 CTA Block 3A Lot 1A		Date recorded				
<b>EXEMPTION DETAIL</b>						
Fee Value	Land \$134,000	Improvement \$160,400	Total \$294,400			
Exempt Amount			\$0			
Taxable Value	\$134,000	\$160,400	\$294,400			
<b>PROPERTY HISTORY</b>						
Year	Taxable Interest	Land	Improvement	Assessed	Exempt Value	Taxable Value
2020	Fee Simple	\$134,000	\$160,400	\$294,400	\$0	\$294,400
2019	Fee Simple	\$121,900	\$160,400	\$282,300	\$0	\$282,300
2018	Fee Simple	\$121,900	\$149,800	\$271,700	\$0	\$271,700
2017	Fee Simple	\$115,900	\$144,200	\$260,100	\$0	\$260,100
2016	Fee Simple	\$115,900	\$144,200	\$260,100	\$0	\$260,100
2015	Fee Simple	\$115,900	\$132,800	\$248,700	\$0	\$248,700
2014	Fee Simple	\$72,900	\$178,300	\$251,200	\$0	\$251,200





CITY OF CRAIG  
COUNCIL MEETING  
THURSDAY APRIL 2, 2020

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**ROLL CALL**

Mayor Tim O'Connor called the meeting to order at 7:05 p.m. and the roll was taken. Present were Michael Kampnich, Dave Creighton, Hannah Bazinet, Jim See, Chanel McKinley and Julie McDonald

**Staff present:** Jon Bolling, City Administrator; Brian Templin, City Planner; Jessica Holloway, Aquatic Center Manager; Hans Hjort, Harbormaster; Sheri Purser, Treasurer; Chaundell Piburn, EMS Coordinator; Angela Matthews, Librarian; RJ Ely, Police Chief; Victoria Merritt, Parks and Recreation; Doug Ward, Parks and Public Facilities.

**Audience present:** No Audience were present

**CONSENT AGENDA**

MCDONALD/BAZINET

move to approve the consent agenda.

MOTION CARRIED UNANIMOUSLY

**HEARING FROM THE PUBLIC**

- Open for Public Comment
- Resolution 20-08, Joining the Alaska Remote Seller Sales Tax Commission
- Resolution 20-09, Amending City of Craig Personnel Manual

Brian read the following comments into the record. Please see the attached documents to read the public comments.

Jillian called the following people to voice their comments via phone.

Harriet Wadley called to reiterate the letter she submitted regarding street parking. The letter is found in ROC.

Kim Patotzka decided not to voice his public comment.

**REPORTS FROM CITY OFFICIALS**

**Mayor/Fire Department-** Mayor reported that he and everyone working at the City is working hard to work through this chaotic time to keep our island safe.

**Administrator-** Jon provided a written report.

**Treasurer-** Sheri provided a written report.

**Aquatic Manager-** Jessica provided a written report.

**City Clerk-** Jillian was absent excused.

**City Planner-** Brian provided a written report.

**EMS Coordinator-** Chaundell provided a written report.

**Harbormaster-** Hans provided a written report.

**Library-** Angela provided a written report.

**Police Chief-** RJ provided a written report.

**Public Works-** Russell provided a written report.

**Parks and Rec-** Victoria provided a written report

**Parks and Public Facilities-** Doug provided a written report.

## **READING OF CORRESPONDENCE**

### **1. From Horan & Company – Annual Assessment Report**

Jon gave a summary to the council regarding the annual assessment.

### **2. Letter from Harriet Wadley**

After some discussion amongst the council they have unanimously decided allow the police to continue to use their discretion on the parking issue within the Craig City limits. The council also directed staff to work with Harriet to solve the direct issue at hand.

## **CONSIDERATION OF RESOLUTIONS AND ORDINANCES**

### **1. Resolution 20-08, Joining the Alaska Remote Sellers Sales Tax Commission**

Jon gave the council a summary on his previous explanation

MCDONALD/BAZINET

move to approve Resolution 20-08,  
MOTION CARRIED UNANIMOUSLY

### **2. Resolution 20-09, Amending City of Craig Personnel Manual**

BAZINET/CREIGHTON

move to approve Resolution 20-09,

CREIGHTON/MCDONALD

move to amend Resolution 20-09 to extend  
Furlough to 90 days.

MOTION CARRIED UNANIMOUSLY

Main Motion

MOTION CARRIED UNANIMOUSLY

## **UNFINISHED BUSINESS**

### **1. Update on local actions re: COVID-19**

Brian gave the council an update regarding his COVID-19 report.

CREIGHTON/MCDONALD

move to extend the City Facility closure to  
April 17, 2020  
MOTION CARRIED UNANIMOUSLY

**NEW BUSINESS**

**1. Consider deposit into Craig Endowment Fund**

Jon gave the council an update and discussed the uncertainty that COVID-19 causes to the City of Craig and the projects the city has coming up.

MCDONALD/BAZINET

move to transfer money into Craig  
Endowment Fund.  
MOTION CARRIED UNANIMOUSLY

**COUNCIL COMMENT**

Jim See requested a better teleconference microphone.

Michael Kampnich thanked all of the staff for their hard working during this unusual time.

**ADJOURNMENT**

SEE/MCDONALD

move to adjourn at 9:37p.m.  
MOTION CARRIED UNANIMOUSLY

APPROVED on the 21<sup>st</sup> of MAY 2020

\_\_\_\_\_  
MAYOR TIMOTHY O'CONNOR

ATTEST

\_\_\_\_\_  
JILLIANCARL, CITYCLERK

**ROLL CALL**

Mayor Tim O'Connor called the meeting to order at 7:00 p.m. and the roll was taken. Present were Dave Creighton, Hannah Bazinet, Jim See, Chanel McKinley and Michael Kampnich.

**Staff present:** Jon Bolling, City Administrator, Jillian Carl, City Clerk; Brian Templin, City Planner

**Audience present:** No audience present

**CONSENT AGENDA**

**HEARING FROM THE PUBLIC**

- Open for Public Comment

**No comments from the public.**

**READING OF CORRESPONDENCE**

- 1. Alaska Permanent Capital Management (February)**

**CONSIDERATION OF RESOLUTIONS AND ORDINANCES**

- 1. Emergency Ordinance 725, Setting a municipal quarantine policy in response to the COVID-19 pandemic emergency**

CREGIHTON/MCKINLEY

moved to approve Ordinance 725  
MOTION CARRIED UNANIMOUSLY

**UNFINISHED BUSINESS**

- 1. Update and Action in Response to COVID-19 Pandemic**

Brian gave a report to the council on the actions being taken in response to COVID-19 Pandemic.

MCDONAL/MCKINLEY

moved to extend City Facilities closures until  
May 8, 2020.  
MOTION CARRIED UNANIMOUSLY

**NEW BUSINESS**

**1. Consider Approval of City of Craig FY 2019 Financial Audit**

MCDONALD/MCKINLEY

moved to approve City of Craig FY 2019  
Financial Audit  
MOTION CARRIED UNANIMOUSLY

**COUNCIL COMMENT**

Chanel McKinley asked if the parking issues have been resolved. Jon confirmed that they have been resolved.

Chanel McKinley asked if Spring Clean up was still scheduled. Jillian confirmed that it was rescheduled to the following week, but still scheduled to happen.

**ADJOURNMENT**

SEE/MCDONALD

moved to adjourn at 7:52 p.m.  
MOTION CARRIED UNANIMOUSLY

APPROVED on the 21<sup>st</sup> day of May 2020.

\_\_\_\_\_  
MAYOR TIMOTHY O'CONNOR

ATTEST \_\_\_\_\_  
JILLIAN CARL, CITY CLERK

CITY OF CRAIG

ORDINANCE NO. 728

PROVIDING FOR THE ADOPTION OF THE FISCAL YEAR 2021 OPERATING BUDGET

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CRAIG:

Section 1. Classification. This ordinance is a non-code ordinance and is not of a general and permanent nature and shall not become a part of the code of the City of Craig, Alaska.

Section 2. Effective Date. This ordinance shall become effective July 1, 2020.

Section 3. Authorization and Appropriation. The appropriations identified in "Attachment A" hereto are adopted and authorized for the period of July 1, 2020 through June 30, 2021 and are the budget for that period. The Administrator may modify line item expenditures within an authorized appropriation to another line item in any amount which would not annually exceed ten (10) percent or \$10,000, whichever is more.

Section 4. Unexpended Balances. All unexpended balances lapse as of June 30, 2021.

APPROVED this 4<sup>th</sup> day of June 2020.

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MAYOR - TIM O'CONNOR

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ATTEST: Jillian Carl - CITY CLERK

Ordinance No. 728

<b>General Fund Revenues</b>	\$	3,543,662	
Transfer in: Endowment Fund		226,000	
Enterprise Fund		119,209	
Total		<u>3,888,871</u>	\$ 3,888,871

<b>General Fund Expenditures</b>			
Administration		681,519	
Aquatic Center		614,136	
Council		33,353	
EMS		240,949	
Facilities & Parks		291,342	
Fire		30,613	
Library		120,922	
Planning		73,756	
Police		1,041,697	
Public Works		435,917	
Recreation		102,188	
Total Expenditures		<u>3,666,392</u>	3,666,392

<b>Operating Transfer Out</b>			
School Financing		150,000	
Total		<u>150,000</u>	150,000

Total General Fund Expenditures & Transfers 3,816,392

Excess of Revenues/Transfers over Expenditures \$ 72,479

<b>Enterprise Fund Revenues</b>			
Cannery		7,000	
Harbor		270,500	
JTB Industrial Park		417,589	
Garbage		315,000	
Wastewater		290,000	
Water		370,848	
Total		<u>1,670,937</u>	\$ 1,670,937

<b>Enterprise Fund Expenses</b>			
Cannery		4820	
Harbor		326586	
JTB Industrial Park		201950	
Garbage		308579	
Wastewater		238158	
Water		471636	
Total		<u>1,551,729</u>	

Excess of Revenue/Transfers over Expenditures \$ 119,209



**CITY OF CRAIG  
MEMORANDUM**

To: Craig Budget Committee  
From: Jon Bolling, City Administrator  
Date: May 15, 2020  
RE: Ordinance No. 728

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Attached you will find Ordinance No. 728. The ordinance adopts the city's Fiscal Year 2021 budget.

A copy of my cover memo to the Craig Budget Committee is attached. That memo offers an explanation of staff's efforts to build the budget.

The Budget Committee discussed a number of topics regarding the draft budget, and directed staff to make some changes to the draft budget. Among those changes:

1. Water and garbage collection services to Enterprise Fund departments. The committee asked for an accounting of water consumption and garbage collection services between Enterprise Fund departments. For example, the Harbor Department receives frequent garbage collection services, and the Industrial Park Department consumes high volumes of water. The Wastewater Department is sometimes the single highest consumer of water in Craig annually. In an effort to document the cost of these services, the committee directed staff to include documentation of the water, wastewater, and garbage collection costs incurred by each Enterprise Fund Department.
2. Bonus to city staff. The committee discussed the merits of adding a cost of living adjustment to the city's wage schedule, or offering employees a three percent bonus payment. The committee settled on adding a lump sum three percent payment to be made to employees in FY 2021, and suggested a December/January distribution timeline.
3. Removal of Spruce Street Tank Demolition Project. The draft budget included demolishing the unused water storage tank on Spruce Street, using \$75,000 in Craig Endowment Fund earnings. The committee recommended removing the project from the proposed FY 21 budget. Staff subsequently did so, and also removed the \$75,000 endowment fund transfer that would have financed the project.
4. Craig EMS. With the onset of staff turnover at Craig EMS, the budget committee spent considerable time discussing options for maintaining emergency medical services. The city's EMS medical director submitted his resignation via email on May 11. The loss of a medical director means per State of Alaska requirements, the city may not bill for ambulance services, and those services are limited to basic life support (BLS) level responses.

The committee sees the EMS Department Budget for FY2021 as a placeholder, and directed city staff to implement measures to sustain paid staff and volunteer roster participation indefinitely.

5. COVID-19 Funding. Looming large over the budget this year is the impact of COVID-19. As the council well knows, efforts to inhibit spread of the virus have created much uncertainty in the local, statewide, and national economy. Those impacts may be at least partially offset by federal funding, depending on how cities like Craig are eventually allowed to use the COVID-19 dollars. City planner Brian Templin has prepared an explanatory memo regarding uses of the fund that staff believes will benefit Craig. That topic is included as a separate agenda item.
6. State Revenue Sharing. At the May 13 budget committee meeting, I reported that I had learned that the city can expect some state revenue sharing funding in FY2021. I had zeroed out that revenue source when I read that the Governor had vetoed the appropriation for State Fiscal Year 2021. I was subsequently reminded that the veto means that because the revenue sharing payment is drawn from a larger fund, the FY21 payment will be reduced by about one-third, rather than eliminated entirely. That news adds about \$50,000 to general fund revenues.
7. Employee Health Insurance Benefit. Good news on this front: the city will not face a premium increase in FY2021 if it retains the existing health insurance benefit.

The budget approval process will include council consideration of a resolution setting the mill rate, a resolution for the payment in lieu of health insurance, and Ordinance 729, setting utility rates for FY 2021. The resolutions will be brought forward for council consideration at the council meeting scheduled for June 4.

**Recommendation**

Adopt Ordinance 728 at first reading.

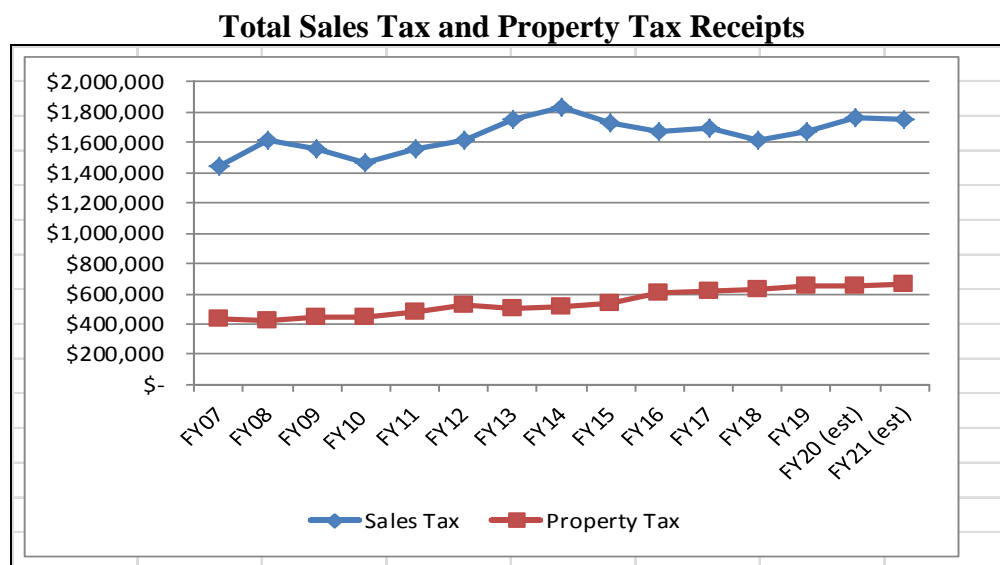
# CITY OF CRAIG MEMORANDUM

To: Craig Budget Committee  
From: Jon Bolling, City Administrator  
Date: April 5, 2020  
RE: Draft FY 2021 City of Craig Operating Budget

Attached you will find the proposed City of Craig operating budget for FY 2021. A summary of the budget is provided below.

## A. Revenues

The table below shows past actual and next fiscal year's estimated local tax receipts.



### Sales Tax

As the council is aware, sales tax revenues make up the bulk of locally generated tax receipts. The estimated amount of sales tax receipts is one of the variables in the budget that staff must pay close attention to when planning the coming year's budget. The sales tax numbers shown in the above graph is the sum of general sales tax (5%), liquor sales tax (6%), bed tax receipts (\$5/night), and tax on marijuana products (+5%).

Obviously, the corona virus pandemic is the big variable in estimated revenues for the coming fiscal year. Much uncertainty remains as to how much longer the prophylactic measures in place nationwide will continue; it is those measures that will most impact the city's sales tax revenues in FY 2021. While the city has seen variable sales tax revenues since FY 2007, the overall trend shows a slight increase in receipts in that time, even accounting for the new bed tax and marijuana tax, both of which took effect January 1, 2018 (the local marijuana retail store did not open until some months later). For the purposes of budgeting, staff has consistently assumed either no increase or a slight drop in sales tax receipts each year, based upon actual receipts from prior year(s). For FY 2021 projected sales tax receipts are slightly lower from the current fiscal year, based on the following factors.

1. Actual Receipts. Before all the travel and other restrictions from the COVID-19 response were felt in March, local sales tax receipts were nearly \$100,000 (about ten percent) ahead of the same point in the prior fiscal year. The slowdown in activity resulting from COVID-19 will likely mean that we will finish near our

projected receipts for the current fiscal year. Budgeting sales tax at nearly the same level for 2021 as in 2020 anticipates the reduced economic activity in the coming fiscal year.

2. **Online Retail Remittances.** If the city council completes the process to participate in the Alaska Remote Sellers Sales Tax Commission, the city can expect substantially more sales tax revenue generated by online sales. News reports maintain that given local COVID-19 travel restrictions, online sales have measurably increased since March. To the extent that trend continues, the city's participation in the Alaska RSSTC will provide for sales tax revenue from vendors that do not now collect and remit the tax to Craig. This source is essentially new revenue for Craig.
3. **Local Retailers.** With the exception of one business, the top twelve sales tax-remitting businesses in Craig remained open during the recent COVID-19 responses, although some operated at reduced levels. Those twelve typically account for about 75 percent of local sales tax revenues. Many other retailers remained open as well, and while local activity was much lower than normal, these businesses still collected and will remit sales taxes. I expect the same will occur after July 1, 2020.

Impacts from COVID-19 will create downward pressure on sales tax receipts in 2020. These impacts include closure of the Craig Silver Bay Seafoods plant in 2020, reduced activity at hotels and B&Bs, and reduced activity at charter fishing lodges this calendar year.

Conversely, commercial and sport fishing for king salmon is again severely restricted in inside waters throughout Southeast Alaska in 2020, making it more likely that fishermen will travel to the west coast of POW Island to catch kings. The west coast is due to cycle back into the geoduck and sea cucumber dive fisheries in the coming fiscal year, bringing dive boats back to Craig. Assuming salmon markets improve in the coming twelve months, the chum salmon return at Port Asumcion may bring new waterfront activity.

#### Property Tax

I expect a slight increase in property tax receipts for the coming fiscal year. Property tax receipts have climbed more than \$175,000 in the past ten years due to new construction and property value appreciation. The property tax rate of six mills has not changed in more than twenty five years. The city council can expect the city's real property values to continue to increase over the next several years, based on market trends and new construction. As a reminder to the council, the city does not set property values in Craig; that work is completed by the city's contract assessor, who sets values based upon market value sales of property in the community. The city council does set the mill rate each year, per Alaska Statutes.

Taken together, staff estimates that all sales tax and property tax revenues for FY 2021 will amount to \$2.4 million, or about 68 percent of all expected revenues for the coming year.

#### Other Sources

The city typically receives a substantial amount of transfer payments from the US Government and the State of Alaska each year. The projected amount of state payments

for FY 2020 is \$407,500. The bulk of this is from one program: Payment in Lieu of Taxes (PILT). Senator Murkowski recently posted a news release announcing the reauthorization of the program at prior funding levels, meaning that Craig is likely to receive about \$289,000.

Raw fish tax and municipal revenue sharing account for most of the balance of other income sources. As the committee will recall, raw fish tax revenue is highly variable from year to year. Staff does project a decrease in raw fish tax for the coming year to around \$50,000. Any amount received beyond what is budgeted is assigned, per past council direction, to the Equipment Replacement and Harbor Reserve funds.

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The FY2021 budget includes \$27,000 in revenues from the Port St. Nicholas Road maintenance fee. That figure is an estimate, based on receipt of \$150 per lot.

## **B. Expenditures**

The FY2020 General Fund budget anticipates a net increase in expenditures of about \$150,000 compared to FY2019. Some notable changes from the current fiscal year are listed below.

- Aquatic Center (+\$17,696). About \$9,000 of this increase is due to changes to wage and benefit costs. Among these is an additional \$4,000 in part time employee hours (from 625 hours to 1,000 hours).
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Of the \$150,000 increase, about \$90,000 is financed from the endowment fund earnings

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The budget anticipates a five percent increase in employee health insurance costs. Every one percent increase in premium cost equals about \$5,000 of additional cost to the city.

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**Total** **\$ 212,500**

This draw leaves about \$48,500 available for continued investment in the endowment fund, or for use on another capital project needing additional funding, based on city council approval.

**E. Long-Term Finances**

Long-Term Debt

The city holds the following long-term debt.

<u>Debt Class</u>	<u>Balance*</u>	<u>Annual Payments*</u>
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Water System Improvements	\$ 307,000	\$ 25,001
<b>Total</b>	<b>\$1,877,000</b>	<b>\$161,889</b>

\* Approximate



### Reserve Funds

The list below provides some information for each fund.

<u>Fund Name</u>	<u>Source of Funds</u>	<u>Balance*</u>
1. Craig Endowment	One-time revenues	\$ 9,842,662
2. School Support	Federal & City funds	\$ 2,931,630
3. Certificates of Deposit	Retained earnings	\$ 2,000,000
4. City General Fund	Multiple sources	\$ 1,693,401
5. Land Development	Sale of city properties	\$ 568,196
6. Capital/Harbor/Equip Fund	Various Sources	\$ 452,359
7. Hatchery savings	POWHA	\$ 55,238
8. Clinic Maintenance	Lease payments	\$ 44,000
9. Police Drug	Court awarded	\$ 18,906
10. Halibut Quota	General Fund	\$ 15,500
11. Bond Sinking Fund	General Fund	\$ 15,000
12. Memorial Park	Hilton Foundation	\$ 7,697

\*Approximate as of March 31, 2020

### F. Summary

As I have stated in years past, department managers in the city's enterprise and general fund departments have done good work in controlling their expenditures. They understand the demands placed on the city's General Fund and Enterprise Fund revenues and responded productively again this year when I asked them to limit their expenditures from the current fiscal year. It is a pleasure to work with them.

Similarly, as I have noted in past cover memos for the budget ordinance, thanks to thoughtful actions taken by city councils in Craig over the past 20+ years, pertaining to building capital projects and efforts to increase savings, the city is in good financial condition. With lean financial times upon us now and likely for the next few years due to declining or flat transfer payments from the State of Alaska and US Government, the city's good financial position will make dealing with reduced revenues easier. Even so, we should continue to anticipate challenging financial circumstances for our community for the near term.

As noted multiple times in this memo, the COVID-19 pandemic looms large as to its impact to our economy and budget. The uncertainties the pandemic has created as to the visitor industry, commercial seafood markets, and local revenues are remarkable, and render unstable the normally reliable projections as to revenues. Whatever budget the city council eventually adopts will have to be monitored closely through the fiscal year.

There is some possibility that the city may receive some direct compensation for what is likely to be lost sales tax revenue, but as of the date of this memo there is certainly no assurance that either the State of Alaska or the federal government will offer to offset sales tax revenues lost to state and federal health mandates. No such revenue is included in the attached budget.

For the longer term, there is reason for optimism, as noted below. I reported on some of the items below to the budget committee a year ago, with updates to this year's outlook:

- Seafood Producers Cooperative continues to operate a buying station out of Craig, with contributions to the cost to operate the ice house during the summer season.
- The annual release of chum salmon at Port Asumcion climbed to 20 million this year, and is projected to stay at 20 million. This calendar year will see the first efforts at cost recovery.
- SSRAA continues to release some 300,000 king salmon smolts into Port St. Nicholas, with potential to expand that release and manage new cost recovery operations.
- With the completion of the Alaska Mental Health Trust land exchange with the US Forest Service, the Viking Lumber Mill appears to be poised for an additional 3-5 years of timber supply. I expect that the various small mill operators on POW will benefit from the timber volume made available from timber sales, which also benefits Craig.
- The kelp mariculture site at Doyle Bay will conduct its first harvest of kelp this year. The company plans to bring that product to shore in Craig for subsequent shipment to market.
- The small gold mine that recently reopened in Hollis added a milling facility on the site, adding another six or so jobs to the local economy, along with increased business spending on POW. The Calder Bay limestone site also continues to operate regularly.

Staff is prepared to address questions from the budget committee regarding the proposed FY 2021 budget.



**Budget  
Fiscal Year 2021**

**City of Craig**  
**Fiscal Year 2021 Budget**  
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**CITY OF CRAIG  
MEMORANDUM**

To: Craig Budget Committee  
From: Jon Bolling, City Administrator  
Date: May 15, 2020  
RE: Ordinance No. 728

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Attached you will find Ordinance No. 728. The ordinance adopts the city's Fiscal Year 2021 budget.

A copy of my cover memo to the Craig Budget Committee is attached. That memo offers an explanation of staff's efforts to build the budget.

The Budget Committee discussed a number of topics regarding the draft budget, and directed staff to make some changes to the draft budget. Among those changes:

1. Water and garbage collection services to Enterprise Fund departments. The committee asked for an accounting of water consumption and garbage collection services between Enterprise Fund departments. For example, the Harbor Department receives frequent garbage collection services, and the Industrial Park Department consumes high volumes of water. The Wastewater Department is sometimes the single highest consumer of water in Craig annually. In an effort to document the cost of these services, the committee directed staff to include documentation of the water, wastewater, and garbage collection costs incurred by each Enterprise Fund Department.
2. Bonus to city staff. The committee discussed the merits of adding a cost of living adjustment to the city's wage schedule, or offering employees a three percent bonus payment. The committee settled on adding a lump sum three percent payment to be made to employees in FY 2021, and suggested a December/January distribution timeline.
3. Removal of Spruce Street Tank Demolition Project. The draft budget included demolishing the unused water storage tank on Spruce Street, using \$75,000 in Craig Endowment Fund earnings. The committee recommended removing the project from the proposed FY 21 budget. Staff subsequently did so, and also removed the \$75,000 endowment fund transfer that would have financed the project.
4. Craig EMS. With the onset of staff turnover at Craig EMS, the budget committee spent considerable time discussing options for maintaining emergency medical services. The city's EMS medical director submitted his resignation via email on May 11. The loss of a medical director means per State of Alaska requirements, the city may not bill for ambulance services, and those services are limited to basic life support (BLS) level responses.

The committee sees the EMS Department Budget for FY2021 as a placeholder, and directed city staff to implement measures to sustain paid staff and volunteer roster participation indefinitely.

5. COVID-19 Funding. Looming large over the budget this year is the impact of COVID-19. As the council well knows, efforts to inhibit spread of the virus have created much uncertainty in the local, statewide, and national economy. Those impacts may be at least partially offset by federal funding, depending on how cities like Craig are eventually allowed to use the COVID-19 dollars. City planner Brian Templin has prepared an explanatory memo regarding uses of the fund that staff believes will benefit Craig. That topic is included as a separate agenda item.
6. State Revenue Sharing. At the May 13 budget committee meeting, I reported that I had learned that the city can expect some state revenue sharing funding in FY2021. I had zeroed out that revenue source when I read that the Governor had vetoed the appropriation for State Fiscal Year 2021. I was subsequently reminded that the veto means that because the revenue sharing payment is drawn from a larger fund, the FY21 payment will be reduced by about one-third, rather than eliminated entirely. That news adds about \$50,000 to general fund revenues.
7. Employee Health Insurance Benefit. Good news on this front: the city will not face a premium increase in FY2021 if it retains the existing health insurance benefit.

The budget approval process will include council consideration of a resolution setting the mill rate, a resolution for the payment in lieu of health insurance, and Ordinance 729, setting utility rates for FY 2021. The resolutions will be brought forward for council consideration at the council meeting scheduled for June 4.

**Recommendation**

Adopt Ordinance 728 at first reading.

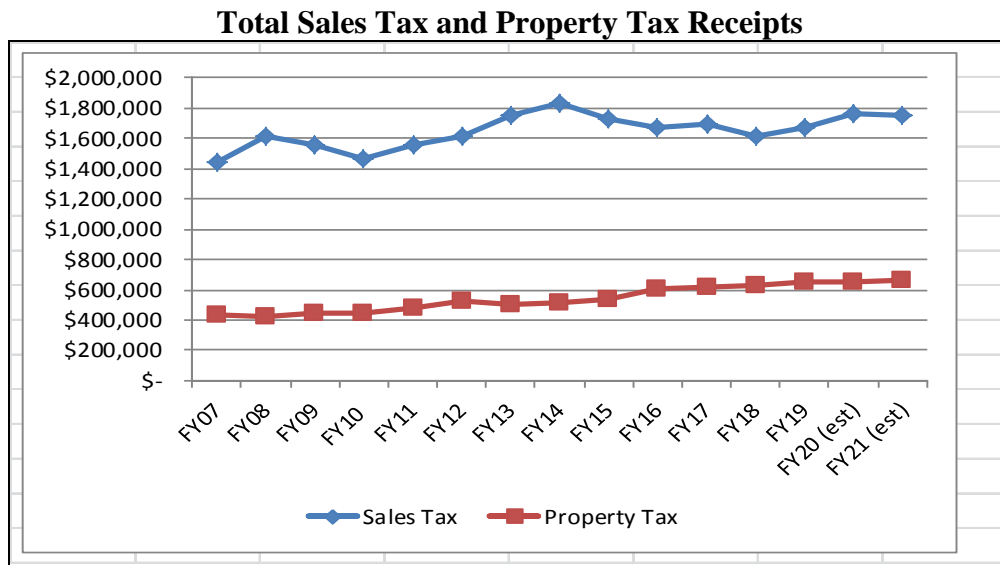
# CITY OF CRAIG MEMORANDUM

To: Craig Budget Committee  
 From: Jon Bolling, City Administrator  
 Date: April 5, 2020  
 RE: Draft FY 2021 City of Craig Operating Budget

Attached you will find the proposed City of Craig operating budget for FY 2021. A summary of the budget is provided below.

## A. Revenues

The table below shows past actual and next fiscal year’s estimated local tax receipts.



### Sales Tax

As the council is aware, sales tax revenues make up the bulk of locally generated tax receipts. The estimated amount of sales tax receipts is one of the variables in the budget that staff must pay close attention to when planning the coming year’s budget. The sales tax numbers shown in the above graph is the sum of general sales tax (5%), liquor sales tax (6%), bed tax receipts (\$5/night), and tax on marijuana products (+5%).

Obviously, the corona virus pandemic is the big variable in estimated revenues for the coming fiscal year. Much uncertainty remains as to how much longer the prophylactic measures in place nationwide will continue; it is those measures that will most impact the city’s sales tax revenues in FY 2021. While the city has seen variable sales tax revenues since FY 2007, the overall trend shows a slight increase in receipts in that time, even accounting for the new bed tax and marijuana tax, both of which took effect January 1, 2018 (the local marijuana retail store did not open until some months later). For the purposes of budgeting, staff has consistently assumed either no increase or a slight drop in sales tax receipts each year, based upon actual receipts from prior year(s). For FY 2021 projected sales tax receipts are slightly lower from the current fiscal year, based on the following factors.

1. Actual Receipts. Before all the travel and other restrictions from the COVID-19 response were felt in March, local sales tax receipts were nearly \$100,000 (about ten percent) ahead of the same point in the prior fiscal year. The slowdown in activity resulting from COVID-19 will likely mean that we will finish near our

projected receipts for the current fiscal year. Budgeting sales tax at nearly the same level for 2021 as in 2020 anticipates the reduced economic activity in the coming fiscal year.

2. **Online Retail Remittances.** If the city council completes the process to participate in the Alaska Remote Sellers Sales Tax Commission, the city can expect substantially more sales tax revenue generated by online sales. News reports maintain that given local COVID-19 travel restrictions, online sales have measurably increased since March. To the extent that trend continues, the city's participation in the Alaska RSSTC will provide for sales tax revenue from vendors that do not now collect and remit the tax to Craig. This source is essentially new revenue for Craig.
3. **Local Retailers.** With the exception of one business, the top twelve sales tax-remitting businesses in Craig remained open during the recent COVID-19 responses, although some operated at reduced levels. Those twelve typically account for about 75 percent of local sales tax revenues. Many other retailers remained open as well, and while local activity was much lower than normal, these businesses still collected and will remit sales taxes. I expect the same will occur after July 1, 2020.

Impacts from COVID-19 will create downward pressure on sales tax receipts in 2020. These impacts include closure of the Craig Silver Bay Seafoods plant in 2020, reduced activity at hotels and B&Bs, and reduced activity at charter fishing lodges this calendar year.

Conversely, commercial and sport fishing for king salmon is again severely restricted in inside waters throughout Southeast Alaska in 2020, making it more likely that fishermen will travel to the west coast of POW Island to catch kings. The west coast is due to cycle back into the geoduck and sea cucumber dive fisheries in the coming fiscal year, bringing dive boats back to Craig. Assuming salmon markets improve in the coming twelve months, the chum salmon return at Port Asumcion may bring new waterfront activity.

#### Property Tax

I expect a slight increase in property tax receipts for the coming fiscal year. Property tax receipts have climbed more than \$175,000 in the past ten years due to new construction and property value appreciation. The property tax rate of six mills has not changed in more than twenty five years. The city council can expect the city's real property values to continue to increase over the next several years, based on market trends and new construction. As a reminder to the council, the city does not set property values in Craig; that work is completed by the city's contract assessor, who sets values based upon market value sales of property in the community. The city council does set the mill rate each year, per Alaska Statutes.

Taken together, staff estimates that all sales tax and property tax revenues for FY 2021 will amount to \$2.4 million, or about 68 percent of all expected revenues for the coming year.

#### Other Sources

The city typically receives a substantial amount of transfer payments from the US Government and the State of Alaska each year. The projected amount of state payments



for FY 2020 is \$407,500. The bulk of this is from one program: Payment in Lieu of Taxes (PILT). Senator Murkowski recently posted a news release announcing the reauthorization of the program at prior funding levels, meaning that Craig is likely to receive about \$289,000.

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The list below provides some information for each fund.

<u>Fund Name</u>	<u>Source of Funds</u>	<u>Balance*</u>
1. Craig Endowment	One-time revenues	\$ 9,842,662
2. School Support	Federal & City funds	\$ 2,931,630
3. Certificates of Deposit	Retained earnings	\$ 2,000,000
4. City General Fund	Multiple sources	\$ 1,693,401
5. Land Development	Sale of city properties	\$ 568,196
6. Capital/Harbor/Equip Fund	Various Sources	\$ 452,359
7. Hatchery savings	POWHA	\$ 55,238
8. Clinic Maintenance	Lease payments	\$ 44,000
9. Police Drug	Court awarded	\$ 18,906
10. Halibut Quota	General Fund	\$ 15,500
11. Bond Sinking Fund	General Fund	\$ 15,000
12. Memorial Park	Hilton Foundation	\$ 7,697

\*Approximate as of March 31, 2020

**F. Summary**

As I have stated in years past, department managers in the city’s enterprise and general fund departments have done good work in controlling their expenditures. They understand the demands placed on the city’s General Fund and Enterprise Fund revenues and responded productively again this year when I asked them to limit their expenditures from the current fiscal year. It is a pleasure to work with them.

Similarly, as I have noted in past cover memos for the budget ordinance, thanks to thoughtful actions taken by city councils in Craig over the past 20+ years, pertaining to building capital projects and efforts to increase savings, the city is in good financial condition. With lean financial times upon us now and likely for the next few years due to declining or flat transfer payments from the State of Alaska and US Government, the city’s good financial position will make dealing with reduced revenues easier. Even so, we should continue to anticipate challenging financial circumstances for our community for the near term.

As noted multiple times in this memo, the COVID-19 pandemic looms large as to its impact to our economy and budget. The uncertainties the pandemic has created as to the visitor industry, commercial seafood markets, and local revenues are remarkable, and render unstable the normally reliable projections as to revenues. Whatever budget the city council eventually adopts will have to be monitored closely through the fiscal year.

There is some possibility that the city may receive some direct compensation for what is likely to be lost sales tax revenue, but as of the date of this memo there is certainly no assurance that either the State of Alaska or the federal government will offer to offset sales tax revenues lost to state and federal health mandates. No such revenue is included in the attached budget.

For the longer term, there is reason for optimism, as noted below. I reported on some of the items below to the budget committee a year ago, with updates to this year's outlook:

- Seafood Producers Cooperative continues to operate a buying station out of Craig, with contributions to the cost to operate the ice house during the summer season.
- The annual release of chum salmon at Port Asumcion climbed to 20 million this year, and is projected to stay at 20 million. This calendar year will see the first efforts at cost recovery.
- SSRAA continues to release some 300,000 king salmon smolts into Port St. Nicholas, with potential to expand that release and manage new cost recovery operations.
- With the completion of the Alaska Mental Health Trust land exchange with the US Forest Service, the Viking Lumber Mill appears to be poised for an additional 3-5 years of timber supply. I expect that the various small mill operators on POW will benefit from the timber volume made available from timber sales, which also benefits Craig.
- The kelp mariculture site at Doyle Bay will conduct its first harvest of kelp this year. The company plans to bring that product to shore in Craig for subsequent shipment to market.
- The small gold mine that recently reopened in Hollis added a milling facility on the site, adding another six or so jobs to the local economy, along with increased business spending on POW. The Calder Bay limestone site also continues to operate regularly.

Staff is prepared to address questions from the budget committee regarding the proposed FY 2021 budget.



# **Budget Fiscal Year 2021**

<b>General Fund Revenues</b>	\$	3,593,662	
Transfer in: Endowment Fund		226,000	
Enterprise Fund		95,339	
Total			\$ 3,915,001

<b>General Fund Expenditures</b>			
Administration		681,519	
Aquatic Center		614,136	
Council		33,353	
EMS		243,049	
Facilities & Parks		291,342	
Fire		30,613	
Library		120,922	
Planning		73,756	
Police		1,041,697	
Public Works		435,917	
Recreation		86,432	
Total Expenditures			3,652,735

<b>Operating Transfer Out</b>			
School Financing		150,000	
Total			150,000

Total General Fund Expenditures & Transfers 3,802,735

Excess of Revenues/Transfers over Expenditures \$ 112,266

<b>Enterprise Fund Revenues</b>			
Cannery		7,000	
Harbor		270,500	
JTB Industrial Park		417,589	
Garbage		322,280	
Wastewater		290,000	
Water		386,938	
Total			\$ 1,694,307

<b>Enterprise Fund Expenses</b>			
Cannery		4820	
Harbor		351470	
JTB Industrial Park		211622	
Garbage		308579	
Wastewater		250840	
Water		471636	
Total			1,598,968

Excess of Revenue/Transfers over Expenditures \$ 95,339





# **Financial Summary Fiscal Year 2021**

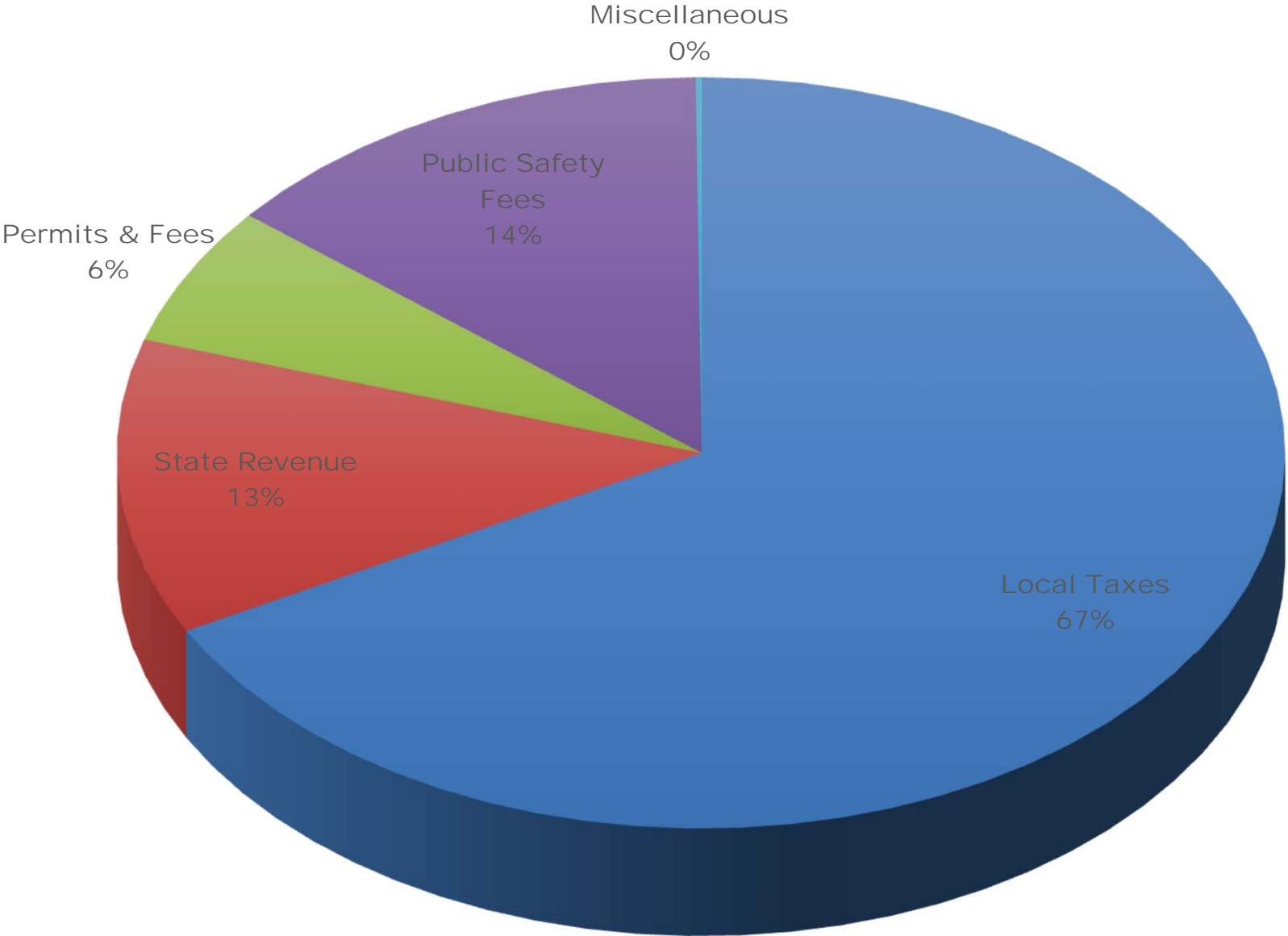
City of Craig  
FY2021 Budget  
General Fund Revenue & Expenditure Summary

	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2021 Budget
Total General Fund Revenue	\$ 3,778,739	\$ 3,561,995	\$ 3,295,338	\$ 3,479,354 \$ 2,180	3,622,981	3,593,662
Expenditures						
Administration	662,177	702,951	698,943	676,724	683,985	681,519
Aquatic Center	478,464	441,795	512,753	661,056	607,293	614,136
Council	130,419	133,203	82,419	57,331	34,353	33,353
EMS	228,329	326,051	215,282	189,326	202,154	243,049
Facilities & Parks	464,770	286,009	228,476	288,881	269,442	291,342
Fire	28,278	14,823	19,190	34,406	39,593	30,613
Library	113,835	108,626	127,118	137,549	130,361	120,922
Planning	90,047	99,015	74,499	69,151	71,019	73,756
Police	1,022,184	937,360	932,464	967,739	1,022,588	1,041,697
Public Works	306,686	326,792	306,390	336,295	346,012	435,917
Recreation	91,107	99,356	95,727	96,695	110,004	86,431
Pt. St. Nick Hatchery					56,000	0
Total Expenditures	<b>3,616,297</b>	<b>3,475,981</b>	<b>3,293,261</b>	<b>3,515,154</b>	<b>3,572,805</b>	<b>3,652,735</b>
Net Revenues over Expenditures	<b>\$ 162,442</b>	<b>\$ 86,014</b>	<b>\$ 2,077</b>	<b>\$ (35,800)</b>	<b>50,176</b>	<b>(59,073)</b>
Transfers In to General Fund						
Transfer from Enterprise Fund	226,026	241,011	303,824	210,622	48,825	95,339
Endowment Fund Transfer to Gen Fund	135,000	178,280	370,650	233,000	175,000	226,000
Total Transfers	<b>135,000</b>	<b>178,280</b>	<b>370,650</b>	<b>233,000</b>	<b>223,825</b>	<b>321,339</b>
To School Financing	(100,000)		(168,000)	(250,000)	(300,000)	(150,000)
From Endowment To Capital Fund		(186,000)	(270,050)	20,000		
Total transfers Out	<b>(100,000)</b>	<b>(186,000)</b>	<b>(438,050)</b>	<b>(230,000)</b>	<b>(300,000)</b>	<b>(150,000)</b>
Total transfers					<b>(76,175)</b>	<b>171,339</b>
Bonus						57,361
Total Budget Revenue over Expenditures & Transfers	<b>297,442.0</b>	<b>264,294.0</b>	<b>372,727.0</b>	<b>197,200.0</b>	<b>(25,999)</b>	<b>54,905</b>

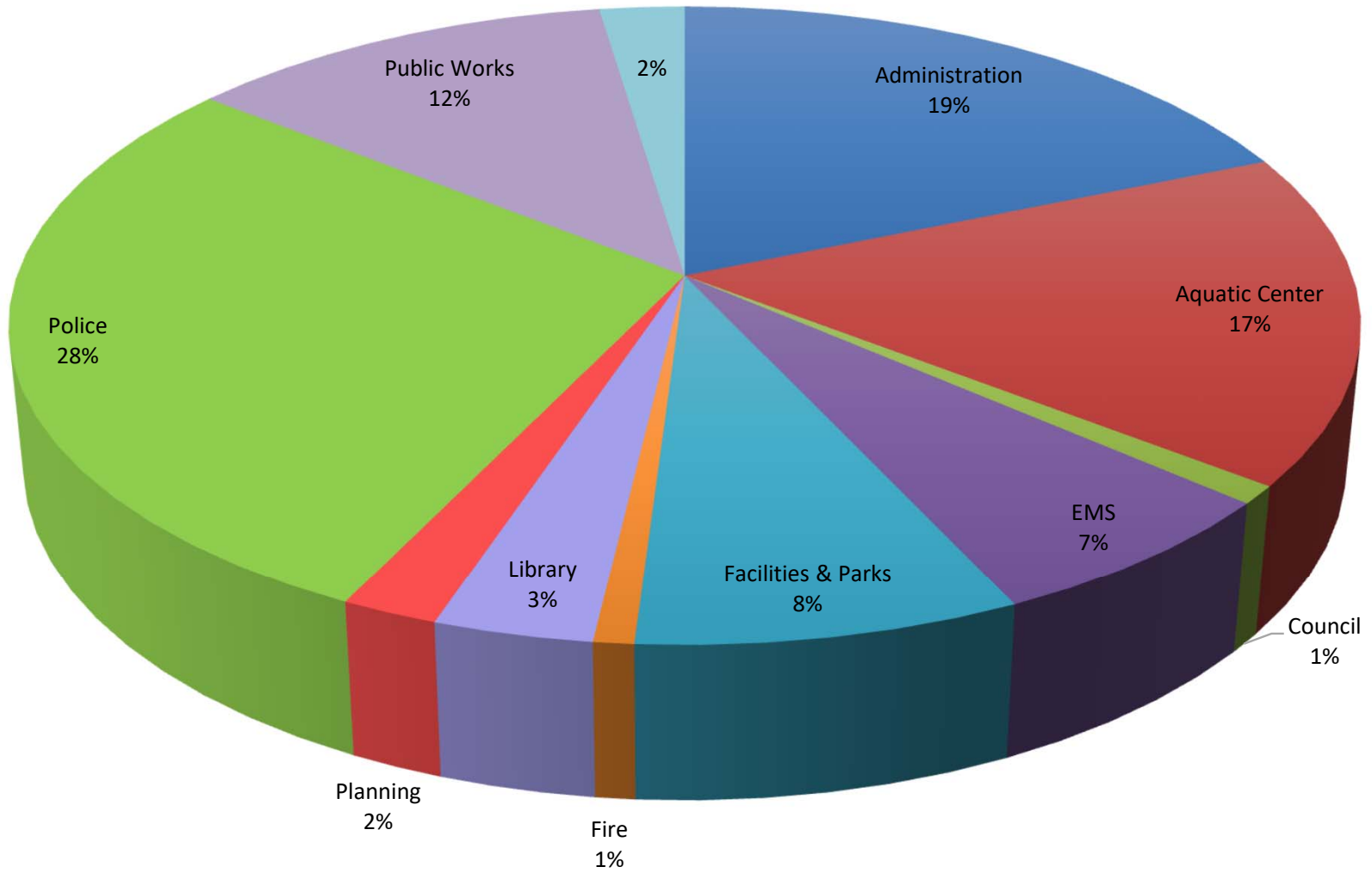
## Enterprise Fund Revenue & Expenses Recap FY 2021

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020 Budget	FY 2021 Budget
<b>Total Operating Revenue</b>						
Cannery	3,505	8,884	8,105	8,105	7,000	7,000
Harbor	205,070	250,590	248,626	258,500	270,500	270,500
JTB Industrial Park	470,873	465,328	453,626	413,023	416,589	417,589
Garbage	304,171	298,369	278,407	311,970	315,000	322,280
Wastewater	269,006	263,835	353,220	290,000	290,000	290,000
Water	2,743	3,384	21,271	307,300	317,476	386,938
<b>Total Revenue</b>	<b>1,255,368</b>	<b>1,290,390</b>	<b>1,363,255</b>	<b>1,588,898</b>	<b>1,616,565</b>	<b>1,694,307</b>
<b>Total Operating Expenses</b>						
Cannery	4,124	1,713	2,700	6,881	7,000	4,820
Harbor	205,070	250,590	248,626	258,500	415,776	351,470
JTB Industrial Park	270,500	287,282	275,548	216,897	233,036	211,622
Garbage	304,171	298,369	278,407	311,970	302,138	308,579
Wastewater	226,026	241,011	303,824	210,622	292,340	250,840
Water	410,886	455,680	365,337	395,671	525,103	471,636
<b>Total Expenditures</b>	<b>1,420,777</b>	<b>1,534,645</b>	<b>1,474,442</b>	<b>1,400,542</b>	<b>1,775,393</b>	<b>1,598,968</b>
<b>Net Revenues over Expenses</b>						
Cannery	(619)	7,171	5,405	1,224	0	2,180
Harbor	0	0	0	0	(145,276)	(80,970)
JTB Industrial Park	200,373	178,046	178,078	196,126	183,553	205,967
Garbage	0	0	0	0	12,862	13,701
Wastewater	42,980	22,824	49,396	79,378	(2,340)	39,160
Water	(408,143)	(452,296)	(344,066)	(88,371)	(207,627)	(84,698)
<b>Total</b>	<b>\$ (165,409)</b>	<b>\$ (244,255)</b>	<b>\$ (111,187)</b>	<b>\$ 188,357</b>	<b>\$ (158,828)</b>	<b>\$ 95,339</b>
<b>Transfer from Endowment Fund</b>						
Water					125,000	44,070
Harbor					80,000	0
<b>Total from Endowment Fund</b>					<b>205,000</b>	<b>44,070</b>
<b>Transfers with in Enterprise Fund</b>						
Cannery			0			
Harbor	16,101	(4,460)	3,165	(46,417)	65,276	0.00
JTB Industrial Park	15,707	2,846	1,150	(22,782)	(90,728)	0.00
Garbage	4,709	1,538	1,784	(62,215)	12,138	0.00
Wastewater	6,871	3,430	3,805	(34,438)	4,235	0.00
Water	2,743	3,384	21,271	(49,640)	112,626	0.00
<b>Total</b>	<b>46,131</b>	<b>6,738</b>	<b>31,175</b>	<b>(215,492)</b>	<b>103,547</b>	<b>0.00</b>
<b>Net Change in Cash</b>						
Cannery	(619)	7,171	5,405	1,224	-	2,180
Harbor	-	16,101	(4,460)	3,165	0	-80,970
JTB Industrial Park	200,373	193,753	180,924	197,276	48,825	205,967
Garbage	-	4,709	1,538	1,784	0	13,701
Wastewater	42,980	29,695	52,826	83,183	1,895	39,160
Water	(408,143)	(449,553)	(340,682)	(67,100)	-1	-84,698
<b>Total Net Change in Cash</b>	<b>(165,409)</b>	<b>(198,124)</b>	<b>(104,449)</b>	<b>219,532</b>	<b>\$ 50,719</b>	<b>\$ 95,339</b>
Transfer to General Fund					\$ (50,719)	\$ (95,339)

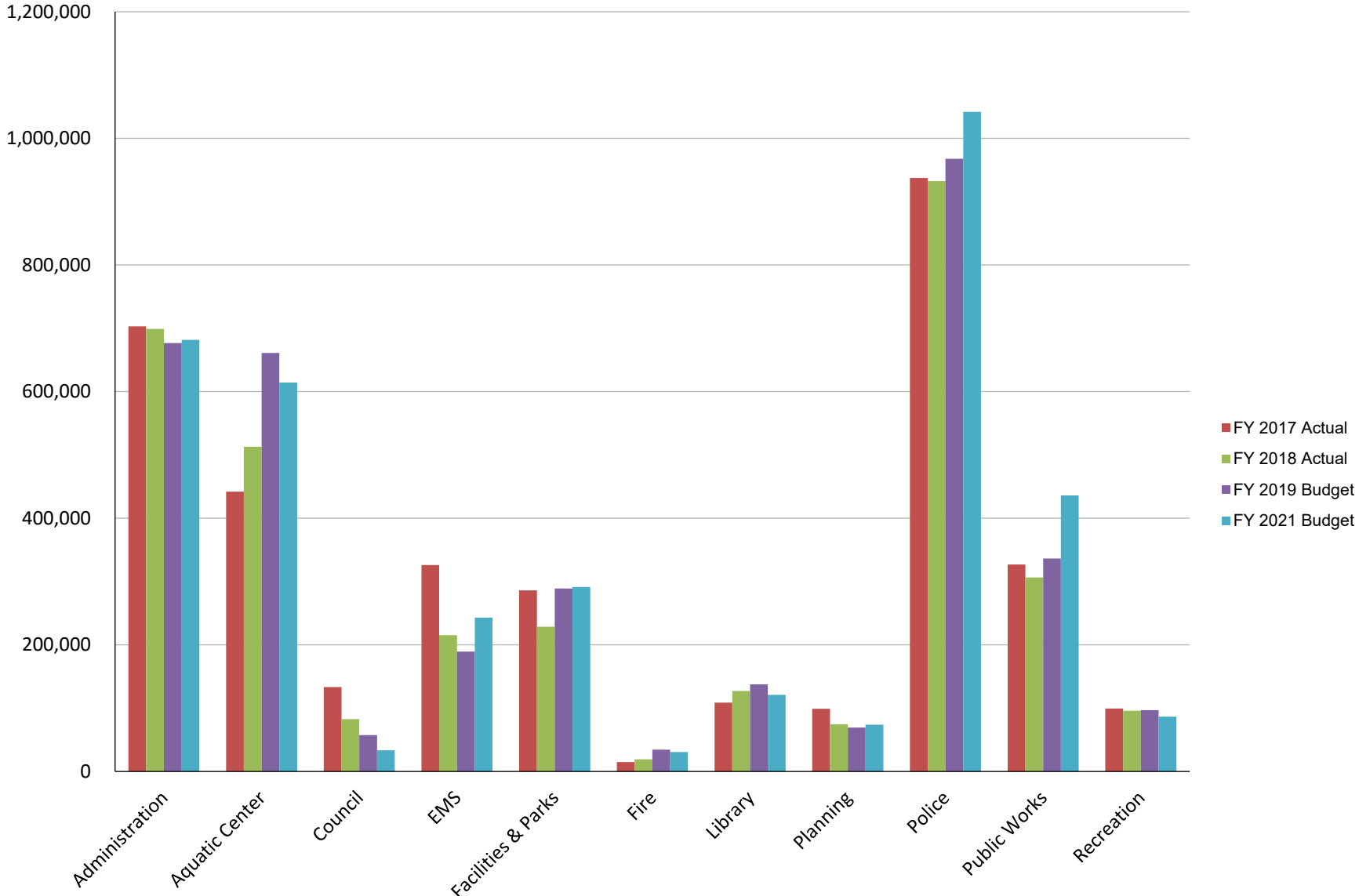
# General Fund Revenue



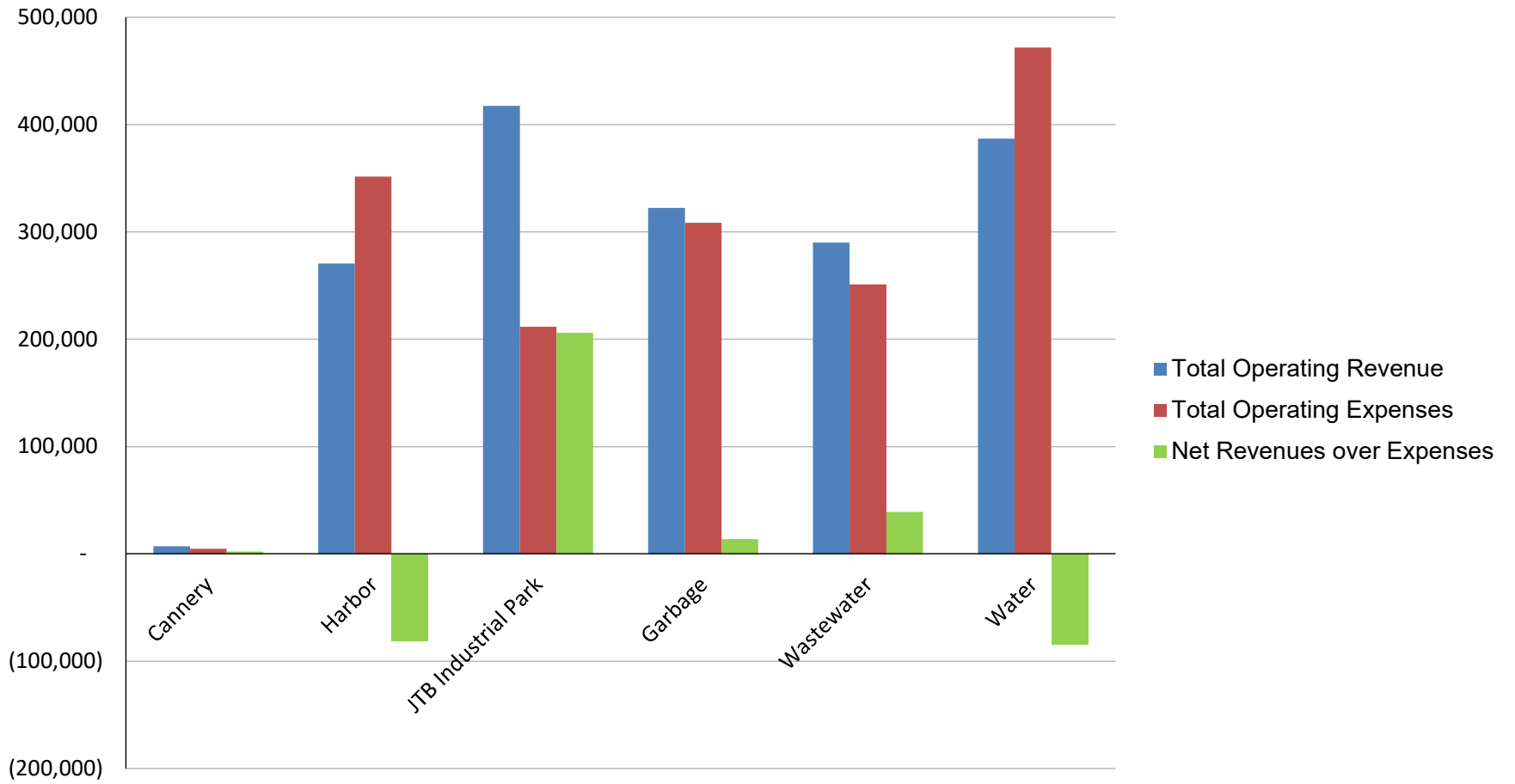
## General Fund Total Expenditures



# General Fund Expenditures



### Enterprise Fund



## City of Craig Summary - FY 2021

	GF FY 2021	GF FY 2020	GF Incr(Decr)	EF FY 2021	EF FY 2020	EF Incr(Decr)	FY 2021 Total	FY 2020 Total	FY 2021 Incr(Decr)	% Change
Salary	450,652	451,621	(969)	98,220	98,220	(0)	548,871	549,841	(970)	-0.18%
Hourly Wages	1,124,331	1,065,115	59,216	364,334	341,242	23,092	1,488,665	1,406,357	82,308	5.53%
Overtime Wages	36,288	34,499	1,789	11,290	11,163	127	47,578	45,662	1,916	4.03%
On-call Wages	17,400	17,400	0	13,280	13,280	0	30,680	30,680	0	0.00%
<b>Total Wages</b>	<b>1,628,670</b>	<b>1,568,635</b>	<b>60,035</b>	<b>487,123</b>	<b>463,905</b>	<b>23,218</b>	<b>2,115,794</b>	<b>2,032,540</b>	<b>83,254</b>	<b>3.93%</b>
FICA	102,021	99,032	2,989	30,200	28,761	1,439	132,221	127,793	4,428	3.35%
Medicare	23,866	23,167	699	7,063	6,726	337	30,929	29,893	1,036	3.35%
Workers' Comp	44,065	41,574	2,491	13,409	12,760	649	57,474	54,334	3,140	5.46%
PERS (DB & DC)	335,053	327,362	7,691	94,168	92,794	1,374	429,221	420,156	9,065	2.11%
Medical Insurance	314,358	346,723	(32,365)	95,336	108,795	(13,459)	409,694	455,518	(45,824)	-11.18%
HRA	78,128	78,128	(1)	22,908	20,928	1,980	101,035	99,056	1,979	1.96%
Other Benefits	6,599	6,499	100	1,991	1,966	25	8,590	8,465	125	1.46%
<b>Total Benefits</b>	<b>904,089</b>	<b>922,485</b>	<b>(18,396)</b>	<b>265,075</b>	<b>272,730</b>	<b>(7,655)</b>	<b>1,169,164</b>	<b>1,195,215</b>	<b>(26,051)</b>	<b>-2.23%</b>
<b>GRAND TOTAL</b>	<b>2,532,760</b>	<b>2,491,120</b>	<b>41,640</b>	<b>752,198</b>	<b>736,635</b>	<b>15,563</b>	<b>3,284,958</b>	<b>3,227,755</b>	<b>57,203</b>	<b>1.74%</b>



# General Fund Summary - FY 2021

## Wages & Benefits

	Admin	Aquatic Center	Council	EMS	Facilities	Fire	Library	Planning	Police	Public Works	Recreation	TOTAL
Salary	157,424	45,592	13,520	0	65,650	0	0	47,046	82,000	39,420	0	450,652
Hourly Wages	156,000	116,150		138,546	58,355		62,262	0	424,874	114,783	53,362	1,124,331
Overtime Wages		0							35,111	1,177		36,288
On-call Wages									17,400			17,400
In Lieu	12,171				9,927			9,927	14,706			46,730
<b>Total Wages</b>	<b>325,595</b>	<b>161,742</b>	<b>13,520</b>	<b>138,546</b>	<b>133,932</b>	<b>0</b>	<b>62,262</b>	<b>56,972</b>	<b>574,090</b>	<b>155,380</b>	<b>53,362</b>	<b>1,675,400</b>
FICA	19,410	10,028	838	7,865	8,304	0	3,860	3,634	35,138	9,635	3,308	102,021
Medicare	4,545	2,345	196	1,840	1,942	0	903	851	8,218	2,253	774	23,866
Workers' Comp	1,034	6,276	45	5,172	4,219	4,186	205	193	16,605	5,953	176	44,065
PERS (DB & DC)	66,826	33,139	2,710	20,755	25,980		7,999	12,896	122,285	34,189	8,273	335,053
Medical Insurance	20,315	56,089	9,303	18,607	20,882		16,623	0	123,757	39,478	9,303	314,358
HRA	5,500	13,750	2,750	5,500	5,500		5,500	0	27,500	9,378	2,750	78,128
Other Benefits	720	370	770	60	290		320	120	2,970	819	160	6,599
<b>Total Benefits</b>	<b>118,350</b>	<b>121,997</b>	<b>16,613</b>	<b>59,799</b>	<b>67,117</b>	<b>4,186</b>	<b>35,410</b>	<b>17,695</b>	<b>336,473</b>	<b>101,705</b>	<b>24,745</b>	<b>904,089</b>
<b>GRAND TOTAL</b>	<b>443,944</b>	<b>283,739</b>	<b>30,133</b>	<b>198,345</b>	<b>201,049</b>	<b>4,186</b>	<b>97,672</b>	<b>74,667</b>	<b>910,563</b>	<b>257,085</b>	<b>78,107</b>	<b>2,579,489</b>
GRAND TOTAL FY 20	454,848	285,369	31,133	163,795	193,385	4,186	103,914	63,454	852,104	259,798	79,134	2,491,120
Change	(10,904)	(1,630)	(1,000)	34,550	7,664	0	(6,242)	11,213	58,459	(2,713)	(1,027)	88,369

# Enterprise Fund Summary - FY 2021

## Wages & Benefits

	Wastewater	Water	Garbage	Harbor	JTB Park	TOTAL
Salary	18,250	10,950	4,380	43,309	21,331	98,220
Hourly Wages	58,012	121,367	33,801	87,323	63,830	364,334
Overtime Wages	785	1,646	114	5,350	3,395	11,290
On-call Wages	40	40	0	9,900	3,300	13,280
<b>Total Wages</b>	<b>77,087</b>	<b>134,003</b>	<b>38,295</b>	<b>145,882</b>	<b>91,856</b>	<b>487,123</b>
FICA	4,777	8,309	2,374	9,045	5,695	30,200
Medicare	1,117	1,943	555	2,115	1,332	7,063
Workers' Comp	1,707	3,052	1,675	4,552	2,424	13,409
PERS (DB & DC)	16,951	29,484	8,425	25,887	13,421	94,168
Medical Insurance	17,560	23,020	17,274	26,043	11,439	95,336
HRA	4,400	6,380	3,465	5,803	2,860	22,908
Other Benefits	428	369	214	556	424	1,991
<b>Total Benefits</b>	<b>46,941</b>	<b>72,557</b>	<b>33,983</b>	<b>74,000</b>	<b>37,594</b>	<b>265,075</b>
<b>GRAND TOTAL</b>	<b>124,028</b>	<b>206,560</b>	<b>72,279</b>	<b>219,882</b>	<b>129,450</b>	<b>752,198</b>
GRAND TOTAL FY20	124,826	204,573	74,504	205,233	127,499	736,635
Change	(798)	1,987	(2,225)	14,649	1,951	15,563

**FY21 Proposed medical insurance costs and PERS/COLA rate  
Static Data - Used in calculations for all departments of the City**

Fiscal Year	2021					
Renewal Estimate	105.00%			HRA	Employee	Employee
	%	87%			250	
Medical Insurance	Month	City Exp	Annual			20%
Employee	804.92	8,403.36	9,659.04		2750	160.98
Empl/Spouse	1,811.07	18,907.57	21,732.84		5500	362.21
Family	2,414.76	25,210.09	28,977.12		5500	482.95
Empl/Dep	1,408.61	14,705.89	16,903.32		5500	281.72
Dental						
Employee	43.77	456.96	8,860.32			
Empl/Spouse	93.91	980.42	19,887.99			
Family	155.84	1,626.97	26,837.06			
Empl/Dep	107.82	1,125.64	15,831.53			
In Lieu Payments		Without Dental				
Employee	161.60	146.60	4201.6		3811.6	
Empl/Spouse	363.61	335.61	9453.86		8725.86	
Family	484.81	445.81	12605.06		11591.06	
Empl/Dep	282.81	257.31	7353.06		6690.06	
PERS Teir 1-3 (DB)	22.00%					
PERS Teir 4 (DC)	22.00%	1531.27				
	Full Time	Three quarter	Half			
Hours worked per year	2080	1560	1040			
COLA	1.000					
% time for Salary	100%					
FICA	6.20%					
FICA Med	1.45%					
WC						
6836	3.12%	Harbor				
7520	2.48%	Water				
7580	2.93%	Sewer				
7710	3.57%	EMS V				
7704v	3.57%	EMS V				
7720	2.93%	Police				
8380	3.15%	Mechanic				
8810	0.33%	Clerical				
9015	3.15%	Public Works				
9102	3.88%	Pool				
9403	4.94%	Garbage				

City of Craig  
 FY2021 Revised Budget  
 Transfers

	General Fund	Enterprise	Endowment	Equipment	Hatchery	School
Transfer from Enterprise Fund - Bal. Budget	95,339	(95,339)				
National Forest Receipts Road Funds						
Pt St Nick Hatchery						
Gaming/Derby Funds for Hatchery						
Endowment Fund Gen Fund Pool	136,000		(136,000)			
Endowment Fund to Gen Fund Police						
To School Financing	(150,000)					150,000
Endowment Fund to Gen Fund PPF	25,000		(25,000)			
Endowment Fund to Ent. Fund Water		44,070	(44,070)			
Endowment Fund to Gen Fund Police	15,000		(15,000)			
Endowment Fund to Gen Fund PW	50,000		(50,000)			
Enterprise Fund to Reserve JTB						
Endowment Fund Enterprise harbor						
From PY reserves						
	171,339	(51,269)	(270,070)	-	-	150,000
		4% earnings	398,034			

<b>Enterprises Fund Transfers</b>	JTB Dept	Harbor	Water Dept	Wastewater	Garbage
Harbor to Water		(360)	360		
N & S Cove to Water		(5,000)	5,000		
JT Brown to Water	(4,500)		4,500		
Waste Water to Water			6,229	(6,229)	
Harbor to Garbage		(112)			112
N & S Cove to Garbage		(6,720)			6,720
JT Brown to Garbage	(336)				336
Waste Water to Garbage				(112)	112
	(4,836)	(12,192)	16,090	(6,341)	7,280

Overhead

	Hours	Sewer %	Water %	Garbage %	harbor %	JTB %	Cannery %	General Fund %	
Administrator	2080	5%	5%	5%	5%	5%	5%	70%	100%
Finance Director	2080	10%	10%	10%	7%	3%	1%	59%	100%
Accounting Clerk/Payroll	2080	10%	10%	10%	10%	5%		55%	100%
Accounting Clerk/Billing	2080	25%	25%	25%	10%	5%		10%	100%
Accounting Clerk/Receptionist	2080	15%	15%	15%	15%	5%		35%	100%
Average		13%	13%	13%	9%	5%	1%	46%	

Wages

**Budgeted Wages**

Administrator	106,671	5333.53	5333.53	5333.53	5333.53	5333.53	5333.53	74669.43	106670.61
Finance Director	62,924	6292.40	6292.40	6292.40	4404.68	1887.72	629.24	37125.16	62924.00
Accounting Clerk/Payroll	44,720	4472.00	4472.00	4472.00	4472.00	2236.00	0.00	24596.00	44720.00
Accounting Clerk/Billing	44,720	11180.00	11180.00	11180.00	4472.00	2236.00	0.00	4472.00	44720.00
Accounting Clerk/Receptionist	44,720	6708.00	6708.00	6708.00	6708.00	2236.00	0.00	15652.00	44720.00
	303,755								303754.61

**Benefits**

		0.00							
Administrator	32,837	1641.85	1641.85	1641.85	1641.85	1641.85	1641.85	22985.87	32836.95
Finance Director	18,985	1898.46	1898.46	1898.46	1328.92	569.54	189.85	11200.92	18984.62
Accounting Clerk/Payroll	13,504	1350.44	1350.44	1350.44	1350.44	675.22	0.00	7427.43	13504.42
Accounting Clerk/Billing	25,580	6395.10	6395.10	6395.10	2558.04	1279.02	0.00	2558.04	25580.40
Accounting Clerk/Receptionist	25,580	3837.06	3837.06	3837.06	3837.06	1279.02	0.00	8953.14	25580.40
Total	116,487								116486.78

Administrator		6975.38	6975.38	6975.38	6975.38	6975.38	6975.38	97655.30	139507.57
Finance Director		8190.86	8190.86	8190.86	5733.60	2457.26	819.09	48326.08	81908.62
Accounting Clerk/Payroll		5822.44	5822.44	5822.44	5822.44	2911.22	0.00	32023.43	58224.42
Accounting Clerk/Billing		17575.10	17575.10	17575.10	7030.04	3515.02	0.00	7030.04	70300.40
Accounting Clerk/Receptionist		10545.06	10545.06	10545.06	10545.06	3515.02	0.00	24605.14	70300.40
		49,108.84	49,108.84	49,108.84	36,106.52	19,373.90	7,794.46	209,639.99	420,241.39
					Less Sales tax collected	(11,330.74)	(5,431.55)		420,241.39
						24,775.78	13,942.35		193,839.11
									193,839.11

Percent of Revenue      37,700      50,302      41,896      25,427      19,209      84

w/o leases      6,647

City of Craig  
 FY 2021 Budget  
 Endowment Market Value

<b>FY 2014</b>		<b>FY 2017</b>		<b>FY 2020</b>	
Dec 31,2008	6,116,872	Dec 31, 2011	7,818,728	Dec 31, 2014	9,241,595
Dec 31,2009	7,191,057	Dec 31, 2012	8,698,143	Dec 31, 2015	9,161,882
Dec 31,2010	7,795,988	Dec 31, 2013	9,864,595	December 31, 2016	9,360,777
Dec 31, 2011	7,818,728	Dec 31, 2014	9,241,595	December 31, 2017	10,343,650
Dec 31, 2012	8,698,143	Dec 31, 2015	9,161,882	December 31, 2018	9,537,847
	<u>37,620,789</u>		<u>44,784,943</u>		<u>47,645,751</u>
Five year Average	7,524,158	Five year Average	8,956,989	Five year Average	9,529,150
4% of Average	300,966	4% of Average	358,280	4% of Average	381,166
<b>Council Set aside</b>	<b>180000</b>	<b>Council Set aside</b>	<b>180000</b>		
	120,966		178,280		
<b>FY 2015</b>		<b>FY 2018</b>		<b>FY 2021</b>	
Dec 31,2009	7,191,057	Dec 31, 2012	8,698,143	Dec 31, 2015	9,161,882
Dec 31,2010	7,795,988	Dec 31, 2013	9,864,595	Dec 31, 2016	9,360,777
Dec 31, 2011	7,818,728	Dec 31, 2014	9,241,595	December 31, 2017	10,343,650
Dec 31, 2012	8,698,143	Dec 31, 2015	9,161,882	December 31, 2018	9,537,847
Dec 31, 2013	9,864,595	12/31/2016	9,360,777	December 31, 2019	11,350,092
	<u>41,368,511</u>		<u>46,326,992</u>		<u>49,754,248</u>
Five year Average	8,273,702	Five year Average	9,265,398	Five year Average	9,950,850
4% of Average	330,948	4% of Average	370,616	4% of Average	398,034
<b>Council Set aside</b>	<b>180000</b>		<b>180000</b>		
	150,948		190,616		
<b>FY 2016</b>		<b>FY 2019</b>			
Dec 31,2010	7,795,988	Dec 31, 2013	9,864,595		
Dec 31, 2011	7,818,728	Dec 31, 2014	9,241,595		
Dec 31, 2012	8,698,143	Dec 31, 2015	9,161,882		
Dec 31, 2013	9,864,595	December 31, 2016	9,360,777		
Dec 31, 2014	9,241,595	December 31, 2017	10,343,650		
	<u>43,419,049</u>		<u>47,972,499</u>		
Five year Average	8,683,810	Five year Average	9,594,500		
4% of Average	347,352	4% of Average	383,780		
<b>Council Set aside</b>	<b>180000</b>				

City of Craig  
 Debt Payment  
 FY 2021

<b>Long Term Government Debt</b>		<u>July 1, 2019</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Date Due</u>	<u>Revenue Source</u>	<u>Department</u>
Aquatic Center Bonds	Bank of New York	1,570,000.00	65,000.00	35,293.75 33,993.75	100,293.75 33,993.75 134,287.50	10/1/2020 4/1/2021	Endowment Fund	Aquatic Center
<b>Enterprise Fund</b>								
Water Line Improvements	St of AK DEC	99,737.69	7,133.79	1,603.07	8,736.86	8/1/2020	Water Revenue	Water
Water Main Loan 265081	St of AK DEC	207,354.59	12959.66	3304.71 4,907.78	16,264.37	8/1/2020	Water Revenue	Water
	<b>Total All Debt</b>	<b>1,877,092.28</b>	<b>85,093.45</b>	<b>74,195.28</b>	<b>159,288.73</b>			



# **General Fund Fiscal Year 2021**



# City of Craig

General Fund Revenues	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	2021/2020	% Change
Property Tax	602,456	619,765	622,000	650,000	655,300	660,000	4,700	0.72%
Sales Tax	931,518	946,272	899,400	930,000	971,550	971,550	0	0.00%
Sales Tax 1% Pool & Recreation (1992)	310,506	315,424	299,800	310,000	320,850	320,850	0	0.00%
Sales Tax School 1% (1988)	310,505	315,424	299,800	310,000	320,850	320,850	0	0.00%
Transient Room Tax			0	25,000	30,000	20,000	(10,000)	-33.33%
Sales Tax Liquor	115,238	114,397	120,000	120,000	120,000	120,000	0	0.00%
<b>Total Local Taxes</b>	<b>2,270,223</b>	<b>2,311,282</b>	<b>2,241,000</b>	<b>2,345,000</b>	<b>2,418,550</b>	<b>2,413,250</b>	<b>(5,300)</b>	<b>-0.22%</b>
PILT	298,338	299,470	265,500	289,500	289,500	289,500	0	0.00%
State Revenue Sharing	146,041	96,626	89,842	95,942	90,019	50,000	(40,019)	-44.46%
Liquor Revenue Sharing	7,700	7,350	5,000	4,000	4,000	4,000	0	0.00%
Raw Fish Tax	342,739	150,045	50,000	50,000	80,000	50,000	(30,000)	-37.50%
Shared Fisheries Tax	4,965	4,782	4,000	4,000	4,000	4,000	0	0.00%
National Forest Receipts	10,000	0		10,000		10,000	10,000	0.00%
COVID 19 Reimbursements						50,000	50,000	0.00%
<b>Total State Revenue</b>	<b>809,783</b>	<b>558,273</b>	<b>414,342</b>	<b>453,442</b>	<b>467,519</b>	<b>457,500</b>	<b>(10,019)</b>	<b>-2.14%</b>
EMS Service Fees	51,438	57,836	83,490	60,000	60,000	70,000	10,000	16.67%
<i>EMS Contractual Adjustments</i>	(18,676)	(20,606)	(37,776)	(30,000)	(30,000)	(25,000)	5,000	-16.67%
EMS Training Fees & Supplies	4,975	15,426	3,981	1,000	1,000	1,000	0	0.00%
Pool Admissions	49,917	49,457	43,692	55,000	55,000	50,000	(5,000)	-9.09%
Library Fees	2,557	3,156	1,186	1,000	1,000	1,000	0	0.00%
Recreation Fees	11,647	15,249	17,276	13,000	17,000	17,000	0	0.00%
Senior Card Fees	3,905	1,079	13,430	3,000	3,000	3,000	0	0.00%
Itinerant Merchant Permit							0	0.00%
Taxi Permit	50	100	0	100	100	100	0	0.00%
Building, Access & Subdivision Permits	17,122	11,453	11,770	8,000	8,000	8,000	0	0.00%
Property Leases	89,850	71,074	67,774	72,000	72,000	63,000	(9,000)	-12.50%
Dump Waste	568	2,766			0	0	0	0.00%
Material Sales	3,165		0	1,000	1,000	1,000	0	0.00%
PSN Road Maintenance Fees					18,000	27,000	9,000	50.00%
Equipment Rentals	1,175	4,768	9,589		0	0	0	0.00%
<b>Total Permits &amp; Fees</b>	<b>217,693</b>	<b>211,758</b>	<b>214,412</b>	<b>184,100</b>	<b>206,100</b>	<b>216,100</b>	<b>10,000</b>	<b>4.85%</b>
Police Fines	12,077	9,414	14,052	10,000	10,000	10,000	0	0.00%
DMV Commissions	65,843	67,153	70,202	60,000	60,000	60,000	0	0.00%
Trooper Dispatch Service	10,000	5,000	10,000	7,200	7,200	7,200	0	0.00%
Contract Jail Service	322,724	322,724	286,584	357,524	357,524	357,524	0	0.00%
Klawock Dispatch Service	52,879	53,088	50,000	53,088	53,088	53,088	0	0.00%
USDA Forest Service Dispatch	3,000	3,000	3,000	3,000	3,000	13,000	10,000	333.33%
<b>Total Public Safety Revenue</b>	<b>466,523</b>	<b>460,379</b>	<b>419,584</b>	<b>490,812</b>	<b>490,812</b>	<b>500,812</b>	<b>10,000</b>	<b>2.04%</b>
Parks Donations (Flwr Baskets)	35	427					0	0.00%
Interest Income (ckng & CD)		197			34,000	0	(34,000)	-100.00%
Interest Income (A/R)	5,321	4,087	1,000	1,000	1,000	1,000	0	0.00%
Misc. Other	9,161	15,592	5,000	5,000	5,000	5,000	0	0.00%
<b>Total Other Revenue</b>	<b>14,517</b>	<b>20,303</b>	<b>6,000</b>	<b>6,000</b>	<b>40,000</b>	<b>6,000</b>	<b>(34,000)</b>	<b>-85.00%</b>
<b>Total GF Revenues</b>	<b>3,778,739</b>	<b>3,561,995</b>	<b>3,295,338</b>	<b>3,479,354</b>	<b>3,622,981</b>	<b>3,593,662</b>	<b>(29,319)</b>	<b>-0.81%</b>

FY2021 BUDGET WORKSHEET  
GENERAL FUND  
DEPARTMENT EXPENDITURES

<i>Administration Expenses</i>	FY 2016	FY 2017	FY 2018 Actual	FY 2019 Budget	FY 2020 Budget	FY 2021 Budget	% Change
Salaries	291,700	300,618	338,920	328,671	331,058	325,595	-2%
Benefits & Unemployment	151,362	173,656	131,896	130,541	134,503	118,350	-12%
Professional Services	130,279	135,891	147,120	136,850	142,550	162,200	14%
Employee Travel, Education, & Due	16,998	16,047	12,217	10,745	11,745	11,745	0%
Materials & Supplies	12,842	15,808	15,320	9,099	7,500	7,500	0%
Utilities	17,687	18,753	18,210	18,186	19,592	16,850	-14%
Repairs & Maintenance	2,500	2,175	1,252	2,809	3,260	3,260	0%
Notices	4,297	2,431	755	900	900	900	0%
Insurance	5,454	3,912	6,986	5,345	8,220	8,220	0%
Contributions	17,350	15,401	14,462	13,090	14,558	14,800	2%
Bank Fees	6,749	9,433	3,275	100	100	100	0%
Bad Debt Write-Off	0	3,400	244	0	0	0	0%
Safety			0	2,000	2,000	2,000	0%
Miscellaneous	974	526	3,220	0	2,000	2,000	0%
Small Equipment	3,985	4,900	4,902	27,100	6,000	8,000	33%
Equipment > \$5000		0					0%
Capital Improvement			164	0	0	0	0%
							0%
<b>Total Administration Expenses</b>	<b>662,177</b>	<b>702,951</b>	<b>698,943</b>	<b>685,436</b>	<b>683,986</b>	<b>681,519</b>	<b>0%</b>

# Administration

# FY 2021

	<u>Acct #</u>		<u>Amount</u>
<b>Salaries</b>	11-5100	\$ 325,595	\$ 325,595
<b>Benefits</b>	11-5200	118,350	118,350
Unemployment	11-5250		0
<b>Professional Services</b>	11-5310		116,500
Property Assessment (includes Bd of Equalization		28,500	
Audit (FY2018 & sales tax)		40,000	
Legal Fees		12,000	
Lobbyist		36,000	
<b>Contract Services</b>	11-5320		45,700
AccuFund Support		13,500	
Cleaning		4,500	
Code Publishing		1,200	
backup system		26,500	
<b>Travel</b>	11-5410		5,000
SE Conference		2000	
City Clerk Conference		1000	
Misc Travel		1000	
Finance Travel		1000	
<b>Education &amp; Training</b>			
Education & Training - SE Conference	11-5420	300	2,900
City Clerk Conference		300	
Finance Conferences		300	
Safety		2,000	
<b>Dues</b>	11-5430		3,845
SE Conference		870	
AK Municipal League		1,770	
AK Assoc of City Clerks		195	
National & AK Government Finance Assoc		255	
Chamber of Commerce		400	
Public Retirement Dues		105	
Misc Dues		250	
<b>Materials and Supplies</b>	11-5510		9,500
Office Supplies		5,330	
Postage	11-5520	3,170	
Freight	11-5525		
Vehicle fuel	11-5652	1,000	

<b>Utilities</b>			<b>16,850</b>
Electric	11-5610	5,850	
Heating Fuel	11-5620	4,000	
Telephone	11-5630	7,000	
Water, Sewer, Garbage		0	
<b>Repairs &amp; Maintenance</b>			<b>3,260</b>
Equipment Repairs	11-5710		
Equipment Maint Agreement(Copier)	5730	1,200	
Postage Meter Lease	11-5740	1,560	
Building - Annual Flowers	11-5750	500	
<b>Other Expenditures</b>			<b>9,120</b>
Notice & Advertising			
Newsletter Publishing		500	
Ketchikan Daily News		200	
Recording Fees Vehicle License		200	
Insurance	11-5850	8,220	
<b>Contributions</b>			<b>14,800</b>
Catholic Community Service (Senior	11-5910	7,000	
4th of July Celebration		500	
POW Marathon		800	
KRBD		500	
Power		3,000	
POW Health Network		1,500	
Misc Contributions		1,500	
Credit Card Fees	11-5925	100	<b>100</b>
Bad Debts for Property tax, sales tax,	11-5930		<b>0</b>
Miscellaneous Expenses	11-5990	2,000	<b>2,000</b>
<b>Misc Small Office Equipment</b>	11-6200		<b>8,000</b>
Computer upgrades		8,000	
<b>Capital Improvement</b>	11-6206		
<b>TOTAL</b>		<b>\$ 682,377</b>	<b>\$ 682,377</b>

**FY2021 BUDGET WORKSHEET  
GENERAL FUND  
DEPARTMENT REVENUES**

<i><b>Aquatic Center Expenses</b></i>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018 Actual</b>	<b>FY 2019 Budget</b>	<b>FY 2020 Budget</b>	<b>FY 2021 Budget</b>	<b>% Change</b>
Salaries	113,691	107,636	137,688	154,470	156,536	161,742	3%
Benefits & Unemployment	75,654	54,535	81,465	102,664	128,834	121,997	-5%
Professional Services	4,318	2,383	2,133	3,000	4,700	7,400	57%
Employee Travel, Education, & Dues	272	2,023	2,703	6,110	8,820	10,780	22%
Materials & Supplies	17,734	19,642	17,744	26,360	20,200	23,800	18%
Utilities	113,720	100,592	124,197	114,137	131,920	126,000	-4%
Repairs & Maintenance	5,373	1,838	213	2,644	4,800	7,097	48%
Recording		560					0%
Insurance	5,436	4,835	9,264	10,500	10,800	10,800	0%
Credit Card Fees	709	486	44	0	0	1,000	0%
Bad Debt Write-Off			216				0%
Other							0%
Equipment Purchase	5,567	10,777	2,697	1,600	3,796	7,282	92%
Debt Service	135,990	136,488	134,389	136,888	136,888	136,238	0%
Capital Improvement	0			100,000			0%
							0%
<b>Total Swimming Pool Expenses</b>	<b>478,464</b>	<b>441,795</b>	<b>512,753</b>	<b>658,372</b>	<b>607,294</b>	<b>614,136</b>	<b>1%</b>

# Aquatic Center

## FY 2021

	<u>Acct #</u>		<u>Amount</u>
<b>Salaries</b>	25-5100	\$ 161,742	\$ 161,742
<b>Benefits</b>	25-5200	121,997	121,997
<b>Contract Services</b>			
Gym Assistant program	25-5350	500	7,400
Water Sample Testing	25-5320	5,900	
CC Fees	25-5925	1,000	
<b>Employee Travel, Education, &amp; Dues</b>			10,780
Travel (CPO Training Anchorage & Lifeguard instructor)	25-5410	7,800	
Training	25-5420	2,000	
Lifeguarding Certifications		980	
<b>Materials</b>	25-5510		23,800
Safety Equipment & First Aid Supplies		2,300	
Office & Cleaning Supplies		5,000	
Supplies		3,500	
Chemicals	25-5515	7,000	
Paint & Painting Supplies		2,000	
Freight	25-5525	4,000	
<b>Utilities</b>			126,000
Electricity	25-5610	52,000	
Heating Fuel (Propane)	25-5620	40,000	
Telephone DSL	25-5630	4,000	
Wood Chips	25-5510.01	30,000	
Water, Sewer, Garbage			
<b>Maintenance</b>			7,097
Misc Repairs	25-5700	1,000	
Stenner Pumps misc		800	
Circulation Pump Pentair		2,000	
Chemical Sensor's		3,297	
Building & Grounds Maintenance			
<b>Insurance</b>			10,800
General Liability	25-5850	10,800	
Property			
<b>Equipment Purchases</b>	25-6200		7,282
Fitness equipment		2,000	
Pool Cover		3,000	
Lane Line Reel		1,282	
Computer		1,000	
<b>Capital Improvement</b>	25-6500		
<b>Debt Payments</b>			
Bond Pmt	25-7100	136,238	136,238
<b>TOTAL</b>		<b>\$ 613,136</b>	<b>\$ 613,136</b>

**FY2021 BUDGET WORKSHEET  
GENERAL FUND  
DEPARTMENT EXPENDITURES**

<b><i>Council Expenses</i></b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019 Actual</b>	<b>FY 2020 Budget</b>	<b>FY 2021 Budget</b>	<b>% Change</b>
Salaries	15,153	14,289	14,122	13,276	14,700	13,500	13,520	0%
Benefits	114,392	103,535	110,883	57,816	37,632	17,633	16,613	6%
Council Elections	745	564	899	645	950	950	950	0%
Employee Travel, Education,	8,509	11,736	6,564	7,313	1,550	2,050	2,050	0%
Materials & Supplies	436	214	168	1,368	2,100	0	0	0%
Telecommunications				9				0%
Insurance	715	81	140	324	385	220	220	0%
Contributions			427	25				0%
New Equipment				1643				0%
Other-(SE Conf)								0%
								0%
<b>Total Council Expenses</b>	<b>139,950</b>	<b>130,419</b>	<b>133,203</b>	<b>82,419</b>	<b>57,317</b>	<b>34,353</b>	<b>33,353</b>	<b>3%</b>





**FY2021 BUDGET WORKSHEET  
GENERAL FUND  
DEPARTMENT EXPENDITURES**

<b><i>Emergency Medical Services</i></b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020 Budget</b>	<b>FY 2021 Budget</b>	<b>% Change</b>
Salaries	93,364	86,990	97,165	85,908	106,493	138,546	30%
Benefits & Unemployment	45,958	43,682	67,766	57,272	57,660	60,157	4%
Contracted Services	3,058	3,785	5,793	4,200	3,400	4,845	43%
Employee Travel, Education, & Due	4,085	11,125	2,918	3,840	5,000	7,400	48%
Materials & Supplies	20,261	17,796	19,927	19,500	16,300	18,650	14%
Utilities	5,537	6,642	6,642	6,050	6,300	4,900	-22%
Repairs & Maintenance	4,723	430	461	950	0	0	0%
Recording/Permits	0	160		650	0	0	0%
Insurance	2,712	3,727	4,200	5,289	6,351	6,351	0%
New Equipment	10164	109573		350	650	2,200	238%
Equipment Replacement			2493	5160	0	0	0%
Bad Debt Write-Off	38,467	42,141	7,917	0	0	0	0%
Capital Improvement	0	0		0	0	0	0%
<b>Total EMS Expenses</b>	<b>228,329</b>	<b>326,051</b>	<b>215,282</b>	<b>189,169</b>	<b>202,154</b>	<b>243,049</b>	<b>20%</b>

# Emergency Medical Services

2021

	<u>Acct #</u>		<u>Amount</u>
<b>Salaries</b>	17-5100	138,546	\$ 138,546
<b>Benefits</b>	17-5200	60,157	60,157
<b>Contract Services Software</b>	17-5340		4,845
Systems Design		3,345	
MS Virus software		300	
State reporting		400	
I AM Responding		800	
<b>Employee Travel, Education, &amp; Dues</b>			7,400
Travel	17-5410		
EMT			
DR			
Symposium		1,200	
Education & Training			
Webinars - ETT, EMTII, EMT III, CPR	17-5420	4,200	
Dr. Bowman Travel		2,000	
<b>Materials &amp; Supplies</b>			18,650
Office supplies	17-5510	500	
Medical Supplies		8,500	
Equipment Supplies		6,000	
Class Materials	17-5530	1,000	
Postage	17-5520	1,000	
Freight	17-5525	800	
Vehicle Fuel (200gal @ \$4.00)	17-5650	850	
<b>Utilities</b>			4,900
Telephone	17-5630	2,500	
Old Clinic Fuel		1,400	
Old Clinic Electric		1,000	
Water, Sewer, Garbage		-	
<b>Maintenance &amp; Repairs</b>			0
Vehicle Repairs	17-5710		
Dept Maintenance			
Vehicle Licensing & Permits	17-5845		0
Insurance	17-5850		6,351
General Liability		725	
Property		1,825	
Vehicle		3,801	
Permits			
Bad Debts	17-5930		
<b>Small Equipment</b>	17-6200		2,200
Toyo Heater		2,200	
<b>Equipment &gt;\$5000</b>	17-6300		0
<b>Capital Improvements</b>	17-6500		0
<b>TOTAL</b>		<b>\$243,049</b>	<b>\$243,049</b>

**FY2021 BUDGET WORKSHEET  
GENERAL FUND  
DEPARTMENT EXPENDITURES**

<b><i>Parks/Facilities Expenditures</i></b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020 Budget</b>	<b>FY 2021 Budget</b>	<b>% Change</b>
Salaries	131,952	122,552	124,307	122,419	124,005	133,077	7%
Benefits & Unemployment	81,808	99,332	10,793	92,275	69,460	67,197	-3%
Contracted Services	5,926	5,389	7,200	7,200	7,800	5,100	-35%
Employee Travel, Education, & Du	0	509		0	0	0	
Materials & Supplies	23,763	25,568	30,698	5,700	16,200	17,000	5%
Utilities	13356	15944	16518	15964	16,609	16,000	-4%
Repairs & Maintenance	6,206	1,006	1,355	15,000	10,000	15,000	50%
Insurance	5,936	5,942	11,371	12,178	11,968	11,968	0%
Recording/Permits & Misc.	75	25	35				
Equipment	66,835	9,742	608	1,600	7,200	26,000	261%
Capital Improvement	128913	0	25,591	6,200	6,200	0	-100%
<b>Total Parks/Facilities Expenses</b>	<b>464,770</b>	<b>286,009</b>	<b>228,476</b>	<b>278,536</b>	<b>269,442</b>	<b>291,342</b>	<b>8%</b>

# Parks & Public Facilities

# FY 2021

	<b>Acct #</b>	<b>Amount</b>	
<b>Salaries</b>	14-5100	133,077	133,077
<b>Benefits</b>	14-5200	67,197	67,197
<b>Contractor Services</b>	14-5330		5,100
Janitorial - Float Plane		4,500	
New Clinic Alarm		600	
<b>Education &amp; Training</b>	14-5410		
<b>Material &amp; Supplies</b>	14-5510		17,000
Buildings		8,000	
Misc.		800	
Parks (planter forms, totem park, RJ Park roof)		5,000	
Freight	14-5525		
Equipment Fuel(100@4.00)	14-5550	400	
Vehicle Fuel (800@3.50)		2,800	
<b>Utilities</b>			16,000
Electricity (Shop & POW Health )	14-5610	8,000	
Heating Fuel	14-5620	5,000	
Telephone	14-5630	3,000	
New Clinic Alarm telephone	14-5630.01		
Water, Sewer, Garbage		0	
<b>Maintenance &amp; Repairs</b>	14-5700		15,000
Building Maintenance	14-5750	10,000	
Wood Boiler Sheet Metal Repair		5,000	
<b>Insurance</b>	14-5850		11,968
General Liability		1,105	
Property		9,151	
Vehicle		1,712	
<b>Equipment</b>	14-6200		
Wood Boiler ID Fan Replacement	14-6300	15,000	26,000
Aquatic Center AHU-1/Clean Condenser Cooler		10,000	
Christmas Decorations for Totem Park		1,000	
<b>Capital Improvements</b>	14-6500		
<b>TOTAL</b>			<b>\$291,342</b>

**FY2021 BUDGET WORKSHEET  
GENERAL FUND  
DEPARTMENT EXPENDITURES**

<b><i>Fire Expenses</i></b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020 Budget</b>	<b>FY 2021 Budget</b>
Salaries	0			0	0	0
Benefits & Unemployment	1,645	2,150	245	4,186	4,186	4,186
Contracted Services	0	3,600	3,500	7,400	3,800	5,400
Employee Travel, Education, & Dues	2,559	(625)	1,177	5,735	2,700	2,700
Materials & Supplies	3,620	682	1,274	4,842	6,000	2,600
Utilities	4,493	5,289	5,091	5,480	6,380	5,900
Repairs & Maintenance	448	0	0	320	3,000	1,000
Insurance	2,820	3,697	4,608	5,113	4,827	4,827
Recording/Permits & Misc.		30				
Equipment	12,693		3,295	1,980	2,500	0
Capital Improvement	0				6,200	4,000
<b>Total Fire Expenses</b>	<b>28,278</b>	<b>14,823</b>	<b>19,190</b>	<b>35,056</b>	<b>39,593</b>	<b>30,613</b>

# Fire

# FY 2021

	<u>Acct #</u>	<u>Amount</u>	
<b>Volunteers</b>	18-5100		
<b>Work compensation Insurance</b>	18-5200	4,186	4,186
<b>Contract Services</b>			5,400
Stipends		5,100	
Norton subscription		200	
State Bridge for NIFRS		100	
<b>Employee Travel, Education, &amp; Dues</b>			2,700
Travel	18-5410	1,700	
Education & Training	18-5530	1,000	
<b>Materials &amp; Supplies</b>			2,600
Fire Supplies		1,200	
Office Supplies	18-5510	100	
Vehicle supplies		100	
Promotional Supplies		500	
Postage	18-5520	0	
Freight	18-5525	400	
Fuel		300	
<b>Utilities</b>			5,900
Electric	18-5610	1,500	
Heating fuel	18-5620	2,500	
Vehicle Fuel (100gal @ \$4.00)	18-5650	400	
Telephone		1,500	
Water, Sewer, Garbage		0	
<b>Maintenance &amp; Repairs</b>			1,000
Vehicle Repairs	18-5700	1,000	
Dept Maintenance			
Air refilling			
Vehicle Licensing & Permits			
<b>Insurance</b>	18-5850		4,827
General Liability		135	
Property		791	
Vehicle		3,901	
<b>Small Equipment</b>	18-6200		0
<b>Equipment &gt;\$5000</b>			0
<b>Capital Improvements</b>			
F550 Truck, 3rd Response Vehicle		0	4,000
Fire Hall Heating		4,000	
<b>TOTAL</b>		30,613	<u><u>\$30,613</u></u>

**FY2021 BUDGET WORKSHEET  
GENERAL FUND  
DEPARTMENT EXPENDITURES**

<b><i>Library Expenditures</i></b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019 Budget</b>	<b>FY 2020 Budget</b>	<b>FY 2021 Budget</b>	<b>% Change</b>
Salaries	63,212	56,090	64,177	62,250	64,907	62,262	-4%
Benefits & Unemployment	34,509	42,397	44,851	48,533	39,007	35,410	-9%
Contracted Services	939	-1,064	3,104	1,250	2,800	2,900	4%
Employee Travel, Education, &	160	135	448	0	0	0	
Materials & Supplies	8,671	5,740	7,574	9,150	9,270	7,000	-24%
Utilities	5,814	4,880	5,728	11,932	11,227	10,600	-6%
Repairs & Maintenance	14	0	0	1,400	1,400	1,000	-29%
Insurance	516	448	1,236	1,365	1,750	1,750	0%
Recording/Permits & Misc.	0			0	0	0	
Equipment	0			0	0	0	
Capital Improvement	0				0	0	
<b>Total Library Expenses</b>	<b>113,835</b>	<b>108,626</b>	<b>127,118</b>	<b>135,880</b>	<b>130,361</b>	<b>120,922</b>	<b>-7%</b>

# Library

## FY 2021

	<u>Acct #</u>	<u>Amount</u>	
<b>Salaries</b>	<b>19-5100</b>	62,262	\$ 62,262
<b>Benefits</b>	<b>19-5200</b>	35,410	35,410
<b>Contract services</b>	<b>19-5330</b>		2,900
Computer support		400	
Interlibrary Loan		0	
Follett		900	
Digital Library		1,250	
Moive Licensing		350	
<b>Employee Travel, Education, &amp; Dues</b>			
Travel	<b>19-5410</b>		
Library Conference			
Education & Training	<b>19-5430</b>		
Dues	<b>19-5430</b>		
American Library Assoc			
AKLA CONFERENCE			
<b>Materials &amp; Supplies</b>			7,000
Materials	<b>19-5510</b>	2,000	
Books	<b>19-5531</b>	2,500	
Audio & Visual	<b>19-5535</b>	1,500	
Subscriptions	<b>19-5532</b>	500	
Postage	<b>19-5520</b>	500	
<b>Utilities</b>			10,600
Electric	<b>19-5610</b>	3,600	
Heating Fuel (800 gal @ \$3.50)	<b>19-5620</b>	2,000	
Telephone	<b>19-5630</b>	800	
DSL Internet		4,200	
Water, Sewer, Garbage			
<b>Maintenance &amp; Repairs</b>	<b>19-5700</b>		1,000
Repairs		500	
Building Maint		500	
<b>Insurance</b>	<b>19-5800</b>	1,750	1,750
<b>Small Equipment Purchases</b>	<b>19-6200</b>		
<b>Equipment &gt;\$5000</b>	<b>19-6300</b>		1,300
Disc. Repair Machine		1,300	
<b>Capital Improvements</b>	<b>19-6500</b>		0
		122,222	<u><u>\$122,222</u></u>



**FY2021 BUDGET WORKSHEET  
GENERAL FUND  
DEPARTMENT EXPENDITURES**

<i>Planning Expenses</i>	FY 2016	Fy 2017	FY 2018	FY 2019	FY 2020 Budget	FY 2021 Budget	% Change
Salaries	48,690	57,919	47,697	51,939	45,759	47,046	3%
Benefits & Unemployment	35,921	36,261	24,389	17,532	17,695	17,695	0%
Contracted Services	1,029	1,617	414	7,500	5,800	6,500	12%
Employee Travel, Education,	3,327	63	0	0	0	0	
Materials & Supplies	141	2,408	950	1,000	1,000	1,000	0%
Utilities	0	0		0	0	0	
Repairs & Maintenance	0	0		0	0	500	100%
Insurance	204	87	276	308	265	265	0%
Recording/Permits & Misc.	735	660	773	500	500	750	50%
Equipment	0			0	0	0	
Capital Improvement							
<b>Total Planning Expenses</b>	<b>\$90,047</b>	<b>\$99,015</b>	<b>\$74,499</b>	<b>\$78,780</b>	<b>71,019</b>	<b>73,756</b>	<b>4%</b>

## Planning

## FY 2021

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<b>Salaries</b>	13-5110	\$	<b>47,046</b>
City Planner, (15000 Reimb LEPC Grant)			
<b>Benefits</b>	13-5200	<b>17,695</b>	<b>17,695</b>
<b>Contractual Services</b>	13-5310		<b>6,500</b>
Website Maintenance		4,000	
Omnilert		2,500	
<b>Employee Travel, Education, &amp; Dues</b>			
Plan Commissioner Training,	13-5410		
Conference	13-5420		
<b>Materials &amp; Supplies</b>	13-5510	1,000	<b>1,000</b>
Books, Subscriptions	13-5530		
Postage	13-5520		
Freight	13-5525		
<b>Equipment Repairs</b>	13-5700	500	<b>500</b>
<b>Advertising - Legal Notices</b>	13-5840	500	<b>500</b>
<b>Recording</b>	13-5845	250	<b>250</b>
<b>Insurance</b>	13-5850		<b>265</b>
<b>Equipment Purchases</b>	13-6200		<b>0</b>
Total		<b>\$</b>	<b><u>73,756</u></b>

**FY2021 BUDGET WORKSHEET  
GENERAL FUND  
DEPARTMENT EXPENDITURES**

<b><i>Police &amp; Jail Expenditures</i></b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>Budget</b>	<b>Budget</b>	<b>Change</b>
Salaries	553,284	494,247	517,835	533,269	549,339	574,090	5%
Benefits & Unemployment	362,194	340,303	308,358	326,197	321,618	336,473	5%
Contracted Services	1,995	2,313	4,952	4,200	3,825	7,020	84%
Employee Travel, Education, & I	4,672	7,021	7,768	3,300	5,350	3,000	-44%
Materials & Supplies	50,225	49,229	52,373	46,000	43,000	47,500	10%
Utilities	22,578	30,041	25,957	29,288	29,742	27,000	-9%
Repairs & Maintenance	553	0	0	0	0	0	0%
Insurance	6,271	13,200	7,860	8,722	29,414	29,414	0%
Recording/Permits & Misc.	8,040	2,921	2,091	425	300	2,200	633%
Credit Card Fees	1,791	0	50	0	0	0	0%
Equipment	10,581	-1,915	2,330	9,500	40,000	15,000	-63%
Capital Improvement	0		2,890				
<b>Police &amp; Jail Expenses</b>	<b>1,022,184</b>	<b>937,360</b>	<b>932,464</b>	<b>960,901</b>	<b>1,022,588</b>	<b>1,041,697</b>	<b>2%</b>

# Police

# FY 2021

	<u>Acct #</u>		<u>Amount</u>
<b>Salaries</b>	16-5100	574,090	574,090
<b>Benefits</b>	16-5200	336,473	336,473
<b>Contract Services</b>	16-5320		7,020
Blackpoint Backup		5,520	
Stencil & Blackpoint		600	
Crime Star		900	
<b>Travel &amp; Education</b>			3,000
Travel	16-5410	2,000	
Education	16-5420	1,000	
<b>Materials &amp; Supplies</b>	16-5510		47,500
Uniforms		2,500	
Patrol Officer supplies	16-5515.0	3,000	
Office supplies	16-5510.0	3,000	
Jail Supplies	16-5519.0	5,000	
Jail Food	16-5519.01	18,000	
Vehicle Fuel (4000 @3.50)	16-5652	14,000	
Postage	16-5520	1,000	
Freight	16-5525	1,000	
<b>Utilities</b>			27,000
Electric	16-5610	12,000	
Heating (1600gal @ \$4.00)	16-5620	5,000	
Telephone	16-5630	10,000	
<i>Water, Sewer, Garbage</i>			
<b>Maintenance &amp; Repairs</b>	16-5710		
Vehicle Repairs	16-5700		
Building & Grounds Maint	16-5750		
Advertising	16-5840	500	500
Licensing Vehicles & Software	16-5845	200	200
Credit Card Fees		1,500	1,500
<b>Insurance</b>	16-5850		29,414
General Liability		24,000	
Property Liability		1,626	
Vehicle		3,788	
<b>Small Equipment</b>	16-6200		
<b>Equipment &gt;5000</b>	16-6300		15,000
Vehicle		15,000	
<b>Capital Improvements</b>	16-6500		
<b>TOTAL</b>		<b>\$1,041,697</b>	<b>\$1,041,697</b>

**FY2021 BUDGET WORKSHEET  
GENERAL FUND  
DEPARTMENT REVENUES**

<b><i>Recreation Expense</i></b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020 Budget</b>	<b>FY 2021 Budget</b>	<b>% Change</b>
Salaries	38,934	45,420	44,653	45,484	53,362	37,606	-30%
Benefits & Unemployment	29,348	32,247	27,119	24,091	25,772	24,745	-4%
Contracted Services	3,862	4,679	5,693	5,000	3,600	3,600	0%
Employee Travel, Education, & Dues			0				
Materials & Supplies	3,893	2,198	2,688	2,500	2,000	1,050	-48%
Utilities	11,013	12,471	11,874	15,938	17,140	13,000	-24%
Repairs & Maintenance			7	0	0	1,000	100%
Insurance	2,340	2,317	3,696	4,095	4,630	4,630	0%
Recording/Permits & Misc.	25	24		0	0	0	0%
Equipment	1,692		0	2,415	3,500	800	-77%
Capital Improvement				0	0	0	0%
<b>Total Recreation Expenses</b>	<b>91,107</b>	<b>99,356</b>	<b>95,730</b>	<b>99,524</b>	<b>110,004</b>	<b>86,431</b>	<b>-21%</b>

# Recreation

## FY 2021

	<u>Acct #</u>	<u>Amount</u>	
<b>Salaries</b>	24-5100	37,606	\$ 37,606
<b>Benefits</b>	24-5200	24,745	24,745
<b>Contract Services</b>	24-5330		3,600
Classes, Misc. Instructors		3,600	
Janitor			
<b>Travel</b>	24-5410		
Instructor			
<b>Materials &amp; Supplies</b>	24-5510		1,050
T-Shirts -Soccer, V-Ball, B-Ball		500	
Office Supplies			
Postage	24-5520		
Upgrade Toys & Games		0	
Food/Supplies For After School Program		500	
Sound System, Lights		0	
Heat Tape		50	
<b>Utilities</b>			13,000
Electric	24-5610	3,500	
Heating Fuel/City GYM (2500 gal @ \$4.00)	24-5620	6,000	
Heating Fuel/Youth Center (500GAL @ \$4.00)		2,000	
Telephone	24-5630	1,500	
Water, Sewer, Garbage		0	
<b>Maintenance &amp; Repairs</b>			
Equipment Repairs	24-5750		1,000
Building Maintenance		500	
Landscape/Gravel		0	
Doors		0	
Bathroom Heaters		0	
CC Fees		500	
<b>Insurance</b>	24-5850	4,630	4,630
<b>Equipment Purchases</b>	24-6200		800
Equipment		800	
<b>Equipment Purchases &gt;5000</b>			0
Van		0	
<b>Capital Improvements</b>	24-6500		
<b>TOTAL</b>		<b>\$86,431</b>	<b>\$86,431</b>

**FY2021 BUDGET WORKSHEET  
GENERAL FUND  
DEPARTMENT EXPENDITURES**

<i>Public Works Expenditures</i>	FY 2016	FY2017	FY 2018	FY 2019	FY 2020 Budget	FY 2021 Budget	% Change
Salaries	118,742	139,071	140,968	147,775	153,242	155,380	1%
Benefits & Unemployment	84,960	96,401	78,487	119,709	107,016	102,169	-5%
Contracted Services	601	1,456	5,288	720	8,220	720	-91%
Employee Travel, Education, & Due	1,210	11	4,771	0	0	0	0%
Materials & Supplies	20,230	23,841	27,089	30,600	25,850	28,850	12%
Utilities	14,602	13,810	13,938	18,138	18,886	14,800	-22%
Repairs & Maintenance	35,141	39,683	17,635	25,000	25,000	68,200	173%
Insurance	3,848	3,774	6,864	7,612	7,798	7,798	0%
Recording/Permits & Misc.	114	915	7,962	100	0	0	0%
Equipment	27,238	7,830	3,388	0	0	0	0%
Capital Improvement	0			2,000	0	58,000	100%
<b>Total Public Works Expenses</b>	<b>306,686</b>	<b>326,792</b>	<b>306,390</b>	<b>351,654</b>	<b>346,012</b>	<b>435,917</b>	<b>26%</b>

# Public Works

# FY 2021

	<b>Acct #</b>	<b>Amount</b>	
<b>Salaries</b>	15-5100	155,380	\$ 155,380
<b>Employee Benefits</b>	15-5200	102,169	102,169
<b>Contractual Services</b>	15-5300		720
Drug Testing	15-5350	720	
<b>Travel &amp; Education</b>			
Misc Travel	15-5410		
Training	15-5420		
Dues	15-5430		
<b>Material &amp; Supplies</b>			28,850
Misc Supplies	15-5510	15,000	
Fleet Supplies			
Equipment Fuel (2000 @4.00)	15-5650	8,000	
Vehicle Fuel (1500@3.50)		5,250	
Propane		100	
Freight	15-5525	500	
<b>Utility</b>			14,800
Electricity, Street Lights	15-5612	7,000	
Electricity	15-5610	4,500	
Heating Fuel	15-5620		
Telephone/DSL	15-5630	3,300	
Water, Sewer, Garbage			
<b>Repairs &amp; Maintenance</b>			68,200
Equipment Repairs	15-5720	50,000	
Street Light Maint.	15-5710	1,200	
Building maint.	15-5750	2,000	
Department Fleet Maint.			
Snow Plow Repair		15,000	
<b>Miscellaneous</b>			
Advertising	15-5840		
Vehicle Licensing	15-5845		
Insurance	15-5850		7,798
Property Liability		3,731	
General Liability		1,300	
Auto		2,767	
<b>Small Equipment</b>	15-6200		
<b>Equipment &gt; \$5000</b>	15-6300		
Air Compressor for Shop		8,000	58,000
Tilt Deck trailer		50,000	
<b>TOTAL</b>		435,917	<b>\$435,917</b>





# **Enterprise Fund Fiscal Year 2021**

## Enterprise Wastewater Fund FY2021

<b>Revenues</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020 Budget</b>	<b>FY 2021 Budget</b>
Service fees	\$ 269,006	\$ 263,835	\$ 300,080	\$ 290,000	\$ 290,000	\$ 290,000
Service fees - metered						
Material sales						
Grant Funding for Capital			53,140			
<b>Total Operations Revenue</b>	269,006	263,835	353,220	290,000	290,000	290,000
 <b>Wastewater Expenses</b>						
Salaries	84,385	90,553	78,621	72,832	75,938	77,087
Benefits & Unemployment	75,255	84,221	42,319	53,088	52,563	46,941
Contracted Services	4,911	4,393	35,118	7,800	7,800	11,800
Employee Travel, Education, & Dues	1,170	1,514	300	300	1,280	1,280
Materials & Supplies	6,741	6,452	7,817	5,400	8,350	8,200
Utilities	40,585	46,455	67,132	46,572	71,963	55,741
Repairs & Maintenance	5,330	825	3,559	4,000	4,000	4,000
Insurance	4,293	3,877	4,764	5,300	5,450	5,450
Recording/Permits & Misc.	2,242	2,127	110	12,830		-
Equipment	1,114	594	5,180	2,500	5,000	2,000
Water Exp. To Water Dept.						6,229
Garbage Exp. To Garbage Dept.						112
Capital Improvement			58,904			32,000
<b>Total Operations Expenses</b>	226,026	241,011	303,824	210,622	232,344	250,840
 <b>Total Wastewater Revenues</b>	\$ 269,006	\$ 263,835	\$ 353,220	\$ 290,000	\$ 290,000	\$ 290,000
Total Wastewater Expenses	226,026	241,011	303,824	210,622	232,344	250,840
Net Revenue (Expense)	\$ 42,980	\$ 22,824	\$ 49,396	\$ 79,378	\$ 57,656	\$ 39,160
 <b>Operating Revenue - Expense</b>						39,160

**Wastewater-Operational Expenses****FY 2021**

	<u>Acct #</u>		<u>Amount</u>
<b>Salaries</b>	21-5100	77,087	\$ 77,087
<b>Benefits</b>	21-5200	46,941	46,941
<b>Contractual Services</b>	21-5310		11,800
Laboratory Fees		3,500	
Sludge disposal		3,300	
Boreal Controls		1,000	
Tyler Pump Truck			
CC Services		4,000	
<b>Education &amp; Training</b>	21-5420		1,280
Water/Wastewater CEU			
Wastewater cert renewal	21-5430		
WEF/AWWMA dues, city-wide share w/water		1,280	
Other			
<b>Materials &amp; Supplies</b>	21-5510		8,200
Safety			
Shop Supplies		3,000	
Chemicals		1,500	
Postage	21-5520	600	
Freight	21-5525	1,500	
Equipment Fuel (500@3.50)	21-5650	1,600	
<b>Utilities</b>	21-5610		55,741
Electricity, treatment plant		34,000	
8 lift stations,		13,000	
Telephone	21-5630	2,400	
Water, Garbage		6,341	
<b>Maintenance &amp; Repairs</b>	21-5710		4,000
Repairs		4,000	
Pump Stations			
Building Maintenance	21-5750		
<b>Recording/Permits &amp; Misc.</b>			5,450
DEC wastewater disposal permit			
Vehicle Licensing	21-5845		
Insurance	21-5850	5,450	
Bad Debts	21-5930		
<b>Small Equipment Purchase</b>	21-6200		2,000
King Heater		1,000	
Hot Water Tank		1,000	
<b>Equipment Purchase &gt;5000</b>			32,000
12 HP Submersival Pump		12,000	
10 HP Submersival Pump		10,000	
Hand Wench		10,000	
<b>TOTAL</b>		244,499	<u>\$ 244,499</u>

# Enterprise Water Fund

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020 Budget	FY 2021 Budget
<b>Water Revenues</b>						
Metered service	\$ 262,404	\$ 242,490	\$ 285,021	\$ 300,000	\$ 310,080	\$ 319,382
Non-metered service	6,197	6,893	9,060	4,800	4,896	4,896
Meter sales	7,134	5,117	3,217	1,000	1,000	1,000
Turnoff notice fee	0	50	275	1,000	1,000	1,000
Reconnection fee	535	440	0	500	500	500
Interest		14				
Water Rev. from Other Departments						16,090
<b>Total Operations Revenue</b>	<b>276,270</b>	<b>255,004</b>	<b>297,573</b>	<b>307,300</b>	<b>317,476</b>	<b>342,868</b>
Transfer from Endowment Fund					125,000	44,070
<b>Total Revenue and Endowment Fund</b>						<b>386,938</b>
<b>Water Expenses</b>						
Salaries	148,234	151,536	129,877	142,562	131,908	134,003
Benefits & Unemployment	122,911	154,663	65,772	84,459	81,029	72,557
Contracted Services	12,192	8,195	8,560	8,000	85,000	14,000
Employee Travel, Education, & Dues	1,217	957	1,316	-	3,935	3,935
Materials & Supplies	54,913	66,466	67,239	51,600	57,475	62,400
Utilities	52,802	56,446	55,789	59,400	57,400	57,400
Repairs & Maintenance	8,834	10,025	3,630	10,000	10,000	10,000
Insurance	4,440	4,194	7,896	8,800	8,800	8,800
Recording/Permits & Misc.	2,742	2,167	248	8,850	50	50
Equipment	2,601	1,031	25010	22000	59,310	29,420
Capital Improvement		-		-	5,000	54,070
<b>Total Operations Expenses</b>	<b>410,886</b>	<b>455,680</b>	<b>365,337</b>	<b>395,671</b>	<b>499,907</b>	<b>446,635</b>
<b>Debt Service</b>						
Interest	1253.00	2319.00	7103.00	5205.00	8737	8,737
Debt Retirement	6783	19782	19884	19991	16459	16,264
<b>Total Debt Service</b>	<b>8036.00</b>	<b>22101.00</b>	<b>26987.00</b>	<b>25196.00</b>	<b>25196</b>	<b>25,001</b>
<b>Operating Expense + Debt Service</b>						<b>471,636</b>
<b>Total Water Revenues</b>						
	276,270	255,004	297,573	307,300	442,476	386,938
<b>Total Water Expenses</b>						
	418,922	477,781	392,324	420,867	525,103	471,636
<b>Net Revenue (Expense)</b>	<b>\$ (142,652)</b>	<b>\$ (222,777)</b>	<b>\$ (94,751)</b>	<b>\$ (113,567)</b>	<b>\$ (82,627)</b>	<b>\$ (84,698)</b>
<b>Operating Revenue - Expense</b>						<b>-84,698</b>

**Water-Operational Expenses****FY 2021**

	<b>Acct #</b>		<b>Amount</b>
<b>Salaries</b>	22-5100	\$ 134,003.34	\$ 134,003
<b>Employee Benefits</b>	22-5200	72,557	72,557
<b>Contract Services</b>	22-5350		14,000
Laboratory testing		3,500	
Boreal Controls		6,500	
CC Fees		4,000	
<b>Employee Travel, Education, &amp; Dues</b>			3,935
Travel	22-5410	2,000	
Water/Wastewater CEU	22-5420	1,000	
Dues		935	
<b>Material &amp; Supplies</b>			62,400
Misc Supplies	22-5510	15,000	
Chemicals	22-5515	30,000	
Postage	22-5520	600	
Freight	22-5525	16,000	
Equipment Fuel (250 gal @ 3.50)	22-5650	800	
<b>Utilities</b>			57,400
Electric	22-5610	55,000	
Heating Fuel	22-5620		
Telephone	22-5630	2,400	
Sewer, Garbage			
<b>Maintenance &amp; Repairs</b>			10,000
Equipment Repair	22-5700	5,000	
Building & Grounds Maintenance	22-5750		
Shop Supplies			
Treatment Plant repairs		5,000	
<b>Recording/Permits &amp; Misc.</b>			8,850
Advertising	22-5440		
Vehicle Licensing	22-5445	50	
Insurance	22-5550	8,800	
Permits			
Credit Card Fees	22-5925		
<b>Small Equipment Purchases</b>	22-6200		1,000
King Heater		1,000	
<b>Equipment Purchases &gt;5000</b>	22-6300		28,420
Radio read & meters		18,820	
6" Cla Valve		4,000	
(2) 4" Cla Valves		5,600	
<b>Capital Improvements</b>	22-6500		54,070
Valve Exerciser machine		44,070	
Clean & Test Water Tank (Steel Tank)		10,000	
<b>Debt Service</b>			25,001
Interest			25,001
Water End Connection Loan	22-7100	8,737	
Water Line Loan		16,264	
<b>Capital Investments (10% Depreciation)</b>			
<b>TOTAL</b>		471,636	<u><u>\$ 471,636</u></u>

## Enterprise Garbage Fund FY2021

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020 Budget	FY 2021 Budget
<b>Garbage Revenues</b>						
Collection Fees, incl Live Aboard	\$ 288,097	\$ 290,779	\$ 302,708	\$ 315,000	\$ 315,000	\$ 315,000
Dumpster Sales	\$ 4,200		\$ (200)			
Garbage Exp. From other Depts.						7,280
<b>Total Operations Revenue</b>	<b>292,297</b>	<b>290,779</b>	<b>302,508</b>	<b>315,000</b>	<b>315,000</b>	<b>322,280</b>
<b>Garbage Expenses</b>						
Salaries	37,198	36,651	43,657	40,313	37,896	38,295
Benefits & Unemployment	52,301	48,589	34,586	43,457	38,442	33,983
Contracted Services	202,008	201,536	185,290	212,500	207,500	211,500
Employee Travel, Education, & Dues	0			0	0	0
Materials & Supplies	7,669	6,460	7,686	7,000	9,300	9,300
Utilities	0		149	0	500	500
Repairs & Maintenance	267	0	3,607	5,000	5,000	7,500
Insurance	2,472	2,252	3,312	3,700	3,500	3,500
Recording/Permits & Misc.	2,256	2,127	120	0	0	0
Equipment		754		0	0	4,000
<b>Total Garbage Expenses</b>	<b>304,171</b>	<b>298,369</b>	<b>278,407</b>	<b>311,970</b>	<b>302,138</b>	<b>308,579</b>
<b>Total Water Revenues</b>	<b>292,297</b>	<b>290,779</b>	<b>302,508</b>	<b>315,000</b>	<b>315,000</b>	<b>322,280</b>
<b>Total Water Expenses</b>	<b>304,171</b>	<b>298,369</b>	<b>278,407</b>	<b>311,970</b>	<b>302,138</b>	<b>308,579</b>
<b>Net Revenue (Expense)</b>	<b>\$ (11,874)</b>	<b>\$ (7,590)</b>	<b>\$ 24,101</b>	<b>\$ 3,030</b>	<b>\$ 12,862</b>	<b>\$ 13,701</b>
<b>Operating Revenue - Expense</b>						<b>13,701</b>

**Garbage-Operational Expenses****FY 2021**

	<u>Acct #</u>		<u>Amount</u>
<b>Salaries</b>	23-5100	\$ 38,295	\$ 38,295
<b>Benefits</b>	23-5200	33,983	33,983
<b>Contract Services</b>	23-5330		211,500
Dump Fees	23-5350	200,000	
HHW program	23-5350	7,500	
CC Fees		4,000	
<b>Travel</b>	23-5410		
<b>Materials &amp; Supplies</b>			9,300
Misc Supplies	23-5510	3,500	
Postage	23-5520	600	
Freight	23-5525		
Equipment Fuel	23-5650	5,200	
<b>Utilities</b>			
Telephone Burn pit internet	23-5630	500	500
Water, Sewer, Garbage			
<b>Maintenance &amp; Repairs</b>			7,500
Equipment Repairs	23-5710	5,000	
Dumpster Repair			
Wind Ring		2,500	
<b>Recording/Permits &amp; Misc.</b>			3,500
Advertising	23-5840		
Vehicle Licensing	23-5845		
Insurance	23-5850	3,500	
Credit Card Fees	23-5920		
Bad Debts	23-5930		
<b>Small Equipment Purchase</b>	23-6200		
<b>Equipment Purchase &gt; \$5000</b>	23-6300		4,000
Bear Dumpster		4,000	
<b>Capital Improvement</b>	23-6500		
<b>TOTAL</b>		<b>\$308,579</b>	<b>\$308,579</b>

**Enterprise Docks & Harbors Fund FY 2021**

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020 Budget	FY 2021 Budget
<b>Dock &amp; Harbor Revenues</b>						
Permanent Moorage	73403	85388	84528	97000	115000	115000
Transient Moorage	90164	109855	102466	110000	105000	105000
Container Storage	14760	15950	16295	14000	14000	14000
Outside Storage Fees	4748	7273	9447	7000	7000	7000
Equipment Rental	1580	1588	1950	1000	1000	1000
Crane User Fees	4170	3585	2900	5000	5000	5000
Shower Fees	1606	2092	2372	2000	2000	2000
Wharfage	1210	2077	1195	2000	2000	2000
Launch Ramp Fees	2285	2933	2976	3000	3000	3000
Electricity from Moorage	10108	16670	16702	14000	14,000	14,000
Impound Fees				1000	1,000	1,000
Vessel Assist	645	684	525	1500	1,500	1,500
Grant Revenue			6270	0	0	0
Other	391	2495	1000	1000	0	0
<b>Total Dock &amp; Harbor Revenues</b>	<b>205,070</b>	<b>250,590</b>	<b>248,626</b>	<b>258,500</b>	<b>270,500</b>	<b>270,500</b>
<b>Dock &amp; Harbor Expenses</b>						
Salaries	146,044	127,521	130,972	127,383	129,538	145,882
Benefits & Unemployment	103,066	109,350	74,760	100,097	78,825	81,904
Contracted Services	3,750	19,459	957	0	2,850	10,900
Employee Travel, Education, & Dues	2,851	833	4,153	4,400	4,350	2,100
Materials & Supplies	23,182	47,912	19,273	7,900	18,445	10,400
Utilities	27,901	32,744	30,935	40,675	62,868	44,592
Repairs & Maintenance	48,277	10,155	31,110	22,450	14,400	17,000
Insurance	18,948	18,412	22,478	21,330	24,000	24,500
Recording/Permits & Misc.	4,016	19,023	634	250	500	500
Equipment	1,102	1,696	28,187	1,000	0	1,500
Water Exp. To Water Dept.						5,360
Garbage exp. to Garbage Dept.						6,832
Capital Improvement	3,450	12,160		130,000	80,000	0
Bad Debts	5,757					
<b>Total Operational Expenses</b>	<b>388,344</b>	<b>399,265</b>	<b>343,459</b>	<b>455,485</b>	<b>415,776</b>	<b>351,470</b>
<b>Total Harbor Revenues</b>	<b>205,070</b>	<b>250,590</b>	<b>248,626</b>	<b>258,500</b>	<b>270,500</b>	<b>270,500</b>
<b>Total Harbor Expenses</b>	<b>388,344</b>	<b>399,265</b>	<b>343,459</b>	<b>455,485</b>	<b>415,776</b>	<b>351,470</b>
<b>Net Revenue (Expense)</b>	<b>\$ (183,274)</b>	<b>\$ (148,675)</b>	<b>\$ (94,833)</b>	<b>\$ (196,985)</b>	<b>\$ (145,276)</b>	<b>\$ (80,970)</b>
<b>Operating Revenue - Expense</b>						<b>(80,970)</b>



**Docks & Harbors-Operational Expenses****FY 2021**

	<u>Acct #</u>		<u>Harbor</u>
<b>Salaries</b>	27-5100	\$ 145,882	\$ 145,882
<b>Benefits</b>	24-5200	74,000	74,000
<b>Contract Services</b>	27-5330		10,900
Crane Inspection		900	
CC Fees		10,000	
<b>Employee Travel, Education, &amp; Dues</b>	27-5430		2,100
Harbor Master Dues		150	
Harbor Master Conference	27-5410	350	
Misc. Education			
Harbormaster travel & hotel		1,600	
<b>Materials</b>	27-5510		10,400
Misc. Supplies		500	
Harbor Office		800	
Small Tools		400	
Harbor Bathrooms		2,000	
New Chainsaw		600	
Equipment Fuel (200@4.00)		400	
Vehicle Fuel (1500@3.50)		5,500	
Street Signs		200	
<b>Utilities</b>	27-5610		44,592
Electricity Harbor Bldg.		3,000	
Electricity (Billable)		14,000	
Electricity (Grid)		1,000	
Electricity (St. Lights)		6,500	
Heating Fuel		3,600	
Telephone		4,300	
Water, Sewer, Garbage		12,192	
<b>Maintenance</b>	27-5700		17,000
North Cove Supplies		12,500	
Gangway upgrades	2,200		
Electrical	0		
Decking & Bolts	4,000		
Response boat	1,000		
Water Pedestals	300		
Break water light maintenance	2,000		
Dock cart maintenance	500		
freight	2,500		
South Cove Supplies		4,300	
Water Pedestals	300		
Dock Cart Maintenance	500		
Electrical	0		
Decking & Bolts	2,500		
freight	1,000		
City Pier, Dock & Old Fuel Dock		200	
Decking & Bolts			
rebuild sections of water line	200		
Crane repairs			
freight			
Float Plane Dock			
Decking & Bolts			

freight			
Boat Hauler			
Advertising	27-5840		
Permits	27-5810		
Lease Agreement State	27-5810		
DEC Permit			
<b>Insurance</b>			24,500
General Liability	27-5800	24,000	
Credit Card Fees (Cranes)		500	
Bad Debts			
<b>Equipment Purchases</b>	27-6200		1,500
Diesal Fired Heater (Response Boat)		1,500	
<b>Capital Improvements</b>	27-6300		
		\$ 330,874	\$ <u>330,874</u>

**Enterprise JT Brown Industrial Park Fund FY 2021**

	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020 Budget</b>	<b>FY 2021 Budget</b>
<b>Revenues,</b>						
PMS Lease	90000	90000	90000	90000	\$96,510	96,510
Silver Bay Lease	154000	245215	158992	158992	158,992	158,992
Other Leases	25621	14988	18631	15531	17,587	17,587
Ice Revenue	133654	77327	114612	85000	80,000	80,000
Storage & Other Revenue	39919	28367	38857	32000	32,000	33,000
Haulout Revenue	24383	6289	30160	24000	24,000	24,000
Power Revenue	3296	3142	2374	7500	7,500	7,500
<b>Total Operational Revenues</b>	<b>\$470,873</b>	<b>\$465,328</b>	<b>\$453,626</b>	<b>\$413,023</b>	<b>\$416,589</b>	<b>\$417,589</b>
<b>Operational Expenses</b>						
Salaries	88,531	69,483	105,614	86,791	88,625	91,856
Benefits & Unemployment	32,263	34,487	33,169	41,465	42,004	37,594
Contracted Services	6220	391	1847	1800	15,500	1,900
Materials & Supplies	8,307	13,879	7,318	12,200	17,800	6,500
Utilities	50,300	44,988	45,903	58,535	52,782	53,336
Repairs & Maintenance	78,050	116,034	7,785	5,000	4,000	3,300
Insurance	6,504	6,095	11,112	9,281	12,000	12,300
Recording/Permits & Misc.	325	1,925	325	325	325	0
Equipment		-	10,570	1,500	0	0
Water Exp to Water Dept.						4,500
Garbage Exp. To Garbage Dept.						336
Capital Improvement		-	51,905	-	0	0
Interest						
<b>Total Operational Expenses</b>	<b>270,500</b>	<b>287,282</b>	<b>275,548</b>	<b>216,897</b>	<b>233,036</b>	<b>211,622</b>
<b>Total JT Brown Ind. Park Revenues</b>	<b>470,873</b>	<b>465,328</b>	<b>453,626</b>	<b>413,023</b>	<b>416,589</b>	<b>417,589</b>
<b>Total JT Brown Ind. Park Expenses</b>	<b>270,500</b>	<b>287,282</b>	<b>275,548</b>	<b>216,897</b>	<b>233,036</b>	<b>211,622</b>
<b>Net Revenue (Expense)</b>	<b>\$ 200,373</b>	<b>\$ 178,046</b>	<b>\$ 178,078</b>	<b>\$ 196,126</b>	<b>\$ 183,553</b>	<b>\$ 205,967</b>
<b>Operating Revenue - Expense</b>						<b>205,967</b>

# JT Brown Industrial Park

FY 2021

	<u>Acct #</u>		
<b>Salaries</b>	28-5100	\$ 91,856	\$ 91,856
<b>Benefits</b>	28-5200	37,594	37,594
<b>Contract Services</b>	28-5330		1,900
Crane inspection		900	
CC Fees		1,000	
<b>Materials</b>	28-5510		6,500
Boat Yard			
Misc Tools & Supplies		1,200	
Safety Chain for Boat Stands		300	
Boat Launch			
False Island Pier			
Zincs			
Paint & Supplies		500	
Freight			
Icehouse		4,500	
Salt		4500	
Lumber			
Pump			
Misc Postage	28-5520		
Misc Freight	28-5525		
<b>Utilities</b>	28-5610		53,336
Electricity		46000	
Telephone		1500	
Water, Sewer, Garbage		4,836	
Propane to heat shop		1,000	
<b>Maintenance</b>	28-5700		3,300
Ice House Maintenance		1,500	
Boat Hauler Maintenance		1,800	
<b>Insurance</b>			
General Liability	28-5800		12,300
Property Liability		12000	
Vehicle			
Permits		300	
Advertising			
<b>Equipment Purchases</b>	28-6200		
<b>Capital Improvements</b>	28-6500		
<b>Capital Reserve</b>			
		<b>\$ 206,786</b>	<b>\$ 206,786</b>

## Enterprise Cannery Fund FY 2021

<b>Revenues, Cannery</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020 Budget</b>	<b>FY 2021 Budget</b>
Storage	\$3,505	\$8,884	\$8,105	\$7,000	\$7,000	\$7,000
Material Sales						
<i>Total Craig Cannery Revenues</i>	<u>\$3,505</u>	<u>\$8,884</u>	<u>\$8,105</u>	<u>\$8,105</u>	<u>\$7,000</u>	<u>\$7,000</u>
<b>Cannery Expenses</b>						
Salaries						
Benefits & Unemployment						
Contracted Services				0	\$0	\$0
Employee Travel, Education, & Dues						
Materials & Supplies	190	92	40	0	880	200
Utilities	3100	1465	1564	2100	3,100	1,600
Repairs & Maintenance	810	156	136	2750	1,000	1,000
Insurance	24	0	960	31	1,020	1,020
Recording/Permits & Misc.	0					
Equipment			0	2000	0	0
Capital Improvement					1,000	1,000
<i>Total Craig Cannery Expenses</i>	<u>4,124</u>	<u>1,713</u>	<u>2,700</u>	<u>6,881</u>	<u>7,000</u>	<u>4,820</u>
<b>Total Cannery Revenues</b>	<b>3,505</b>	<b>8,884</b>	<b>8,105</b>	<b>8,105</b>	<b>7,000</b>	<b>7,000</b>
<b>Total Cannery Expenses</b>	<b>4,124</b>	<b>1,713</b>	<b>2,700</b>	<b>6,881</b>	<b>7,000</b>	<b>4,820</b>
<b>Net Revenue (Expense)</b>	<b>\$ (619)</b>	<b>\$ 7,171</b>	<b>\$ 5,405</b>	<b>\$ 1,224</b>	<b>\$ -</b>	<b>\$ 2,180</b>

# Cannery

**FY 2021**

<b>Contract Services</b>	28-5810	
<b>Ground Maint</b>		1,000
<b>Materials</b>		200
<b>Electric</b>	28-5610	1,600
<b>Garbage</b>		0
<b>Insurance</b>	28-5550	1,020
<b>Equipment Purchase</b>	28-6200	
<b>Capital Improvements</b>	28-6206	1,000
Lighting		
	<b>TOTAL</b>	<b><u><u>\$4,820</u></u></b>



# **Special Revenue Fund Fiscal Year 2021**

**School Funds**  
**6/30/2019**

Year	NFR	Paid School	Excess		City Contribution to School Funds	Total
FY04	\$ 805,626	\$ 692,386	\$ 113,241	113,241		
FY06	1,003,519	860,278	143,241	256,481		
FY05	1,107,861	860,278	247,583	504,064		
FY06	528,261	678,133	(149,872)	354,192		
FY07	594,437	678,133	(83,696)	270,496		
FY08	744,271	400,000	344,271	614,767		
FY09	1,101,332	592,676	508,656	1,123,423		
FY10	1,008,181	550,666	457,515	1,580,938	\$ 50,000	
FY11	871,626	550,666	320,960	1,901,898	100,000	
FY12	836,001	550,666	285,335	2,187,233	150,000	
FY13	807,020	550,660	256,360	2,443,593	250,000	
FY14	657,344	550,660	106,684	2,550,277	300,000	
FY15	594,350	550,600	43,750	2,594,027	350,000	
FY16	486,879	550,600	(63,721)	2,530,307	100,000	
FY17	-	550,600	(550,600)	1,979,707	0	
FY18	447,128	550,600	(103,472)	1,876,235	168,000	
FY19	394,356	550,600	(156,244)	1,719,991	250,000	
FY20	424,503	550,600	(126,097)	1,593,893	300,000	
	\$ 12,412,695	\$ 10,818,802	1,593,893		2,018,000	3,611,893
		Interest			232,327	232,327
		<b>Total Cash</b>	<b>\$ 1,593,893</b>		<b>\$ 2,250,327</b>	<b>\$ 3,844,220</b>



**PROPOSED PAY PLAN BY GRADE**  
**FY2021**

1.00%

**Historical Wage Adjustments**

**Alaska CPI Index**

*AK DOL web-site,  
02/11*

FY85	5%	1984	
FY86	3%	1985	
FY87	7%	1986	2.4%
FY88	2%	1987	1.9%
FY89	3%	1988	0.4%
FY90	0%	1989	0.4%
FY91	0%	1990	2.9%
FY92	6%	1991	6.2%
FY93	0%	1992	4.6%
FY94	0%	1993	3.4%
FY95	6.4%	1994	3.1%
FY96	0%	1995	2.1%
FY97	5.2%	1996	2.9%
FY98	1%	1997	2.7%
FY99	0%	1998	1.5%
FY00	3%	1999	1.5%
FY01	1%	2000	1.0%
FY02	0%	2001	1.7%
FY03	2.8%	2002	2.8%
FY04	1.9%	2003	1.9%
FY05	2.0%	2004	2.7%
FY06	2.6%	2005	2.6%
FY07	3.1%	2006	3.1%
FY08	0.0%	2007	3.2%
FY09	2.1%	2008	2.2%
FY10	1.0%	2009	4.6%
FY11	0%	2010	1.2%
FY12	1.0%	2011	1.8%
FY13	3.0%	2012	2.8%
FY 14	1.0%	2013	2.2%
FY 15	0.0%	2014	3.5%
Fy 16	0.0%	2015	1.0%
FY 17	0.0%	2016	0.4%
FY 18	0.0%	2017	0.8%
FY 19	1.0%	2018	0.9%
FY 20		2019	3.0%
FY 21		2020	3.0%
		2021	1.4%
	64%	Average	2.3%
		Total	69.8%

**CITY OF CRAIG  
MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: May 15, 2020  
RE: Ordinance No. 729

---

Attached you will find Ordinance No. 729. The ordinance adopts utility rates for water, wastewater, and garbage collection services for FY 2021.

Wastewater and garbage collection rates for FY 2021 remain unchanged.

The water department continues to struggle to generate enough revenue to meet expenses so the staff is recommending raising the rates 3%. If adopted, the ordinance increases by base rate by \$0.51 per month, to \$17.43. Customers will be charged per 1000 gallons used at a rate of \$3.98 per 1000 gallons, an increase of \$0.12 per thousand gallons. Customers outside the city (Pt. St. Nick road) will see their monthly fees increased by the same three percent. For metered services, the water rates are based on water consumption.

On a related note, staff will continue to perform weight measurements of garbage dumpsters and household-sized cans to evaluate the rates. We plan to do another sampling in the next few months.

**Recommendation**

Move to approve first reading of Ordinance No. 729.

**ORDINANCE NO. 729**

**ADOPTING UTILITIES RATES FOR MUNICIPAL WATER, WASTEWATER,  
AND GARBAGE COLLECTION SERVICES**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CRAIG, ALASKA:

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

Section 2. Severability. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Effective Date. This ordinance shall be effective July 1, 2020.

Section 4. Repeal. This ordinance repeals all previous municipal water, wastewater, and garbage collection services rate-setting ordinances.

Section 5. Action. (a) The Schedule "A", Garbage Rates; The Schedule "B," Sewage Service Rates and Schedule "C" Water Rates, are hereby adopted and incorporated by reference in Craig Municipal Code Sections 8.04.040, 15.16.010 and 15.48.010.

APPROVED \_\_\_\_\_

\_\_\_\_\_  
MAYOR TIM O'CONNOR

ATTEST \_\_\_\_\_  
JILLIAN CARL, CITY CLERK

SCHEDULE "A"  
(Incorporated by reference in 8.04.040)

**GARBAGE RATES**

The following rates per month are adopted effective July 1, 2020.

I. SERVICE WITHIN CITY LIMITS

# Pick-up per week	48 Gal Can	64 Gal Can	Residential Dumpster	Business Dumpster
One (1)	\$30.00/can	\$45.00 /can	\$145.00/dumpster	\$112.00/dumpster

II. SERVICE OUTSIDE CITY LIMITS

# Pick-up per week	48 Gal Can	64 Gal Can	Dumpster
One(1)	\$42.00/can	\$53.00/can	\$158.00/dumpster

III. NOTES

(1) The minimum sanitation charge for residential, commercial and industrial customers shall be the rate for one pick-up per week. All locations in the City of Craig that receive water and sewer services will be charged garbage pickup fees at least at the minimum charge.

(2) Charges for additional cans and pick-up services will be charged at \$7.50 per additional 48 Gallon can and \$9.38 per additional 64 Gallon can per pick up for residential customers. Additional Dumpster services will be \$30.00 per pick up for commercial dumpsters and \$40.00 per residential dumpster.

(3) Garbage service outside municipal boundaries will be provided at the discretion of the Director of Public Works.

(4) Duplex dwelling units will be serviced with a minimum of 64 Gal Can. Multiple family dwelling units of three units or more, and mobile home parks, will be serviced with dumpsters.

(5) The City of Craig will provide residential garbage pick-up services free of charge, one 48 Gal. can per week, to residents who are 65 or older. This exemption applies only to the address at which the customer resides and will only apply if the exempt resident is billed directly.

(6) Arrangements may be made for regular pick-up of garbage in cartons, boxes, bales, or other non-standard units at a rate of \$55.00 per cubic yard subject to the approval of the City.

SCHEDULE "B"  
(Incorporated by reference in 15.16.010)

**SEWER RATES**

The following rates are adopted effective July 1, 2020.

I. **UNMETERED SERVICE**

One equivalent dwelling unit (EDU) shall be \$66.40.

Processing, industrial, cold storage, and electrical generation plant rates shall be set by individual agreement approved by the City Council and shall be structured to follow the \$66.40 per EDU for wastes discharged into the sewerage system.

II. **METERED SERVICE**

All service except mobile home parks- \$30.00 per unit of the physical structure, unoccupied or occupied.

Mobile Home Parks- under 10 units, base unit price is \$214.00.

10 to 25 units, base unit price is \$428.00

26-50 units, base unit price is \$1,071.00

Over 50 units, base unit price is \$2142.00

All units with a meter will be charged a base unit prices and \$3.60 per 1000 gallons consumption.

SCHEDULE "C"  
(Incorporated by reference in 15.48.010)

**WATER RATES**

The following monthly rate is adopted effective July 1, 2020:

I. UNMETERED SERVICE

Section A.

<b>USER TYPE</b>	<b>MONTHLY RATE</b>
Single family residence	\$53.18

Section B.

As referenced in Section 15.40.080, the City does not charge for standby water service on fire protection systems, metered or unmetered.

II. METERED SERVICE

Effective January 1, 1994 all commercial users and mobile home parks as defined in Title 18, Craig Land Development Code will be required to install metered water service. Exceptions to this provision will be on a case-by-case basis.

**Section A**

**Within City Limits Rate:**

Except as provided below in Section B, the monthly base rate per meter except mobile home parks- \$17.43 per meter.

Mobile Home Parks base rate under 10 units- \$125.66  
Base rate 10 to 25 units- \$249.26  
Base Rate 26-50 units- \$625.21  
Base rate over 50 units- \$1248.36

All units with a meter will be charged a base rate and \$3.98 per 1000 gallons consumption.

**Outside City Limits Rate:**

Base rate per meter- \$43.58  
All services outside city limits will be charged a base rate plus \$9.95 per 1000 gallons consumption.

**Section B.**

Seafood processing plants that exceed one million (1,000,000) gallons monthly will be charged \$3.98 per thousand for the first one million gallons and \$3.37 per 1000 gallons for the gallons over one million.

Where monthly water usage does not exceed one million gallons, the rate established in Section A of "II METERED SERVICE" shall apply.

**From:** Martin Fabry [REDACTED]  
**Sent:** Friday, May 15, 2020 9:44 AM  
**To:** cityclerk@craigak.com  
**Subject:** Request to Mayor and City Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Honorable Mayor O'Connor and City Council:

I am writing, (would be there in person if I wouldn't be adding to the virus concerns), requesting a variance or a pause in the rates charged for apartments in the city limits for garbage pick-up. Our business like others on this island, state, country and the world has been struck by the virus and Silver Bay not opening their plant for the season. We have five apartments available and only one being actively rented. One apartment is rented in absentia by a Ketchikan company who uses it two to three month per year.

For this reason, I am requesting that the city only chare us for one garbage can pickup per month rather that what is set in the city ordinance. Currently we are paying for three cans and using about 50% of one can. We get a little garbage generated by customers from NAPA and from Log Cabin Sporting Goods.

To help you see a little compassion on this matter, let me offer that since 1989 when we rented property to Randy and Charlene who had a pet and marijuana shop, we have never missed or have been late with a sales tax, utility payment or a property tax payment. Pointing out this 100% batting record, we hop you will consider making an exception to the number of cans or dumpsters that are billed to anyone with a set of apartments, NOT JUST OURS.

Seven miles to the north we have returned about 80% of our RV Park's deposits due to the virus. On the positive side for us, Nationwide Insurance company has returned a part of our payment because they realize business is down. I point this out just to show that others are making exceptions due to the current status of business.

If you decide to make this decision in our favor, and we acquire additional renters, we will without being asked to, pay for additional can pick-up.

Thank you for your consideration and I'd be there in person if conditions were different.

Thank you,

Skip Fabry



ONE SEALASKA PLAZA, SUITE 200 • JUNEAU, ALASKA 99801  
TEL (907) 586-1325 • FAX (907) 463-5480 • WWW.AKML.ORG

Member of the National League of Cities and the National Association of Counties

William F. Crozer  
Special Assistant to the President/Deputy Director  
White House Office of Intergovernmental Affairs

May 13, 2020

Dear Mr. Crozer,

Alaska's cities and boroughs (county-equivalent) face multiple threats during this public health emergency and economic crisis. State and federal revenue-sharing have trended down over the last two decades, and the State's fiscal picture has resulted in less available funding for local governments. The State of Alaska has been working actively to address its fiscal policy throughout this time, in collaboration with local governments.

While resources have become more constrained, cities and boroughs are much more sensitive to unanticipated expenditures or to additional loss in revenue. The COVID-19 crisis has brought these issues to the fore and is overwhelming city and borough government capacity to make up the difference and continue essential services to residents.

1. Alaska's local governments are most severely impacted by declining local revenues, especially sales tax, but also hotel occupancy and rental car taxes, port and harbor moorage fees, mortgage recording taxes, fisheries revenue, gaming revenues, and utility fees.
  - a. For FY20 (Mar-June) we estimate this revenue decline to be \$250 million (nearly 20% of all local tax revenue)
  - b. FY21 (begins July) we estimate this revenue decline to be greater than \$400 million (fully 25% of all local tax revenues)
2. Higher spending necessary to respond to the health emergency has been more in some communities than others, but common across local governments has been a significant and robust response to the crisis, and the entire redesign of municipal systems.
  - a. While cases have been kept low, the effort to flatten the curve in FY20 will amount to approximately \$150-250 million in direct and indirect costs
  - b. Economic recovery efforts and continued mitigation efforts will amount to another \$250-400 million in FY21
3. Alaska's State government has had billion-dollar deficits since 2015, mainly because of declining oil revenue (increasing Alaska's opportunity for oil and gas development helps with this). While the State has been able to make up the difference out of savings, we are concerned that FY21 will overwhelm the State's budget and every available funding mechanism.



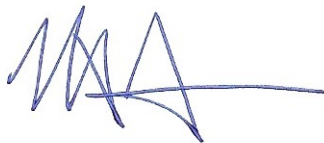
- a. Base level support from the State has eroded over the years, with local governments receiving 50% less in direct support than in 2015
  - b. Additional cost-shifting has meant as much as \$150 million to local governments during this time.
  - c. With the current fiscal crisis, we anticipate as much as \$400 million in potential cost-shifting for FY21
4. The potential for significant losses of small businesses has impacted jobs in the short term and will impact the property tax base in the mid- to long-term.
    - a. The economic crisis may mean as much as 10% in business closures and overall economic activity reduced by as much as 50% in some communities
    - b. The long-term impact on property valuation will mean that in FY22 property tax collection may be reduced by as much as \$100 million

Together, these amount to a perfect storm that Alaska's cities and boroughs simply won't be able to withstand. Without additional support, emergency reserves will be drained within the year, necessary tax increases will further exacerbate the economic impact felt by businesses and residents, and programs that residents depend on will be reduced or eliminated. This means less funding for schools and public safety.

We're extremely grateful that Governor Dunleavy and the Alaska State Legislature approved a distribution of the CARES Act funding directly to local government, but CARES Act funding is a band-aid compared to what is necessary to ensure that local governments are able to continue carrying out federal and state responsibilities and meet local needs.

We encourage the White House to champion any bill that results in direct aid to local governments. Our cities are essential to American prosperity; our counties matter for citizens who depend on them for safety and security. Local government is the heart of America. Help us heal from this public health and economic crisis.

Respectfully,



Nils Andreassen  
Executive Director  
Alaska Municipal League

*The Alaska Municipal League represents 165 cities and boroughs in Alaska, and 98% of the State's population. Local governments in Alaska provide for public safety, schools, utilities, ports and harbors, responsible development, and economic success.*

This letter is to the City of Craig, Planning Commission, City Council and the Honorable Mayor Mr. O'Connor. We are requesting the opportunity to lease the old cannery building closest to First Bank. We first approached the idea with big ideas. Thought the best move would be to go "large" and ask for a 20-year lease. We have since decided to just renovate, both parties could see if this is this is a good fit.

We desperately need a real post. [REDACTED] Since 2012 we have steadily increased the benefits for veterans on Prince of Wales. We have provided economic development for the island. Prince of Wales Health Network has lost their grant but as a parting shot, they gave a 6 month "placeholder" till we are once again homeless.

Our request is to lease the closest building to First Bank. We will seal anything that is considered suspect for asbestos. We are volunteers, we would work as weather permits. First remove tall grass and brush. Make the porch/deck safe again. We also would pressure wash and paint the outside and inside. Establish what needs to be done on the roof. Getting water and sewer hooked up.

Our use. We would help veterans receive medical care through the Veteran Administration (VA). As you are aware of; there are levels of healthcare on the island. VA allows veterans another access to specialty care and their families. There is ample coffee in Vet centers folks come and go. Most folks see the value and drag another veteran in through these coffee circles. We have no intent to be a traditional VFW/American Legion post with a bar. We see helping veterans, selling a little patches or logos(when we get one) and could easily be a "tourist" trap. Maybe City of Craig would sell anything on the city? Bags, Shirts etc. Craig historical society could have items sold as well. Branding is the most important "thing" for Cities. What makes Craig attractive? A friendly safe community.

Operations of use? We would be open as staffing permits at this time we are open on Thursdays? But if we had the volunteers, we could be open Mon-Fri. We usually have a once a month meeting; at night at 6pm usually a hour but can go to 2 hours. Patriotic days would be included. We are aware of the challenges with water and sewer.

Thank you for your time and attention on this.

Commander VFW Post 12151



Irving Langmaid

Commander American Legion Post 26



Chris Colbert

# CITY OF CRAIG

Account Statement - Period Ending March 31, 2020



ALASKA PERMANENT  
CAPITAL MANAGEMENT  
Registered Investment Adviser

## ACCOUNT ACTIVITY

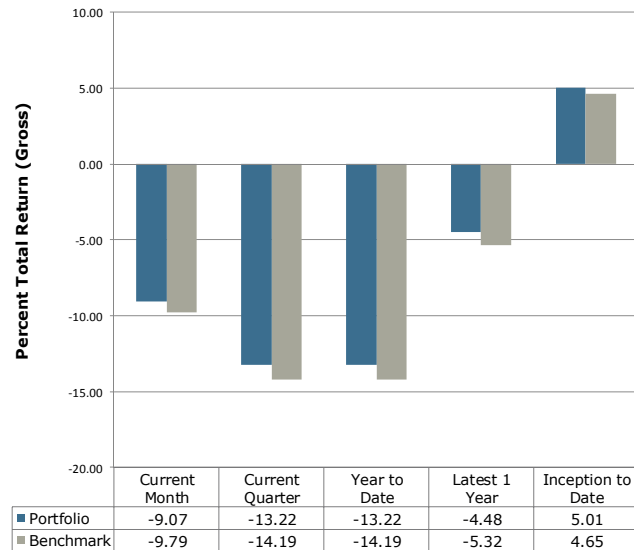
Portfolio Value on 02-29-20	10,827,268
Contributions	0
Withdrawals	-2,707
Change in Market Value	-1,016,416
Interest	6,922
Dividends	27,554
Portfolio Value on 03-31-20	9,842,622

## MANAGEMENT TEAM

Client Relationship Manager:	Amber Frizzell, AIF® Amber@apcm.net
Your Portfolio Manager:	Bill Lierman, CFA®
Contact Phone Number:	907/272 -7575

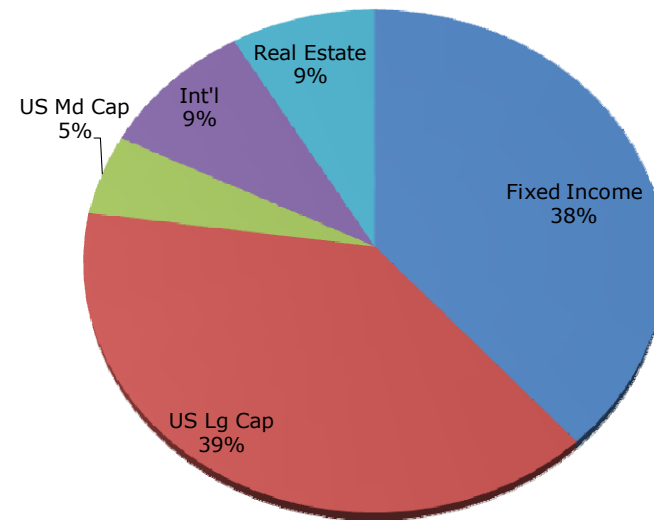
## INVESTMENT PERFORMANCE

Current Account Benchmark:  
Equity Blend



Performance is Annualized for Periods Greater than One Year

## PORTFOLIO COMPOSITION



Clients are encouraged to compare this report with the official statement from their custodian.

Alaska Permanent Capital Management Co.  
**PORTFOLIO SUMMARY AND TARGET**  
***CITY OF CRAIG***  
*March 31, 2020*

<b>Asset Class &amp; Target</b>	<b>Market Value</b>	<b>% Assets</b>	<b>Range</b>
<b>FIXED INCOME (34%)</b>			
US Fixed Income (34.0%)	3,713,837	37.7	20% to 45%
Cash (0.0%)	68,936	0.7	na
<b>Subtotal:</b>	<b>3,782,773</b>	<b>38.4</b>	
<b>EQUITY (56%)</b>			
US Large Cap (40.0%)	3,806,967	38.7	30% to 50%
US Mid Cap (6.0%)	507,106	5.2	0% to 10%
Developed International Equity (10.0%)	904,881	9.2	5% to 15%
<b>Subtotal:</b>	<b>5,218,955</b>	<b>53.0</b>	
<b>ALTERNATIVE INVESTMENTS (10%)</b>			
Real Estate (10.0%)	840,894	8.5	5% to 15%
<b>Subtotal:</b>	<b>840,894</b>	<b>8.5</b>	
<b>TOTAL PORTFOLIO</b>	<b>9,842,622</b>	<b>100</b>	

Alaska Permanent Capital Management Co.  
**PORTFOLIO APPRAISAL**  
**CITY OF CRAIG**  
*March 31, 2020*

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
<b>FNMA &amp; FHLMC</b>									
3,075	FHLMC POOL G14203 4.000% Due 04-01-26 Accrued Interest	104.56	3,215	105.45	3,242	0.03	123	10	1.07
					10	0.00			
			3,215		3,253	0.03		10	
<b>CORPORATE BONDS</b>									
50,000	AMERICAN EXPRESS CREDIT 2.250% Due 05-05-21	99.92	49,962	100.26	50,131	0.51	1,125	456	2.00
50,000	GILEAD SCIENCES INC 1.950% Due 03-01-22	96.28	48,141	98.66	49,332	0.50	975	81	2.67
50,000	UNITEDHEALTH GROUP INC 2.875% Due 03-15-22	102.56	51,279	102.76	51,382	0.52	1,437	64	1.43
50,000	COMCAST CORP 2.850% Due 01-15-23	101.83	50,917	102.96	51,478	0.52	1,425	301	1.76
50,000	AFLAC INC 3.625% Due 06-15-23	106.03	53,016	99.82	49,908	0.51	1,812	534	3.68
50,000	BANK OF NEW YORK MELLON 2.200% Due 08-16-23	97.83	48,916	100.44	50,222	0.51	1,100	137	2.06
50,000	JPMORGAN CHASE & CO 3.875% Due 02-01-24	105.18	52,590	107.09	53,547	0.54	1,937	323	1.94
50,000	METLIFE INC 3.600% Due 04-10-24	105.46	52,732	105.27	52,636	0.53	1,800	855	2.22
50,000	WELLS FARGO & COMPANY 3.300% Due 09-09-24	99.88	49,941	104.12	52,059	0.53	1,650	101	2.32
50,000	APPLIED MATERIALS INC 3.900% Due 10-01-25	107.96	53,978	105.36	52,681	0.54	1,950	975	2.84
50,000	TARGET CORP 2.500% Due 04-15-26	96.45	48,223	101.41	50,704	0.52	1,250	576	2.25
25,000	INTEL CORP 2.450% Due 11-15-29 Accrued Interest	105.68	26,420	102.42	25,605	0.26	612	221	2.17
					4,625	0.05			
			586,118		594,314	6.04		4,625	
<b>DOMESTIC LARGE CAP EQUITY FUNDS/ETF</b>									
14,770	SPDR S&P 500 ETF	158.20	2,336,657	257.75	3,806,967	38.68	NA		
<b>DOMESTIC MID CAP EQUITY FUNDS/ETF</b>									
3,525	ISHARES CORE S&P MIDCAP 400 ETF	113.79	401,108	143.86	507,106	5.15	NA		
<b>INTERNATIONAL EQUITY FUNDS/ETF</b>									
9,040	ISHARES ETF CORE MSCI EAFE	57.02	515,477	49.89	451,006	4.58	NA		
8,490	ISHARES MSCI EAFE INDEX FUND	61.77	524,389	53.46	453,875	4.61	NA		
			1,039,866		904,881	9.19			

Alaska Permanent Capital Management Co.  
**PORTFOLIO APPRAISAL**  
**CITY OF CRAIG**  
*March 31, 2020*

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
<b>REAL ESTATE &amp; INFRASTRUCTURE</b>									
13,025	JPMORGAN BETABUILDERS MSCI US REIT ETF	76.63	998,068	64.56	840,894	8.54	NA		
<b>U.S. TREASURY</b>									
25,000	US TREASURY NOTES 1.750% Due 10-31-20	99.91	24,978	100.97	25,242	0.26	437	184	0.09
150,000	US TREASURY NOTES 2.125% Due 08-15-21	99.45	149,169	102.69	154,042	1.57	3,187	403	0.16
75,000	US TREASURY NOTES 2.000% Due 10-31-21	99.92	74,943	102.82	77,115	0.78	1,500	630	0.21
100,000	US TREASURY NOTES 2.000% Due 11-15-21	99.76	99,762	102.77	102,766	1.04	2,000	758	0.29
175,000	US TREASURY NOTES 2.625% Due 12-15-21	101.92	178,364	104.11	182,191	1.85	4,594	1,356	0.21
100,000	US TREASURY NOTES 1.875% Due 01-31-22	100.10	100,101	103.03	103,035	1.05	1,875	314	0.22
200,000	US TREASURY NOTES 2.125% Due 06-30-22	98.10	196,209	104.30	208,610	2.12	4,250	1,074	0.21
100,000	US TREASURY NOTES 1.750% Due 07-15-22	99.89	99,894	103.43	103,426	1.05	1,750	370	0.25
150,000	US TREASURY NOTES 1.625% Due 11-15-22	97.79	146,686	103.54	155,308	1.58	2,437	924	0.27
80,000	US TREASURY NOTES 2.625% Due 02-28-23	99.73	79,783	106.80	85,441	0.87	2,100	183	0.28
125,000	US TREASURY NOTES 2.500% Due 08-15-23	98.87	123,590	107.42	134,272	1.36	3,125	395	0.29
170,000	US TREASURY NOTES 1.375% Due 08-31-23	99.92	169,867	103.65	176,202	1.79	2,337	212	0.30
115,000	US TREASURY NOTES 2.125% Due 03-31-24	98.81	113,630	107.09	123,153	1.25	2,444	13	0.34
100,000	US TREASURY NOTES 2.375% Due 08-15-24	100.23	100,227	108.74	108,738	1.10	2,375	300	0.36
130,000	US TREASURY NOTES 2.125% Due 11-30-24	102.02	132,625	108.10	140,533	1.43	2,762	928	0.37
75,000	US TREASURY NOTES 2.000% Due 02-15-25	100.63	75,469	107.75	80,815	0.82	1,500	190	0.39
175,000	US TREASURY NOTES 2.000% Due 08-15-25	98.46	172,301	108.28	189,485	1.93	3,500	442	0.44
100,000	US TREASURY NOTES 2.500% Due 02-28-26	100.40	100,397	111.71	111,711	1.13	2,500	217	0.49
100,000	US TREASURY NOTES 1.625% Due 05-15-26	101.05	101,055	106.72	106,723	1.08	1,625	616	0.51
200,000	US TREASURY NOTES 2.000% Due 11-15-26	98.10	196,199	109.52	219,040	2.23	4,000	1,516	0.54
125,000	US TREASURY NOTES 2.250% Due 11-15-27	95.20	118,996	112.44	140,547	1.43	2,812	1,066	0.58

Alaska Permanent Capital Management Co.  
**PORTFOLIO APPRAISAL**  
***CITY OF CRAIG***  
*March 31, 2020*

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
80,000	US TREASURY NOTES 3.125% Due 11-15-28	102.02	81,613	120.72	96,578	0.98	2,500	948	0.65
125,000	US TREASURY NOTES 2.625% Due 02-15-29	99.82	124,774	116.88	146,104	1.48	3,281	415	0.66
50,000	US TREASURY NOTES 1.625% Due 08-15-29	99.35	49,673	108.53	54,267	0.55	812	103	0.68
70,000	US TREASURY NOTES 1.750% Due 11-15-29	99.71	69,800	109.86	76,901	0.78	1,225	464	0.69
	Accrued Interest				14,023	0.14			
			2,880,105		3,116,270	31.66		14,023	
<b>CASH AND EQUIVALENTS</b>									
	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT		48,485		48,485	0.49			
	DIVIDEND ACCRUAL		20,451		20,451	0.21			
			68,936		68,936	0.70			
<b>TOTAL PORTFOLIO</b>				<b>8,314,073</b>		<b>9,842,622</b>	<b>100</b>	<b>78,129</b>	<b>18,658</b>

Alaska Permanent Capital Management Co.  
**TRANSACTION SUMMARY**  
***CITY OF CRAIG***  
*From 03-01-20 To 03-31-20*

Trade Date	Settle Date	Security	Quantity	Trade Amount
<b>PURCHASES</b>				
CORPORATE BONDS				
03-03-20	03-05-20	INTEL CORP 2.450% Due 11-15-29	25,000	26,420.50
DOMESTIC LARGE CAP EQUITY FUNDS/ETF				
03-05-20	03-09-20	SPDR S&P 500 ETF	330.0000	101,382.60
03-27-20	03-31-20	SPDR S&P 500 ETF	220.0000	56,320.00
				157,702.60
DOMESTIC MID CAP EQUITY FUNDS/ETF				
03-05-20	03-09-20	ISHARES CORE S&P MIDCAP 400 ETF	50.0000	9,290.00
03-27-20	03-31-20	ISHARES CORE S&P MIDCAP 400 ETF	65.0000	9,340.50
				18,630.50
INTERNATIONAL EQUITY FUNDS/ETF				
03-05-20	03-09-20	ISHARES ETF CORE MSCI EAFE	315.0000	18,682.65
03-05-20	03-09-20	ISHARES MSCI EAFE INDEX FUND	340.0000	21,484.60
				40,167.25
REAL ESTATE & INFRASTRUCTURE				
03-27-20	03-31-20	JPMORGAN BETABUILDERS MSCI US REIT ETF	850.0000	55,335.00
				<b>298,255.85</b>
<b>DEPOSITS AND EXPENSES</b>				
MANAGEMENT FEES				
03-31-20	03-31-20	MANAGEMENT FEES		2,460.66
				<b>2,460.66</b>



Alaska Permanent Capital Management Co.  
**TRANSACTION SUMMARY**  
***CITY OF CRAIG***  
*From 03-01-20 To 03-31-20*

Trade Date	Settle Date	Security	Quantity	Trade Amount
<b>DIVIDEND</b>				
DOMESTIC LARGE CAP EQUITY FUNDS/ETF				
03-20-20	04-30-20	SPDR S&P 500 ETF		20,450.88
DOMESTIC MID CAP EQUITY FUNDS/ETF				
03-31-20	03-31-20	ISHARES CORE S&P MIDCAP 400 ETF		2,771.11
REAL ESTATE & INFRASTRUCTURE				
03-27-20	03-27-20	JPMORGAN BETABUILDERS MSCI US REIT ETF		4,331.99
				<b>27,553.98</b>
<b>INTEREST</b>				
CASH AND EQUIVALENTS				
03-15-20	03-15-20	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT		1.43
CORPORATE BONDS				
03-01-20	03-02-20	GILEAD SCIENCES INC 1.950% Due 03-01-22		487.50
03-06-20	03-06-20	NBC UNIVERSAL MEDIA LLC 4.375% Due 04-01-21		941.84
03-09-20	03-09-20	WELLS FARGO & COMPANY 3.300% Due 09-09-24		825.00
03-15-20	03-16-20	UNITEDHEALTH GROUP INC 2.875% Due 03-15-22		718.75
				<u>2,973.09</u>

Alaska Permanent Capital Management Co.  
**TRANSACTION SUMMARY**  
***CITY OF CRAIG***  
*From 03-01-20 To 03-31-20*

Trade Date	Settle Date	Security	Quantity	Trade Amount
FNMA & FHLMC				
03-15-20	03-16-20	FHLMC POOL G14203 4.000% Due 04-01-26		10.53
U.S. TREASURY				
03-31-20	03-31-20	US TREASURY NOTES 2.125% Due 03-31-24		1,221.87
				<b>4,206.92</b>
<b>PRINCIPAL PAYDOWNS</b>				
FNMA & FHLMC				
03-15-20	03-16-20	FHLMC POOL G14203 4.000% Due 04-01-26	84.49	84.49
				<b>84.49</b>
<b>PURCHASED ACCRUED INTEREST</b>				
CORPORATE BONDS				
03-03-20	03-05-20	INTEL CORP 2.450% Due 11-15-29		176.94
				<b>176.94</b>
<b>SALES, MATURITIES, AND CALLS</b>				
CORPORATE BONDS				
03-06-20	03-06-20	NBC UNIVERSAL MEDIA LLC 4.375% Due 04-01-21	50,000	51,726.50
U.S. TREASURY				
03-03-20	03-05-20	US TREASURY NOTES 2.000% Due 08-31-21	50,000	50,904.95
03-05-20	03-06-20	US TREASURY NOTES 1.750% Due 10-31-20	50,000	50,362.00
03-27-20	03-30-20	US TREASURY NOTES 2.625% Due 02-28-23	70,000	74,660.79

Alaska Permanent Capital Management Co.  
**TRANSACTION SUMMARY**  
***CITY OF CRAIG***  
*From 03-01-20 To 03-31-20*

Trade Date	Settle Date	Security	Quantity	Trade Amount
03-27-20	03-30-20	US TREASURY NOTES 2.625% Due 12-31-25	55,000	61,542.05
				237,469.79
				<b>289,196.29</b>

**SOLD ACCRUED INTEREST**

U.S. TREASURY

03-03-20	03-05-20	US TREASURY NOTES 2.000% Due 08-31-21		13.59
03-05-20	03-06-20	US TREASURY NOTES 1.750% Due 10-31-20		305.29
03-27-20	03-30-20	US TREASURY NOTES 2.625% Due 02-28-23		149.80
03-27-20	03-30-20	US TREASURY NOTES 2.625% Due 12-31-25		356.97
				825.65
				<b>825.65</b>

**WITHDRAW**

CASH AND EQUIVALENTS

03-02-20	03-02-20	CASH RECEIVABLE		1,168.75
03-02-20	03-02-20	CASH RECEIVABLE		500.00
03-02-20	03-02-20	CASH RECEIVABLE		1,968.75
03-02-20	03-02-20	CASH RECEIVABLE		1,250.00
03-13-20	03-13-20	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT		2,706.82
				7,594.32
				<b>7,594.32</b>

Alaska Permanent Capital Management Co.  
**REALIZED GAINS AND LOSSES**  
***CITY OF CRAIG***  
*From 03-01-20 Through 03-31-20*

<b>Date</b>	<b>Quantity</b>	<b>Security</b>	<b>Avg. Cost Basis</b>	<b>Proceeds</b>	<b>Gain Or Loss</b>
03-03-20	50,000	US TREASURY NOTES 2.000% Due 08-31-21	50,343.10	50,904.95	561.85
03-05-20	50,000	US TREASURY NOTES 1.750% Due 10-31-20	49,955.18	50,362.00	406.81
03-06-20	50,000	NBC UNIVERSAL MEDIA LLC 4.375% Due 04-01-21	54,602.00	51,726.50	-2,875.50
03-15-20	84.49	FHLMC POOL G14203 4.000% Due 04-01-26	88.34	84.49	-3.85
03-27-20	70,000	US TREASURY NOTES 2.625% Due 02-28-23	69,810.09	74,660.79	4,850.70
03-27-20	55,000	US TREASURY NOTES 2.625% Due 12-31-25	55,718.05	61,542.05	5,824.00
TOTAL GAINS					11,643.36
TOTAL LOSSES					-2,879.35
			<b>280,516.77</b>	<b>289,280.78</b>	<b>8,764.01</b>

Alaska Permanent Capital Management Co.

**CASH LEDGER**

***CITY OF CRAIG***

*From 03-01-20 To 03-31-20*

<b>Trade Date</b>	<b>Settle Date</b>	<b>Tran Code</b>	<b>Activity</b>	<b>Security</b>	<b>Amount</b>
<b>CASH RECEIVABLE</b>					
03-01-20			Beginning Balance		4,887.50
03-02-20	03-02-20	wd	Transfer to	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT	-1,168.75
03-02-20	03-02-20	wd	Transfer to	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT	-500.00
03-02-20	03-02-20	wd	Transfer to	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT	-1,968.75
03-02-20	03-02-20	wd	Transfer to	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT	-1,250.00
<b>03-31-20</b>			<b>Ending Balance</b>		<b>0.00</b>
<b>CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT</b>					
03-01-20			Beginning Balance		43,320.53
03-01-20	03-02-20	dp	Interest	GILEAD SCIENCES INC 1.950% Due 03-01-22	487.50
03-02-20	03-02-20	dp	Transfer from	CASH RECEIVABLE	1,168.75
03-02-20	03-02-20	dp	Transfer from	CASH RECEIVABLE	500.00
03-02-20	03-02-20	dp	Transfer from	CASH RECEIVABLE	1,968.75
03-02-20	03-02-20	dp	Transfer from	CASH RECEIVABLE	1,250.00
03-03-20	03-05-20	wd	Purchase	INTEL CORP 2.450% Due 11-15-29	-26,420.50
03-03-20	03-05-20	wd	Accrued Interest	INTEL CORP 2.450% Due 11-15-29	-176.94
03-03-20	03-05-20	dp	Sale	US TREASURY NOTES 2.000% Due 08-31-21	50,904.95
03-03-20	03-05-20	dp	Accrued Interest	US TREASURY NOTES 2.000% Due 08-31-21	13.59
03-05-20	03-09-20	wd	Purchase	ISHARES ETF CORE MSCI EAFE	-18,682.65
03-05-20	03-09-20	wd	Purchase	SPDR S&P 500 ETF	-101,382.60

Alaska Permanent Capital Management Co.

**CASH LEDGER**

***CITY OF CRAIG***

*From 03-01-20 To 03-31-20*

<b>Trade Date</b>	<b>Settle Date</b>	<b>Tran Code</b>	<b>Activity</b>	<b>Security</b>	<b>Amount</b>
03-05-20	03-09-20	wd	Purchase	ISHARES CORE S&P MIDCAP 400 ETF	-9,290.00
03-05-20	03-09-20	wd	Purchase	ISHARES MSCI EAFE INDEX FUND	-21,484.60
03-05-20	03-06-20	dp	Sale	US TREASURY NOTES 1.750% Due 10-31-20	50,362.00
03-05-20	03-06-20	dp	Accrued Interest	US TREASURY NOTES 1.750% Due 10-31-20	305.29
03-06-20	03-06-20	dp	Interest	NBC UNIVERSAL MEDIA LLC 4.375% Due 04-01-21	941.84
03-06-20	03-06-20	dp	Sale	NBC UNIVERSAL MEDIA LLC 4.375% Due 04-01-21	51,726.50
03-09-20	03-09-20	dp	Interest	WELLS FARGO & COMPANY 3.300% Due 09-09-24	825.00
03-13-20	03-13-20	wd	Withdrawal	from Portfolio	-2,706.82
03-15-20	03-15-20	dp	Interest	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT	1.43
03-15-20	03-16-20	dp	Interest	UNITEDHEALTH GROUP INC 2.875% Due 03-15-22	718.75
03-15-20	03-16-20	dp	Paydown	FHLMC POOL G14203 4.000% Due 04-01-26	84.49
03-15-20	03-16-20	dp	Interest	FHLMC POOL G14203 4.000% Due 04-01-26	10.53
03-27-20	03-31-20	wd	Purchase	ISHARES CORE S&P MIDCAP 400 ETF	-9,340.50
03-27-20	03-31-20	wd	Purchase	SPDR S&P 500 ETF	-56,320.00
03-27-20	03-31-20	wd	Purchase	JPMORGAN BETABUILDERS MSCI US REIT ETF	-55,335.00
03-27-20	03-27-20	dp	Dividend	JPMORGAN BETABUILDERS MSCI US REIT ETF	4,331.99

Alaska Permanent Capital Management Co.

**CASH LEDGER**

***CITY OF CRAIG***

*From 03-01-20 To 03-31-20*

<b>Trade Date</b>	<b>Settle Date</b>	<b>Tran Code</b>	<b>Activity</b>	<b>Security</b>	<b>Amount</b>
03-27-20	03-30-20	dp	Sale	US TREASURY NOTES 2.625% Due 02-28-23	74,660.79
03-27-20	03-30-20	dp	Accrued Interest	US TREASURY NOTES 2.625% Due 02-28-23	149.80
03-27-20	03-30-20	dp	Sale	US TREASURY NOTES 2.625% Due 12-31-25	61,542.05
03-27-20	03-30-20	dp	Accrued Interest	US TREASURY NOTES 2.625% Due 12-31-25	356.97
03-31-20	03-31-20	dp	Dividend	ISHARES CORE S&P MIDCAP 400 ETF	2,771.11
03-31-20	03-31-20	dp	Interest	US TREASURY NOTES 2.125% Due 03-31-24	1,221.87
<b>03-31-20</b>			<b>Ending Balance</b>		<b>48,484.87</b>
<b>DIVIDEND ACCRUAL</b>					
03-01-20			Beginning Balance		0.00
03-20-20	04-30-20	dp	Dividend	SPDR S&P 500 ETF	20,450.88
<b>03-31-20</b>			<b>Ending Balance</b>		<b>20,450.88</b>

# CITY OF CRAIG - SCHOOL FUNDS

Account Statement - Period Ending March 31, 2020



ALASKA PERMANENT  
CAPITAL MANAGEMENT  
Registered Investment Adviser

## ACCOUNT ACTIVITY

Portfolio Value on 02-29-20	2,922,313
Contributions	0
Withdrawals	0
Change in Market Value	9,833
Interest	-516
Dividends	0
Portfolio Value on 03-31-20	2,931,630

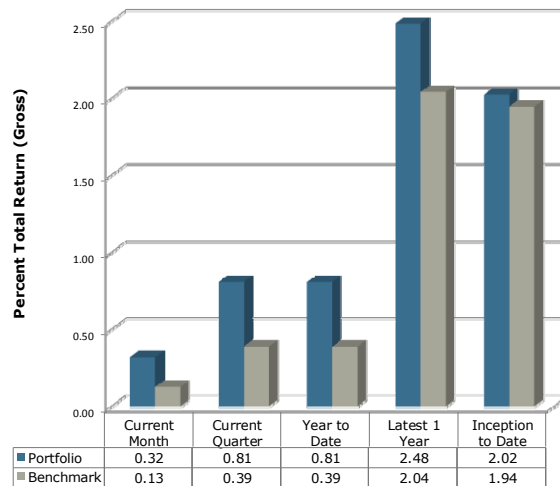
## MANAGEMENT TEAM

Client Relationship Manager:	Amber Frizzell, AIF® Amber@apcm.net
Your Portfolio Manager:	Bill Llerman, CFA®
Contact Phone Number:	907/272-7575

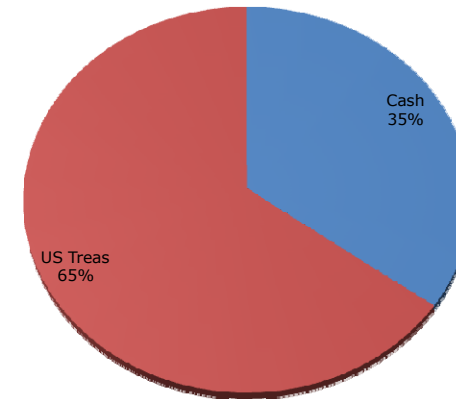
## PORTFOLIO COMPOSITION

## INVESTMENT PERFORMANCE

Current Account Benchmark:  
T-Bill shown for reference



Performance is Annualized for Periods Greater than One Year



## Fixed Income Portfolio Statistics

Average Quality: AAA Yield to Maturity: 0.43% Average Maturity: 0.30 Yrs



Alaska Permanent Capital Management Co.  
**PORTFOLIO APPRAISAL**  
**CITY OF CRAIG - SCHOOL FUNDS**  
*March 31, 2020*

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
<b>U.S. TREASURY</b>									
480,000	US TREASURY NOTES 1.500% Due 04-15-20	100.32	481,517	100.02	480,075	16.38	7,200	3,325	1.11
565,000	US TREASURY NOTE 1.500% Due 06-15-20	99.96	564,794	100.23	566,324	19.32	8,475	2,501	0.37
340,000	US TREASURY NOTES 1.500% Due 08-15-20	99.63	338,740	100.59	341,992	11.67	5,100	645	-0.06
500,000	US TREASURY NOTES 1.750% Due 11-15-20	100.11	500,561	101.05	505,275	17.24	8,750	3,317	0.06
	Accrued Interest				9,787	0.33			
			1,885,613		1,903,454	64.93		9,787	
<b>TREASURY BILLS</b>									
445,000	US TREASURY BILLS 0.000% Due 07-16-20	99.65	443,435	99.96	444,830	15.17	NA	0	0.13
560,000	US TREASURY BILLS 0.000% Due 07-30-20	99.25	555,777	99.96	559,767	19.09	NA	0	0.12
			999,213		1,004,596	34.27		0	
<b>CASH AND EQUIVALENTS</b>									
	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT		23,580		23,580	0.80			
<b>TOTAL PORTFOLIO</b>			<b>2,908,405</b>		<b>2,931,630</b>	<b>100</b>	<b>29,525</b>	<b>9,787</b>	

Alaska Permanent Capital Management Co.  
**TRANSACTION SUMMARY**  
***CITY OF CRAIG - SCHOOL FUNDS***  
*From 03-01-20 To 03-31-20*

Trade Date	Settle Date	Security	Quantity	Trade Amount
<b>PURCHASES</b>				
TREASURY BILLS				
03-03-20	03-04-20	US TREASURY BILLS 0.000% Due 07-16-20	445,000	443,435.24
				<b>443,435.24</b>
<b>INTEREST</b>				
CASH AND EQUIVALENTS				
03-15-20	03-15-20	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT		2.25
				<b>2.25</b>
<b>SALES, MATURITIES, AND CALLS</b>				
U.S. TREASURY				
03-02-20	03-02-20	US TREASURY NOTES 1.375% Due 02-29-20	440,000	440,000.00
				<b>440,000.00</b>
<b>WITHDRAW</b>				
CASH AND EQUIVALENTS				
03-02-20	03-02-20	CASH RECEIVABLE		3,025.00
				<b>3,025.00</b>

Alaska Permanent Capital Management Co.  
**REALIZED GAINS AND LOSSES**  
***CITY OF CRAIG - SCHOOL FUNDS***  
*From 03-01-20 Through 03-31-20*

<b>Date</b>	<b>Quantity</b>	<b>Security</b>	<b>Avg. Cost Basis</b>	<b>Proceeds</b>	<b>Gain Or Loss</b>
03-02-20	440,000	US TREASURY NOTES 1.375% Due 02-29-20	439,465.00	440,000.00	535.00
TOTAL GAINS					535.00
TOTAL LOSSES					0.00
			<b>439,465.00</b>	<b>440,000.00</b>	<b>535.00</b>

Alaska Permanent Capital Management Co.

**CASH LEDGER**

***CITY OF CRAIG - SCHOOL FUNDS***

*From 03-01-20 To 03-31-20*

<b>Trade Date</b>	<b>Settle Date</b>	<b>Tran Code</b>	<b>Activity</b>	<b>Security</b>	<b>Amount</b>
<b>CASH RECEIVABLE</b>					
03-01-20			Beginning Balance		3,025.00
03-02-20	03-02-20	wd	Transfer to	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT	-3,025.00
<b>03-31-20</b>			<b>Ending Balance</b>		<b>0.00</b>
<b>CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT</b>					
03-01-20			Beginning Balance		23,987.88
03-02-20	03-02-20	dp	Sale	US TREASURY NOTES 1.375% Due 02-29-20	440,000.00
03-02-20	03-02-20	dp	Transfer from	CASH RECEIVABLE	3,025.00
03-03-20	03-04-20	wd	Purchase	US TREASURY BILLS 0.000% Due 07-16-20	-443,435.24
03-15-20	03-15-20	dp	Interest	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT	2.25
<b>03-31-20</b>			<b>Ending Balance</b>		<b>23,579.89</b>

# CITY OF CRAIG

Account Statement - Period Ending April 30, 2020



ALASKA PERMANENT  
CAPITAL MANAGEMENT  
Registered Investment Adviser

## ACCOUNT ACTIVITY

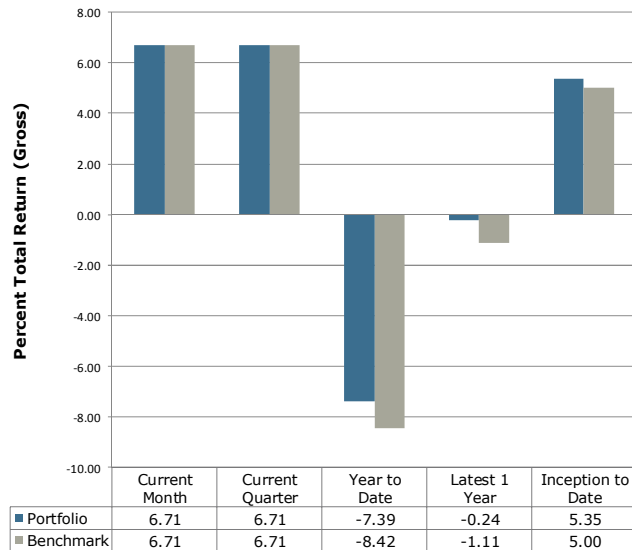
Portfolio Value on 03-31-20	9,842,622
Contributions	1,900,530
Withdrawals	-2,461
Change in Market Value	698,132
Interest	6,573
Dividends	0
Portfolio Value on 04-30-20	12,445,396

## MANAGEMENT TEAM

Client Relationship Manager:	Amber Frizzell, AIF® Amber@apcm.net
Your Portfolio Manager:	Bill Lierman, CFA®
Contact Phone Number:	907/272 -7575

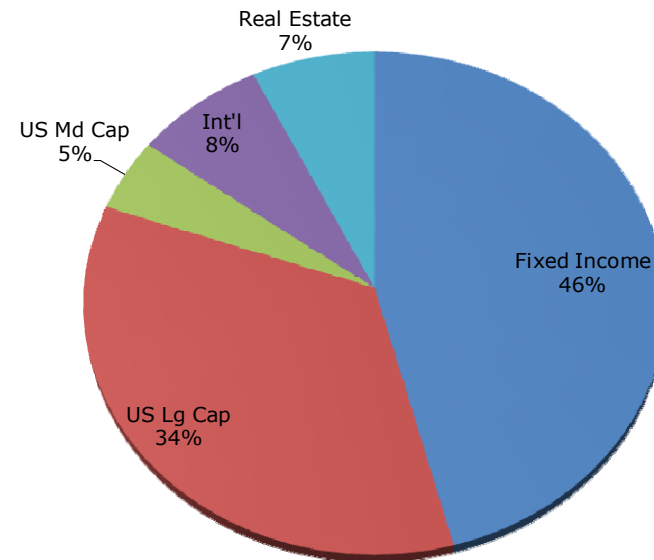
## INVESTMENT PERFORMANCE

Current Account Benchmark:  
Equity Blend



Performance is Annualized for Periods Greater than One Year

## PORTFOLIO COMPOSITION



Clients are encouraged to compare this report with the official statement from their custodian.

Alaska Permanent Capital Management Co.  
**PORTFOLIO SUMMARY AND TARGET**  
***CITY OF CRAIG***  
*April 30, 2020*

Asset Class & Target	Market Value	% Assets	Range
<b>FIXED INCOME (34%)</b>			
US Fixed Income (34.0%)	5,266,067	42.3	20% to 45%
Cash (0.0%)	443,473	3.6	na
<b>Subtotal:</b>	<b>5,709,540</b>	<b>45.9</b>	
<b>EQUITY (56%)</b>			
US Large Cap (40.0%)	4,290,390	34.5	30% to 50%
US Mid Cap (6.0%)	578,734	4.7	0% to 10%
Developed International Equity (10.0%)	959,670	7.7	5% to 15%
<b>Subtotal:</b>	<b>5,828,795</b>	<b>46.8</b>	
<b>ALTERNATIVE INVESTMENTS (10%)</b>			
Real Estate (10.0%)	907,061	7.3	5% to 15%
<b>Subtotal:</b>	<b>907,061</b>	<b>7.3</b>	
<b>TOTAL PORTFOLIO</b>	<b>12,445,396</b>	<b>100</b>	

Alaska Permanent Capital Management Co.  
**PORTFOLIO APPRAISAL**  
**CITY OF CRAIG**  
*April 30, 2020*

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
<b>FNMA &amp; FHLMC</b>									
2,999	FHLMC POOL G14203 4.000% Due 04-01-26 Accrued Interest	104.56	3,135	105.97	3,178	0.03	120	10	0.77
					10	0.00			
			3,135		3,188	0.03		10	
<b>CORPORATE BONDS</b>									
50,000	AMERICAN EXPRESS CREDIT 2.250% Due 05-05-21	99.92	49,962	101.05	50,523	0.41	1,125	550	1.21
50,000	GILEAD SCIENCES INC 1.950% Due 03-01-22	96.28	48,141	101.77	50,885	0.41	975	162	0.97
50,000	UNITEDHEALTH GROUP INC 2.875% Due 03-15-22	102.56	51,279	103.33	51,664	0.42	1,437	184	1.08
50,000	COMCAST CORP 2.850% Due 01-15-23	101.83	50,917	105.26	52,632	0.42	1,425	420	0.88
50,000	AFLAC INC 3.625% Due 06-15-23	106.03	53,016	107.33	53,666	0.43	1,812	685	1.23
50,000	BANK OF NEW YORK MELLON 2.200% Due 08-16-23	97.83	48,916	102.50	51,251	0.41	1,100	229	1.42
50,000	JPMORGAN CHASE & CO 3.875% Due 02-01-24	105.18	52,590	108.63	54,314	0.44	1,937	484	1.50
50,000	METLIFE INC 3.600% Due 04-10-24	105.46	52,732	109.15	54,573	0.44	1,800	105	1.22
50,000	WELLS FARGO & COMPANY 3.300% Due 09-09-24	99.88	49,941	106.32	53,160	0.43	1,650	238	1.79
50,000	APPLIED MATERIALS INC 3.900% Due 10-01-25	107.96	53,978	112.80	56,400	0.45	1,950	162	1.44
50,000	TARGET CORP 2.500% Due 04-15-26	96.45	48,223	107.97	53,984	0.43	1,250	56	1.11
25,000	INTEL CORP 2.450% Due 11-15-29 Accrued Interest	105.68	26,420	105.94	26,484	0.21	612	272	1.77
					3,548	0.03			
			586,118		613,087	4.93		3,548	
<b>DOMESTIC LARGE CAP EQUITY FUNDS/ETF</b>									
14,770	SPDR S&P 500 ETF	158.20	2,336,657	290.48	4,290,390	34.47	NA		
<b>DOMESTIC MID CAP EQUITY FUNDS/ETF</b>									
3,525	ISHARES CORE S&P MIDCAP 400 ETF	113.79	401,108	164.18	578,734	4.65	NA		
<b>INTERNATIONAL EQUITY FUNDS/ETF</b>									
9,040	ISHARES ETF CORE MSCI EAFE	57.02	515,477	53.03	479,391	3.85	NA		
8,490	ISHARES MSCI EAFE INDEX FUND	61.77	524,389	56.57	480,279	3.86	NA		
			1,039,866		959,670	7.71			

Alaska Permanent Capital Management Co.  
**PORTFOLIO APPRAISAL**  
**CITY OF CRAIG**  
*April 30, 2020*

<u>Quantity</u>	<u>Security</u>	<u>Average Cost</u>	<u>Total Average Cost</u>	<u>Price</u>	<u>Market Value</u>	<u>Pct. Assets</u>	<u>Annual Income</u>	<u>Accrued Interest</u>	<u>Yield to Maturity</u>
<b>REAL ESTATE &amp; INFRASTRUCTURE</b>									
13,025	JPMORGAN BETABUILDERS MSCI US REIT ETF	76.63	998,068	69.64	907,061	7.29	NA		
<b>U.S. TREASURY</b>									
25,000	US TREASURY NOTES 1.750% Due 10-31-20	99.91	24,978	100.80	25,200	0.20	437	1	0.15
150,000	US TREASURY NOTES 2.125% Due 08-15-21	99.45	149,169	102.50	153,756	1.24	3,187	666	0.19
75,000	US TREASURY NOTES 2.000% Due 10-31-21	99.92	74,943	102.68	77,007	0.62	1,500	4	0.21
100,000	US TREASURY NOTES 2.000% Due 11-15-21	99.76	99,762	102.77	102,766	0.83	2,000	923	0.20
175,000	US TREASURY NOTES 2.625% Due 12-15-21	101.92	178,364	103.94	181,891	1.46	4,594	1,732	0.20
100,000	US TREASURY NOTES 1.875% Due 01-31-22	100.10	100,101	102.91	102,914	0.83	1,875	469	0.21
350,000	US TREASURY NOTES 0.375% Due 03-31-22	100.30	351,067	100.33	351,148	2.82	1,312	111	0.20
200,000	US TREASURY NOTES 2.125% Due 06-30-22	98.10	196,209	104.15	208,296	1.67	4,250	1,424	0.21
100,000	US TREASURY NOTES 1.750% Due 07-15-22	99.89	99,894	103.39	103,391	0.83	1,750	514	0.21
150,000	US TREASURY NOTES 1.625% Due 11-15-22	97.79	146,686	103.52	155,284	1.25	2,437	1,125	0.23
80,000	US TREASURY NOTES 2.625% Due 02-28-23	99.73	79,783	106.72	85,378	0.69	2,100	354	0.24
415,000	US TREASURY NOTES 0.250% Due 04-15-23	99.96	414,853	100.03	415,145	3.34	1,037	45	0.24
125,000	US TREASURY NOTES 2.500% Due 08-15-23	98.87	123,590	107.31	134,141	1.08	3,125	652	0.27
170,000	US TREASURY NOTES 1.375% Due 08-31-23	99.92	169,867	103.68	176,249	1.42	2,337	394	0.27
115,000	US TREASURY NOTES 2.125% Due 03-31-24	98.81	113,630	107.09	123,149	0.99	2,444	212	0.30
100,000	US TREASURY NOTES 2.375% Due 08-15-24	100.23	100,227	108.71	108,711	0.87	2,375	496	0.33
130,000	US TREASURY NOTES 2.125% Due 11-30-24	102.02	132,625	108.12	140,562	1.13	2,762	1,155	0.34
75,000	US TREASURY NOTES 2.000% Due 02-15-25	100.63	75,469	107.81	80,857	0.65	1,500	313	0.36
400,000	US TREASURY NOTES 0.500% Due 03-31-25	100.67	402,671	100.74	402,952	3.24	2,000	169	0.35
175,000	US TREASURY NOTES 2.000% Due 08-15-25	98.46	172,301	108.38	189,663	1.52	3,500	731	0.40
100,000	US TREASURY NOTES 2.500% Due 02-28-26	100.40	100,397	111.84	111,836	0.90	2,500	421	0.44



Alaska Permanent Capital Management Co.  
**PORTFOLIO APPRAISAL**  
**CITY OF CRAIG**  
*April 30, 2020*

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
60,000	US TREASURY NOTES 1.625% Due 05-15-26	101.05	60,633	106.93	64,160	0.52	975	450	0.46
200,000	US TREASURY NOTES 2.000% Due 11-15-26	98.10	196,199	109.69	219,382	1.76	4,000	1,846	0.49
270,000	US TREASURY NOTES 0.625% Due 03-31-27	100.84	272,261	100.79	272,130	2.19	1,687	143	0.51
125,000	US TREASURY NOTES 2.250% Due 11-15-27	95.20	118,996	112.71	140,889	1.13	2,812	1,298	0.53
80,000	US TREASURY NOTES 3.125% Due 11-15-28	102.02	81,613	121.20	96,962	0.78	2,500	1,154	0.58
125,000	US TREASURY NOTES 2.625% Due 02-15-29	99.82	124,774	117.43	146,792	1.18	3,281	685	0.59
50,000	US TREASURY NOTES 1.625% Due 08-15-29	99.35	49,673	109.26	54,631	0.44	812	170	0.60
70,000	US TREASURY NOTES 1.750% Due 11-15-29	99.71	69,800	110.57	77,402	0.62	1,225	565	0.61
80,000	US TREASURY NOTES 1.500% Due 02-15-30 Accrued Interest	108.59	86,871	108.30	86,644	0.70	1,200	251	0.62
					18,475	0.15			
			4,367,406		4,607,767	37.02		18,475	
<b>AGENCIES</b>									
40,000	FHLB 1.625% Due 03-12-27 Accrued Interest	104.31	41,722	104.68	41,872	0.34	650	153	0.92
					153	0.00			
			41,722		42,026	0.34		153	
<b>CASH AND EQUIVALENTS</b>									
	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT		443,473		443,473	3.56			
<b>TOTAL PORTFOLIO</b>			<b>10,217,555</b>		<b>12,445,396</b>	<b>100</b>	<b>85,364</b>	<b>22,186</b>	

Alaska Permanent Capital Management Co.  
**TRANSACTION SUMMARY**  
**CITY OF CRAIG**  
*From 04-01-20 To 04-30-20*

Trade Date	Settle Date	Security	Quantity	Trade Amount
<b>PURCHASES</b>				
AGENCIES				
04-15-20	04-16-20	FHLB 1.625% Due 03-12-27	40,000	41,722.20
U.S. TREASURY				
04-23-20	04-24-20	US TREASURY NOTES 1.500% Due 02-15-30	80,000	86,871.24
04-23-20	04-24-20	US TREASURY NOTES 0.625% Due 03-31-27	270,000	272,261.39
04-23-20	04-24-20	US TREASURY NOTES 0.250% Due 04-15-23	415,000	414,852.73
04-23-20	04-24-20	US TREASURY NOTES 0.375% Due 03-31-22	350,000	351,067.44
04-23-20	04-24-20	US TREASURY NOTES 0.500% Due 03-31-25	400,000	402,670.99
				1,527,723.79
				<b>1,569,445.99</b>
<b>DEPOSITS AND EXPENSES</b>				
CASH AND EQUIVALENTS				
04-17-20	04-17-20	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT		1,538,754.84
04-23-20	04-23-20	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT		361,774.79
				1,900,529.63
MANAGEMENT FEES				
04-30-20	04-30-20	MANAGEMENT FEES		3,111.35
				<b>1,903,640.98</b>

Alaska Permanent Capital Management Co.  
**TRANSACTION SUMMARY**  
***CITY OF CRAIG***  
*From 04-01-20 To 04-30-20*

Trade Date	Settle Date	Security	Quantity	Trade Amount
<b>INTEREST</b>				
CASH AND EQUIVALENTS				
04-15-20	04-15-20	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT		0.32
CORPORATE BONDS				
04-01-20	04-01-20	APPLIED MATERIALS INC 3.900% Due 10-01-25		975.00
04-10-20	04-10-20	METLIFE INC 3.600% Due 04-10-24		900.00
04-15-20	04-15-20	TARGET CORP 2.500% Due 04-15-26		625.00
				2,500.00
FNMA & FHLMC				
04-15-20	04-15-20	FHLMC POOL G14203 4.000% Due 04-01-26		10.25
U.S. TREASURY				
04-30-20	04-30-20	US TREASURY NOTES 2.000% Due 10-31-21		750.00
04-30-20	04-30-20	US TREASURY NOTES 1.750% Due 10-31-20		218.75
				968.75
				<b>3,479.32</b>
<b>PRINCIPAL PAYDOWNS</b>				
FNMA & FHLMC				
04-15-20	04-15-20	FHLMC POOL G14203 4.000% Due 04-01-26	76.33	76.33
				<b>76.33</b>

Alaska Permanent Capital Management Co.  
**TRANSACTION SUMMARY**  
***CITY OF CRAIG***  
*From 04-01-20 To 04-30-20*

Trade Date	Settle Date	Security	Quantity	Trade Amount
<b>PURCHASED ACCRUED INTEREST</b>				
AGENCIES				
04-15-20	04-16-20	FHLB 1.625% Due 03-12-27		126.39
U.S. TREASURY				
04-23-20	04-24-20	US TREASURY NOTES 1.500% Due 02-15-30		227.47
04-23-20	04-24-20	US TREASURY NOTES 0.625% Due 03-31-27		110.66
04-23-20	04-24-20	US TREASURY NOTES 0.250% Due 04-15-23		25.51
04-23-20	04-24-20	US TREASURY NOTES 0.375% Due 03-31-22		86.07
04-23-20	04-24-20	US TREASURY NOTES 0.500% Due 03-31-25		131.15
				580.86
				<b>707.25</b>
<b>SALES, MATURITIES, AND CALLS</b>				
U.S. TREASURY				
04-15-20	04-16-20	US TREASURY NOTES 1.625% Due 05-15-26	40,000	42,792.84
				<b>42,792.84</b>
<b>SOLD ACCRUED INTEREST</b>				
U.S. TREASURY				
04-15-20	04-16-20	US TREASURY NOTES 1.625% Due 05-15-26		273.21
				<b>273.21</b>
<b>WITHDRAW</b>				
CASH AND EQUIVALENTS				
04-17-20	04-17-20	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT		2,460.66

Alaska Permanent Capital Management Co.  
TRANSACTION SUMMARY  
**CITY OF CRAIG**  
*From 04-01-20 To 04-30-20*

<b>Trade Date</b>	<b>Settle Date</b>	<b>Security</b>	<b>Quantity</b>	<b>Trade Amount</b>
04-30-20	04-30-20	DIVIDEND ACCRUAL		20,450.88
				22,911.54
				<b>22,911.54</b>

Alaska Permanent Capital Management Co.  
**REALIZED GAINS AND LOSSES**  
***CITY OF CRAIG***  
*From 04-01-20 Through 04-30-20*

<b>Date</b>	<b>Quantity</b>	<b>Security</b>	<b>Avg. Cost Basis</b>	<b>Proceeds</b>	<b>Gain Or Loss</b>
04-15-20	40,000	US TREASURY NOTES 1.625% Due 05-15-26	40,421.88	42,792.84	2,370.96
04-15-20	76.33	FHLMC POOL G14203 4.000% Due 04-01-26	79.81	76.33	-3.48
TOTAL GAINS					2,370.96
TOTAL LOSSES					-3.48
			<b>40,501.69</b>	<b>42,869.17</b>	<b>2,367.48</b>

Alaska Permanent Capital Management Co.

**CASH LEDGER**

***CITY OF CRAIG***

*From 04-01-20 To 04-30-20*

<b>Trade Date</b>	<b>Settle Date</b>	<b>Tran Code</b>	<b>Activity</b>	<b>Security</b>	<b>Amount</b>
<b>CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT</b>					
04-01-20			Beginning Balance		48,484.87
04-01-20	04-01-20	dp	Interest	APPLIED MATERIALS INC 3.900% Due 10-01-25	975.00
04-10-20	04-10-20	dp	Interest	METLIFE INC 3.600% Due 04-10-24	900.00
04-15-20	04-16-20	wd	Purchase	FHLB 1.625% Due 03-12-27	-41,722.20
04-15-20	04-16-20	wd	Accrued Interest	FHLB 1.625% Due 03-12-27	-126.39
04-15-20	04-16-20	dp	Sale	US TREASURY NOTES 1.625% Due 05-15-26	42,792.84
04-15-20	04-16-20	dp	Accrued Interest	US TREASURY NOTES 1.625% Due 05-15-26	273.21
04-15-20	04-15-20	dp	Interest	TARGET CORP 2.500% Due 04-15-26	625.00
04-15-20	04-15-20	dp	Interest	FHLMC POOL G14203 4.000% Due 04-01-26	10.25
04-15-20	04-15-20	dp	Paydown	FHLMC POOL G14203 4.000% Due 04-01-26	76.33
04-15-20	04-15-20	dp	Interest	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT	0.32
04-17-20	04-17-20	dp	Addition	to Portfolio	1,538,754.84
04-17-20	04-17-20	wd	Withdrawal	from Portfolio	-2,460.66
04-23-20	04-23-20	dp	Addition	to Portfolio	361,774.79
04-23-20	04-24-20	wd	Purchase	US TREASURY NOTES 1.500% Due 02-15-30	-86,871.24
04-23-20	04-24-20	wd	Accrued Interest	US TREASURY NOTES 1.500% Due 02-15-30	-227.47
04-23-20	04-24-20	wd	Purchase	US TREASURY NOTES 0.625% Due 03-31-27	-272,261.39

Alaska Permanent Capital Management Co.

**CASH LEDGER**

***CITY OF CRAIG***

*From 04-01-20 To 04-30-20*

<b>Trade Date</b>	<b>Settle Date</b>	<b>Tran Code</b>	<b>Activity</b>	<b>Security</b>	<b>Amount</b>
04-23-20	04-24-20	wd	Accrued Interest	US TREASURY NOTES 0.625% Due 03-31-27	-110.66
04-23-20	04-24-20	wd	Purchase	US TREASURY NOTES 0.250% Due 04-15-23	-414,852.73
04-23-20	04-24-20	wd	Accrued Interest	US TREASURY NOTES 0.250% Due 04-15-23	-25.51
04-23-20	04-24-20	wd	Purchase	US TREASURY NOTES 0.375% Due 03-31-22	-351,067.44
04-23-20	04-24-20	wd	Accrued Interest	US TREASURY NOTES 0.375% Due 03-31-22	-86.07
04-23-20	04-24-20	wd	Purchase	US TREASURY NOTES 0.500% Due 03-31-25	-402,670.99
04-23-20	04-24-20	wd	Accrued Interest	US TREASURY NOTES 0.500% Due 03-31-25	-131.15
04-30-20	04-30-20	dp	Transfer from	DIVIDEND ACCRUAL	20,450.88
04-30-20	04-30-20	dp	Interest	US TREASURY NOTES 2.000% Due 10-31-21	750.00
04-30-20	04-30-20	dp	Interest	US TREASURY NOTES 1.750% Due 10-31-20	218.75
<b>04-30-20</b>			<b>Ending Balance</b>		<b>443,473.18</b>
<b>DIVIDEND ACCRUAL</b>					
04-01-20			Beginning Balance		20,450.88
04-30-20	04-30-20	wd	Transfer to	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT	-20,450.88
<b>04-30-20</b>			<b>Ending Balance</b>		<b>0.00</b>



# CITY OF CRAIG - SCHOOL FUNDS

Account Statement - Period Ending April 30, 2020



ALASKA PERMANENT  
CAPITAL MANAGEMENT  
Registered Investment Adviser

## ACCOUNT ACTIVITY

Portfolio Value on 03-31-20	2,931,630
Contributions	0
Withdrawals	0
Change in Market Value	-1,690
Interest	2,112
Dividends	0
Portfolio Value on 04-30-20	2,932,052

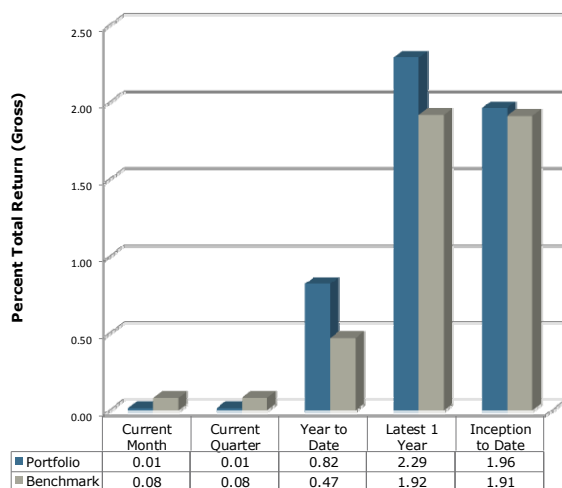
## MANAGEMENT TEAM

Client Relationship Manager:	Amber Frizzell, AIF® Amber@apcm.net
Your Portfolio Manager:	Bill Llerman, CFA®
Contact Phone Number:	907/272-7575

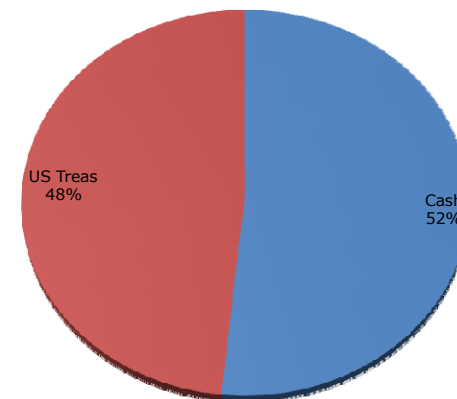
## PORTFOLIO COMPOSITION

## INVESTMENT PERFORMANCE

Current Account Benchmark:  
T-Bill shown for reference



Performance is Annualized for Periods Greater than One Year



## Fixed Income Portfolio Statistics

Average Quality: AAA Yield to Maturity: 0.15% Average Maturity: 0.31 Yrs

Alaska Permanent Capital Management Co.  
**PORTFOLIO APPRAISAL**  
**CITY OF CRAIG - SCHOOL FUNDS**  
*April 30, 2020*

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
<b>U.S. TREASURY</b>									
565,000	US TREASURY NOTE 1.500% Due 06-15-20	99.96	564,794	100.16	565,883	19.30	8,475	3,195	0.25
340,000	US TREASURY NOTES 1.500% Due 08-15-20	99.63	338,740	100.41	341,408	11.64	5,100	1,065	0.09
500,000	US TREASURY NOTES 1.750% Due 11-15-20	100.11	500,561	100.88	504,415	17.20	8,750	4,038	0.12
	Accrued Interest				8,299	0.28			
			1,404,096		1,420,004	48.43		8,299	
<b>TREASURY BILLS</b>									
445,000	US TREASURY BILLS 0.000% Due 07-16-20	99.65	443,435	99.98	444,897	15.17	NA	0	0.11
560,000	US TREASURY BILLS 0.000% Due 07-30-20	99.25	555,777	99.97	559,860	19.09	NA	0	0.10
490,000	US TREASURY BILLS 0.000% Due 10-15-20	99.92	489,605	99.94	489,716	16.70	NA	0	0.13
			1,488,818		1,494,472	50.97		0	
<b>CASH AND EQUIVALENTS</b>									
	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT		17,575		17,575	0.60			
<b>TOTAL PORTFOLIO</b>			<b>2,910,488</b>		<b>2,932,052</b>	<b>100</b>	<b>22,325</b>	<b>8,299</b>	

Alaska Permanent Capital Management Co.  
**TRANSACTION SUMMARY**  
***CITY OF CRAIG - SCHOOL FUNDS***  
*From 04-01-20 To 04-30-20*

Trade Date	Settle Date	Security	Quantity	Trade Amount
<b>PURCHASES</b>				
TREASURY BILLS				
04-16-20	04-17-20	US TREASURY BILLS 0.000% Due 10-15-20	490,000	489,604.86
				<b>489,604.86</b>
<b>INTEREST</b>				
CASH AND EQUIVALENTS				
04-15-20	04-15-20	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT		0.20
U.S. TREASURY				
04-15-20	04-15-20	US TREASURY NOTES 1.500% Due 04-15-20		3,600.00
				<b>3,600.20</b>
<b>SALES, MATURITIES, AND CALLS</b>				
U.S. TREASURY				
04-15-20	04-15-20	US TREASURY NOTES 1.500% Due 04-15-20	480,000	480,000.00
				<b>480,000.00</b>

Alaska Permanent Capital Management Co.  
**REALIZED GAINS AND LOSSES**  
***CITY OF CRAIG - SCHOOL FUNDS***  
*From 04-01-20 Through 04-30-20*

<b>Date</b>	<b>Quantity</b>	<b>Security</b>	<b>Avg. Cost Basis</b>	<b>Proceeds</b>	<b>Gain Or Loss</b>
04-15-20	480,000	US TREASURY NOTES 1.500% Due 04-15-20	481,517.07	480,000.00	-1,517.07
TOTAL GAINS					0.00
TOTAL LOSSES					-1,517.07
			<b>481,517.07</b>	<b>480,000.00</b>	<b>-1,517.07</b>

Alaska Permanent Capital Management Co.  
**CASH LEDGER**  
**CITY OF CRAIG - SCHOOL FUNDS**  
*From 04-01-20 To 04-30-20*

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
<b>CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT</b>					
04-01-20			Beginning Balance		23,579.89
04-15-20	04-15-20	dp	Interest	US TREASURY NOTES 1.500% Due 04-15-20	3,600.00
04-15-20	04-15-20	dp	Sale	US TREASURY NOTES 1.500% Due 04-15-20	480,000.00
04-15-20	04-15-20	dp	Interest	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT	0.20
04-16-20	04-17-20	wd	Purchase	US TREASURY BILLS 0.000% Due 10-15-20	-489,604.86
<b>04-30-20</b>			<b>Ending Balance</b>		<b>17,575.23</b>

## **CITY OF CRAIG MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: May 14, 2020  
RE: Ordinance No. 726

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Attached you will find Ordinance No. 726. As I stated in my April 29 memo to the council, the ordinance, if approved, adopts what is called the “Remote Sellers Sales Tax Code” into the Craig Municipal Code. Adoption of the code is necessary to participate in the Remote Sellers Sales Tax Commission. The commission’s purpose is to create a single sales tax code applicable to online vendors doing business in Alaska.

At its April 2 meeting, the city council adopted Resolution 20-08, joining the Alaska Remote Sellers Sales Tax Commission. Approval of Ordinance No. 726 is the next step in the process to make the City of Craig an active member in the commission by adopting the same uniform online sales tax code as the other commission member communities.

The proposed ordinance adds a new section (3.10) to the city’s sale tax code. This action is designed to meet a condition in a US Supreme Court decision that appears to require a state have a uniform sales tax code in place in order to compel collection of sales tax by online vendors. The new code section is long (nearly 20 pages) but needed to ensure compliance with the court’s ruling to enable online vendors to more easily comply with the requirement to collect and remit sales tax. Even with the uniform code requirement, it appears that the city’s existing exemptions will apply equally to online sales as it does with conventional retail sales.

Based on the council’s past discussion regarding this topic, and its adoption of Resolution 20-08, the council should take the next step in this formal process and adopt Ordinance 726.

### **Recommendation**

Adopt Ordinance No. 726 at second reading.

**CITY OF CRAIG  
ORDINANCE No. 726**

ADOPTING THE REMOTE SELLER SALES TAX CODE

Section 1. Classification. This ordinance is of a general and permanent nature and the code sections adopted hereby shall become a part of the code of the City of Craig, Alaska.

Section 2. Severability. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Effective Date. This ordinance shall be effective July 1, 2020.

Section 4. Findings. The Craig City Council finds the following:

**WHEREAS**, the inability to effectively collect sales tax on sales of property, products or services transferred or delivered into Alaska is seriously eroding the sales tax base of communities, causing revenue losses and imminent harm to residents through the loss of critical funding for local public services and infrastructure; and,

**WHEREAS**, the harm from the loss of revenue is especially serious in Alaska because the State has no income tax, and sales tax revenues are one of the primary sources of funding for services provided by local governments; and

**WHEREAS**, the failure to collect sales tax on remote sales creates market distortions by creating an unfair tax advantage for businesses that limit their physical presence in the taxing jurisdictions but still sell goods and services to consumers, which becomes easier and more prevalent as technology advances; and

**WHEREAS**, the failure to tax remote sales results in the creation of incentives for businesses to avoid a physical presence in the state and its respective communities, resulting in fewer jobs and increasing the share of taxes to those consumers who buy from competitors with a physical presence in the state and its cities; and

**WHEREAS**, the structural advantages for remote sellers, including the absence of point-of-sale tax collection, along with the general growth of online retail, make clear that erosion of the sales tax base is and has been occurring; and

**WHEREAS**, remote sellers who make a substantial number of deliveries into or have large gross revenues from Alaska benefit extensively from the Alaska market, affecting the economy as well as burdening local infrastructure and services; and

**WHEREAS**, delivery of goods and services into local municipalities rely on and burden local transportation systems, emergency and police services, waste disposal, utilities and other infrastructure and services; and,

**WHEREAS**, given modern computing and software options, it is neither unusually difficult nor burdensome for remote sellers to collect and remit sales taxes associated with sales into Alaska taxing jurisdictions; and

**WHEREAS**, due to a recent decision by the United States Supreme Court and the lack of a state sales tax it is appropriate for the municipalities to collectively amend their sales tax codes to account for remote sellers who do not have a physical presence either in the State of Alaska or in a specific taxing jurisdiction, but do have a taxable connection with the State of Alaska or taxing jurisdiction; and

**WHEREAS**, this ordinance is not retroactive in its application; and

**WHEREAS**, this ordinance provides a safe harbor to those who transact limited sales in Alaska; and

**WHEREAS**, amending local sales tax codes reflects the 2018 Supreme Court “*Wayfair*” decision to allow for the application of the taxing jurisdiction’s sales tax code requirements to sellers without a physical presence in the State of Alaska or taxing jurisdiction; and

**WHEREAS**, the intent is to levy municipal sales tax to the maximum limit of federal and state constitutional doctrines; and

**WHEREAS**, the [insert name of municipality] has entered into a cooperative agreement with other local governments called the Alaska Intergovernmental Remote Seller Sales Tax Agreement (“the Agreement”); and

**WHEREAS**, the terms of the Agreement require adoption of certain uniform provisions for collection and remittance of municipal sales tax applicable to sales made by remote sellers similar to the Streamlined Sales and Use Tax Agreement.

Section 5. Action. This ordinance adopts the Remote Seller Sales Tax Code detailed in Addendum A.

Passed and approved this \_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Mayor Tim O’Connor

Attest \_\_\_\_\_  
Jillian Carl, City Clerk



**ORDINANCE No. 726**  
**ADDENDUM A**  
**REMOTE SELLER SALES TAX CODE & COMMON DEFINITIONS**

Title 3 of the Craig Municipal Code is hereby amended by adopting a new Section 3.10 to read as follows:

**3.10 ALASKA REMOTE SELLER SALES TAX CODE**

**3.10.010 – Interpretation**

- A. In order to prevent evasion of the sales taxes and to aid in its administration, it is presumed that all sales and services by a person or entity engaging in business are subject to the sales tax.
- B. The application of the tax levied under this Code shall be broadly construed and shall favor inclusion rather than exclusion.
- C. Exemptions from the tax levied under this Code or from the taxing jurisdiction shall be narrowly construed against the claimant and allowed only when such exemption clearly falls within an exemption defined in this Code or the taxing jurisdiction's Code.
- D. The scope of this Code shall apply to remote sellers or marketplace facilitators, delivering products or services to Member municipalities adopting this Code, within the state of Alaska.

**3.10.020 – Title to Collected Sales Tax**

Upon collection by the remote seller or marketplace facilitator, title to collected sales tax vests in the Commission for remittance to the taxing jurisdiction. The remote seller or marketplace facilitator remits collected sales tax to the Commission on behalf of the taxing jurisdiction, from whom that power is delegated, in trust for the taxing jurisdiction and is accountable to the Commission and taxing jurisdiction.

**3.10.030 – Imposition – Rate**

- A. To the fullest extent permitted by law, a sales tax is levied and assessed on all remote sales where delivery is made within the local taxing jurisdiction(s) that is a Member, within the state of Alaska.
- B. The applicable tax shall be added to the sales price.
- C. The tax rate added to the sale price shall be the tax rate for the taxing jurisdiction(s) where the property or product is sold, or service that was rendered is received, and based on the date the property or product was sold or the date the service rendered was received.
- D. An Address and Tax Rate Database will be made available to remote sellers and marketplace facilitators, indicating the appropriate tax rate to be applied.
- E. The tax assessed shall be consistent with relevant jurisdictional tax caps, single unit sales, and exemptions.
- F. When a sale is made on an installment basis, the applicable sales tax shall be collected at each payment, calculated at the sales tax rate in effect, and with the cap applied, at

the time of the original sale or the date the service is rendered, based on the local jurisdictions' Code(s).

- G. When a sales transaction involves placement of a single order with multiple deliveries made at different points in time that are separately invoiced, the applicable sales tax shall be collected on each separately invoiced delivery, calculated at the sales tax rate in effect, and with the cap applied, at the time of the original sale or the date the service is rendered.

#### 3.10.040 – Obligation to Collect Tax - Threshold Criteria

- A. Any remote seller or marketplace facilitator must collect and remit sales tax in compliance with all applicable procedures and requirements of law, provided the remote seller or marketplace facilitator has met one of the following Threshold Criteria (“Threshold Criteria”) in the previous calendar year:
  - 1. The remote seller’s statewide gross sales, including the seller’s marketplace facilitator’s statewide gross sales, from the sale(s) of property, products or services delivered into the state meets or exceeds one hundred thousand dollars (\$100,000); or
  - 2. The remote seller, including the seller’s marketplace facilitator, sold property, products, or services delivered into the state in two hundred (200) or more separate transactions.
- B. For purposes of determining whether the Threshold Criteria are met, remote sellers or marketplace facilitators shall include all gross sales, from all sales of goods, property, products, or services rendered within the state of Alaska.

#### 3.10.050 – No Retroactive Application

The obligations to collect and remit sales tax required by this chapter are applicable at the effective date of the ordinance adopting the Alaska Remote Seller Sales Tax Code.

#### 3.10.060 – Payment and Collection

Pursuant to this Code, taxes imposed shall be due and paid by the buyer to the remote seller or marketplace facilitator at the time of the sale of property or product or date service is rendered, or with respect to credit transactions, at the time of collection. It shall be the duty of each remote seller or marketplace facilitator to collect the taxes from the buyer and to hold those taxes in trust for the taxing authority of the taxing jurisdiction. Failure by the remote seller or marketplace facilitator to collect the tax shall not affect the remote seller’s, or marketplace facilitator’s, responsibility for payment to the Commission.

#### 3.10.070 – Remote Seller and Marketplace Facilitator Registration Requirement

- A. If a remote seller’s gross statewide sales within the last calendar year meets or exceeds the Threshold Criteria, the remote seller shall register with the Commission. If a marketplace facilitator’s gross statewide sales within the last calendar year meets or exceeds the Threshold Criteria, the marketplace facilitator shall register with the Commission.
- B. A remote seller or marketplace facilitator meeting the Threshold Criteria shall apply for a certificate of sales tax registration within thirty (30) calendar days of the effective date of this Code or within thirty (30) calendar days of meeting the Threshold Criteria

whichever occurs second. Registration shall be to the Commission on forms prescribed by the Commission.

- C. An extension may be applied for and granted based on criteria established by the Commission, based on evidence produced to describe time necessary to update software or other technical needs, not to exceed ninety (90) days.
- D. Upon receipt of a properly executed application, the Commission shall confirm registration, stating the legal name of the remote seller or marketplace facilitator, the primary address, and the primary sales tax contact name and corresponding title. The failure of the Commission to confirm registration does not relieve the remote seller or marketplace facilitator of its duty to collect and remit sales tax.
- E. Each business entity shall have a sales tax registration under the advertised name.
- F. The sales tax certificate is non-assignable and non-transferable.

### 3.10.080 – Tax Filing Schedule

- A. All remote sellers or marketplace facilitators subject to this Code shall file a return on a form or in a format prescribed by the Commission and shall pay the tax due.
- B. Filing of sales tax returns are due monthly; quarterly filing is optional upon application and approval by the Commission, consistent with the code of the local jurisdiction.
- C. A remote seller or marketplace facilitator who has filed a sales tax return will be presumed to be making sales in successive periods unless the remote seller or marketplace facilitator files a return showing a termination or sale of the business in accordance with this Code.
- D. The completed and executed return, together with the remittance in full for the tax due, shall be transmitted to and must be received by the Commission on or before midnight Alaska Standard Time on the due date. Monthly returns are due the last day of the immediate subsequent month. Quarterly returns are due as follows:

Quarter 1 (January – March)	April 30
Quarter 2 (April – June)	July 31
Quarter 3 (July – September)	October 31
Quarter 4 (October – December)	January 31
- E. If the last day of the month following the end of the filing period falls on a Saturday, Sunday, federal holiday or Alaska state holiday, the due date will be extended until the next business day immediately following.
- F. Any remote seller or marketplace facilitator holding a remote seller registration shall file a sales tax return even though no tax may be due. This return shall show why no tax is due. If the remote seller or marketplace facilitator intends to continue doing business a return shall be filed reflecting no sales and a confirmation of the intent to continue doing business and shall continue to do so each filing period until the entity ceases doing business or sells the business. If the remote seller or marketplace facilitator intends to cease doing business, a final return shall be filed along with a statement of business closure.
- G. The remote seller or marketplace facilitator shall prepare the return and remit sales tax to the Commission on the same basis, cash or accrual, which the remote seller or marketplace facilitator uses in preparing its federal income tax return. The remote seller or marketplace facilitator shall sign the return, and transmit the return, with the

amount of sales tax and any applicable penalty, interest or fees that it shows to be due, to the Commission.

- H. Remote sellers and marketplace facilitators failing to comply with the provisions of this Code shall, if required by the Commission and if quarterly filing has been chosen, file and transmit collected sales taxes more frequently until such time as they have demonstrated to the Commission that they are or will be able to comply with the provisions of this Code. Six (6) consecutive on-time sales tax filings, with full remittance of the sales taxes collected, shall establish the presumption of compliance and return to quarterly filing.
- I. The preparer of the sales tax return shall keep and maintain all documentation supporting any and all claims of exempted sales and purchases. Documentation for exempted sales should include the number of the exemption authorization card presented by the buyer at the time of the purchase; the date of the purchase; the name of the person making the purchase; the organization making the purchase; the total amount of the purchase; and the amount of sales tax exempted. This documentation shall be made available to the Commission upon request. Failure to provide such documentation may invalidate that portion of the claim of exemption for which no documentation is provided.

#### 3.10.090 – Estimated Tax

- A. In the event the Commission is unable to ascertain the tax due from a remote seller or marketplace facilitator by reason of the failure of the remote seller or marketplace facilitator to keep accurate books, allow inspection, or file a return, or by reason of the remote seller or marketplace facilitator filing a false or inaccurate return, the Commission may make an estimate of the tax due based on any evidence in their possession.
- B. Sales taxes may also be estimated, based on any information available, whenever the Commission has reasonable cause to believe that any information on a sales tax return is not accurate.
- C. A remote seller's or marketplace facilitator's tax liability under this Code may be determined and assessed for a period of six (6) years after the date the return was filed or due to be filed with the Commission. No civil action for the collection of such tax may be commenced after the expiration of the six- (6-) year period except an action for taxes, penalties and interest due from those filing periods that are the subject of a written demand or assessment made within the six- (6-) year period, unless the remote seller or marketplace facilitator waives the protection of this section.
- D. The Commission shall notify the remote seller or marketplace facilitator, in writing, that the Commission has estimated the amount of sales tax that is due from the remote seller or marketplace facilitator. The Commission shall serve the notice on the remote seller or marketplace facilitator by delivering the notice to the remote seller's or marketplace facilitator's place of business, or by mailing the notice by certified mail, return receipt requested, to the remote seller's or marketplace facilitator's last known mailing address. A remote seller or marketplace facilitator who refuses the certified mail will be considered to have accepted the certified mail for purposes of service.
- E. The Commission's estimate of the amount of sales tax that is due from a remote seller or marketplace facilitator shall become a final determination of the amount that is due unless the remote seller or marketplace facilitator, within thirty (30) calendar days after service of notice of the estimated tax:

1. Files a complete and accurate sales tax return for the delinquent periods supported by satisfactory records and accompanied by a full remittance of all taxes, interest, penalties, costs and other charges due; or
  2. Files a written notice with the Commission appealing the estimated tax amount in accordance with the appeal procedures.
  3. Arguments or reasons for failure to timely file a return and remit taxes collected shall not be considered a valid basis or grounds for granting an appeal. The basis and grounds for granting an appeal of an assessment are:
    - a. The identity of the remote seller or marketplace facilitator is in error;
    - b. The amount of the debt is erroneous due to a clerical error (and the nature and extent of the error is specified in the request for appeal); or
    - c. The remote seller or marketplace facilitator disputes the denial of exemption(s) for certain sales.
- F. The amount of sales tax finally determined to be due under this section shall bear interest and penalty from the date that the sales tax originally was due, plus an additional civil penalty of fifty dollars (\$50) for each calendar month or partial month for which the amount of sales tax that is due has been determined.

#### 3.10.100 – Returns – Filing Contents

- A. Every remote seller or marketplace facilitator required by this chapter to collect sales tax shall file with the Commission upon forms furnished by the Commission a return setting forth the following information with totals rounded to the nearest dollar:
  1. Gross sales;
  2. The nontaxable portions separately stating the amount of sales revenue attributable to each class of exemption;
  3. Computation of taxes to be remitted;
  4. Calculated discount (if applicable) based on taxing jurisdiction's code; and
  5. Such other information as may be required by the Commission.
- B. Each tax return remitted by a remote seller or marketplace facilitator shall be signed (digital or otherwise) by a responsible individual who shall attest to the completeness and accuracy of the information on the tax return.
- C. The Commission reserves the right to reject a filed return for failure to comply with the requirements of this Code for up to three (3) months from the date of filing. The Commission shall give written notice to a remote seller or marketplace facilitator that a return has been rejected, including the reason for the rejection.

#### 3.10.110 – Refunds

- A. Upon request from a buyer or remote seller or marketplace facilitator the Commission shall provide a determination of correct tax rate and amount applicable to the transaction. In the case of an overpayment of taxes, the remote seller or marketplace facilitator shall process the refund and amend any returns accordingly.
- B. If the claimant is a remote seller or marketplace facilitator, and the tax refund is owed to any buyer, the remote seller or marketplace facilitator submits, and the Commission approves, a refund plan to all affected buyers.

- C. The Taxing Jurisdictions may allow a buyer to request a refund directly from the Taxing Jurisdiction.

#### 3.10.120 – Amended Returns

- A. A remote seller or marketplace facilitator may file an amended sales tax return, with supporting documentation, and the Commission may accept the amended return, but only in the following circumstances:
  - i. The amended return is filed within one (1) year of the original due date for the return; and
  - ii. The remote seller or marketplace facilitator provides a written justification for requesting approval of the amended return; and
  - iii. The remote seller or marketplace facilitator agrees to submit to an audit upon request of the Commission.
- B. The Commission shall notify the remote seller or marketplace facilitator in writing (by email or otherwise) whether the Commission accepts or rejects an amended return, including the reasons for any rejection.
- C. The Commission may adjust a return for a remote seller or marketplace facilitator if, after investigation, the Commission determines the figure included in the original returns are incorrect; and the Commission adjusts the return within two (2) years of the original due date for the return.
- D. A remote seller or marketplace facilitator may file a supplemental sales tax return, with supporting documentation, and the Commission may accept the supplemental return, but only in the following circumstances:
  - i. The remote seller or marketplace facilitator provides a written justification for requesting approval of the supplemental return; and
  - ii. The remote seller or marketplace facilitator agrees to submit to an audit upon request of the Commission.

#### 3.10.130 – Extension of Time to File Tax Return

Upon written application of a remote seller or marketplace facilitator, stating the reasons therefor, the Commission may extend the time to file a sales tax return but only if the Commission finds each of the following:

1. For reasons beyond the remote seller's or marketplace facilitator's control, the remote seller or marketplace facilitator has been unable to maintain in a current condition the books and records that contain the information required to complete the return;
2. Such extension is a dire necessity for bookkeeping reasons and would avert undue hardship upon the remote seller or marketplace facilitator;
3. The remote seller or marketplace facilitator has a plan to cure the problem that caused the remote seller or marketplace facilitator to apply for an extension and the remote seller or marketplace facilitator agrees to proceed with diligence to cure the problem;
4. At the time of the application, the remote seller or marketplace facilitator is not delinquent in filing any other sales tax return, in remitting sales tax to the Commission or otherwise in violation of this chapter;
5. No such extension shall be made retroactively to cover existing delinquencies.

3.10.140 – Audits

- A. Any remote seller or marketplace facilitator who has registered with the Commission, who is required to collect and remit sales tax, or who is required to submit a sales tax return is subject to a discretionary sales tax audit at any time. The purpose of such an audit is to examine the business records of the remote seller or marketplace facilitator in order to determine whether appropriate amounts of sales tax revenue have been collected by the remote seller or marketplace facilitator and remitted to the Commission.
- B. The Commission is not bound to accept a sales tax return as correct. The Commission may make an independent investigation of all retail sales or transactions conducted within the State or taxing jurisdiction.
- C. The records that a remote seller or marketplace facilitator is required to maintain under this chapter shall be subject to inspection and copying by authorized employees or agents of the Commission for the purpose of auditing any return filed under this chapter, or to determine the remote seller's or marketplace facilitator's liability for sales tax where no return has been filed.
- D. In addition to the information required on returns, the Commission may request, and the remote seller or marketplace facilitator must furnish, any reasonable information deemed necessary for a correct computation of the tax.
- E. The Commission may adjust a return for a remote seller or marketplace facilitator if, after investigation or audit, the Commission determines that the figures included in the original return are incorrect, and that additional sales taxes are due; and the Commission adjusts the return within two (2) years of the original due date for the return.
- F. For the purpose of ascertaining the correctness of a return or the amount of taxes owed when a return has not been filed, the Commission may conduct investigations, hearings and audits and may examine any relevant books, papers, statements, memoranda, records, accounts or other writings of any remote seller or marketplace facilitator at any reasonable hour on the premises of the remote seller or marketplace facilitator and may require the attendance of any officer or employee of the remote seller or marketplace facilitator. Upon written demand by the Commission, the remote seller or marketplace facilitator shall present for examination, in the office of the Commission, such books, papers, statements, memoranda, records, accounts and other written material as may be set out in the demand unless the Commission and the person upon whom the demand is made agree to presentation of such materials at a different place.
- G. The Commission may issue subpoenas to compel attendance or to require production of relevant books, papers, records or memoranda. If any remote seller or marketplace facilitator refuses to obey any such subpoena, the Commissioner may refer the matter to the Commission's attorney for an application to the superior court for an order requiring the remote seller or marketplace facilitator to comply therewith.
- H. Any remote seller, marketplace facilitator, or person engaged in business who is unable or unwilling to submit their records to the Commission shall be required to pay the Commission for all necessary expenses incurred for the examination and inspection of their records maintained outside the Commission.
- I. After the completion of a sales tax audit, the results of the audit will be sent to the business owner's address of record.

- J. In the event the Commission, upon completion of an audit, discovers more than five hundred dollars (\$500) in additional sales tax due from a remote seller or marketplace facilitator resulting from a remote seller's or marketplace facilitator's failure to accurately report sales and taxes due thereupon, the remote seller or marketplace facilitator shall bear responsibility for the full cost of the audit. The audit fee assessment will be in addition to interest and penalties applicable to amounts deemed to be delinquent by the Commission at the time of the conclusion of the audit.

#### 3.10.150 – Audit protest

- A. If the remote seller or marketplace facilitator wishes to dispute the amount of the estimate, or the results of an examination or audit, the remote seller or marketplace facilitator must file a written protest with the Commission, within thirty (30) calendar days of the date of the notice of estimated tax or results of an audit or examination. The protest must set forth:
  - 1. The remote seller's or marketplace facilitator's justification for reducing or increasing the estimated tax amount, including any missing sales tax returns for the periods estimated; or
  - 2. The remote seller's or marketplace facilitator's reasons for challenging the examination or audit results.
- B. In processing the protest, the Commission may hold an informal meeting or hearing with the remote seller or marketplace facilitator, either on its own or upon request of the remote seller or marketplace facilitator, and may also require that the remote seller or marketplace facilitator submit to an audit, if one was not previously conducted or a more formal audit, if an estimation audit was previously performed.
- C. The Commission shall make a final written determination on the remote seller's or marketplace facilitator's protest and mail a copy of the determination to the remote seller or marketplace facilitator.
- D. If a written protest is not filed within thirty (30) days of the date of the notice of estimated tax or the result of a review, audit or examination, then the estimated tax, review, audit or examination result shall be final, due and payable to the Commission.

#### 3.10.160 – Penalties and Interest for Late Filing

- A. A late filing fee of twenty-five dollars (\$25) per month (or quarter) shall be added to all late-filed sales tax reports in addition to interest and penalties.
- B. Delinquent sales tax bear interest at the rate of fifteen percent (15%) per annum until paid.
- C. In addition, delinquent sales tax shall be subject to an additional penalty of 5% per month, or fraction thereof, until a total of 20% of delinquent tax has been reached. The penalty does not bear interest.
- D. Fees, penalties and interest shall be assessed and collected in the same manner as the tax is assessed and collected, and applied first to fees, penalties and interest, second to past due sales tax.
- E. The filing of an incomplete return, or the failure to remit all tax, shall be treated as the filing of no return.



- F. A penalty assessed under this section for the delinquent remittance of sales tax or failure to file a sales tax return may be waived by the Commission, upon written application of the remote seller or marketplace facilitator accompanied by a payment of all delinquent sales tax, interest and penalty otherwise owed by the remote seller or marketplace facilitator, within forty-five (45) calendar days after the date of delinquency. A remote seller or marketplace facilitator may not be granted more than one (1) waiver of penalty under this subsection in any one calendar year. The Commission shall report such waivers of penalty to the taxing jurisdiction, in writing.

### 3.10.170 – Repayment Plans

- A. The Commission may agree to enter into a repayment plan with a delinquent remote seller or marketplace facilitator. No repayment plan shall be valid unless agreed to by both parties in writing.
- B. A remote seller or marketplace facilitator shall not be eligible to enter into a repayment plan with the Commission if the remote seller or marketplace facilitator has defaulted on a repayment plan in the previous two (2) calendar years.
- C. The repayment plan shall include a secured promissory note that substantially complies with the following terms:
  - i. The remote seller or marketplace facilitator agrees to pay a minimum of ten percent (10%) down payment on the tax, interest and penalty amount due. The down payment shall be applied first to penalty, then to accumulated interest, and then to the tax owed.
  - ii. The remote seller or marketplace facilitator agrees to pay the balance of the tax, penalty and interest owed in monthly installments over a period not to exceed two (2) years.
  - iii. Interest at a rate of fifteen percent (15%) per annum shall accrue on the principal sum due. Interest shall not apply to penalties owed or to interest accrued at the time the repayment plan is executed or accruing during the term of the repayment plan.
  - iv. If the remote seller or marketplace facilitator is a corporation or a limited liability entity the remote seller or marketplace facilitator agrees to provide a personal guarantee of the obligations under the repayment plan.
  - v. The remote seller or marketplace facilitator agrees to pay all future tax bills in accordance with the provisions of this chapter.
  - vi. The remote seller or marketplace facilitator agrees to provide a security interest in the form of a sales tax lien for the entire unpaid balance of the promissory note to be recorded by the Commission at the time the repayment plan is signed. The remote seller or marketplace facilitator shall be responsible for the cost of recording the tax lien.
- D. If a remote seller or marketplace facilitator fails to pay two (2) or more payments as required by the repayment plan agreement, the remote seller or marketplace facilitator shall be in default and the entire amount owed at the time of default shall become immediately due. The Commission will send the remote seller or marketplace facilitator a notice of default. The Commission may immediately foreclose on the sales tax lien or take any other remedy available under the law.

### 3.10.180 – Remote Seller or Marketplace Facilitator Record Retention

Remote sellers or marketplace facilitators shall keep and preserve suitable records of all sales made and such other books or accounts as may be necessary to determine the amount of tax which the remote seller or marketplace facilitator is obliged to collect. Remote sellers or marketplace facilitators shall preserve suitable records of sales for a period of six (6) years from the date of the return reporting such sales, and shall preserve for a period of six (6) years all invoices of goods and merchandise purchased for resale, and all such other books, invoices and records as may be necessary to accurately determine the amount of taxes which the remote seller or marketplace facilitator was obliged to collect under this chapter.

### 3.10.190 – Cessation or Transfer of Business

- A. A remote seller or marketplace facilitator who sells, leases, conveys, forfeits, transfers or assigns the majority of their business interest, including a creditor or secured party, shall make a final sales tax return within thirty (30) days after the date of such conveyance.
- B. At least ten (10) business days before any such sale is completed, the remote seller or marketplace facilitator shall send to the Commission, by approved communication (email confirmation, certified first-class mail, postage prepaid) a notice that the remote seller's or marketplace facilitator's interest is to be conveyed and shall include the name, address and telephone number of the person or entity to whom the interest is to be conveyed.
- C. Upon notice of sale and disclosure of buyer, the Commission shall be authorized to disclose the status of the remote seller's or marketplace facilitator's sales tax account to the named buyer or assignee.
- D. Upon receipt of notice of a sale or transfer, the Commission shall send the transferee a copy of this Code with this section highlighted.
- E. Neither the Commission's failure to give the notice nor the transferee's failure to receive the notice shall relieve the transferee of any obligations under this section.
- F. Following receipt of the notice, the Commission shall have sixty (60) days in which to perform a final sales tax audit and assess sales tax liability against the seller of the business. If the notice is not mailed at least ten (10) business days before the sale is completed, the Commission shall have twelve (12) months from the date of the completion of the sale or the Commission's knowledge of the completion of the sale within which to begin a final sales tax audit and assess sales tax liability against the seller of the business. The Commission may also initiate an estimated assessment if the requirements for such an assessment exist.
- G. A person acquiring any interest of a remote seller or marketplace facilitator in a business required to collect the tax under this chapter assumes the liability of the remote seller or marketplace facilitator for all taxes due the Commission, whether current or delinquent, whether known to the Commission or discovered later, and for all interest, penalties, costs and charges on such taxes.
- H. Before the effective date of the transfer, the transferee of a business shall obtain from the Commission an estimate of the delinquent sales tax, penalty and interest, if any, owed by the remote seller or marketplace facilitator as of the date of the transfer, and shall withhold that amount from the consideration payable for the transfer, until the remote seller or marketplace facilitator has produced a receipt from the Commission

showing that all tax obligations imposed by this chapter have been paid. A transferee that fails to withhold the amount required under this subsection shall be liable to the Commission and taxing jurisdiction for the lesser of the amount of delinquent sales tax, penalty and interest due from the remote seller or marketplace facilitator as of the date of transfer, and the amount that the transferee was required to withhold.

- I. In this section, the term “transfer” includes the following:
  - A change in voting control, or in more than fifty percent (50%) of the ownership interest in a remote seller or marketplace facilitator that is a corporation, limited liability company or partnership; or
  2. A sale of all or substantially all the assets used in the business of the remote seller or marketplace facilitator; or
  3. The initiation of a lease, management agreement or other arrangement under which another person becomes entitled to the remote seller’s or marketplace facilitator’s gross receipts from sales, rentals or services.
- J. Subsection H of this section shall not apply to any person who acquires their ownership interest in the ongoing business as a result of the foreclosure of a lien that has priority over the Commission’s sales tax lien.
- K. Upon termination, dissolution or abandonment of a corporate business, any officer having control or supervision of sales tax funds collected, or who is charged with responsibility for the filing of returns or the payment of sales tax funds collected, shall be personally liable for any unpaid taxes, interest, administrative costs and penalties on those taxes if such officer willfully fails to pay or cause to be paid any taxes due from the corporation. In addition, regardless of willfulness, each director of the corporation shall be jointly and severally liable for unpaid amounts. The officer shall be liable only for taxes collected which became due during the period he or she had the control, supervision, responsibility or duty to act for the corporation. This section does not relieve the corporation of other tax liabilities or otherwise impair other tax collection remedies afforded by law.
- L. A remote seller or marketplace facilitator who terminates the business without the benefit of a purchaser, successor or assign shall make a final tax return and settlement of tax obligations within thirty (30) days after such termination. If a final return and settlement are not received within thirty (30) days of the termination, the remote seller or marketplace facilitator shall pay a penalty of one hundred dollars (\$100), plus an additional penalty of twenty-five dollars (\$25) for each additional thirty- (30-) day period, or part of such a period, during which the final return and settlement have not been made, for a maximum of six (6) additional periods.

### 3.10.200 – Use of Information on Tax Returns

- A. Except as otherwise provided in this chapter, all returns, reports and information required to be filed with the Commission under this Code, and all information contained therein, shall be kept confidential and shall be subject to inspection only by:
  1. Employees and agents of the Commission and taxing jurisdiction whose job responsibilities are directly related to such returns, reports and information;
  2. The person supplying such returns, reports and information; and
  3. Persons authorized in writing by the person supplying such returns, reports and information.

- B. The Commission will release information described in subsection A of this section pursuant to subpoena, order of a court or administrative agency of competent jurisdiction, and where otherwise required by law to do so.
- C. Notwithstanding subsection A of this section, the following information is available for public inspection:
  - 1. The name and address of sellers;
  - 2. Whether a business is registered to collect taxes under this chapter;
  - 3. The name and address of businesses that are sixty (60) days or more delinquent in filing returns or in remitting sales tax, or both filing returns and remitting sales tax; and, if so delinquent, the amount of estimated sales tax due, and the number of returns not filed.
- D. The Commission may provide the public statistical information related to sales tax collections, provided that no information identifiable to a particular remote seller or marketplace facilitator is disclosed.
- E. Nothing contained in this section shall be construed to prohibit the delivery to a person, or their duly authorized representative, of a copy of any return or report filed by them, nor to prohibit the publication of statistics so classified as to prevent the identification of particular buyers, remote sellers, or marketplace facilitators, nor to prohibit the furnishing of information on a reciprocal basis to other agencies or political subdivisions of the state or the United States concerned with the enforcement of tax laws.
- F. Nothing contained in this section shall be construed to prohibit the disclosure through enforcement action proceedings or by public inspection or publication of the name, estimated balance due, and current status of payments, and filings of any remote seller or marketplace facilitator or agent of any remote seller or marketplace facilitator required to collect sales taxes or file returns under this chapter, who fails to file any return and/or remit in full all sales taxes due within thirty (30) days after the required date for that business. Entry into any agreement whether pursuant to the provisions of this chapter or otherwise shall not act as any prohibition to disclosure of the records of that remote seller or marketplace facilitator as otherwise provided in this chapter.
- G. A prospective lessee or purchaser of any business or business interest may inquire as to the obligation or tax status of any business upon presenting to the Commission a release of tax information request signed by the authorized agent of the business.
- H. All returns referred to in this chapter, and all data taken therefrom, shall be kept secure from public inspection, and from all private inspection.

#### 3.10.210 – Violations

- A. A remote seller or marketplace facilitator that fails to file a sales tax return or remit sales tax when due, in addition to any other liability imposed by this Code, shall pay to the Commission all costs incurred by the Commission to determine the amount of the remote seller's or marketplace facilitator's liability or to collect the sales tax, including, without limitation, reviewing and auditing the remote seller's or marketplace facilitator's business records, collection agency fees, and actual reasonable attorney's fees.
- B. A person who causes or permits a corporation of which the person is an officer or director, a limited liability company of which the person is a member or manager,

or a partnership of which the person is a partner, to fail to collect sales tax or to remit sales tax to the Commission as required by this Code shall be liable to the Commission for the amount that should have been collected or remitted, plus any applicable interest and penalty.

- C. Notwithstanding any other provision of law, and whether or not the Commission initiates an audit or other tax collection procedure, the Commission may bring a declaratory judgment action against a remote seller or marketplace facilitator believed to meet the criteria to establish that the obligation to remit sales tax is applicable and valid under local, state and federal law. The action shall be brought in the judicial district of the taxing jurisdiction.
- D. The Commission may cause a sales tax lien to be filed and recorded against all real and personal property of a remote seller or marketplace facilitator where the remote seller or marketplace facilitator has:
  - 1. Failed to file sales tax returns for two (2) consecutive filing periods as required by the Code; or
  - 2. Failed within sixty (60) days of the end of the filing period from which taxes were due to either (a) remit all amounts due or (b) to enter into a secured payment agreement as provided in this Code.
  - 3. Prior to filing a sales tax lien, the Commission shall cause a written notice of intent to file to be mailed to the last known address of the delinquent remote seller or marketplace facilitator.
- E. In addition to other remedies discussed in this Code, the Commission may bring a civil action to:
  - 1. Enjoin a violation of this Code. On application for injunctive relief and a finding of a violation or threatened violation, the superior court shall enjoin the violation.
  - 2. Collect delinquent sales tax, penalty, interest and costs of collection, either before or after estimating the amount of sales tax due.
  - 3. Foreclose a recorded sales tax lien as provided by law.
- F. All remedies hereunder are cumulative and are in addition to those existing at law or equity.

### 3.10.220 – Penalties for Violations

- A. A buyer, remote seller, or marketplace facilitator who knowingly or negligently submits false information in a document filed with the Commission pursuant to this Code is subject to a penalty of five hundred dollars (\$500).
- B. A remote seller or marketplace facilitator who knowingly or negligently falsifies or conceals information related to its business activities with the Commission or taxing jurisdiction is subject to a penalty of five hundred dollars (\$500).
- C. A person who knowingly or negligently provides false information when applying for a certificate of exemption is subject to a penalty of five hundred dollars (\$500).
- D. Any remote seller or marketplace facilitator who fails to file a return by the due date required under this chapter, regardless of whether any taxes were due for the reporting period for which the return was required, shall be subject to a penalty of twenty-five dollars (\$25) for the first sales tax return not timely filed. The filing of an incomplete return shall be treated as the filing of no return.

- E. A remote seller or marketplace facilitator who fails or refuses to produce requested records or to allow inspection of their books and records shall pay to the Commission a penalty equal to three (3) times any deficiency found or estimated by the Commission with a minimum penalty of five hundred dollars (\$500).
- F. A remote seller or marketplace facilitator who falsifies or misrepresents any record filed with the Commission is guilty of an infraction and subject to a penalty of five hundred dollars (\$500) per record.
- G. Misuse of an exemption card is a violation and subject to a penalty of fifty dollars (\$50) per incident of misuse;
- H. Nothing in this chapter shall be construed as preventing the Commission from filing and maintaining an action at law to recover any taxes, penalties, interest and/or fees due from a remote seller or marketplace facilitator. The Commission may also recover attorney's fees in any action against a delinquent remote seller or marketplace facilitator.

3.10.230 – Sellers with a physical presence in the taxing jurisdiction.

- A. Sellers with a physical presence in a Taxing Jurisdiction and no remote or internet-based sales shall report, remit, and comply with standards, including audit authority, of the Taxing Jurisdiction.
- B. Sellers with a physical presence in a Taxing Jurisdiction that also have remote or internet-based sales where the Point of Delivery is in a different Taxing Jurisdictions shall (i) report and remit the remote or internet sales to the Commission; and ii) report and remit the in-store sales to the Taxing Jurisdiction.
- C. Sellers with a physical presence in a Taxing Jurisdiction that also have remote or internet-based sales where the Point of Delivery is in the same Taxing Jurisdictions shall report and remit those remote sales to the Taxing Jurisdiction.
- D. Sellers and marketplace facilitators that do not have a physical presence in a Taxing Jurisdiction must report and remit all remote sales to the Commission.
- E. For all purchases the tax rate added to the sale price shall be as provided in the Taxing Jurisdiction's sales tax code, based on point of delivery.
- F. A marketplace facilitator is considered the remote seller for each sale facilitated through its marketplace and shall collect, report, and remit sales tax to the Commission. A marketplace facilitator is not considered to be the remote seller for each sale or rental of lodging facilitated through its marketplace, wherein the seller is considered to have a physical presence in the Taxing Jurisdiction.

3.10.240 – Remittance of Tax; Remote Seller Held Harmless

- A. Any remote seller or marketplace facilitator that collects and remits sales tax to the Commission as provided by law may use an electronic database of state addresses that is certified by the Commission pursuant to subsection (C) of this section to determine the jurisdictions to which tax is owed.
- B. Any remote seller or marketplace facilitator that uses the data contained in an electronic database certified by the Commission pursuant to subsection (C) of this section to determine the jurisdictions to which tax is owed shall be held harmless for any tax, charge, or fee liability to any taxing jurisdiction that otherwise would be due solely as a result of an error or omission in the database.

- C. Any electronic database provider may apply to the Commission to be certified for use by remote sellers or marketplace facilitators pursuant to this section. Such certification shall be valid for three years. In order to be certified, an electronic database provider shall have a database that satisfies the following criteria:
1. The database shall designate each address in the state, including, to the extent practicable, any multiple postal address applicable to one location and the taxing jurisdictions that have the authority to impose a tax on purchases made by purchasers at each address in the state.
  2. The information contained in the electronic database shall be updated as necessary and maintained in an accurate condition. In order to keep the database accurate, the database provider shall provide a convenient method for taxing jurisdictions that may be affected by the use of the database to inform the provider of apparent errors in the database. The provider shall have a process in place to promptly correct any errors brought to the provider's attention.

### 3.10.250 – Definitions

Adoption of definitions does not compel an individual municipality to exempt certain defined items. Each municipality should specifically adopt definitions necessary for consistency to implement both brick-and-mortar sales tax code and provisions related to remote sellers or marketplace facilitators. For definitions that have no applicability to brick-and-mortar sales tax code, municipality may choose either to include definitions in the definitional section of general sales tax ordinance or adopt the common definitions by reference.

**“Buyer or purchaser”** means a person to whom a sale of property or product is made or to whom a service is furnished.

**“Commission”** means the Alaska Intergovernmental Remote Sales Tax Commission established by Agreement between local government taxing jurisdictions within Alaska, and delegated tax collection authority.

**“Delivered electronically”** means delivered to the purchaser by means other than tangible storage media.

**“Entity-based exemption”** means an exemption based on who purchases the product or who sells the product. An exemption that is available to all individuals shall not be considered an entity-based exemption.

**“Goods for resale”** means:

- A. The sale of goods by a manufacturer, wholesaler or distributor to a retail vendor; sales to a wholesale or retail dealer who deals in the property sold, for the purpose of resale by the dealer.
- B. Sales of personal property as raw material to a person engaged in manufacturing components for sale, where the property sold is consumed in the manufacturing process of, or becomes an ingredient or component part of, a product manufactured for sale by the manufacturer.
- C. Sale of personal property as construction material to a licensed building contractor where the property sold becomes part of the permanent structure.

**“Marketplace facilitator”** means a person that contracts with remote sellers to facilitate for consideration, regardless of whether deducted as fees from the transaction, the sale of the remote seller’s property or services through a physical or electronic marketplace operated by the person, and engages:

- (a) Directly or indirectly, through one or more affiliated persons in any of the following:
  - (i) Transmitting or otherwise communicating the offer or acceptance between the buyer and remote seller;
  - (ii) Owning or operating the infrastructure, electronic or physical, or technology that brings buyers and remote sellers together;
  - (iii) Providing a virtual currency that buyers are allowed or required to use to purchase products from the remote seller; or
  - (iv) Software development or research and development activities related to any of the activities described in (b) of this subsection (3), if such activities are directly related to a physical or electronic marketplace operated by the person or an affiliated person; and
  
- (b) In any of the following activities with respect to the seller’s products:
  - (i) Payment processing services;
  - (ii) Fulfillment or storage services;
  - (iii) Listing products for sale;
  - (iv) Setting prices;
  - (v) Branding sales as those of the marketplace facilitator;
  - (vi) Order taking;
  - (vii) Advertising or promotion; or
  - (viii) Providing customer service or accepting or assisting with returns or exchanges.

**“Member”** means a taxing jurisdiction that is a signatory of the Alaska Remote Sales Tax Intergovernmental Agreement, thereby members of the Commission, and who have adopted the Remote Seller Sales Tax Code.

**“Monthly”** means occurring once per calendar month.

**“Nonprofit organization”** means a business that has been granted tax-exempt status by the Internal Revenue Service (IRS); means an association, corporation, or other organization where no part of the net earnings of the organization inures to the benefit of any member, shareholder, or other individual, as certified by registration with the IRS.

**“Person”** means an individual, trust, estate, fiduciary, partnership, limited liability company, limited liability partnership, corporation, or any other legal entity.

**“Physical presence”** means a seller who establishes any one or more of the following within a local taxing jurisdiction:

1. Has any office, distribution or sales house, warehouse, storefront, or any other place of business within the boundaries of the local taxing jurisdiction;



2. Solicits business or receiving orders through any employee, agent, salesman, or other representative within the boundaries of the local taxing jurisdiction or engages in activities in this state that are significantly associated with the seller's ability to establish or maintain a market for its products in this state.
3. Provides services or holds inventory within the boundaries of the local taxing jurisdiction;
4. Rents or Leases property located within the boundaries of the local taxing jurisdiction. A seller that establishes a physical presence within the local taxing jurisdiction in any calendar year will be deemed to have a physical presence within the local taxing jurisdiction for the following calendar year.

**“Point of delivery”** means the location at which property or a product is delivered or service rendered.

- A. When the product is not received or paid for by the purchaser at a business location of a remote seller in a Taxing Jurisdiction, the sale is considered delivered to the location where receipt by the purchaser (or the purchaser's recipient, designated as such by the purchaser) occurs, including the location indicated by instructions for delivery as supplied by the purchaser (or recipient) and as known to the seller.
- B. When the product is received or paid for by a purchaser who is physically present at a business location of a Remote Seller in a Taxing Jurisdiction the sale is considered to have been made in the Taxing Jurisdiction where the purchaser is present even if delivery of the product takes place in another Taxing Jurisdiction. Such sales are reported and tax remitted directly to the Taxing Jurisdiction not to the Commission.
- C. For products transferred electronically, or other sales where the remote seller or marketplace facilitator lacks a delivery address for the purchaser, the remote seller or marketplace facilitator shall consider the point of delivery the sale to the billing address of the buyer.

**“Product-based exemptions”** means an exemption based on the description of the product and not based on who purchases the product or how the purchaser intends to use the product.

**“Property”** and **“product”** means both tangible property, an item that can be seen, weighed, measured, felt, or touched, or that is in any other manner perceptible to the senses; and intangible property, anything that is not physical in nature (i.e.; intellectual property, brand recognition, goodwill, trade, copyright and patents).

**“Quarter”** means trimonthly periods of a calendar year; January-March, April-June, July-September, and October-December.

**“Receive or receipt”** means

- A. Taking possession of property;
- B. Making first use of services;
- C. Taking possession or making first use of digital goods, whichever comes first.

The terms “receive” and “receipt” do not include temporary possession by a shipping company on behalf of the purchaser.

“**Remote sales**” means sales of goods or services by a remote seller or marketplace facilitator.

“**Remote seller**” means a seller or marketplace facilitator making sales of goods or services delivered within the State of Alaska, without having a physical presence in a taxing jurisdiction, or conducting business between taxing jurisdictions, when sales are made by internet, mail order, phone or other remote means. A marketplace facilitator shall be considered the remote seller for each sale facilitated through its marketplace.

“**Resale of services**” means sales of intermediate services to a business the charge for which will be passed directly by that business to a specific buyer.

“**Sale**” or “**retail sale**” means any transfer of property for consideration for any purpose other than for resale.

“**Sales or purchase price**” means the total amount of consideration, including cash, credit, property, products, and services, for which property, products, or services are sold, leased, or rented, valued in money, whether received in money or otherwise, without any deduction for the following:

- A. The seller’s cost of the property or product sold;
- B. The cost of materials used, labor or service cost, interest, losses, all costs of transportation to the seller, all taxes imposed on the seller, and any other expense of the seller;
- C. Charges by the seller for any services necessary to complete the sale, other than delivery and installation charges;
- D. Delivery charges;
- E. Installation charges; and
- F. Credit for any trade-in, as determined by state law.

“**Seller**” means a person making sales of property, products, or services, or a marketplace facilitator facilitating sales on behalf of a seller.

“**Services**” means all services of every manner and description, which are performed or furnished for compensation, and delivered electronically or otherwise outside the taxing jurisdiction (but excluding any that are rendered physically within the taxing jurisdiction, including but not limited to:

- A. Professional services;
- B. Services in which a sale of property or product may be involved, including property or products made to order;
- C. Utilities and utility services not constituting a sale of property or products, including but not limited to sewer, water, solid waste collection or disposal, electrical, telephone services and repair, natural gas, cable or satellite television, and Internet services;
- D. The sale of transportation services;

- E. Services rendered for compensation by any person who furnishes any such services in the course of his trade, business, or occupation, including all services rendered for commission;
- F. Advertising, maintenance, recreation, amusement, and craftsman services.

**“Tax cap”** means a maximum taxable transaction.

**“Taxing jurisdiction”** means a local government in Alaska that has a sales tax and is a member of the Alaska Remote Sellers Sales Tax Commission.

**“Transferred electronically”** means obtained by the purchaser by means other than tangible storage media.

#### 3.10.260 – Supplemental Definitions

The Commission shall promulgate Supplemental Definitions that are incorporated into this Remote Seller Sales Tax Code. Supplemental Definitions are available at [www.arsstc.org](http://www.arsstc.org). Provisions of the Supplemental Definitions that are amended, deleted, or added prior to or after the effective date of the latest amendment to this chapter shall be applicable for purposes of this chapter on the effective date provided for such amendments, deletions, or additions, including retroactive provisions.

**CITY OF CRAIG  
MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: April 30, 2020  
RE: Ordinance No. 727

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Attached you will find Ordinance No. 727. The ordinance adds four new permissible asset investment classes to the Craig Endowment Fund. The four classes are: funds holding stocks in small cap companies; funds holding stocks in emerging markets; funds holding stocks in publicly traded infrastructure investments; and funds holding shares in commodities.

The company that manages the endowment fund, Alaska Permanent Capital Management, recommends that the city add the asset classes to the permissible range of investments detailed in Title 3 of the Craig Municipal Code (CMC). Mr. Blake Phillips from APCM proposed the additional investment classes during his January 16, 2020 presentation to the city council. Mr. Phillips recommends adding the asset classes to add diversity to the range of permissible investments, and with the goal to improve returns to the endowment fund over the long-term.

Cash in the Craig Endowment Fund may be invested only in asset classes specifically identified in the CMC. Even then, a particular fund class is not purchased until APCM has explicit direction from the city to make the purchase. Once purchased, APCM maintains specified ranges of asset classes based on a percentage of the total value of the fund. The table on page two of Ordinance No. 727 details the permissible percentages of total fund value of each asset class.

Staff from APCM has offered to call into the council meeting where the readings of Ordinance No. 727 will occur. I encourage council members to contact me if you would like me to arrange for the broker to call in at the May 7 meeting, or for the scheduled second reading on May 21.

**Recommendation**

Approve Ordinance 727 at first reading.

**CITY OF CRAIG  
MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: May 15, 2020  
RE: Ordinance No. 727

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Attached you will find Ordinance No. 727. The ordinance is presented here at second reading.

A summary memo of the ordinance, from first reading, is attached as background information.

**Recommendation**

Approve Ordinance No. 727 at second reading.

**CITY OF CRAIG  
ORDINANCE NO. 727**

**AN ORDINANCE MODIFYING TITLE 3 OF THE CRAIG MUNICIPAL CODE,  
RELATING TO INVESTMENT POLICIES FOR THE CITY OF CRAIG, ALASKA,  
BY ADDING SPECIFIC ASSET CLASSES TO THE PERMISSIBLE RANGE OF  
INVESTMENTS WITHIN THE CRAIG ENDOWMENT FUND**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CRAIG:**

Section 1. Classification. This ordinance is of a general and permanent nature and the code sections adopted shall become a part of the code of the City of Craig, Alaska.

Section 2. Severability. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Effective Date. This ordinance shall become effective immediately upon adoption.

Section 4. Action. This ordinance modifies Sections 3.15.050 and 3.15.055 as shown below. New text is shown underlined.

3.15.050 Permissible Investments.

A. The City of Craig Endowment Fund may be invested in:

11. Domestic equities which, taken as a whole, attempt to replicate the Standard and Poor's 400 MidCap Index or a substantially similar index, including both mutual funds and exchange traded funds.
12. Domestic equities which, taken as a whole, attempt to replicate the Standard and Poor's 600 SmallCap Index or a substantially similar index, including both mutual funds and exchange traded funds (ETFs);
13. International equities which, taken as a whole, attempt to replicate the MSCI Emerging Market Index or a substantially similar index, including both mutual funds and exchange traded funds;
14. Equities which, taken as a whole, attempt to replicate the universe of publicly traded infrastructure investments as represented by the STOXX Global Broad Infrastructure Index or a substantially similar index, including both mutual funds and exchange traded funds;
15. Commodities which, taken as a whole represent the Bloomberg Commodity Index or a substantially similar index, including both mutual funds and exchange traded funds;

Target asset allocation with ranges shown in the table below;

<u>Asset Class</u>	<u>Strategic Weight</u>	<u>Range</u>
<u>Fixed Income</u>	<u>34%</u>	<u>20%-45%</u>
<u>Large Cap Domestic Equity</u>	<u>24%</u>	<u>15%-35%</u>
<u>Mid Cap Domestic Equity</u>	<u>7%</u>	<u>2%-12%</u>
<u>Small Cap Domestic Equity</u>	<u>3%</u>	<u>0%-6%</u>
<u>International Developed Equity</u>	<u>12%</u>	<u>7%-17%</u>
<u>Emerging Markets</u>	<u>5%</u>	<u>0%-10%</u>
<u>Real Estate</u>	<u>5%</u>	<u>0%-10%</u>
<u>Infrastructure</u>	<u>5%</u>	<u>0%-10%</u>
<u>Commodities</u>	<u>5%</u>	<u>0%-10%</u>

3.15.055 Asset allocation and performance.

B. Performance of the Craig endowment fund's investment advisors will be measured as follows:

6. Performance measurement for the Small- Cap equity allocation will be measured against the target weighting, using the Standard and Poor's 600 SmallCap Index as the benchmark.
7. Performance measurement for the emerging market equity allocation will be measured against the target weighting, using the MSCI Emerging Market Index or a substantially similar index for the benchmark.
8. Performance measurement for the Infrastructure allocation will be measured against the target weighting using the STOXX Global Broad Infrastructure Index or a substantially similar index for the benchmark.
9. Performance measurement for the Commodity allocation will be measured against the target weighting using the Bloomberg Commodity Index or a substantially similar index for the benchmark.

Passed and approved this \_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Mayor Tim O'Connor

Attest \_\_\_\_\_  
Jillian Carl, City Clerk

**CITY OF CRAIG  
MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: May 15, 2020  
RE: Bear Proof Dumpster Quote

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Attached is a quote that Craig Public Works Director Russell Dill solicited from Bearicuda Bins Inc. The quote details the cost of purchase of ten, four cubic yard bear-resistant dumpsters.

Staff solicited the bid following discussion at the May 7 city council meeting.

Russell recommends acquisition of the specified dumpsters as the best alternative for storing and collecting solid waste from the dumpsters while also preventing bears from scattering the waste. If the purchase is approved, the city will work with Shaan-Seet Inc. to place the Bearicuda-brand units around the SSI Trailer Court.

The total quote comes to \$32,179.52, FOB Seattle dock. The estimated cost to ship the units to Craig from Seattle is \$3,373.34. Total cost to purchase and ship amounts to approximately \$35,552.86. The purchase cost may be lowered by about \$3,800 if the city chooses to eliminate the paddle latch option for the bin doors. In that event a carabiner or similar device may be used to secure the lid.

I will forward the quote materials to Shaan-Seet Inc. for their review and comment.

**Recommendation**

Appropriate, from reserves \$35,552.86 to purchase ten bear proof dumpsters.



**Russell Dill**

**From:** Kevin D Lacilla <kevin@bearicuda.com>  
**Sent:** Monday, May 11, 2020 7:05 AM  
**To:** PUBLICWORKS@CRAIGAK.COM  
**Subject:** Your Invoice from Bearicuda, Inc. Quote  
**Attachments:** Invoice Quote-20200511--23458.pdf



Bearicuda Bins, Inc  
 3 West Street, Suite 3 E, PO Box 56  
 Litchfield, CT 06759-0056

Page	Date	Invoice No.
1	05/11/2020	23458A

**Bill To**  
 Russell Dill  
 Accounts Payable  
 City Of Craig  
 P.O. Box 725  
 Craig, AK 99921

**Ship To**  
 Attn: Rhonda  
 Samson Tug & Barge  
 Care Of City Of Craig Russell Craig  
 9228 10th Avenue South  
 Seattle, WA 98108

Customer No.	Sales I.D.	Reference #	Media Code	Terms
14722	/KDL		M /	QUOTATION

Ordered By	Warehouse	Phone Number	Total Wt.	Zone	# Packages	Ship Via
		(907) 401-0799	0.0 Lbs		0	

**Message:**

CUSTOMER MUST INSPECT ITEMS BEFORE SIGNING BOL, MUST NOTATE DAMAGE  
 This was stated on your order confirmation about inspection & damages  
 Review Internet Order Retain Copy of BOL w/ Any Notations

Qty.	B/O	Shipped	Item #	Description	Unit Price	Disc	Extension
10	0	0	DMP104-RL BROWN	4 CUBIC YARD REAR LOAD DUMPSTER 78 X 47 X 50 H FRONT, 50 H BACK	2295.0000	--	22950.00
40	0	0	PADLATCH	PADDLE LATCH FOR BEAR RESISTANT ENCLOSURE	95.0000	--	3800.00
10	0	0	DRAIN-HOLE	DRAIN HOLE FOR GUARDIAN DUMPSTERS / TITAN	39.0000	--	390.00
10	0	0	DUMP-BAR4	DUMP BAR FOR 4 CY REAR LOAD GUARDIAN	125.0000	--	1250.00

MERCHANDISE QUOTATION TOTAL \$ 28390.00  
 SHIPPING & HANDLING \$ 3789.52  
 QUOTATION TOTAL \$ 32179.52

*Samson Tug & Barge = \$ 3373.34*

*Total = \$ 35,552.86*



Date: May 7, 2020

To: City of Craig; City Council Members

From: *Shaan-Seet, Inc. Edward Douville; President/ General Manager*

Re: Purchase of Bear Proof Dumpsters

Greetings Council Members,

The purpose of this letter is Shaan Seet's response to the recent memorandum sent from Russell Dill and Jon Bolling to the City Council about the purchase of two bearproof dumpsters. Shaan Seet Incorporated has been operating the trailer court for thirty plus years and we're 100% confident that buying two bearproof dumpsters will not solve what Jon Bolling aptly calls the "decades-long bear problem", nor satisfy Craig's own municipal code (please see attached letter I recently sent to Jon, Tim, and Russell). Let me be clear as to why we oppose this particular purchase. (To be clear, Shaan Seet does not oppose the purchasing of bear dumpsters generally, we actually encourage it.) We oppose the purchase of *only two* dumpsters for the entire 30-acre trailer court and the 300-400 people that live there. Like lifeboats on the last voyage of the Titanic, it's not going to be enough to provide for what our tenants need.

As stated by Russell in his memo, SSTC has twenty-eight dumpsters. The SSTC will need approximately **ten** bear dumpsters to satisfy all of our tenants. If the City Council is considering buying the bear dumpsters, I would highly encourage the City Council to consider appropriating the funds to cover the amount needed and put this issue to rest once and for all. I would also like the City Council to consider the rest of the business owners in Craig. If they can provide evidence for the need of a bear dumpster, they should be considered for one as well. I think we can all agree that the bear problem is only getting worse. I will remind you that a bear walked right through the school lunch room just last year. The time for action is now and not when the bears already start causing the problem.

The other option for the City Council to consider is what Shaan Seet has already requested in writing: the use of single trash cans per lot owner. It sounds like a lot but it's exactly what the new truck is for; high volume pick-ups. We had very positive feedback during the testing period



on the 200 and 400 blocks in the trailer court. We found that it eliminated a lot of the problems we currently face by making the individual owner responsible for their own containers. However, the cans were removed by the City last month in April without any warning or discussion with Shaan Seet as to the effectiveness of the test. We believe that individual cans will go far in solving the myriad of issues (safety of our tenants at the top of that list) surrounding solid waste disposal in the trailer court. Again, see the enclosed letter I recently sent to Jon, Tim, and Russell.

Individual trash cans would solve the problem of illegal dumping by people who are not residents at the trailer court and trash being scattered about, which would in turn decrease the amount of bear encounters. Shaan Seet has stated, many times, that we would be more than willing to pay the cost difference in service charges. I believe the single can service would be cheaper than buying bear dumpsters and it would keep the lots cleaner, safer, and more profitable for the City in the future. For the safety of the community, please, I urge the City Council to consider taking proactive measures as soon as possible.

The bearproof dumpster that Shaan Seet purchased in 2017-2018 in attempt to help the bear problem, in our opinion, failed miserably. We obviously have different opinions about how well the dumpster works, but it is easy to say it works until you witness all of the problems that come with it. And we have.

The one bear dumpster we purchased cost approximately \$4,500.00. Children in the trailer court take out trash as a part of their daily chores and have trouble using it; the lid freezes in the winter and rusts in the summer, making it very difficult to open and in turn they throw the bags on the side of the container making trash still accessible to the bears. The closing latches, that make it a bear proof dumpster, and the lock bar on top failed and both were removed (not by Shaan Seet). This dumpster was skipped on quite a few trash days and was left to sit over the weekend resulting in being overfilled. We've called many times throughout the year to express our concerns and little has been done about it.

For all of these reasons, and because we feel like it was causing more problems than it solved, Shaan Seet has removed the bear dumpster and decided not to use it for the 2020 year.



Respectfully,

A handwritten signature in cursive script, appearing to read "E. Douville", written over a horizontal line.

*Edward Douville- President/General Manager  
Shaan-See, Inc.*

5-7-2020

Date



April 27, 2020

City of Craig, Alaska  
Attn: Jon Bolling, City Administrator  
Box 725  
Craig, AK 99921

*via email only: [jbolling@aptalaska.net](mailto:jbolling@aptalaska.net)*

With a copy to:  
Tim O'Connor, Mayor  
Russell Dill, Public Works Director

*via email: [mayor@craigak.com](mailto:mayor@craigak.com)*

*via email: [publicworks@craigak.com](mailto:publicworks@craigak.com)*

Re: City of Craig Refuse Collection Containers

Dear Jon:

I am writing to address an ongoing issue related to the City of Craig's refuse collection practices as it relates to Shaan-SeeT, Incorporated and its tenants. In short, Shaan-SeeT has safety and liability concerns for itself and its tenants due to the inadequate refuse storage containers provided by the City.

As you know, Shaan SeeT owns 24,000 acres of land in and around the City, and is landlord to many commercial establishments and residential tenants. Shaan-SeeT's corporate officers are also located within City limits. The City provides refuse collection services to all of these occupants.

According to Section 8.04.020 of the Craig Municipal Code (Code), recipients of City refuse collection services must place their refuse in "approved" refuse containers. These containers must, at a minimum, be:

"strong, watertight, not easily corrodible, rodent proof, insect proof, of not less than 20 and not more than 38 gallons capacity, have handles at the sides and tight-fitting overlapping covers, and shall not exceed 75 pounds in weight when full."

*Id.*

The refuse containers provided by the City do not meet its own Code-mandated specifications. A photograph of one such City-provided refuse container at a Shaan-Seet property is enclosed for reference. For example, as shown in the photograph, the container is not strong or watertight, nor does it have tight-fitting overlapping covers. The refuse containers consistently blow over in the wind and fall open; they are not “strong”, nor do they have “tight-fitting overlapping covers”. This causes refuse to spill on the streets and creates an unsanitary, unsightly and unsafe environment for our employees and tenants. Shaan Seet receives numerous complaints from its tenants each year of – and I have personally witnessed – bears, birds of prey, and rats rifling through refuse containers.

In addition, as alluded to above, the refuse containers provided by the City have – despite proper use – proved insufficient to ward off bears. This poses a very real, very serious safety concern for Shaan Seet employees and Shaan Seet’s tenants. As a fellow resident living in bear country, I will not lecture you on the safety concerns posed by a potential bear encounter every time a person takes the trash out.

In the last couple of years, Shaan Seet has raised the issue of inadequate refuse containers with City and provided many suggestions in good faith of working towards a solution that works for everyone. I first approached Russel Dill at the Public Works Department in winter of 2018 about the bear and sanitation problems created by the dumpsters.

Recently, the City agreed to test a single can pick up system throughout the Shaan Seet Trailer Court with the objective of reducing the amount of bear encounters and helping the sanitation conditions that present a hostile living environment for residents. By removing the dumpsters, it was also thought that this system would cut down the amount of illegal trash dumped of Shaan Seet’s private property.

The agreement stated that there would be time to evaluate the system after a 3-month period, which there was not: the City removed the single can containers without warning or explanation. Shaan Seet had actually requested in writing the exact opposite. Now we are back to square one using these dumpsters that created such a problem in the first place.

To date, Shaan Seet and its tenants still have not been provided Code-compliant refuse containers and protections against our well documented safety and sanitation

concerns. I am hopeful that by sending this letter, the City will take our complaints more seriously.

We understand that the current climate of a global pandemic has caused and will continue to cause the City to juggle competing concerns and priorities. We are doing the same. However, as another bear season rapidly approaches, the City should not allow one important aspect of public health and safety to eclipse another.

We request that the City not allow these ongoing safety and sanitation concerns to persist another year. The most straight-forward solution would be for the City to provide Code-compliant refuse containers at all Shaan-Seet properties, and, for the Shaan Seet Trailer Court, to again provide single can service to residents like Shaan Seet has requested.

We look forward to your prompt response, and the resulting positive outcome – increased safety – not only for Shaan Seet’s employees and tenants, but for all City residents.

Sincerely,

SHAAN-SEET, INCORPORATED

A handwritten signature in black ink, appearing to read 'Ed Douville', with a long horizontal flourish extending to the right.

Ed Douville  
President and General Manager

Enclosure: as stated

cc: Lauren Sommer (laurens@lbblawyers.com)

**CITY OF CRAIG  
MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: May 15, 2020  
RE: Request to Consider Expanded Sales Tax Exemption Class

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At the council's May 7 meeting, the council heard a member of the public ask for expanding the class of persons exempt from city sales tax to include disabled veterans and disabled adults.

In principle, the council has authority to provide for exemptions to the sales tax code by ordinance. I know of no statute or regulation that would prevent the council from adding disabled veterans and disabled adults to the list of exempt groups. Like any exemption, if the council chooses to move forward with an ordinance to incorporate a new exemption, the exempt class will have to be defined clearly in the city's municipal code. The term "disabled" would need to be well defined, especially in light of how various authorities define disabled (partially, fully, percentage). The city would also have to define who it recognizes as an authoritative source to provide the disabled designation.

The council would also need to identify the goal of a disabled designation; whether to honor a given group, or to account for what may be inability to earn a normal living, or some other purpose. The council should also keep in mind that the exemption would apply to any Alaska resident who applies for the exemption. I do not believe the benefit could not be limited just to Craig residents.

**Recommendation**

Staff can conduct more research into this matter at the council's request. However, at this point I do not recommend assigning that project to staff, given other pressing staffing, budgeting, and COVID-19 duties.



**CITY OF CRAIG  
MEMORANDUM**

To: Craig City Council  
From: Brian Templin, City Planner  
Date: May 13, 2020  
RE: COVID-19 Update and COVID-19 Related Funding Discussion

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City staff continues to work internally, and with a number of outside agencies, to address the ever-changing COVID-19 pandemic. Staff’s previous memos to the council on this topic are still timely. Since then, the State of Alaska has issued additional or modified health mandates and advisories, and staff has incorporated these in our activities.

Area Patients and POW Testing

As of May 12, 2020, there were:

<b>Total Tests</b>	<b>Positive Tests</b>	<b>Negative Tests</b>	<b>Tests Pending</b>
111	2	107	2

Testing will be reported to the EOC each Tuesday and made available to the public on Wednesdays.

State Health Mandates and Craig City Council Actions

Since the previous memo there have been some significant updates to previous mandates and new mandates issued. These include:

- Mandate 016 was updated to include additional business types that may reopen. The added business types include libraries, fitness facilities, and other facilities that the city operates. We met with department heads to discuss opening city facilities. Based on those meeting the tentative schedule for opening facilities (limited service with restrictions) is as follows:
  - City Hall opened May 13<sup>th</sup>
  - DMV and most CPD services opened May 15<sup>th</sup>
  - Recreation Activities (City Gym and recreation center) opened May 15<sup>th</sup>
  - Library opened May 18<sup>th</sup>
  - Harbor Office opened May 18<sup>th</sup>
  - Playground equipment opened May 8<sup>th</sup> (as a result of Craig Resolution 20-07 expiring)
  - EMS, Public Works, and Parks and Facilities offices will reopen over the next couple of weeks (we had not met with these department heads at the time of this memo)
  - Aquatic Center will not reopen until the scheduled work on the pool refinishing project is complete. The fitness center will not open until the pool is finished due to safety reasons not related to COVID-19. We will meet with the pool manager as the project nears completion and schedule reopening based on the project, and on the current COVID-19 situation and guidance at that time.

- Mandate 018. This mandate modifies the in-state travel restrictions found in Mandate 012 to make them uniform around the state and to account for essential services worker mitigation plans. This mandate rescinds Mandate 012, Attachment B and Mandate 016, Attachment M.

### COVID-19 Funding Issues

There are several programs (primarily federal) put in place to provide funding for communities to pay for COVID-19 related expenses and some mitigation measures. The city is primarily looking at two sources of funding now and will review other funding as it is available or as it is needed by the city. Currently we are looking at:

- FEMA Category B Disaster Public Assistance Funding. This funding often accompanies a declared disaster. The funding is federal money managed by FEMA, with a 25% match. The match is usually provided by the state out of the state's disaster funding. Due to the scope of the disaster, there is some chance that state funding may not be available for match. This would mean that the city would have to provide the 25% match. The FEMA Cat B PA program is currently open and will remain open for some time based on the federal disaster declaration and funding. FEMA Cat B PA funding can be used for a variety of items including:
  - PPE related to the COVID-19 response
  - Supplies and materials necessary for the COVID-19 response
  - Additional contract costs directly related to COVID-19 response
  - Personnel costs (limited generally to overtime costs or additional staff costs related to COVID-19 response)
  - Other direct costs
- CARES Act funding. As part of the federal CARES Act the State of Alaska received \$1.25 billion in funding for various programs. Out of the total amount, \$568 million is set for direct municipal assistance. Under the current formula established by the governor Craig is due to receive about \$1.8 million. This would be paid out over three payments (\$876,564 when funding is available and grant agreements are signed; \$446,685 July 1, 2020; and \$446,685 October 1, 2020). There are still some questions about when the initial funding will be distributed, and the legislature may alter the formula and change the specific amounts for communities. These funds will be distributed to the community and the community will track expenses and certify that the expenses were directly related to the COVID-19 pandemic. There are some strict overall guidelines for how the funds can be used. Except for some eligible personnel costs, CARES funding cannot be used for items already in the current budget; the expenses are necessary expenditures incurred due to COVID-19; the expenses were incurred between March 1, 2020 and December 31, 2020. Based on guidance from the Treasury Department staff has developed an early list of funding items that appear to be eligible for these funds:
  - Some payroll expenses
    - EMS and Police (first responders). Guidance from Treasury says that since much of the emergency response system will be COVID-19 related, and for administrative convenience, that all first

- responder payroll expenses are eligible. This would include all EMS and Police Department staff.
- Employees whose work is substantially related to COVID-19 response. This includes employees such as the Administrator, Planner, Treasurer, City Clerk, Accounts Payable Clerk, Facilities Manager, etc. who can document significant hours where their regular work has been replaced with COVID-19 related actions. Sheri and Whitney are currently working with staff to document time needed for this expense.
  - Employees who would likely have been furloughed due to COVID-19, but whose work tasks were repurposed for unbudgeted items related to COVID-19. We have at least one city employee who would likely have been furloughed or laid off but has been working on COVID-19 related issues. Their payroll for those items is also eligible for CARES funding.
  - Hazard pay. We have developed a definition of hazard pay that we are considering for employees who were deemed essential and worked from their regular work location during the various shutdowns. The hazard pay would only apply to hours worked at the regular work location, and would not apply to hours worked from home or any hours related to annual leave, sick leave, furlough, regular days off, etc. The amount and duration (including start date) of hazard pay will have to be set.
  - Costs of providing paid sick and paid family medical leave to public employees to enable compliance with COVID-19 precautions. Employees who have had to quarantine or stay at home (not working) for eligible reasons (state or local quarantine requirements, childcare issued authorized under legislation, COVID-19 diagnosis related quarantine.).
- Direct COVID-19 Related City Expenses
    - Personal Protective Equipment. This includes restocking items already distributed from our stocks and the MMRS container; and items that we anticipate needing for the remainder of the COVID-19 response.
    - Hand Sanitizer and Cleaning Supplies. Restocking issued items and purchasing additional items as needed for the foreseeable future.
    - Additional janitorial services directly related to COVID-19 precautions.
    - Teleconference equipment and calls
    - Expenses to allow some employees to work from home
    - Repair and items for MMRS tent set up at Alicia Roberts
    - Costs associated with moving MMRS trailer and container
  - Assistance to Craig City School District. The CARES act guidance includes an allowance to help the school district with costs related to food service and distance learning. These would be costs above what was normal for the district, not a replacement of all costs. We are working with the school district to identify these needs.

- Costs to quarantine in non-congregate shelters. If we have first responders who are exposed to COVID-19 and cannot isolate at home for some reason, we can use CARES funding to shelter them in a hotel. We have contacted several lodging operators to prepare for this possibility. To date we have not had to do this.
- Community Assistance Programs. Under the CARES Act funding it looks like we are eligible to set up grant programs to assist various businesses and individuals in Craig. Council members may have read media articles recently about programs in various communities. If the council is interested, staff will work on programs and ensure that they are eligible for fund use. Final approval of these programs will be brought back to the council. We have not started working on exactly what a program might look like, but the council should discuss the merit of staff moving forward on assistance programs for:
  - Non-Profit agencies. This should be a high priority if eligible. The city could set up a program to issue grants to non-profit agencies who have direct COVID-19 costs or impacts and who have not had those costs paid through other federal programs.
  - Businesses. This should be a high priority. It appears that generally, funding is eligible to provide grants to businesses impacted by COVID-19. If the council is interested in pursuing this option, the city could set up a program (or multiple specific programs) to assist businesses with COVID-19 costs and impacts not covered by other programs. Some considerations based on what I see other communities doing:
    - Apply the program to small businesses only (limited number of employees)
    - Apply the program based on revenue differences between a set period of time
    - Etc.
  - Individual community members. This should be a low priority or not considered. The general guidance for CARES Act funding appears to allow communities to set up programs to provide direct individual assistance. This is likely a very problematic area since the assistance must be based on COVID-19 impacts. In addition, there are numerous federal and state assistance programs for individuals, and we would have to make sure that we are not duplicating other funding streams. Making sure that we can meet all of these requirements and distributing funds equitably would be exceptionally difficult for the city.
- Other COVID-19 related expenses reasonably necessary to the function of government that satisfies the eligibility criteria of the CARES Act. We are working with staff and other agencies involved in the Craig COVID-19 response to make suggestions about other funding potential. We will work through any projects or expenses that are eligible for funding under this program.

It is likely that the city will focus on the CARES Act funding. In addition to the items described above, there is currently some support and legislation that has been introduced in congress that would allow municipalities to apply a portion of the CARES Act funding to lost sales tax and other revenue. This has been a focus of much of the discussion in the state with Alaska Municipal League and other communities. We should retain about \$750,000 from the total allotted to the city to replace lost sales tax revenue.

A discussion of the various funding tools and eligible expenses should be a focus of the council's discussion at the May 21, 2020 meeting. In particular, the council should discuss the merits, proposed structure, limitations, and development of any non-profit, business, or individual assistance programs that the council may want to consider implementing and give direction to staff on those programs. All programs will come back to the council for adoption prior to implementation.

**Recommendation**

1. Council should discuss and give direction to staff regarding hazard pay for city employees. This may require adoption of a resolution at the next meeting.
2. Council should discuss and give direction on development of an assistance program (or programs) for non-profit agencies in Craig.
3. Council should discuss and give direction on development of a business assistance program (or programs) for Craig businesses.
4. Council should discuss and give direction on development of an individual assistance program (or programs) for Craig residents.
5. Council should discuss and give direction to staff on any other projects or expenses that may be eligible for CARES Act funding.

**CITY OF CRAIG  
MEMORANDUM**

To: Craig City Council  
From: Jillian Carl, City Clerk  
Date: May 14, 2020  
RE: Designation of an Acting Mayor

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Attached you will find Section 2.04.040 of the Craig Municipal Code. In the potential absence of Mayor O'Connor, according to our municipal code, calls for the council to designate one of its members as acting mayor.

**Recommendation**

I recommend the council appoints one member as the acting mayor in compliance with the Craig Municipal Code.

**2.04.040 Powers and duties of mayor.**

A. The mayor shall be the executive officer of the city and the council. He shall exercise supervision over the general affairs of the city, including the enforcement of all ordinances and the performance of all duties by officers of the city.

B. The mayor shall preside at all meetings of the council except during his absence, at which time the council shall designate one of its members as acting mayor.